

GLOBAL SUPPLY CHAINS AND SUSTAINABILITY SOLUTIONS

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ABSTRACT

Supply chains of organizations are major contributors of Greenhouse Gases (GHGs) According to the CDP Global Supply Chain Report, supply chain emissions are about 11.4 times operational emissions, translating to about 92% of an organization's GHG emissions. Clearly we have a long way to go if we want Nations to go to zero Carbon over the next few decades.

Organizations are beginning to improve tracking of their GHG inventories and improved GHG-Accounting practices to measure and reduce their Scope 1 (direct emission during production) and scope 2 (indirect emissions through use of goods and services produced) GHG emissions. Globalization of supply chains continue to thrive because of labor cost differentials, environmental regulation differences, innovative communication and coordination technologies and further reduction of transportation costs.

This purpose of this research is to discuss the various trends and developments that affect GHG emissions of organizations. We will also discuss the efforts of Nations to address sustainability issues. For instance the US SEC Carbon Disclosure Rule also is developing the notion of Scope 3 emissions, which refer to GHG emissions in an organization's supply chain, but not under the control of the organization. Another important legislation is the European Union's Corporate Sustainability Due Diligence Directive, which would require larger companies operating in the EU to identify, prevent and remedy risks to human rights and the environment in their supply chains.

This research benefits both academicians and practitioners, as it enhances the understanding of the role of Global Supply Chains on Sustainability and reveals some of the methods being used to enhance sustainability.

REFERENCES

Available upon Request