

# Empowering Businesses: A Workshop on Sustainability Collaboration and Shared Responsibility

24 SEPTEMBER 2024, KOLKATA





Funded by the European Union



Enabling Change for Impact



AIDING BUSINESS SINCE 1833



# BACKGROUND

Centre for Responsible Business (CRB) and the Bengal Chamber of Commerce and Industry (BCC&I) organised a significant workshop in Kolkata on "Empowering Businesses: A Workshop on Sustainability Collaboration and Shared Responsibility" on 24 September 2024. This workshop marked the third major event in a series of engagements as a part of the broader 'EU-India Business Collaborative Initiative on Sustainable Development, Climate Action and Inclusivity' project in partnership with the Delegation of the European Union to India following successful roundtable discussions in Bengaluru and Pune during July-August 2024. Aligned with the EU Global Gateway strategy and the EU-India Trade and Technology Council, this 2-year initiative focuses on reinforcing business cooperation in sustainable modernisation, clean energy, climate action, and trade and investment between the European Union (EU) and India.

# INTRODUCTORY SESSION

The workshop opened with remarks from key stakeholders highlighting the growing imperative for sustainable business practices.



## GAUTAM RAY

**PRESIDENT, BCC&I AND PRESIDENT-CORPORATE, RP-SANJIV GOENKA GROUP**

Gautam Ray emphasised that sustainability must be viewed not merely as regulatory compliance but as a fundamental business imperative. He noted that businesses must approach sustainability both as social entities and as individual organisations, integrating it into their core operations through process improvements, technological advancement, and capacity building. Drawing on historical precedent, he emphasised the significant role businesses have played in driving transformative change.



## DR. MEERA MITRA

**MEMBER, GOVERNING BODY, CRB AND SPECIAL INVITEE & MEMBER, SUSTAINABILITY FORUM, BCC&I**

Dr. Meera Mitra addressed the existing asymmetry in sustainability expectations between EU and Indian perspectives. She highlighted CRB's role and its deep engagement in policy matters, particularly emphasising the organisation's unique convening power in bringing together diverse stakeholders and emphasised the importance of understanding India's economic context, where 93% of the workforce operates in the unorganised sector according to the MSME Annual Report 2024.

## KEY MESSAGE



## FRANCK VIAULT

**MINISTER COUNSELLOR, HEAD OF COOPERATION, DELEGATION OF THE EUROPEAN UNION TO INDIA AND BHUTAN**

A key message from Franck Viault, underscored the EU's commitment to supporting Indian industry through collaboration rather than mere compliance. He highlighted the EU-India partnership's growing strength, particularly through initiatives like the Trade and Technology Council. His message underscored the EU's Global Gateway Strategy and its focus on digital development, climate and energy, transport, education and research, and health sectors.



## GUEST SPEAKERS



### PEKKA HALMET

#### CHAIRMAN OF THE BRITISH AND COMMONWEALTH CHAMBER OF COMMERCE IN FINLAND

Pekka Halmet highlighted the growing cooperation between the European Union, Finland, and India in sustainability. He detailed Finland's approach to combining ambitious climate targets with sector-specific low-carbon roadmaps. Drawing from his experience as Chairman of Rota Digital, he shared practical examples of Finnish-Indian collaboration, including his company's partnership with Morrisinhi, a prominent Kolkata-based audit and financial accounting firm. Mr. Halmet emphasised how Finnish expertise combined with local Indian knowledge can create widely applicable solutions that are attuned to Indian market needs.



### TOM REINER

#### REGIONAL DIRECTOR OF THE INDO-GERMAN CHAMBER OF COMMERCE IN KOLKATA

Tom Reiner shared valuable perspectives from his eight years of experience in India. He highlighted the IGCC's role as a cornerstone of Indo-German business relations since 1956, emphasising the robust collaboration between German and Indian businesses. Drawing from the German Indian Business Outlook (GIBO) survey conducted with KPMG, he shared encouraging statistics: 78% of German companies in India anticipate revenue and profit growth, with 59% planning to expand their investments next year - a significant increase from 36% two years ago.

Mr. Reiner also highlighted several successful German sustainability initiatives in India, including:

- The Sustain Markets platform based in Pune, facilitating sustainability practice enhancement
- The Supply Chain Due Diligence Manager certification course supporting Indian suppliers
- Bayer Crop Science's initiative for empowering women potato farmers in South Bengal, which has shown remarkable results including increased production and substantial profit improvements
- The Sustain Awards in Industrial Water Management, showcasing successful collaborations like Harbauer's innovative water filtration systems

Both speakers emphasised the importance of bilateral learning, with Mr. Reiner particularly noting that after eight years in India, he recognises many practices that European companies could learn from their Indian counterparts.

# TECHNICAL SESSION

The technical session comprised three comprehensive presentations that systematically addressed different aspects of sustainability implementation, creating a clear progression from regulatory compliance to practical collaboration models.

## Corporate Sustainability Due Diligence Directive (CSDDD)



### DEVOSMITA BHATTACHARYA

SENIOR PROGRAMME OFFICER, CRB

Devosmita Bhattacharya opened the technical session with an overview of the CSDDD, contextualising its significance for global supply chains. She explained that with nearly 20% of global jobs connected to supply chains, the directive's implementation from 2027 onwards will have far-reaching implications. Her presentation detailed the phased implementation approach, with different thresholds for EU and non-EU companies based on employee count and turnover. She emphasised that the directive aims to address both human rights impacts and environmental protection through enhanced prevention and corrective action plans.

## Indian Regulatory Framework



### NANDINI SHARMA

DIRECTOR, CRB

Building on this foundation, Nandini Sharma presented India's regulatory scenario on sustainability through the **National Guidelines on Responsible Business Conduct (NGRBC)** and **Business Responsibility and Sustainability Reporting (BRSR)** frameworks. She traced the evolution of business responsibility reporting in India, from the 2011 voluntary guidelines to the current mandatory requirements for top 1000 listed companies. Ms. Sharma highlighted how these frameworks align with global standards while addressing India's unique economic context. She particularly emphasised the 9 principles of NGRBC that enable businesses to integrate responsible, ethical, and sustainable practices into their core operations, explaining how these principles are interdependent and apply across sectors and geographical areas.

## EU-India Business Collaboration Framework



### ANAMIKA GHOSH

SENIOR PROGRAMME MANAGER, CRB

Anamika Ghosh presented research findings on effective EU-India business collaboration models. She outlined five proven collaboration typologies:

- **CSR Partnerships**, currently showing limited investment in areas like biodiversity and gender
- **Supply Chain Sustainability Partnerships**, characterised by structured methodologies
- **Public-Private Sustainability Partnerships**, offering potential for large-scale impact
- **Financing-based Sustainability Partnerships**, focusing primarily on climate transitions
- **Technology-Driven Partnerships**, leveraging technological advancements and opting for unique products and strategies for sustainable practices in businesses

Ms. Ghosh's presentation provided practical frameworks for implementing these collaboration models, emphasising the importance of policy coherence, priority targeting, and whole-of-society approaches. She introduced a 'How-to-Guide' that would serve as a reference document for businesses, capturing expertise and good practices for each collaboration model across climate, biodiversity, gender, and water sectors.

## WORKSHOP ENGAGEMENT: APPLYING THE FRAMEWORKS

Following the technical presentations, participants engaged in an interactive exercise applying theoretical frameworks to a hypothetical case study. The case focused on a Finnish telecom company seeking to establish clean energy solutions in Meghalaya through partnerships with women entrepreneurs. Participants were divided into five cross-sectoral teams to ensure diverse perspectives in approaching this challenge.

### Team Insights and Solutions

#### **Team 1: Cookstove Innovation**

This team took a focused approach by identifying a specific intervention - cookstoves for rural communities. Their proposal was grounded in existing emission challenges from traditional cooking methods in rural areas. The team demonstrated strong policy awareness by connecting their solution to existing emission regulations while simultaneously addressing women's entrepreneurship goals. Their proposal stood out for its clear connection between environmental impact (emission reduction) and social empowerment (community engagement and women's leadership in procurement and services).

#### **Team 2: Resource-Aligned Energy Solutions**

This team's proposal displayed exceptional regional understanding, specifically leveraging Meghalaya's natural resources. They identified micro-hydro plants and bamboo-based biomass power generation as particularly suitable clean energy options for telecom operations with moderate energy requirements. Their analysis went beyond simple technical solutions, incorporating socioeconomic factors recognising Northeast India's strong women entrepreneurship culture. The team provided a comprehensive compliance framework, suggesting carbon footprint estimation to ensure adherence to both EU and Indian standards. Their proposal was strengthened by recommendations to utilise existing government incentives for women entrepreneurs and align with India's digital infrastructure initiatives.

#### **Team 3: Human-Centric Implementation**

This team distinguished itself with a strong focus on organisational and human aspects of implementation. Their comprehensive employee welfare approach included specific provisions such as daycare facilities and maternity benefits, demonstrating understanding of practical challenges facing women entrepreneurs. The team's emphasis on POSH Act [Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal), 2013] compliance and regional committees showed awareness of legal requirements and safety considerations. Their recommendation for dual assessment approaches - social impact and double materiality - demonstrated sophisticated understanding of stakeholder needs evaluation. Their recognition of the Northeast's woman-driven society informed their need-based prioritisation strategy.

#### **Team 4: Standards-Based Development**

This proposal effectively bridged international standards with local implementation. By connecting CSDDD, ESPR, and NGRBC requirements to specific actions in Meghalaya, they created a practical framework for implementation. Their multi-stakeholder approach specifically targeted SDG 5 (Gender Equality), demonstrating alignment with global sustainability goals. The team provided concrete sustainable energy solutions, including solar power systems for electricity reduction and broader decarbonisation efforts. Their focus on addressing opportunity gaps in Meghalaya showed strong understanding of local development needs.



### **Team 5: Comprehensive Implementation Roadmap**

This team provided the most detailed implementation strategy, beginning with crucial stakeholder identification at multiple levels. Their participative approach incorporated state government, MNRE, local bodies, and Gram Panchayats, showing deep understanding of governance structures. The team proposed three specific projects:

### **Key Implementation Themes**

The team proposals collectively highlighted several crucial elements for successful sustainability initiatives:

- Integration of global standards with local contexts
- Multi-stakeholder engagement from government to grassroots levels
- Innovation in clean energy solutions adapted to regional needs
- Strong focus on gender inclusion and social impact
- Clear frameworks for measuring and demonstrating outcomes

This exercise effectively demonstrated how businesses can translate sustainability requirements into actionable initiatives while creating meaningful social and environmental impact. It showed practical applications of the frameworks discussed earlier in the workshop, particularly in balancing regulatory compliance with local development needs.

## **PARTNER'S SESSION: FUTURE-PROOFING SUPPLY CHAINS**

Following the interactive case study exercise, Dattatreya Datta, ESG Advisory Lead at Intueri Consulting, presented a comprehensive framework for implementing sustainable supply chain practices. His session, Sustainability in Action: Ensuring a Future-Proof Supply Chain, provided practical insights for translating sustainability commitments into operational reality.

### **Understanding Regional Nuances**

Mr. Dutta emphasised how sustainability implementation varies significantly across regions due to differing economic conditions, regulatory environments, and social priorities. He illustrated these variations through specific examples:

- EU's focus on ambitious carbon neutrality goals and comprehensive regulatory frameworks
- US emphasis on market-driven initiatives and consumer demand
- India's balance of development needs with sustainability goals
- Southeast Asia's focus on resource efficiency and export market requirements

### **Pillars of Sustainable Supply Chains**

The presentation outlined essential pillars for building resilient supply chains.

- Carbon Footprint Reduction: Highlighting how companies like Siemens in the EU and Mahindra in India are implementing science-based targets and decarbonisation strategies.
- Eco-Friendly Materials & Circular Economy: Showcasing initiatives like Philips' circular production model and Reliance Industries' PET bottle recycling program that demonstrate effective resource utilisation.
- Ethical Sourcing & Fair Labor: Emphasising the importance of transparent supply chains that ensure fair working conditions and human rights protection across all operational regions.



- Cost Efficiency Through Sustainability: Demonstrating how companies like Unilever and Walmart have achieved significant cost savings through sustainable practices while improving operational efficiency.
- Carbon Footprint Reduction: Highlighting how companies like Siemens in the EU and Mahindra in India are implementing science-based targets and decarbonisation strategies.
- Eco-Friendly Materials & Circular Economy: Showcasing initiatives like Philips' circular production model and Reliance Industries' PET bottle recycling program that demonstrate effective resource utilisation.
- Ethical Sourcing & Fair Labor: Emphasising the importance of transparent supply chains that ensure fair working conditions and human rights protection across all operational regions.
- Cost Efficiency Through Sustainability: Demonstrating how companies like Unilever and Walmart have achieved significant cost savings through sustainable practices while improving operational efficiency.

### Implementation Framework

Mr. Datta provided a structured approach to sustainability implementation through three key mechanisms:

- Technology integration, utilising blockchain and IoT solutions for enhanced transparency and monitoring
- Supplier audits, leveraging platforms like Sedex and EcoVadis for systematic evaluation
- Collaborative approaches, demonstrated through initiatives like Walmart's Project Gigaton.

The session concluded by highlighting how sustainability drives competitive advantage. Mr. Datta emphasised that businesses must view sustainability not as a compliance burden but as a strategic imperative for future growth. He demonstrated how companies implementing robust sustainability practices often achieve better operational efficiency, enhanced stakeholder trust, and improved market access.

## KEY OUTCOMES FROM THE WORKSHOP

- Integration of Frameworks: The workshop successfully demonstrated how EU regulations like CSDDD can align with Indian frameworks such as NGRBC and BRSR to create comprehensive sustainability approaches. The interactive case study exercise highlighted practical ways to achieve this integration while addressing regional priorities.
- Collaboration Models: The importance of diverse partnership approaches emerged as a central theme, from CSR initiatives to technology-driven partnerships. The workshop established that successful implementation requires selecting and adapting these models to specific regional and sectoral contexts.
- Strategic Implementation: The Partner's Session reinforced that sustainability implementation must be viewed as a strategic business imperative rather than a compliance exercise. Real-world examples demonstrated how companies can achieve both environmental goals and business value through sustainable practices.

## WAY FORWARD

Building on the workshop's momentum, several key initiatives have been identified:

1. **Capacity Building and Regional Engagement:** CRB will continue its series of capacity-building workshops across different regions of India. These regional workshops aim to engage diverse stakeholders and create comprehensive awareness about upcoming regulatory requirements. For Indian businesses, these sessions will provide crucial preparation for future compliance needs, while helping EU businesses better understand and navigate the regulatory landscape. The regional approach ensures that implementation strategies can be adapted to local contexts while maintaining global standards.
2. **Research and Documentation:** CRB will expand its research to include detailed case studies of successful sustainability implementations and consolidate those into a comprehensive 'How-to-Guide', providing practical guidance for businesses embarking on their sustainability journey.
3. **Pilot Studies:** Based on the consultations and workshop discussions, CRB will conduct a few feasibility studies to test potential pilot programmes. These studies will help identify practical challenges and opportunities in implementing EU-India business collaborations on sustainability, providing valuable insights for future initiatives.

## CONCLUSION

This workshop represents a crucial step in strengthening EU-India collaboration on sustainability. As global sustainability requirements evolve, such programmes for capacity-building, knowledge exchange and collaboration become increasingly vital. The frameworks, tools, and relationships discussed in this workshop will hopefully support businesses in building more sustainable and resilient operations while contributing to broader environmental and social goals. All participants were awarded e-certificates in recognition of their engagement and contributions to the workshop's success.

