

Promoting Sustainable Consumption New Policy Approaches

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Executive summary

It is estimated that households are directly responsible for one fourth of final energy use and two thirds of municipal waste generation in the European Union. Measures to cope with the ensuing challenges have been taken. A major step was the European Commission's Action Plan on Sustainable Consumption and Production (SCP) and Sustainable Industry Policy, published in summer 2008. The publication of this plan constitutes remarkable progress, but it also leaves room for further enhancement of public policies striving for the greening of European consumption patterns.

Sustainable consumption policies should be differentiated according to their *contribution to changing in consumer behaviour*. Looking at current policy developments in Europe, one can distinguish three major ways to foster sustainable consumption patterns: raising consumer awareness, making sustainable consumption easy, and greening markets. The more government policies can grasp these three dimensions, the larger their overall impact will be.

At the time of writing, there are new ideas and approaches under discussion and partly implemented to strengthen sustainable consumption. We presented here the most interesting examples, such as the UK Red/Green Calculator, the Dutch Green Funds Scheme or the international Topten initiative. We found the following elements to be essential for the design of a sustainable consumption policies; namely: a) the mix of regulatory and voluntary policy approaches, b) the importance of collective action, c) the adaptability and flexibility of instruments, d) the use of a sound evidence base covering social science data as well, and e) the need for an increased consideration of social aspects of sustainability.

Our main messages for policy makers are:

- Understand sustainable consumption as a policy field in its own right and thoroughly consider the policy requirements derived from modern consumption patterns (*policy foundation*).
- Take a flexible role in policy formulation and implementation, and design a multi-stakeholder based and sufficiently institutionalised policy (*policy approach*).
- Develop policy instruments with high built-in adaptability (in particular in areas of rapid technological progress) with a sense of community and social feedback, based on an appropriate evidence-base and increasingly integrating issues of social sustainability (*policy instruments*).
- Systematically assess and monitor the impacts of sustainable consumption policies and create more interactive networks for the dissemination of innovative approaches among EU Member States (*policy documentation*).

Introduction

Sustainable development remains a central challenge for state and society. Policy must initiate, stimulate and monitor the development of economies and societies to respect the natural limits of planet earth.

Despite the progress in environmental protection policy and technologies that has taken place since the 1960s, the European Environmental Agency observes that “(...) the general trend is an increase in environmental pressures, because consumption growth is outweighing gains made through improvements in technology. The reasons seem not to be a lack of activity, but a lack of integration and cohesion within public policy, and also a focus on the supply side of markets in the programmes.”¹

The linkage between sustainability and consumption – sustainable consumption – has to gain greater prominence on the political agenda. There are a couple of definitions of sustainable consumption. One often quoted is from a symposium which took place in Oslo in 1994: sustainable consumption is “(...) the use of goods and services that respond to basic needs and bring a better quality of life, while minimizing the use of natural resources, toxic materials and emissions of waste and pollutants over the life cycle, so as not to jeopardize the needs of future generations.”² 15 years later, one can observe that the formulation and implementation of sustainable consumption policies have still to be considerably improved.

This policy paper is based on “ASCEE”, a research project which stands for “Assessing the potential of various instruments for sustainable consumption practices and greening of the market”. The project was a research specific support action for policy in the programme “Scientific Support to Policies” of the European Union’s 6th Framework Research Programme.

We observed remarkable progress and activities, such as the so-called Marrakech process and the European activities of delivering an Action Plan on Sustainable Consumption and Production (SCP), but is this sufficient? We think not, and argue for a clearer and more dedicated role for of consumption onto the political agenda.

Focusing on innovative policy approaches and instruments, it became clear that there are a number of activities in place in different European countries. This policy brief gives an overview of the most interesting examples. The brief is the result of nearly 80 expert interviews with academia and researchers, and with policy makers involved in SCP-policy,

representing most of the European Member States, Switzerland and Norway, and of nine case studies carried out by our research team.

We have analysed innovative approaches and identified some new elements important to strengthen future sustainable consumption policy.

This policy brief concludes with recommendations for the design of future policy fostering sustainable consumption.

Why to make consumption more sustainable?

Compared to cleaner production, where some environmental progress has been achieved, the greening of consumption patterns lags behind. This can be attributed to the fact that consumption is a comparatively complex domain and to many other aspects, such as economic factors, the build up of our societies, and a lack of political or public interest. Consuming goods and services is a genuinely social phenomenon. Consumer behaviour is steered not only by rational choice, but also by a need for symbolic consumption, habit, social considerations and distinction. Individual consumption might be relatively environmentally sound in one consumption area, e.g. food consumption, but far less sustainable in another, e.g. leisure time mobility. Furthermore, consumer behaviour might be relatively stable during long time periods, but provides opportunities for change – when life events, such as illness, birth of a child, a move to another city, retirement or a job change, erode customary consumption practices.

According to a report by the European Environmental Agency³, households are directly responsible for one fourth of final energy use and two thirds of municipal waste generation in the EU. Through their purchasing decision, households can influence the market penetration of ‘socially sound’ products. For instance, in the United Kingdom, Fairtrade labelled products have a 5% market share of tea, a 5.5% share of bananas, and a 20% share of ground coffee. This demonstrates the potential for consumers to green markets. A study on behalf of DG Environment identified three main areas contributing to about 70-80% of environmental pressures, namely food/drinking, housing and private mobility. These areas are heavily influenced by private consumption.⁴

¹ European Environment Agency (2005): Household consumption and the environment. EEA Report No 11/2005. Copenhagen, p. 14.

² Soria Moria Symposium: Sustainable Consumption and Production, 19-20 January 1994, Oslo, Norway

³ European Environment Agency (2005): Household consumption and the environment. EEA Report No 11/2005. Copenhagen, p. 33.

⁴ Tukker, Arnold et al. (2006): Environmental Impact of Products (EIPRO). Analysis of the life cycle environmental impacts related to the final consumption of the EU-25. Brussels: Technical Report EUR 22284 EN.

It has become common knowledge that the environmental impacts of consumption rely on product (performance) features. Yet, very often, the way products are dealt with and used is ever more important. A German study⁵, for example, found that 55% of all nutrition related greenhouse gas emissions are caused by the transport and storage, preparation, and consumption of foodstuff. ‘Only’ 45% are due to food production. And, according to a British study⁶, one third of the food bought by UK households ends up in waste, 61% of which could have been eaten if it had been managed better. In the case of washing machines, 15% of environmental burdens can be assigned to the production, 30% are caused by electricity demand, and 54% by consumption of washing detergents during use.⁷

Hence, there is great potential for making consumption more sustainable.

Why have a sustainable consumption policy?

Environmental policies which focussed their efforts on clean production processes have had some success in reducing environmental burdens since their introduction in the 1960s. But – as quoted above – environmental policy was – and still seems to be – focussed towards the market’s supply side.

Bearing in mind the complexities of the consumption domain and the relevance of use-related consumer behaviour, it becomes obvious that the provision of more eco-efficient products is an essential policy element. But, this would not be sufficient for a holistic policy to promote sustainable consumption. For instance, achieving more sustainable washing practices is not only a matter of stimulating demand for more resource efficient washing machines and driers. It also requires advice on proper washing procedures (e.g. temperature, filling quantity, dosage of washing detergent) and – last, but not least – a reflection of the underlying social standards with respect to e.g. comfort, cleanliness, and convenience.

Hence, effective sustainable consumption policies will strongly benefit from addressing issues that are beyond the supply side and product efficiency improvements. According to our research, sustainability policies explicitly addressing consumption issues do not yet sufficiently reflect the novelty and complexity of their subject. These are

consumption routines which encompass daily shopping (i.e. low-involvement products), and the purchase of durables like consumer electronics (i.e. high-involvement products).

Therefore, production-related policy should be supplemented by a policy more explicitly related to sustainable consumption issues. Hence, we recommend that policy makers should acknowledge the fact that consumption is a policy field in its own right.

What has happened so far?

Recently, sustainable consumption has attracted more attention – under the headline and as part of “Sustainable Consumption and Production (SCP)” – in public policy. It gained momentum, in particular, with respect to implementation, at the World Summit of Sustainable Development in Johannesburg in 2002. All participating countries committed themselves to promoting SCP, with developed countries taking the lead. International activities began in 2003 in Marrakech and should result in a review of the state of progress in 2010. A draft 10-year framework of programs on sustainable consumption and production will be negotiated by countries at the session of the UN Commission on Sustainable Development (UNCSD) in 2011.

Efforts by the European Union with regard to SCP began in the 1990s. For instance, the Commission elaborated a Green Paper and a Communication on Integrated Product Policy (IPP). Some policy measures have been prepared and implemented, such as Green Public Procurement (GPP), the mandatory energy labelling Directive, the voluntary European eco-label scheme, or the Directive on establishing a framework for setting eco-design requirements for energy using products (EuPs).

In summer 2008, the Commission published an Action Plan on SCP (combined with Sustainable Industry Policy).⁸ Its main target is to arrange a dynamic framework to improve the energy and environmental performance of products and foster their uptake by consumers. The Action Plan consists of three parts: smarter consumption and environmentally better products, leaner production, and taking global market activities for sustainable products. The character of the Action Plan is that of a communication of intended measures and activities. It will be implemented by specific actions, which must be arranged by directives and regulations.

The Commission has announced a few initiatives. For example, the extension of EuP-

⁵ Wiegmann, Kirsten et al. (2005): *Umweltauswirkungen von Ernährung – Stoffstromanalysen und Szenarien*, Darmstadt/Hamburg: Öko Institut Diskussionspapier No. 7.

⁶ Ventour, Lorraine (2008): *The food we waste*. Banbury/Oxon: WRAP.

⁷ Rüdener, Ina / Griebhammer, Rainer (2004): *PROSA Waschmaschinen. Produkt-Nachhaltigkeitsanalyse von Waschmaschinen und Waschprozessen*. Freiburg.

⁸ European Commission (2008): *Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the Sustainable Consumption and Production and Sustainable Industrial Policy Action Plan (SEC (2008) 2111)*, Brussels.

Directive to cover all energy-related products (e.g. window frames, water using devices), the extension of the energy label to a wider range of products covered by the EuP-Directive, and the improvement of the performance of the voluntary European eco-label by further developing it as a “label of excellence”.

The Action Plan is mainly geared towards the improvement of environmental features of products and towards support of the purchasing behaviour of consumers. Bearing in mind that the *purchase* of a product forms the starting point of a consumption process, the Action Plan actually deals with sustainable consumption, for instance, when they refer to public purchasers. However, the *way* that consumers *use* products and *their levels of consumption* are not addressed by the measures contained in the Action Plan. The most concrete measure planned dealing with product use is the identification of labelling classes below which Member States would not be allowed to set incentives (e.g. subsidies). The plans for other measures that might stimulate a greener product use and the empowerment of consumers are less concrete, less precise, and seem not to be adequate to influence product use.

Moreover, there is no reference to the most pressing environmental concerns arising in the areas of food/drinking, mobility, and housing.

The Commission also announced a review of the Action Plan for 2012.

Member States have started – and partly implemented – their own SCP activities in different ways. Conceptual and instrumental approaches coexist: some national governments have elaborated their own concepts like action plans and policy programmes (Czech Republic, Finland, Hungary, Poland and the United Kingdom), whereas in other countries (like Austria, France, Italy, Malta, the Netherlands) SCP is embedded in national strategies for sustainable development. Other Member States pursue approaches that focus more on the implementation of single policy *instruments*, such as greener public purchasing or eco-labelling (e.g. Denmark, Germany) without an explicit policy framework document.

What are the core elements?

There is a ‘classical’ distinction between types of policy instruments: regulatory and economic instruments, performance of governments and public institutions, compulsory and voluntary information instruments and co-operative approaches. This classification does not, however, illuminate the *impact* of policy intervention. To consider it, we divided policies in terms of their *contribution to changing or enabling a change in consumer behaviour* and grouped them along three, partly overlapping, dimensions:

- *raising consumer awareness*, meaning to address the attention of consumers to increase their interest in greener products;
- *making sustainable consumption easy*, meaning to take consumer behaviour from the level of awareness to that of action, i.e. to fill the “value action gap” achieved by creating an environment in which sustainable consumption is mainstreamed into consumers’ current lifestyles and by making the sustainable choice easy to implement, practical and financially attractive; and
- *greening markets*, meaning to influence markets and to make greener products available on the market by improving the environmental performance of products and/or by stimulating ‘greener’ product innovations, by phasing out or even prohibiting products with a bad environmental performance, or by increasing the market share of environmentally benign products.



The distinction between these three dimensions highlights the fact that *consumption* needs to be understood as a *process*. From the consumers’ perspective, the consumption process may be temporally divided into at least four phases: planning, buying, usage and disposal.

“Raising consumer awareness” is closely associated with the planning phase of the consumption process, while “making sustainable consumption easy” and “greening of market” dimensions are more closely linked with the buying phase of consumption. Therefore, by grouping these three dimensions separately, distinctions between the planning and buying phases in the purchasing process may, for instance, be better highlighted. Similar distinctions may be made in all phases of the consumption process.

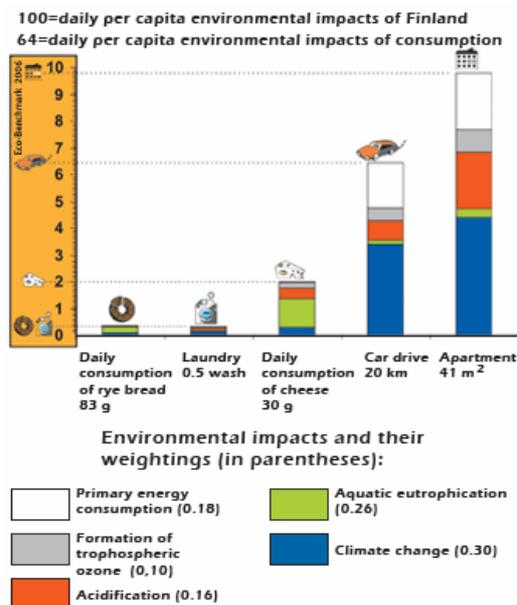
Innovative approaches?

In the ASCEE project, we found innovative approaches to make consumption more sustainable: here are selected examples.

An interesting example is the *Red/Green Calculator*, the purpose of which is to make sustainable consumption easier. It is a voluntary policy tool developed and applied in the UK that strives to accelerate the shift towards more sustainable product

offers on retailing shelves. It provides retailers with an easy-to-use tool (database), enabling them to assess their own performance with regard to the sustainability of their product portfolio, and consequently encouraging them to change their offer. The R/G Calculator aims to make it easy for retailers to comply with UK policy and targets mitigation of the environmental impact of products. At the moment, it covers energy consumption in the use-phase of a number of different consumer electronic product categories. It translates performance data of these products into so-called 'ecopoints'. Based on the ecopoint scores, the different products, and the retailer as a whole, are classified 'red' or 'green': 'Green' stands for a 'sustainable' product offer and 'red' for not sufficiently sustainable products. The criteria for deciding whether a product is 'green' reflect not only the UK government's (long-term) policy targets with regards to environmental goals such as energy efficiency and CO₂ emissions, but also the current product stock on the British market.

The *Finnish Eco-Benchmark tool* provides consumers with key information on the environmental impacts of their consumption behaviour in an easy and comprehensible way. It stands for the dimension



“Raising consumer awareness”. Consumers should become more sensitive to their consumption patterns. It is based on a life cycle assessment of products. Five different environmental impact categories are considered, namely primary energy consumption, aquatic eutrophication, contribution to climate change, acidification and formation of tropospheric ozone. These five impact categories have been weighted by experts and aggregated to a single score. The relative scale refers to the impact in a specific region caused by one person, per day. It is calculated according to yearly emissions and con-

sumption in the same region. The Eco-Benchmark encompasses different types of consumer goods (five reference products: rye bread, cheese, washing, car driving, apartments) and supports the comparison of their environmental impacts (see figure⁹).

CO₂ Household Certificates are market-based instruments derived from earlier experiences with polluting permit schemes. This instrument, which is another example for making sustainable consumption easier, has not yet been applied. It is an outcome of different research efforts. The basic principle is to set a cap to limit all CO₂ emissions from the population, and to divide that cap into polluting rights that are delivered to individual emitters. Those who emit more CO₂ than they have been allocated are required to buy ‘pollution permits’ from those who are emitting less than they have allowance for. The right to pollute addresses a problem previously seen as an unregulated externality. The system could result in an overall reduction of CO₂ emissions by individuals in an economically efficient, and perhaps morally egalitarian, manner. The cap can be tightened over time.

The *Dutch Green Funds Scheme* (GFS) which illustrates the dimension “Greening of markets” is a tax incentive instrument that has been used by the Dutch government since 1995 to encourage environmentally friendly initiatives, e.g. in renewable energy, organic farming, or sustainable housing. Investing in Green Funds means that individual investors – private consumers – lend their money to banks, at a lower interest rate, compensated by a tax incentive. The government provides the necessary legislation, supervises the banks issuing green funds or offering green savings and ensures that green projects are properly assessed against the ecological criteria it sets. The green banks can then offer cheaper loans to environmental projects and thereby improve their financial condition. A precondition for the success of the Green Funds Scheme is a triple win-strategy: for consumers (tax deductions), for banks (reaching new target groups and satisfying social responsibility requirements) and for the funded projects (cheaper loans). This has to be arranged by the fiscal regime of the government.

We’re in this Together (Together) is a campaign carried through in the United Kingdom. It is an illustration of “Raising consumer awareness”. This campaign has a cooperative approach, based on the voluntary commitment of companies and the general public, with the aim of reducing the carbon footprint of the UK and making sustainable consumption the natural choice for consumers. Collaborating together

⁹ Nissinen Ari et al. (2006): 'Eco-Benchmark' for consumer-oriented LCA-based environmental information on products, services and consumption patterns. In: Market Opportunities in Life Cycle Thinking. First symposium of the Nordic Life Cycle Association, NorLCA. October 9-10, 2006. Lund, Sweden, p. 8.

under the name of “We’re in this Together”, several retailers and local authorities provide consumers with low-carbon emitting products and/or services at special prices. The product scope varies from green car insurance, to insulation and energy saving light bulbs. The campaign has a website where all the partners, products and services are described, along with other practical information. The campaign is kept visible through the partners’ initiatives as well



as campaign online and offline activities. Thus, the campaign ensures that consumers have information and access to sustainable products at a good price, making it easier to purchase sustainably.

Topten was launched in 2000 in Switzerland. It is supported by public agencies and represents the dimension “Making sustainable consumption easy”. The idea of *Topten* originated from the identification of a lack of simple, comprehensible information to enable potentially active consumers to make environmentally sound purchasing choices. Through product comparison, the *Topten* project aims at sparking changes from the different players in the market (e.g. producers, retailers, consumers), thus allowing market penetration of high environmental performance products. *Topten* makes sustainable consumption easier for the consumer: *Topten* products are displayed in the form of rankings of the ten best performing products in terms of energy efficiency, according to a set of criteria within defined product groups (e.g. refrigerators, washing machines, dryers, energy saving lamps). Product evaluations take place on a 6-monthly basis. This translates into changes in selection of the ten best available products. Furthermore, new products can be added, as soon as the necessary information is provided. This gives the website a dynamic feature. Success in Switzerland stimulated the launch of other national websites and the diversification of activities. Following the Swiss success, the initiative began to spread throughout Europe. Today, there are *Topten* websites in 13 different countries, each of them tailored to the respective national market. In addition to the national websites, Euro-*Topten*, the overarching European-wide website, was launched in 2006. It seeks the cooperation of various national initiatives, further pushing the benchmarking of product performances across national borders.

Another interesting campaign is the Danish “*One Tonne Less*”. It aims at reducing CO₂ emissions from individuals and households. The tool raises consumer awareness. It has developed a large variety of activities to engage consumers including a

CO₂ calculator, individual advice, competition and games, exhibitions and the involvement of well-known people and artists. The consumers are guided towards committing themselves to reduce



energy consumption in their household. For each activity, their CO₂ emission is calculated, and also how much money they will save with their new consumer habits. The consumer’s commitment is made on the *One Tonne Less* homepage.

The last example which illustrates “Greening of markets” is a connection between *product charges and eco-labels* implemented in Hungary. The purpose of the Hungarian product charges is to influence consumers, by discouraging the purchase of polluting products, and also producers, by facilitating the production of environmentally sound goods that are not subject to the charge. The Hungarian government set up a special incentive for producers to include environmental concerns in their product design. Products regarded as “environmentally safe” receive a 25% reduction in the product charge. The Hungarian (or the European) eco-label serves as proof. For example, electronic equipment granted the eco-label would be taxed at 0.30€/per kg instead of 0.40€/per kg.

Regulatory and voluntary approaches?

Modern policies promoting sustainable consumption are characterised by a mix of traditional government and new governance approaches. Public authorities increasingly change their level of activity as situations require. They closely co-operate with business, consumers and stakeholders by exchanging opinions, insights and strategies – and by indicating policy targets. Policy designs have become more versatile and less static.

In the case of sustainable consumption, the pure government mode has “inherent” restrictions. The governance mode is valuable because (a) consumption is a complex domain touching different areas, (b) consumers themselves have multiple roles (purchasers, users, family members, friends, citizens, employees, voters etc.) and (c) some stakeholders are actually “closer” to consumers than public authorities.

But, governance-oriented policy approaches are more time-consuming than traditional regulatory top-down policies. Businesses and civil society organisations need to be taken on board and compromises often need to be found to support co-operative activities. There are potential risks

associated with governance-based approaches such as unclear outcomes of such processes, and postponement of action. Therefore, a “shadow of hierarchy” must be visible. This means that policies should indicate their potential threats and their targets.

Are there new elements for use in the design of a sustainable consumption policy?

Collective action

Important barriers to sustainable consumption are people’s habits and their idea of convenience which often takes precedence in pressured daily lives. Consumers tend to overestimate the cost of change and underestimate the benefits.

We observed that campaigns like “We’re in this Together”, “One Tonne Less” and the “Eco-Team” approach place strong emphasis on community-building among stakeholders and particularly among consumers also considering their different roles. By doing so, they follow the fundamental idea of “creating a supportive framework for collective progress, rather than exhorting individuals to go against the grain”, as formulated in the UK “I will if you will” report¹⁰. These examples are real or virtual peer groups, i.e. practical forms of collectivity, within which people can demonstrate that changes in everyday life are actually feasible, and within which they are provided with opportunities to ‘lead’ by good example.

Therefore, these approaches of collective action could assist in surmounting the motivational barrier.

Adaptability

Modern sustainable consumption policy instruments have to cope with shorter innovation cycles and accelerated market pace. Consumption areas characterised by this phenomenon are, for instance, consumer electronics and information technology. Obviously, in these areas, an instrument such as a ‘classical’ eco-labelling scheme is increasingly incapable of keeping up with rapidly progressing product development. A more flexible instrument, such as the “Topten” information platform, is more appropriate, since it relies on short revision-cycles.

The need to adapt policy instruments to altered market circumstances will be a continuing challenge, assuming that product innovation remains a major force both in the saturated consumer goods markets and also in dynamic new markets.

Extended evidence base

Scientific evidence has traditionally played a prominent role in environmental policy formulation. This is the domain of e.g. Life cycle assessment (LCA)-studies and related concepts. Such tools are based on technical and ‘hard’ data, such as carbon footprints, while paying less attention to the ‘soft’ data related to consumption patterns, such as lifestyles, values and attitudes, or consumer biographies.

Also, today, a sound evidence base is important. However, the thematic scope of evidence required for proper sustainable consumption policy design has changed. Evidence from social sciences which sheds light upon, e.g., the heterogeneity of consumer groups, the barriers to change in everyday life, the relevance of social relations for individual behavioural routines, etc. is needed to be able to design an effective sustainable consumption policy. The Danish “One Tonne Less” campaign and the British “Together” campaign are examples of a combination of ‘hard’ and ‘soft’ data. The “Framework for Pro-environmental Behaviours”¹¹, developed in the UK, also shows that effective policy design will benefit from a good evidence base.

Hence, public policies to promote sustainable consumption should pay more attention to generation and exchange of “soft” data that helps to come up with policy tools better fitting the everyday lives of consumers.

Socially sustainable

Another new element in public policies to promote sustainable consumption is a more explicit consideration of the social dimension of sustainability. As far as our empirical work reveals, however, this is not the case yet. Policies still mainly address environmental problems of consumption, while the social dimension of current consumption patterns, such as the working conditions in upstream stages of the product life cycle or the terms of international trade, have not yet been captured to the same extent.

Policy approaches integrating the environmental and social dimensions of sustainability are encountered, for instance, in labelling instruments. However, to date, a more binding consideration of social issues in policy design, e.g. in procurement guidelines or taxation policies, has not been established. One exception is the UK Government timber procurement policy introduced in 2000. It requires the government’s central departments to actively seek to purchase legal and sustainable timber and products derived from wood. The central government departments report that certified products

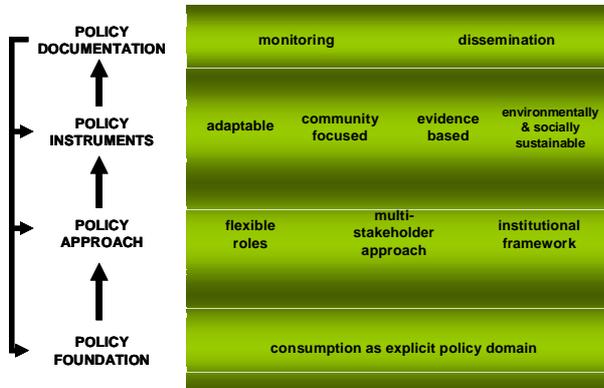
¹⁰ Sustainable Development Commission / National Consumer Council (2006): I will if you will. Towards sustainable consumption. London.

¹¹ Defra (2008): A Framework for Pro-Environmental Behaviours. Report. London.

accounted for 75% of their expenditure on timber in 2003/2004.

What do we recommend?

We have organised our recommendations into four different layers:

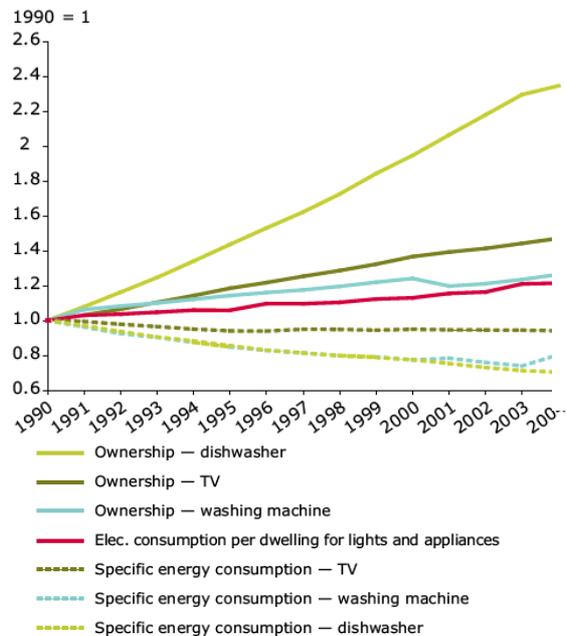


First of all, any policy promoting sustainable consumption needs to be properly founded by acknowledging household consumption as an explicit policy domain [*policy foundation*]. Building upon that, the policy approach taken should enable policy makers to take flexible roles, integrate relevant stakeholders in an appropriate way, and establish an institutional framework that supports effective policy implementation [*policy approach*]. On the instrument layer, the ASCEE findings call for approaches that are adaptable to changing circumstances, that address consumption not only as an individual (buying) behaviour, but rather as a social process, that refer to best available evidence and, finally, that take environmental *and* social requirements into account [*policy instruments*]. Last, but not least, on the documentation layer, sustainable consumption policies will benefit from being monitored against a comprehensive set of criteria. This will enable a sound assessment and purposeful re-design of policy. In addition to that, policy innovations should be disseminated to a larger audience, since, in particular in Europe, experiences with (parts of) sustainable consumption policies are manifold, but highly dispersed. Moreover, one should note that, what happens on one layer may have repercussions on another layer. Monitoring might induce a change in the design of policy instruments. New evidence on the nature of consumption might call for other stakeholders to be taken on board. The more careful consideration of social issues might lead to a shift in emphasis among consumption domains, etc. [*policy documentation*].

Policy Foundation

We recommend to policy makers:

- Acknowledge the fact that consumption is a policy field in its own right and develop a comprehensive *sustainable consumption policy*. It should also be acknowledged that this is an important policy area that deserves greater priority.
- Challenge simplistic assumptions about the emergence and ‘mechanics’ of modern consumption patterns and support further exploration of the drivers of current (un)sustainable consumption patterns and of the barriers to more sustainable practices, and
- Take the *entire* consumption phases – purchase, use, and after-use – into account. Efficiency gains, i.e. improvements in the specific environmental performance of goods, are often offset by an increase in the absolute amount of their consumption (“rebound effect”).



Results of the EEA¹² (see figure above) emphasize this argument, showing trends in energy efficiency, ownership, and overall electricity consumption of selected household appliances in the former EU-15 Member States. Therefore, a sustainable consumption policy should also address use patterns and consumption levels. It should not confine itself to striving for efficiency improvements, but rather seek to exploit the full potential of altered consumption patterns and reduced consumption levels. That means that a re-consideration of the *sufficiency* paradigm might be required.

¹² European Environment Agency (2007): Europe’s Environment. The Fourth Assessment. EEA Report No 1/2007. Copenhagen., p. 273.

Policy Approach

- A modern policy to promote sustainable consumption is a hybrid of ‘classical’ regulatory policy in a top-down government perspective and of a voluntary, co-operative and network-based approach that activates societal and business powers to exploit further the potential for green market transformation. In such policy settings, *governments should be flexible and adjust their role* to the different situations and challenges in an iterative process of policy formulation and implementation. These two roles, *regulator* on the one side, and *facilitator* or moderator on the other side, are not an either-or: governmental actors should be able to wear both ‘hats’ to meet the objectives associated with establishing sustainable consumption policies.
- Keep a clear division of tasks for policy implementation and make sure policymaking is *consistent* within *different ministries and among other stakeholders*.
- Take into account the *new additional skills* necessary to facilitate more cooperative patterns of policy intervention, such as moderation and mediation.
- Finding the appropriate level and intensity of stakeholder involvement is crucial for the successful development and implementation of a sustainable consumption policy. This multi-stakeholder orientation may be put into practice by public consultations (focus groups and surveys), multi-stakeholder task forces and working groups, roundtables and workshops, etc. Therefore, policy should *encourage business and civil society engagement* in the promotion of sustainable consumption and establish and properly *cultivate good relations* with relevant stakeholders.
- Sustainable consumption policy can often benefit from being embedded in an *appropriate institutional framework*. The proper institutional framing of policies supporting sustainable consumption may encompass different elements. Examples may be setting up measurable policy goals and targets that provide mid- to long-term guidance for the stakeholders involved, commitment at a high-policy level to pursue a sustainable consumption policy, creating a legislative basis for a sustainable consumption policy, or linking sustainable consumption policies to national strategies on sustainable development.
- Policy should also be prepared to develop threat potentials towards business to indicate that voluntary approaches and self-regulation are welcomed, but that they must pursue clear targets, and in case of failure, regulatory and mandatory activities of government would be taken up. That means that a “shadow of hierarchy” must be visible.

Policy Instruments

- Instruments which are applied in the area of sustainable consumption should be kept *flexible* to adapt to altered circumstances and to make it possible to react quickly and dynamically to changes in markets.
- Strive for *community building among consumers* wherever this is meaningful and feasible,
- Support the establishment of a *user-friendly data base* comprising detailed and regularly updated information on the life-cycle related environmental impacts of products, on the main drivers, and, on the ‘soft’ socio-economic characteristics of current consumption patterns.
- The integration of the *social dimension* of sustainability into sustainable consumption policies is needed to enlarge the focus and scope of sustainable consumption policy.

Policy Documentation

- Public authorities should *assess the possible impacts* of sustainable consumption instruments prior to their implementation, i.e. carry out an ex-ante assessment. This could provide preliminary insights into potential direct and indirect impacts of an instrument, contribute to better policy-making and increase the legitimacy of the planned instruments.
- A *periodical monitoring* of the state of sustainable consumption is necessary to judge the degree of goal achievement and to correct mismatches of policy formulation, implementation and policy impacts. This monitoring could be embedded in the monitoring of sustainability policy in general, but with some clear consumption oriented indicators to ensure the development of an appropriate monitoring system linked to agreed sustainable consumption objectives.
- A *more intensive networking* among European public authorities and also between public authorities, the research community and civil societies organisations with respect to sustainable consumption policies would be worthwhile. The so-called Open Method of Coordination, which represents an intergovernmental means of governance relying on voluntary cooperation of Member States, could build a general framework for such efforts. Another accompanying measure could be to start a European policy makers network on sustainable consumption, similar to, or a further development of, the formal policy network on Integrated Product Policy (IPP).
- A database of good or best practices in the area of sustainable consumption should be created which collects, documents and comments on, promising approaches and tools developed at Member State level.

Links and further reading

For literature on sustainable consumption policy we recommend:

- European Environment Agency (2005): Household consumption and the environment. EEA Report No. 11/2005. Copenhagen (http://reports.eea.europa.eu/eea_report_2005_11/en/EEA_report_11_2005.pdf).
- Jackson, Tim (Ed). (2006): The Earthscan Reader in Sustainable Consumption. London, Sterling.
- Tukker, Arnold et al. (Eds.) (2008): System Innovation for Sustainability 1: Perspectives on Radical Changes to Sustainable Consumption and Production, Sheffield, Greenleaf.

For literature on and links to the instruments and approaches highlighted in this policy brief, we recommend:

- *CO₂ Household certificates*: Redgrove, Zoe / Roberts, Simon (2007): Making carbon personal? A snapshot of community initiatives, May 2007. Report to Defra. Bristol: Centre for Sustainable Energy (<http://www.defra.gov.uk/environment/climatechange/uk/individual/pdf/study5-0707.pdf>)
- *Eco-Benchmark*: www.environment.fi/eco-benchmark
- *Green Funds Scheme*: SenterNovem (2005): The Green Funds Scheme. A success story in the making, Utrecht (http://www.senternovem.nl/mmfiles/GreenFunds%20scheme_tcm24-223487.pdf)
- *One Tonne Less*: <http://www.1tonmindre.dk/>
- *Red-green calculator*: <http://www.redgreencalculator.com/>
- *Topten*: <http://www.topten.info/>
- *We are in this Together*: <http://www.together.com/>

The project published a scientific report “Innovative Approaches in European Sustainable Consumption Policies” which constitutes the basis for this policy brief. It can be downloaded from the following link: http://www.ioew.de/home/downloaddateien/IOEW-SR_192_Approaches_Sustainable_Consumption.pdf

Background

This policy brief informs on the outcomes of the project “Assessing the potential of various instruments for sustainable consumption practices and greening of the market” (ASCEE). ASCEE was a research specific support action for policy in the programme “Scientific Support to Policies” of the European Union’s 6th Framework Research Programme. It began in February 2007 and was finalised by November 2008. The project team consisted of three institutes:

- Institute for Ecological Economy Research [IÖW], Berlin and Heidelberg/Germany (www.ioew.de) [coordination],
- Institute for European Studies – Free University of Brussels [IES-VUB], Brussels/Belgium (www.ies.be) and
- National Institute for Consumer Research [SIFO], Oslo/Norway (www.sifo.no).

ASCEE’s research team consisted of Katja Biedenkopf (IES), Prof. Harri Kalimo (IES), Franziska Mohaupt (IÖW), Dr. Frieder Rubik (IÖW), Dr. Gerd Scholl (IÖW), Ólöf Söebeck (IES), Eivind Stø (SIFO), Dr. Pål Strandbakken (SIFO) and Bruno Turnheim (IES). The coordinator was Dr. Frieder Rubik (IÖW).

The scope of this project was to consider the latest trends in policies supporting sustainable consumption and production (SCP) and to indicate key elements of policies supporting sustainable consumption. Our main research emphasis dealt with *innovative* instruments, approaches and practices to support sustainable consumption. Our aim was to contribute to policy development and

- to indicate promising innovative approaches and tools to foster sustainable consumption and
- to present some strategic recommendations on how to progress in this arena.

Our focus on innovative tools and approaches was a core decision taken by the project. We did not focus on any specific consumption area such as food, housing or mobility or a particular sector. We were looking for experiences and practices dealing with these innovative approaches. We concentrated our research at the instrument level and did not analyse and compare broader policy approaches on SCP or sustainable consumption especially in Member States.

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