

# **New EU Directives and Its Business Implications**

-Shisher Kumra  
Project Manager (NIR)



# Sponsor

- The Project is Co-financed within the EU's Asia Invest program.
- The objective of the program is to enhance the business links between Asia and EU.
- Particular focus is given on the SME's related issues
- The program is targeted towards the Industry Association and other such branch institutions and intermediaries

# Asia Invest Focus for 2003 - 07

- Business to Business matchmaking and partnership building
- Asian private sector development
- Institutional capacity building, networking and dialogue

# EU – Directive Project

- The EU directive project is financed within the EU's Asia Invest program
- Its a two year project initiated in Jan 2005.
- Will focus on assessing the preparedness of Indian Industries (suppliers / exporters) in respect to three select (new) directives
  - Waste from Electrical & Electronics Equipments (WEEE)
  - End of Life Vehicle (ELV)
  - Registration Evaluation Authorization of Chemicals (REACH)

# Overall Objectives

- The **overall objectives** of the proposed project is to enhance the overall economic and environmental efficiency of trans-national (India/Asia to Sweden/Europe) Supply chain in context of the requirements of new EU's Environmental Directives on selected product groups – Textile, Automobile, Electrical & Electronics.
- The project will focus on capacity building, information & personnel exchanges, and technology and know-how transfer, to promote the compliance with the requirements of EU's environmental directives.

# Consortium

- International Council of Swedish Industry (NIR), Stockholm, Sweden (Coordinator)
- Confederation of Indian Industries (CII), New Delhi
- Network for Preventive Environmental Management (NetPEM), Nagpur.

# Key Activities

- Base Line investigation – problems and gaps identification
- Strategy development – defining of roles of stakeholders, and approach to fill – technology, information and human resources gaps
- Pilot testing the strategy with select product chain and directives
- Outreach and sustainability – Dissemination of the results, and extending to other directives and product chains, and institutionalizing of project activities
- Recommendation and conclusions – to EU policies (trade, env & development cooperation) to various industry branch organizations, and other key stakeholders.

# Status

- Base Line Investigation is completed
- This workshop is the first in the series of sector specific workshops, to seek broader inputs on the baseline results
- The inputs from these workshops will facilitate developing the strategy to bridge the identified gaps – Human resources, Technological and know how.

# Expected Results

- Indian Suppliers: the project will improve the understanding of the Suppliers (from 3 selected product groups) on EU's new environmental directives and the requirements & responsibilities that it imposes on them. It also gives them the understanding of how this can affect their competitiveness (negatively and positively). Thus will facilitate the suppliers to make an informed decision to prepare towards the compliance with the requirements of new directives.

# Expected Results

- Swedish Buyers: The project will help the buyers (within the 3 selected product groups) to effectively communicate to the suppliers on the requirements of the New EU directives. This will enable the buyers to continue to cooperate with the suppliers with whom it has had a trustful and comfortable business relationship in past. This will also help them to minimise the transaction cost associated with the implementation of the requirements of the new directives across the product chains.

# Expected Results

- EU Policy Makers: The policy makers will be made aware about the perspective of the non-EU suppliers and implications of product based environmental policies on them. They will also be made aware know that the product based environmental policies no longer are bound by the borders of EU, and therefore will need to understand the implications on non-EU stakeholders and their perspective on the same. The project will also outline the need and channels of sourcing information / feedbacks from the Non-EU suppliers at early stages of policy development (where ever relevant – when policies impact beyond EU borders). Thus will help creating more conducive environment across the product chains for implementation of the directives/policies. In addition the project recommendations will provide inputs for Development cooperation policies.

# Our Aim for today

- **The overall aim of the workshop is to maintain and enhance the EU-India trade by facilitating the bridging of gaps in technology and know-how required to comply with the requirements of the New EU Directives such as WEEE and RoHS**
  - To assess the implication of the EU Directive on Indian suppliers.
  - To ascertain the level of preparedness of Indian suppliers
  - Development of capacity building events
  - Designing of self help tools for non-EU suppliers