

VSS COLLABORATION INDIA

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REPORT

VSS & Climate Change in India

**8th Meeting
9 February 2022**

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8th Meeting of VSS Collaboration India

The 8th meeting of Voluntary Sustainable Standard Collaboration India was held on 9 February 2022 virtually through the Zoom Platform. This meeting's focus was on "VSS & Climate Change in India". It was attended by prominent leaders from different industries who are working on sustainability and issues relating to climate and climate change in India.

At the outset, the meeting started with the self-introduction of the participants, and then **Mr. Rijit Sengupta**, CEO, CRB, started with a background of the VSS Collaboration India over the years. He also mentioned the steps taken by the Indian Government to address the issue such as highlighting a pathway to reduce the use of fossil fuels, lower carbon intensity, and achieve net-zero emissions by 2070. He further expressed his interest to find out how, if possible, the VSS Collaboration India can play a role in supporting the VSS organisations to achieve India's climate ambitions by 2070.

Then, the chief guest, **Mr. Shubhashish Dey, Director, Climate Policy, Shakti Sustainable Energy Foundation**, shared his thoughts on "India's Climate Commitment and the role of Private Sector".

- He apprised that lately, the private sectors have started to understand that mitigation and adapting to climate change is a business need for them because of the cost of carbon to businesses. It is highly likely that there will also be domestic carbon taxes in India in the near future.
- He further talked about COP26 and "Panchamrit" proposed by the Government of India, which are the nationally determined targets of achieving the net-zero goals.
- He also briefed about the analysis done by Shakti Sustainable Energy Foundation the World Resources Institute to evaluate the changes required to achieve the net-zero targets within the prescribed time. The study showed that electrification would increase and usage of hydrogen might replace fossil fuels as the source of energy production.
- Material efficiency, in other words, reuse and recycling of products need to be increased to a great extent to minimise waste production.
- Although the majority of energy emissions come from the points discussed above, what often remains unaccounted for is, the field of agriculture, animal husbandry and the food preferences people have and sustainable practices need to be adopted in those sectors as well, to achieve our goals.
- All these changes, including mitigation and adaptation, would require a large amount of money, and that is where the private sector comes into play. So the finance needs to be mobilised from our capital as well as the debt market along with the creation of new innovative financial instruments while making a just transition process that is socially inclusive and where the role of policy, finance and social resilience will play an important role.
- So far 24 key industry captains have signed MOU on climate change with the Ministry of Environment, Forest and Climate Change in 2020. For voluntary commitments, 67 Indian

companies are part of the global initiative of adopting science-based targets out of which, 29 companies have approved the targets.

- He concluded his presentation by saying that climate justice and equity should be the priority and GDP growth should be considered in conjunction with the human development index and businesses should also need to adhere to the triple bottom line mechanism.

Mr. Kamal Prakash Seth, Global Deputy Director, Market Transformation, Roundtable on Sustainable Palm Oil (RSPO), shared that the RSPO believes in impact-oriented work and they have Impact Goals on prosperity, people and planet with specific principles to increase accountability within the members. A recent study by Copenhagen Business School and by Nature also showed that more than 20 indicators of SDG15 (Life on Land) matched with one of RSPO's Principles denoting their work and commitment towards sustainability and nature.

Mr. Bhavit Pant, Manager at Rainforest Alliance, identified the 4 key pillars of certification to be forest, livelihood, climate and human rights. They also found that farmers who worked on certified farms and used better practices of soil and water management along with conservation of natural resources around the area have made a positive impact on climate resilience.

Mr. Asish Bharadwaj, India Coordinator, Alliance for Water Stewardship, conveyed that improved management of water can help in achieving fast transformation (by adopting water-related nature-based solutions) and simultaneously reduce GHG emissions. He also said that one of the ways AWS contributes to climate change is by managing healthy wetlands which in turn acts as a carbon sink.

Dr. Ranjeet Suseelan, India Consultant, Marine Stewardship Council, highlighted the fact that there has been a significant change in the distribution of fish stocks globally due to climate change which resulted in the increase of the marine heatwave. MSC is working on research to understand climate change, sustainable fishing and how we can adapt by reducing the emissions in the fishing sector. He also mentioned that the MSC also started the certification process for the fisheries and already 12 fisheries have completed said assessment.

Dr. Suresh Gairola, Country Director, India, Forest Stewardship Council, said that FSC promotes environmentally appropriate, socially beneficial and economically viable management of forests giving equal weightage to social, environmental and financial aspects while deciding policies and standards. In the Indian context, FSC is in the process of finalising the National Forest Stewardship Standard that focuses on the sustainable management of forests. Despite India's growing population and many of them depending on forest resources for their livelihood, it has been seen that the country's forest cover has increased from 18.4% in 1987 to 24.6% (approx.) at present. He further mentioned that forests act as a source as well as a sink of carbon, and according to the India State of Forest Report, the urban stock in the forest has increased about 8% in the last 17 years which takes into account above-ground biomass, below-ground biomass, deadwood, litter and soil. He further stated that FSC works towards achieving India's commitment in the forestry sector under the Nationally Determined Contribution of the Paris Agreement, to

create an additional carbon sink of 2.5 to 3 Billion tonne of CO2 equivalent through additional forest and tree cover by 2030.

Mr. Murali Subramanian, Manager Capacity Building and Outreach, Social Accountability International, conveyed that while SAI's primary focus has always been human rights issues, it is now considering to include other issues related to climate change, environmental management and circular economy in the certification process, which if implemented should be done in a stepwise approach so that it is easier for businesses to operate specially the MSMEs.

Mr. Sandeep Chopra, Head - Capacity Building (India), GoodWeave India Trust, shared that their organisation works with businesses and their supply chains and is trying to make an impact profile for businesses by documenting and highlighting the good practices they are undertaking related to social and environmental causes. They further plan to promote and share those profiles among brands and other stakeholders.

Mr. Kinjal Shah, Regional Director (India and the Middle East), Responsible Jewellery Council, commented about the work done at RJC and that it sets a standard for responsible business in the jewellery and watch industries. RJC has two standards - code of practices and chain of custody and which are made in tandem with the OECD Guidelines on Due Diligence and SDGs including climate action.

Mr. Rakesh Supkar, Business Head (India), Traidcraft India, said that Traidcraft works towards promoting fair trade principles in supply chains and primarily focuses on trade justice and climate justice through interventions to create awareness and encourage community participation. These programmes are designed by keeping certain technical expertise in mind that would help the supply chain workers and these are subjected to revision and updation periodically. They also bring forward the voices of the small-scale workers like the producer collective, or the worker collective on how they are affected by the impact of climate change and offer support services accordingly.

Mr. Nick Liu, Manager, Sustainable Purchaser Engagement, Asia Region, TCO Development, shed light on the electronics industry. He claimed that they are trying to increase the durability of electronics products as well as the repairability. Although new technologies are making gadgets more sustainable and energy efficient, yet most of the emissions occur during the manufacturing of a product. For example, for the life cycle of a notebook, 80% of GHG emissions are from manufacturing part while less than 15% is contributed from the usage part. Therefore, using a product for a long time cuts down on the manufacturing process which in turn should also reduce the emissions significantly. The market for refurbished products, though slow, is growing gradually as customers are demanding it now and it is starting to factor into the core business more and more. This also reduces the GHG emissions to quite an extent.

Mr. Hardeep Desai, Senior Director, Farm Innovations, CottonConnect, highlighted CottonConnect's work on the sustainability of the cotton supply chain and they also focus on the SDGs specifically 1 (No poverty), 5 (Gender equality) and 13 (Climate action). They train the farmers on the impacts of climate change and possible actions they can take to intervene. They

are also in the process of developing a trained cadre of climate change ambassadors who can work at the grassroots level and in turn help and train the farmers mitigate the impact of climate change on cotton farming, take care of soil health and bring organic carbon back to the soil so that maximum output can be achieved while farming on that soil. They have also started a campaign called 'one farmer, one tree' through which around 2,00,000 trees have been planted in 2021-22 and community participation is being encouraged to nurture these plants.

To conclude the meeting, Mr. Rijit Sengupta pointed out that we should also think about sustainable finance and investment. Since businesses are trying to become environment-friendly, there is more investment in technology. So, it is important to consider whether people are losing their jobs or are the companies thinking about capacity building and re-skilling the workers so that even with technological advancement, they leave no one behind.

As a **way forward**, he put forth an idea of creating a Climate Action Protocol for this VSS Collaboration which could focus on the following priorities with further indicators-

- Renewable energy and Energy Efficiency
- GHG Emissions
- Adaptation and resilience
- Sustainable Finance and investments
- Just Transition
- Consumer Communication
- Circular Economy and extension of product lifecycle

This protocol would essentially be an academic and a learning opportunity and annually the members could convene and map different initiatives taken by their respective organisation to see how far they have come.

Participants

- CRB Professionals

Mr. Rijit Sengupta	CEO	CRB
Ms. Devosmita Bhattacharya	Programme Officer	CRB
Ms. Tania Kahlon	Marketing and Communications Officer	CRB

- VSS Collaboration India Members

Mr. Shubhashish Dey	Director, Climate Policy	Shakti Sustainable Energy Foundation
Mr. Kamal Prakash Seth	Global Deputy Director, Market Transformation	Roundtable on Sustainable Palm Oil
Mr. Shivnayan Aggarwal	Market Transformation	Roundtable on Sustainable Palm Oil
Mr. Bhavit Pant	Manager	Rainforest Alliance
Mr. Asish Bharadwaj	India Coordinator	Alliance for Water Stewardship
Dr. Ranjeet Suseelan	India Consultant	Marine Stewardship Council
Dr. Suresh Gairola	Country Director, India	Forest Stewardship Council
Mr. Murali Subramanian	Manager Capacity Building and Outreach	Social Accountability International
Mr. Sandeep Chopra	Head - Capacity Building (India)	GoodWeave India Trust
Mr. Kinjal Shah	Regional Director (India and the Middle East)	Responsible Jewellery Council
Mr. Rakesh Supkar	Business Head (India)	Traidcraft India
Mr. Nick Liu	Manager, Sustainable Purchaser Engagement, Asia Region	TCO Development
Ms. Clare Hobby	Director, Purchaser Engagement (Global)	TCO Development

Mr. Hardeep Desai	Senior Director, Farm Innovations	CottonConnect
Ms. Rupal Verma	Consultant	UNCTAD
Mr. Gautham Eswar	Manager, Workplace Standards and Sustainability	Responsible Mica Initiative
Ms. Ritu Baruah	India Programme Manager	Bonsucro