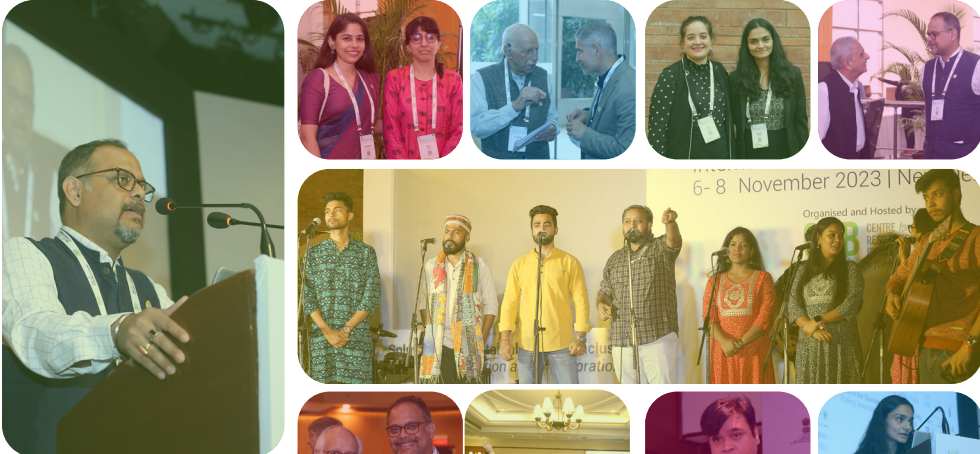


10th Edition INDIA AND SUSTAINABILITY STANDARDS

Solutions for Sustainability and Inclusivity: Policy, Innovation & Collaboration

6 - 8 November 2023
India Habitat Centre



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Foreword

This year, we celebrated the 10th anniversary of CRB's annual conference – India and Sustainability Standards (ISS). The fact that the event has achieved this milestone, provides considerable motivation to all of us at CRB – and the evidence too, that there is consistently growing interest on this topic among diverse stakeholders. We have also witnessed this in our programmes, where we see more and more organisations and professionals (from diverse sectors) taking interest on the subject. There is an expanding body of evidence on how sustainability is being mainstreamed into businesses, industry and society at large. However, we have a long, long way to go towards achieving a sustainable and inclusive future. The global sustainability agenda is significantly behind schedule, with only 12% of the SDG targets on track, and some even regressing. Sustainability and inclusivity are vital for our common future, necessitating a paradigm shift in the development discourse, from a GDP-centric to a more human and nature-centric approach to business and industry.

This year, sustainability received considerable attention at various international platforms. The most significant was the G20 India Presidency – which has made a significant contribution by placing sustainability at the heart of international economic policymaking (a role that the G20 has played since its establishment in 1999). Further, as expected the Dubai COP28 attracted a large community of practitioners including from international organisations, UN agencies, Governments, businesses, media and civil society organisations - to discuss a variety of topics with implications on climate change. COP has become the annual congregation of practitioners interested not only on climate but in exploring its interlinkages with other subjects/topics – under the wider sustainability agenda.

The aggression demonstrated by the European Commission on supply chain sustainability issues through an array of legislations (EUDR, EUCSDDD, etc.) kept many sustainability professionals in India and the international community occupied with interpreting the texts. Effective implementation of these legislations would have implications on trade and investment flows between EU and its top trade and investment partners, like India. EU is not alone, as several other OECD Member States are ramping up legislations that would determine how their businesses behave within and outside borders. International supply chains are likely to undergo significant changes in the next few years – hopefully in the best interest of nature and people.

In India, the Government and businesses are becoming active stewards of the sustainability agenda. Civil society organisations and the international community has played an important role in facilitating this outcome. Given this, we are perhaps way better placed than ever before to take bold and audacious actions to confront the challenges that imperil nature and people. Availability and access to appropriate solutions remain a critical consideration for sustainability managers and champions. Driving sustainability solutions was therefore chosen as a topic for this year's conference to focus on – specifically looking at three aspects of potential solutions – policy, innovation and collaboration.

Harmonisation of domestic regulation with international policy on sustainability and related issues (including trade, investments, technology and financial flows) remains a key. This is surely going to test the capacity of policy stakeholders both at the international and the domestic levels, as they try to find the 'common ground'. Coordination across different organs of the Government to ensure efficacy and avoid duplication of efforts will be critical. Mechanisms to enable better policy coordination vertically (international – national – regional - local) and horizontally (among different governments or different agencies within the same government) is needed.

The innovation ecosystem will need to be synchronised better with the sustainability agenda, so that innovations can contribute proactively towards identifying sustainability solutions. While it is clear that India needs to embrace both shallow and deep innovation. However, a strong shift towards deep innovation is important for the country – particularly for large businesses to collaborate and drive deep innovation. From a sustainability perspective such deep innovation would include for example, innovations at the grassroots; innovations in materials, chemicals, energy; etc.

Strong international cooperation is essential to tackle sustainability challenges, and India will continue to play a crucial role on this agenda. Partnerships between organisations in areas such as clean energy,

climate, water, urbanization, resource efficiency, and circular economy have to be scaled. Multi-stakeholder collaboration will need to be embraced as a design feature while developing sustainability solutions. Engagements with those often not included in designing some of these solutions, would help enable more uptake and scaling up of those solutions.

2024 is going to be a global election year – with nearly half of the world’s population to be involved with choosing their leaders. The outcomes of these elections will have significant implications on our pursuit of the 2030 sustainability agenda. Therefore, the onus is on each one of us now, to choose our leaders wisely – such that we give it our best shot in this ‘last lap’ leading up to 2030.

Rijit Sengupta

Chief Executive Officer

Centre for Responsible Business



Message from Shri. Piyush Goyal

पीयूष गोयल
PIYUSH GOYAL



वाणिज्य एवं उद्योग,
उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण तथा
वस्त्र मंत्री, भारत सरकार
MINISTER OF COMMERCE & INDUSTRY,
CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION AND
TEXTILES, GOVERNMENT OF INDIA



MESSAGE

I am delighted to learn that the Centre for Responsible Business (CRB) is organizing the 10th edition of India and Sustainability Standards (ISS 2023) from 6th to 8th November, 2023, in New Delhi. The theme of the conference, '*Solutions for Sustainability and Inclusivity: Policy, Innovation & Collaboration*' emphasizes the vital importance of well-informed policies, innovative advancements and cooperative initiatives across diverse sectors in achieving a future that is equitable, resilient, and sustainable.

In recent years, India has made significant progress in the field of sustainable development. Under the dynamic leadership of Hon'ble Prime Minister Shri Narendra Modi ji, the Government of India formulated the National Guidelines on Responsible Business Conduct to promote a culture of sustainable business among Indian enterprises and catalyze the journey towards achieving the global Environmental, Social and Governance (ESG) standards.

This conference which will include stakeholders from different sectors will provide an ideal platform for sharing ideas and fostering collaborative solutions to address pressing sustainability challenges. It will also contribute significantly to the shared vision of a sustainable and inclusive future.

I extend my best wishes for the successful culmination of the conference and wish CRB success in all its future endeavours.

Piyush Goyal



Ministry of Commerce & Industry, Vanijya Bhawan, Akbar Road, New Delhi-110001
Tel. No. : +91 11 23039110, 23039111, E-mail : cimoffice@nic.in



Theme Paper

In his report entitled, ‘Progress towards the SDGs: towards a rescue plan for People and Planet’¹, for the 2023 UN High Level Political Forum on Sustainable Development (HLPF) in July 2023, UN Secretary General Antonio Guterres raised alarm for the international community to drive bold actions, stressing that business as usual approaches to sustainability is not enough, anymore. He pointed that, “Tepid responses will not suffice for the millions of people living in poverty and hunger, the women and girls with unequal opportunities, the communities facing climate disaster or the families fleeing conflict. We need a full-fledged rescue plan for people and planet”.

In conclusion, he asserted that, “There are no excuses not to be ambitious. Never before have we had such an abundance of knowledge, technology and resources to succeed in ending poverty and saving the planet”.

The underlying theme of CRB’s 10th annual sustainability conference (**Solutions for Sustainability & Inclusivity: Policy, Innovation and Collaboration**) pivots around this spirit encapsulated in the UNSG’s concluding remarks. That we have within our reach solutions to address and solve some of the most pressing sustainability challenges of the present and the future, like never before. Therefore, we should no longer shy away from taking bold and immediate actions that serves the long-term and intergenerational interests of people and nature.

The Delhi Declaration of the India G20 Presidency, released in September 2023 reiterates and underlines the imperative for bold and accelerated actions to pursue sustainable and inclusive outcomes.

The preamble of the Delhi Declaration reads, “We, the Leaders of the G20, met in New Delhi on 9-10 September 2023, under the theme ‘Vasudhaiva Kutumbakam’. We meet at a defining moment in history where the decisions we make now will determine the future of our people and our planet. It is with the philosophy of living in harmony with our surrounding ecosystem that we commit to concrete actions to address global challenges”². The Delhi Declaration also emphasises on solutions crafted by synchronising national and international policy; driving innovations related to finance, technology and community needs; and enhancing collaboration and partnerships at all levels.

Both the agenda of this year’s annual conference and CRB’s vision and long-term strategy hinges on driving sustainability and inclusivity through multi-stakeholder collaboration, involving national and international stakeholders from policymakers, businesses, industry actors, civil society, academia, international organisations, financial institutions, technology providers, standards organisations, etc. We have been extremely excited and motivated with the emphasis laid by the international policy community (G20 Delhi Declaration) on the need for sustainable and inclusive global value chains and an all-out strategy for accelerated action on the Sustainable Development Goals.

With this background, the CRB annual conference (India and Sustainability Standards 2023) will emphasise on three **core elements** that can help us take bold and timely actions now and for the future: **(i) policy; (ii) innovations and (iii) collaboration.**

1. Policy

We need a deep rethinking and rejigging of global sustainability governance – based on the lessons we have learnt so far. One of the ways forward would be to use the G20 Delhi Declaration as a starting point (bearing in mind that the G20 remains highest global platform for international economic policy). A key message of the Delhi Declaration was the need to – ***integrate the principles of inclusivity and sustainability into Global Value Chains***. There are two elements of this message and needs to be delved deeper into:

(i) Principles of inclusivity and Sustainability – how are these principles to be set and who sets them? How can they be developed through a collaborative process using the principles of shared responsibility and accountability

(ii) Process of integration – do we have a process in place to ensure smooth and effective integration of these principles ensuring that the interests of all parties are considered, if not met?

¹ <https://hlpf.un.org/sites/default/files/2023-07/SDG%20Progress%20Report%20Special%20Edition.pdf>

² <https://www.mea.gov.in/Images/CPV/G20-New-Delhi-Leaders-Declaration.pdf>

Globally, there is considerable movement, especially post COVID-19 in designing international legislations that will have implications especially across global value chains, in networks of production. Based on existing experience, the process of implementation of these legislations should be undertaken collectively involving a balanced and participatory approach, based on dialogues and consultations.

2. Innovation

That innovations are critical to drive sustainable and inclusive outcomes at all levels, is well recognised. This year's deliberations will underline the importance of certain key design considerations while driving innovations, especially from their implications on resources and equity. We draw inspiration from the National Innovation Foundation (NIF) of India³, whose mission clearly conveys this imperative, i.e., "To help India become inventive and creative, and to become a global leader in sustainable technologies without social and economic handicaps affecting the evolution and diffusion of green grassroots innovations". There is considerable emphasis on 'spawning, sustaining and scaling' innovations at all levels from the traditional, grassroots to highest levels of contemporary cutting-edge innovations.

The quest to find sustainability solutions through innovations in energy, materials, financing, technology, and skilling must clearly put people at the centre. This will have to be supported by concurrent measures in the enabling policy environment and business models.

There is increasing interest on financing the transition from fossil fuel away to one that decouples economic growth from environmental and natural degradation. The international financial architecture is slowly beginning to realise the need to create the scope and opportunity for such innovations. There are various barriers that could impede this transition and will have to be identified and addressed jointly by the public and the private sector. Financial innovation strategies and plans will have to ensure that financing reaches those who need the financing most, especially to combat the risks related to climate change, pollution, youth unemployment and inequality.

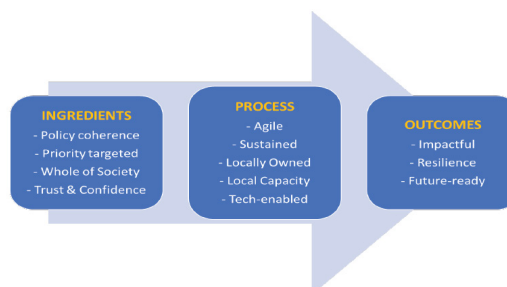
A taxonomy on sustainable financing at the national level helps create a consistent and comparable system of classification to help prioritise activities that contribute to the transition to a sustainable economy. India needs to adopt a taxonomy on sustainable financing at the earliest.

3. Collaboration

This spirit of collaboration is embedded in the seventeenth sustainable development goal (SDG17) – Global Partnership for Development. It promotes fostering international collaboration and partnerships to drive sustainable improvement, and is at the heart of the Agenda 2030. SDG17 emphasises the importance of cooperation and coherence across trade, technology, finance, capacity building and most importantly multi-stakeholder partnerships to meet the remaining sixteen SDGs.

Addressing sustainability challenges involves pursuing complex multi-dimensional challenges. This calls for a collective and coordinated effort transcending geographical boundaries, sectors and stakeholders.

Based on CRB's experience we believe that promoting effective and impactful multi-stakeholder collaboration to achieve sustainability/SDGs could be envisaged through a systems lens, and by investing adequate attention on three critical components of: (i) ingredients; (ii) process and (iii) outcomes, as presented below. Fig1: Framework to Drive Multi-Stakeholder Collaboration for Sustainability/SDGs

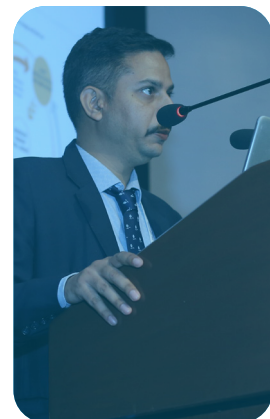


³ <https://nif.org.in/>



INAUGURAL DAY

6 NOVEMBER 2023



Inaugural Plenary: Solutions for Sustainability and Inclusivity: Policy, Innovation and Collaboration

6 November 2023 | 1000 - 1200 hrs IST

- **R. C Kesar**, Chairperson, Centre for Responsible Business
- **Rijit Sengupta**, Chief Executive Officer, Centre for Responsible Business
- **Myriam Ferran**, Deputy Director General, Directorate General, International Partnerships, European Commission
- **Allan Jorgensen**, Head, OECD Centre for Responsible Business Conduct, OECD
- **Shombi Sharp**, UN Resident Coordinator in India
- **Shri Piyush Goyal**, Hon'ble Union Minister for Commerce & Industry, Government of India
- **Nandini Sharma**, Director, Centre for Responsible Business
- **Devyani Hari**, Director, Centre for Responsible Business

The India and Sustainability Standards conference started in 2014 to facilitate dialogue and collaboration among stakeholders on sustainability. Despite the disruption caused by Covid-19, the conference has continued to grow with an increasing level of engagement of over a thousand attendees, numerous sessions, partners, and speakers. The conference continues to be an enabling platform for nurturing new ideas and collaborations that extend beyond the event itself. The ISS dialogue platform aims to accelerate action on sustainability and facilitate new partnerships and collaborations. The theme of this year's conference was, '**Solutions for Sustainability and Inclusivity: Policy, Innovation and Collaboration.**'

Devyani Hari, Director, Centre for Responsible Business set the stage for the milestone 10th edition of the conference, highlighting its humble beginnings and exponential growth over the past ten years. In her opening remarks, she emphasised the pressing global challenges of the climate crisis, health issues, and resource depletion. However, she stressed the presence of solutions and options, urging stakeholders to unite, scale up solutions, and move from conversation to action. Highlighting collaboration as the core element, she further emphasised the need for stakeholders to work together, find synergies, and innovate to address sustainability and inclusivity effectively. Further, collaboration among stakeholders who may not have traditionally worked together is more essential now than ever.

R. C Kesar, Chairperson, Centre for Responsible Business, reflected on the evolution of the conference as a hub for discussing sustainability actions. He emphasised the critical importance of sustainability across all areas and highlighted the prevalent discussions on sustainability, acknowledging the challenges in moving forward due to various issues. Stressing the need for collaborative efforts involving diverse fields and contributions from everyone, he further emphasised the significance of even small contributions in collectively addressing sustainability challenges. He expressed concern about the worsening state of sustainability and encouraged collective action towards resolving pressing issues.

Rijit Sengupta, Chief Executive Officer, Centre for Responsible Business, expressed gratitude for the extensive support received over the last decade from stakeholders and partners. The central theme of the conference this year focuses on sustainability solutions, keeping in mind three critical elements of policy, innovation, and collaboration.

When it comes to policy, he emphasised that we are at a turning point, there is a need for a rethinking and restructuring of the global sustainability governance system based on lessons learned from past policies. While there are ongoing efforts to integrate sustainability and inclusivity principles into global value chains, the questions remain as to the framing of these principles, the evidence behind them, and the process for seamless integration. In terms of innovation, the importance of placing people at the center of sustainability solutions is integral. And finally, when it comes to collaboration, exploring effective approaches in an environment that traditionally promotes competition is the real dilemma. The overarching goal is to find lasting and permanent solutions to pressing sustainability challenges through collective efforts.

He further emphasised the need for Interactions and collaboration to be extended beyond the confines of established sustainability communities and involve stakeholders outside of the usual dialogue. Sustainability champions need to be present not just within the sustainability department but also across various business functions, with a particular emphasis on the role of academic institutions and business schools in integrating sustainability principles into various aspects of business operations.

Myriam Ferran, Deputy Director General, Directorate General, International Partnerships, European Commission highlighted the significance of conferences like India and Sustainability Standards in promoting global sustainability agendas. She referenced the Global Gateway Forum, emphasising the European Union’s (EU) strategy for sustainable connectivity and its importance in fostering collaboration with countries like India. Further, at the core of the EU-India partnership, lie the critical elements of policy, innovation, and collaboration, stressing how these elements drive their joint sustainability efforts.

The partnership between the EU and India is continuously strengthening, with important policy developments and cooperation at the forefront. The EU actively engages in policy dialogues related to sustainability, covering areas such as clean energy, climate, water, urbanization, resource efficiency, and circular economy partnerships. Through these dialogues, the EU focuses on effective project implementation, knowledge sharing, and exchange of best practices, providing technical assistance and capacity building support globally. Additionally, the EU collaborates with various stakeholders, including policy makers, researchers, and businesses, to ensure an inclusive sustainability agenda.

She further emphasised Innovation as a key aspect, where EU-supported programs facilitate significant research and educational exchanges. Additionally, initiatives supporting small and medium-sized enterprises (SMEs) focusing on sustainable consumption, circular economy, and low-carbon practices were mentioned. Myriam highlighted concrete examples, including the development of over 200 certified products through collaborative efforts between industries, showcasing the impact of EU-India collaborations on both large and small enterprises.

During the session, the focus on small and medium-sized enterprises (SMEs) and smallholder farmers in discussions about sustainable and inclusive global value chains was appreciated. The significance of dialogue spaces in ensuring that sustainability solutions and dialogues are inclusive and work for everyone is integral. The idea of crafting a compelling narrative about sustainability initiatives, empowering participants to enter dialogue spaces from a position of strength and contribution rather than mere reception was further highlighted, thereby fostering collaborative discussions for designing effective solutions.

Allan Jorgensen, Head, OECD Centre for Responsible Business Conduct, OECD emphasised the criticality of sustainability and inclusivity in shaping our shared future, especially as the 2030 deadlines for global goals draw nearer. People and planet would need to be placed at the centre of economic development. Acknowledging the shortfall in achieving sustainable development targets, he stressed the importance of international cooperation, underscoring India’s crucial role in this global initiative.

He further underscored the need to change the way we do business, responsible business conduct is essential for sustainable and inclusive societies, the OECD guidelines for multinational enterprises is a good international baseline standard for such conduct. These guidelines cover a wide range of business impacts, including human rights and climate change. While these guidelines remain voluntary, they’re increasingly being integrated into market-based sustainability initiatives and national regulations. The OECD has adopted a new recommendation on the role of government in promoting responsible business conduct, with governments committing to developing and enforcing a legal and regulatory environment that aligns with international standards. Maintaining regulatory coherence across jurisdictions is crucial since supply chains are global and policies for due diligence in global supply chains should align with agreed international standards.

He further highlighted the OECD’s role in facilitating responsible business, including measures for supply chain due diligence and collaborations within sectors like gold refining and textiles. India and Indian businesses play a crucial role in sustainable development for people and the planet. Continued collaboration should be sought to build awareness and preparedness for Indian businesses, including

SMEs, to succeed in a global economy where sustainability, standards, and solutions are important competitive factors.

Shombi Sharp, UN Resident Coordinator for India, highlighted the concerning shortfall in achieving global targets. He emphasised the criticality of these goals and the challenges the world is currently faced with such as hunger, debt, and gender inequality, while also experiencing the consequences of environmental damage. However, despite the urgency, strong political commitments made at the UN General Assembly reaffirm the support for SDGs. Shombi further stressed the necessity to elevate ambitions further.

Businesses will be essential partners in driving the SDG agenda forward, and their efforts could contribute to social progress, environmental sustainability, and gender equality. The UN is committed to work with businesses and develop solutions for skills development, climate action, and closing the SDG financing gap. While some businesses are already taking climate commitments and aligning investments with net-zero targets, protecting biodiversity, empowering women and youth, and adopting responsible business practices will be essential.

Further, partnerships and collective efforts are essential to realign with the SDGs, echoing the sentiment that India, especially its business sector, holds the potential to make the SDGs a global reality.

Nandini Sharma, Director, Centre for Responsible Business, in her vote of thanks, reflected on the speeches, noting their impact in instilling both urgency and hope within the audience. She emphasised the crucial message of resoluteness in collective efforts toward a sustainable and equitable future. Despite the challenges along the path, she highlighted the presence of solutions and further stressed the need for intent, constant search, persistence, and strength to identify and implement these solutions. Importantly, she urged not to lose sight of the purpose (the “why”), the most vulnerable and marginalized communities (the “who”), and the approach (the “how”) in tackling the challenges. Understanding the purpose, prioritising marginalised voices, and adopting the right approach are crucial aspects of addressing the challenges faced today.



Key Takeaways:

- **Urgent need for resolute action towards a sustainable and equitable future:** Collaboration, innovation, and policy interventions will be pivotal drivers for achieving these goals.
- **Continued Dialogue and Collaboration:** It is essential for stakeholders to engage, share ideas, and foster collaborative solutions. Encourage continuous dialogue and collaboration among stakeholders from diverse sectors to collectively address sustainability challenges.
- **Making Sustainability a way of Life:** There needs to be a continuous commitment to sustainability beyond the targets set for 2030. Sustainability needs to be integrated as a way of life and a fundamental aspect of business operations and decision making processes.
- **Prioritise Policy Innovation:** Emphasise the need for well-informed policies that drive sustainable development while aligning with global environmental standards.
- **Focus on Marginalised Communities:** Ensure that sustainability efforts are inclusive and prioritise the needs of the most vulnerable and marginalised communities.

Other Highlights:

The CRB anthem was launched as a representation of the collaborative spirit that CRB as an organisation believes strongly in. The anthem's call to action is to urge individuals to pledge and commit to making changes, whether small or large, and collaborating with others in this pursuit.

A video message by Prime Minister Modi on, "Mission Life," an ambitious initiative focusing on adopting environmentally friendly lifestyles was shared, emphasising the significance of education, environmental balance, and the symbolic representations of flowers, a badge of life, and a bag of hope in encouraging sustainable actions. The message concluded with a commitment to embark on the mission for a better, sustainable life.

First High-Level Plenary: Solutions for Sustainability & Inclusivity: Role of Policy

6 November 2023 | 1230 - 1400 hrs IST

- **Moderator: Arun Maira**, Chairman, HelpAge International
- **Froukje Boele**, Head of Public Policy & Regional Programmes, OECD Centre for Responsible Business Conduct, OECD - OCDE
- **Seppo Nurmi**, Deputy Head of Mission, Delegation of the European Union to India and Bhutan
- **Dr. Ashok Khosla**, Founder and Chairperson, Development Alternatives
- **Prof. Sachin Chaturvedi**, Director General, Research and Information System for Developing Countries (RIS)
- **Rijit Sengupta**, Chief Executive Officer, Centre for Responsible Business
- **Nandini Sharma**, Director, Centre for Responsible Business

Rijit Sengupta, Chief Executive Officer, Centre for Responsible Business, set the stage by providing the context for the session which was to examine the coherence between ongoing policy developments in India and the global arena, and assessing their impact on various policy levels within the country, including subnational and local tiers which feeds into establishing a comprehensive policy framework essential for advancing sustainability solutions.

Arun Maira, Chairman, HelpAge International, shed light on how sustainability encompasses the state of nature, society, and the economy. He highlighted that there exists an existential crisis that requires a shift in thinking and approach to address existing global problems. There is a need to shift from a GDP-centric approach to a human-centric approach in addressing this existential crisis faced by humanity. While progress has been made towards achieving the Sustainable Development Goals (SDGs), it is insufficient and needs to be increased dramatically in the coming years to achieve the targets we have set for ourselves. He further highlighted the failure of global approaches, to effectively solve problems emphasising the interconnectedness of global problems like climate change, adequate incomes, health, and inclusion and how these issues manifest differently across different regions, suggesting a one-size-fits-all solution might not be effective. Global problems require local system solutions implemented by communities with the support of knowledge, resources and expertise. The current paradigm of relying on global supply chains may not be sustainable, and there is a need for local economic webs.

Froukje Boele, Head of Public Policy & Regional Programmes, OECD Centre for Responsible Business Conduct, OECD - OCDE, shared her insights on the need for policy alignment at different levels of government for sustainable outcomes, she emphasised that Governments should ensure an enabling policy environment for businesses to act responsibly, including establishing legal and regulatory frameworks that are aligned with international standards and effectively enforcing them. She further highlighted that governments can provide incentives through other policy areas, such as trade and investment policies and public procurement, to promote sustainability. The importance of policy coherence across different levels of governments and policy areas, and reducing complexity for businesses was emphasised as being a crucial ingredient for responsible business conduct and sustainable outcomes. Issues related to sustainability and responsible business conduct are spread across various government departments, covering aspects like labor, environment, human rights, and corporate governance. A comprehensive, top-down governmental approach is necessary to address these issues effectively. Additionally, with a growing trend toward increased government regulations, alignment with international standards is crucial. The abundance of standards, whether voluntary or mandatory, poses a challenge of diverse expectations on businesses, potentially hindering implementation. Simplifying the landscape is essential to reduce complexity for businesses and enhance inclusivity, especially in the context of a global economy with varying developmental stages among countries and companies. The OECD has set international standards on responsible business conduct and provides practical guidance for businesses on implementing risk-based diligence. She concluded by discussing the OECD's

implementation work, which includes collaborating with fellow international organisations such as the ILO and the UN to ensure consistent implementation of standards on the ground

Seppo Nurmi, Deputy Head of Mission, Delegation of the European Union to India, discussed the EU’s sustainability efforts in India, emphasising the work of the Trade and Technology Council and the Global Gateway initiative. He further highlighted the importance of collaboration and alignment between the EU, India, and the private sector in driving sustainability initiatives. The EU’s focus on sustainable infrastructure, climate resilience, circular economy, and clean energy was also emphasised. Further, collaborating with Member States and partners under the Team Europe spirit, the EU is focused on building alignment and enhancing synergies between the private sector and the Global Gateway portfolio, while working closely with the Government of India.

He also stressed on the importance of collaboration over mere compliance when looking at sustainable global value chains. Supporting India’s industry in this endeavor is a priority. He further stressed on the need to invest in climate-smart and inclusive infrastructure in the region to bridge gaps and enhance well-being while building resilience to climate shocks. As a major global economy, the EU actively engages in international cooperation, seeking global solutions.

Finally, when it comes to implementation and enforcement, in line with political agreements, he suggested that this could occur through various international organizations, regional, bilateral, and other cooperative mechanisms. He further outlined several key EU initiatives in sustainability, including sustainable urbanization and green energy projects. He concluded by expressing a desire to engage with EU companies in India to contribute to India’s most important SDGs such as nutrition, water, health, education, and digitalization among others.

In conclusion, he indicated that achieving vertical alignment between international, national, state, local, and hyper-local levels requires understanding existing policies, differences, similarities, and priorities through structured dialogues with relevant stakeholders. Effective communication is crucial, including embracing different languages and ensuring that all relevant partners have their voices heard. Multilateral institutions can enable balanced and equitable governance of global value chains by valuing and involving all relevant stakeholders, representing various actors and ensuring they are grounded in reality.

Dr. Ashok Khosla, Founder & Chairperson, Development Alternatives discussed the development and implementation of sustainable policies, particularly in relation to hydropower. He further mentioned the launch of a new global alliance aimed at standardising hydropower and addressing its environmental and social impacts. The alliance, which includes various stakeholders from the hydropower industry, aims to make hydropower more sustainable. He highlighted that the concept of sustainability revolves

around sustainable development, which emphasises progress and movement forward rather than stagnation. Sustainable development is not a negative force, but rather an enabling force for future generations. He further stressed the importance of sustainable development and the need for policies that support it. He suggested incorporating models related to sustainable development into national and local policies, emphasising that the issue should be addressed both top-down as policies and bottom-up through societal and community demands.



Prof. Sachin Chaturvedi, Director General, Research and Information System for Developing Countries (RIS), started by addressing the shift in the development paradigm from the Millennium Development Goals (MDG) to the Sustainable Development Goals (SDG) and how the transition from MDG to SDG was reflective of a transformation driven by the desire for qualitative improvements in various aspects of life. He further stressed on the challenges faced due to the lack of resources for the implementation of the Sustainable Development Goals and stressed the need for a new paradigm, exemplified by

ecosystem for these transitions to succeed. He acknowledged the challenge of reconciling the functioning of states, districts, and national policies while considering global influences. The complexity of the situation necessitates a local-level approach for effective change.

Arun Maira closed the session by addressing a paradigm shift in the way knowledge is structured, highlighting the fragmentation of disciplines and specialization. He argued for a more holistic understanding of interconnected systems, emphasising the value of local knowledge and experiences. He challenged the traditional reliance on experts and called for listening to those on the ground who have a deeper understanding of situations. He further stressed that the purpose of government should be to improve the lives of common citizens, not just facilitate business profitability. The focus should be on the ease of living for citizens rather than the ease of doing business, emphasising the need for a significant paradigm shift.

Nandini Sharma, Director, Centre for Responsible Business, concluded by highlighting the need to challenge conventional models, theories, and approaches to sustainability. She further underscored the need to reevaluate current development paradigms that appear incongruent with our ambitions.



Key Takeaways:

- **Examining Policy Coherence:** Understand and evaluate the coherence between ongoing policy developments in India and the global arena, a comprehensive policy framework for advancing sustainability solutions is required.
- **Shift in Thinking:** Shift from a GDP-centric to a human-centric approach, emphasizing the interconnectedness of global problems.
- **Local Solutions for Global Problems:** Need for local solutions to global problems, advocating for policy coherence at different government levels. Simplifying the landscape and aligning with international standards were highlighted to promote responsible business conduct.
- **Shift in Development Paradigm:** The importance of sustainability in economic development and the need for a paradigm shift.
- **Balancing Financial Viability with Social Responsibility:** The challenge of balancing financial viability with social responsibility were highlighted along with the need for innovation in providing products and services to those with limited purchasing power.
- **Role of Strong Government:** Strong government capable of setting limits and intervening when necessary will be important. The credibility and legitimacy of a strong government depend on broad societal support.
- **Insulating Mechanism for Social Enterprises:** There is a need to create an insulating mechanism within the ecosystem for social enterprises to operate effectively. This requires revisiting market-related commitments, managing risks, and adapting procurement policies.
- **Holistic Understanding of Knowledge:** A paradigm shift in knowledge structure is required, moving towards a holistic understanding of interconnected systems and valuing local knowledge and experiences.
- **Challenging Conventional Models:** Challenging conventional models, theories, and approaches to sustainability is necessary, calling for a reevaluation of current development paradigms incongruent with ambitions.
- **Shift in Power Dynamics :** The need for a shift in power dynamics in society and the economy, allowing for policies that reflect the needs and wants of the people was also stressed upon.

Second High-Level Plenary: Solutions for Sustainability & Inclusivity: Purpose-driven Innovations

6 November 2023 | 1500 - 1630 hrs IST

- **Moderator: Professor Pawan Budhwar**, Associate Pro Vice Chancellor International (India), Aston University & Governing Board Member, CRB
- **Sharad Sharma**, Co-Founder, ISPIRT
- **Arundhati Kumar**, Founder, BEEJ
- **Sivasubramanian Raman**, Chairman & Managing Director, SIDBI
- **Professor Anil K Gupta**, IIM Ahmedabad & Founder, Honey Bee Network
- **Naresh Tyagi**, Chief Sustainability Officer, ABFRL Ltd

The session was initiated with an opening statement by the moderator, **Professor Pawan Budhwar, Associate Pro Vice Chancellor International (India), Aston University & Governing Board Member, CRB**, emphasising that innovation holds significant potential in driving sustainability and inclusivity. He noted that while many have traditionally considered innovation within the context of the sustainability agenda, it has generally been viewed as an outcome variable in various research endeavors. He underscored that innovation can manifest as methodologies, products, or services, and it should ultimately have a tangible impact on performance.

He further acknowledged that innovation often leads to incremental changes but can also include radical and disruptive breakthroughs and while discussing the determinants of innovation, he emphasised the role of passion, belief systems, diversity, and organizational culture. When talking about artificial intelligence (AI), he raised concerns about biases in data used for innovation, particularly in human resource management. He further stressed that while innovation in silos is significant, linking it with sustainability is increasingly vital.

Sharad Sharma, Co-Founder, ISPIRT, emphasised the inherently combinatorial nature of all innovations, stressing the necessity for reinvention and renovation to achieve sustainability. In the pursuit of sustainability, he advocated for a nonlinear approach to innovation. He highlighted the need to accelerate innovation, particularly in industries that are resistant to change, and highlighted the role of building blocks in this process. Furthermore, he advocated the need for making building blocks of innovation readily available to facilitate the creation of complex systems at lower costs, ultimately aiming to foster an innovation ecosystem conducive to sustainability and continual improvement. Innovations need to be scalable, high-performing, and accessible to a wider range of people and understanding consumer needs and preferences will be crucial in mainstreaming innovations. Finally, noting a distinction between shallow and deep innovation within the industry, he urged the country to embrace both, particularly emphasising the need for greater focus on deep innovation. While discussing the economic implications of technological advancements, particularly in the context of developing countries like India, using the example of smartphone manufacturing to illustrate how the majority of the value in modern products comes from technology and processes rather than raw materials; he expressed concern that India's focus on shallow innovation, rather than deep innovation in areas like material science, may lead to a diminished role in the global economy. Without embracing deep innovation, India risks becoming more dependent on foreign technology and losing out on opportunities for sustainable development. Pursuing both shallow and deep innovation will ensure India's competitiveness in the evolving global landscape.

Arundhati Kumar, Founder, BEEJ, discussed an innovative development in India involving the production of leather from plant-based substitutes derived from banana stems. While acknowledging that many innovations face challenges and failures, she emphasised the importance of scalability, high performance, accessibility, and affordability for successful innovations.

She further highlighted that sustainability discussions are still confined to elite circles and struggle to penetrate mainstream consumer consciousness. While using her business as an example, she highlighted



the challenge of shifting consumer behavior towards sustainable alternatives, especially when there's a cost disparity. Sustainability encompasses various aspects beyond materials, including labor conditions and consumption patterns. She further pointed out a significant challenge within the ecosystem, noting that the business of sustainability is often not sustainable itself. She called for a collective reset among all stakeholders, including consumers, to address the challenges facing the sustainability ecosystem globally.

Sivasubramanian Raman, Chairman & Managing Director, SIDBI, shed light on the topic of sustainability in the context of a developing country's need for growth. He acknowledged the challenges of transitioning to a carbon-free world, emphasising the prolonged nature of the process. Shedding lights on the transportation sector, he indicated an ambitious target of ensuring 30% of all vehicles being electric or non-polluting by 2030. With only 2.5 million out of a targeted 90 million vehicles meeting this criteria, a significant

commercial opportunity exists for private manufacturers and innovators to contribute to achieving the ambitious target set. He further stressed on the essential role of collaboration, innovative solutions, and substantial investment to rapidly expand manufacturing capacity for non-polluting vehicles.

He further shed light on SIDBI's credit guarantee scheme supporting electric two-wheelers and three-wheelers, collaborating with Non-Banking Financial Companies (NBFCs) acting as aggregators to lease out these vehicles. He emphasised the need for increased participation from NBFCs and highlighted the importance of private sector involvement going forward, envisioning significant private-public partnerships in the mobility sector.

Developing countries such as India are faced with challenges when it comes to balancing economic growth with sustainability goals, particularly in reducing greenhouse gas emissions while pursuing rapid development. While emphasising that India cannot sacrifice poverty reduction for sustainability, he highlighted the importance of technology, innovation and responsible materials management in achieving this balance. He further highlighted the challenges in decarbonizing industries like steel and thermal energy production and proposed mechanisms to incentivise the adoption of cleaner technologies, including validated machinery lists and green bonds. The critical role of small and medium-sized enterprises (MSMEs) in sustainable development was stressed upon and the need for increased global capital investment to support the efforts of MSMEs to adopt more sustainable practices and technologies. Finally, he expressed optimism about the potential for progress through a combination of philanthropic and commercial capital, multilateral bank support, and accelerated initiatives.

Professor Anil K Gupta, IIM Ahmedabad & Founder, Honey Bee Network, centered his discussion on grassroots innovations, noting their visibility in areas where numerous needs have gone unmet for extended periods. He highlighted the unique support ecosystem for grassroots innovations, where neither Indian nor U.S. IP attorneys charge for their services, and scientists offer their time without fees. He emphasised the inclusive nature of grassroots innovation and the importance of collaboration between stakeholders to nurture creative solutions. The need for support, particularly in terms of access to risk capital and validation of innovations is essential. Strong partnership between the community, social, and ethical capital is required to support grassroots innovators. He further highlighted the potential for blending formal and informal science for global development and called for engagement in the process of transforming ordinary materials into valuable innovations.

He also emphasised the importance of combining traditional knowledge with modern science and

technology to create sustainable outcomes. There is a need for an entrepreneurial revolution in the innovation ecosystem. Further he emphasised that there is potential for deep tech innovations and grassroots innovations to create solutions that are affordable and on the cutting edge of science. He challenged the audience to foster a culture of impatience, aspiration, collaboration, and compassion to fully express the creativity of future generations

Naresh Tyagi, Chief Sustainability Officer, ABFRL Ltd, highlighted the importance of purpose, intent, and content in driving sustainable practices. He also emphasised the role of consumers and producers in promoting sustainability and directed his thoughts towards the origins of concepts related to disposable and responsible/irresponsible behaviors. He urged reflection on these concepts to shape a mindset aligned with sustainability. Collective responsibility for sustainable consumption and production was highlighted, urging individuals, organisations, and society to prioritise sustainability for the long-term benefit of the planet, society, and economy. He further advocated for systematic changes and innovation to address sustainability challenges and encouraged collaboration across sectors for meaningful impact. Finally, drawing lessons from Indian culture, specifically the multi-generational use of women’s apparel such as sarees and jewelry, illustrates sustainable practices embedded in tradition. The importance of transparency, ethics, and stakeholder engagement in driving sustainable business practices was further highlighted, including advocating for the integration of sustainability into business models through key performance indicators (KPIs) and a lifecycle thinking approach.

Key Takeaways:

- Multifaceted **nature of innovation** and sustainability in the context of India’s development landscape.
- Need for a holistic and inclusive approach to address the challenges and opportunities associated with sustainability.
- **Promote Collaborative Ecosystems:** Foster an ecosystem that encourages collaboration among diverse stakeholders, facilitating the sharing of ideas, resources, and expertise. This collaborative approach can amplify the impact of sustainability initiatives.
- **Invest in Deep Innovation:** Acknowledge the significance of deep innovation and channel efforts and resources towards solutions that address fundamental challenges. Encourage research and development that goes beyond surface-level innovations for lasting and impactful change. The current economic model, which rewards shallow innovation needs to shift towards innovation that addresses strategic aspects of the value chain.
- **Support Grassroots Innovations:** Recognise and support grassroots innovators by creating mechanisms for financial, technical, and social support. Foster an environment where these innovators can thrive and contribute meaningfully to sustainable development.



- **Facilitate Public-Private Partnerships:** Encourage collaborations between the public and private sectors to leverage combined resources and expertise for sustainable innovation. Public-private partnerships can accelerate the implementation of impactful solutions.
- **Consumer and Producer Roles:** Consumers and producers play vital roles in promoting sustainability through responsible consumption and production practices. Collective responsibility and systematic changes are necessary for meaningful impact. Bridging the gap between the price and cost of products to help consumers understand the environmental and social costs associated with their purchases. There is a need for transparency in sustainability claims to build consumer trust and to create an understanding of the long-term cost-effectiveness of sustainable products.
- **Scalability and Accessibility:** Successful innovations need to be scalable, high-performing, and accessible to a wider range of people. Understanding consumer needs and preferences is crucial in mainstreaming innovations.



Third High-Level Plenary: Collaborative Cotton Futures: ACRE’s Regenerative Agriculture Initiative in India



Solidaridad

CRB CENTRE for RESPONSIBLE BUSINESS
Enabling Change for Impact

regenagri

6 November 2023 | 1645 - 1815 hrs IST

- **Moderator: Devyani Hari**, Director, Centre for Responsible Business
- **Sh. Sunil Patwari**, Chairman, The Cotton Textile Export Promotion Council (TEXPROCIL)
- **Franco Costantini**, CEO & M.D., regenagri
- **Sivaramakrishnan Ganapathi**, Vice Chairman & Managing Director, Gokaldas Exports Limited
- **Binay Choudhury**, Chairman, Control Union Certification
- **Anukool Nagi**, Head of Cotton Programme, Solidaridad Asia
- **Rijit Sengupta**, Chief Executive Officer, Centre for Responsible Business
- **Aditya Petwal**, Assistant Director, Centre for Responsible Business

Aditya Petwal, Assistant Director, Centre for Responsible Business, set the context for the session. Unsustainable production and consumption of basic necessities such as food, shelter and clothing has caused challenges when it comes to biodiversity, climate change, and ecosystem services. The cotton and textile industry has profound environmental impact which extend to communities and the environment, with significant carbon emissions and wastewater generation. There’s a call for change, supported by international conventions, regulations, and consumer demands for transparency and responsibility throughout the supply chain. Coordinated efforts on various fronts are required to devise sustainable solutions, with platforms like the Alliance of Cotton & Textile Stakeholders on Regenerative Agriculture (ACRE), a collaboration between Solidaridad Asia, Centre for Responsible Business, and regenagri being a potential solutions that offers market intelligence, capacity building, networking, policy engagement, and other benefits to scale up regenerative agriculture and promote sustainability in the cotton industry.

Devyani Hari, Director, Centre for Responsible Business, facilitated the panel discussion and underscored the potential of collaborative solutions, emphasising that solutions like ACRE could address regulatory, trade, and consumer demands. The growing pressure for sustainability requirements is



evident throughout the value chain. She stressed the need for a holistic perspective across the value chain, highlighting that achieving change requires collaborative efforts. She further acknowledged the interconnectedness of policy, innovation, and collaboration, noting that they all influence each other.

Shri Sunil Patwari, Chairman, The Cotton Textile Export Promotion Council (TEXPROCIL), in his keynote, emphasised the increasing importance of sustainability and its growing importance in India across various sectors, including government, industry, and trade bodies. He highlighted the benefits of traceability and resource optimisation, which provide a holistic understanding of the inputs and resources used in textile production. He stressed that sustainability can benefit all players in the value chain, from farmers to manufacturers. The government has initiated programs and collaborations with industry players to promote sustainability, focusing on improving yield, reducing input costs, increasing traceability, and promoting recycling practices. He further stressed the need for collaboration across the value chain, between industry and government, and among various stakeholders to drive sustainable practices effectively. While sustainability is already being adopted and will continue to grow in prominence, collaboration will be a key to its success.

Anukool Nagi, Head Cotton Programme, Solidaridad Asia, addressed the pressing issues faced by farmers in rural areas due to unsustainable farming practices, leading to soil degradation, biodiversity loss, and inefficient water use. He emphasised the need for a shift towards regenerative agriculture to restore soil capabilities and farming procedures. Regenerative agriculture, as advocated by platforms like ACRE, aims to address these issues practically by promoting sustainable changes at the ground level.

The approach focuses on soil conservation, carbon sequestration, biodiversity restoration, and water savings, leading to positive changes observed among farmers. Despite being a relatively new standard, regenagri has shown promising results, including a reduction in the cost of cultivation and water use. Their traceability tool, SoliTrace, further strengthens their commitment to regenerative practices, capturing the entire journey from seed to fiber. He further highlighted the successful implementation of regenerative practices among thousands of farmers and the growing interest in adopting these practices, suggesting a bright future for regenerative supply chains.

Sivaramakrishnan Ganapathi, Vice Chairman & Managing Director, Gokaldas Exports Limited, emphasised the challenges posed by the rise of fast fashion, driven by mass consumption, leading to higher apparel consumption per capita, lower garment quality and increased environmental pollution. This, coupled with the industry's reliance on production in low-cost countries and global transportation further exacerbates its carbon footprint.

He stressed the urgency for the entire industry value chain to embrace sustainability in every aspect of their operations. As a responsible garment manufacturer, Gokaldas ensures that fabric suppliers follow sustainable practices. They have also implemented measures to conserve power and water in production units, including transitioning to solar-based power.





He expressed the organisation's commitment to exploring regenerative cotton and working with stakeholders to drive the transition towards sustainability. Collaboration among stakeholders, including fabric suppliers, farmers, and manufacturers, to transition towards more sustainable practices will be essential going forward.

Franco Costantini, CEO & M.D., regenagri introduced the regenagri initiative as a global regenerative agricultural which provides standards, methodologies, and a platform for measuring, assessing, and assuring data from regenerative projects. These standards cover farms and the entire supply chain, ensuring integrity and assurance of products from regenerative farming. The platform registers and analyses data, measures impact and progress, and ensures consistent assessment. Third-party auditors like Control Union oversee the implementation of regenerative criteria and compliance with the framework. Its contextualized approach tailors assessments based on farm conditions, recognising the contextual differences in regenerative farming practices and outcomes across regions. Overall, regenagri offers a scalable third-party certification program for organisations across the supply chain to meet their sustainability objectives and collaborate closely with producers to ensure environmental achievements and data assurance.



Binay Choudhury, Chairman, Control Union, shared the transformation of the agricultural sector from the 1950s to the present, highlighting key milestones and shifts in approaches.

Initially, agriculture was not chemical-intensive, but from the 1970s to the 1990s, three revolutions (green, blue, and white) aimed to increase productivity, leading to the use of chemicals. Concerns about chemical contamination led to the emergence of organic movements and regulations (EU) in the 1990s. However, high-input agriculture and sustainability challenges emerged, leading to a shift towards regenerative agriculture, an approach that integrates natural farming techniques, emphasising intercropping, cover crops, and biodiversity preservation, focusing on parameters aligned with the sustainable development goals. It evaluates nearly 30 parameters related to soil health, crop health, and environmental impact.

Notably, transparency and traceability have become crucial focal points, with innovations like blockchain technology and data-driven approaches offering efficient solutions. He further anticipated that the future of agriculture involves technological advancements such as no-water approaches, fiber alignment, carbon dating, and satellite-based evaluations to ensure transparency and improve farmers' net income

Shri. Patwari further added that the impact of new regulations, particularly those initiated by the EU, on the agricultural sector, may seem daunting due to the required changes in data and transparency; they are expected to accelerate a slow-moving process. Organisations like regenagri and BCI will be key in driving sustainable practices, especially in areas like cotton farming where there is a significant need for improvement. Despite challenges such as the low yield of cotton in India compared to global averages, he remains optimistic about the potential benefits of these efforts. Improved agricultural practices will eventually lead to increased cotton production, better market share, and overall gains for India as a country, benefiting everyone in the agricultural value chain.

Anukool Nagi, further highlighted the importance of multi-stakeholder platforms like ACRE in engaging with various actors within the fragmented cotton supply chain. These platforms provide visibility across the supply chain and facilitate collaboration among different stakeholders, including processors, producers, NGOs, and farmers. The goal is to transition to a more sustainable supply chain beyond just the farm level. He further highlighted the need for empowerment and capacity building among local institutions and farmer organisations to ensure the sustainability initiatives can be sustained without heavy reliance on external actors. Additionally, there is a need to scale-up initiatives like regenagri. Further, IoT has been integrated in agricultural systems to provide farmers with real-time weather and

agricultural data for better decision-making. This approach has led to significant improvements in water management, pesticide application, and overall agricultural practices, fostering a positive impact on sustainability. Ultimately, with the right intent and collaborative efforts, such initiatives will create a significant positive impact on the agricultural sector.

Sivaramakrishnan Ganapathi, highlighted the fragmented nature of the textile value chain, involving various stakeholders from cotton farmers to garment makers and brands, emphasising the need for alignment across the entire value chain and highlighting the importance of intent and commercial interests in driving sustainability practices. He stressed the need for sustainable practices like organic cotton farming to make financial sense for farmers and the importance of consumer education and demand. Consumer demand and willingness to pay for sustainable products will be crucial for making sustainability initiatives commercially viable for all stakeholders. He called for collaboration among industry players, NGOs, and relevant bodies to address challenges and make sustainability financially attractive for all involved parties.

Franco Costantini, mentioned the critical importance of collaboration in sustainability initiatives, particularly in the context of regenerative agriculture. He highlighted various forms of collaboration, including partnerships between brands and producers, multi-stakeholder engagements, and data sharing among stakeholders. He further suggested that analysing data from ongoing projects can inform the direction of future initiatives, leading to more effective outcomes. Further, sharing data and insights among stakeholders to optimise strategies and maximise success is essential. Overall, he underscored the importance of collaboration and leveraging various components like data, standards, technology, and financing to drive sustainable practices in agriculture.

Binay Choudhury touched upon the complexity of meeting diverse consumer preferences and industry standards in the textile sector, highlighting the need for varied standards and practices. He stressed the need to promote natural farming while maintaining productivity and farmer incentives. He further suggested that regenerative practices can lead to carbon and water savings, which could be financially beneficial for stakeholders throughout the supply chain, ultimately leading to greater success.

The consensus was that sustainability is here to stay, and collaboration will be key to achieving widespread adoption of good practices.

Shri Patwari in closing addressed the need to transition regenerative agriculture from a niche practice to a mass-produced one by demonstrating cost reduction and yield improvement to incentivise farmers. Drawing parallels to the rapid adoption of GMO farming in the past when farmers saw benefits. Additionally, he expressed concern about sustainability and the potential need for industry downsizing as part of the reduce, reuse, recycle ethos, which could present challenges for stakeholders at all stages of the supply chain.



Key Takeaways

- **Empowering Local Institutions and Intent for Sustainability:** Growing significance of empowering local institutions, such as farmer producer organizations, to ensure long-term sustainability.
- **Data-Driven Approaches:** Innovations like blockchain technology and satellite-based evaluations ensure transparency and improve farmers' net income, while data-driven approaches offer efficient solutions to traceability and transparency challenges.
- **Consumer Demand:** Consumer demand and willingness to pay for sustainable products are crucial for making sustainability initiatives commercially viable for all stakeholders, driving the adoption of good practices.
- **Sustainability as the Future:** Sustainability initiatives are here to stay, and collaboration will be key to achieving widespread adoption of good practices, despite potential challenges such as industry downsizing.
- **Collaborative Solutions:** Collaborative efforts, such as platforms like the Alliance of Cotton & Textile Stakeholders on Regenerative Agriculture (ACRE), offer market intelligence, capacity building, networking, policy engagement, and other benefits to scale up regenerative agriculture and promote sustainability in the cotton industry.
- **Holistic Perspective:** Achieving change requires a holistic perspective across the value chain, emphasising the interconnectedness of policy, innovation, and collaboration.





DAY 2

7 NOVEMBER 2023



Empowering Women Cotton Farmers: Cultivating Change, Closing Gender Gaps, and Combating Climate Change

COTTON CONNECT

7 November 2023 | 1000 - 1130 hrs IST

- **Moderator: Nandini Sharma**, Director Centre Responsible Business
- **Geetanjali Solanki**, Country Manager, Cotton Connect
- **Vaishali Bahel**, Sustainable Cotton Programme, Primark
- **Jahnvi Andharia**, Director and Research fellow, Institute of Social Studies Trust
- **Heena Indravadanbhai Dave**, Executive Director, Rudi Multi Trading Company Ltd
- **Kinjal Jani**, Project Coordinator, PSCP program, Rudy Multi Trading Company Ltd



Nandini Sharma, Director, Centre for Responsible Business, initiated the discussion by highlighting the panel’s focus on the importance of Sustainable Development Goal (SDG) 5, which aims to achieve gender equality and empower all women and girls, particularly focusing on the role of women in building resilient, sustainable, inclusive global value chains, within the context of the cotton supply chain.

Geetanjali Solanki, Country Manager, Cotton Connect, highlighted the fragmented nature of the cotton supply chain, leading to a lack of visibility and traceability. She also touched upon the prevalence of smallholder farmers in India, who face obstacles in adopting sustainable practices due to a focus on maximising profit and limited access to information and technology. Additionally, increasing regulations regarding human rights risks in business, further highlight the importance of traceability and transparency.

CottonConnect undertakes specific measures including impact reporting, life cycle assessments, and rigorous monitoring and evaluation processes, to ensure compliance and mitigate risks. She further underscored the multifaceted nature of the supply chain, emphasising the need for different audits, success indicators, and traceability at various stages. This ensures the honesty and integrity of the components integrated into the supply chain align with their promised specifications. Further, smallholder farmers benefit from participating in collaborative initiatives, where they gain access to resources, technology, and training that would otherwise be limited.

Vaishali Bahel, Sustainable Cotton Programme, Primark, asserted the crucial role of sustainable practices in the cotton supply chain, including ensuring reliable raw material supply, long-term resource

viability, waste minimisation, and responding to changing consumer demands. She also acknowledged the complexities of the cotton supply chain, highlighting challenges such as fragmented networks and difficulties in traceability. Despite these challenges, they commend the use of traceable mechanisms like Cotton Connect to track the cotton journey, facilitating sustainability efforts. She further highlighted challenges at the farm level, such as pesticide overuse and market fluctuations, which require attention.

While talking about Primark's sustainability strategy, she highlighted that the strategy was developed in response to stakeholder demands, focusing on reducing waste, carbon emissions, and promoting equal opportunities for women. Within Primark's sustainable cotton program, initiatives supported by Cotton Connect aim to build farmers' capacity, particularly women farmers, in adopting natural farming practices and improving harvesting methods to ensure low contamination in the supply chain. Additionally, the social aspect of Cotton Connect's due diligence and social audits in supporting these efforts were further highlighted.

Jahnvi Andharia, Director and Research Fellow, Institute of Social Studies Trust, stressed on the broader context of the agriculture sector, highlighting India's significance as the world's largest cotton producer and second-largest cotton exporting country. She emphasised the role of women in agriculture, particularly in the informal sector, and addressed challenges in accurately measuring their contribution due to issues with data collection and statistical methods. She pointed out the often overlooked role of women in social reproduction, including caring for animals and family members, which is integral to economic systems but frequently disregarded. There is a need to recognize and address the unfinished business of accounting for women's roles in the cotton sector and advocate for accurate measurement methods. Additionally, she introduced the concepts of **income poverty** and **time poverty**, explaining how women's multitasking and caregiving responsibilities can lead to depletion of their capabilities further underscoring the importance of considering these factors when examining women's participation in the global supply chain and advocating for their inclusion and recognition.

Kinjal Jani, Project Coordinator, PSCP program, Rudy Multi Trading Company Ltd, talked about the myriad challenges faced by women in agriculture, including lack technical support, knowledge of sustainable practices, issues related to climate change, limited financial resources, and lack of supply chain linkages. She emphasised the importance of training and exposure for women farmers to reduce costs, improve water usage, and increase income. Further limited knowledge of alternative crops poses a significant hurdle, despite the potential for increased revenue. Moreover, climate change exacerbates issues such as irregular rainfall and pest infestations, leading to financial losses, and limited financial resources further constrain their ability to adapt. She further underscored the necessity for comprehensive support, including technical training and adaptation strategies, to empower women in agriculture amidst these multifaceted challenges.

When addressing the issues women farmers face, **Geetanjali Solanki** highlighted how climate change disproportionately affects women in agriculture due to their vulnerability and unpaid, unrecognized labor. Women often lack land ownership, hindering their access to resources and decision-making. Climate change exacerbates their workload, such as longer trips for water and increased livestock care, leading to stretched time and reduced income. With men migrating due to decreased farm incomes, women face added responsibilities and less time for personal well-being or income-generating activities. This increased burden impacts their ability to invest in education and further limits their decision-making power. Overall, climate change exacerbates existing gender inequalities in agriculture, affecting women's livelihoods, time poverty, and well-being.

Jahnvi Andharia highlighted the gendered impacts of climate change and the plight of women left behind in agricultural communities, particularly in cotton-growing regions. She shed light on the challenges faced by widows of farmers who have committed suicide, emphasising the lack of recognition and support from government systems. Despite inheriting the responsibility of farming, these women are excluded from subsidies and assistance due to land ownership issues and societal norms. She further argued for the recognition of women as farmers and advocates for a broader definition that encompasses their labor contributions beyond traditional agricultural tasks. She emphasised the importance of acknowledging and valuing women's economic activities and reject the notion of assistance as charity, advocating instead for equitable recognition and support.

Vaisahali Bahel stressed the importance of recognising women farmers as key stakeholders in the cotton supply chain. When talking about the objectives of the PSCP program, she mentioned that it was started with the goal to understand ways to reduce environmental impact, support capacity building, and increase traceability and transparency in the supply chain. In the early stages of the programme, specific vulnerabilities faced by women farmers, such as lack of knowledge on agricultural inputs and techniques came forward and through partnerships with organisations like SEWA and Cotton Connect, the program has addressed these gaps and empowered women farmers over the past decade. She further shared success stories of women farmers who have become confident and empowered decision-makers within their communities, emphasising the transformative impact of engaging women in agriculture.

Heena Indravadanbhai Dave, Executive Director, Rudi Multi Trading Company Ltd, talked about the collaboration between SEWA, CottonConnect, and Primark, highlighting their work with over 2.5 million members across 12 districts for the PSP program. Challenges arose due to societal and family restrictions, with women needing permission to leave the home even after training. Despite SEWA's involvement, difficulties persist in obtaining land ownership, leading to issues accessing loans without a male co-signer. Lack of education and resources compound these challenges for women farmers.

When talking about Solutions, **Geetanjali Solanki** talked about the importance of empowering women in agriculture through the PSP program, highlighting the focus on providing agronomic training directly to women working on the land. This training encompasses various aspects such as cotton picking techniques and marketing knowledge. Additionally, initiatives like the Women in Cotton Program and the Women Climate Ambassadors Program aim to equip women with skills beyond traditional agricultural practices, including financial literacy and climate change mitigation. She further acknowledged the collaborative efforts of stakeholders like SEWA and CottonConnect in achieving these goals, resulting in tangible outcomes such as increased confidence and economic empowerment among women farmers.

When talking about Women Empowerment, **Jahnvi Andharia** delved into the multifaceted concept of women's empowerment, emphasising the importance of understanding power dynamics. She highlighted that empowerment is not just about providing training or technical knowledge but involves a phased approach addressing various aspects which includes recognising opportunities for women, promoting their participation in decision-making processes, redistributing household and farm work, and ensuring their inclusion in decision-making forums. She further stressed the need for a collective approach to empowerment, acknowledging the strength in numbers and solidarity among women. She concluded by emphasising the significance of shifting power dynamics and adopting a rights-based approach to women's empowerment, rather than viewing it as charity or dole outs.

Vaishali Bahel further shed light on good practices when it comes to the importance of responsible sourcing for sustainability, highlighting key elements such as market linkage, embedded buying strategies, and effective partnerships. She highlighted Primark's sustainability strategy, focusing on minimising waste, reducing environmental impact, and promoting equal opportunities for women. Circular economy principles, community investment, and collaboration with universities to promote regenerative agriculture were further highlighted as crucial components of responsible sourcing. She underscored the need for collaboration and coalitions among private players to address climate change and drive further progress in responsible sourcing.

When talking about the way forward, **Heena Indravadanbhai Dave** highlighted the significant empowerment of women over the past 10 years, particularly in adopting sustainable practices that have reduced costs and helped them cope with climatic conditions. She further talked about the importance of continuous agricultural training to keep women farmers updated on new practices. She talked about the need for agri input centres and to make these across more various villages. Further SEWA aims for women farmers to become entrepreneurs and see agriculture as a business to enhance their income. While progress has been made, there is acknowledgment that there are still challenges ahead for women farmers.

In conclusion, **Geetanjali Solanki** talked about the need to evolve and adapt to changing times and stresses, particularly in light of climate change. She emphasised the importance of promoting climate-resilient practices and working with both men and women to achieve a broader impact in programs

related to women's empowerment. Her call to action would be to continue assessing, revising, and modifying approaches as needed to achieve their vision. **Vaishali Bahel**, expressed the belief that there is still much to learn and achieve in their efforts. She emphasised a focus on climate resilience approaches and advancing towards making women farmers owners and managers, highlighting the importance of exploring new approaches to achieve this goal. **Jahnvi Andharia**, stressed the need to invest in collectivising women farmers and recognise them as individuals with broader roles and responsibilities beyond farming, addressing issues such as violence and access to essential resources like food. She added the need to incorporate a feminist perspective in training. Apart from technical skills, include discussions on patriarchy, power imbalances, and social justice to empower women farmers with confidence and force for change. And finally there is a need for increased investment in women's issues, empowerment of women is essential for equitable and sustainable development. She highlighted the need to accelerate efforts and increase funding dedicated to women's issues, as current investment levels are insufficient, with only 3% of total developmental philanthropic funding allocated to women's issues. **Heena Indravadanbhai Dave** suggested the establishment of a climate resilience fund to address the increasing challenges posed by climate-related conditions and **Kinjal Jani** emphasised the importance of providing more training to farmers to equip them with the skills needed to overcome these challenges effectively, highlighting the current inadequacy of existing training programs.

Key Takeaways:

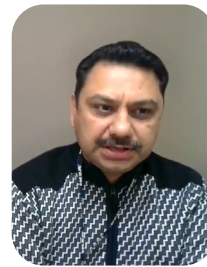
- **Empowerment Programs:** Implement tailored empowerment programs focusing on technical training, exposure, and knowledge enhancement for women in cotton farming to improve their resilience and capabilities in the face of challenges like climate change and market fluctuations.
- **Land Ownership & Decision-making:** Advocate for policies promoting women's land ownership rights and decision-making abilities within agricultural sectors to ensure their fair representation and access to resources and support.
- **Supply Chain Transparency:** Enhance traceability and transparency measures within the cotton supply chain to ensure ethical practices, fair treatment, and recognition of women's contributions at all stages.
- **Inclusive Measurement Methods:** Develop improved accounting and measurement methods that accurately capture women's diverse roles, including family-based care, animal husbandry, and social reproduction, contributing to a more inclusive representation within economic systems.
- **Climate Resilience Strategies:** Invest in climate-resilient agricultural practices, alternative crop education, and adaptation strategies to mitigate the adverse impacts of climate change on women farmers and their livelihoods.
- **Education and Financial Support:** Prioritise education for girls and provide financial support to overcome the impact of reduced income due to climate-induced challenges, ensuring their long-term well-being and future opportunities.

Aligning sustainability to the policy landscape for soft commodities



7 November 2023 | 1000 - 1130 hrs IST

- **Moderator: Vishal Dev**, Director, Sustainable Business, WWF-India
- **Archana Negi**, Assistant Professor, Jawaharlal Nehru University, New Delhi
- **Michael Bucki**, Counsellor, Head of Section, Delegation of the European Union to India
- **Kamal Prakash Seth**, Director, Global Palm Oil, WWF – Singapore
- **Chris West**, Deputy Director, Stockholm Environment Institute York
- **Arvind Rewal**, Global Raw Material Leader, Agriculture, IKEA
- **Yaswanth Tippireddy**, Lead, Supply Chain Excellence and Special Projects, Oil Palm Plantation Business, Godrej Industries Limited and Associated Companies



The session delved into the evolution of international legislation, governmental action, and global implication for the private sector, aiming to discover solutions for sustainability challenges in soft commodities. Topics included aligning sustainability with the policy landscape, the impact of international legislations on the private sector, and findings from a WWF study on the ecological impact of various commodities. The discussion covered new regulatory frameworks, their influence on corporate behavior, deforestation implications for Indian businesses, and challenges in ensuring supply chain traceability. Additional insights addressed sustainable oil palm cultivation in India, the impact of global regulations on local municipal policies, and the intricate link between human rights and environmental issues in sustainability initiatives. Emphasizing the responsibility of brands and retailers for their supply chains, the session also explored the potential of carbon trading markets to incentivize sustainable practices.

Climate and Nature: Impact on Commodities and Legislation

The session commenced with an opening statement by the moderator, **Vishal Dev, Director of Sustainable Business, WWF-India** addressing whether climate change and nature risk are distinct

entities or if they are interconnected, and how they have been differentiated. He emphasized on the dual impact of climate change and degradation of natural ecosystems. In his opening remarks, he also highlighted findings from a WWF study indicating that seven commodities - cattle, soy, palm, wood, fiber, cocoa, coffee, and rubber - all of which have an impact on the destruction of natural ecosystems. Cattle, soy and palm being the largest contributors to impact up to the extent 53%. The impact of climate change and biodiversity loss is strongly felt by the world now. Lastly, he added that both climate change and biodiversity loss need to be addressed with similar understanding, planning, strategies, and regulations.

Archna Negi, Jawaharlal Nehru University, New Delhi, spoke about corporate sustainability in the changing landscape of global value chains. She emphasized that sustainability standards and due diligence in business are integral to the broader interaction between corporate activities and human rights along with the environment since the 1990s. Various measures of due diligence define the relationship between business and sustainability, aiming to foster a corporate culture respectful of human rights and the environment. She highlighted the shift from voluntary sustainability standards to mandatory regulation of corporate behavior, leading to the current trend towards human rights due diligence at the international level. Lastly, she spoke about the national legislations in rich countries like the US, Canada, and Europe, and the European Union's: 1) European Union Corporate Sustainability Due Diligence Directive 2) EU Carbon Border Adjustment Mechanism, and 3) the EU Deforestation Regulation.

Regulatory Frameworks and EUDR: Impact and Challenges

Archna Negi highlighted the new regulatory frameworks, while **Michael Bucki, Counsellor, Head of Section from Delegation of the European Union to India** addressed questions about EUDR, the regulatory framework for the EU market. He highlighted the importance of such regulations in encouraging the industry to take concrete actions towards deposit creation. Furthermore, he emphasized on the minimal direct impact of EUDR for India, representing less than 0.1% of Indian GDP. The primary commodities that would be affected in India will be rubber (43%), timber (23%), and coffee (15%), with palm oil being the smallest among the commodities in scope. However, he stressed the need for discussion and awareness on the business and of the upcoming regulatory changes, as the deadline for compliance is in June 2025. From a biodiversity standpoint, India's efforts are noteworthy and moving in the right direction regarding deforestation proving deforestation-free status becomes advantageous for suppliers, serving as a boon to their business. Thus, the conversation about demonstrating compliance, even for smallholders, is crucial. The discussion also touched on the potential challenges of compliance with the regulation, particularly for Indian corporates, and the need to modify internal processes.

Deforestation Implications and Regulations for Indian Businesses

There are implications of deforestation for Indian businesses and the potential opportunities for demonstrating and documenting deforestation-free supply chains. The discussion emphasized that India has a sound public data infrastructure that could be utilized to track deforestation along supply chains more easily than other countries. **Kamal Prakash Seth, Director, Global Palm Oil, WWF – Singapore** expanded on the Global Biodiversity Framework and Global Policy Landscape, highlighting various initiatives and regulations related to deforestation, such as the EU Deforestation Regulation. He also underscored the importance of sustainable supply chains for commodities like palm and the need for responsible expansion of these commodities in India as India's global market link is evident, being a major soybean and palm oil exporter and importer respectively. In conclusion, despite challenges, there are opportunities for India to become self-reliant and responsible, drawing lessons from countries like Brazil and Indonesia, this provides an opportunity to advance sustainable development goals, boost farmer income, and involve local communities in decision-making.

Challenges of Conversion, Sustainability, and Supply Chains

The discussion highlighted the challenges of conversion and the decision of which crops to convert and which not to convert. **Chris West, Deputy Director at the Stockholm Environment Institute York**, emphasized reputational and material risks in non-sustainable production. The demand for sustainable soft commodities is rising globally due to heightened awareness. Major contributors to deforestation, such as beef, soy, and palm oil, are linked to excessive meat consumption. To drive change, there is a need

for awareness in production, emphasizing environmental and social sustainability, and ensuring fair wages for producers. Exploring European supply chains, challenges in compensating producers have been identified. Addressing these and monitoring offshore impacts are crucial. Despite frameworks like the Glasgow Declaration and the Global Biodiversity Framework, there is a predominant focus on national action planning, urging governments to take more responsibility for overseas impacts. He advocated for a global shift to responsible sourcing, fair wages for producers, increased monitoring of international supply chains, and involvement of the finance community for change.

Supply Chain Traceability: Challenges and Collective Collaboration

The discussion focused on the challenges of ensuring supply chain traceability, particularly in relation to factors such as geographical and sectoral boundaries. **Arvind Rewal, Global Raw Material Leader, Agriculture, IKEA** spoke about the rapidly changing legislative landscape necessitates a collective and proactive approach in the business sector, particularly for companies committed to sustainable practices. IKEA, a notable example, emphasizes traceability and responsible sourcing across its supply chains. The conversation also touched on going beyond compliance with regulations to achieve true sustainability. The discussion ended with the acknowledgment that —beyond legal obligations, the focus extends to social sustainability, inclusive frameworks, and the role of organizations like NGOs are driving positive change. By emphasizing the need for collective responsibility, Arvind underscored the importance of collaboration in navigating complex regulatory landscapes and achieving holistic sustainability goals.

Challenges in Sustainable Business Practices

Yaswanth Tippireddy, Lead – Supply Chain Excellence and Special Projects, Oil Palm Plantation Business, Godrej Agrovet Limited, addressed the challenges of implementing sustainability in businesses, he highlighted that it is essential to recognize the inherent value of sustainable practices beyond mere cost considerations. Leveraging technology, as exemplified in oil palm cultivation in India, ensures compliance through stringent regulations and double handshake verification processes. The approach involves not only documenting land ownership but also capturing farm polygons to monitor crop health and output using remote sensing. The emphasis on compliance is not seen as a basic cost but as an opportunity to drive value, such as utilizing by-products in a circular economy model. Moreover, the socio-economic context in India, with government incentives and fair labor practices, contributes to overcoming challenges in the processing and production of sustainable goods. This holistic perspective reinforces the idea that embracing sustainability is not just a compliance requirement but a pathway to creating lasting value.

Key Takeaways

Sustainable Methods of Oil Palm Cultivation in India

In sustainable oil palm cultivation practices in India, there should be the use of technology for regulatory compliance. The challenges should be addressed related to land ownership and sourcing, focusing on ensuring economic viability for smallholder farmers. There are companies who are building an ecosystem to incentivize oil palm cultivation, involving investments in infrastructure, providing services and advice to farmers, and promoting conservation efforts in the region.

Navigating Greenwashing Challenges: Standards, Frameworks, and Collective Responsibility

The conversation explored the issue of greenwashing in supply chains, focusing on the role of standards and frameworks. The challenges stemming from multiple standards, calling for greater harmonization and emphasizing the need for capacity building across the supply chain. Furthermore, the company's global sustainability approach, emphasizing fairness, equality, partnerships, and compliance monitoring. The key takeaway was the importance of preparedness and collective responsibility in tackling sustainability challenges.

Shaping Sustainable Agri-Food Policies: Global Collaboration

There is an influence of global regulations on municipal policy changes, particularly in the global South.

There is a need for collaboration between consumer and producer countries within forums like G20 to work together towards sustainability. Key concerns include the inequitable distribution of profits in global supply chains, especially impacting small-scale farmers. There are unresolved issues regarding farm-level certification and due diligence, suggesting alternative approaches. There is a need for multistakeholder dialogue to realize objectives, concluding with the recognition of global platforms like G20 as crucial in shaping such regulations.

Balance between Human Rights and Environmental Concerns in Sustainability Initiatives

Acknowledging the complexities in implementing legislations that effectively address both issues. Attention was drawn to the Indian government's strategies for safeguarding vulnerable communities, particularly in ecologically fragile areas, and the utilization of international legislations to update existing laws in the country.

Adoption of Sustainability: A Call to Action

The changing legislative landscape underscores the imperative for brands and retailers to assume responsibility for their supply chains. Collaboration and the development of practical solutions are essential, along with the establishment of a task force tasked with drafting a proposal for sustainable policies related to soft commodities. India could glean insights from the experiences and mistakes of other countries. Thus, the focus should be on the necessity for action and iterative progress towards sustainability. practices.

Enabling Indian SMEs for Sustainable and Circular Textiles

7 November 2023 | 1200 - 1330 hrs IST



- **Moderator: Devyani Hari**, Director, Centre for Responsible Business
- **Dr. Periasamy S.**, CEO, AIC-NIFTTEA Incubation Centre for Textiles and Apparels (Supported by AIM, NITI Aayog, Govt.of India), Tirupur
- **Lis J. Suarez-Visbal**, Ashoka Fellow & PhD Researcher, Copernicus Institute of Sustainable Development Faculty of Geosciences, Utrecht University
- **Souvik Bhattacharya**, Associate Director, Resource Efficiency & Governance, TERI
- **Chandrima Chatterjee**, Secretary General, Confederation of Indian Textile Industry (CITI)
- **Shrinivas Naik**, Head, Business Sustainability, Arvind Limited
- **Shalini Sheth Amin**, Founder & Senior Partner, MoralFibre
- **Anurag Gupta**, Managing Director, Usha Yarns



Devyani Hari, Director, Centre for Responsible Business, set the stage for a discussion focusing on the textile sector, acknowledging its crucial role in employment, GDP, and exports while highlighting the scrutiny the sector is under due to environmental and social concerns. She emphasised the concept of circularity within this sector, noting that while not entirely new, it encompasses various dimensions beyond waste reutilisation. Circular practices in textiles involve reworking waste, altering manufacturing processes, and influencing consumer behavior.

The focus of the session was on integrating circularity from the perspective of small and medium-sized enterprises (SMEs) within the value chain. Devyani stressed the importance of involving SMEs in sustainability commitments and decisions. The discussion aimed to shed light on the initiatives already undertaken by SMEs, highlighting their contributions on the ground. Further, to explore pathways to scale up initiatives, institutionalise them, and create an ecosystem with appropriate incentives, policies, and connections to facilitate their expansion. The session aimed to address how to enable and support SMEs effectively without merely discussing empowerment, considering the complexities surrounding power dynamics that may exist.

Dr. Periasamy S., CEO, AIC-NIFTTEA Incubation Centre for Textiles and Apparels (Supported by AIM, NITI Aayog, Govt. of India), Tirupur, in his keynote address highlighted the pivotal role of SMEs within the global textile industry's sustainability narrative. He emphasised the industry's resource-intensive nature, outlining the immense environmental impact stemming from material, water, energy, and chemical usage. Acknowledging SMEs as the backbone of India's textile industry, he underscored their agility, adaptability, and proximity to communities as assets for driving sustainable practices.

He lauded Indian SMEs for their strides in integrating sustainability into operations, leveraging technological advancements. These initiatives included adopting sustainable fibers, implementing water-saving technologies, optimising energy efficiency, and exploring waste segregation and recycling through innovative techniques. He further highlighted the adoption of eco-friendly dyes and chemicals to minimise environmental hazards and emphasised bridging the technology gap as crucial for SMEs.

He proposed technology-driven solutions such as technology demonstration centers to educate SMEs about sustainable technologies, citing successful missions that actively engaged students and supported startups. Additionally, he emphasised the potential of natural dyes and the significance of CSR mandates, while addressing the shortfall in renewable energy production and the need for solutions like waterless dyeing, surplus business models, and public-private partnerships.

He advocated for education reform to embed social and environmental responsibility in curricula, particularly in engineering, management, and design schools. He highlighted innovative solutions like 3D virtual sampling to reduce the fashion industry's carbon footprint and encouraged utilising agricultural by-products like banana trees to create biodegradable fibers.

He stressed the need for sustainability to be deeply integrated into the fabric of the Indian textile industry, emphasising collaboration and technological innovation as drivers of this transformation.

Lis J Suarez Visbal, Ashoka Fellow & PhD Researcher, Copernicus Institute of Sustainable Development Faculty of Geosciences, Utrecht University, highlighted the concept of a circular economy, focusing on strategies like reducing, reusing, and recycling to achieve sustainable development. She emphasised the need to integrate environmental, political, economic, and social aspects for a successful circular economy. She outlined seven strategies within the textile and apparel value chain, from redesigning products to recycling, aiming to elongate product life cycles. However, she noted challenges like overproduction, pollution, and social issues such as child labor exist.

She proposed a transformative circular economy, urging a holistic approach that considers both social and environmental impacts to avoid trade-offs. She emphasised the necessity for system change, collaboration, and deeper understanding among consumers and producers. Transformative circularity, she argued, demands long-term thinking and comprehensive planning, aligning business objectives with sustainable development goals. Her discussion introduced a social impact assessment framework focusing on job quality, sustainable livelihood, gender equality, and inclusion. The importance of inclusive stakeholder involvement, organisational culture emphasising social and environmental concerns, and the need for comprehensive policy changes were highlighted.

Further, policy recommendations included eliminating gender income parity, incentivising well-being programs, mandatory spending on worker reskilling for circular transitions, tax credits for circular jobs, supporting social enterprises, and fostering collaboration between academia, NGOs, and businesses. Ultimately, she advocated for a transformative circular economy, stressing the significance of systemic understanding and long-term vision across all levels of business.

Souvik Bhattacharya, Associate Director, Resource Efficiency & Governance, TERI, emphasised the significance of the textile sector in India's manufacturing, particularly the small and medium enterprises (SMEs). He highlighted the sector's economic contributions to GDP, industrial production, and exports, acknowledging its role as a crucial part of India's global textile trade. However, he pointed out the environmental challenges within the sector, particularly in terms of energy and water consumption, highlighting the need for a comprehensive approach to address these issues.

He stressed the importance of filling existing gaps and seizing opportunities in the textile sector,

considering the escalating global demand for textiles alongside aspirations for sustainable consumption and production, a key goal under the Sustainable Development Goals (SDGs). He further discussed the substantial energy and water consumption patterns in the sector, focusing on the various processes involved and their significant environmental implications.

He outlined objectives focusing on creating awareness, guiding interventions, developing strategies, and implementing a comprehensive resource efficiency roadmap for the textile sector. He highlighted the significance of understanding the challenges faced by SMEs in sourcing technology and materials while dealing with fragmented market linkages. The discussion delved into the challenges related to material choices, including the complexities of integrating secondary materials into production due to brand demands and the differential costs between primary and secondary materials.

He also touched upon the use of organic and certified chemicals, showcasing challenges regarding color uniformity and quality across repeated dyeing processes. He highlighted the sector's reliance on grid electricity, the limited adoption of solar PV due to capital investment challenges, and issues related to water recycling, particularly the expense involved in reducing the Total Dissolved Solids (TDS) content.

In essence, he highlighted various challenges and opportunities within the textile sector, stressing the need for a comprehensive understanding of these issues and proposing interventions that prioritise resource efficiency and sustainability while considering the unique constraints faced by SMEs.

Shalini Sheth Amin, Founder & Senior Partner, MoralFibre, emphasised the importance of grassroots work within the textile industry, focusing on the artisans and communities rather than solely on technology. With a background in architecture and a heritage tied to Khadi fabric, she founded Moral Fiber, seeing handcrafted fabrics like Khadi as environmentally friendly, supporting artisans, and promoting sustainability. She highlighted that Khadi fabric, being handcrafted, uses significantly less electricity and water compared to mill-made fabric, making it an eco-friendly and sustainable option. Despite its benefits, she acknowledged certain loopholes and inefficiencies within the industry and proposed a next-generation approach, advocating for small creative manufacturing units that integrate high-level design and technical inputs while preserving the artisanal identity.

She suggested dividing the industry into smaller units to empower artisans and create a frugal yet supportive system, providing work opportunities while meeting global demand for sustainable goods. She stressed the need for design, technical training, and marketing support to enhance the contribution of India's crafts to the global market while maintaining alignment with circularity and sustainability goals. Additionally, she advocated for transitioning to solar power to reduce carbon footprint within the industry.

Devyani Hari, acknowledged the importance of skill enhancement and highlighted the necessity for a developmental process. She emphasised the need to focus on creating access to research and development as well as design opportunities at the grassroots level.

Anurag Gupta, Managing Director, Usha Yarns emphasised the critical need to generate interest in sustainable textiles and urged individuals to align their purchasing decisions with sustainability goals. He shared the journey of establishing Usha Yarns, originally a conventional Cotton Yarn factory. Dissatisfaction with traditional production methods prompted them to explore recycling possibilities. He highlighted the prevalent downcycling practice in India and aimed to create recycled products matching the quality of virgin materials. He proudly highlighted Usha Yarns' achievement in producing high-quality recycled textile materials at a considerable scale. He underscored their dedication to environmental and social compliance, extensive research, and the implementation of traceability systems to ensure transparent operations.

Despite limited policy support, he urged both entrepreneurs and the government to pivot towards integrating sustainability into business strategies. He emphasised the immense potential of circular systems within the textile industry and advocated for collective efforts to reduce reliance on virgin fibers.

Devyani echoed Anurag's points, emphasising the crucial role of consumer involvement in driving sustainable practices. She highlighted the potential impact of policies in incentivising and catalysing

action, converting intent into tangible results.

Chandrima Chatterjee, Secretary General, Confederation of Indian Textile Industry (CITI), discussed the need for sustainable business practices and the policy's role in maintaining the sustainability of SMEs. She emphasised India's unique position, encompassing small cotton farmers, small-scale manufacturers, and extensive dependency on SMEs. She highlighted the potential conflict between technology-driven sustainability demands and sustainable livelihoods, urging a balanced approach.

She emphasised the need for policy dialogues considering India's distinctive challenges, especially in comparison to countries with different value chains. She mentioned the G20 discussions' positive impact on sustainability requirements, seeking uniformity in market access and financial aspects. She emphasised incentivising SMEs through market-driven approaches for sustained growth and providing a platform for visibility.

She acknowledged recent shifts acknowledging sustainability as a business strategy, stressing the necessity to demonstrate sustainable practices. She highlighted India's challenge in demonstrating positive initiatives, encouraging industry associations to publicise sustainable efforts for global recognition. Further she mentioned studies praising India's sustainable practices while acknowledging recent unsustainable trends due to alignment with Western requirements.

The conversation delved into the complexity of fiber policy and its impact on India's diverse fiber-rich landscape. She highlighted ongoing technological discussions and stakeholder engagement led by the Ministry of Textiles to address these challenges. She emphasised the importance of interdepartmental dialogues and the unique challenges India faces due to its value chain and heavy reliance on SMEs in advancing sustainability discussions.

Devyani appreciated the significance of sustainability but stressed the need for owning and articulating India's narrative regarding sustainability efforts. She highlighted the critical aspect of considering who bears the cost of sustainability. Emphasising collaboration between brands and suppliers, she underscored its pivotal role in overcoming limitations. Devyani reiterated the importance of bringing support to grassroots levels and furthering the India story concerning sustainability initiatives.

Srinivas Naik, Head, Business Sustainability, Arvind Limited shared the company's legacy of responsible stewardship, rooted in pre-independence times, where sustainability has been integral. The journey started with a focus on social responsibility, evolving to environmental concern with the textile industry's emergence and its associated pollution challenges. Arvind took a pioneering role, becoming a founding member of the SAC (Sustainable Apparel Coalition) to address these issues.

He highlighted the fundamental reasons driving Arvind's adoption of circular practices, including resource and cost savings, business differentiation, and the strategic advantages of being a frontrunner in sustainable initiatives. Regulatory compliance aligns with their core values of doing the right thing. He detailed Arvind's best practices, focusing on water conservation in fabric dyeing and apparel washing, using minimal water through techniques like foam dyeing and tracking water usage through software.

The company places a significant emphasis on renewable energy, primarily through solar power across their factories. They meticulously choose sustainable chemicals to prevent air and water pollution in their operations. Waste recycling is integral, managed via software like Reverse Resources, and fabric recycling is a significant initiative, with up to 20% recycled material incorporated into most fabrics.

He addressed the challenges related to sludge generation in stone washing processes, emphasising long-term cost-effectiveness as a business advantage. Arvind also explores patented processes like Wiser Wash, employing minimal water and chemicals. Their innovative approach extends to product design, focusing on durability and recyclability, ensuring products can withstand more extensive laundering cycles.

Additionally, Arvind collaborates with other industries to access high-quality water when faced with water scarcity. Their commitment to sustainability spans various operational aspects, showcasing a comprehensive approach that aligns with their core values and ongoing commitment to responsible business practices.

Devyani expressed gratitude for the insights shared across various perspectives in the value chain, highlighting the importance of investing in research and development for discovering new technologies that minimise resource consumption. She emphasised the need for ambitious innovation to drive significant change in the country’s sustainability efforts. Reflecting on diverse viewpoints from large companies, grassroots levels, SMEs, and associations, she underscored sustainability as a crucial differentiating factor across different scales. However, she emphasised the critical need to clarify incentives and cost-bearing aspects. She noted the essential consideration of long-term cost sustainability for the environment and people involved, stressing the necessity to ensure economic viability. She highlighted the importance of collective efforts in reevaluating the value distribution for sustainable practices to thrive.

Further, the importance of integrating sustainable design thinking into textile engineering education was highlighted. She acknowledged the ongoing initiatives in design institutes but stressed the need for a more comprehensive and industry-aligned approach. While there is progress, systematic implementation and industry collaboration are lacking.

While sharing closing remarks, **Anurag** emphasised the importance of ethical pricing, sustainability, and quality as integral components for a successful business. He noted the challenge where discussions on sustainability often remain as talk without reflecting in actual business negotiations. He highlighted the need for government support in education and guidance, especially for SMEs, but indicated the reluctance in paying for sustainability during business transactions. **Chandrima** addressed the complexities in the industry, particularly in mass production, where minimal margins pose challenges. She emphasised the delicate balance between prioritising sustainability and ensuring fair livelihoods for workers, highlighting the interconnectedness of environmental concerns with worker welfare. She stressed the importance of achieving equilibrium between environmental preservation and social well-being, acknowledging the overwhelming shift toward sustainability while advocating for a balanced approach that addresses a bundle of environmental concerns without neglecting social implications. **Shalini** proposed incentivising SMEs to reduce their carbon footprint and pollution levels, highlighting the potential for such incentives to create market demand and raise public awareness. She suggested incentivising businesses with low carbon footprints or those engaged in handcrafted methods, acknowledging that although this approach might be costly, it could have significant and lasting effects. She also highlighted the financial challenges businesses face, mentioning the cost of groundwater withdrawal as a pertinent issue for SMEs, underscoring the significance of cost considerations in such initiatives.

Devyani concluded the session by highlighting the complexities of doing the right thing in business, acknowledging that ethical choices often come with long-term costs. She emphasised the industry’s investment in sustainability while advocating for support to ensure viability, suggesting that a helping hand could be beneficial without compromising ethical practices.

Key Takeaways:

- **Circular Economy in Textiles:** There is a growing focus on circularity within the textile sector, encompassing various dimensions beyond waste reutilisation. Circular practices involve reworking waste, altering manufacturing processes, and influencing consumer behavior.
- **Role of SMEs:** SMEs play a crucial role in integrating circularity within the textile value chain. Their involvement in sustainability commitments and decisions is essential for driving sustainable practices.
- **Resource-Intensive Nature:** The textile industry is resource-intensive, with significant environmental impacts stemming from material, water, energy, and chemical usage.
- **Adoption of Sustainable Practices:** Indian SMEs are integrating sustainability into operations by adopting sustainable fibers, water-saving technologies, energy efficiency measures, waste segregation, and recycling.
- **Challenges and Opportunities:** Challenges in the textile sector include material choices, energy and water consumption, and limited adoption of solar energy due to capital investment challenges.

However, there are opportunities to address these challenges and seize the escalating global demand for textiles.

- **Need for Comprehensive Approach:** Addressing environmental challenges in the textile sector requires a comprehensive approach, considering the unique constraints faced by SMEs and prioritizing resource efficiency and sustainability.

Key Recommendations:

- **Enhance SME Involvement:** Encourage SMEs to actively participate in sustainability commitments and decisions to drive sustainable practices within the textile sector.
- **Promote Technology Adoption:** Facilitate technology-driven solutions such as technology demonstration centers to educate SMEs about sustainable technologies and bridge the technology gap.
- **Support Circular Economy Initiatives:** Provide support for circular economy initiatives, including incentivising businesses with low carbon footprints, promoting waste segregation and recycling, and facilitating collaborations between stakeholders.
- **Invest in Research and Development:** Invest in research and development to discover new technologies that minimise resource consumption and drive significant change in the country's sustainability efforts.
- **Education and Training:** Embed social and environmental responsibility in curricula, particularly in engineering, management, and design schools, to promote sustainable practices from an early stage.
- **Stakeholder Collaboration:** Foster collaboration between industry associations, NGOs, and businesses to demonstrate sustainable efforts and garner global recognition for India's sustainable practices.
- **Policy Recommendations:** Policy recommendations include incentivising well-being programs, tax credits for circular jobs, supporting social enterprises, and fostering collaboration between academia, NGOs, and businesses.

Driving Responsible Business: Developing Effective Human Rights Policies & Processes

7 November 2023 | 1200hrs to 1330hrs



- **Keynote Address: Gyaneshwar Singh**, Dy Director General Finance & Admin, Dept of Post, Ministry of Communication, Govt of India
- **Moderator: Nandini Sharma**, Director, Centre for Responsible Business
- **Shubha Sekhar**, Regional Director-Human Rights, CocaCola
- **Pranjal Goswami**, Chief Sustainability Officer, Gokaldas Exports Ltd
- **Prathana Borah**, Director, Carbon Disclosure Project



Neha Tomar, Senior Programme Manager, Centre for Responsible Business, set the stage for the discussion. She highlighted the global momentum for business and human rights, with laws emerging in the global north mandating human rights due diligence in supply chains. Investors are increasingly considering human rights in Environmental, Social, and Governance (ESG) factors and further pressure from civil society organisations and consumers is driving companies to adopt responsible business practices. The session would aim to discuss the approaches to policies and processes in business and human rights within this context.

Gyaneshwar Singh, Dy Director General Finance & Admin, Dept of Post, Ministry of Communication, Govt of India, in his keynote, addressed the importance of due diligence in business operations. He spoke about the evolution of Business Responsibility and Sustainability Reporting (BRSR) and emphasised the importance of addressing human rights issues within businesses. He highlighted that concepts like Sustainable Development Goals (SDGs), responsible business practices, and human rights are interconnected and stressed on the need to shift from prioritising shareholder value to considering stakeholders’ interests, including communities and the environment.

He praised the efforts made by SEBI (Securities and Exchange Board of India) in promoting BRSR but raised concerns about Indian businesses’ readiness to comply with rigorous reporting requirements,

especially regarding Environmental, Social, and Governance (ESG) factors. He emphasised the significance of non-financial reporting alongside financial reporting, as demanded by investors increasingly focusing on long-term profitability.

Challenges such as lack of professionals skilled in data capture and analysis, inadequate corporate governance laws, and sector-specific reporting frameworks were addressed. He also advocated for sustainability education courses to train professionals and called for a reevaluation of existing curricula. Further, he suggested extending BRSR compliance beyond the top 1000 listed companies to include unlisted ones, particularly Small and Medium Enterprises (SMEs), with industry associations playing a role in facilitating compliance.

A mindset shift was deemed essential, emphasising that BRSR should be ingrained in a company's culture and business strategy rather than viewed solely as a reporting requirement. Collaboration among stakeholders and a comprehensive roadmap for SMEs' transition to BRSR compliance were also stressed upon as crucial steps towards integrating sustainability into businesses.

Nandini Sharma, Director, Centre for Responsible Business, set the tone for the panel discussion by acknowledging the progress made in integrating business and human rights into business operations. She emphasised the significance of comprehending the relevance and scope of business and human rights, evaluating organisational capacity, and strategising ways to mitigate risks while incorporating these principles into operational excellence.

She highlighted the imperative nature of business and human rights, noting India's alignment with the global agenda and increasing pressures to adhere to international standards. She mentioned the growing adoption of frameworks like the National Guidelines on Responsible Business Conduct (NGRBC) and Business Responsibility and Sustainability Reporting (BRSR) among businesses, although there remains a considerable journey ahead in terms of widespread adoption and understanding of the principles of business and human rights.

Further, she stressed the importance of policy interventions and establishing a culture conducive to upholding these principles throughout entire organisations, starting from the top.

Prathana Borah, Director, Carbon Disclosure Project, in the context of sustainability reporting, emphasised the importance of integrating the Business and Human Rights agenda into reporting frameworks. While reporting frameworks primarily focus on sustainability, they also address the impact on stakeholders and the broader ecosystem. She stressed that the responsibility cannot solely rely on frameworks but also lies with defining the ecosystem and transferring some responsibility to industries, which should be expected to consider impacts beyond the environment.

India, particularly through initiatives like the BRSR, demonstrates a comprehensive approach where ESG factors hold equal importance. She highlighted the BRSR includes questions regarding the social aspect, and that the social needs to extend beyond labor issues to address community conflicts, a significant concern in today's context.

She indicated that based on the analysis conducted by CDP, engagement with the value chain is gaining global interest, with a focus on disclosures that incorporate the human element. SMEs can play a crucial role in this integration. Moreover, when addressing climate action, particularly in emerging economies, transition planning must consider the human aspect to be effective.

She emphasised moving beyond mere reporting to actual implementation, urging businesses to engage with the value chain to reduce emissions. This engagement is essential as it not only facilitates reporting but also addresses the human aspect of sustainability, ultimately contributing to meaningful change.

Shubha Sekhar, Regional Director-Human Rights, CocaCola, discussed the "protect, respect, remedy" framework and highlighted the significance of the second pillar, which focuses on respect and is where businesses play a crucial role. She emphasised that respect involves having a BHR policy, implementing processes, conducting due diligence, and providing remedies when necessary.

She explained that a BHR policy serves as the starting point of the journey, outlining a company's commitments and leadership's adoption and commitment to human rights principles. It forms the basis for integrating human rights considerations into complex business operations and addresses stakeholders' expectations, which may extend beyond legal requirements. The policy also helps identify gaps and sets expectations for supply chain partners.

She mentioned Coca-Cola as an example of an early adopter, highlighting their comprehensive framework consisting of three policies: a human rights policy applicable to Coca-Cola companies and subsidiaries, supplier guiding principles for supplier and bottling operations, and principles of sustainable agriculture for responsible sourcing of agricultural products. She stressed the need to embed human rights practices into policies and governance.

Pranjal Goswami, Chief Sustainability Officer, Gokaldas Exports Ltd, highlighted the apparel and textile sector has long been under scrutiny for business and human rights issues, but he noted significant progress has been made in integrating these aspects into business operations.

He stressed that while having a policy is crucial, implementing it is complex. Understanding the interface between business and human rights, defining the scope, and assessing capacity are crucial steps. In the apparel industry, understanding the dynamics of supplier relationships is paramount. He highlighted the importance of considering local and national laws, international standards, and resource requirements before making public commitments. As an export-oriented business, he noted differences in understanding business and human rights principles among customers, particularly those from developed countries.

He outlined three key elements: the company's intention regarding business and human rights, application of policies, and evidence-based disclosure and stressed the need for a cultural shift within organisations to embed these principles into business operations consistently. This entails not just having policies but also providing evidence of implementation across various areas such as purchasing and hiring practices, non-discrimination, diversity, and equality.

Further, consistent application of policies and creating a culture where business and human rights are seen as integral responsibilities rather than external requirements is a crucial step.

Nandini emphasised the importance of impact assessments and stakeholder mapping in drafting business policies, particularly in identifying and prioritising the needs of vulnerable and marginalized groups within the supply chain.

Shubha when talking about supply chains highlighted the complexities involved in addressing human rights issues within them. She mentioned market risks in various regions, including issues like poverty, vulnerability, child labor, and modern slavery and indicated that supply chains vary greatly in nature, from agricultural to waste, each presenting unique challenges.

She also addressed the challenges of control and visibility within supply chains, particularly as they extend beyond the first-tier suppliers and emphasised the need for effective governance and capacity building at every level of the supply chain to address these systemic issues.

To address these challenges and have an effective framework, she outlined several strategies that Coca Cola incorporated. First, was making each operating unit responsible for its supply chain, supported by subject matter experts in human rights. Second, was implementing human rights metrics to track compliance across facilities. Third, was a focus on salient human rights risks specific to each supply chain and integrating due diligence into regular auditing processes. She also emphasised their focus on continual capacity building, not only for suppliers but also for internal stakeholders, to ensure the effective implementation of policies and governance measures.

Pranjal, when talking about Gokaldas, highlighted the dynamic environment in which the organisation operates, emphasising the need to sensitise different departments to various human rights elements beyond obvious issues like discrimination and labor practices. He highlighted the importance of identifying existing and potential risks associated with different functions, such as finance, procurement,

and quality control.

He mentioned their company's efforts to identify hotspots within their business where there is a high potential for human rights violations. Capacity building is a key aspect of their approach, focusing on continuous communication and engagement with employees, particularly in areas with a high risk of infringement of human rights.

Further digitising workflows to identify and address issues, improving facilities and amenities for the workforce, and reworking power dynamics within the supply chain were also discussed as ongoing initiatives.

Prathana, spoke about CDP's approach to balancing the needs of different stakeholders and managing the increasing demands for disclosure. She discussed the experience with their supply chain program, focusing on the challenges and progress in encouraging disclosure from suppliers. She highlighted the difficulty in tracking suppliers beyond the first tier and the importance of capacity building, especially for small and medium-sized enterprises (MSMEs).

She mentioned the gradual improvement in disclosure rates, with an emphasis on the need for continued encouragement and support, particularly in understanding and reporting emissions. She underscored the importance of sharing successful models and experiences to motivate more companies to disclose their supply chain information.

Finally she also discussed the engagement process with suppliers, noting the significance of education and compliance upstream and downstream in the supply chain and emphasised the availability of data from organisations like CDP, suggesting its use in identifying entry points and building on success stories within the MSME industry.

Nandini further highlighted the long term and continuous process that requires consistent efforts from businesses, big brands, and organisations like CDP.

Pranjal talked about the importance of meeting expectations to sustain business and how this requires understanding not only why certain actions are necessary but also how to implement them effectively. He highlighted the need to comply with local requirements and audits, emphasising the importance of clarity and action in implementing business and human rights principles. He further stressed the dualism of identifying issues and taking action, stressing the importance of creating a cohesive framework to address human rights concerns throughout the supply chain. He acknowledged the complexity of dealing with various suppliers and stressed the need for tailored strategies based on policy objectives. He further described the ongoing progress and challenges in balancing influence and power dynamics and accountability within the value chain, emphasising the need for collaboration and systemic change involving all stakeholders to achieve business objectives responsibly.

Shubha, when talking about legislations emphasised the importance of staying updated with evolving legislation related to human rights and business practices, citing the increasing complexity of compliance. She discussed Coca Cola's policy evolution to address changing regulations and introduced "Real Impact," launched in 2023, focusing on due diligence and social impact. She outlined three main areas of focus within "Real Impact": Impact Work, Impact Agri, and Impact Innovation, which aim to empower workers, improve agricultural sourcing, and integrate cutting-edge technology for supply chain due diligence. She emphasised collaborative efforts with industry peers through forums and partnerships to drive meaningful change and capacity building initiatives to support suppliers in meeting compliance standards.

Additionally, the importance of providing tools and support to suppliers, including technology-led due diligence platforms and capacity-building programs, to ensure a collaborative approach focused on continuous improvement and sustainability across the supply chain was highlighted.

Prathana, highlighted the increasing trend of corporate disclosures over the past three years, particularly in response to investor and customer requests. She noted a significant increase in disclosures for the current year, indicating growing transparency in both global North and South companies. However, she

acknowledged challenges in convincing new companies to disclose for the first time, citing logistical issues and differing timelines between CDP’s disclosure system and the annual reporting cycle of Indian corporations. She closed by emphasising the need for parity in scoring and evaluation criteria to ensure fair assessments.

In conclusion, **Nandini** highlighted the importance of strategic interventions in business and human rights, alongside a mindset change towards commitment and collaboration, which will be crucial amidst the evolving reporting requirements. Overall, there was a call for more dialogues and sharing of good practices to navigate these changes effectively.

Key Takeaways

- **Global Momentum:** There is a global momentum for business and human rights, with laws emerging in the global north mandating human rights due diligence in supply chains. Investors, civil society organisations, and consumers are increasingly pressuring companies to adopt responsible business practices, with a growing focus on Environmental, Social, and Governance (ESG) factors.
- **Evolution of Reporting Frameworks:** The evolution of reporting frameworks like Business Responsibility and Sustainability Reporting (BRSR) indicates a shift towards considering human rights issues within businesses. Concepts like Sustainable Development Goals (SDGs) and responsible business practices are interconnected, emphasizing the need to prioritize stakeholder interests over shareholder value.
- **Policy Interventions:** Policy interventions are crucial for establishing a culture conducive to upholding human rights principles throughout organizations. This involves integrating human rights considerations into business policies and governance from the top down.
- **Capacity Building:** Capacity building is essential for SMEs and across various departments within organisations to embed human rights principles into business operations consistently. This includes sensitizing different departments, identifying and addressing hotspots within the supply chain, and continual communication and engagement with employees.
- **Supply Chain Challenges:** Addressing human rights issues within supply chains involves navigating complex challenges such as market risks, control, and visibility issues, particularly beyond the first-tier suppliers. Effective governance, capacity building, and collaboration at every level of the supply chain are necessary to address systemic issues.
- **Continuous Improvement:** Achieving meaningful change requires continuous efforts from businesses, big brands, and organisations. This involves consistent engagement, sharing of successful models and experiences, and tailored strategies based on policy objectives.

Key Recommendations:

- **Promote Collaboration:** Collaborate among stakeholders to develop comprehensive frameworks, share best practices, and drive meaningful change across supply chains.
- **Build Capacity:** Invest in capacity building initiatives, particularly for SMEs and across various departments within organizations, to embed human rights principles consistently into business operations.
- **Stay Updated with Legislation:** Stay updated with evolving legislation related to human rights and business practices to ensure compliance and address changing regulatory requirements.
- **Provide Support to Suppliers:** Provide tools and support to suppliers, including technology-led due diligence platforms and capacity-building programs, to ensure a collaborative approach focused on continuous improvement and sustainability across the supply chain.

Valuing Nature and People in Business Strategy and Operations: Lessons from India and other Emerging Economies

7 November 2023 | 1200 – 1330 hrs IST



**CAPITALS
COALITION**

CRB CENTRE for
RESPONSIBLE
BUSINESS
Enabling Change for Impact



- **Rijit Sengupta**, Chief Executive Officer, Centre for Responsible Business
- **Martine van Weelden**, Director, Capitals Coalition
- **Sarang Vaidya**, Co-founder, Go4fresh
- **Pavan Sukhdev**, Founder and CEO, GIST Impact



The session commenced with an opening address by **Rijit Sengupta, Chief Executive Officer, Centre for Responsible Business** by emphasising the need to move beyond GDP and utilise alternative parameters to gauge wellbeing. He underscored the significance of the Think Tank 20 declaration, which advocates for the promotion of nature-based assessments of capital and other critical factors in business decision-making. He highlighted the interconnectedness of businesses within broader systems and stressed the importance of understanding and appreciating their dependencies and impacts.

Martine Van Weelden, Director, Capitals Coalition, delved into the collaborative efforts aimed at incorporating the values provided by nature and people into decision-making processes. She highlighted a substantial increase in various produced capitals since 1992, while global natural capital has concurrently diminished by 40% based on data provided in the Dasgupta Review. Emphasising that natural capital forms the foundation for other forms of capital, she cautioned that continued depletion of natural capital jeopardizes the existence of other capitals. She further detailed the history of the Capital Coalition and highlighted the project, the TEEB Agri Food Guidelines for Business. Addressing the ambitious COP15 target of achieving Net Positive status by 2030, she expressed optimism for a complete recovery of nature by 2050. The adoption of the Global Biodiversity Framework (GBF) during COP15, with the mission to urgently address and reverse biodiversity loss, was also noted.

She highlighted the global food system businesses demonstrating an economic case for incorporating the value of nature, social, and human capital into decision-making. She stressed the importance of global

biodiversity frameworks, highlighting targets related to business accountability and biodiversity-friendly practices. Further she emphasised the need for businesses to adopt a holistic approach, considering their dependencies and impacts across the entire value chain.

She mentioned that over 30 cases across 7 countries have piloted the TEEB Agrifood guidelines, leading to clear outputs such as financial products that benefit clients to incorporate sustainability practices. Examples included a Mexican bank quantifying natural, human, social, and produced capital in the avocado value chain, and a Chinese dairy company implementing organic farming practices to enhance natural and social benefits.

She urged businesses across the agri-food value chain to Access, Commit, Transform, and Disclose, thereby contributing to the necessary transformation of the food system and expediting positive change, recognising businesses as pivotal drivers in this chain.

Sarang Vaidya, Co-founder, Go4fresh, introduced the overarching scope of Go4Fresh, emphasising India's position as the second-largest producer of fresh fruits and vegetables globally, coupled with significant consumption. Go4Fresh aims to address market access, information, and finance challenges in the supply chain, particularly supporting small farmers and retailers. He conducted a capitals assessment of Go4Fresh and based on the assessment identified impact drivers including reducing food loss, improving livelihoods of marginal communities, and minimising chemical use, showcasing tangible results from interventions like reduced food loss percentages and enhanced farmer livelihoods. He highlighted that Go4Fresh's commitment to sustainable farming practices has yielded tangible benefits, notably in reducing the overall consumption of natural resources. This, in turn, has led to a decrease in production costs and a diminished reliance on external resources. Underlining the importance of a collective approach, he stressed the need for sustainable farming practices to be implemented uniformly across a designated area, drawing parallels with the successful model implemented by the Sikkim government. He stressed the need for collective action, community-driven and cluster-based approaches to sustainable farming practices, highlighting the role of digital transformation and data-driven agriculture in achieving long-term sustainability goals.

Pavan Sukhdev, Founder and Chief Executive Officer, GIST Impact, delivered a presentation on a recent report, "Natural Farming Through a Wide-Angle Lens: True Cost Accounting Study of Community Managed Natural Farming in Andhra Pradesh, India." The term "wide-angle lens" in the report title signifies an attempt to comprehensively assess the three-dimensional or overall impacts of the subject. The driving impetus behind the report, is the need to move beyond the discourse shaped by the chemical industry, particularly companies producing pesticides and fertilisers. This discourse, he noted, often contends that increased use of their products is indispensable for overcoming poverty and food insecurity.

He questioned the efficacy of the "Innovative Schemes of Farmers," a government initiative allocating 3.7 lakh Crore, with a significant portion earmarked for urea subsidies. He raised concerns about the paradoxical nature of deeming such subsidies as innovative when, in reality, they have been a contributing factor to agricultural challenges over the past four decades. Emphasising that the significance of food extends beyond per-hectare crop productivity, he underscored its broader implications on human health, soil fertility, and the substantial percentage of GDP allocated to urea subsidies.

The necessity for adopting a wider lens arises from the understanding that public wealth holds significant sway over public health and productivity. He shared insights into the study's methodology, including the selection of samples in Andhra Pradesh, and highlighted key findings pertaining to the economic impact of APCNF (Andhra Pradesh Community Managed Natural Farming) compared to counterfactual practices in terms of yield and diversity. Additionally, he touched upon social impacts related to knowledge sharing and collaborations, as well as on-farm health impacts and diet diversity thus, emphasising the need for a more comprehensive understanding of the true costs of farming practices.

In conclusion, he asserted that studies of this nature have the potential to be replicated and scaled to address a spectrum of challenges, including poverty alleviation, human health improvement, and contributions to climate change mitigation.

During the open floor discussion, the importance of measurement in assessing soil health and the challenges of converting anecdotal evidence into concrete data was brought forward. A focus on the political aspect of promoting sustainable agricultural practices and overcoming barriers to implementation, such as subsidies favoring conventional methods was also highlighted. The need for scientific evidence, community involvement, and showcasing successful case studies to drive change were further indicated as necessary.

Additionally, the importance of bottom-up initiatives, like those seen in Uttar Pradesh, was highlighted as a key driver of successful adoption of sustainable practices. Further the role of individuals, particularly farmers, in leading and replicating successful practices within their communities was emphasised.

Video Message:

Indah Budiani, Executive Director, Indonesia Business Council for System of Development(IBCSD), shed light on the importance of integrating nature into business decisions for sustainability. Businesses are increasingly aware of their impact on nature and are adopting capital assessment approaches to evaluate risks and benefits. However, challenges include data availability, lack of skilled human resources, and the need for a mindset shift among business leaders. The council collaborates with stakeholders to promote sustainability tools, advocate for policies integrating nature into business decisions, and implement sustainable practices in various sectors such as agriculture and innovation. Examples include initiatives on healthy diets, food safety, waste reduction, and promoting incentives for businesses to reduce waste.

Key Takeaways:

- **Need for Alternative Parameters:** There is a growing recognition of the limitations of GDP as a measure of wellbeing, with an emphasis on the importance of incorporating nature-based assessments of capital and other critical factors in business decision-making.
- **Interconnectedness and Dependencies:** Businesses are part of broader systems and understanding their dependencies and impacts, particularly on natural capital, is crucial for sustainable decision-making.
- **Depletion of Natural Capital:** The depletion of natural capital jeopardises the existence of other forms of capital and poses significant risks to business operations.
- **Collaboration is Key:** Collaborative efforts, such as piloting the TEEB Agrifood guidelines across various countries, have shown tangible benefits in terms of incorporating sustainability practices into business operations.
- **Collective Action and Community Engagement:** Sustainable farming practices require a collective approach, including community-driven and cluster-based initiatives, with a focus on digital transformation and data-driven agriculture.
- **True Cost Accounting:** There is a need to move beyond the discourse today and adopt a wider lens to assess the true costs of farming practices, including broader impacts on human health and soil fertility.

Key Recommendations:

The insights shared by the speakers, collectively underscored the imperative of holistic and sustainable approaches in addressing pressing challenges across diverse sectors. The collective recommendations emphasise the need for a paradigm shift towards sustainability, collaboration, and informed decision-making in agriculture.

- **Incorporating Nature-Based Assessments:** Businesses should integrate nature-based assessments of capital and other critical factors into their decision-making processes to ensure sustainable practices.
- **Adopting Sustainable Farming Practices:** Emphasis should be placed on adopting sustainable farming practices uniformly across designated areas, with a focus on collective action, community engagement, and digital transformation.

- **Replicating and Scaling Studies:** Studies assessing the true costs of farming practices have the potential to be replicated and scaled to address various challenges, including poverty alleviation, human health improvement, and climate change mitigation. These studies can inform evidence-based policy decisions and contribute to sustainable development goals.
- **Addressing Barriers to Implementation:** Addressing barriers such as subsidies favoring conventional methods and promoting bottom-up initiatives can facilitate the successful adoption of sustainable practices.
- **Showcasing Successful Case Studies:** Highlighting successful case studies and providing scientific evidence can drive change and encourage the adoption of sustainable practices among businesses and communities.
- **Engaging Stakeholders:** Engaging stakeholders, including farmers, policymakers, and businesses, is essential for promoting sustainable agricultural practices and overcoming challenges related to implementation.
- **Policy Interventions:** Critically assess existing agricultural policies, particularly subsidies for inputs like urea. Consider redirecting resources towards innovative and sustainable agricultural practices that align with long-term environmental and economic goals.

Innovative Strategies for Advancing Sustainable Palm Oil Production in India

7 November 2023 | 1200 – 1330 hrs IST



- **Moderator: Amit Kumar**, Ex-IFS, EY Partner
- **Dr. M.J. Khan**, Chairman, Indian Chamber of Food and Agriculture (ICFA)
- **Dr. Manish Pande**, Director & Head of Project Analysis and Documentation Division (PAD Division) at Quality Council of India (QCI)
- **Dr. Yogesh Gokhale**, Senior Fellow and Area Convenor, Centre for Forest Management and Governance, and Nutritional Security, Land Resources Division, The Energy and Resources Institute (TERI)
- **Swati Tewari**, Senior Counsellor, CII- CESD
- **Ashwin Selvaraj**, Deputy Director, Market Transformation (India & China), RSPO
- **Bhavya Sharma**, Senior Programme Officer, Centre for Responsible Business



Ashwin Selvaraj, Deputy Director, Market Transformation (India & China), RSPO, introduced and extended a warm welcome to the esteemed panelists. In his opening remarks, he highlighted that India is the largest palm oil importer of palm oil. He added that to meet the domestic demand for palm oil, the Government of India (GoI) is committed to the NMEO-OP mission of cultivating palm oil across multiple states.

The session was moderated by **Amit Kumar**, Ex-IFS, EY Partner, he indicated that there are ongoing initiatives to make India's palm oil sector more environmentally friendly, socially responsible, and

economically viable.

Certain challenges prevalent in India were discussed during the session which included looking at the producers, price, market, social & environmental perspectives. The panelists emphasised the government's efforts to increase the area under cultivation and highlighted during the discussion, the possibility of working with multiple ministries and helping with policy support and program implementation. However, issues such as land availability, access to markets, deforestation, and social concerns were acknowledged as obstacles to sustainability.

The panel discussed the potential of palm oil production in Northeast India, emphasizing its role in addressing the region's current food grain deficit. The panelists shed light on the potential of palm oil to mitigate soil erosion. The issue however is on plantation expansion to ensure sustainability and prevent adverse effects on biodiversity and local communities. Challenges in accessing markets were highlighted and it was emphasised that there should be importance given to the necessity for infrastructure development and pricing models to support small farmers.

The panel discussion focused on transitioning India's edible oil sector from a transactional to a transformational approach, emphasizing sustainability and community development. **Dr. M.J. Khan, Chairman of ICFA**, highlighted the growth of oil palm cultivation in the country and discussed innovations in agriculture, including precision technology and startup-driven initiatives.

Despite successful models, challenges like low productivity in oil palm cultivation and the need for support of smallholder farmers were acknowledged. He emphasised the necessity of fostering FPO-industry partnerships for improved practices, quality inputs, and logistics. He highlighted the importance of aligning technology with farmers' capacity building, citing innovative technology as a scale-neutral requirement. He concluded by drawing attention to the importance of strengthening industry-FPO partnerships and implementing demand-side management for sustainability.

Dr. Manish Pande, Director & Head of the Project Analysis and Documentation Division at the Quality Council of India (QCI), underlined the need for sensitivity in RSPO design, talking about stakeholder engagement and structured implementation for the benefit of policymakers and farming communities. He mentioned that the governments are shifting towards mandatory auditory standards, with QCI benchmarking international standards.

Dr. Yogesh Gokhale, Senior Fellow and Area Convenor, Centre for Forest Management and Governance, and Nutritional Security, Land Resources Division, The Energy and Resources Institute (TERI), emphasised how palm oil plantations protect soil by focusing on suitable land for plantation and small farmers. He acknowledged overcoming resistance from small land-owning farmers to sudden changes.

The discussion also explored the potential of voluntary systems, the government's role in promoting quality, and the suggestion to integrate good practices for the benefit of farmers and market expansion. The discussion highlighted the importance of quality standards, advocating for best practices from other crops. Regulatory and voluntary systems were explored, underlining the role of stakeholder engagement, in addition, consideration of market aspirations and directives from importing countries was deemed essential. The potential positive impact of voluntary standards on farming communities was emphasized, urging caution in designing standards sensitive to sector-specific needs.

The discussion underscored the pivotal role of companies in advancing sustainability within the palm oil industry, emphasizing the implementation and adherence to standards. **Swati Tewari, Senior Counselor, CII-CESD**, stressed companies need to drive supply chain performance disclosure for clarity, especially in sustainability aspects like sourcing. She mentioned a checklist of mandatory ESG/sustainability norms from top to bottom, acknowledging the complexity at lower-tier levels.

Highlighting the significant role of standards in commodity-level traceability, she spoke about the challenges in achieving vertical alignment, particularly in human rights issues. The discussion emphasised the imperative for companies to empower procurement functions for sustainable palm oil sourcing and comprehend the maturity level of their supply chain. The importance of partnerships and

multi-stakeholder engagement in the sustainability ecosystem was also emphasised during the session.

Key Takeaways and Recommendations

- **Strategic Importance and Challenges:** The session highlighted the strategic importance of palm oil in India and discussed challenges in expanding production, stressing on the need for sustainable practices. Government efforts to increase cultivation were acknowledged, but obstacles like land availability, market access, and environmental concerns were identified.
- **Transformational Approach in Edible Oil Sector:** The discussion centered on transitioning India's edible oil sector from transactional to transformational, focusing on sustainability and innovation. Despite successful models, challenges in productivity and supporting smallholder farmers were recognized. Emphasis was placed on fostering industry-FPO partnerships, aligning technology with capacity building, and implementing demand-side management for sustainability
- **Government Perspectives on Palm Oil Standards in India: RSPO and Beyond:** The session focused on the Indian government's position regarding RSPO standards and whether there were any initiatives to formulate specific palm oil standards for India. The government did not endorse or adopt private standards, but it was open to addressing any international private standards that posed challenges to Indian trade. In such cases, the government could contextualize issues and make necessary adjustments to align the standards with the Indian environment.
- **RSPO's Initiatives and Future Plans: Promoting Sustainable Palm Oil Production in India:** The Roundtable on Sustainable Palm Oil (RSPO) has a global impact, having around 5,600 member companies, with 15 million tons of palm oil certified according to its standards, representing 20% of the market. In India, RSPO has about a hundred member companies working on sustainability interventions at different levels, including farm, management unit, and jurisdictional levels. RSPO has plans to identify high conservation value areas for palm oil plantations in India and develop a mobile app for farmers to assess the risk level of their land.

Paving the way for Sustainable and Inclusive Global Value Chains

7 November 2023 | 1430 – 1600 hrs IST

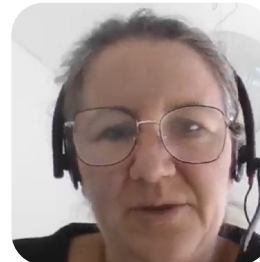


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- **Devyani Hari**, Director, Centre for Responsible Business
- **Moderator: Arjan De Haan**, Senior Program Specialist, Climate Resilience & Resilience, IDRC
- **Indras Ghosh**, Head, IGCC-SustainMarkets, IGCC
- **Dr. Elisabeth Hoch**, External senior advisor on forests, biodiversity, local development and international cooperation, Climate & Company
- **Dr. Satinder Bhatia**, Director (Additional Charge), Dean, Head (CDOE), Professor, Indian Institute of Foreign Trade (IIFT)
- **Rubina Pal**, Expert, Global Value Chain, Independent
- **Vivek K. Singh**, Assistant Director, Centre for Responsible Business



Devyani Hari, Director, Centre for Responsible Business, began the session by addressing the impact of Global Value Chains (GVCs) on sustainability, highlighting the findings of research conducted on private sector engagement with Sustainable Development Goals (SDGs) within GVCs. She noted that firms integrated into GVCs showed progress in sustainable activities due to brand and buyer requirements, focusing on better social and environmental practices. However, deeper examination revealed that while standards provided a blueprint for sustainability, the envisaged impact wasn't fully realised. There seemed to be a breakdown in dialogue within GVCs, lacking alignment with local wisdom and requirements, creating a one-sided approach.

She further stressed the need for collaboration, dialogue spaces, and unlocking resources to trace complete value chains, emphasising the challenge of convoluted supply chains. She highlighted the importance of diverse stakeholders coming together, shifting mindsets, building trust, and overcoming the fear of transparency leading to exclusion. She underlined that sustainable progress requires time,

support, technology, and collective intent, setting the context for the panel discussion and forward-looking solutions.

Arjan De Haan, Senior Program Specialist, Climate Resilience & Resilience, IDRC, the moderator, highlighted the focus of the discussion on exploring best practices, innovative ideas, and success stories within global value chains (GVCs). He emphasised the importance of sustainability, global equity, and equity within countries, aligning with the Sustainable Development Goals (SDGs). He further highlighted the propose of the session which was to discuss policy solutions and highlight models for collaboration to facilitate the creation of such GVCs. The ultimate goal would be to generate recommendations for reforms at national and international levels to promote inclusive and sustainable practices.

Indras Ghosh, Head, IGCC-SustainMarkets, Indo German Chamber of Commerce, discussed the evolution of sustainability policies in the global North and their impact on global value chains (GVCs). He highlighted a paradigm shift towards Environmental, Social, and Governance (ESG) considerations, alongside advancements in technologies like AI and blockchain. He emphasised the growing importance of ESG factors, particularly in sustainability discussions, mentioning the global focus on climate change but noting the need to also address social aspects. He discussed the development of supply chain due diligence regulations globally, noting initiatives in various countries and regions. He addressed challenges faced by companies in adapting to these regulations, emphasising the need for practical management processes tailored to local contexts. He further stressed the importance of dialogue and stakeholder engagement in implementing adequate due diligence mechanisms and navigating legacy issues.

Dr. Elisabeth Hoch, External senior advisor on forests, biodiversity, local development and international cooperation, Climate & Company, discussed several EU regulations related to environmental issues, such as the EUDR (European Union Deforestation Regulation), CSDD (Corporate Sustainability Due Diligence Directive), and CBM (Carbon Border Adjustment Mechanisms), emphasising their impacts on non-EU countries. She mentioned the EU's efforts to align with goals like those of the EU Green Deal, aiming to reduce emissions and protect nature. Challenges in formalising value chains, production processes, and verification transparency are highlighted, especially for smallholders. Despite challenges, EU regulations also present opportunities, such as accessing consumer markets with sustainable products. She suggested the need for transparency and verification in the ESG revolution, proposing local verification initiatives and cooperation programs with partner countries. She recommended high-level political dialogue and involvement of partner countries to ensure effective implementation, along with leveraging the financial sector and public investments in partner countries to support these regulations.

Dr. Satinder Bhatia, Director (Additional Charge), Dean, Head (CDOE), Professor, Indian Institute of Foreign Trade (IIFT), emphasised the increasing complexity and global nature of supply chains, noting the attention they've received and the multiple locations involved in manufacturing products or services. She discussed EU regulations aimed at sustainability and the importance of considering their impact on global inequalities. She advocated for dialogue with partner countries and stakeholders before implementing regulations, citing examples like carbon border adjustment measures affecting Indian exporters. She highlighted the importance of preemptive dialogue before the implementation of sustainability regulations to prepare exporters and SMEs for upcoming changes. She emphasised the responsibility of governments to support SMEs in transitioning smoothly and the obligation of countries implementing regulations to ensure SME resilience.

She further stressed the need for sustainable practices in manufacturing, both domestically and for foreign companies operating in India, suggesting voluntary efforts beyond strict regulations. She highlighted the importance of technology choices in supply chains and the potential hazards of products like arms and ammunition despite clean supply chains, underscoring the need to consider the sustainability of products themselves.

Rubina Pal, Expert, Global Value Chain, talked about the evolution and challenges of sustainability standards, which were initially aimed at providing a global language for entities to share their ESG performance and strategies. She noted the shift from principle-based to indicator-based reporting, with increased focus on transparency and impact measurement. However, she highlighted the prevalence

of “greenwashing” and the need for standards to address actual impact reduction. She mentioned the difficulty for companies in complying with multiple standards and suggested aligning sector-specific requirements to ease the burden. She emphasised the importance of sensitisation and collaboration across the supply chain to address challenges like handholding suppliers and streamlining reporting on Scope 3 emissions, where the actual impact occurs.

Arjan initiated a discussion on enhancing collaboration among global value chain actors for balanced decision-making and priority setting. **Indras**, addressed the implications of supply chain regulations, particularly for small and medium-sized enterprises (SMEs) and startups. He noted that large companies are integrating responsible business and sustainability criteria into their supplier onboarding processes, creating incentives and penalties for compliance. Despite the indirect impact of regulations in India and abroad, SMEs recognise the importance of compliance for their survival and view it as a competitive advantage. He emphasised the increasing dialogue between suppliers and companies in India and the willingness of SMEs to voluntarily comply with regulations like the German law. He stressed the need for equalising awareness and capacity building across stakeholders in the supply chain, highlighting the importance of protecting vulnerable workers and the environment. He called for a mindset shift and increased awareness programs and engagement initiatives to educate local communities and workers in the supply chain before addressing complex compliance issues.

Dr. Hoch, highlighted the importance of recognising practices allowed in certain countries, suggesting potential inclusions in trade dialogues. She stressed the significance of disclosure mechanisms but also raised concerns regarding verification processes, proposing the incorporation of local knowledge for remote areas. Additionally, she advocated for pragmatic sector-focused approaches involving a group of countries from both the global north and south to ensure representation and balance. She concluded by underlining the importance of supply chains benefiting all involved actors to be truly effective, warning that ineffective approaches could perpetuate inequalities and have little impact on nature and climate.

Dr. Bhatia, stressed the pivotal role of financing in achieving manufacturing and production targets. She highlighted the power of financial institutions in steering production towards sustainability, acknowledging widespread acceptance that financing should contribute to sustainable projects. However, she noted that while there’s emphasis on sustainability, it’s not feasible for all financing to exclusively support sustainable projects. She also mentioned the challenge of defining sustainable finance beyond green projects. She emphasised the need to consider social and governance aspects, highlighting situations where renewable energy projects might still perpetuate social inequalities. She expressed concerns about the disproportionate focus on the environmental aspect in sustainable finance, noting that social and governance factors are often overlooked due to their difficulty in measurement and assessment.

Rubina emphasised the power dynamics between the global North and South, highlighting the unequal distribution of work, where skilled supervisory roles are prevalent in the North while less skilled, repetitive work is often relegated to the South. She underscored the crucial role of associations, citing the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), which intervened during pandemic-related order cancellations from big brands, pushing for fair compensation. She also stressed the necessity of due diligence and a multi-stakeholder approach, acknowledging numerous voluntary sustainability standards and initiatives. However, she noted that dialogue between North and South should be reciprocal. While the North advocates certain standards, understanding what suits the South’s context is crucial, advocating for customisation and inclusivity rather than a one-size-fits-all approach. She highlighted various initiatives like RSPO (Roundtable on Sustainable Palm Oil), the Global Coffee Platform, and Fairtrade, noting their existence but emphasising the need for more extensive dialogue, sensitisation, and support to bring all stakeholders on board.

Key Takeaways and Recommendations:

- **Impact of Global Value Chains (GVCs) on Sustainability:** Firms integrated into GVCs show progress in sustainable activities due to brand and buyer requirements. However, there’s a breakdown in dialogue within GVCs, lacking alignment with local wisdom and requirements, creating a one-sided approach.

- **Evolution of Sustainability Policies:** There's a paradigm shift towards ESG considerations in sustainability discussions. Supply chain due diligence regulations are developing globally, presenting challenges for companies in adapting to these regulations.
- **EU Regulations and Impacts:** EU regulations related to environmental issues impact non-EU countries, presenting challenges and opportunities. Challenges include formalising value chains, production processes, and verification transparency, especially for smallholders.
- **Importance of Preemptive Dialogue:** Preemptive dialogue before implementing sustainability regulations is crucial to prepare exporters and SMEs for upcoming changes. Governments have a responsibility to support SMEs in transitioning smoothly and ensure SME resilience.
- **Challenges and Opportunities of Sustainability Standards:** Sustainability standards are evolving from principle-based to indicator-based reporting, with increased focus on transparency and impact measurement. Challenges include "greenwashing," compliance with multiple standards, and aligning sector-specific requirements. There is need to balance stringent standards with accessibility for smaller businesses, considering the cost implications of certifications on small and startup companies. Further there is a need to discuss reducing the requirements for standards to make them more accessible to smaller businesses.
- **Enhancing Collaboration and Addressing Challenges:** Collaboration among global value chain actors is essential for balanced decision-making and priority setting. Small and medium-sized enterprises (SMEs) recognise the importance of compliance for survival and view it as a competitive advantage. There is a need to bridge global divisions without reinforcing dichotomies between the global North and South.
- **Role of Financing in Sustainability:** Financing plays a pivotal role in achieving sustainability targets, but there's a need to consider social and governance aspects alongside environmental factors. Social and governance factors are often overlooked in sustainable finance, leading to concerns about perpetuating social inequalities.
- **Power Dynamics and Multi-Stakeholder Approach:** Power dynamics between the global North and South influence the distribution of work and sustainability initiatives. A multi-stakeholder approach involving associations, governments, and societal sectors is crucial for effective targeting of companies and financial institutions.
- **Inclusivity and Customisation:** There is a need to advocate for inclusivity and customisation in sustainability standards and initiatives to address the diverse contexts of different regions and industries. Further we need to ensure that dialogue between global North and South is reciprocal, understanding the specific needs and challenges of each region.

Supporting Gender Equality and Social Inclusion: Innovative solutions to transform supply chains

7 November 2023 | 1430 – 1600 hrs IST



Harnessing Gender and Social Equality for Resilience in Agrifood Systems



- **Dr. Meghajt Sharma Shijagurumayum**, Postdoctoral Research Fellow, Alliance of Bioversity International and CIAT
- **Moderator: Lakshmi Bhatia**, Director, SustainAbility
- **Dr. Madhuri Nanda**, Director, South Asia, Rainforest Alliance
- **Dr. Nidhi Kaicker**, Assistant Professor, School of Business, Public Policy and Social Entrepreneurship, Ambedkar University, Delhi
- **Vidyun Rathore**, Monitoring and Evaluation Coordinator, Better Cotton Initiative
- **Neha Tomar**, Senior Programme Manager, Centre for Responsible Business



Dr. Meghajt Sharma Shijagurumayum, Postdoctoral Research Fellow, Alliance of Bioversity International and CIAT, set the context for the session by highlighting efforts to enhance women’s empowerment and gender equality within sustainability systems. Collaborating with community members, they have identified challenges and reviewed evidence on promoting women’s participation in value chains and leadership roles. He discussed measuring impacts on gender equality and emphasised the need for significant strides to achieve goals within a decade. Sustainability standards and private sector partners are crucial in catalysing transformative change but face challenges in integrating gender equality. He mentioned the goal of the session is to highlight diverse ambitions, experiences, and challenges while advocating for gender equality through sustainability systems, with the hope of fostering ongoing dialogue and collaboration.

Lakshmi Bhatia, Director, SustainAbility, emphasised the challenge of making invisible workers, especially women, visible in supply chains. She highlighted the economic rationale for improving the situation of women workers in the supply chain, highlighting the positive impact on communities when women are financially empowered. She mentioned concerning findings from post-pandemic research,

including unpaid work due to subcontractors disappearing and a significant increase in domestic violence when women lost their jobs. Additionally, she noted a bias in rehiring more men than women post-pandemic due to perceived overhead costs associated with women which highlights the increased vulnerabilities of women globally post-pandemic.

Dr. Madhuri Nanda, Director, South Asia, Rainforest Alliance, talked about Rainforest Alliance's approach to addressing gender inequality, including updating standards to demand more from sustainable certification seekers and collaborating with stakeholders across the supply chain. She emphasised the need for inclusive definitions and data collection to address gender gaps effectively. She further highlighted specific compliance requirements at the farm level and broader projects at the landscape level, such as gender mainstreaming in biodiversity conservation projects. Lessons learned include the importance of behavioral change, the necessity of collaboration among diverse stakeholders, and leveraging existing work for deeper impact. She concluded by urging collective efforts for meaningful progress in addressing gender issues

Vidyun Rathore, Monitoring and Evaluation Coordinator, Better Cotton Initiative, explained Better Cotton's approach to addressing gender equality within their programs, emphasising the importance of considering both producers and workers through a gender lens. She highlighted the limitations in their current standard regarding gender equality and their efforts to create a more comprehensive approach through a gender strategy developed in collaboration with external organizations. Their strategy involves making commitments towards gender equality at different levels within their organisation and cotton communities. She also mention ongoing efforts to prioritise gender as a cross-cutting theme across all principles in the upcoming version 3 of their standard. She concluded by noting that Better Cotton's standard is farm-based and applicable only at the farm level of the value chain.

Dr. Nidhi Kaicker, Assistant Professor, School of Business, Public Policy and Social Entrepreneurship, Ambedkar University, Delhi, discussed her experience working with ARI in India for the past 8-9 years, focusing on living wage benchmarking studies. She highlighted the complexity of minimum wage issues, including discrepancies between minimum and living wages and the large informal sector not covered by minimum wage laws. She defined a living wage according to the GLWC and explained the methodology used to calculate it, emphasising its gender sensitivity. The methodology accounts for additional caloric needs during pregnancy and lactation, time spent on cooking, housing conditions, and reproductive health costs. She emphasised that the methodology minimises underestimation of living costs, especially due to unpaid care work typically done by women. She concluded by mentioning ARI's gender pay gap guidelines and their ongoing efforts in this direction.

When talking about innovation, **Dr. Madhuri**, identified several challenges in addressing gender inequality, including the time required for behavior change, insufficient implementation of legislation, and a lack of prioritisation of gender issues compared to other topics. She stressed the importance of contextualising gender issues and highlighted innovative approaches to overcoming these challenges. These approaches included Rainforest Alliance's "access and address" approach in their standards, community listening programs to understand challenges, using methodologies like GALS and coaching on positive masculinities to engage men, implementing landscape programs for larger-scale impact and increased funding, and conducting gender in-depth risk assessments as part of their certification programs. She further highlighted the effectiveness of landscape programs in attracting funding due to their emphasis on multiple stakeholder engagement and a bottom-up approach. These programs are designed to address community needs holistically, regardless of specific crops, empowering local institutions and ensuring long-lasting impacts beyond the project duration.

Vidyun talked about the challenges faced in data collection and research within cash crop systems, emphasising the need for effective measurement and indicators to demonstrate program impact. She introduced the Delta Framework developed through a collaborative effort to measure sustainability indicators, including a focus on women's empowerment. The framework incorporates a simplified composite indicator covering decision-making, leadership skills, and control over economic assets. She highlighted the importance of contextualising data collection and adapting tools to different contexts, stressing the human aspect behind data and the need to humanise big data and numbers.

Dr. Nidhi agreed about the lack of data present. She discussed the challenges related to gender pay gaps, highlighting issues with existing estimates and the need for a nuanced approach. She explained the difference between gender pay gaps and unequal wages, citing various reasons for gender pay gaps including type of work, gender stereotypes, lack of women in supervisory positions, and unpaid care work. She also introduced the gender pay gap methodology which identifies direct determinants (e.g., type of work, contracts) and indirect determinants (e.g., workplace policies, societal norms, global buying practices). She emphasised the importance of addressing gender pay gaps at multiple levels, from workplace policies to global supply chain practices, to achieve gender equality.

Lakshmi talked about the economic model of prioritising quarterly profits and shareholder accountability over other stakeholders, leading to pressure on companies to negotiate down prices. She cited a study showing a significant decrease in profit margins for key exporters in the garment industry, questioning the feasibility of improving human rights in such conditions. She emphasised the need for real and honest conversations among decision-makers, consumers, and shareholders to support companies that prioritise ethical practices. She commended the foundational work of capturing factual data and noted upcoming legislative measures in Europe and similar initiatives in the US to hold brands accountable for their supply chain practices. She ended by calling for a more inclusive discourse to address these challenges effectively.

When talking about collaboration and policy, **Dr. Nidhi** emphasised the need to address gender pay gaps at various levels, starting with disaggregating payroll data to identify determinants of the gap. She highlighted the importance of considering living wages and the varying needs of different families, suggesting non-wage interventions like public provision of goods and investments in labor-saving equipment and public health and education. She also mentioned the role of supply chain partners at the international level in addressing these issues. **Dr. Madhuri** highlighted the gap between existing policies and their implementation regarding gender issues, emphasising the need for internalisation of these values by individuals in their daily practices. She stressed that collective efforts from all, including individuals, companies, governments, and NGOs, are necessary to bring about meaningful change. She urged for stronger representation of southern voices in global negotiations and concluded with a call to action, encouraging everyone to embody the change they want to see.

During the open floor discussion, **Lakshmi** discussed the lack of research on supply chain inefficiencies and the need for transparency. She provided examples of how resources are lost due to complex subcontracting, emphasising the importance of addressing systemic leakages to improve worker conditions and productivity. Additionally, she highlighted the positive impact of investing in worker health and well-being on productivity and suggested that customers are willing to support ethical practices in supply chains. She urged for further research and action to close the gaps in supply chain practices and suggested potential economic models that prioritise worker welfare. **Dr. Madhuri**, discussed the data collected within the Rainforest Alliance standard, including gender disaggregated data on workers and reporting on human rights cases. She mentioned smart meters as part of a new standard for continuous improvement. Regarding minimum wage, she introduced the concept of shared responsibility, where supply chain actors invest in sustainability initiatives to meet compliance standards, including paying a sustainability premium and contributing to sustainability investments. Despite pushback, she emphasised the importance of empowering producers in originating countries. **Dr. Nidhi**, discussed the shared responsibility of achieving living wages, highlighting the role of the state in providing public goods to reduce the burden on employers. She explained how living wage calculations include additional costs for public services when they are of insufficient quality. She also mentioned the complexity of minimum wage determination, noting its failure to consider gender. The calculation of living wages involves a mix of data sources and methodologies, with a move towards subnational estimates for cost-effectiveness. She also touched on ethical considerations in research, citing challenges when working with human participants, such as tobacco farmers questioning the sincerity of a tobacco company's sustainability efforts. She also talked about a pilot study aimed at assessing gender gaps in the context of living wage methodology. She explained the challenges in obtaining payroll data but mentioned cooperation from companies in Colombia, Bangladesh, and Turkey. She expressed hope for conducting similar studies in India within the next year. She further mentioned benchmarking studies related to gender equality, focusing on the steps needed for women to reach living wages compared to men. She acknowledged

the debate on the lack of women in senior positions and highlighted the importance of representation and decision-making at those levels. **Vidyun**, added about her organisation's efforts regarding gender equality benchmarking, highlighting a baseline study measuring the empowerment of women field staff and a needs assessment to enhance women's participation in cotton programs. She emphasised the importance of female leadership in encouraging diversity and inclusion at all levels within their organisation and programs. **Dr. Madhuri**, acknowledged the challenge of finding female candidates for positions within their organisation, citing a similar situation in their efforts to develop a team in India for Rainforest Alliance. She expressed a desire to increase the number of female candidates and emphasised the importance of creating a safe work environment to encourage more women to apply for such positions. She added that while education for women is progressing well, there is a dropout trend after completion, often due to safety concerns or family situations. She stressed that change will take time and patience, but providing a supportive and safe environment is crucial for fostering gender diversity in the workforce.

Lakshmi concluded by shedding light on the various societal and cultural factors that affect women's participation in the workforce, including caregiving responsibilities and gender stereotypes. She highlighted examples of initiatives that have successfully promoted gender diversity, such as affirmative campaigns in defense services. She emphasised the importance of leveraging CSR funds to support positive narratives and cultural change. She stressed the need for sensitivity, nuanced conversations, education, stakeholder collaboration, and data-driven approaches to address gender inequalities effectively, encouraging individuals to take action in catalysing change and supporting Sustainable Development Goal 5 (SDG 5).

Key Takeaways and Recommendations:

- **Enhancing Women's Empowerment and Gender Equality:** Collaboration with community members, stakeholders, and private sector partners is crucial to catalyse transformative change. However, challenges persist in integrating gender equality within sustainability systems.
- **Visibility of Invisible Workers:** Efforts are needed to make invisible workers, especially women, visible in supply chains. Improving the situation of women workers has positive impacts on communities and economies, but post-pandemic challenges, including unpaid work and domestic violence, highlight the vulnerabilities of women.
- **Addressing Gender Inequality:** Organisations like Rainforest Alliance and Better Cotton Initiative are updating standards and strategies to address gender gaps. Inclusive definitions, data collection, and compliance requirements at the farm level are essential for meaningful progress.
- **Complexity of Gender Pay Gaps:** Living wage benchmarking studies highlight the complexity of gender pay gaps, considering factors like unpaid care work and societal norms. Contextualising data collection and addressing gender pay gaps at multiple levels are crucial for achieving gender equality.
- **Challenges in Supply Chains:** Economic models prioritising quarterly profits over worker welfare contribute to supply chain inefficiencies. Transparent practices, ethical considerations, and investment in worker well-being can improve productivity and sustainability.
- **Shared Responsibility and Public Goods:** Achieving living wages requires shared responsibility, including the role of the state in providing public goods to reduce the burden on employers. Collaboration among stakeholders and innovative approaches are essential for addressing gender issues effectively.
- **Creating Safe Work Environments:** Creating safe work environments is crucial for increasing the participation of women in the workforce. Efforts to provide support and opportunities for women, despite challenges in finding female candidates, are necessary for fostering gender diversity.
- **Cultural Factors and Gender Stereotypes:** Societal and cultural factors, including caregiving responsibilities and gender stereotypes, affect women's participation in the workforce. Affirmative campaigns and leveraging CSR funds can promote positive narratives and cultural change.
- **Grassroot interventions:** Prioritise grassroots-level interventions, focusing on non-wage investments such as health, education, and housing, to empower women in the workforce.

Integration of Sustainability in Management Education: Exploring Inclusive Solutions through Policy, Innovation & Collaboration - For Next Gen Leaders

7 November 2023 | 1630 – 1800 hrs IST



- **Moderator: Dr. Sangeeta Mansur**, Founder-Catalyst, Bhairavi Business & Consultancy
- **Dr. Muneer Magry**, Faculty Member, School of Management Studies, Nalanda University
- **Dr. Sapna A Narula**, Professor Sustainability & Founder Dean, School of Management Studies, Nalanda University
- **Dr. Suneel Pandey**, Director & Senior Fellow, TERI
- **Dr. Ashish Aggarwal**, Professor Sustainability, IIM Lucknow.
- **Himanshu Arora**, Manager, Sustainable Development, Indian Oil Corporation Limited
- **Harsha Mukherjee**, Managing Director International Institute for Corporate Sustainability and Responsibility Core Committee Gender Equality, United Nations GCNI
- **Ashish Gupta**, DGM (HSSE) Corporate, Bharat Petroleum Corp Ltd.
- **Dr. Amit Tuteja**, Founder, Connecting Dreams Foundation



Dr. Muneer Magry, Faculty Member, School of Management Studies, Nalanda University, introduced Nalanda University, an institute of national importance boasting a net-zero campus spanning over 450 acres. Notably, the campus has been constructed using raw materials excavated from the site of Nalanda itself. He provided an overview of the School of Management Studies within Nalanda University, emphasising its unique approach that places a focus on sustainability within management studies, rather than embedding management into sustainability education. The university offers a curriculum that emphasises sustainability in various domains, including agriculture, renewable energy, urbanisation, and poverty alleviation.

Dr. Sangeeta Mansur, Founder-Catalyst, Bhairavi Business & Consultancy, the moderator of the panel discussion, articulated the inception and purpose of the Sustainability Forum. The forum was conceptualised as a peer-to-peer platform for collective learning and inspiration in the field of sustainability education. She emphasised the informal and candid nature of the forum, aiming to create

a safe space for academics to discuss successes, failures, and self-enquiries related to sustainability education. She shared examples of deep-level questions raised in past sessions, highlighting the importance of integrating sustainability across various disciplines. She outlined the forum's progressive approach over the years, focusing on themes such as integrating sustainability into curriculum, campus activities, functional subjects, and SDGs. She discussed the structure of the current session, where panelists, including academics and industry representatives, will address themes of integration and policy.

Dr. Suneel Pandey, Director & Senior Fellow, TERI, articulated a key challenge faced by the company, emphasising that the dilemma arises when the cost of compliance for sustainable or green products surpasses the cost of traditional commerce. He highlighted the significance of sustainability measures not only as a regulatory necessity but as a potential economic driver for industries. He underscored that sustainability considerations are gaining recognition and acceptance, becoming integral to the business landscape. The evolving nature of business, intertwined with global challenges and trade dynamics, necessitates a proactive approach to sustainability. He asserted that sustainability is now a pivotal aspect that businesses cannot afford to overlook. As future managers and leaders are destined to operate in a business environment shaped by local and global challenges, introducing management students to sustainability becomes imperative. He discussed the current focus on developing a policy framework that incorporates concepts like sustainability, social responsibility, and mainstreaming Sustainable Development Goals (SDGs) into action. He emphasised the importance of adopting circular economy principles, enhancing resource efficiency, and sourcing materials from secondary sources to address resource scarcity. This shift towards sustainable practices is becoming increasingly central to discussions and policymaking processes.

Harsha Mukherjee, Managing Director International Institute for Corporate Sustainability and Responsibility Core Committee Gender Equality, United Nations GCNI, furthered the discussion by shedding light on the transformative shifts that have occurred over time, marked by rapid advancements in capitalism and industrialisation. She emphasised the imperative to pivot towards discussions on sustainability and human rights in response to the current trajectory. Acknowledging India as the youngest and most populous country, she expressed a belief in leveraging this demographic advantage to reshape global trends. She underscored the importance of integrating sustainability development from the inception of ventures, challenging the conventional approach that often delays such considerations until Micro, Small, and Medium Enterprises (MSMEs) go public or list IPOs. She advocated for a proactive stance, emphasising that waiting until later stages indicated a missed opportunity to instill sustainability principles at the foundational level.

Additionally, when discussing the integration of sustainability into management education, she mentioned the creation of a separate institute dedicated to this purpose due to the perceived lack of integration in mainstream schools and colleges.

Dr. Ashish Aggarwal, Professor Sustainability, IIM Lucknow, initiated his discussion by providing an assessment of the current status of sustainability in management education. Acknowledging that sustainability has historically been on the periphery of management education in India, he observed a positive shift over the last 4 to 5 years. This shift, albeit gradual, has brought sustainability into the broader discourse, showcasing increased visibility and acceptance. He raised two key points: first, that many businesses still view sustainability as a cost center, and second, that management studies often occupy the lower rungs of the value chain in this regard. He highlighted the interplay between the attractiveness of the business environment and the incorporation of sustainability into management education. The gradual adoption of sustainability, he argued, is contingent on the creation of an enabling environment through supportive policies and regulations.

Concluding his remarks, he underscored the need for continued efforts, expressing the view that there is a considerable journey ahead before substantive impacts on management education and the full integration of sustainability can be realized. He defined success in this context as the widespread inclusion of sustainability in every MBA program, envisioning a future where it becomes an inherent part of the curriculum rather than necessitating separate institutions or initiatives.

Dr. Sapna A Narula, Professor Sustainability & Founder Dean, School of Management Studies, Nalanda University, discussed the absence of sustainability considerations in management education, attributing it to the focus on profits and a lack of sustainability leaders in business models. She highlighted the need to train next-generation leaders to balance profitability with environmental and social concerns in sustainability management programs.

She described an innovative approach in her schools by employing core faculty alongside a diverse network of interdisciplinary faculty, addressing challenges in faculty expertise. To tackle diverse student backgrounds, she implemented **experiential learning**, having students share climate change policies from their countries, promoting collaborative learning. She further emphasised the importance of experiential learning by sharing experiences from her own education and highlighted a class project where students from eight countries presented waste management plans, facilitating mutual learning. She advocated for collective learning across institutions to advance sustainability education.

Himanshu Arora, Manager, Sustainable Development, Indian Oil Corporation Limited, emphasised the need to track and assess sustainability visions regularly. He highlighted the importance of inclusive sustainability courses and the influence of diverse cultures on sustainability adoption. He introduced a shift in perspective from ESG (Environmental, Social, Governance) to GSE (Governance, Social, Environmental), stressing that governance decisions drive environmental actions. He shared experiences from his company's sustainability journey, noting the evolving understanding and acceptance of sustainability concepts within departments. He mentioned the challenge of contextual sustainability, where different regions have varied environmental norms and priorities. He advocated for teaching management students to consider context when addressing sustainability, illustrating the differing attitudes toward sustainability in various countries, citing examples from India and Sweden. He advocated for a paradigm shift towards a governance-first approach (GSE) and underscore the importance of teaching students to navigate sustainability challenges in diverse international contexts.

Dr. Amit Tuteja, Founder, Connecting Dreams Foundation, expressed gratitude for the discussion on a crucial topic and delved into the historical context of modern education. He highlighted that modern education emerged about 175 years ago during the industrial era, aimed primarily at managing surplus production and profits. He pointed out that this education system wasn't designed with sustainability in mind, making it challenging to integrate sustainability into current mindsets, especially for management graduates who've undergone years of unsustainable education.

He proposed a bottom-up approach, emphasizing the need to instill sustainability values right from early education. He suggested that sustainability should be a natural aspect rather than something taught separately. He believed that if individuals were ingrained with the idea of leaving the planet better than they found it, sustainability would naturally follow without explicitly teaching it. He stressed the importance of cultivating this mindset from birth to ensure a sustainable approach to life.

Ashish Gupta, DGM (HSSE) Corporate, Bharat Petroleum Corp Ltd., when talking about the necessary innovation required for preparing the next generation of leaders swiftly, highlighted the transition from academia to industry, emphasising the gap between theoretical education and practical requirements in the professional realm.

He stressed that sustainability wasn't a widely acknowledged subject until about five to ten years ago. He noted the lack of leadership in academia in India regarding sustainability education compared to China. He underlined the importance of practical education in academia, intending to prepare future leaders to bridge this gap and educate existing leaders in the industry. He further pointed out the evolving nature of learning, with abundant resources available online. He emphasised the need for new leaders to understand compliance, particularly concerning India's initiatives like net-zero targets and greenhouse gas accounting. He emphasised the importance of including topics like lifecycle assessment in curriculums, ensuring both teachers and students are well-versed in these areas to benefit the industry effectively. Ultimately, he emphasised that academia should focus on relevant industry policies and integrate them into their curriculum to nurture future leaders in sustainability.

When talking about collaboration between industry and academia to ensure that academia is able to

meet the further needs of the industry, **Harsha** suggested utilising case studies to address the diverse challenges faced by different industries in sustainable development. **Dr. Suneel** extended this idea by emphasising the need for field testing hypotheses within the industry.

Dr. Ashish A. highlighted three useful experiments in management education. First, he mentioned the introduction of “Professors of Practice,” a concept originating from the West, which has proven beneficial in imparting practical skills in interdisciplinary subjects like sustainable management. Second, he noted the regular review and validation of courses by corporate partners, ensuring relevance and practicality. Third, he discussed collaborative teaching, where industry experts contribute a portion of the course to provide real-world insights.

However, he emphasised the necessity for larger-scale collaborations beyond micro-level initiatives. He advocated for creating an ecosystem for sustainability in management education, suggesting the establishment of platforms that bring together industry professionals and educators. These platforms, at both state and national levels, would facilitate collaborative problem-solving and address challenges collectively. He emphasised the need for broader platforms beyond existing educational bodies like IKA, advocating for joint efforts between industry and academia.

Dr. Sapna mentioned the importance of industry feedback in shaping their curriculum, highlighting both formal and informal engagements with various industries. She recounted the introduction of a sustainability reporting course at TERI in response to industry suggestions, emphasising the need for academia and industry to mutually engage in capacity building.

She discussed her personal engagements with organisations like Bharat Petroleum, NTPC, TERI, and Indian Oil Officials, noting the necessity for both academia and industry to exchange knowledge. She emphasised the importance of unlearning and relearning for professors, acknowledging the need for hands-on experiences and live projects to bridge the gap between theoretical and practical knowledge. She advocated for a collaborative approach, mentioning initiatives like the “Satat Vikas Ki Or: Udyog Jagat Ke Saath” program and the Sustainability Action Lab, inspired by student feedback. She highlighted the launch of a PhD program in sustainable development at Nalanda, stressing the importance of collective efforts involving NGOs, industry professionals, academia, and various stakeholders to transform management thought towards sustainability. She expressed a commitment, along with Sangeeta, to form a global collective platform to facilitate collaboration and change in management paradigms.

Ashish G. highlighted the collaboration between academia and industry, emphasising the importance of industry insights for academia and the subsequent implementation of those ideas in academic programs. He suggested that academia could take up roles related to compliance and assurance requirements, such as the BRSR core, to add credibility and value to industry initiatives.

Himanshu stressed the need for collaborative efforts between academia, industry, and local authorities for sustainable development. He highlighted academia’s role as a source of knowledge and guidance, suggesting that bodies like CRB should engage academia as stakeholders in societal initiatives, particularly focusing on areas like climate and social development.

Dr. Amit advocated for a more inclusive collaboration that involves not just academia and industry, but also the community and Civil Society organisations (CSOs). He emphasised the necessity of collective cooperation to address real challenges, highlighting that the community faces the actual problems and CSOs play a crucial role in this context. He suggested that educational institutions can serve as platforms for these stakeholders to converge, enabling students to become catalysts for change. He also emphasised the importance of creating an ecosystem where failure is accepted and seen as a part of the learning process. He encouraged granting opportunities to those attempting to solve real problems, even if they fail, and acknowledge efforts as valuable contributions. Ultimately, he emphasised that solving challenges requires a joint effort involving the community, corporations, academia, and industry as everyone shares responsibility in this endeavor.

During the open floor discussion, a paradigm shift in management education beyond the traditional MBA focus, emphasising the need for sustainability to be a way of life rather than just a compliance issue was highlighted. Further, various topics including the importance of behavioral literacy, the broader

scope of sustainability beyond compliance, and the role of education in shaping responsible leaders was emphasised.

Key Takeaways:

- **Focus on Sustainability:** Sustainability needs to be integrated into the management studies curriculum across various disciplines.
- **Industry Perspective:** Industry representatives highlighted the evolving nature of business, where sustainability is no longer just a regulatory necessity but also a potential economic driver.
- **Collaboration between Academia and Industry:** Collaboration between academia and industry is crucial for incorporating industry insights into academic programs, ensuring relevance and practicality in management education.

Key Recommendations:

- **Bottom-up Approach:** Start instilling sustainability values right from early education to ensure a sustainable approach to life from an early age.
- **Innovative Teaching Methods:** Implement innovative teaching methods like collaborative learning, experiential learning, and case studies to address diverse sustainability challenges and enhance student engagement.
- **Cross-Sector Collaboration:** Foster collaboration between academia, industry, community, and Civil Society organisations (CSOs) to address real-world challenges collectively.
- **Policy Frameworks:** Develop policy frameworks that incorporate sustainability, social responsibility, and Sustainable Development Goals (SDGs) into action, ensuring a proactive approach to sustainability in business and management.
- **Ecosystem Building:** Create platforms at state and national levels that bring together industry professionals and educators to facilitate collaborative problem-solving and address sustainability challenges collectively.
- **Continuous Learning:** Encourage continuous learning and capacity building for professors through hands-on experiences, live projects, and engagements with industry professionals, ensuring they stay updated on industry trends and requirements.

Strategising Climate Adaptation for the Private sector A regional roundtable discussion

7 November 2023 | 1630 – 1800 hrs IST



- **Moderator: Vicky Sins**, Decarbonisation and Energy Transformation Lead, World Benchmarking Alliance (WBA)
- **Paul Smith**, Consultant Climate Change, United Nations Environment Programme Finance Initiative (UNEP FI)
- **Suranjali Tandon**, Associate Professor, National Institute of Public Finance and Policy
- **Malini Chakravarty**, Research Manager, Climate Policy Initiative India
- **Shubhashish Dey**, Director, Climate Policy & Finance Programme, Shakti Sustainable Energy Foundation
- **Marcia Toledo Sotillo**, Director Adaptation & Resilience Climate Champions, High-Level Climate Champions
- **Remi Bussac**, Senior Policy Advisor - Climate & Sustainable Development, Électricité de France S.A. (EDF)
- **Stephia Latino**, Chargée de projet risques physiques, Projet Finance ClimACT chez ADEME, The French Ecological Transition Agency
- **Aditya Petwal**, Assistant Director, Centre for Responsible Business



Aditya Petwal, Assistant Director, Centre for Responsible Business, set the context for the session which was focused on climate adaptation for the private sector, emphasising the urgency of addressing climate change and its impacts. He highlighted the alarming rise in global temperatures and highlighted various sectors within the energy industry, such as electricity, heat, transport, and petrochemicals, as significant contributors to emissions. He stressed the importance of businesses taking action not only for ethical reasons but also due to various climate-related risks they face, including physical, financial, and product-related risks. He further highlighted that the session would delve deeper into topics such as risk profiling,

adaptation planning, investment planning, and deploying climate-resilient solutions, featuring sector experts and practitioners from the industry.

Vicky Sins, Decarbonisation and Energy Transformation Lead, World Benchmarking Alliance (WBA), further set the context and focus of the discussion on climate adaptation and addressing the role of the private sector in adaptation.

Paul Smith, Consultant Climate Change, United Nations Environment Programme Finance Initiative (UNEP FI), provided an overview of UNEP finance initiative, highlighting its focus on engaging the private sector. He outlined the organisation's membership, including banks, insurance organizations, and supporting entities like central banks and NGOs. He talked about the recently released UN adaptation gap report, emphasising the significant financing needs for adaptation, especially in developing countries. He pointed out that the gap between needed and provided finance is widening, with estimates ranging from \$194 to \$366 billion annually. Despite growing calls for adaptation finance, public finance for developing economies has decreased by 15% from 2020 to 2021. In terms of private finance, the situation is less clear, with barriers such as a lack of climate and vulnerability data, perception of low returns on investment, and policy and governance challenges hindering investment in adaptation. However, there are signs of innovation and financing responses from certain private sector organisations, including impact investors, rating agencies, and data providers. He concluded by highlighting efforts to improve data availability, particularly through open-source data initiatives, to better guide adaptation financing where it is most needed.

He further talked about the Principles for Responsible Banking (PRB) founded in 2019 and its focus on climate adaptation, particularly for banks in regions exposed to physical climate risks. He highlighted the establishment of a working group on adaptation chaired by Standard Chartered and Mauritius Commercial Bank, which will release initial target setting guidance by the end of November. This guidance aims to help banks understand and mitigate climate risks, emphasising the importance of not merely complying with regulations but actively working with clients to address vulnerabilities. He emphasised the need for tools to measure impact and support banks in directing financing effectively, noting the lack of frameworks tailored specifically for banks in this regard. He expressed the importance of innovation and collaboration in developing metrics and standards that suit the needs of banks. Finally, he mentioned plans to work on impact elements next year to assist banks in identifying investment opportunities in sectors requiring adaptation measures.

Suranjali Tandon, Associate Professor, National Institute of Public Finance and Policy, highlighted the underappreciation of climate adaptation in the private sector, noting the lack of reporting on physical risks in banking and disclosure frameworks. She stressed the importance of understanding risks and developing instruments for adaptation, especially in the face of financial deficits. She highlighted the potential practical steps to address this gap, focusing on impact assessment through the banking sector, mapping risks and capital locations, and utilising insurance products like catastrophe bonds. She emphasised the need for companies to tag their expenditure for adaptation, particularly in regions exposed to climate risks, and suggested making these investments clearer on balance sheets when speaking to investors.

Malini Chakravarty, Research Manager, Climate Policy Initiative India introduce the organisation's focus on research, analysis, and advisory work related to green growth and transition plans. She mentioned their upcoming report on adaptation financing in India and highlighted that private finance constitutes only a small percentage (2-5%) of climate finance flows for adaptation. She identified barriers to private financing in adaptation and categorised private financing into internal adaptation by companies, goods and services with positive externalities, and projects or goods with public goods nature. She emphasised the importance of public-private partnerships (PPPs) for facilitating private investment, especially in infrastructure, and discussed models like the hybrid annuity model (HAM) and design-build-finance-operate (DBFO). She underscored the need for private investors to adjust their return expectations considering the protective nature of adaptation investments against future losses.

Shubhashish Dey, Director, Climate Policy & Finance Programme, Shakti Sustainable Energy Foundation, shared his perspective on adaptation finance, emphasising the challenge of creating

financial models for adaptive needs, particularly in contrast to infrastructure-focused models. He highlighted the significant gap in adaptation finance compared to overall financial flows and stressed the importance of wealth creation as a means to address adaptive needs, advocating for a shift in global finance flows from the Global North to the Global South. He discussed sovereign ratings and currency risks as barriers to accessing global finance for vulnerable communities and small businesses. He distinguished between the roles of the private sector in mitigation and adaptation, suggesting that private sector investment is crucial in mitigating climate change but less so in addressing loss and damage from climate events, where public finance is more pivotal. He concluded by underscoring the necessity of public-private partnerships for adaptation financing but expressed skepticism about the current role of private finance in addressing adaptive needs.

Marcia Toledo Sotillo, Director Adaptation & Resilience Climate Champions, High-Level Climate Champions, introduced herself as part of the Climate Champions team supporting the UN High-Level Climate Champions for COP27. She outlined two main initiatives focused on adaptation: **“Race to Resilience”** campaign which aims to mobilise various actors and deliver impactful actions to increase resilience by 2030, in response to the findings of the latest IPCC report highlighting the vulnerability of 3.6 to 4 billion people worldwide to climate change impacts. The emphasis is on increasing resilience, especially among the most vulnerable, by deploying actions involving partners, cities, regions, businesses, financiers, coalitions, NGOs, and local communities. The campaign involves tracking impacts quantitatively and qualitatively, with 37 partners and over 600 members working across 86 cities in more than 160 countries, pledging to reach 2.9 billion people by 2030. The solutions are tailored to local contexts and stakeholders’ decisions, recognising that solutions vary in their effectiveness depending on the region. These solutions are globally recognised and can be scaled up to address climate-related challenges effectively. Further, the **“Sharm el-Sheikh Adaptation Agenda”**, which is framed as a Solutions agenda aimed at driving system transformation to address adaptation and resilience challenges. It acknowledges the need for diverse solutions and aims to highlight and implement proven solutions at a system level. The agenda outlines specific targets for various sectors such as food, oceans, water, health, human settlements, and infrastructure, with critical enablers being finance and planning. Businesses play a crucial role in accelerating action, particularly in innovation, mobilisation of finance, and scaling solutions. The agenda emphasises the importance of business transformation pathways in achieving its objectives.

She further highlighted critical opportunities related to climate change adaptation and emphasised the need for the Sharm el-Sheikh Adaptation Agenda to convene various business opportunities in this regard. She discussed the importance of frameworks like taxonomies, targets, and KPI matrices to enhance businesses’ capacity to track progress and collaborate effectively. She underscored the significance of coordinating opportunities across different systems, fostering capacity exchange, and improving information dissemination to engage more stakeholders. Additionally, she stressed the role of public-private partnership (PPP) approaches and the need for close collaboration with decision-makers to improve planning, action delivery, and facilitate adaptation finance. Finally, she outlined plans to introduce an assessment framework to showcase progress and focus on system transformation opportunities with adaptation at the center.

Stephia Latino, Chargée de projet risques physiques, Projet Finance ClimACT, ADEME, shed light on the ACT Initiative and discussed its evolution from focusing solely on decarbonisation to also assessing adaptation strategies since 2021. She highlighted the methodology’s focus on evaluating companies’ adaptation strategies comprehensively, including physical risk analysis, adaptive capacity, and governance. The ACT Adaptation methodology is designed for companies of all sectors, sizes, and locations and provides a score out of 20 based on three main pillars: governance and strategy, physical climate risk analysis, and adaptive capacity and activities. The methodology involves a framework with questions and indicators, evaluated using maturity metrics and scores. It emphasises both past and present elements while being forward-looking and includes five guiding questions to raise awareness about the urgency of adapting to climate change. The second question in the methodology, focuses on assessing the company’s past and present strategies regarding adaptation. She emphasised the importance of having a forward-looking plan and evaluating how past actions align with current and future goals. The ACT Adaptation methodology combines this assessment with indicators divided into three main dimensions: governance

and strategy, internal governance, strategic objectives, adaptation leadership, and external strategy and dialogue with sectoral and local actors. She further outlined three key dimensions of the ACT Adaptation methodology: ensuring the adaptation strategy aligns with biodiversity, health, and existing mitigation efforts, assessing physical climate risks by analysing climate data and scenarios, evaluating the entire value chain, and identifying risks and opportunities, and evaluating the company’s adaptive capacity through decision-making processes, financial resources, technology and nature-based solutions, and workforce expertise and training to address climate change impacts.

Further, The ACT Adaptation methodology uses a maturity matrix to evaluate indicators, allowing companies to assess their level of maturity in implementing adaptive practices. This matrix offers different levels of maturity, gradually adding more elements, with the final level representing the best adaptive practices. In comparing ACT Adaptation to other frameworks, it was developed by considering existing standards and recommendations for climate change adaptation. ACT Adaptation aligns with these recommendations, allowing companies to understand their implications and evaluate their maturity level accordingly. This alignment highlights consistency among various frameworks in addressing climate change adaptation.

Remi Bussac, Senior Policy Advisor - Climate & Sustainable Development, Électricité de France S.A. (EDF), addressed the challenges faced by companies in assessing and implementing adaptation strategies to climate change. He emphasised three main difficulties: first that unlike mitigation, there is no single indicator to assess a company’s level of adaptation. Second that it is challenging for companies to quantify the financial benefits of adaptation, making it harder to convince stakeholders and third, the absence of a regulatory framework for adaptation means it’s primarily voluntary for companies, adding complexity to the process. Despite being a large electricity company with global operations, adaptation remains a complex issue for EDF and other companies due to these reasons.

He further discussed their participation in the ACT adaptation road test and the importance of assessing adaptation levels using this new methodology. He highlighted EDF’s unique challenges as an electricity producer with installations having long lifetimes and being highly sensitive to climate conditions. The company has focused on setting governance for adaptation, evaluating climate risks, and ensuring new investments are screened for climate adaptation. The ACT methodology helped EDF gain a comprehensive overview of their climate risks and facilitated collaboration across departments. He also mentioned specific adaptation actions taken, such as modifications to installations.

Several questions were posed related to climate adaptation and the role of corporate entities. The first question addressed credibility ratings, suggesting skepticism toward Western assessments. The focus then shifted to the role of corporations in climate adaptability, particularly in regions like Orissa, India, prone to cyclones. Corporate engagement in climate adaptation was emphasised as essential, especially for assets situated in vulnerable areas. The discussion touched on the need for governance, financing, and partnerships between the public and private sectors. Participants highlighted the challenges and opportunities in incentivising private sector investment in climate adaptation, with examples of initiatives like insurance models and public-private partnerships discussed. The conversation concluded with a call for innovative financing schemes and governance frameworks to drive climate adaptation efforts effectively.

Key Takeaways:

- **Urgency of Climate Change:** There’s a pressing need to address climate change due to the alarming rise in global temperatures and its significant impacts on various sectors.
- **Private Sector’s Role:** The private sector plays a crucial role in climate adaptation, facing risks that include physical, financial, and product-related aspects.
- **Financial Needs for Adaptation:** There’s a substantial gap in financing for adaptation, especially in developing countries, with estimates ranging from \$194 to \$366 billion annually.
- **Barriers to Private Financing:** Challenges like a lack of climate and vulnerability data, perceived low returns on investment, and policy/governance hurdles hinder private sector investment in adaptation.

- **Innovation and Collaboration:** Certain private sector organisations show innovation in financing responses, including impact investors, rating agencies, and data providers. Collaboration is key for developing tailored metrics and standards.
- **Public-Private Partnerships:** PPPs are essential for facilitating private investment in adaptation, particularly in infrastructure. Models like hybrid annuity and design-build-finance-operate can facilitate this.
- **Adjusting Return Expectations:** Private investors need to adjust their return expectations considering the protective nature of adaptation investments against future losses.
- **Global Initiatives:** Initiatives like the “Race to Resilience” campaign and the “Sharm el-Sheikh Adaptation Agenda” mobilise various actors, including businesses, to increase resilience and drive system transformation.
- **Assessment Frameworks:** Frameworks like the ACT Adaptation methodology help evaluate companies’ adaptation strategies comprehensively, focusing on physical risk analysis, adaptive capacity, and governance.

Key Recommendations:

- **Increased Private Sector Engagement:** Encourage businesses to take action on climate adaptation, considering not only ethical reasons but also the various climate-related risks they face.
- **Enhanced Data Availability:** Improve data availability, particularly through open-source data initiatives, to guide adaptation financing where it’s most needed.
- **Policy and Governance Support:** Address policy and governance challenges that hinder private sector investment in adaptation, ensuring a conducive environment for financing.
- **Incentivising Private Investment:** Explore innovative financing schemes and regulatory frameworks to incentivise private sector investment in adaptation, such as insurance models and PPPs.
- **Capacity Building:** Enhance capacity building for private sector organisations to understand and mitigate climate risks effectively, including through collaboration and knowledge exchange.
- **Alignment with Global Initiatives:** Align adaptation strategies with global initiatives to leverage collective action and resources.
- **Regulatory Framework Development:** Develop a regulatory framework for adaptation to provide clarity and incentives for private sector involvement, ensuring accountability and compliance.
- **Risk Assessment and Planning:** Encourage companies to conduct comprehensive risk profiling and adaptation planning to identify vulnerabilities and prioritize investment in resilient solutions.
- **Public-Private Collaboration:** Foster closer collaboration between the public and private sectors to facilitate adaptation finance, leveraging each sector’s strengths and resources effectively.

Responsible Business Conduct and the RMG Sector

7 November 2023 | 1630 – 1800 hrs IST



Innovative Change Collaborative
Services Pvt. Ltd.



- **Alay Barah**, Director, ICCSPL
- **Shankar Venkateswaran**, Founding Member, ECube Investment Advisors



Alay Barah, Director, ICCSPL, shared details about his organisation ICCSPL, a sister organisation of the ICCO Group of organisations, which operates in sustainable livelihood, clean energy, and responsible business, with a focus on gender and inclusion. As an organisation, they have been active in the northeast, east and southern states, and reached over 70,000 smallholder farmers and 100,000 tea workers, addressing issues such as domestic violence and violence against women. They have also been working in incubation and entrepreneurship development programs, currently collaborating with the Assam government and the World Bank to promote agro-entrepreneurship.

Responsible business is a key focus area for the organisation particularly in tea and the readymade garment sector with a focus on the adoption of the National Guidelines for Responsible Business Conduct (NGRBC), which was established in 2018.

Shankar Venkateswaran, Founding Member, ECube Investment Advisors, provided a detailed overview of the evolution of responsible business conduct guidelines in India over the years. It all began with the introduction of the National Voluntary Guidelines (NVGs) by the Ministry of Corporate Affairs in 2011, which aimed to define and promote responsible business practices within the Indian context. Following this, in 2012, the Securities and Exchange Board of India (SEBI) mandated the reporting of conduct for listed companies through the Business Responsibility Reporting (BRR) framework, initially applicable to the top 100 listed companies and later expanded to include the top 500 companies by 2015. Global influences became increasingly significant in 2015 with the introduction of the SDGs and the Paris Agreement, shaping India's approach towards responsible business conduct and sustainability. As global frameworks evolved, so did India's guidelines. In 2016/2017, the NVGs were refreshed and updated to align with international standards and incorporate changes in domestic regulations, leading to the establishment of the NGRBC in 2019. Alongside these guideline developments, there was a transition in the reporting framework from BRR to Business Responsibility and Sustainability Reporting (BRSR), reflecting an expanded scope and coverage of reporting requirements that eventually included the top 1000 listed companies.

He further went on to share that the NGRBC in India are structured around nine core principles that

form the foundation of ethical and sustainable business practices within the country. These principles cover a wide range of areas including stakeholder engagement, value chain responsibility, and alignment with global sustainability objectives such as the SDGs and the UNGP. One of the key tenets of the NGRBC framework is its emphasis on going beyond mere legal compliance. While compliance with laws is fundamental, the guidelines stress the importance of businesses adopting practices that contribute positively to society and the environment, thereby extending their responsibility beyond regulatory mandates.

Central to the NGRBC is its stakeholder-centric approach, which recognises that businesses have responsibilities not only towards shareholders but also towards customers, employees, communities, and other stakeholders. This approach encourages companies to consider the impact of their operations across the entire value chain, from sourcing to distribution. It highlights the need for transparency, accountability, and sustainability practices throughout these value chains, particularly relevant in sectors like the Ready-Made Garments industry where supply chain complexities are significant.

Moreover, the NGRBC framework is designed with a voluntary reporting mechanism that serves dual purposes. Firstly, it acts as a self-assessment tool for companies, allowing them to reflect on their adherence to the nine principles of responsible business conduct. Secondly, it serves as a platform for public disclosure, enabling companies to showcase their responsible practices to stakeholders, investors, and the broader public. This reporting framework not only fosters transparency and accountability within companies but also contributes to building trust and credibility among stakeholders.

He further outlined the nine core principles which cover a range of areas including governance, integrity, transparency, sustainable processes, employee wellbeing, stakeholder engagement, human rights, environmental responsibility, responsible policy advocacy, inclusive growth, equitable development, and consumer rights. Each principle is structured to provide guidance on specific aspects such as governance practices, employee welfare, stakeholder engagement strategies, environmental conservation, ethical policy advocacy, and consumer protection. The NGRBC principles aim to help companies understand and implement responsible practices across these dimensions, promoting transparency, accountability, and social responsibility in business operations.

The NGRBC are structured into three main components. Firstly, each principle is accompanied by a headline that succinctly describes the essence of the principle. Secondly, there is a brief description that elaborates on the headline, explaining the principle's essence, its underlying philosophy, and potential sources of inspiration. This description may include references to international frameworks, national regulations like labour laws, or broader ethical considerations. Lastly, the guidelines detail the practical aspect or "how" of aligning with each principle. The core elements outline specific actions or steps that a company should take to align with the principle effectively. These actions serve as an action plan, detailing what needs to be done to ensure compliance or alignment with the principle. This structured approach provides companies with clear guidance on understanding the principle, aligning with it, and implementing actionable steps to promote responsible business conduct.

He shared that the NGRBC are intentionally broad to encompass various sectors, but there's a recognition of the need for sector-specific adaptations. While the core principles remain unchanged, sector-specific guidelines focus on core elements or actionable steps relevant to that sector. This adaptation is crucial for practical implementation and relevance. For instance, in the Ready-Made Garments sector, certain core elements may need adjustments or additions to align with sector-specific challenges and priorities.

In the process of adapting the NGRBC to the Ready-Made Garments sector, stakeholders like the ICCSPL, and the Indian Institute of Corporate Affairs (IICA) have been actively involved. The focus has been on simplifying the adaptation by concentrating on two key stakeholders within the RMG sector: manufacturers and brands (indian/international). A "zero draft" has been created, building upon the NGRBC but with a more focused approach tailored to the RMG sector's specific challenges. An advisory committee has been engaged in debating and refining these principles, and a first draft of the adaptation is nearing completion. While the official first draft is scheduled for release in December, the stakeholders at the conference were engaged to gather inputs and insights that would further refine this initial draft. The goal is to ensure that the adaptation addresses the unique issues and challenges faced by the RMG sector comprehensively. The stakeholders' inputs on both the general challenges faced by the sector and

the specific core elements of the adaptation are crucial in this refinement process.

He laid down the goal of the session which was on refining the core elements of the NGRBC for the RMG sector. The objective was to determine which core elements should be retained as is, which ones need modification, and which ones are not relevant and can be removed. To facilitate this process, participants were divided into small groups to reflect and discuss. The focus was on four key principles: Principle Three (Employees), Principle Five (Human Rights), Principle Six (Environment), and Principle Nine (Consumers). Each group analysed these principles and provided feedback on which core elements should be retained, modified, or removed.

During the open floor Q&A session, it was made clear that the guidelines are not mandated by the government of India. They serve as a framework for ethical business practices, emphasising voluntary compliance and responsible behavior. The NGRBC aims to involve various stakeholders, including businesses, civil society, and government bodies, in fostering a culture of responsible business conduct. While the guidelines are not mandatory, there was a discussion about the potential for them to inform future regulatory frameworks or reporting requirements. Regarding certifications and audits, it was noted that these are separate from the NGRBC. Certifications involve external bodies verifying compliance with specific standards, while audits assess adherence to established procedures and guidelines. However, there was recognition that certifications should acknowledge alignment with the NGRBC, indicating a commitment to responsible business practices. The conversation also touched on the evolving nature of sustainability and responsible business. It was emphasised that these are ongoing journeys rather than fixed destinations. The guidelines provide a roadmap for businesses to improve their practices continually and align with societal expectations and evolving standards.

Key Takeaways

- **Certification vs. Guidelines:** The distinction between certification and guidelines, stating that guidelines are not intended to replace certification. While guidelines provide a framework, certifications need to adapt to align with national guidelines.
- **Lack of Awareness:** There is a lack of awareness among stakeholders about the NGRBC, in addition there is a challenge in promoting voluntary guidelines without mandatory reporting.
- **Value Proposition for Brands:** Brands might not be pushed to adopt the NGRBC. However, brands might consider adopting the guidelines instead of creating their frameworks.
- **Beyond Compliance:** Setting a living wage, for instance, is already beyond compliance and highlights the continuous journey of sustainability rather than a fixed destination.
- **Sustainability forward:** Sustainability is an ongoing journey, not a destination. There is a caution against viewing responsible business as an endpoint and highlighting the dynamic nature of sustainability goals.

Small Business, Big Impact: India's SMEs on the Path to Net Zero

7 November 2023 | 1630 – 1800 hrs IST



- **Devyani Hari**, Director, Centre for Responsible Business
- **Sucharita Kamath**, Head, South Asia, Aspen Network of Development Entrepreneurs (ANDE)
- **Sakthi Vel**, Managing Director, Punarbhava Sustainable Products
- **Supriya Kapoor**, Director Social Enterprises, Women on Wings
- **K. Rama Devi**, President, Association of Lady Entrepreneurs of India (ALEAP)
- **Pallavi Ahuja**, Manager, Systems Transformation, We Mean Business Coalition



Devyani Hari, Director, CRB introduced the session about SMES and its considerations. She highlighted that SMEs are taking proactive steps in defining their sustainability journey rather than merely reacting. They are setting targets across various scales and implementing measures related to Environmental, Social, and Governance (ESG) considerations. She argued that while startups may not achieve ESG perfection initially, they can gradually build knowledge and awareness of ESG principles. Collaboration among stakeholders, including SMEs, is emphasised as crucial for driving innovation and influencing policy decisions in support of sustainability efforts.

Pallavi Ahuja, Manager, Systems Transformation, We Mean Business Coalition, underscored the pivotal role of SMEs in driving sustainability, often overshadowed by larger corporations. She stressed the interdependence between large businesses and SMEs within supply chains, highlighting SMEs' critical contribution to the economy. In India, SMEs account for a staggering 63 million businesses, with a significant portion operating informally. Despite their economic significance, SMEs have traditionally been overlooked in sustainability initiatives, with resources primarily directed towards larger enterprises.

Recognising the need to support SMEs in their sustainability efforts, initiatives like the SME Climate

Hub have emerged. This global platform offers tailored solutions to SMEs, including tools for measuring emissions, educational resources, and reporting mechanisms. She urged SMEs to make climate commitments and engage with platforms like the SME Climate Hub to enhance their sustainability practices. Furthermore, she emphasised the importance of localised approaches, especially in the Indian context. The SME Climate Hub has launched a customised page specifically for Indian SMEs, addressing their unique challenges and opportunities. Through workshops and collaborations with industry associations, the initiative aims to empower Indian SMEs to adopt sustainable practices and amplify their voices on a global platform.

Sagrika Bose, CSR Head, SAP India, shared her career journey, emphasising her passion for social development and her belief in the power of large businesses to make a significant impact on the ground. As someone who was always drawn to social development due to early experiences with organisations such as Nasscom Foundation which was pivotal as it provided insights into organisational growth and allowed her to interact with industry leaders in the IT sector, witnessing their vision for both their companies and the country. During this time, she also engaged in discussions about corporate responsibility, recognising its importance beyond philanthropy and advocating for its integration into business operations and products/services. This realisation marked the beginning of her journey towards understanding the broader impact of responsible business practices.

She highlighted the integrated approach of SAP towards sustainability and corporate social responsibility (CSR), emphasising alignment with the organisation's larger purpose of improving lives through business solutions. SAP's extensive global presence in providing ERP solutions for supply chain management reinforces the significance of their vision. Sustainability and CSR are not just external engagements but deeply embedded within SAP's operations, products, and services, aiming to influence customers, partners, and society at large. SAP has set ambitious targets for emissions reduction and equality, leading in industry standards such as Business Responsibility Reporting and Science-Based Targets. She also focused on product offerings that aid customers in enhancing their sustainability practices. Initiatives like empowering women in supply chains and 5 by 5 by 25, which aims to increase social procurement, demonstrate SAP's commitment to inclusive and sustainable supply chains. These efforts extend globally, with pilots conducted in the UK and plans for expansion into emerging markets like India, Brazil, and Africa. Moreover, SAP directs philanthropic investments towards social businesses and social procurement, aiming to integrate social enterprises into supply chains. She emphasised the interconnectedness of environmental and social objectives, highlighting the importance of community engagement in sustainability efforts, particularly in the context of smaller businesses and suppliers. She expressed interest in further exploring the concept of social procurement and its implications for businesses and communities.

Pallavi, further emphasised the interconnectedness of environmental and social goals, highlighting the importance of community engagement in sustainability efforts, especially when working with suppliers and smaller businesses. She stressed the role of large businesses as role models for smaller ones, inspiring them to make positive changes. However, she acknowledged the challenges, such as gaining internal buy-in and influencing stakeholders, in implementing sustainable practices.

Sagarika highlighted the challenges in working with supply chains for sustainability, both from the perspective of large businesses and smaller ones. She noted that large businesses face hurdles in changing established parameters in their supply chains, especially when new expectations are introduced. The last decade has seen a focus on large companies, but the trickle-down effect has been slower than anticipated. On the smaller business side, there is a growing awareness of sustainability expectations, but the specifics and implementation details pose challenges. She emphasised the complexity of initiating sustainability efforts, including where to start, whether external consultants are needed, and the financial aspect. She stressed the importance of addressing these challenges and mention organisations like SME Climate Hub and others working to tackle them. She also touched upon the need for financing and clarity on expectations and timelines in sustainability efforts. **Pallavi** summarised by highlighting three main challenges faced by small businesses regarding sustainability. Firstly, they lack expertise in climate and sustainability matters, as they focus on day-to-day operations. Secondly, they struggle with accessing resources, both in terms of time and finances, to implement sustainable practices. However, initiatives

like SME Climate Hub offer free resources and tools to address this barrier. Finally, the importance of networks and communities, in providing collective learning and support for small businesses to overcome sustainability challenges.

Suchitra Kamath, Head, South Asia, Aspen Network of Development Entrepreneurs (ANDE), shed light on the findings of a green economy report focused on India. She highlighted the significant market opportunity for green businesses in the country, which amounts to nearly \$3.5 trillion. This figure underscores the potential for growth and investment in sectors that contribute to environmental sustainability. She then delved into the specific sectors within this market, highlighting green buildings as the largest sector with a market value of \$1.04 trillion. She also highlighted other key sectors such as waste management, circular economy, water management, and sustainable agriculture, each representing substantial market opportunities.

Furthermore, she emphasised the importance of collaboration and capacity building in addressing challenges within the green economy. She acknowledged the complexities of financing and skill development, particularly for small and medium-sized enterprises operating in this space. The need for collective efforts and partnerships to overcome these challenges was emphasised, with a focus on leveraging the expertise and resources of larger organisations to support SMEs. She also underscored the role of larger organisations in serving as role models and facilitating capacity building efforts within the SME ecosystem. She emphasised the importance of showcasing success stories and providing accessible resources to guide SMEs in their sustainability journey. Overall, she highlighted the immense potential of the green economy in India and underscored the importance of collaboration, capacity building, and role modeling in driving sustainable growth and innovation within the sector.

Sakthi Vel, Managing Director, Punarbhava Sustainable Products, spoke about achieving net zero emissions and engaged the audience by posing a question about strategies to achieve this goal, encouraging specific and creative responses. He emphasised the importance of individual actions in achieving sustainability, highlighting everyday activities that contribute to carbon emissions and suggesting simple changes like reducing the use of tissue paper and plastic bags. He introduced Punarbhava, which focuses on sustainable packaging solutions for the textile industry. He highlighted the environmental impact of textile waste and conventional packaging materials, stressing the need for holistic sustainability in product manufacturing and packaging. He shared personal experiences growing up in a textile hub and witnessing fabric waste disposal. He described the motivation behind starting Punarbhava, which stemmed from a desire to address the contradiction between brands' sustainability claims and their contribution to deforestation through conventional packaging materials. He further added "true sustainability" should be a win-win situation for everyone including people, the economy, the environment, for the society and the overall process. Overall, he emphasised the importance of individual actions, sustainable practices in business operations, and innovative solutions in achieving net zero emissions and environmental sustainability.

Sucharita, acknowledged that "circularity" is a relatively new concept but suggested that it encompasses practices that were common in the past but have been forgotten over time. She mentioned that circularity includes elements like reuse and reduction. She reflected on how society has shifted towards a highly consumptive economy where products are designed to be discarded after short periods, contrasting this with past practices where reuse and reduction were more prevalent. She emphasised the importance of relearning these practices and acknowledges that while circularity involves various aspects, reducing consumption is a significant component, particularly in the context of consumer behavior.

Supriya Kapoor, Director Social Enterprises, Women on Wings, talked about her organisation which is a consulting firm that works exclusively with social enterprises focused on creating livelihood opportunities for rural women in India. They provide business mentoring and consulting to social enterprises in the growth phase, aiming to expand their sphere of influence while making a social impact. With 16 years of experience, they have built a community of over 100 social enterprises. She emphasised the importance of collaboration and peer-to-peer learning in their work.

She talked in the shift in global development goals from the Millennium Development Goals (MDGs) to the Sustainable Development Goals (SDGs), noting that the SDGs place a strong emphasis on partnership

as a key driver for achieving sustainable development. She stressed the significance of collaboration and partnership in addressing complex and multi-faceted issues such as sustainability, especially for organisations operating in the social enterprise and SME sectors. She argued that traditional business structures may lack the capacity and resources to tackle sustainability challenges effectively on their own. As a result, she suggested that a combination of planned and emergent actions involving various stakeholders, including founders, employees, governments, communities, and experts, is necessary to form a strategic orientation towards sustainability. To facilitate this collaborative approach, she described initiatives undertaken by Women on Wings, which include providing tailored consultancy services to social enterprises and organizing events like CEO meetups, summits, and webinars. These platforms bring together partner enterprises, experts, and internal and external stakeholders to discuss common challenges, share best practices, and explore opportunities for collaboration and peer learning. Furthermore, she highlighted specific outcomes resulting from these collaborative efforts, such as improved representation in global value chains, joint sourcing initiatives, collaborative waste management projects, and the co-creation of technological solutions tailored to the needs of participating organizations.

She concluded by sharing the importance of providing guidance, motivation, and opportunities for collaboration to help SMEs transition towards sustainability. She emphasised the need to bridge gaps in understanding, facilitate peer-to-peer learning, and foster collaboration among enterprises to collectively address shared challenges and work towards sustainable solutions.

Sucharita, raised questions about whether women entrepreneurs consume and share knowledge differently from others and highlights some interesting findings related to access to capital. She mentioned a common discourse surrounding women’s pitching skills and ambition levels, contrasting it with the perspective of businesses seeking realistic growth, particularly in the context of SMEs.

K. Rama Devi, President, Association of Lady Entrepreneurs of India (ALEAP), highlighted the importance of collaboration between industry experts and the government, emphasising the need to work together to address environmental challenges. She highlighted government initiatives to support MSMEs in adopting sustainable practices including certifications like Zero Defect Zero Effect (ZED) offered by the Ministry of MSME, which provides incentives such as reduced bank interest rates to encourage adoption. She emphasised the need for awareness programs to educate MSMEs about available support and funding opportunities for social impact projects. In terms of practical initiatives, she mentioned the establishment of a Green Industrial Park dedicated to MSMEs. She explained how this initiative encourages eco-friendly practices such as solar power generation and waste recycling within the industrial ecosystem. Moreover, she discussed the formation of a separate wing called Green Planet to support women entrepreneurs in implementing green initiatives and accessing technological support. She further underscored the importance of collective action and government support in promoting sustainability among MSMEs and the interconnectedness of people, planet, and profit, urging MSMEs to prioritise sustainability for a greener future.

Devyani, concluded the session by highlighting a key message from the day’s discussions: the importance of taking proactive steps towards sustainability without waiting for external incentives. She emphasised that by initiating action, organisations can position themselves to negotiate for the support they need

Key Takeaways:

Proactive Sustainability: SMEs are taking proactive steps in defining their sustainability journey rather than merely reacting. They are setting targets across various scales and implementing measures related to Environmental, Social, and Governance (ESG) considerations.

Collaboration is Crucial: Collaboration among stakeholders, including SMEs, is crucial for driving innovation and influencing policy decisions in support of sustainability efforts. Initiatives like the SME Climate Hub offer tailored solutions and resources to SMEs to enhance their sustainability practices.

Interconnectedness of Environmental and Social Goals: There is a significant interdependence between environmental and social goals. Large businesses can serve as role models for smaller ones, inspiring positive changes. The importance of community engagement in sustainability efforts, especially with

suppliers and smaller businesses, was emphasized.

Challenges Faced by SMEs: SMEs face challenges such as lack of expertise in climate and sustainability matters, limited resources to implement sustainable practices, and the importance of networks and communities in providing collective learning and support.

Role of Government Support: Government initiatives such as certifications like Zero Defect Zero Effect (ZED) and awareness programs play a crucial role in supporting SMEs in adopting sustainable practices.

Key Recommendations:

Take Proactive Steps: Organisations should take proactive steps towards sustainability without waiting for external incentives, positioning themselves to negotiate for the support they need.

Engage in Collaboration: Collaboration among stakeholders, including SMEs, industry experts, and governments, is essential for driving sustainability efforts.

Prioritise Sustainability: SMEs should prioritise sustainability efforts, engage with platforms like the SME Climate Hub, and make climate commitments to enhance their sustainability practices.

Policy Alignment: Governments should formulate policies incentivizing sustainability in SMEs, creating a supportive regulatory environment.

Community Engagement: Engage with communities and networks to facilitate collective learning and support, overcoming sustainability challenges collectively.

Focus on Interconnected Goals: Emphasise the interconnectedness of environmental and social goals, striving for a balanced approach that considers both aspects in sustainability efforts.

Net Zero Integration: Large businesses should integrate SMEs into their Net Zero strategies, providing support and incentives for sustainable practices.

EU-India Business Collaborative Initiative on Sustainable Development, Climate Action and Inclusivity

7 November 2023 | 1800 – 1900 hrs IST



European Union



- **Richard Howitt**, Former CEO, International Integrated Reporting Council
- **Laurent le Danois**, Team Leader, Cooperation Section, EU Delegation to India
- **Farhad Vania**, Honorary Board Member, CRB; Portfolio Management Advisor to the Country Director, GIZ
- **Rijit Sengupta** - Chief Executive Officer, Center for Responsible Business
- **Devosmita Bhattacharya**, Programme Officer, Centre for Responsible



Rijit Sengupta, Chief Executive Officer, Center for Responsible Business initiated the session, highlighting the collaboration between CRB and the EU delegation, emphasising their shared journey rather than a singular program. He introduced a collaborative program between the Center for Responsible Business and the European Union Delegation, focusing on sustainable business practices. He highlighted that the program aims to create a platform for sharing best practices and fostering collaboration between EU and Indian businesses, specifically focusing on corporate social responsibility (CSR) and sustainability initiatives. He further stressed the importance of EU-India relations in sustainability and climate change efforts, noting commonalities in how both regions approach these issues. The program’s long-term engagement with stakeholders is mentioned, including studies undertaken to inform future initiatives. Additionally, he recognised the significance of EU-India trade relations and expressed commitment to contributing to sustainable discourse and action.

Laurent Le Danois, Team Leader, Cooperation Section, EU Delegation to India and Bhutan, started by sharing insights recent roundtable discussions held in Guwahati, Kolkata, Pune, and Bangalore, highlighting the diverse array of participants ranging from small women entrepreneurs to large multinational corporations which underscored the need for tailored approaches to engagement across different regions and sectors within India.

He stressed the importance of extracting cross-cutting lessons from these discussions that can be applied to various states and regions, ensuring that future actions are well-informed and effective. Furthermore, he emphasised the necessity of engaging a wide range of stakeholders, including not only private sector entities but also government bodies, civil society organizations, academia, and NGOs.

He discussed the significance of corporate contributions to Sustainable Development Goals (SDGs) and targets, particularly in underdeveloped regions where investment is currently lacking. He advocated for meaningful engagement from companies, beyond mere token gestures, emphasising the importance of aligning business interests with positive social and environmental outcomes. In terms of collaboration, he emphasised the need for partnerships that transcend sectoral boundaries, citing examples of companies with expertise in one area (e.g., automotive) collaborating with others to address different issues (e.g., water management). He also highlighted the potential for joint communication efforts, where CRB can assist companies in reaching broader audiences and showcasing their positive contributions to society and the environment.

Finally, he expressed a commitment to structured collaboration with CRB, clarifying that CRB will not act as an implementing agency but rather as a facilitator and partner in driving collective action towards meaningful change in India. He stressed the importance of working not just in India but with India, indicating a desire for collaborative efforts that involve active participation and ownership from all stakeholders.

Rijit acknowledged Laurent's insights and highlighted a key takeaway from a previous day's conversation, emphasising the importance of businesses aligning profit with societal good. He noted that private sector engagement in sustainability occurs through corporate social responsibility (CSR) and supply chain engagement, with the latter becoming increasingly significant. He urged sustainability enthusiasts to pay attention to European Union legislation impacting supply chains, acknowledging the presence of former Member of the European Parliament, Richard, who played a role in shaping these regulations. He further underscored the importance of understanding the spirit of these legislations for stakeholders in India.

Richard Howitt, Former CEO, International Integrated Reporting Council, addressed the forthcoming due diligence legislation from the European Union, aiming to demystify its implications for India and Indian businesses. He emphasised that due diligence is not a new concept, being integral to UN guiding principles on business and human rights for over a decade. He highlighted its role in risk management and asserted that it aligns with common aims for sustainability and respect for human rights. He noted that the European Union proposal aims to clarify existing demands rather than introduce new ones. He referenced various existing laws in European countries related to supply chains and labor, concluding that the forthcoming Directive on corporate sustainability to diligence is part of this framework. He emphasised the importance of the legislation, Corporate Sustainability Due Diligence Directive (CSDDD), in providing a coordinated approach across European countries, simplifying engagement for global partners, including those in India.

He discussed the draft EU CSDDD and emphasised that the directive aligns with the four stages of the UN guiding principles' commitment to due diligence, which include identifying negative human rights risks in the supply chain, taking action, monitoring progress, and reporting. He provided examples of negative human rights risks such as forced or child labor, pollution, exploitation, and harassment, highlighting their universal concern.

However, he acknowledged concerns, particularly outside of Europe and in India, that the initiative may be seen as imposed for the benefit of European governments and corporations. Some fear that the benefits will primarily accrue within Europe while the costs will be felt in India and other markets, potentially creating additional trade barriers. He emphasised the importance of understanding the directive's provisions in the broader context of global human rights and sustainability efforts.

He addressed concerns about the legislation being perceived as protectionist or imposing additional burdens on Indian companies and explained that the legislation aligns with international standards and emphasises shared responsibility in supply chain management.

He discussed the application of UN guiding principles and OECD guidelines regarding due diligence

and noted that the UN guiding principles emphasise the responsibility of companies to take reasonable efforts based on their size, nature, and context of operations. The OECD guidelines similarly emphasise the obligation of businesses, including those in Europe and the global North, to be responsible toward their suppliers. Both sets of guidelines stress the importance of mitigating risks and supporting suppliers in implementing corrective actions, with disengagement being a last resort. He highlighted that these principles are fully reflected in the proposed European legislation, which considers company size and resources in compliance and acknowledges the necessity of prioritising risks due to practical limitations.

He addressed concerns about European companies evading responsibility by passing risks down their supply chain through contract clauses. He reassured that the debate in Europe emphasises shared responsibility and responsible purchasing practices, highlighting the importance of companies engaging with suppliers to improve practices. The draft law mandates European companies to support small and medium-sized enterprises in meeting due diligence requirements, with a focus on continuous engagement with partners and termination of business relations as a last resort, aligning with OECD guidelines. He stressed that Indian businesses can anticipate partnership and engagement from European companies in due diligence following the agreement of the directive, with expectations for further strengthening of this approach by the law's finalisation. He concluded by emphasising the importance of collaboration and shared responsibility in addressing shared challenges, aligning with the spirit of international standards. He expressed hope that the due diligence legislation will be welcomed by Indian businesses and stakeholders.

Farhad Vania, Honorary Board Member, CRB; Portfolio Management Advisor to the Country Director, GIZ, recalled his association with CRB from its earlier days as a project, highlighting its transformation and its significance as a sustainable initiative. He questioned the long-term impact of projects and cooperation between countries, emphasising the importance of leaving a legacy and what India gains from such collaborations. He commended CRB as a shining example of this and cited its tenth edition of the conference on standards in sustainability as evidence of its lasting impact.

He discussed the role of German development cooperation in supporting India, highlighting recent collaborations between the Indian and German governments, particularly in the realm of green and sustainable development. He emphasised that Germany, as a member state of the EU, aligns its initiatives with EU priorities and frameworks. When talking about the specifics of EU intervention and support, he noted the precise and timely nature of EU offerings compared to traditional bilateral cooperation. He discussed various areas of mutual interest between India and the EU, such as water management in the Ganga region, urbanisation, and transitioning to sustainable energy sources. The EU's involvement is seen as beneficial for enhancing outcomes and addressing sensitive issues like just transition. He further emphasised the core values of EU-funded projects, including transparency, accountability, and impact assessment. He stressed the importance of demonstrating tangible results to justify continued support from both the EU and the Indian government. This involves ensuring that projects funded by the EU align with India's development priorities and contribute positively to societal and environmental outcomes. He also reflected on the significance of sustainable business practices, highlighting the evolution of their understanding through their association with organisations like CRB and underscored the importance of events like the Conference for fostering dialogue and progress in this field. Furthermore, he addressed India's ambitious development goals, including its aspirations to become a donor country and a global leader. However, he cautioned against the potential consequences of rapid progress, emphasising the importance of inclusivity and equitable development to ensure that no one is left behind. He stressed the need for policies and initiatives that prioritise the well-being of all segments of society, particularly in the context of achieving the SDGs.

Devosmita Bhattacharya, Programme Officer, Centre for Responsible, presented findings from a study conducted in 2021, analysing the CSR expenditure of EU businesses in India. The study aimed to map and evaluate the contributions of these businesses, design institutional frameworks for collaboration, and facilitate meaningful partnerships with various stakeholders.

Key findings from the study reveal that EU businesses demonstrated a significant commitment to CSR initiatives in India, with an average total yearly expenditure exceeding 35 million euros. However, there was noticeable asymmetry in CSR spending across different states and sectors, with a concentration of

projects in Maharashtra, Karnataka, Tamil Nadu, Delhi, and Gujarat. Conversely, states categorised as SDG “laggard states” received minimal CSR funding despite their poor performance in SDG indicators. The study also highlighted a significant focus on education and health sectors, which together accounted for 70% of total CSR expenditure. Conversely, sectors such as livelihood, water, sanitation, vocational training, and gender equality received comparatively less investment and attention.

She emphasised the importance of better policy linkages with specific SDGs, such as good health and well-being, gender equality, sustainable cities and communities, and life on land, to enhance the impact of CSR and sustainability initiatives. Collaborative initiatives involving EU businesses and their supply or value chain sectors is seen as crucial for addressing complex sustainability challenges and achieving positive impacts aligned with EU legislations related to supply chains. Looking ahead, she underscored the importance of collaborative projects between EU companies and Indian stakeholders to promote sustainable business practices, contribution to policy formulation for inclusive growth and development, and addressing the SDGs’ principle of “leave no one behind.” Special attention needs to be directed towards laggard states and the North East region of India to ensure their inclusion in sustainable development efforts.

Rijit concluded the session by expressing anticipation for the future and the continuation of the partnership. He highlighted readiness to move forward with ideas based on research, data, and discussions that have taken place and encouraged engagement from EU businesses and stakeholders, especially those involved with Indian suppliers and stakeholders in various sectors.

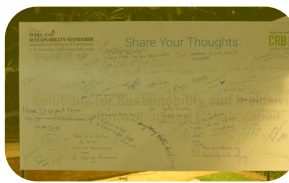
Key Takeaways:

- **Importance of EU-India Relations:** There is growing significance of EU-India relations in sustainability and climate change efforts, noting commonalities in how both regions approach these issues. Long-term engagement with stakeholders, including studies undertaken to inform future initiatives, was highlighted as crucial.
- **Need for Tailored Approaches:** Insights from recent roundtable discussions underscored the need for tailored approaches to engagement across different regions and sectors within India. Cross-cutting lessons from these discussions are essential to inform future actions effectively.
- **Engaging a Wide Range of Stakeholders:** Engagement with a wide range of stakeholders, including private sector entities, government bodies, civil society organizations, academia, and NGOs, was emphasised as necessary for meaningful progress in sustainability efforts.
- **Corporate Contributions to SDGs:** The significance of corporate contributions to SDGs and targets, particularly in underdeveloped regions, was discussed. Meaningful engagement from companies, beyond token gestures, was advocated to align business interests with positive social and environmental outcomes.
- **Collaborative Partnerships:** Collaboration that transcends sectoral boundaries was highlighted as essential for addressing sustainability challenges effectively. Joint communication efforts and partnerships with organisations like CRB can assist companies in showcasing their positive contributions to society and the environment.

Key Recommendations:

- **Alignment of Profit with Societal Good:** Businesses were urged to align profit with societal good, emphasising the importance of private sector engagement in sustainability through CSR and supply chain engagement.
- **Inclusivity and Equitable Development:** In the context of India’s ambitious development goals, inclusivity and equitable development were highlighted as essential to ensure that no one is left behind, particularly in achieving the SDGs.

- **Focus on SDG “Laggard States”:** Special attention was recommended for laggard states and the North East region of India to ensure their inclusion in sustainable development efforts.
- **Collaborative Projects:** The importance of collaborative projects between EU companies and Indian stakeholders was underscored to promote sustainable business practices, contribute to policy formulation, and address the principle of “leave no one behind” outlined in the SDGs.



DAY 3

8 NOVEMBER 2023



Transforming Indian Workplaces with Family-Friendly Policies for a Brighter Future and Sustainable Development

8 November 2023 | 1000 – 1130 hrs IST



- **Moderator: Hyun Hee Ban**, Chief of Social Policy, UNICEF India
- **Anupama Kaul**, Chief Human Resource Officer, Cummins
- **Dr. Pradeep Nerayanuri**, Chief Talent Management and HRM Delivery Services, Tata Steel
- **Prajakta Kanaglekar**, Vice President, Supply chain and Customer Experience, Flipkart
- **Chandini Kamal**, Global Head - Diversity, Equity and Inclusion, People & Culture (Engage & Experience, Wellness, R&R) HCL Tech
- **SS Aggarwal**, General Manager and Chairman, Radiant Expovision Pvt Ltd
- **Vivek K. Singh**, Assistant Director, Centre for Responsible Business



Vivek Singh, Assistant Director, Centre for Responsible Business, commenced the session by extending a warm invitation to all participants to share ideas, solutions, and innovations poised to shape the future of workplaces in India and beyond. He underscored the significance of this session, emphasising its relevance to the nation due to its focus on a critical national asset – children. The session, he noted, would go beyond mere policy considerations; rather, it would aim to mold the essence of workplaces into nurturing environments for the caregivers of our future generation.

Hyun Hee Ban, Chief of Social Policy, UNICEF India, the moderator of the session, initiated the proceedings by underscoring the significance of the discussion, which centered on the critical issue of transforming the workplace for the future.

She emphasised the critical importance of implementing family-friendly policies in the workplace, not just for the 460 million children in India but for global society as a whole. Family friendly policies are seen as transformative for the future of work. By focusing on family-friendly policies, including provisions

for child care, the aim is to create a brighter future for both children and employees. It is noted that such policies are beneficial not only for employees but also for employers and society at large. Family-friendly policies contribute to sustainable development goals, including improvements in health, education, and gender equality. This is seen as essential for fostering a supportive and inclusive work environment.

She talked about UNICEF's perspective on family-friendly policies, which focuses on the "triple dividends" they offer. These dividends include positive outcomes for child development, such as better education and health, as well as benefits for women's empowerment and increased labor force participation. Companies applying family friendly policies have experienced boosts in profits due to improved employee retention and engagement. UNICEF promotes four key actions to support family-friendly policies which include, paid parental leave for mothers, fathers, and caregivers; quality time and breaks for exclusive breastfeeding of infants for six months, along with early bonding between parents and children; access to quality and affordable childcare, including on-site facilities at workplaces; decent wages and child benefits to ensure the well-being of both children and parents. These actions are viewed as essential for promoting economic and social well-being for families and businesses alike.

Anupama Kaul, Chief Human Resource Officer, Cummins started by emphasising that diversity, inclusion, and equity are fundamental values at the core of the organisational ethos. She directed her focus towards a key aspect of diversity, namely female inclusion, highlighting the imperative of fostering an inclusive workplace. According to her, achieving this goal involves implementing policies and practices that facilitate the attraction and retention of diverse talent pools. Acknowledging the challenges posed by Indian cultural norms, where women often bear a significant share of responsibilities, she underscored the importance of organisational policies that facilitate the seamless reintegration of women into the workforce and provide support during various life cycle changes. She cited specific examples, such as the implementation of 26 weeks of paid maternity leave and flexible one-month paternity leave. Furthermore, she noted the establishment of gender-neutral daycare centers across all their offices, illustrating a commitment to creating an inclusive and supportive work environment for employees.

Chandini Kamal, Global Head - Diversity, Equity and Inclusion, People & Culture (Engage & Experience, Wellness, R&R) HCL Tech, expanded on the theme of female inclusion within her organisation, highlighting the implementation of a comprehensive program named "Momtastic" designed specifically for women employees, covering various stages from prenatal to postnatal care. The program addresses issues such as infertility support, maternity leave, maintaining a connection with the organisation during leave, manager training on supporting employees, physical and psychological well-being post-maternity, networking opportunities, flexible working arrangements, and combating unconscious biases. Additionally, the organisation provides special healthcare plans for mothers through their healthcare division, ensuring consultation and curated care plans at no cost to female employees. Overall, the program aims to support women through every stage of their journey, promoting inclusion and a smooth transition back to work.

Prajakta Kanaglekar, Vice President, Supply chain and Customer Experience, Flipkart, highlighted that Flipkart's initiation of family-friendly policies stems from a commitment to meeting the diverse needs of its employees at different life stages. Central to Flipkart's values is the principle of inclusion. She pointed out that the majority of the workforce, approximately 80%, comprises millennials in the 30 to 40 years age bracket, making family-friendly policies particularly pertinent for this demographic. She succinctly summarised her key points around three fundamental elements: policies, support, and feedback.

In terms of policies, Flipkart offers a flexible benefits approach with over 35 plans covering various needs such as childcare, elder care, and IVF support. Further, in addition to the mandatory 6-month maternity leave mandated by the government, Flipkart allows women to work from home or have flexible working hours for four months beyond the mandated leave. They also offer miscarriage leave for six weeks. Flipkart also has extended paternity leave of two weeks and offers six months of leave for the primary caregiver in case of adoption. They have introduced part-time work policies to accommodate employees' needs for reduced hours, enabling retention of talented individuals.

When it comes to feedback mechanisms, to address biases related to maternity leave, Flipkart captures

feedback and ratings from managers as the employee goes on maternity leave to ensure fair performance evaluations. Flipkart provides reimbursement for childcare expenses, including creche enrollment or reimbursement for alternative childcare arrangements. Further, they have an Employee Resource Group called “Mom and Board,” which supports expecting and new mothers, offering a support network and resources. Flipkart implements continuous listening practices, including chat boards and feedback mechanisms, to gather insights from employees going on maternity leave and address any needs or concerns

Overall, she highlighted Flipkart’s approach to family-friendly policies aims to support employees at different life stages, promote inclusivity, and retain talent within the organization.

Dr. Pradeep Nerayanuri, Chief Talent Management and HRM Delivery Services, Tata Steel, started by sharing that Tata Steel prioritises caring for its employees and giving back to the community as fundamental aspects of its operations. Over time, they have adapted to changes in family structures and diversity within their workforce. He emphasised enabling work-life integration, especially for employees with various family responsibilities. He shed light on Tata Steel’s agile working model which offers flexibility through three variants: **Absolute Work from Home** where employees can work remotely from any location globally, focusing on delivering expected outcomes without strict monitoring. Flexible Work from Home where employees have a defined base location but can choose when to come to the office, with no attendance monitoring. The focus remains on delivering defined outcomes with flexible working hours. Third, Operating from Satellite Offices where employees can operate from a satellite office for a specified period with management approval, ensuring clarity on deliverables and performance expectations. He shared that these flexible working arrangements have been particularly beneficial for women officers, increasing productivity and retention. He highlighted that leadership acceptance and a supportive culture are crucial for the success of such policies, ensuring equal opportunities for all employees. Additionally, Tata Steel offers extended maternity benefits, including one month of additional paid leave for women employees if recommended by a doctor, extendable up to four months. Further to support the smooth integration of employees returning from maternity leave, Tata Steel maintains their positions or arranges temporary resources to cover their responsibilities. They also offer opportunities for exploring other roles within the organization, prioritizing a seamless transition and recognizing past contributions. Overall he highlighted that the organisations approach focuses on creating a supportive environment that values employee well-being, diversity, and work-life balance.

S.S Aggarwal, General Manager and Chairman, Radiaant Expovision Pvt Ltd, began by highlighting some key facts about the textile industry, emphasising its significant contribution to employment generation. He discussed the challenges faced by workers in terms of low wages and long hours, particularly for unregistered workers. When talking about Radiaant’s shift towards sustainability and the development of family-friendly policies in 2020, it aimed at improving worker welfare and promoting social accountability. He highlighted various initiatives implemented to support workers, including the introduction of home working opportunities, fair wage calculations, and training programs to raise awareness among the predominantly low-literate workforce. He emphasised the importance of continuous efforts to improve working conditions and noted the positive impact these initiatives have had on worker satisfaction and productivity. Additionally, he mentioned the provision of facilities such as childcare, breastfeeding areas, and medical support within the factories to further support workers and their families. He highlighted the success of these initiatives by citing improvements in delivery rates, quality, and worker morale, particularly during the COVID-19 pandemic. Finally, he expressed gratitude for the efforts of industry leaders in supporting workers but called for collective action to further improve conditions for textile industry workers.

Hyun Hee, emphasised the importance of prioritising the well-being of employees and their families throughout the supply chain, particularly focusing on vulnerable and marginalised groups such as female remote workers. She mentioned the Leave No One Behind principle from the SDGs, emphasising the need to extend support not only to top companies but also to informal and unregistered workers along the supply chain. She highlighted the importance of human rights and child rights business principles in guiding these efforts. She further stressed the impact of leadership in making a difference in employee satisfaction and overall business success.

When talking about best practices, **Anupama**, emphasised the importance of intention and leadership commitment and shared specific examples of how their manufacturing organisation implemented inclusive practices. She mentioned the intentional design of manufacturing plants to be economically inclusive, ensuring that all machines are designed in a way that allows anyone, regardless of gender, to operate them efficiently. This approach eliminates the need for setting up special production lines for women, promoting inclusivity in the workplace. Secondly, she discussed efforts to enable women to work in second and third shifts despite stringent legal requirements and remote plant locations. She highlighted overcoming challenges by obtaining legal approvals for women to work these shifts and investing in additional measures such as employing women guards and providing transportation for female workers. These investments are viewed as positive contributions to community development and employment opportunities rather than mere costs. She also underscored the enduring commitment of the organisation's leadership to diversity, equity, and inclusion (DEI) initiatives. She stressed that this commitment has remained consistent over the years and has been crucial in achieving organisational goals related to DEI.

Chandini further highlighted the importance of extending company policies and programs to include employees' families. She emphasised how HCL integrates family into their framework of employee engagement. For instance, they provide free annual health check-ups not only for employees but also for their extended families, including parents, in-laws, and siblings. Additionally, HCL offers free care plans for various health needs. These changes have resulted in a positive change in behavior, with more people now opting for annual health check-ups, attributing it to the inclusive approach.

Further she emphasised how recognition programs at HCL involve the entire family, not just the employee receiving the award. This practice fosters long-term retention by instilling pride in the family members and creating a supportive environment. She underscored the importance of intentionality and effort in implementing such inclusive practices, emphasising the long-term benefits in terms of retention and employee satisfaction.

She also expressed a commitment to motivate and encourage everyone, including children who represent the future workforce. Overall, she advocated for a holistic approach that considers the well-being of employees and their families, aiming to create a supportive and inclusive workplace culture.

Prajakta, discussed the deliberate efforts made at Flipkart to increase diversity, particularly focusing on women, within the supply chain over the past four years, resulting in a six-fold increase in representation. She emphasised the importance of not only achieving diversity in numbers but also cultivating an inclusive culture within the organisation. She acknowledged that building such a culture is a continuous journey, highlighting the need to focus on various aspects of diversity, including gender, disabilities, veterans, and LGBTQI individuals. Furthermore, she underscored the business impact of diversity initiatives, noting improvements in productivity and lower attrition rates. She mentioned receiving recognition as one of the best organisations to work for, especially for working mothers, which they attribute to having the right policies and support systems in place. She emphasised the importance of monitoring the impact of diversity initiatives and how they contribute to attracting and retaining top talent, as well as facilitating the advancement of women into leadership roles. Overall, she emphasised the strategic importance of diversity and inclusion efforts, not only for fostering a positive work environment but also for driving business success and ensuring representation of women at leadership levels. She ended by highlighting the benefits of gender diversity in the workforce, particularly at senior leadership levels.

Pradeep emphasised the importance of caring for and trusting employees while promoting an inclusive work culture. He stressed the need for organisations to proactively implement flexible policies and initiatives to support employees, particularly regarding parenting and childcare. He discussed specific policies, such as providing leave for childcare and allowing employees to bring their children to important business meetings with an attendant. Furthermore, he highlighted Tata Steel's efforts to increase female representation in the workforce, aiming for 25% by 2025. He described initiatives to attract and retain women, including internship opportunities, rehiring policies for women returning from career breaks, and coaching and mentoring programs. The organisation also focuses on integrating women into traditionally male-dominated roles, such as firefighting, through training and support. He underscored

the importance of creating an inclusive and supportive workplace environment where employees, including women, feel valued and empowered to contribute effectively. He emphasised Tata Steel's commitment to breaking stereotypes and providing equal opportunities for all employees, regardless of gender.

SS Aggarwal talked about various initiatives and projects aimed at promoting diversity, equity, and inclusion at Radiaant. He highlighted specific programs focused on women empowerment and increasing the male-female ratio in the workforce. He emphasised the importance of equitable participation through fair elections in committees and projects, leading to increased female representation. He shared the company's achievement of reaching 42% female workers by 2023, which is 70% if including homeworkers. He addressed challenges such as bias in hiring practices and restrictions on female workers' hours, offering solutions like rewarding supervisors for hiring more female workers and implementing skill development programs. His organisation also aims to achieve a minimum 5% female leadership by 2024 through skill enhancement programs. He expressed optimism about achieving sustainability through dedicated efforts and policies promoting diversity and inclusion.

During the open floor discussion, **Chandini** talked about inclusion, emphasising that it involves incorporating behaviors to actively include everyone, highlighting the importance of making efforts to be inclusive. She discussed two aspects regarding people with disabilities (PWD) in the IT industry: infrastructural and technological accessibility. She mentioned implementing features like ramps and braille-enabled lifts for infrastructural accessibility and adhering to WCAG guidelines for technological accessibility. She also emphasised creating an enabling environment and ensuring that policies and processes are informed by feedback from Employee Resource Groups (ERGs). Additionally, she mentioned efforts to increase the gender ratio in the workforce, with top leaders incentivised based on gender ratio improvements. She highlighted the importance of increasing diversity in the workforce and mentioned efforts to improve gender ratios in the IT sector.

Anupama emphasised the importance of diversity beyond just female representation, including people with different abilities, LGBTQ+ individuals, and regional diversity. She highlighted the need for organisations to focus on numerical representation to drive sensitivity and address challenges effectively. She suggested that measuring numbers and implementing matrices are essential for driving change. Additionally, she highlighted the range of sensitisation initiatives, from diversity to sexual harassment prevention, that can only be successful with diverse representation within the organisation.

Pradeep emphasised the importance of measuring the impact of family-friendly policies on well-being, health, and engagement in the organisation. He mentioned using engagement surveys that include questions about diversity, inclusion, and family-friendly policies to track progress. An increase in survey scores over time is seen as an indicator of successful implementation. Additionally, he noted that the sustainability of diversity in the organisation relies on inclusivity, as diverse individuals may leave if they do not feel included. Therefore, inclusivity serves as an indicator of organisational success in fostering diversity.

Hyun Hee concluded by sharing that the session highlighted the impact of investing in family-friendly policies, such as paid parental leave, childcare benefits, and decent wages across the supply chain, on employee happiness and organisational sustainability. The importance of inclusiveness in supporting a diverse workforce, addressing needs beyond maternity leave to include paternity leave, disability support, and LGBTQI inclusion was highlighted. She also recognised the significance of informal workers' social protection and aligned with the UNICEF's focus on care and support, advocating for childcare as a core component of an inclusive social protection system.

Rijit Sengupta, Chief Executive Officer, Centre for Responsible Business in his closing remarks stressed on the importance of having sophisticated leaders who recognise the value of doing good for profit. He highlighted the shared intention of promoting a family-friendly workplace between CRB, UNICEF, and others.

Key Takeaways:

- **Importance of Family-Friendly Policies:** The session highlighted the critical importance of

implementing family-friendly policies in the workplace, not only for the well-being of employees and their families but also for the sustainable development goals and overall business success.

- **Benefits of Inclusive Practices:** Inclusive practices, such as flexible working arrangements, childcare support, and diverse representation, contribute to employee satisfaction, retention, and productivity.
- **Focus on Employee Well-being:** There is a need to prioritise employee well-being through various initiatives, including extended parental leave, childcare support, and flexible work arrangements.
- **Diversity and Inclusion:** Fostering diversity and inclusion in the workplace, including gender diversity, support for people with disabilities, LGBTQI inclusion, and regional diversity was emphasised.
- **Leadership Commitment:** The success of family-friendly policies and inclusive practices relies on leadership commitment and intentionality in driving change and creating a supportive work environment.

Key Recommendations:

- **Implement Family-Friendly Policies:** Companies should prioritise implementing family-friendly policies, including paid parental leave, childcare support, flexible working arrangements, and diverse representation.
- **Promote Inclusivity:** Foster an inclusive workplace culture that supports employees at different life stages, including women returning from maternity leave, individuals with disabilities, LGBTQI individuals, and regional diversity.
- **Measure Impact:** Continuously measure the impact of family-friendly policies and inclusive practices on employee well-being, engagement, and diversity metrics to track progress and make informed decisions.
- **Leadership Commitment:** Ensure leadership commitment and intentionality in driving diversity, inclusion, and family-friendly policies, recognising the value of doing good for both employees and business profitability.
- **Collaborative Efforts:** Collaborate with organisations, NGOs, and government bodies to promote family-friendly workplaces and advocate for policies that support employee well-being and inclusivity.
- **Education:** Recognise the importance of training and education initiatives, especially for workers with lower literacy levels. Implement programs that educate the workforce about organizational policies, procedures, and benefits, fostering a culture of continuous learning.
- **Data-driven Approach:** Employ a data-driven approach to decision-making. Leverage data through fare, time, and motion studies to inform fair wage structures and working conditions.

Driving Demand for Sustainable Consumption: Contributing to Mission LiFE

8 November 2023 | 1200 – 1330 hrs IST



- **Moderator: Dr. Madhuri Nanda**, Regional Director, Asia, Rainforest Alliance
- **George Thomas**, Co-Founder and Partner, Menterra Ventures
- **Anna Biswas**, Managing Director, India, Forum for the Future
- **Manish Kumar**, Regional Sustainable Supply Chain Manager-South Asia, Reckitt
- **Maelys Nizan**, Communication, Partnerships and Knowledge Management Analyst, Consumption and Production Unit, UNEP
- **Rijit Sengupta**, Chief Executive Officer, Centre for Responsible Business
- **Neha Tomar**, Senior Programme Manager, Centre for Responsible Business



Rijit Sengupta, Chief Executive Officer, Centre for Responsible Business, set the context for the session and emphasised the growing interest among consumers, particularly in India, in purchasing products that are purpose-driven and climate-conscious, even if they are slightly more expensive. However, there is a lack of clarity on where to find such products. While there is a willingness to pay extra for sustainable options, consumers often struggle to ensure that the products they buy are indeed sustainably sourced. This gap between consumer intent and action has prompted discussions on how to bridge it, particularly in light of initiatives like the Government of India’s Mission Lifestyle for the Environment (Mission LiFE), he highlighted the need for individual and corporate action, along with supportive regulatory environments, to drive sustainable consumption and achieve the objectives of such initiatives.

Neha Tomar, Senior Programme Manager, Centre for Responsible Business, provided an overview of Mission LiFE, initiated in 2021 at COP26 and implemented by the Ministry of Environment, Forest, and Climate Change. The mission focuses on two pillars: sustainable consumption and circular economy, with the session zooming in on sustainable consumption. It aims to combat climate change and environmental degradation by encouraging individuals and communities to shift from mindless to mindful consumption through seven themes such as energy and water conservation, reducing single-use plastics, adopting healthy lifestyles, and managing e-waste. The approach involves engaging individuals and communities,

learning from global practices, and leveraging local cultures. The mission aims to drive change in consumer behavior, business practices, and policy to promote sustainability. India targets mobilising 1 billion citizens globally to participate in environmental conservation actions from 2022 to 2028, positioning itself as a global leader in environmentally conscious lifestyles. The mission has garnered endorsement from UN agencies and is integrated into international platforms like the G20.

Dr. Madhuri Nanda, Regional Director, Asia, Rainforest Alliance, highlighted the importance of sustainable consumption and driving demand, particularly in sectors like tea where meeting sustainability standards poses challenges for producers. She talked about Rainforest Alliance's efforts, including setting sustainability standards and encouraging buyers and brands to support producers financially. However, she noted a pushback from buyers and brands due to perceived low consumer awareness and willingness to pay for sustainable products. She expressed excitement about initiatives like Mission LiFE, which provide an enabling policy environment for promoting sustainable consumption. She seeks to understand how to increase demand for sustainable consumption and overcome challenges through collective efforts. She mentioned international studies on consumer awareness of the Rainforest Alliance logo and willingness to pay for sustainable products, indicating lower awareness in India compared to other regions. She emphasised the need for collaborative action to raise awareness and promote sustainable consumption, intending to work with partners like the Center for Responsible Business to address these issues.

Maelys Nizan, Communication, Partnerships and Knowledge Management Analyst, Consumption and Production Unit, UNEP, talked about the increasing awareness and appreciation of product sustainability standards among consumers, attributing this trend to factors like geographical scope, demographics, and education levels. She emphasised the importance of third-party verification in building consumer trust and credibility in sustainable products. She highlighted UNEP's guidelines for providing sustainability product information based on ten principles, including mandatory and aspirational ones to combat greenwashing and ensure reliability and transparency. She stressed the significance of science-based information and the careful selection of certifications aligned with company values to communicate effectively with consumers. Additionally, she addressed the challenges consumers face in navigating the multitude of certification schemes and advocated for clear communication to build trust and positively contribute to brand reputation and the move towards a more sustainable future.

Dr. Madhuri acknowledged the critical issue of building consumer trust in sustainability standards and ensuring that claimed product attributes align with real-world practices. She highlighted the emergence of media stories challenging the authenticity of such claims, underscoring the need for increased transparency to address consumer skepticism and verify the credibility of sustainability standards.

Manish Kumar, Regional Sustainable Supply Chain Manager-South Asia, Reckitt, emphasised the importance of management commitment and organisational responsiveness in promoting sustainability. He stressed the need for organisations to genuinely embrace a purpose-led approach and consider their impact on society and the environment. He talked about the mantra of "reduce, reuse, recycle," adding the critical element of "rethink" before making purchasing decisions. He shared his experience with companies like Adidas, where educating consumers about product origins and sustainability practices led to positive responses and increased interest in sustainable products. He underscored the importance of capacity building and storytelling in engaging both internal and external stakeholders, ultimately leading to a positive impact on consumer behavior and product choices.

Anna Biswas, Managing Director, India, Forum for the Future, spoke about Forum for the Future, an international entity collaborating with a wide range of stakeholders, including large corporations, civil society organisations, philanthropies, and governments. Their primary aim is to accelerate the transition towards a regenerative future by focusing on three key areas: how we produce and consume energy, how we produce and consume food, and the evolving purpose of business.

She highlighted the importance of not only accelerating these transitions but also deepening them to ensure that they result in the desired ecological and social outcomes. She emphasised the role of consumption in these transitions, noting that it is about changing behavior at multiple levels: individual, community, and institutional. To illustrate the complexities of behavior change, she introduced the

“elephant, rider, and pathway” framework. This framework suggests that behavior change requires addressing three components: the elephant represents the emotional aspect, the rider symbolises the logical aspect, and the pathway denotes the ease of making sustainable choices.

She highlighted various challenges and opportunities related to sustainable consumption, including the need to imagine new patterns of consumption, shift narratives around consumption, and foster collaboration among stakeholders. She emphasised the importance of coordinating standards, engaging regulators, accessing finance for sustainable initiatives, and sharing best practices to drive rapid transformation towards sustainable consumption practices.

Furthermore, she underscored the need for courage, bravery, and fundamental shifts in business models to achieve this transformation. Educating consumers and raising awareness to elevate the overall level of sustainability in the marketplace was deemed essential.

Dr. Madhuri, highlighted the significant challenges associated with promoting sustainability among consumers in India due to the massive scale and vastness of the consumer base. She emphasised the difficulty in raising awareness, understanding, and initiating behavior change within such a large and diverse population. Additionally, she acknowledged that addressing these challenges requires collaborative efforts from various stakeholders, as no single entity can tackle them alone. She also touched upon the importance of addressing financial aspects in driving sustainable initiatives.

George Thomas, Co-Founder and Partner, Menterra Ventures, contextualised the consumption challenge in India by contrasting it with Western perspectives, particularly in terms of the scale and nature of consumption habits. While Western markets often focus on urban, supermarket-based consumption patterns, he emphasised that a significant portion of India’s population lives on less than a dollar per day and consumes primary goods and services. This demographic primarily relies on essential commodities, and their participation in sustainability initiatives is often overlooked.

He provided a historical perspective on consumption shifts, citing the example of the Green Revolution, which aimed to address the urgent need for carbohydrates using water-intensive methods. He argued that addressing sustainability challenges in India requires reengineering production methods to offer less water-intensive alternatives, such as substituting rice with other crops. Regarding private capital’s role, he highlighted its historical trajectory in India, from development finance-driven investments by organisations like the CDC and IFC to profit-driven private equity investments in the early 2000s. He talked about how certain investments, like those in microfinance facilitated by organisations such as SIDBI, have indirectly contributed to sustainable practices by providing essential financial services at the grassroots level.

He further emphasised that private capital serves as an indicator of consumer preferences and demand for sustainability. He illustrated this point by discussing investments in transitioning from incandescent bulbs to LED lights and efforts to replace harmful gases with more environmentally friendly alternatives. He ended by underscoring the importance of understanding the complex dynamics of consumption patterns and the role of private capital in driving sustainable initiatives in India.

When talking about barriers **Maelys** acknowledged that while many consumers express willingness to act sustainably, there are challenges in translating this intention into behavior. She talked about a survey showing that a majority of respondents want to reduce their environmental impact and feel guilty about negative impacts, but few feel adequately guided on how to act. Research indicates a gap between purchase intentions and behavior, with decisions often based on price, accessibility, and effectiveness rather than sustainability. The proliferation of environmental claims and greenwashing further complicates consumer choices.

To address this, she highlighted the need for collaborative efforts to streamline ecolabels and support regional approaches, for example the creation of a regional ecolabel in Latin America and the Caribbean. She emphasised the importance of establishing trust in credible labels and changing the rules of the game for sustainable consumption and production.

She emphasised the need to change the norms around sustainable consumption and production to

drive significant change. She advocated for making sustainable products the default option, rather than something consumers must actively choose. This shift requires action from governments and businesses to provide better information and enable more informed choices. Additionally, she highlighted the critical role of businesses, producers, and retailers in promoting sustainable living as the default option and encouraging more sustainable behavior and consumption patterns.

Anna highlighted the complexity of achieving sustainable consumption and emphasised the role of multiple stakeholders in driving change. She stressed that it's not solely the responsibility of one group or solution but requires collaboration from various parties. She further acknowledged the powerful influence of marketers in shaping consumer behavior and suggested that their skills can be directed towards promoting sustainable consumption with proper guidance and support.

George highlighted that the sequence of policy, demand, or supply in driving sustainable consumption is irrelevant as long as the goal is achieved. He provided examples of policy-led initiatives like the migration to BS6 automobile standards, supply-side efforts such as CFL-led initiatives, and demand-side strategies like certification and labeling. He also shared a case study of a tea brand which aims to address the asymmetry in the tea industry by empowering small farmers. He highlighted the success of this initiative in international markets like the US and Northern Europe and emphasised the importance of adapting to the variegated demand while striving for sustainable consumption.

Manish emphasised the urgency of adopting responsible and sustainable consumption patterns, highlighting the need for a multifaceted approach involving businesses, academia, and regulatory bodies. He suggested creative solutions such as implementing reusable dispensers for products like soap to reduce waste and promote responsible usage. Additionally, he advocated for integrating sustainability education into vocational studies and emphasised the importance of continuous awareness efforts. He underscored the necessity of judicious and meticulous consumption practices, emphasising the need for visible outcomes and impacts on the ground.

During the open floor discussion, **Dr. Madhuri** highlighted the importance of a new standard introduced in 2020, which requires buyers and brands to share the responsibility of sustainability. This standard includes a sustainability differential, which is an additional premium that buyers or brands must pay to support growers, consumers, and producers in meeting sustainability requirements. Although this initiative is challenging and still in its early stages, it aims to balance value distribution across the supply chain and improve sustainability practices over time. **George** further added the importance of certification but also provided an example of a group of garment designers in Bangalore who took responsibility for organic cotton farming in Andhra Pradesh, leading to a significant transformation in a village with high suicide rates. They focused on producing high-quality apparel made from organic cotton and targeted the Swedish market, resulting in a successful 60 crore business. This example illustrated that while certification is valuable, focusing on a specific market willing to reward sustainable practices can also lead to success.

Anna talked about the challenges of transitioning workers from industries like coal and cement to more sustainable alternatives. She highlighted the complexities of transitioning workers from coal to renewable energy plants compared to cement workers moving to recycled products. She suggested that transitioning cement workers may be easier due to the potential for vertical integration and the use of waste materials like fly ash in cement production. She acknowledged the need for industry and government support to facilitate this transition and emphasised the importance of reskilling and supporting workers to find jobs in other industries. Despite the challenges, she remains optimistic about finding solutions and cited emerging examples of successful transitions.

George added about the universal nature of technology, using food preservation as an example. He mentioned the traditional methods of food preservation in India, like dehydration of tamarind and meats, alongside the adoption of modern technologies in mainstream consumption. The transition from traditional to modern methods takes time due to the slow process of habit change.

Manish talked about a responsible brand's approach to embedding sustainability into their programs and pricing practices. He emphasised considering labor costs, technology, and overheads to ensure fair pricing

that benefits entrepreneurs and users without being punitive. He mentioned agreements with channel partners focusing on fair pricing directly linked to benefiting stakeholders. Additionally, he discussed the importance of profit in sustainability and the policy's strong stance on not compromising on pricing. He also mentioned Fairtrade as a program supporting employees and stakeholders, particularly during the COVID-19 pandemic, and suggested further exploration of such initiatives to benefit both end-users and producers. **Anna** further acknowledged the complexity of addressing the issue of pricing in the supply chain but suggested several approaches to mitigate the need for higher prices. She discussed the disparity in value distribution along the supply chain, proposing strategies such as providing farmers with dual income for carbon sequestration and ecosystem protection. She also advocated for financing mechanisms like insurance schemes and patient capital to support farmers in transitioning to practices like organic farming without significantly raising prices. She emphasised the need for redistributing value and achieving equity throughout the supply chain. Additionally, she highlighted the role of consumer values and brand alignment in justifying higher prices for sustainable products, noting that factors beyond price can influence consumer purchasing decisions. **George** while agreeing with **Anna** highlighted the challenge of creating value in pricing, especially in inflationary economies like India. He discussed inherent inefficiencies in systems, citing the example of the tea industry in India, where outdated machinery and processes lead to higher production costs. He emphasised that while price is the easiest denominator to change for creating value, there are invisible factors such as technology adoption and packaging optimisation that can significantly reduce costs. He concluded by suggesting that addressing these inefficiencies can lead to substantial value extraction beyond price adjustments.

The stratification of consumer demand and the importance of tailored approaches for different behaviors was further highlighted. Further, the role of awareness campaigns and the gradual implementation of standards and enforcement measures to drive sustainable practices was mentioned.

Key Takeaways:

- **Consumer Interest in Sustainable Products:** There is a growing interest among consumers, particularly in India, in purchasing products that are purpose-driven and climate-conscious, even if they are slightly more expensive. However, there is a lack of clarity on where to find such products, highlighting the gap between consumer intent and action.
- **Mission LiFE:** Mission LiFE, initiated in 2021, focuses on sustainable consumption and circular economy, aiming to combat climate change and environmental degradation by encouraging mindful consumption across various themes such as energy conservation, reducing single-use plastics, and managing e-waste.
- **Sustainable Consumption Initiatives:** Organisations like Rainforest Alliance and UNEP are making efforts to promote sustainable consumption through setting standards, encouraging buyers and brands to support producers financially, and providing guidelines for sustainability product information.
- **Challenges and Opportunities:** Various challenges exist in promoting sustainable consumption, including consumer skepticism, lack of awareness, and difficulties in translating intentions into behavior. However, collaborative efforts, streamlining ecolabels, and changing norms around sustainable consumption present opportunities for driving significant change.
- **Role of Private Capital:** Private capital serves as an indicator of consumer preferences and demand for sustainability, highlighting the importance of businesses, producers, and retailers in promoting sustainable living and consumption patterns.
- **Transition Challenges:** Transitioning workers from industries like coal and cement to more sustainable alternatives presents challenges but also opportunities for growth and transformation through reskilling and support from both industry and government.
- **Value Redistribution:** Ensuring fair pricing practices and redistributing value throughout the supply chain is crucial for promoting sustainable consumption. Initiatives like Fairtrade and exploring financing mechanisms can support both end-users and producers while maintaining profitability.

Key Recommendations

- **Educating Consumers:** Educating consumers about product origins, sustainability practices, and the benefits of responsible consumption can lead to increased interest in sustainable products and behaviors.
- **Building Consumer Trust:** Building trust through third-party verification, clear communication, and credible certifications is essential for increasing consumer confidence in sustainable products.
- **Policy Support:** Supportive regulatory environments and policy initiatives like Mission LiFE can drive sustainable consumption by providing an enabling framework and incentives for businesses and consumers.
- **Collaborative Action:** Addressing challenges associated with sustainable consumption requires collaborative efforts from various stakeholders, including businesses, governments, civil society organizations, and consumers themselves.
- **Rethinking Business Models:** Businesses need to embrace purpose-led approaches and rethink their business models to consider their impact on society and the environment, incorporating principles of reduce, reuse, recycle, and rethink.
- **Promoting Sustainable Living:** Making sustainable products the default option, integrating sustainability education into vocational studies, and continuous awareness efforts are essential for promoting responsible and sustainable living among consumers.
- **Addressing Inefficiencies:** Addressing inherent inefficiencies in systems through technology adoption, packaging optimization, and process improvements can lead to substantial value extraction beyond price adjustments, contributing to sustainable consumption goals.
- **Sustainability Strategies for Different Income Groups:** Tailored strategies addressing diverse demographics, including the bottom of the pyramid, the mid-income class, and the elite, to promote sustainability and responsible consumption can be beneficial.

Social Stock Exchange: Building a Framework For Collaborative Transformation

8 November 2023 | 1200 – 1330 hrs IST



- **Moderator: Rameez Alam**, Co-anchor, and Co-founder of Catalyst 2030 India
- **Mathew Cherian**, Chairperson, CARE India
- **Jyotsna Sitling**, Member Advisory Committee to SEBI on Social Stock Exchange, Special Monitor-NHRC (Livelihoods, Skills and Employability)
- **Deepa Menon**, Senior Vice President-CSR & Corporate Communication, PVR INOX Limited



Rameez Alam, Co-founder, Catalyst 2030 India, started by talking about Catalyst 2030 which is a collaborative effort involving social entrepreneurs, academia, private stakeholders, and other key players. Their primary mission is to foster collaborations that accelerate the achievement of SDGs by shifting paradigms within existing structures. One of their initiatives involves creating an enabling environment for social innovators and entrepreneurs to scale the impact of their work.

A significant focus of Catalyst 2030 is on the Social Stock Exchange (SSE), which is a segment of existing stock exchanges designed to assist social entrepreneurs and non-profit organizations (NPOs) in raising funds from the public. SSE serves as a bridge between NPOs and individual investors, providing an alternative fundraising instrument through zero coupon, zero principal instruments. These instruments attract investment from social investors participating in SSE, and the platform operates under the ambit of regulatory body Securities and Exchange Board of India (SEBI).

He also touched upon the findings of the India Philanthropy Report of 2023 by Bain and Company. Despite robust economic growth in India, there are persistent multi-dimensional inequalities, particularly highlighted as the country emerges from the COVID-19 pandemic. The report emphasises the need for ecosystem stakeholders to invest in strengthening the philanthropic infrastructure to build community resilience. It notes an increase in India’s social sector spending as a percentage of GDP, driven largely by public spending, but it falls short of recommended targets for achieving the SDGs.

Furthermore, the report highlights the giving behaviors of high net worth individuals, noting that their philanthropic choices are often influenced by emotional connections to narratives or stories rather than affinity towards specific sectors or causes. This insight underscored the importance of storytelling and emotional appeal in engaging donors, particularly among affluent givers, to drive impactful philanthropy aligned with the development goals. The discussion aimed to shed light on three important aspects of social investment: retail funding, social impact, and the role of inclusive collaborative frameworks, specifically the Social Stock Exchange (SSE).

Mathew Cherian, Chairperson, CARE India, began by mentioning that he was involved in drafting the concept of the SSE as part of the Technical Committee of SEBI and reflected on the anticipation surrounding the SSE's launch.

Before discussing the SSE, he diverted attention to India's Million Missions – India's Non-Profit Sector Report report, prepared by various entities including Catalyst and numerous Non-Profit Organizations (NPOs), aimed to highlight the substantial contributions of the sector over the years. It recognised the extensive work done by NGOs in various domains, particularly in India's 135 aspirational districts, which are among the poorest in the country. The report underscored the ubiquitous presence of NGOs in these districts, addressing a wide array of issues across all 17 Sustainable Development Goals (SDGs).

He elaborated on the innovative contributions of NGOs, citing examples such as the Asha worker model, originally developed in Maharashtra and now widely recognised, and the Mach 2 hand pump, which originated from work in Rajasthan and has had a global impact on water accessibility. He also highlighted the significant role of NGOs in advocating for and shaping legislative reforms, such as the Juvenile Justice Act, Right to Information, and Right to Education, which have had far-reaching implications for societal welfare and empowerment.

Furthermore, he emphasised the financial significance of the NGO sector, noting its contribution of 2% to India's Gross Domestic Product (GDP), amounting to approximately 3.65 billion rupees. This underscored the sector's substantial economic impact and underscored its importance in the country's overall development landscape.

Finally, he pivoted back to the SSE, positioning it as a crucial avenue for fundraising within the social sector, thereby indicating its potential to further amplify the impact of NGOs and other social enterprises in addressing societal challenges and advancing sustainable development goals.

Jyotsna Sitling, Member Advisory Committee to SEBI on Social Stock Exchange, Special Monitor-NHRC (Livelihoods, Skills and Employability), delved into the development and implementation of the SSE in India, highlighting its necessity due to limited government funding for social causes. She traced the origins of the SSE concept back to discussions since 2002-2015, with significant progress made after it was announced in the maiden budget of July 2019. The government entrusted SEBI with the responsibility of establishing the SSE and formed working groups to develop frameworks and regulations.

She detailed the evolution of SSE-related efforts, including the establishment of a technical group to address operational aspects and the subsequent issuance of regulations and circulars by SEBI to guide transactions on the SSE. Being part of an advisory committee for the SSE, she emphasised the need for a systemic approach and highlighted lessons from international SSE experiences in countries like Canada, Jamaica, and Singapore, primarily focused on for-profit entities engaged in social work.

Furthermore, she underscored the importance of adapting regulations to suit the unique needs of NPOs in India, suggesting a focus on capacity building and social audits to enhance NPO credibility within the SSE framework. She discussed the potential challenges and opportunities associated with SSE implementation, including the importance of private entities' involvement and the necessity of a robust governance structure within SEBI to oversee SSE operations effectively. She concluded by positioning herself both as an insider within the government and as an external observer keen on contributing to the SSE's success by addressing challenges and leveraging opportunities for effective social investment and impact.

Rameez added that the framework is currently under development and the stakeholders involved

include NPOs, the government, and retail investors. He acknowledged the absence of CSR and corporate involvement in the current framework. Given the government’s limited resources, he emphasised the importance of retail investment as a means for NPOs to address social issues. He further underscored the need for inclusivity in the framework to facilitate collaboration and maximise impact.

Deepa Menon, Senior Vice President-CSR & Corporate Communication, PVR INOX Limited, reflected on her journey with CSR within the context of her involvement with PVR, a corporate entity. She expressed gratitude for the opportunities provided by SEBI, which enabled her entry into the corporate sector in 2006. She reminisced about PVR’s early days, highlighting the challenges faced, including the need to develop CSR initiatives despite limited resources.

She then shifted to the impact of the COVID-19 pandemic on CSR strategies, necessitating a reevaluation and redesigning of approaches to align with new economic and cultural norms. She emphasised the importance of incorporating social and environmental considerations into CSR strategies, focusing on shared value creation and sustainable business models. She stressed the need for innovation, competitiveness, and strong human capital development within CSR frameworks.

She also shared insights into PVR’s philanthropic journey, starting with limited resources but a strong desire to engage with NGOs and communities. She discussed the transition from philanthropy to value creation, emphasising the importance of measuring the impact and transformation achieved through CSR initiatives. She highlighted the shift from compliance-driven approaches to value-driven frameworks, emphasising collaboration, skill-building, and community empowerment as key priorities. In conclusion, she acknowledged the ongoing learning process within the evolving CSR landscape, highlighting the importance of continuous adaptation and community leadership in shaping effective CSR strategies.

Mathew discussed the evolution of CSR from philanthropy to sustainability and inclusion. He emphasised the importance of quantifying the impact of CSR initiatives, particularly within the context of the SSE, where impact bonds will be based on measurable impact.

He shared anecdotes from his experience in the non-profit sector, highlighting the challenges in quantifying impact despite significant efforts to improve lives. He stressed the need for non-profits to quantify their work into measurable impact, leading to the development of simplified assessment tools and reporting frameworks within the SSE.

Furthermore, he talked about the challenges in defining and measuring impact, especially in a sector where impact assessment methodologies can be complex. He mentioned efforts to develop a common financial framework and simplified assessment tools for reporting impact within the SSE.

He also addressed challenges related to tax benefits for investors in the SSE, noting that while philanthropic donors often seek tax benefits, investment in the SSE may not offer such benefits. He highlighted the need for government intervention to provide tax incentives for investments in the SSE, considering the preferences of philanthropic givers.

In conclusion, he acknowledged the complex challenges faced by both non-profits and potential investors in the SSE and emphasised the importance of finding solutions to marry the interests of both parties for effective social investment.

Jyotsna stressed the importance of accurately quantifying impact within the SSE framework. She highlighted the need for NPOs to avoid overcommitting to impact and focus on achievable outcomes within their financial and timeline constraints. She emphasised the significance of logic models and simplified assessment tools to report impact effectively.

Additionally, she addressed challenges related to fundraising, such as setting appropriate application and issue sizes to attract retail participation. She urged NPOs to participate in training programs to become certified social impact assessors, emphasising the importance of field experience in accurately assessing impact.

Furthermore, she called for the active involvement of NPOs in shaping self-regulatory organizations

(SROs) and unified social impact audit frameworks. She stressed the importance of bottom-up approaches and self-reporting in the SSE registration and reporting processes to ensure transparency and balance.

She emphasised the need for collaboration and education among stakeholders to navigate the SSE framework effectively and ensure meaningful social impact measurement and reporting.

Rameez shared about collaborative nature of the SSE framework, emphasising the involvement of NPOs in its design and implementation. He mentioned the transition of social auditors to social assessors, a training initiative mandated by organisations like ICMi, which involves learning from NPOs to enhance assessment practices.

Deepa when talking about impact highlighted two case studies. First she talked about safety and protection in cinemas, she emphasised the organisation's commitment to ensuring the safety of patrons, particularly in light of past incidents related to fire safety. She highlighted the importance of collaboration with government agencies to address safety concerns and improve infrastructure, particularly in urban areas where marginalised communities may face additional risks. The organisation's focus on creating safe spaces and equal access for all community members, including homeless individuals and street families, underscored their commitment to social responsibility beyond their core business operations.

Secondly she highlighted their efforts on accessibility for individuals with disabilities, she discussed the organisation's efforts to make cinemas more inclusive and accessible. This includes partnerships with NPOs specialising in disabilities to understand the needs of different communities better. The organisation's focus on providing accessibility features such as removal seats, personalised wheelchair access, and audio-visual aids demonstrated their dedication to creating an inclusive environment for all patrons. Additionally, their sustainability initiatives, such as using PET bottles for uniforms and implementing eco-friendly practices like sugar cane-based straws, showcased the commitment to environmental responsibility alongside social inclusion efforts.

Rameez emphasised the necessity to alter the norm concerning social investment and its associated tax exemptions. He delved into the existing tax exemption scenario for social investors in India, pointing out its limitation to 50%, a stark contrast to countries like Singapore and the UK.

Mathew Cherian shed light on tax exemptions, emphasising the significance of incentivising philanthropic activities and CSR investments through tax benefits. He highlighted the changes in tax exemption laws in India, specifically mentioning the removal of sections 35A/C and 35(1,2) post-2014. Additionally, he compared India's tax exemption policies with those of other countries like Singapore and the UK, pointing out the relatively higher tax exemptions offered in these nations.

Furthermore, he addressed the importance of tax exemptions in motivating investors to participate in initiatives like SSE. He stressed that without adequate tax incentives, the SSE's success is unlikely, given the Indian philanthropic landscape's preferences and expectations regarding tax benefits.

He advocated for revisiting tax exemption policies to encourage philanthropy and CSR investments effectively, aligning with the broader goal of fostering social impact and corporate responsibility in India.

To conclude the session, **Jyotsna** emphasised the importance of a collaborative approach focused on mutual support, feedback, and training, particularly in areas like organising social auditors and field training. **Deepa** emphasised the importance of showcasing stories of real impact makers and champions on cinema screens. She highlighted the potential of media narratives, particularly those centered around sustainable development goals, to inspire positive change. **Matthew** encouraged investment in the SSE and hoped for the success of the SSE. **Rameez** acknowledged that there are ongoing developments within the SSE and emphasised the importance of building trust among various stakeholders, including the government, NGOs, and corporations. He highlighted that the SSE as a platform unites stakeholders and stressed the role of CSR in amplifying impact stories. He extended an invitation for NGOs to join the SSE platform and offer assistance in the enrollment process through Catalyst 2030.

Key Takeaways:

- **Focus on SSE:** The SSE serves as a bridge between non-profit organizations (NPOs) and individual investors, providing an alternative fundraising instrument through zero coupon, zero principal instruments. It operates under the regulatory body Securities and Exchange Board of India (SEBI) and aims to facilitate fundraising within the social sector.
- **Philanthropic Landscape in India:** Despite economic growth, India faces persistent multi-dimensional inequalities, particularly highlighted post-COVID-19. The India Philanthropy Report of 2023 emphasizes the need for stakeholders to invest in strengthening the philanthropic infrastructure to build community resilience. High net worth individuals' philanthropic choices are influenced by emotional connections to narratives or stories rather than specific sectors or causes.
- **Significance of Non-Profit Sector:** The non-profit sector in India, contributing 2% to GDP, plays a substantial role in addressing societal challenges across all 17 Sustainable Development Goals (SDGs). NGOs have been innovative in addressing various issues and have advocated for legislative reforms with far-reaching implications for societal welfare and empowerment.
- **Challenges and Opportunities with SSE Implementation:** SSE's implementation faces challenges such as adapting regulations to suit the unique needs of NPOs in India, ensuring robust governance within SEBI, and encouraging private entities' involvement. However, there are opportunities for effective social investment and impact, especially with retail funding, social impact measurement, and inclusive collaborative frameworks.

Key Recommendations:

- **Quantifying Impact:** There's a need for NPOs to quantify their work into measurable impact, leading to the development of simplified assessment tools and reporting frameworks within the SSE. It's crucial to accurately quantify impact within the SSE framework to attract retail participation and ensure meaningful social impact measurement and reporting.
- **Tax Exemptions and Incentives:** Revisiting tax exemption policies is recommended to encourage philanthropy and CSR investments effectively, aligning with the broader goal of fostering social impact and corporate responsibility in India. Tax incentives for investments in the SSE could motivate investors to participate and contribute to its success.
- **Collaborative Approach:** A collaborative approach focused on mutual support, feedback, and training is essential, particularly in areas like organizing social auditors and field training. Stakeholders, including NPOs, the government, and corporations, should work together to ensure the success of SSE and amplify impact stories through media narratives centered around sustainable development goals.
- **Encouragement for NPO Impact Sharing:** Encourage NPOs to share impactful stories, emphasizing the importance of transparency, accountability, and the collective role in achieving sustainable development goals.

Sustainable Supply Chain by Promoting Fundamental Principles and Rights at Work (FPRW) in India

8 November 2023 | 1200 – 1330 hrs IST



International
Labour
Organization

- **Fowzul Insaf Nizam**, Specialist on Fundamental Principles and Rights at Work, International Labour Organization (ILO)
- **R.D. Chandrashekhar**, the Indian National Trade Union Congress
- **Thangaperumal Ponpandi**, Country Director - India & Nepal, Terre des Hommes Netherlands
- **Bansari Nag**, National Project Coordinator, ILO
- **Divya Verma**, Senior Programme Officer, ILO
- **Vivek K. Singh**, Assistant Director, Centre for Responsible Business



Vivek K. Singh, Assistant Director, Centre for Responsible Business, set the context for the session on sustainable supply chains and fair labor practices in India. He emphasized the importance of integrating fundamental principles and rights at work into supply chain operations to promote sustainability and inclusivity. The session aimed to explore the complexities of the supply chain, discuss compliance with labor laws, and advocate for fair labor practices as a standard. The overarching goal being to promote an ecosystem where fair labor practices uplift the workforce and contribute to a sustainable economy.

Fowzul Insaf Nizam, Specialist on Fundamental Principles and Rights at Work, International Labour Organization (ILO), addressed the importance of considering various perspectives on sustainability and human rights within supply chains, emphasizing that these perspectives are complementary rather than competitive. He highlighted the significance of decent work principles, as advocated by the ILO, and how they form the core of sustainable supply chains. He discussed the four pillars of decent work - productive employment, social protection, social dialogue, and fundamental principles and rights at work. He further delved into the five key principles of fundamental rights at work, including freedom of association, elimination of forced labor and child labor, non-discrimination, and the right to a safe and healthy working environment. He emphasized the interconnectedness of these principles and the need for a comprehensive approach to address issues like child labor. He also mentioned practical examples of

implementing these principles, particularly in collaboration with the private sector, to achieve sustainable businesses from a decent work perspective.

Bansari Nag, National Project Coordinator, ILO, introduced the concept of fundamental principles and rights at work as the connecting thread to human rights within the framework of labor rights. She emphasised the significance of understanding how the ILO integrates this concept throughout the supply chain and engages with various stakeholders. This engagement extends not only in terms of the organisation's vision but also in its practical implementation.

Divya Verma, Senior Programme Officer, ILO, began by acknowledging the complexity of the concept of Fundamental Principles and Rights at Work (FPRW) and its importance in sustainability discussions. She reflected on the history of FPRW within the ILO, emphasising its emergence through a 1998 declaration focusing on various standards related to labor rights. She discussed how these standards are associated with the obligation of ILO member states to implement them, leading to the creation of national legislation and programs.

She outlined the ILO's approach to engaging with constituents, including employers and workers' organisations, to implement FPRW. She highlighted the ILO's five-year Decent Work Country Program, which prioritises three main pillars of work: normative framework implementation, job creation and enterprise development, and social protection for vulnerable groups.

Furthermore, she illustrated how the core pillars of FPRW, such as the elimination of child labor and discrimination in employment, serve as essential standards for sustainability and economic growth. She provided examples of the ILO's efforts, including public-private partnerships in the cotton supply chain in Telangana, India, to address issues like child labor and bonded labor.

She emphasised the importance of an integrated approach to FPRW, highlighting the five pillars and ten core standards associated with it. She discussed the challenges and strategies in implementing FPRW, including capacity building for government officials, knowledge creation, and promotion of social dialogue.

Finally, she concluded by sharing insights from the ILO's experience in Telangana and announced plans to replicate the approach in Madhya Pradesh, focusing on both livelihood sustainability and regenerative agriculture.

R.D. Chandrashekhar, the Indian National Trade Union Congress, shared insights into his organisation's transition from primarily organising industrial workers to expanding their focus to include rural workers in the agricultural sector, specifically those working in cotton farms. In 2019, they initiated a program targeting rural workers aimed at addressing FPRW, including the elimination of child labor, promotion of freedom of association and collective bargaining, elimination of employment discrimination, and ensuring occupational health and safety. Through collective bargaining efforts and advocacy, they succeeded in doubling the minimum daily wage for cotton farm workers from ₹ 200-250 to ₹ 500, significantly improving the economic conditions of rural workers. Additionally, their program focused on reducing child labor and absenteeism in schools during the cotton plucking season, resulting in a notable reduction in absenteeism rates from 85-90% to 23%. He emphasised the importance of collaboration with various stakeholders, including government departments, other trade unions, and local authorities, which facilitated meaningful engagement with rural communities and government agencies, leading to improved working conditions and greater awareness of labor rights among rural workers. The formation of the Telangana State Cotton Field Workers and Small Farmers and Migrant Workers Union provided a platform for rural workers to voice their grievances, negotiate for better wages and working conditions, and participate in decision-making processes, contributing to the overall success of the program and the improvement of labor standards in the cotton farming sector.

Thangaperumal Ponpandi, Country Director - India & Nepal, Terre des Hommes Netherlands, talked about the organisation's focus on child protection and their efforts in the mica mining districts of Jharkhand, India. He highlighted the informal nature of mica mining and the various challenges associated with it. With support from the ILO, tDH Netherlands addressed child labor by collaborating with local communities and government agencies. Firstly, they focused on occupational safety and

health by providing training to community members and implementing simple yet effective solutions, such as ergonomic sitting postures. Over 600 members were trained on occupational safety and health aspects. Secondly, they worked on enhancing income stability for mica pickers through additional livelihood opportunities, collaborating with the Jharkhand State Livelihood Promotion Society to determine living income requirements for families. The gap between the current income level and the living income threshold was identified, and efforts were made to bridge this gap through formalisation of mica mining activities and collective bargaining initiatives. The Jharkhand government's introduction of a mica procurement policy facilitated these efforts. Additionally, tDH initiated a multi-stakeholder platform involving workers, trade unions, government representatives, children, and youth to develop a comprehensive mica master plan addressing child labor and related issues. Overall, their approach integrated FPRW principles to address the root causes of child labor in a holistic manner, focusing on occupational safety, income stability, formalisation, and multi-stakeholder collaboration.

During the open floor discussion, the following points were discussed:

Divya, emphasised the complexity surrounding the status of gig and platform workers, noting that they are often not officially recognised as workers and are referred to by various terms by different platforms. She highlighted ongoing discussions and collaborations with the Ministry of Labor in India to address these issues, particularly regarding the extension of social security coverage to gig workers as outlined in the code on social security. While the code has been adopted, the rules for implementation are still pending.

Additionally, during recent high-level consultations at the T20 were held involving platforms, employers, workers' organisations, and government ministries to understand the current landscape and potential solutions. She highlighted the need for collective action among gig workers to advocate for better working conditions, fair wages, and occupational safety and health measures.

She mentioned plans for the development of standards specifically tailored to gig and platform workers. These standards are expected to be discussed at the next Labor Conference, with the goal of finalising them by 2025. The focus will be on creating a framework that addresses the unique challenges and circumstances faced by workers in the gig economy, aiming to provide clearer guidelines and protections for this rapidly growing segment of the workforce.

Insaf clarified that the tripartite mechanism for addressing labor issues is not limited to the cotton industry but applies nationwide and globally. He highlighted the implementation of this approach in various sectors beyond cotton, such as the mica sector in Jharkhand, Bihar, and Rajasthan, as well as in industries like sandstone. He emphasised that the ILO focuses on creating successful models in different sectors, documenting them, and sharing them widely to encourage adoption by the broader community, including businesses, government, and social partners.

Regarding occupational safety and health, he emphasised the importance of fostering a positive attitude towards safety and health in the workplace. He noted that occupational safety is recognised as a fundamental labor right, and tools and guidance for enhancing safety are available. However, he stressed the need for political will from all parties to prioritise and improve the health and safety of workers across all sectors, including informal workers.

R.D. Chandrashekhar shared his experiences of the challenges in organising workers due to discrimination and societal beliefs. He emphasised the importance of social dialogue in addressing collective bargaining issues, especially in rural areas. Despite facing difficulties in organising, he successfully convinced small farmers to unionize, leading to improved working conditions, reduced absenteeism, and increased productivity. He highlighted the role of unions in eradicating child labor and emphasised the need for education and decent employment opportunities for children.

Thangaperumal emphasised the significance of collaboration and research in their approach to addressing challenges in the mica mining sector. He mentioned TdH's success in engaging the private sector by reframing the dialogue from confrontation to cooperation, recognising that private sector entities also face challenges and possess solutions that can contribute to addressing social issues. By involving key stakeholders such as the government, civil society organisations, and workers in

discussions, they were able to establish a multi-stakeholder platform that facilitated dialogue and problem-solving.

Regarding the Responsible Mica Initiative, he explained how this platform brings together companies from both upstream and downstream sectors of the mica supply chain to invest in addressing issues at the grassroots level. He highlighted the importance of research and evidence in guiding their interventions, enabling them to develop effective strategies and engage stakeholders based on factual data and insights.

In terms of child labor rehabilitation, he outlined a comprehensive approach that goes beyond simply bringing children back to school. He stressed the importance of improving the quality of education and addressing cultural barriers, such as societal norms that hinder girls' education after puberty. The focus on creating models for sustainable change and addressing the broader socio-economic environment reflects a nuanced understanding of the complex factors contributing to child labor and the need for holistic solutions

Divya reflected on the presentation about the integrated approach of FPRW and discussed its implementation. She highlighted that while the pilot project focused on the cotton supply chain, the FPRW approach encompasses broader issues such as child labor and forced labor. She emphasised that the example shared was a part of the FPRW implementation, with interventions targeting child labor being a direct outcome. She indicated that while the initial focus was on cotton, the approach would be replicated and implemented in other sectors as well.

Bansari provided a deeper understanding of the ILO standards, highlighting three types: ILO conventions, recommendations, and protocols. She emphasised that member states, of which there are 187, are expected to ratify these standards. The discussion focused on the five fundamental conventions concerning bonded labor, child labor, discrimination, right to formalisation and collective bargaining, and occupational safety and health. She explained that the session was linked to the integrated approach of all five pillars outlined in the Declaration of Fundamental Principles and Rights at Work in 1998. She stressed the importance of social dialogue in finding solutions, as demonstrated by various presentations. Additionally, she discussed the need for capacity building to address child labor, which is a part of the decent work agenda.

Insaf highlighted the importance of addressing the motivation behind trade unions and dispelling misconceptions about their role. He emphasised that trade unions, when operating effectively, can improve productivity by motivating workers, reducing absenteeism, and finding practical solutions. He noted that in some countries, strong trade union movements coexist with strong economies, indicating their positive impact. However, challenges remain, especially in larger organisations where there may be resistance to understanding the value of trade unions. To overcome this, he suggested that trade unions develop their social dialogue skills to engage in constructive discussions with employers and promote understanding. He further emphasised the need to channel self-interest towards collective benefit, stressing the importance of creating platforms for dialogue to enhance efficiency, productivity, and overall well-being for both businesses and employees.

R.D. Chandrashekar emphasised the positive role of trade unions in fostering industry development and societal well-being, attributing industry growth and sustainability to the presence of trade unions. He highlighted the continuous improvement in working systems and products, as well as increased profits and customer base in industries where trade unions are active. However, he expressed concern about large companies seeking to evade regulations by operating in special economic zones, emphasising the importance of social dialogue and bargaining power for workers, even in modern industries like Uber or Ola. He stressed the significance of allowing workers to form unions, not only for better wages but also for a sense of pride, ownership, and accountability, ultimately contributing to sustainable industry growth.

Insaf added that countries and markets are increasingly recognising basic human rights in the world of work, such as freedom from child labor and forced labor, and the right to unionise. He emphasised that companies are facing growing pressure from consumers and markets to respect these rights, particularly in European and US markets. He predicted that Indian consumers would soon follow suit, and companies that fail to uphold basic human rights may struggle to remain viable in the market. He suggested that

embracing human rights as part of sustainability efforts would benefit businesses in the long term and align them with international market expectations.

Bansari emphasised the importance of engaging business houses in terms of ESG considerations and aligning them with the SDGs. She highlighted the need for clear measurements, indicators, and data to corroborate findings and guide interventions. Furthermore, she discussed the challenge of tracking supply chains, noting that as we move down the supply chain, visibility decreases, making it difficult to connect with the discussed principles and goals.

Thangaperumal addressed the issue of informal bonded labor in the mica sector, where families borrow from buyers during the off-season and are bound to sell their goods back to the same buyer, limiting their ability to seek better prices elsewhere. He also highlighted TdH's experience in working with the private sector to promote responsible business practices, focusing on safety, productivity, and fair wages to attract international buyers. Additionally, he emphasised the importance of certification to ensure genuine adherence to ethical standards, making businesses more marketable.

R.D. Chandrashekhar, mentioned that there is a low percentage of migrant workers from other states like Chhattisgarh and Odisha in the cotton industry, with most migration occurring within districts. He highlighted the challenge of discrepancies between government data on cotton crop productivity and actual realities. Additionally, he emphasised the importance of fair living wages for workers, stating that until every worker receives a decent earning, the economy will not thrive. He stressed the need for business houses to prioritise fair wages to ensure sustainable profits and economic growth from the grassroots level upward.

Insaf added that businesses are capable of finding solutions to improve their practices independently. He emphasised the importance of community development and collaboration, noting initiatives like RMI and the Child Labor Platform where businesses work together to address issues like child labor. He mentioned Alliance 8.7 as another collaborative effort involving organisations, countries, and trade unions to develop solutions for eliminating child labor and forced labor. Overall, he emphasised that while external support can provide technical assistance, it is ultimately the businesses themselves who can best find solutions, with the community playing a crucial role in the process.

Divya concluded by adding that India has ratified two conventions related to forced labor, Convention 29 and 105, and has an act on the elimination of bonded labor. She discussed efforts in Telangana to address child labor and bonded labor together through one committee, considering different mechanisms and departments involved. She highlighted the need for discussions involving stakeholders to tackle issues like wages and debt traps in the supply chain, emphasising the scope for addressing vulnerabilities to forced labor through international and national standards.

Key Takeaways

- Decent work is a concept developed intergovernmental by ILO, involving trade unions, employers organizations, and governments.
- Fundamental principles and rights at work are at the core of a sustainable supply chain.
- There is a global demand for eliminating forced and child labour from supply chains.
- Work must be decent, and the decency of work comes with fundamental principles and rights at work.
- Addressing issues like child labour requires a comprehensive look at the fundamental principles and rights at the work angle.
- Child labour in the cotton industry has been reduced by 23% due to advocacy and training programs.
- The daily wage in the cotton supply chain has increased to Rs500, with a plan to expand it to Rs600 in 2024.
- Union membership has grown from 41,000 to nearly 48,000, to reach 50,000 by the end of the year in the cotton supply chain.
- The union is expanding to other districts due to increased interest from people wanting to join.

- Through unionization and education, workers in cotton fields earn a minimum wage of Rs500 per day, compared to unionized workers who earn around Rs 300-350.

While many decent work challenges remain, stakeholders collaborate to pursue solutions tailored to specific risks, sectors, and geographies. Progress is achievable, as demonstrated in the cotton sector. Realizing rights and improving livelihoods requires leveraging the comparative advantages of different actors. The ILO provides critical technical expertise and convening power. Government action and regulation reinforce standards. Unions organize workers. The private sector implements responsible practices. NGOs monitor compliance. Together, stakeholders can promote fair, safe, and decent work across even the most complex global supply chains. The conference dialogue revealed promising inroads, providing models for continued progress.

Key Recommendations:

- **Foster social dialogue:** The ILO underscored the willingness to engage businesses further to make the case for decent work and develop concrete strategies suited to specific sectors and regions. Unions noted their role in facilitating industry growth.
- **Strengthen regulation and enforcement:** Panelists cited building government capacity and pay systems to incentivise compliance. Targeted interventions in high-risk areas were recommended.
- **Promote formalization:** Formalizing informal work and migrant labour practices increases transparency and protection. Digital wage payments could help reduce recruitment risks.
- **Empower workers:** Rights education, anti-discrimination efforts, and facilitating organising assist workers in claiming rights. Gender-sensitive programming is critical.
- **Enhance supply chain transparency:** Emerging technologies like blockchain create opportunities to map and trace complex supply networks to identify hidden risks.
- **Pursue certification:** Credible certification schemes that label businesses as child labour-free, similar to Fairtrade, could incentivise responsible practices.
- **Adopt comprehensive approaches:** Issues are interconnected. Holistic programming addressing forced labor, safety, pay, and freedom of association together is impactful.

Neutrality to Stewardship: Transitioning towards Water Secure India

8 November 2023 | 1200 – 1330 hrs IST



- **Adrian Sym**, Chief Executive Officer, Alliance for Water Stewardship (AWS)
- **Upendra Pratap Singh**, Former Secretary, Jalshakti and Ministry of Textiles, Government of India
- **G Asok Kumar**, Director General, National Mission for Clean Ganga
- **Ashish Bhardwaj**, Programme Lead · Alliance for Water Stewardship (AWS)
- **Dinni Lingaraj**, Sr. Advisor, Business Sustainability (ESG), Ecology and Environmental Edn, Wipro Foundation
- **Navdeep Singh Mehram**, Senior General Manager, DIAGEO
- **Ankit Gupta**, GM – Sustainability, ITC Limited
- **Suresh Babu**, Director River Basins & Water Policy, WWF India



Adrian Sym, Chief Executive Officer, Alliance for Water Stewardship (AWS), introduced AWS as an organisation dedicated to a voluntary sustainability standard known as the International Water Stewardship Standard, which focuses on best practices for major water users.

The AWS standard, recognised internationally, emphasises both site and catchment-based actions to manage water resources sustainably. He highlighted that water stewardship goes beyond individual actions and involves collective efforts with other stakeholders to address water challenges comprehensively.

Regarding water neutrality, he explained that it aims to achieve a balance between water consumption and replenishment. Stewardship behaviors, such as efficiency measures, ecosystem protection, and pollution control, contribute to achieving this balance and are integral to the concept of water neutrality.

He emphasised the role of market-based mechanisms, such as standards, in addressing sustainability needs when regulatory thresholds are insufficient. These mechanisms should not only address actual

sustainability needs but also enable trusted claims about sustainability practices.

Certification against the AWS standard serves as evidence of good water stewardship practices, providing credibility and building confidence among stakeholders. He stressed the importance of aligning initiatives related to water neutrality with the existing architecture of water stewardship, ensuring coherence and effectiveness in addressing water challenges.

Furthermore, he discussed the need for clear incentives to encourage the adoption of stewardship behaviors, presenting opportunities for collaboration within the India Water Stewardship Network to advance a common understanding and facilitate widespread adoption of stewardship practices and neutrality outcomes.

Ashish Bhardwaj, Programme Lead · Alliance for Water Stewardship (AWS) played a video introducing AWS, an organisation that envisions a world where there is enough fresh water for people, nature, and businesses to thrive. They define water stewardship as a collaborative effort where sites work with others to sustainably use water, considering its impact on the catchment and collaborating to protect this shared resource. AWS serves as the custodian of a sustainability standard system and a global membership-based alliance, endorsed by leading businesses, NGOs, and government agencies. Their standard provides a common language for improving water use sustainably. Through learning about water's impact, developing strategies, creating action plans, and evaluating progress, businesses can prioritize water stewardship efforts. By joining AWS, organisations can contribute to building a more water-secure future globally.

He further shared that AWS operates as a market-based standard system with three primary roles. Firstly, they convene members from diverse interest groups to share knowledge and advance best practices. Secondly, they define the essential elements of water stewardship through a multi-stakeholder approach, encapsulated in the AWS standard. Thirdly, they provide a system of recognition through third-party certification, allowing credible claims of good water stewardship performance. These roles reflect a voluntary sustainability scheme aiming to bring stakeholders together, build consensus on best practices, and enable credible claims.

AWS emphasises the importance of water stewardship beyond site-based actions, extending to catchment-level collaboration to address shared water challenges. Their standard is globally applicable, supporting various sites worldwide to understand their water use and impact within the context of a catchment. Certification against the AWS standard ensures credible claims, supported by a robust assurance system consistent with globally recognized frameworks.

Water neutrality is defined as achieving a balance between freshwater consumption and verifiable water savings within and outside a site's boundaries, including supply chains. AWS offers an Impact Accelerator program to overcome challenges in implementing water stewardship at scale, focusing on capacity building, collaborative solutions, and monitoring impacts. This program, currently implemented in Dhaka, Bangladesh, and other locations like Chennai and Bengaluru, involves cross-sector collaborations to address shared water challenges in specific catchments.

In summary, AWS plays a crucial role in promoting water stewardship and water neutrality through convening stakeholders, defining standards, providing recognition, and offering programs like the Impact Accelerator to drive positive changes in water management globally.

G Asok Kumar, Director General, National Mission for Clean Ganga, reflected on India's historical attitude towards water, noting a lack of acknowledgment of its importance until recent crises in some cities. He credited the Prime Minister for raising awareness about water as a crucial resource for economic development.

Moving on to specific industries, he discussed the challenges faced by sectors like textiles and leather due to their high water consumption and pollution levels. He highlighted initiatives aimed at reducing water usage and preventing contamination, such as implementing efficient technologies and processes. He mentioned successful collaborations with organisations like Solidaridad to improve water management in industrial clusters like Kanpur.

Furthermore, he outlined government initiatives, including the establishment of the National Bureau of Water Use Efficiency, to promote water-saving practices and assess water footprints across industries. He stressed the importance of industry participation in stewardship programs to achieve sustainable water management and avoid future crises. He concluded by expressing optimism about government efforts to enhance water availability and quality, ultimately leading to better health and quality of life for the population.

Upendra Pratap Singh, Former Secretary, Jalshakti and Ministry of Textiles, Government of India emphasised the vital importance of water, stating that it is the “elixir of life” and that no life can be sustained without it. He acknowledged that discussions about water have typically revolved around concepts like water stress, scarcity, and pollution. He recalled his experience as a secretary in the water resources sector and noted that per capita water availability is not the sole indicator of water stress or scarcity. He mentioned discrepancies in water availability figures and stressed the need to focus on indicators like water availability per hectare of cultivated land.

He discussed the Composite Water Management Index, which aimed to assess water management practices across states in India. He expressed concerns about the dire predictions made by the index regarding the water crisis but highlighted that the situation has not reached the predicted levels. He attributed changes in water availability to factors like climate change, emphasising the importance of managing water distribution over time and space.

He addressed the issue of water management, emphasising the need for both demand-side and supply-side management strategies. He talked about the historical emphasis on supply-side management, particularly through large dam projects, but highlighted the need for a paradigm shift towards smaller-scale, decentralised water management approaches.

He further highlighted policy issues in agriculture, particularly related to procurement policies and electricity subsidies, which contribute to inefficient water usage in the sector. He stressed the importance of policy changes to promote sustainable water management practices in agriculture.

Furthermore, he talked about the concept of water footprints and water neutrality, highlighting the importance of reducing, recycling, and reusing water. He emphasised the need for community involvement in water management and advocated for participatory irrigation management.

Lastly, he underscored the importance of recharge and respect for water resources. He shared examples of successful community-led water management initiatives and emphasised the need for collective action from government, civil society, multinational agencies, and industries to avoid a doomsday scenario of water scarcity. He concluded by asserting that India can remain water surplus if all stakeholders work together towards sustainable water management.

Dinni Lingaraj, Sr. Advisor, Business Sustainability (ESG), Ecology and Environmental Edn, Wipro Foundation, talked about WIPRO’s efforts towards water stewardship in urban India. He explained that Wipro embarked on a sustainability journey about 15 years ago, which encompassed various aspects including water, energy, waste management, biodiversity, and land use change. He stressed the importance of taking an integrated perspective on sustainability, considering the interconnectedness of different resources and their impacts on each other. In particular, he highlighted the critical nature of water stewardship and its relationship to other environmental factors. He emphasised the need to view resources from an integrated perspective, linking water to biodiversity, land use change, and energy consumption.

He delved into the specific initiatives and goals WIPRO has undertaken in the realm of water stewardship. He mentioned ambitious goals related to water use in construction projects, which are significant in urban India due to ongoing development and construction activities. These goals include mapping aquifers, ensuring adequate water use for construction, and optimising construction materials for water efficiency. One notable goal is the company’s commitment to recycling all water through tertiary treatment systems in their campuses, treating water to a grade level that is almost potable. This recycled water is then used for various purposes including construction, cooling, and flushing.

Furthermore, he discussed the integration of rainwater harvesting and biodiversity principles in their campus designs. He described how their company incorporates green spaces and rainwater harvesting structures into their campuses, aiming to recharge groundwater and promote biodiversity. He also mentioned specific initiatives, such as creating wetlands within their campuses, to showcase the importance of wetlands in urban areas for water treatment and recharge. He emphasised the importance of engaging with the community beyond the company's campuses. He discussed initiatives focused on groundwater management and science in communities where they operate, particularly in cities like Bangalore, Pune, Hyderabad, and Chennai. These initiatives involve participatory approaches to mapping aquifers, building community capacity, and collectively managing water resources.

Navdeep Singh Mehram, Senior General Manager, DIAGEO expressed gratitude for being part of the journey to certify a site in Diageo's global footprint as a Water Stewardship (WS) Certified site. He highlighted the significance of this achievement, noting that their spirits distillery in Asia is the first to receive this certification. He emphasised the evolutionary nature of the certification process, likening it to nurturing a baby, and stresses the importance of commitment and mindset. He talked about Diageo's 10-year strategy, which includes goals to reduce water usage by 40% and replenish more water than they use, especially in water-stressed sites. He outlined the challenges and commitment required for implementing the Alliance for Water Stewardship (AWS) standard, noting the lack of available consultants in India. He underscored the level of commitment from their company's management, particularly the Executive Board, who have linked the CEO's long-term incentive to achieving the water goals. He described the rigorous auditing process involved in obtaining the certification and the importance of understanding the "why" behind water stewardship initiatives.

Furthermore, he shared the positive impact of their water stewardship efforts on the local community, including the construction of check dams that led to increased water capacity in the area. This initiative not only benefited the environment but also had economic benefits for local farmers, such as increased crop yield and higher profits from selling onions.

He emphasised the rewarding nature of the water stewardship journey and highlighted the broader benefits, including livelihood improvement and community engagement, beyond just water conservation.

Suresh Babu, Director River Basins & Water Policy, WWF India, emphasised the importance of a long-term approach, rigorous certification processes, and the company's commitment to water conservation.

Ankit Gupta, GM Sustainability, ITC Limited, talked about ITC's journey towards achieving certification under the Alliance for Water Stewardship (AWS) standard. He emphasised the importance of addressing both supply and demand aspects of water management, highlighting a shift in focus from solely supply-side measures to a more integrated approach considering demand-side factors as well. ITC's commitment to AWS certification is underscored by specific goals set by the company, aiming to certify all high-water-stress sites by 2035, with short-term targets set for the next year. He stressed the significance of commitment from top management, including linking executive incentives to water management goals, demonstrating a high level of organisational engagement.

In addressing the challenges posed by climate change, he emphasised the need for sophisticated modeling and ground-level work to integrate climate considerations effectively into water management strategies. He advocated for a holistic approach that considers the interconnectedness of water with soil health and biodiversity conservation, ensuring that initiatives contribute to broader environmental goals.

Furthermore, he talked about initiatives aimed at improving livelihoods among farmers, such as climate-smart village programs, focusing on enhancing productivity and building resilience to climate variability. He highlighted the positive impacts of these programs on local communities, including increased agricultural yields and improved economic outcomes.

Looking ahead, ITC plans to expand its water management initiatives to the river basin level, conducting water balance assessments and implementing strategies to address water deficits at a broader geographic scale. This approach reflects a commitment to sustainable water management practices that extend beyond individual sites to impact entire river basins positively.

He underscored the company's holistic approach to water stewardship, emphasizing the integration of environmental considerations, climate resilience, and community engagement into their water management strategies. He also emphasised that addressing water challenges goes beyond CSR initiatives and requires industry-wide collaboration. He highlighted the importance of resilience and collective action in tackling barriers to sustainable water management. Despite the perception that building structures is easier than changing agricultural practices, he stressed the need for collective efforts, especially considering the diversity within the industry. He called for identifying and addressing barriers to facilitate effective interventions for sustainable water management.

Navdeep further highlighted the journey of achieving water stewardship certification at their company's site in Alwar, emphasising the commitment and persistent effort involved. He mentioned the internal competition among their sites for certification and the interest from their brand partners in shifting bottling operations to the certified site for sustainability credentials. He identified recognition and understanding the value of certification as key enablers for more companies to join in such initiatives. Additionally, he mentioned the competitive aspect within the sector, where competitors registered multiple sites for certification after seeing their company's initiative.

Ankit acknowledged the complexity of individual efforts within a company but expressed optimism about the broader impact of industry-wide initiatives on water management. He emphasised the importance of critical mass in driving change, mentioning various mechanisms like water credits, green credits, and standards. He highlighted standards as a key tool for companies to formalise and validate their water management practices, ultimately contributing to a significant shift in how water is managed.

Dinni talked about the evolution of water management practices, comparing it to the progression seen in carbon management and achieving net zero goals. He emphasised the importance of assessing what's relevant and material for each organisation rather than getting overwhelmed by various standards and programs. He highlighted the need to stay informed about emerging trends and technologies in the water sector and to engage with experts to address challenges such as understanding groundwater quality and managing surface water effectively. Additionally, he mentioned ongoing initiatives like wastewater transport systems in Bangalore, emphasising the importance of supporting and ensuring the quality of such innovative projects.

Navdeep highlighted the transition from voluntary to mandatory standards in water management over the years. He referenced the evolution from national voluntary guidelines to mandatory requirements, such as the Bureau of Water Use Efficiency (BWR) akin to the Bureau of Energy Efficiency, which assesses water footprint similar to energy ratings for products. He stressed the importance of consumer awareness and movement in driving water efficiency. Additionally, he advised against getting confused by numerous standards, urging to select the appropriate one and commit to it for eventual rewards.

When talking about suggestions for IWSN's agenda, he recommended a catalyst approach within IWSN. He highlighted exposure visits as a simple yet effective method to learn from others to understand their water management strategies. Ankit suggested that creating a standard specifically tailored for beginners would simplify water management for companies.

Key Takeaways:

- **Market-Based Mechanisms:** Standards play a vital role in addressing sustainability needs when regulatory thresholds are insufficient.
- **Certification and Credibility:** AWS certification provides evidence of good water stewardship practices, building credibility.
- **Alignment and Coherence:** Water neutrality initiatives should align with existing water stewardship architecture for effectiveness.
- **Collaboration Opportunities:** Networks like IWSN offer collaboration opportunities for widespread adoption of stewardship practices.
- **Integrated Sustainability:** Integrating water stewardship with other aspects like energy, waste management, and biodiversity for holistic sustainability.

- **Community Engagement:** Engaging communities beyond campuses through groundwater management initiatives and participatory approaches.

Key Recommendations:

- **Simplify Standards:** Create beginner-friendly standards to simplify water management for companies.
- **Democratise Data:** Democratize sustainability-related data to support informed decision-making in developing countries.
- **Clear Incentives:** Provide clear incentives to encourage adoption of stewardship behaviors.
- **Collaborative Learning:** Implement exposure visits and collaborative learning to improve water management practices.
- **Strategic Policy Changes:** Advocate for policy changes, particularly in agriculture, to promote sustainable water management.
- **Focus on Demand-Side Management:** Shift towards an integrated approach considering demand-side factors in water management.
- **Capacity Building:** Invest in capacity building and collaborative solutions to overcome challenges in water stewardship.
- **Consumer Awareness:** Raise consumer awareness and promote a movement for water efficiency and sustainability.

Responsible Sourcing of Agri -commodities: Challenges and Opportunities

8 November 2023 | 1430 – 1600 hrs IST



- **Moderator: Arindom Datta**, Senior Advisor – Sustainability/ Agribusiness/ Technology
- **S Vijay Kumar**, Distinguished Fellow, TERI and Lead, Food and Land Use Coalition-India
- **Dr. Rajat Panwar**, Associate Professor, Forest Ecosystems & Society and Director of the SNR Certificate, Oregon State University and Senior Fellow, Centre for Responsible Business
- **Nitya Chhiber**, Senior Programme Officer, **Centre for Responsible Business**
- **Dr. Arpita Mukherjee**, Professor, Indian Council for Research on International Economic Relations (ICRIER)
- **Sachin Sharma**, Vice President & Head- Agri & Dairy Operations, ITC
- **Atin Tyagi**, Senior Manager (Head- ESG, Sustainability and Carbon Projects), Jain Irrigation Services Limited
- **Debaranjan Pujahari**, Principal- Head of Agriculture Practice, Sattva Media and Consulting Pvt. Ltd
- **Nitya Chhiber**, Senior Programme Officer, Centre for Responsible Business



S Vijay Kumar, Distinguished Fellow, TERI and Lead, Food and Land Use Coalition-India, set the context for the session. He talked about the intricate relationship between food production and land use, underscoring the necessity of sustainable practices to ensure long-term environmental and economic viability.

He introduced FOLU India, a global platform dedicated to advancing the cause of sustainable agriculture and resilient land use practices. Its overarching goal is to foster a more efficient and equitable use of natural resources while promoting better nutritional outcomes for communities. The initiative was established in 2019 with a vision of steering India towards becoming a nutritionally secure, healthy, and prosperous nation that manages its food and land resources sustainably.

They key objectives include:

- **Promoting Healthy and Sustainable Diets:** Encouraging dietary patterns that are both nutritious and environmentally sustainable.
- **Ensuring Productive and Sustainable Agriculture:** Supporting integrated farming systems that enhance productivity while preserving agro-biodiversity.
- **Reducing Food Loss and Waste:** Implementing measures to minimize food wastage throughout the supply chain.
- **Protecting and Restoring Natural Resource Systems:** Advocating for the conservation and restoration of critical natural ecosystems.
- **Greening India’s International Soft Commodity Supply Chains:** Addressing challenges related to transparency, traceability, and sustainability in commodity supply chains.

FOLU India’s goal is to promote responsible sourcing and trade to green India’s international soft commodity supply chain. He spoke briefly on relevant topics such as Greening of soft commodity chains, Role of Private Sector, amongst others. He laid emphasis on the role of cross sectoral collaboration such as via increasing sustainability at the producer level to support systems including public infrastructure and inclusive collaboration with local communities.

Dr. Rajat Panwar, Associate Professor, Forest Ecosystems & Society and Director of the SNR Certificate, Oregon State University and Senior Fellow, Centre for Responsible Business reflected on his recent paper in the California Management Review about the future of global supply chains post-COVID-19, he noted the remarkable speed at which its relevance has diminished due to rapid environmental changes. He highlighted the shift from focusing solely on carbon neutrality to embracing a “nature-positive bioeconomy” in agriculture-based supply chains.

He explained five key factors shaping this shift. Firstly, there’s a growing emphasis on supply chain transparency, driven by disclosure regulations, stakeholder pressures, and business alliances. This transparency spans environmental aspects, labor relations, and the elimination of modern slavery practices. Secondly, the achievement of the Montreal Biodiversity Agreement significantly impacts global markets, including those of Indian commodities. The subsequent “30 by 30” vision and biodiversity strategies influence corporate practices and industrial policies worldwide.

Thirdly, the European Union’s comprehensive biodiversity strategy for 2030 affects how land-based commodities are traded, purchased, and monitored, particularly concerning biodiversity safeguards. Fourthly, the recently enacted Deforestation-Free Products Regulation by the EU extends the principles of the biodiversity strategy, impacting forest-based and land-based commodities’ production and trade. Lastly, there’s a notable increase in industry-led movements for biodiversity and nature-related financial disclosures. Initiatives like the Task Force on Nature-related Financial Disclosures (TNFD) are gaining momentum, with many large corporations participating.

He further underscored the significant challenges and changes these developments pose for companies and institutions unwilling to adapt. He stressed the importance of aligning with these global trends to capitalise on emerging opportunities effectively.

Nitya Chhiber, Senior Programme Officer, Centre for Responsible Business, provided a brief overview of the Food and Land Use Coalition (FOLU) India Crest initiative, focusing on responsible sourcing and trade of commodities. This coalition, consisting of four organizations including the Centre for Responsible Business, IDH Sustainable Trade Initiative, WWF India, and the World Resources Institute India, aims to address issues related to responsible sourcing and trade in India.

CREST has conducted a study on how responsible sourcing is being operationalized in the value chain of agricultural commodity companies which has been informed by primary research in the form of interviews conducted with Sustainability teams of agricultural commodity companies and substantiated with secondary research. The study covers research on responsible sourcing practices, exploring corporate commitments and actions on the ground, with a focus on their impact on people and nature. Methodologies include analysing corporate commitments made at COP26, Glasgow, and conducting secondary research. Emerging findings highlight thematic priorities in companies' approaches, supply chain engagement initiatives, collaborative initiatives, and traceability measures. Benefits include evidence of impacts on the ground, action on climate, achieving equity, collaboration with stakeholders, and resilience. Challenges include disparities across commodities, resistance to change, and the complexity of supply chains.

The coalition plans to compile its findings, benefits, and challenges into a synthesis report for publication.

Arindom Datta, Senior Advisor, Sustainability/ Agribusiness/ Technology, emphasised the importance of using the term "responsible sourcing" cautiously and critically discussed its implications within the context of initiatives like FOLU. He highlighted the challenges associated with responsible sourcing, including complexities in implementation.

Dr. Arpita Mukherjee, Professor, Indian Council for Research on International Economic Relations (ICRIER), talked about the evolving definition of responsible sourcing, initially driven by private sector requirements and later shaped by the European Union's three key pillars of environmental, social, and economic sustainability. While these pillars covered various aspects, there was a notable emphasis on livelihood in developing countries like India. Environmental sustainability extended beyond resource protection to include input and processing techniques, leading to the emergence of standards and processes different from traditional organic practices. Challenges arose in categorising and exporting products due to the absence of clear standards for emerging practices. Additionally, she highlighted the significance of informal labor in agriculture and the need for India to address labor standards, especially concerning trade negotiations. Ultimately, she emphasised the importance of profitability for businesses in adopting sustainability measures and the ongoing global efforts towards standardisation, albeit with uncertainties about the ultimate direction.

Sachin Sharma, Vice President & Head- Agri & Dairy Operations, ITC, acknowledged ITC's integrated value chain development philosophy, highlighting their extensive involvement in various sectors including food, agribusiness, FMCG, and information technology.

ITC's sustainability efforts were underscored, with a mention of their sustainability report publication since 2003. He emphasised the company's focus on stakeholder engagement, particularly with farmers, and their commitment to environmental sustainability through practices such as regenerative agriculture and reduced emissions.

Challenges related to fragmented land holdings and natural resource depletion were mentioned, along with ITC's approach to addressing them through robust farmer networks, sustainable crop development, and natural resource replenishment initiatives such as watershed management.

He further detailed ITC's efforts in reducing carbon footprint in supply chains, including investment in clean energy and optimising production systems to reduce distance traveled. He also highlighted ITC's focus on certifications for global customers, including organic and global gap certifications, and their policy on sustainability and responsible sourcing. Additionally, he mentioned ITC's collaboration with supply chain partners for risk assessment and capacity building to strengthen sustainability efforts.

Debaranjan Pujahari, Principal- Head of Agriculture Practice, Sattva Media and Consulting Pvt. Ltd., talked about technology's crucial role in sustainable sourcing, highlighting Sattva's work in this area with partners like IDH and CRB. He outlined four key pillars regarding the role of technology in sustainable sourcing. Firstly, he emphasised transparency in the value chain and how technology, such as traceability solutions and blockchain, enables consumers to verify the authenticity and sustainability of products. Secondly, he discussed the importance of connecting stakeholders in the supply chain through digital platforms like SourceUp, which reduces environmental footprint and facilitates controlled procurement.

Thirdly, he addressed impact measurement, emphasising the need for robust data collection to assess compliance with standards and regulations, including carbon sequestration in agricultural practices.

Finally, he discussed the challenges faced by small and medium enterprises in meeting sustainability standards and highlighted the importance of accreditation and ratings to ensure compliance throughout the supply chain.

Atin Tyagi, Senior Manager (Head- ESG, Sustainability and Carbon Projects), Jain Irrigation Services Limited, provided a specific example of Jain Irrigation’s onion sourcing practices, highlighting collaboration with over 6,000 farmers to procure more than 50% of their onion supply directly from them. He talked about the challenges faced in ensuring good quality and export-standard produce, leading to the development of the Jain GAP (Good Agricultural Practices) program, which adapts global agricultural standards to local conditions. He emphasised the importance of farmer outreach and education, showcasing their High-Tech Institute demonstration farm to train farmers in sustainable practices.

Furthermore, he described the role of their “ground savers” task force in providing ongoing support and education to farmers, ensuring the safe use of pesticides and promoting environmental, health, and safety measures. He emphasised the importance of addressing the environmental impact of farming practices, including water and carbon footprint, to align with corporate goals of achieving net-zero emissions. Finally, he discussed the implementation of sustainable practices like good agricultural practices, micro-irrigation, fertigation systems, and digital technology to reduce the environmental impact of their value chain.

Dr. Arpita delved into India’s significant role as a leading producer and exporter of various food crops, particularly horticulture products, ranking among the top 10 in exports globally. Despite this, she pointed out the country’s heavy dependence on certain key export markets, primarily developed countries. While India enjoys a positive trade balance in agricultural exports, it struggles with limited value addition in its agricultural export basket.

She specifically highlighted challenges related to diversifying export markets and enhancing value addition. For instance, she noted that while India dominates certain markets like table grapes, it hasn’t fully tapped into its potential to export a diverse range of agricultural products. Additionally, she discussed the need to address issues such as sugar taxes imposed by importing countries on certain products, which requires compliance with specific ingredient standards.

She also shed light on the complexities within India’s regulatory framework, particularly regarding food safety and export standards. She pointed out the challenges arising from overlapping agencies and lack of coordination, citing examples of different boards and authorities responsible for regulating exports, which often lead to confusion and inefficiencies in the system.

In terms of solutions, she emphasised the necessity of institutional reforms to streamline regulatory processes and reduce the cost of doing business. She also highlighted the importance of incentivising sustainable business practices, suggesting that aligning incentives with sustainability goals could encourage companies to adopt more environmentally friendly practices.

Furthermore, she underscored the role of consumer awareness in driving the adoption of sustainability measures in the agriculture sector. She noted that global consumers are increasingly demanding ethically sourced and sustainably produced food products, and Indian consumers’ awareness and preferences could similarly influence industry practices.

Debranjana highlighted several uncertainties regarding sustainability incentives for Indian consumers, the government, the private sector, and farmers. While acknowledging some positive developments, there remains a lack of clarity on these incentives beyond mere compliance. He stressed the need for a shift towards sustainable practices, citing research indicating benefits such as improved brand image and additional capital. However, questions linger about the incentives for various stakeholders to embrace such practices.

He mentioned ongoing efforts, such as collaborating with CRB and IDH on a state-of-the-sector report on

responsible sourcing. The aim is to standardise reporting, scale up pilot initiatives, identify best practices, and address challenges at the national level. This collaborative approach involves multiple actors within the value chain and may require financial support, technological advancements, and government incentivisation.

Looking ahead, he proposed creating a CEO Circle and a global collaborative platform to facilitate knowledge sharing and scale-up efforts in sustainable sourcing among Indian companies. The emphasis is on learning from each other and incentivising system-level changes.

Sachin highlighted the significant policy changes occurring, particularly in India, where responsible organisations are setting their own benchmarks and sustainability plans. This contrasts with global markets where benchmarks are already established, contributing to the creation of an ecosystem. Initiatives such as BRSR and green credits are expected to support this ecosystem further. He emphasised collaboration and access to technology, with stakeholders working together to amplify the impact, especially in climate-smart agriculture. Public-private partnerships are deemed crucial for addressing climate change's impact on sustainability. Integrating technology, like the AgriStack, with land records can enhance advisory customisation and visibility across the supply chain, enabling faster adoption of technology.

Atin addressed the complexities involved in responsible sourcing, noting that while it is crucial for sustainability, it can be resource-intensive and time-consuming. He pointed out that responsible production may become unsustainable in the face of drastic price fluctuations, highlighting the need for risk mitigation measures, particularly from the government, to support responsible production practices. Furthermore, he discussed the financial challenges faced by farmers when transitioning from conventional to sustainable farming methods. He cited an example where a credit facility was provided to farmers to cover the initial capital costs associated with adopting better agricultural practices. However, he acknowledged that such initiatives only reach a fraction of the millions of farmers in India, indicating a broader systemic challenge. Finally, he raised concerns about the low level of exports compared to India's high banana production capacity. He emphasised the need for market mechanisms and incentives to improve export quality standards, enabling Indian farmers to tap into international markets more effectively.

During the open floor discussion the following was discussed:

Debranjana, talked about the early stage of Business Responsibility Reports (BRRs), noting the recent inclusion of sustainability criteria. He emphasised the government's signal towards long-term sustainability goals and anticipated future sector-specific compliance measures. While acknowledging the current lack of critical measurement tools, he believes that sector-level measurements will soon be incorporated into the core standards. He also highlighted the need for Indian companies to adapt to global compliance standards and create strong domestic standards to meet Western market requirements.

Arpita explained the challenge of fragmentation within sectors and sub-sectors, where products like almond butter have diverse uses. She argued that implementing sector-wise policies is impractical and advocated for minimum standardisation across sectors, citing global practices like blockchain implementation. She suggested that while sector-wise policy implementation may not happen universally in the next decade, certain relevant sectors with significant sustainability implications may be prioritised.

Sachin emphasised the importance of capacity building and education for suppliers in enhancing sustainability within the supply chain. He noted that increased awareness and stringent Indian standards contribute to progress in this area. He advocated for an ecosystem approach involving various stakeholders to further advance sustainability, not only in child-related issues but also in other aspects of the supply chain. He stressed that this is an ongoing journey that requires continuous effort and commitment.

Atin highlighted the importance of informing farmers about the negative impact of certain agricultural practices to encourage them to adopt more sustainable methods. He emphasised the need for awareness, guidance, and sometimes providing personal protective equipment (PPE) at the farm level. Additionally, he discussed collaborating with other stakeholders, to raise awareness and address social issues like child

labor at the village and block levels. He also talked about efforts to ensure the quality of their produce by investing in additional measures such as training farmers and providing support like PPE. Despite exporting a significant portion of their produce, they prioritize quality assurance by minimising pesticide residue and contamination. However, he emphasised the importance of providing incentives to farmers for engaging in these additional practices.

Key Takeaways:

Leveraging Opportunities to promote sustainable sourcing

- Zeroing down on a definition of responsible sourcing and at the same time ensuring that there is a more streamlined approach to address sustainability of a product, be it an export-oriented or national level product
- By-passing siloes when it comes to ensuring a product is product ready, for example, adhering to multi-departmental norms, which in turn will reduce the cost of doing business
- As value addition of agricultural products increases, this will simultaneously require more adherence to standards
- Consumers are increasingly demanding sustainability and industry is meeting these changing trends
- Ensuring smooth operationalization of responsible sourcing
- The significant role of technology in responsible sourcing which is being addressed for example via connecting suppliers and buyers, digitally; or capturing relevant data points that demonstrates the transparency and traceability of the supply chain
- Customization of global standards to meet the requirements of the local context
- Operationalizing responsible sourcing is linked to meeting company-level requirements such as on resource efficiency targets as well as addressing environmental concerns such as climate change

Factors that complement the approach of responsible sourcing

For many companies, the approach to operationalize responsible sourcing is guided by zeroing own on priorities; for some companies, this entails ensuring the farmer an integral part of the value chain and thereby ensuring sustainable livelihoods and inclusivity as well as connecting farmers with the markets

Way Forward

Going forward, the FOLU India CREST will publish a synthesis report integrating the findings from the insights shared on the responsible sourcing practices by agricultural commodity companies. This will be complemented by the insights by agricultural commodity companies who were approached using the tool or in other words, the questionnaire. The report will integrate inputs and suggestions from respective partners prior to finalization.

Collaborative Systems Change: Increasing Impact of Solutions for Sustainability & Inclusivity

8 November 2023 | 1430 – 1600 hrs IST



- Akash Bhalerao, Partner, Ashoka Globalizer



Akash Bhalerao, Partner, Ashoka Globalizer, initiated the session which was focused on building a systems change strategy and developing solutions and strategies for addressing social and environmental problems at scale.

He highlighted the importance of systemic change and illustrated this through the experiences of Dr. Pavitra Mohan and Dr. Sanjana Mohan, who operate basic healthcare services in Udaipur. They discovered that expanding their primary healthcare centers alone wouldn't sufficiently address the widespread issue of healthcare accessibility in rural and tribal areas of Rajasthan. Instead of solely focusing on growth, they delved into the root cause of the problem. They observed that the disconnect between healthcare providers and government support hindered effective communication and solutions. To bridge this gap, they initiated a coalition involving institutions like IIM Udaipur, UNICEF, and local organisations. This collaborative effort aimed to facilitate effective communication with the government, advocating for the needs of healthcare providers, and sharing insights gained from their work. Their strategic approach and collaboration bore fruit when a new government program integrated their learnings, impacting healthcare centers throughout Rajasthan. This example underscored the significance of working with multiple stakeholders and leveraging insights to catalyse exponential change rather than merely expanding organisational reach.

He continued to provide more examples of change makers to emphasise the theme of addressing systemic issues effectively. He talked about Shubhendu Sharma, who introduced the Miyawaki forest method from Japan to India, aiming to combat deforestation. However, Shubhendu realised that even expanding his organisation's efforts wouldn't sufficiently tackle India's deforestation challenge. Upon examining the root causes, he found a lack of awareness about native species and forest-building techniques among various organisations working on afforestation. As a solution, Shubhendu's company created an open-source YouTube playlist detailing their methodology, leading to the establishment of 3,000 forests by others globally and generating revenue through consultancy services.

Another example highlighted was Albert Mola's organisation in Bangladesh, focusing on employment

programs for people with disabilities. Despite increasing their impact annually, Albert recognised the systemic challenge of inconsistent data on the population of people with disabilities, hindering the activation of incentives for companies to hire them. To address this, Albert’s team collaborated with the Bangladesh Bureau of Statistics, the World Bank, and community organisations to improve census questionnaires, train data enumerators, and educate families on accurate reporting. This campaign aimed to enhance access to credible data, ultimately benefiting the entire population of people with disabilities in Bangladesh beyond their immediate initiatives. These examples underscored the importance of addressing systemic barriers to create meaningful and sustainable change.

The session then transitioned into a practical exercise where participants were asked to partner up, discuss a problem they both care about, and agree on a problem statement to workshop together. The speaker emphasised framing the problem statement correctly, avoiding stating solutions instead of problems. Participants were then guided to identify consequences of not addressing the problem and outline three to four root causes, categorising them into relevant systems such as education, family, or media. Participants were encouraged to pinpoint the most significant root cause within their chosen system. While acknowledging the potential multifaceted nature of problems, the exercise aimed to facilitate a more targeted analysis for further exploration. Following the root cause identification, participants were guided through a process of in-depth systemic analysis. Although a comprehensive approach involving data, expert opinions, and beneficiary input was highlighted, the workshop focused on encouraging participants to make initial informed decisions.

The workshop shifted to examining the conditions within the chosen system that contributed to or enabled the identified problem. Participants considered factors such as policies, practices, resource flows, relationships, power dynamics, and mental models. Through a guided process, participants explored conditions within the system, including formal and informal policies, prevalent practices, resource flows, relationships, power dynamics, and embedded mental models. Formulation of a systems change goal, emphasising the need for strategic intervention to bring about meaningful impact. This phase aimed to provide a holistic understanding of the systemic dynamics.

Akash, further introduced various approaches used by change makers and Ashoka fellows when addressing systemic problems. These approaches include:

Whale Strategy : In this approach, the emphasis is on working with prominent players or influencers within a system, such as large corporations or influential institutions. The idea is that when these “whales” adopt a change, others are likely to follow suit.

Example: Tata influencing others through their actions.

Many Fishes Approach: This strategy involves collaborating with numerous stakeholders, creating a coalition of diverse players to address a specific issue. The goal is to garner widespread support by involving as many entities as possible.

Example: Working with multiple universities to implement a change in the education sector.

Field or Market Building: Focusing on developing a new field or market for a particular innovation, especially when it is niche and not yet widely adopted. The strategy involves bringing together professionals in that field to learn from each other.

Example: The forestry example, where the formation of an association supports the emerging profession of authentic forest makers.

New Narrative: This strategy centers around changing societal mindsets and perceptions by crafting a new narrative. It involves influencing how people think about a particular topic.

Example: The shift in public perception towards cleanliness after the introduction of SW Bharat 2014.

As a next step in the systems thinking process, Akash highlighted the importance of outlining milestones and creating a meta strategy once an approach to addressing a goal has been identified. He suggested detailing the necessary changes step by step and choosing which approach to focus on. Collaboration with

other stakeholders was also highlighted as crucial.

He further discussed the importance of engaging people and consulting them to gather wisdom and insights. This can involve methods like surveys, one-on-one interviews, or focus groups. He highlighted different levels of engagement, from seeking input for designing solutions to advocating together with stakeholders at government offices. He acknowledged the time-consuming nature of deep engagement but emphasised its significance based on the strategy being pursued. He mentioned facilitating collaborative spaces for changemakers but noted challenges like diverse expectations and pressure for co-creation. Instead, he suggested that even occasional meetings or events can lead to valuable collaborations and ideas. He mentioned the focus on systems and design thinking, which involved understanding human-centered approaches and considering broader systemic impacts. He also mentioned working on leveraging platforms for social change and being in the prototyping stage of this process.

Two fellows were introduced, Liz Suarez, focusing on systemic change in the textiles industry to make it more sustainable environmentally and socially. After leading an organization for 13 years, she shifted to researching systemic perspectives to better understand power dynamics and effective problem-solving without reinventing solutions. She emphasised the importance of system change skills.

Anita Ahuja, the founder of Conserve India, shared her strong belief in the value of networks and collaboration for system change. She highlighted the complexity of working with various stakeholders like government, municipalities, funders, and investors, stressing the need for deep understanding and strategic navigation within this intricate web for creating effective change.

In conclusion, the workshop served as a platform for knowledge exchange and reflection on diverse strategies for systemic change. The journey toward impactful change involves a nuanced understanding of the system, thoughtful strategy development, and collaborative engagement with stakeholders.

The workshop successfully guided participants through a systematic process of identifying, analysing, and proposing solutions for systemic issues. By encouraging thoughtful consideration of root causes and conditions within systems, participants gained insights into potential avenues for effective change. The strategies discussed provide a foundation for further exploration and action in addressing complex societal challenges.

State Experiences and Innovative Approaches to Fast-track the Sustainable Development Goals (SDGs)

8 November 2023 | 1630 – 1800 hrs IST

CRB CENTRE for RESPONSIBLE BUSINESS
Enabling Change for Impact



- **Dr. Meera Mitra**, Member, CRB Governing Body
- **Moderator: Soumya Guha**, SDG Officer, UNDP
- **Dr. B. JanakiRam**, Senior Director, Plan Finance and Resources (PER) Division, Government of Karnataka
- **Dr. R. Sujatha**, Senior SDG Consultant, Government of Tamil Nadu
- **K Rama Devi**, President, Association of Lady Entrepreneurs of India (ALEAP)
- **Deb A Mukherjee**, Former President, BCC&I and Managing Director, Cenergist Energy Private Limited
- **Vicky Sins**, Decarbonisation and Energy Transformation Lead, World Benchmarking Alliance (WBA)



Rijit Sengupta, CEO, Centre for Responsible Business, expressed enthusiasm for engaging in discussions on the Sustainable Development Goals (SDGs) following inspiration from high-level summits and forums, including the Think 20 summit of the G20 and the UN’s High-Level Political Forum. Despite acknowledging challenges in achieving the goals, he emphasised the importance of collective action, highlighting the involvement of various stakeholders including government representatives, UNDP, and private sector actors.

Meera Mitra, Member, CRB Governing Body, focused the discussion towards the topic of state experiences and innovative approaches aimed at accelerating progress towards achieving the SDGs. She reflected on a previous plenary session where contrasting perspectives were presented regarding the role of global value chains versus unique country experiences in achieving SDGs. She emphasised the crucial role of government as a significant actor in driving sustainable development, noting the substantial budget allocated to social services and the government’s mandate for development.

She argued that despite challenges, governments have demonstrated agility in responding to emergencies like COVID-19, citing examples of rapid policy changes and initiatives to address various social and economic needs. She highlighted the importance of recognising the government’s role and capacity in driving sustainable development efforts, especially during times of crisis.

Additionally, she addressed the concept of competitive federalism and its implications for development

strategies, particularly in providing support to marginalised groups. She stressed the need for collaborative efforts between the government, corporate sector, NGOs, and other stakeholders to effectively advance sustainable development goals.

Soumya Guha, SDG Officer, UNDP, highlighted the operationalisation of SDGs in various countries, including India, where the planning ministry (Niti Aayog in India's case) was assigned as the nodal entity for SDGs. The idea was to align state-level progress with the national SDG framework, acknowledging the need for contextual adaptation by individual states based on their unique starting points and challenges.

He emphasised the concept of SDG localisation, where targets are adapted to fit the diverse realities of different states. Using the example of poverty reduction (target 1.2), the speaker explained how states start from varying points and must tailor their approaches accordingly. He stressed that while central government schemes are significant, it's the state governments that oversee the actual implementation, given their jurisdiction over many key areas. He mentioned various institutional mechanisms at the district and local levels, indicating the depth of implementation efforts.

Dr. B JanakiRam, Senior Director, Plan Finance and Resources (PER) Division, Government of Karnataka, outlined several key initiatives taken by the state government in pursuit of the SDGs. The government formed goal committees for each goal, chaired by senior officers, to delve into indicators and make recommendations. These suggestions were passed to departments for implementation, regularly reviewed in meetings at state and district levels. Budget allocations have been mapped to SDGs for the past few years. The government also focused on awareness, establishing centers and localised awareness programs. Capacity building was prioritised, appointing officers in each department responsible for updating SDG-related data. Partnerships with NGOs and SDG clubs were forged, and big data analytics, machine learning, and AI were employed in sectors like human development. A public committee was created for analysing indicators and developing data-driven applications to track progress, with continuous reviews of indicators in meetings as part of the government's SDG initiatives.

Smt. R. Sujatha, Senior SDG Consultant, Government of Tamil Nadu, outlined various innovative approaches and initiatives post-COVID to enhance sustainable development. The state committed to social justice, focusing on reducing inequalities by promoting inclusive housing and community facilities for transgender individuals. Initiatives like the SC/ST startup fund, Pudhumai Penn scholarship for girls' higher education, and the "Mean to Clean" campaign for reducing single-use plastics were also highlighted.

She addressed the learning loss among children during the pandemic through schemes like "Education at the Doorstep" and "Ennum Yezhuthum" for literacy and numeracy. The "Naan Mudhalvan" scheme focused on skill-building and holistic development for youth was also highlighted. Additionally, a community-based outreach program for non-communicable diseases and initiatives for road safety and ecosystem preservation were undertaken.

Tamil Nadu also targeted a trillion-dollar economy by encouraging electronic goods and EV manufacturing, prioritising women's workforce participation in various industries as a part of their sustainable development efforts.

She emphasised the necessity for a whole-of-government approach, stressing that departments often work independently, and a cohesive strategy is crucial. She highlighted the importance of creating a ripple effect by translating and building upon existing efforts. Additionally, she underscored the need for partnerships with businesses, social entrepreneurs, and individuals to drive sustainable development goals forward. She advocated for a collective societal effort, beyond conventional approaches, as imperative to achieving the SDGs.

Soumya delved into the importance of measurement within the SDG framework, highlighting the evolution of India's approach to tracking progress, from the National Indicator Framework to the SDG India Index. This index serves as a report card on SDGs, evaluating the performance of 36 states and union territories and fostering a spirit of competition among them.

He underscored the necessity of inter-departmental coordination to address the multifaceted challenges

outlined in the SDGs. He emphasised the need to break silos and focus on outcomes rather than just expenditure, particularly in state budgets. The shift towards outcome-based budgeting necessitates a closer examination of how allocated funds translate into tangible results, such as improved learning outcomes in education. Furthermore, he highlighted the thematic shifts in governmental focus driven by indicator-based analysis rather than goal-based approaches. This shift requires collaboration across multiple departments and encourages holistic action plans aligned with specific indicators. Overall, he emphasised the transformative potential of the SDG framework in reshaping governmental approaches, fostering inter-departmental collaboration, and driving meaningful outcomes in key areas of development.

Deb A Mukherjee, Former President, BCC&I and Managing Director, Cenergist Energy Private Limited outlined four key strands necessary for accelerating the implementation of SDGs. Firstly, he emphasised the importance of government spending as the first strand. Secondly, he highlighted the need for private sector participation as another critical component. Thirdly, he stressed the significance of institutional accountability to ensure effective implementation. Lastly, he underscored the role of civil society engagement, emphasising the importance of individual responsibility and grassroots efforts. He suggested that these four strands must work together in a balanced and coordinated manner to drive innovation and make SDG implementation attractive to various stakeholders, including industries and associations. He advocated for cooperation between the public and private sectors to achieve optimal results in SDG implementation.

R. Sujatha echoed the importance of collaboration, citing instances where public-private partnerships have effectively worked, such as involving private hospitals in addressing traffic accidents and community organisations in promoting plastic reduction. She underlined individual accountability, stating that everyone plays a role in achieving SDGs, emphasising collective responsibility beyond solely relying on government actions.

B. JanakiRam emphasised that SDG implementation isn't solely the government's responsibility; it's a collective duty for all stakeholders. Efforts are being made to educate politicians and stakeholders through capacity-building programs.

R. Sujatha highlighted challenges in departmental implementations, noting their tendency to focus on their comfort zones and available funds. She discussed the Planning and Development Department's role in facilitating convergence among various departments to address broader citizen needs. She cited examples like coordinating different departments for road safety and educational initiatives. She stressed the importance of monitoring and utilising measurable indicators to assess the effectiveness of programs, citing eco-friendly product adoption and enforcement actions against single-use plastics as examples. The Planning and Development Department regularly reviews these indicators.

Smt.K Rama Devi, President, Association of Lady Entrepreneurs of India (ALEAP) shared various sustainable development initiatives across states, emphasising the importance of continuous learning and sharing experiences. She highlighted initiatives from Telangana, such as inclusive growth programs, water supply initiatives, and afforestation efforts, as noteworthy examples of SDG implementation. Additionally, she discussed initiatives from Odisha, including supporting women's groups through public procurement, promoting SMEs, and transitioning self-help groups to SMEs for broader economic activity. She underscored the need for collective action through public-private partnerships to effectively address the SDGs and emphasised the importance of measurement, implementation, and accountability in achieving SDG targets. Finally, she invited others to visit their industrial park as a tangible example of SDG implementation. When talking about the top three policies or enablers from state or union governments that would aid in women's economic empowerment she emphasised the critical role of economic empowerment for women in driving various activities, enabling access to education, healthcare, and more.

Deb shared his multifaceted involvement, wearing three "hats": a business role, leadership in a chamber of commerce during the challenging COVID period, and a trustee in a Citizens Engagement Forum. He emphasised the importance of simplicity in decision-making, focusing on purpose and outcomes. He advocated for simplifying the SDGs into tangible actions that empower people and contribute to

sustainable development. He shared examples of bottom-up initiatives leading to policy changes and business improvements, such as the Citizens Action Network's engagement with the Maharashtra government on health and safety legislation for school children. He discussed the role of demand aggregation in driving down prices, highlighting the need for responsible government spending and ethical business practices. He further stressed the importance of institutional accountability, strong judicial systems, and creating a business environment where sustainability is profitable. He called for innovative mechanisms and strong accountability to drive sustainable development efforts forward.

Meera highlighted the overlooked aspect of leadership sustainability within discussions on fast-tracking sustainability. She emphasised that leadership plays a pivotal role at various levels within an organisation or institution, attributing setbacks to a lack of effective leadership. She shared an example of a small organisation catalysing change through innovative leadership, underscoring that while leadership skills can be discussed, they might not necessarily be trainable – suggesting it's an inherent quality in individuals.

Deb echoed this sentiment, noting that leadership exists beyond CEOs, emphasising the need for motivation and proper training at all levels.

Vicky Sins, Decarbonisation and Energy Transformation Lead, World Benchmarking Alliance (WBA), talked about the role of the private sector in advancing the SDGs and emphasised the importance of making sustainability consequential for companies' success. She highlighted the need for corporate accountability and the translation of global agendas into tangible actions for companies. She further emphasised the role of measurement, indicators, and standards in holding companies accountable for their contributions to SDGs. She acknowledged advancements made in economically driven SDGs but stressed the importance of addressing social development goals. She cited examples of regulatory actions and court cases holding companies accountable for neglecting human rights and citizens' health. She called for clearer expectations and leadership from Indian companies in accelerating sustainable development efforts, particularly in transitioning away from fossil fuels while considering social impacts. Finally, she emphasised the importance of strong articulation from the UN regarding the private sector's role in achieving SDGs.

During the open floor discussion:

Deb talked about the importance of citizens' experiences driving the need for change, particularly in matters of health and safety. He highlighted that policies should be informed by citizens' needs, analysed, and acted upon through a calibrated plan of action, starting with demonstrations and pilots leading to a tipping point and sustained transition. Ultimately, the goal is to establish new standard rules aligned with the main agenda.

Somya raised the trade-off between SDGs, noting the disparities in states' performance across different goals.

Vicky talked about the role of global companies in responsible production and consumption, emphasising the importance of addressing both supply and demand-side reductions in emissions. She highlighted the need for planning for future energy demands and transitioning to cleaner energy sources, citing examples from Southeast Asia. Additionally, she addressed concerns about companies claiming sustainability while engaging in practices that contribute to emissions, emphasising the importance of credible transition plans and holding companies accountable for their true emissions.

Key Takeaways:

- **Collective Action:** Enthusiasm for engaging in discussions on SDGs among various stakeholders, including government representatives, UNDP, and private sector actors, is evident.
- **State Experiences and Innovative Approaches:** Discussion focused on accelerating progress towards SDGs, highlighting contrasting perspectives on global value chains versus unique country experiences.
- **Government's Crucial Role:** Governments play a significant role in driving sustainable development, with substantial budget allocations to social services and a mandate for development, especially during crises like COVID-19.

- **SDG Operationalisation:** Various countries, including India, operationalise SDGs through nodal entities like Niti Aayog, with a focus on state-level adaptation and implementation based on unique challenges and starting points.
- **Inter-Departmental Coordination:** The importance of inter-departmental coordination, outcome-based budgeting, and thematic shifts in governmental focus driven by indicator-based analysis is emphasised.
- **Strands for SDG Implementation:** Accelerating SDG implementation requires government spending, private sector participation, institutional accountability, and civil society engagement working together in a balanced and coordinated manner.
- **Public-Private Partnerships:** Collaboration between public and private sectors, along with individual accountability, is crucial for achieving SDGs, citing examples of effective public-private partnerships.
- **Leadership Sustainability:** Effective leadership at various levels within organizations or institutions is crucial for fast-tracking sustainability, with an emphasis on motivation and training.
- **Private Sector Accountability:** The private sector's role in advancing SDGs is highlighted, emphasizing the importance of making sustainability consequential for companies' success and holding them accountable for their contributions to SDGs.

Key Recommendations:

- **Whole-of-Government Approach:** Governments should adopt a whole-of-government approach, ensuring coordination among departments, and prioritizing outcome-based budgeting aligned with SDG indicators.
- **State-Level Adaptation:** States should adapt SDG targets to fit their diverse realities, focusing on measurable indicators and facilitating convergence among various departments to address broader citizen needs.
- **Public-Private Partnerships:** Encourage collaboration between public and private sectors through effective public-private partnerships to drive SDG implementation forward.
- **Leadership Development:** Focus on leadership development at all levels within organizations or institutions to catalyze change and fast-track sustainability efforts.
- **Corporate Accountability:** Hold companies accountable for their contributions to SDGs through clear expectations, standards, and measurements, emphasizing the transition to cleaner energy sources and addressing social impacts.
- **Citizen-Centric Policies:** Policies should be informed by citizens' needs, analyzed, and acted upon through a calibrated plan of action, starting with demonstrations and pilots leading to sustained transitions aligned with the SDGs.

Closing Plenary

- **Smt. Prajakta L Verma**, Joint Secretary, Ministry of Textiles, Government of India
- **Urmi Goswami**, Assistant Editor, Economic Times
- **Dr. Bhaskar Chatterjee**, Former Secretary, Government of India, Chief Executive Officer, Anil Agarwal Foundation, Vedanta Resources Limited
- **Asitava Sen**, Independent Strategic Advisor to Agribusiness, Start-ups, Development sector and Think Tanks
- **Devyani Hari**, Director Centre for Responsible Business



Devyani Hari, Director Centre for Responsible Business, expressed appreciation for the overwhelming support and active engagement shown during the sessions. She highlighted the need to transition from conversation to action and emphasised the roles of the government, private sector, and India Inc. in promoting sustainability.

Asitava Sen, Independent Strategic Advisor, discussed the significance of the textile and apparel sector from an economic perspective, noting its potential for generating employment. He highlighted the success stories of China and Bangladesh in terms of export growth and mentioned India's potential as a global supply hub. The importance of sustainability and circularity in the textile industry was emphasised, with examples of initiatives and innovations in the cotton value chain, such as the Better Cotton Initiative and regenerative agriculture. However, there are concerns about the potential burden on Indian competitiveness and challenges related to a fragmented value chain.

Smt. Prajakta L Verma, Joint Secretary, Ministry of Textiles, Government of India, talked about the government's increasing recognition of sustainability and circularity in the textile sector, mentioning the establishment of a sustainability cell in the Ministry of Textiles. She observed that attention and support have catalysed numerous innovative initiatives in the sector. She emphasised the importance of acknowledging the diverse landscape of the industry and providing platforms for all stakeholders, including upcyclers and social entrepreneurs. Collaboration and standardisation were further identified as crucial for the sector's progress, with efforts focused on inclusive partnerships and structural interventions to harness the strength of SMEs and clusters. She highlighted ongoing stakeholder consultations and inter-ministerial collaborations aimed at developing standards for recycled materials and advancing sustainability initiatives. She stress the need for deep commitment and collaboration from all stakeholders to drive positive change in the sector.

Urmi Goswami, Assistant Editor, Economic Times, emphasised on the ongoing conversation about sustainability and acknowledged both successes and shortcomings. She emphasised the importance of open dialogue and sharing information to understand and improve practices. She noted India's reactive nature but highlights instances of proactive and successful initiatives, urging for more proactive

approaches. She discussed the need for a composite narrative that brings together disparate efforts and encourages open conversations across various sectors. She stressed the importance of innovation, learning from others' experiences, and breaking down silos to drive sustainable development. She concluded by emphasising the organic nature of sustainability and the necessity of involving more people in the process.

Asitava talked about the current state of social sector spending in India, highlighting that approximately 10% of the GDP is allocated to this sector, which is deemed insufficient to achieve the SDGs by 2030. He noted that 95% of development expenses are from the public sector. However, he also mentioned the significant growth of CSR spending in the last five years, amounting to about 30% of private spending on development. He emphasised that CSR is a crucial contributor to non-governmental development efforts in India and highlighted its unique mandate, as it is mandatory for the corporate sector in India but voluntary in most other countries. Despite the growth of CSR spending, there are challenges such as geographic restrictions and a focus primarily on certain sectors like healthcare and education, neglecting others like climate, inclusivity, and gender.

Dr. Bhaskar Chatterjee, Former Secretary, Government of India, Chief Executive Officer, Anil Agarwal Foundation, Vedanta Resources Limited, highlighted the enduring stability of CSR laws in India, particularly Section 135 of the Companies Act, which mandates CSR spending by eligible companies. He emphasised the alignment of CSR regulations with ESG principles, creating a synchronised framework for sustainable business practices. Furthermore, he underscored collaborative efforts between the government, civil society, and corporate sectors in implementing CSR and ESG initiatives, particularly in environmental conservation projects. He also talked about the increasing integration of CSR and ESG practices within corporate structures, leading to a more holistic approach to sustainability.

He highlighted the growing corporate expenditure on climate-related CSR projects and emphasised the importance of tracking corporate spending on environmental projects. Additionally, he announced the upcoming publication of global standards for CSR, marking a significant milestone in advancing sustainability practices globally. He mentioned ongoing efforts to develop ESG standards and emphasised the importance of standards development in driving sustainability initiatives across various sectors. Overall, he underscored the collaborative nature and significance of CSR and ESG initiatives in India, aligning with global standards and driving sustainable development across sectors.

Smt. Prajakta emphasised the importance of sustainability for businesses, focusing on concepts like zero waste and resource efficiency. She highlighted the challenges faced by MSMEs in transitioning to sustainable practices, particularly in terms of accessing the right information and support services. She stressed the need for capacity building and support services to facilitate this transition, emphasising that it involves not only financial risks but also the challenge of obtaining accurate information and guidance. She argued that quicker transitions to sustainable practices can enhance competitiveness, both in domestic and export markets, as consumer preferences shift towards mindful and eco-friendly consumption. She also referenced international examples of successful eco-industrial parks and emphasised the importance of collective action in accelerating the transition towards sustainability.

Dr. Bhaskar Chatterjee addressed the concepts of blended finance and the Social Stock Exchange, acknowledging their significance in the context of responsible business practices. Blended finance is described as leveraging existing funds to attract additional investment, emphasising the importance of reinvesting profits into projects. The Social Stock Exchange is highlighted as a platform for fostering partnerships and collaboration among various stakeholders interested in socially responsible projects. He underscored the importance of partnerships in achieving corporate social responsibility goals and suggests that the Social Stock Exchange aligns well with the envisioned CSR module.

Urmi reflected on the need for societal habits to align with responsible consumption practices, expressing concern over the dominance of SUVs in car sales as a sign of irresponsible consumer behavior. Criticism is directed towards governments, individuals, and civil society organisations for not fostering honest conversations about public transport alternatives. She emphasised the role of the media in driving proactive and responsible dialogue, urging for increased questioning and accountability in reporting. The importance of standards in scrutinising CSR efforts was highlighted, with the speaker advocating

for the media to challenge businesses and governments for transparency and accountability. The need for collaborative efforts and transparency to achieve sustainable practices is underscored, with a call for more robust media engagement in questioning and reporting to drive societal change.

During the open floor discussion:

Dr. Chatterjee discussed the development of the Business Responsibility and Sustainability Reporting (BRSR) as a universal standard for Indian companies, emphasising its Indianised nature while drawing from international best practices. He highlighted the importance of comparability among reports and the need for Indian tools tailored to local contexts to address issues like greenwashing in CSR reporting. Additionally, he mentioned the introduction of star ratings through certification bodies to provide an objective assessment of companies' CSR efforts, enhancing transparency and accountability in sustainability reporting.

Smt. Prajakta reflected on the evolution of Extended Producer Responsibility (EPR) in managing plastic and electronic waste, emphasising the need for a comprehensive understanding of waste streams. She highlighted ongoing efforts to conduct integrated studies to assess waste volume, composition, and value chain across India. Additionally, she stressed the importance of collaborating with municipalities and urban local bodies to address post-consumer waste and changing consumer behaviors effectively.

She mentioned engaging with organisations like the Himalayan Waste Warriors Society to understand emerging issues such as textile waste management at the local level. She further underscored the significance of understanding consumer behavior and working closely with local bodies to implement effective waste management strategies alongside EPR initiatives.

Key takeaways and recommendations from the discussions:

- **Transitioning from Conversation to Action:** There is a need to move beyond discussions and take concrete actions towards sustainability, with active engagement from the government, private sector, and India Inc. to drive positive change.
- **Significance of Textile and Apparel Sector:** The textile industry holds economic potential for generating employment and export growth. However, sustainability and circularity are crucial in this sector, requiring initiatives and innovations across the value chain.
- **Government's Recognition of Sustainability:** The government is increasingly recognizing the importance of sustainability and circularity in the textile sector, evident through the establishment of a sustainability cell and support for innovative initiatives.
- **Media's Role in Driving Sustainable Practices:** The media plays a vital role in fostering open dialogue, sharing information, and scrutinizing CSR efforts to ensure transparency and accountability in sustainability reporting.
- **Importance of Standards and Certifications:** Standards and certifications such as the Business Responsibility and Sustainability Reporting (BRSR) and star ratings through certification bodies enhance transparency and comparability among companies' CSR efforts, addressing issues like greenwashing.
- **Extended Producer Responsibility (EPR):** There is a need for a comprehensive understanding of waste streams and collaboration with municipalities and local bodies to effectively manage post-consumer waste, including initiatives like EPR for plastic and electronic waste.
- **Collaborative Efforts and Inclusive Partnerships:** Collaboration and standardization are crucial for the sector's progress, with efforts focused on inclusive partnerships and structural interventions to harness the strength of SMEs and clusters.
- **Need for Capacity Building and Support Services:** MSMEs face challenges in transitioning to sustainable practices, highlighting the need for capacity building and support services to facilitate this transition.
- **Role of Consumers in Driving Sustainable Practices:** Consumers play a significant role in driving

sustainable practices, and there is a need to align societal habits with responsible consumption practices through proactive approaches and awareness campaigns.

Key Messages - ISS 2023

Collaboration

Collaboration across sectors and stakeholders is crucial for addressing sustainability challenges effectively. Joint efforts can lead to innovative solutions, policy influence, and balanced decision-making, benefiting both businesses and society.

Engagement and Partnerships

Engagement with diverse stakeholders, including SMEs, government bodies, civil society organizations, and academia, is necessary for meaningful progress in sustainability efforts. Public-private partnerships can facilitate adaptation finance and drive SDG implementation.

Capacity Building

Capacity building and awareness generation initiatives are essential, particularly for SMEs, to embed sustainability principles consistently into business operations. Continuous learning and collaboration can overcome challenges related to water stewardship, climate risks, and supply chain transparency.

Sustainability Education

The importance of integrating sustainability into education and training at all levels and across various disciplines was highlighted. This includes embedding social and environmental responsibility into curricula, promoting sustainable practices from an early stage, implementing innovative teaching methods to address sustainability challenges, fostering continuous learning among educators and students, and instilling sustainability values from early education onwards. Overall, promoting responsible and sustainable living among individuals and preparing future professionals to address sustainability challenges in their personal and professional lives was highlighted.

Proactive vs Reactive Approaches

The importance of adopting proactive approaches to sustainability, setting targets and implementing measures related to Environmental, Social, and Governance (ESG) considerations was emphasised. Further, pre-emptive dialogue before implementing sustainability regulations is crucial to prepare SMEs for upcoming changes, with governments having a responsibility to support SMEs in transitioning smoothly. There was an emphasis on transitioning from discussions to concrete actions towards sustainability, with active engagement from various sectors to drive positive change. Overall, organisations are encouraged to take proactive steps toward sustainability without waiting for external incentives.

Role of SMEs

Small and medium-sized enterprises (SMEs) face challenges in climate and sustainability matters due to limited expertise and resources. However, their involvement in sustainability commitments, initiatives and decisions is crucial for driving sustainable practices and wider adoption.

Role of Private Sector

The private sector holds a significant responsibility in climate adaptation, facing various risks including physical, financial, and product-related aspects. Sustainability is evolving from a regulatory necessity to a potential economic driver for businesses. There is a call for meaningful engagement from companies to contribute to SDGs in underdeveloped regions, emphasising the interconnectedness of environmental and social goals.

Large businesses can inspire positive changes in smaller ones, and there is a need for increased private sector engagement in climate adaptation, holding companies accountable for their contributions to SDGs. Additionally, integrating SMEs into Net Zero strategies of large businesses is highlighted as important, along with providing support and incentives for sustainable practices.

Continuous Journey

Sustainability is an ongoing journey, requiring continuous efforts, engagement, and collaboration. Businesses need to move beyond discussions and take concrete actions toward sustainability, integrating it as a fundamental aspect of decision-making processes.

Role of Finance

Financing plays a pivotal role in achieving sustainability targets, especially in adaptation efforts. Public-private partnerships are crucial for facilitating private investment in sustainability, and adjusting return expectations can encourage private sector involvement. Additionally, private capital serves as an indicator of consumer preferences and demand for sustainability, emphasising the role of businesses, producers, and retailers in promoting sustainable living and consumption patterns.

Revisiting tax exemption policies is recommended to encourage philanthropy and CSR investments effectively, aligning with the broader goal of fostering social impact and corporate responsibility in India.

Local Context

The importance of tailored approaches to engagement, prioritising grassroots-level interventions, and advocating for local solutions to global problems were emphasised. Further, empowering local institutions and supporting grassroots innovators to ensure long-term sustainability was highlighted.

The need to ensure that sustainability efforts are inclusive and prioritise the needs of vulnerable and marginalized communities will be essential going forward. Further, customisation of global standards to meet the requirements of the local context was also highlighted as essential for promoting responsible business conduct and sustainable development.

Role of Women

Empowering women and promoting gender equality within sustainability systems is crucial. Initiatives should focus on creating safe work environments, providing education and financial support, and enhancing the visibility and representation of women in supply chains.

Supply chain Challenges

Challenges within supply chains, including prioritising short-term profits over worker welfare and addressing human rights issues, require transparent practices, ethical considerations, and investment in worker well-being to improve productivity and sustainability. Navigating complex challenges such as market risks, control issues, and visibility beyond the first-tier suppliers necessitates effective governance, capacity building, and collaboration at every level of the supply chain. While firms integrated into Global Value Chains (GVCs) show progress in sustainable activities due to brand and buyer requirements, there's a need to address a breakdown in dialogue within GVCs and align with local wisdom and requirements for a more balanced approach. Further emerging technologies like blockchain offer opportunities to enhance supply chain transparency and identify hidden risks.

Standards and Certification

Sustainability standards are evolving towards indicator-based reporting with a focus on transparency and impact measurement, but challenges such as "greenwashing," compliance with multiple standards, and aligning sector-specific requirements persist. There is a need to balance stringent standards with accessibility for smaller businesses, considering the cost implications of certifications on small and startup companies. Further advocating for inclusivity and customisation in sustainability standards and initiatives is crucial to address diverse regional and industry contexts, with a focus on reciprocal dialogue between the global North and South. Additionally, while guidelines provide a framework, certifications need to adapt to align with national guidelines. Simplifying standards and creating beginner-friendly approaches, along with pursuing credible certification schemes, could incentivise responsible practices.

EU- India

Collaboration between regions like EU and India is essential in addressing global sustainability challenges. Long-term engagement and studies informing future initiatives can enhance cooperation and mutual benefit

Role of Government and Policies

Policy interventions and government support play a pivotal role in advancing sustainability efforts across various sectors. Government initiatives such as certifications and awareness programs are recognised as crucial in supporting SMEs in adopting sustainable practices. Incentivising sustainability in SMEs through supportive regulatory environments and proactive policy frameworks was also highlighted.

Comprehensive policy frameworks that incorporate sustainability, social responsibility, and SDGs into action plans, ensuring a proactive approach to sustainability in business and management are needed. Furthermore, attention to legislative strategies for safeguarding vulnerable communities and updating existing laws to align with international standards is needed. Finally, staying updated with evolving legislations and advocating for strategic policy changes to promote sustainable practices will be essential.

Leadership

Leaders are key to driving sustainability efforts within organisations or institutions. Further leadership development is needed across all levels to catalyse change and promote sustainability. Additionally, leadership commitment and intentionality is essential in driving diversity, inclusion, and family-friendly policies, recognising the value of these practices for both employees and business profitability.

Purpose-Led Businesses

Businesses must adopt purpose-led approaches and rethink their business models to consider their impact on society and the environment. This involves incorporating principles of reduce, reuse, recycle, and rethink into their operations.

Additionally, there's a need for NPOs to quantify their work into measurable impact, leading to the development of simplified assessment tools and reporting frameworks within the Social Stock Exchange (SSE).

Further, NPOs should share impactful stories underscoring the importance of transparency, accountability, and collective action in achieving sustainable development goals. Furthermore, businesses are urged to align profit with societal good, emphasising the significance of private sector engagement in sustainability through CSR initiatives and supply chain engagement.

Inclusivity

The importance of fostering diversity and inclusion in the workplace, including gender diversity, support for people with disabilities, LGBTQI inclusion, and regional diversity is critical.

The need to promote an inclusive workplace culture that supports employees at different life stages and backgrounds is also essential. Inclusive practices such as flexible working arrangements, childcare support, and diverse representation are highlighted for their positive impact on employee satisfaction, retention, and productivity. Furthermore, inclusivity and equitable development are crucial for ensuring that no one is left behind, particularly in achieving the SDGs in the context of India's ambitious development goals.

Data

Data-driven approaches in addressing sustainability challenges are essential. Innovations like blockchain technology and satellite-based evaluations promote transparency and can improve net income. Further, employing data-driven approaches in decision-making, including fare, time, and motion studies, helps inform fair wage structures and working conditions.

Additionally, democratising sustainability-related data supports informed decision-making in developing countries, while initiatives to improve data availability, such as open-source data initiatives, guide

adaptation financing to where it's most needed.

Holistic Approach

A holistic and inclusive approach to addressing sustainability challenges and opportunities will be necessary going forward. This involves a paradigm shift in knowledge structure towards a more interconnected understanding of systems, valuing local knowledge and experiences.

Tailored sustainability strategies are needed for different income groups, integrating various aspects for comprehensive sustainability solutions. Further, issues such as forced labor, safety, pay, and freedom of association are interconnected and require holistic programming for impactful outcomes.

Role of Consumer

Consumer awareness and interest in sustainable products is growing, highlighting the need for proactive approaches and awareness campaigns to align societal habits with responsible consumption practices. Further consumer demand and willingness to pay for sustainable products are crucial for making sustainability initiatives commercially viable. Both consumers and producers have vital roles in promoting sustainability through responsible consumption and production practices.

Bridging the gap between the price and cost of products, educating consumers about sustainability, and building consumer trust through transparency and credible certifications are essential steps.

Innovation

There is a need to prioritise deep innovation that addresses fundamental challenges, shifting away from shallow innovation towards solutions that address strategic aspects of the value chain. Innovations should be scalable, high-performing, and accessible to a wider range of people, with a focus on understanding consumer needs and preferences.

Challenging conventional sustainability models and reevaluating current development paradigms are necessary for lasting change. Further, balancing financial viability with social responsibility is crucial, especially in providing products and services to those with limited purchasing power.

Technology can play a significant role in responsible sourcing, emphasising transparency and traceability in the supply chain. Further, promoting technology adoption through education and demonstration centers for SMEs, along with investing in research and development for new technologies, is essential for driving significant change in sustainability efforts.

Other Conference Features

Networking Village

The networking village, served as a platform for engaging various stakeholders participating in India and Sustainability Standards conference. Stalls from organisations including Cotton Connect, Vectra International, and Punarbhavaa - Sustainable Products were featured. The networking area aimed to facilitate networking opportunities and promote collaboration among different stakeholders and partners throughout the conference. Various activities, including a caricature artist, an interview stage, a 'thought board', and a tarot card reader, were set up at the networking village which added an element of fun to the networking space.

Special performances

Special performance by Manzil Mystics, a Delhi-based choir band known for their original compositions reflecting the ideas of Kabir in Indian classical and folk fusion form. The central theme of the event was the environment and sustainability, conveyed through the power of music and unity. The performance took place on the evening of November 6, 2023.

The music performance by Manzil Mystics mesmerised the audience, conveying the message of environmental sustainability and emphasising the strength of collective action in addressing common challenges. In collaboration with Manzil Mystics, a unique anthem was created exclusively for CRB and launched at the Conference.



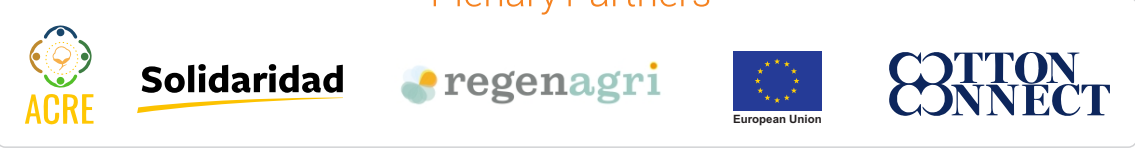
Special Performance by The Rythme School of Music, this performance was held on the evening of November 7, 2023 and featured performances by students from the Rythme School of Music, predominantly aged between 6 and 18 years old. The students performed a dance drama that depicted creative approaches through music and dance, addressing the nuances of transformations essential for a sustainable society, through a fusion of Kathak and Bharatnatyam aimed at highlighting the significance of preserving and managing Indian culture.

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