



CNCA Game Changers | Regenerative Systems and Economies

Topic. Consumption Based Emissions (CBE) Funding Priorities

Leadership. The Carbon Neutral Cities Alliance (CNCA) members guiding this effort are Copenhagen, DK; and Portland, OR, USA.

Problem statement. Cities have not been able to reduce Scope Three consumption-based emissions as well as they have been able to address the more straight-forward Scope One and Two production-based emissions. While CBE initiatives can work to reduce Scope Three emissions and reduce waste by influencing how goods are purchased and used, cities struggle to: (1) address emissions that are not directly with their jurisdiction control; and (2) model and quantify the impacts of CBE initiatives to gain community and political support for action. Key issues are:

- Cities are struggling with understanding the best ways to strategically address and influence CBEs by addressing consumption patterns
- There is no consistent way to quantify the impacts of implementing CBE initiatives across disparate local systems
- Low carbon supply chains are largely not accessible at the local level, like being able to access low carbon concrete for construction
- Healthy food systems still need to be established and promoted, like switching to predominantly plant-based diets
- Behavior change efforts thus far have fallen short, indicating that new and different approaches are needed
- Government has not yet been effectively used to lift up local and global communities who need to be able to consume more
- There is an acute need for economic systems that value environmental and social aspects in addition to economic growth
- Political will is needed to authorize CBE work in comprehensive planning and budgeting processes

Theory of change. CNCA members are exploring ways to account for and mitigate CBEs coming from food, packaging, building materials, textiles, furniture and other products that are not produced locally. Cities are beginning to address certain types of CBEs, but this is only occurring at a limited level. Scaling these efforts would be a game changer for emissions reduction both locally and globally. Currently, CNCA members have paid particular attention to CBEs from food. For instance, they have been:

- Developing policies and incentives that dramatically reduce food waste
- Implementing programs that mobilize a shift to lower-carbon diets
- Addressing emissions from food transportation, storage, and packaging

This is only one example of CBE work. If cities can achieve the following, then real and deep systemic change can occur. Cities need to be able to:

- Address high-carbon manufacturing by regulating industry production and imports
- Incentive and disincentivize local consumption of goods through purchasing and tax policies, as well as building and zoning codes



- Ban the sale of non-climate compliant products within city limits - polystyrene and plastic bags are examples
- Account for the social costs of carbon emissions in collective procurement policies
- Create and transfer Scope Three accounting methods across cities for impact comparison of specific CBE initiatives
- Increase the ability of their community members to swap, borrow, and repair goods
- Better balance the consumption patterns of all community groups
- Develop new ways to collaborate, so that progress outside of city jurisdiction can be made

Funding priorities. The CNCA Game Changer Fund seeks to support city efforts that build regenerative systems and economies through CBE initiatives. Table 1 outlines funding priorities and targeted outcomes of successful CBE reduction efforts as identified by CNCA members. As funds are raised, CNCA will call for projects that advance these priorities in measurable ways.

Table 1. Consumption Based Emissions Funding Priorities and Targeted Outcomes.

Funding Priorities:	Targeted Outcomes:
<ul style="list-style-type: none"> ● Examining where cities have direct control over CBE reduction / best practices for CBE regulation ● Exploration of new roles and ways to regulate what is bought and sold in city limits, such as through collective procurement policies ● Reimagining growth and economic development, so that the social and environmental costs of carbon are accounted for ● Methodologies for systematically and deeply engaging companies ● Developing business models that include more collaboration, more peer-to-peer exchanges, and new platforms ● Developing accounting and modeling systems that allow for clear goal setting and carbon reduction tracking from CBE activities ● Develop ways to address the social barriers that stand in the way of achieving deep Scope Three reductions ● Work that builds and promotes cross sector collaborations ● Mapping cities’ roles in advancing CBE adoption at scale ● Projects that develop regional partnerships around CBE reduction 	<ul style="list-style-type: none"> ● Consumption behavior is influenced by CBE regulation ● CBE accounting and projection models are developed and standardized across regions ● Cross sector partnerships drive CBE reduction within the supply chain across systems and sectors ● Local markets support CBE reduction across all urban systems, like food, transport, construction, and manufacturing ● The direct connection between consumption and carbon is widely understood and resonates ● Low carbon and sustainable lifestyle habits are the norm