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HOW TO GUIDE

A Framework to Develop & Deliver EU - India Sustainable Business Partnerships

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2026

This How To Guide was prepared under the project EU-India Business Collaborative Initiative on Sustainable Development, Climate action and Inclusivity, implemented between 2024-26 by the Centre for Responsible Business (CRB)

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Foreword

Relations between the European Union (EU) and India have been evolving from the early economic cooperation of the 1960s given that India was among the first countries to establish diplomatic ties with the European Economic Community (EEC) in 1962. This relationship has reached a significant phase with the emergence of a comprehensive strategic partnership agenda in 2004, leading now to the Joint EU-India Comprehensive Strategic Agenda 2026, endorsed at the 16th EU-India Summit on January 27, 2026, in New Delhi, which aims to further deepen strategic cooperation across technology, security, trade, and sustainability. It includes the landmark EU-India Free Trade Agreement (FTA).

Specifically, the last few years have been marked with significant milestones in this decades' old partnership, including the role that businesses from both sides could play to complement Government to Government processes and agreements, now involving businesses on both sides. The role that businesses could play in supporting the bilateral agenda received a strategic push with the launch of the Federation of European Business in India (FEBI) in 2024 and the EU-India business summit attended by the Leaders on 27th January, 2026 in Delhi. The Delegation of the European Delegation to India played an instrumental role in this process.

2025 was a busy year and also saw the historic visit of the President of the European Commission, Ursula Von der Leyen, accompanied by 20 of the 27 College of Commissioners and Executive Vice Presidents in February 2025 – which paved the way for agreeing on the new bilateral comprehensive agenda towards 2030 and the highly anticipated EU-India Free Trade Agreement (FTA) announced in January 2026. This deal has been popularly acclaimed as the 'mother of all deals' in an increasingly uncertain and fractured world. the burgeoning footprint of EU origin businesses in India, the creation of FEBI, the landmark visits in 2025 and 2026, plus the eventual announcement of the FTA, signals the increasingly important role that EU and Indian business and related stakeholders can play in further cementing this partnership.

Sustainability and inclusivity have jointly featured as important issues in a chapter dedicated to Trade and Sustainable Development in the EU-India FTA text. This underlines the importance both partners accord to issues at the interface of trade and sustainable development, to achieve economic and social resilience.

The "India -EU Joint Comprehensive Strategic Agenda", focusses on five pillars that stand to guide and shape the EU-India partnership over the next five years – till 2030. Specific impetus and stress have been laid on furthering the imperative on sustainability driven collaborations between EU and Indian businesses under each of the pillars as it stands out remarkably in an era that will be shaped by goals of the 2015 Paris Accord alongside the joint agenda, urging economies to shift gears from a Business-ss-usual mindset.

At an average rate of over 10% a year, the EU is India's largest trading partner in goods, accounting for 12% of the country's total trade. The EU bloc is not just one of the leading trading partners in services but is also one of the main sources of FDI in India, representing 21% of total FDI to India. However, experts from both sides believe there is scope for achieving a much higher volume of trade beyond the current EUR 130-140 billion levels.

With great partnership, comes great responsibility. Every strategic consideration points toward the EU and India being natural partners with common interests. For this reason, the EU-India Trade and Technology Council (TTC) was established, serving as a catalyst for deepening the links between Indian technology and digital sectors (clean tech, green energy), research and innovation, market uptake and the building of resilient value chains. The responsibility that comes with a global partnership is to jointly address critical outcomes such as achieving goals of sustainability and climate action.

Businesses must be responsible in their conduct especially by the diversification and de-risking of supply chains. that has been unequivocally emphasised in the joint agenda, where India can amply position itself as a preferred partner. These can be achieved by maximising the success stories of EU businesses in India, of which there are notable examples of good practices of innovative collaborations, which clearly address and implement goals of sustainability exemplified by their seamless design, development and execution.

The EU Delegation to India and Bhutan has collaborated with the Centre for Responsible Business (CRB) to undertake research and actionable goals, toward identifying and determining pathways of such good practices of Collaborative Partnerships under the aegis of the 'EU-India Business Collaborative Initiative on Sustainable Development, Climate Action and Inclusivity,'. This initiative underlined the imperative of international partnerships by identifying collaborative pathways and foster good practices of 'EU-India collaboration' on the ground. Special attention has been given by the EUD and CRB to create possibilities of promoting EU partnerships in the North-Eastern region of India.

A significant outcome of this initiative has been to collate these findings of good practices in the form of a How To Guide for industry practitioners, size notwithstanding. EU and Indian businesses will need to refer to the five pillars (priorities) of the joint agenda, to design, develop and deliver possible partnerships on ground. The aim of the Guidebook is to assist businesses and related stakeholders to develop EU-Indian collaborative initiatives that are inclusive, regenerative and climate positive. The guidebook has developed along the lines of the objectives that came to define the core framework of the joint agenda that stresses on collaborative partnerships focussed on bolstering sustainability led initiatives. The examples were explored in the backdrop of evolving policy regulations on both sides and importantly in the context of de-risking supply chains.

It is hoped as the guidebook takes you through these elements, it will provide the necessary first steps towards bringing the collaborative ambition of the EU-India strategic and sustainable socio-economic partnership to fruition, by 2030 and beyond.

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Introduction

Beyond their commitment to boosting trade and economic partnership agenda, the European Union (EU) and India have demonstrated a shared interest in pursuing sustainable development and climate action. This strategic ambition, supported by political leaderships on both sides, finds formalexpression through bilateral mechanisms such as the EU-India Trade and Technology Council (EU India TTC)[1]. Notably, many of the 6,000+ EU businesses in India are already collaborating with local stakeholders in some of the "priority areas", related to sustainable development and climate action. According to industry insights, many more climate and sustainability related collaborative initiatives are expected to emerge in the near future. This momentum persists despite legislative changes in the EU, specifically the 'Omnibus package'[2] on the simplification of sustainability related due diligence and reporting, which is likely to impact the implementation of sustainable value chain initiatives by European businesses, brands, importers etc., in partner countries across the world, like India. Ultimately, EU businesses recognise the long-term value of sustainability, regardless of shifting government priorities or regulatory delays. A further thrust to the partnership has come from the landmark EU-India FTA, announced by leaders of both governments in January 2026 in New Delhi[3].

This 'How to Guide' has been developed taking into consideration findings from a project entitled, 'EU-India Business Collaborative Initiative on Sustainable Development, Climate action and Inclusivity', undertaken by the Centre for Responsible Business (CRB) and funded by the Delegation of the European Union to India and Bhutan, and implemented between 2024-2026. The aim of this guide is to help EU and Indian businesses (and/or related stakeholders) to design and execute collaborative initiatives taking into consideration the following elements:

1. Policy framework for collaborations between EU and Indian businesses
2. Evolving landscape of sustainable business/sustainable value chains
3. Prevailing pathways of collaboration
4. Recipe/process of effective collaboration on sustainable development

[1] https://www.europarl.europa.eu/RegData/etudes/ATAG/2024/757587/EPRS_ATA(2024)757587_EN.pdf
[2] https://finance.ec.europa.eu/news/omnibus-package-2025-04-01_en
[3] https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/india/eu-india-agreements_en

This 'How To Guide' consists of the following sections:

1	**IMPERATIVE FOR COLLABORATION**	Provides a deeper contextual analysis to support the rationale of collaboration between EU and Indian business stakeholders on SDG/sustainability and climate action
2	**PATHWAYS OF COLLABORATION**	Provides details of the various prevailing pathways of collaboration between EU and Indian business stakeholders
3	**DESIGN & DELIVERY**	Provides a step-wise guidance on both the design and delivery of the initiatives, based on existing experiences
4	**MONITORING & EVALUATION**	Provides a system to help collaborating partners ensure the objectives are achieved

1 Imperative for Collaboration

European Union and India: Two of the world's largest democracies, are committed to protecting and promoting human rights, a rules-based global order, effective multilateralism, sustainable development, and investment relations.

1.1 Policy Framework for Cooperation between EU and India

1.1.1 The EU-India Trade and Technology Council (TTC)

The EU-India TTC, launched in February 2023, is a coordination platform between the European Union and India to tackle strategic challenges with a particular focus on *digital governance and connectivity; green and clean technology; investment and global value chains.*

The TTC has 3 working groups:

Group 1) strategic technologies, digital governance and connectivity: with policy coordination to reduce risks in the supply chains across the sector, increasing interoperability and promoting solutions on high performance computing.

Group 2) green and clean energy technologies: this cooperation has been notably within the framework of the EU-India Clean Energy and Climate Partnership (CECP)

Group 3) resilient value chains, trade and investment: within this group, there are five work strands: Market Access Issues; Foreign Direct Investment screening; Global Trade Issues; Resilient Value Chains and the Carbon Border Adjustment Mechanism. Both sides have agreed to work plans across each of these aspects.

1.1.2 EU-India Strategic Partnership

Following the landmark visit of the President of the European Commission along with 20 of the EU College of Commissioners to India in February 2025, which underlined the foundation of a new chapter in EU-India relations. Subsequently, the highly anticipated EU-India Free Trade Agreement (FTA)'s political announcement was made at the EU-India summit on 27 January 2026 in New Delhi. At the same time in the presence of the Heads of both Governments a five-year roadmap, 'Towards 2030: India-EU Joint Comprehensive Strategic Agenda', was also adopted and endorsed. This strategic agenda focusses on five key aspects/pillars[4] with the aim of strengthening strategic cooperation. The five key aspects/pillars are as below:

1. **Prosperity & Sustainability**: This focuses on boosting trade and investment in the wake of a successfully concluded FTA that will further unlock opportunities for two billion people on both sides; ramping up of Team Europe Global Gateway investments; promoting and strengthening supply chains across the technology spectrum, agri food systems; cooperation on green transition and climate partnership.

2. **Technology & Innovation**: This will support critical and emerging technologies; cooperation on strategic AI domains; supporting technological development of advanced semiconductors; supporting the advancement of a conducive digital environment by promoting secure, fair and interoperable digital ecosystems; strengthening mutual experiences and engagements on building data protection frameworks and secure and trusted telecommunications systems.

3. **Security & Defence**: The aim is to strengthen bilateral co-operation and deepen engagement on regional security.

4. **Connectivity & Global Issues**: This stresses on regional connectivity in the context of strengthening the India Middle East Europe Economic Corridor (IMEC), the EU-India-Africa Digital Corridor, Green Shipping Corridors and shaping effective global governance.

5. **Enablers across Pillars**: These aim to develop and expand mutually beneficial skills and talent mobility by supporting skills development; support movement of workers through the first pilot European Legal Gateway office; giving impetus to the development of sustainable tourism as a two-way process of including shared experiences of good practices in the sector on both sides; promoting and creating avenues for collaborative fora by think tanks in concert with other stakeholders to strengthen structured opportunities for dialogues; establishing the promotion of an EU-India Business Forum providing business perspectives to policymakers on both sides and reinforce industry inputs across TTC groups to drive adoption of sustainability focused good practices

The objective of this Guidebook is to support businesses on both sides (and related stakeholders) in designing, developing and deploying collaborative partnerships (projects and initiatives) in light of the Joint Strategic Agenda which will guide and shape the outcome of the EU-India Partnership over the next five years.

[4] https://www.consilium.europa.eu/media/2c3jbm5f/eu-india-joint_statement_20260127.pdf#:~:text=16.%20The%20leaders%20adopted%20%E2%80%9CTowards%202030:%20India%E2%80%93EU,as%20skills%2C%20mobility%2C%20business%20and%20people%E2%80%91to%E2%80%91people%20ties.

1.1.3 EU-India Trade and Investment Relations

- The EU is India's largest trading partner, accounting for around 12% of India's total trade in 2024.
- India ranks as the EU's 9th largest trading partner.
- The EU is also a leading investor in India, with a total foreign direct investment stock of €140 billion by 2023
- There are around 6,000 EU companies in India that have created 3.7 million direct jobs.
- The European Investment Bank has invested close to €5.81 billion in India's infrastructure, energy, and climate projects.
- EU-India Joint Declarations have been adopted to bolster efforts on connectivity, water, and resource efficiency, employing a circular economy approach. These define the cross-cutting areas of interest under the four impact areas.
- The EU and India finalised negotiations on a Free Trade Agreement (FTA) in January 2026 and intend to complete negotiations on an Investment Protection Agreement and an Agreement on Geographical Indications (GIs), by the end of the year.
- Through cooperation with the EU, India aims to advance its economic and technological modernisation objectives.

1.2 Evolving Legislative Landscape: EU & India

1.2.1 European Union & the New Green Deal

- The European Union (EU) has some of the world's most progressive and complex corporate and investor sustainability laws and reporting requirements of any economic region.
- In 2019, the European Commission launched the European Green Deal, charting a course for Europe to become the world's first climate-neutral continent by 2050.
- The Green Deal sets out a plan to transform Europe's economy, energy, transport, and industries for a more sustainable future, anchored in EU legislation.
- It invests in innovation, clean technology, and green infrastructure while ensuring a just transition for the communities most affected.

- The European Parliament and the Council of the European Union adopted the EU Climate Law on 24 June 2021, which aims to cut emissions by at least 50% by 2030, rising towards 55%, while legally binding the 2050 neutrality goal. It pushes forward a clean transition that protects people and planet, is economically sound and socially fair.

These intend to deliver on the commitments under the 2015 Paris Agreement. In March 2026, the EU finalised an amended Climate Law establishing a binding, intermediate target to cut net greenhouse gas emissions by 90% by 2040 (compared to 1990 levels). This critical milestone aims to keep the EU on track for climate neutrality by 2050.

Goals of the European Green Deal

The Fit for 55 package is a set of laws in the areas of climate, energy and transport designed to deliver the EU's 2030 climate goals across the entire EU economy.

These pieces of legislation include:

Carbon Border Adjustment Mechanism(CBAM)[5]: This is the EU's carbon tariffon carbon-intensive imported products; CBAM imposes a carbon priceon imports into the EU based on their embedded carbon emissions; the fee levied is to account for the amount of GHG emissions associated with the production of the goods in its country of origin. CBAM will be fully operational in 2026.

Corporate Sustainability Due Diligence Directive (CSDDD)[6]: The CSDDD came into force in July 2024. Companies operating in the EU single market contribute to attaining the European Union's broader ambition to transition towards a sustainable and climate-neutral economy putting in place adequate governance and management systems and taking appropriate measures to identify and address adverse human rights and environmental impacts in their own operations, as well as in the operations of their subsidiaries and their global value chains.The implementation is expected to be staggered by the size of businesses between 2027 and 2029, as underlined in the Omnibus package introduced by the EU in February 2025[7].

Its reach extends globally, though it applies within the EU, covering large non-EU companies that meet certain thresholds. The legislation's broad application highlights the pressing need for businesses worldwide to integrate sustainability into their core strategies.

CSDDD's Last Resort Principle is Responsible Disengagement, wherein companies are encouraged to be active partners in improving sustainability, viewing disengagement as a failure of due diligence, not a solution, and requiring a thoughtful, impact-focused process when it comes about as a last report option.

[5] https://taxation-customs.ec.europa.eu/carbon-border-adjustment-mechanism_en
[6] https://commission.europa.eu/topics/business-and-industry/doing-business-eu/sustainability-due-diligence-responsible-business/corporate-sustainability-due-diligence_en
[7] https://finance.ec.europa.eu/publications/omnibus-i-package-commission-simplifies-rules-sustainability-and-eu-investments-delivering-over-eu6_en

Ecodesign for Sustainable Products Regulation (ESPR)[8]

The ESPR came into force on July 18, 2024 and is part of the European Commission's 2020 Circular Economy Action Plan.

This Regulation will support production and consumption patterns that are aligned with the Union's overall sustainability targets, including climate, environmental, energy, resource-use and biodiversity targets, while staying within planetary boundaries, by establishing a legislative framework which contributes to enabling products fit for a climate-neutral, resource-efficient and circular economy, reducing waste and ensuring that the performance of frontrunners in sustainability progressively becomes the norm.

According to this law, ecodesign requirements will focus on improving the following product aspects:

- Durability
- Reliability
- Reusability
- Upgradability
- Repairability
- Recyclability
- The possibility of maintenance and refurbishment
- The presence of substances of concern
- Energy use and energy efficiency
- Water use and water efficiency
- Resource use and resource efficiency
- Recycled content
- The possibility of remanufacturing
- The possibility of the recovery of materials
- Environmental impacts, including carbon footprint and environmental footprint
- Expected generation of waste

European Union Deforestation Regulation (EUDR)[9]

- The EUDR aims to reduce deforestation and forest degradation linked to the import and export of certain commodities in the EU. It is a central part of the EU Green Deal approach.

- It will also aid producers transition to sustainable production, target zero deforestation, mitigate the repercussions of deforestation and forest degradation, curb greenhouse gas emissions and reduce global biodiversity loss.

- While the regulation itself came into force in June 2023, its effective date has been delayed, wherein large/medium companies are expected to comply by December 2026 and SMEs by June 2027.

- It applies to - cocoa, coffee,soy, palm oil, wood, rubber,and cattle.

- The regulation will require companies to:
    - Establish due diligence systems to trace the origins of their products
    - Collect geolocation data and conduct risk assessments
    - Submit regular reports detailing their due diligenceefforts
    - Prove that their products are deforestation-free

[8] https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=OJ:L_202401781#cpt_II
[9] https://environment.ec.europa.eu/topics/forests/deforestation/regulation-deforestation-free-products_en

1.2.2 The evolution of the Indian legislations (NGRBC & BRSR)

Over the last decade, India has adopted several policy actions to strengthen transparency and accountability of businesses toward societal and environmental impacts.

- National Voluntary Guidelines (NVGs) on Social, Environmental and Economic responsibilities of business, were introduced in 2011, which set a precedent by providing a government framework on business responsibility.
- In 2019, the NVGs graduated to National Guidelines on Responsible Business Conduct (NGRBC).
- The NGRBC is aligned with international frameworks such as the UN Sustainable Development Goals (SDGs), United Nations Guiding Principles on Business and Human Rights (UNGPs) and OECD Guidelines for Multinational Enterprises (OECD MNE Guidelines).

National Guidelines on Responsible Business Conduct (NGRBC)

NGRBC is a framework comprising of a set of ***9 principles and 53 core elements*** for Indian companies to drive and demonstrate ***responsible business conduct***. This framework has played a vital role in promoting wider understanding about responsible business across stakeholders and the indispensability of social, economic and environmental principles that underpin responsible business.

Business Responsibility Report (BRR) to Business Responsibility and Sustainability Reporting (BRSR)

In 2012, India's securities market regulator, the Securities Exchange Board of India (SEBI), adopted the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs framework), and introduced a mandatory reporting framework, the Annual Business Responsibility Report (ABRR) for the top 100 listed companies. Subsequently, reporting requirements expanded from top 100 to top 1000 listed companies, using the Business Responsibility and Sustainability Reporting framework (BRSR), based on the NGRBC.

In 2023 SEBI introduced the BRSR Core – a framework for limited assurance of BRSR report of top listed companies staggered year-wise as below:
2023-24: Top 150 listed companies
2024-25: Top 250 listed companies
2025-26: Top 500 listed companies
2026-27: Top 1000 listed companies

The BRSR framework requires companies to disclose their ESG (Environmental, Social, and Governance) initiatives and impacts, and to demonstrate ***their contribution to the Sustainable Development Goals (SDGs)*** and ***the Paris Agreement on climate change.*** While it is mandatory for top 1,000 businesses by market cap, the government encourages all businesses to embrace the framework – and has also developed a ***BRSR light version for SMEs.***

2 Pathways of Collaboration

While evaluating the different existing modes/models of collaborations or partnerships on sustainable development and climate action, research undertaken by CRB identified the following five types of collaborations in practice:

2.1 CSR Partnerships (CSRP): The most common form of partnership which has seen a steady growth by EU businesses of total CSR investment over a period of time, though geographic equity needs attention in partnership design and consistent stakeholder alignment will result in a sustained impact.

2.2 Technology Driven Sustainability Partnerships (TDSP): These are Innovation-Centered Collaborative Solutions of which there are established partnership models between large businesses, in addition to active engagement by a growing EU investment ecosystem in Indian sustainability start-ups. EU businesses are also strategically investing in India's digital innovation.

2.3 Supply Chain Sustainability Partnerships (SCSP): This is a buyer-manufacturer/producer partnership in which EU and Indian sustainability legislation can drive effective collaborations. These will be guided by EU legislation such as EUDR and CSDDD alongwith NGRBC and BRSR, which will help Indian industry partners prepare and cope.

2.4 Financing-based Sustainability Partnerships (FSP): These create Investment-Led Sustainable Development opportunities. EU Financial Institutions demonstrate significant commitment capacity to mobilise substantial capital for sustainability in addition to creating replicable models for expanding impact across all domains.

2.5 Public-Private Sustainability Partnerships (PPSP): Such partnerships leverage government scale with private sector innovation to address critical sustainability challenges at the national level. This pathway can be channelled towards ambitious sectors/topics such as – urbanisation, renewables, mobility, plastics, climate-water nexus, biodiversity etc.

2.1 CSR Partnerships

- CSRP are the most common of collaborations. CSR, streamlined & governed by the Companies Act 2013, mandated businesses of a certain size to be compliant with section 135, schedule VII of the said Act, by setting aside 2% of profits toward CSR goals.

- Investment through this mode of collaboration was **low in biodiversity/gender/water** compared to other developmental areas such as preservation of culture, education, health, rural development etc.

- CSR investments were restricted to certain states in India – such as aspirational regions (e.g. East & North East) received very little CSR attention.

AN EXAMPLE OF COLLABORATION

An EU Financial Institution and NGO partner to provide clean drinking water to over 10,000 rural families in the Raigad district of Maharashtra.

Greater access to drinkable water alone has improved the standard of living of over 1,000 families in the district and more judicious use of the resource has brought over 1,200 acres of additional farmland under irrigation, allowing for greater crop rotation.

This illustration describes the successful adoption, planning and implementation of a CSR collaboration, the impact of which has had multiple benefits across the community served.

The responsibility of ensuring such CSR collaborations continue uninterrupted, lies with all stakeholders equally, thereby contributing toward the overall objective of creating equity for all and leaving no one behind.

2.2 Technology Driven Sustainability Partnerships

- India is widely considered an important global technology hub, particularly recognised for its strong presence in IT and IT-enabled services, with cities like Bangalore acting as the primary centre for technology companies and startups, often referred to as the "Silicon Valley of India."
- The country has a thriving startup ecosystem with numerous emerging technology companies, focussed in Bangalore but also in other cities such as Kolkata, Pune and Hyderabad.
- The country boasts of a large pool of skilled technology professionals, making it attractive for global companies to set up development centres.
- However, while digitalisation and innovation are buzz words and part of the tech-enabled world, the impact of this must be at scale and inclusivity must be widely and strongly embedded for it to reach a majority.
- There are checks and balances that need to be deployed for it to be seamlessly available and accessible.

AN EXAMPLE OF COLLABORATION

E-mobility in India has seen the evolution and emergence of several EV startups as well as a thrust by established businesses, both Indian and EU.

Giving a boost to such initiatives are EU businesses that have collaborated with Indian startups in their effort to make infrastructure available such as charging stations to support the burgeoning EV market.

Some examples include: a German engineering conglomerate with an Indian partner will make charging stations available for EV vehicles.

Charging station technology is witnessing several collaborative partnerships, including between a Greek company and an Indian start-up that will be manufacturing these charging stations using Greek technology.

Such collaborations, making EV infrastructure accessible, is giving an impetus to EV vehicles, thereby creating a visible shift from ICE vehicles to EV.

Technology collaborations have been making enormous progress, given the thrust on sustainable solutions that will accelerate the adoption and transition to meet carbon neutrality goals.

2.3 Supply Chain Sustainability Partnerships

- SCSP are between buyers and manufacturers/sellers/producers.
- These collaborations are usually more structured, evolved and entail the application of voluntary standards, certification and audit processes. These factors make it harder to access details related to the manner of collaborations, as such information is deemed classified.
- On the other hand, suppliers/manufacturers/producers are rarely involved in the design of these collaborations, yet have to bear the burden of the implementation of the same.
- This is true of SME/MSMEs in the supply/value chain, which clearly illustrates this particular lack of involvement.

The application of a defined systemic approach is often limited to the Tier 1 periphery of the value chain. Attempts to extend beyond Tier 1 collaborations are hindered on account of undefined structures which result in weaker impacts.

AN EXAMPLE OF COLLABORATION

- *The European Union and the Government of India have collaborated in various fora to strengthen the global solar energy supply chain. These have highlighted the need for a secure and diversified supply chain, and the role of open, competitive markets.*
- *The EU-India Clean Energy and Climate Partnership (CECP) guides the energy and climate policy dialogue between the EU and India and helps to support joint projects and research. It was established in 2016 and promotes access to and dissemination of clean energy and climate-friendly technologies, and encourages research and the development of innovative solutions. Based on the work programme agreed in the Energy Panel on 21 November 2024, the third phase of the CECP for 2026-2028 includes activities in renewable hydrogen, offshore wind, regional connectivity, energy efficiency, and energy diplomacy.*
- *Within their partnership, the EU aims to further strengthen its cooperation with India in the field of renewable energy, while supporting India's clean energy transition and ambitious climate mitigation targets.*

This highlights the aim to bring entire supply chains closer as sustainability imperatives become increasingly important, especially in light of legislation in the EU as well as in India.

2.4 Financing-based Sustainability Partnerships

- Financing partnerships are mainly inclined toward climate financing with some collaborations across gender and very little information on water and biodiversity.

- There are growing instances of collaborations between EU financial institutions and government agencies deploying models in climate finance which could be equally extended to the other three impact areas. (viz. biodiversity, water and gender)

AN EXAMPLE OF COLLABORATION

EU Financial Institutions have undertaken initiatives that encourage women to participate in the financial sector by empowering young women through initiatives such as women's academies.

In an example of a collaboration between ***an EU Financial Institution and an Indian engineering conglomerate****, the Financial Institution loaned INR 200 crores towards what was the country's first Sustainability Linked Rupee Loan specifically to help women-led entrepreneurial initiatives.*

While the impact of climate change affects everything, this is a substantial instance of EU-Indian commitment & collaboration invested toward addressing the importance of gender and sustainability

2.5 Public-Private Sustainability Partnerships

- Public Private Partnerships are typically backed by governments, allowing for the impact of these collaborations to scale up.
- Conversely, these partnerships may have an impact on communities and the environment. By avoiding displacing communities without adequate rehabilitation, these Partnerships should also avoid creating inflated job economies that may fail to meet expectations.

AN EXAMPLE OF COLLABORATION

The aim of zero methane emissions is a collective global objective and taking this objective forward in India, an MoU has been signed between ***a state-run oil and gas corporation and a leading French engineering company,*** *in what will be their joint effort in carrying out methane detection and measurement campaigns using an* ***airborne ultralight spectrometer technology*** *which analyses gas, using sensors mounted on a drone.*

This dual sensor technology is capable of detecting methane and carbon dioxide emissions as well as their source, at the same time.

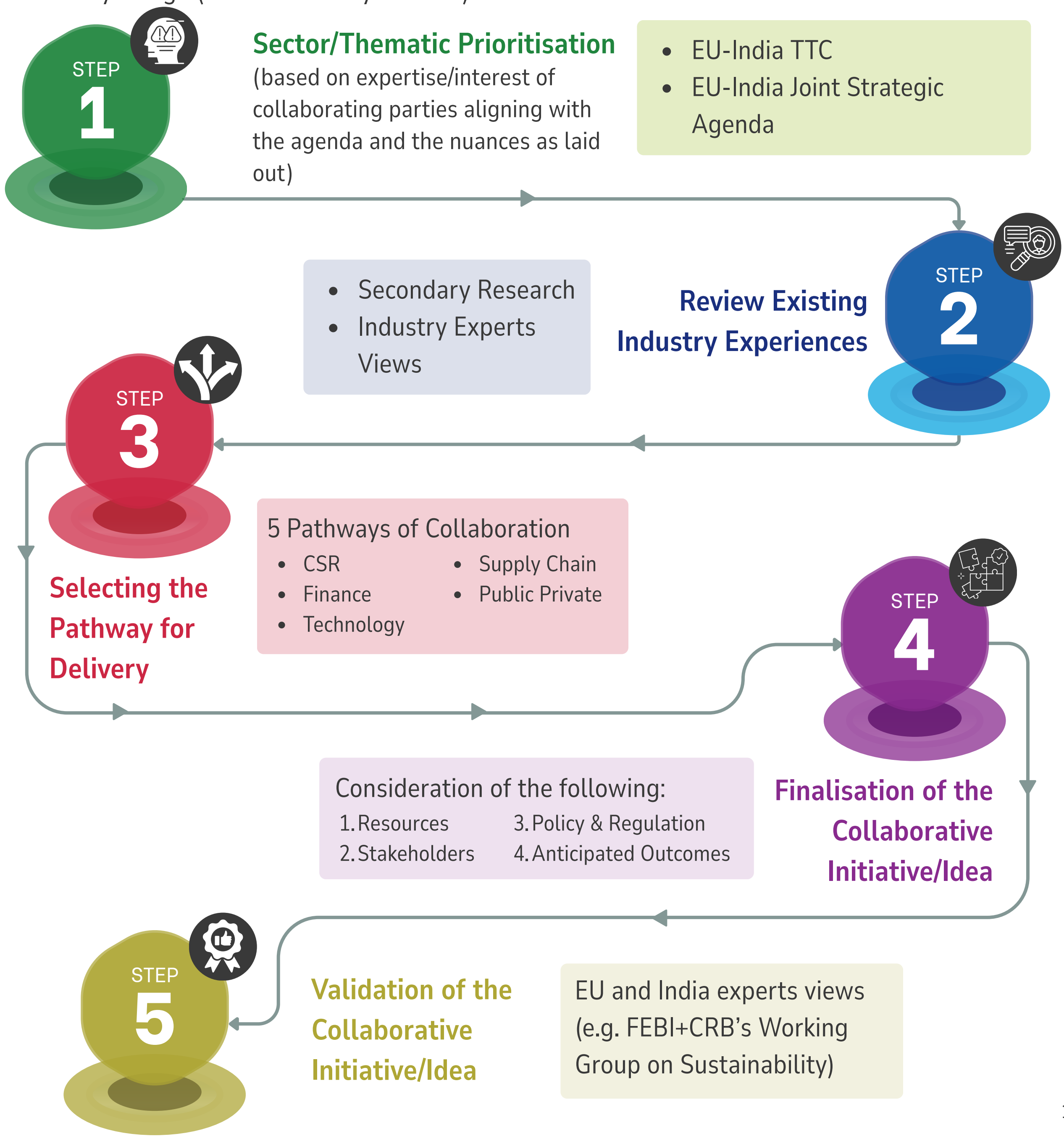
This outlines a successful collaborative partnership between the State and private business that can result in advancing the country's sustainability goals.

It allows the scalability of these initiatives across the country, grappling with rampant air pollution, alongwith rising cost of electricity as well as erratic supply.

Design & Delivery

3.1 Design

Based on existing experiences and insights from experts it is evident that there is considerable interest among EU businesses and related stakeholders to collaborate with Indian partners. The recent announcement of the EU-India FTA in January 2026 and the accompanying Joint Comprehensive Strategic Agenda will define and guide the collaborative process between EU-Indian businesses by way of five key pillars/aspects. These pillars encompass the future of a new era of EU-India collaborations with a clear emphasis on achieving climate action goals driving sustainability. This section aims to provide a set of guiding steps to assist EU and/or Indian businesses to proactively design (and effortlessly execute) such collaborative initiatives.



3.2 Delivery

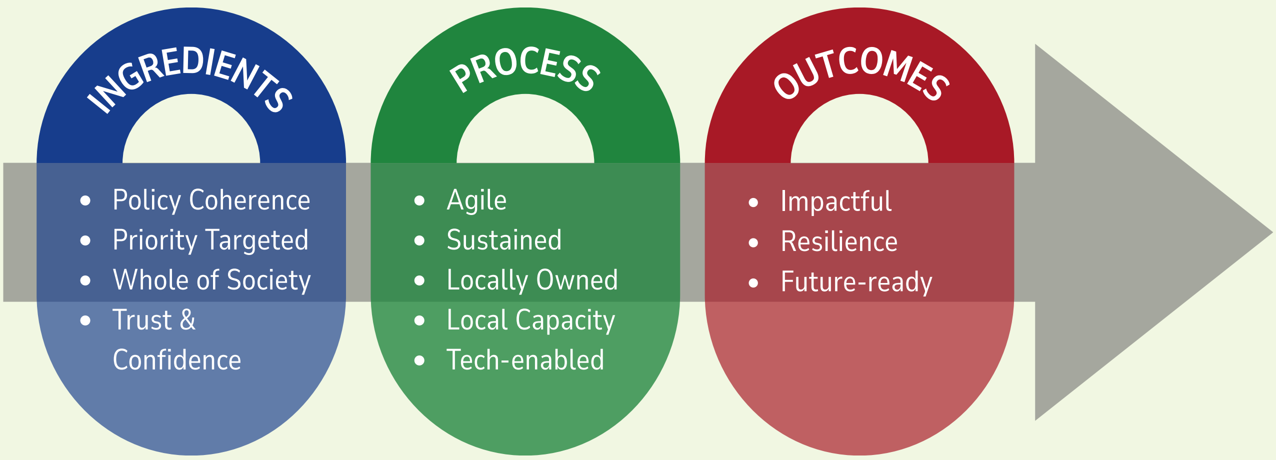
Framework of Effective Collaboration

- This framework of effective collaboration, designed and developed by CRB and the Delegation of the European Union to India, considers key **ingredients** required and the **processes** to be followed to achieve positive **outcomes** of collaborative initiatives on sustainable development and climate action.

- Understanding of these three components of the framework would enable proactive application of this 'How to Guide' by EU and Indian business stakeholders to achieve impactful collaborative sustainability initiatives.

- These components of the framework have benefitted from extensive stakeholder and expert consultations.

FRAMEWORK FOR EFFECTIVE COLLABORATION ON SUSTAINABILITY/SDGS/SUSTAINABLE VALUE CHAINS (**INGREDIENTS**; **PROCESS** AND **OUTCOMES**)
CRB & EUD (2023)



An effective framework for collaboration requires a careful blend of key ingredients that are essential to initiating a well defined process that develops into a structured mechanism to design relevant and meaningful outcomes.

These critical components ensure the underlying goals of environment, social and economy, specifically in the context of sustainable value chains to define sustainability, which are then met across an entire product lifecycle.

Early on, CRB and EUD intended the above as an in-house 'theory of change' to emphasise a clear thinking that would go onto align with the overall EU-India Strategic Partnership that has been evolving rapidly over the last couple of years.

3.2.1 Ingredients

Policy Coherence & Support

- **CSR & PPSP rely on Government Support and Policy backing**

Policy coherence & support are crucial to ensure it moves from theory to practice which involves several factors, primary of which is concerted government action, the lack of which can lead to wasted resources & unintended consequences in policy areas.

Whole of Society Approach

- **Critical in Tech-driven Partnership to ensure Equity**
- **Some CSR partnerships reached remote/vulnerable communities**

This is a collaborative strategy to bring together relevant actors to address complex challenges related to sustainability and climate action, in an attempt to break silos to build better understanding and collective resilient solutions.

Priorities Targeted

- **Contemporary issues of national interest (Clean Tech, Decarbonisation, Sustainable Mobility, Women Economic Empowerment, etc.) being prioritised**

To identify and focus on themost critical goals to achieve the overall objectives to ensure resource utilisation and progress form the bedrock of defining as well as driving results.

Trust & Confidence

- **Collaboration thrives on trust and a commitment to fairness and mutual respect. Long-term partnerships are essential for fostering an environment where all parties benefit from shared efforts**

As cited above, trust and confidence are critical towards driving cooperation and achieving long term sustainability goals

Hypothetical Example of the 'Ingredients' step:

- An EU technology company collaborates with a state led incubator supporting women led start-ups offering mentorship and entrepreneurship.
- Such an initiative applicable to policy coherence will ensure these collaborations sustain over time, such as, gender-based disparities that disadvantage women, creating a gap in their development and by extension affecting society as a whole.
- Women are often underrepresented in decision-making roles, and they may face economic vulnerabilities that make them more susceptible to the effects of climate change and other environmental factors.
- Such EU business collaborations with Indian partners toward creating inclusive environments, while envisaging innovations to drive clean technological breakthroughs that address GHG emissions, decarbonisation and the collective impact on climate, will be crucial to the outcome.

3.2.2 Process

- **In case of Supply Chain Partnership – management of multiple partners require agility and flexibility in decision-making**

Agility & Flexibility

This is defined as the ability of both to adapt to change, both predictable (in the case of flexibility) and unpredictable (in the case of agility).

- **Enabling conditions allowed PPSP and FBSP to be designed and implemented over a long-term time horizon**

Sustained

This examines a continuous and structured approach to achieve goals, designed with mechanisms that ensure consistent evaluation over a sustained period of time, building systems that are future resilient & adaptable.

- **Public Goods, Public Benefits in PPSP**
- **Local ownership and investment in assets & R&D in SCSP**

Locally Owned

Benefits transcend to a participatory approach to development, in that the local community knowledge drives its effort to build its well being in a manner that is self-sustaining in the long term.

- **Tech and Digital advancement encouraging business to embrace audacious and ambitious sustainability outcomes**
- **Considerable scope and local capacities in India**

Tech - Enabled

Technology is and will be a critical enabler as a strategic core towards achieving goals of sustainability and climate action. Technological integration enables optimum use of resources, better transparency & sustainable processes.

Hypothetical Example of the 'Ingredients' step:

- This process could function in the form of collaborative partnerships involving multiple actors such as businesses and other stakeholders brought together by a facilitating organisation to achieve a specific sustainability problem/challenge.
- This could be addressed by involving experienced and established supply chain/logistic partners that have incorporated innovative sustainability driven solutions for their partners and clients across the country.
- As an example: An **EU logistic and freight forwarding company** is addressing decarbonisation challenges its industry faces.
- This includes supporting the decarbonisation efforts of customers, integrating sustainability across their physical infrastructures, adopting responsible waste management solutions as well as initiatives to mitigate the impact on biodiversity.

Facilitating the Process

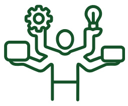
- Their decarbonisation solutions and services such as CO2 reporting, strategic supply chain optimisation, sustainable warehousing and sustainable fuels and carbon offsetting, provide customers across the industry an opportunity to integrate greater sustainability into their operations.
- This complements the company's commitment to reduce the environmental impact by introducing a circular approach to waste and resource management.
- The company's commitment is to work with customers and partners to collaborate and utilise the most suitable initiative to drive sustainability focused goals towards decarbonisation.
- Such innovative practices are crucial in a supply chain partnership as it is crucial for every function to be sustainably oriented including the last mile connectivity.

3.2.3 Outcomes

- Application of VSS/Certification/ CoC help measure quantifiable outputs

Measurable

It must be able to quantify environmental, social and economic impacts, as well as progress using specific indicators and data to track performance, be accountable to stakeholders and ensure sustainability initiatives are effective.



- Interest and increasing investment in sustainable infrastructure in India
- Some areas need attention (included in PPSP) to build local resilience e.g., Biodiversity; Disaster Mitigation & Response

Resilient

Resilience has been defined as the ability of a system to absorb impacts, recover and adapt by safeguarding core functions, enabling long-term viability despite threats of climate change or economic shifts by moving beyond mere resilience by integrating proactive change for a better state.

- SCSP and Tech partnership contributing to improving capacity to be future-ready
- TDSP helping improve technology awareness and technology transfer (to ultimate beneficiaries)

Future-ready

These systems are built to be adaptive, resilient as well as being innovative frameworks designed for present needs with a view to addressing requirements of the future.

- Outcomes of sustainable performance can be measured by tracking factors like resource consumption, energy usage, and greenhouse gas emissions. Performance can also be monitored in relation to the economy, society and environment.
- The impact of an initiative can be gauged by closely monitoring the performance, though metrics vary by use case and are still evolving.
- These metrics could include indicators such as ecological ones that communicate information, for instance about ecosystems and the impact that human activity has had on them, to groups such as to the public or governments or policymakers.
- Measurement metrics also include benchmarks and audits, such as sustainability standards and certifications which are in essence voluntary guidelines used by producers, manufacturers, traders, retailers and service providers to demonstrate their commitment to sustainable means of doing business to be resilient and future ready.
- There are different certification bodies and agencies that specialise in assisting with the measurement of quantifiable outputs.
- These metrics also include indices and sustainable accounting practices, which primarily focus on the disclosure of non-financial information about a business's performance.
- This is important for the longevity of sustainability driven business goals as the benefits are intended for ultimate beneficiaries over a sustained period of time.
- Impacts are oftentimes not experienced immediately as these require time and effort to reach a certain level of maturity, which can be achieved by being consistent.

4 Monitoring & Evaluation

- Ensure collaborative partnerships are moving forward and achieving sustainable outcomes
- Course correction as required and necessary
- Regular monitoring of partnerships to offer handholding
- Assistance to navigate and understand the requirements of a reliable and trustworthy partnership
- Define ways to scale sustainability driven collaborations through various measures
- Use an established M&E system for example LOGFRAME; Theory of Change, etc.

A typical Monitoring & Evaluation Framework for project management comprises the following steps:

1. Conducting a readiness assessment
2. Agreeing on outcomes of M&E
3. Developing key indicators to monitor outcomes
4. Gathering baseline data
5. Setting realistic targets
6. Monitoring for results
7. Analysing and documenting findings
8. Applying the findings to make improvements (as required)

About the Project

The ‘EU India Business Collaborative Initiative on Sustainable Development, Climate Action and Inclusivity’, was implemented between 2024-2026 with the aim to facilitate effective collaboration on sustainability and the Sustainable Development Goals (SDGs) between EU businesses operating in India and their Indian value chain stakeholders.

The primaryobjectives of this project were to:

- Reinforce EU-Indiabusiness cooperation on sustainable modernization, clean energy, climate action, trade, and investment, aligned with mutually agreed priorities.
- Embrace digitalisation, circular economy, and innovation in these collaborative efforts.

Research was undertaken to achieve the above, by delving deep to find the extent of investment by EU businesses in SDG/sustainability goals in India, including the geographical extent of these investments, by adopting different models of collaborations with Indian stakeholders. The focus of the research and the stakeholder consultation was on four impact areas: water, climate, biodiversity and gender.

Project details here: https://c4rb.org/eu-india-business-collaborative-initiative-on-sustainable-development-climate-action-and-inclusivity/

About Delegation of the European Union to India and Bhutan

The Delegation was established in 1983. The EU and India are constantly working to deepen and broaden political ties.

Their longstanding relationship goes back to the early 1960s.

The Joint Political Statement of 1993 and the 1994 Co-operation Agreement opened a broad political dialogue between both sides.

This dialogue has evolved through annual Summits, regular ministerial and senior-official meetings as well as expert gatherings.

In 2004 India became one of the EU's strategic partners.

The Delegation's work is guided by the Towards 2030: A Joint EU-India Comprehensive Strategic Agenda, which plans to address:

1. Sustainability and Prosperity
2. Technology and Innovation
3. Security and Defence
4. Connectivity and Global Issues
5. Enablers

About Centre for Responsible Business

CRB was established as a think tank to promote the understanding among relevant stakeholders on social, environmental and economic sustainability issues – thereby leading to the achievement of Sustainable Development Goals (SDGs).

Pursuing the above purpose, the organisation carries out action and policy research; contributes towards building capacity and expertise; and convening multiple stakeholders to find solutions to complex sustainability challenges in India and beyond.

The organisation has been actively partnering with various ministries and agencies of the government of India; international agencies and governments; academic institutions; civil society organisations; industry associations; businesses etc. to contribute towards measurable positive impacts on people, environment, communities and livelihoods.

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