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The Big Picture - Productivity and Sustainability

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National Productivity Council (NPC) celebrated 'National Productivity Week' from February 12th to 18th, 2019.

The theme for 2019: Circular Economy for Productivity and Sustainability. Productivity and Sustainability are interconnected in a way that inside activities of industry affect its outside environment.

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National Productivity Council (NPC)

- NPC is a national level organization to promote productivity culture in India.
- It is established by the Ministry of Industry, Government of India in 1958, it is an

autonomous, multipartite, non-profit organization with equal representation from employers' & workers' organizations and Government, apart from technical & professional institutions and other interests.

- NPC is a constituent of the Tokyo-based Asian Productivity Organisation (APO), an Intergovernmental Body, of which the Government of India is a founder member.

What is the Circular Economy?

- **It is an economy where products are designed for durability, reuse and recyclability and thus almost everything gets reused, remanufactured, and, recycled into a raw material or used as a source of energy.**
- It includes **3 R's (Reduce, Reuse and Recycle), Refurbishment, Recover, and Repairing of materials.** Hence, Circular Economy focuses on increasing productivity in terms of more efficient utilization of resources.
- For Example: If a person is planning to discard his/her mobile, it can be given to someone else (i.e. giving the mobile second life-REUSE), rather than throwing it just like that. Once the mobile reaches its end of life, it can be ensured that everything embedded in it, aluminum, copper, plastic etc. should be brought back to production cycle so that the circle of the economy gets completed.
- **Currently, most of the countries follow a linear process in which raw materials are taken from the environment, turn in to new products which are then disposed of after use.**
- Germany and Japan have used it as a binding principle for reorganizing its economy, whereas China even has a law on it.

Benefits for Industry

- **Circular Economy fulfills the need for raw materials required by industries, especially the manufacturing industries.** The output produced by industries in a circular economy comes back to the industries in the form of input, for e.g. when parts of mobile will be segregated, copper and aluminum will become raw materials for some industries.
- **Also, the circular economy focuses on efficient utilization of resources which helps industries in earning cash profits equivalent to 3-5% of their turnover.** Ultimately, QCDF (Quality, Cost, Delivery, and Flexibility) and sustainability level of industries get improved.

Benefits of Circular Economy

- **For Environment:**
 - **Millions of Tonnes of Waste gets generated in countries.** Circular Economy solves the problem of disposal of waste by converting waste into raw materials.

- Besides the problem of solid waste management, the circular economy also solves the problem of air pollution, water pollution, and land pollution.
- **For Consumers:**
 - **The products in the circular economy are more cost effective for consumers as they tend to be more efficient**, besides having a longer shelf life.
 - Increased Efficiency leads to a reduction in the cost of maintenance as well as that of disposal, which otherwise a consumer has to incur in a huge amount.

Circular Economy and India

- **India has a huge potential for reuse and recycling** as less than 10-15% of the total waste generated goes into the recycling process. Circular Economy will boost the reuse and recycling of materials.
- To start with, **sectors like construction, agriculture and vehicle and mobility can be considered** as they are going to get the largest growth in coming years and thus India will be able to save more than Rs. 40 lakh Crore by 2030.
- **India is already on its path to the circular economy.** Initiatives of NPC and government show that. 'Digital India' Program contains a significant component of the recycling of electronic wastes. Swachh Bharat Mission is also about making wealth out of wastes.
- To further provide a boost to a circular economy in India, a **policy framework on the same is need of the hour.**
- Also, Manufacturing Sector, especially MSMEs can help a lot in transformation towards a circular economy. The sector should **'DECIDE' i.e.**
 - Designing processes for refurbishment and easy cycling.
 - Educating masses on Circular Economy and its benefits.
 - Preparation of Collaborative Models for smooth implementation of Circular Economy.
 - Innovating Products for circularity.
 - Digitization for transparency, virtualization, dematerialization, and feedback driven intelligence for saving resources.
 - Energy-Efficient for environmental sustainability.

Resources in the world are finite. The circular economy will help the inefficient utilization of resources. Mindset is the key for implementation of Circular Economy. Countries need to think about what they are taking from the environment and what they are contributing to it. They also need to ensure that the material gets recycled or reused before it turns into waste.