

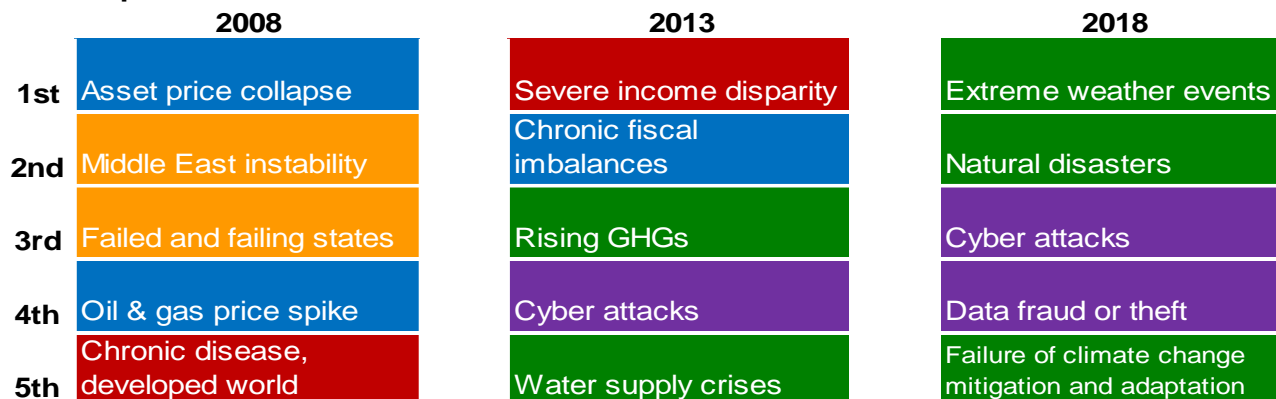
An aerial photograph of a lush green wetland landscape. A winding river flows through the center, surrounded by dense green vegetation and forest. The sky is clear and blue.

## Sustainable Markets Programme WWF-Malaysia

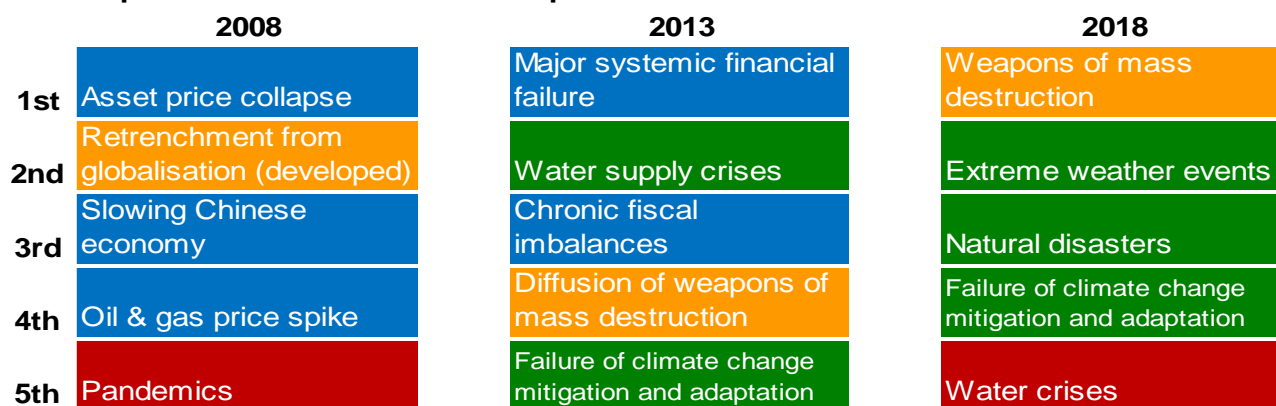


# Top 5 Global Risks

## Top 5 Global Risks in terms of Likelihood



## Top 5 Global Risks in terms of Impact



1. Environmental risks have grown prominence (figure shows - just 10 years ago, environmental risk was not on the top 5 global risks)
2. The year was characterized by high impact hurricanes, extreme temperatures and first rise in CO<sub>2</sub> emissions for 4 years
3. Among the most pressing **environmental challenges** facing us:
  - Extreme weather events and temperatures
  - Accelerating biodiversity loss
  - Pollution of air, soil and water
  - Failures of climate-change mitigation and adaptation
  - Transition risks as we move into low-carbon future

Still, the truly systemic challenge rests in the **depth of the interconnectedness** that exists both among these environmental risks, and between them and other risks, and we cannot successfully deal with global risks (that are increasingly complex, systemic and cascading) in isolation.



# ...translates to business challenges

- disrupt operations
- higher costs
- price volatility
- intense competition (e.g. for supplies as a result of depleting raw materials)
- lower quality products
- assets at risk
- value at risk
- financial losses

## Stakeholders' concerns

### Government

Sustainable economy. Stability

### Financiers (debt & equity)

Capital protection.

### Businesses

Risks and opportunities. Business continuity

### Suppliers

Manage raw materials and costs

### Consumers

Safe and affordable products

### Civil society

Quality of life. Well-being



**Businesses depend on natural capital as a fundamental factor of production and profit earning.**

# Market Transformation – Better Production For a Living Planet



**12** RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION



*“WWF wants companies to produce food in a way that doesn’t harm the environment; food companies need predictable and transparent supply chains. Together, we can work to meet both objectives.”*

David McLaughlin  
Vice President, Sustainable Food, World Wildlife Fund

# Sustainable Markets Programme (SMP)

- SMP's works concentrate on commodities that have the greatest impact on *Biodiversity, Water and Climate* in Malaysia.
- Work closely with key commodity producers, government agencies, financial and investment institutions, smallholders, certification agencies and consumers to encourage adoption of sustainable practices in the commodities production, with the incorporation of Environmental, Social and Governance factors.



# SMP of WWF-Malaysia works with Businesses to:



Shift to responsible sourcing of ethically produced raw materials

Adopt of sustainable practices in the supply chain

Strengthen company's stakeholders engagements and its SDGs disclosures

Support independent smallholders and local producers to embark on sustainable practices

Develop guidance and roadmaps with companies to scale-up their current sustainability commitments





- Palm oil is a very productive crop. It offers a far greater yield at a lower cost of production than other vegetable oils.
- Global palm oil is mainly produced by Indonesia (53 per cent) and Malaysia (32 per cent). Most of the additional volume is generated in South and Central America (3.4 million tons), Thailand (1.8 million tons) and Western Africa (2.4 million tons).
- Global production of and demand for palm oil is increasing rapidly. But such expansion comes at the expense of tropical forests—which form critical habitats for many endangered species and a lifeline for some local communities.

- Defining, implementing and promoting better practices for sustainable palm oil production through **Roundtable on Sustainable Palm Oil (RSPO)**, which is a large, international certification body.
- Encouraging companies to use certified sustainable palm oil (CSPO) in the products they make and sell
- Eliminating incentives for palm oil production that lead to the destruction of forests.

## The Roles of WWF





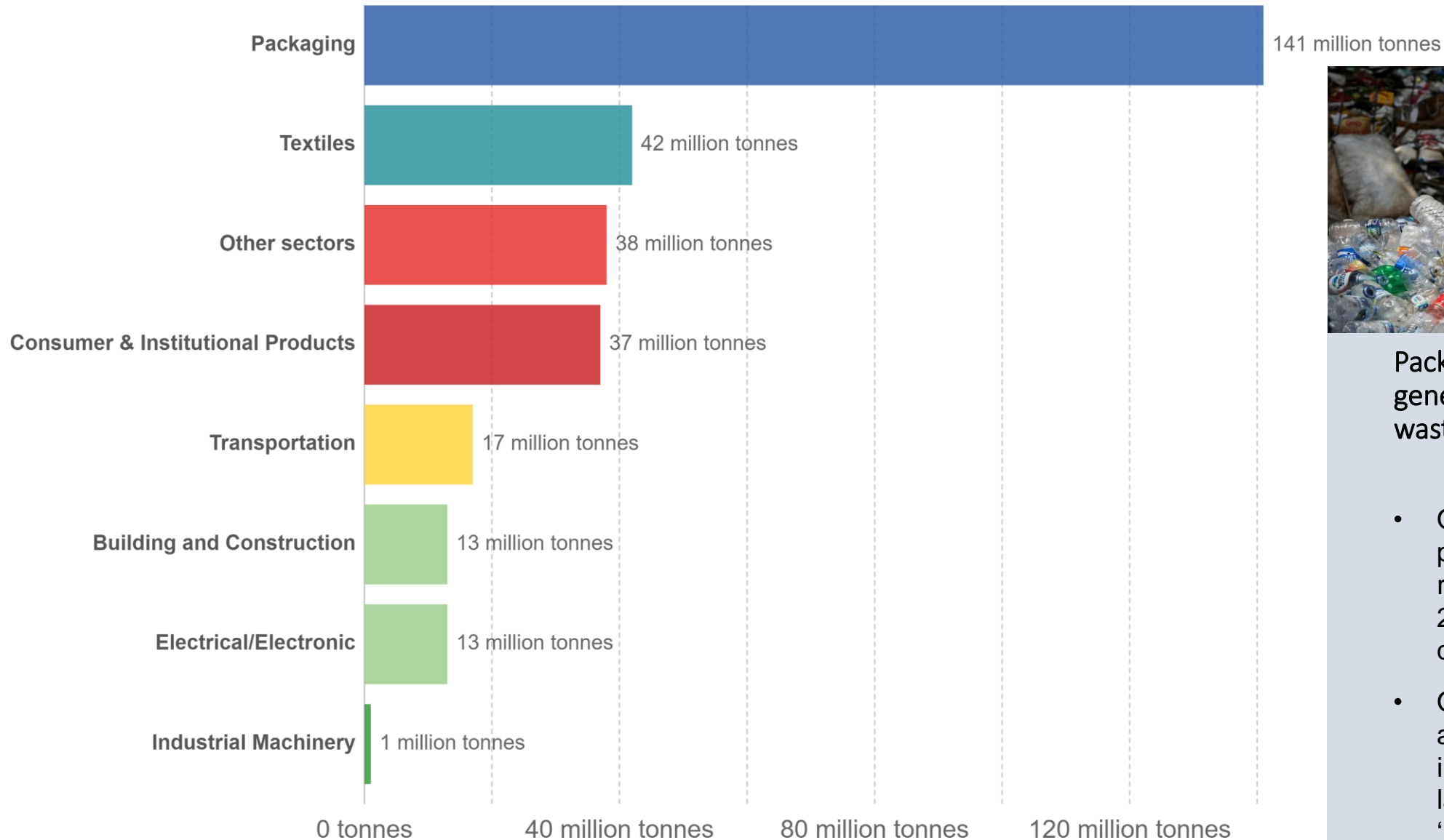
- Deforestation and forest degradation account for up to 20% of world's GHG emissions, mainly in tropical forests.
- More than 80% of terrestrial biodiversity is found in forests.
- Close to 1.6 billion people rely on forests directly for their livelihoods
- The global market has seen sustainable rubber sourcing movement among tyres producers and such movement has evolved into the launch of Global Platform for Sustainable Natural Rubber (GPSNR) in 2018. Unfortunately, the adoption of sustainable rubber sourcing is not practiced among glove producers though the production volume is sizeable

- WWF taps into the power of companies that buy and sell forest products, we help and encourage companies source products from responsibly managed forests
- Encourage companies to invest directly in increasing the acreage of responsibly-managed working forest and to help increase the demand for FSC-certified products.
- Improve supply chain with the Malaysian rubber based personal protective equipment (PPE) companies manufacturing to zero-net deforestation policies.

## The Roles of WWF

# Plastic waste generation by industrial sector, 2015

Global plastic waste generation by industrial sector, measured in tonnes per year.



**Packaging industry generates the most plastic waste**

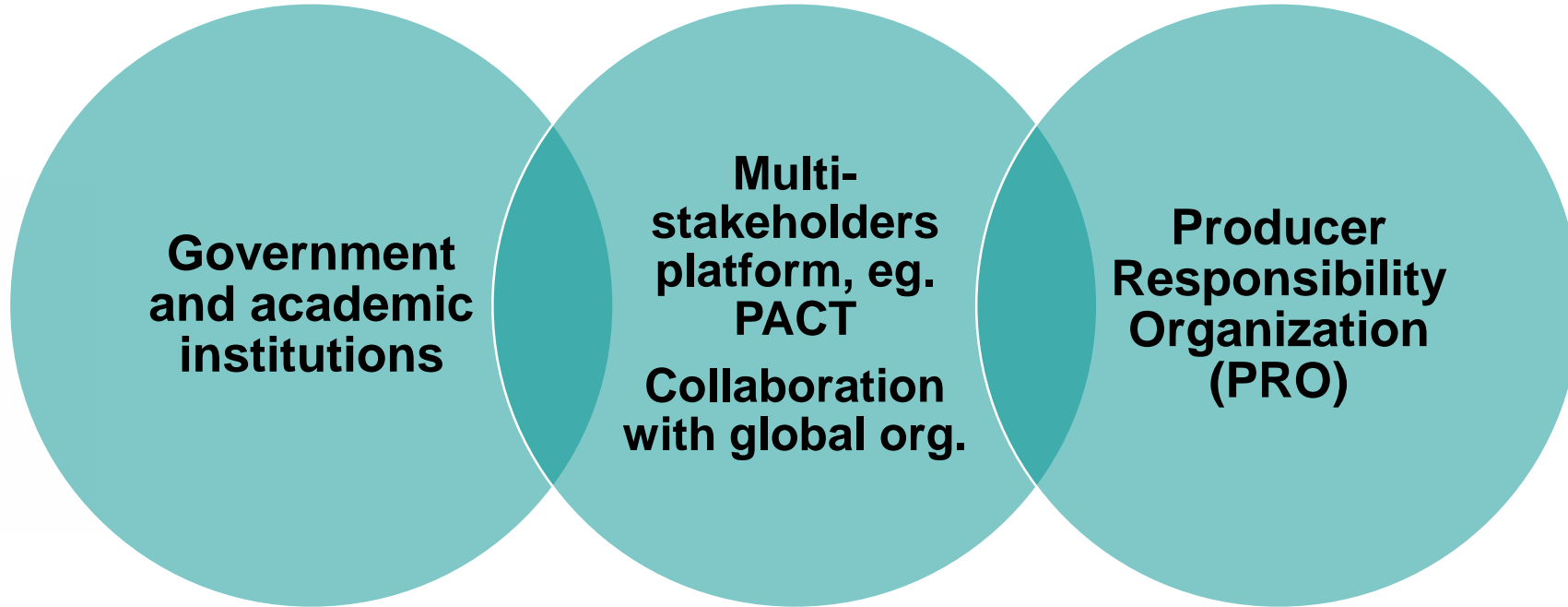
- Only 14% of estimated plastic packaging is recycled globally. Only 2% is re-used as high-quality recycled input
- Of the remainder, around 14% is incinerated, 40% is landfilled, and 32% is 'leaked' to the environment.

## What are the main causes?

- Externalities are not incorporated into the current cost of plastics
- Design trends in consumer goods and packaging towards convenient single-use applications
- Plastic waste is traded globally across countries with limited collection and recycling infrastructure
- Economic growth is outpacing waste management capacity in many countries
- Lack of accountability for waste management from producers



# The Roles of WWF – No Plastic In Nature by 2030



Policy papers, Circular Economy Roadmap for plastic, mandatory EPR scheme, propose customized EPR schemes

Stakeholders engagement along the plastic and packaging value chain; provide science-based information and guidelines.

EPR capacity building, develop PRO operating model; support and guide policymakers on the development of EPR schemes



# Together Possible

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