EPR LAW: MINISTRY OF THE ENVIRONMENT BEGINS THE PROCESS OF DRAFTING THE SUPREME DECREE THAT WILL ESTABLISH COLLECTION AND RECOVERY GOALS AND OTHER OBLIGATIONS ASSOCIATED WITH BATTERIES.

By means of Exempt Resolution No. 1,138 dated October 20, 2023 (the "<u>Resolution</u>"), the Ministry of the Environment (the "<u>MMA</u>") initiated the process of drafting the Supreme Decree that establishes collection and recovery goals and other obligations associated with batteries (the "<u>Decree</u>").

The Resolution set the deadline for receipt of technical, economic, and social background information regarding the matter on the 30th business day following its publication, which occurred on November 14, 2023, consequently, the deadline is December 28, 2023.

The Resolution also establishes that an expanded operating committee must be summoned, which will be composed by: (i) a representative of the MMA; (ii) a representative of the Ministry of Health; (iii) a representative of the Ministry of Energy; (iv) a representative of the Ministry of Transportation and Telecommunications; (v) a representative of the Ministry of Economy; (vi) a representative of the associations of municipalities; (vii) four representatives of battery producers; (vii) one representative of battery producers that constitute smaller companies; (ix) three representative of waste managers; (x) one representative of consumers; (xi) one representative of recyclers; (xii) one academic expert; (xiii) one representative of a Non-Governmental Organization whose objective is to care for the environment; and (xiv) two representatives of battery sellers and distributors.

For the appointment of the members referred in numbers (vii) to (xiv), the Resolution provides that the MMA will summon, through the publication of a notice on its website, the respective entities for participating in the application process. The entities must submit their applications within 10 business days as from the notice publication, designating two natural persons to be part of the committee, one as a regular member and the other as a substitute member, and must attach their curriculum vitae, in which their qualifications to represent the sector are evidenced.

The Resolution sets a 6-month term to issue the preliminary draft of the Decree.