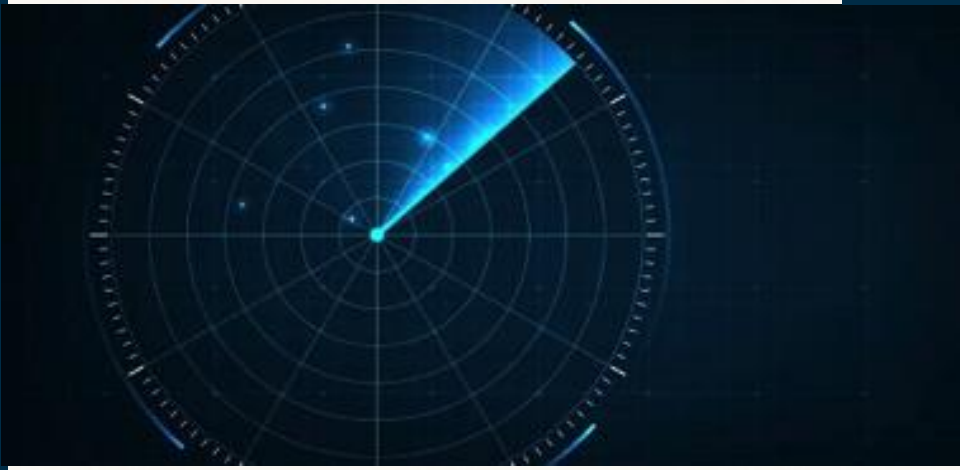




Navigating INDIA



“Work hard in silence, let success be your noise”
– Anonymous



INSIDE THIS EDITION

This edition of the Monthly Policy Note looks both inwards as well as outwards. We look at the impact that the digital revolution as well as the G7 infrastructure plan is having on economies, especially that of India. We highlight why climate change education is so important, now more than ever.

The Note also highlights how monetary policies and food crises can be both a cause and an effect of geopolitical strategies and how such contingencies can be thought through in advance especially when it comes to food crises. The healthcare industry requires CSR intervention, and we attempt to highlight how it can be done by the industry as well. Strategic autonomy in the defence sector should be parallelly taken across segments but should be gradually targeted – to prevent overlaps as well as implementation issues.

In our expert section, we have Mr Poul Jensen (MD, EBTC) share his insights and views on the Indian R&D ecosystem as well as the industries, while also suggesting how EBTC plans to play a key role in the country.

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Policy Square:

Mr Adil Zainulbhai (Chairman, Capacity Building Commission) **and Mr Hemang Jani** (Secretary, Capacity Building Commission)



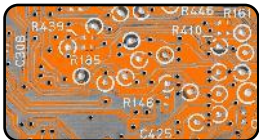
Economy update:

Digital revolution – An exponential transformation being brought about by 1s and 0s



Geo-politics:

Food crises: a geopolitical card – An indirect impact of a direct confrontation



Infrastructure

G-7 Infrastructure plan – Needs a holistic and global effort, not just few countries



Aerospace and Defence:

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Healthcare:

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Expert Interview:

Poul V. Jensen – Managing Director, European Business and Technology Centre (EBTC)

Policy Square | A Primus Partners initiative to understand the more fundamental questions in policy making

Primus Partners on 28th December 2021 launched **Policy Square**, in association with Businessworld.

Policy Square, an initiative by Primus Partners, is a monthly expert interview series wherein key constituents of the public policy ecosystem – senior policy-makers, civil society members, business executives etc. – are interviewed on critical issues and policies of national importance to explore their impact on the country and industry at-large.



The latest episode of Policy Square, released on Primus Partners' YouTube channel, hosted a conversation with on **Mission Karmayogi with Mr Adil Zainulbhai (Chairman, Capacity Building Commission) and Mr Hemang Jani (Secretary, Capacity Building Commission)** on the initiatives towards capacity building in the civil services in India.

Mr Adil Zainulbhai and Mr Hemang Jani shared insights on the learning and development needs of civil services, gaps and challenges as well as how the Mission Karmayogi intends to arm the civil services with the right trainings and systems awareness along with establishing a need-based learning ecosystem within the country.

Link to the full interview: [Policy Square with on Mission Karmayogi](#)



Our take

India's ambitions for the next decade are larger than anyone could have imagined even 10 years ago. The civil services hence also need to adapt to changing times and the ecosystem also needs to be enabled similarly. A path of action for more than 30 million civil servants across the country is also required to be in sync with the changing times. The Capacity Building Commission intends to work towards the core themes of capacity building plans in congruence with digitization transparent governance.

A one of a kind initiative, the intent when met with efficient implementation and execution will enable a more dynamic and nimble civil services ecosystem within the country.



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Digital revolution

– An exponential transformation being brought about by 1s and 0s

The sprinting digital revolution will act as a key driver to boost growth and economic development. The new digital ecosystem in the country is reshaping and revolving, benefitting the citizens to a great extent.

India is one of the largest and fastest growing markets for digital consumers and has emerged as the second-fastest digital adopter among seventeen major digital economies.

Snapshot of India's progress on the journey of Digitalisation:

- #1 Fastest Growing large economy
- #1 Smartphone data consumer
- #1 Global Fintech Adopter
- #2 Internet Users
- #3 Startup Ecosystem

As per reports of World Economic Forum, Digitalization is emerging to be the key economic driver of recent times as it boosts growth and helps in job creation.

The Public sector has been the driving force behind India's rapid digitalization with key projects such as Digital India, efforts to speed up Aadhaar (National biometric digital identity program), Digital entrepreneurship, Innovation and Startups, and Cybersecurity. Additionally, with smartphone penetration increasing and internet reaching the last mile with BharatNet, country is showing agility towards faster adoption of digital technology and digital payments.

India recorded significant number of real-time transactions globally (48 bn transactions) showing a 33% YoY increase in volume of digital payments during FY 2021-2022. As the country is aiming towards the \$5 trillion economy vision, digital economy further has the potential to contribute upto 20% or \$1 tn, however, the extent to which the country can reap the potential benefits is contingent on a set of other socio-economic and institutional capacities.

Though the Government is offering a plethora of e-governance services across sectors using IoT, Data Analytics, Cloud etc, the country was ranked 100 out of 193 countries by the UN e-government survey to assess country's e-governance capabilities. E-Governance in the country ensures trust among citizens and to ensure this trust and transparency,

National and State Government should partner with the private sector to drive digitization, starting by putting technology at the core of regulations and operations.

It is pertinent to note that as the country is progressing, new consumer habits and dependency on digitalization is opening up new opportunities in various sectors such as logistics, retail, healthcare etc. It is therefore the right time to accelerate the vision of the country to digitally empower society and knowledge-based economy that would improve the lives of all citizens.

First, as the country is increasing its spending on the physical infrastructure, there is a dire need for the Government to acknowledge **digital infrastructure as an important transformation area**. Having the right connectivity and infrastructure on networking can transform citizen centric adoption to agile digital platforms, ensuring security and right user experience. This will ensure faster growth and long-term benefits for the economy.

Second, at present there is resistance in adoption to technology in many sectors. It is important for **digital connectivity to reach the last mile** through adoption of Government programs such as BharatNet such that tangible benefits can be reaped by businesses at micro level.

Third, there is a **strong linkage between technology and skilling sector**. There is a need for specialized courses to be run in universities to accelerate development of employable skills across digital technologies, ensuring India to become a digital talent hub.

Therefore, augmenting digital infrastructure and increasing innovation are the key pillars to the economic growth of India. India stands at a point where emerging digital ecosystems in sectors such as agriculture, education, energy, financial services, healthcare, and logistics can create more value and increase the GDP of the country.

Several initiatives including the Digital Public Goods (DPGs) and its enabled areas including Open Network for Digital Commerce (ONDC) hold a lot of promise to reimagine digital commerce. The gains from such initiatives include disintermediation, transparency as well as frictionless delivery. This further ensures the alignment of the entire ecosystem towards targeted and timely delivery.



Food crises: a geopolitical card *- An indirect impact of a direct confrontation*

History is testimony to the fact that whenever there have been large scale geopolitics related disruption, food crises have added a new dimension to global affairs. With food and water security as the most basic necessity of human survival, governments in many countries have struggled in testing times to ensure their people do not starve.

With the disruptions in global supply chain owing to the double blow of the COVID-19 pandemic as well as the escalated tensions between Russia and Ukraine, the world has been on edge – fearing a push to millions of people into extreme poverty thus worsening the challenges to the progress clocked in improving developmental indicators such as malnutrition, and per capita income.

The world has seen a sudden explosion in food prices riding on the escalating tensions between Russia and Ukraine. As per latest estimates by the World Bank, agricultural price index as on July 15, 2022 was 19% higher than that of January 2021.

Inflation too is at an all-time high as reflected in the domestic data released by most of the major economies of the world. An increase of 20.7% y-o-y has been reported in world food prices leading to a surge in inflation. Separately 94.1% of low-income countries ; 88.9% of lower middle-income countries and 87% of upper middle-income countries have reported inflation above 5%. As per the 2022 State of Food Insecurity in the World report, there has been a stark rise in the number of people affected by food insecurity between 2021 and 2020 by 46 mn.

Escalation in food prices started with the disruption of supply chain and transportation induced by the lockdown during 2020 and 2021 on account of the pandemic. Matters got worse with the escalation of tensions between Russia and Ukraine. And more recently with with countries banning export of essential food items, it has further led to food shortages and inflation.

The escalated conflict between the countries altered the normal pattern of production, trade and consumption of commodities thus pushing prices higher than expected. Consumables such as wheat, maize, edible oil, and fertilizers have been the worst hit because of reduction in grain supplies, while higher energy prices have made cultivation more expensive and higher fertilizer prices have also disrupted cropping volume, and trade disruptions because of limited operability of ports.

Together Russia and Ukraine account for over a quarter

of the world’s wheat exports to the world. They are also the highest suppliers of edible oil. Ukraine also accounts for over 16% of global corn exports, an essential component of food in Middle east and North Africa.

As per estimates, about 20 mn tonnes of grains have been locked at the Ukrainian port due to Russia’s blockade of the Black Sea port. With June being the harvesting season, the quantity of landlocked wheat with Ukrainian authorities is expected to go over 60 mn. Thus, giving rise to storage crisis with most of the warehouses running at maximum capacity.

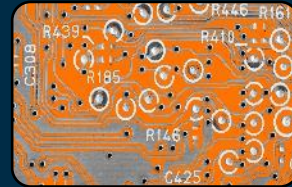
The onus for that lies on (1) Infrastructure destruction: collateral damage to agricultural assets, crops and fields, (2) Sanctions and Impositions: Specific and general sanctions on trade leading to fund flow and payment crises and (3) Logistical blockades: Imposition of regional blockades leading to closure of regular routes resulting in either supply chain blocks or higher costs due to alternative routes.

With respect to the Russia-Ukraine crisis, an agreement was recently reached between Russia and Ukraine to allow exports of edible products to ease the world food crisis. The deal is a two-part agreement with an understanding between Ukraine and Turkey around export of grains and the other between Russia and Turkey around export of fertilizers. The move while easing global food prices is also expected to bring respite to the agricultural community of Ukraine which is now on the brink of bankruptcy.

While an understanding has been reached between the two countries, the devil lies in the detail of execution. A cloud of uncertainty looms over the possibility of implementation and the ability of the authorities concerned to bring back exports figures to the pre-war level.

The movement of good also concerns commercial operators and insurers who, in the current scenario, are operating at premium tariffs to provide services in the light of great risk. Attack on a Ukrainian port by Russian authorities just days after signing the agreement has further worsened the situation.

Given that not everyone can control every external geopolitical situation, it is important to internally have the provisions and contingencies ready for such exigent circumstances. Few such measures include Improving storage facilities, improving the food basket as well as food management while ensuring there is minimum and / or no food wastage coupled with a wider coverage of the public distribution systems



G-7 infrastructure plan:

- Needs a holistic and global effort, not just few countries

At the 2021 G7 Summit, G7 leaders announced an infrastructure partnership to meet the enormous infrastructure needs of low- and middle-income countries and support the United States' and its allies' economic and national security interests.

The Partnership for Global Infrastructure and Investment (PGII) was relaunched with the G7 leaders pledging to raise **\$600 bn in private and public funds over the next 5 years (2027)** to finance infrastructure in developing countries. They will aim to achieve the investments through grants, federal financing, and leveraging private sector investments.

infrastructure partnership that seeks to tackle global crises such as climate change, energy security, expansion of information and communication technology (ICT) networks and infrastructure, advancement of gender equality and equity, and focus on advancing global health infrastructure.

This global partnership could benefit the developing countries especially India by providing them with finance for decarbonization. This partnership would also be beneficial for Indian companies or businesses that are working towards improving the rural



This project is a direct counter to China's Belt and Road initiative (BRI). The BRI is multi-billion-dollar spree of global infrastructure-building which began in 2013 under President Xi-Jinping. China is providing loans to various countries for infrastructure projects, which is helping it mark its footprints at a global level. It is aimed at creating a modern version of the ancient Silk Road trade route from Asia to Europe.

The US and other West countries have been critical of the BRI for providing unsustainable debts to countries that will be unable to repay them. According to a 2019 World Bank report, among the 43 corridor economies, 12 could face a situation where debts were not sustainable, which could lead to public assets takeover by foreign contractors or China itself as many of the contracts have been won by Chinese companies itself.

India opposed the BRI as it included the China-Pakistan Economic Corridor development is routed via Pakistan-occupied Kashmir and India believes, connectivity issues must be transparent and comply to principles of respect for sovereign and territorial integrity.

It took the West a decade to counter the Chinese BRI. But eventually developing nations like Brazil, India and Indonesia would stand to gain. PGII is a values-driven and high impact

economy. In addition to this, the US International Development Finance Corporation (DFC) will invest up to 30 million in Climate Sustainability Fund and Omnivore Agri-tech in India.

The European Union also introduced its Global Gateway project last year. This project also focuses on the physical infrastructure. Between 2021 and 2027, the EU member states have pledged approximately 300 billion euros.

Currently, the world is facing a huge infrastructure gap of around \$40 trillion. The pandemic made it worse for the global economy and when the economy started pacing up the Ukraine-Russia war happened which has created ripples in the energy and food markets globally.

In order to fill these infrastructure gaps, especially in emerging markets, such infrastructure initiatives must be adopted, rather than being viewed as a zero-sum game.

Therefore, It remains to be seen whether PGII and Global Gateway will succeed in overpowering China's BRI on a global scale. **The G-7 countries will need to align their respective approaches, investments and resources for this plan to be able to resonate with countries across the globe.**



Strategic autonomy for India

- A marathon, not a sprint

To be clear at the start, strategic autonomy in today's globalized world can only be relative and not absolute. Although there is a significant level of polarization happening at the global geopolitical level, the interdependence of majority of countries upon each other is just too deep. Hence strategic autonomy in today's parlance cannot be presupposed as having overwhelming power.

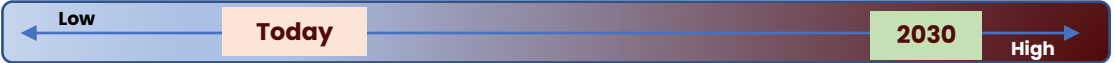
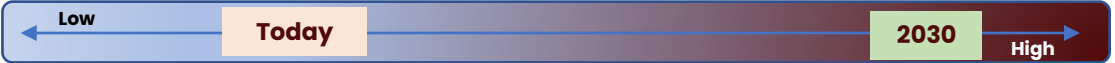




Today, strategic autonomy can be said to reside where (1) defence exports are more than imports **AND** (2) there is self reliance when it comes to critical and strategic industries **AND** (3) there is cordial alliance with the existing economic strongholds and markets viz. both the US and China. Fair to say, no country hence has

absolute strategic autonomy today. A 2-on-3 accomplishment over a consistent period of 3-5 years could potentially qualify as strategic autonomy.

India's strategic autonomy today relies to a very large extent on the Atmanirbhar Bharat Abhiyaan initiative across the key pillars of economy, infrastructure, systems, demography and demand. Aerospace and defence is one key segment that is aligned with many of these pillars specifically the first three. If we were to categorize this segment into various buckets, they would broadly fall under these heads: (1) aerospace and allied (2) defence and allied and (3) MRO and allied.

From the point of a pathway **towards strategic autonomy**, if we are to bucket each of these three heads as an ecosystem basis current and future capabilities and capacities:



<p>Military aerospace and Defence Market and capabilities</p>	<p>India is a huge market currently given the modernization plans underway which coupled with the indigenization efforts presents a significant opportunity, especially in this decade, for all domestic companies. There is a large impetus to improve their capacities and capabilities and also work towards partnerships with Indian and / or foreign companies while focusing on R&D and keeping the IPR within the borders.</p>	
<p>Aerospace and allied (civil and military) across forces</p>	 <ul style="list-style-type: none"> • AMCA, IMRH, DBMRH, Drone programs • Tiered suppliers to global OEMs (materials, electronics, weapons) 	 <ul style="list-style-type: none"> • Aero engines program • LCA Tejas maturity and an evolved exports pipeline
<p>Defence and allied (non-aerospace systems) across forces</p>	 <ul style="list-style-type: none"> • Naval programs like the P-75(I), Artillery programs like ATAGS, Combat Vehicle projects like light tanks, FICV and FRCV programs • Material sciences • Unmanned vehicles 	
<p>MRO and allied (civil and military combined)</p>	 <ul style="list-style-type: none"> • Converged civil and military MRO Ecosystem • Infrastructure development 	 <ul style="list-style-type: none"> • Focus on international certifications • Investor and industry friendly regulatory policies
<p>Common infrastructure base (Materials, Fab, Test facilities)</p>	 <ul style="list-style-type: none"> • National survey on materials availability • Fab infrastructure set up • DTIS and other programs execution 	

For an ecosystem to develop, it is important to progress on parallel touchpoints at the same time but only by ensuring that the fundamentals are strongly in place.



Monetary policies and geopolitics

– Difficult to strictly identify what is cause and what is effect

As global economies were in the process of recovering from the COVID plunge, fear of a perpetuated recession started fuelling, in-turn exhibiting the sharp uptick in inflationary pressures and a low recovery in demand. The surge in oil prices in the wake of Russia-Ukraine war has had an adverse impact on the economies around the world.

Economists are of the view that an economic slowdown is unavoidable in the second half of 2022, consequently pushing central banks to revise their monetary policy and interest rates in an endeavour to sustain growth. Multiple multinationals are in the process to address linked disruptions and hyper-optimize their brittle value chains.

Globally, central banks have ramped up attempts to tame inflation by condensing money supply. However, a higher credit cost leads to a pull back of activities and impacts government debt in developing economies, thereby giving rise to inflation.

Expansive Supply Chains Drive Policy and Inflation:

Further unrest could fuel a de-globalization process of regional supply chain and retrenchment that boosts inflation. Yet, a less expansive supply chain may have benefits from re-expansion once disruptions cease and inflation falls.

State of Economic Recovery in India:

The nation-wide lockdown in India during late March to slow the spread of COVID 19 led to a downfall in private consumption and investment demand, steering the national economy towards contraction. The World Bank has recently predicted that the economic growth of India can recover, however given the financial sector weakness, the rebound from a low base will offset by low-key private investment growth.

Inflation remained well above the RBI's target range of between 2% and 6% in 2020. However, in November 2020, retail inflation eased to 6.93% as food prices came down. The central bank raised the rate by a cumulative 0.90% in May and June 2022 to ease inflationary pressure on the Indian economy.

The headline inflation has been continuously breaking RBI's upper target limit of 6%. The retail inflation, measured through Consumer Price Index (CPI), stood at 7.01% in June 2022, standing as the 6th

month where retail inflation crossed the tolerance band of 4-6%.

Given that the inflation pressure is continuously affecting the economic growth, the RBI monetary policy committee (MPC) has been set to go for a new round of rate hike. Nevertheless, latest supply side measures taken by the Indian government to relieve inflationary pressures indicates that rate climb might not be as steep.

Challenge faced by Global Economies:

As Indian economy tastes recession, Global economies are not far behind. The world economies have been confronted with scarcities in key commodities, cracks in the worldwide monetary architecture, concerns of deglobalisation and highly volatile markets. Conflicts across the economies have the potential to derail the global financial condition.

Policymakers and economists are in the process of implementing measures to address inflation, given the margin for error is quite slim. While developed economies can afford to prioritize surviving the pandemic and return to pre-pandemic living levels, developing nations such as India must treat recovery as a necessary opportunity to remedy the long-standing problems with their economies. These issues if untreated, can precipitate into larger crises and keep India from capitalizing on opportunities.

Prioritizing Policy Measures:

Prominence on India's long-term economic development and stability shall provide larger leverage in exploring new geostrategic opportunities. In this context, continuation and deepening of supply-side measures may alleviate price pressures and mitigate cost-push pressures across manufacturing and services.

As per the IMF experts, domestic policies that are responding to the effects of high energy and food prices must focus on most affected, without distorting prices. Authorities must refrain from stockpiling food and energy. Instead, policies must be designed in a manner that loosen barriers to trade such as export bans, which can drive prices higher. Safe to say that monetary policy and geopolitics are linked to a very large extent and either can be the driver of the other



CSR in Healthcare

- Treat it as an investment by the people, of the people, for the people

Dr APJ Abdul Kalam in his "Vision 2020 for a Developed India" said that an economically developed India should be "A nation where the best of healthcare is available to all." As the divide between rural and urban, and private and public became deeper in the healthcare sector, the vision started looking more like a pipe dream. That is until the Ministry of Corporate Affairs through Section 135 of the Companies Act, 2013 made it mandatory for companies with net worth more than 500 crores to carry out CSR with at least 2% of its profits from past 3 financial years, making social reform a shared responsibility across all sectors.

Today, healthcare receives the second highest contribution from the CSR fund after Education. Around 26% of the CSR funding goes to healthcare. In FY 21, healthcare received Rs 6,363 crore of CSR funding, a 30% jump from the previous year. The effects of Covid-19 being the driving force.

Why is CSR important for healthcare in India?

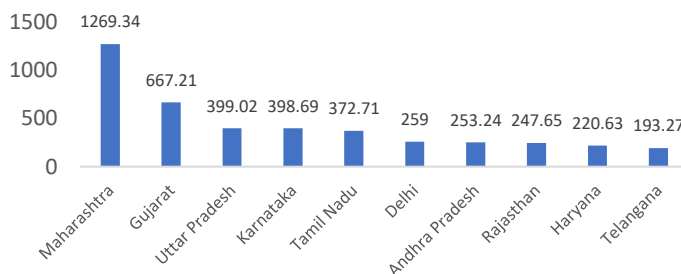
India has a strong commitment to meet 17 SDGs by the year 2030. One of those is SDG 3- *Ensure Healthy Lives and Promote Wellbeing for all at all ages*. With less than 2% of GDP spent on healthcare by the government, the onus falls upon the private sector entities to fill the gaps in health infrastructure and delivery in the country and contribute towards the SDG commitments.

Indian healthcare sector is heavily privatized and focuses largely on the secondary and tertiary care. Post-Covid, the importance of preventive care has been particularly highlighted and so have the lacunae in implementation of schemes and campaigns by the government. This is an area where the large corporations can use their platforms and drive positive change.

How can CSR in healthcare affect key indicators?

Most of the corporations eligible for the CSR program employ large volumes of labour from the rural areas and have their factory set ups in the vicinity. Investing in education of these employees and their families on subjects like water, sanitation and hygiene, women's health, occupational health hazards, adolescent health, antimicrobial resistance etc. through a continued and systematic manner can imbibe some behavioural changes in the population and have direct impact on the key health indicators. Healthcare infrastructure is another critical area where the CSR investment can play a huge role in providing accessible healthcare to the population.

Top 10 states with the highest CSR funding for healthcare in FY 20-21 (INR Cr.)



Source: National CSR Portal

CSR in healthcare a sensible business choice for the companies?

Moving ahead with the times, the larger the corporation is, the more it is scrutinized for its social and political stances. Investors no longer restrict themselves to evaluating the company based on the finances but also consider its inclination towards the social and environmental causes. If a company does not show prudence towards these issues it is bound to lose credibility and trust of the stakeholders. One popular example being Volkswagen in the mid-2010s. By showing a wholesome picture of the business, attracting focus towards the social awareness and responsible business practices, the companies can enhance their stakeholder engagement and secure investments for expansion. Healthcare is one area where the outcomes are measurable and have a snowballing effect in impact, making it a sector of choice for CSR investment.

Some of the best CSR projects for healthcare in India

- Sir HN Reliance Foundation Hospital and Research Centre, Mumbai by Reliance Industries Limited
- National Cancer Institute in Nagpur by ONGC
- Maternal & Newborn Survival Initiative (MANSI) by Tata Steel Limited
- Comprehensive Healthcare Initiatives by NHPC Limited
- Project Dhanwantari by Hinustan Petroleum Corporation Limited
- Comprehensive Healthcare Initiatives by CIPLA Limited
- REACH- Paediatric Healthcare Program by Torrent Pharmaceuticals Limited

CSR Initiatives in healthcare can plug the gaps in manpower, technology and other resources that are critical for improving the healthcare scenario in the country. Volunteerism in these initiatives can also give the youth an opportunity to contribute towards the welfare of the society and understand the ground realities better.



Climate change education

- Progressively discovering our own ignorance

'We recognize that climate change poses serious risks and challenges to all countries, particularly developing countries'- U.N. High Level Plenary meeting on the Millennium Development Goals

The threat posed by climate change to people's lives and means of subsistence is grave. Global warming is causing frequent heat waves and drought-like conditions in different parts of the world. The current situation in Europe is a testament to this, as countries are experiencing raging wildfires fuelled by record-breaking high temperatures. This demonstrates the pressing necessity for us to deal with the growing problems brought on by the changing environment.

In view of the above, a multisectoral and multifaceted strategy is essential in the fight against climate change. **Education is one sector that has the potential to be crucial in this regard.**



Education plays a key role in climate action, both in terms of raising awareness of the scale of the problem and in figuring out the best solutions.

In order to address the challenges associated with climate change, it is crucial to empower the vulnerable with education, especially in schools and other educational institutions. There is, however, a dearth of efforts to fully utilise the potential of education in discussions on mitigation and adaptation measures. It is this gap that needs to be plugged, particularly in developing countries that are also highly vulnerable to climate change.

The seamless integration of climate change into curricula should be the first step in this direction, especially in vulnerable nations like India. Doing this will not just result in more awareness on this most important issue of the century, it will increase children's capacities and their abilities to contribute to mitigation of climate change will be enabled by the development of impact-oriented pedagogy and the redesign of the current educational curricula.

Additionally, government initiatives in the form of educational policies should support the development of capacities in schools beginning at the elementary levels, with an emphasis on cross-sectoral measures to make climate-resilient educational systems a

reality. In Maharashtra, as part of the Majhi Vasundhara Abhiyan, the Department of Environment and Climate

Change and UNICEF have developed a Majhi Vasundhara Curriculum on the environment for school children. The curriculum intends to improve students' cognitive skills while assisting them in understanding the complexities related with the environmental ecosystem through projects and activities.

In the same vein, the Uttarakhand Action Plan on Climate Change gives ample emphasis on the relevance of education and awareness among school children, by suggesting interventions for introduction of climate change related issues in the school curriculum. A similar decision has been recently taken by the Odisha Government regarding introduction of climate change in the syllabus of Class 10 from the current academic year.

Secondly, there is a significant gap in the integration of climate change as a subject with the educational framework given the current curricula of the Indian schooling system. It is therefore crucial that climate education be added as a foundational element of environment education in the current school curricula. This can be taken ahead with the National Education Policy 2020. **Additionally, it is crucial to implement teacher training programmes on climate change mitigation and adaptation for teachers and mentors across educational settings in order to empower students.**

Thirdly, it is crucial that nations collaborate and exchange ideas, best practises, and resources to strengthen the link between education and climate action. As per a report by The Brookings Institution, the inclusion of education in the discussion on climate change is still, at best, ad hoc. This demonstrates the necessity for a collaborative effort to define the role that education can play in the fight against climate change.

Education equips individuals with the ability to act and transform ideas into reality. Children everywhere are influencing and transforming attitudes around climate change.

The need to use education as a tool in climate change adaptation and mitigation methods must therefore be addressed by creating strong institutional structures that can foster clear and coherent discussions, for realization of the intended objectives.



Demand driven R&D, Ease of access and Ease of Doing Business will be key to further improve the Indian R&D ecosystem



Poul V. Jensen - Managing Director, European Business and Technology Centre (EBTC)

Poul supports the creation of ecosystems and platforms for Indo-European business, technology and innovation collaboration in dynamic sectors such as mobility, transport, logistics, water, energy, ICT and environment. His emphasis is also towards supporting the internationalization and global innovation of SMEs.

The core mandate for EBTC is to enable Europe-India collaboration. It will be one and a half decades since its launch - how has the journey been till now and what are your plans for the coming 5-10 years?

EBTC has been through a diverse journey since its inception in 2008 – from being a cleantech collaboration centre to successfully transforming into a self-sustainable organisation in 2016, carrying on the original mandate and staying true to enabling EU-India collaboration. We continue to implement and execute several EU projects in India which allows us to create a unique body of knowledge, multi-stakeholder networks and a proven track record of both public and private sector projects in the Europe-India Business Corridor. Sustainability, green technology, innovation and internationalisation continue to form key tenets of all our activities.

Over the next decade, EBTC is poised to expand as an ecosystem player, bringing in multi-disciplinary organisations and experts to co-create demand-driven projects and outcomes. As an example, we have increasingly been co-creating public project opportunities in Indian public and private sectors. With the tremendous growth of the country and high level of acceptability of innovative and sustainable European solutions, we see this as a key area of growth. Importantly, EBTC will be playing a bigger role in adapting such solutions to India's customised needs, which largely are markedly different to European requirements.

Just as we have expanded our on-ground understanding and networks, we have also started several of our own initiatives – forums and clusters to drive thought leaderships, facilitate internationalisation, enable policy advocacy and co-create project opportunities. We plan on nurturing these initiatives and adding on newer clusters and forums with increased private sector participation.

There is also an increased focus on communication and dissemination of such knowledge, initiatives and key developments within the corridor. As a lean and flexible organisation, we can move nimbly and follow important trends and opportunities within this dynamic landscape.

What are the top 3-5 areas where you see India leading the world in this decade?

Areas where I see India making significant strides in coming years are logistics, digitisation and mobility, as well as decentralised solutions within many sectors. Currently, at ~14% of GDP, the costs of the logistics sector are an obstacle to India's domestic manufacturing, its export potential as well as its strategic position as a bridge between East and West.

The National Logistics Policy expected later this year may catalyse standardisation across the sector, which is important to attract significant foreign investments. The decision to classify the logistics segment under the ambit of infrastructure has opened the route to more attractive financing and investments. As an example, the development of the Delhi-Mumbai Industrial Corridor (DMIC) is set to provide a boost to not only manufacturing but also the warehousing & supply chain sectors. At the same time, the government's focus on digitisation in logistics – via the e-Governance portal, the Digital India drive and the StartUp India Initiative – have been pivotal in advancing the transformation.

SMEs form the backbone of both the European and Indian economies, and it is crucial to provide a mechanism for their greater adoption while the businesses need to understand, adopt and integrate digital solutions. Digitisation of inventory management, enterprise resource management, customer relations management, big data analysis, digital payment systems, and more, helps efficiently identify and target potential clients.

I believe that India will soon be pioneering new mobility concepts. India has shown a significant appetite towards championing sustainable urban-mobility solutions, driven by the SMART Cities Mission and the Atal Mission for Rejuvenation and Urban Transformation (AMRUT). The government's FAME-II scheme fostering e-mobility in India, its strategic focus on the National Hydrogen Mission to propel sustainable mobility as its implementation of incentives for development of Sustainable Aviation Fuel (SAF) – are set to develop the sector in India, contemporarily and holistically.



In the telecom sector before an entire country's population could own a landline, cell phones came in and changed the course. So it will happen in other sectors as well. Before centralised systems of providing electricity, water, waste management, healthcare, and more are installed, there will emerge de-centralised and local systems, with newer business models and involvement of local communities. Again, digitisation will be a big part of this drive.

India has significant achievements in R&D across sectors but there is still a lot more to be done. What according to you are the top 3-5 interventions that can help in exponentially increasing the efficiencies of the R&D ecosystem in India?

R&D spending in India (GERD) at 0.66% continues to be significantly lower than ~2-2.5% in the EU in 2020. As much as 2/3rds of R&D investments in India originate from public sector, whereas almost the same figure is contributed by private sector in Europe. Recently, there has been a distinct trend of increasing foreign investments in the Indian R&D sector. Earlier, such investments were mainly towards cost arbitrage, i.e., back-end and administrative spending while now it is moving towards innovation and technology.

In CY2021, India attracted a six fold y-o-y increase of \$343.64mn in FDI inflows in R&D sector with European enterprises including ABB and Philips playing a significant role. The intention here is not just to leverage significantly lower costs of business and a highly skilled workforce but also to invest in R&D specific to India, a large and diverse market. Increasingly, IP is also being seen less as a burden and more as an asset. As the implementation partner of the India IP SME Helpdesk, EBTC is working towards bridging the gap between European and Indian enterprises in the field of IP, thereby facilitating and enhancing bilateral investments in innovations, technologies and R&D.

In my opinion, India can take two giant leaps in improving the R&D ecosystem. One, would be to focus on demand-driven R&D that serve business goals and purposes. The other would be to outline clear pathways and unified strategies for ease-of-access and ease-of-doing-business among innovators.

Could you share an exercise that EBTC was involved with, in India, which has given excellent results in terms of transformation and / or efficiency increase?

At its core, EBTC's mandate is to engage with relevant stakeholders in Europe and India to strengthen the bilateral business corridor, particularly with regards to sustainability, climate change, resource efficiency, circular economy and digitisation. One such recent engagement has been with the European Lightweight Clusters' Alliance (ELCA), a network of 12 entities of

excellence, amongst 9 EU member states, focusing on development, adoption and implementation of lightweight and novel materials in industries, such as, automotive and aerospace.

The development of lightweight materials is relatively novel in India, but so very important in sustainability terms – if every car, truck, train and plane were made of lightweight materials, the saved carbon emissions would contribute to India's committed targets. Here, EBTC's role becomes crucial with respect to facilitating an exchange of expertise, know-how and best practices between European and Indian enterprises and academia, and handholding ensuing partnerships.

EBTC has also consolidated, channelised and disseminated policy inputs from leading European and Indian CEOs to the re-started EU-India FTA negotiations. In association with Business Europe and Invest India, EBTC organised the first Roundtable to provide business leaders with a mechanism to discuss challenges and opportunities in bilateral investment opportunities. The Outcome Document of this Roundtable session, which has been shared with relevant stakeholders in Europe and India, seeks to provide a complementary business-led platform to feed into wider conversations on the EU-India FTA.

SDG is a primary topic for governments across the globe. How is EBTC working with India towards meeting the 2030 goals?

Look, EBTC was born out of SDG 17 if you will – "Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development" – EBTC is such a "means of implementation". As facilitators of bilateral and multi-lateral co-operation in the Europe-India Business Corridor, we are all about sustainability, compliance, collaboration and communication. EBTC dovetails recent developments such as EU Green Deal, EU Raw Materials Initiative, European Investment Bank's membership of CDRI, the EU Connectivity Strategy, the Global Gateway, and more. And with India's commitment to net zero and ratification with the Paris Agreement, the EU-India Partnerships across a variety of sectors, form a fertile ground for sustainable growth in-line with the UN SDGs.

We are always keen on keeping both regions reaping the benefits of each other's capacities and progress through various strategic programmes that support sustainability-focused companies, particularly SMEs. Sustainability being the common theme of all things EBTC, our transport, aviation and sports clusters are working towards implementing demand-driven projects and mandates that further the economies and the sustainable footprint to business and progress of both regions.

About Primus Partners

Primus Partners has been set up to partner with clients in ‘navigating’ India, by experts with decades of experience in doing so for large global firms. Set up on the principle of ‘Idea Realization’, it brings to bear ‘experience in action’. ‘Idea Realization’— a unique approach to examine futuristic ideas required for the growth of an organization or a sector or geography, from the perspective of assured on ground implementability.

Our core strength comes from our founding partners, who are goal-oriented, with extensive hands-on experience and subject-matter expertise, which is well recognized in the industry. Our core founders form a diverse cohort of leaders from both genders with experience across industries (Public Sector, Healthcare, Transport, Education, etc), and with varied specialization (engineers, lawyers, tax professionals, management, etc).



PASSION

for providing solutions to help clients achieve their goals

RESPECT

For all and alternate viewpoints

INTEGRITY

of thoughts and actions

MASTERY

of our chosen subject to drive innovative and insightful solutions

US

Representing the Primus collective, where each individual matters

STEWARDSHIP

for building a better tomorrow

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