



CONSUMPTION

Overview

- The world's private consumption expenditure amounts to US\$24 trillion a year¹. The amount spent on goods and services at the household level topped US\$20 trillion in 2000 which was a four-fold increase over 1960.
- The richest fifth of the world's people consume 86% of all goods and services while the poorest fifth consumes just 1.3%, with the richest fifth consuming 45% of all meat and fish, 58% of all energy used and owns 87% of all vehicles.²
- According to the World Wildlife Fund (WWF), five planets would be required if everyone were to adopt the consumption patterns and lifestyles of the average North American citizen.³
- Sustainable consumption has been defined as: "the use of services and related products which respond to basic needs and bring quality of life while minimizing the use of natural resources and toxic materials as well as the emissions of waste and pollutants over the life-cycle so as not to jeopardize the needs of future generations."⁴

Demography

- World population is expected to reach 9 billion by 2050, driven largely by growth in developing countries and countries with lower per-capita incomes.⁵
- Projected rises in the GDP of developing countries are expected to accompany a three-fold increase in the number of middle-income consumers. By 2025 there are expected to be 220 million middle income consumer households in China alone. By 2030, it is expected that 80% of the world population will have joined the middle-income bracket.⁶
- Without action, the population surge will offset any savings in resource use from improved efficiency, as well as any gains in reducing per-capita consumption.⁷

The Environment

- According to the WWF, humanity's "ecological footprint" (a measure of the pressure on the

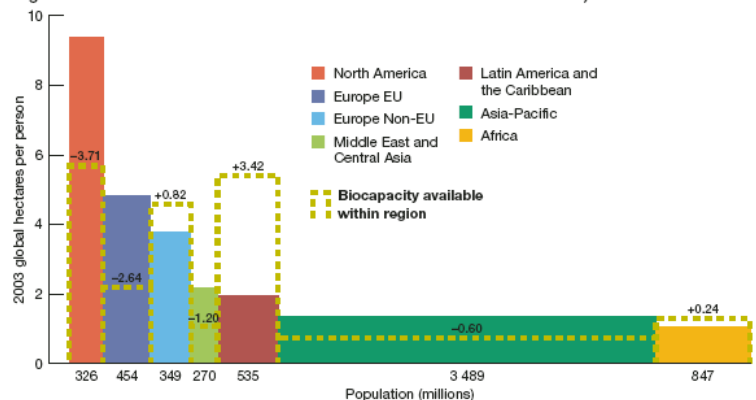
biosphere from human consumption of natural resources) has increased to 125% of global carrying capacity and could rise to 170% by 2040.⁸

- The CO₂ footprint was the fastest growing component of the WWF's ecological footprint – it increased more than ninefold from 1961 to 2003.⁹
- The WWF's Living Planet Index, which measures the health of forests, oceans, and other natural systems, shows that the index fell by about 30% between 1970 and 2003.¹⁰
- Standby power, the electricity consumed when appliances are turned "off" but not unplugged, could account for as much as 10% of total electricity use in industrial countries by 2020. This will require almost 400 additional 500-megawatt power plants that will emit more than 600 million tons of carbon dioxide annually.¹¹

Food Consumption

- In recent years, the volume of gross food imports for developing countries grew at an annual rate of 5%, far higher than the 1.9% annual growth in developed countries.¹²
- Patterns of food consumption are becoming more similar throughout the world, shifting towards more expensive foods such as meat and dairy products.¹³
- The UN's Food and Agriculture Organization has estimated that meat production accounts for nearly a fifth of global greenhouse gas emissions.¹⁴
- The WWF states that each US\$1 million spent by consumers on food has an ecological footprint of approximately 1,500 hectares.¹⁵

Fig. 20: **ECOLOGICAL FOOTPRINT AND BIOCAPACITY BY REGION, 2003**



Tourism

- Tourism is one of the world's largest industries, with annual revenue of almost US\$500 billion.
- For 83% of countries in the world, tourism is one of the top five sources of foreign exchange.¹⁶
- Tourism can create great pressure on local resources such as energy, food, freshwater and other raw materials. Generally, per capita consumption of resources by tourists has risen to four times that of local residents. Tourism-generated threats are now felt in many developing countries, which lack the technological or financial capacity to handle tourists' resource consumption and waste generation.
- International tourist arrivals increased from 25 million in 1950 to 693 million in 2003, and are predicted to grow to 1.56 billion by 2020.¹⁷

Consumption & Development

Business can reduce dependence on increasingly scarce raw materials or fragile services through the introduction of substitutes, the use of alternative abundant or renewable resources. Companies can also create new revenue streams through new markets for certified, fair trade, organically grown or environmentally friendly products and services.

Notes

¹ United Nations, Department of Economic & Social Affairs, Division for Sustainable Development, *Consumption & Production Patterns*, <http://www.un.org/esa/sustdev/sdissues/consumption/conprod.ht>

² United Nations Department of Economic & Social Affairs, Division for Sustainable Development, *Consumption & Production Patterns*, <http://www.un.org/esa/sustdev/sdissues/consumption/conprod.ht>

³ WBCSD, *Fact & Trends: Sustainable consumption from a business perspective, 2008*

⁴ United Nations Commission on Sustainable Development (UNCSD), Symposium on Sustainable Consumption. Oslo 1994.

⁵ WBCSD, *Fact & Trends: Sustainable consumption from a business perspective, 2008*

⁶ WBCSD, *Fact & Trends: Sustainable consumption from a business perspective, 2008*

⁷ WBCSD, *Fact & Trends: Sustainable consumption from a business perspective, 2008*

⁸ WBCSD, *Fact & Trends: Sustainable consumption from a business perspective, 2008*

⁹ World Wildlife Fund. *Living Planet Report 2006*, http://assets.panda.org/downloads/living_planet_report.pdf

¹⁰ World Wildlife Fund. *Living Planet Report 2006*, http://assets.panda.org/downloads/living_planet_report.pdf

¹¹ WorldWatch Institute, *State of the World 2004: Special Focus: The Consumer Society*, <http://www.worldwatch.org/node/810>

¹² FAO, *Commodity Market Review 2007-2008*, <http://www.fao.org/docrep/010/a1487e/a1487e00.htm>

¹³ FAO, *The State of Food and Agriculture, 2004*, http://www.fao.org/documents/show_cdr.asp?url_file=/docrep/006/y5160e/y5160e00.htm

¹⁴ The Guardian, Jowit Juliette, *UN says eat less meat to curb global warming*, <http://www.guardian.co.uk/environment/2008/sep/07/food.foodanddrink>

¹⁵ WBCSD, *Fact & Trends: Sustainable consumption from a business perspective, 2008*

¹⁶ World Resources Institute

¹⁷ World Tourism Organization

Photo credit: Flickr.com