

Towards a Greener Future KALPESH POPAT, gms

The risks associated with climate change are now well documented and at the same time widely debated. Businesses and policy-makers need to work together and invest in the development of technology that will be energy efficient or in other words "Carbon Positive". Toyota, British Petroleum (BP), Indian Tobacco Corporation (ITC) are few amongst many other companies who have taken voluntary initiative to save the only home we have. But the task is gigantic and will need the hand of all.

Environment Social Responsibility (ESR)™, a business division initiative under the Naturenomics™ framework, helps firms develop a 360 degree approach to sustainable profits by managing natural assets and their operating environment in a sustainable manner. A general idea revolves around:

Reusing of the natural resource by means of recycle. Example:

Managed Forestry, under which case the ecosystem and bio-diversity are protected by continuous regeneration of the forest, and at the same time generating revenue through cultivation.

Managed Water, wherein the rivers, lakes are maintained and kept clean and recharged by third party who will want to generate revenue by providing navigation facility through water, distribution of drinking water, mineral water system, water for irrigation facility, to generate the hydro energy, and / or simply by encouraging tourism.

Right Use of the natural resource, by value addition. Example:

- Using Wind and Solar power to generate energy and thereby reducing the need of coal based power plants.
- Using Forest, Land, Ocean for Carbon Sequestration and thereby offsetting the Co2 generated by Power and Industry sector.

Innovation, by means of investment in Research & Development, Example:

- Fuel cells, where in hydrogen is used as fuel to generate energy.
- Energy efficient products ranging from computers, lights, motors, and fuel efficient vehicles leading a path towards ultimate eco-friendly car that runs on alternate fuel technology.

At the forefront of environment sustainability is ITC. Presented below is an excerpt from the firm's Annual Report which highlights leading edge initiatives in the environment sustainability space:

ITC does it Green

As a company that strives to be 'Citizen First', ITC attaches critical importance to its responsibility to contribute to the 'Triple Bottom Line', namely the augmentation of economic, ecological and social capital.

This commitment finds expression in the Company's sustainable development philosophy, which recognizes the need to not only preserve but also enrich precious environmental resources while providing a safe and healthy workplace for its employees.

The Amsterdam-based Global Reporting Initiative has recognized ITC's Sustainability Report 2006 to be the first in India and one of the first 10 reports globally to conform to G3, the latest Sustainability Reporting Guidelines. CII-ITC is engaged in creating awareness, promoting thought leadership and building capacity among Indian enterprises on issues relating to sustainable development.

Social Forestry Project

ITC, in collaboration with the programmes of the Government of Andhra Pradesh, initiated Social Forestry Project under which 9,069 hectares were covered till date, resulting into revenue generations through cut plantations for 10,510 poor households spanning across 380 villages.

To-date 876 households harvested their plantation earning a total of 4 crores. The farmers own income have been invested wisely into productive assets to ensure a long-term virtuous cycle of development, called Village Development Fund which has now grown to Rs 46 lakhs by the close of the financial year.



Soil & Moisture Conservation

Soil & Moisture Conservation programme created a total of 1,531 large and small water harvesting structures, in identified moisture stressed districts through soil and moisture conservation works covering an area of 26, 704 hectares and 21, 399 farmers in 460 villages. This resulted in a significant shift towards a double-cropping regime in these areas as a result of effective ground water recharge.

Being Carbon Positive

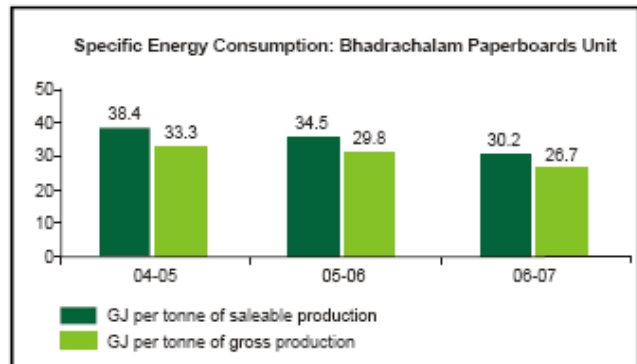
ITC continues to make progress in creating positive environment through Energy conservation and Carbon Sequestration through forestry.

Energy Conservation

Threshing units achieved a 20.8% reduction, Cigarette and Paper businesses achieved 14.8% and 9.3% reduction, respectively.

Co2 Sequestration

The total Co2 (equivalent) emitted by ITC units in 2006-07 amounted to 1,143 kilo tonnes (1,202 KT in 2005-06). At the same time ITC also helped sequester 2,025 KT of Co2 (1,244 KT in 2005-06) hence maintaining the status of 'Carbon Positive Company' for the second year in a row.



Raw materials sustainability

Wood being the major source of fibre for the paper and paperboard industry. ITC's paperboards mill at Bhadrachalam manufactured over 283,470 tonnes of paperboards in 2006-07, required 273,656 tonnes of wood.

ITC's strategy revolved around providing opportunities to the economically backward by helping them raise plantations under its forestry project. At the same time ITC's R & D has evolved high yielding, site specific, disease resistant clones resulting into distribution of 119 million high quality saplings to farmers during the year.

Apart from increasing the green cover this effort also contributes to in-situ moisture conservation, ground water recharge and significant reduction in top soil losses due to wind and water erosion.

Water Positive: Five Years In A Row India faces a turbulent water future. With over 16% of the global population having access to less than 3% land mass and less than 4% fresh water resources in the world, water scarcity in India is likely to worsen over the years.

By implementing water audit recommendations, deploying advanced technology, increasing awareness and improving resource management, ITC's Packaging & Printing business achieved 33% reduction, the Leaf business 21 %, the Cigarette business 13% and Paperboards & Specialty Papers business 6.3 % reduction in water consumption this year.

ITC also continued to invest in creating additional rainwater harvesting capacity both within the Company and through watershed development projects in socially relevant areas. As a result a total of 23.6 Million KL RWH potential was created till date.

Zero Solid Waste

The Central Pollution Control Board has reported that even in large and medium cities in India, the major mode of solid waste disposal is by land filling/dumping. In most cases, the dumping sites are not only serious health hazards to people living in the neighbourhood but are liable to contaminate ground water too. ITC's unique endeavour to recycle all the solid waste generated by the Company's operations has resulted in overall solid waste recycling to 96.2 % in the 4th quarter of 2006-07

NaturalGist

- *Businesses and policy-makers needs to work together and invest in the development and deployment of low carbon fossil fuel technology.*
- *Radical innovation is required in automobiles industry. Automobiles of the future must increase both environmental, safety and driving performance. At the same time, these solutions should also take into account the convenience and comfort.*
- *Hybrid technologies can be adapted for fuel cell vehicles and are key technologies for the development of the ultimate eco car.*
- *Alternative Energy has made progress in four low-carbon technologies: solar, wind, hydrogen power and gas power.*
- *Biofuels were seen as another major contributor to global energy supply of future, helping to reduce demand for fossil-derived hydrocarbons and support reductions in GHG emissions.*
- *Enrich Environment: The need is not only to preserve but also enrich precious environmental resources while providing a safe and healthy workplace for the employees.*
- *Zero waste leading to Solid waste management, Effluent Water Recycling and Rain water harvesting is the key to minimize the depletion of the limited resources and thereby achieve sustainability.*
- *To sum up: the mantra 'reduce, reuse and recycle' should now go hand in hand with securitizing of our natural resources.*