



Dear Stakeholder,

There's something I have been wanting to do for a very long time and the Spring season, harbinger of new beginnings, sounds like a good time to share this small news with you!

CII-ITC Centre of Excellence for Sustainable Development (CESD) will be sharing monthly updates with you through the unique stakeholder communication – CESD Chronicle. Through this dispatch, I hope to share with you highlights of the collective work that the Centre undertakes every month.



The first edition of the newsletter captures important policy updates as well as some significant stakeholder engagements. The month of March signalled the commencement of what seems to be like a new environmental year in India, with a flurry of amendments to waste management rules. March was also significant for the Centre as the first meeting of the Taskforce on CBAM was held during the month.

The Centre held several stakeholder engagements during the month for developing IPPU sector emission related data for India's Fourth Biennial Update Report (BUR-4) and India's First Biennial Transparency Report (BTR-1). Most importantly, CESD shared the agenda document for the new Government which captures Members' wish list and suggestions for advancing India's sustainable development agenda.

I look forward to hearing from you on how we can improve and strengthen this new initiative.

Thank you,

**Seema Arora**  
Deputy Director General  
Confederation of Indian Industry

## Policy & Regulatory Review

By refining regulatory frameworks and introducing more flexible compliance and reporting mechanisms, the Ministry of Environment Forest & Climate Change (MoEFCC) aims to encourage better environmental practices among producers, importers, and recyclers nationwide. The Centre engages with the Government, Industry Members and other stakeholders to strengthen these regulations by sharing Industry's suggestions and viewpoints on the draft rules, amendments and compliances.

### Plastic Waste Management (Amendment) Rules, 2024

On March 14, 2024, MoEFCC notified the Plastic Waste Management (Amendment) Rules, 2024, which come into immediate effect, amending the existing Plastic Waste Management Rules, 2016. The amended rules introduce key revisions to definitions, including 'importer,' 'manufacturer,' and 'producer,' while adding a definition for 'seller' to clarify roles. Manufacturers of compostable or biodegradable plastic carry bags or commodities are now required to obtain a certificate from the Central Pollution Control Board (CPCB) before marketing these products.

This amendment enhances accountability for the environmental impact of such products. Additionally, manufacturers must inform CPCB about the quantity of commodities introduced into the market and the pre-consumer waste generated. Local bodies are empowered to assess plastic waste within their jurisdiction, evaluate infrastructure, and prevent the stocking, distribution, sale, and usage of prohibited single-use plastic items, strengthening enforcement at the grassroots level.

### E-Waste (Management) Amendment Rules, 2024

Released on March 8, 2024, these rules introduce significant changes, including the definition of 'dismantler' and an extension of the deadline for filing returns up to nine months. Most importantly, the Government will establish a mechanism to set the minimum and maximum prices for the exchange of Extended Producer Responsibility (EPR) certificates.

### Hazardous and Other Wastes (Management and Transboundary Movement) Amendment Rules, 2024

Issued on March 12, 2024, the Hazardous and Other Wastes (Management and Transboundary Movement) Amendment Rules, 2024 focus on enhancing hazardous waste management. Import of post-industrial or pre-consumer polyethylene wastes is now permitted, with a requirement to export at least 35 per cent of the total annual turnover. These amendments also provide guidelines for EPR certificate pricing and extends the compliance reporting deadlines, similar to the E-Waste rules.

### Battery Waste Management (Amendment) Rules, 2024

On March 14, 2024, updates to the Battery Waste Management Rules were introduced. These updates focus on EPR certificates and compliance, setting price ranges for EPR certificates based on environmental compensation levels. CPCB will outline the collection of fines from non-compliant entities and enforce 100 per cent collection and recycling targets, with provisions for carrying forward unmet quotas into the next cycle.

## Stakeholder Engagements

### Deliberations on Sustainability Ratings for Infrastructure Projects

In a roundtable discussion organized along with The Infravision Foundation on March 22, 2024, stakeholders discussed the benefits of developing a sustainability framework for infrastructure projects. The potential advantages for developers includes access to responsible investors and mitigation of long-term environmental & social risks. A transparent risk assessment, it was discussed, can also facilitate efficient and timely allocation of capital towards sustainable projects.

### Engaging with MoEFCC and Industry for IPPU Sectors Reporting

As you are aware, as a signatory to the UNFCCC, India is obligated to fulfil certain reporting requirements outlined in the convention. CII supports MoEFCC in the estimation of GHG emissions from India's Industrial Process and Product Use Sector (IPPU), using IPCC guidelines, 2006.

India is in the process of developing its Fourth Biennial Update Report (BUR-4) and First Biennial Transparency Report (BTR-1). In the month of March, the Centre organized several stakeholder consultations (with Ministry of Mines, DPIIT, Cement Manufacturer's Association, Ministry of MSMEs, Department of Chemical & Petrochemical, Department of Fertiliser, Research and Academic Institutes, PSUs, Industry, etc). Some important discussions revolved around:

**Harmonizing Emission Calculations and Aligning NATCOM and Industry Methodologies:** Emissions are calculated within the NATCOM project, according to the IPCC guidelines from 2006, whereas most organizations rely on the GHG protocol for their estimations. Bridging the gap between these methodologies is essential to establish a common understanding among stakeholders.

**Need for Country-specific Emission Factors:** By tailoring emission factors to the specific context of a country, policymakers can develop more targeted strategies and policies to reduce emissions effectively. India should also make an effort to develop ingenious emission factors, at least for sectors such as Cement, Iron & Steel, Ammonia etc.

**Addressing Data Gaps by Integrating MSME Sector into NATCOM:** Throughout the discussions, it has become apparent that there is a lack of maintained production and capacity data for the MSME sector. Given that this sector constitutes a significant portion of India's economy, future endeavours will focus on incorporating this important aspect into the scope of the NATCOM project.

### Discussions on Carbon Tariffs and International Trade

The world, as we know it, is going through several vicissitudes due to new technologies, resource constraints and changing face of geopolitics. The Centre, cognizant of the shifting systems, is also adapting to this new world through research, collaborations and stakeholder interactions.

Perhaps the most important interaction during the month was the first meeting of the CBAM Taskforce 2023-24 on March 19, 2024. The Taskforce deliberated on the implications of the Carbon Border Adjustment Mechanism (CBAM), EU Deforestation Regulation (EUDR), and USA's Inflation Reduction Act (IRA) on Indian Industry. Other global regulations such as the European Sustainability Reporting Standards; USA's Clean Competition Act and draft CBAM regulations of UK and Australia were also discussed.

A few recommendations that the Centre hopes to build upon include: strengthening policy advocacy to protect domestic industry; creating regulation-specific working groups to understand how Indian Industry can negotiate better; developing capacity for new regulation reporting and for due diligence; focussed research on studying the impact of global climate policies and regulations on trade and competitiveness of the Indian Industry.

### Exploring Collaborations in Biodiversity Conservation

As we get closer to the decenary celebrations of IBBI (in May), it becomes important to understand what the members have accomplished in the last few years. During the second meeting of the IBBI Advisory Group 2024, held on March 4, 2024, the secretariat presented the concept for IBBI 2.0 with Members for feedback. Linking biodiversity conservation with livelihood generation with consideration for its practical implementation was one of the suggestions at the session.

During the interaction with Ms Nameeta Prasad, Joint Secretary, MoEFCC; Dr Ashiho Asosii Mao, Director, Botanical Survey of India Botanical Survey of India (BSI) and Dr Pradip V Sarmokadam, Member Secretary, Goa State Biodiversity Board (GSBB), IBBI Members expressed readiness for further collaboration and sought guidance on expanding biodiversity efforts.

### Advancing Air Quality Management

The 2nd Biennial meeting of the India CEO Forum for Clean Air, held on March 11, 2024 saw a MoU between Municipal Commissioner of Pimpri-Chinchwad, Shri Shekhar Singh and the Centre to strategically support city administration in taking actionable steps for cleaner air in Pimpri Chinchwad. This MoU also expands the scope of CABL's 3 years programme in Pune, launched with Pune Municipal Corporation in August 2023, to the larger Pune metropolitan area.

### Developing Roadmap for Films and Flexibles

According to estimates, 70 per cent of plastic packaging placed in the Indian market is flexible. However, due to an absence of standardised composition and use of incompatible polymers & materials, there is very low collection and recycling rate. Recyclable flexible packaging will help achieve EPR target of incorporation of recycled content in flexible packaging (Category II, III) and also develop a circular plastics economy in India. By developing a unified pathway which all signatories agree to for managing films and flexible packaging in India, the Centre hopes to address this critical issue.

The Second meeting of the Collaborative Action Group on Films and Flexibles was held on March 6, 2024. Through the meeting, the Centre shared the progress on the roadmap for Films and Flexible Packaging, as well as solutions for improvement in design, segregation, collection, recycling, and end-markets with the CAG Members.

### Meetings with Canada Trade Commissioner and LA Delegation

Globally, there's an increased interest in India and India-led clean technologies and sustainable practices. International delegations have been seeking meetings with CESD to understand the various work areas and research that the Centre is currently engaged in.

During the interactions with Rupali Dave, Trade Commissioner, Québec Government Office on March 11, 2024, as well as with the business delegation from the Los Angeles County Economic Development Corporation on March 18, 2024, CESD colleagues shared the information about existing projects and the current research areas.

## Industry's Contribution to India's Sustainability Journey

- I'm happy to inform you that increasingly MSMEs are understanding the importance of taking steps to manage their emission, decarbonizing their process and mainstream climate actions. As on March 31, 2024, more than 300 signatories (in 7 clusters) have committed to the CII Climate Action Charter and are mapping emissions through the Centre's tool-based approach.

- Another achievement I'll like to share is the year-old Eco Edge programme, which has already assessed and certified more than 150 vendors. In March, the Centre launched Phase II of the programme for Skoda Auto Volkswagen India Pvt Ltd; this includes onboarding of the organization and its 50 Value Chain Partners, encompassing both upstream and downstream entities.

- The 18th CII ITC Sustainable Awards ceremony saw 35 organizations getting awarded and recognized for Excellence in Sustainable Business by Mr Sanjiv Puri, President Designate, CII, Chairman, Advisory Council, CII-ITC CESD and Chairman & Managing Director, ITC Ltd.

- The 4th edition of CAP 2.0 (Climate Action Program) Awards saw 15 companies receive the Climate Action Awards from Shri Dinesh Dayanand Jagdale, Joint Secretary, Ministry of New and Renewable Energy, Government of India. You can [click here](#) to access the winners' profiles.

## Insights from Research Reports & Surveys

### Climate Action Charter Report for Tamil Nadu Clusters

Under the CII Climate Action Charter, an extensive examination of industrial clusters in Coimbatore and Tirupur was conducted, utilizing the Task Force on Climate-related Financial Disclosures (TCFD) methodology across 50 MSMEs. The CCAC Tamil Nadu Clusters Report was unveiled during the CII Tirupur District Annual Day on March 11, 2024, in Tirupur.

According to the study, 60 per cent of the participating organizations in the clusters of Coimbatore and Tirupur are yet to establish initiatives to address climate change, and 50 per cent of them are not aware of the extent of damage caused by climate change. Notably, the study finds that 38 per cent of the companies face significant sensitivity to water-related issues, affecting production for more than 3 to 4 months. Surprisingly, only 15 per cent of these companies contribute funds to meet additional water requirements, and merely 7 per cent invest in water conservation and usage. This indicates a preference for short-term measures over long-term initiatives that offer recurring benefits. You can [click here](#) to get access to the complete report.

### Survey on Private Sector Investment in Natural Climate Solutions (NCS) in India

During the second meeting of the IBBI Advisory Group Natural Climate Solutions (NCS) in India, IBBI Secretariat shared insights from a survey that tried to understand Natural Climate Solutions (NCS) trends in India. The survey captures the responses of more than 50 companies spread across the country and finds that 70 per cent of these companies have integrated NCS in their corporate strategy. Another important finding is that 86 per cent agree that there is a business case for NCS investments, citing factors such as carbon sequestration, business resilience and brand equity.

A few key learnings include: The need for identifying NCS projects that address common areas of risk management linked to local communities and businesses; importance of documentation and adoption of best practices in NCS such as 'One Village, One Forest' and tri-party agreements for forest restoration efforts in Maharashtra.