THE INSTITUTE OF
Company Secretaries of India
भारतीय कम्पनी सचिव संस्थान
IN PURSUIT OF PROFESSIONAL EXCELLENCE
Statutory body under an Act of Parliament
(Under the jurisdiction of Ministry of Corporate Affairs)

Vision
"To be a global leader in promoting good corporate governance"

Motto
सत्यं वद। धर्मं चर। speak the truth, pursue righteousness

Mission
"To develop high calibre professionals facilitating good corporate governance"

ESG CATALYST

Where Sustainability Meets Innovation

AN ICSI initiative towards building awareness in the ESG landscape with the professional fraternity.

INDIA'S BIOECONOMY: BUILDING AN ECOSYSTEM OF RESILIENCE

'Bioeconomy' refers to the utilization of renewable biological resources to generate food, energy, and industrial products in ways that advance sustainability and economic development. Emerging technologies such as gene editing, synthetic biology, and bioprinting are significantly accelerating progress in this field. Cross sector collaboration further enhances long term value, while the integration of biotechnology with digital innovations and circular economy principles enable environmentally responsible solutions that support societal well being.

Broadly, the bioeconomy encompasses production, use, and preservation of biological resources along with associated knowledge, science, and innovation to deliver products, processes, and services across all sectors, ultimately contributing to a more sustainable economic model. India's bioeconomy vision is centred on innovation-driven growth, ecological sustainability, and inclusive development. The country aspires to emerge as a global leader in bio-manufacturing, supported by robust research infrastructure, advanced biotechnologies, and a highly skilled scientific community.

India aims to build a resilient industrial ecosystem capable of developing and commercializing novel biotech products while creating opportunities in both urban and rural regions. With a goal of reaching a $300 billion bioeconomy by 2030, India is positioning itself as a key global player in bio-pharma, especially in vaccines, diagnostics, and therapeutics. This vision aligns closely with the India@2047 framework, emphasizing green growth, self-reliance, and long-term sustainability.

Globally, similar momentum is seen across major economies. The European Union's Bioeconomy Strategy and Action Plan promotes bio-based chemicals as part of its circular economy objectives, linking industrial transformation with climate action, waste minimization, and sustainable economic expansion. In the United States, the USDA BioPreferred Program creates early markets for certified bio-based products including chemicals and enzymes through federal procurement preferences. China's bioeconomy strategy highlights high-value bio-based chemicals and enzyme technologies as priority sectors, while Japan supports integrated research and commercialization efforts through METI and NARO to boost bio-based chemical manufacturing. The global shift toward a bio-based economy reflects a collective recognition of the need for sustainable, resilient, and innovation-driven growth.

As countries invest in advanced biotechnologies, strengthen policy frameworks, and promote circular economy principles, the concept of bioeconomy is emerging as a powerful driver of environmental stewardship and economic opportunity. India's ambitious vision positions it well within this global transformation, creating pathways for leadership in bio-manufacturing, bio pharma, and sustainable industrial development. Together, these efforts signal a future where biological resources and innovation play a central role in addressing environmental challenges and enhancing societal well being.

News in ESG

1. India Backs Steel Sector as EU Carbon Border Tax Pressures Exports, Trade Strategy

The Indian Nation is preparing measures to support steelmakers pressured by Europe's carbon border policy, with senior officials warning that export challenges will persist despite India's new trade deal with the EU. The agreement lowers tariffs in several sectors but leaves the EU's Carbon Border Adjustment Mechanism (CBAM) intact, underscoring how climate policy is now a key driver of global trade competitiveness. Introduced in 2021, CBAM imposes carbon-linked fees on high-emission industries such as steel and cement. Since January, exporters have been required to comply with a carbon-reporting and pricing system that blends climate regulation with trade rules. India has strongly criticized the mechanism as a non-tariff barrier that could disadvantage developing countries still dependent on conventional production methods.

For businesses and investors, the situation highlights the fact as to how decisions in one jurisdiction are reshaping global supply chains. Carbon accounting now affects market access, pricing, and long-term investment risk. With two-thirds of Indian steel exports going to Europe, mills are already seeking alternative markets in Africa and the Middle East, where carbon border rules are less developed and infrastructure demand remains high. This shift mirrors a broader reorientation across heavy industry as emerging economies diversify trade routes in response to stricter climate policies in advanced markets.

The evolving environment also has financial implications, as lenders and investors increasingly scrutinize carbon intensity, and mechanisms like CBAM influence credit terms, insurance costs, and capital flows. India's readiness to intervene signals that governments are moving to protect domestic industries from sudden climate-policy shocks, potentially through cleaner-technology incentives, diplomatic engagement, or targeted export support. Meanwhile, the EU's firm stance shows that carbon pricing is becoming a core element of trade policy, raising questions about how future agreements between developed and developing nations will balance climate goals with industrial growth.

As steelmakers adjust, the episode illustrates a broader transformation in global manufacturing: climate governance is now shaping geopolitics, trade strategies, and investment decisions and is becoming central to the world's industrial economy.

https://esgnews.com/india-backs-steel-sector-as-eu-carbon-border-tax-pressures-exports-trade-strategy/

2. EU Moves to Ban Destruction of Unsold Clothing Under New Circular Economy Rules

Belgium is tightening fashion waste rules through new Eco design for Sustainable Products Regulation measures that ban and require disclosure of destroying unsold stock. Europe currently destroys an estimated 4–9% of unsold textiles yearly, producing about 5.6 million tons of Co_2 similar to Sweden's 2021 net emissions, revealing systemic issues from overproduction to poor resale systems. The rules mandate public reporting of discarded unsold goods and ban destruction of unsold apparel, accessories and footwear for large companies from 19 July 2026, and for medium sized ones from 2030. From February 2027, companies must use an EU wide standardized template to disclose waste volumes, aligning with governance priorities around transparency and comparable ESG metrics. Regulators expect this to encourage better forecasting, return logistics and resale or remanufacturing strategies.

The Delegated Act outlines limited exceptions such as safety risks or irreparable damage monitored by national authorities. By narrowing derogations, the Commission aims to prevent loopholes while recognizing operational constraints, adding a compliance layer touching product safety, logistics and ESG audits. These measures come amid rising regulatory, consumer and investor pressure for sustainability and are introducing governance expectations for stock management, procurement and lifecycle design, making overproduction a compliance risk. Financially, the ban may drive investment in resale models, rentals and recycling, while disclosure data may influence ESG assessments, valuations and access to sustainable finance.

Positioning textiles at the core of the EU's Eco design strategy, the rules are set to reshape global supply chains as brands prepare for 2026. By linking environmental policy with corporate governance and standardized reporting, Brussels is reinforcing its role as a driver of circular economy practices, signalling that waste management is now a mandatory competitiveness factor for global fashion companies.

https://esgnews.com/eu-moves-to-ban-destruction-of-unsold-clothing-under-new-circular-economy-rules/

3. Deutsche Bank Issues $594M EU Green Bond for Taxonomy-Aligned Housing

Deutsche Bank has entered the European Green Bond market with a €500 million four year issuance linked to residential green building loans its first under the European Green Bond Standard. The deal follows updates to the bank's Sustainable Instruments Framework and reflects Europe's push for stricter, taxonomy aligned sustainable finance rules. The bond, which carries a 2.875% coupon and is callable after three years, stands out for allocating all proceeds upfront to refinance an existing portfolio of EU Taxonomy aligned green residential loans. This approach reduces deployment uncertainty and highlights a growing trend among European banks to use green bonds to rebalance their mortgage books.

With regulators intensifying scrutiny around greenwashing, governance and verification have become central. Deutsche Bank's framework and EuGB Factsheet received independent validation from ISS Corporate, underscoring the heightened expectations for credible ESG structures.

For investors, the deal signals a shift toward more regulated, transparent sustainable finance instruments where asset level compliance drives evaluation and pricing. For the wider market, it illustrates how Europe's climate policies especially around energy efficient housing are reshaping lending and capital raising strategies. Overall, the issuance reflects the broader evolution of green finance from voluntary, marketing driven labels to rigorously governed, policy aligned market standards.

https://esgnews.com/deutsche-bank-issues-594m-eu-green-bond-for-taxonomy-aligned-housing/

4. European Sustainability Reporting Standards Show Imbalance in SDG Coverage

A recent academic study evaluates how the European Sustainability Reporting Standards (ESRS) map to the U.N. Sustainable Development Goals (SDGs), analysing 297 quantitative ESRS indicators and associated EU Taxonomy metrics. The study finds that ESRS disclosures are highly concentrated in climate, labour, and resource-efficiency topics, with SDG 8 (Decent Work), SDG 12 (Responsible Consumption), and SDG 13 (Climate Action) receiving the strongest coverage. Conversely, SDG 2, SDG 4, SDG 11, and SDG 17 show limited representation, revealing structural gaps in how ESRS support broader sustainable development priorities.

The researchers develop the first comprehensive ESRS-to-SDG mapping model, integrating ESRS data points, GRI linkages, and EU Taxonomy revenue/capex/opex alignment ratios. Environmental indicators such as emissions, pollution, and waste are treated as negative when increasing and positive when decreasing, while renewable energy and recycled materials are deemed positive contributions.

Climate reporting under ESRS E1 dominates with 108 indicators and five Taxonomy metrics, while pollution (E2), water (E3), biodiversity (E4), and circular economy (E5) primarily connect to SDGs 12, 14, and 15. Social disclosures under ESRS S1 (Workforce) produce mixed results: Of 73 indicators, 26% lack directional interpretation, limiting comparability. Positive contributions relate to collective bargaining, gender diversity, and social protection; negative ones to injuries, fatalities, turnover, and human rights violations. All workforce indicators map back to SDG 8, reinforcing the goal's dominance within the ESRS. To validate the model, researchers built a Microsoft Access assessment tool and tested it using 2022–2023 ESG data from 20 major EU-listed companies. Empirical findings show more positive than negative contributions, contrasting with the theoretical model where negative contributions dominate. This is being interpreted as firms highlighting reductions in harm, consistent with legitimacy theory. Many data points show no year-over-year change, limiting insights into progress. As companies begin CSRD-mandated ESRS reporting from FY 2024, the study concludes that ESRS significantly improve transparency in climate and workforce reporting and strengthen ties to the EU Taxonomy, but still contain imbalances across the SDGs. The mapping database is being described as a cost-effective integration tool enabling companies to incorporate SDG analysis without adding extra disclosure layers.

https://www.esgtimes.in/esg/sustainability/european-sustainability-reporting-standards-show-imbalance-in-sdg-coverage/

PARTENERING IN ESG

ENVIRONMENTAL

Set an internal price on carbon emissions

SOCIAL

Implement initiatives to foster mental health of employees

GOVERNANCE

Maintain a Board with diverse expertise and Independent Directors

JOIN THE ESG MOVEMENT

Sustainable Mobility

Utilize digital tools for document management

Audit daily waste

We hope that the above information provided in the ESG Catalyst will be useful for professionals and inspire them to adopt ESG practices. Your suggestions and inputs on ESG Catalyst may be shared by email at ***esgsb@icsi.edu.***