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by

**Ms Premila Kumar, Chief Executive Officer of the Consumer Council of Fiji on Sustainable
Consumption and Production**

Distinguished delegates,
Ladies and Gentlemen

I take this opportunity to thank Consumers International for this invite and the government and people of Hong Kong for their gracious and generous hospitality.

Consumption may be the cause of many social and environmental problems, but it is also crucial to human survival. This is the ultimate paradox. The challenge is how to reach the same well-being with fewer natural resources, by utilising resources more efficiently in less polluting ways.

We all agree that SCP is a balancing act where one has to reconcile societal needs (i.e. use of goods and services that respond to basic needs and bring a better quality of life) while minimizing the negative impact on the environment (less resource use, less pollution, less waste) so as not to jeopardize the needs of future generations.

I will now focus on the key questions.

Is SCP an issue for my organisation and what aspects are important in my country context?

SCP is an issue for my organization. The Council plays an important role in initiating campaign and research to advocate change in consumption patterns, by providing consumers with information that allows them to make informed choices.

The Council recognizes that to change consumer behavior is not totally dependent on choices or information but this must be coupled with Governments policies. Generally it is seen that consumers do change their behavior if there is economic gain (savings) or economic loss (in terms of fines and penalties) and similarly businesses will adopt clean technologies or simply adopt simple housekeeping procedures when market-based instruments are used to promote sustainable production. For example Fiji Electricity Authority offered rebate to those consumers that reduced electricity usage every quarter. **Similarly the Government increased the cost of water**

The Council also recognizes the fact that Sustainable consumption can be promoted by the consumer organizations because all five (5) consumer responsibilities (*critical awareness, action, social concern, environmental awareness and solidarity*) do encourage consumers to be responsible for their consumption.

SCP programmes have been slow to progress because of the continuous overemphasis on economic goals where social and environmental aspects are given lower priority over economic ones. Governments are concerned that by internalizing environmental and social costs in pricing of goods and services would reduce the competitiveness of businesses and lead to job losses.

What is important to Fiji is how SCP can respond to basic needs and bring a better quality of life in a country where 36% of people live below poverty line and how Fiji can meet the Millennium Development Goals (MDG's). Also important is how Fiji can preserve its pristine environment, being a small island state dependent on tourism and export of drinking water and other commodities. Fiji has become a dumping ground for inferior quality products, thus making us a "throw away society"

Fiji is facing the environmental consequences of global impacts such as climate change and sea level rise caused by consumption and production outside their borders, as well as domestic pollution generated by obsolete technologies. Rise in sea levels have forced the sea to encroach into villages and eat away coastlines of most small island states.

Urbanisation has caused large percentage of the labour force to flock to the urban centres which puts pressure on infrastructure and facilities such as land, housing, water and electricity.

Will it continue being an issue in the region and in what ways?

SCP will continue being an issue in the Asia Pacific region because of the population growth, urbanisation and the rise in middle to high income consumers.

Two thirds of the global population (i.e. 3.9 billion people) with most limited access to natural resources per capita lives in the Asia and Pacific region (UNESCAP)¹ There is a rise of a consumer society based on western standards of energy and resource use. Decline in poverty rates are also giving birth to a rising consumer class. Asia has been able to reduce income poverty significantly, and some countries in this region have already met the target of halving income poverty. (UN, 2005).²

There are now more middle-to-high income consumers (earning more than US\$ 7000 a year) in Asia and the Pacific than in Western Europe and North America combined (UNESCAP)³. With the stunning rise of both China and India these figures are set to grow even further. According to WWF, the level of production and consumption in the Asia Pacific Region has already exceeded the earth's carrying capacity by seventy percent⁴.

¹ UNESCAP: Promoting Sustainable Consumption and Production in Asia and the Pacific.

² UN Millennium Development Project 2005: *Innovation: applying knowledge in development*. Report of the Task Force on Science, Technology and Innovation. Earthscan, London 2005

³ UNESCAP, Promoting Sustainable Consumption and Production in Asia and the Pacific

⁴ WWF 2005: *ASIA-PACIFIC 2005: The Ecological Footprint and Natural Wealth*. World Wide Fund for Nature International, 2005

The North-South Divide is another contributing factor for slow acceptance of SCP policies. Developing countries believe they must be given opportunity to industrialize and ‘develop’ because the North has benefited from ‘development’, and the South should not be denied to develop. The developed countries’ economies remain based on resource-intensive consumption and production patterns; despite important improvements in resource efficiency, the overall use of resources continues to increase.⁵

It is seen that the powerful economic growth has improved health, education, housing and nutrition, and in reducing poverty.⁶ However, environmental degradation has increased the number of natural disasters which make development unsustainable and profoundly affect the quality of life of the very people it was intended to benefit.

For most consumers in Asia and the Pacific the price of a product is the single most important factor when deciding what product they purchase. Unfortunately sustainable products are not competitively priced compared to other similar products. For example energy efficient technologies, fair trade products and organic food are expensive in this region.

Can poverty and development be reconciled with the SCP agenda?

SCP policies can contribute to sustainable development with the potential to reduce poverty and improve human development. These include levels of health, education, access to goods and services, community integration, and human rights. Some activities with primary environmental and social aims can open up new employment opportunities. One key example is **the** establishment of ‘taboo’ zones in Fiji where fishing and shellfish collection is limited to ensure ecosystem balance and help fish stock to recover. Income from marine resources increased by 35-43%.

Protecting income derived from ecosystems is only one way in which the income of the poor can be increased through SCP. Another SCP opportunity is the creation of market and employment opportunities that enable the poor to sell their products and services. For example, in Fiji sugar cane farmers engaged in fair trade earn higher prices and better incomes from producing sugar.

There is great potential for improving the health and living conditions of the poor if they have access to renewable energy, cleaner energy sources and technologies. For example, introducing efficient cooking stoves can dramatically reduce the number of deaths caused by respiratory diseases, especially among women and children.

It also offers the possibility for developing countries to move towards more resource-efficient, environmentally sound and competitive technologies, bypassing inefficient and polluting phases of development. For example, the use of solar energy in rural areas avoids the need to build an electricity grid, import fossil fuels and prevents the pollution associated with their use

⁵ UNITED NATIONS DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS, CSD18/2010/BP4, Marrakech Process Progress Report including Elements for a 10-Year Framework of Programmes on Sustainable Consumption and Production (SCP)

⁶ UNESCAP Committee on Managing Globalization, First session, 19-21 November 2003, Bangkok

In addition, the poor often lack adequate access to the resources necessary for satisfying their basic needs. They often lack access to basic services such as electricity and drinking water, postal service, information and communication media, and adequate road and transport systems because government's development agenda is not balanced. Women and children may need to spend many hours every day collecting water and firewood to survive. Another factor limiting their access to basic resources and services is the lack of secure tenure and insufficient land rights in farms and urban slums.

In regards to the purchasing of products and services, even when the poor are able to purchase they are often offered products inferior in performance at a higher price. It is reported that the poor tend to spend more money and time than those who are wealthier when purchasing the same types of goods and services. A case from India reveals high price differentials between those products obtained by the poor and the rich: fresh water was 37 times more expensive in poor communities

SCP can help the world's poor, and help the global community achieve the Millennium Development Goals of poverty eradication. The MDGs' quantifiable, time-bound targets and measurable indicators are expected to contribute by increasing the accountability of the international community towards improving global human wellbeing. To achieve the UN Millennium Development Goals (MDGs) requires the development and integration of SCP policies into national sustainable development strategies and other national plans when applicable, including Poverty Reduction Strategy Papers (PRSPs).

SCP offers opportunities such as the creation of new markets, green and decent jobs (e.g. markets for organic food, fair trade, sustainable housing, renewable energy, sustainable transport and tourism) as well as more efficient, equitable, and welfare-generating natural resources management.

What are the challenges you and your organisation face in respect to SCP (local/national/regional level as appropriate)

There are several challenges at different levels:

Organisation level

- Consumer organisations have not traditionally either encouraged or discouraged consumption, the emphasis has been on value for money. Consumer behaviour, and lifestyles have not been directly approached. Will our role be to tell people to change their lifestyle? Or will it be to help government understand the factors that motivate people in order to ensure that the best policy instruments emerge?
- Consumer organizations already face difficulty in trying to balance the interests of consumers across a highly differentiated population. That is difficult enough, but sustainable consumption also requires us to take into account the interests of future consumers

- Consumers are more and more disconnected from the economic processes that enable their consumption. So the challenge is to make consumers understand the complex processes of production, distribution, and retailing so that consumers are likely to take responsibility for their consumption patterns.

Regional Level (Asia Pacific)

There are numerous challenges to the promotion of sustainable consumption and production in the Asia and Pacific region. These are:

- Asia and Pacific region with their low wages and lax environmental regulations have been providing pollution havens for dirty industries. However, much of this increased economic growth and increased consumption has been based on environmentally unsustainable practices.
- At present, the low awareness and understanding of sustainable consumption in the region is hampering progress towards improving sustainability.
- Where there is political conflicts and civil unrest, or where poverty and inequalities are widespread, then global warming, loss of biodiversity will receive low priority by the Government.
- Given the complex nature of consumption problems and the systemic changes required, how consumer and environmental organizations can work hand in hand to bring about change.
- Distorted markets due to insufficient reflection of environmental costs in natural resource use, such as in energy pricing, are major barriers hampering a move towards sustainable patterns of resource exploitation/production and use.
- People are constantly told to consume more for economic growth as seen during financial crises.

Conclusion

The pursuit of economic development to improve the quality of life must continue, but use of natural resources and environmental protection has to proceed hand in hand. Thus, it is imperative that economic growth be harmonized with environmental sustainability as one of the most important goals for policymakers in the region.