FACT SHEET

AGRO BASED INDUSTRIES.

CENTRE FOR RESPONSIBLE BUSINESS (CRB)
INTRODUCTION

Agro-based industries refer to those industries that derive their raw materials from agricultural produce such as cotton, jute, sugar, edible oil, etc. These industries are directly or indirectly linked with agriculture and may be of several types such as textile, sugar, food processing, etc. with immense potential for growth, employment generation and impact. India is also the second largest producer of sugar and tea in the world, the latter industry employing over 2 million people in the country. The importance of the agricultural and allied products is noted in the fact that exports of these products stood at USD 41.25 billion in 2020-21.

Agro-based industries are crucial to achieving the Sustainable Development Goals (SDGs) as they contribute to rural employment while being linked with various SDGs such as SDG 1 – no poverty, SDG 2 – zero hunger, SDG10 – reduced inequalities, SDG 13 – climate action and SDG 15 – life on land.

In India, agro based industries witnessed a 15% growth in 2021 and interventions to promote sustainable practices in this sector will have a significant impact towards India’s SDG Agenda. It is in this context that CRB has partnered with organisations that seek to address crucial issues such as stubble burning, promoting sustainable commodities, encouraging robust social practices, reducing food loss and waste amongst others, in India. Like other industries, agro based industries too must focus on adhering to standards, which in turn facilitate traceability and transparency in the value chain.

OVERVIEW OF ACTIVITIES

CRB has identified the following priority areas to enable sustainability within agro based industries

1. **Raising awareness about application of the ‘Capitals valuation approach’ among select Agro-businesses**

Through the [TEEB Agri Food project](https://www.ibef.org/industry/agriculture-india), CRB and Capitals Coalition aim to protect biodiversity and contribute more widely to sustainable agriculture and the food sector. Through this initiative, CRB encourages both public sector and private sector engagement with the agri-business networks in India. CRB and Capitals Coalition are working with 5-6 Agro-based Industries to develop case studies on application of the ‘Capitals valuation approach’ in their businesses.
2. Managing Food Loss and Food Waste in value chains

As part of Promoting Responsible Value Chains for an effective contribution of the private sector to the SDGs (PROGRESS) along with Aston University UK, CRB has developed a briefing paper on *Addressing Food Loss and Waste for a Sustainable Agriculture Value Chain in India* as well as case studies that document best practices that are contributing to the reduction of food loss and waste in India.

3. Developing a sustainability based framework for Farmer Producer Organisations

CRB’s PROGRESS project also focuses on research and stakeholder consultation to better understand the role of Farmer Producer Organisations (FPOs) in driving sustainability. CRB is working on the development of a sustainability framework with the objective of aligning the interests of FPOs and markets while contributing to the SDGs.

4. Responsible Sourcing

FOLU India launched its first action coalition in India in the form of the *Food and Land Use India (FOLU India) Action Coalition for Responsible Sourcing and Trade of Commodities (in short FOLU India CREST)* at the ISS Conference 2021. This action coalition brings together four organisations, viz. Centre for Responsible Business (CRB), IDH – The Sustainable Trade Initiative India, WWF India, and World Resource Institute India (WRI India). This initiative seeks to advance efforts on responsible sourcing and sustainable production, leveraging India’s pivotal position in global agricultural and forest commodities trade. The coalition will aim to work on one hand in building the demand and uptake of responsibly sourced commodities. On the other hand, it will seek to enable and strengthen sustainable agricultural production and supply of responsibly sourced commodities to the domestic and international markets.

Since 2018, CRB has also been working in partnership with the Roundtable on Sustainable Palm Oil to **promote awareness about the need and opportunities for greater uptake of sustainable palm oil along the supply chain in India**. As part of this shared vision, CRB and RSPO continue working together on a project that aims to identify champions for the uptake of certified sustainable palm oil in India.

CRB is a founding member of the **Sustainable Palm Oil Coalition for India (I-SPOC)**, along with the World Wide Fund for Nature India (WWF India), RSPO and Rainforest Alliance, which was launched in September 2018. I-SPOC aims to promote sustainable consumption, import, and trade of palm oil and its derivatives along the supply chain. I-SPOC, through industry collaboration, seeks to create broader awareness on sustainability issues within industry and among consumers. At present, the coalition has 30 members.
CRB also partnered with MVO Nederland, under the Indo-Dutch CSR and Sustainability Forum (INDUS-Forum) project to undertake a study to explore the feasibility of converting crop residue to composite boards – a technology that exists in India but without significant uptake. This study is referred to as ‘Exploring Possibilities of Transforming Agriculture Residue into Wood Composite in India’ or Stubble Up. Secondary research coupled with interaction with various key players, industry experts, government representatives, corporate and manufacturers was undertaken for this project.

WAY FORWARD

CRB’s focus going forward will be to highlight the role and achievement of targets under the SDG framework, as relevant and applicable to the Agro-based industries.

In this regard, CRB plans to organise its work in the agro-based industries under the following topics:

- Engagement with policy actors and the Private Sector on Food Loss and Waste management
- Facilitating sustainable, market-ready FPOs in Agri Value Chains/Markets
- Deforestation Free Supply Chains (primarily focused on agro-based commodities)
- Application of the ‘Capitals valuation’ approach (natural, social, human and produced) into business decision-making (TEEB Agri Food)
- Developing Sustainable Value Chains for Forest based Commodities as well as in relation to procurement and production practices of agri value chain actors