

An accelerated push towards sustainability

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In photo during the first leg of the BUSINESSWORLD INSIGHTS' Sustaining Sustainability series, with the topic, "The Philippines' Sustainability State and COVID-19," (clockwise, from top left) are moderator Leo Uy of BusinessWorld; panelists Tim Daniels of SM Investments Corp., Senen Perlada of DTI, and Enrico Gaveglia of UNDP. Watch the full online forum here: <https://youtu.be/wC2Iq-vP5NM>. Catch the second leg of this series, with the topic "Reducing Carbon Emissions for a Sustainable Future," on Oct. 28, live and free, on BusinessWorld's Facebook page.

1st leg of BusinessWorld Insights Sustaining Sustainability series calls on business to meet sustainability goals

By **Adrian Paul B. Conoza**, *Special Features Writer*

Sustainability has increasingly become an aim for many businesses, especially with the United Nations setting the agenda for member-states through its 17 Sustainability Development Goals (SDGs). With the coronavirus disease 2019 (COVID-19) gravely impacting the economy, however, achieving these goals must have been hampered.

Yet, for the panel in the first leg of *BusinessWorld Insights* Sustaining Sustainability series, the push for sustainable practices is not just timely, but also necessary for businesses. Held last Oct. 21, the online forum gathered fresh and relevant thoughts from leaders and professionals from both public and private sectors on the theme “The Philippines’ Sustainability State and COVID-19.”

Urgency in sustainability

Enrico Gaveglia, deputy resident representative of the United Nations Development Programme (UNDP) in the Philippines, recognized that the pandemic has disrupted the global efforts in meeting SDGs. Worse, the pandemic has made it more crucial and yet more challenging to address existing problems such as hunger, poverty, inequality, and climate change.

“The effects of the pandemic and the measures taken to mitigate its impact have overwhelmed health systems globally, kept [children] out of school, kept business and factories closed, and distracted the global value chain and supply of products. It is [also] expected to push 71 million people back to extreme poverty, and cause 132 million more people to suffer from undernourishment in 2020,” Mr. Gaveglia added.

This apparent regression in fulfilling SDGs, he continued, caused as well a regression in human development, with many Filipino households having experienced loss of income and even experiencing voluntary hunger and food insecurity.

With these underlying issues further stressed by COVID-19, Mr. Gaveglia believes that there is now an increasing need for businesses to move towards sustainable recovery.

“Many countries are embarking on a great reset, taking the painful lesson from COVID-19 to rebuild greener economies and promote greater collaboration

between governments and the private sector,” he said. “Companies should rethink their strategy, and contribute in the long way to generating green jobs and creating a more resilient economy.”

Businesses can redeploy their unique capabilities to meet society’s immediate needs, Mr. Gaveglia continued, who believes that consumers will give a premium on companies that are moving forward to a sustainable path.

Mr. Gaveglia also believes that moving towards sustainability makes a lot of business sense, since UNDP estimates that achieving SDGs in the country could open a lot of market opportunities in various sectors and help create new jobs.

He hopes as well that a ‘new social contract’ will be formed between societies and stakeholders. “We need to be conscious of the fact that... we all have a role to play, where all unload all of [their] selves. The moment we wire with each other, I think we can resolve this together,” he said.

‘Purpose should drive business’

Sharing from a trade perspective, Senen Perlada, director of Department of Trade and Industry’s (DTI) Export Marketing Bureau, also recognized the challenges the pandemic has brought on industries, exporters, as well as consumers – from the disruption in supply chains to the rapid change in consumer behavior.

But more importantly, the pandemic has brought a welcoming impact on businesses. “[T]he pandemic has redefined sustainability with social awareness... Businesses are now compelled to rethink social issues,” Mr. Perlada said.

Citing recent findings from Euromonitor, Mr. Perlada pointed out the further adaption of supporting local communities as a sustainability aim for businesses,

from 51.4% of respondents taking that in 2019 to 65.8% in 2020. Furthermore, the year's findings revealed that for businesses sustainability now also means achieving the SDGs and being a purpose-driven business.

The DTI director also noted that non-tariff measures have a multifaceted effect on sustainable development, especially as it was found out that 42.5% of these measures in the Asia Pacific region and globally address SDGs such as good health and well-being and responsible consumption and production.

Observing this accelerating move to sustainability, especially in what he expects to be a digital, green, and circular new normal for the global economy, Mr. Perlada encourages businesses to embrace the movement. Else, they might lose relevance and face extinction. "We all have a responsibility to ensure that future generations inherit a livable planet," he added.

Mr. Perlada also advises businesses to shift their focus to their purpose, or why they are there for their customers. "We should really look at purpose as the new normal, individually and collectively as a nation and as a community of nations," he said.

Being responsible

As he shared the sustainability journey of one of the country's big players in the private sector, Timothy Daniels, investor relations consultant of SM Investments Corp., emphasized that the group is continuously driven to serve as a catalyst for development in communities.

"SM is a large group, but we are an ecosystem of many small businesses and stakeholders, and sustainability is about how do we make everyone win as we go forward and how do we go in the long term," he said.

He shared that from focusing its efforts on UN's 17 SDGs, SM narrowed it down to six goals, namely decent work and economic growth, sustainable cities

and communities, climate action, good health well-being, quality education, and partnerships for the goals.

The group finds it will help stakeholders the most in these goals. “[W]e really assessed what is our business doing and capable of doing and where can we really make the most material difference in the Philippines, to the stakeholders and communities that we work with,” he explained.

Mr. Daniels also stressed that in spending on sustainability, what really counts is being responsible to communities as well as preparing for the future.

“It’s not just about spending money. It’s about stepping back and saying, ‘If we have the responsibility to all these stakeholder groups – and we need them for us to thrive and grow – then how do we use what we’ve got on the ground in order to make that happen?’,” he explained.

The consultant also noted that sustainability gains traction with shareholders. “Everybody is supportive that being responsible is the right thing for the business, and our shareholder base, I think, [will] reward us for this in the long term,” he shared.

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