

The Green Rating Project

In the last two decades, India's industrial growth has been marked by its high resource intensiveness and equally high environmental and health impact. During this time, an inadequate regulatory framework has struggled to stop the degradation of the environment. Since its inception in 1997, the Green Rating Project (GRP) has played a vital role in bridging this gap by making environmental performance of companies within a particular sector public, and has established itself as India's only independent environmental rating programme.

GRP is rigorous, independent, participatory and transparent. It seeks synergy between civil society and the industrial sector in the firm belief that the larger aims of resource and energy efficiency, environmental protection and social concord are shared by all—industry, government and the people; but GRP goes about its business autonomously, banking on its own detailed research and analysis. In the last two decades, GRP has rated six major industrial sectors—paper (twice), automobile, chlor alkali, cement, iron and steel, and thermal power. Now, we are rating the urea manufacturing industry of India. Like our previous ratings, we hope this rating too will move the policy framework forward and pave the way for promoting environmentally sound and socially relevant development.



As a public disclosure project that assesses, rates, and publishes environmental and social performance of companies, GRP holds a unique place in India

The key to GRP philosophy is transparency. It projects an unbiased picture of the performance of companies. This enhances the reputation of good performers in the market, while motivating poor performers to improve

The GRP process is fiercely independent and not susceptible to influence. It is not funded by any corporate entities and is free from conflict of interest

The method employed by GRP takes into account all aspects of production—from the use of raw material, resource efficiency; pollution control, and health and safety systems in place; environment management; corporate social responsibility; to product stewardship. It is, therefore, much broader in scope than the somewhat limited environment impact assessment (EIA) or environment audit used by official agencies

After rating six major industrial sectors—automobiles, pulp and paper, chlor alkali, cement, iron and steel and coal-based thermal power—GRP has established itself as India's only independent and rigorous environmental rating project

The fertilizer manufacturing sector, more precisely the urea manufacturing industry of India, is the seventh major sector to be rated by GRP

There are 32 urea manufacturing units in India. Sixteen of them are in the private sector, followed by public and cooperative sectors with 10 and 6 units respectively. This rating takes into account 28 of them, located at 23 plant sites

Thirteen plants agreed to participate in the GRP, representing 53 per cent of the total production capacity, the rest—10 plants—chose not to disclose any information

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The imperative of the green rating project

India's phenomenal economic progress has engendered a critical challenge of keeping its industrial growth in harmony with environmental conservation and equitable social development. Unfortunately, industrial growth in India has been extremely resource-intensive and polluting, and comes at an excessive environmental cost, impairing public health and quality of life. Regulatory mechanisms have been persistently inadequate and ineffective. This is where the role of civil society and the general public becomes vital—to intervene and push for change. The Green Rating Project (GRP) is one such intervention to promote sustainable growth in the industrial sector through promotion of resource efficiency, pollution control, and social and environmental safeguards

WHAT IS GRP?

GRP is an attempt to present a market-oriented framework by which the environmental impacts of industrialization can be measured and monitored. It assesses, compares and ranks the environmental performance of companies. The results are then disseminated to a wide audience, including investors, consumers, media and financial institutions, both within India and abroad, enhancing reputation of good performers. It also aims to partner with industrial sectors and embed sound environmental management principles into their production practices.

In 1997, GRP was initiated by CSE with the support of the United Nations Development Programme (UNDP) and

the Union Ministry of Environment and Forests (MoEF, that was later rechristened as the Ministry of Environment, Forest and Climate Change or, for short, MoEF&CC), Government of India. It was for the first time that an NGO in the developing world was undertaking the environmental rating of industrial sectors. Now, after rating six major industrial sectors—automobiles, pulp and paper, chlor alkali, cement, iron and steel, and coal-based thermal power—GRP has established itself as India's only independent and rigorous environmental rating project.

GRP benchmarks the environmental performance of a company on the basis of theoretical best practices. Even the best available technology does not fetch full marks for a company, as there might be scope for further improvement



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India's urea manufacturing industry is the seventh industrial sector to be rated by GRP