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Population and sustainable development, in particular sustained and inclusive economic growth

Statement submitted by Association for Supporting the SDGs for the United Nations, a non-governmental organization in special consultative status with the Economic and Social Council¹

The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 36 and 37 of Economic and Social Council resolution 1996/31.

¹ The present statement is issued without formal editing.





Statement

In 2020, millions of people suffered from food shortages and lost their jobs as a result of the COVID19 pandemic. The International Labour Organization (ILO) reported that approximately 500 million people around the world were unemployed from April to June, while the World Bank stated that the number of the poor living with less than \$1.9 a day increased from 8.8 million to 14 million. Moreover, the World Food Programme (WFP) mentioned that due to COVID-19, 265 million people across the globe may suffer severe food shortages. The ramification of the lockdown made it difficult to secure workers in the production field, and transportation expenses rose as well.

The COVID-19 pandemic restricted the movement of people. The crash of the food and major goods' supply network resulted in a major economic toll for merchants and consumers. As the pandemic is still ongoing, countries did not lift border closures and began protecting their products with stronger regulations in preparation for insufficient food supply and a greater demand. Since the pandemic started, 22 nations have restricted or banned food exports.

As a way to confront and cope with this crisis, countries created large recovery budgets to stimulate the economy. Since March last year, the United States Federal Reserve System implemented a quantitative easing policy to spend \$13.77 billion, while the European Union agreed to raise 750 billion euros in social recovery funds to overcome COVID-19. However, the United States is facing an inflation crisis, and the European Union is suffering the largest energy crisis in its history.

Many countries are devising economic recovery plans to stimulate the economy in response to the COVID-19 pandemic. Despite all the efforts, the economic crisis and inflation are worsening. Also, the global regulations on environmental policy call for a clean energy transition from fossil fuel energy such as petroleum and coal to renewable energy. In the same context, the widely used chemical materials by the industry, such as petroleum-based plastics, have been banned or sanctioned gradually. Still, environmental policies in response to climate change should be further expanded. On the other hand, the energy transition and plastic policies could exclude some industries and produce adverse impacts on people's jobs and the economy.

Steel, chemicals, semiconductors, food and transportation are fields that generate a large number of jobs. However, as these fields are major carbon emitters, jobs in such industries are expected to decline on a large scale as a result of energy transition. Under these circumstances, just transition and sustainable production and consumption must be aligned with the green energy transition, and inclusive economic growth, in consideration of the industrial policies.

The International Energy Agency (IEA) reported that 40 per cent of the world's carbon emissions come from the industrial sector and 20 per cent from the transportation sector. Retail distribution, transportation and logistics industries require a large number of people to work and consume enormous energy due to the operation of delivery trucks, logistics hubs, and product sales. Consequently, various efforts are needed to adopt an eco-friendly, carbon-neutral policy in these industries. While accelerating eco-friendly movements, it is also important to ensure sustainable and stable economic activity for each retail shop owner and consumer. For instance, most products on shelves are delivered covered with plastic wrappings. If such plastic packaging materials and products could be circulated to establish a circular economy system in which companies, workers, retail shop owners, consumers could participate, it would contribute greatly not only to reduce carbon emission, but also to the sustainable production and consumption processes, leading to a stable economy eventually.

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The global resource consumption increased 3.4 times between 1970 and 2017 from 27 billion tons to 92 billion tons, which is equivalent to consuming 12.2 tons of resources per person. As a result of the pandemic, people tend to spend more time indoors, which escalated the usage of plastic packaging products. In a similar manner, plastic consumption in Korea alone increased 18.9 per cent from 776 tons in 2019 to 923 tons in 2020. The increasing amount of plastic waste not only poses a threat to the environment, but also heightens the environmental cost of other neighbouring countries that are adjacent to the coastline. According to a United Nations Environment Programme (UNEP) report on single-use plastics, the world's largest collection of plastic waste is in the Asia-Pacific region, where more than 1 million tons of chemical waste and plastic pollutants are dumped every day, at a cost of \$1.3 billion annually.

The Association for Supporting the SDGs for the United Nations (ASD) promotes projects related to circular economy to urge companies to develop low-carbon strategies and a just transition process. This initiative aims at strengthening the company's eco-friendly policies and helping to avoid economic harm at the same time. In particular, the spread of the circular economy, among transportation companies, has become an even more important issue to recover the supply chain operation after the pandemic.

The ASD and Korea Seven, as part of the Seven Elevens' Korean subsidiary, a world-class convenience store chain, are expanding the circular economy model primarily in Asia by collaborating on an eco-friendly initiative. The initiative aims to reduce both carbon and plastics, the two major contributors to global warming, and is a global campaign unlike anything previously done in the retail industry.

The Association for Supporting the SDGs for the United Nations and Korea Seven are spreading various recycling efforts through the Guidelines for Reducing Plastic Waste & Sustainable Ocean and Climate Action Acceleration (GRP) project, in which the company, workers, store owners, and consumers collectively participate throughout the value chain process.

To reduce greenhouse gas emissions, all stores across the country manufactured eco-friendly plastic bags composed of 100 per cent biodegradable raw materials, resulting in a reduction of 4,620 tons of carbon and 110 million disposable plastic bags per annum.

As a policy to minimize plastic waste, Korea Seven removed the labels from plastic bottled items, making them 100 per cent recyclable, and removed all disposable plastic straws from the 70 million cups of coffee products sold annually at the store. Korea Seven also built a virtuous cycle management system called "last order offer". The program, a first in the field, ensures that food products are not discarded more than necessary.

By developing products in eco-friendly packaging made from raw materials extracted from corn and sugarcane, Korea Seven is setting a model for the development of eco-friendly packaging materials, the biggest concern in the food industry. The company has set a goal of increasing the number of poly lactic acid (PLA) based package products to 10 or more. Korea Seven also plans to double the number of eco-friendly products from its current 40.

The Association for Supporting the SDGs for the United Nations and Korea Seven introduced the "green fill box", a program where consumers refill containers with detergents and other goods, providing innovative examples to the distribution industries. Plastic container waste from daily care products can be recycled into refillable containers at the nearest convenience stores. Such activities also serve as a model devoted to create a circular economy within the entire industry.

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The COVID-19 pandemic accelerated social polarization and supply chain crises worldwide, which has caused many difficulties in consumers' economic activities, including job losses. The International Energy Agency (IEA) estimates that \$21 trillion could be needed for energy transition over the next decade to achieve carbon neutrality in 2050.

It is important to consider the circular economy system in order to promote a climate change response, inclusive growth, and industries' carbon reduction. The activities of the Korea Seven Guidelines for Reducing Plastic Waste (GRP) alongside the Association for Supporting the SDGs for the United Nations could be a leading case study and motivation for major industries and the member states of the United Nations.

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