

2018

ANNUAL REPORT

Centre for Responsible Business (CRB)



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01

CEO's Message

One of the critical strategic tasks CRB undertook this year was the consolidation of our activities under **5 thematic areas**: *Circular Economy, Voluntary Sustainability Standards, Business and Human Rights, SMEs and Sustainability and Private Sector and SDGs*. These areas were identified based on a number of factors including the organisation's experience, team skills/capacity, relevance (national and global), interest of partners/donors, etc. CRB's aspiration is to establish itself as a leading think-tank in the global 'South' on sustainable business. In order to achieve this, we have been and will continue to develop a strong portfolio of initiatives under each of these five thematic areas.

We believe businesses in India (and in other emerging economies in the global 'South') can play a transformative role in addressing sustainability challenges. CRB will continue to facilitate this process by combining our ability to generate knowledge, provide advisory and convene multiple stakeholders to enable transformation to happen. Achievement of the Sustainable Development Goals (SDGs) in India can happen only through active private sector/business engagement – an area where much remains to be done.

Given our global linkages and partnerships, CRB has been able to envisage and identify key 'niche' areas for the organisation to be at the forefront in India. We are thereby deepening our understanding and indeed engagement on: **circular economy & business and human rights**.

Circular economy has drawn considerable interest not only of academics and practitioners in advanced economies but also in emerging economies like India. So, it's not a coincidence that a strategy paper on Resource Efficiency was developed under NITI Aayog in mid-2017, which highlights the need and importance of promoting circular economy in key industry sectors. CRB explored the application of circular economy and its relevance in a few important industry sectors over the year in India including textiles, agriculture and electronics. Lessons learnt would inform our future strategy/actions in this thematic area.

Similarly, there has been renewed interest across stakeholders on **business and human rights** especially after the adoption of UN Guiding Principles on Business and Human Rights (UNGPs) and its implementation in India. Ministry of Corporate Affairs, Government of India has taken a lead and developed the zero draft National Action Plan on Business & Human Rights. CRB is positioning itself to assess and help mitigate human rights-related risks in supply/value chains.

As an organisation, CRB has been at the forefront of partnering with **Voluntary Sustainability Standards (VSS)** organisations in India. Our approach has been to highlight how VSS can be a means for businesses to embrace sustainable practices & be rewarded for it. This year, we implemented partnerships with a number of VSS organisations including – Green Electronics Council, Roundtable on Sustainable Palm Oil and Responsible Mica Initiative.

Creating **sustainable supply chains** remains a key approach that CRB has taken over the years to highlight the 'business case' for sustainability. In many cases, suppliers & manufacturers are able to find markets for their goods/products, if they are able to improve their sustainability performance. We continued to work on sustainable supply chains this year as well – especially our work in Jharkhand to promote sustainable & inclusive mica supply chain. As part of a different project, we developed a toolkit to help Dutch MNC buyers prevent and address the problem of forced labour, child labour in textiles/apparel supply chain.

Together with our partners WWF, RSPO and Rainforest Alliance we launched the **Sustainable Palm Oil Coalition for India** (ISPOC, www.indiaspoc.org) – an alliance with the goal 'to promote sustainable consumption & trade of palm oil & its derivatives in India along the supply chain, through industry collaboration'. A number of FMCG companies have already become members of ISPOC conveying their commitment to promote sustainable palm oil uptake.

CRB's ground-level experience and understanding on sustainable business has helped us expand our **partnerships with a few international organisations** of repute. We launched a three year project with IDRC, Canada to explore responsible global Value Chains in four sectors, in partnership with the Aston Business School, U.K.

CRB continues to be an active member of a Multi-stakeholder Advisory Committee of the **One Planet Network** (UNEP, Paris) promoting sustainable consumption and production (SDG12). We were also invited by the International Trade Centre, (ITC, Geneva) to be part of an Advisory Committee of their programmatic vertical on **Trade for Sustainable Development (T4SD)**.

RIJIT SENGUPTA

CEO, Centre for Responsible Business



Consolidation across Thematic Areas



In mid-2018 CRB organised a few rounds of internal discussions and identified 5 thematic areas that define the scope of CRB's activities*, under the broad canvas of sustainability/sustainable business. These thematic areas were picked based on their relevance to sustainability/sustainable business debates in the global South and particularly in India, CRB's track record and the ability of the team.

Further, it was agreed to incorporate these thematic areas into the Strategic Business Plan

2021-2030 of CRB and to develop the organisation's future agenda based on them. These five thematic areas are:

- **Circular Economy Business**
- **& Human Rights**
- **Private Sector and Sustainable Development Goals (SDGs)**
- **Voluntary Sustainability Standards**
- **SMEs and Sustainability**

View the CRB Brochure here:

http://c4rb.org/images/CRB_Brochure.pdf

*CRB's activities are organised under 4 heads: (i) Action and Policy Research, (ii) Training & Capacity building, (iii) Business Advisory and (iv) Multi-stakeholder platform



03

Sustainable Supply Chains

Using supply chain relations to highlight the business case for sustainability has been a strategy that CRB has used for long to foster better appreciation of sustainability as a business strategy among Indian suppliers and manufacturers in a few sectors. In spite of some limitations, this approach is used to highlight the importance of promoting sustainable business practice to gain trade/economic benefits.

CRB used this approach in a couple of its projects – one to highlight the importance of promoting sustainability in the supply chain of mica in Jharkhand to ensure the State and its people derive the benefits; and a second project to come up with a methodology for international businesses (Dutch businesses in this case) for preventing and/or mitigating child labour, forced labour in the textile value chain/supply chain.



Sustainable and Inclusive Mica Supply Chain

3.1

CRB developed a 'roadmap' to suggest to the State government and stakeholders in Jharkhand the importance of an inclusive and sustainable mica industry in the State. A considerable volume of mica sourced from Jharkhand was being used by a number of businesses especially in automobiles, cosmetics, paints globally – but the benefits were neither accruing to the State nor people connected with its sourcing/supply.

The project was implemented in partnership with TdH Netherlands with the main aim to highlight ways in

which Jharkhand's mica sector could be reformed to protect the interest of the various local mica value chain/supply chain actors in the State (including community, mica collectors, contractors, processor/SMEs, local and state government). This involved research, discussions and dialogues to identify specific action areas for reforming the mica sector in a way that takes into consideration critical social, economic and environmental sustainability parameters.

terre des hommes
stops child exploitation



Towards Child-Friendly Supply Chains in the Garment Sector

3.2

CRB in partnership with the Global March Against Child Labour (GMACL) developed a toolkit to identify and mitigate human trafficking, particularly of children, girls and young women in the supply chain of the garments sector, especially for Dutch Companies with its production network in India and other developing economies in Asia.

The toolkit relies on the framework advanced by the UN Guiding Principles on Business & Human Rights (UNGPs) and

evidences/experiences of Global March and CRB on supply chain sustainability and human rights issues in the garment supply chain. This toolkit should be used to engage and sensitise Dutch businesses (to start with), both on how to prevent and also address human rights related risks in their supply chain.



3.3

Sustainability Ambassadors – Sustainable Palm Oil

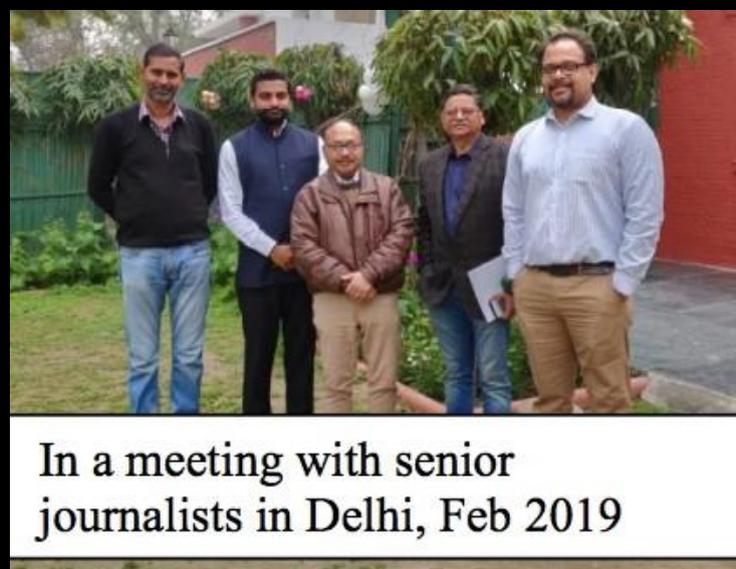


Since mid-2018, CRB has been working in partnership with Roundtable on Sustainable Palm Oil (RSPO) to explore challenges (mainly of FMCG players) and identify opportunities for market transformation towards sustainable palm oil in India. This has involved understanding the 'business case' for uptake of sustainable palm oil. These discussions have contributed towards creating better buying for promoting sustainable palm oil among a few Indian and foreign MNC players. One of the key lessons is the need for collaboration across the value chain involving suppliers, refiners, standards organizations, FMCG and retail. CRB and RSPO have started to highlight the need for shared responsibility among these actors, to enable greater uptake of sustainable palm oil. This led to the idea for the launch of the Sustainable Palm Oil Coalition for India (I-SPOC) – supported in addition by Rainforest Alliance and WWF, as founding members.

Further, CRB developed posters to engage consumers (especially targeting young millennial) to enhance demand for sustainable palm oil uptake in FMCG/household products. Both traditional and social media has been used to create buzz on the issue among the wider stakeholders. A number of senior media representatives were engaged and led to the greater visibility of palm oil related news in both conventional and new/social media.

CRB was able to facilitate the participation of 2 senior journalists in the RSPO Annual Global Event in Malaysia in Nov 2018. The journalists were able to produce articles on their return to India:

- Daily Financial Chronicle - <http://www.mydigitalfc.com/plan-and-policy/climate-changechallenge>
- Amar Ujala – https://epaper.amarujala.com/delhicity/20181117/11.html?format=img&ed_code=delhi-city

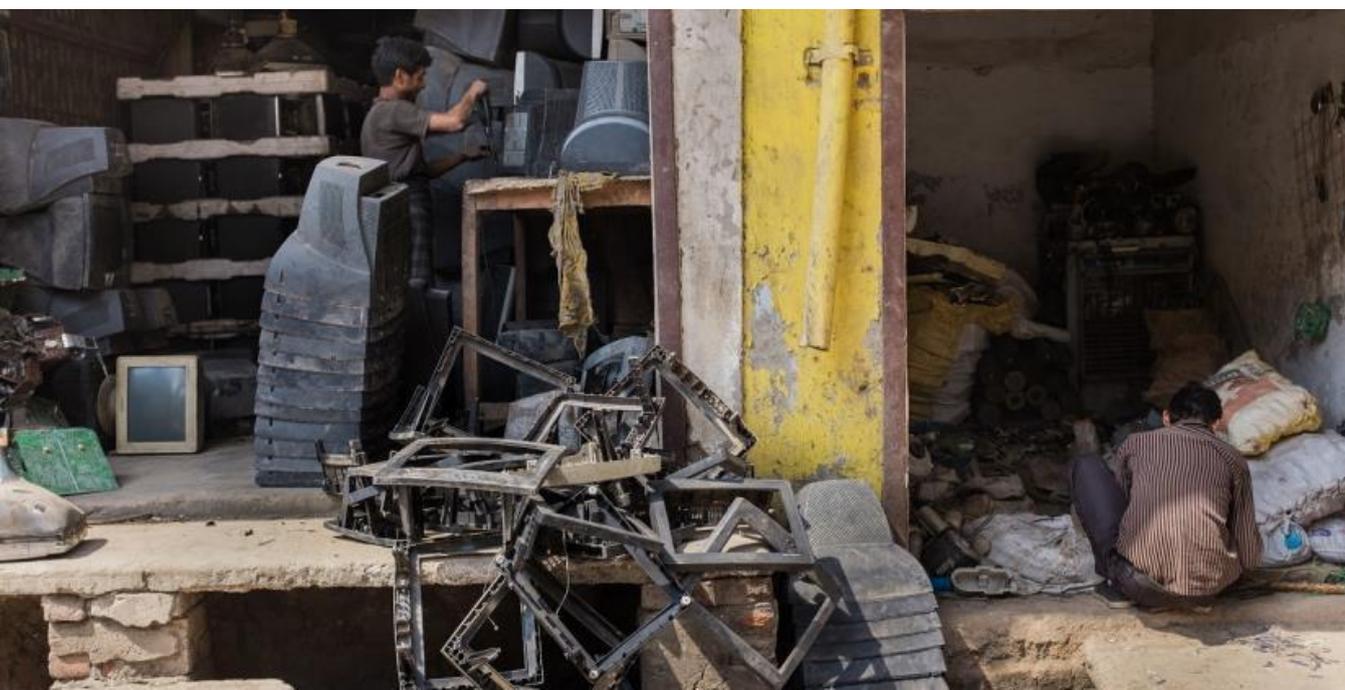


04

Circular Economy

The subject of circular economy has drawn the interest not only of academics and practitioners in advanced economies but also in emerging economies like India. So, it's not a coincidence that a strategy paper on Resource Efficiency was developed under NITI Aayog in mid-2017, which highlighted the need and importance of promoting circular economy in key Indian industries.

As a sustainability think-tank embedded in the realities of emerging economy, CRB too has been intrigued with the subject – and therefore explored its potential in a few sectors partnering with some international organisations. Activities enumerated below were undertaken in three key sectors: electronics, agriculture and textiles.



4.1

End of Life Management of Electronics Waste

CRB and Green Electronics Council (GEC) formed an institutional partnership to bridge the gap between the state of policy and current practices for end-of-life management of IT/electronics equipment in India. One of the purposes of this initiative was to explore capacity building opportunities in end-of-life management of IT/electronics equipment.

Under this partnership, a White Paper on 'End-of-Life Capacity Building Criteria for IT Products

in India' was developed based on interactions and inputs received from key sectoral stakeholders. Further, a 'Gap Analysis' report on responsible management of e-waste was also prepared.

Finally, a 'Set of Criteria' for a potential voluntary consensus standard focusing on end of life electronics was also developed – and widely disseminated across sectoral stakeholders.



GREEN
ELECTRONICS
COUNCIL



Exploring Eco-Industries based on Agro-residue

4.2

CRB along with MVO Nederland undertook a study on 'Exploring Possibilities of Transforming Agriculture Residue into Wood Composite in India' under the auspices of the Indo-Dutch CSR & Sustainability Forum (INDUS-Forum) initiative. CRB designed the INDUS-Forum in partnership with the Dutch Embassy in India and hosted the activities of the Forum. MVO Nederland was subsequently involved, especially to work on an agro-residue management project, and hence this report.

Based on the findings and deliberations with stakeholders, CRB envisaged an

intervention which would explore and support the farming community for making sustainable and climate smart choices in stubble management & prepare the ground for its application (pilot) in select districts of Haryana.

The project aims to propose a business model which is not only environmentally sustainable, but also advances economic opportunities in areas where stubble-burning is rampant. The intervention will explore the feasibility of setting up decentralized, small-scale, farmer owned composite board units based on agro-residue.



Promoting Circular Economy in Textile Manufacturing

4.3

CRB supported by Novozymes conducted a scoping exercise to assess the understanding and current practices aligned with the principles of circular economy in textile manufacturing – specifically through a pilot project in the Delhi NCR region.

A number of fashion brands and international textile/apparel companies in advanced economies have made commitments towards promoting circular apparel. While a lot of their activities remain limited to post consumer recycling/repurposing, it would be critical to explore if the brands are also interested to promote circularity down their apparel/textiles value chain – and that can create

considerable opportunities for Indian apparel/textiles suppliers & manufacturers.

The aim of this project was to create basic awareness & understanding among textile manufacturers & other key stakeholders on opportunities & challenges in promoting a transition towards circular apparel in India. In addition a workshop was organised in Delhi, on 7th August 2018, which was well attended by brands, manufacturers, government officials, international organisations & other experts. CRB used this experience to create a follow-up initiative to engage with policymakers and influencers for a transition towards circular apparel in India.

novozymes 



05

Business & Human Rights

Businesses have been rather sensitive and often nervous in India to have open discussions on the subject of Business & Human Rights. However, given the traction provided by the UN Guiding Principles on Business and Human Rights, some large businesses are gradually starting to take interest on the subject. This is driven by a number of factors including institutional values, investors demand, market access and so on.

CRB has developed an institutional capacity to assist businesses in undertaking

assessments to highlight risks in their supply chain, given CRB's on the ground experiences in a number of key sectors.

In addition to providing business advisory services, CRB has also been involved with raising awareness among key stakeholders on the subject, especially through sessions dedicated to the topic as part of CRB Annual Conference (www.sustainabilitystandards.in)

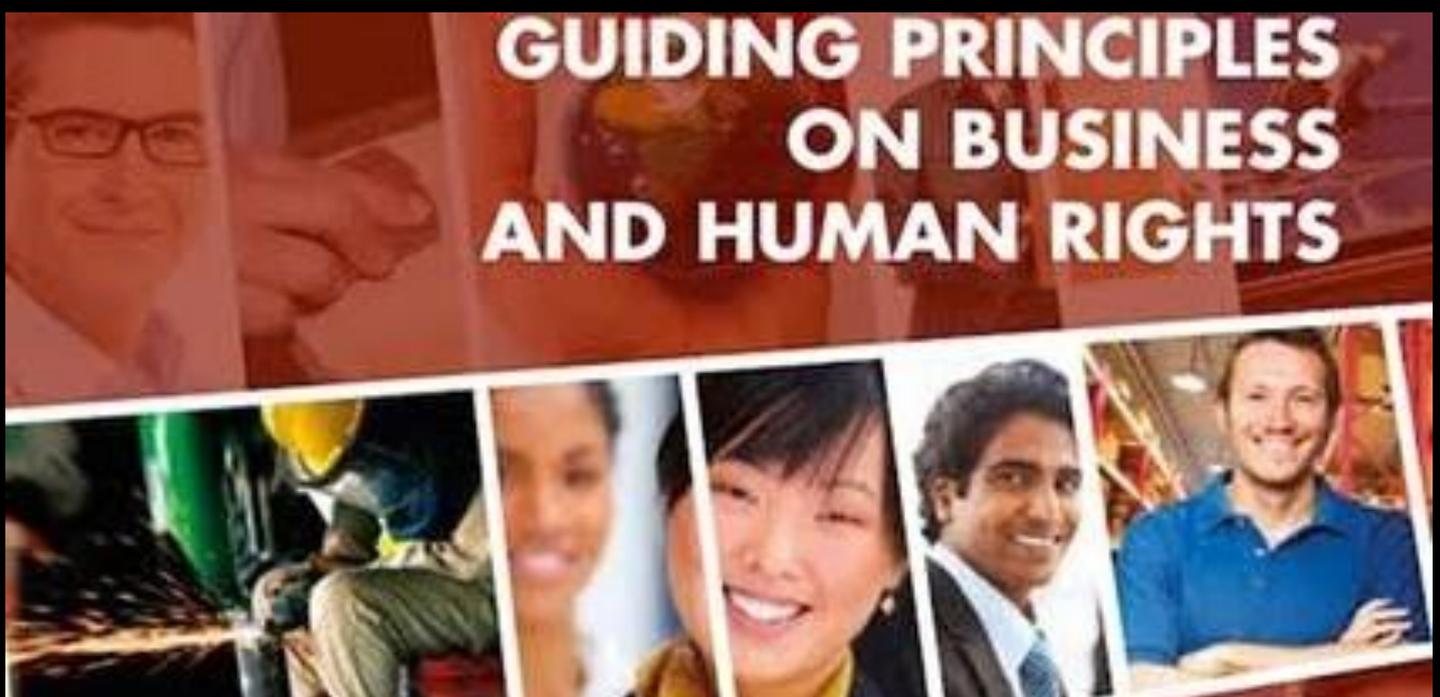


5.1

Human Rights Due Diligence (HRDD) to assess Human Rights Risks

CRB undertook a detailed human rights due diligence (HRDD) exercise to assess human rights related risks of a large MNC power company, especially focusing on contract workers and communities across its various locations (conventional and renewable) in India.

CRB developed a detailed and robust methodology to undertake the HRDD exercise, based on international tools/methods for assisting businesses to understand current/potential human rights risks, using the UNGPs framework. A HRDD exercise is a first step to identify specific 'risks' and initiate actions to address them.



06

Sustainable Palm

India
I-SPOC

India has the potential to play a significant role in driving sustainable practices in the palm oil sector, especially given India is the biggest importer and the second biggest consumer of palm oil globally. Centre for Responsible Business (CRB), WWF-India, Roundtable on Sustainable Palm Oil (RSPO) and Rainforest Alliance have joined hands to establish a first-of-its-kind coalition to facilitate industry collaboration to promote the increased uptake (trade and consumption) of sustainable palm oil.

The forum (Sustainable Palm Oil Coalition for India, or I-SPOC, <http://www.indiaspoc.org>) was formally launched in September 2018 and will work towards addressing barriers and challenges to sustainable palm oil by taking into consideration the unique characteristics of the palm oil sector in India focusing on aspects including policy, production best practices, trade linkages and consumer sensitization to sustainability.



RSPO | Roundtable on Sustainable Palm Oil



07

5th Annual CRB Conference

INDIA AND
SUSTAINABILITY STANDARDS

CRB organised its 5th Annual Sustainability Conference (India and Sustainability Standards, www.sustainabilitystandards.in) on 14th to 16th November 2018 in New Delhi. This year's conference theme was – 'Collaboration a Key to SDGs – leveraging CSR & Voluntary Sustainability Standards'. The conference was successful in mobilizing over 700 participants and nearly 50 organisations. A brief report of this event is available here.

CRB will endeavour to engage them and make them active actors in this discussion. Therefore, as a follow-up CRB will endeavour to organize capsules of the annual Conference in 2-3 locations across India before the finale in Delhi. CRB would also be creating an online portal to enable stakeholders to engage and continue this discussion throughout the year, rather than limiting it to these three days.

We are however conscious that a large number of stakeholders and organizations (therefore voices) still remain outside the walls of the conference room and away from New Delhi.



Image Source:
<http://www.sustainabilitystandards.in/>

08

Partnering with VSS Organisations

Over the course of the year, CRB engaged closely with a number of voluntary sustainability standards organisations to explore opportunities and challenges in promoting market-based approaches to strengthen sustainability performance of businesses. A summary of these partnerships is provided in the table below:

VSS Organisation	Topic of Cooperation	Outputs & Outcomes
Green Electronics Council (GEC)	End of Life Management of Electronics	Development of knowledge about possibility of market-based voluntary standards for addressing e-waste problems in India
Rainforest Alliance	Sustainable Palm Oil	Identification of key drivers in the Value Chain in India to promote sustainable palm oil
Responsible Mica Initiative (RMI)	Sustainable Mica Supply Chain	Development of a 'roadmap' that highlights opportunities and challenges in reforming the mica sector/industry in Jharkhand balancing the interest of the State-Communities-SMEs
Roundtable on Sustainable Palm Oil (RSPO)	Sustainable Palm Oil	Creating better uptake for sustainable palm oil in the FMCG value chain in India involving consumer good manufacturers, refiners, traders and other relevant stakeholders



RSPO Roundtable on Sustainable Palm Oil



Rainforest Alliance



RESPONSIBLE MICA INITIATIVE



GREEN ELECTRONICS COUNCIL

Walking together with VSS

8.1

Centre for Responsible Business (CRB) kicked-off an initiative in 2019 to start a process of dialogue involving Voluntary Sustainability Standards (VSS) operating in India. From CRB's engagement and interactions with VSS organisations and various experts and actors, the need for collaboration among sustainability standards had been raised as an imperative. However, there has been little discussion and actual actions on this issue in India. Together with VSS organisations and initiatives, CRB would contribute to this need through this initiative. It would involve quarterly physical meetings between sustainability standards organisations working in India, and identifying actions/activities which can enable better understanding among the VSS organizations of each other's activities/impacts in India and learning opportunities. It would also enable sharing lessons, good practices, policy pointers and identifying common issues of interest for joint interventions.

In the first meeting held on 17th January 2019 of this initiative in Delhi, 12 VSS organizations had participated and shared with each other their 'domain' experience in promoting sustainability through market-driven initiatives. The meeting report is available at: http://www.c4rb.org/images/CRB%20Reports/VSS_FirstMeetingReport_0619.pdf



09

Some Other Activities

From time to time, CRB also engages on issues/areas which are broadly included under the overall scope of sustainable business/sustainability – but are not directly related to any of the priority thematic areas/sectors of CRB. In 2018 some such opportunities unfolded, mentioned below are the engagements :

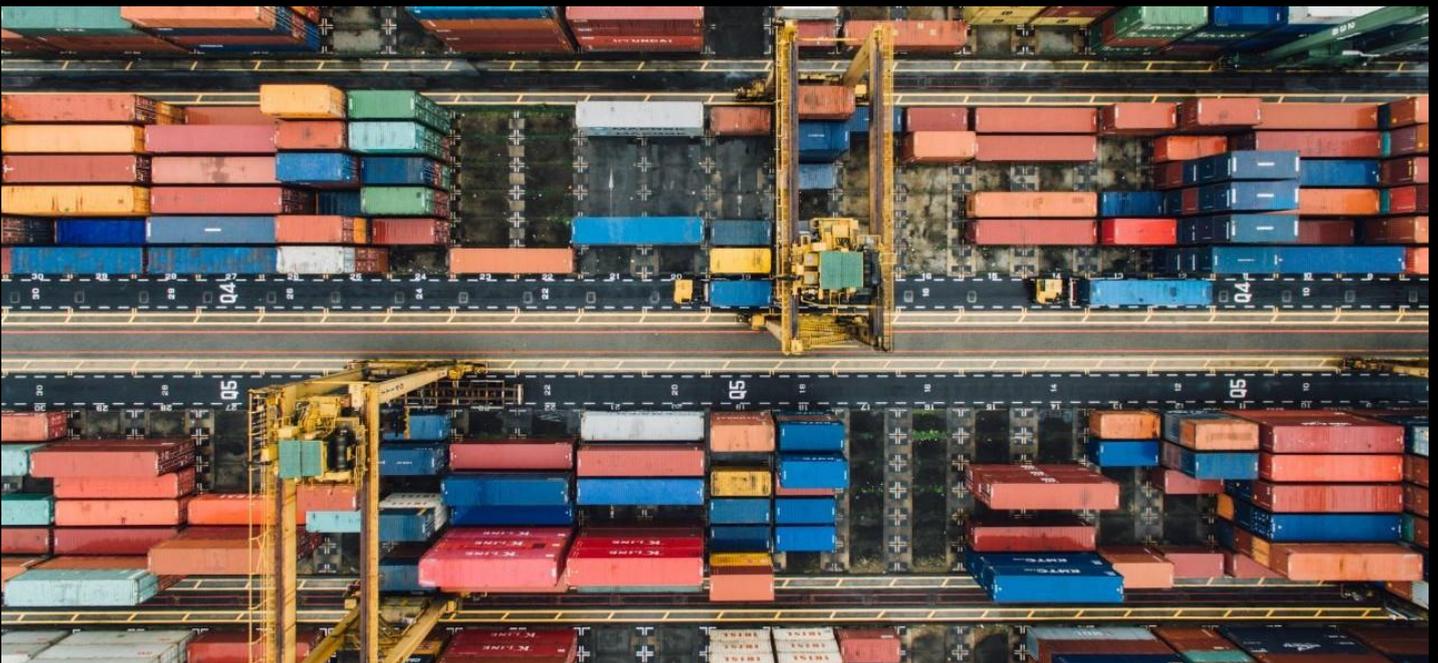
- *Roundtable Discussion on Sustainable Public Procurement*
- *District Mineral Foundation (DMF)*
- *Impact Conclave*
- *WBA Workshop Video*



Roundtable Discussion on Sustainable Public Procurement

9.1

CRB together with IDH, Netherlands organised a roundtable discussion on Sustainable Public Procurement by engaging a select group of senior sustainability specialists from private sector organisations and the government to highlight the current thinking (and actions) of the government of India on the subject of sustainable public procurement, businesses perspectives on the subject especially focusing on sustainable consumption and production (SDG12) and decent work (SDG8).



District Mineral Foundation (DMF)

9.2

CRB partnered with Social Xleration to undertake an assessment of the current status and weaknesses in implementing the District Mineral Foundation (DMFs) activities across select districts of two states – Chhattisgarh and Rajasthan. The provision for DMFs were created through an amendment to the Mining and Minerals Act in 2015 – whereby mining companies would allocate some funds to each DMF (located and administered by the relevant local District Authority), for these funds to be used for the welfare of the mining affected communities. In addition to undertaking first hand assessment of the situation in these districts, CRB also organised state-level workshops in Jaipur and in Raipur to discuss the findings.



9.3

Impact Conclave

It has been acknowledged by researchers and practitioners that multi-stakeholder Sustainability Initiatives (MSSI) are one of the ways to address sustainability challenges across sectors. CRB has been an advocate of MSSI in India – and championed it through the Annual Sustainability Conference – India and Sustainability Standards (www.sustainabilitystandards.in)

One of the drawbacks of CRB's approach and concerns have been the need for continuous engagement of stakeholders to find solutions to sustainability challenges in specific sectors and also the need to engage a wide range of stakeholders (including: government, businesses, industry actors, standards organisations, CSOs, academia, international organisations and experts).

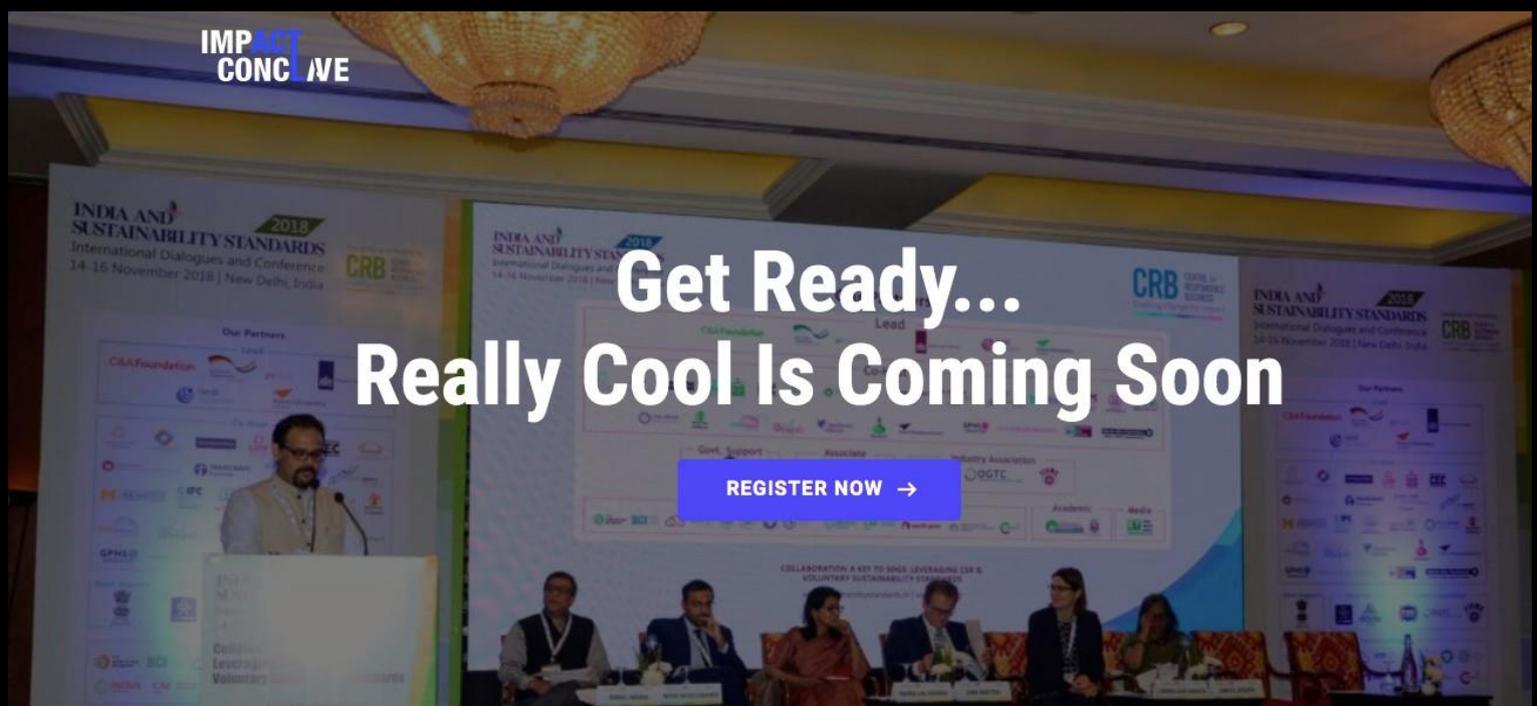
In order to address these challenges, CRB has teamed up with the Aston Business School (Aston University, UK) to develop an online (digital) platform for engaging multiple stakeholders to - co-create or identify sustainability solutions, share experiences/learnings, develop ideas and access leading knowledge globally on the subject. This platform is being referred to as Impact Conclave – and would be launched at the 6th Annual Sustainability Conference of CRB (20-22 November 2019).



IMPACT
CONCLAVE

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10

Emerging Economy Sustainable Businesses

One of the key elements of CRB's work on sustainable business/sustainability has been our ability to link global best practices with local needs. CRB's first-hand understanding about the pros and cons of sustainability initiatives on the ground backed by evidence and experience has made us the partner of choice for a number of global organisations and initiatives.

In addition to being able to inform global discussions on sustainability practices from the 'global south', CRB is also able to bring facts to the table on discussions pertaining to supply chain sustainability initiatives especially those supported by large businesses/brands/international organisations.



Responsible Global Value Chains & SDGs

10.1

Centre for Responsible Business (CRB) and Aston India Centre for Applied Research (AICAR), Aston University, UK have teamed up to explore and investigate how private sector companies - as part of GVCs, production networks and FDIs in India have/could better contribute towards the achievement of specific SDGs, particularly inclusive education and life-long learning (SDG4), employment and decent work for the youth (SDG 8), women's social and economic empowerment (SDG 5), sustainable consumption and production (SDG 12), and Climate Action (SDG 13).

This project referred to as the PROGRESS project is being supported by the International Development Research Centre (IDRC), Canada. The project was

officially launched in October 2018 and will run till September 2021. The generated evidence would be used to engage and support policy and practice (industry) level discussions and actions through multi-stakeholder processes involving four key sectors viz. i) Apparels & Textiles, ii) Agro-Processing, iii) Pharmaceuticals, and iv) Gems & Jewellery.

Further, the experience of the project would also be used to engage with the international actors to highlight the contributions through this GVC approach and areas that need attention. It would thereby highlight and demonstrate methodologies for achieving sustainable and inclusive GVCs aimed at benefiting the youth, women and local environment in India.



Global Alliances & Recognition

10.2

- A moment of pride for CRB as we were invited to be part of a select global Advisory Group on Trade for Sustainable Development (T4SD) for the International Trade Centre based in Geneva, Switzerland.
- The One Planet Network renewed CRB's membership of the Multi-stakeholder Advisory Committee (MAC) of the Consumer Information Programme under its Sustainable Consumption and Production (SCP) initiative (hosted by UNEP in Paris, France)
- CRB became a member of the World Benchmarking Alliance (WBA) – and has been engaged in providing inputs on some of the benchmarking exercises undertaken by the WBA Secretariat.



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