



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

Friday, 7 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



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 Oil & Gas Sector in Accelerating the Implementation of SDGs in India

Oil & Gas Sector and Government of India's Recent Initiatives

- **Industry Size**
 - India retained its spot as the third largest consumer of oil in the world in 2019 with consumption of 5.16 million barrels per day (mbpd) of oil in 2019 compared to 4.56 mbpd in 2016
 - Crude oil consumption is expected to grow at a CAGR of 3.60 per cent to 500 million tonnes by 2040 from 221.76 million tonnes in 2017 (BP Energy Outlook)
 - Natural Gas consumption is forecast to increase at a CAGR of 4.31 per cent to 143.08 million tonnes by 2040 from 54.20 million tonnes in 2017 (BP Energy Outlook)
- **Contribution to India's Development**
 - Clean cooking is key to SDG 7 at the household level
 - Natural gas key to fuel switching measures
 - Co-relation between HDI and energy consumption
- **FDI Inflow**
 - GOI has allowed 100 per cent Foreign Direct Investment (FDI) in many segments of the sector, including natural gas, petroleum products and refineries among others
 - Petroleum and natural gas sector attracted FDI worth US\$ 7.82 billion between April 2000 and March 2020
 - The Government is planning to invest US\$ 2.86 billion in the upstream oil and gas production to double natural gas production to 60 bcm and drill more than 120 exploration wells by 2022
- **Policy focus**
 - GOI has targeted to increase the gas share from 6.2% to 15% in the primary energy mix of the country
 - Paris Agreement targets
 - A gas exchange is planned in order to bring market-driven pricing in the energy market of India and the proposal for the same is ready to be taken to the Union Cabinet
 - Oil Ministry plans to set up bio-CNG (compressed natural gas) plants and allied infrastructure at a cost of Rs 7,000 crore (US\$ 1.10 billion) to promote the use of clean fuel

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

Oil & Gas Sector: Role in Accelerating Implementation of SDGs in India

- **Individual Sectoral Contribution**
 - **Operational:** *Effluent treatment and waste management, solarizing retail outlets and LPG plants*
 - **CSR:** *Community Development Programmes; Youth Skilling & Empowerment; environment*
- **Catalyst/Enabler for development for other industries and state governments**
 - Industries
 - Agriculture
 - Household
 - Commercial
 - Healthcare
 - ICT and other service sector

Industry Sector Consultation on 'Role of Oil & Gas 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 Oil & Gas sector in India basis the Ministry of Statistics and Programme Implementation (MoSPI, GOI) 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*

The background features a large, semi-transparent globe on the right side, showing the continents. 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, professional environment.

Working Session:
***Developing the Architecture of SDG Roadmap for
Oil & Gas sector in India***

SDGs & Oil & Gas 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*
- *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
(Reflection of business action in SDGs – NIF and SDG dashboard)
- India's VNR 2020 – Recognizing Private Sector contribution
(In India's official submissions to international processes)



Components for Developing the Architecture of SDG Roadmap for Oil & Gas sector in India

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

01

Why: Focusing on Key Material Issues for Oil & Gas Sector and alignment with the NIF

Inputs solicited from Industry Colleagues

- Identification and validation of Key Material Issues for the Oil & Gas 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 Oil & Gas Sector and alignment with the NIF

HIGH PRIORITY MATERIAL ISSUES FOR OIL & GAS SECTOR



MEDIUM PRIORITY MATERIAL ISSUES FOR OIL & GAS SECTOR



The key material issues for the sector have been identified based on the material issues outlined by individual Oil & Gas sector companies in their Sustainability Reports

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

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

Effluents and Waste

- 3.9.1 Mortality rate attributed to unintentional poisoning, (per 1,00,000 population)
- 3.9.2 Proportion of men and women reporting Asthma in the age group (aged 15-49 years), 2015-16 (in percentage)
- 6.3.1 Percentage of sewage treated before discharge into surface water bodies
- 6.3.2 Percentage of industries(17 category of highly polluting industries/grossly polluting industry/red category of industries) complying with waste water treatment as per CPCB norms, 2017-2018
- 6.3.3 Proportion of waste water treatment capacity created vis-à-vis total generation
- 6.4.1 Percentage ground water withdrawal against availability
- 6.4.2 Per capita storage of water, (in m³/person)
- 6.4.3 Per capita availability of water, 2011 (in m³/person)
- 6.6.1 Percentage of blocks/mandals/taluka over- exploited, (in percentage)
- 6.6.2 Percentage sewage load treated in major rivers
- 6.6.3 Biological assessment information of surface water bodies
- 12.4.1 Developing national secondary resource policy framework
- 12.4.2 Development of national policy for environmentally sound management of hazardous chemical and waste
- 12.4.3 Implementation of National Action Plan for fulfilling obligations of various Multilateral Environmental Agreements (MEA) ratified
- 12.5.1 Number of waste recycling plants installed
- 12.5.2 Number of municipal corporations using waste segregation techniques
- 12.5.3 Number of municipal corporations banning single use plastic
- 14.1.1 Coastal Water Quality Index, 2015 – 16
- 14.1.3 Percentage use of nitrogenous fertilizer to total fertilizer (N,P & K)

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

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

Energy

- 7.1.1 Percentage of households electrified
- 7.1.2 Percentage of household using clean cooking fuel
- 7.2.1 Renewable energy share in the total installed electricity generation
- 7.3.1 Energy intensity measured in terms of primary energy and GDP, (in mega joules per rupee)
- 9.4.1 CO2 equivalent emission per unit of value added
- 9.4.2 Energy use intensity of manufacturing value added, (Tone of Oil Equivalent /000' rupees)
- 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)

02

How: Designing Business Actions for Oil & Gas 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 Oil & Gas sector in India

02. How: Designing Business Actions for Oil & Gas Sector

Example

1

Key Material Issues

- Effluents and Waste
- Energy

2

Business Actions

- *Operational*: Reducing Carbon Emissions
- *CSR*: Improve water quality in surrounding areas

3

Impacts/Outcomes

- Low Carbon Growth
- Clean water for livelihoods

Identification of India-specific SDG Indicators for Oil & Gas Sector:

- NIF Indicators
- Propose any New Indicators

SDG INDICATORS

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

SDG TARGETS

Priority SDGs for the Sector in India

SDGs

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

02. How: Designing Business Actions for Oil & Gas Sector

Example

1

Key Material Issue
**EFFLUENT
AND WASTE**

Business Actions

OPERATIONAL

- Reuse of treated Effluent Treatment Plant water to save 1,00,000 litre per day of water
- Ensure zero discharge of harmful effluents
- Supply chain: Require contractors and other facilities to provide suitable water supplies and wastewater disposal facilities to prevent infection and illness from water-borne or other pathogens
- Manage waste generated during offshore support operations such as domestic use on vessels and offshore rigs, in accordance with MARPOL requirements

CSR

- Revival and rejuvenation of water bodies around operational sites
- Addressing marine plastic pollution in operational areas

2

Impacts/Outcomes

- Circular economy
- Clean environment
- Clean water for life and livelihoods

3

02. How: Designing Business Actions for Oil & Gas Sector

Example

1

Key Material
Issue
ENERGY

Business Actions

OPERATIONAL

- Solarise retail outlets, depots, installations and LPG plants
- Installed grid system solar plant with net metering facility
- conversion of Main Air Blower in Fluidized cracking unit from medium pressure steam driven turbine to high pressure driven turbine and operational and instrumentation improvements in compressors

CSR

- Install solar energy systems in schools and community centres
- Provide services to ensure LPG connection to villages for clean cooking options

2

3

Impacts/Outcomes

- Low Carbon Growth
- Energy access
- Community Development

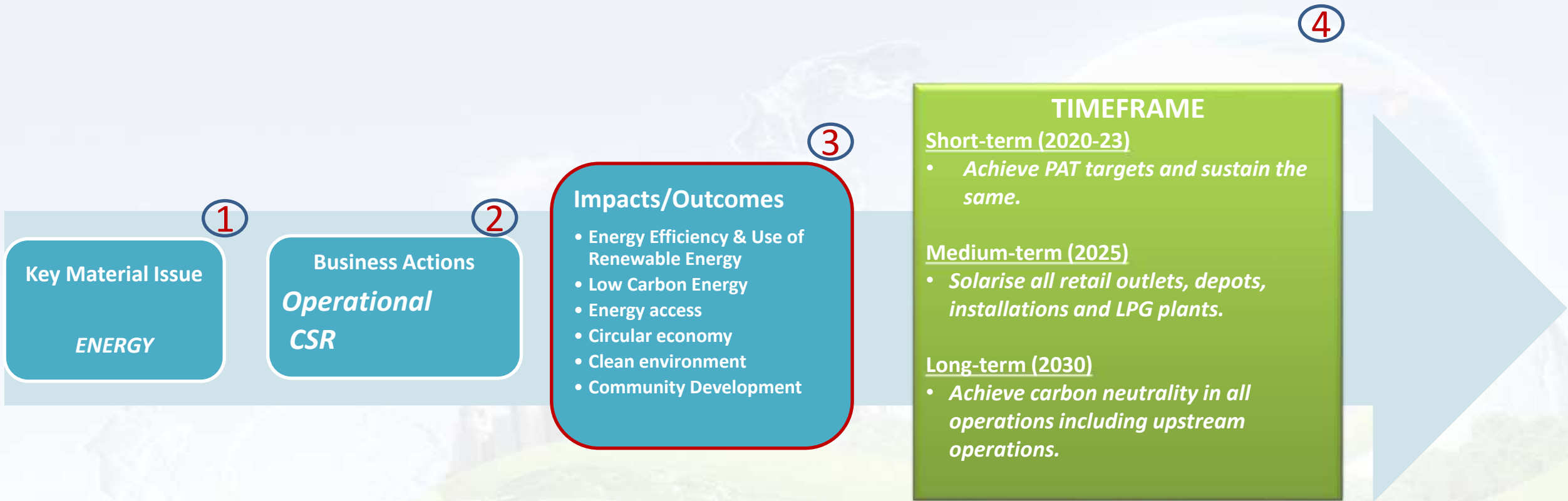
03

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. How: Designing Business Actions for Oil & Gas Sector



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

For implementing Business Actions & realizing Impacts/Outcomes for Priority SDGs



The Way Forward:
*Developing the Architecture of SDG Roadmap for the
Oil & Gas Sector in India*

Developing the Architecture of SDG Roadmap for Oil & Gas sector in India

4



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

