



**Industry Consultation
on
'Role of Chemicals Sector in accomplishing the UN
Sustainable Development Goals (SDGs) in India'**

Monday, 10 August 2020



The Context and Introduction to TERI Approach

Business & UN SDGs – Recommendations of TERI CBS Executive Committee

January 2019: Ex-Com Recommendations

- *Many corporates in India already working towards addressing the SDGs*
- *Need to collate the information to identify & prioritize issues to be addressed by businesses in India*
- *TERI CBS should work towards developing a framework/format for corporates to work on SDGs*

TERI-NFCG (MCA, GoI) Partnership: To 'augment & accelerate business action on SDGs in India'

- *Developing the architecture of industry sector-specific SDG Roadmaps basis NIF, (MoSPI, GoI) to enable deeper business action on SDGs in India; and*
- *Mainstreaming SDG reporting by Indian businesses by leveraging existing mandatory reporting frameworks & mechanisms to consolidate and report business actions on SDGs in India*

November 2019: Ex-Com Response

- *Buy-in & go-ahead from Ex-Com members on the project*

Need for Enhancing Actions on SDGs By Businesses & Government



- Post-COVID Recovery demands a stronger India, effectively equipped to address any crisis of such scale & magnitude.
- India has renewed its commitment on SDGs at HLPF 2020 & pledged to accelerate actions to impacting the SDGs in the 'Decade of Action' in light of the COVID-19 crisis.
- A critical source of finance, driver of innovation & technology, and a key driver of economic growth in India - business action crucial to accelerate implementation of SDGs in India.
- Representing a paradigm shift in its approach - from 'whole-of-government' to 'whole-of-society' - to implementing the SDGs, India's VNR 2020 report '[Decade of Action: Taking SDGs from Global to Local](#)', for the very first time, takes into account industry contributions in the country's progress towards achieving the SDGs so far, underscoring the significant role that businesses are envisaged to play in the decade of action.
- For businesses, integrating the key elements of sustainability, SDGs provide a holistic framework to look at the socio-economic & environmental issues and ways to internalize them so as to prioritize their sustainability actions and goals, for equitable growth of the society and for the sustainable growth of the business itself.

TERI's Discussion Paper "[SDGs still remain relevant for accelerating focused sustainability actions by Indian businesses](#)" articulates a Call-to-Action for Indian businesses to act on SDGs, particularly in the post-COVID-19 world.

Ministry of Statistics and Programme Implementation (MoSPI), Govt. of India and National Indicator Framework (NIF)



- MoSPI – Custodian of NIF – responsible for development & refinement of NIF
- 306 India-specific statistical indicators, mapped to relevant government ministries/ departments for monitoring purposes
- India accepted select indicators from the Global Indicator Framework (GIF) (~80) for which data are produced in India or can be produced from existing data sets
- Whereas, the comprises 231 indicators classified as:

Tier I (115)

- Conceptually clear
- Internationally established methodology & standards
- Data regularly produced by countries

Tier II (95)

- Conceptually clear
- Internationally established methodology & standards
- Data not regularly produced by countries

Tier III

- No internationally established methodology or standards
- Methodology/ standards being developed or tested

As of 51st session of UN Statistical Commission (UNSC), March 2020:

- No Tier III indicators; 2 indicators having multiple tiers; 19 indicators with tiering pending a data availability review

MoSPI's recently released "[SDGs National Indicator Framework Progress Report, 2020](#)" highlights the progress made so far in the journey of SDGs' monitoring/achievement in India, and provides inputs in the preparation of India's VNR on SDGs and assist policy makers in identifying relevant focus areas.

Instructions for Participants

The background of the slide is a composite image. On the right side, there is a large, semi-transparent globe showing the continents. To the left of the globe, there is a stylized city skyline with several tall buildings. The bottom portion of the image shows a green, rolling landscape with a blue sky and some faint, wispy clouds. The overall aesthetic is clean and modern, with a focus on global and environmental themes.

Instructions

- The session will be a mix of presentations and discussions to be conducted over a duration of 1.5 hours, starting with a brief presentation by TERI introducing the context and TERI's approach to the Project, followed by the Working Session.
- All tabs necessary to facilitate your participation are shown at the bottom of your screen.
- Participants are requested to kindly:
 - Put themselves on 'Mute' while another person is speaking.
 - Raise their hand by clicking on the 'Raise Your Hand' tab shown at the bottom of the screen and wait for their turn to speak.
 - Type their questions in the Conversation Window by clicking on the 'Show Conversation' tab. The questions shall be taken up during the course of the session at relevant times.



Role of Chemicals Sector in Accelerating the Implementation of SDGs in India

Chemicals Sector and Government of India's Recent Initiatives

- **Industry Size & Contribution to India's Development**

- India is Sixth largest producer of chemicals in the world and the fourth largest producer of agrochemicals in the world.
- Chemical sector contributes 3 per cent to the global chemical Industry along with 12.5% share in total exports (excluding pharmaceutical products and fertilizers).
- The market size of the chemical sector in India for the year 2018-19 was estimated to be US\$ 178 billion, which is expected to reach US\$ 304 billion by 2024-25 at an annual growth rate of 9.3%.
- The Average annual growth rate during the period 2014-15 to 2018-19 in Chemicals and Chemicals Products based on IIP is 2.17% while it is 4.05% for manufacturing sector.
- The diversification within the chemical industry is large and covers more than eighty thousand commercial products.
- The industry is the main stay of industrial and agricultural development of the country and provides building blocks for several downstream industries, such as textiles, papers, paints, varnishes, soaps, detergents, pharmaceuticals, etc.

- **Policy focus**

- 100% FDI is allowed under the automatic route in the chemicals sector (except in the case of certain hazardous chemicals)
- Department of Chemicals and Petrochemicals, (GOI) in its Vision Statement 2024- outlines focus on sustainability by contributing \$200 Bn to Manufacturing sector (\$1 Trn) of \$ 5 Trn Indian Economy
- Petroleum, Chemicals and Petrochemicals Investment Regions (PCPIRs) & Plastic parks are implemented to promote investment and industrial development along with generation of employment.
- New Schemes such as Centre of Excellence Chemicals Promotion Development Scheme (CPDS) focusses to promote development of new applications of polymers and plastics and creation and dissemination of knowledge through seminars and workshops

Opportunities for the Chemicals Sector in accomplishing and accelerating the implementation of SDGs in India, along with enhancing the sector's preparedness for post-COVID Recovery

Chemicals Sector: Role in Accelerating Implementation of SDGs in India

- **Individual Sectoral Contribution**

- **Business Actions:**

- Reducing Environmental Footprint (*SDG 6: Ensure availability and sustainable management of water and sanitation for all*)
(*SDG 7: Ensure access to affordable, reliable, sustainable and modern energy for all*)
(*SDG 9: Industry, Innovation & Infrastructure*)
(*SDG 11: Sustainable Cities & Communities*)
(*SDG12: Responsible Consumption & Production*)
(*SDG13: Take urgent action to combat climate change and its impacts*)

- **CSR:**

- Community Development Programmes (*SDG 1: No Poverty*), (*SDG 2: Zero Hunger*), (*SDG 3: Good Health & Well Being*)
(*SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all*)
(*SDG 6: Ensure availability and sustainable management of water and sanitation for all*)

- **Catalyst/Enabler for other Industries and State Governments**

- **Other Industries/Sector:**

- Healthcare
 - Agriculture
 - Petrochemicals
 - Consumer Goods
 - Others

Industry Sector Consultation on 'Role of Chemicals Sector in accomplishing SDGs in India'

Objective:

To arrive at priority SDGs and key business actions & impacts/outcomes for enabling deeper and focused business action on SDGs by the Chemicals sector in India basis the Ministry of Statistics and Programme Implementation (MoSPI, GoI)'s National Indicator Framework (NIF).

The Approach:

- 1. Identification of Key Material Issues for the industry sector and their alignment with the NIF;*
- 2. Articulation of sectoral-level business actions & impacts/outcomes for each of the identified material issues, basis the NIF; and*
- 3. Identification of priority SDGs for the industry sector, and the timeframe required to realize the identified impacts/outcomes for priority SDGs*



Working Session:
***Developing the Architecture of SDG Roadmap for
Chemicals sector in India***

SDGs & Chemicals Sector in India: *Current Practices*

SDGs and Business Actions (*Operational and CSR*) by Companies in India:

Broadly:

- *Alignment is retrospective than strategic*
- *Mapping of sustainability actions is limited to Goals level; no alignment with SDG Targets or Indicators*
- *Lacking linkages between companies' key material issues and the SDGs (though some companies have mapped SDGs with their Sustainable priorities and Action Plans)*
- *No alignment with country-specific NIF (developed by MoSPI, GoI) that takes into account national socio-economic, environmental and development priorities*



Planned Next Steps

Planned Next Steps

- Tackling SDGs the New Way
(*SDGs & NIF-oriented Business Actions and Monitoring of Actions*)
- Dialogues around developing business-specific indicators with MoSPI and NITI Aayog
(*Tier I, II, III classification*)
- India's VNR 2020 – Recognizing Private Sector contribution
(*Improving Indian States and UTs' SDG performance*)
([SDG India Index 2019-2020](#))



Components for Developing the Architecture of SDG Roadmap for Chemicals sector in India

1. **Why:** *Focusing on Key Material Issues for Chemicals Sector and alignment with the NIF*
2. **How:** *Designing Business Actions for Chemicals Sector*
3. **What & When:** *Realizing Impacts & Outcomes for Priority SDGs*

01

Why: Focusing on Key Material Issues for Chemicals Sector and alignment with the NIF

Inputs solicited from Industry Colleagues

- Identification and validation of Key Material Issues for the Chemicals Sector as a whole
- Alignment of identified sector-specific Key Material Issues with the SDGs National Indicator Framework (NIF) developed by MoSPI, GoI
- Identification of gaps in sector-specific key material issues and indicators under NIF

01. Why: Focusing on Key Material Issues for Chemicals Sector and alignment with the NIF

KEY MATERIAL ISSUES FOR CHEMICALS SECTOR



The key material issues for the sector have been identified basis the material issues outlined by individual Chemicals sector companies in their Sustainability /Integrated Reports

A. Why: Focusing on Key Material Issues for Chemicals Sector and alignment with the NIF

Alignment with MoSPI (GoI)'s National Indicator Framework (NIF)

Energy & Emissions Management

- 7.2.1 Renewable energy share in the total installed electricity generation
- 8.4.2 Per capita fossil fuel consumption (in Kg.)
- 9.5.3 Total number of patents issued (granted), in number (similar to Indicator 8.2.2 and 8.3.6)
- 11.5.1 Number of deaths attributed to extreme climate per 1,00,000 population (similar to Indicator 1.5.1 and 13.1.2)
- 11.6.2 Annual mean levels of fine particulate matter (e.g. PM2.5 and PM10) in cities (population weighted)
- 12.4.2 Development of national policy for environmentally sound management of hazardous chemical and waste
- 12.7.1 Green public procurement policy developed and adopted by the Central Ministries/States/UTs (Numbers)
- 13.2.1 Pre 2020 action: Achievement of pre-2020 goals as per country priority (percentage reduction in emission intensity of GDP, over 2005 level)
- 13.2.2 Achievement of Nationally Determined Contribution (NDC) Goals in post 2020 period
- 15.2.2 Total area covered under different afforestation schemes (in Hectare)

A. Why: Focusing on Key Material Issues for Chemicals Sector and alignment with the NIF

Alignment with MoSPI (GoI)'s National Indicator Framework (NIF)

Community Development

- 1.3.2 Number of Beneficiaries under Integrated Child Development Scheme - ICDS, (in number)
- 1.3.4 Number of Self Help Groups (SHGs) provided bank credit linkage, (in lakhs)
- 2.a.1 Percentage share of expenditure in Intellectual Property Product (R&D) in agriculture to GVA in agriculture
- 2.3.2 Gross Value Added in agriculture per worker, (in Rs.)
- 2.c.1 Percentage of agriculture mandis enrolled in e-market
- 4.1.1 Net Enrolment Ratio in primary and upper primary education (in percentage)
- 4.3.1 Participation rate of youth and adults in formal and non-formal education and training in the previous 12 months
- 4.3.2 Proportion of male-female enrolled in higher education, technical and vocational education,2015-16 (in Ratio)
- 4.4.1 Proportion of youth and adults with information and communication technology (ICT) skills
- 4.a.1 Proportion of schools with access to: (a) electricity; (b) computers for pedagogical purposes; (c) adapted infrastructure and materials for students with disabilities/ disabled friendly ramp and toilets; (d) basic drinking water; (e) single-sex basic sanitation facilities; and (f) basic hand washing facilities (as per the WASH indicator definitions), (in percentage)
- 6.1.2 Percentage of population using an improved drinking water source (Rural)
- 6.2.3 Proportion of schools with separate toilet facility for girls (in percentage)
- 7.1.2 Percentage of household using clean cooking fuel

02

How: Designing Business Actions for Chemicals Sector

Inputs solicited from Industry Colleagues

- Identification of Business Actions (Business & CSR) and Impacts/Outcomes for the identified Key Material Issues aligned with NIF
- Identification of NIF Indicators and proposed New Indicators, aligned with the identified Key Material Issues, Business Actions & Impacts/Outcomes.
- Identify priority SDGs for Chemicals sector in India

02. How: Designing Business Actions for Chemicals Sector

Example

1

Key Material Issues

- Energy & Emissions Management
- Community Development

2

Business Actions

- Business: Reduction of 'x' % of GHG emissions. Committing to SBTs.
- CSR: Youth empowerment through quality education and creating livelihood opportunities

3

Impacts/Outcomes

- Energy Efficiency
- GHG Emissions Reduction
- Sustainable Livelihoods

Identification of India-specific SDG Indicators for Chemicals Sector:

- NIF Indicators
- Proposed New Indicators

SDG INDICATORS

Identification of SDG Targets basis India-specific Indicators (NIF + Proposed New) for Chemicals Sector

SDG TARGETS

Priority SDGs for Chemicals Sector in India

SDGs

Aligned with National Indicator Framework (NIF, MoSPI, GoI)

02. How: Designing Business Actions for Chemicals Sector

Example

1

Key Material Issue
**Energy &
Emissions
Management**

Business Actions

Business

- By Committing to SBTs and developing a medium and long term emission reduction strategy holistically at plant sites
- Transitioning towards cleaner fuels
- Increasing productivity by enhancing the digital ecosystem

CSR

- Generate offsets for Scope 1 and Scope 3 emissions through the implementation of community-based offset projects - construction of household biogas units or distribution of efficient cook stoves to replace traditional cooking methods in rural India

2

02. How: Designing Business Actions for Cement Sector

Example 2

1

Key Material Issue

***Energy &
Emissions
Management***

Business Actions

2

Business

- By Committing to SBTs and developing a medium and long term emission reduction strategy holistically at plant sites.
- Transitioning towards cleaner fuels
- Increasing productivity by enhancing the digital ecosystem

CSR

- Generate offsets for Scope 1 and Scope 3 emissions through the implementation of community-based offset projects - construction of household biogas units or distribution of efficient cook stoves to replace traditional cooking methods in rural India

3

Impacts/Outcomes

- Energy Efficiency
- GHG Emissions Reduction
- Sustainable Livelihoods

03

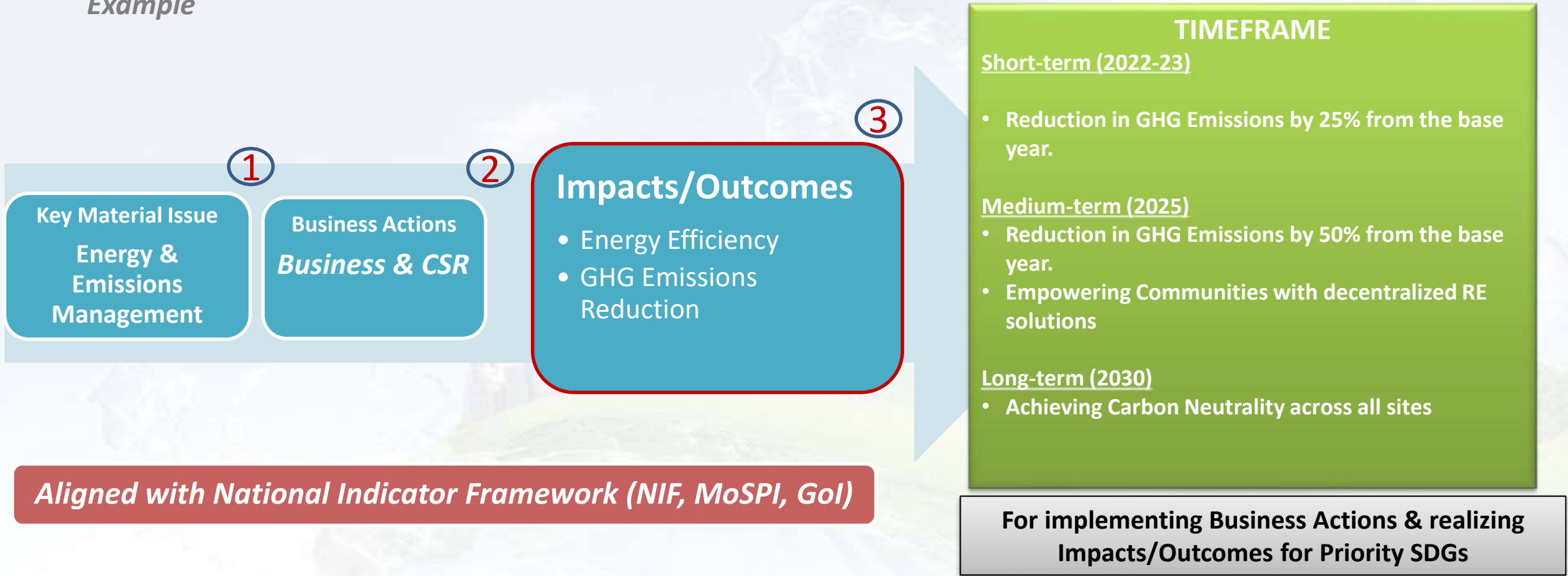
What & When: Realizing Impacts & Outcomes for Priority SDGs

Inputs solicited from Industry Colleagues

- Identification of timeframe required to realize the identified impacts/outcomes for priority SDGs

03. What & When: Realizing Impacts & Outcomes for Priority SDGs

Example

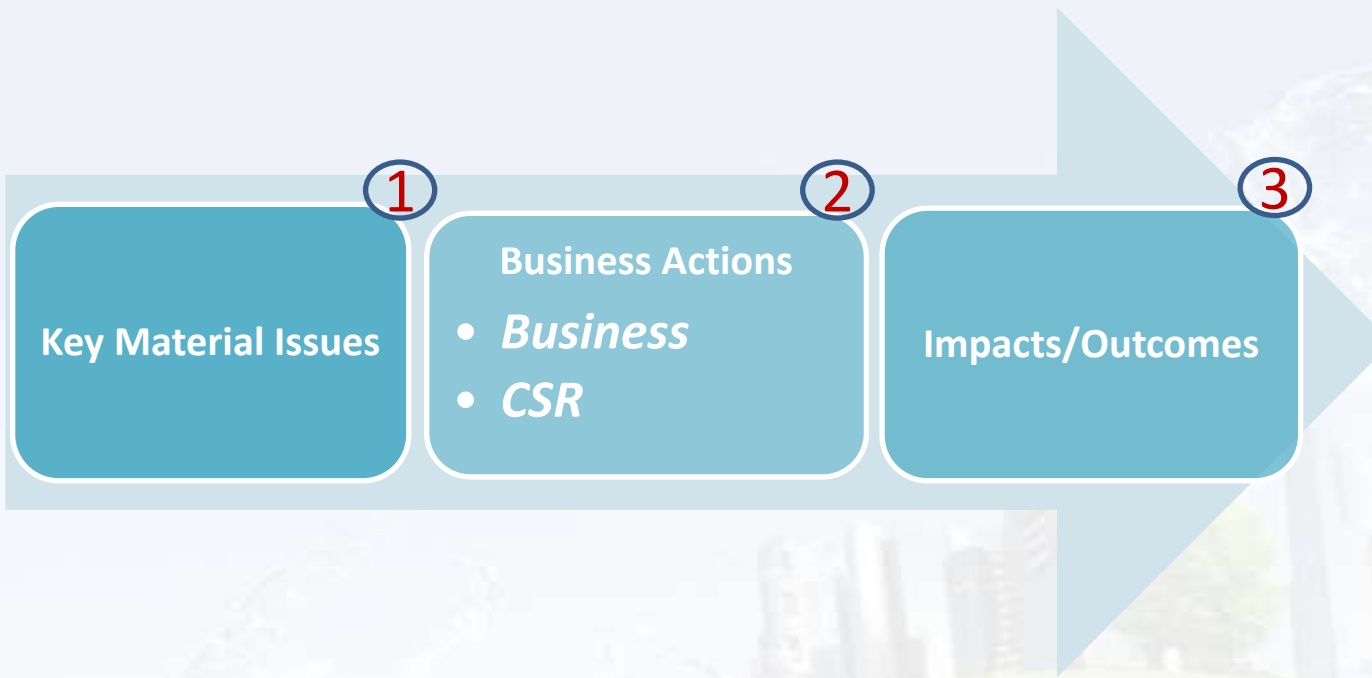


The background features a large, semi-transparent globe on the right side, showing the Americas. On the left side, there is a faint, light-colored map of India. The overall background is a light, hazy blue and green, suggesting a clean, environmental theme.

The Way Forward:
*Developing the Architecture of SDG Roadmap for
Chemicals Sector in India*

Developing the Architecture of SDG Roadmap for Chemicals sector in India

4



Aligned with National Indicator Framework (NIF, MoSPI, GoI)

