Private Sector Contribution to Sustainable Development Goals (SDGs) in India - A Brief Overview of Models & Approaches

1. Importance of the role of the private sector towards achieving the sustainable development goals in India

1.1 Ever since India’s economy was liberalized in the early 90s, the private sector has come to play an increasingly important role in diversifying, expanding, and strengthening the country’s economic position. In the year 2017-18, the private sector gross capital formation accounted for about 22.4% of India’s GDP. Proportionately, the private sector’s responsibility to help create a just and secure world for the future generations has increased. In India, the private sector comprises MNCs with local operations, companies serving the domestic market (at various tiers), exporters, micro, small and medium enterprises, start-ups etc. Many companies have overlapping presence. Further, the size of companies vary significantly under each category. Depending on the size, annual turnover and geographical spread, scope and commitment to SDGs for each enterprise will vary.

1.2 The Sustainable Development Goals (SDGs) adopted by the UN in 2015 has provided a comprehensive framework to plan, measure and monitor progress towards creating a sustainable world – a world that is prosperous, green, and just. The 17 broad goals contain 169 specific targets; each organization, industrial sector, or nation can develop roadmaps to achieve the goals/targets that are most relevant to them, and monitor progress. The government is already committed to sustainable development, as evident from its initiatives in the field of renewable energy, clean energy; above all, India has left behind most of the developed nations in setting ambitious targets to reduce greenhouse gas emissions. The Economic Survey 2019-20 has also shown similar priorities. Wholehearted participation from the private sector to complement the efforts made by the government will go a long way in ensuring that India stays on track to achieve its targets under the SDGs. The private sector through innovative business models for developmental challenges, replication of good practices, influencing supply chains and participation in multistakeholder initiatives will be a strong ally in the achievement of the SDG goals in India.

1.3 Additionally, the private sector has a strong incentive in playing a wider role in pursuing SDGs – India is poised to become the world’s third-largest consumer market in

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3 Climate Action Tracker. https://climateactiontracker.org/countries/india/
Inclusive and low-footprint growth, the key characteristics of sustainable development, will ensure that the purchasing power of Indian consumers grows steadily, creating a positive feedback loop which will ultimately lead to general economic prosperity. Therefore, by investing in pursuing the SDGs the Indian private sector will ensure its own long-term prosperity. External stimulus plays a role too in determining the strategic direction of the private sector; in recent years, governments and consumers have taken cognizance of the importance of sustainable production and consumption. They expect the private sector, especially brands and corporates, to play a greater role in ensuring sustainability both within and outside their value chains.

1.4 MSMEs too need to play a role in India’s sustainability transition; their contribution to employment (about 110 million) and to India’s GDP (about 29%) makes them an important stakeholder group. Traditionally, MSMEs have been dealing with challenges like access to modern technology (cost and awareness), informal workforce, access to formalized finance, etc. It is clear that the trajectory adopted by MSMEs will have a huge impact on India’s ability to achieve the SDGs.

1.5 The government can aid the various industrial sectors to grow and produce and sustainably by promoting the spirit of competitive federalism. For instance, in the textile and apparel sector, 16 states have come out with dedicated textile policies. States vying for investments from the private sector would ultimately lead to better policies for the nation, that focus not only on increasing industrial productivity, but improving social and environmental sustainability. The Technology Upgradation Fund Scheme (TUFS) announced by the Union Textile Ministry provides incentive to manufacturers to upgrade their equipment to make them more energy and material efficient. Here, the private sector can further influence the nature of industrial growth by demanding policies that support sustainable practices – such as adoption of renewable energy, incentives for switching to alternative materials, etc.

1.6 There is sufficient evidence to suggest that businesses are increasingly looking at stretching their mandate of value creation beyond customers or shareholders to cover a wider and diverse set of stakeholders including along their value chain. Businesses can and are playing an increasingly active role to be more responsible in their own areas of operations, influencing their value chains, and engaging with key stakeholders to deliver on the sustainability agenda.

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6 TUFS. [http://texmin.nic.in/schemes/technology-upgradation-fund-scheme](http://texmin.nic.in/schemes/technology-upgradation-fund-scheme)
2. What are the existing corporate regulatory frameworks in India which contribute to SDGs? What has been the influence of the Agenda 2030 on these frameworks? Please comment on their adequacy and efficacy as well

2.1 Various organs of the government and the private sector have taken steps to contribute towards achievement of the Sustainable Development Goals (SDGs), globally and in India. On the one hand, the government has designed public programmes, mobilised public investment, demonstrated leadership (through PSUs and PPPs) and is creating the enabling environment for achievement of SDGs. The private sector on the other hand, has led through innovations, developing business models, management systems and operational frameworks to champion SDGs. A number of initiatives have been taken by the government to mainstream sustainability in the business regulatory framework, even before the adoption of SDGs in 2015. In this section a brief overview of some of these initiatives has been presented in two parts: (i) pre-SDG regime and (ii) post-SDG regime.

2.2 Pre-SDGs Regime
Efforts for developing a comprehensive national framework that contributes to the spirit and purpose of SDGs, specifically from the private sector’s perspective started in 2011 with the development of the National Voluntary Guidelines on Social, Economic and Environmental Responsibilities of Business (NVGs). The NVGs advanced a framework comprising 9 principles and 48 core elements. The market regulator (Securities and Exchanges Board of India, SEBI), made disclosure of top 100 companies (by market capitalisation) mandatory by using a Business Responsibility Report (BRR) format that was developed based on the NVG Principles. This was followed by the inclusion of a provision on Corporate Social Responsibility (Section 135) in the Companies Act 2013 and the subsequent enactment of the CSR Rules 2014.

2.3 Post-SDGs Regime
Enactment of the SDGs provided considerable filip and pressure through stakeholder groups for the government to review these business regulatory frameworks. Consequently, in 2018 the Ministry of Corporate Affairs released an updated version of the National Guidelines on Responsible Business Conduct (NGRBC) - and is in the process of following this up with a revised Business Responsibility Report (BRR) format (for top 1000 companies to disclose their performance). There is considerable alignment between these Principles and of the NGRBC and the SGDs. In fact a mapping of the same has also been done (refer Annexure II).

2.4 Further, Government of India also initiated the process of developing the National Action Plan (NAP) on Business and Human Rights in 2018 - given India is a signatory to the UN Guiding Principles on Business & Human Rights (UNGPs). There is considerable alignment between the NAP and the Sustainable Development Goals (refer Annexure III). A Zero Draft of the NAP was developed in February 2019 and the development of India’s National Action Plan is currently underway - led by the Ministry of Corporate Affairs.
Finally, CSR Rules 2020 have been drafted and are currently undergoing a process of stakeholder review.

Regulatory Frameworks to promote Responsible Business/CSR in India

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<thead>
<tr>
<th>Legislation/Regulatory Frameworks</th>
<th>Relevant Government Authority</th>
<th>Operational Aspect</th>
<th>Link</th>
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2.5 A detailed overview of these regulatory instruments specifically designed to promote responsible business (including on CSR) is provided here below:

*Companies Act 2013 (Section 135)*

An important guiding framework for the private sector with respect to sustainable development is Section 135 of the Companies Act, 2013 which directs companies to undertake Corporate Social Responsibility (CSR) initiatives in communities. The Act also lists activities under Schedule VII which can be carried out as part of the company's CSR strategy. These activities include poverty reduction, gender empowerment, rural development, and environmental sustainability among others. CSR activities under Schedule VII of the Companies Act have been mapped to SDGs (Annexure I).

Another key clause in Companies Act, 2013 is the Section 166 which fixes fiduciary duties on the Director, as, ‘A director of a company shall act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment’

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7 Drawing recommendations submitted by the High Level Committee on CSR, August 2019 (refer: https://www.mca.gov.in/Ministry/pdf/CSRHLC_13092019.pdf)
8 http://www.mca.gov.in/SearchableActs/Section166.htm
Since the enactment of CSR Rules in 2014, there has been an attempt to ascertain the impact and adequacy of the mandatory spending on socially responsible activities. Periodically, the MCA has been doing a review of the CSR provisions and set up the High Level Committee to recommend measures to strengthen the CSR ecosystem in 2018. Some of the critiques of company’s CSR interventions were - concentration of spending to a few geographical areas (Maharashtra, Karnataka, Gujarat) and few activities (education, health, rural development). Diversification and inclusion would ensure that attention is given to states and groups which are more vulnerable. Investing in aspirational districts (identified by NITI Aayog) needs to be prioritised by businesses. Several recommendations have been provided as part of the High Level Committee - which would form part of the new operational framework on CSR in India. Recommendations from this Committee is already part of the draft CSR Rules 2020 - which is currently out for public comments.

**National Guidelines on Responsible Business Conduct (NGRBC)**
The Ministry of Corporate Affairs (MoCA) released National Voluntary Guidelines on the Social, Environmental and Economic Responsibilities of Business (NVGs) in 2011. To align the NVGs with SDGs and UN Guiding Principles on Business and Human Rights, the process of revising NVGs was started in 2015 which led to the development of the National Guidelines on Responsible Business Conduct (NGRBC) in 2018. Mapping of SDGs to relevant NGRBC Principles have been provided in Annexure II.

**Business Responsibility Reporting (BRR)**
Submission of the Business Responsibility Report (BRR) is a requirement for top 1,000 listed companies, as mandated by the Securities & Exchanges Board of India (SEBI) in November 2019. The characteristics of such reporting entails that companies report the actions undertaken by them towards adoption of responsible business practices, drawing from the nine principles of the NVGs (replaced by NGRBC). While companies submit their BRR report timely along with their Annual Report, the quality of reports (disclosure) has been a cause of concern. Ramping up the BRR format - drawing from the revised NGRBC should help improve the quality of reports (disclosure) by companies.

**National Action Plan on Business and Human Rights (NAP)**
The Ministry of Corporate Affairs (MoCA) has championed the regulatory framework to drive responsible business in India. The MCA has been accorded the responsibility to develop the National Action Plan (NAP) on Business and Human Rights (derived from the UNGPs). In addition to developing the Zero Draft on NAP in early 2019, the Ministry also initiated a process of developing the full-fledged National Action Plan. Consultations are underway with multiple groups of stakeholders to finalise the NAP. SDGs have also been mapped to related human rights aspects (Annexure III).

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9 [https://thecsrjournal.in/nagaland-and-mizoram-least-favoured-states-for-csr-projects/](https://thecsrjournal.in/nagaland-and-mizoram-least-favoured-states-for-csr-projects/)
2.6 These frameworks are comprehensive in terms of their alignment with the Agenda 2030. However, it is important to note that they are applicable for corporate entities only. However, there are other governing and regulatory frameworks introduced by other Ministries/government agencies that align with SDG. There are various others legislations and codes notified by different Ministries to address (social, economic and environmental) sustainability concerns of different stakeholders, such as the Child Labour (Prohibition and Regulation) Amendment Act, 2016; Equal Remuneration Act, 1976 by the Ministry of Labour and Employment and the Maternity Benefit Amendment Act (2017); Environment Protection Act, 1986 by the Ministry of Environment and Forests. Some of these notified legislations are integrated within the structural policies of corporates whereas others have a different purview such as the Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014 that was notified by the Ministry of Housing and Urban Poverty Alleviation.

2.7 BSE also introduced ESG guidance to help the listed companies who wish to incorporate ESG reporting.\textsuperscript{12} The guidelines are voluntary and are a step towards strengthening the sustainability landscape in the country. BSE cites the reasons and importance of ESG reporting which includes corporate transparency, strengthened risk management, and improved integration of stakeholders. A list of key ESG performance indicators are provided at: https://www.bseindia.com/downloads1/BSEs_Guidance_doc_on_ESG.pdf

\textsuperscript{12} https://www.bseindia.com/downloads1/BSEs_Guidance_doc_on_ESG.pdf
3. What role do Voluntary Sustainability Standards (VSS) play in the responsible business scape in the country? Please illustrate with examples

3.1 Very simply defined, Voluntary Sustainability Standards (VSS) are requirements that manufacturers, investors, manufacturers, retailers or companies are expected to follow to source, produce, trade and sell products and services, such that the market rewards them for their sustainability performance. VSS are more formally defined as “voluntary predefined rules, procedures, and methods to systematically assess, measure, audit and/or communicate the social and environmental behaviour and/or performance of firms”. Further, “These initiatives typically establish a set of standards and/or goals, a framework for decision-making, and a process for achieving the standards. These programs often include the development of certification systems, which are intended to provide market incentives for compliance. Consumers become the ultimate enforcers of the system, with independent certifiers playing a key role in providing information on corporate behaviour”.

3.2 At present, there are a number of VSS operating in India that address a varied range of issues such as human and labour rights, working conditions, child rights, environmental protection, water, carbon, transparency and disclosures. Broadly, these VSS organisations can be segregated into: (i) Sectoral VSS and (ii) Thematic VSS. A list of the active VSS organisations is provided in the table below.

<table>
<thead>
<tr>
<th>Types</th>
<th>Sectoral VSS</th>
<th>Thematic VSS</th>
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<tbody>
<tr>
<td>Names of VSS Organisations</td>
<td>Global Electronics Council (GEC), Roundtable on Sustainable Palm Oil (RSPO), Bonsucro, Fairwear Foundation, Marine Stewardship Council, Responsible Mica Initiative (RMI), Responsible Jewelry Council (RJC), Global Organic Textiles Standards (GOTS), Better Cotton Initiative (BCI), etc.</td>
<td>Alliance for Water Stewardship (AWS), Forest Stewardship Council (FSC), Social Accountability 8000 (SA8000), Rainforest Alliance (RA), Fairtrade, Goodweave, Traidcraft, etc.</td>
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3.3 VSS are a means to access export markets and to increase integration into Global Value Chains as MNCs are increasingly adopting, endorsing and/or pushing sustainability standards in their supply and value chains, targeted at improving the social and environmental performance of their GSCs/GVCs. Further, adoption of VSS has significantly helped address environmental and social concerns and has translated into real impact on the ground. Many VSS organisations have strong monitoring and evaluation mechanisms.

13 Business Responsibility and Sustainability in India: Sectoral Analysis of Voluntary Governance Initiatives: Edited by Bimal Arora, Pawan Budhwar, Divya Jyoti
that enable capturing data regularly, and can help reporting on SDGs. This can be improved if the collection of data is done using the national indicator framework for India. Further, from the perspective of achievement of SDGs in India, it is critical to ensure that there is wider geographical coverage of activities by VSS across India.

3.4 While VSS have largely been set in the global North, it is evident that there is a need for increased participation from developing producer economies in standard setting and to explore national/country interpretations of these global standards. A number of VSS organisations have therefore embarked on national interpretation – a process through which the principles and criteria of these standards are adopted at the country-level. Globally, the process of national interpretation has been effective in ensuring better uptake of the VSS at the country level.

3.5 Further, the burgeoning number of standards is often counter-productive as it leads to duplication and confusion among users with regards to the relevance, application and efficacy of these standards. Some of these standards have endeavoured to collaborate among themselves. Some of these examples are collaboration between BCI-FSC in agro-forestry projects; RA-RSPO collaboration on sustainable palm oil; RA-UTZ merger, etc. Also, adoption of sustainability standards can be strengthened and facilitated through dialogues and interactions involving relevant stakeholders.
4. How do the various sectors of India Inc. contribute towards the achievement of SDGs? Please illustrate with sectoral examples

4.1 Good corporate citizenship or responsible business conduct is not a new paradigm for Indian businesses. Businesses have always had the mandate to minimise adverse social and environmental impacts of their operations and many businesses in India have integrated the triple bottom line approach (people, planet, profits) into their core operations. The SDG agenda now provides a robust and commonly accepted framework for businesses to consider as they develop their internal strategies and operational plans and for them to align their existing responsible practices. It can be argued that the private sector can play a role in the achievement of all SDGs. However, there are certain SDGs wherein the impact of the private sector is much more prominent especially on gender equality, decent work, inclusive industrialisation, sustainable consumption and production, climate change, provision of clean energy, water and sanitation, and of course collaboration and global partnerships. Further, companies are no longer limiting their sustainability mandate to internal operations but are driving this agenda in their supply chains and value chains as well. Corporates are also deepening their community engagement both through CSR activities and their business operations.

4.2 The diagram below gives a snapshot on how business practices, models and engagements are contributing to the SDG agenda. Some examples of how the private sector is contributing to the SDGs have been provided as well. It is to be noted that these are illustrative and by no means an exhaustive representation of what businesses are doing.

4.2.1 Business-level Interventions (Own Initiatives)

Broadly speaking, the sustainability efforts of businesses can be classified as environment & climate related, as developing inclusive and diverse workplaces and creating better and decent workplaces.

**Environmental & Climate related**

When it comes to environmental and climate change related actions, businesses have been quicker to respond to the need for better resource management and minimising carbon footprints. Businesses have undertaken or are exploring several initiatives under frameworks such as resource efficiency, circular economy, climate change mitigation, Clean tech etc. SDG 13 (Climate action) is the most urgent undertaking for the industry, as reduction of greenhouse gas emissions is crucial to limit impacts of climate change; this is in turn linked closely with SDG 12 (Responsible consumption and production), which provides guidance on action aimed at achieving goal 13. Reduction of water, energy, and chemical footprint of industrial processes, as well as improving labour practices (gender equality, decent work, inclusive industrialisation, sustainable consumption and production, etc.) are essential steps towards achieving these goals.

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14 These practices are based on CRB’s experience of working with companies in the Textiles, Agro-Processing, Pharmaceutical, Minerals & Mining and the Gems & Jewellery sector.
diversity, wages, benefits), working conditions, etc. all ultimately contribute towards India’s SDG commitments.

Indian industry, especially the private sector, had responded to the PAT scheme (Perform, Achieve, and Trade), aimed at increasing energy efficiency and reducing emissions related to energy consumption. PAT cycle I (2012-2015) had led to energy savings of 8.67 mtoe (million tonnes of oil equivalent), against a target of 6.68 mtoe.\(^{15}\) The PAT scheme is expected to help reduce India’s emissions due to GDP by 30-35% by 2030 (as compared to 2005 levels).\(^{16}\) This would be possible only with the private sector’s continued commitment.

### Role of MSMEs

Indian MSMEs have rapidly adapted to the changing scenario in terms of greater environmental compliance as well as better resource efficiency.

- The Zero Effect Zero Defect (ZED) Scheme enables the MSMEs to seek financial help for certifying their facilities/processes as ZED-compliant. By availing such benefits for setting up ETPs and purchasing testing equipment, MSMEs can contribute immensely to SDG 12.\(^{17}\)

- Lean Manufacturing Competitiveness Scheme enables MSMEs to upgrade their facilities as per latest technologies, Information and Communication TÉchnology, etc.

Circular economy is an economic system where materials and energy circulate in loops and stay within the value chain, as opposed to a linear system of take-make-dispose. In a circular economy the concept of waste is eliminated—material value is reused, recycled, and repurposed. Ideally, a circular economy would run wholly on renewable energy. Businesses are exploring various interventions to adopt more circular practices. Some circular practices in place are:

### MSMEs adopting Circular business models

Some block-printing workshops in Gujarat and Rajasthan have incorporated circular economy principles in their operations. Their rooftop solar installation saves energy costs (and emissions) by preheating boiler water for steam generation. Some units have bioremediation facilities to recycle process water; this reduces their need for freshwater input. Further, many boutiques and small

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\(^{15}\) Bureau of Energy Efficiency. [https://beeindia.gov.in/sites/default/files/Booklet_Achievements%20under%20PAT_May%202017.pdf](https://beeindia.gov.in/sites/default/files/Booklet_Achievements%20under%20PAT_May%202017.pdf)

\(^{16}\) Bureau of Energy Efficiency. [https://www.beeindia.gov.in/sites/default/files/PAT%20PPT%20%28Overview%29%20Regional%20Workshops.pdf](https://www.beeindia.gov.in/sites/default/files/PAT%20PPT%20%28Overview%29%20Regional%20Workshops.pdf)

\(^{17}\) Zero Effect Zero Defect. [https://zed.org.in/](https://zed.org.in/)
workshops employ artisans and craftsmen on permanent payroll with fixed salaries. This reduces income uncertainties for its employees during off-season. Workers are hired and trained on-site, where they learn and adapt. Home based embroiders, mostly women, are trained by the companies; they are supplied with equipment and raw material and finished goods are transported back by the company.

Startups focused on job creation and relieving agrarian distress
Agricultural startups are focused on empowering rural, educated youth by helping develop small-scale food processing infrastructure, which helps farmers add value to their farm produce and earn higher income. Farmer-franchise units are being set up in various states; many of these units are operated by women. Products like pulses, turmeric, rice, chilly, etc. are among the products that are processed at the farm level and sold to local grocery stores as well as procurers at the national level.

Textile and apparel units reducing material, water, and chemical footprint
Many startups as well as large enterprises are moving towards alternative materials like hemp, banana fibre and other forms of cellulose, as these are less water and chemical-intensive. With the advent of single-shot dyeing and foam-based dyeing, the water requirement has been reduced. Several startups are also focused on green or natural chemicals and dyes. ZDHC and Responsible Care programs are also being used to seek guidance on chemical use and import. Businesses have put in place collaborations with civic bodies to utilise treated sewage wastewater in certain production facilities and completely eliminate use of freshwater.

Gender Equality
Businesses are also adopting responsible practices that contribute to gender equality and women empowerment. Companies are making conscious efforts to encourage more inclusive and diverse workplaces as well as promote more inclusive value chains. Evidence from the textiles, pharmaceutical, agro-processing and the gems & jewellery sector highlight some innovative practices such as: 1) definite, measurable and impactful targets for inclusion, 2) internal awareness and capacity building to champion gender equality, 3) targeted training and capacity building for women to achieve career advancement, 4) capacity building for supply chain actors on need for gender balance and support for women entrepreneurs, 5) gender balance at leadership positions, 6) creation of enabling ecosystem such as creches/ child care centres/ child care allowances, flexi hours, education loans, 7) support through regular health checkups, nutritional security, financial literacy
etc., and 8) creating socio-cultural sensitive employment and entrepreneurship opportunities to integrate more women into value chains (e.g. setting up women as micro units for textile companies by supporting them through machinery, raw material, logistics and skills).

<table>
<thead>
<tr>
<th>Working towards gender balance and women empowerment</th>
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<tr>
<td>Companies in the gem and jewellery sector are increasingly recruiting more women in the traditionally male dominated diamond cutting and polishing segment. The women are provided the necessary skills and tools to be gainfully employed. Through constant guidance, training and skill building, many of the women employees advance to supervisory and leadership roles. It is a win-win situation as the companies are supported by a skilled, stable workforce and the women are socially and economically empowered; they are able to progress from undertaking multiple low-paying, unskilled jobs to extremely skilled work requiring machine operations as well.</td>
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**Decent Work**

Increased civil society action, aware consumers, buyer requirements and rising number of millennials in the workforce are ensuring that businesses provide decent work places. Companies have started recognising the value of investing in a healthy, skilled and committed workforce. Some initiatives taken by the industry are:

- Companies are adhering to international standards with respect to work environments. Training is provided to supervisors and mid level management to promote better workplace practices. Investments are also being made into regular health check up of employees supported with nutritional programs
- Artisans are offered subsidised rates for upskilling in the gems and jewellery sector. Further artisans’ skills are meticulously mapped and a unique ID card is prepared accordingly
4.2.2 Supply Chain Sustainability (SDG 5, 8, 12, 13, 14, 15, 16)

The biggest scope of intervention for the private sector lies within their supply chains, which is defined as the management of environmental, social and economic impacts and the encouragement of good governance practices, throughout the life cycles of goods and services (UN Global Compact, 2015). Beginning with the design of products and sourcing of raw materials to processing and retail, supply chain sustainability involves scrutiny of cross-connected work flows, various industrial domains, and addresses multiple SDGs. In India, perhaps the focus on supply chain sustainability began in the early 2000s as Indian companies were required to demonstrate safe environmental and fair social practices for them to supply to MNCs and global buyers. Today, supplier codes of conduct, VSS, and certifications are a common practice for Indian suppliers integrated into Global Value Chains especially in sectors like textiles and apparel sector, agro & food processing, gems & jewellery, IT & electronics. Sustainability actions through supply chains have resulted in positive impacts especially for environmental impacts such as use of clean energy, avoiding hazardous chemicals, proper discharge of wastewater and more efficient technologies.

It is important to highlight the changing landscape of supply chain sustainability. What started as a simple compliance exercise for exporters and Tier 1 suppliers has matured into a dialogue for achieving sustainable impacts on the ground. The focus now is on supply chain transparency and to include all players of the supply chain for sustainable action. Moreover, the focus is on collaborative action wherein suppliers are part of target setting rather than just complying to prescribed norms. Further, large buyers are taking on the onus of creating awareness and building capacities of their supply chains to undertake sustainable initiatives and to further improve transparency in the supply chains. Technology interventions and new business models are also redefining the concept of supply chains by redistributing power and facilitating leaner supply chains.

Supply chain sustainability will continue to be a strong lever to drive SDG impacts on a large scale and across varied levels. Such initiatives will benefit from stable, progressive policy interventions especially for the SME players as they are constrained by resources and capacities to participate in sustainable initiatives.

- International apparel brands disclose their supplier lists in the public domain and have set targets to achieve 100% transparency of the supply chain over the next few years. This transparency has motivated suppliers to adhere to and follow the buyer’s sustainability norms.
- A leading Indian apparel manufacturer has undertaken a comprehensive mapping of its supply chain to trace the resources used in its products
- Garment and apparel manufacturers are investing in blockchain technology to provide better traceability and transparency on their products. Consumers can trace the journey of the product from farmer to store
- Large buyers in the agro-processing sector adopt “sustainable sourcing/procurement policies” in their supply chains
Increasingly firms in the agro-processing sector are working directly with farmers to facilitate good agronomic practices that result in better soil health, water stewardship, as well as regulating chemical fertiliser usage. These interventions translate into direct benefits for farmers as well. Startups in the agri sector focus on linking farmers directly to customers thus replacing traditional supply chains and are putting more income in the farmers hands.

**Facilitating Good Agricultural Practices**

Many suppliers and agri-businesses resort to ensuring that farmers are receiving training on Good Agricultural Practices, which is in alignment with Sustainable Agriculture. Aligning with this industry standard helps to facilitate compliance for companies further upstream who have to maintain food safety, standards and food quality, which is sometimes demanded by consumers as well. In addition, at the ground level, resource efficiency is maintained and farmers gain access to market linkages.

**Indian Suppliers leveraging Aggregation Models**

In the Farmer Producer Company (FPC) model, every farmer needs to be a part of an organised value chain for ensuring sustainable livelihoods. The FPC model facilitates aggregation of demand and input requirements, which is a solution to the problem caused by the number of inefficiencies that occur as a result of ensuring linkage between the farmers and retail outlets. Traceability is an important aspect of this model; it acts as proof of sustainable and ethical sourcing, leading to higher demand in international consumer markets.

**4.2.2 Community Engagement (SDG 11,16, and 17)**

Businesses operate in a social environment and the relationship of the private sector with society needs to be nurtured and maintained both for sustainable business and inclusive development. The UN recognises community-based engagement as critical to achieving SDGs. As part of their sustainability and CSR strategy, companies are undertaking initiatives for community development. These initiatives can bring desired outcomes only when the community becomes the primary stakeholder. Community participation does not only ensure inclusivity but also sustainability and transparency by granting ownership and contributes directly to the SDGs. Some ways in which communities are being integrated in the decision making process are:

- **Need- based intervention:** Community welfare programs are no longer determined solely in the boardrooms but are cognisant of community needs and local potential.

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Moreover, the companies are beginning to allow for modification and updation of the programmes as per the need of people at the grassroot level.

- **Local governance system/Gram Vikas Panchayat**: Companies are increasingly engaging with local governance systems and in certain instances, companies have even constituted a local committee to ensure successful execution of the company's need-based programme.. This sort of parallel Gram Vikas Panchayat has proved to be a successful model. It ensures the participation of the community at all levels and provides the community with a sense of ownership which in turn ensures sustainability and accountability.

- **Collaboration and Partnership**: The collaboration and partnership with different kinds of institutions have become an integral part of the company's CSR policy. Collaborating with government, non-governmental institutions, local organizations, at all levels help deliver the best of solutions to community problems.

The private sector needs to ensure community participation at all levels to strengthen their contribution to SDGs. Use of technology for monitoring and inclusion purposes can prove to be a catalyst for healthy development.20 The above few practices would go a long way in strengthening the relationship between business and society and would benefit the relevant stakeholders in the process.

Companies in the Gems & Jewellery sector have collaborated to provide health insurance schemes to their artisans and their dependent members. They have also supported the artisans with proper id documentation to enable them to leverage on existing government schemes.

[20](http://www.thinktankinitiative.org/blog/community-engagement-sdg-era-and-role-development-donors)
The discussions on the contribution of the private sector to the SDGs would be incomplete without a mention of the role of Business Member Organisations that have in some cases proved to be an effective means of driving sustainable action amongst member companies. Also, multi-stakeholder sustainability initiatives have allowed for exploring synergies, pooling resources and facilitating joint decision making on common sustainability challenges.

4.3 Role of Business Member Organisations (BMOs)

BMOs such as Industry Associations and Industry Chambers have always played a crucial role to promote the common interests of its members but also to create awareness about new trends, developments, legislations and technologies. Increasingly these organisations are recognising the need for businesses to be responsible and also the competitive edge that sustainable practices can provide to businesses. Accordingly, they are building capacities of their members to adopt more sustainable practices. This is more evident for industries and sectors that are deeply integrated into global value chains and are required by their buyers to comply with or adopt voluntary sustainable measures. The role of BMOs is even more critical for the small and medium scale enterprises that lack the time, resources and capacities to leverage on sustainable opportunities. Some illustrative examples of how BMOs facilitate adoption of sustainable practices amongst its members are:

- **Mapping of sustainability initiatives and knowledge sharing amongst members**
  
  The Organisation of Pharmaceutical Producers of India (OPPI) has mapped and shared the inclusivity initiatives of its member companies.

- **Awareness, capacity building and training on sustainable practices/models**
  
  - Society of Indian Automobile Manufacturers Association (SIAM), the country's largest automobile makers' association recently facilitated a discussion on circular economy encompassing the themes of material efficiency, collection and recycling, and R&D
  - Integrated Association of Micro, Small and Medium Enterprises in India (IAMSME), regularly organises workshops to increase awareness and uptake of clean tech, renewable energy, resource efficiency, good governance etc.
  - National Seed Association of India (NSAI) encourages investment in R&D and Technology to preserve and propagate high-performing seeds (drought resistance, less input-intensive), in order to boost sustainable agricultural growth.

- **Aggregating demand and provision of common infrastructure:**

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Gems and Jewellery Export Promotion Council has undertaken the set up of Common Facility Centres in small towns and interior villages in Gujarat to facilitate small artisans to upgrade to newer, more efficient technology that would otherwise be unavailable to them.

Association of Lady Entrepreneurs of Andhra Pradesh (ALEAP)’s Green Industrial Park at Nandigama facilitates use of renewable energy, recycling of water, conservation of energy amongst all units in the industrial park.

Haryana Carpet Manufacturers’ Association, Panipat is planning to initiate a waste management solution that will enable the members to trade surplus materials, and prevent landfilling of recycled as well as virgin materials discarded from processes, or imported for processing.

### Policy inputs and supportive action

- Confederation of Indian Textile Industries (CITI) one of the leading textile associations engages in policy research and briefing and provides suggestions for better utilisation of schemes such as Technology Upgradation Fund Scheme (TUFS) that aims to modernise equipment and improve resource efficiency.
- The Indian Steel Association (ISA) comprises all integrated steel manufacturers of the country (about 65% of total crude steel capacity). Other than providing a platform for government representation to its members, ISA also helps them in navigating environment, health and safety (EHS) concerns.

### 4.4 Multi-Stakeholder Sustainability Initiatives (MSSI)

SDG 17 of the UN Sustainability Goals clearly highlights the need for collaboration and constructive global partnerships to facilitate the achievement of the ambitious SDG agenda. Multistakeholder initiatives i.e. participation from stakeholders representing different economic, political and social backgrounds to discuss, deliberate and jointly decide solutions to common problems are emerging as a strong enabler to deliver on the sustainability landscape. A strong need for MSSI has been felt in:

- Facilitating definite action by key stakeholders to address common sustainability challenges.
- Support relevant and actionable policy interventions
- Improving the acceptance and effectiveness of VSS
- Facilitating dialogues between the Global North (where sustainability targets are set) and the Global South (where the sustainability targets are expected to be fulfilled)
- Strengthening the voice of the weaker actors in value chains/ supply chains and who are most vulnerable to non-achievement of the SDG agenda

A few illustrative examples of MSSI in India:
Sustainable Palm Oil Coalition India (I-SPOC)

Sustainable Palm Oil Coalition for India (I-SPOC) is a business led multi-stakeholder initiative created with a goal to promote sustainable consumption, import and trade of palm oil and its derivatives in India. The coalition was conceived by four (founding) organizations; Centre for Responsible Business (CRB), World Wide Fund for Nature India (WWF-India), Roundtable for Sustainable Palm Oil (RSPO) and Rainforest Alliance (RA) and was formally launched in September 2018. The coalition was created when major consumers of palm oil in India (FMCGs, agri-food processors, etc.) felt that sourcing of sustainable palm oil is crucial for India's SDG targets, especially SDG 12: Sustainable Consumption and Production. The coalition aims to create broader awareness on sustainability issues within industry and consumers, facilitate multi sector industrial dialogue on sustainable palm oil, build and grow sustainable trade partnerships through links with similar platforms and encourage engagement in policy dialogue for a supportive policy environment and regulation.

Project SU.RE - a commitment by Indian Apparel industry’s commitment to move to Sustainable Fashion

Project SU.RE (Sustainability Revolution) has been launched by the Ministry of Textiles along with Clothing Manufacturers Association of India, UN in India and Reliance IMG. The initiative brings together 16 leading brands from India’s fashion industry to make fashion sustainable. The coalition aims to understand the environmental impact of the garments being made by these brands, develop a sustainable sourcing policy, ensure traceability of materials, communicate sustainability initiatives to consumers and move to a more sustainable supply chain by 2025. This is a pioneering coalition that addresses the needs of an increasingly conscious consumer and underlines the need for collaboration across the sector to facilitate innovation and transformative change. Project SU.RE aims to contribute to the UN Sustainable Development Goals 2030, especially SDG-12 for responsible consumption and production.

Enabling Child and Human Rights in Seed Companies (ECHO)

ECHO is a multi-stakeholder platform comprising members of industry, civil society and academia to discuss and arrive at workable solutions for ensuring social compliances in the seed supply chains in India.

Small and Medium Enterprises Energy Efficiency Knowledge Sharing

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(SAMEEKSHEA)

An initiative of Ministry of MSME, Bureau of Energy Efficiency, TERI, Swiss Development Corporation, and Shakti Sustainable Energy Foundation; SAMEEKSHEA is a collaborative platform aimed at pooling the knowledge and synergizing the efforts of various organizations and institutions – Indian and international, public and private – that are working towards the common goal of facilitating the development of the SME sector in India through the promotion and adoption of clean, energy efficient technologies and practices. SAMEEKSHEA provides a unique forum where industry may interface with technology development specialists, R&D institutions, government bodies, training institutes, funding agencies and academia so as to facilitate this process.
Annexure I: CSR Activities mapped to SDGs.

<table>
<thead>
<tr>
<th>Activities under Schedule VII</th>
<th>Relevant SDGs</th>
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</thead>
<tbody>
<tr>
<td>i) Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive healthcare and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.</td>
<td>![SDG Icons]</td>
</tr>
<tr>
<td>ii) Promotion of education, including special education and employment enhancing vocation skills especially among children, woman, elderly and the differently abled and livelihood enhancement projects</td>
<td>![SDG Icons]</td>
</tr>
<tr>
<td>iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centers, and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups</td>
<td>![SDG Icons]</td>
</tr>
<tr>
<td>iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga</td>
<td>![SDG Icons]</td>
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<tr>
<td>v) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up of public libraries, promotion and development of traditional arts and handicrafts</td>
<td>9</td>
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<tr>
<td>vi) Measures for the benefit of armed forces veterans, war widows and their dependents</td>
<td>3</td>
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<tr>
<td>vii) Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports</td>
<td>8</td>
</tr>
<tr>
<td>viii) Contribution to the Prime Minister’s National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women</td>
<td>1</td>
</tr>
<tr>
<td>ix) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government</td>
<td>9</td>
</tr>
<tr>
<td>x) Rural development projects</td>
<td>1</td>
</tr>
<tr>
<td>xi) Slum area development</td>
<td>1</td>
</tr>
</tbody>
</table>
xii) Disaster management, including relief, rehabilitation and reconstruction activities

Annexure II: SDGs and NGRBC Principles

The nine principles of NGRBC are:
1. Businesses should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable.
2. Businesses should provide goods and services in a manner that is sustainable and safe.
3. Businesses should respect and promote the well-being of all employees, including those in their value chains.
4. Businesses should respect the interests of and be responsive to all their stakeholders.
5. Businesses should respect and promote human rights.
6. Businesses should respect and make efforts to protect and restore the environment.
7. Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
8. Businesses should promote inclusive growth and equitable development.
9. Businesses should engage with and provide value to their consumers in a responsible manner.

### Annexure III: SDGs and Human Rights

<table>
<thead>
<tr>
<th>Sustainable Development Goals</th>
<th>Related human rights</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SDG 1: No Poverty</strong>&lt;br&gt;<img src="image" alt="1_NO_POVERTY" /></td>
<td>● Right to an adequate standard of living [UDHR art. 25; ICESCR art. 11; CRC art. 27]&lt;br&gt;● Right to social security [UDHR art. 22; ICESCR art. 9; CRPD art. 28; CRC art. 26]&lt;br&gt;● Equal rights of women in economic life [CEDAW arts. 11, 13, 14(2)(g), 15(2), 16(1)]</td>
</tr>
<tr>
<td><strong>SDG 2: Zero Hunger</strong>&lt;br&gt;<img src="image" alt="2_ZERO_HUNGER" /></td>
<td>● Right to adequate food [UDHR art. 25; ICESCR art. 11; CRC art. 24(2)(c)]&lt;br&gt;● International cooperation, including ensuring equitable distribution of world food supplies [UDHR art. 28; ICESCR arts. 2(1), 11(2)]</td>
</tr>
<tr>
<td><strong>SDG 3: Good Health and Well-being</strong>&lt;br&gt;<img src="image" alt="3_GOOD_HEALTH" /></td>
<td>● Right to life [UDHR art. 3; ICCPR art. 6], particularly of women [CEDAW art. 12] and children [CRC art. 6]&lt;br&gt;● Right to health [UDHR art. 25; ICESCR art. 12], particularly of women [CEDAW art. 12]; and children [CRC art. 24]&lt;br&gt;● Special protection for mothers and children [ICESCR art. 10]&lt;br&gt;● Right to enjoy the benefits of scientific progress and its application [UDHR 27; ICESCR art. 15(1)(b)]&lt;br&gt;● International cooperation [UDHR art. 28, DRTD arts. 3-4], particularly in relation to the right to health and children’s rights [ICESCR art. 2(1); CRC art. 4]</td>
</tr>
</tbody>
</table>
### SDG 4: Quality Education
- Right to education [UDHR art. 26; ICESCR art. 13], particularly in relation to children [CRC arts. 28, 29]; persons with disabilities [CRC art. 23(3), CRPD art. 24]; and indigenous peoples [UNDRIP art. 14]
- Equal rights of women and girls in the field of education [CEDAW art. 10]
- Right to work, including technical and vocational training [ICESCR art. 6]
- International cooperation [UDHR art. 28; DRTD arts. 3-4], particularly in relation to children [CRC arts. 23(4), 28(3)], persons with disabilities [CRPD art. 32], and indigenous peoples [UNDRIP art. 39]

### SDG 5: Gender Equality
- Elimination of all forms of discrimination against women [CEDAW arts. 1-5] and girls [CRC art. 2], particularly in legislation, political and public life (art. 7), economic and social life (arts. 11, 13), and family relations (art. 16])
- Right to decide the number and spacing of children [CEDAW arts. 12, 16(1)(e); CRC art. 24(2)(f)]
- Special protection for mothers and children [ICESCR art. 10]
- Elimination of violence against women and girls [CEDAW arts. 1- 6; DEVAW arts. 1-4; CRC arts. 24(3), 35]
- Right to just and favourable conditions of work [ICESCR art. 7; CEDAW art. 11]

### SDG 6: Clean Water and Sanitation
- Right to safe drinking water and sanitation [ICESCR art. 11]
- Right to health [UDHR art. 25; ICESCR art. 12]
- Equal access to water and sanitation for rural women [CEDAW art. 14(2)(h)]
- Ensure availability and sustainable management of water and sanitation for all
- Targets include ensuring universal and equitable access to

### SDG 7: Affordable and Clean Energy
- Right to an adequate standard of living [UDHR art. 25; ICESCR art. 11]
- Right to enjoy the benefits of scientific progress and its application [UDHR art. 27; ICESCR art. 15(1)(b)]
### SDG 8: Decent Work and Economic Growth

- Right to work and to just and favourable conditions of work [UDHR art. 23; ICESCR arts. 6, 7, 10; CRPD art. 27; ILO Core Labour Conventions and ILO Declaration on Fundamental Principles and Rights at Work]
- Prohibition of slavery, forced labour, and trafficking of persons [UDHR art. 4; ICCPR art. 8; CEDAW art. 6; CRC arts. 34-36]
- Equal rights of women in relation to employment [CEDAW art. 11; ILO Conventions No. 100 and No. 111]
- Prohibition of child labour [CRC art. 32; ILO Convention No. 182]
- Equal labour rights of migrant workers [CMW art. 25]

### SDG 9: Industry, Innovation and Infrastructure

- Right to enjoy the benefits of scientific progress and its application [UDHR art. 27; ICESCR art. 15(1)(b)]
- Right to access to information [UDHR art. 19; ICCPR art. 19(2)]
- Right to adequate housing, including land and resources [UDHR art. 25; ICESCR art. 11]
- Equal rights of women to financial credit and rural infrastructure [CEDAW art. 13(b), art. 14(2)]

### SDG 10: Reduced Inequalities

- Right to equality and non-discrimination [UDHR art. 2; ICESCR art. 2(2); ICCPR arts. 2(1), 26; CERD art. 2(2); CEDAW art. 2; CRC art. 2; CRPD art. 5; CMW art. 7; DRTD art. 8(1)]
- Right to participate in public affairs [UDHR art. 21; ICCPR art. 25; CEDAW art. 7; ICERD art. 5; CRPD art. 29; DRTD art. 8(2)]
- Right to social security [UDHR art. 22; ICESCR arts. 9-10; CRPD art. 28]
- Promotion of conditions for international migration [CMW art. 64]
- Right of migrants to transfer their earnings and savings [CMW art. 47(1)]
| SDG 11: Sustainable Cities and Communities | ● Right to adequate housing, including land and resources [UDHR art. 25; ICESCR art. 11]  
                                       ● Right to participate in cultural life [UDHR art. 25; ICESCR art. 15; ICERD arts. 5, 7; CRPD art. 30; CRC art. 31]  
                                       ● Accessibility of transportation, facilities and services particularly of persons with disabilities [CRPD art. 9(1)], children [CRC art. 23], and rural women [CEDAW art. 14(2)]  
                                       ● Protection from natural disasters [CRPD art. 11] |
| SDG 12: Responsible Production and Consumption | ● Right to health including the right to safe, clean, healthy and sustainable environment [UDHR art. 25(1); ICESCR art. 12]  
                                                ● Right to adequate food and the right to safe drinking water [UDHR art. 25(1); ICESCR art. 11]  
                                                ● Right of all peoples to freely dispose of their natural resources [ICCPR, ICESCR art. 1(2)] |
| SDG 13: Climate Action | ● Right to health including the right to safe, clean, healthy and sustainable environment [UDHR art. 25(1); ICESCR art. 12; CRC art. 24; CEDAW art. 12; CMW art. 28]  
                  ● Right to adequate food & right to safe drinking water [UDHR art. 25(1); ICESCR art. 11]  
                  ● Right of all peoples to freely dispose of their natural wealth and resources [ICCPR, ICESCR art. 1(2)] |
| SDG 14: Life Below Water | ● Right to health including the right to safe, clean, healthy and sustainable environment [UDHR art. 25(1); ICESCR art. 12; CRC art. 24; CEDAW art. 12; CMW art. 28]  
                           ● Right to adequate food & right to safe drinking water [UDHR art. 25(1); ICESCR art. 11]  
                           ● Right of all peoples to freely dispose of their natural wealth and resources [ICCPR, ICESCR art. 1(2)]  
                           ● Conserve and sustainably use the oceans, seas and marine resources for sustainable development  
                           ● Targets include reducing marine pollution; conserving coastal ecosystems, coastal marine areas and fish stock; securing market access for small scale fishers; protection |
| SDG 15: Life on Land | - Right to health including the right to safe, clean, healthy and sustainable environment [UDHR art. 25(1); ICESCR art. 12; CRC art. 24; CEDAW art. 12; CMW art. 28]
- Right to adequate food & right to safe drinking water [UDHR art. 25(1); ICESCR art. 11]
- Right of all peoples to freely dispose of their natural wealth and resources [ICCPR, ICESCR art. 1(2)] |
| SDG 16: Peace, Justice and Strong Institutions | - Right to life, liberty and security of the person [UDHR art. 3; ICCPR arts. 6(1), 9(1); ICPED art. 1] including freedom from torture [UDHR art. 5; ICCPR art. 7; CAT art. 2; CRC art. 37(a)]
- Protection of children from all forms of violence, abuse or exploitation [CRC arts. 19, 37(a)], including trafficking (CRC arts. 34-36; CRC–OP1)]
- Right to access to justice and due process [UDHR arts. 8, 10; ICCPR arts. 2(3), 14-15; CEDAW art. 2(c)]
- Right to legal personality [UDHR art. 6; ICCPR art. 16; CRPD art. 12]
- Right to participate in public affairs [UDHR art. 21; ICCPR art. 25]
- Right to access to information [UDHR art. 19; ICCPR art. 19(1)] |
| SDG 17: Partnerships for the Goals | - Right of all peoples to self-determination [ICCPR, ICESCR art. 1(1); DRtD art. 1(1)]
- Right of all peoples to development, & international cooperation [UDHR art. 28; ICESCR art. 2(1); CRC art. 4; CRPD art. 32(1); DRtD arts. 3-5]
- Right of everyone to enjoy the benefits of scientific progress and its application, including international cooperation in the scientific field [UDHR art. 27(1); ICESCR art. 15(1)]
- Right to privacy [UDHR art. 12; ICCPR art. 17], including respect for human rights and ethical principles in the collection and use of statistics [CRPD art. 31(1)] |

Source:
https://www.ohchr.org/Documents/Publications/Session5_OHCHR_SDG_HR_Table.pdf