



**GREEN RATING PROJECT**

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**A CLEAN  
ENVIRONMENT  
MAKES PERFECT  
BUSINESS  
SENSE**



# What and why?

- **GRP is public tool to leverage change**
- **It benchmarks the present.  
And points to the way ahead.**
- **It sets difficult goal-posts:** Pushes towards desirable not what is easily possible.

Theoretical best: **10 marks**

Global best: **8 marks**

Indian average: **2 marks**



# Our belief

- Public disclosure must for credible action
- We rate **everyone** – who agree or those who do not.
- **Environment is public good**
- Industry will grow, but growth has to be **business-unusual**



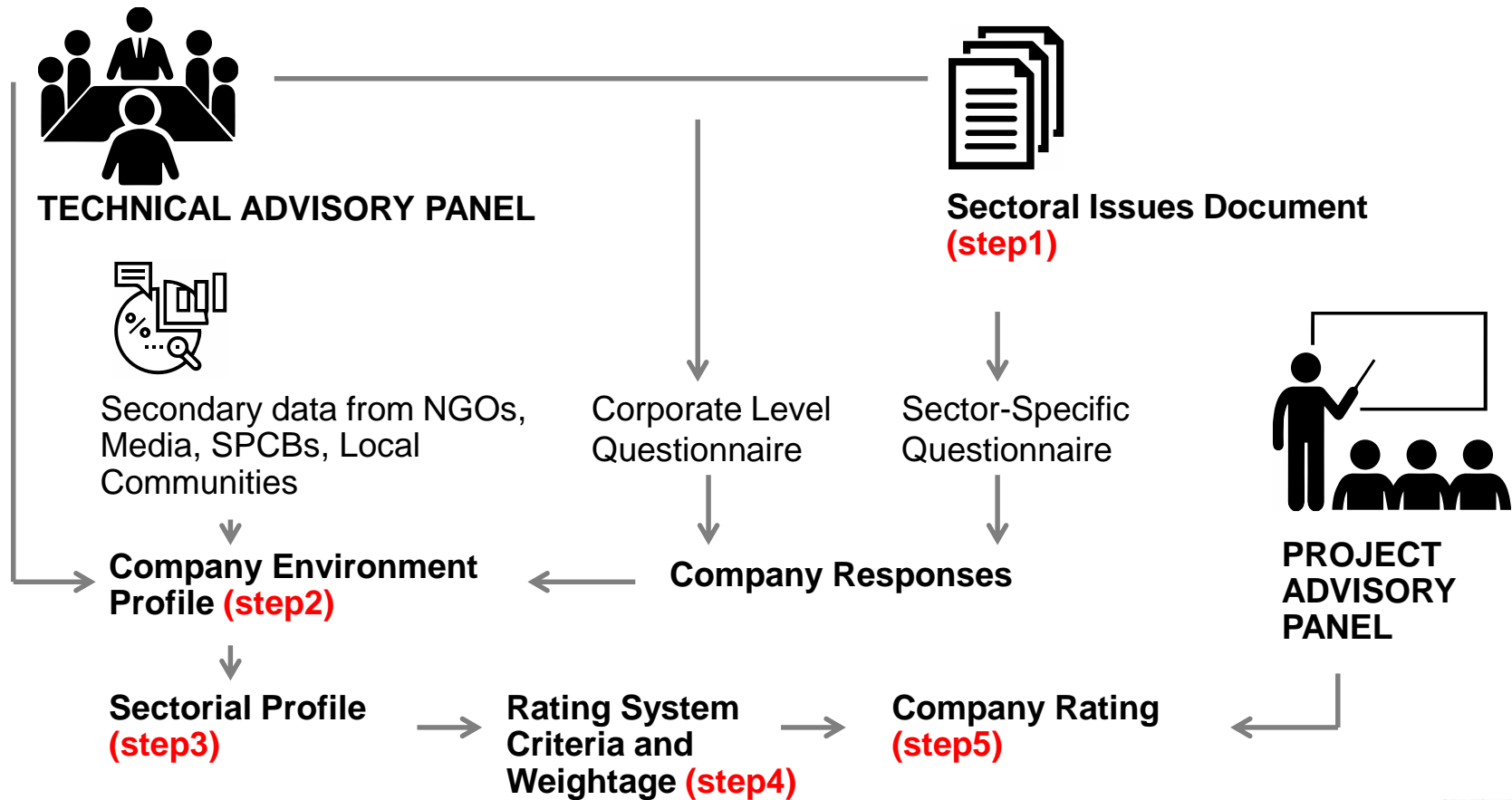
# Our belief: Business must go extra mile

- Imperative of **environmental management is clear**
- Business needs to push boundaries – focus on how it can minimize its footprint on this Planet
- This demands us to:
- Do more to reduce use of raw material – **increase resource efficiency**
- Do more to convert waste into product – **reduce pollution**
- Do more to **reinvent the product** so that it is sustainable

**This is where GRP helps.**

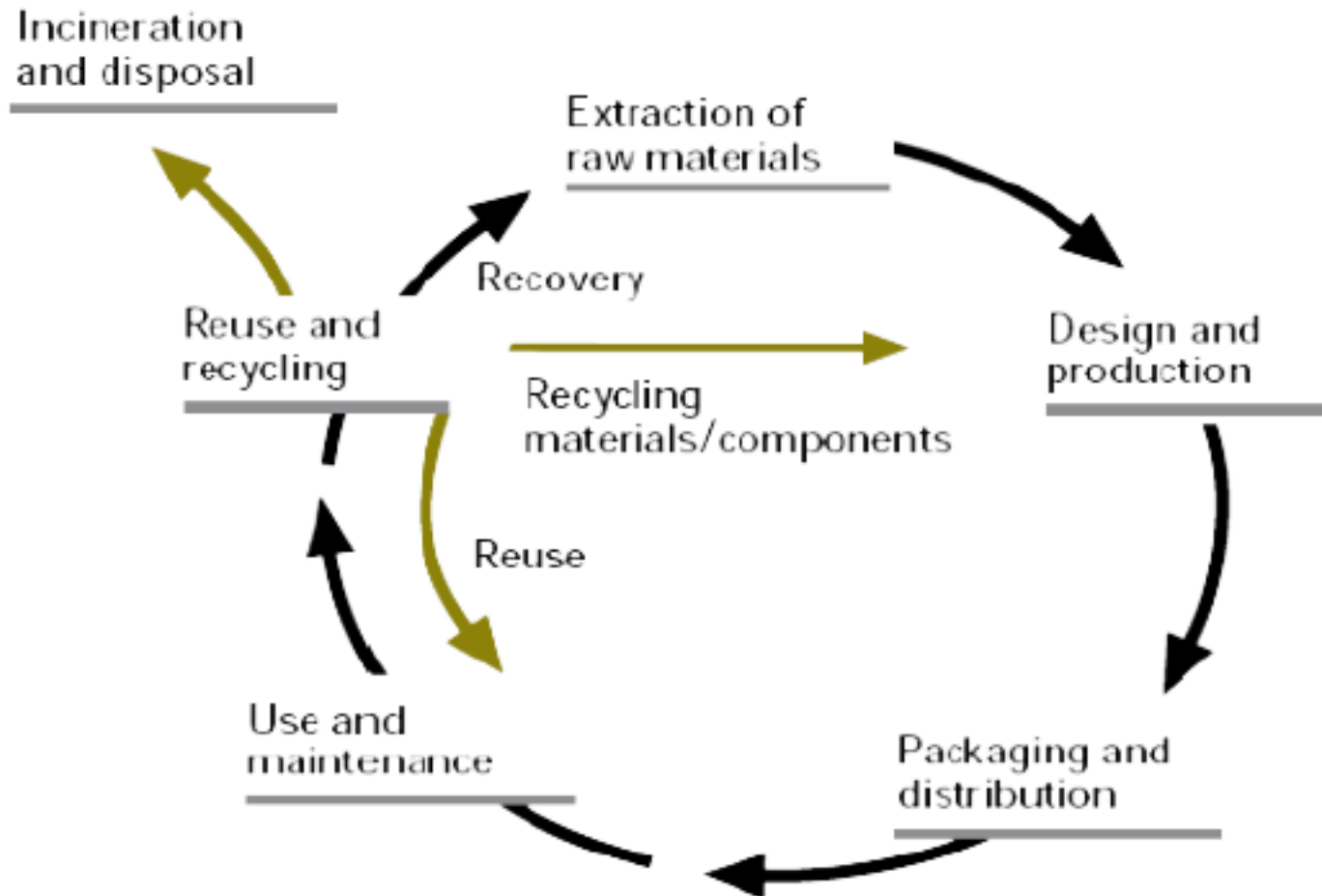


# Five Steps Assessment: rigorous and credible. Benchmarks and sets agenda



# Life Cycle Analysis

Cradle-to-Grave approach is adopted by CSE to study environmental impact of an industry



# Pushing for change

Scores	Awards Category	Criteria
Above 80%	5 Leaves award	Performance far exceeding compliance requirements Global best technology Best management practices
60% to 80%	4 Leaves award	Good compliance Good technology and performance Strong management practices
40% to 59%	3 Leaves award	Average compliance Average technology and performance Average management practices
30% to 39%	2 Leaves award	Below average compliance Below average technology and performance Basic management practices
20% to 29%	1 Leaf award	Poor performance Frequent cases of non-compliance Inadequate management practices
Less than 20%	No award	Regular non-compliance; Poor performance and management practices



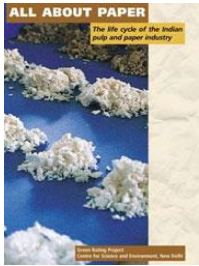


# GRP IMPACT

**Rating makes for change**



# Green Rating- Success



Pulp & Paper- 1999, 2004



Automobile- 2001



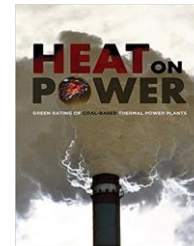
Chlor- alkali- 2002



Cement- 2005



Iron & Steel- 2012



Power Sector- 2015

# Pulp and Paper: rating and re-rating

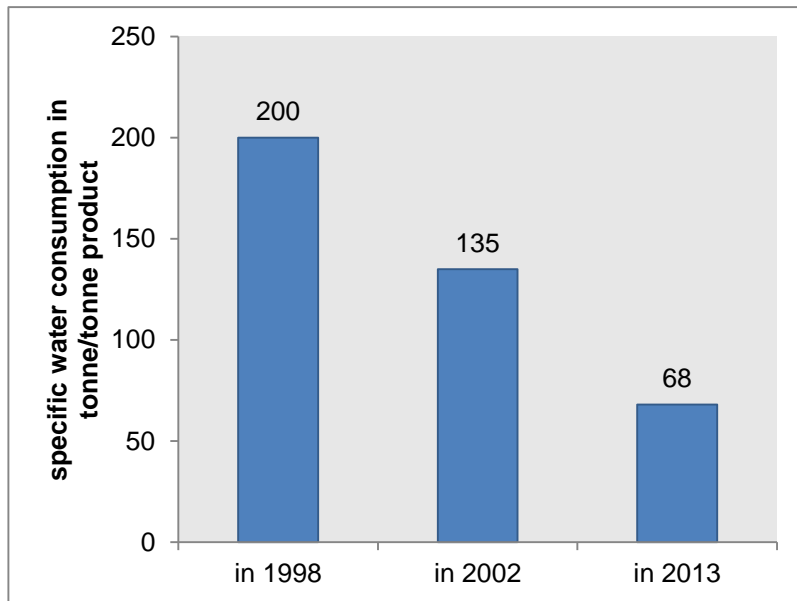


- Pulp and Paper 1999
- Pulp and Paper revisited 2004, 2013

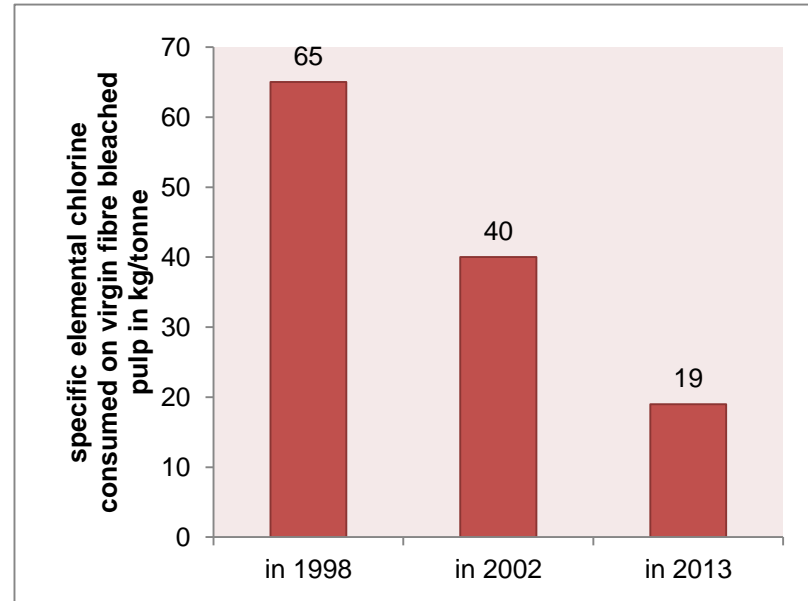
# Differences made

- Difference was **willingness of the companies to participate and engage**
- Difference was **significant improvement** in environment management systems

## Reduction in specific water consumption



## Reduction in elemental chlorine consumption



# Automobile Rating 2001

## Differences Made



High disclosure – **emission certificates made public** for 1<sup>st</sup> time for each vehicle

Supply chain management – **outsourcing pollution**– recognized and practices changed

Pushed for **better technologies** for better pollution control

# Chlor-Alkali 2002

## Differences Made



Regulation for **mercury changed globally and in India**. Study showed high unaccounted for mercury. Pushed to regulate on input not discharge

Finance Ministry gave subsidy for import of membrane cell technology to replace mercury

Mercury use **nearly phased out** – from 70% to some 10% now

# Cement 2005

## Differences Made

- Global recognition that **Indian cement industry matches global best standards for energy use and GHG emissions**
- Changed the perception of industry
- Pointed to **challenges of limestone mining**



# Steel 2012

## Differences Made

- **Draft norms for Steel sector** prepared based on GRP rating.
- **IFC noted GRP study**, consulted CSE and noticed Indian steel industries it invested in
- Has been instrumental in pushing industry to adopt better practices





# Coal-based Power 2015





# Differences made

**Spurred wide public debate; Govt. announced several initiatives:**

- Tightening pollution norms,
- Introduced new norms for SO<sub>2</sub>, NO<sub>x</sub>, Hg

mg/Nm <sup>3</sup>	Unit size	Installed before Dec 31st, 2003 *	Installed between 2004 and 2016 *	Installed Jan 1, 2017 onwards
PM	All	100	50	30
SO <sub>2</sub>	<500MW	600	--	--
	>=500MW	200	200	100
NO <sub>x</sub>	All	600	300	100
Hg	All	0.03 (>500 MW)	0.03	0.03

- Increasing resource efficiency- high efficiency plants planned
- Improving monitoring framework- CEMS
- Introduced Water use norms:
  - OTC plants convert to CT;
  - CT plants to cut water use to 3.5 m<sup>3</sup>/MWh; New plants to use 2.5 m<sup>3</sup>/MWh

**Existing plants – comply by Dec 22, 2017**





# Our mission

“If the Green Rating Project has convinced me of anything, once again, it is that India’s biggest strength is its democracy.

If the rating continues, I am convinced it will not only help to improve environmental governance in the country, but it will also go a long way in placing the environmental concern, within the companies themselves, right at the top.”

**Anil Agarwal**

