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## Policy Watch- National Resource Efficiency Policy

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**Ministry of Environment, Forest and Climate Change (MoEFCC) has released Draft National Resource Efficiency Policy (NREP).**

- The policy **envisions** a future with environmentally sustainable and equitable economic growth, resource security, healthy environment and restored ecosystems with rich ecology and biodiversity.
- The draft talks about **action plans** with **timeframe of 3 financial years starting from 2019.**

- The policy is **guided by the principles** of-
  - reduction in primary resource consumption to sustainable levels
  - creation of higher value with less material through resource efficient and circular approaches
  - waste minimisation
  - creation of employment opportunities and business models beneficials to the cause of environmental protection and restoration
- Seven sectors identified for the First NREP Action Plans-
  - Automotive Sector
  - Plastic Packaging Sector
  - Building and Construction Sector
  - Electrical and Electronic Equipment Sector
  - Solar Photo Voltaic Sector
  - Steel Sector
  - Aluminium Sector
- Priority areas because they contribute almost 25% to Indian GDP.

## Highlights of the Policy

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- **The Energy and Resources Institute (TERI)** put in efforts on the issue of improving resource utilisation because even though there were different policies under different ministries, a common **connecting link** was missing.
- One of the **objectives** is to see how the existing policies are currently working for promotion of resources, and how **life cycle thinking can be promoted** across the different stakeholders so that they do not feel isolated.
- Resources which are being **extracted, produced, fabricated, designed** and ultimately being **consumed** are a kind of one unit/entity which is travelling through the **various stages of the life cycle**. This is a very critical thought in the formation of this policy.
- TERI compiled a **sectoral assessment** of various sectors with potential opportunities and shared it with **MoEFCC** which prepared the draft for the policy.

## How the policy ensures mainstreaming of resource efficiency in India?

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- Two major sectors of **Solar Photovoltaic** and **Plastic Packaging** has been taken up on a very large scale by the Prime Minister of India (ban on one time use plastic from 2nd October).
- Only one ministry will not be able to meet the desired results so a **wholesome process and a holistic approach** by all ministries is required to get the desired results.

- In the concept of **Resource Efficiency**, end product of one industry would be used as an **initial product of another industry** so there has to be an **industrial symbiosis**.
- All the ministries would have to be on board to **check the complete and total outlook of the end product** and **less of virgin material** (materials sourced directly from nature in their raw form, such as wood or metal ores) will be used and **more focus will be on the secondary resource material** which can help India to achieve the **five trillion dollar economy by 2024**.

## How to ensure reduction in primary consumption?

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India's primary consumption has **increased 6 times** from **1.18 billion tonnes in 1970** to **approximately 17 billion tonnes in 2015**.

- **Efficient use of existing resources:** The size and goals of Indian economy make it difficult to reduce the primary consumption but the **efficiency can be increased of the existing resources** which are being consumed and recycled wherever possible.
- **Fixation of the supply chain:** This policy envisages to **address and fix the whole supply chain**.
- **Prioritisation of the issues:** The disconnect between our polity and society needs to be broken down and issues with utmost priority need to occupy **centre stage and centre debate**.
- **Taxation and Incentivisation:** The policy envisages some amount of **taxation** and some amount of **incentives** on nudging behaviour either **on recycling** or **on secondary material reuse**.

## How do we get all the stakeholders on board?

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- By **bringing in representatives from all the ministries involved**, who are working for the different sectors or on various stages of value chain.
- By **adopting a collaborative approach** to understand the challenges and to bring in the **principles of 6Rs (Rethink/Reinvent, Refuse, Reduce, Reuse/Repair, Recycle and Replace/Rebuy)** to work in line with the larger objective of sustainable consumption and production.
- By **spreading awareness** at the top level, mainly at ministerial level about the **growth of need for resources** and the crucial question of where to get them from.
- By **encouraging representatives** from stakeholder communities to **contribute and understand the limitations** and work together to overcome those limitations.

## Targets of the Plan

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- To solve the **need of a single coordinating force** which can make an action plan to be followed by different ministries, without entering into the territory of the ministries and not becoming a threat to them.
- This can be **used as a prototype** for the sectors which would be taken up after these initial seven sectors after 3 years.
- To save our resources and finance by **shunning the linear economy** and **adopting circular economy**, major achievements can be done.
- More focus on **abiotic resources** for the time being and **biotic** resources to be talked about in the later phases of the plan.

## How to monitor the plan?

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- The **action plan** follows up after acceptance and adoption of the policy, **setting up a board and a regulatory authority**.
- Regulatory Authority will set up rules and regulations which will govern the identified sectors, and the board will create a consensus to implement those rules and regulations.
- This environmental policy is a **consensual process** so it **needs to be linked to the ease of living** and once that is done, different ministries can be pulled together.
- **Convincing ministries** to give **incentives for secondary reuse of material** so that it will improve the lives of people, living conditions finally impacting ease of business and the ease of living targets.
- **Letting go of some commercial interest which will be covered by incentives** with the help of political and bureaucratic leadership to mediate and ease the convincing among multiple stakeholders.

## How do our businesses remain environmentally sustainable and how to create such models?

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- By looking at ways to give the product a second life, looking for ways to make **secondary products more competitive** in terms of its value market and finding markets of such products for consumers.
- By **creating a scale** and bringing it to a level to ensure that **business is sustainable in terms of economies of scale**.
- Coming up with unique models to see how this scale effect can be generated and eventually able to **deliver recycled products** in a **more economically effective and competitive manner**, and also **in line with the standards of virgin materials**.
- While assigning role to economic instruments, the real test is how to make the **incentives win-win opportunities for all** the players in the market.
- Focus should be to **create the market and opportunities for both** the markets- **virgin product** manufacturing and **recycled product** manufacturing.

## Challenges

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- Such **omnibus policy** has so many stakeholders and often they get into **inter or intra ministerial and interdepartmental conflicts** or even **centre-state** conflicts as well.
- Even the **abiotic** resources have **not** been **realized** to their **full potential**, leave alone the biotic resources even though both have mentions in the policy.
- Different stages of a product's lifecycle are managed by different parts of the government, divided at central and state levels so it might be **difficult to coordinate**.

## Suggestions

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- It needs to be **translated into multiple languages** so that consumers can understand the policy very well.
- It needs to be **communicated at state and city level** so that people know it and demand it to work.
- **Focus on every sector equally** if the plan has to be successful.

## Green procurement

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- There has to be a **change in the behaviour of the consumer** which will be done by **incentivisation** of green procurement.
- There should be an **incentive on the part of the consumer** and there should be **assurance** through **audits, monitoring, verification** that the product being used is a first-grade product and the money of the consumer is not wasted.
- **Creating awareness** about behavioural change is important if the policy needs to be successful.

**Green Procurement-** It means purchasing products and services that **cause minimal adverse environmental impacts**. It incorporates human health and environmental concerns into the search for high-quality products and services at competitive prices.

Provides an overarching collaborative framework for resource efficiency across all sectors in the country.