



Consumers International
Policy Framework for Climate Change
Climate change from a consumer perspective

1. Introduction

There is now global recognition that unsustainable patterns of production and consumption are having grave social and environmental impacts worldwide. The international consensus is resoundingly clear: climate change is real, it is caused predominantly by human activities, and it will have far-reaching consequences for ecosystems and human lives unless we act swiftly to reduce greenhouse gas emissions (GHG emissions). Consumers are concerned about climate change and about its effects. Many want to act in ways consistent with the necessary reduction of GHG emissions.

Many consumers, particularly in the developing world, are dealing with the effects of climate change already. In spite of global agreement about the problem, there is a lack of effective action and energy intensive behaviour patterns continue.

Climate change is a consumer issue in more ways than one. Whilst on the one hand consumers contribute significantly to climate change by engaging in unsustainable consumption patterns (most extensively in developed countries), other consumers, many with low consumption behaviours, are already suffering the impact, predominantly, but not exclusively, in the developing world. The impact of climate change on food supply chains, water service provision and utilities for example, is being felt, and in devastating proportions for many consumers in developing countries. United action is required based on the principle of common but differentiated responsibility to demand action from businesses, governments and international institutions to dramatically reduce GHG emissions and to meet the needs of consumers suffering the effects of climate change.

In addition, the principle of solidarity establishes an element of consumer responsibility. Consumer action is a significant direct and indirect contributor to GHG emissions. Changing consumer understanding and behaviour worldwide is a crucial task in responding to climate change. Changes in the right direction are already visible. There has been a shift in consumer consciousness at a global level in response to increased understanding and awareness of climate impact as well as to efforts by consumer groups, governments and businesses. However, effective consumer action is limited (although not excluded) by sparse or misleading product and service information, lack of effective and clear regulation, and lack of

helpful choice. Of course consumer action remains key and its impact even where imperfect, should not be underestimated. However, the large number of consumers who seek to promote sustainable consumption through their purchasing practices, find themselves lost and confused in the face of underdeveloped, scarce, and inconsistent standards. Many consumers feel that the actions available to them to address climate change as consumers are insignificant in the context of government inaction.

There are many proposals already on the table. The financial crisis sparked a global discussion on the need for a paradigm shift towards a global 'green economy' supporting already agreed proposals and processes such as the 'Bali Roadmap', the 'Marrakech Process' and the negotiations under the UN framework convention on climate change. Yet, the overall progress has been slow and the next three years will be critical in facilitating the necessary paradigm shift to a low-carbon, green and development-focused agenda.

The consumer movement has for years been involved in the climate change and energy agenda at many levels but has not as yet had one united position on climate change.

This policy paper aims to achieve this – creating the framework for our work towards the final negotiations in 2009 under the UN framework convention on climate change, as well as being the foundation for future policies related to climate change and issues such as food, transport and housing. It builds upon the consensus in the "Seoul Declaration" – the report from the 2008 climate change meeting in Seoul, Korea – attended by more than 50 consumer delegates from around the world and hosted by Consumers Korea and ISO COPOLCO.

Set out below are the roles to be played by consumer organisations, business, and government¹ from a consumer perspective in building on existing actions to enable the achievement of a low emissions future and a present which protects consumers in the face of the harmful impact of climate change.²

2. Overall CI policy framework

The Consumers International (CI) policy framework encompasses two key areas of consumer concern based on the unique role that consumers can play and on the key value of solidarity within the consumer movement.

The first examines the impact of the effects of climate change on consumers, whilst the second, and related concern, centres around empowerment of consumers to meet their huge potential to reduce climate change, particularly in relation to energy.

¹ Please note that for the purposes of this paper references to governments and businesses include relevant international and regional forums, for example the United Nations.

² CI also recognises the critical role of other actors including for example academia, the media and shareholders.

2.1 The impact of climate change on consumers

Relative to cause, the challenge of dealing with the effects of climate change is much less well understood, both in terms of needs and in terms of solutions. A high priority area in the short term is strengthening the knowledge base with improvements on existing data and modelling to refine projections of future impacts, and with early insight from the field on the most effective responses.

What we do know is that a devastating impact is already being felt in many areas of the world on access to essential goods and services. Climate change is impacting on weather patterns, which in turn impacts on the food supply chain, the food industry and on consumer access to food. Similarly, access to water and to energy are threatened by the change in climate, as well as by some suggested 'solutions' to reduce energy consumption where in fact, in developing countries, development relies on its growth, but by sustainable means. This development must coincide with adherence to reduction targets by developed countries.

Sustainable access to sustainable energy is a key part of CI's policy framework. In fact we know that putting people on an electricity grid can actually lead to a reduction in carbon emissions in some cases where non-grid consumption is carbon intensive. Local level solutions also have their role to play. A global framework for climate change must be considered through a development lens.

We are calling on governments, businesses and intergovernmental organisations to step up their efforts to work together with consumers to develop comprehensive sustainable energy plans, which remain within the limits of consumer affordability, in other words to meet the requirements of *sustainable access*. The CI policy framework for sustainable access to energy is outlined in the CI energy charter and is attached for reference.

2.2 Consumer impact on climate change

It is clear that consumer behaviour has enormous potential to reduce climate change and that many consumers already recognise this responsibility. Where consumer behaviour and demands advance, business will move with them. Consumer impact is crucial in a range of areas, including for example deforestation provoked by the development of value chains, and the conversion of forest areas to industrial timber plantations or agricultural plantations. The most significant area however in which this potential can be put to best effect is in relation to energy and the role that the use of energy plays in consumption. We believe consumers have a central place in the roadmap towards a low emissions future that includes radically higher levels of energy efficiency and radically lower use of fossil fuels. CI wants to see consumers empowered to make this potential a reality.

Two billion consumers worldwide need increased access to energy (but in a sustainable manner) while at the same time, energy intensive consumption from those who already have

access needs to change. The joint solution to these problems is to consume less energy and in a different manner, in other words energy efficiency in key areas of energy consumption including housing, transport and food.

Energy efficiency is inherently appealing to consumers, businesses and governments alike for its obvious financial benefits. However, to talk about energy efficiency in a meaningful way, we need to look holistically at product lifecycles, production, use and disposal. We need to give consumers the full story, so they are not forced to choose between products that are sound in some aspects and not in others.

Across the world reductions in energy consumption are a critical part of combating climate change. At the same time, the absence of services harms poor consumers and the environment. To give a specific example, poor consumers who have limited or no access to energy may not be able to read at night and this has implications for development at a personal, regional and country level. They may also be burning firewood at unsustainable rates, thus harming the environment. However, the extension of services has to be done in a sustainable manner via alternative sources. In the key energy consuming areas of food, housing and transport, energy efficiency will be needed to combat climate change. This will mean that consumers will have to consume less energy by consuming energy differently.

Below we lay out an agenda for moving forward on the issues outlined above:

3. The responsibilities of consumer organisations

Consumer organisations have a key role to play in ensuring consumer interests in relation to climate change are well defined, understood and acted on. Consumer organisations should make sustainable production and consumption an integral and prioritised part of their work, as well as working in partnership with consumer organisations from other countries to align strategies and share information.

3.1 Increasing information and action for basic needs and services

A key role for consumer organisations is scoping and research to increase our current limited understanding of the impact of climate change on consumers globally and how solutions can be applied to protect consumer interests. This impact is being felt in both the developing and developed world, particularly by poor consumers. For example, in developed countries low-income consumers often bear the brunt of increasing costs for key services such as water and electricity, effectively paying the price for high-income consumers' expenditure to remain static.

Consumer organisations are also critically placed to follow up on such impacts by bringing pressure on governments, businesses and international organisations to take action to ensure consumer access rights are met.

3.2 Educating consumers

Every consumption choice has different contributions to climate change. Changes in consumption behaviour are essential to meet climate change targets and consumer organisations are the main actor with the largest influence to educate consumers that consuming differently, and in many cases consuming less, is a necessary step to addressing climate change. Consumer organisations should embark on awareness-raising campaigns to draw consumer attention to the climate change impacts of their actions and inactions. In many cases consumers are aware that their actions are likely to impact but require information as to the most effective actions they should take and the options open to them.

3.3. Empowering and mobilising consumers

Provision of information alone is often not enough. Equally critical is the role of consumer organisations in mobilising consumers into action to reduce energy intensive patterns of consumption. The role of consumer organisations must include provision for sharing learning on how to reach different types of consumers. Information must be gathered, shared, and operationalised regarding unsustainable consumer behaviour, the motivations behind it and what motivates change. Those consumers with choice must be empowered to make effective, informed and meaningful choices, and those without must be empowered to access sustainable consumption options.

Empowering consumers to have an impact includes providing information. Consumer organisations are amongst the groups most trusted by consumers to provide reliable information on the true impact of the products and services at their disposal. They must step up to the responsibility that comes with this trust by building on existing measures to address the gaps in reliable information, through research and effective information campaigns for consumers and for shareholders. Consumer organisations can test products and services and where they do, should incorporate environmental aspects as a fundamental part of such testing. Consumer organisations should also be moving towards testing more products where impact is primarily in the use and disposal phases.

Consumer organisations also have an important role to play as watchdogs to ensure that business claims about their environmental impact are accurate. Even where no claims are made it will sometimes be appropriate for consumer organisations to 'name and shame' to ensure consumers are informed.

Crucially, these actions should go hand in hand with advocacy and campaign work to move towards better independent assurance for consumers from government, business and independent regulators if consistent and thorough information is to be available for consumers.

3.4 Engaging with key actors

Consumer organisations should foster links with academic institutions to ensure policy and actions are based on up to date research. Consumer organisations should also secure their involvement in multi-sector partnerships to represent consumer concerns and to ensure consumer 'buy-in' to solutions. Engagement with businesses and governments is key in order to help them identify the benefits to business of accountable, transparent and introspective shifts to business paradigms based on an understanding of eco-design.³ It is important that in doing so consumer organisations maintain the position that action is imperative regardless of economic benefits. In other words, consumer organisations must communicate consumer demand for meaningful change.

4. The responsibilities of businesses

The role of businesses in addressing consumer interests is complex but crucial. The wide range of business models globally allow for an equally wide range of challenges, responsibilities and possibilities. In general, businesses need to engage with consumers and consumer organisations to meet consumer interests in relation to climate change in a meaningful and financially sound manner, and to get consumer recognition for this.

4.1 Ensuring sustainable access to sustainable basic needs and services

Business should work in partnership with governments and communities to find and implement solutions to ensure universal access to basic needs and services, including sustainable energy, food and water.

Solutions must be consumer-driven and consumer-facing with regard to the development needs of developing countries, as well as the access rights of already alienated consumers in both the developing and developed world. Urgent and radical action is needed in this area and solutions must be sustainable.

4.2 Participating in the Development of standards and certification schemes

The large number of consumers who seek to promote sustainable consumption through their purchasing practices, find themselves lost and confused in the face of underdeveloped, scarce, and inconsistent standards.

Businesses can promote consumer interests by supporting and participating in the development of robust and accountable standards. Where standards already exist, businesses should implement the appropriate international, national, and sector-wide

³ Eco-design means manufacturing products in such a way as to ensure they have a minimum impact on the environment, for example through their lifetime energy efficiency or resource use, while maintaining their functional qualities and safety for consumers. It involves examining the environmental impact of a product or service right across its lifecycle. As it is estimated that up to 80% of all product-related environmental impacts are determined during the design phase of products, eco-design measures ought to be imposed as early as possible in the production process in order to reduce environmental impacts of products.

standards in the design, implementation and evaluation of their corporate social responsibility (CSR) and climate change mitigation policies.

Information on efforts designed to reduce climate change should be made available in the context of third party assessment and certification of corporate sustainability performance. It must be based on scientific consensus which offer consumers a trusted basis on which to make product and lifestyle choices. It must also be based on eco-design to be truly transparent and offer consumers a meaningful basis for comparison.

4.3 Increasing transparency

As well as third-party certification, businesses should make information publicly and readily available to consumers on their impact on climate change. This should include information about their targets, and about measures taken and planned for reducing their negative impact and increasing their positive impact on climate change.

4.4 Reducing unhelpful choice and increasing helpful choice

Businesses should be proactive in removing from the market those products and services which have a high negative impact on climate change. To achieve this, GHG emissions should be included in the calculation for the cost of production. In countries where government choice reduction policies exist, businesses should be sure to be aware of and compliant with them. Where such policies do not exist, businesses should support governments in developing workable and effective choice reduction strategies. At the same time, new products and services must continue to be developed to provide a range of energy efficient choices without compromising on value or function. It is not sufficient to be transparent in the absence of an increase of choice in 'climate-friendly' products and services. Provision of information on how the consumer can minimise negative impact on climate change during the use and disposal phases should be an integral part of this (for example by switching a TV off at the wall).

4.5 Seeking out opportunities to make a positive impact on climate change

Businesses should seek out opportunities to have an indirect positive impact on climate change. For example by establishing closer relationships with suppliers to green supply chains or by offering support to small and medium enterprises located upstream in the value chain to improve their environmental performance.

5. The responsibilities of governments

Consumers are concerned about climate change and about its effects. Many want to act in ways consistent with the necessary reduction of GHG emissions. Others are suffering the effects of climate change whilst their government's regulation or lack of regulation of consumption continues to cause it.

5.1 Meeting consumer basic needs

Climate change has the potential to set back consumer access to basic needs by decades. Governments must work to predict the short and medium-term effects of climate change on consumer access to basic goods and services such as water, food, and energy, including through intergovernmental organisations. They should put plans in place to deal with these effects. Governments should facilitate technology, expertise, and funds transfers to those countries that require these resources to deal with current and predicted impacts of climate change on consumer access to basic goods and services.

There is also an urgent need for much increased investment in research to strengthen the knowledge base with better data and modelling to refine projections of future climate change impacts and with early insight from the field on the most effective responses. Governments must also be prepared to formulate policies in uncertainty and plan for a variety of outcomes and timescales in order to ensure as a priority that poor consumers have access to basic needs in a wide range of scenarios.

Care must be taken to ensure climate change initiatives do not impact negatively on development, particularly in relation to consumer access to basic goods and services. There is a risk that plans for action in the name of climate change ignore development needs or even claim the primacy of the climate change agenda as a legitimate 'trump card' for actions which slow down or even reverse development. This will need to be a key consideration and it is quite clear that where interests do conflict, 'trade-offs' to reduce climate change at the expense of development needs cannot be accepted.

5.2 Governments as role models

Many consumers feel that the actions available to them to address climate change as consumers are insignificant in the context of government inaction.

Governments can empower consumers to have an impact by taking visible action to drastically reduce GHG emissions so that consumer action feels meaningful. Similarly, governments should avoid contradictory or damaging policies that negate action taken by the consumer. Government action should include acting on commitments made to and recommendations made by international organisations mandated to address climate change. It should also include fast-tracking the commercialisation of key technologies and pursuing negative-cost solutions, that is to say those solutions which are without net economic cost even in the short term.

In developing and implementing policy solutions, governments have a responsibility to ensure that resulting costs are non-discriminatory in effect as well as purpose. In other words, cost should be fairly spread across the population in relation to disposable income and where appropriate by polluting behaviour.

It is important that governments ensure that the action taken is transparent. Necessary time and resources should be allocated to ensure that businesses and consumers understand government policy on climate change, understand action taken, and understand how they can act to fulfil their own roles within measures taken by government.

Whether through amendment of an existing organisation or through a new body, governments must vest power in a global institution with oversight of environmental targets. Such an institution requires the authority and political weight to ensure that climate change is managed alongside other sustainable development issues in a global, systemic and equitable manner. Governments must also resist any undue influence of the private sector on public policy setting. This includes refraining from taking actions in pursuance of corporate lobby or financial interests, which undermine commitments to support developing countries using sustainable energy sources, for example by adding pressure to accept contracts for non-sustainable energy supplies. Governments, as the largest consumer in a national economy, can also act as role models by implementing sustainable procurement policies thereby influencing industry and affecting a shift towards sustainable products and services.

5.3 Governments as facilitators

Without government facilitation, consumers face constant obstacles to making positive choices and often find themselves unknowingly or unwillingly pushed into unsustainable patterns of consumption. Many governments could make sustainable lifestyles possible through their own national strategies, procurement, planning and operating practices. Many more could make considerable improvements in this direction.

Governments must promote effective responses to climate change, including by motivating and supporting consumer action, particularly in high impact areas. That is, those areas where high potential savings depend on consumer action, for example what we eat, how we travel, and how we run our homes. Similarly, governments can meet consumer interests by helping them to make cuts that count. In other words, by enabling consumers to identify the real material changes that they could make, including by funding research to this end. Governments should also facilitate consumer success by ensuring that where consumers act to reduce emissions, these endeavours are effective. This will often require corresponding government action.

Consumer education is another key element of the role of governments as facilitators. Education about consumer impact on climate change should be integrated into accredited and non-accredited education. Formal education curricula should embed sustainability into education, for example through teaching the science of climate change, food growing skills and impacts or how to understand energy bills and their implications.

5.4 Reducing unhelpful choice

In many cases it is viable for governments to develop choice reduction policies and legislation for high impact consumer products and services. Such policies, which remove energy inefficient products from the shelves, have proved effective in promoting energy efficient choices for example in home appliances.

5.5 Holding businesses to account

For consumers to be empowered to act, governments must ensure that information given by businesses to consumers about climate impacts of their products is accurate.

Consumers want to be assured through independent bodies that the product information they receive is correct and is not misleading. It is critical therefore that governments ensure that consumers have *independent assurance* of product information. Governments should also hold businesses to account for their emissions.

5.6 Inclusive policymaking

If consumer interest in climate change issues is to be addressed, consumer voices must be heard and listened to in climate change dialogues. At a governmental level, this means government engagement with consumers in climate change policymaking. The rights and interests of consumers should be a central consideration in the development and implementation of climate change measures.

An equally inclusive attitude to cross-departmental policymaking would also serve consumer interests by promoting consistency in issues of importance to consumers. Governments should ensure coherence across departments in policy to tackle climate change, for example, by determining and managing trade-offs, such as the effect of changing consumption patterns on employment and social development.

5.7 Creating sector-wide solutions

At a national level, the creation of focused multi-sector partnerships at the level of industries, cities and spheres of activity, such as personal mobility, is one way to jointly determine how ambitious emissions cuts can be achieved. This would develop feasible solutions that draw on business, government and individual action as necessary, and implement them through binding agreements between key partners.

The starting point for these solutions would need to draw two clear lines in the sand around scientifically sound targets for emission reductions across the economy and a commitment to broader sustainable human development, so that solutions implemented do not result in further alienating already impoverished or excluded people from basic economic and social opportunities, both in the developed and developing world.

6. Recommendations

This policy framework is presented as a global policy within which a range of localised solutions, and regional and national policy options may fit.

We are convinced that through better information, a combination of incentives, disincentives and alternative choices, and the full engagement of consumers in climate change policymaking, that major emissions savings can be made and that consumers can more fully discharge their choice and access rights, as well as their responsibilities.

To achieve this we recommend that -

Consumer organisations

- Make sustainable production and consumption integral to their work.
- Work in partnership with consumer organisations in other countries.
- Bring pressure on key actors, such as government and business, to ensure consumer rights in relation to access to basic needs and services are met in the face of the impact of climate change.
- Run awareness-raising campaigns to inform consumers on the impacts of their action and inaction.
- Undertake research into unsustainable consumer behaviour, what motivates it and how change can be encouraged.
- Step up research efforts to increase our understanding of the impact of climate change on consumers globally.
- Incorporate environmental aspects as a fundamental part of product and service testing.
- Monitor the accuracy of business claims about their environmental impact.
- Empower and mobilise consumers to access sustainable consumption options, including through education initiatives.
- Build on existing measures to address the gaps in reliable information, through research and effective information campaigns.
- Undertake advocacy and campaign work to move towards better independent assurance for consumers.
- Foster links with academia to translate research into practice.
- Secure involvement in multi-sector partnerships to represent consumer concerns and to ensure consumer 'buy-in' to solutions.
- Help to identify the business case for actions that will positively impact on climate change, whilst at the same time underlining the imperative nature of such actions regardless of economic benefits.

Businesses

- Work in partnership with other actors to ensure universal access to basic needs and services.

- Take voluntary action by establishing choice reduction policies for high impact consumer products and services.
- Work together through focused multi-sector partnerships at the level of industries, cities and spheres of activity to find workable solutions that promote sustainable consumption.
- Support and participate in the development of robust, assurable and accountable standards and certification schemes.
- Ensure transparency regarding their impact on climate change.
- Develop a range of products and services that enable consumers to reduce their energy use without compromising on quality or value.
- Provide information to consumers as to how they can be most environmentally responsible when using or disposing of a product or service.
- Seek out opportunities to positively impact on climate change.
- Incorporate eco-design considerations into their business models and structures.
- Use eco-design thinking in the development and improvement of products and operations.
- Establish closer relationships with suppliers to green supply chains and offer support to small and medium-sized enterprises (SMEs) located upstream in the value chain to improve their environmental performance.

Governments

- Implement mandatory targets for major, sustainable reductions in GHG emissions, allocated in line with principles of global equity.
- Urgently pursue negative-cost opportunities, amongst other actions.
- Where possible, facilitate sustainable lifestyles through national strategies, procurement, planning and operating practices.
- Where viable, develop choice reduction policies and legislation for high impact consumer products and services.
- Work to predict short and medium-term effects of climate change on consumer access to water and food, and put plans in place to deal with these effects. This must include planning and taking action in the absence of information where necessary.
- Ensure that climate change initiatives do not impact negatively on development in developing countries.
- Honor commitments on climate change made under international agreements.
- Ensure that the costs of climate change measures are fairly distributed.
- Commit time and resources to ensuring that the actions they take are transparent.
- Facilitate technology, expertise, and fund transfers to those countries who require these resources to deal with current and predicted impacts of climate change.
- Refrain from taking actions in pursuance of corporate lobby or financial interests, which undermine commitments to support developing countries using sustainable energy sources.

- Motivate and support consumer action, particularly in high impact areas, including by helping consumers to identify the real material changes that they could make and taking corresponding actions to ensure that where consumers act to reduce emissions, these endeavours are effective.
- Integrate consumer impact on climate change into accredited and non-accredited education.
- Where appropriate, develop choice reduction policies and legislation for high impact consumer products and services.
- Hold businesses to account by ensuring that information given by businesses to consumers about the climate impacts of their products is accurate through transparent and independent labelling.
- Encourage convergence of standards and work towards the creation of national and international standards.
- Engage with consumers in climate change policymaking.
- Create focused multi-sector partnerships at the level of industries, cities and spheres of activity, to find workable solutions that promote sustainable consumption.
- Assign responsibility for emission control to a global institution with the authority and political weight to ensure that climate change mitigation and adaptation are managed in an equitable manner.
- Implement sustainable public procurement policies.

7. Conclusion

Climate change is a critical issue for consumers. Consumers have a vested interest because of their power, responsibility and desire to reduce GHG emissions, as well as because of the impact that climate change has on consumer wellbeing.

There is potential for GHG emissions to be lowered, through a combination of international standards, corporate social responsibility, and consumer action supported by governmental and intergovernmental organisations. For this potential to be reached it is crucial to enable consumer action, foster international, national and sectoral commitments, and engage together in creating a framework for global atmospheric governance.

Together with government and industry, consumers are a fundamental force against climate change. But to really be able to make a difference, they must support and be fully supported by other stakeholders, including businesses, civil society organisations, offset providers and standard setters, government and international organisations. Only then will consumers be able to turn their climate concerns into effective purchasing and lifestyle choices.

The empowerment of consumers to take effective action is dependent on regulation, international negotiations and infrastructure changes. Consumers cannot act alone and nor

can they bear the impact of climate change in the absence of international and national action.

Consumer rights and responsibilities must be central to climate change dialogue if they are to be realised. For this to happen, the consumer movement must mobilise around an agreed set of goals and around the established principle of consumer solidarity.