AMTOI NEWS

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TRANSPORT OPERATORS OF INDIA

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CONTENTS

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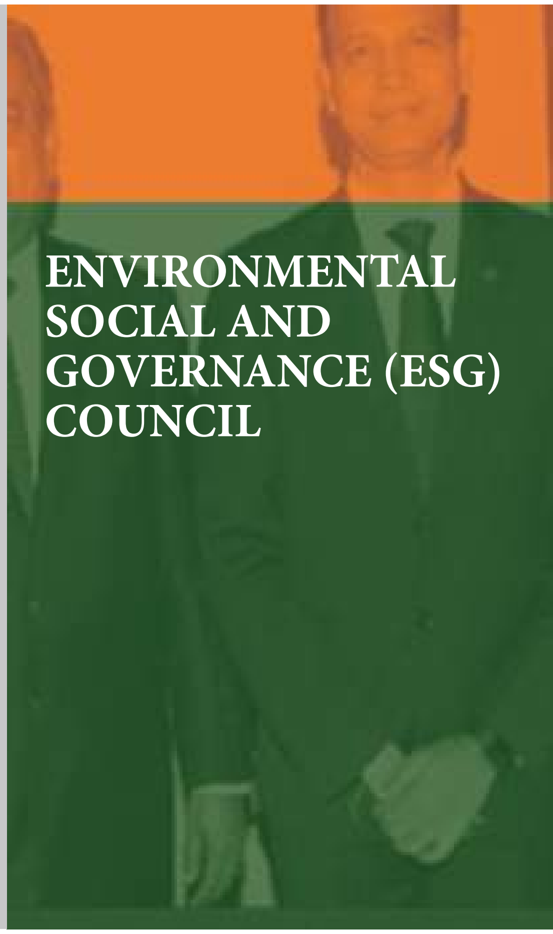

ENVIRONMENTAL SOCIAL AND GOVERNANCE (ESG) COUNCIL

Dear Amtoians,

I trust with the financial year ending 2022- 23 has been kind to you all !!

As we step in to a new financial year we are faced with innumerable challenges such as a looming global recession, the Ukraine Russia war and above all global warming. For common folks like us the first two aspects are a little beyond our control but global warming and the environment is certainly in each and every individuals hand!!

It is our responsibility to leave a lasting legacy for our next generation wherein the impact of global warming is minimalised to the maximum extent as this not only has an impact on our lives but also on the business environment and global economics. If this is not taken seriously the consequences are catastrophic!!.

AMTOI has always been very passionate about the environment and a couple of years back we have formed an Environmental Social and Governance (ESG) Council. This edition of AMTOI News is dedicated to the subject matter.

ESG is a framework designed to be embedded into an organization strategy that considers the means and ways in which to generate value for all organisational stakeholders. Your business like every business is deeply intertwined with Environmental Social and Governance concerns. ESG refers to a set of standards for a company's behaviour used by socially conscious investors to screen potential investors. Environmental criteria consider how a company safeguards the environment including corporate policies addressing climate change as an example. ESG is extremely important for improving business resilience and risk management. Pro ESG companies minimize the risk of disruption from environmental activism and also avoid regulatory intervention and penalties for noncompliance. The matrix are very simple :

Environmental: Greenhouse gas emissions, water consumption, energy.

Social: Employee satisfaction, gender diversity, customer satisfaction

Governance: Work diversity, executive compensation, ethical practices.

The consideration of Environmental, Social and Governance (ESG) factors when making investment decisions has never faced such a profound period of carefull scrutiny.

After years of increasing attention and capital allocated to ESG investments, which have made substantial strides forwards in terms of technical substance and implementation expertise, 2022 proved to be a point of reflection.

If we take a step back, understanding ESG in a capitalist context is simple. It is the consideration of extra-financial information to enable better decisions that, if done properly, should lead to sustainable economic growth.

From an investment perspective, incorporating ESG analysis alongside traditional financial factors adds to our holistic understanding of risk and opportunities and long-term value outcomes.

As a result, for most business leaders, ESG has become a top priority. This is not because of a deep-rooted ethical or moral stance as some critics of ESG like to claim, although this should always be an important consideration.

Rather, it is because ESG risks are now one of the largest threats facing businesses, and they could have a significant impact on their long-term performance and profitability, including their ability to raise new capital.

Moreover, as regulation emerges and fines are issued, which is increasingly the case, at a very basic level organization must comply with these.

Businesses should be focusing on all stakeholders, rather than solely shareholders and on the long term goals, rather than looking at the short term goals. Global capital flows should run in step with this logic. Doing this not only benefits the environment and society, but it also makes commercial sense.

Even the most opportunistic shareholders know that it is in their general interest to care about motivated employees; a positive corporate culture; reliable and legally compliant supply chains and business partners; and having a productive dialogue with regulators.

That's just good management of materiality risks and makes sound business sense. It's also about sustainability.

Arguments against incorporating ESG into investment decisions because it does not align with fiduciary duty are misinformed. Asset managers have a responsibility to address all material risk factors that will affect long-term investment performance.

So short-term investment behaviours, like remaining a high carbon emitter, can have profound negative consequences on future performance and indeed even affect the viability of a business.

There is certainly lots of research showing the companies that do focus on all stakeholders, and take a more serious approach to ESG, outperform in the long-term.

For example, if we look at emerging markets, companies exposed to controversies such as polluting, poor governance or labour failures, underperform over the long-term. Listed equities are particularly exposed to this.

The list of examples goes on but, ultimately, trying to understand performance of an investor that does take ESG seriously versus one that doesn't is too binary. And it is particularly hard to judge today because we do not yet have an investment level playing field.

If you consider the energy majors – some of the biggest polluters – they are still largely financed by global banks and even central banks, which are also some of the largest sources of investment capital.

As such, currently there is an incentive to continue supporting these fossil fuel companies due to the very high profit margins. As a result, the flow of all capital towards low carbon transition, remains far too slow.

Thus ESG has now become a compulsory ethical mandate for all organizations. This edition will throw light on this concept in far greater detail and I hope that our members will wake up to this gigantic crisis which threatens humanity as a whole. We have to start somewhere and what a better place than our businesses!!

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> **"SUSTAINABILITY IS NO LONGER ABOUT DOING LESS HARM. IT'S ABOUT DOING MORE GOOD."**
>
> **- JOCHEN ZEITZ,**
> **former CEO of Puma**

Sailing Towards Sustainability: ESG Compliance, The Compass

The ESG (Environmental, Social, and Governance) compliance concept has gained significant traction in recent years, with an increasing number of businesses recognising the importance of sustainability and social responsibility. As we look towards tomorrow, it is clear that ESG compliance will become even more critical, with the potential to transform the way businesses operate and the impact they have on the world around us.

The rise of ESG investing has significantly impacted various sectors, including logistics and EXIM (export-import) trade. ESG investing seeks to evaluate companies' environmental, social, and governance performance to ensure that they meet certain standards and contribute positively to society and the environment. This makes ESG Reporting as critical as ESG compliance.

A seamless supply chain, a sustainable tomorrow - ESG compliance, the backbone of responsible logistics and shipping: In the logistics sector, ESG investing will likely encourage companies to adopt sustainable practices that reduce their carbon footprint, reduce waste, and minimise environmental impact. This can include investing (and supporting the vendors invested) in more fuel-efficient vehicles, improving supply chain efficiency to reduce waste, and adopting renewable energy sources for warehouses and other facilities, and ensuring fair labour practices throughout the supply chain. Companies prioritising ESG are likely to be more trustworthy and reliable trading partners, which can help build long-term business relationships and increase market share. ESG is becoming a more important consideration in supply chain management and vendor selection as companies seek partners who share their commitment to sustainability and social responsibility. The investors and the managements expect companies prioritising ESG to be better positioned for long-term success, as they will be better equipped to meet the changing expectations of investors, customers, and other stakeholders.

Fad or Diversionary Tactic? Will revised norms and new reporting formats make ESG investing more credible?: Some argue that ESG is a fad or a diversionary tactic because they see it as a way for companies to create a positive image without making any real changes to their business practices. Aswath Damodaran, professor of finance at Stern School of Business at New York University, called ESG "the most oversold and overhyped concept in the history of business." The research conducted by Verdantix predicts that the ESG and sustainability consulting market will grow at a compound annual growth rate (CAGR) of 17% per year until the end of 2027. The Mega Consulting firms are acquiring successful sustainability consulting firms.

There are a lot of philosophical conversations going on about the function and value of sustainability, CSR and ESG.

Some say CSR is about changing minds and attitudes, while ESG is just about meeting investor requirements.

However, on balance, this view undermines the fact that many companies are committed to sustainability and social responsibility and are making significant efforts to improve their ESG performance. It is also worth noting that ESG is not a new concept. Environmental and social concerns have been around for decades, and governance has always been an important consideration for investors. What has changed is the level of attention paid to these issues, as well as the growing recognition that companies prioritising ESG performance are more likely to be successful in the long term. Following the published and validated ESG reporting standard means organizations can document the risks and opportunities that are material to their business. Many of the ESG standards include guidance for individual industries, so that teams responsible for reporting don't waste resources on considerations that won't have a material impact on the business's performance.

Funding, Reputation & Risks: Jamie Dimon, CEO of JPMorgan Chase says, "We believe that companies that prioritise ESG are better positioned to create long-term value for all stakeholders.": ESG is critical for funding because investors recognize the long-term financial benefits of investing in companies with strong ESG performance. By prioritizing ESG concerns, companies can reduce their exposure to risks, improve their financial performance, and build strong relationships with their stakeholders. The cost of ignoring ESG can be significant, including reputational damage, increased regulatory scrutiny, and limited access to capital.

Challenges & Opportunities: While ESG compliance will undoubtedly present challenges for businesses, it also presents opportunities. By adopting sustainable and socially responsible practices, businesses can enhance their reputation, attract and retain top talent, and tap into new markets and customer segments. Moreover, ESG compliance can help businesses align their values with those of their stakeholders and contribute to a more equitable and sustainable future for all.

Delivering a brighter future: ESG is not just a trend, it's a responsibility we owe to our planet. I am Constructing an office building that will meet the green building standards and ESG compliance, and have given careful consideration various factors, such as Energy efficiency, use of Sustainable materials, Water efficiency, Indoor air quality, Green spaces etc. We may not necessarily opt for certification, particularly if the cost of certification does not match the financial benefits. Yet we expect a range of benefits, including improved energy efficiency, reduced operating costs, enhanced indoor air quality, and increased employee satisfaction and productivity. Above all the most important motivating factor is the mental satisfaction, as an owner of aligning our organisational values with our personal values.

Indian entrepreneurs, using Trade Associations' can lead ESG initiatives in the country and globally by taking a proactive approach to sustainability and social responsibility. Few ways in which we can do this are:

1. Set ambitious ESG goals
2. Adopt sustainable business practices
3. Engage with stakeholders
4. Collaborate with genuine NGOs and government agencies to drive sustainability and social responsibility
5. Share best practices
6. Leverage their expertise in cost effective technology and innovation to develop new solutions

By leading ESG initiatives in India and globally, Indian entrepreneurs can improve the sustainability and social impact of their own companies and drive positive change across industries and communities.

Multimodal Transport Operators can encourage responsible behavior among their customers and suppliers by setting ESG standards and incentivizing responsible behavior. By providing a more seamless and efficient way to move goods, multimodal transport can help companies achieve their ESG goals while also reducing costs and improving customer satisfaction.

In conclusion, a formalised ESG compliance & reporting is the way of the future and businesses that fail to embrace this trend risk falling behind. As we look towards tomorrow, we must recognise the importance of sustainability, social responsibility, and good governance and work towards building a more equitable and sustainable future for all.

"The biggest risks we face today are environmental, social, and governance risks and are also the biggest opportunities."

- CHRISTIANA FIGUERES, former Executive Secretary of the United Nations Framework Convention on Climate Change

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

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Greetings from the Guest Editor !

ESG being one of the most talked about topics in cooperate governance ... . Let's get the content of the phrase ESG right, it stands for **Environmental, Social** and **Governance**. With increasingly alarming environmental realities, various governments, through their respective statutory bodies are formulating policies, laws and rules and asking the corporates to incorporate ESG into their business practices. In India it's SEBI which has been pursing this agenda on behalf of Govt of India.

Talking about my personal journey as an environmentally passionate entrepreneur, it all started few years ago when we were on the lookout for doing something in this area. Everyone does business, the question is if we can do business by least harming the environment. The opportunity came in the year 2012 when we were looking to relocate our office to larger premises and we came across a 'Platinum' certified Green Building in Andheri, Mumbai. Whilst the building was green, we had to decide whether we should also go for Green office interiors. Although the Green material was quiet expensive at that time we still exercised the choice of doing up the office in the Green way with a certification from USGBC (United States Green Building Congress). I am happy to share with you dear readers that today the Green Commercial interiors are no more a luxury and can be executed at the same costs as normal commercial interiors.

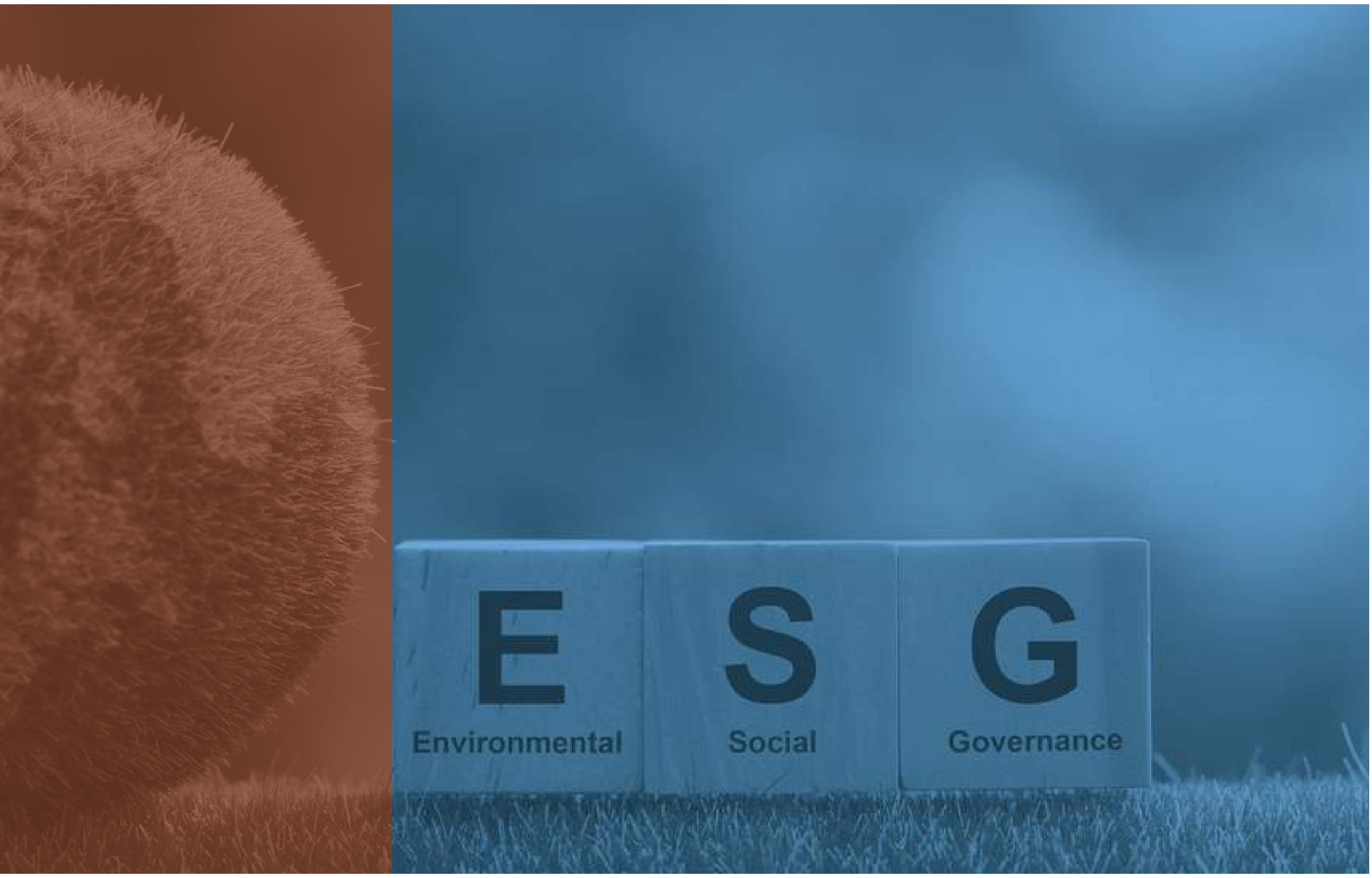
After having successfully executed the first project, there was no looking back. In the year 2015, when we had to construct a brand new CFS (Container Freight Station) we went Green all the way and created India's first Green Cargo Terminal and obtained a platinum certification from the then newly established IGBC (Indian Green Building Congress). At our organisation, we strongly continue to follow this agenda with every new office interiors having a Green Certification from IGBC. We have made a conscious effort and banned plastic bottles in all our offices which also includes meeting venues outside the office. We pay special attention to electronic waste management and the same is periodically disposed off through certified vendors. Personally going Vegan was also one of the steps in this journey. A few tips which I wish to share with the readers are :

a. Follow the universal law of Reduce, Reuse, Recycle

b. Use Solar Power on all roof tops where ever possible, be it in your own home or office building, Warehouses, weekend homes etc

c. Use only Glass and Metal bottle to carry and serve water at homes and offices

d. Always carry your own shopping bag



e. Collect all your electronic waste and dispose it off through a recycling agency once a month, you can keep a collection BIN in a common office area where all office staff can deposit their personal as well as Company electronic waste which then can be carted away by a recycling agency once a month

f. Avoid wrapping papers, cellophanes and other all other forms of plastic wrappings

g. Avoid articles made from leather and man made fabric

When there was a talk of doing something for the environment at the AMTOI association level, I immediately jumped on to be a volunteer in the ESG Council headed by our VP Ms. Anjali Bhide and it has been an interesting journey so far. We realised that we needed an expert to guide us through this journey and this came in form of Dr Prasad Modak of EMC who has been extremely helpful in showing us the road ahead. As a first step in this journey, we organised an awareness session on ESG at our extended board meeting in the month of January'23. The goal was very simple, we needed to build more awareness on the subject and so this issue of our quarterly AMTOI News is being dedicated to ESG. We have also formulated ESG guidelines for logistics industry and very soon will be hosting the same on AMTOI website.

I take this opportunity to thank our President, Mr Xerrxes Master, and the AMTOI Managing committee for having given me this opportunity to be the guest editor for this special ESG issue. I would like to express my sincere thanks to the domain experts & professionals who have magnanimously shared their knowledge and wisdom through their articles in this edition of our quarterly magazine. As you flip through the pages, you will experience the valuable inputs and insights given by this eclectic mix of experts comprising of a ESG consultants, a scientist, an author and industry practitioners.

Trust you will find the contents of this issue interesting and that they will motivate you to begin your ESG journey at your organisation.

FEATURE - 1

ESG (Environment, Social and Governance) in India has slow-brewed from sporadic boardroom discussions to ground and policy-level changes - due to the exponentially increasing risks we are experiencing as our planet warms beyond 1.5-2 degrees. Global temperatures are **already** 1.1-1.3 degress Celsius above pre industrial levels and this is causing havoc across the world. …… And going beyond 1.5C could be the tipping point.

Closer to home, a world bank report in November warned that by 2030, over 160-200 million people across India could be exposed to lethal heat waves annually.

As per the former director of NIO, Dr. S. Prasannakumar, in recent years, and particularly from 2000 onwards, the Arabian Sea has witnessed dramatic variations in recent sub-surface warming and is now warming at an alarming rate. This will have direct repercussion on intense Tropical Cyclone activity – in other words, it will spin more intense cyclones in the next 2-3 years.

This is serious …… and the reality of the abuse of our environment can no longer be denied. The pressure to decarbonize and reduce emissions of greenhouse gases is thus mounting in all sectors. India's commitment is to be carbon Neutral by 2070.

Being environmentally conscious has no longer remained just a matter of choice…… It has become the need of the hour.

The time has come to focus on "action", on how to mitigate and protect….. rather than just deliberate on cause and extent of damage.

Hence AMTOI took the initiative and formed the AMTOI ESG COUNCIL on 24TH FEBRUARY 2022 - firstly to Create awareness about the importance and cost-effectiveness of adopting green measures and secondly, to identify the challenges, adopt solutions and design an effective implementation plan.

The aim is to mainstream ESG - not just across AMTOI members - but across all stakeholders in the supply chain.

An AMTOI ESG Council Logo has been specially designed wherein each colour has a specific significance and the font sizes are intentionally 12 :14: 16 - so as to give emphasis on the 3 different aspects of the path towards protection of our Environment.

The Convenor of the AMTOI ESG Council is Ms Anjali Bhide, Co-convenor is Mr. Vivek Kele, Committee members are Mr. Nailesh Gandhi, and Ms Vinita Venkatesh and Ms Bhairavi Jani – all of who will be lending their support & guidance by being in this committee.

The first step would be to see what we can do on an "Individual/Personal" level and then move on to a broader and more macro level.

It is STILL not too late …. if each of us WAKE UP and DO something about it.

Let us remember Julia Carney's immortal lines from her poem, Little Things

Little drops of water, / Little grains of sand,

Make the mighty ocean / And the pleasant land.

AMTOI ESG council needs your support and most importantly your BELIEF that every little action we take will make a significant difference.

For ESG to be truly embedded and practiced in spirit, all stakeholders have to work collaboratively to protect further damage to our environment.

We are the first generation to actually feel the effects of climate change and….. the LAST generation who can DO something about it.

Please… Let's start….. **NOW.**

"GOVERNANCE" OF ESG IN SMES IS KEY STRATEGY IN THRIVE IN THE FUTURE

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Introduction:

Sustainable development is one of the major worldwide trends influencing the creation of contemporary organisations. Sustainability encompasses much more than merely mitigating environmental danger. Corporate sustainability had to change in response to growing expectations for openness and conscientious business practices. ESG is a set of standards that organisations employ to manage themselves ethically.

To create a sustainable business environment, nations all over the world support the coordinated development of the Environment, Society and Governance in line with the ESG framework.

Presently supply chain is dealing with so many uncertainties. This may be due to geopolitical tensions, modern technologies, and the risk of climate change. Most of the supply chain service providers fall into the SMEs (Small and Medium-sized enterprises) segment. The role of SMEs in creating jobs, driving innovation and leading the GDP growth of the economy is well-known and well-appreciated. However a new element is on the horizon; ESG (Environmental, Social and Governance) that SMEs need to understand and address adequately to have a distinct competitive advantage.

Interestingly, SMEs in India believe ESG practices could increase their competitive edge, boost the company's reputation and attract investors, according to a survey of more than 800 SMEs across six markets - Singapore, Hong Kong, India, Indonesia, Mainland China, Taiwan - in Asia conducted by DBS and Bloomberg Media Studios in August 2022.

Understanding What the ESG Means

ESG means using Environmental, Social and Governance factors to evaluate companies on how far advanced they are with sustainability.

Each of the three elements of ESG – environmental, social, and corporate governance – comprises a number of criteria that may be considered, either by socially responsible investors or by companies aiming to adopt a more ESG-friendly operational stance.

KPIs for ESG:

ESG indicators that are required to be assessed or monitored depend upon the sector of industry, countries in which it is operating as well as serving, legislative requirements of law of land and financial requirements of the organisation.

A few common KPIs are indicated below:

Environment	Social	Governance
• Carbon/ GHG Emission	• Total Workforce	• Board Composition- Structure; Diversity
• Energy Consumption	• Attrition Rate	• Board Committees & Independence
• Renewable Energy Generation	• Gender Diversity	• Business Ethics and Code of Conduct, Integrity
• Waste Generation and Disposal	• Training & Development	• Bribery & Anticorruption Code
• SOx Emission	• Direct & Indirect Benefits	• Supplier Code of Conduct
• NOx Emission	• Policies for Human Rights	• Corporate Governance, Board Evaluation
• Water Consumption	• Child & Forced Labours	• Materiality, Training, Responses
• Wastewater Utilization	• Amenities at a Worksite	• Compliance & Grievance
• Bio-diversity	• Safety- LTIFR / Incidents	• Penalties, Court Cases
• EHSMS Certifications	• Local Procurement	• R&D
	• Community & Social Work	

Importance of "G" in ESG

In SMEs, in general, the following governance issues are being observed:

- Focus on profit-making only
- Gender diversity and equity including equal compensation and mobility for women.
- Health & hygiene, working conditions

As described above, the "G" in ESG refers to the governance factors of decision-making, from policymaking to the distribution of rights and responsibilities among different participants in the organisation, including the owner, key management personnel, board of directors, managers, shareholders, and stakeholders.

When analysing environmental, social, and governance factors, the "G" element is often forgotten amid considerations over climate risk, societal implications and other "E" and "S" risks and opportunities.

However, understanding governance risks and opportunities in decision-making is critical, as poor corporate governance practices have stood at the core of some of the biggest corporate scandals. Volkswagen's emissions test scandal, Facebook's misuse of data and other recent incidents have caused significant financial damage to these companies. In the face of companies' missteps and expanding awareness of global diversity and income inequality, governance assumes to have become a core component of ESG.

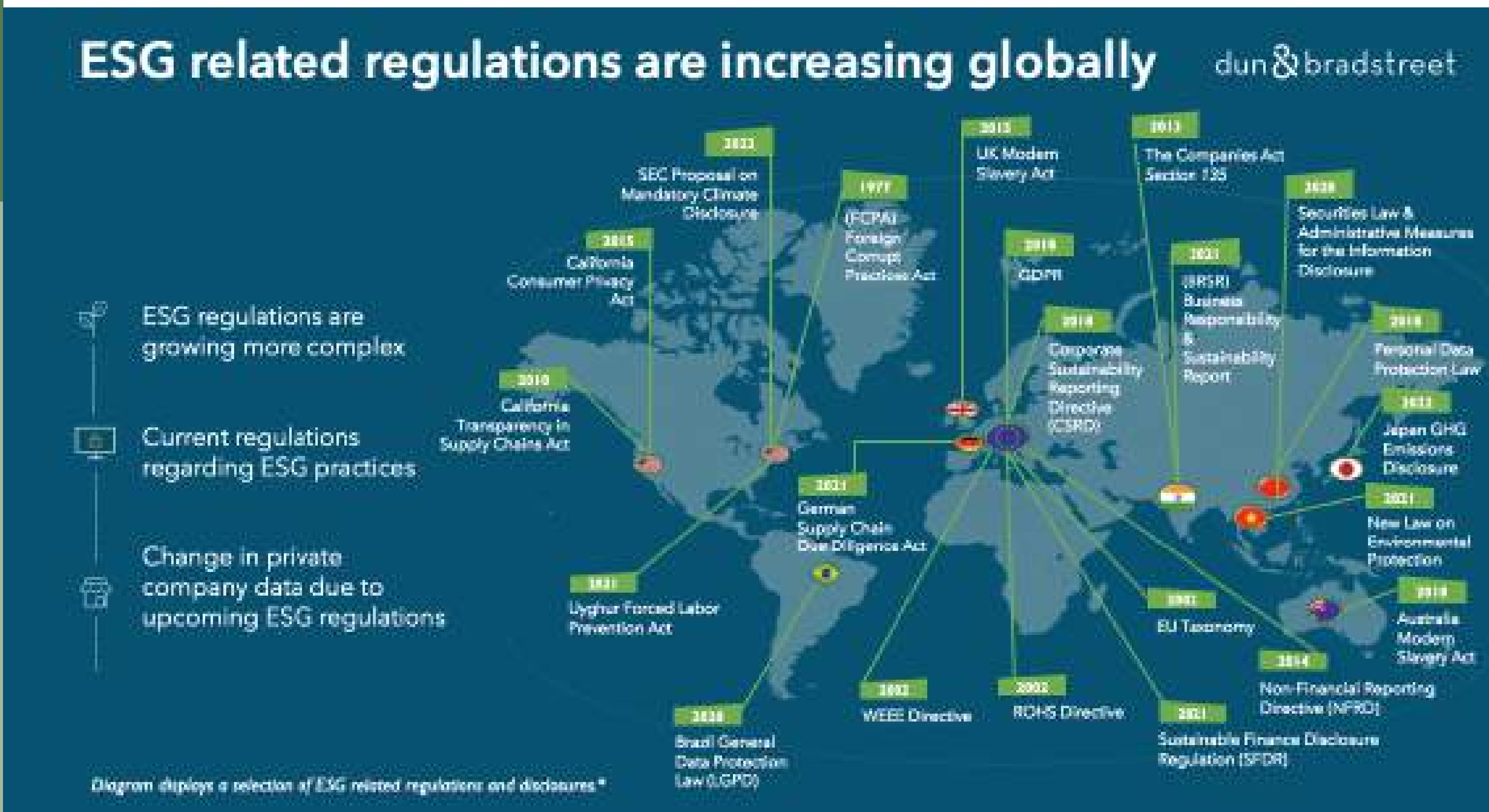
The risk profile of SMEs is much the same way that they evaluate large companies. Raising funding as a small or medium-sized company is no easy feat. It's hard enough to report on financial performance, let alone on issues such as your carbon footprint or your business continuity plan should another Covid variant emerge. Private Equity and Venture Capital companies – a vital source of funding for companies in the small and medium segment – use several ESG metrics to determine physical and transition risks (including market, regulatory and technology risks) and other aspects of a company's ESG program and strategy and make their investment decisions accordingly.

ESG Regulative Requirement for SMEs

ESG regulations are increasing day by day as indicated in the figure below. SMEs are coming under the preview, in an indirect way, as a supply chain member from the customer or main supplier side confirming to their ESG policies and requirements.

In India or internationally many large corporates are undertaking Supply Chain Due Diligences (SCDD) as part of mandatory ESG disclosers for them. A few references are given below:

- BRSR Disclosure of the top 100 companies in India need to disclose the SCDD results and assessment.
- As per the European Union, the Corporate Sustainability Reporting Directive (CSRD), all companies with over 500 employees publish regular reports on their ESG activities. Even from 1st January 2026; listed SMEs, small and non-complex institutions, and captive insurance undertakings will be also in the ambit of CSRD disclosures. Similar requirements are also present as per German Supply Chain Due Diligence Acts.



SMEs need to confirm the acceptance of their supply chain policies and give a declaration that they are confirming various ESG provisions. Any non-compliances need to be addressed through Action Taken Reports and/or face the site audits by a third party. SMEs need to understand and be geared up for this such assessments otherwise they face the consequences even as a termination of contracts and further business with the organizations.

Besides the above there is pressure on SMEs to adopt clean or green fuels such as solar or renewable energy reduce single-use plastic in packing, waste segregation and disposal, conserve water and eliminate wastewater discharge.

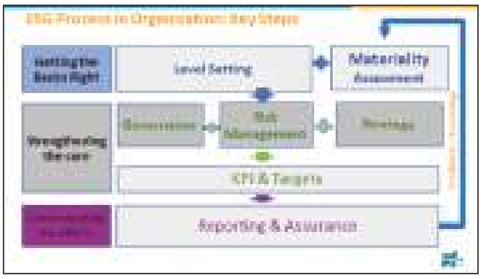
Four-Way Approach for Addressing ESG in SMEs:

Function Legally – complications from legal obstructions will constantly threaten the sustainability of the SMEs. However, preventing legal non-compliances, and in case of need; addressing the legal ramifications and ensuring no disruptions from these issues is the first and most essential step. It is generally expected that the SMEs are complying with the laws of the land, the countries in which they are providing services as well as the expectation of the customers whom they are serving. Compliance management processes need to be established as a part of governance in SMEs.

Work Ethically – freedom of employment and association, eradication of child labour, safe and hygienic working conditions, appropriate pay and working hours, humane and non-discriminatory treatment, anti-bribery and corruption, and environmental awareness is the key area where actions are required otherwise overcoming trappings of ethical dilemmas is paramount.

Behave Responsibly – SMEs need to have equal or more focus on social responsibility than just bottom-line results. In simple words "do more good and less bad." Process and policies for communication with various stakeholders and engaging them effectively is the need of the hour.

Operating Sustainably – SMEs should examine practices, suppliers, and the impact of their activities.; mainly in the environment and social elements. Even technological interventions or process upgradation are required to be eco-friendlier. Environmental issues concerning pollution monitoring, climate change, carbon footprint, and depletion of natural resources and waste management are the current issues impacting SME's businesses.



Ways to ensure ESG governance in SMEs:

- Make TOP Executive responsible for ESG
- Make understood the importance and aspects of ESG required for SMEs at all levels of the organization.
- Assess where you are (Materiality Assessment): Identify, prioritise and validate the most material ESG issues that the company should focus on so as to optimize the use of resources
- Develop an ESG strategy that is accepted by management. Incorporate ESG into strategic planning.
- Determine KPIs and targets to measure and evaluate ESG performance, with an aim to improve ESG performance in the short, medium or long term. For example, use of solar power and bio-diesel, phasing out the inefficient process technology, improving the working conditions; etc.
- Disclose the company's ESG vision, strategy and performance in different communications channels, e.g. annual ESG reporting or website or through supply chain assessment.
- Definitely, SMEs may not have the in-house expertise to understand and implement ESG. Expert help in this case is more fruitful in expediting the ESG implementation. Expert intervention may be high during the initial period but will decrease over the period.

Clear benefits of early action

- The financial, compliance & risk and reputational benefits that can be realized by paying early attention to developing an ESG strategy are substantial in the SME segment.
- Moreover, by delaying the ESG plan to tomorrow and waiting for the worst-case scenario of having to scramble around putting a rushed ESG framework into place when new ESG regulations do take effect or an investor calls to ask for their ESG plan.

Conclusion:

To put it in a nutshell, ESG is not a one-time solution, rather it is a journey. It is highly required that the management of SMEs are understanding the importance of ESG and initiating "Governance" in the organization with focused ESG Targets.

Fortunately, there is no need for SMEs to make seismic shifts to their operations to demonstrate their efforts w.r.t ESG. Rather ensuring smaller improvements can still be effective such as investing in green energy, LED lighting, reducing or removing paper waste, transitioning to more digital forms of communication, etc. SMEs can make small changes in a short space of time and record an immediate impact, benefitting the planet and showing the company's commitment to sustainability.

The systematic approach will definitely gain low-hanging fruits in the form of productivity or energy conservation at the initial stage and over the period transform the sustainable or ESG-compliant organization. Yes, but ESG journey should begin……

FEATURE - 3

ESG IN LOGISTICS: A NEW PARADIGM FOR SUSTAINABLE BUSINESS PRACTICES

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Sustainability is defined as the ability to meet the needs of the present without compromising the ability of future generations to meet their own needs (Brundtland Commission, 1987). In the context of logistics, this means creating a balance between economic growth, social responsibility, and environmental protection. As global supply chains continue to expand and reorient, logistics and transportation have become increasingly important fields for companies looking to achieve ambitious social, environmental, and governance (ESG) goals. ESG plays a pivotal role in sustainable business practices, encompassing a range of metrics that measure performance in these areas. By adopting ESG principles, logistics companies can contribute towards a more sustainable future while boosting their bottom line.

Environmental Impact

As consumers become more environmentally conscious, companies are looking for ways to reduce their carbon footprint. Logistics plays a significant role in contributing to the environmental impact of businesses. The transportation of goods accounts for a significant portion of global CO2 emissions, with estimates suggesting that logistics contributes between 6-10% of global emissions. By embracing ESG measures, supply chain companies can mitigate the negative impact of logistics and transportation on the environment and our planet's natural world. Simple steps like adopting cleaner fuel, optimizing delivery routes, and using energy-efficient transport options can make a significant difference, to start with.

The rise of e-commerce has significantly impacted the logistics industry. As more and more people are buying online, the demand for faster and cheaper delivery has increased. While e-commerce has brought benefits to retailers and consumers, the environmental impact of logistics operations cannot be ignored. By optimizing transportation, using eco-friendly packaging, promoting energy efficiency in warehousing, and implementing efficient returns processes, logistics professionals can reduce the environmental impact of e-commerce activities while also achieving economic growth and social responsibility.

Social Responsibility

Business is a collective exercise in the trusteeship of society. This trusteeship is about ensuring that business processes and decisions are mindful of societal and human impact. In the context of logistics, social responsibility involves treating workers fairly while ensuring health and safety. Logistics companies are under increasing pressure to adhere to social responsibility guidelines, with consumers demanding ethical sourcing and production practices across supply chains. By adopting ESG principles, companies can demonstrate their commitment to social responsibility throughout their value chain, from raw materials to finished products.

Stakeholder capitalism is a concept that has been gaining traction over the years among businesses worldwide, including the logistics industry. In simple terms, it refers to an approach to business that focuses on maximizing value for all stakeholders, including customers, employees, suppliers, communities, and shareholders, rather than just shareholder value.

Logistics professionals are uniquely positioned to adopt stakeholder capitalism due to the nature of their business. The logistics industry is highly dependent on a wide range of stakeholders, including customers, suppliers, and employees, for its sustained growth and success. By prioritizing stakeholder interests, logistics professionals can enhance their corporate reputation, improve customer loyalty and satisfaction, drive employee engagement, ultimately leading to increased profits and long-term success.

Governance

ESG governance focuses on the ethical, transparent, and responsible management of companies. In logistics, governance ensures that companies uphold ethical business practices, maintain an accurate record of financial performance, and adhere to regulatory standards. Logistics companies can avoid conflicts of interest and operate within a transparent framework to further social and environmental responsibility. Internal processes of governance, as well as being open to external audits and certifications is a great way for logistics businesses to commit themselves to upholding governance.

The Role of Leadership

Leadership for ESG involves promoting and supporting sustainable, fair and socially mindful business practices within an organization. This requires leaders to understand the environmental impact of logistics operations and develop strategies aimed at reducing their carbon footprint. It entails collaborating with employees to create a more dynamic and harmonious work environment and ensuring transparency in the business. Leadership also plays a critical role in engaging external stakeholders. Logistics businesses must work with suppliers, customers, and other stakeholders to ensure they adopt sustainable practices. Leaders can accomplish this by creating partnerships and collaborations with other sustainability-focused organizations, across the value chain.

Benefits of ESG in Logistics

ESG principles can provide a range of benefits for companies throughout the logistics industry. By adopting sustainable practices, businesses can realize substantial cost savings. For example, optimizing delivery routes and using energy-efficient vehicles can reduce fuel consumption, leading to cost savings. Adopting ESG measures can also create new opportunities for companies, as consumers increasingly demand sustainably produced and shipped products.

By adopting sustainable principles, logistics companies can contribute to a more sustainable future while reaping the benefits of cost savings, new opportunities, and a stronger brand reputation. Ultimately, ESG in logistics has the potential to transform the logistics industry, creating a new paradigm for sustainable business practices that meet the needs of modern consumers and a new world order.

ESG FACT CHECK

1. "ESG Comes at the Expense of Investment Performance"

Fact Check: Not necessarily

Worldwide, ESG-focused companies have not only seen higher returns, but stronger earnings growth and dividends. In fact, a separate study from the CFA Institute shows that 35% of investment professionals invest in ESG to improve their financial returns.

2. "Investors Talk About ESG But Don't Invest In It"

Fact Check: False

Global ESG assets under management (AUM) in ETFs have grown from $6 billion in 2015 to $150 billion in 2020. In just five years, ESG AUM have accelerated 25 times. Meanwhile, over 1,500 shareholder resolutions focused on ESG-related matters were filed between 2018-2020. Not only are investors turning to ESG assets, but they are placing higher demands on corporate responsibility.

3. "ESG Investment Strategies Eliminate Entire Sectors"

Fact Check: Not necessarily

First, not all ESG investment approaches are exclusionary. For instance, in North America roughly 51% of ESG ETFs used an ESG integration approach as of Dec. 31, 2020. In an ESG integration approach, ESG risks and opportunities are analyzed with the goal to support long-term returns. By comparison, values and screens approaches, which accounted for over 22% of ESG ETFs in North America may screen out specific business activities, such as alcohol or tobacco, or sectors such as oil & gas.

Second, companies are assessed on a sector-specific basis where ESG leaders and laggards are identified within each sector in comparison to peers. In other words, ESG doesn't mean eliminating exposure to entire sectors. Instead, investors can choose from a range of companies based on their ESG ratings quality.

4. "ESG Investing Is Only For Millennials"

Fact Check: False

Although ESG is popular among millennials, ESG investing is being driven by the entire investor population. In 2019, one study finds that 85% of the general population expressed interest in ESG investing. Sustainable investing goes far beyond millennials—ESG disclosures are quickly becoming requirements for key industry participants, such as institutional investors and listed companies.

5. "ESG Investing is Here to Stay"

Fact Check: True

Climbing 28% in 2020 alone, over 3,000 signatories have committed to the UN Principles of Responsible Investment. As of the first quarter of 2021, 313 global organizations and 33 asset owners have been newly added. Central to ESG's growth is the availability of ESG investments. ESG investing has become more widely accessible—which wasn't always the case. Over the last decade, the global number of ESG ETFs has grown from 46 to 497.

Why the Facts Matter

As ESG investments continue to play an even greater role in investor portfolios, it's important to focus on data rather than prevailing ESG myths that are not backed by fact. Given the recent momentum in investment returns and ESG adoption, data-driven evidence empowers investors to build more sustainable portfolios that better align with their investment objectives.

source: visualcapitalist.com

CIRCULAR ECONOMY FOR SMALL AND MEDIUM ENTERPRISES-

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The Indian Economy is currently the 5th largest economy in the world having nominal GDP of $3.5 Trillion as of March 2023. The Indian Economy is continuing to grow at a phenomenal rate and is expected to grow at 7% for FY 23 despite the global challenges. According to IMF Managing Director Kristalina Georgieva, India continues to hold the title of "Bright Spot" in the Global Economy and will contribute 15% of the global growth in FY23 alone. The MSMEs, which are backbone of Indian Economy, will play a vital role in India's target of becoming a $5 Trillion economy by 2025-26. The Small and Medium Enterprises (SMEs) accounts for nearly 30% of the Gross Domestic Product (GDP) and employs over 110 million people which is around 40% of the total working population. MSMEs have also played a key role in the industrialization of the country's rural areas as around 50% of the total MSMEs operate in rural areas. As far as international trade is concerned, MSMEs have accounted for nearly 40% of India's total exports. However, they are also responsible for a significant amount of waste and pollution, which contributes to environmental degradation and impacts public health. To address these challenges, there is a growing need for SMEs to adopt circular economy principles, which can help them, reduce waste, conserve resources, and increase their competitiveness in the global market.

Currently, our planet faces a triple threat i.e. soaring population growth, diminishing resources and environmental damage. Today, humans consume 1.75 times the natural resources that the earth is capable of regenerating in a year. Last year in 2022 the earth overshoot day was observed on 28th July. Earth Overshoot Day marks the date when humanity has used all the resources that Earth regenerates in that year. As the economy rises, hunger for resources will accelerate and the waste generation will continue to rise. The linear model of "produce, use, dispose" is wasteful by design and has packed landfills and has increased the need for natural resources. This trend is far from sustainable. The circular economy attempts to address the dual issue of increasing waste and decreasing resources by working throughout value chain to extract maximum use from both existing products and the elements within them. A circular economy describes an economic system that is based on business models which replace the 'end-of-life' concept with reducing, alternatively reusing, recycling and recovering materials in production, distribution and consumption phases with the aim to accomplish sustainable development, increasing environmental quality, economic prosperity and social equity. It is an economic model that aims to keep resources in use for as long as possible and minimize waste and pollution.

According to a Central Pollution Control Board report in 2019-20, India generated 1 million tones of e-waste and ranks 3rd after China and the US. Such e-waste comprises hazardous substances such as lead and mercury and also valuable resources such as iron, steel, copper aluminum and plastics. MSMEs have a huge potential to design products which are engineered for reparability and upgradability from the design

conceptualization stage. Along with this, there is a huge potential for repairing of the damaged products specially the electronics good. This has magnanimous potential to reduce the e-waste generated in the country. As per a report by IT hardware industry body MAIT, development of India as an electronics hardware repair outsourcing hub is the next sunrise sector for the country with the potential to generate annual revenue of $ 20 billion from 2025 onwards and create 5 million new jobs. MSMEs in India can play a critical role in this new upcoming sector and have potential to take a lion's share globally.

There is a need of circular/green product standards for various industries to accelerate the transition into circular economy. One good example in India is IGBC,s Green Pro Product certification Program, which has already certified more than 5000 Products for the green supply chain process of construction industry. Moreover there is a need to develop a common market place for all the circular products to boost the circular economy in all sectors and build a strong green supply chain. As per a study by the Ellen MacArthur Foundation, a circular economy in India will bring an annual benefit of ₹40 lakh core, and reduce Green House Gas Emissions by 44 per cent by 2050.

Various countries are taking steps to boost circular economy. The Netherlands is one of the leading countries in circular economy. The Dutch government has an ambitious project to become a country 100% based on circular economy by 2050. Their plan focuses on 5 major sectors. One of these sectors is Construction sector which accounts for 50% of raw material consumption in the Netherlands. As per the plan the government buildings have to be built using as many recycled materials and resources as possible. Many of such projects are under construction and the Dutch government aims to reduce the use of resources by 50% by 2030.

France became the first country to introduce a mandatory reparability index on electronic and electric products. The reparability index is a score out of 10 that each device receives. The higher the score, the more repairable the device is and therefore the longer it will last. In 2020, the country adopted the Anti-waste Law with the aim to eliminate waste and pollution as well as transform the system of production, distribution, and consumption to a circular economic model from the linear economic model. The French & US government also introduced the right to repair for all the electronics products. This helps the consumers to repair their products from 3rd party instead of manufactures at an affordable price. This will help in ending the monopoly of manufactures which offers to repair their products at higher costs, often influencing customers to buys new products instead of repairing old one. The Indian Government is in line, and has developed a similar 'Right to Repair' policy and implementing the same. Some other initiatives undertaken by India to boost circular economy are plastic Waste Management Rules, e-Waste Management Rules, Construction and Demolition Waste Management Rules, Metals Recycling Policy, etc. Another initiative which is helping MSMEs is the National Programme on Energy Efficiency and Technology Upgradation in SMEs undertaken by Bureau of Energy Efficiency (BEE). This program aims to strengthen the MSMEs by knowledge sharing, capacity building, and demonstrations of efficient technologies and adopt energy efficiency measures and technologies to conserve energy in MSME sectors. In November 2022, BEE signed an MOU with SIDBI to promote energy efficiency financing for MSMEs. This initiative is in line with India's commitment at Cop 26 which is reduction of total projected carbon emissions by one billion tonnes from now to 2030, generating 500GW of renewable energy by 2030 and achieving Net Zero by 2070.

All in all, circular economy presents a significant opportunity for SMEs in India to reduce waste, conserve resources, and improve their environmental performance while also increasing their competitiveness in the market. To effectively adopt circular economy principles, SMEs need to overcome several challenges and have access to the necessary support and resources. Through collaboration between the public and private sectors and increased investment in capacity building and technical assistance programs, SMEs can successfully transition towards a more sustainable and circular economy.

ESG AND THE LOGISTICS INDUSTRY

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Environmental, social and governance (or "**ESG**") attributes are no longer a mere catchphrase. As more data emerges, suggesting a positive co-relation between investment decisions premised on ESG parameters and financial returns, regulators, investors and businesses are progressively aligning to ask ESG related commitments and compliance from companies.

The logistics industry—like many others—is under increasing pressure to adopt practices that are conscious of ESG factors. Driven by tightening government regulations, growing board-member awareness, and rising customer demand, the topic of ESG is continuing to gain traction. Today, wastes and emissions resulting from marine transportation have been regulated by organizations such as International Maritime Organization (IMO) with stringent regulations. In response to IMO's call for sustainable shipping, Indian ports have embraced solar and wind power, among other initiatives

More recently, the investor community is asking for the evidence on ESG and asking reports on compliance and the impacts. Investments in the aviation sector are following various multilateral frameworks such as ICAO's Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA).

The land based transportation is far from moving towards main streaming ESG. Shift to cleaner fuels, use of more fuel efficient vehicles, optimization of rail and road transportation routes and increasing use of renewable energy have been some of the strategies to cut down emissions. Tracking wastes and emissions alone is however not sufficient but tracking of resources consumed is equally important and especially on how the material flows can be made more circular. Strategies such as paperless communication, improving office / building efficiency, directing corporate investment in company-wide green initiatives and introducing ESG considerations in vendor management (i.e., ensuring suppliers embrace compliance to environmental and social regulations) may also be considered. In fact, some of these strategies may be used by the Small and Medium Enterprises (SME's) as well.

The social component of ESG accounts for the way a company manages its relationships with employees, suppliers, customers, the communities in which it operates. Social considerations include ethical and/or ideal working conditions, adherence to health and safety related protocols, fair salary structures, diversity and inclusion initiatives, including hiring practices, labour and human rights advocacy. Social criteria, though often simple to convey verbally to stakeholders, can be particularly challenging to manage and track because it involves qualitative and quantitative metrics that may be housed in disparate, disconnected systems. ensuring suppliers embrace social initiatives.

Minimization of the greenhouse gas emissions (GHG) should be one of the important drivers to the logistics sector as it connects not only to emission reduction but helps to cut down the costs of the business or increase profitability. It also provides an opportunity to monetize emission reduction by trading on exchange. National Commodity and Derivatives Exchange (NCDEX) in India will soon be launching a carbon trading platform that may interest members of AMTOI. Besides, Government of India has announced a plan to reach Net Zero by 2070 and has launched mission green hydrogen.

Perhaps improve delivery efficiency is the key to mainstream ESG in the business. By consolidating shipments going to the same neighbourhoods together and delivering them from micro-warehouses near dense metropolitan hubs in smaller vehicles, companies can reduce the distance that goods travel in large, fuel-guzzling trucks and the total miles driven to get their goods to consumers. Even better, shorter delivery routes and lower delivery volumes offer the possibility of using small, fuel-efficient vehicles such as electric cars and tricycles. This strategy makes good business sense because it reduces delivery costs and speeds up delivery times, which translates to happier customers.

The final component of ESG, the governance, focuses on organizational business ethics, regulatory compliance, leadership compensation, audits, internal controls, board makeup, and shareholder transparency and rights. Examples of ESG efforts focused on governance include corporate values and business ethics, anti-corruption, data protection, transparency, import/export embargoes etc.

Since the logistics industry operates in a hybrid mode e.g. land, sea and aviation, ESG related compliance and reporting are often a challenge. As regulations vary by region and companies often house ESG data in multiple disparate systems, gathering ESG related data is difficult. The logistics industry must therefore make efforts to establish integrated legacy systems, unified ESG data, and automate ESG workflows with a streamlined stakeholder management. Committing to publish sustainability reports could help in building such systems.

For Indian logistics industry, desirous to establish and benefit from ESG, following three immediate interventions may be considered.

<u>Focus on Business Responsibility Sustainability Reporting (BRSR)</u>

Last month, SEBI expanded the scope of BRSR to supply chains for the top 250 listed companies. While the introduction of ESG disclosures at the supply-chain level is likely to present a wide range of challenges, it is a signal especially to the SMEs to be prepared for ESG. For past several years, a major share of the Indian logistics sector is that of SMEs.

In addition to asking assurance on BRSR. SEBI has come up with a requirement of Core BRSR. In this regard, the BRSR Core has suggested the usage of metrics such as 'gross wages by gender', to ascertain the gender diversity practices implemented by companies and 'intensity ratios' (which may be adjusted based on purchasing power parity) to assess GHG emissions and water footprints, to aid comparability at a global level. The Indian logistics industry associations like AMOTI should therefore facilitate members (especially the SMEs in the supply chain) to meet the requirements of Core BRSR.

<u>Preparing a science based decarbonization plan</u>

It is critical that industry in the logistic sector starts inventorizing the GHG emissions following the internationally agreed protocols such as ISO 14064. AMTOI may develop GHG inventorization toolkits especially to the SME members. In inventorization may follow with water, waste and energy audits to come up with a rounded decarbonization plan. External strategies such as purchase of green electricity and carbon sequestration could also be considered.

<u>Be aware of the proposed ESG Rating Framework of SEBI</u>

Last month, SEBI has come up with a guidance on ESG rating and has come up with 15 core parameters. Aligning business to these core parameters will be useful to secure higher rating from the ESG Rating Providers (ERPs).

Today the Logistics Performance Index (LPI) does not explicitly include ESG related parameters. But given the growing traction on ESG, I am sure that LPI will also look at ESG related policies, commitments and disclosures.

THE CIRCULAR ECONOMY

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The concept of a circular economy is gaining momentum as businesses and governments look for ways to reduce waste, promote sustainability, and mitigate the impacts of climate change. From an environmental, social, and governance (ESG) perspective, the circular economy presents an opportunity to create value and minimize risks.

The circular economy is a term that's been increasingly used in recent years, and for good reason. It represents a shift away from the traditional linear economy model, which relies on a take-make-dispose approach, towards a more sustainable and circular approach. In this article, we'll explore what the circular economy is, why it's important, how logistics businesses and freight forwarders can contribute, and some of the benefits it can offer.

What is the circular economy?

The circular economy is an economic model that aims to minimize waste and maximize the use of resources by keeping materials in use for as long as possible. In a circular economy, products, materials, and resources are kept in use through strategies like recycling, reuse, refurbishment, and remanufacturing. This not only reduces waste and pollution but also creates economic and environmental benefits by promoting resource efficiency, reducing greenhouse gas emissions, and fostering innovation.

Why is the circular economy important?

The circular economy is important because it offers a more sustainable and resilient alternative to traditional linear economic models. In a linear economy, resources are extracted from the earth, turned into products, and ultimately discarded as waste. This approach is not sustainable in the long term, as it depletes finite resources, generates large amounts of waste, and contributes to climate change and other environmental issues.

In contrast, a circular economy aims to create a closed-loop system in which waste is minimized and materials are continuously reused. This reduces the need for new resource extraction and disposal, promotes resource efficiency, and can lead to cost savings for businesses and consumers. Additionally, by reducing waste and pollution, a circular economy can help mitigate climate change and other environmental issues.

The benefits of the circular economy

The benefits of the circular economy are numerous and far-reaching. Here are just a few examples:

Reduced waste and pollution: By keeping materials in use for longer, a circular economy reduces the amount of waste and pollution generated by the traditional linear economy model.

Resource efficiency: A circular economy promotes resource efficiency by maximizing the use of resources and reducing the need for new resource extraction.

Cost savings: By reducing waste and maximizing resource use, a circular economy can lead to cost savings for businesses and consumers.

Job creation: A circular economy can create new job opportunities in areas like recycling, refurbishment, and remanufacturing.

Innovation: A circular economy fosters innovation by encouraging new approaches to product design, material use, and waste reduction.

Role of Logistics Industry and Freight forwarders

The logistics industry and freight forwarders can play a crucial role in promoting a circular economy by optimizing transportation, reducing waste, and collaborating with businesses to establish circular supply chains. Here are a few examples of how they can contribute:

1. **Promote sustainable transportation:** Freight forwarders can adopt sustainable transportation options such as using intermodal transport, which combines different modes of transport, identifying the most efficient routes by using data analytics and other technologies for transporting goods minimizing empty miles, and reducing carbon emissions.

2. **Facilitate the circular supply chain:** Logistic Industries and Freight forwarders can play a key role in the circular supply chain by facilitating the reverse logistics process, which involves collecting and returning used products and materials for recycling or refurbishment. They can help companies to implement take-back programs for used products and ensure that materials are properly sorted and transported to the appropriate recycling facilities.

3. **Optimize packaging:** Freight forwarders can work with manufacturers and retailers to optimize packaging to reduce waste and improve resource efficiency. They can encourage the use of sustainable materials, such as reusable containers, and design packaging to be easily disassembled and recycled.

4. **Green Transport:** The logistics industry and freight forwarders can use more environmentally friendly modes of transport such as electric or hybrid vehicles, trains, or ships powered by renewable energy. This can help to reduce carbon emissions and other pollutants associated with transportation

5. **Collaborate with stakeholders:** Freight forwarders can collaborate with other stakeholders in the supply chain to identify opportunities for innovation and sustainability. They can work with manufacturers, retailers, and other logistics providers to develop new business models, such as product-as-a-service or closed-loop systems, that prioritize resource efficiency and waste reduction.

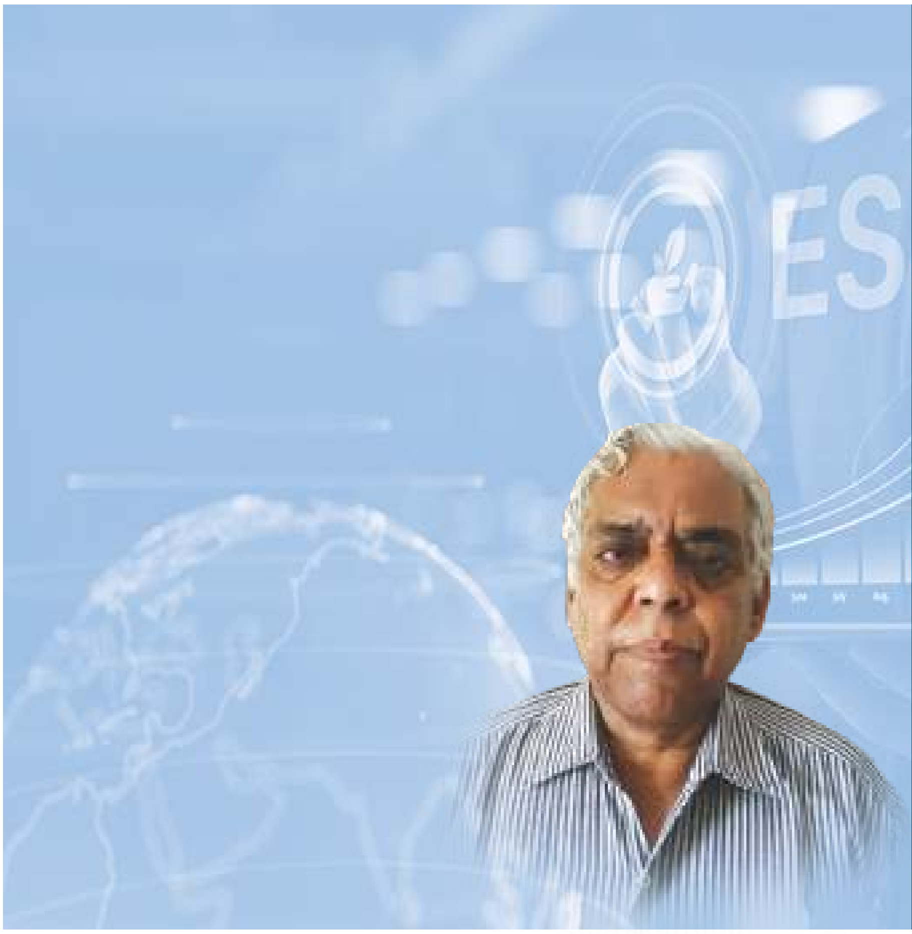
6. **Resource recovery:** Freight forwarders and multi-modal transporters can play a role in recovering valuable resources from waste streams by transporting waste to facilities where it can be sorted, processed, and recycled. This can help to reduce the need for virgin materials and promote the circular use of resources.

In addition to these examples, there are several other ways that logistics companies and freight forwarders can contribute to the circular economy. For example, they can promote the use of sustainable packaging materials, implement sustainable logistics practices, and invest in technologies that support circularity.

However, there are also challenges that need to be overcome, such as the lack of standardization and coordination across supply chains, the high cost of implementing circular practices, and the need for consumer education and behavior change.

Overall, the circular economy presents an opportunity for the logistics industry and freight forwarders to create value and mitigate risks from an ESG perspective. By optimizing transportation, reducing waste, and collaborating with businesses to establish circular supply chains, they can contribute to a more sustainable and resilient future.

FEATURE - 7



LOGISTICS SECTOR AND CARBON EMISSIONS

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Carbon emissions are increasing all over the world. The phenomenon started to send alarming signals about climate change and increased menace of natural disasters in last three or four decades. However, it didn't happen in one day. Industrial revolution changed the course of human progress. it also was beginning of climate revolution, but it went unnoticed during initial decades of industrial revolution. When fossil fuels were found in abundance in many parts of the world, the energy needs rapidly started increasing everywhere. I still remember the headlines when ONGC had discovered Natural Gas at Bombay High! Though coal was discovered about 4000 years ago, and Romans used it for heating water in public bath places, it's use was very limited. In fact coal was forgotten after collapse of Roman empire in early fourth century and remained in exile for more than 700 years. It was rediscovered and started becoming popular as energy source in 1200 CE. The coal came in demand as a replacement for wood at the beginning of industrial revolution. Coal mining began in England during 17th century. However, coal mining started assuming importance only in 19th century when rail network started spreading across the world. Edwin Drake has the honour of digging first crude oil well in Pennsylvania in 1859. He also distilled this crude to produce kerosene which in turn was used for lighting purpose.

Nineteenth and twentieth centuries belonged to research and development of basic science and engineering fields. Developments in medical field too started picking up rapidly during this period. The need for energy started increasing all over the world and hydropower, thermal power and nuclear power took over the mantle of supplying energy to the world. Initially no one realized the possible disaster of burning fossil fuels. By the time the possibilities started to get reflected in looming climate change, no one was ready to acknowledge! Everything was related to energy, and bulk of the energy is still coming from fossil fuels. It must be remembered that fossil fuels are nothing but store houses of once abundant carbon dioxide on the Earth. The levels of 0.03 to 0.04% of carbon dioxide are optimum for the living world. Any increase in this level is going to be disastrous for the climate. This is because of the extraordinary ability of heat capture associated with this gas. Matter does not end with carbon dioxide. There are two more components coming out of activities of our life activities. One of them is methane and other is nitrous oxide. These gases too have heat capturing ability.

Methane has 21 times more ability than carbon dioxide while nitrous oxide has 273 times more ability to trap heat radiated in the form of infra red radiation from Earth. This causes global warming and subsequent changes in world environment.

Transport sector is responsible for 18 to 20% of the global warming. As the world tends to be more and more dependent on the trade, movement of all kinds of goods becomes integral part of modern life. Hence the transportation is bound to increase with increasing demands. Air, road, rail and sea routes have been extensively used for transportation. Each of these means need fuel to burn and derive the energy. So the contribution to carbon dioxide and nitrous oxide gases is inevitable. Moreover, a large number of vehicles means large quantities of junk at some stage. The shipyards, areophane graveyards and discarded vehicle depots are huge sources of pollution of environment. Although there are legislations to control this pollution, the implementation at many places is not done properly. The oil spills which are common in many countries has posed a huge problem for marine life. Although these problems are not directly related to the global warming, the integrated effects are causing a great harm.

Global energy-related CO_2 emissions grew in 2022 by 0.9%, or 321 million tonnes, reaching a new high of more than 36.8 billion tonnes, according to the report. (https://www.iea.org/news/global-co2-emissions-rose-less-than-initially-feared-in-2022-as-clean-energy-growth-offset-much-of-the-impact-of-greater-coal-and-oil-use). Global energy-related carbon dioxide emissions rose by under 1% in 2022. Although the rise continues, it is definitely slowing down as a result of growth of solar, wind, EVs, heat pumps and energy efficiency. This has reduced the impacts of increased use of coal and oil amid the global energy crisis. The rise in emissions was significantly slower than global economic growth of 3.2%, signalling a return to a decade-long trend that was interrupted in 2021 by the rapid and emissions-intensive economic rebound from the Covid crisis. Extreme weather events including droughts and heatwaves, as well as an unusually large number of nuclear power plants being offline, contributed to the rise in emissions. But an additional 550 million tonnes of emissions were avoided by increased deployment of clean energy technologies.

These signs are good. If we can take efforts in an integrated manner, we can achieve reduction in carbon emissions. What we must see now is that how we can reduce emissions from logistics. It is estimated that CO_2 emissions in the transport sector are about 30% in the case of developed countries and about 23% in the case of the total man-made CO_2 emissions worldwide. There is widespread agreement to reduce CO_2 emissions from transport by a minimum of 50% at the latest by 2050. There are sincere efforts for determining a roadmap to achieve this objective. However, the heterogeneous constitution of this sector might not support unified goal. There are three routes to reducing GHGs (green house gases) from transportation:

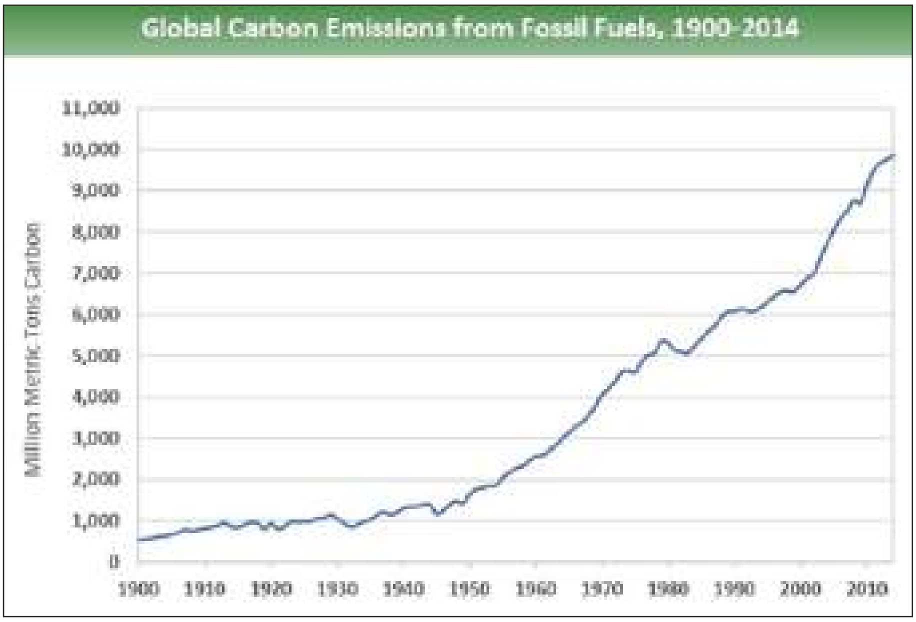
- Increasing the efficiency of vehicle technology
- Changing how we travel and transport goods
- Using lower-carbon fuels.

We need all three to help achieve our societal goals on climate. A lot of talk goes on using renewable energy sources like wind, solar and bio energy. There are efforts going on in our country too, to increase share of these renewables in energy and transportation sector. Hydrogen fuel is now a distinct possibility and may be just a few more years away from mass use. In fact, operating a vehicle exclusively on electricity or hydrogen releases no harmful GHG emissions from your vehicle's tailpipe! The amount of GHGs emitted when the fuel is produced depends on the source of the fuel. Electric vehicles have entered in the fray in last few years, but they might not serve the purpose of GHG reduction, if the electricity they use is derived from thermal power.

The goods transportation or logistics need to be more ecofriendly than what it is today. The drivers in our country in general are not trained to understand the gravity of GHG emissions and operating the vehicles at optimum fuel efficiencies. Even if the vehicles are as per latest Euro or EPA standards, how much the drivers understand about the technology and its implementation, is a matter of concern. Regular awareness training camps for these drivers need to be organized.

A large number of buses and referred trucks, trains and ships use air conditioning for either the comfort of passengers or for preservation of perishable goods. The water which flows out while air conditioners are on flows on the roads and is wasted. This happens due to the fact matter looks very trivial and is neglected. If we can harvest this water by providing suitably sized containers, it would provide us large amount of distilled water on daily basis. This water can be used for car batteries, inverter batteries or as distilled water in industries.

Eliezer Yudkowsky leads the Machine Intelligence Research Institute, a nonprofit in Berkeley, California. He has warned that attempts to build superhumanly smart AI (artificial intelligence) could lead to wiping out human being from this planet. He has given an example that, if unwittingly someone creates AI and instructs it to halt climate change, it might conclude that human being is the root cause of climate change, so it decides to annihilate the Homo sapiens! How true Mr. Yudkowsky is in predicting our future, we are not sure. The way we are approaching the problem of handling climate change, we are probably increasing the speed of approaching Doom's Day! That is for sure! We assume someone will think about it and do something. The key to reduce that speed is with us. Let it be "We think about it and we do something about it! Reduce emissions!"



Source: Boden, T.A., Marland, G., and Andres, R.J. (2017). Global, Regional, and National Fossil-Fuel CO_2 Emissions. Carbon Dioxide Information Analysis Center, Oak Ridge National Laboratory, U.S. Department of Energy, Oak Ridge, Tenn., U.S.A. doi 10.3334/CDIAC/00001_V2017.

ESG @ GREEN PORTS

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ESG practised in Green Ports assist drive sustainability of business, welfare of their human assets, conservation and improving their ecosystem and biodiversity. It pushes the reduction in GHG emission, carbon footprints, addresses global warming and climate changes, conservation of resources which includes catering to water security, protecting land soil and coastline. It also enhances their services efforts to their community.

Benefits

Showcasing superior results of ESG practised, allows attract customers, quality vendors, good talent and investors who gives considerable weightage to ESG in their decision making for investments. Builds goodwill in the community. Helps image building, creating key differentiation, and positioning amongst ports globally. Attracts sound advocacy from reputed global agencies. Similarly helps them get ASG ratings from prestigious organisation which creates value. All this is good for their business.

ESG standards and compliances

PM of India has given a target of achieving Net Zero by 2070. Ports will be required to calculate GHG & CO2 emissions. Once the baseline of quantity of emissions gets established, ports will be required to offset it in a defined timeline.

Indian Ports need to adhere to International Marine Organization's alignment to 9 UN SDG which includes obligations on safe, efficient, and sustainable ports. They are obligated entities under Renewable Purchase Obligations (RPOs) and hence, need to actively focus on renewable power.

They need to also follow recommendations of the Ministry of Environment, Forest and Climate Change (M o E FC C) for developing adequate green belts near cargo handling areas and increase its coverage depending on the availability of land near site or at alternative land area available or allotted. At mudflats, mangrove covers including its afforestation. All this to allow achieve a green cover to at least 33% of port area.

All these can be achieved by them if they transform into Green Ports.

Green ports practicing ESG can align to various national and international standards e.g. Task Force on Climate Related Financial Disclosures (TCFD), CDP, United Nations Global Compact (UNGC) Principles, National Guidelines for Responsible Business Conduct (NGRBC), GRI Standards, Sustainable Development Goals (SDGs), India Business & Biodiversity Initiative (IBBI)and various relevant ISO Standards.

How Green Ports can practice ESG.

It is critical every port, develops their well-defined ESG Policy, strategy and action plans, that is meticulously implemented, upgraded with passage of time by focused committees, and practised at all levels. Its results are measured through KPIs, Metrics, and reviewed through dash boards and MIS reports. Its impact assessments are done, course corrections if necessary and improvement initiatives are undertaken. These can form part of the Port's governance and best practices with ownership taken right from the top.

Some examples of ESG policies: -

Environment

Environment Policy, Energy and Emission, Water Stewardship.

Social

Occupational health Safety, Guidelines for human rights, Employment of Different Abled Person, Stakeholder engagement, Supplier code of conduct, Employee reward and recognition, Work hours policy.

Governance

Code of conduct for Director & Senior management, Diversity, inclusivity, engagement. Dividend distribution and shareholder, Nomination and remuneration, Related part transactions for acquiring and sale of assets, Code of Fair Disclosure of UPSI, Sustainability Charter, Materials event policy, Preservation of sexual harassment at workplace, Whistle blower, Cyber security, Organisation information security Asset management security, Operation security, Communication security, System acquisitions, IT consequence management, Disaster Management, Web content and archival, Internal Financial Control, etc.

Source: Adani Ports & SEZ 's Information Memorandum on ESG.

ESG in relation to environment, can be practised through the following actions by Green Ports:-

1. Ports should create capabilities and use Renewal Energy extensively:

Image credit: Gateway Media.

Ministry of Shipping has set up a target to generate 150 MW Non-conventional Energy (wind and solar). 135 MW is to be set up by grid-connected and utility-scale solar photovoltaic (PV) power projects. The newly launched National Centre of Excellence for Green Port and Shipping (NCoEGPS) will help vital ports source as much as 60% of their energy demand from renewable sources.

Solar power: Ports must use solar power and become self sufficient in this regard through own set up wherever feasible. Vigag, Mundra port has done it.

Utility-scale solar photovoltaic (PV) power projects have and can be installed with panels placed on roof tops of buildings, workshops, etc.

Wind Energy: Ports in the South India have huge potential for generating and using this. Three Major Ports - Deendayal, VO Chidambaranar Port and Kamarajar Ports - have in recent times gone for it. There is further potential to install wind farms in fallow land at ports and its proximities, at shallow waters and along breakwaters. So, more ports where it is possible to harness wind can adopt this.

Advanced energy While the cost of advanced energy options, such as wave, tidal, hydrogen is currently high, but in times to come they could become affordable and can be used as green initiatives by ports.

Indian Government plans to offer green hydrogen incentives worth at least 10 per cent of their costs to fuel producers under a

FEATURE - 8 (Contd.)

$2 billion scheme which will begin in June 2023. The government will offer incentives worth Rs 30 per kg to produce green hydrogen fuel. The cost of manufacturing green hydrogen is currently around Rs 300 per kg in India.

2. Undertake Air Quality Improvement measures: -

Ports must increase their **green cover** that improves air quality by capturing GHG emissions, pollutants, atmospheric CO2 sequestration. It helps reduce noise pollution and beautifies the landscape. This also supports biodiversity, and help maintain pleasant microclimate in the region, retain soil moisture, assist in erosion control and coastal protection and in recharging of ground water.

e.g. Dharma Port is supporting initiative of the Forest Department to conserve Kanika Island by mangrove and Casuarina plantation and channel cleaning.

Adani Port & SEZ had planted more than 1 million trees in FY2020 across all locations.

They are supporting rare Olive Ridley Turtles conservation near their Dhamra Port which is an example of protecting biodiversity.

Recommend actions for Container Terminals: -

E-RTGs with pantograph arms and low busbars

- Container terminals can choose to **Retrofit Diesel RTGs and convert them to Electric RTGs** (E-RTGs)**.** While purchasing new equipment, they should choose to buy E-RTGs/ RMGs/ ASC (Automated stack cranes) as yard handling equipment. Switch to using electric empty handlers, reach stackers and forklifts. All these are a great way of eliminating emissions, leading to better air quality, savings in energy , maintenance cost and in reduction of sound pollution.
- Use more **Electric Internal Transfer vehicles (ITVs)** than the diesel ones e.g. Adani Ports & SEZs at its 4 ports has procured 400 of these which are at various stages of delivery and deployment.
- Use more **Electric Internal Transfer vehicles (ITVs)** than the diesel ones e.g. Adani Ports & SEZs at its 4 ports has procured 400 of these which are at various stages of delivery and deployment.
- Budget permitting, start using **Zero emission Hydrogen Fuel Cell powered Trucks.** eg. as introduced in Los Angeles Port.
- Switching from petrol /diesel vehicles to **golf carts** for short distance travel in non-operating areas within the ports, **E- Vehicles** for utilities and travels at operating areas and for distant travelling.

All these would allow fetch **carbon credits.**

Other Measures

- Do Gate Automation and introducing vehicle booking system (appointment systems). This results into less waiting in queues allowing quick turnaround of external trucks, thus saving diesel, and eliminating associated emissions.
- Do better yard planning thus reducing unproductive movements of container yard equipment and in its handling moves, thus saving fuel and resultant emissions (if these are operating on diesel.)
- Do better vessel planning and tight monitoring of ship to shore crane's productivity and cycle times of ITVs involved in round trip movements from container yards to vessels, thus reducing the requirement of the number of ITVs resulting into savings in fuel and its emission.

  Same applies for rail handling operations.
- Explore using Articulated Road Trains -at least with 2-3 trailers connected to the prime mover at Terminals.

  Now with advanced highway infrastructure with large linear stretches available, government should start allowing use these for long distant movements on highways connecting to some of the major ports situated away from towns and cities e.g.

  JN Port, Mundra, Pipavav, Kandla, Ennore, etc.

  These can reduce the requirement of the number of prime movers currently needed, thus saving fuel and GHG emission.
- Ports can facilitate shift in modal split from by road to by rail, coastal and inland waterways. They can also develop rail hubs at near hinterlands and run rail shuttles preferably with electrified routes, thus taking some load off the roads that would translate into reducing GHG emissions.
- Wherever infrastructure permits, increase number of double stack trains usage, preferably in python configuration, thus allowing more capacity to shift from by road to by rail mode that can be moved with lesser number of locos that translates into reduction in GHG emission.
- Store reefers at shaded areas within the port that could reduce energy consumption and GHG effects.

Initiatives that port can take at bulk and break-bulk terminals

- Have increased mechanised handling for end -to-end operations.
- Start using more electric operated cargo handling equipment.
- switch to fully electric payloaders.

Implement following measures for effective mitigation of dust emissions:

- Install: -

- Mechanical Dust Suppression System.

- Ambient Air Quality Monitoring systems.

- Construct and use domes/silos/covered storage for dry cargo

- Hard surfacing of stack yards.
- Chemical spray on coal stacks like antioxidant dust binders, foaming agents.

Within the ports, switch to having electrified railway system for handling & movements of trains undertaken by them.

LED Lighting: -

Ports are recommended to use maximum LED lighting for High mast, Cranes, Navigational, building and enterprise lighting, streetlights etc. LED light are almost 90 % more efficient that incandescent light bulbs. LED lighting coupled with using Lighting Control Technology can greatly contribute towards achieving net zero emissions and major cost savings.

Active use of load control technologies and power management systems coupled with application of IOT can greatly enable conservation of energy and reduction in emissions and costs.

Shore supplies

- **Shore electric supply (cold ironing):** Vessels at berth don't have their main engines fully switched off and this generates emissions. Ports therefore can explore setting facilities at berth in providing, compatible, quality and affordable shore supply of electricity especially to vessels having long port stays. Some ports have already started this.
- **Clean bunker and fuel supply:** In order attract vessels using cleaner and future fuels some of the ports can explore creating facilities for providing quality and affordable - LNG Bunkering / Methanol / Ammonia / Hydrogen / as Future Shipping Fuel.

Control of Ships emission measures

- Ships contribute significantly to degradation of the air quality at shore and at the immediate hinterland.
- Ports can explore incentivising ships calling, to use more cleaner low sulphur fuels & those using LNG and future fuels.

3. **Shore Reception**

As per MARPOL 73/78 Convention, Ports are required to provide reception facilities for wastes from ships. Ports thus requires building and maintaining facilities for collection, reception, storage, treatment, transport, and disposal of Hazardous Wastes and have agencies to take them away and ensure they do not pollute the harbour and the coastline.

4. **Water conservation, stewardship & security measures**

Ports have high requirement of water for its operations, Also, as supplies of fresh water to Ships.

WHAT IS ESG INVESTING?

ESG investing refers to a set of standards for a company's behavior used by socially conscious investors to screen potential investments.

Environmental criteria consider how a company safeguards the environment, including corporate policies addressing climate change, for example. Social criteria examine how it manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with a company's leadership, executive pay, audits, internal controls, and shareholder rights

source: investopedia.com

In order conserve: -

- Ports can adopt rain harvesting systems for re-use/enhance ground water table.
- Install rain sensors to regulate sprinkling systems.
- Use Atomizers to release of water in mist spray form.
- Use drip irrigation to deliver water directly to plant roots reducing 80% of water requirement otherwise lost due to evaporation.
- Use sensors at tap levels, to regulate waste at toilets at all buildings, in equipment washing areas, workshops. Have chemical cleaning toilets especially at operation areas.
- Use recycled water, following treatment for watering plants and trees at green belts, sprinkling at coal stock yards, for dust suppression, cleaning of port premises and for firefighting etc.

  e.g .528 ML treated wastewater was used for irrigation at Mundra in FY2020 by AP&SEZ.

  2 million Litre /day of untreated municipal wastewater generated from Mundra town, Nanakapaya village and OCCL Colony were channelised by AP&SEZ at Mundra for operational use in FY 2020.
- Budget permitting, set **up desalination plants** to bring self-sufficiency is port's freshwater requirements especially at arid locations. At Mundra port such initiative has let to 88% reduction in requirement of fresh water from elsewhere.

5. **Improving Solid Waste management**: Improve waste segregation, recycling & re-use and promoting waste to wealth in alignment with Swachh Bharat Mission. **Biomass, Biogas, biofuel** an outcome of waste to energy production, and its usage is yet another significant way of conserving fuel and promoting green energy usage.

Set and run state of art facilities e.g., at Mundra Port has material recovery yard, waste disposal yard, automatic waste segregator, biogas generation plants, organic waste converter, vermicomposting facility, Oil waster separator, bailing machine, separate storage yards for hazardous and non-hazardous wastes, hazardous cargo bunds to take care of any spillage from containers, 3 bin system, dedicated workforce for collection, segregation and treatment. AP & SEZ's Mundra Port has achieved Zero hazardous waste to landfill and **Zero Waste to Landfill (ZWL)** through Reduce, Reuse Reprocess, Recycle and Recover Principles.

6. **Reducing use of plastic, doing paperless online transaction** with all stakeholders with complete digitations in all processes.

7. **Sewage treatment plants**

Ports are required to have modern Sewage Treatment Plants to treat the sewage before utilising anywhere or letting it out into the sea. This leads to improvement in sanitation conditions. VPT has installed a 10 MLD Sewage Treatment. AP&SEZ have these installed at all their facilities across the country where it is mandated to have.

8. **Oil Spills response:** National Oil Spill Disaster Contingency Plan (NOSDCP) provides for tier-based preparedness and response to deal with oil spill incidents in ports.

Ports are required to be full geared with all equipment like pressure inflatable oil containment boom, permanent flexible boom, multipurpose skimmers, OISD applicator, Oil spill dispersants, Sorbent pads and trained personnel to ensure Tier-1 preparedness for oil spill response so as avoid large scale damage to the environment and to the biodiversity.

9. **Dredging Material Recycling:** Ports can adopt sustainable dredging disposal mechanism of their dredged material to recycle and reuse at ports for landfills etc. and not dump them elsewhere affecting the ecosystem.

Lastly,

It is to be noted that Ports, derived from the Latin word *Portus*, which means gateways, are a major interface points for maritime, multimodal, and inland services activities. Such interfacing has impact on environment.

Port's functioning is no more limited to ships and cargo handling within its gate's limits. On the landside it now stretches even beyond to the hinterlands. Ports also caters to building and maintaining their townships, hospitals, educational, training facilities and social infrastructures, and supporting various CSR activities.

The newer ports, those having enough land banks are emerging as facilitators of port based industrial developments and cities, logistics hubs and allied services centres and even SEZs.

It is necessary therefore that green initiatives are equally practiced by all these entities in these areas, and a comprehensive and integrated approach is taken preferably steered by the Port authorities for holistic achievement of ESG goals at its geographies.

As noted, every port has an impact on environment. Therefore, the coastline cannot be dotted with unplanned port developments, which is not backed with robust traffic studies, sound financial prospects, having the requisite location advantage for being developed into large, modern ports, mega hubs, that can be sustained for decades. Such prevention is always better than cure, for the benefit of the environment!

It is important that new ports be developed away from populated towns and cities, at sites having natural advantage of depth, tranquil waters, adequate linear waterfront with back up land and space for developing multiple connecting corridors for all modes of movements, land for allied facilities. Such ports be developed as green ports from day one through all the actions as elucidated above, backed with modern equipment, cutting edge technology, mechanised, semi-automated operations, trained work forces and practises for achieving efficiencies, which can translate into results that fetches the highest levels of ESG ratings and associated benefits.

These measures, adopted comprehensively for the entire coastline will bring maximum benefit to the country's maritime sector.

SUSTAINABLE DEVELOPMENT GOALS

By Vivek Kele

The topic of ESG cannot be fully understood without knowing about Sustainable Development Goals.

The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity. The 17 SDGs are integrated, they recognize that action in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability.

Countries have committed to prioritize progress for those who're furthest behind. The SDGs are designed to end poverty, hunger, AIDS, and discrimination against women and girls. The creativity, knowhow, technology and financial resources from all of society is necessary to achieve the SDGs in every context.

History

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries - developed and developing - in a global partnership. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

The SDGs build on decades of work by countries and the UN, Transforming our world: the 2030 Agenda for Sustainable Development with its 17 SDGs was adopted at the UN Sustainable Development Summit in New York in September 2015. Now, the annual High-level Political Forum on Sustainable Development serves as the central UN platform for the follow-up and review of the SDGs.

Goal 1: No poverty

"End poverty in all its forms everywhere". Achieving SDG 1 would end extreme poverty globally by 2030. One of its indicators is the proportion of population living below the poverty line.

Goal 2: Zero hunger (No hunger)

"End hunger, achieve food security and improved nutrition, and promote sustainable agriculture". Indicators for this goal are prevalence of undernourishment, prevalence of severe food insecurity, and prevalence of stunting among children under five years of age.

Goal 3: Good health and well-being

"Ensure healthy lives and promote well-being for all at all ages". Important indicators here are life expectancy as well as child and maternal mortality.

Goal 4: Quality education

"Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all". The indicators for this goal are for example attendance rates at primary schools, completion rates of primary school education, participation in tertiary education and so forth.

Goal 5: Gender equality

"Achieve gender equality and empower all women and girls". Indicators include for example having suitable legal frameworks and the representation by women in national parliament or in local deliberative bodies

Goal 6: Clean water and sanitation

"Ensure availability and sustainable management of water and sanitation for all". Important indicators for this goal are the percentages of the population that uses safely managed drinking water, and has access to safely managed sanitation.

Goal 7: Affordable and clean energy

"Ensure access to affordable, reliable, sustainable and modern energy for all". One of the indicators for this goal is the percentage of population with access to electricity

Goal 8: Decent work and economic growth

"Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all". Important indicators for this goal include economic growth in least developed countries and the rate of real GDP per capita.

Goal 9: Industry, Innovation and Infrastructure

"Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation". Indicators in this goal include for example the proportion of people who are employed in manufacturing activities or who are living in areas covered by a mobile network or who have access to the internet.

Goal 10: Reduced inequality

"Reduce income inequality within and among countries". Important indicators for this SDG are income disparities, aspects of gender and disability, as well as policies for migration and mobility of people.

Goal 11: Sustainable cities and communities

"Make cities and human settlements inclusive, safe, resilient, and sustainable". Important indicators for this goal are the number of people living in urban slums, the proportion of the urban population who has convenient access to public transport, and the extent of built-up area per person.

Goal 12: Responsible consumption and production

"Ensure sustainable consumption and production patterns". One of the indicators is the number of national policy instrument to promote sustainable consumption and production patterns. Another one is global fossil fuel subsidies.

Goal 13: Climate action

"Take urgent action to combat climate change and its impacts by regulating emissions and promoting developments in renewable energy".

Goal 14: Life below water

"Conserve and sustainably use the oceans, seas and marine resources for sustainable development". One indicator (14.1.1b) under Goal 14 specifically relates to reducing impacts from marine plastic pollution.

Goal 15: Life on land

"Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss". The proportion of remaining forest area, desertification and species extinction risk are example indicators of this goal.

Goal 16: Peace, justice and strong institutions

"Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels". Rates of birth registration and prevalence of bribery are two examples of indicators included in this goal.

Goal 17: Partnership for the goals

"Strengthen the means of implementation and revitalize the global partnership for sustainable development". Increasing international cooperation is seen as vital to achieving each of the 16 previous goals. Developing multi-stakeholder partnerships to share knowledge, expertise, technology, and financial support is seen as critical to overall success of the SDGs. The goal encompasses improving north–south and South-South cooperation, and –public-private partnerships which involve civil societies are specifically mentioned.

“AS AN ORGANIZATION THAT HAS ‘LIVED’ 77 YEARS NOW, SINCE 1946, EVEN BEFORE INDEPENDENCE, WE HAVE LEARNT THAT OUR ENVIRONMENTAL POLICY, AN INVENTORY OF RELEVANT ENVIRONMENTAL FEATURES OF PRODUCTS, ACTIVITIES, AND SERVICES THAT COULD HAVE AN IMPACT ON THE ENVIRONMENT REQUIRES A SOUND EMS (ENVIRONMENTAL MANAGEMENT SYSTEM).

THIS IS THE FRAMEWORK WE HAVE IMPLEMENTED TO ACHIEVE ENVIRONMENT FRIENDLY GOALS”

Nailesh Gandhi
Director
Express Global Logistics

“SUSTAINABLITY IS SURVIVAL FOR OUR BUSINESS AND ESPECIALLY FOR TRANSPORTATION OF GOODS ARE CONCERN WE WILL BE THE BACKBONE OF FUTURE OF OUR NEXT GENERATION AND I AM SURE WE WILL LEAD THE WAY”

Tushar Jani
Group Chairman
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