

Bill No. 244 of 2024

THE ENVIRONMENT (PROTECTION) AMENDMENT BILL, 2024

By

SHRI ARUN BHARTI, M.P.

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further to amend the Environment (Protection) Act, 1986.

BE it enacted by Parliament in the Seventy-fifth Year of the Republic of India as follows:—

1. (1) This Act may be called the Environment (Protection) Amendment Act, 2024.

Short title and
commencement.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Definitions.	<p>2. In section 2 of the Environment (Protection) Act, 1986 (hereinafter referred to as principal Act), existing clause (a) shall be renumbered as clause (ab), and before clause (ab) so as re-numbered, the following clauses shall be inserted, namely:</p> <p>“(a) “circular economy” means an economic model and the policies and practices which give effect to—</p> <p>(i) production and distribution processes in respect of goods, products and materials are designed so as to minimise the consumption of raw materials associated with the production and use of those goods, products and materials;</p> <p>(ii) the delivery of services is designed so as to reduce the consumption of raw materials;</p> <p>(iii) goods, products and materials are kept in use for as long as possible thereby further reducing the consumption of raw materials and impacts harmful to the environment;</p> <p>(iv) the maximum economic value is extracted from goods, products, and materials by the persons using them; and</p> <p>(v) goods, products and materials are reused and recycled at the end of their useful life; and</p> <p>“(aa) “circular economy strategy” means policies of circular economy based on—</p> <p>(i) reductions in material resource consumption and the use of non-recyclable materials;</p> <p>(ii) increases in the use of re-usable products and materials;</p> <p>(iii) increased levels of repair and re-use of products and materials; and</p> <p>(iv) improved maintenance and optimised use of goods, products and materials, which are applicable in the construction, agriculture, retails, packaging, textiles and electronic equipment sector;”.</p>	29 of 1986.
Amendment of section 3.	<p>3. In section 3 of the principal act, in sub-section (2) after clauses (xiii), the following clause shall be inserted, namely —</p> <p>“(xiiia) planning and execution of the circular economy strategy.”</p>	
Insertion of new Chapter III-A.	<p>4. The existing sections 16A and 16B of the provisions shall be renumbered as 16B and 16C, respectively and before the section 16B so as renumbered the following section shall be inserted, namely:</p>	
Constitution of Circular Economy Fund.	<p>“16A— (1) The Central Government shall by notification in the official Gazette, constitute a Fund to be known as the Fund for Promotion of Circular Economy.</p> <p>(2) The Central Government and the State Governments shall contribute to the Fund in such ratio as may be prescribed.</p> <p>(3) The Fund for promotion of Circular Economy shall be applied for undertaking circular economy strategy.</p> <p>(4) The Central Government shall notify the administration for the administration of the Fund and other matters connected therewith and incidental thereto in such manner as may be prescribed.”.</p>	
Amendment of section 16B and 16C.	<p>5. In section 16B and section 16C so as renumbered for the words “Environment Protection Fund” wherever they occur, the words “Environment Protection Fund and the Fund for Promotion of Circular Economy” shall be substituted.</p>	

STATEMENT OF OBJECTS AND REASONS

The Environment Protection Act of 1986 is a crucial piece of legislation in India that provides the legal framework for environmental protection and the conservation of natural resources. It establishes the regulatory authority of the Government to control and prevent pollution, protect the environment, and manage hazardous substances.

The concept of a circular economy is a sustainable approach to resource management and economic development that aims to minimize waste and environmental impact while maximizing the efficient use of resources. It is a stark departure from the traditional linear economy, where products are made, used, and then discarded as waste. In a circular economy, products, materials, and resources are designed, produced, and consumed in a way that ensures they are reused, refurbished, remanufactured, and recycled as much as possible. The ultimate goal is to create a closed-loop system that reduces the need for new resource extraction and minimizes the generation of waste. For India, circular economy has the potential to be upwards of \$45 Billion by 2030 and the private sector stands to gain a first-mover advantage to secure green investments for applying circular economy in their operations.

Circularity is not a maiden concept in India — it is intrinsic to the fabric of Indian society, rooted in age-old practices and cultural values that prioritise resourcefulness and waste reduction. However, with the nation experiencing rapid economic growth, the challenges of swift urbanisation and industrialisation have escalated, and per capita consumption of resources, particularly the non-renewables have increased, resulting in the widespread and prevalent adoption of the take-make-dispose model in the country today.

Incorporating the circular economy concept into the Environment Protection Act of 1986 is essential for India to address its pressing environmental challenges, promote sustainable development, and create a framework for businesses and industries to transition towards more eco-friendly and resource-efficient practices. It not only protects the environment but also promotes economic growth, aligns with international standards, and enhances India's global standing in the context of environmental responsibility. Furthermore, by including circular economy principles, the Government can enforce and monitor sustainable practices, ensuring businesses comply with environmental protection laws. This regulatory framework can promote a culture of environmental responsibility.

The amendment proposes the insertion of two new definitions of 'circular economy' and 'circular economy strategy' which will serve as a foundation for the Central Government to establish rules while including the circular economic model. Furthermore, Section 3 of the Principal Act are amended to the effect of including the power to lay down policies and procedures in the furtherance of circular economy strategy.

Hence this Bill.

NEW DELHI;
November 12, 2024

ARUN BHARTI

FINANCIAL MEMORANDUM

Clause 5 provides for constitution of a Fund for Promotion of Circular Economy. The Bill, therefore, if enacted, is likely to involve expenditure from the Consolidated Fund of India. It is estimated that an annual recurring expenditure of about rupees two hundred fifty crore will be involved.

A non-recurring expenditure of about rupees five hundred crore is also likely to be involved.

ANNEXURE

[THE ENVIRONMENT (PROTECTION) ACT, 1986]

(ACT No. 29 OF 1986)

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2. In this Act, unless the context otherwise requires,—

Definitions.

(a) “environment” includes water, air and land and the inter-relationship which exists among and between water, air and land, and human beings, other living creatures, plants, micro-organism and property;

3. (1) *	*	*	*	*	*
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Power of Central Government to take measures to protect and improve environment.

(2) In particular, and without prejudice to the generality of the provisions of sub-section (1), such measures may include measures with respect to all or any of the following matters, namely:—

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(xiii) preparation of manuals, codes or guides relating to the prevention, control and abatement of environmental pollution;

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16A. (1) The Central Government shall maintain separate accounts and other relevant records in relation to the Environmental Protection Fund and prepare an annual statement of accounts in such form, as may be prescribed, in consultation with the Comptroller and Auditor-General of India

Accounts and audit of Fund.

(2) The accounts of the Fund shall be audited by the Comptroller and Auditor-General of India at such intervals as may be specified by him and such audited accounts together with the audit report thereon shall be forwarded annually to the Central Government.

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16B. The Central Government shall prepare its annual report in relation to Environmental Protection Fund giving a full account of its activities defined under this Act in such form, as may be prescribed, for each financial year during the previous financial year, and shall be laid before each House of Parliament along with audit report given by the Comptroller and Auditor-General of India.

Annual report.

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further to amend the Environment Protection Act, 1986.

(Shri Arun Bharti, M.P.)