

Sustainable Consumerism and Management of Natural Resources

People, Planet, Profit

NCCF Webinar

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Missing sense of sequencing and proportion

- People, Planet, Profit – sequencing? Proportion??
- **Profit**, People, Planet
- Why has this happened over time and over geographies?
 - Profit focus (Owners Vs Managers, These two Vs People, These two Vs Planet, even People Vs Planet)
 - Consumerism, **Consumerism**, **Consumerism**
 - Resource use not constrained, its sustainability not considered
 - Externalities not internalized
 - Governance – Policy Vs Implementation, Exit and Voice with/without hierarchical control
 - Risks have increased many-folds and -types for People and Planet
 - Can Profit remain unaffected? Probably NOT (Covid-19 crisis)

Some Emerging Threats to Profit

- Business liquidation risks
 - Stranded assets (e.g. infrastructure, coal, oil)
 - No People to operate (e.g. Covid-19 labor crisis)
- Regulatory risks
 - Uncertainty of future regulations (globalization?, taxes, caps)
- Supply chain risks
 - Major disruptions (by nature – e.g. climate change) (by People – e.g. no migrant labor, nationalism/ protectionism)
- Disruptive businesses
 - Shared economy, distributed solutions, change in user behavior
- Reputational risks
 - Public image negative, leading to loss of faith of stakeholders
- Litigation risks
 - Threat of lawsuits on “bad” businesses (e.g. by NGOs, PILs)

Restoring Sense of proportion in People, Planet and Profits – An Example

Sustainable Development Goals, 2015 (until 2030)



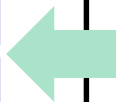
CSR Provisions of the Companies Act 2013 Schedule VII – CSR Activities

- Eradication of extreme hunger and poverty
- Promotion of education
- Gender equity and women empowerment
- Reducing child mortality and improving maternal health
- Combating HIV-AIDS, Malaria and other diseases
- Environmental sustainability
- Employment enhancing vocational skills
- Social business projects
- Contribution to PM's relief fund/state/central funds
- And such other matters as may be prescribed

Externality Reduction and Revitalization opportunities

- Rural biogas grid
- Decentralized Renewable Energy Enterprises
- Solar Home Systems
- Agro-forestry/ reforestation projects

Primary and secondary social and environmental benefits



Possible Solutions?

- **Natural Resource Responsible Businesses**
 - Concept of trusteeship (Mahatma Gandhi)
 - Concepts of ESG financing (Environmental, Social and Governance
 - USD 33 trillion have been invested through ESG, make ESG as a requirement for all Indian businesses)
 - Link Profit with ESG (Responsible businesses generate higher returns)
 - **Profit to Planet** transitions are indeed possible – embark on your own **Realize, Minimize, Neutralize, Revitalize** journey for natural resources NOW and HERE
- **Responsible consumerism**
 - Minimize (Need Vs Greed - Mahatma Gandhi)
 - Behavioural change – e.g. reduce consumerism, Buy local wherever possible (but quality important)
 - Sustainable transitions – e.g. Make in India for the World, Modal shift towards rail, Housing for All, ESG finance etc.

दिल ना-उमीद तो नहीं नाकाम ही तो है
लम्बी है ग़म की शाम मगर शाम ही तो है

फ़ैज़ अहमद फ़ैज़

Thanks

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