

# GUIDEBOOK

Toolkit for Responsible  
Renewable Energy Procurement

April 2026





# Acknowledgements

We would like to express our sincere gratitude to all those who contributed to the development of this guidebook.

This work has been developed as part of the Responsible Energy Initiative, a coalition that brings together leading organisations committed to advancing responsible and sustainable energy transitions. We would like to thank all members of the initiative for their continued engagement and for fostering a collaborative platform for dialogue and action.

We would also like to extend our sincere thanks to our RE100 partners, particularly Suzlon, Tata Motors, IKEA, Flipkart, Mahindra and Ashok Leyland, for their time and valuable feedback during the development of this toolkit. Their perspectives have helped strengthen the relevance and applicability of this toolkit for renewable energy procurement.

We also appreciate the valuable input and timely guidance from experts partners of the Responsible Energy Initiative including Landesa, Council on Energy, Environment and Water (CEEW), and Business and Human Rights Centre.

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The Responsible Energy Initiative (REI) India is a multi-year programme that enables the renewable energy sector in India to adopt business models and value chains that are people-centric and ecologically positive. It is part of the larger international REI program that also works in the Philippines and through networks in Asia and across the global south.

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# About



## About Responsible Energy Initiative India

The Responsible Energy Initiative (REI) India is a multi-year programme that enables the renewable energy sector in India to adopt business models and value chains that are people-centric and ecologically positive.

REI India brings together industry leaders, financiers and investors, policymakers, sub-national governments and communities to:

- generate a collective understanding of the environmental and social impacts along RE value-chains and identify systemic risks in the way that the risks are managed;
- develop and champion norms and practices to support the responsible expansion of RE;
- drive on-the-ground action to innovate ecologically sound, socially just production and deployment of utility-scale RE;
- institutionalise and scale responsible RE norms, policies, business and financing models, and practices.

## REI India's vision

As actors in a responsible energy system, we embrace the power of nature to create, renew and restore. We understand that humans are a fundamental part of nature, hence, we must ensure we operate in harmony and within planetary boundaries across our value chains. We believe that being responsible means respecting the human rights and dignity of all, holding to principles of justice and equity, and supporting people to thrive.

We drive a planet- and people-centric energy transition in a way that enables deep positive transformation, enabling flourishing and resilient communities and society. Our work is inclusive, rights-respecting and participatory, and aims to centre dignity and wellbeing of individuals and communities at every step.

The way we work inherently tackles the climate emergency and the biodiversity crisis, as we have reconfigured from extractive to restorative and circular systems. We enable the capacity of social, institutional and environmental systems to adapt to future challenges and opportunities.

We are collaborative, passionate, confident and transparent, and respect the rich and diverse cultures we are part of. We ensure fairness, resilience and vitality across generations and geographies. As a sector we see our scope of responsibility and our potential for positive influence goes beyond our direct operations. We look beyond profit and growth in our definition of value, seeking to leave a holistic positive legacy.



## About Climate Group

For more than two decades, Climate Group has been driving climate action. Fast. Our goal is a world of net zero carbon emissions by 2050, with greater prosperity for all. We focus on systems with the highest emissions and where our networks have the greatest opportunity to drive change. We have built coalitions of over 650 ambitious companies through initiatives focused on energy, transport, and the decarbonisation of heavy industry (steel and concrete) and food.

RE100 is a global initiative bringing together the world's most influential businesses committed to 100% renewable electricity. Led by Climate Group, our mission is to drive change towards 100% renewable grids, both through the direct investments of our members, and by working with policymakers to accelerate the transition to a clean economy. The initiative has over 440 members, ranging from household brands to manufacturing and materials suppliers. With a total revenue of over US\$6.6 trillion, our members represent over 1.5% of global electricity consumption.

Climate Group led the research and preparation of this guidebook and the accompanying tool as part of the Responsible Energy Initiative.



This Guidebook is part of REI's broader suite of playbooks aimed at driving the adoption of responsible practices across the ecosystem of procurers, developers, and investors.

## **Playbook for investing in responsible RE**

**by Forum for the Future**

Forum for the Future, in collaboration with Dalberg, is developing a playbook to guide investors in the Renewable Energy ecosystem towards responsible investment practices. While the playbook focuses on the financing ecosystem more broadly, its primary audience is upstream investors, including limited partners (LPs) and sovereign wealth funds, who play a critical role in shaping investment priorities and standards. The playbook addresses key challenges faced by Renewable Energy (RE) financiers and investors in integrating responsible investing principles and provides practical, actionable guidance to move beyond traditional ESG frameworks. It aims to drive responsible practices across the entire RE value chain and lifecycle, ensuring environmental sustainability, social equity, and long-term value for all stakeholders.

## **Guidebook for responsible RE deployment**

**by CEEW**

The Guidebook for responsible RE deployment provides phase-wise implementable guidance on deploying projects in a socially inclusive and ecologically just manner. It aims to be a practitioner's Guidebook and is intended for implementation not only by sustainability teams but also by project teams, on-ground staff, and project leaders. Guidance is provided on implementing various activities across themes of land identification, community development, biodiversity conservation and so on. It also contains best practices to provide real-world examples of impact and action. Specifically crafted to the Indian context and realities, the Guidebook aims to ensure a people-centric accelerated Renewable Energy deployment.



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# Abbreviations

<b>ADB</b>	Asian Development Bank	<b>MNRE</b>	Ministry of New and Renewable Energy
<b>BIS</b>	Bureau of Indian Standards	<b>NGOs</b>	Non-governmental Organisations
<b>BRSR</b>	Business Responsibility and Sustainability Reporting	<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>CSOs</b>	Civil Society Organisations	<b>OHS</b>	Occupational Health and Safety
<b>CSR</b>	Corporate Social Responsibility	<b>PoSH</b>	Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act
<b>EDI</b>	Equity, Diversity and Inclusion	<b>PPA</b>	Power Purchase Agreement
<b>EHS</b>	Environment, Health and Safety	<b>PPP</b>	Public-Private Partnership
<b>EIA</b>	Environmental Impact Assessment	<b>PS</b>	Performance Standard
<b>EITI</b>	Extractive Industries Transparency Initiative	<b>PV</b>	Photovoltaic
<b>EoL</b>	End-of-life	<b>RE</b>	Renewable Energy
<b>EPR</b>	Extended Producer Responsibility	<b>RE100</b>	Renewable Energy 100 (a global corporate Renewable Energy initiative)
<b>ESG</b>	Environmental, Social and Governance	<b>REI</b>	Responsible Energy Initiative
<b>ESIA</b>	Environmental and Social Impact Assessment	<b>RFI</b>	Request for Information
<b>ESS</b>	Environmental and Social Standard	<b>RFP</b>	Request for Proposal
<b>FAO</b>	Food and Agriculture Organisation	<b>SA8000</b>	Social Accountability 8000
<b>FPIC</b>	Free, Prior and Informed Consent	<b>SC</b>	Scheduled Caste
<b>GHG</b>	Greenhouse Gas	<b>SDG</b>	Sustainable Development Goal
<b>GRI</b>	Global Reporting Initiative	<b>SEBI</b>	Securities and Exchange Board of India
<b>GST</b>	Goods and Services Tax	<b>SIA</b>	Social Impact Assessment
<b>HR</b>	Human Resources	<b>ST</b>	Scheduled Tribe
<b>IBC</b>	Insolvency and Bankruptcy Code	<b>TNC</b>	The Nature Conservancy
<b>ICMM</b>	International Council on Mining and Metals	<b>UDHR</b>	Universal Declaration of Human Rights
<b>IFC</b>	International Finance Corporation	<b>UNGPs</b>	UN Guiding Principles on Business and Human Rights
<b>ILO</b>	International Labour Organisation	<b>VGGT</b>	Voluntary Guidelines on the Responsible Governance of Tenure
<b>IPF</b>	Investment Project Financing	<b>WEF</b>	World Economic Forum
<b>ISO</b>	International Organisation for Standardization		
<b>KPI</b>	Key Performance Indicator		
<b>LARR</b>	The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act		

# 1 Introduction

Scaling Renewable Energy (RE) is critical for a rapid transition to a low carbon economy. RE has the potential to expand access to affordable, clean energy; create jobs and reduce air pollution, a primary concern for urban citizens in Asia. At the same time, there is significant environmental and social risks emerging in the RE value chains. As the industry grows, these risks can also grow. If poor practices embed into the industry, it will be difficult for the transition to be fair and just.

The Responsible Energy Initiative (REI) India collaborates with the RE sector to ensure Renewable Energy in Asia achieves its full potential and creates value in a way that is ecologically safe, rights - respecting and socially just.

This toolkit is part of REI's focus on buyer responsibility. It aims to enable RE buyers, including RE100 members, to drive responsible practices in the RE value chain. REI is also working with the Investor and Developer ecosystem to enable similar responsible practices.

**The buyer's toolkit consists of -**

- **Guidebook:** This document provides background information about REI, its principles and the thematic areas covered by the toolkit.
- **Responsible Renewable Energy procurement compass:** An interactive tool to assess where you stand and where you aspire to be in the responsible RE procurement ecosystem.
- **Buyer action list:** A tabular checklist that captures activities across each theme, ambition level and procurement stage to support decision-makers in identifying exactly what needs to happen, where and at what level of ambition.
- **Case studies:** Select examples of the toolkit's application and buyer procurement principles in large corporate ecosystems have been provided.

## 1.1. Purpose and vision

The Responsible RE Procurement Toolkit for Buyers has been developed with a clear purpose: to enable buyers in India to lead the transition toward a more just, sustainable and inclusive energy future by aligning their procurement policies and processes with responsible energy principles. This toolkit recognises that, as the demand for Renewable Energy grows, so does the responsibility of buyers to ensure that every unit of energy procured is not only clean, but also ethically and responsibly sourced.



### 1.1.1. Empowering RE buyers for systemic impact

This toolkit is designed for buyers – whether corporate, institutional or public sector – to embed responsible practices throughout their procurement processes. It moves beyond a narrow focus on price or compliance, encouraging buyers to take a holistic, company-wide approach that addresses the full spectrum of social, environmental and governance (ESG) considerations. By using this toolkit, buyers will be equipped to:

- **Secure resilient supply through people-first sourcing:** Place human rights, fair labour and community benefit at the centre of decision-making, ensuring that procurement activities contribute positively to workers, local communities and society at large.
- **Enhance stability through ecological integrity:** Minimise environmental harm, support climate stability and promote biodiversity by setting high standards for environmental performance, and requiring suppliers to do the same.
- **Protect value creation and strengthen control:** Safeguard long-term value, strengthen visibility and enhance oversight to manage disruptions by setting clear expectations, implementing robust monitoring and adopting open reporting. These practices build trust with stakeholders, from investors and customers to regulators and local communities.
- **Shape sector with ethical leadership:** Strengthening business integrity and responsible leadership drives differentiation and opens opportunities to shape the sector. This means committing to the highest ethical standards, embracing diversity and inclusion and advancing responsible business practices across the Renewable Energy industry.

### 1.1.2. Enabling systemic change with a structured, actionable and adaptable approach

The toolkit will provide a structured and actionable framework for integrating responsibility into every step of procurement, to drive systemic change. It covers key thematic areas such as land, communities, worker and labour rights and environment protection, ensuring that no aspect of responsibility is overlooked.

- **Clarity and practicality:** Each section provides not only the rationale and legal context, but also concrete actions, ambition levels and monitoring guidance for buyers. This ensures that users can move seamlessly from understanding to implementation.
- **Adaptability:** Recognising the diversity of buyers' contexts, the toolkit is designed to be flexible. Whether a multinational corporation, a public utility or a first-time RE buyer, it provides tailored recommendations and templates to suit specific needs and organisational maturity.

### 1.1.3. Strengthening sectoral best practices in line with REI India's vision

This toolkit is firmly rooted in the vision and mission of REI India: to catalyse a responsible, people first and ecologically positive Renewable Energy procurement. It draws on the latest research, policy developments and stakeholder insights and is informed by leading frameworks and guidebooks for developers. By aligning buyer policies with standards being set for developers and investors, the toolkit creates a virtuous cycle of responsibility throughout the value chain.



- **Bridging stakeholder expectations:** The toolkit serves as a bridge between buyers, developers, financiers, policymakers and communities, ensuring that responsible procurement is not a siloed activity, but a shared endeavour that uplifts the entire sector.
- **Driving continuous improvement:** By providing ambition levels and self-assessment tools, the toolkit encourages buyers to continuously raise their standards, learn from experience and contribute to the evolution of responsible procurement in India and beyond.

This toolkit is both a practical manual for securing reliable energy supply and a call to leadership. It invites RE buyers to see themselves not just as consumers of clean energy, but as architects of a more equitable and sustainable energy system. By adopting the practices outlined here, buyers can reduce risk, unlock business value and most importantly, ensure that the benefits of India's Renewable Energy revolution are shared widely, fairly and sustainably.



## 1.2. Why responsible procurement?

As India's Renewable Energy (RE) sector experiences rapid growth, the influence and responsibility of buyers is increasingly significant. RE buyers ranging from corporations and utilities to public sector entities are not merely passive consumers of clean energy. Rather, they are active market shapers, setting expectations for responsible conduct and catalysing positive change throughout the value chain.

Responsible procurement in the RE sector is more than just meeting statutory requirements. It is a proactive, strategic approach that positions buyers as leaders, innovators and stewards of sustainable development. By embedding robust social, environmental and governance criteria into every procurement decision, buyers drive sectoral transformation and unlock substantial value for their organisations and stakeholders.



### 1.2.1. Mitigating legal, reputational and operational risks

- **Legal risk management:** The regulatory landscape for Renewable Energy in India is dynamic and increasingly stringent. Non-compliance with labour, land acquisition, environmental and waste management laws can result in severe consequences, including project delays, financial penalties, litigation and even project cancellations. Responsible procurement ensures that all statutory requirements are met, not only within the buyer's own operations, but also across the supplier and developer network, minimising exposure to legal action and costly interruptions.
- **Reputational safeguarding:** In an era of heightened scrutiny from media, civil society and global stakeholders, buyers are held accountable for the practices of their suppliers and partners. Projects linked to land disputes, labour violations or environmental harm can rapidly erode trust, damage brand reputation and lead to exclusion from international supply chains. By adopting and enforcing responsible procurement standards, buyers position themselves as transparent, with a genuine commitment to ethical business, thereby strengthening their brand and stakeholder relationships.
- **Operational continuity:** Early identification and mitigation of social and environmental risks reduce the likelihood of protests, work stoppages or supply chain disruptions. This ensures smoother project execution, timely delivery and stability in operations are critical for maintaining business momentum and achieving long-term goals.

### 1.2.2. Enhancing supply chain resilience and quality

- **Supplier reliability and performance:** Responsible procurement encourages rigorous supplier selection, regular performance audits and continuous improvement. Suppliers that adhere to high social and environmental standards are more likely to deliver quality products, meet deadlines and support long-term partnerships, reducing the risk of cost overruns, warranty claims and project delays.
- **Risk diversification:** By mapping the supply chain, conducting due diligence and fostering transparency, buyers can identify and address vulnerabilities such as reliance on high-risk suppliers or regions before they escalate into disruptions. This approach builds a more resilient and adaptable supply network, capable of withstanding shocks from geopolitical, environmental or market events.
- **Innovation and continuous improvement:** Engaging suppliers on responsible practices often leads to the adoption of new technologies, materials and processes that improve efficiency, reduce waste and lower costs. It also encourages knowledge sharing and sector-wide learning, driving collective progress.

### 1.2.3. Meeting investor, customer and regulatory expectations

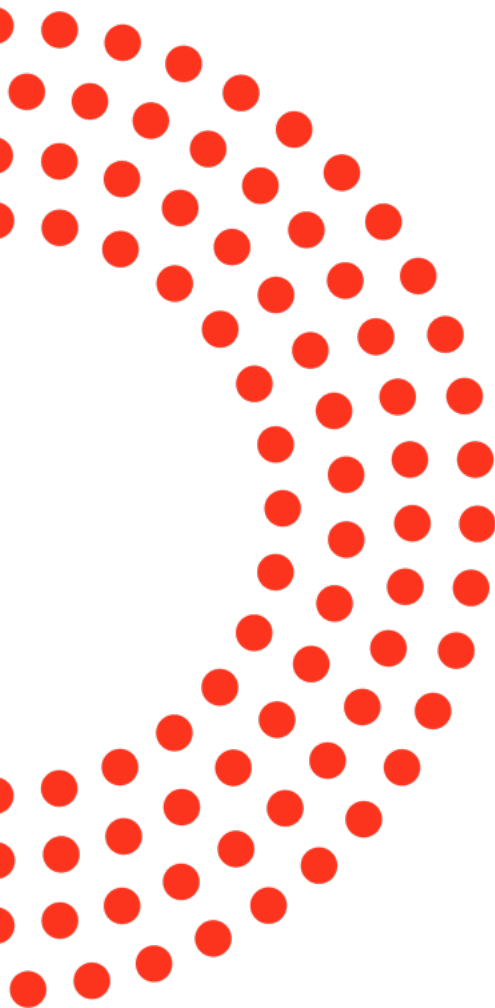
- **Access to capital and competitive finance:** Investors and lenders are increasingly integrating Environmental, Social and Governance (ESG) criteria into their decision-making. Demonstrating robust responsible procurement practices signals strong ESG performance, making buyers more attractive to capital providers and often resulting in preferential financing terms, access to green bonds and sustainability linked loans.
- **Regulatory alignment and foresight:** Indian government and utility procurement processes increasingly include sustainability criteria. Early



adopters of responsible procurement position themselves favourably for upcoming tenders, policy incentives and future regulatory requirements, ensuring ongoing compliance and competitive advantage.

#### 1.2.4. Contributing to India's sustainable energy transition

- **Supporting national and global goals:** Responsible procurement aligns with India's commitments under the Paris Agreement, National Solar and Wind Missions and Sustainable Development Goals (SDGs). By setting and enforcing high standards for social and environmental performance, buyers help ensure that the rapid expansion of renewable energy is both equitable and sustainable.
- **Driving sectoral leadership:** By raising the bar for responsibility, buyers influence sector norms, inspire peers and contribute to the creation of a just, inclusive and resilient energy system. Their leadership fosters trust with communities, investors and policymakers, accelerating the transition to a clean energy future that benefits all.



# 2 How to use the toolkit

## 2.1. Intended users

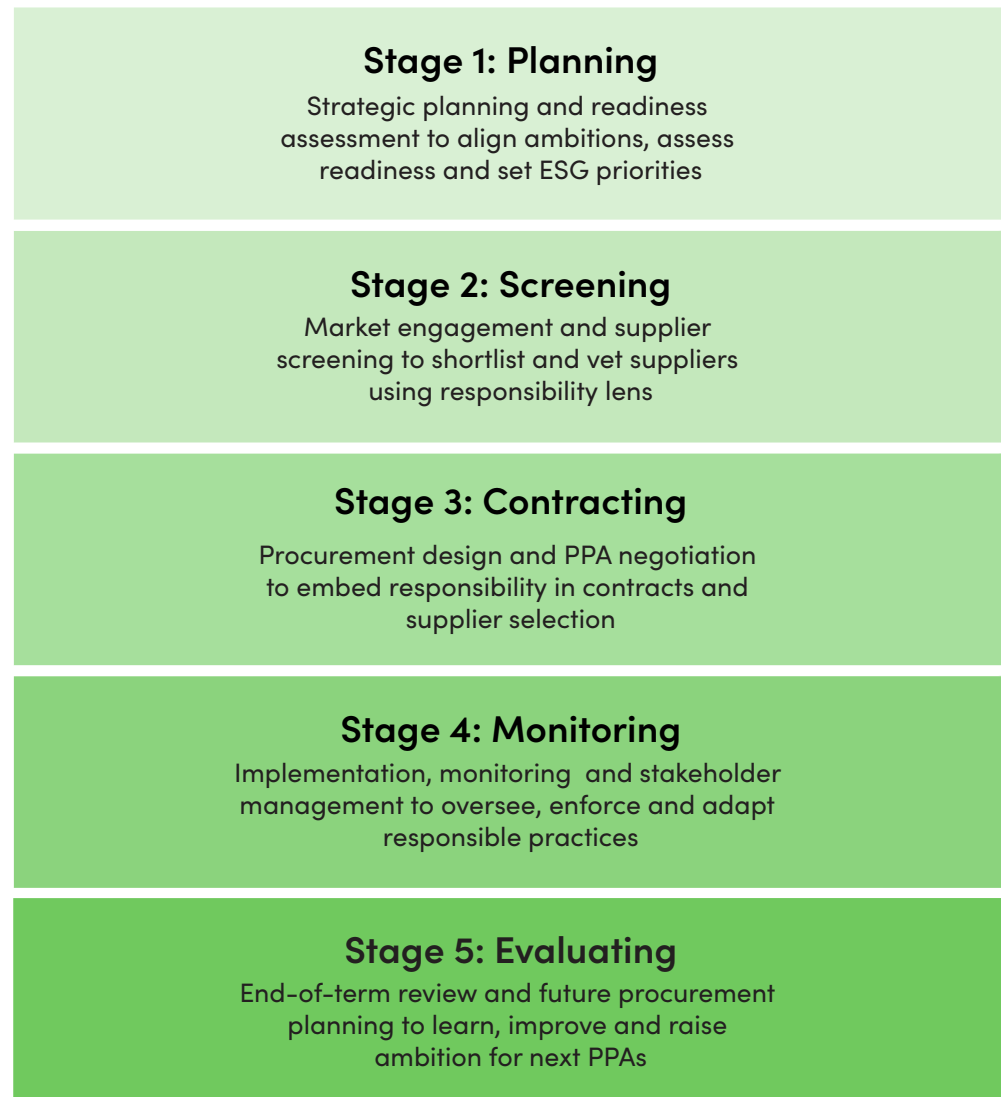
The toolkit is crafted to serve a diverse spectrum of professionals and decision-makers engaged in the responsible procurement of Renewable Energy (RE) in India. The primary audience includes:

- **Renewable Energy buyers**  
Individuals or teams within corporations, utilities, public sector organisations or institutions responsible for sourcing Renewable Energy, whether for direct consumption, portfolio management or supply chain decarbonisation. These users are often at the forefront of negotiating Power Purchase Agreements (PPAs) and setting procurement criteria.
- **Procurement teams**  
Specialists and managers who oversee supplier selection, contract negotiation, performance monitoring and ongoing supplier relationship management. These teams are pivotal in embedding sustainability and responsibility criteria into every stage of the procurement process.
- **Sustainability leads**  
Professionals tasked with defining, implementing and tracking the organisation's Environmental, Social and Governance (ESG) objectives. They ensure that procurement aligns with corporate sustainability goals, international standards and stakeholder expectations.
- **Compliance officers**  
Individuals responsible for ensuring that all procurement activities adhere to relevant legal, regulatory and ethical standards, both within India and in international markets. They play a crucial role in risk mitigation and audit readiness.
- **Leadership and executive decision-makers**  
C-suite executives, Directors and Senior Managers who set the strategic vision for responsible procurement, allocate resources and champion cultural change within the organisation.
- **Cross-functional stakeholders**  
This toolkit is also valuable for those in legal, finance, risk management, communications and other roles who interact with the procurement process, developers, suppliers, consultants and broader value chain actors.

## 2.2. Knowing the RE procurement stages

Typically, RE procurement happens in the following five stages. To ensure that RE procurement is responsible, users of this toolkit must first identify at what stage they are at.

Figure 1: Stages of RE procurement



Source: Authors' analysis

### 2.2.1. Stage 1: Strategic planning and readiness assessment

In this initial phase, the buying organisation examines its energy needs, ESG and decarbonisation goals, internal capacity on responsible procurement, as well as stakeholder expectations. This may include board-level buy-in, clarifying the business case and reviewing existing procurement policies against responsible/ESG standards.

**Key activities:**

- i. Internal alignment on RE procurement ambitions and responsible business principles.
- ii. Setting procurement objectives: volume, type (solar, wind, etc.), timeline and responsibility priorities (labour, land, GHG, etc.).
- iii. Initial gap analysis and readiness self-assessment.
- iv. Stakeholder consultation (internal and external).

### 2.2.2. Stage 2: Market engagement and supplier screening

The buyer begins market research and interacts with prospective developers, suppliers, consultants and aggregators to understand the available RE offerings and their responsibility credentials.

**Key activities:**

- i. Issuing Requests for Information (RFIs) or market soundings with responsible procurement criteria.
- ii. Shortlisting developers/suppliers based on baseline compliance and ESG performance (using a supplier questionnaire, previous project reviews, certifications, etc.).
- iii. Site visits, reference checks and early due diligence on social/environmental performance.

### 2.2.3. Stage 3: Procurement design and PPA negotiation

Buyers design their procurement (RFP) or engage in direct negotiation, embedding responsible procurement requirements into documentation and contracts (not just price and volume).

**Key activities:**

- i. Drafting RFPs or direct negotiation terms that include thematic clauses (e.g., on labour, land, E&S standards, end-of-life).
- ii. Including responsible sourcing, community benefit-sharing, circularity and grievance clauses in Power Purchase Agreement (PPA) documents.
- iii. Evaluating proposals and selecting the winning developer (weighted scoring for responsibility).
- iv. Finalising PPA with clear reporting, monitoring and expectations of continuous improvement.

### 2.2.4. Stage 4: Implementation, monitoring and stakeholder management

After PPA signing and project implementation, buyers must monitor performance, ensure compliance and address ongoing/legacy issues. This phase covers the full life of the PPA, from commissioning to end-of-contract.

**Key activities:**

- i. Regular review of supplier/developer reports on social, environmental and governance performance.
- ii. Site or third-party audits, community feedback review, engagement on corrective actions.
- iii. Addressing grievances, supporting capacity-building for developers and the local workforce.
- iv. Maintaining a relationship for lessons sharing, updating terms via side letters or amendments as needed.
- v. If necessary, remedial actions or renegotiation based on underperformance or evolving standards.

**2.2.5. Stage 5: End-of-term review and future procurement planning**

As PPAs near completion or buyers move to repower, replace or expand RE portfolio, a structured review helps capture lessons and set the foundation for more ambitious future deals.

**Key activities:**

- i. Evaluating supplier/developer's full performance (including decommissioning, recycling, benefit-sharing delivered).
- ii. Collecting feedback from internal and external stakeholders.
- iii. Revising and strengthening responsible procurement policies, targets and processes for the next cycle.
- iv. Planning for the next round of procurement, incorporating higher responsibility standards.

**Each phase is modular:**

- New buyers and those planning new PPAs should use all phases sequentially.
- Those with existing PPAs should focus on Phases 4 and 5, using reviews, audits, side agreements, supplier engagement, and internal policy improvements to close gaps and raise ambition during the current contract period.



## 2.3. Quick start guide

The toolkit is designed to meet you where you are in your Renewable Energy procurement journey, whether you are just getting started with responsible practices or looking to lead and define industry standards. It has four parts, each serving a different purpose. Start with the component most relevant to your organisation's needs and current stage of the PPA lifecycle.

**Hi, I'm Ray!**

Responsible RE procurement can feel like a lot to navigate. So, I'm here to help.



### Responsible Renewable Energy Procurement Compass

Reflect on your current approach, set your ambition and navigate a path to more responsible procurement.

Next >

## What's in the toolkit?

The complete toolkit can be accessed on [there100.org/responsible-re-procurement-toolkit](https://there100.org/responsible-re-procurement-toolkit)

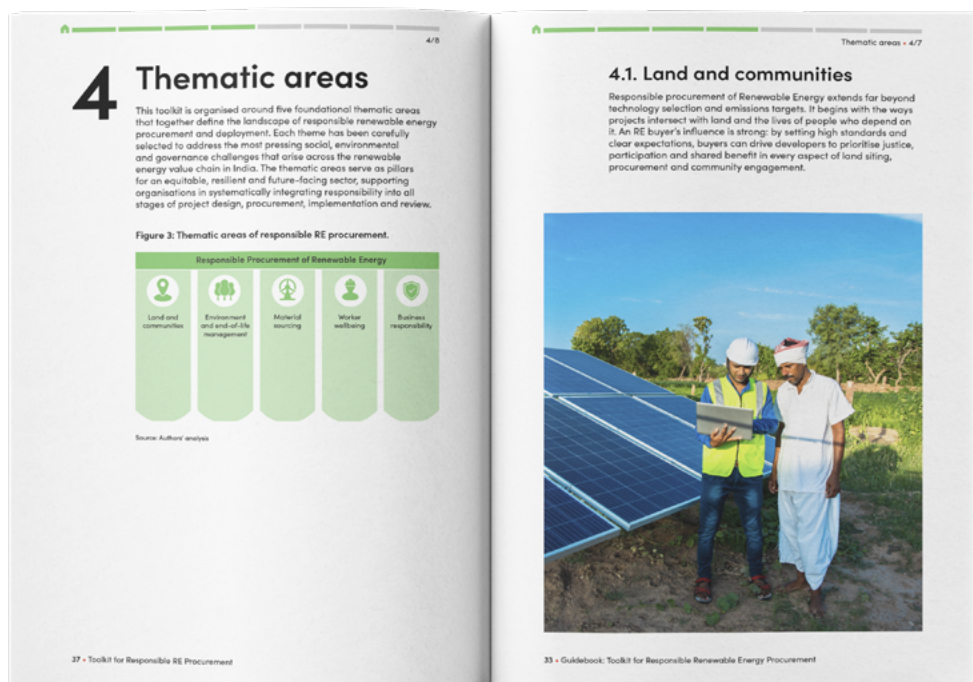
From there, you can navigate to different components of the toolkit. Each part serves a different purpose in your procurement journey.

### 2.3.1. Guidebook

The Guidebook is your reference manual. It covers five thematic areas: land and communities, environment and end-of-life management, worker wellbeing and occupational health and safety, material sourcing, and business responsibility. For each, it outlines what responsible procurement looks like across four ambition levels, alongside the relevant legal and regulatory context in India.

#### How to use it:

Go through the thematic areas to understand what each covers, what the ambition levels mean, and what good practice looks like. This will help you get oriented before you move to the Compass and the Buyer Action List. Download the guide, keep it handy, and share it with your team.





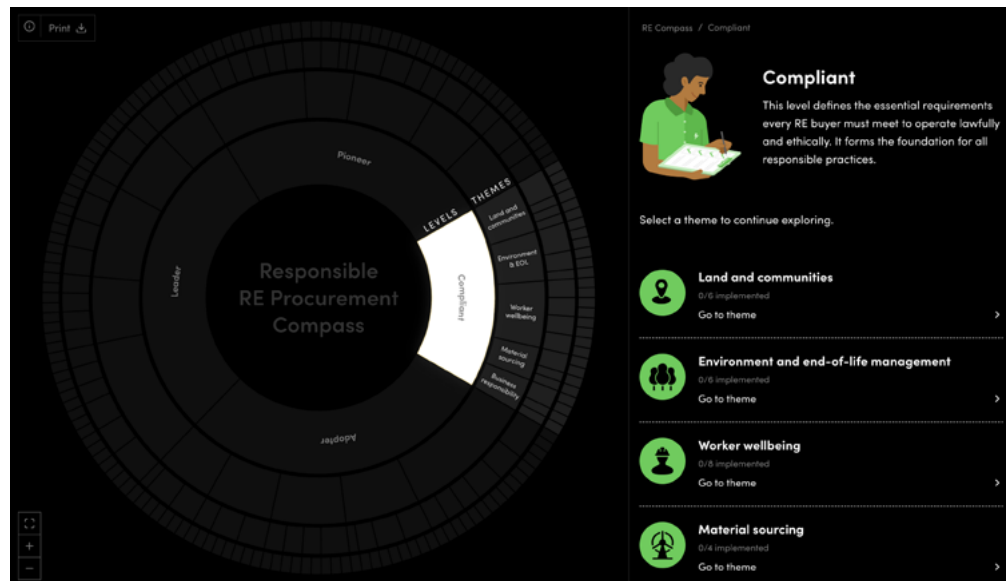
### 2.3.2. Responsible RE Procurement Compass

The Responsible RE Procurement Compass is an interactive self-assessment tool. It helps you understand where your organisation stands today and where you want to go.

**How to use it:**

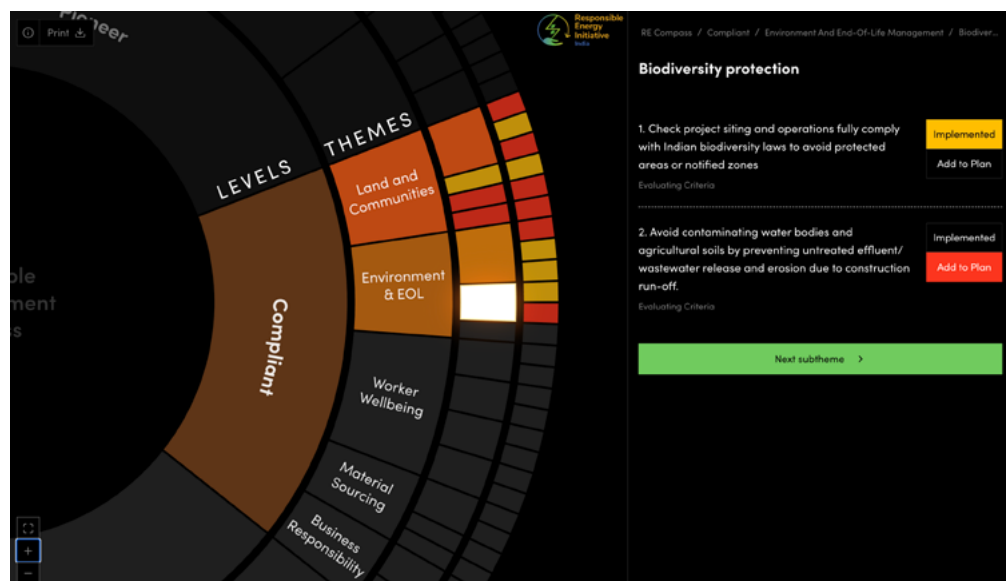
#### Step 1: Pick a level and a theme

The Compass is organised into four ambition levels: Compliant, Adopter, Leader, and Pioneer. Select a level to see the five thematic areas within it. Pick a theme to start.



#### Step 2: Assess your goals

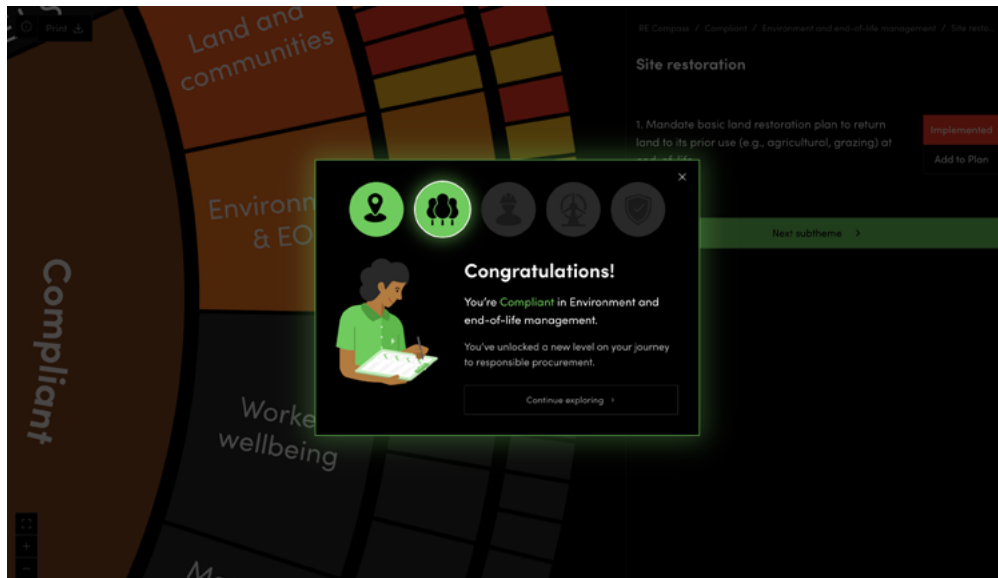
A goal is a specific responsible procurement practice – for example, conducting an environmental impact assessment before project commissioning, or ensuring grievance mechanisms are in place for local communities. For every goal, indicate whether you already implement it or add it to your plan for the future.





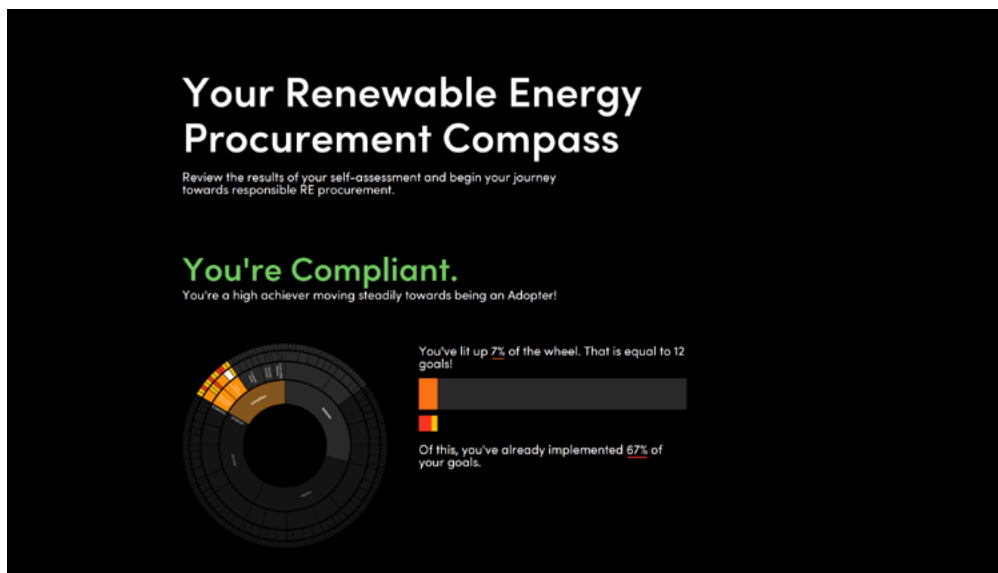
### Step 3: Move to the next level

Once you have completed all five themes at one level, move to the next. As you progress, the Compass lights up – giving you a clear visual of where your organisation stands and how far you want to go.



### Step 4: Download your results

Click on the Print button on the top left to download a summary of your current practices and planned goals. Share it with your procurement, sustainability, and leadership teams to align on next steps. The larger goal is to light up the entire Compass.





### 2.3.3. Buyer Action List

The Buyer Action List is a practical checklist that maps responsible procurement actions to every stage of the procurement process. An action is a specific step your organisation can take within a procurement stage, such as including community benefit-sharing clauses in a contract or conducting an environmental audit before commissioning. It takes the goals from the Compass and translates them into concrete steps.

#### How to use it:

Select an ambition level and a theme to see specific actions across the five procurement stages: planning, market engagement, contracting, monitoring, and evaluation. Use it to identify exactly what needs to happen, at which stage, and at what level of ambition.

#### Actions for Responsible Renewable Energy Procurement

Take practical steps to embed responsible renewable energy procurement at every stage, from planning through to evaluation.

SELECT YOUR ● AMBITION LEVEL AND ● THEME

I want to be Pioneer and explore procurement actions for Land and communities



##### PROCUREMENT STAGES & ACTIONS

PLANNING	TENDERING	CONTRACTING	MONITORING & EVALUATION
<b>1. Strategic Planning</b> <ul style="list-style-type: none"> <li>Co-design all project parameters with communities through participatory platforms, and community-led research initiatives with shared decision-making authority.</li> <li>Design innovative procurement models (community equity participation, regenerative benefit sharing) through sector consortiums and pilot programs.</li> <li>Establish multi-stakeholder governance structures involving communities, NGOs, government, and academia in joint oversight and adaptive management systems.</li> <li>Develop mechanisms to ensure regular developer check-ins within Procurement teams.</li> </ul>	<b>2. Market Engagement</b> <ul style="list-style-type: none"> <li>Screen developers for demonstrated leadership in sector transformation through published research, policy advocacy, and documented contributions to community rights frameworks.</li> <li>Screen for participation in global best practice networks, commitment to open-source sharing of social innovations, and co-investment in community-led development initiatives.</li> <li>Shortlist developers with proven capabilities in co-creating community enterprises, establishing social innovation labs, and facilitating community ownership models.</li> </ul>	<b>3. Procurement Design and Negotiations</b> <ul style="list-style-type: none"> <li>Negotiate groundbreaking community partnership agreements with shared governance, profit-sharing mechanisms, and community veto rights over major project decisions.</li> <li>Check for establishment of community innovation funds, digital transparency platforms, and real-time community feedback systems with binding response commitments.</li> <li>Seek commitments to sector-wide knowledge sharing, policy advocacy for community rights, and co-investment in systemic social change initiatives.</li> </ul>	<b>4. Monitoring &amp; Evaluation</b> <ul style="list-style-type: none"> <li>Implement regular community check-ins with developers to ensure ongoing communication and transparency.</li> <li>Establish clear metrics and KPIs to track community benefits and social impact.</li> <li>Conduct regular community-led audits and evaluations to assess the effectiveness of procurement actions.</li> <li>Share findings and best practices with the wider industry to drive systemic change.</li> </ul>

### 2.3.4. Case Studies

The case studies show how leading organisations have applied responsible procurement principles in practice. They offer real examples of the toolkit's themes and ambition levels at work within large corporate ecosystems.

#### How to use them:

Read through the case studies to see how other buyers have approached responsible procurement, what worked, what challenges they faced, and what outcomes they achieved. Use them as reference points when planning your own approach.

#### How to use the toolkit in different scenarios:

##### New to responsible procurement?

Start with the Guidebook, then work through the Compass from the Compliant level.

##### Already have established practices?

Go straight to the Compass to benchmark where you stand, then use the Action List to identify gaps. Read the Case Studies to see how other buyers have approached similar challenges.

##### Midway through a PPA?

Focus on the Action List for your current procurement stage. Use the Case Studies for practical reference.

## 2.4. Continuous improvement

Responsible procurement is an ongoing journey of learning, adaptation and sectoral leadership. This toolkit is intentionally designed as a “living document,” ensuring that it remains relevant and effective as the Renewable Energy sector, regulatory environment and stakeholder expectations evolve.

- **Feedback-driven updates:** RE buyer’s experiences, insights and suggestions are invaluable. By sharing feedback and lessons learned from real-world applications, you contribute to the ongoing refinement and strengthening of the toolkit for all users.
- **Adaptation to change:** Laws, standards and stakeholder expectations in Renewable Energy procurement are constantly evolving. The toolkit will be periodically updated to reflect new regulations, emerging risks and innovative solutions, ensuring you always have access to the latest guidance.
- **Collective sectoral learning:** As more organisations use the toolkit, collective learning will drive higher standards and more effective practices across the industry. The toolkit is designed to support not just individual organisations, but the broader transformation of India’s Renewable Energy sector toward greater responsibility, inclusivity and sustainability.



# 3 REI principles and ambition levels

## 3.1. Guiding principles

A robust responsible procurement strategy is anchored in a set of guiding principles that shape decision-making, supplier engagement and the overall impact of Renewable Energy procurement. These principles are not only aspirational but also actionable, forming the ethical and operational foundation for all activities outlined in this toolkit. Below is an expanded articulation of each principle to guide RE buyers toward sectoral leadership and sustained positive impact.



### 3.1.1. People-centric: Prioritise community benefit, human rights and fair labour

A truly responsible procurement process places people at its core, recognising that the transition to Renewable Energy must uplift and protect all individuals and communities involved. This principle commits RE buyers to:

- **Champion human rights:** Ensure that all procurement activities, contracts and supplier relationships uphold the fundamental rights and dignity of every person, including workers, community members and vulnerable groups.
- **Promote fair labour practices:** Require adherence to fair wages, safe working conditions and the elimination of forced or child labour throughout the supply chain. This includes supporting workers' rights to representation, collective bargaining and access to grievance mechanisms.
- **Maximise community benefit:** Go beyond compliance to create tangible, positive outcomes for local communities. This means engaging communities early and meaningfully, sharing project benefits equitably, investing in local development and respecting cultural heritage.
- **Empower the marginalised:** Proactively identify and address the needs of disadvantaged groups, such as women, landless labourers and indigenous peoples, ensuring their voices are heard and their interests protected in all procurement decisions.

### 3.1.2. Ecological integrity: Minimise environmental impact and promote restoration

Responsible procurement recognises that environmental stewardship is essential for the credibility and long-term success of the Renewable Energy sector. This principle requires buyers to:

- **Reduce environmental footprint:** Prioritise procurement from developers and suppliers who actively minimise land, water and resource use, reduce emissions and prevent pollution throughout the project lifecycle.
- **Protect and restore biodiversity:** Require that projects avoid sensitive ecosystems, implement robust mitigation plans and contribute to the restoration and regeneration of local habitats and biodiversity.
- **Support circularity and resource efficiency:** Encourage the adoption of circular economy principles, including waste minimisation, recycling and responsible end-of-life management for all equipment and materials.
- **Promote climate resilience:** Ensure that procurement decisions support adaptation to climate risks, foster the use of climate-resilient technologies and contribute to broader environmental goals such as net-zero emissions and nature-positive outcomes.

### 3.1.3. Transparency and accountability: Ensure traceability and open reporting

Building trust and credibility with stakeholders' communities, investors, regulators and customers depends on a culture of openness and responsibility. This principle commits buyers to:

- **Ensure full traceability:** Demand clear documentation and traceability of all materials, components and suppliers involved in the procurement process, enabling the identification and management of risks at every stage.
- **Foster open communication:** Maintain transparent channels for sharing information about procurement decisions, supplier performance and project impacts with all stakeholders, both internally and externally.



- **Report regularly and honestly:** Commit to regular, accurate and accessible reporting on social, environmental and governance performance, including disclosure of challenges, lessons learned and corrective actions taken.
- **Enable stakeholder scrutiny:** Welcome independent audits, third-party verification and community oversight as mechanisms to hold the organisation accountable and drive continuous improvement.

#### 3.1.4. Business integrity: Uphold ethical, inclusive and lawful business conduct

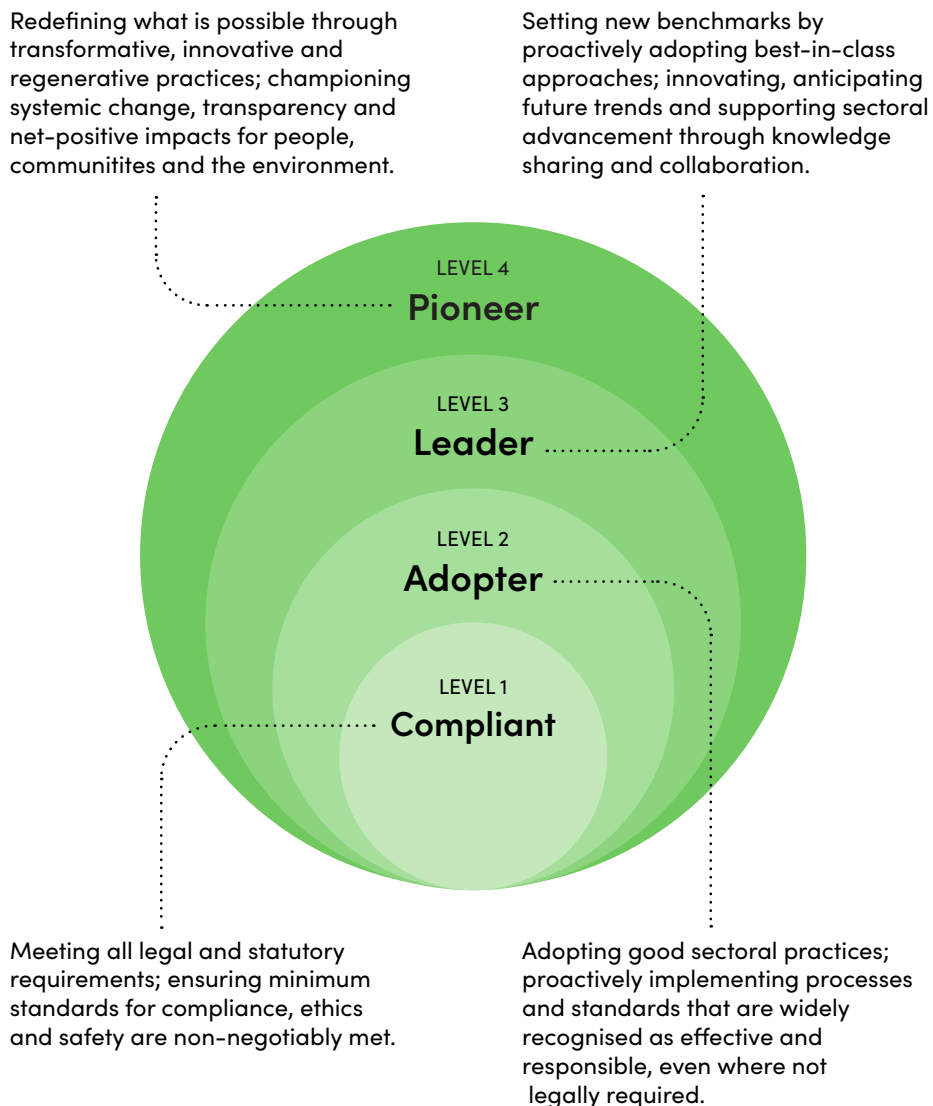
Integrity is the bedrock of responsible procurement. This principle ensures that all business activities are conducted ethically, inclusively and in full compliance with the law. Buyers are expected to:

- **Act ethically at all times:** Maintain the highest standards of honesty, fairness and integrity in all procurement activities, from supplier selection and contract negotiation to project delivery and closure.
- **Promote inclusion and diversity:** Foster a culture that values diversity, equity and inclusion both within the organisation and across the supply chain by setting clear expectations and supporting underrepresented groups.
- **Comply with all laws and standards:** Ensure strict adherence to all applicable local, national and international laws, regulations and voluntary standards, including anti-corruption, anti-bribery and fair competition requirements.
- **Lead by example:** Set the tone for responsible business conduct in the sector, mentor suppliers and partners and advocate for higher standards through industry collaboration and policy engagement.

## 3.2. Levels of ambition

This toolkit structures each thematic area such as – Land and Communities including equity, diversity and inclusion (EDI), Worker wellbeing and Occupational Health and Safety (OHS), Sourcing, Environment and end-of-life management and Business responsibility – across four distinct levels of ambition. These levels represent a progressive pathway from minimum legal compliance to sectoral leadership and innovation. Below is a detailed explanation of what each level truly means in practice, why it matters and how it shapes organisational behaviour and outcomes.

**Figure 2: Levels of ambition**



Source: REI India's analysis



### 3.2.1. Compliant: Legal/statutory compliance

The Compliant level represents the absolute minimum requirements that every RE buyer must meet to operate lawfully and ethically. This is about strict adherence to all relevant national and local laws, regulations and statutory obligations. It is non-negotiable and forms the foundation upon which all other responsible practices are built.

#### Key features:

- Ensures all procurement activities comply with applicable labour, environmental, land and business regulations.
- Demonstrates that the organisation is meeting its fundamental legal and ethical obligations.
- Typically includes requirements such as minimum wage payments, safe working conditions, environmental impact assessments and anti-corruption measures.
- Failure to meet this level exposes the organisation to legal penalties, reputational harm and operational disruptions.

#### How does it help?

Operating at the level ensures risk mitigation, basic stakeholder trust and eligibility to participate in regulated markets and tenders. It is the starting point for any credible responsible procurement journey.



### 3.2.2. Adopter: Incorporate established standards

The Adopter level goes beyond mere basic compliance, reflecting a commitment to adopt established good practices that are recognised within the sector. At this stage, organisations implement added processes and standards that are widely regarded as effective and responsible by industry peers, investors and stakeholders.

#### Key features:

- Incorporates sectoral voluntary standards along with baseline activities (e.g., regular wage audits, supplier due diligence, community engagement protocols).
- Focuses on continuous improvement, efficiency and stakeholder satisfaction.
- Often involves adopting codes of conduct, supplier screening, regular training and transparent reporting.
- Demonstrates a willingness to be accountable and responsive to stakeholder concerns, even when not legally required.

#### How does it help?

Being a Adopter signals reliability, reduces operational risks and builds a positive reputation. It helps organisations meet the expectations of sophisticated buyers, investors and partners and positions them favourably in competitive markets.



### 3.2.3. Leader: Proactive, best-in-class measurable outcomes

At the Leader level, organisations set themselves apart by proactively seeking out and implementing best-in-class approaches. They do not wait for regulation or industry consensus but instead anticipate future trends, innovate and set new benchmarks for excellence.

#### Key features:

- Proactively identifies and addresses emerging risks and opportunities (e.g., third-party audits, advanced benefit-sharing models, biodiversity restoration).
- Invests in capacity building, technology and partnerships to drive higher standards across the supply chain.
- Regularly reviews and updates policies to reflect evolving best practices and stakeholder expectations.
- Shares learnings and supports sectoral advancement by mentoring others and participating in industry initiatives.

#### How does it help?

Leaders are recognised as trusted partners, attract premium customers and investors and are often the first to benefit from new market opportunities or policy incentives. They shape sectoral norms and inspire continuous improvement across the industry.



### 3.2.4. Pioneer: Transformative, innovative and regenerative practices

The Pioneer level is characterised by transformative ambition and a willingness to redefine what is possible in responsible procurement. Organisations at this level innovate boldly, champion regenerative and restorative practices and seek to create net-positive impacts for people, communities and the environment.

#### Key features:

- Champions initiatives that go far beyond compliance and current best practice (e.g., living wages, full supply chain transparency, net-positive environmental impact).
- Pilots and scales new models for benefit sharing, circular economy and social equity, driving a sectoral wide change.
- Publicly discloses performance data, participates in sector-wide benchmarking and advocates for higher standards in policy and practice.
- Engages in collaborative, multi-stakeholder efforts to address systemic challenges and drive transformative change.

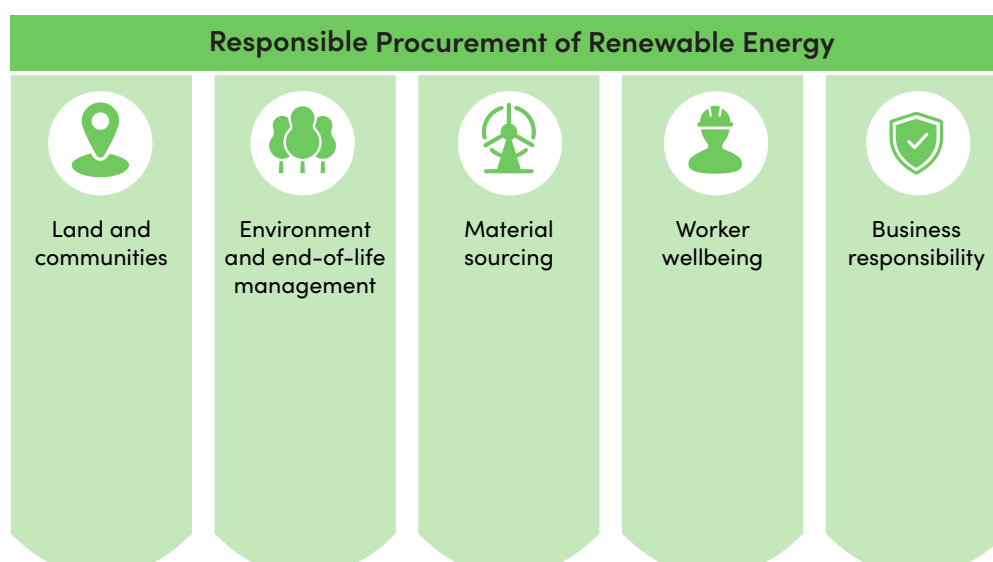
#### How does it help?

Pioneers are the vanguard of responsible procurement, setting global benchmarks and catalysing sectoral transformation. Their actions create lasting value for all stakeholders and position them as leaders in the global transition to sustainable, just and inclusive Renewable Energy.

# 4 Thematic areas

This toolkit is organised around five foundational thematic areas that together define the landscape of responsible Renewable Energy procurement and deployment. Each theme has been carefully selected to address the most pressing social, environmental and governance challenges that arise across the Renewable Energy value chain in India. The thematic areas serve as pillars for an equitable, resilient and future-facing sector. They support organisations in systematically integrating responsibility into all stages of project design, procurement, implementation and review.

**Figure 3: Thematic areas of responsible RE procurement**



Source: Authors' analysis

## 4.1. Land and communities

Responsible procurement of Renewable Energy extends far beyond technology selection and emissions targets. It begins with the ways projects intersect with land and the lives of people who depend on it. An RE buyer's influence is strong: by setting high standards and clear expectations, buyers can drive developers to prioritise justice, participation and shared benefit in every aspect of land siting, procurement and community engagement.



**Project activities related to this theme largely include:**

- Rigorous land siting and due diligence to avoid ecologically sensitive zones and minimise adverse impacts on livelihoods, heritage and food security.
- Inclusive benefit-sharing and land-based compensation mechanisms crafted through dialogue with both landowners and land-dependent groups to generate long-term value and genuine socioeconomic upliftment.
- Stakeholder mapping and continuous engagement with affected communities, prioritising community development and transparent, phase-wise consultations to foster trust and enable proactive conflict resolution.
- Incorporating activities for grievance redressal, protection of cultural rights and building structures for community-led monitoring, dispute resolution and empowerment, supporting a legacy of partnership rather than displacement.
- Implementing comprehensive EDI policies, regular reporting and ambitious time-bound targets for improved participation and representation of all community sub-groups.

At its core, responsible land procurement means respecting land rights, sharing land benefits fairly and including communities as active partners and not land-sellers. Land siting in such models hinges on selecting sites that avoid high-conflict and sensitive zones, such as densely populated areas, culturally or religiously significant sites, high-yield agricultural land, military areas or ecological buffer zones (addressed in the Environment and End-of-Life theme). Shared value creation from land implies landowners get a stake – such as lease rent, revenue sharing or co-ownership and are not limited to a fair market compensation for outright acquisition. Contracts and compensation should consider land fertility, long-term land use changes and fair mechanisms for ownership transfer where relevant.

Emerging RE models like AgriVoltaics or dual-use models that combine energy generation with farming or livelihood uses can also contribute to increased equity in land procurement. Developers must rigorously assess and demonstrate that no project will cause undue loss of income, particularly ensuring land procurement does not endanger the primary livelihood of significant portions of the community.

Meaningful, systematic community engagement is critical. Developers, under buyer guidance, must conduct robust consultations and baseline assessments with local elders, officials, landowners, landless dependents and vulnerable groups, going beyond superficial dialogue. This approach uncovers how land is truly utilised and valued, revealing legacy conflicts, cultural sensitivities and unique local priorities that can easily be overlooked. Stakeholder mapping using analytical tools and engagement strategies that include state and local governments, NGOs, community-based organisations and representatives of marginalised groups, are vital. The aim is not just risk mitigation but maximising long-term community value.

A cornerstone of value in Renewable Energy lies in creating non-land benefits such as tangible employment and inclusive community development. Developers should collaborate with community leaders and local NGOs to advance programmes, share infrastructure knowledge and build local capacity. Prioritising nearby residents for land and non-land benefits, including jobs, upskilling and access to health and water, ensures equitable outcomes. Programs must actively include women through safe, gender-responsive worksites and fair hiring, supported by monitoring, training partnerships and social assessments to secure long-term, sustainable impact.

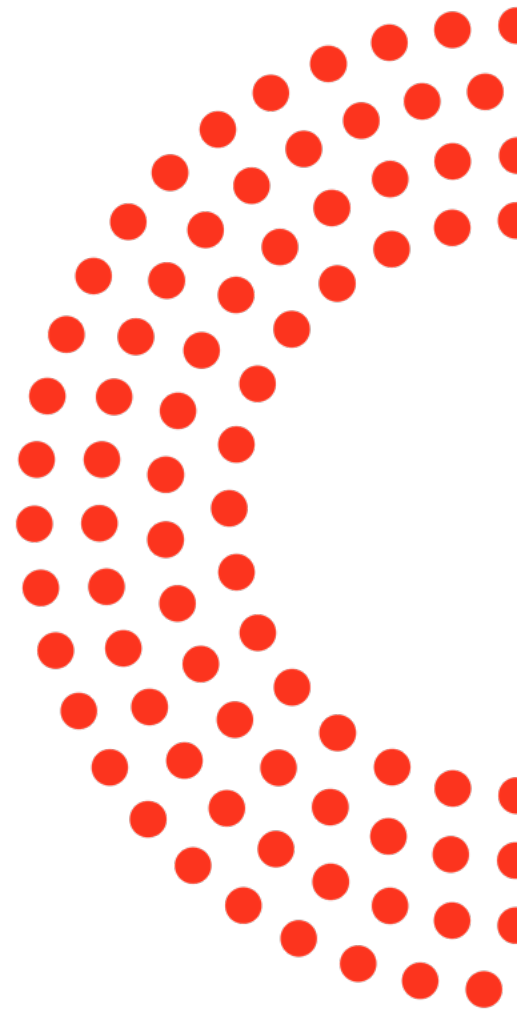
Equally essential is a strong grievance redressal mechanism, accessible, trusted and transparent, to address and resolve disputes fairly and promptly. Buyers should require developers to establish formal grievance committees with representation from project teams, local communities, the gram panchayat and third parties/NGOs. The mechanisms should guarantee multiple access points (local offices, hotlines,



digital tools) and support for all community members (including those less literate or mobile), available in local languages. Timely acknowledgment, transparent investigation, communication and resolution processes must be ensured. Training for committee members and community representatives on problem-solving and dispute resolution is key, bolstered by ongoing capacity building.

Finally, buyers must ensure their developers select contractors and business partners who are deeply committed to responsible practices, embedding these requirements contractually and demanding ongoing, enforceable commitments to transparency, fair negotiation and accountability at every stage.

The existing Indian laws and international frameworks around this theme are in **Annexure 7.1**.



## 4.2. Environment and end-of-life management

Responsible Renewable Energy recognises the need not only to reducing emissions, but to actively protecting and restoring the environment. The scale and speed of the clean energy transition brings profound responsibilities, the way new projects interact with local environments from siting through decommissioning will define not only their direct ecological impact but also the sector's legacy, public trust and long-term viability.



**This theme extends from project siting through to decommissioning and encompasses:**

- Protecting biodiversity in the region, health of soil and water and reducing conflicts in water usage.
- Conducting rigorous Environmental and Social Impact Assessments (ESIA), with ongoing monitoring and transparent reporting through the project lifecycle.
- Designing for circularity and end-of-life: Including extended producer responsibility (EPR), zero-waste targets and robust plans for equipment recycling, repurposing or safe disposal.
- Ensuring active restoration of land post-project, returning environments to their original or improved condition and supporting regenerative outcomes.

RE buyers, through their purchasing power and expectations, can set higher standards, insisting that every phase of a project, from design and construction to operations, closure and restoration, actively minimises biodiversity loss, air and water pollution, resource extraction and waste. While, projects should maximise positive environmental and social outcomes. Issues such as habitat disturbance, water scarcity, unsustainable resource use, hazardous waste, improper decommissioning and cumulative impacts on ecosystems and communities. They also undermine project economics, investor confidence and the sector's reputation in India and globally.

Proactive management requires robust planning at every stage. Buyers should require developers to undertake comprehensive environmental and social impact assessments (ESIAs). They should engage with affected communities and technical experts, including ecologists, water and waste management professionals and local residents, to rigorously map potential risks and define strong mitigation and enhancement plans. They should encourage regenerative and restorative interventions and innovative biodiversity conservation strategies. Project design should avoid biodiversity hotspots and wildlife corridors, protect ecosystem services and incorporate the use of low-carbon and resourceefficient construction methods and materials.

It is essential to embed a circular approach: Waste management throughout the project lifecycle must strictly follow all national rules and global best practices, with community members trained and involved in monitoring, reporting and feedback. Hazardous and e-waste, especially from PV modules and turbine components, should be transparently tracked and opportunities should be sought to repurpose or redistribute usable materials locally.

Environmentally responsible decommissioning is equally critical. Buyers must ensure developers have robust decommissioning plans at least 1–1.5 years prior to closure. Such plans should include technical evaluation of plant performance and site condition, livelihood support for affected workers and detailed dismantling and waste management strategies. This includes cataloguing equipment for potential reuse or recycling, securing contracts with verified waste vendors or module manufacturers for responsible disposal of panels and components and planning landscape and habitat restoration. This will help return land to its original topography, taking special care to rehabilitate native vegetation, address invasive species and conserve soil and water quality.

Every project must set up environmental and social management systems, establish new baselines upon closure and involve landowners, local stakeholders and independent experts in plan development. High transparency and ongoing compliance monitoring, including checklists and dedicated personnel are vital for accountability.

The existing Indian laws and international frameworks around this theme are in **Annexure 7.3**.

## 4.3. Worker wellbeing

Ensuring the dignity, safety and wellbeing of every worker whether permanent or contract, onsite or in the supply chain is a non-negotiable foundation for responsible Renewable Energy procurement. Protection of rights, providing commensurate employee benefits and advancing EDI is important.



**This theme is anchored in legal mandates and best-in-class practice, including:**

- Establishing and auditing fair labour standards: from contracts and wages to social protection and workplace safety, in alignment with Indian law and global OHS frameworks (e.g., ISO 45001).
- Building robust systems for hazard identification, grievance redress and worker representation to ensure every voice is heard without fear of reprisal.
- Embedding principles of equal opportunity, non-discrimination and dignity in recruitment, retention, advancement and training as per Indian law and global standards.
- Continually raising ambition with commitments to living wages, insurance, wellness and sectoral transparency – recognising that an empowered workforce is the backbone of a resilient project.

RE buyers should follow internally and also hold their developers and contractors accountable for clear and enforceable commitments on health, safety and ethical conduct, embedding these standards in contract language, third-party audits and ongoing training requirements. Such diligence is foundational not only for legal and regulatory compliance, but also for de-risking projects, avoiding needless delays and attracting responsible investors and partners.

Holding developers accountable for building a workforce and leadership that are representative of the regions in which they operate and for rooting out discrimination across gender, caste, disability and other identities. An RE buyer's role in setting high expectations for worker wellbeing, occupational health and safety and enabling EDI is critical. Buyers can guide their developers and contractors to go well beyond minimum compliance and demonstrate commitment through transparent recruitment, fair advancement opportunities and zero tolerance approaches to harassment or exclusion. This includes clear targets for diversity, mechanisms for supporting underrepresented groups and publicly available policies that reflect genuine intent.

Critically, responsible procurement goes beyond box-ticking. Buyers must instruct their developers to actively engage with workers, unions, site supervisors and independent safety experts, establishing channels for real dialogue and feedback. This systematic engagement uncovers the real-world challenges and risks workers face, ensures prompt mitigation of unsafe conditions and builds trust between workers and management.

The existing Indian laws and international frameworks around this theme are in **Annexure 7.2 and 7.4**.

## 4.4. Material sourcing

By now, it's clear that while renewable projects reduce greenhouse gas emissions and curtail fossil fuel pollution, if not carefully planned, their construction and operation can disrupt local ecosystems, degrade soils and put strain on water resources. For example, large-scale solar and wind projects may alter land use patterns, threaten habitats and affect local livelihoods if not sited and managed responsibly.

By sourcing low-carbon, environmentally friendly materials and technologies, such as cyclone-resistant wind turbines, energy efficient machinery or high-heat-resilient solar panels, RE buyers can boost climate resilience and long-term system efficiency while minimising local environmental impacts. (More on this can be found in the RE developers' guidebook).



**This theme largely pushes for:**

- Use of metals, minerals and components sourced with minimal environmental and social impact.
- Optimising usage of materials, incorporating resource efficiency and circularity including end-of-life plan.
- Ethical and legal sourcing through stringent procurement policies requiring certified, locally where possible and ethical sourcing of all materials and technologies, aligned with global sustainability standards and due diligence frameworks (e.g., OECD Guidelines). Tiered supplier audits are often instituted to ensure transparency, traceability and adherence.
- Continuous improvement and disclosure through supplier codes of conduct, risk registers and public reporting on performance, traceability and corrective actions.

The ethical dimension of procurement is critical. RE buyers wield significant leverage to ensure their value chains adopt responsible labour practices, uphold human rights and safeguard against exploitation. This begins with demanding traceability in material origins and engaging only those suppliers who adhere to fair labour, safety and environmental standards.

Wherever possible and feasible locally sourced materials and components of high quality and low carbon footprint are prioritised. Encouraging developers to reduce material usage and ensure resource efficiency through optimising construction processes and methods are strong indicators of responsible sourcing. Use of recyclable materials and planning for end-of-life for every component also supports this endeavour.

RE buyers can insist on transparent documentation, third-party certifications and regular audits across their supply networks, promoting due diligence and deterring abusive, illegal and environmentally or socially damaging practices.

The existing Indian legal laws and international frameworks around this theme are in **Annexure 7.5**.

## 4.5. Business responsibility

To achieve any of the aforesaid goals of responsible RE, it is critical that buyers and suppliers function as responsible businesses. For RE procurers, business responsibility means working with RE developers who are aware and want to nurture a culture of integrity, legal compliance, anti-corruption and ethical decision-making at all levels of their (developer's) operations.



**This theme attempts to ensure:**

- Leadership in innovation, transparency and capacity building, empowering organisations to not only meet but redefine sector standards on responsible RE.
- The adoption and enforcement of anti-corruption, anti-bribery and fair competition policies, with supporting training and third-party audits.
- Operationalisation of robust governance, data-driven monitoring and reporting such as compliance dashboards to create reliable mechanisms for sectoral accountability.

RE buyers can build developer capacity and encourage them to invest in supplier capacity building, providing training, resources and guidance to uphold responsible practices. This includes legal compliance, labour rights, environmental management and community engagement. Buyers should require evidence of implementation, regular monitoring and continuous improvement, ensuring suppliers can meet ethical, social and operational standards consistently.

RE buyers should mandate that developers implement strong corporate governance frameworks. They should include transparent reporting, robust internal controls and enforceable codes of conduct prohibiting bribery, fraud and unethical behaviour. These standards should cover all activities—from raw material sourcing and land acquisition to dealings with officials, partners and project decommissioning. Buyers should require disclosure of business practices during contract negotiations. This practice should include evidence of policy implementation, transparent financial and operational reporting, third-party audit cooperation and proactive risk management across corruption, permits and supply chains.

Ultimately, the importance of this theme lies in building and maintaining the sector's credibility, attracting responsible investment and protecting all stakeholders i.e., from local communities to financiers, from the consequences of misconduct. The buyer's role is decisive: by demanding clear, enforceable commitments to responsible business practices, RE buyers help ensure projects are not only successful but are grounded in principles of fairness, legality and long-term shared value.

The existing Indian laws and international frameworks around this theme are in **Annexure 7.6**.

# 5 Engagement: Best practices

For RE buyers, responsible and effective stakeholder engagement is a critical, strategic lever to reduce risk, unlock value, build trust and ensure the long-term success of Renewable Energy procurement. Buyers do not operate in a vacuum: the trajectory of every renewable project is shaped by the input, expertise and expectations of a diverse array of actors, ranging from communities and policymakers to investors, labour unions, technical bodies, suppliers and civil society.

Meaningful engagement is foundational at every project stage, from site selection to decommissioning. It is also relevant across every thematic area, including land use, social justice, safety, environment, sourcing and business ethics. For each theme, the following section details how RE buyers can identify, engage and partner with various stakeholders, why that engagement matters and the tangible benefits it yields.





## 5.1. Land and communities

**Stakeholders:** Policymakers (local, state, national), local administration (panchayat, district officials), landowners, landless dependents, civil society organisations (CSOs), community leaders, NGOs, local businesses, academic institutions, cultural heritage bodies, vulnerable groups (SC/ST, women).

**How and why to engage:**

- **Policymakers:** RE buyers can work with government authorities to access public databases and maps on land use, cultural sites and No-Go zones and advocate for clear and digitised processes. Involving policymakers ensures projects are planned with legal clarity and public legitimacy. From an EDI lens, governments can also offer frameworks and incentives for diverse hiring, sometimes even quotas for marginalised employment.
- **Local administration:** Early engagement with district, revenue and forest officials fosters smoother site selection and reduces bureaucratic delays. These bodies often hold critical records and have ground-level knowledge essential for conflict avoidance and legitimate land transfer.
- **Landowners and dependents:** Conducting direct consultations and fair negotiations establishes trust and ensures all affected stakeholders (including informal users like grazers and labourers) are heard. Buyers should require developers to undertake robust key-informant and group interviews, which reveal hidden dependencies and legacy disputes.
- **CSOs/NGOs:** These organisations can convene dialogue between developers and communities, facilitate participatory mapping and surface local insights often missed by outsiders. Their involvement helps ensure benefit-sharing models are both context-sensitive and meaningful. These groups can also shine a light on barriers faced by minorities, women and other groups and can verify that hiring practices are genuinely inclusive, not just policies on paper.
- **Academic institutions and cultural heritage bodies:** Such engagement supports the identification and preservation of tangible and intangible heritage and brings technical rigour to site assessments. Inclusion of local academia can improve the accuracy of social baseline studies and enrich decision-making.
- **Vulnerable groups and their leaders:** Proactively including women, SC/ST members and local minority voices is critical for upholding justice and preventing resentment or marginalisation. Engaging these groups allows for tailored mitigation and benefit

Proactive and inclusive engagement across these groups derisks the project, prevents delays from conflict/paralysis, supports compliance and unlocks community goodwill, which is vital for project longevity and reputation.



## 5.2. Environment and end-of-life management

**Stakeholders:** Policymakers (line ministries for environment, pollution control boards), environmental experts, CSOs, waste management companies, recyclers, technology providers, local communities, environmental advocacy groups, professional associations, research institutions.

- **Policymakers/regulators:** Maintain ongoing dialogue for staying current with environmental clearances, waste management norms and end-of-life (EoL) policies. Involving them ensures legal certainty and may create opportunities for regulatory flexibility or pilots.
- **Environmental experts/CSOs/advocates:** These stakeholders provide critical input on site restoration, biodiversity protection and circularity. Engagement strengthens baseline assessments and ensures robust mitigation strategies.
- **Waste/recycling companies/technology providers:** Early partnerships allow buyers to design efficient, circular models for panel and turbine disposal and implement Extended Producer Responsibility (EPR) frameworks. It can also stimulate innovations in upcycling and reuse.
- **Local communities/research institutions:** Collaborate to monitor ongoing environmental performance, co-design restoration projects and track long-term impacts.

Enhances legal compliance and sectoral leadership, mitigates EoL risks, boosts innovation, improves sustainability credentials and may reduce costs through closed-loop models.



## 5.3. Worker wellbeing

**Stakeholders:** Policymakers (labour departments), contractors/subcontractors, worker unions, factory inspectors, third-party auditors, CSOs focused on labour, local health authorities, training institutes.

How and why to engage:

- **Policymakers/labour departments:** Collaborate for up-to-date guidance on wage, health and safety laws. Policymakers can provide access to recognised skill training programmes and enforce labour standards.
- **Contractors and subcontractors:** Buyers should push developers to select partners who prioritise worker safety and fair pay in contracts and to conduct trainings and periodic audits. Early engagement ensures everyone understands legal standards and buyer requirements.
- **Worker unions:** Consultation with unions or worker associations helps surface workplace risks, empower reporting and build a culture of safety. Authentic dialogue minimises labour disputes and improves morale and retention.
- **Factory inspectors/auditors:** Working with independent third-party auditors guarantees compliance and builds credibility with investors and the public. Routine engagement allows for rapid identification and rectification of issues.
- **Local health authorities/training institutes:** Partnering brings expertise for effective safety drills, incident response planning and ensures that health services are planned for large worksites.
- **Workforce representatives/HR:** Engaging staff at all levels allows organisations to co-design EDI initiatives, build leadership pipelines and uncover unreported discrimination or harassment issues.

This engagement results in a safer, more stable workforce, reduces the risk of accidents and litigation and builds supplier reliability, preserving project timelines and reputation.



## 5.4. Material Sourcing

**Stakeholders:** Suppliers/manufacturers, global certification bodies, third-party auditors, logistics companies, customs regulators, local business associations, affected communities, NGOs working on supply chains.

- **Suppliers/manufacturer:** Buyers must require supplier compliance with ESG, labour and traceability standards and set up regular audits/visits. Early dialogue allows prequalification on ethical and sustainable grounds.
- **Certification bodies/third-party auditors:** Leveraging internationally recognised third-party bodies (e.g., ISO, SA8000) enables rigorous verification of claims around sourcing and enhances trust.
- **Logistics/customs:** Engaging logistics and customs ensures material traceability, prevents illegal trade and facilitates smooth import/export of certified components.
- **Local business/NGO networks:** These can help identify issues such as forced labour or environmental degradation early on and foster sectoral dialogue on responsible supply chains.
- **Affected communities:** If procurement involves local industries, buying from those that employ fair labour and avoid environmental harm supports local economies and reduces risk to the project.

Reduces supply chain risks, prevents surprises from non-compliant suppliers, ensures supply chain resilience, attracts responsible investors and customers and upholds global reputation.



## 5.5. Business responsibility

**Stakeholders:** Corporate governance experts, legal advisors, policymakers, auditors, civil society (watchdog) organisations, media, staff at all levels, sector associations, financial institutions.

**How and why to engage:**

- **Corporate governance experts/legal advisors:** Engaging them ensures that the latest standards in transparency, anti-corruption and fiduciary duty are embedded from the outset.
- **Policymakers/associations:** Participation in multi-stakeholder platforms and dialogue with policy think tanks keeps buyers ahead of regulation, anticipates compliance risks and influences policy development.
- **Financial institutions/auditors:** Regular review of practices by external auditors and financiers signals open governance and builds market trust. Investors are increasingly prioritising companies with robust ESG and governance records.
- **Civil society/watchdogs/media:** Transparent public reporting and engagement create accountability and showcase leadership, mitigating reputational risk and signalling sector-wide integrity.
- **Internal stakeholders (staff/leadership):** Ongoing training, whistleblower support and open channels empower a culture of responsibility and allow quick identification of ethical or procedural lapses.

Minimises reputational and legal exposure, attracts capital, fosters an ethical workplace and differentiates the buyer as a leader in sectoral best practices.

# 6 Conclusion: Charting buyer's path on REI

The transition to Renewable Energy is one of the defining opportunities and responsibilities of our era. As this toolkit makes clear, the role of corporate RE buyers is crucial to ensuring that India's RE future is not only green, but also just, inclusive, equitable and resilient. Buyers possess unique market power to shape standards, incentivise best practices among developers and suppliers, and, crucially, set the tone for the social and environmental legacy of the projects they support.

Committing to responsible RE procurement is about far more than meeting minimum legal requirements or ticking boxes for compliance. It is a proactive stance, rooted in the understanding that energy transitions are as much about people and ecosystems as about technologies and megawatts. The decisions and actions taken by buyers reverberate across the value chain, affecting workers' rights, local livelihoods, gender equity, environmental resilience and community trust.

Throughout this toolkit, we have outlined a phased, practical and ambition-driven framework for embedding responsibility into every stage of procurement: from strategic planning and market engagement, through contract negotiation and implementation, to monitoring and end-of-term review. By adopting this lifecycle approach, buyers can anticipate risks, close critical gaps and systematically raise the bar on what is possible and expected in India's growing RE sector.

At the Compliant level, meeting statutory obligations is non-negotiable. This includes compliance with Indian labour, social, environmental and procurement laws and clear, auditable documentation. However, the real opportunity lies in moving beyond compliance. By becoming Adopters, buyers benchmark current practices, identify and address supply chain gaps and integrate social and environmental priorities directly into supplier screening and contracts. This goes hand-in-hand with elevating internal policies, conducting regular self-assessments and setting mechanisms for ongoing improvement.

Leaders in responsible procurement do not wait for regulation to catch up. Instead, they proactively require independent third-party audits, commit to worker benefits and gender inclusion, co-develop benefit-sharing models with communities and insist on transparency and grievance redressal mechanisms that have real, practical impact.

Leaders also drive suppliers to implement their own responsible sourcing and environmental initiatives, embedding circular economy, life cycle thinking and science-based targets throughout the supply chain.

For those seeking to become Pioneers, the ambition should be to redefine what "good" looks like for the industry. This means championing net-positive impact, embracing the most innovative business and co-ownership models, disclosing supply chains and impact data publicly, supporting sectoral advocacy and working collaboratively to set new standards for diversity, equity and inclusion. Pioneers recognise the importance of enabling local communities not only as stakeholders, but as partners and co-beneficiaries ensuring that the RE transition delivers lasting social value.



The journey is iterative and adaptive. Responsible procurement is not a static checklist, but a dynamic continuum of improvement. Lessons learned from every project, audit and collaboration must feed back into strategy and operations. Continuous dialogue with suppliers, affected communities and independent experts ensures responsiveness to emerging risks, changing expectations and new opportunities for leadership.

The toolkit's phased recommendations, ambition levels and risk/mitigation tables are designed to help navigate complexity, but sustained progress relies on genuine commitment and internal alignment. Cross-functional collaboration between procurement, compliance, sustainability, legal and executive teams is essential to translate policies into action and action into impact.

The benefits are profound and multidimensional: reduced risk of project delays, compliance violations and reputational damage; enhanced access to capital (including green and sustainability-linked finance); improved supplier relationships; greater capacity for innovation; and, above all, strengthened trust from communities, employees, investors and the wider public. By driving higher labour standards, stronger environmental safeguards and community co-benefits, buyers can secure the "social license" crucial for long-term project success and make a tangible contribution to India's development goals.

As India races towards its net zero and RE capacity targets, buyers are called not just to participate in the market, but to lead in raising ambition, sharing lessons and setting the pace for responsible, inclusive and regenerative energy systems. This journey requires vision, courage and collaboration. The roadmap is in your hands; the future, shaped by your choices, can set new benchmarks for the world.

Let this toolkit be a practical companion on that journey: consult it, adapt it, share your learnings and use your procurement power boldly to ensure that Renewable Energy is not just clean, but truly responsible, for today and tomorrow.

# 7 Annexure: Relevant laws and standards

## 7.1. Land and communities

### 7.1.1. Indian laws

Responsible land use, acquisition and community engagement in RE projects are shaped by a robust framework of Indian laws and policies:

- i. **The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act (LARR), 2013:** Core legislation governing mandatory processes for land acquisition, requiring social impact assessments (SIA), minimum consent thresholds (70% for PPP projects, 80% for private projects), notification, fair compensation and rehabilitation for displaced families, including landless dependents.
- ii. **The Panchayati Raj Act, 1992 (73rd Constitutional Amendment):** Empowers local self-government (gram panchayats) in decision-making, consultation and monitoring for land use and community benefit, especially in rural areas.
- iii. **The Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act (FRA), 2006:** Recognises land and usage rights of forest dwellers and tribal groups, mandating Free, Prior and Informed Consent (FPIC) for land diversion and RE siting in forest areas.
- iv. **The Forest (Conservation) Act, 1980:** Requires central approval for diversion of forest land for non-forest use, including RE projects.
- v. **Revenue Codes and State Land Policies:** State-specific land revenue codes and provisions for leasing, conversion and transfer influence site identification, land aggregation and contracts.
- vi. **The Biological Diversity Act, 2002:** Mandates preservation of local biodiversity, documentation and community participation, especially relevant for lands with customary uses or ecological significance.
- vii. **The Protection of Cultural Heritage (Ancient Monuments and Archaeological Sites and Remains Act, 1958):** Restricts land use and construction near protected cultural sites, ensuring preservation of tangible and intangible community heritage.
- viii. **The SC/ST (Prevention of Atrocities) Act, 1989:** Prohibits forced eviction, discrimination and violation of land and livelihood rights for Scheduled Castes and Tribes.
- ix. **State-specific RE Policies and Land Allotment Guidelines:** Provide criteria, restrictions and procedural details for RE project siting, benefit-sharing models and land procurement (e.g., "Go/No-Go" zone notifications).

These frameworks establish the legal baseline for land access, consent, compensation, community rights and benefit-sharing, though challenges remain in enforcement, legacy land disputes and comprehensive inclusion of indirect land dependents.

## 7.1.2. International frameworks and benchmarks

Global norms and benchmarks guide responsible land and community practices:

- i. **IFC Performance Standards (esp. PS1 - Assessment and Management of Environmental and Social Risks and Impacts, PS5 - Land Acquisition and Involuntary Resettlement, PS7 - Indigenous Peoples):** Mandate stakeholder consultation, avoidance of involuntary resettlement, respect for customary and indigenous land rights and the development of equitable benefit-sharing approaches.
- ii. **ILO Convention 169 (Indigenous and Tribal Peoples Convention):** Requires FPIC, recognition of traditional land tenure and protection from forced relocation.
- iii. **UN Guiding Principles on Business and Human Rights (UNGPs):** Set expectations for human rights due diligence in land procurement, no forced evictions, robust grievance mechanisms and transparency.
- iv. **Voluntary Guidelines on the Responsible Governance of Tenure (VGGT), FAO:** Promote responsible land tenure governance, fair and inclusive land transfers and protection for vulnerable groups and local communities.
- v. **UN Sustainable Development Goals (esp. SDG 1, 2, 5, 10, 11, 16):** Poverty reduction, food security, gender equality, reduced inequalities, sustainable communities and just institutions, all tightly linked to responsible land and community engagement.
- vi. **Equator Principles:** Financial industry benchmarks requiring project financiers to ensure robust social and environmental assessment, consultation and resettlement in infrastructure development, including RE.
- vii. **Free, Prior and Informed Consent (FPIC):** Recognised in multiple global frameworks as the gold standard for engaging indigenous and affected local communities in land decisions.

### Links to Tools and Documents

- [TNC's Site Right tool](#)
- [ADB's Guidance document \(2011\)](#)
- [Environmental and Social Framework for IPF Operations](#)
- [World Bank Environmental and Social Standards framework.](#)

## 7.2. Equity, diversity, and inclusion (EDI)

### 7.2.1. Indian laws

Equity, diversity and inclusion in Renewable Energy projects and Indian workplaces at large, are grounded in a range of key laws and policies:

- i. **Constitution of India (Articles 14, 15, 16, 17, 19, 21, 23):** Guarantees equality before the law, prohibits discrimination on grounds of religion, race, caste, sex or place of birth, affirms equal opportunity in public employment, abolishes untouchability and protects fundamental freedoms essential for inclusive workplaces.
- ii. **The Scheduled Castes and the Scheduled Tribes (Prevention of Atrocities) Act, 1989:** Aims to prevent discrimination and atrocities against members of SC/ST communities.
- iii. **Rights of Persons with Disabilities Act, 2016:** Requires non-discrimination, equal opportunity and accessible infrastructure for persons with disabilities in workplaces and public spaces.
- iv. **The Transgender Persons (Protection of Rights) Act, 2019:** Prohibits discrimination in employment, education and services and mandates inclusive policies for transgender employees.
- v. **Equal Remuneration Act, 1976 (now under the Code on Wages, 2019):** Mandates equal pay for equal work, regardless of gender and prohibits gender-based discrimination in recruitment and conditions of work.
- vi. **Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (PoSH Act):** Mandates safe workplaces for women with robust anti-harassment policies and grievance mechanisms.
- vii. **The Protection of Civil Rights Act, 1955:** Penalises discrimination arising from untouchability and promotes social equality.
- viii. **The Maternity Benefit Act, 1961 (amended 2017):** Provides for maternity leave, crèche facility and job security for women employees.
- ix. **The Apprentices Act, 1961 (amended 2019):** Encourages diversity and inclusion in vocational training and apprenticeships.
- x. **The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986:** Prohibits employment of children and regulates adolescent working conditions, supporting social equity for vulnerable populations.

These frameworks collectively establish minimum requirements for diversity, non-discrimination, equality, workplace safety and protection of vulnerable groups, but gaps remain in practical enforcement, especially regarding intersectionality and rural/contractual segments of the workforce.

### 7.2.2. International standards and best practices

Global benchmarks further advance responsible EDI policies and practices:

- i. **UN Universal Declaration of Human Rights (UDHR):** Sets the foundation for equality and non-discrimination worldwide.
- ii. **UN Guiding Principles on Business and Human Rights (UNGPs):** Articulate the corporate responsibility to respect human rights, including EDI and offer a framework for due diligence and grievance redressal.
- iii. **ILO Conventions (C100: Equal Remuneration, C111: Discrimination, C159:**



**Vocational Rehabilitation and Employment of Disabled Persons, C156: Workers with Family Responsibilities, C190: Violence and Harassment)** Mandate non-discriminatory practices, equal pay and inclusion in the workplace.

- iv. **UN Sustainable Development Goals (SDGs 5, 8, 10):** Goal 5: Gender equality, Goal 8: Decent work and economic growth (including inclusive employment), Goal 10: Reduced inequalities.
- v. **IFC Performance Standard 2 (Labour and Working Conditions) and PS7 (Indigenous Peoples):** Require equality in treatment, employment and engagement and protect vulnerable and indigenous groups.
- vi. **Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises:** Call for non-discrimination, equal opportunity and diversity in workplaces globally.
- vii. **Global Reporting Initiative (GRI) Standards on Diversity and Equal Opportunity, Nondiscrimination and Human Rights Assessment:** Guide corporate ESG reporting and evaluation on EDI.
- viii. **Women's Empowerment Principles (UN Women and UN Global Compact):** Framework for promoting gender equality and women's empowerment in business.
- ix. **Diversity and Inclusion Certifications (e.g., EDGE, ISO 30415):** Certify organisations on diversity, equity and inclusion performance.

## 7.3. Environment and end-of-life management

### 7.3.1. Indian Laws

Responsible environmental and end-of-life management for RE projects is grounded in a range of Indian laws and regulatory notifications:

- i. **Environment (Protection) Act, 1986:** Umbrella act for environmental protection; sets standards and mandates for pollution, waste and resource management.
- ii. **Environmental Impact Assessment (EIA) Notification, 2006:** Requires project-level impact assessment and clearance, although solar/wind projects outside eco-sensitive zones may be exempt.
- iii. **E-Waste (Management) Rules, 2016:** Mandates E-waste handling for photovoltaic (PV) modules, bringing solar under Extended Producer Responsibility (EPR) obligations.
- iv. **Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016:** Addresses hazardous wastes, including certain RE components.
- v. **Construction and Demolition Waste Management Rules, 2016:** Covers waste from RE construction, operation and decommissioning activities.
- vi. **Air (Prevention and Control of Pollution) Act, 1981 and Water (Prevention and Control of Pollution) Act, 1974:** Set emission and effluent standards for operational phases.
- vii. **The Compensatory Afforestation Fund Act, 2016:** Pertinent to land-use change and environmental restoration.
- viii. **Jal Shakti Abhiyan, 2019:** Water resource assessment and sustainable usage in project planning.
- ix. **Municipal Solid Waste Management Rules, 2016:** Covers non-hazardous operational and site waste.
- x. **National Policy for the Management of Soil Health and Fertility, 2006:** Framework for site restoration, especially agricultural land.

These laws collectively establish a baseline for environmental compliance but leave gaps in areas like lifecycle analysis, cumulative impacts and robust end-of-life enforcement, particularly for utility-scale solar and wind projects.

### 7.3.2. International standards and best practices

Global benchmarks and frameworks provide additional guidance for responsible environmental and end-of-life management:

- i. **ISO 14001 (Environmental Management Systems) and ISO 14040/44 (Life Cycle Assessment):** Standards for environmental management and lifecycle thinking in procurement and operations.
- ii. **IFC Performance Standards (especially PS1, PS3, PS6):** Require environmental and social risk management, resource efficiency, pollution prevention and biodiversity protection.
- iii. **OECD Due Diligence Guidance for Responsible Supply Chains of Minerals:** Emphasises full supply-chain responsibility, traceability and sustainable sourcing.
- iv. **UN Sustainable Development Goals (esp. SDG 12 and 13):** Responsible consumption and production, climate action.



- v. **Basel Convention:** International treaty controlling the cross-boundary movement and disposal of hazardous wastes.
- vi. **Extended Producer Responsibility (EPR) (as globally understood):** Shifts the burden of waste management to manufacturers and importers, including RE technologies.
- vii. **Net-zero, zero-waste and circular economy frameworks:** Pioneered by leading global and Indian companies; aim for regenerative and restorative impact throughout the value chain.



## 7.4. Worker wellbeing

### 7.4.1. Indian Laws

Responsible worker wellbeing and OHS in RE projects is grounded in core Indian statutes, codes and notifications:

- i. **Factories Act, 1948:** The primary law governing health, safety, welfare and working hours in factories, including provisions for sanitation, ventilation, machinery safety, accident reporting and medical facilities.
- ii. **The Occupational Safety, Health and Working Conditions Code, 2020:** Integrates and modernises previous labour safety laws, setting comprehensive standards for OHS, welfare facilities, hazard identification, risk assessment and training for all contractual and casual workers.
- iii. **Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996:** Establishes safety and welfare provisions for construction workers, including health facilities, insurance and accident compensation.
- iv. **Mines Act, 1952:** Applies to workers in mining and excavation involved in some RE supply chains, focusing on OHS in hazardous environments.
- v. **Minimum Wages Act, 1948 and Code on Wages, 2019:** Ensure workers are paid fairly, protecting their economic security and basic welfare.
- vi. **Payment of Wages Act, 1936:** Governs timely and fair payment of wages, preventing exploitation.
- vii. **Contract Labour (Regulation and Abolition) Act, 1970:** Regulates employment of contract workers and safeguards their OHS and workplace rights.
- viii. **Employees' State Insurance Act, 1948 and Employees' Provident Funds and Miscellaneous Provisions Act, 1952:** Provide health insurance and social security benefits to all eligible workers.
- ix. **Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (PoSH):** Mandates safe workplaces, grievance mechanisms and prevention of harassment for all workers.
- x. **Equal Remuneration Act, 1976:** Mandates non-discriminatory wages for men and women.
- xi. **Child Labour (Prohibition and Regulation) Act, 1986:** Prohibits child labour and certain hazardous occupations.

These laws collectively establish a baseline for workplace safety, fair wages, non-discrimination, grievance redress and employer responsibility—but comprehensive enforcement and coverage for informal or contract workers remain challenges in the sector.

### 7.4.2. International standards and best practices

Global frameworks offer additional direction to ensure worker rights and safety are prioritised:

- i. **ILO Conventions (especially C155 – Occupational Safety and Health, C187 – Promotional Framework for OSH and C111 – Discrimination):** Set the gold standard for labour, safety, nondiscrimination, child labour prohibition and worker participation in safety processes.
- ii. **ISO 45001 (Occupational Health and Safety Management Systems):** Industry benchmark for OHS management systems, risk minimisation and continuous safety improvement.
- iii. **UN Guiding Principles on Business and Human Rights (UNGPs):** Require businesses to respect human rights, provide safe workplaces, prevent discrimination and ensure effective remedy for abuses.
- iv. **Social Accountability 8000 (SA8000):** Certification standard covering worker rights, OHS, social protection, child labour and fair wages.
- v. **IFC Performance Standard 2 (Labour and Working Conditions):** Mandates fair treatment, safe working conditions, grievance mechanisms and protection of vulnerable workers.
- vi. **UN Sustainable Development Goals (especially SDG 8 – Decent Work and Economic Growth):** Calls for safe, secure and decent work for all.
- vii. **World Bank Environmental and Social Framework (ESS2 – Labour and Working Conditions):** Requires assessment and management of labour and working conditions for all project workers.
- viii. **International Council on Mining and Metals (ICMM) Good Practice Guidance:** Relevant for supply chain workers (e.g., in minerals for RE), addressing OHS, worker engagement and community safety.

Best-in-class companies also employ third-party audits, transparent incident reporting, ongoing training and continuous worker engagement mechanisms to move beyond compliance and foster healthy, inclusive workplaces.

## 7.5. Material Sourcing

### 7.5.1. Indian legal foundation

Responsible sourcing in RE projects is governed by an expanding set of Indian laws and notifications:

- i. **Public Procurement (Preference to Make in India) Order, 2017 (and subsequent updates):** Mandates preference for domestically manufactured goods and components in public procurement, influencing sourcing decisions in RE projects.
- ii. **Bureau of Indian Standards (BIS) Regulations:** Set technical and quality standards for key Renewable Energy components (solar modules, wind turbines, batteries), ensuring quality traceability and safety in procurement.
- iii. **The Companies Act, 2013 (Section 135 - Corporate Social Responsibility):** Requires qualifying companies to spend a percentage of net profits on CSR, often supporting responsible, local and ethical sourcing initiatives.
- iv. **The Foreign Trade (Development and Regulation) Act, 1992:** Governs import and export policies affecting the sourcing of RE equipment, regulates trade compliance and curbs illegal imports.
- v. **Goods and Services Tax (GST) and Customs Laws:** Affect transparency, documentation and traceability in the movement and procurement of goods.
- vi. **E-Waste (Management) Rules, 2016 and Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016:** Apply requirements for responsible sourcing, especially for components likely to become electronic or hazardous waste at end-of-life.
- vii. **Legal Metrology (Packaged Commodities) Rules, 2011:** Mandate transparency in labelling and disclosure requirements for packaged goods and imported components.
- viii. **Child and Adolescent Labour (Prohibition and Regulation) Act, 1986; Bonded Labour System (Abolition) Act, 1976; Minimum Wages Act, 1948:** Mandate that suppliers, contractors and upstream vendors comply with bans on forced and child labour and pay fair wages.

Collectively, these laws establish the baseline for responsible, transparent and ethical sourcing, but enforcement and supply chain traceability in the RE sector remain a challenge, particularly for imported components and minerals.

### 7.5.2. International standards and best practices

Global frameworks raise the bar for responsible and sustainable sourcing:

- i. **OECD Due Diligence Guidance for Responsible Supply Chains of Minerals:** Sets international standards for mineral sourcing, requiring risk-based due diligence, traceability, anti-corruption and avoidance of conflict minerals.
- ii. **UN Guiding Principles on Business and Human Rights (UNGPs):** Specify corporate responsibility to prevent, mitigate and account for human rights abuses in supply chains.
- iii. **IFC Performance Standard 2 (Labor and Working Conditions) and Standard 6 (Biodiversity Conservation and Sustainable Management of Living Natural Resources):** Require documentation of ESG performance and supplier due diligence.
- iv. **ISO 20400 (Sustainable Procurement):** International standard guiding the integration of sustainability and ethics in procurement policy and processes.



- v. **SA8000 (Social Accountability):** Certification standard for socially responsible supply chains, covering labour rights, health and safety and management systems.
- vi. **Global Reporting Initiative (GRI) Standards – GRI 204 (Procurement Practices), GRI 308 (Supplier Environmental Assessment) and GRI 414 (Supplier Social Assessment):** Benchmarks for disclosure and assessment of suppliers' environmental and social impact.
- vii. **Global Battery Alliance and ResponsibleSteel™/Aluminium Stewardship Initiative:** Raise expectations for traceability and sustainability in specific RE-critical supply chains.
- viii. **UN Sustainable Development Goals (esp. SDG 8, 12 and 16):** Promote decent work, responsible consumption and production and strong institutions in global supply chains.
- ix. **Modern Slavery Acts (UK, Australia and similar emerging frameworks):** Mandate reporting and remediation protocols for forced labour and human trafficking in supply chains.

## 7.6. Business responsibility

### 7.6.1. Indian legal foundation

Responsible business conduct in RE projects is grounded in a suite of Indian laws, guidance, and regulatory frameworks:

- i. **Companies Act, 2013 (including Section 134, 135 and 166):** Mandates board responsibility for good governance, annual reporting, including business responsibility and sustainability reporting (BRSR) and compulsory Corporate Social Responsibility (CSR) spending for eligible companies.
- ii. **SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended:** Introduces mandatory Business Responsibility and Sustainability Reporting (BRSR) for the top listed companies, covering ESG risks, ethics, corruption, stakeholder engagement and supply chain responsibility.
- iii. **Indian Penal Code, 1860 and Prevention of Corruption Act, 1988:** Provide legal framework for anti-corruption and penalise bribery and fraudulent practices.
- iv. **Whistle Blowers Protection Act, 2014:** Protects employees and stakeholders who report unethical, illegal or corrupt practices.
- v. **Information Technology Act, 2000 (as amended):** Covers corporate responsibility for data protection, cybersecurity and digital transparency, essential for modern governance.
- vi. **Competition Act, 2002:** Prohibits anti-competitive practices and ensures fair, transparent markets.
- vii. **Insolvency and Bankruptcy Code (IBC), 2016:** Provides mechanisms for accountable business exits and restructuring.
- viii. **Sharma Committee Guidelines and Model Procurement and Bidding Guidelines (MNRE, 2020+):** Emphasise transparency, fair procurement and ethical contracting in public RE projects.

These statutes and guidelines collectively establish a robust baseline for legal compliance, good governance, transparency, anti-corruption and stakeholder accountability in corporate conduct.

### 7.6.2. International standards and best practices

Global benchmarks further strengthen expectations for business ethics, governance and accountability:

- i. **UN Guiding Principles on Business and Human Rights (UNGPs):** Provide a comprehensive framework for responsible business conduct with a focus on human rights due diligence, remedy and stakeholder engagement.
- ii. **OECD Guidelines for Multinational Enterprises:** Cover transparency, employment, human rights, anti-corruption, the environment and supply chain due diligence.
- iii. **Global Reporting Initiative (GRI) Standards—esp. GRI 205 (Anti-corruption), GRI 307 (Environmental Compliance) and GRI 419 (Socioeconomic Compliance):** Set benchmarks for disclosing anti-corruption, compliance and stakeholder relations practices.
- iv. **ISO 37001 (Anti-bribery Management Systems):** International standard for preventing, detecting and responding to bribery.



- v. **World Economic Forum (WEF) Principles for Good Corporate Governance:** Outlines global best practices on transparency, accountability and ethical business.
- vi. **International Finance Corporation (IFC) Performance Standards (cross-cutting):** Require responsible business conduct, stakeholder grievance mechanisms and transparent reporting.
- vii. **UN Sustainable Development Goals (esp. SDG 16—Peace, Justice and Strong Institutions):** Calls for accountable, inclusive and transparent institutions at all levels.
- viii. **Equator Principles:** Risk management framework that drives transparency and responsible behaviour in project finance.
- ix. **Extractive Industries Transparency Initiative (EITI)—by analogy to renewable investments:** Promotes open and accountable management of natural resource investments and revenues.



## Interested in collaborating with REI India?

Are you ready to raise your ambition and tackle socio-environmental risks within the renewable energy sector? Do you want to work with changemakers focused on driving responsible energy practices? Perhaps you're interested in becoming a friend of REI India? Or in providing the vital funds needed for us to carry out our work? Whether it's working one-to-one or by joining forces with other changemakers in the sector, there are many ways we can collaborate.

Together, let's enable the renewable energy sector in India to adopt business models and value chains that are people-centric and ecologically positive.

Email us at [energy@forumforthefuture.org](mailto:energy@forumforthefuture.org)

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