I. INTRODUCTION

Almost three decades since the Rio Conference of 1992, the continued failure of governments to implement commitments on sustainable consumption and production (SCP) indicate the enormous resistance of world leaders to drastically rethink current modes of economic growth, international trade and investment. As a result, the people now face the deadly impacts of climate change, poverty and inequality with poor communities disproportionately suffering the most.

In Southeast Asia for example, deforestation has grown at an exponential rate averaging 1 million hectares a year displacing thousands of wildlife species and pushing them to the brink of extinction. Over the years, scientists have been warning that the continued destruction of forests will push wildlife species to move in closer proximity to human populations. The rampant loss of habitat and growing wildlife exposure has made the world more vulnerable to the rise of pandemics such as the deadly Sars-Cov2 that causes the new Coronavirus disease (COVID-19). Unfortunately, the economic restrictions
imposed by governments in an effort to contain the virus has immensely affected the poorest populations as millions of jobs are lost overnight and poor and often militaristic government response has exacerbated existing inequalities.2

The combined international agreements adopted in 2015, the Paris Agreement and the Agenda 2030 with the Sustainable Development Goals, are all supposed to chart a new path on changing production and consumption patterns towards sustainability.3 However, the greatest challenge to a more sustainable future has always been the persistence of the neoliberal economic paradigm that is largely associated with unfettered carbon emissions, adverse environmental impacts, growing inequality and the accumulation of wealth in the hands of a few. Unequal international trade and investment agreements, as one of the vehicles of neoliberal globalization, are part and parcel of the problem.4

Meanwhile, trade-related issues are confined largely under SDG 17 or the Means of Implementation (MOI), with existing language focused on the call to conclude the Doha Round of negotiations but still precariously close to promoting the same neoliberal agenda espoused by the World Trade Organization (WTO). Several parts of the Agenda 2030 also mention trade in the context of eliminating unjust export subsidies, flexibilities to protect public health and provide cheap medicines, and food security all of which are positions forwarded by developing countries. But five years into the implementation of the Agenda 2030 and the SDGs, there is little progress to note and scientists are warning that the world is not on track in achieving the goals within 10 years. The 2020 SDG Progress Report observes the “continued unevenness of progress” and in some cases, progress is even “stalled or reversed on inequalities, the rate of climate change, and the number of people going hungry.” Further, the report notes the impacts of COVID-19 on the Agenda 2030, citing how the pandemic is “imperiling progress” in achieving the SDGs and how least developed countries stand to be the hardest hit due to fragile health systems, limited social safety nets and a continued dependence on international trade.6

II. TRADE AND SCP IN THE CONTEXT OF THE AGENDA 2030 AND THE SDGS

The need for drastic changes in consumption and production patterns is well reflected in the Agenda 2030, both in the form of a commitment to make “fundamental changes in the way that our societies produce and consume goods and service,” and through having one of its 17 SDGs dedicated to ensuring sustainable consumption and production (SDG 12). Components of SCP, such as energy-efficient improvements, can also be found as constituent elements of some of the other SDGs.5

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It is important to note, however, that even without the COVID-19 pandemic, progress in realizing the SDGs would have remained stagnant precisely because of business-as-usual practices. The underlying market-based framework which permeates the implementation of the development agenda, presents serious challenges in achieving sustainable development. This is evident in how SCP is currently tackled, which is still too focused on efficiency and technological innovations and biased towards market-based solutions, to the detriment of people’s rights. Moreover, the same governments who made commitments to SCP, are also still championing neoliberal trade and investment agreements that have resulted in loss of livelihoods for small farmers and business in developing countries, and resource grabs from indigenous peoples and marginalized communities, among others. The shift towards SCP, and sustainable development in general, continue to be threatened as more of these agreements are being negotiated and signed.

III. TRADE AND SCP NEXUS

Trade and investment agreements have enabled a system of production and consumption wherein economies are highly interlinked and interconnected through geographically dispersed production networks and value chains that span across the globe. These Global Value Chains (GVCs) encompass the full range of activities required to bring a product or service from conception, through the different phases of production, delivery to final consumers, and final disposal after use. The production process taking place in GVCs are often complex and non-linear, involving both foreign direct investment from multinational corporations (MNCs) in the form of their off-shore subsidiaries as well as to outsourced production tasks wherein global brands manage production lines without technically owning physical establishments. This has led to drastic changes in the importation cycle of goods to manufacture finished products. As an example, more than half of total manufactured imports in the world are intermediate goods and semi-finished products that have to be transferred from one place to another before it is finally assembled into a finished commodity. Moreover, 70 per cent of world services imports are outsourced primarily among countries in the Global South.

Corporations that have acquired enough capital to establish multi-national production lines prefer to retain high-value processes in their home countries whereas so-called “low-value” tasks in the GVC which are often hazardous and pollutive processes such as the extraction of raw materials and manufacturing are outsourced to suppliers in poor countries that offer cheap labor and relaxed environmental laws to maximize profit.

In the example below, Nutella’s entire production chain is dissected as follows: high value processes from research and development, product design, to material procurement are all based in its headquarters in Italy. Low value processes including the extraction of raw materials are located mostly in the Global South such as in China (for vanillin), Malaysia (for palm oil), Brazil (for sugar), Turkey (for hazelnut), and Nigeria (for cocoa).

This GVC structure is a typical setup for big enterprises headquartered in rich industrialized countries. As the process value decreases, the more likely it would be situated in a developing country. This setup has increasingly become
widespread resulting in import-dependent and export-oriented economies in the Global South while rich industrialized countries rake in billions in profit\textsuperscript{10}.

Neoliberal trade and investment agreements enable this spread of production processes over a number of countries by dismantling existing trade barriers in the name of allowing freer flow of goods and investments between countries. Various sectors of economies are opened up for foreign investors such as manufacturing, agricultures, extractives industries, and also services. This typically result in a race to the bottom in environmental, labor, and human rights protection in developing countries that seek to attract greater foreign investments.

The link between GVCs and sustainable consumption and production becomes clear when social inequalities as a result of global labor restructuring and outsourcing are considered carefully. Each of the processes integrated into GVCs from manufacturing to consumption are associated with extractive and exploitative practices that are either destructive to the environment or detrimental to people’s rights. The negative environmental and social impacts of the current global production and consumption system trump sustainable development principles, and have contributed to the further deprivation of still unmet human needs, rising inequality, and worsening social exclusion.

Instead of promoting sustainability, the neoliberal trade regime promoted by the WTO along with regional and bilateral free trade agreements, have long ravaged entire communities in the Global South by facilitating the overuse

\[\text{Figure 1. The Nutella Global Value Chain – Ferrero}\]
of natural resources beyond the point of resiliency, widespread pollution, wage depression, land grabbing, and other violations of peoples’ rights.

A. Destructive Agriculture Practices

Trade and agricultural liberalization directly undermine the people’s capacity to produce their own food violating the right of peoples to feed themselves and the right of nations to achieve and defend food sovereignty. The general direction enforced by the WTO through stringent ascension requirements and unfair trade rules place agricultural industries in developing countries at risk in favor of the interests of big agro-corporations and industrialized states.

The neoliberal thrust in agriculture is by all means embodied by the WTO Agreement on Agriculture (AOA) which is an international treaty originally meant to resolve loopholes in the global agricultural system. The AOA is founded on the imperative to reduce and eventually remove tariff and non-tariff barriers on agricultural products while drastically reducing domestic subsidy.

These policy pillars of the AOA make the whole agreement fundamentally problematic for developing countries because agricultural liberalization entails removing tariff walls meant to protect local industries from being overwhelmed by imported goods. Developing countries could not possibly keep up with the competition once heavily subsidized imported agricultural produce comes in and destroys the local food production sector. Meanwhile, the commitment to reduce domestic subsidy applies largely on developing countries. While perpetually demanded by rich nations as trade conditionality, developing countries are forced to reduce subsidy for their domestic agricultural sector towards greater privatization.

Furthermore, the AOA through many of its insidious provisions actually promote

Box 1. India vs AOA: The continuing struggle for food security

A critical issue for India has always been to assert its right to stockpile food supplies. It seeks to protect current practice of buying food grains at the minimum support price (MSP) from its own farmers for later distribution to the poor. India’s goal with the MSP program is to ensure food security for both producers and poor consumers. This, of course has been opposed by many developed states arguing that such practices are actually trade-distorting subsidies violating WTO’s AOA.

On the other hand, developed countries such as the United States, South Korea, Norway, Switzerland and the EU give out enormous subsidies to their own agricultural products. The huge spending of these countries on their agricultural sector allows products to be exported at the lowest price possible. Cheap imported products in turn are detrimental for local agricultural industries of developing countries because it depresses prices of local produce, making it unviable to continue production. This form of export subsidy is allowed under the AOA as it erroneously legalizes developed state practices of crop subsidy as “non-trade distorting” when in fact, the same principle does not apply fairly for developing countries such as India.

As a result, poor countries are essentially barred from subsidizing their own agricultural industry while they are forced to accept cheap and highly subsidized imported products from US, EU and other rich industrialized states.

Source: Srivastava, 2017
chemical-based farming which has become pervasive in many agricultural countries across the globe. The AOA promotes export crop production such as palm oil which in turn results in deforestation and the conversion of lands into large-scale plantations. Big agri-chemical corporations have also made entire farming communities dependent on them for chemical inputs as well as genetically modified seeds. As a result, indigenous knowledge systems including agro-ecological practices are gradually eroded in favor of chemical-intensive farming. Intellectual property rights over seeds also violate people’s rights by penalizing unregulated use of patented seeds.

B. Extractives and Resource Grabs

Opening up developing economies to the global market has made poor countries vulnerable to the establishment of extractive industries owned by corporations from rich countries and the widespread land grabs associated with such operations. Extractive industries such as oil, gas and mining inevitably increase greenhouse gas emissions, pollution and biodiversity loss while posing threats to human health, people’s rights and the environment. More importantly, these key production sectors are largely owned and managed by big corporations based in developed countries. Despite the clamor for a shift towards SCP, the world still heavily relies on natural resource exploitation and demand continues to grow. For example, mineral extraction has a dominant role in the economies of more than 80

Figure 2. Shrinking Lakes in the Mongolian Plateau

countries worldwide accounting for a quarter of global GDP, half of the world's population, and nearly 70 per cent of those in extreme poverty. The mining sector produces approximately 1600 tons of mercury emissions per year. Between 1998 and 2008, the value of the global natural resource trade rose six times, from $0.6 trillion to $3.7 trillion. If these trends continue, the world will require 180 billion tons of material every year to meet human demands by 2050, including for green technologies.

Extractive industries are also responsible for extensive pollution and environmental destruction. Over five decades of Royal Dutch Shell’s oil extraction in Nigeria’s Ogoniland have resulted in grave impacts on the environment as well as public health. In many areas in Nigeria, drinking water has become increasingly contaminated and the rise of carcinogens continue to threaten public health. The massive oil spills in the country have greatly imperiled thousands of communities depending on major river systems contaminated by oil. In 2018 alone, the volume of oil spilt rose to 1,600 tons or 12,000 barrels compared to 1,400 tons the year prior. Furthermore, under a production-sharing contract with the Nigerian government, Royal Dutch Shell and other foreign oil corporations with similar agreements have raked in 80 per cent of profits from oil after costs while Nigeria only took 20 per cent.

In Mongolia, an estimated 852 rivers and over 1,000 lakes have dried up as a result of mining operations at head waters enabled by a bilateral trade deal with China. Case in point is the Xinkai Lake in the interior parts of Mongolia that has shrunk from 4,160 square kilometers in the late 1980s to 2,900 square kilometers in 2010. The same study concluded that mining operations to satisfy coal and copper demand in China has dried up water tables transforming entire lakes into empty parched lands. Moreover, Mongolia’s mining industry is heavily driven by Chinese demand as 90 per cent of its copper and coal export goes to China.

In the Democratic Republic of Congo (DRC), the demand for minerals used to manufacture electronics for Intel, Apple and HP has sparked border conflicts between Congolese soldiers and armed rebel militia both of whom seek to take control over the mines. The DRC produces almost half of the world’s supply of tantalum as well as tin ore, gold and other minerals useful for electronics production. It has also been reported that around 40,000 children work forcibly in mines.

Box 2. Green Grabbing in Mexico
Investments in renewable energy sources such as wind are promoted globally as solutions to the ecological and climate crises. However, the emergence of large-scale land appropriation for wind farms have benefited mostly transnational corporations accumulating wealth through the construction of wind energy infrastructure.

Resource grabs are facilitated not just by extractive industries but also by “green” energy projects used to legitimize the fast expansion of large scale infrastructure of renewable energy meant for export. For example, in Oaxaca, Mexico, TNCs have built ten thousand windmills but in the process ignored Mexican agrarian laws displacing hundreds of farmers. These TNCs also violated indigenous rights and have sparked conflicts within indigenous communities for taking away their ancestral lands under the guise of promoting renewable energy.

Source: Dunlap, 2019
Overall, oil and gas contracts in Africa cover 20 per cent of identified areas of significance to biodiversity resulting in growing contradictions between the demand for mineral extraction and the protection of biodiversity.

Numerous projects are also being misused to legitimize land grabbing through environmental arguments. One example is the case of expanding oil palm plantations in the Philippines which are highly promoted because it produces agro-fuel as an alternative to fossil fuels while also serving as man-made carbon sinks. The expansion of these monocrop plantations however have only resulted in extensive land grabbing and the gross exploitation of farmworkers.\(^{18}\)

On the other hand, Philippines’ importation of palm oil has seen a surge of 176% in 2018 without actual demand increasing and despite the fact that the country can produce its own palm oil. The palm oil imports are coming from Malaysia and Indonesia by virtue of the ASEAN Trade in Goods Agreement (ATIGA) which allows for tariff-free rates on palm oil exports across ASEAN. Through ATIGA, Indonesia and Malaysia has been dumping palm oil produce to the Philippines. This predatory trade practice has caused great harm to the Philippines’ domestic copra industry which is in direct competition with palm oil as substitute for cooking.\(^{19}\)

**C. Maximizing Cheap Labor, Offshoring Pollution**

The emergence of GVCs – wherein goods that used to be produced within one country are increasingly fragmented and distributed across global production networks – has forced developing countries to integrate into the global economy without developing its own industrial capacity. By virtue of GVCs, developing states do not need to develop their own export industries and instead can access the global market by specializing in specific low-value tasks within certain value chains.

The problem with this formula however is that developing countries are only given the option to absorb low-value processes such as extractive industries and low-skilled labor-intensive manufacturing. High-value tasks on the other hand such as product procurement, packaging, marketing and strategic decision-making...
making are retained in developed countries where the headquarters of big corporations are usually located.

Trade agreements such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) encourage the spread of GVCs and the integration of developing countries into the global market by lowering barriers to trade in goods. While the CPTPP does not directly tackle GVCs, there are a number of GVC-specific components of the CPTPP including trade facilitation, ensuring a smooth and effective supply chain designed to drop all tariffs by the end of the agreement period. In addition, these FTAs also include provisions to relax existing environmental and labor laws to make economies more “conducive” to foreign investments.

Part and parcel of facilitating the entry of developing countries into GVCs are trade provisions for offshoring low-value GVC processes including garments and electronics manufacturing. The offshoring of low-value tasks in the production chain is meant to make the GVC as profitable as possible by employing labor and extracting raw materials where it is cheapest and dumping it in areas wherein it can be sold at the highest possible price.

Another reason why rich industrialized states tend to offshore low-value processes is because these processes are also the most pollutive and produces the highest volume of waste. In other words, developed countries have been offshoring pollution to the Global South.

The means through which developed countries outsource pollution is
through the international trading of waste products between countries for treatment, disposal or recycling. Toxic or hazardous wastes are often exported by developed countries to the Global South, undermining environmental conservation efforts and essentially dumping pollutants onto poor countries\(^{21}\). One example is Guiyu, China which has increasingly become the biggest e-waste landfill in the world as it gradually specialized in dismantling junk computers, cellphones and other electronic devices reaching 1.5 million pounds per year\(^ {22}\).

**D. Barriers to Technology Transfer for Sustainability**

Adopting new technology, while not the sole solution, can help in the process of shifting to SCP. Experts may argue that technology transfers would be one of the benefits developing countries can acquire in full GVC participation. The idea goes: engaging in low value segments allow host countries to learn the production process for themselves and eventually develop their own industries. The problem with this proposition is that it fails to take into consideration underhanded provisions in trade agreements preventing this transfer of knowledge and technology.

At the core of technology transfer is the issue of intellectual property rights (IPR) protection as it applies to national sovereignty. Developed states use this argument as a means to prevent their homegrown and patented technologies from leaking to other countries where their production processes are located. The protection of these rights however are typically only confined within the country’s territory and does not extend to foreign nations. In order to extend intellectual property protection on an extraterritorial level, developing countries have to agree to such terms through a free trade agreement.

Strengthened IPR protections enshrined under the Trade Related Intellectual Property Rights (TRIPS) agreement further hindered rather than facilitate technology transfer especially in poor countries in the early stages of industrialization where learning is confined to reverse engineering and duplicative imitation of foreign technological outputs.

While TRIPS was originally meant to strike a delicate balance between IPR protection and incentives for technology transfer, it was skewed towards serving the interests of developed nations arguing for greater IPR protection.

In addition, substantial barriers prevent developing countries from effectively absorbing new technologies including insufficient science and technology infrastructure and investment by the government, lack of capital for domestic firms to adapt new technologies, and the aversion of firms to invest in markets where new technologies could not possibly make a profit.

Trade agreements such as the CPTPP and the Regional Comprehensive Economic Partnership (RCEP) for example include chapters that explicitly prohibit the transfer of technology from rich industrialized countries to developing nations. For example, CPTPP adopted the Trans-Pacific Partnership’s Digital Trade provisions which works by protecting critical source codes from leaking to developing countries. It also bans transfers of technology as a pre-condition to gain market access essentially allowing rich countries to dictate which technologies must remain “patented” and therefore not open to transfer and which ones developing countries can learn by doing.
In addition to enlarging the technological divide between the Global North and South, these provisions also have deleterious effects on environmental and climate-friendly technologies. Climate adaptation mechanisms developed by rich industrialized countries are increasingly monetized as the demand for such products swell among developing countries who are also the most vulnerable to the impacts of climate change. For example, the technology needed to manufacture hybrid vehicles is essential for the Global South to reduce its greenhouse gas emissions in accordance to the 2015 Paris Agreement. But more than 90% of patent ownership for hybrid technology is monopolized by the United States, Germany and Japan. As a result, the most vulnerable developing countries are left with no choice to either strike a deal with developed countries to purchase the technology which is close to impossible for poor nations or face the fatal consequences of climate change including extreme weather events, sea level rise and pollution.

Provisions like these are also found in the United States-Mexico-Canada Agreement (USMCA) and is further enshrined by intellectual property rights chapters that have long been used by economic giants to keep their own technology patents from “leaking” into the hands of developing economies. The unequal relations between developed and developing countries embedded in every aspect of technology transfer cannot create genuine alternatives to unsustainable patterns of consumption and production. Instead, it merely reinforces and widens existing gaps by prompting false, market-based solutions meant to maximize profit and keep developing countries stunted.

E. Corporate Rights Without Accountability

At the center of these overlapping and intertwined issues are the roles played by certain actors including the private sector and developed countries. Majority of the biggest corporations are based in advanced industrialized countries – the same countries that pledged their commitment to shift towards a more sustainable production and consumption system. These same governments however also engage and actively promote trade agreements in their area which is fundamentally opposed to the very principles SCP seeks to apply in practice.

These trade agreements in turn unequivocally protect corporate rights without exacting measures to ensure accountability. For example, US-based mining companies have successfully repealed the Indonesian Forestry Law of 1999 which prohibited open-pit mining in protected forest areas. Multinational mining corporations operating in restricted areas in the country flooded the Indonesian government with lawsuits seeking substantive compensation claims invoking the Investor-State Dispute Settlement (ISDS) clause as stipulated in the Indonesia-United States Free Trade Agreement. As a result, Indonesia was forced to relax its laws and accommodate MNC mining concessionaires.

Despite relaxed regulations on the mining sector, Newmont Mining Corporation filed a case against Indonesia at the International Centre for the Settlement of Investment Disputes (ICSID) in 2014 under the Bilateral Investment Treaty (BIT) between Indonesia and the Netherlands. Newmont eventually withdrew the case but not after the Indonesian government succumbed to its pressure and gave the company special exemptions from the
2009 mining law including the reduction of required tax rates from 25% to 7.5%.

BITs were also used in Paraguay to deprive Indigenous Peoples from reclaiming their ancestral lands. In 1992, an agrarian law was passed in Paraguay granting idle lands subject for expropriation or selling. 120 indigenous families residing in the Palmital settlement – a 1,000-hectare estate owned by German citizens were forcibly evicted by state police after the owners of the land cited violations to Paraguay’s BIT with Germany signed in 1993. According to a 2013 report, the world’s 3,000 largest companies are responsible for causing USD 2.15 trillion worth of environmental damages in 2008. The report calculated about half the cost was associated with the release of greenhouse gases, while the remainder of the costs arise from local air pollution, and damage caused by the over-use and contamination of freshwater and fisheries. Data from the same report suggest that the actual damages caused by big corporations comprise a significant proportion of their profit margins should governments and policymakers agree to apply the ‘polluter pays’ principle.

The free reign of corporations essentially ‘licensed’ by trade agreements have led to massive rights violations in the form of wage depression as well as repression of workers’ rights to association, free speech, assembly and other civil liberties. The rights of farmers to land are likewise infringed through large scale land grabbing facilitated by trade deals and concessions to relax regulations on foreign ownership of land. In addition, the extensive conversion of indigenous lands into expansive plantations and through mining and illegal logging activities have robbed Indigenous Peoples of their right to self-determination and ancestral domain.

IV. EXISTING INITIATIVES TO ADDRESS SCP IN THE CONTEXT OF TRADE

The rise of destructive trade agreements in recent decades and its consequences to both people and planet have led to global public outcry for greener alternatives. And while there already existing alternatives, an overarching concern for these approaches is that they overlook the current social context from which such initiatives exist. A neoliberal economic model constricts any possibility to transform these options into sustainable and long-term solutions. Without demanding historical responsibility from rich industrialized countries and accountability from corporations, which are also some of the biggest polluters and carbon emitters, current patterns of consumption and production will remain business as usual.

Some of these initiatives are already gaining ground and while these initiatives are by no means exhaustive, they represent some of the most popular approaches today.

• **Decoupling** – Decoupling seeks to separate economic growth from environmental degradation by promoting the idea of doing more with less. To date, decoupling is the dominant discourse guiding how SCP is currently framed. The problem however with this approach is its refusal to recognize the accountability of developed countries and big corporations in the destruction of the environment and violations of people’s rights.

• **Efficiency** – The efficiency approach is a closely related term to decoupling which takes root in the dominant conception of the 1990s on household-energy efficiency and recycling. It was not long before it became obvious that such type of greening intervention only
increased the market performance for selected “green” products and was an option available only for a few lifestyle groups. The major issue with it however is that it refuses to challenge underlying social and environmental contradictions inherent to a neoliberal economic system.

• **Greening Value Chains** – This aims to improve the sustainability of value chains by controlling both the inputs and outputs in production that affect the environment, which will supposedly create green markets, where economic benefits from the use of renewable resources are maximized while environmental harm is minimized. Technology, skills, and investments for greening value chains need to be supported by policy instruments to promote an enabling environment, such as eco-labeling, green public procurement, green cluster networks, environmental taxes, tradable permits, subsidy reform, green regulations, norms and standards.

• **Circular Economy** – Initiatives on promoting circular economy seeks to ensure sustainable manufacturing and sustainable environmental practices through waste prevention and reduction approaches. Studies have shown that industries that have successfully adopted a circular economy approach to their production chain significantly reduced waste production, energy and material usage. But like many of existing alternatives, this approach has its limits too. The inefficiency of the entire recycling process and the continued dependence of the world’s economy on fossil fuel makes this idea’s feasibility questionable at any rate. Further, the exponential increase in energy usage along with population growth makes this an impossible task.

• **Fossil Fuel Subsidies** – Financing the transition to greener technologies through a tax imposition on fossil fuels. According to a report, just 10 per cent of the profit generated by the fossil fuel industry is enough to cover expenses for the world to completely transition to greener alternatives. This proposition, however promising, also fails to account for unequal relations between countries and systemic obstructions hindering the transfer of technology from one country to another as reinforced by several free trade agreements.

These approaches are a good start, but they fall short in terms of analyzing why unsustainable patterns of production and consumption continue to exist. Many of these initiatives place the onus of change on individual consumers without recognizing the need to demand accountability from polluters. They fail to pinpoint systemic obstructions that prevent the full realization of SCP. Within a neoliberal economic system, alternative approaches that do not challenge the status quo will only solve a part of the problem, but not the problem itself; it will cure a symptom, but not the sickness.
V. TRANSFORMING TRADE TO SUPPORT PEOPLE POWERED SCP

A transformative shift to more sustainable systems of consumption and production is needed in order to avert the irreversible impacts of multiple crises of climate and the economy. In the context of neoliberal globalization, such transformation is only possible through the adoption of an alternative SCP framework that puts people’s rights at the front and center. This People-Powered SCP (PP-SCP) has four key components namely:

1. **People’s rights are protected and advanced in the whole production and consumption chain** – In the context of trade, agreements must not undermine people’s rights across the entire production chain. From the provision of living wages to protecting ancestral lands of Indigenous Peoples from resource grabbing and extractive industries – the current neoliberal models of trade must be reformed. An alternative trade system that respects and promotes people’s rights and welfare must be put in place.

2. **Self-sufficiency from the community to the national level is promoted through people’s sovereignty** – Neoliberal FTAs currently allow excessive imports of goods, such as agricultural products. This ultimately affects small domestic producers and businesses from developing countries. A global trade regime guided by PP-SCP principles must enhance self-sufficiency, including the right to food and food sovereignty, in order to usher a more sustainable consumption and production system at the local and global levels.

3. **Social innovations and community actions toward SCP are encouraged and supported** – Trade regimes must be reformed in order to support community-based initiatives on SCP. Trade policies that promote the domination of TNCs over entire production enterprises must be changed in favor of supporting communities and their actions toward SCP.

4. **Accountability of corporations and governments is demanded and ensured** – Current trade regimes provide mechanisms that are in favor of corporate interests and allow them to escape accountability over damages to the environment and people’s rights. These mechanisms such as the ISDS must be dismantled and replaced by accountability measures that protect people’s rights and welfare from unbridled corporate plunder and environmental destruction. Governments must adhere to their responsibilities as duty-bearers in providing the rights of their people and regulating corporations.

These four key components of PP-SCP are in line with the People’s Trade Agenda which similarly seeks to uphold people’s rights and sovereignty, democratic decision-making, solidarity, environmental sustainability, peaceful co-existence and the accountability of states and corporations to the people.

At the core of these four components is the objective of PP-SCP – to defend and promote people’s rights and sovereignty. By helping communities claim their rights to food and resources, they are able to establish and develop alternative systems of production and consumption that address their needs without compromising the resilience of natural resources for future use.

Accomplishing these four key elements require actions from different sectors:
• **Communities** – Communities are key to the success of sustainable development. Communities have the capacity and creativity to provide alternatives to existing production and consumption patterns that address their own needs without sacrificing resource use for future generations. PP-SCP practices will only become successful if initiatives are supported and defended from state and corporate actors that seek to dismantle them.

• **Civil society and peoples’ organizations** – Civil society organizations (CSOs) and peoples’ organizations play a crucial role in this regard by supporting existing PP-SCP initiatives. Through advocacy and working with communities, they can promote ways of mainstreaming these practices. Influencing policymaking and agenda-setting arenas are also paramount tasks of the CSO community amid the growing trend of closing, shrinking democratic spaces. Civil society must unite to combat this push back against their right to participate and be heard in various engagement arenas related to SCP and the SDGs in general.

• **Government/Policymakers** – As duty-bearers, governments hold the responsibility of enacting and implementing laws and regulations that seek to protect the environment and people’s rights. Governments must fulfill their mandate of regulating for public interest instead of allowing corporate interests to take over in trade and investment agreements.

• **Private Sector/Corporations** – It is not enough for corporations to merely pay a compensatory amount for their historical contributions to pollution and climate change. More than that, corporations must be held against the strictest regulations in order to make sure they are providing decent jobs and living wages while protecting the environment and upholding people’s rights where they operate.

ENDNOTES


28 IBON International. (2020). *Rights for Sustainability: Community-led practices on people-powered consumption and production*. 3rd Floor IBON Center
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