Carbon Footprint and Trade

Latin America and the Caribbean is already suffering the effects of global warming. To make a product, export it, consume it and manage (or not) its waste generates greenhouse gases (GHG) that are measured by the so-called "carbon footprint." Reducing this footprint can be an opportunity to make the region's exports more competitive, especially food exports.

The carbon footprint, or the amount of carbon embedded in a product, depends to a large extent on the production and processing methods used along the supply chain.

» In the case of international transportation, sea shipments are the most efficient since they emit the smallest amount of CO2 in terms of ton/kilometer or mile.

In Latin America and the Caribbean, GHG emissions come from the following sources:

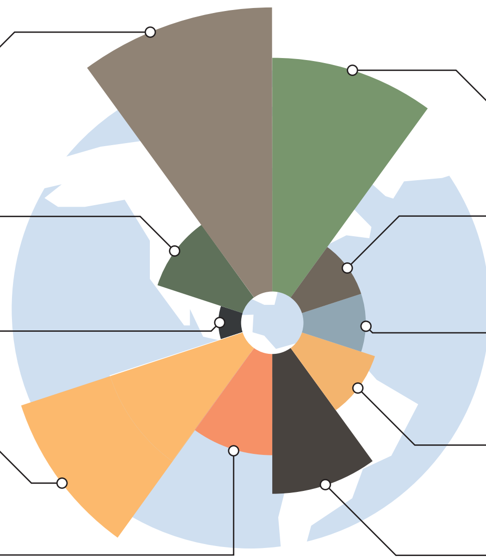
34% Land use and changes in use

5% Waste

1% Bunker fuels

24% Electricity

6% Manufacture and construction



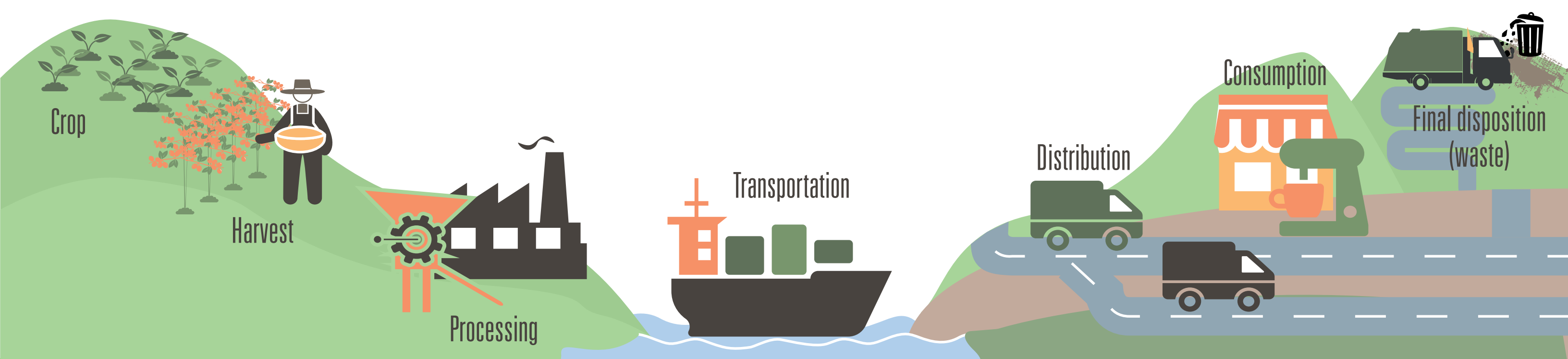
24% Agriculture

3% Industrial processes

3% Fugitive emissions

4% Burning of other fuels

10% Transportation



The same product, like coffee for instance, can have different carbon footprints, depending on where and how it is grown, the processing, packing and transportation methods used, as well as the different ways in which it is consumed and the technologies associated with this phase.

» ECLAC believes there is a lot of room for a positive business agenda in the face of climate change.

» Public-private associations are crucial for the adoption of national export strategies that include environmental sustainability considerations.

» By measuring and reducing their environmental footprint, companies can take opportunities to:

- Adopt low-carbon business models
- Reduce costs
- Improve their energy efficiency
- Increase their competitiveness

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Source: ECLAC's Project on the Carbon Footprint and Food Exports (http://www.cepal.org/comercio/cambio_climatico/)