

MULTISTAKEHOLDER FORUM



ON SUSTAINABLE PRODUCTION & CONSUMPTION



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



About CAG

Citizen consumer and civic Action Group (CAG) is a 38-year-old non-profit, non-political and professional organisation that works towards protecting citizens' rights in consumer and environmental issues and promoting good governance processes including transparency, accountability and participatory decision-making.

Overview

As we are at the midpoint of the agreed timeline to achieve the Sustainable Development Goals (SDG) by 2030, CAG organised a Multistakeholder Forum on Sustainable Production and Consumption on January 23 and 24 at Clarion Hotel President, Chennai to create a platform to bring together variegated stakeholders such as academics, public policy practitioners, civil society organisations (CSO), businesses, consumer groups, government officials, and other relevant experts to review our progress, identify gaps and challenges and frame a way forward to achieve SDG 12 of responsible consumption and production.

The Multistakeholder Forum on Sustainable Production and Consumption spanned over two days with two sessions on each day. The first day witnessed discussions on 'Sustainability in 2024', and 'Analysing current patterns of production and consumption in key sectors' and the second day covered 'Business models and strategies affecting sustainability', and 'Creating an ecosystem for responsible and sustainable businesses'. The mode of participation for this forum was hybrid, with a majority of speakers joining in person and some of the speakers joining online. Each session was facilitated by a moderator setting the context for the session, followed by presentations by each speaker in the session. After the presentations, the moderator engaged in a brief panel discussion before opening the floor for questions from the audience. For the final session, we invited entrepreneurs who are running responsible businesses such as organic food, clothing, zero-waste lifestyle products, renewable energy, etc. The entrepreneurs were asked various questions to understand how and why they started the business, what were the challenges in setting up the business and what policies helped them/ would help them in sustaining their business and improving their financial viability.

Inaugural session



Ms.S.Saroja

Ms.Saroja, Executive Director of CAG, commenced the proceedings of the event by emphasising the need for this dialogue at this point in time and setting the context for the two-day consultations. Saroja explained that while sustainability and sustainable development have become the most commonly used buzzwords in the last two decades, one needs to ponder whether we understand the true spirit and meaning of the concept and the goals set out in 2015 by the United Nations. She remarked that sustainability is often construed to be pertaining only to the environment but it encompasses all aspects of life and denotes a mindful way of living in harmony with nature.





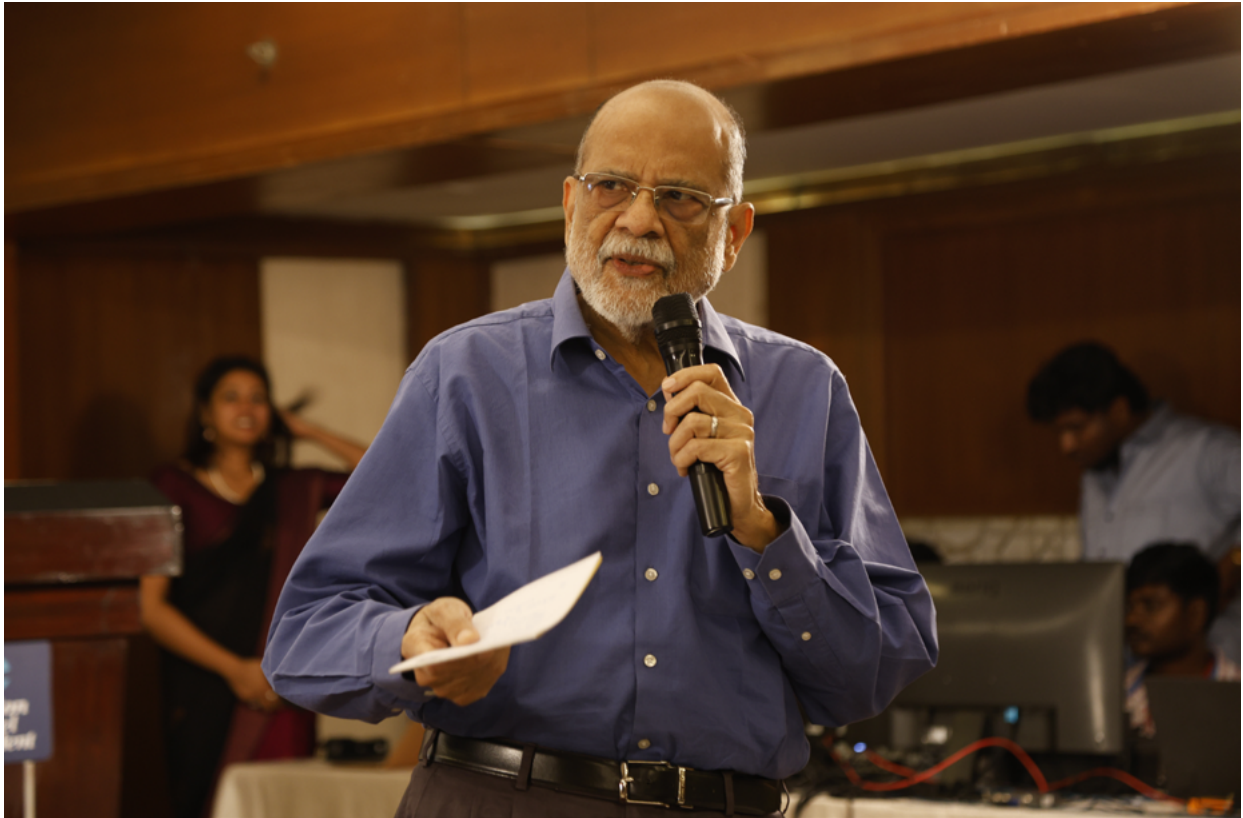
Ms. Grace Lalrindiki Pachuau I.A.S

Ms. Grace Lalrindiki Pachuau, I.A.S., is currently the Additional Commissioner of Industries and Commerce to the Government of Tamil Nadu. Ms. Grace explained that her current portfolio of Micro, Small and Medium Enterprises (MSME) plays a very significant role in dialogues on sustainable production and consumption and also indirectly significant for achieving other SDGs such as eliminating poverty, hunger, achieving gender equality, economic growth, etc. She remarked that people often think that a country's economic growth depends on large industries but facts show that MSMEs contribute to 40% of India's GDP, 40-50% of national exports and are the 2nd largest employer in the country.

She gave an overview of the important role played by Tamil Nadu in the development of MSMEs, hosting the 3rd highest number of MSMEs in the country. Tamil Nadu's MSME landscape is advanced and could be claimed to be the hub of manufacturing, particularly for automotive, textile, coir manufacturing, etc. In addition, Tamil Nadu has also emerged as the Software as a Service (SaaS) capital of India and is positioning itself to be the EV manufacturing hub in India.

While talking about the climate crisis, she underscored the vulnerability of marginalised communities who are the most impacted by the impacts of climate change. She explained that MSMEs play a crucial role in bridging the gap between rural and urban populations and in particular providing employment opportunities for women.





Dr.Prof.Sultan Ahmed Ismail

Dr.Sultan Ahmed Ismail, Member of the Tamil Nadu State Planning Commission delivered a special address during the inaugural session. Explaining that our understanding of sustainability is too narrow and often misunderstood, he went on to define sustainability as living, producing and consuming mindfully, balancing ecology and economy. He expressed concern that we overlook the basic fact that oceans are bigger carbon sinks than forests. We tend to simplify sustainability efforts to mean an act as simple as planting trees, without even understanding the difference between native and non-native species. Our limited perspectives lead us to believe that all it takes is a green facade, hoping it will counter all the pollution and destruction we have caused. When talking about the biggest man-made menace, plastics, he categorically said that if consumption has to stop, the emphasis should be on reducing the production first. He wished the participants to engage in meaningful discussions on this important topic and emphasised the need for us as a society to move from an anthropocentric to an ecocentric society.





Ms. Helena Leurent

Ms. Helena Leurent, Director General of Consumers International, delivered a special address during the inaugural session, speaking on behalf of 200 consumer groups around the world. She presented her views by enumerating three key points which are crucial in achieving sustainable production and consumption.

While informing the consumers is a crucial part of this process, she explained we need to go beyond information and provide tools and opportunities through which every individual can turn intentions to actions. Ms. Leurent argued that safety and economic choice should incorporate the notion of sustainability which should become the norm.

Championing consumer rights is just one piece of the puzzle and regardless of consumers' willingness and desire to change, they cannot make it happen 'one shampoo bottle at a time', she remarked. While sustainable consumption can create a flywheel effect, production change at the root is also equally important. She mentioned plastics as an example where the Global Plastics Treaty (GPT), which is being negotiated, needs to have a binding approach across the value chain.

Finally, she spoke about the importance of talking about equity while we talk about transitioning to sustainable production and consumption. She claimed, 'if the transition is not with and for all people', it is not sustainable. Therefore, we need to have an equity conversation in addition to a sectoral approach. She emphasised that these challenges are not solvable by any one stakeholder group and it requires a complex marketplace shift to happen at scale. Therefore, she commended that the discussions at CAG's multistakeholder forum on the key sectors and also on the business models behind it are timely and strategic.



Session 1: Sustainability in 2024

Midpoint review of SDG 12



Ms. Madhuparna Maiti

Ms. Madhuparna Maiti is a Research Associate at The Energy Resources Institute (TERI). She addressed the gathering on the topic of 'mid-point review of the SDGs' and she presented some of the key findings of TERI's report on 'Supporting India on SDG 12 Monitoring and Reporting'. An evaluation of 140 targets of the SDGs revealed that the world is way off track with only 12% of the targets on course. Some of the major global challenges obstructing the path to sustainable development are drastic increases in per capita food loss/waste, doubling of fossil fuels subsidies and subsequent geopolitical tensions. While there is a rise in reporting of corporate sustainability and public procurement policies, a decline in reporting on sustainable consumption and monitoring of sustainable tourism has been noted. As of 2023, the global status of SDGs is worrying as nearly half of the targets are moderately or severely off track. However, SDG 12 seems to be faring better than other goals. In the Indian scenario, as per data from NITI Aayog (2021), India's composite score



for overall SDG progress has improved in the last few years, notably in SDGs 3,6,7,10,11,12,13,15,16, whereas urgent attention is required for goals 2 and 5.

Some of the challenges for India to achieve SDGs are a lack of efficient and complete data, inadequate funding, and lack of coordination between various levels of government.

TERI's report on SDG 12 monitoring and reporting in India helped lay the groundwork to develop a holistic national reporting framework for SDG 12. While there are methodologies, indicators and targets to measure the progress of SDGs, it is also equally important to measure the efficacy of these indicators and the protocols based on which progress is monitored and reported. Some of TERI's recommendations to improve monitoring and reporting on SDG 12 in India are as follows:

- The need for planning and implementation for SDG 12 at national and state levels is observed. This requires data to be collected across various sector-specific ministries in addition to the overall data at the national level.
- To measure the efficient use of natural resources, India's current reporting framework is vague and doesn't paint a full picture. Currently, this target is assessed based on per capita use of natural resources and not the absolute value of overall resources consumed by the economy. While India's per capita consumption may be low, the absolute consumption of natural resources is high. TERI also suggested the need to expand reporting on the metallic ores, non-metallic minerals, fossil fuels and groundwater consumption in India.
- While India has expressed commitment to sustainable development through various multilateral environmental agreements, reporting on India's progress should go beyond indicating a binary yes or no in ratifying international frameworks. It requires disaggregated data on the domestic implementation of said international frameworks in order to give a holistic picture of the progress.
- India's reporting on the target to reduce waste generation is insufficient and inefficient as the indicators only signify the number of treatment facilities while there is no clarity on the quantum of total waste generated and how much is treated in an environmentally sound manner.
- India has not reported on corporate sustainability actions and commitments. This is a very crucial indicator to monitor the progress of SDG 12 and the lack of which is worrisome.



Inclusive sustainable development



Dr. Manu V. Mathai

Dr. Manu Mathai is the head of research, data and innovation at WRI India and a visiting faculty at Azim Premji University. He addressed the gathering on the need for reviewing sustainability as we know it in terms of justice and equality. He recollected the works of other legendary experts in the field and stated that no other century in human history has witnessed such a pace of change in terms of utilisation of resources, industrial output, economic expansion, etc. He believes that we usually talk of sustainability in a technical sense; however, we need to move beyond this framing and take into consideration the social and cultural aspects of the concept along with the commonly spoken biophysical aspects. Substantiating with figures on energy consumption from over the last three decades, he explained how technological innovation and development alone are not sufficient to achieve sustainability. As energy efficiency has significantly increased over three decades, one would assume that energy consumption has decreased. However, due to various other factors, we realise that energy consumption also has rapidly increased.



This understanding helps us realise that technological success alone doesn't indicate sustainability. Along with technological reorientation, it is extremely important to be cognisant of the inequalities resulting from the concentration of wealth in the top 10% of the population and take a closer look at the geopolitical and socio-economic challenges in ensuring equitable access to resources for all.

Dr. Mathai explained where we stand today with reference to a statement made by the World Commission on Environment and Development, that 'humanity's inability to fit its doings into the earth's patterns is changing planetary systems fundamentally'. He explained that when the concept of planetary boundaries was introduced in 2009, it was found that three out of nine boundaries were pushed beyond their safe operating space. Since 2009, a lot of conspicuous efforts seem to have been taken at the international and national levels such as development of SDGs, improved indicators and methodologies to measure the progress of targets, many key multilateral environmental agreements, technological advancement and sophistication, etc. While one might think that this should logically translate to actual progress, in reality, the review of the planetary boundaries in 2023 has revealed that now six out of nine planetary boundaries have been pushed beyond their safe operating space. An analysis of the global growth share per income group reveals that irrespective of the country, access to natural resources is disproportionately controlled by the rich (top 10%). Therefore, we need to acknowledge that our economic system has breached social-ecological thresholds and include fundamental elements such as justice and equality to the discourse on sustainability.



Sustainability literacy



Ms. Sheetal Patil

Ms. Sheetal Patil is a consultant at the Indian Institute for Human Settlements (IIHS). She leads the work in the School of Environment and Sustainability at IIHS. Ms. Sheetal addressed the gathering on the importance of sustainability literacy. She explained that for SDGs to be achieved, maintaining the balance between the three pillars of sustainability - social, environmental and economic - is paramount.

In addition to providing an overview of IIHS' work on sustainability or eco-literacy, she explained what sustainability literacy entails. Sustainability literacy doesn't simply mean knowing the 17 goals and in fact, one can be unaware of the goals and still be literate in sustainability, she noted. Any person who understands the need to change and act sustainably, both individually and collectively; any person who has sufficient skills and knowledge to act sustainably; any person who has the ability to recognise and reward other people's actions which favour sustainability can be taken to be literate in sustainability. In addition to the general awareness of global environmental crises and challenges, the ability to think critically and make informed decisions is another offshoot of sustainability literacy.

She provided an in-depth picture of the endeavours undertaken by IIHS' School of Environment and Sustainability. The IIHS curriculum has been designed to offer a holistic development of learners by imbibing a set of values and sensibilities, purely based on activity-based experiential learning.



Session 2: Analysing current patterns of production and consumption in key sectors



Dr. Narasimha Reddy Donthi

Dr. Narasimha Reddy Donthi, a public policy campaigner based in Hyderabad was the moderator for this session. Dr. Donthi is a multifaceted individual passionately contributing to environmental advocacy, sustainable practices, and policy advisory.



Electronics



Ms.Priti Mahesh

Ms.Priti Mahesh, the Chief Programme Coordinator for the Waste and Sustainability team at Toxics Link presented her views on the current patterns of production and consumption in the electronics sector. She explained that overconsumption patterns today, together with a linear model of production and consumption, are no longer viable. This is especially true considering our anticipated growth of 3 billion middle-class consumers entering the market by 2030. She provided an overview of the trends in the electronic and electrical equipment (EEE) sector. Globally, EEE is a 3.7 trillion USD industry as of 2023 and in particular, consumer electronics contribute 1 trillion USD.

The major manufacturers of EEE are China, USA, Japan, South Korea, Germany and Taiwan and the major consumers are the USA, EU, Japan, and China, with India not too far behind.

In the Indian scenario, the EEE sector was valued at 67 billion USD (over 5 lakh crore in INR) contributing to 3.4% of India's GDP, with a projected growth to 300



billion USD by 2030. Priti explained that the EEE industry contributes 4% of the total global greenhouse gas (GHG) emissions and expressed concern that between 2014 and 2020, GHG emissions from electronic devices and e-waste increased by 53%. If the business-as-usual scenario continues, the EEE sector will contribute 14% of the global GHG emissions by 2030. As the sector depends heavily on non-renewable resources such as critical minerals and rare metals, the growth of this sector at this pace is unsustainable. A worrying trend in this sector is that products are manufactured with reduced lifespan and they are 'designed for dump'. While recycling of EEE is touted as a solution, she believes that this is not a sustainable solution as of all electronics produced globally, only 17.4% have been recycled. Therefore, we need to look at regeneration at each stage of the value chain.

She enumerated some of the challenges in this sector, with the primary challenge being that corporations are hesitating to invest in global design for reuse, repair, refurbishment, and recycling of e-waste and that it's not a level playing field. While consumers may be aware of the issues associated with e-waste, it doesn't translate into behavioural changes in terms of consumption. She explained that shifting MSMEs to adopt eco-design would require a significant initial cost and the gaps in policy and legislative frameworks are not making it conducive for this shift to happen.

One of the underexploited areas in the global EEE sector is mining for secondary raw materials. As secondary mining still continues to be a novel concept, Priti argues that there are a lot of valuable materials which are lost to landfills. She recommended that we need stringent targets, a legal framework for eco-design of EEE and ensure full traceability of materials. She also emphasised the importance of funding research for reuse, recovery and recycling of EEE and making existing technology more efficient.



Transport



Dr. Randheer Singh

Dr. Randheer Singh is a former director at NITI Aayog and currently the CEO of ForeSee Advisory. Speaking on the impact of the transport sector, he emphasised the need for a transformative shift from a sector traditionally dominated by fossil fuels to one which is supported by clean fuels. He spoke about this need for transition, particularly in the aviation sector where the current global fleet of vehicles powered by fossil fuels has resulted in increased emissions, energy consumption and resource depletion. He stressed the importance of the need for a significant reduction in emissions from the transport sector if we are to achieve our NDC and net-zero targets.

He enumerated some of the current efforts taken in the railways, aviation and maritime sectors which are exploring electrification and hydrogen solutions. India needs to focus on electrification of public transport and ensure that the cost and accessibility factors are taken into consideration. This becomes important because as a country where 76-80% of the population is dependent on two-wheelers, the right policies in place are required to ensure that public transportation becomes the preferred option. In addition, he recalled studies which have found that electrification of passenger transport is extremely crucial in reducing GHG emissions from the transport sector.



Fast Moving Consumer Goods (FMCG)



Dr. Prabhakar Lingareddy

Dr. Prabhakar Lingareddy is an Executive Vice President at ITC. Dr. Prabhakar provided an overview of the sustainability efforts of ITC, particularly in the FMCG portfolio. He identified the drivers of consumption as per capita income, rural/urban income gap, internet penetration, online shopper penetration, share of population in spending age, median population age, urbanisation, nuclearisation, etc. He explained how the impacts of climate change such as extreme weather events contribute to food insecurity, social inequity, pollution, biodiversity loss, supply chain disruptions and inflation, leading to rapidly evolving regulations and shareholder expectations.

Dr. Prabhakar explained that ITC has been mainstreaming sustainability in their operations with the triple bottom line - people, planet and profit - as one of their priorities. He talked about their aspirations of becoming a climate-positive corporation and going beyond risk mitigation. He explained that ITC has invested significantly in their life sciences and technology centre which studies research trends, and solutions, adding value to not only consumers and the community but also to stakeholders. He added that the ITC Next Strategy focuses on future technologies, and aims to be inclusive and consumer-centric.



Plastics & FMCG



Mr. Miko Alino

Mr. Miko Alino is a Project Coordinator for Corporate Accountability at Break Free From Plastic. Miko addressed the issue of plastic pollution and how plastics contribute to climate change. He delivered shocking figures on how plastic production has exploded in the last 2 decades. He claimed that if plastics were a country, they would be the 5th largest emitter globally, after China, USA, India and Russia.

He explained that plastics are often portrayed as only a waste management issue as a result of littering by consumers; however, plastics are problematic, starting from production, as they are simply another form of fossil fuels. He mentioned that in the business-as-usual scenario, emissions from plastics will reach 1.4 billion tonnes by 2060, eating up the entire carbon budget of China, as per the findings of a report by the Pacific Environment.

Out of the total plastic production figures, a shocking 44% is dominated by single-use plastics (SUP), which is the most problematic and polluting form of plastic. He emphasised the need for SUP to be phased out by 2040 and sharply reduce production and consumption of durable plastics if we want to get back on track for the Paris goal. He explained the lack of accountability by corporations in the plastic crisis while they blame it on how the global south countries poorly manage plastic waste. Even after knowing well enough that these countries lack effective waste management infrastructure and no viable recycling options, the global south remains the primary market for SUP, for corporations.



He expressed concern over the growing number of false solutions and techno-fixes such as chemical recycling, waste to energy, greenwashing, plastic credits, etc which do more harm than good but still touted as golden solutions for managing plastic waste while continuing production as usual. He claimed that the cost of plastics to the economy, environment and society at large is 10 times more than the cost of plastic waste management. On a final note, he concluded that the real solution to the plastic crisis is to cut down production significantly (75% by 2050) if we are serious about climate mitigation.



Energy



Mr. Karthik Ganesan

Mr. Karthik Ganesan, is a Fellow and Director, Research Coordination at the Council on Energy, Environment and Water (CEEW). At the outset, he explained that we cannot really talk about energy consumption reduction at this point because the global energy demand is only going to increase.

Developed countries have completed their development by exploiting fossil fuels to the maximum extent and are now urging developing countries to transition away from fossil fuels. This is hypocritical, he said, especially when the developing countries lack funding to be able to invest in the technology needed to decarbonise, transition and scale up renewable energy. Transitioning from a 95% fossil fuel-driven system to a system entirely free from fossil fuels is a financing question.

He explained that solutions to decarbonise focus only on the supply side and there is an inherent bias in how policymakers are informed that not much can be done on the demand side.



We are often under the impression that the example of developed countries is the way to go, with respect to private mobility. Plainly speaking, he said proposing a decrease in the GDP by curtailing a particular sector is a non-starter. Highlighting the dangers of fossil fuels, Karthik said, notwithstanding GHG, energy consumption through fossil fuels results in a massive pollutant load which has debilitating impacts on public health. While we all think that air pollution is a Delhi-centric problem, we overlook the fossil fuel-induced air pollution in other major cities, including Chennai which is becoming more and more evident every day. He stated that the climate crisis is going to hit us in ways we cannot comprehend and reforms in the way we produce and consume energy are therefore of utmost importance.

He suggested that India needs to create a better culture of research and development and invest in technologies in the clean energy sector. On the consumption side, behavioural change is required where we rethink our relationship with energy and for this to materialise, pricing becomes the most effective signal. So far, the signals given by the government to consumers do not communicate the environmental and health impacts associated with the energy production sector.



Textile



Ms.Mamta Jain

Ms.Mamta Jain is the CEO of Samposhan, a company dedicated to managing textile waste in Chennai. She mentioned that she started her enterprise to sustainably manage textile waste when she found out the shocking state of affairs from data released by the Greater Chennai Corporation (GCC) that every day Chennai city produced more than 200 metric tons of textile waste from 13 zones, in 2019 alone. She explained how textiles are the new plastics and that more than 1 million tonnes of textiles are thrown away each year as waste in India. While the textile industry is the 3rd largest polluting industry, the main obstacle in dealing with the issue is the lack of data whereby the real extent of pollution of textiles remains unmeasured. She explained how every one of us potentially contributes to this crisis, as textiles account for 3% of the waste in every household. Mamta used some shocking facts and figures to highlight the sheer amount of resources required to produce textiles. As an example, she mentioned that it takes about 20000 litres of water to produce one pair of jeans and a t-shirt. She explained how blended fabrics with polyester and other forms of plastics are worsening the textile waste crisis as they simply end up in landfills. She also connected textile waste to the microplastic pollution crisis, particularly in waterways.



Agriculture



Mr. Ananthoo

Mr. Ananthoo, co-founder of Tula and Organic Farmers Market, started his presentation by posing some basic questions to the audience - 'Is your food safe and do you know where it's coming from?'. He explained the pitiful state of affairs where we consume more toxic chemicals (including carcinogens and endocrine disruptors) than natural substances, thinking it is nourishment. He explained how industrialisation and commercialisation of agriculture has changed the way we produce, consume and even view food. He expressed his disappointment that agriculture has moved from being the producer of food, the most basic need for human survival, to the second most polluting industry where food-like substances are produced for the sustenance of large corporations. He explained that 89% of the food products from the top nine companies in the world from six countries were declared unhealthy by researchers and this is why we need to start talking about food. He mentioned that 104 chemicals used in pesticides sold in India have been banned in more than one country. He claimed that the chemicals used in agriculture are so hazardous that consuming such food is lowering our quality of life rather than strengthening it.



Speaking about how and who can effect change, he recalled the example of freedom struggle movements where Mahatma Gandhi gave a clarion call to boycott textiles by the British and the result of such individual action was the closure of 34 industries in Britain. While it feels alienating that 70% of the agricultural land is owned by 30% of the population, pressure built at an individual level and also collectively can provide the necessary impetus to effect change.



Session 3: Business models and strategies affecting sustainability

Excessive and addictive consumption



Mr. Amardeep Singh

Mr. Amardeep Singh is a Senior Programme Officer at CUTS International. He presented his thoughts on how companies' strategies inherently promote excessive and addictive consumption. He attributed the rise of consumerism globally and nationally to the strategies used by companies in the process of marketing their products. In the last few decades, India has also witnessed a tremendous rise in consumerism where advertisements intentionally target vulnerable demographics including urban and rural. Earlier, the word 'addiction' was used in the context of alcohol, tobacco and drugs and now companies have created an atmosphere of addictive consumption particularly in fashion, technology and beauty industries. He explained how the explosion of technology, innovation, rise of the internet, mass production and mass marketing, and



ubiquitous advertising are influencing consumer minds and behaviour. He refers to this phenomenon as 'limbic capitalism', where the tools used in marketing are designed to trigger the pleasure centres of a human brain.

He enumerated the drivers of overconsumption in the modern world as - aggressive marketing and advertising, planned obsolescence, fast fashion, discount and sales, single-use products, consumer credit, greenwashing, lack of transparency, excessive packaging, incentivising disposable culture, etc.

Amardeep claimed that the role of public relations and marketing is to create a sense of urgency and a desire for products even when they are unnecessary. Through emotional stories, aesthetically pleasing visuals, and endorsements from celebrities, the general public is led to believe that these products are necessary for their lives in order to not be left out from the trending culture. While consumers play a part in the problem, they are not solely responsible for it. They are influenced by business strategies, advertising and societal norms. Companies actively shape consumer behaviour through marketing campaigns, product design and pricing strategies.



Exploitation of environmental and human resources



Dr. Manu V. Mathai

Dr. Manu Mathai addressed the audience on how companies exploit environmental and human resources. He raised a pertinent question of whether justice is possible in production-consumption systems. We often forget that every single piece of material we use comes from somewhere and ends up somewhere else. However, in the process of goods and services reaching the consumer and also post-consumer use, there are numerous human rights and environmental violations which occur. He highlighted the seriousness of this statement with statistical evidence which showed that between 2012 and 2022, 1910 land and environmental defenders were killed as they stood up for their rights to land and a healthy environment. The most problematic sectors in this regard are mining, agriculture, logging, hydropower, and poaching.

The data from the environmental justice atlas by the University of Barcelona shows that some of the regions with the highest instances of violence are South American countries, Democratic Republic of Congo, India, Philippines, etc.



There are some countries where the violence is apparent but not included in this data due to lack of freedom of press. Dr. Mathai explained that the forms taken by violence are direct, structural and cultural, such as physical harm, intimidation, and criminalisation. He also mentioned that deaths are only the tip of the iceberg and there is much more behind the profitability of production consumption systems.

Some of the conditions that increase the chances of violence are strong financial and political incentives to exploit resources and people; economic, cultural and political marginalisation of people; weak rule of law harbouring a corrupt environment with impunity and lack of enforcement of regulations. He therefore cautioned that this situation is expected to worsen ahead of our net-zero targets, as transition to renewable energy sources would significantly increase the demand for mining of critical minerals and other materials.



Linear economy



Mr.S.Venkatachalam

Mr.Venkatachalam, Advisor, Sustainable Chennai Forum at the Madras Chamber of Commerce and Industry addressed the audience on why the linear economy model is unsustainable. Centuries of production and consumption has been linear without any regard for our inability to replenish resources. He explained that a linear economy focuses on products and their eco-efficiency in the short term, whereas a circular economy focuses on services and their eco-effectiveness in the long run. The reason we need to transition to a circular economy is that we are over-exploiting finite resources in the name of development and soon there will not be enough resources for future generations to use. When we talk about circular economy, he draws attention to the need to be circular at all stages of production and consumption where value leakage is kept to a minimum. This can be achieved through prioritising renewable inputs, maximising product use and recovering valuable materials from waste. He emphasised that the circular economy is the precursor to achieving SDG 12 of responsible consumption and production.



Planned obsolescence



Mr. Dharmesh Shah

Mr. Dharmesh Shah is a consultant at the Centre for International Environmental Law (CIEL) and is coordinating the coalition for the plastics treaty. Dharmesh mentioned that while circular economy is claimed to be the solution, any popular idea proposed by the industry has to be viewed critically especially when human and environmental costs of growth and impacts are not understood properly. Circular economy is not a novel concept and has been discussed in academic circles for over two decades. While industry-specific circular economy projects are touted to be the future, as policy experts, we need to analyse the claims and ground reality.

Will a circular economy address the overconsumption and waste crisis? Can we make the circular economy a reality? Dharmesh mentioned that we have been consuming resources at an alarming rate - 7 Gigatonne (GT) in the 1900s, 62 GT in 2005, 78 GT in 2010 and over 100 GT in the last decade. This rate of consumption is double the rate of population growth and therefore growth makes a circular economy impossible. Even if all the materials were to be recycled with 100% efficiency, the amount of materials that can be recycled will always be smaller than the amount of materials needed for growth.



Dharmesh argued that a circular economy is challenging for the following reasons:

Circular economy rebound - the idea of circularity is based on efficiency. However, this is paradoxical because efficient use of resources will bring down prices which will in turn increase consumption and hence demand more primary production. We have learned from the past that whenever efficiency goes up, consumption also goes up.

Complexity of materials - Borrowing the examples of windmill blades and multi-layered plastics (MLP), he explains that the way we produce and use different materials during production is so complex that we cannot recycle our way out of this.

Resource accumulation - About 1/3 of all resources are neither recycled, nor incinerated nor dumped. They are embedded and accumulated in buildings, infrastructure and long-lasting consumer goods. As long as we keep accumulating resources, closing the loop is an illusion even if high recyclability is achieved.

Speaking on planned obsolescence as a model used by businesses to promote overconsumption, Dharmesh explained that planned obsolescence is engineered into products these days, with most electronic equipment not lasting longer than a packet of instant oats. He differentiated two kinds of obsolescence - planned and perceived. Planned obsolescence is where companies update products unnecessarily to convince buyers to upgrade, whereas perceived obsolescence is where consumers feel the need to constantly buy new versions of products to feel on trend. While Dharmesh is unsure whether benevolent capitalism can resolve this issue, he stated that companies definitely need to be part of the solution, with regulations and effective enforcement to hold them accountable.



Greenwashing



Ms.Saheli Sinha

Ms.Saheli Sinha is the Director of Operations at the Advertising Standards Council of India (ASCI), an independent self-regulatory body. Saheli addressed the audience on how greenwashing is a strategy used by companies which affect sustainable consumption. ASCI has a complaints mechanism to protect consumers, an advisory mechanism to guide companies and an academy to raise advertisement standards through education, awareness and research. Saheli explained the basis on which ASCI codes regulate advertisements in India - honest representation, non-offensive to the public, against harmful products and situations, and fair in competition.

Saheli defined greenwashing as unsubstantiated, false, misleading, deceptive environmental claims about products, services, brands or operations as a whole, or claims that omit or hide information, to give the impression that they are less harmful or more beneficial to the environment than they actually are. She recalled the findings from a survey by Bain & Company which gave insights into how consumers perceive sustainability. It was found that 60% of Indian consumers

are willing to pay more for sustainable products; 52% plan to increase spending on eco-friendly brands in the next three years; 43% consider sustainability a top five purchasing criterion. Therefore, if claims of being green and sustainable are not reliable and verifiable, consumers cannot fully leverage their purchasing decisions to reward better environmental performance.

Some of the challenges that Saheli mentioned in combating greenwashing are that consumers in India are not aware of what greenwashing is, therefore making it easy for companies to mislead them. She enumerated the dominant sectors in India where greenwashing is prevalent as FMCG, fashion and lifestyle, energy, automotive, and real estate. She highlighted that greenwashing can undermine/affect genuine efforts at promoting sustainability to reduce environmental impacts.

Saheli briefly gave an overview of ASCI's draft guidelines on green/environmental claims in advertising and added that the Department of Consumer Affairs is also developing green claims draft guidelines which are currently under public consultation.



Speaking in the context of plastics, Pinky stated that the 2016 Rules on Plastic Waste Management prioritised, in its scope, the need for waste minimization, source segregation, recycling involving waste pickers, and adoption of polluter pays principle for a sustainable waste management system. She claimed that the 2016 rules were also progressive in talking about the responsibility of brand owners of multilayered plastics. The 2016 rules stated that if multilayered plastics are not recyclable, they had to be phased out. However, Pinky explained how the subsequent 2018 amendment did more harm than good by adding a clause that multilayered plastics which are not recyclable and non-energy recoverable need to be phased out. This move promoted the proliferation of false solutions such as waste-to-energy, as any kind of plastics can be burned in an incinerator to derive energy. However, the devastating health impacts, CO2 emissions and the ambient pollution from waste to energy and incinerating plastics were overlooked by the amendment. She claimed that EPR should start from rethinking and redesigning of products and services by producers and that governments need to play a role in changing the corporate narrative that consumers are the polluters.



Overview of Indian policies



Ms. Konkana Das

Ms. Konkana Das is a Programme Lead, State Climate Action at Asar. Konkana provided an overview of the existing Indian policies which aid sustainable production and consumption. Konkana claimed that our Indian environmental policy has imbibed polluter pays, precautionary principle and sustainable development in letter but the same has not been implemented in spirit.

She explained that the question of which comes first and who will drive the discourse - sustainable production or consumption, is similar to the chicken and egg problem. She enumerated various environmental legislations in India such as the Water Act, Air Act, Environment Protection Act and the most recent Biodiversity Act which is yet to come into force. While she appreciated the LiFE initiative by the Government of India in promoting a sustainable lifestyle, she expressed concern that the initiative places the burden of sustainable development primarily on consumers which is unfair and unrealistic. Konkana explained the purpose and intent behind the environmental impact assessment (EIA) introduced in 2006 which is based on the precautionary principle. However, she believes that there are very many loopholes in the framework.



- The types of projects enumerated in the framework where EIA is mandatory are limited in scope. Many sectors such as textile, automotive, metro rail construction, solar farm, etc are not covered in this framework.
- Post facto clearance defeats the whole purpose of the framework
- Any development project irrespective of whether they are private or public is accompanied with some level of destruction, environmental pollution and biodiversity loss. Many public sector projects are excluded from this framework under the guise of being beneficial for the public

Following the mandatory Environmental, Social and Governance (ESG) reporting at the global level in 2004, Securities and Exchange Board of India (SEBI) mandated ESG reporting for certain top companies in 2021. Konkana's analysis of top 5 companies' (HUL, ITC, Britannia, Godrej consumer products) with respect to their management of multi-layered plastics (MLP) revealed that the companies have provided no or vague and ambiguous data on the same. Therefore, regular monitoring of compliance by industries with regulatory frameworks is also a major challenge in achieving sustainable production and consumption despite the presence of policies.



Consumer perception of sustainable businesses



Mr. George Cheriyan

Mr. George Cheriyan is the Working President, Consumers Protection Association, Agartala. Speaking on behalf of consumers, he referred to UN Guidelines on Consumer Protection, 1985, as a Magna Carta for consumer rights. This includes sustainable consumption, as the right to a healthy environment is a fundamental consumer right.

George explained that initially consumers often have a negative perception of sustainable product options owing to high costs, lower quality, less aesthetically pleasing, limited availability, social and cultural barriers, lack of durability, etc. However, he added that consumer perception is changing, especially after COVID-19 where consumers are concerned about quality and safety of products even at the cost of paying more. A study by Bain & Co, revealed that more than 60% of businesses surveyed in India are off track on sustainability goals despite consumers' willingness to pay.



George claimed that for consumers, sustainability is becoming an important factor in choosing a brand, and they are increasingly showing loyalty to brands which align with their values and focus on environmental sustainability. He argued that affordability remains the number one barrier to adoption of a sustainable lifestyle for consumers. In addition to affordability, availability, accessibility, reliability, suitability, and durability are some of the other factors which consumers consider as important.



Panel Discussion among sustainable business entrepreneurs



Panellists:

Mr.Ananthoo (Co-founder of Tula and Organic Farmers Market),
Ms.Sruthi Harihara Subramanian (Founder of Golisoda),
Ms.Mamta Jain (CEO of Samposhan),
Mr.Raja Sukumar (President of IndoWind energy Ltd)





Mr. Toine van Meghen

This session was moderated by Mr. Toine van Meghen, co-founder of Auroville Consulting, a collaborative force in sustainable development, which actively engages with academic, private, and public sector partners in India and internationally.

About the company

Ananthoo works with farmers who organically grow food and fibres and works to create a market for them. He owns Restore, a sustainable marketplace which sells organic foods with plastic-free packaging encouraging reuse and refill. Tula is a brand created to promote sustainable clothing and livelihoods associated with it. Ananthoo works with farmers who grow traditional Indian cotton which is handspun, woven and manually tailored to make a finished product.

Sruti Hariharan started Golisoda in 2015, a marketplace for sustainable and plastic-free products (and almost-plastic-packaging-free) when she realised that there may be many people like her who would want to switch to mindful and sustainable living but do not know how and where to start. Ensuring accessibility and availability of such sustainable products is one of her key goals.



Mamta Jain started Samposhan, a company which upcycles textile waste collected from tailoring units. In the 3 years since starting the company, she has managed over 1000 kgs of tailoring textile waste which would have otherwise ended up in a landfill or incinerator.

Raja Sukumar is currently the president of IndoWind energy Ltd which has been in operation for the last 3 decades. Indowind owns and operates an 85 MW wind power plant onshore. They sell wind power to Tata Ltd for their manufacturing operations for Titan watches, among other companies.

How do we get the critical mass of people to want the products you're selling?

Ananthoo claimed that this has not happened yet for his business. He claimed that what they are doing is only proof of concept, and scaling this model can only come from the government. He mentioned that they cannot reach there individually and even collectively as responsible entrepreneurs. That big number will not come without intervention from the government.

Sruthi explained that she started thinking there were others like her, looking for niche products. However she soon realised that there is a great hesitation from customers, especially to buy upcycled organic materials and who also expressed a distaste for products made from waste. She explained how Golisoda started regular free workshops on sustainability to build a community that would empathise with the environment. While the workshops helped pass the information of her store, she mentioned that Amazon and Flipkart entering the e-commerce market around the same time made it impossible for her to sell independently. She therefore started selling through them but was extremely unhappy about her sustainable products being wrapped in excessive plastic packaging. She stated that currently, Amazon is her largest revenue-generating platform, though she has not seen any profits owing to their many hidden costs.

Mamta explained that she does not own a store and that she goes to exhibitions and fairs where she wouldn't have to pay to display her products. She said initially she did not know how to price her products and would often ask consumers if they would be willing to pay 'x' amount for it. After a few rounds of this, she now knows how to price. But her biggest challenge is that she is not



able to compete with prices of virgin products. Taking the example of a sling bag, she mentioned that she is not able to sell an upcycled bag at the same price as one made with virgin material. Therefore, she has planned to channelise her manufacturing based on three target groups - low-income, middle-income and high-income groups. She added that she is still unsure as to how to leverage and employ self-help groups (SHGs) for the manufacturing process.

Raja Sukumar explained that while wind energy has become cheap, it's not always available. Sufficient wind is available only for 6-8 months of a year. Therefore, they find it difficult to pay salaries in the off-season. He added that the government issued an advisory to decommission old windmills and install new plants with higher capacity. But this costs nearly 4 times the existing investment and therefore it is not attractive for investors.

What policy or regulatory measures could be taken to make your products the mainstream and not just alternative?

Ananthoo stated that at the production level, linkages to a market are necessary and the government becoming the market is important for farmers. Price factor is important as only a small set of people are mindful of the ecological impacts of industrial agriculture. Therefore sellers need to be recognised and they need to be fairly compensated. They also need to be incentivised for more people to join.

With respect to artisanal products, he proposed that if the railways were to purchase handmade bed sheets from them to be used on trains, it would be a huge market for handloom weavers. Another example he cited was that if the government directs children in schools to wear khadi clothing once a week, it would raise awareness and inform people.

Sruthi demanded for effective policies which will help them obtain funding to scale. Golisoda has small-scale industry status and Startup India status. While Startup India offers tax-free benefits for 3-4 years, that does not benefit her as she is yet to make profits. She mentioned MSMEs have some benefits like getting loans at banks, large clients clearing bills and dues within a specified time. She wondered why there are no policies that support MSMEs which try to prioritise sustainability. While some existing policies are beneficial to a small extent, Sruthi said they need more because they are competing with Goliaths.



She raised another pertinent point about the cost of certifications. Due to the high costs of sustainability certification, large companies are easily able to pay their way towards sustainability, while it's also easier for them to greenwash consumers. For small businesses, getting a certification becomes a significant investment which comes at the cost of their day-to-day survival. While large companies offer to mentor smaller businesses and incubate them, they also require a significant amount of investment of about 2-3 lakhs. Another issue for small businesses is the cost of raw materials. Sruthi added that especially if one tries to source sustainable raw materials, such as coconut oil instead of palm oil, it becomes extremely difficult, as she cannot externalise the cost which will affect affordability of the product.

Mamta believes that educating consumers on the climate crisis, raising awareness on the importance of mindful consumption and promoting behavioural change are of utmost importance. She also added that the government should provide a platform for showcasing various categories of sustainable products.



Conclusion

The discussions over two days among various stakeholders emphasised the importance of the creation of a political, legal, economic and cultural ecosystem which motivates, incentivises and enables businesses and consumers to transition to responsible production and mindful consumption. Corporations, by their constitution, are legal entities created with the objective of maximising profits for shareholders. Therefore, expecting companies to prioritise people and planet over profit is similar to asking a lion to eat grass instead of animals. This doesn't mean that we do not hold corporations accountable but we acknowledge and act on the urgent need to rethink how the objectives of a corporation should evolve in line with the sustainable development goals.

The discussions revealed that there is ample evidence to support that consumers do care about the environment and they want to prioritise sustainability (after affordability). But benevolent intention aside, consumers cannot compete with the forces of a market, driven solely by the intention of maximising profits.

The discussions also demonstrated various business models, strategies and tools used by companies to systematically target and prey on the vulnerabilities of consumers and ultimately place the burden of unsustainable production and consumption on consumers in the name of 'supply to meet consumer demand'.

The government plays the most significant role in this landscape as the regulator with authority and influence. While there are policies that seemingly promote sustainability and accelerate sustainable development, these policies come with loopholes which are to the advantage of businesses, to keep them comfortable in prioritising profits at the cost of people and planet. One of the important outcomes from the discussions is that policies should not only be aimed at promoting the growth of the economy but also acknowledge that limits to growth are also equally important, especially if the limits to growth safeguard the environment, public health and consumer rights. The government also needs to take significant, effective and meaningful efforts in educating its consumers, not as a perfunctory check in the list, but ensuring that regular evaluations are conducted to do course corrections.



Historically, India was a prosperous country with inherent sustainable practices. Westoxification and herd mentality have forced us to believe that we need to choose between ecology and economy. For instance, India was one of the few countries which had the highest number of natural fibres. Natural fibres were the norm and the manmade fibres were the exception, as the popular saying goes, 'Cotton for the masses and polyester for the classes'. Now we find ourselves in a topsy-turvy land where polyester is so cheap that it's used by the masses and traditional pure cotton is so expensive that it's affordable only by the elite. This is a classic example of where the extent of the government's commitment to sustainability can be witnessed. At COP26, the global fast fashion industry committed to material change, while back home in India (a country which was once home to 12 natural fibres), the government through its National Fibre Policy promoted the use of manmade fibres by providing incentives and tax benefits. This move while benefiting the plastic industry, will devastate the environment, and the economy and employment of the handloom sector.

The three major recommendations which broadly resurfaced in different contexts were:

- Need for robust regulations and policies which counter business models and strategies that promote unsustainable consumption and production. Prioritise the long-term benefits of responsible production and consumption over short-term profits.
- Where there are policies already in place, address gaps in policy and implementation, strengthen enforcement and periodically review policies to counter evolving unsustainable trends.
- Educating consumers, businesses and government personnel on the importance of achieving SDG12, which will have a cascading effect in achieving other goals, especially SDG 13, climate action.





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