Speaking points
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Key messages

- 1. The science is clear: currently, we are not on trend to decouple economic development from natural resource use and environmental impacts.
 - Scientists have told us that our relentless extraction, use and discarding of resources is devastating the natural world, propelling climate change and rising pollution levels.
 - Greenhouse emissions from the production of materials, as a share of the global total, increased from 15 to 23 per cent between 1995 and 2015.
 - On current trends, the use of natural resources will double by 2050 including the need for a 60 per cent increase in food production to feed growing populations.
 - Growing use of natural resources is skewed and unequal, with material footprints in high-income countries more than 13 times higher than in low-income countries.
 - We have altered <u>75 per cent of the terrestrial surface of the planet</u>. We have put the existence of one million species in doubt. We have intensified storms, droughts, wildfires, floods and many other climate impacts.
- 2. This scientific evidence does not always reach key decisions makers in a way that is relevant and actionable.
 - To address this challenge, and as requested by the 4th session of the UN
 Environment Assembly, the International Resource Panel and the One Planet

 network established a task group bringing together the experts on natural resources
 and the practitioners implementing sustainable consumption and production.
 - The aim of the task group is to catalyse science-based policy action on sustainable consumption and production, thereby providing actionable insights on the management of natural resources in relation to the 2030 Agenda for Sustainable Development.
 - The task group identified <u>the sectoral focus and a value-chain approach</u> as a promising way to strengthen the interface between the science on natural resources and the action on sustainable consumption and production.
- 3. The value chain approach promotes broad-based economic and social transformations which accelerate our progress in addressing the triple planetary crisis.

- The approach goes beyond an understanding of where along the value chain resource use and environmental impacts occur. It identifies the drivers and barriers that cause the value chains of different sectors to operate as they do. It takes into account the complex drivers and feedback loops that determine and influence the operations and behaviours of actors along the value chain.
- By **engaging all actors along the value chain**, the value-chain approach identifies the most promising solutions and defines a common agenda for concerted actions that can transform the system.
- For example, in the construction value chain, the majority of natural resource use and environmental impacts takes place at the material production stage, the construction stage and the operation stage of the value chain. However, there is limited scope at these stages to make the needed changes for several reasons, including the informality, fragmentation, complexity and availability of options. The most influential actors along the construction value chain are governments, international organisations, financial institutions and major market players, who are primarily acting at the financing stage and the planning and design stage of the construction value chain. The key decisions made at these stages largely shape the activity along the rest of the value chain.
- While the majority of natural resource use and environmental impacts in the food value chain takes place at the primary production stage, primary producers have a limited ability to shape food systems and change their production practices. The middle stages of the food value chain comprising food companies, retail and food services are structurally powerful and to a large degree shape both what food farmers produce and sell and what food consumers buy and eat.
- This approach has also been applied for the plastics value chain: the results of the application of the value chain approach have been shaping the common vision and the concerted set of actions requested to plastic value chain actors in the context of the New Plastics Economy Global Commitment led by the Ellen MacArthur Foundation in collaboration with UNEP. The Global Commitment has to date 500 signatories, which include national, sub-national and local level governments across five continents. The signatories represent over 20% of all plastic packaging used globally, with more than 200 businesses across all stages of the plastic packaging value chain.
- Progress reported on this concerted set of actions shows how those coherent and aligned intervention of value chain actors shift the needle on pressing environmental challenges. Simply focusing on 3 of the major fast moving consumer goods companies which are signatories to the Global Commitment and considering their

commitment to reducing virgin plastics consumption (e.g. replacing them with recycled plastics, or shifting to reuse models) by 2025, this would correspond to keeping 25 million barrels of oil in the ground and reducing CO₂ emissions by 8 million tonnes every year¹.

4. Conclusion

- Science and data are clear: we urgently need transformative action to shift to global resource efficiency (SDG 8, target 8.4) to advance towards sustainable consumption and production patterns (SDG 12). This shift will be instrumental in addressing the three interlinked planetary crises: the climate (SDG 13), the biodiversity loss (SDG15) and the pollution and waste crises (supporting SDG 3 on good health and well-being, target 3.9).
- Through the value chain approach, we now understand how we can "translate" science and data into priority actions that transform our economy and our society. This transformation requires a "whole of society" approach (SDG17), in which we engage, partner and align efforts from governments, the private sector of all size, financial institutions, labour organizations, scientific and educational bodies and media as well as households and civil society groups. They should all be empowered to be part of the solution.
- Critically, the empowerment of all these actors, and particularly of young people, women, indigenous people and more vulnerable actors in the value chains (such as micro, small and medium enterprises), will require that additional efforts are made in building their capacity (SDG17) and ensuring their readiness to be part of this transformation. Access to technologies (SDG17), and particularly to digital technologies, can help accelerate these capacity development efforts, and more importantly leapfrog the technology trends and developments.
- A transformation at scale requires that also financiers (SDG17) make the shift to resource efficiency and circular economy. The last 18 months have seen a steep increase in the creation of financial instruments related to the circular economy. While no such fund existed in 2017, by mid-2020, ten public equity funds on the circular economy had been launched. Assets managed through such funds increased six-fold, from USD 0.3 to USD 2 billion in the first half of 2020, outperforming other funds in the same category. But more is needed, and the UNEP Finance initiative has stepped up its work on circularity with financial institutions.

¹ This relates to the commitments announced in 2019 by Unilever, Mars Inc. and PepsiCo as part of the Global Commitment.

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• What we need is to enhance **collaboration**, **coherence and complementarity across the existing efforts towards a common vision**, to scale up and accelerate these vital transformations for people, prosperity and the planet.