



WORLD CEO FORUM
On Sustainable Development
DELHI 2010



Summit Bulletin
Thursday, 4 February 2010

Curtain Raiser to



10th DELHI SUSTAINABLE DEVELOPMENT SUMMIT
BEYOND COPENHAGEN: NEW PATHWAYS TO SUSTAINABLE DEVELOPMENT

Opening session



Dr R K Pachauri, President, TERI-BCSD India

Dr R K Pachauri, Director-General, TERI, inaugurated the Seventh World CEO Forum, the curtain-raiser to the Tenth Delhi Sustainable Development Summit (DSDS). The inaugural was attended by 166 participants, including 11 government representatives, 29 NGOs (non-governmental organizations) and institutions, 88 chief executive officers, and various TERI-BCSD members.

Dr R K Pachauri commended TERI-BCSD for their continuous efforts in the business arena and for expanding its membership to 102, with some of the biggest and progressive organizations as its members. He asserted that while businesses and industries worldwide are realizing the importance of sustainability, they should try and incorporate sustainability in all their business practices and decisions. He further highlighted that India can not continue to develop in the business as usual scenario. Dr R K Pachauri concluded his speech by stating that the Forum recognizes the need for businesses to take the lead in bringing about a change in the right direction and, in doing so, they can motivate civil society and governments to follow the same.

The President of the WBCSD, Mr Bjoern Stigson, complimented TERI-BCSD for organizing the Seventh World CEO Forum. He expressed

his pride at the TERI and WBCSD partnership in organizing the Forum. He pointed that the 'green race is on' with all major economies investing in green technologies and gearing up the potential for a green technology revolution. Elaborating the status of some of the economies he said, 'China is working towards becoming the leading exporter of green technologies. Similarly, the US is making efforts at mobilizing green technology on a large scale and Japan has already established itself as one of the most energy-efficient countries in the world.' He emphasized that India should take the call it wants to be a part of the green race. Finally commenting on the theme of the Forum, Vision 2050, he said that it is the platform for a meaningful dialogue on how businesses should contribute to sustainable development.



Mr Bjoern Stigson, President, WBCSD



BCSD India

TERI-BCSD India

Enabling responsible business for a sustainable future

The goal of sustainability is now integral to the long-term survival of human society. Environmental and socio-economic problems are increasing in intensity and complexity. There is a growing appreciation for the need of a collaborative approach to developing strategies for industrial sustainability and corporate responsibility.

In India, a vast body of knowledge and experience is lying untapped within the industry, which could be used to implement the sustainability agenda. TERI-BCSD India – the corporate round table on development of strategies for the environment and sustainable development – has been set up to galvanize this latent knowledge and expertise, and transform it into an agent for change. TERI-BCSD India is a partner of the World Business Council for Sustainable Development and a member of its regional network.

Presently, the network has 102 corporate members across India, representing a varied section of the industry.

Mission

To provide an independent and credible platform for corporate leaders to address the issues related to sustainable development and to promote leadership in environmental management, social responsibility, and economic performance.

The work undertaken by TERI-BCSD India has no ideological or political bias.

Goal

To use TERI-BCSD India membership and TERI's research capabilities to gain a better understanding of existing and emerging sustainability concerns facing the industry.

Dr R K Pachauri was conferred the honour of the Commander of the Order of the White Rose of Finland by HE Mr Matti Vanhanen, Prime Minister of Finland and the Finnish Ambassador to India HE Ms Terhi Hakala for his contribution to furthering international cooperation to address climate change and sustainable development.

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Session I

Vision for a sustainable tomorrow: business as a game changer



The first session aimed to prepare a vision for a sustainable future where businesses are concerned. At the very outset, it was emphasized that the different sub-themes and sessions of the World CEO Forum 2010 can put together what the several components of a sustainable business may look like.

It was stated that although the Copenhagen Summit has often been slated to be a failure, what needs to

be acknowledged is that the subject of climate change has arrived where it belongs—at the top of the political agenda of the governments today. The panellists were in agreement that the Copenhagen accord has more to it than what appears and that, for the first time, it has a long-term goal. Lack of clarity in terms of future role of markets, organization of regulations, verification and monitoring of emissions, and results in terms of compliance offers the opportunity to define mechanisms that work for various countries in future. It was also agreed upon that the efforts, so far, especially on the part of the government, are inadequate. Businesses need to understand that their decisions and actions have both direct and

indirect impacts on the environment and that it is the time for them to act.

It was also highlighted that sustainability is not just an environmental issue and has evolved into an economic issue. The world needs a driving force as it emerges out of heavy recession, and this could be in form of alternative green energy.

It was also emphasized that scarcity of water and issues related to water quality are emerging as a major business risks. Although a great amount of action has been taken on energy challenge, nothing comparable has been done in terms of water efficiency. In the end, it was stressed that though the technology exists, its deployment in terms of scaling-up on competitive terms is the real challenge. It was emphasized that financial organizations are important catalysts and, as potential game changers, should provide requisite financial incentives to boost green technology.



Dr Ajay Mathur Mr Ashok Jaitly Mr Mark Peter Vergnano Mr Nitin Desai Mr Kris Gopalakrishnan Mr Rana Kapoor Mr Vikram Singh Mehta Mr Yvo de Boer

Session II

Concurrent break away sessions on sub themes

Vision 2050: the new agenda for business

A presentation from Vision 2050 co-chair, Mr Idar Kreutzer (CEO, Storebrand) focused on challenges, transformation and opportunities for business. He raised concerns over the growing demand of fossil fuels, water, and so on, with high population growth, which could lead to resource insecurity and an ecosystem collapse. The need to develop pathways that can quantify market potential and exploit the available opportunities was highlighted. The business response to the challenges included providing a platform to affect a change.

After acknowledging that the biggest risk that business face today is inaction, the session proceeded towards a group discussion, facilitated by Mr Mark Spelman (Global Head of Strategy, Accenture, UK), to identify the 'must haves' for implementing Vision 2050.



The following broad themes were identified.

Political Need for government action to reduce negative subsidies, introduce strong legislations and offer incentives for action.

Technological Improving efficiency by investing in R&D and emphasis on green technologies.

Economic Need for internalizing cost, reducing externalities, risk-sharing amongst various stakeholders.

Social Increasing public awareness via multimedia, making efforts to alter consumption patterns and lifestyles, empowering women and youth.

The green economy: a transformation to address climate change and multiple crises

The green economy session focused on the initiatives that companies have taken to promote development with a sustainable touch. These initiatives

focus on convergence of development, environment and economics. The session highlighted examples wherein providing access to knowledge can help solve problems of poverty and environment. The panel also discussed the small interventions that can reduce energy consumption in a big

way, such as providing sleep mode at telecom base stations at night.

The need for ethically, equitably and environmentally responsible banking to promote a new paradigm in development was deliberated. There was an emphasis on developing solutions that utilize local resources. The panel pointed out that to tackle high energy costs in India, some industries and service providers have successfully worked towards making their process among the most energy efficient worldwide.

The panel also discussed the need for promoting research towards development of technology as well as the barriers related to the uptake of these efficient technologies. The need to be creative and identifying solutions in addressing the problem of high energy consumption was emphasized. In the case of telecom industry, the absence of a legacy from the west challenged the industry to develop indigenous technologies thus paving the way for the emergence of a competitive industry.

Members of the floor raised the issues that arise when markets are not competitive in certain sectors of the economy which leads to firms not being efficient as well as examples of companies adopting environmentally friendly technologies in India.



As they said it...



Sustainability is not just an environmental issue but has evolved into an economic issue.

Mr Kris Gopalakrishnan
Chief Executive Officer and Managing Director,
Infosys Technologies Ltd, India



Issues such as climate change, water, and energy are no longer seen as corporate social responsibility but as crucial business activities, forming part of the corporate strategy.

Vikram Singh Mehta
Chairman, Shell Companies India



Water: the new challenge for the 21st century



Highlighting the growing stress on water resources, the session emphasized on the fact that agriculture consumes the largest share of water followed by industry which consumes 5 % of the water resources. Given the situation of water scarcity and mounting stress, water shall soon be valued as liquid gold and the next World War would be fought on water issues.

Though the industrial water consumption is a small percentage of agricultural water use, its recycling and efficient use in the sector can have a positive impact on water resources. It was highlighted that the consumption of water in several industries being higher, the industries should move towards water-use efficiency, use of innovative technologies, and taking appropriate measures for

water conservation. It was emphasized that engaging different stakeholders such as societies, NGOs, government, and industries in a dialogue for efficient water management is vital for sustainable water use. The forum stressed the need for wastewater reduction, recycle, and reuse in the industrial sector.

Session III The way forward

Ms Bharati Gupta Ramola (Executive Director, PriceWaterhouseCoopers Pvt. Ltd.) emphasized on the need for developing a relevant framework to attain all-round resource efficiency, that would include governmental incentives, legislation and societal actions.

Mr Manoj Kohli (CEO, Bharati Airtel) stated that the conflict between business and environment is ending, with corporates increasingly moving towards green businesses.

Mr Uday Khanna (CEO, Lafarge India Pvt. Ltd) stressed upon urgently addressing water usage related issues. He added that corporates need to become water neutral, while not compromising on growth. Prof. Jeffrey D Sachs (Director, The Earth Institute) discussed the dichotomy between environmental sustainability and poverty alleviation and stressed that innovative business strategies that serve the needs of the bottom of the pyramid will pave the way for the future.

Mr Caio Koch-Weser (Vice-Chairman, Deutsche Bank) threw light on the uncertainty factor that has adversely affected various markets, including emission trading markets. He drew out a three-pronged strategy involving like-minded countries and companies collaborating towards a common end.

Bjoern Stigson (President, WBCSD) spoke about the radical



As they said it...



Businesses that cling to old technologies will die. Transformation is inevitable.

Prof. Jeffrey D Sachs
Director, The Earth Institute, USA and Special Advisor to the Secretary-General of the United Nations

shift in business philosophy concerning sustainable business practices and suggested governmental intervention in the form of an appropriate regulatory framework.

Dr Pachauri pointed out the importance of an innovative environment that would facilitate efficient resource use in industries. He urged businesses and local and state governments to display a proactive approach in ensuring a sustainable future.

Dinner session



The session was moderated by Mr Vikram Chandra, CEO and Managing Director, NDTV Networks, India which also saw Dr R K Pachauri being honoured with the Commander of the Order of the White Rose by HE Mr Matti Vanhanen, Prime Minister of Finland. While conferring the award, the Prime Minister appreciated the significant achievements of Dr Pachauri especially with regard to the IPCC that he has led so ably. Expressing his gratitude to Prime Minister Vanhanen, Dr Pachauri promised to live up to the spirit of the honour.

The dinner session was showcased the spirit of the Lighting a Billion Lives campaign which is committed to the dissemination of solar lanterns into villages where many people do not yet have access to electricity and all productive activities come to a standstill with setting sun. It was noted that there are about 1.6 billion such people in the world, 400 million of whom are in India.

Axel Hilgers, Director-South Asia, Lufthansa observed that though mobility by air is often seen as a threat due to the resultant carbon emission. He stated that the aviation industry is taking a number of measures, for example, Lufthansa has reduced its fuel consumption from 6.3 to 4.2 litres per passenger per 100 kilometres since 1990. The world's largest aviation company is also taking measures to bring down its fuel consumption further, exploring the options of alternative fuel, and supporting carbon credit. He also mentioned that in due course the image of the aviation industry is going to change.

Dr Farooq Abdullah, Hon'ble Minister of New and Renewable Energy, Government of India expressed concerns that people were still using kerosene or wood as sources of fuel which are hazardous to human health. Referring to the LaBL, he observed that this could be a small beginning, but little drops of water make great rivers which in turn make mighty oceans. He expressed his confidence in the initiative which he thought is going to change the world particularly for the underprivileged people. He also explained how the initiative is providing benefits to the people, for example, in the Sundarbans region of West Bengal where the solar

lamps have saved people from snakebites which were so common earlier.

Ms Shilpa Shetty, noted Indian actor recalled how she was overwhelmed by the revolutionary initiative. It was quite appalling that so many people live without lights and it did not cost much to bring light into their lives. Shilpa stated that she had already established a foundation with the mission of lighting up the lives of village dwellers.

According to Dr R K Pachauri, such initiatives not only provide basic necessities in a sustainable manner but also enable people to take their destiny into their own hands whereby they do not need to depend on others for the supply of electricity. He lamented the fact that we could not spend 20 billion USD that could illuminate the lives of more than a billion people, but hundreds of billions of dollars could be spent on the Iraq War. He stressed that we are living in a world of distorted priorities which need to be corrected.

International Climate Change Exhibition 2010

TERI organized the second ICCE (International Climate Change Exhibition) to complement the theme of DSDS 2010. The exhibition was inaugurated by Dr Farooq Abdullah, Hon'ble Minister of New and Renewable Energy, Government of India, in the presence of HE Mr Matti Vanhanen, Prime Minister of Finland, and Dr R K Pachauri, Director-General, TERI. The ICCE provides a platform for exhibitors to demonstrate new environment-friendly technologies, products, and services. It also aims to engage visitors in the debate on possible solutions to mitigate climate change and find out more about the alternative technological revolution. It endeavours to motivate people to take action towards reducing their ecological footprint and hopes to inspire organizations to act on an individual level and explain how small changes can make a difference.



Dr Farooq Abdullah, Hon'ble Minister for New and Renewable Energy, Government of India, HE Mr Matti Vanhanen, Prime Minister of Finland, and Ms Shilpa Shetty inaugurating ICCE 2010

As they said it...



We have the power to give them power. I urge you, powerful people to loosen your purse strings and light a billion lives.

Shilpa Shetty
Noted Indian Actor with a green conscience



It is important to give hope to all the unfortunate ones and their families.

Dr Farooq Abdullah
Hon'ble Minister of New and Renewable Energy, Ministry of New and Renewable Energy, Government of India

SPECIAL EVENTS

Estimating carbon footprint of urban household energy use



TERI organized the project dissemination workshop of its study 'Estimating carbon footprint of urban energy use' on 4 February 2010 at TERI, New Delhi. The three-year long study funded by Veolia Institute of Environment, France was undertaken by TERI with an aim to developing tool to estimating the carbon impacts of urban

household energy use. Addressing the participants, Dr Prodipto Ghosh, Distinguished Fellow, TERI, highlighted the importance of the topic of the study and the need to understand the impacts of urban lifestyles. He discussed the key features of the TERI study and appreciated the methodology developed to estimate the carbon footprint of urban household energy consumption. Dr Ghosh's remarks were followed by a presentation by Ms Akshima T Ghate, Area Convenor, Transport and Urban Development, TERI which provided a detailed overview of the TERI study and the carbon footprint results for Jaipur city. Dr Gaëll Mainguy, Executive Editor, Scientific Publications, Veolia Environment Institute, France described the study as one its first kind in developing countries and highlighted the key contributions of the study. The presentations and remarks were followed by an interactive session chaired by Dr Ghosh wherein the participants presented their views on the study.

Celebrating International Year of Biodiversity, 2010



The Special Event 'Celebrating International Year of Biodiversity, 2010' was a platform to discuss relevant biological, economic, and cultural issues.

Dr Leena Srivastava (Executive Director, TERI) highlighted the climate change and biodiversity linkage, while Mr Ahmed Djoghla (Executive Secretary, CBD) emphasized on capability utilization to solve the crisis.

Mr Hem Pande (Joint Secretary, Ministry of Environment and Forests) spoke about governmental efforts in biodiversity. Mr Ram Boojh (Programme Officer, UNESCO) focused on biosphere reserves. Dr P Pushpagadan (Director-General, Amity Institute of Herbal and Biotech Products Development, Thiruvananthapuram) elaborated on utilizing the tribal communities' knowledge through benefit-sharing.

Dr Haripriya Gundimeda provided examples of win-win situations from market-based schemes based on valuation of biodiversity. Dr Yogesh Gokhale (Fellow, TERI) spoke on successful sacred conservation practices in India.

Dr J P Singh (Principal Scientist, CAZRI, RRS, Bikaner) elucidated on the importance of biodiversity in the arid zone, while Dr Lonard Sonnenschein (President, World Aquarium and Conservation for the Oceans Foundation) spoke about fisheries. Prof. P S Ramakrishnan remarked that science and research must be combined to influence policy formulation. Dr Gokhale proposed a vote of thanks to conclude the session.

Integrating REDD+ with Poverty Alleviation and Development actions

The basic objective of REDD (Reducing Emissions from Deforestation and Degradation), proposed in 2005 at CoP11 (Montreal) and agreed upon in Copenhagen, was to reduce emissions from deforestation and degradation, maintain and enhance carbon stocks and suitably compensate countries for their actions.

REDD+ could benefit the deprived in the forestry sector via sectoral development strategies, enhance tenure security and community resource rights, generate new sources of funding for long-term capitalization of rural poor and create new public-private partnerships.

Discussions focused on potential partners' roles and a benefit-sharing mechanism for the forest dependent communities. The panelists emphasized on integrating REDD+ with many development projects outside the forestry sector, including the National Rural Employment Guarantee Scheme, Watershed Development Programmes, and so on. There was unanimous agreement that proper implementation necessitates reduction of transaction costs, capacity-building of local stakeholders, and a robust mechanism for monitoring and verification. Creation of a REDD Cell at the Ministry of Environment and Forests was also suggested.

The idea of assimilating REDD with the LLS (Livelihoods and Landscapes Strategy) was put forward. The LLS provides an opportunity of integration with other land uses to enhance livelihoods of the poor. TERI is implementing the programme in Haryana, in partnership with IUCN.



APP international workshop on high performance commercial buildings in India



The international workshop on high performance commercial buildings in India revolved around sharing the key findings of TERI's research, conducted in association with the BEE (Bureau of Energy Efficiency) and APP (Asia Pacific Partnership).

TERI's study shows that by incorporating both ECBC (energy conservation building code) compliant measures and low-energy strategies, new buildings can reduce their energy consumption by up to 60%. These findings are being used to modify building by-laws of five Indian municipalities.

Mr Girish Sethi (Director, Industrial Efficiency, TERI) provided an overview of the APP-BATF project. Dr Ajay Mathur (DG, BEE) spoke about the need to force builders and architects to design more energy-efficient buildings. He also launched the website on high performance commercial buildings in India. Mr Sanjay Seth shed light on BEE's efforts towards information dissemination and spoke about developing various rating schemes for energy-efficient buildings in India. Karan Grover elaborated on the traditional architects' role in designing sustainable buildings. James Law, Hong Kong, described various green interventions taken up by his firm.

Dr R K Pachauri (Director-General, TERI) emphasized on 'the need to come up with a strategy to communicate information on green buildings to the public.'

Mark Ginsberg, moderator, asserted that the Indian government is affecting a positive change in the country.