

SMALL CHANGES, BIG IMPACT

SME partners of retailers can reap tangible benefits by implementing simple, sustainable ideas

■ *By Project Green Retail Team*

Through project Green Retail, the European Union (Switch Asia) has been helping some retailers in India incorporate sustainable practices in their operations and strategies since 2013 with a view to maximise profits, mitigate risks while manage environmental impact. Retailers participating in the pilot project have reported significant savings in energy, reduction in waste and improvement in awareness of the store teams on key sustainability issues (*STOrai*, December 2015 Issue). Recently, the project team extended the activities to the food and beverage supply chain of retailers.

INTRODUCING ECO SENSE

The project team will work with small and medium enterprises (SME) that are supply chain partners of food and beverage retailers. A programme has been specifically developed for that purpose. Titled ECO Sense Programme, the programme aims to support SMEs through awareness generation, gap assessment and implementing improvements using the project team's technical expertise, especially that of Stenum Asia and AREC.

The key assessment areas with a focus on environmental and business sustainability at the SMEs are:

1. Energy management
2. Water management
3. Material use management
4. Technology and processes
5. Output

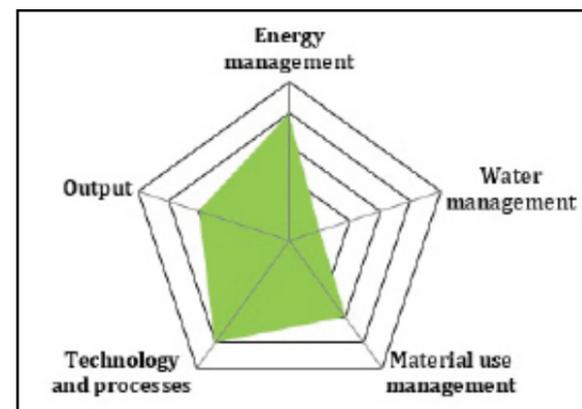
MOVING ON TO IMPLEMENTATION

Gap assessments conducted on a pilot basis at a few food processing SMEs in Mumbai helped them identify where they stand on their journey towards sustainability. The assessment was aimed at comparing their

current operational practices against best in class practices on the five assessment areas mentioned above. It provided the SMEs a simple scoring on each of the assessment areas as shown in the figure below.

With this, the SME owners obtained an understanding of their strengths and weaknesses. Furthermore, the SME management could prioritise their improvement actions on the basis of this score.

Following the score, the SMEs were provided with specific recommendations in order to make their operational practices more sustainable. Applying the principles of Sustainable Consumption and Production (SCP) and principles of Resource Efficient Cleaner Production (RECP) the assessment team identified improvement opportunities. The emphasis was on improving the existing processes rather than to make major changes in technologies or production processes. This is particularly important for SMEs as they have limited capital to deploy and seek faster payback of invested money. Each recommendation for improvement at an SME was customised for the particular SME and saving potential (both in terms of money and in terms of natural resource saved) was estimated where relevant data



► EXAMPLE OF GAP ASSESSMENT SCORE FOR AN SME

was available. Most recommendations involved minor changes that do not cost much money, and pay back within three to six months.

The specific recommendations for each SME were incorporated in a report that was handed over and then explained in detail to the beneficiary. Based on areas of interest and own priorities, each SME selected a few recommendations for immediate implementation. The Green Retail team provided technical support to the SMEs during the implementation, as and when needed, while the SME invested their own time, effort and in very few cases some money, to implement the recommendations.

MEASURABLE IMPACT

While this process of implementing recommendations will carry on for some more time, a short review in March 2016 shows that the SMEs are benefiting from the Gap Assessment. They reported reduced energy demand, reduced packaging material purchase and reduced waste generation while maintaining their product quality and output levels.

Some of impact the SMEs reported include:

- Reduction in energy bills for the same production capacity
- Reduction in consumption of edible oil due to less oil spillages
- Improved electrical safety as hot circuits are identified early and repaired
- Improved efficiency of thermal systems due to repair of furnaces
- Increase in production by 10 kg/day for the same energy consumption
- Decrease in CO2 emissions
- Improved insulation, drop in compressor pressure / leaks.

Green Retail is a project funded by the European Union (EU) under the SWITCH Asia Programme that promotes Sustainable Consumption and Production (SCP) across the Asia region. Green Retail is targeted at the Indian Food & Beverage Retail sector in Mumbai, Bengaluru, National Capital Region Delhi and Kolkata and aims at facilitating the switch to resource efficient practices in retailers' operations, greening the retail supply chain (focus on MSMEs), and contributing to the evolution of green consumers. Retailers Association of India (RAI) works with the Confederation of Indian Industries (CII) along with other agencies to implement this project in India.



POSITIVE FEEDBACK

The audits were a source of new ideas for the store. The recommendations brought a big impact in our day-to-day workings and resulted in curbing overall production loss.

- *Mahesh Chandarana, Raghuvanshi Farsan*

This is the first time we were introduced to such a type of audit. It resulted in immense sharing of knowledge and a change in the mind set of all employees. It oriented us to think in the direction of energy conservation. Implementing recommendations helped us improve our system. There were improvements in logging of edible oil, air quality and working conditions. We experienced savings in energy. We implemented 80% of the recommendations and are in discussion with vendors for the rest. We would like to the project team to continue helping us by making us aware about good technology.

- *Amreen, Raghuvanshi Farsan*

Participation in the programme helped us learn new methodologies and ideas. It gave us a clear picture about where we stand. We implemented about 60% of the recommendations so far and the major impact was on electrical and thermal energy consumption. It's a project that is good for the environment as well as business.

- *Jeegar Mota, Mota Chips*

Most of the improvements were carried out in the areas of heat insulation, lighting, identifying and reducing compressed air leaks and improving air quality in the shop floor of the SME. Put together, it has resulted in better motivational levels of the SME teams. 😊