

05 - June, 2014

World Environment Day

INDIAN INDUSTRY ON THE GREENER PATH



CII-Sohrabji
Godrej Green
Business
Centre, ►
Hyderabad,
India's First
Platinum Rated
Green Building

WE ALL IMPACT THE ENVIRONMENT ADVERSELY. IT IS ONLY FAIR THAT EACH ONE OF US OBSERVES THE WORLD ENVIRONMENT DAY AND LEARNS TO REDUCE THE CARBON FOOTPRINT

— Chandrajit Banerjee, Director General, CII

Today, climate change stands at the center-stage of global discussions. It impacts all countries, but is particularly severe for developing countries like India, given their fragile ecosystems, economic vulnerabilities, inadequate means and limited capacities to adapt to its effects.

India's development path on the one hand inherently implies much greater demands on its natural resources, such as coal, oil, electricity and water. On the other, apprehen-

sions regarding the impact of development on the environment, including forests, rivers, coastlines, soil, etc are also evident. However, we need to think of the development agenda in conjunction with the protection of the environment. The mindset is not 'environment or growth', but 'environment and growth'.

At the level of the individual industrial enterprise, there are widespread instances of implementation of environmentally sustainability practices and initiatives. Many corporates have clearly demonstrated that profits can be made, and growth can be achieved, while improving environmental perform-

ance. Most large Indian companies now include sustainability initiatives in their annual reports, including GRI reporting, and quite a few have attained global recognition for their efforts and commitment to environmental concerns. Going the Green Way drives excellence in resource conservation, bottom-line improvement, and green corporate image, and goes much beyond compliance. To monitor and assess companies on environmental management and also provide a roadmap for further improvements, the GreenCo Rating System, the first of its kind in the world, was recently launched. India has 20 GreenCo rated companies and over 75 companies are working on this rating system.

However, to further spread the message and accelerate the green movement in the country, we need to develop coordination among all stakeholders and work on different areas in a synergized manner.

Energy management has been one of the key concerns for Indian industry over last three decades. Leading Indian companies have reduced their specific energy consumption by 3 to 5 per cent on a regular basis by continuous monitoring, adopting various best practices and implementing new technologies. The energy intensity of the country's GDP went down by 20% in the period 1996-2007, which is significantly due to efficiency initiatives of Indian industry. Such efforts are ongoing, making India one of the more successful nations in lowering energy intensity of GDP growth.

Some sectors such as automobiles, cement, pulp & paper, refineries, steel, and thermal power plants, among others, have made significant strides in terms of energy efficiency improvements. For instance, cement plants which used to consume nearly 95 to 100 units of electricity per ton of cement in 1995, have brought this ratio down to just

70 to 75. Some of the most energy efficient cement plants of the world are located in India.

India has carved a niche of its own in adopting and promoting green buildings. The Indian Green Building Council (IGBC) of CII has made a definite impact since its inception in 2001. With over 2,500 green building projects, amounting to a footprint of over 2.07 billion square feet, India today stands second in the world in green space.

The reason for this significant growth is the fact that green buildings make good business sense. Though a commercial green building could cost 3 to 5 per cent more, this additional expense gets paid back within 3 to 4 years due to reduction in operational costs. The design and construction of green buildings assumes greater significance as 75 per cent of the buildings that would exist in 2030 are going to be built in the next two decades.

India can aspire to achieve 10 billion square feet of green space by 2022 and emerge as a global leader in green buildings. This not only will offer new growth opportunities in terms of green products for buildings but will also play an important role in addressing ecological issues and concerns. India's quest for low-cost housing can incorporate sustainable practices and energy and water efficiency measures at inception, adding up to smart green cities to facilitate the coming urbanization trends.

Sustainable water management too is seen as important for successful business operations. Industry has been taking up several initiatives in this aspect. Large industries

have been reducing their specific water consumption on an average of 5 per cent per year in the last 5 years. Some sectors such as steel, pulp & paper, and others have made significant strides. For example, the integrated pulp & paper sector has reduced its water consumption by 60–80 per cent in the last 20 years. A paper unit which used to consume 300 m³/ton of paper in 1993 consumes less than 50 m³/ton of paper today. Many chemical companies are already operating with zero water discharge.

Issues and concerns related to waste management too are receiving increased attention, with the view that 'waste can be converted into wealth'. Issues related to e-waste management, industrial waste management, municipal and biomedical waste management, material recycling and energy recovery are on the agenda of companies. However, such efforts need to be scaled up rapidly, especially among industries with greater

waste discharge. CII has launched specialized institutes with wide-ranging training facilities to assist industry in green business, sustainable development, water management and efficiency improvement of SME. While progressive Indian companies have included Going Green into their growth plans, a large proportion of enterprises, especially in the micro, small and medium sector, face significant challenges in adopting green practices. India has the potential to be a leader in green business and can play a much larger role in the global green economy, and a coordinated approach can make this a reality.

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