



# Annual Activities Report 2016-17



## ABOUT CRB

1.1 **Centre for Responsible Business** (CRB, [www.c4rb.org](http://www.c4rb.org)) is an independent organisation working out of its office in New Delhi. It was established with support from *Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH of Germany, Social Accountability International (SAI) of US and Business Social Compliance Initiative (BSCI) of Belgium* in 2010 as part of a German Federal Ministry for Economic Cooperation and Development (BMZ) supported initiative. CRB is a centre of excellence which works with stakeholders and businesses to promote responsible business strategies, policies and practices across sectors and thematic areas.

1.2 CRB involves various actors across the global value chain, viz. the national and transnational brands, various suppliers and manufacturers of the SMEs, many national and international organisations as well as the government, in order to create a shift towards a more sustainable future that will lead to more responsible behaviour and better relationships at workplaces along with environmental sustainability and better growth and business.

1.3 CRB works in the following four **programmatic verticals** with multiple stakeholders to evolve an ecosystem to drive sustainable and responsible business.

- **Action and Policy Research** particularly focused around human rights, social and environmental sustainability
- **Training and Capacity Building:** of various actors in the supply chain to enable them to adhere to domestic government and/or industry demands and also of international brands and standards
- **Customised Advisory Services and Technical Assistance:** facilitating businesses to integrate the Environmental, Social & Governance parameters at the strategic, managerial and operations levels
- **Knowledge Fora:** industry and multi-stakeholder fora to facilitate and enable collaborative approaches aimed at developing solutions for sustainability challenges

1.4 This document presents the following range of activities undertaken by CRB in 2016-17:

- **PROJECTS**
  - a. Indo-Dutch CSR and Sustainability Forum (INDUS-Forum)
  - b. Benefits of Certification and Standards – ISEAL Business Cases
  - c. H&M Social Dialogue Project
- **EVENTS**
  - a. FICCI Sustainability Conclave
  - b. IWSN Session at International River Symposium
  - c. Institutional Investors for Sustainable Infrastructure Finance in Asia
- **TRAINING & ADVISORY**
  - a. Sustainability Policy for MSSSPL
  - b. Modules for Rights and Responsibilities of Women Workers
  - c. Rights and Responsibilities programme
- **KNOWLEDGE FORUM**
  - a. India Water Stewardship Network (IWSN)
  - b. India Sustainability Standards – international dialogue and conference, 2016

## ACTIVITIES

### 2.1 PROJECTS

#### (I) Indo-Dutch CSR & Sustainability Forum (INDUS-Forum)

CRB has been involved in a project entitled Indo-Dutch CSR & Sustainability Forum (INDUS-Forum). The aim of this initiative has been to promote and facilitate dialogues, debates and thought leadership between Indian and Dutch companies on strategic and operational aspects of CSR and sustainable business, to complement the existing trade and economic relations between these two countries.

Over the course of this project, CRB engaged with a number of Dutch and Indian businesses and other stakeholders, based in India and in The Netherlands. Feedback and inputs received from these representatives and subsequent discussions involving senior representatives of businesses, experts and representatives from the Dutch Embassy in India helped CRB to develop the vision, objective and scope of the INDUS-Forum.

The INDUS-Forum has finally been launched in an event held on 22<sup>nd</sup> March in New Delhi with its vision, **‘Let’s make all trade and investment between Indian and the Netherlands sustainable’**. Going forward, this initiative will be further supported by the Dutch Embassy and implemented in India through a strategic partnership involving MVO-Netherlands and CRB. It has also been decided that the INDUS-Forum will focus on three sectors for implementing projects on the ground, going forward, viz: (i) agriculture/agri-business, (ii) apparel and textiles and (iii) IT and IT enabled Services.



The Following is a low-down of the activities undertaken under this project:

S.N.	Activities	Date/Period
1	Preparatory Work (Operational strategy, identification and mobilisation of businesses and other stakeholders)	May-June 2016
2	Research (survey and stakeholder discussions)	July-September 2016
3	1 <sup>st</sup> National Consultation Meeting	15 <sup>th</sup> September, 2016, New Delhi
4	Side Event at CRB 3 <sup>rd</sup> Annual Conference (ISS 2016) on ‘Bilateral CSR and Sustainability Forum’	17 <sup>th</sup> November, 2016, New Delhi
5	2 <sup>nd</sup> National Consultation Meeting	18 <sup>th</sup> January, 2017, Hague
6	3 <sup>rd</sup> National Consultation Meeting	22 <sup>nd</sup> March, 2017, New Delhi

## (II) ISEAL Business Cases (Benefits of Sustainability Standards for Companies)

CRB partnered with ISEAL Alliance to prepare a list of five ‘business case’ studies, to demonstrate how the adoption of sustainability standards by select Indian companies (in certain sectors) has helped these companies meet sustainability and business objectives. These cases were gathered from companies and standards organisations operating in the financial services, jewellery, coffee, forestry and speciality chemicals markets.

These businesses cases would be used by ISEAL Alliance as part of one of their project to help educate other industry players and stakeholders about the relevance and benefits of standardisation and certification both for achieving sustainability goals and helping other business benefits. The project came to an end in August 2016 with the submission of these business cases to ISEAL.

ISEAL has been undertaking a number of such projects aimed at scaling up the use of sustainability standards in emerging markets. CRB has partnered with ISEAL Alliance

## (II) H&M Social Dialogue

Social dialogue is defined by the International Labour Organisation (ILO) to include all types of negotiation, consultation or simply exchange of information between, or among, representatives of governments, employers and workers, on issues of common interest relating to economic and social policy. It is a mechanism or instrument, which promotes better living and working conditions as well as social justice for workers. Social dialogue essentially amounts to clear and effective communications, open consultation, and /or fair negotiations between employers and workers (and government, where relevant).

H&M recognises the importance of participatory work culture and has been proactively working towards a partnership approach with their suppliers towards improving the functioning of the ‘Works Committee’. H&M had identified 5 of their suppliers for who CRB undertook awareness sessions to explain to them the importance of social dialogue and the functioning of the ‘Works committee’ within the factory. A number of other activities were implemented by CRB as part of this project since September 2015. Some of the activities which were implemented within this year (2016-17) are provided below:

- A two day programme on orienting the management representatives of the works committee on their roles and functions in the committee was conducted by CRB on 7<sup>th</sup>-8<sup>th</sup> June 2016 in Bangalore.
- A four day training programme was conducted for the worker representatives of the ‘works committees’ to enhance the



worker representatives’ understanding about their roles and functions in the works committee, providing deeper understanding about the legal aspects related to works committee and also to build some basic skills such as communication, problem solving and team management

- A 2 day training programme for the Vice Chairperson and Joint Secretary of the works committee was conducted on 29<sup>th</sup>-30<sup>th</sup> September 2016 in Bangalore, to orient them on their roles and the roles of the other members of the committee
- Finally, factory level visits were held in the months of November and December, 2016 to observe the learning feedback presentations of the Works Committee and observe them conduct demo session in their respective factories.

## 2.2 EVENTS

### (I) FICCI India Sustainability Conclave (Session on Sustainable Supply Chains – a Business Imperative), 7<sup>th</sup> July 2017

Sustainable Supply Chain refers to management of environmental, social and economic impacts and the encouragement of good governance practices, throughout the lifecycles of goods and services. The objective was to create, protect and grow long-term environmental, social and economic value for all stakeholders involved in bringing products and services to the market (UNGC & BSR, 2010).

This session put forth a multi- stakeholder view on why Indian supply chains need to gear up to the expectations of national and international corporate buyers, the challenges faced by the MSMEs in compliance even of the basic environmental regulations and how corporates are enabling their supply chains to integrate sustainability-related performance indicators and drivers into their processes.



Some of the action points that emerged from the discussions were:

- Need for more robust certification systems and standards, as well as product labelling to bring about a change in customer's understanding of the advantages of sustainable products like the star rating by BEE
- Combating the lack of awareness by creating better programs for trainers and imparting knowledge on the benefits of sustainable practices to the MSMEs
- Greater awareness about the advantages of enzyme technologies that reduce pollution and environmental footprint could be explored in specific MSME clusters

## **(II) Asia-Pacific Water Stewardship Forum (held on the sidelines of the International Rivers Symposium), 13<sup>th</sup> September 2016, New Delhi**

The statistics of water usage in India does not paint a pretty picture. The growing population, drive for economic growth and the rapidly changing demographics and lifestyle has put immense pressure on the water resources of the country. Some figures released by the Asian Development Bank indicate the need for better governance of water related challenges, viz. (i) India has the maximum ground water extraction in the world and 89% of it is spent on irrigation, (ii) India has significant inequalities in water household security, (iii) Only 9% of its waste water is treated by India.

On the sidelines of the IRS, Alliance for Water Stewardship (AWS), Water Stewardship Australia (WSA) and India Water Stewardship Network (IWSN) organised this event with the following objectives:

- Understand the business imperatives for water stewardship across Asia-Pacific
- Increase understanding and uptake of water stewardship across Asia-Pacific
- Contextualise water stewardship from the perspective of the Sustainable Development Goals
- Provide an opportunity for intra-regional learning on water stewardship
- Strengthen collaborative opportunities between different sustainability approaches



Over 50 participants from businesses, NGOs, research and academic organisations participated in this event. Apart from participants from India, experts from Australia, China and Pakistan were also part of this event.

### (III) Activating Institutional Investors for Sustainable Infrastructure Finance in Asia, 22<sup>nd</sup> November 2016

The overall objective of this meeting was to discuss innovative tools to foster sustainable infrastructure investments in India – as part of a project being implemented in three emerging Asian countries, India, Indonesia and China by GIZ in partnership with Centre for European Policy Studies (CEPS), based in Brussels (Belgium). Centre for Responsible Business (CRB) organised this event in partnership with GIZ and CEPS on 22<sup>nd</sup> November in New Delhi.

Speakers included experts from SEBI, WRI, GIB Foundation, GIZ, CEPS, IDFC, CDP. After the inaugural there were two sessions in the event, (i) **The role of (institutional) investors for infrastructure finance in India and Asia** and (ii) **The business case of sustainable infrastructure finance**. Some of emerging issues from the panel discussions were:

- There's a need for conceptual clarity and perhaps definition of 'Sustainable Infrastructure', especially in the Indian context
- Sustainable planning remains at its core in sustainable infrastructure projects. India can learn from EU in retrofitting (existing infrastructure) such that their sustainability quotient is improved – rather than only considering building new sustainable infrastructure projects
- The 'business case' in favour of sustainable infrastructure projects is becoming clearer. But there is a need for considerable stakeholder awareness development.
- Can Annual Business Responsibility Report (ABRRs) be used into infrastructure investment decision-making?
- A lot of action will happen in the Municipality level – do Municipalities in Indian cities have enough understanding and capacity (including those earmarked for the SMART Cities project)

## 2.3 TRAINING & ADVISORY

### (I) Trainings on Rights and Responsibilities of Women Workers in TN Spinning Mills

The aim of this project implemented by CRB in partnership with Ethical Trading Initiative (ETI) was to help the workers, managers and spinning mill owners across spinning industry of Tamil Nadu to have an improved mind-set towards life, work and business operations. For this purpose, modules were designed to train the 'Worker Peer Groups' (peer educators) on issues of worker responsibilities, rights and welfare. Also, training resources were provided and the required handholding done to effectively roll out the training to all the workers at their respective spinning mill.



A management sensitisation film (in Hindi and Tamil) were included in the overall training programme in order to clearly demonstrate to the mill owners and the management, both the business linkages and the commercial value of such a strategic training initiative.

## (II) Rights and Responsibilities trainings for Apparel & Textile factory management

These 1-day Training of Trainers (TOT) workshop have been designed by CRB to support the garment manufacturers and exporters to further improve relationship between factory management and workers by training factory managers to conduct awareness sessions for workers on their rights and responsibilities (workers' rights and responsibilities) in the factories using five short films (refer: <http://rnrinfofilm.weebly.com/>) on key worker-related (labour standard related) issues viz.: *Health & Safety, Misconduct, Good Working Environment, Overtime and Workers Representation*. Two training sessions were conducted in Delhi (April 14<sup>th</sup> 2016) and in Chennai (May 27<sup>th</sup> 2016) as part of this programme.

Subsequently, CRB has decided to review both the content of these programmes and the strategies for popularising them in the apparel and textiles sector. Therefore, further trainings have been on hold for the moment.

## (III) Sustainability Policy for MSSSPL

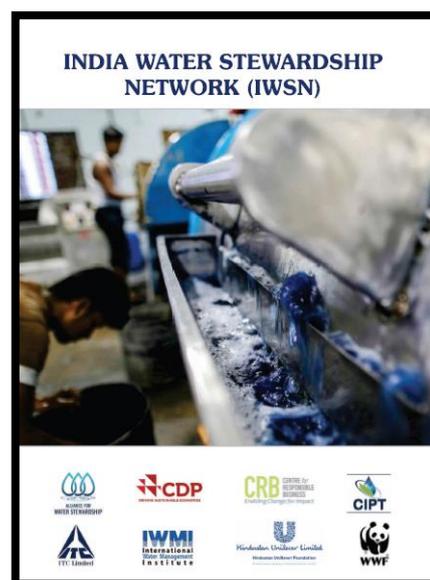
CRB is developing the Sustainability Policy for Mahindra Sanyo Special Steel Limited (MSSSPL) located in Khopolic, Maharashtra. The approach used by CRB integrates the values and commitments of MSSSPL with the overall SDGs framework, to help develop the policy and a road-map for its implementation. It is expected that the Policy would be ready by August, 2017.

## 2.4 KNOWLEDGE FORUM

### (I) India Water Stewardship Forum (IWSN)

India Water Stewardship Network (IWSN) was a direct outcome from the discussions held at the 2<sup>nd</sup> Annual Conference of CRB (India & Sustainability Standards) in 2015.

The founding members CRB, Alliance for Water Stewardship (AWS), WWF-India, ITC, Hindustan Unilever Foundation, CIPT and IWMI held meetings in April and July 2016 to develop a year-long activities plan for the network – which would include expanding membership, creating a dossier of 'case study' on water stewardship, organising events to maintain visibility.



## (II) India Sustainability Standards 2016

The theme of CRB’s 3rd annual conference, **India and Sustainability Standards: International Dialogues and Conference 2016** (ISS, 2016) revolved around the **UN Sustainable Development Goals (SDGs)** – especially how the corporate sector is contributing and could contribute towards the achievement of some of these ambitious goals. It is well established that governments alone will not be able to meet these goals alone. Hence there is a need for active engagement of businesses and other stakeholders.

The programme of ISS, 2016 was organised such that Day 1 (16th Nov) set the stage of the conference through panel discussions on key subjects such as: relevance of standards and regulations for sustainability; sustainability standards as tools for achieving SDGs; and strategic partnerships and collaborations for sustainable development. Moving on, Day 2 (17th Nov) and Day 3 (18th Nov) comprised 21 Parallel Sessions on contemporary themes and sectors. The various themes and sectors covered were as follows:

Themes	Industry Sectors
Operationalising Sustainable Development Goals (SDGs) in Indian States	Sustainable Tourism: Opportunities & Challenges in India
Enabling Sustainable Solutions Among MSMEs	Sustainable Infrastructure
Bilateral Forums on CSR and Sustainability	Sustainable ICT & Electronics: Priorities for India
<b>International Labour Standards and the Indian Workplace in Global Supply Chains</b>	Sustainable Cotton
Mainstreaming Human Rights in Business Policy	Sustainable Forestry and SDGs
Roadmap for Indian Life Cycle Assessment Network	Roadmap for Sandstone Stewardship in India
<b>Sustainability Education in India</b>	Responsible Finance
Water Stewardship in India	Towards Sustainable Tea Sector in India
Integrated Reporting & Transparency: Linkages to SDGs	Promoting Responsible Agriculture Value Chains
Masterclass on Business & Human Rights	Apparel & Textiles Sector Sustainability
Masterclass on Low Carbon Lifestyle	

The 2016 edition of ISS had over 620 participants over the period of three days, nearly 60 partner organisations joined hands with CRB for their engagement in different sessions of the conference. Over 150 speakers (national and international) made their contributions in the various sessions and panels.

The Annual Conference of CRB (India & Sustainability Standards – international dialogues and conference, [www.sustainabilitystandards.in](http://www.sustainabilitystandards.in)) has been envisaged as an occasion for CRB and its partners to share knowledge, good practice and tools for promoting sustainability in key sectors and thematic areas, that are relevant for India. A number of international experts and organisations participate in this event annually and bring their knowledge and understanding on relevant issues to be practically useful for the Indian practitioners.

The preparatory work of ISS,2017 have already been initiated. The theme of **ISS 2017** will be **From the ‘tragedies of the Commons’ to the strategies for the Commons.**