

10th WORLD CEO Sustainability Summit 2013

RESOURCE REVOLUTION - A GLOBAL IMPERATIVE AND HOW BUSINESS CAN SHAPE IT



WCSS Bulletin
Thursday, 31 January 2013



INAUGURAL SESSION

Inauguration by HE Dr Farooq Abdullah, Hon'ble Union Minister of New and Renewable Energy, Government of India

Welcome and opening: Dr R K Pachauri, President, TERI BCSD and Director-General, TERI
Special remarks: Mr Peter Bakker, President, World Business Council for Sustainable Development

Keynote address: Mr Arun Maira, Member, Planning Commission, Government of India
Vote of thanks: Dr Annapurna Vancheswaran, Director, Sustainable Development Outreach, TERI



Dr R K Pachauri welcomed the guests while emphasizing on the co-benefits that sustainability, especially accounting of water



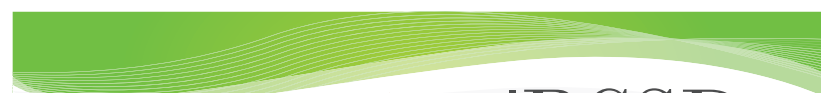
Dr Farooq Abdullah

use, can bring to business entities. Mr Peter Bakker presented some key trends that have been observed in sustainability emerging as a key factor for business. He noted that although the concept has been discussed and debated for more than two decades now, there is a lot more that could be done. He also remarked on the importance of individual companies and sectoral and cross-sectoral approaches to promote sustainability within business.

Providing a policy perspective on the issue, Mr Arun Maira stressed on the lack of trust

between key stakeholders, such as people, governments, and business institutions. The solution as proposed by him was to address the "triangle of trust" that has all the three aforementioned entities on its vertices. He laid specific emphasis on the need to shift the complete business sustainability paradigm from "Corporate Social Responsibility" to "Responsible Business". He noted a proactive role of the Planning Commission in leading this paradigm from "Death of CSR to Birth of Business Responsibility".

Presiding over the inaugural session, Dr Farooq Abdullah urged the business leaders to undertake



Enabling responsible business for a sustainable future

With a vision to create a synergy for the corporate sector as a whole to move towards sustainability, TERI BCSD (Business Council for Sustainable Development) was set up by The Energy and Resources Institute (TERI) in 2001. It has now evolved into a strong industry body, with membership from diverse sectors, including public sector undertakings, multinationals, and private companies from across India. They work towards evangelizing business sustainability through industry specific initiatives that provide a platform for knowledge, learning, and encourage sharing of best practices. It is also the Indian partner of World Business Council for Sustainable Development (WBCSD), Geneva.

TERI BCSD India member company representatives identify, conceptualize, and implement projects in partnership with researchers at TERI and the structure of the business council reflects this partnership. TERI provides research and implementation support to the business council and acts as the permanent technical resources for various theme-specific action oriented projects, knowledge papers, seminars, and capacity building workshops. Membership is by invitation only. For more information, please visit www.teriin.org/bcsd ■



Mr Arun Maira

the job of scaling up initiatives and solutions that are already in focus. He stressed on sustainable energy being the biggest challenge for India and the urgent need for the price of clean technology to be brought down, citing the example of electric vehicles and their utility

as well as unaffordability at present. Dr Abdullah noted the government's initiatives to create training hubs within the country and disseminate knowledge and capacities created thereby. Concluding his speech, he expressed hope to see the agenda of sustainability mainstreamed within business. In her Vote of Thanks, Dr Annapurna Vancheswaran thanked the august gathering and the team that worked tirelessly to make the World CEO Sustainability Summit 2013 a success. ■

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FIRST WORKING PLENARY SESSION

CSO Voices on the Resource Revolution – highlighting the scope and complexity of the changing landscape

Theme setting keynote: Dr Bhaskar Chatterjee, DG and CEO, Indian Institute of Corporate Affairs
Making of CSO Forum: Mr Dipankar Sanyal, CEO, TERI BCSD

Session chair: Mr Arun Seth, Non-Executive Chairman, Alcatel Lucent and Vice-Chair, TERI BCSD

Panel members: Mr Ajit Gulabchand, Chairman and Managing, Director, HCC Ltd;
 Mr R Mukundan, Managing Director, Tata Chemicals



The session focused on the need for corporates to engage in sustainable business practices and methods for increasing resource efficiency, especially with regard to water use management. Mr Dipankar Sanyal identified Chief Sustainability Officers (CSOs) as the drivers for bringing about sustainable practices in corporates.

The CSO conclave at Lavasa, near Pune was mentioned as a key initiative taken by TERI BCSD that brought together corporates to focus on sustainability and social responsibility issues. Following this, three introductory presentations on CSO recommendations were made for the special tracks on energy efficiency, water use, and

value chain resource optimization. Dr Bhaskar Chatterjee followed up with a theme-setting keynote address where he defended the government's proposed legislation on corporate social responsibility (CSR), saying that it would bring about transparency and a positive attitude towards sustainability into the corporate sector. He also highlighted that there was not sufficient innovation in sustainable technologies and there were glaring scarcities in critical resources like land and water.

An enlightening panel discussion moderated by Mr Arun Seth addressed issues regarding water use efficiency and corporates' attitude towards building sustainable business models. Mr Ajit Gulabchand expressed concerns regarding water availability in the next 20–25 years and highlighted the importance of recycling water and raising water retention levels in environments, while Mr R Mukundan spoke about four important focus areas, including carbon intensity reduction, water footprinting of facilities, energy efficiency, and waste management. Co-creating sustainable business

AS THEY SAID IT

'Water is a serious concern, but it is solvable.'



Mr Ajit Gulabchand
 Chairman and Managing Director, HCC Ltd

AS THEY SAID IT

'We will be the initiators of a whole new initiative on CSR for the world.'



Dr Bhaskar Chatterjee
 DG & CEO, Indian Institute of Corporate Affairs



Dr Bhaskar Chatterjee



Mr Ajit Gulabchand



Mr Arun Seth



Mr Dipankar Sanyal



Mr R Mukundan

models by involving suppliers, employees, and customers would be essential, along with effective supply chain management. There was dissonance from both panelists regarding the effectiveness of making CSR expenditure and disclosure mandatory. Observations from the floor included insightful remarks by representatives from BMW, Phillips, and Carbon Pod India. ■

SPECIAL EVENT

FOREST GOVERNANCE IN THE CONTEXT OF FRA AND PESA

A special event on forest governance was held at the India Habitat Centre on 30 January 2013.

The event, entitled "Forest Governance in the Context of Forest Rights Act (FRA), 2006 and Panchayat (Extension to Scheduled Areas) Act (PESA), 1996", was organized by the Forestry and Biodiversity Group of TERI in association with the Ministry of Environment and Forests (MoEF), Government of India.

In his opening remarks, Mr A K Srivastava, Director General of Forests and Special Secretary, MoEF, emphasized the need for harmonizing various legislative provisions with respect to the implementation of FRA and PESA at the field level.

Dr V K Bahuguna, Director General, Indian Council of Forestry Education and Research, highlighted the importance of enhancing productivity of land and resources coming under the purview of the Acts.

Dr J V Sharma of TERI presented possible governance models for various land categories under the Acts. Mr Asit Gopal, Director, Ministry of Tribal Affairs, presented the status of FRA implementation in the country.

The technical session was followed by a lively discussion on various issues and challenges in the process of ground-level implementation of the Acts. ■



'REPORTING BACK AND THE WAY FORWARD' PLENARY SESSION

Accelerating Sustainable Development

Session chair: Mr Nitin Desai, Chair, TERI BCSD and Former Under Secretary-General, UN

Opening remarks: Mr M K Singhi, Executive Director, Shree Cement Ltd

Special remarks: Dr Pramath Raj Sinha, Managing Director, 9.9 Media



The deliberations of the special interest groups on water, value chain sustainability, and energy efficiency from their respective breakaway sessions were presented. Mr M K Singhi, Executive Director Shree Cement, began the session by stating that "Clean and green is profitable", elaborating that large businesses have made money through sustainable practices. However, the services sector remains on the fringe. He highlighted it is possible to take advantage of some low-hanging fruits, such as waste heat recovery, in the short term. He lauded the Bureau of Energy Efficiency's (BEE) efforts, especially the Perform Achieve and Trade scheme to conserve energy.

The representative from the track on water management highlighted the need to increase productivity of water use in agriculture. He said

that although India has 17 per cent of the world's population it only has four per cent of the world's water resources, which indicates the urgent need for water management and water audits. All the company representatives in this track spoke about further engagement with TERI on water management.

The representative of the next group on value chain sustainability identified four categories of companies according to their performance on sustainability parameters—beginners, compliers, aspirers, and leaders. Attention was drawn to the fact that the companies that were on the Fortune 500 list in 1950 as well as in 2010 all had sustainability as an integral part of their strategy. Working with multiple suppliers, and making sustainability an important part of CEOs' agendas remain challenges

that need to be addressed to achieve the complex goal of sustainability.

Dr Pramath Raj Sinha of 9.9 Media talked about the importance of the individual capabilities of people in formulating sustainable practices and making them work. He also interestingly noted that though the goal of these discussions were to mainstream and integrate sustainability issues into business practices, complete mainstreaming may be characterized by the eventual redundancy of functionally specialized Chief Sustainability Officers.

Mr Nitin Desai, Chair, TERI BCSD, concluded the discussion by stating that there needs to be consensus among businesses and civil society on sustainability issues. Small and medium enterprises would need to be involved to a greater extent in the discourse on sustainability. He appreciated the choice of topics for each track, saying that they would have the maximum co-benefits on sustainability issues. He also specified that apart from water use efficiency, one must also focus on a broader context of the impact of business on the hydrological regime and biotic resources of the area. ■



Mr M K Singhi



Mr Nitin Desai



Dr Pramath Raj Sinha

AS THEY SAID IT

'Measuring Corporate Social Responsibility by the money you put into it is misleading.'

Mr Arun Maira
Member, Planning Commission,
Government of India

AS THEY SAID IT

'CSR should be left voluntary.'

Mr R Mukundan
Managing Director, TATA Chemicals

AS THEY SAID IT

'Clean and green is profitable!'

Mr M K Singhi
Executive Director, Shree Cement Ltd

AS THEY SAID IT

'The CSOs are the newest additions to the "C-Suite"!'

Dr Pramath Raj Sinha
Managing Director, 9.9 Media

AS THEY SAID IT

'SME's need to be inducted into the discourse on sustainability.'

Mr Nitin Desai
Chair, TERI BCSD & Former Under
Secretary General, UN

SPECIAL LUNCHEON SESSION

Mainstreaming Sustainability in Business

Welcome: Dr R K Pachauri, President, TERI BCSD and Director-General, TERI

Opening remarks: Sir Jonathon Porritt, Founder, Forum for the Future, UK

Luncheon address: Mr Bruno Lafont, Chairman and CEO, Lafarge

Special remarks: Dr Richard Sandor, Chairman and CEO, Environment Financial Products, Chicago, USA



A special luncheon session of the 10th World CEO Sustainability Summit was held at Hotel Taj Palace on 30 January 2013. Welcoming the guests, Dr R K Pachauri stressed on the utility of the pool of knowledge possessed

by institutes such as TERI. He drew synergies between industry and knowledge institutions, such as Business Council for Sustainable Development (BCSD).

In his opening remarks, Sir Jonathon Porritt emphasized

that it was essential to accelerate incorporation of sustainability as the mainstream agenda in business activities given the limited window of time that the global communities cannot afford to surpass.

Mr Bruno Lafont laid particular importance on two different approaches of mainstreaming sustainability in business. The first approach, he said, is a defensive one wherein companies, such as Lafarge make efforts to reduce damage that they have been causing to the environment. The other approach is bringing the industry together, which is an evolutionary process in the strategy of companies and can be a more proactive one. Lafarge played a key role in bringing the cement industry together across the world, he said.

A positive approach towards the functioning of markets was emphasized by Dr Richard Sandor. He stressed on the fact that success of markets cannot be gauged centrally, pointing to successful models of pricing carbon in places such as California, USA. He said that the most important commodity in the world in the coming century would be "water" and that the Delhi Sustainable Development Summit (DSDS) was aptly designed to cover pressing issues around it. ■



Sir Jonathon Porritt



Mr Bruno Lafont



Dr Richard Sandor



Dr R K Pachauri

AS THEY SAID IT

'The ministry can only facilitate, all action rests in the hands of private companies.'

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

AS THEY SAID IT

'We need to accelerate main-streaming of sustainability in business within the limited window of time.'

Sir Jonathon Porritt
Founder, Forum for the Future, UK

AS THEY SAID IT

'We need to measure the progress of our commitments and be transparent in reporting it to the community at large.'

Mr Bruno Lafont
Chairman and CEO, Lafarge

AS THEY SAID IT

'We may run out of water before we run out of oil.'

Dr Richard Sandor
Chairman and CEO, Environment Financial Products, USA