

POLICY BRIEF

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Towards sustainable consumption and production - the role of industry and civil society in Eastern Europe

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1. Raw Materials and European Sustainable Consumption and Production Policies

Optimising the use of raw materials in production and consumption, through greener design and greater durability of products, can generate less waste and foster innovation. Current European Sustainable Consumption and Production policies will contribute to the EU's position on the world market for green products and at the same time provide jobs and economic growth. Many existing European initiatives

Sustainable consumption and production policies address environmental challenges while maximizing the economic benefits for businesses



The SCP and SIP aim to promote a more resource efficient economy by improving environmental performance and stakeholder collaboration

(e.g. Eco-design directive¹, Eco-innovation action plan², KIC on Raw Materials³, etc.) help European businesses to maximize economic benefits and thus pave the way to investments in resource efficient products, proposing better deals to consumers. Measures improving products sustainability (waste prevention, eco-design, reuse, etc.) are estimated to potentially “bring net savings of € 600 billion or 8 % of annual turnover for companies in the EU, while reducing total annual greenhouse gas emissions by 2 % to 4 %”.⁴

The EU’s Sustainable Consumption and Production and Sustainable Industrial Policy (SCP/SIP) Action Plan, published in July 2008, sets out a series of actions aiming to promote a more resource efficient economy. Firstly, the environmental performance of products is improved through the extension of Ecodesign standards to cover all energy-related products and the increase in product labelling (under the Energy Labelling Directive and Ecolabel Regulation). The basis for public procurement and incentives provided by the EU and its Member States is adapted to overcome the former situation of the fragmented stimuli and provide a common base⁵. Secondly, involving all stakeholders is a key issue in promoting more eco-friendly production and smarter consumption: retailers, producers and consumers need to take a proactive role to address this challenge. On the production side, a “greening” of industrial activities via, for example, eco-design, eco-label schemes and other voluntary certifications is underway. By the end of 2011, more than 1,300 licences had been awarded with the EU Ecolabel, and today, the EU Ecolabel can be found on more than 17,000 products⁶. At the same time, on the consumption side, awareness raising activities on energy and environmentally efficient products have to be extended among customers to increase the uptake of the current EU sustainable production and consumption strategy.

Moreover, in 2011, the European Commission also launched the Eco-innovation Action Plan (EcoAP): one of its main objectives is to encourage economic growth

¹http://ec.europa.eu/enterprise/policies/sustainable-business/documents/eco-design/legislation/framework-directive/index_en.htm

² <http://ec.europa.eu/environment/ecoap/>

³ <http://eit.europa.eu/>

⁴ European Commission (2014a) ‘Questions and answers on the Commission Communication “Towards a Circular Economy” and the Waste Targets Review’, Memo, 2 July 2014 [Online] http://europa.eu/rapid/press-release_MEMO-14-450_en.htm

⁵ <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:52008DC0397>

⁶ <http://ec.europa.eu/environment/ecolabel/facts-and-figures.html>



For a more sustainable production, it is essential to reduce dependence on raw materials

through environmental policies. The EcoAP is likely to have decisive impacts on sustainable production and consumption policies, for example by promoting green technologies and eco-innovation within innovation policies⁷.

Finally, in July 2014, the European Commission's communication "Towards a circular economy: a zero waste programme for Europe" further deepened the European commitment to sustainable consumption and production, setting up a policy framework for material waste avoidance and reuse. For example, the Communication foresees to reduce the use of materials that are hazardous or difficult to recycle in products and production processes and it encourages products redesign for increased lifetime, reparability, upgrading, remanufacturing or recycling, instead of being thrown away. Therefore, reducing dependence on raw materials through increasing re-use and recycling is one of the starting points to a smarter production process. However, it requires further involvement of all stakeholders to secure significant changes ensuring more sustainable production and consumption systems.

2. The 3rd Regional Civil Society - Industry Dialogue and the stakeholder perspective on Sustainable Consumption and Production Policies

The 3rd Regional Civil Society-Industry Dialogue, which took place on 27 November 2014 in Bucharest, Romania, brought together a group of high-level participants for a discussion on the topic of sustainable consumption and production in an Eastern European context. Eastern Europe is a region mainly composed of rather recent members of the European Union: Estonia, Latvia, Lithuania, Hungary, Poland, the Czech Republic, Slovakia and Slovenia joined in 2004; in 2007, two other countries joined the EU, Bulgaria and Romania, followed in 2013 by Croatia. European Union structural funds have preceded and accompanied Eastern European countries on a variety of topics (agriculture, competitiveness, innovation, transport infrastructures, sustainable development etc) to ensure socio-economic cohesion within the EU. Although the 2008 economic crisis has challenged their transition process, national governments in Eastern Europe are gradually showing a keen interest in implementing European environmental policies supporting and fostering more sustainable consumption and production.

⁷ http://ec.europa.eu/environment/ecoap/about-action-plan/objectives-methodology/index_en.htm



The presentations and discussions which took place during the Dialogue in Bucharest pointed to a number of key or wicked issues illustrated below:

Wicked issue 1: consumer product challenges and raw materials sustainability

Analysing production patterns is a key challenge for improving raw materials sustainability. For example, in terms of raw material use, the smartphone is not “smarter” than traditional phones: its weight has doubled, its energy use is twenty to thirty times higher; and it contains a wider variety of metals. Even though consumers gain much more functionality from their smartphones, which can –to some extent– replace other products (camera, wifi, navigator, landline phone, mp3 player, handheld game, etc.), they often prefer to buy separately all these other products a mobile phone can replace separately

This example shows the complexity and variety of challenges faced in product sustainability. Using fewer raw materials in production, increasing re-use, and designing eco-friendly products (that are recyclable and contain less harmful substances) are different approaches to optimise raw materials use in production and consumption.

One of the main challenges producers face nowadays is the complex composition of products, which is an obstacle to the reduction of raw materials use. Moreover, Their composition and their design is also frequently improved. However, civil society and corporate initiatives are on the rise to counterbalance this situation by supporting, for example, the re-use and repair of products. A second challenge is the low recycling potential of products: it is difficult to reach good material recovery rates in recycling especially if the product contains hazardous substances. For example, TV led screens contain mercury lamps that break easily and are very hard to disassemble and recycle.

Wicked issue 2: the sustainability challenges of food production and consumption

A systemic approach to sustainability has to recognize the complexity of the food system: this includes the need to address the key challenge of increasing food production more efficiently while reducing impacts on the environment and the need to understand the complexities, trade-offs, tensions and synergies across the system.

One of the trade-offs in increasing the resource efficiency of food processing, manufacturing, retail, and distribution is its impact on food safety. Increased sustainability through changes in food processing and handling (e.g. via more energy efficient and sustainable freezing and cooling systems and/or by reducing utilisation of water in cleaning procedures) may compromise food safety and increase waste.

As Romanian traditional agriculture does not rely on highly polluting technologies, organic production has a high potential on the national territory. Even if organic products are more expensive (by up to 25-30% compared to conventional products)⁸, the demand for organic products is growing of about 20% annually

⁸ Viorica Lagunovski, University of Agronomic Science and Veterinary Medicine – Bucharest, Romania



both nationally and internationally. Since 2010, the European funds EAGF, EAFRD and a national budget are granted to farmers abandoning conventional agriculture payments and converting to organic farming, the number of registered operators in organic farming has increased since 2010.

In Moldova, organic agriculture is increasingly being exported and organic production surfaces have expanded during these last ten years. A comprehensive scoping study on green economy and organic agriculture⁹ was conducted, establishing a list of recommendations for the Ministry of Agriculture and Food Industry, the Ministry of Health, Ministry of Education and Ministry of Finance. Amongst these recommendations, education and sensibilisation were key dimensions through analyzing the possibility of providing educational institutions with financial resources to purchase organic products. Solutions which were identified targeted both the production (e.g. by supporting farmers to switch to eco technologies and diversifying organic production) and consumption (eg. by developing domestic eco-consumption).

Wicked issue 3: the role of stakeholders in addressing consumer product challenges

All stakeholders (academia, industry, policy-makers and civil society) have a role to play in driving sustainable production and consumption.

- ✚ Researchers can produce innovative technologies to address challenges associated with products (e.g. recovering different types of waste). Research also has an important role in professional training and education, as well as in raising environmental awareness.*
- ✚ Industry improves stakeholders' engagement and trust by fostering disclosure and transparency in its activities and by keeping an ethical code of conduct. For example, industry could establish products accreditation by complying with legal requirements.*
- ✚ Policy makers transpose EU legislation, take into account the transition periods necessary for the industry and consider Member States particularities and differences. For example, they can ensure that legislation on sustainable consumption and production is effectively binding, by setting up penalties and rewards.*
- ✚ Finally, civil society organisations (in particular NGOs) have a key role to play: they raise environmental awareness in society (through information and education) and create momentum for change (through lobbying towards the industry and public authorities). Citizens' commitment and demands are key drivers to foster transparency in the supply chain and move towards more open governance.*

⁹ UNEP (2011) Organic Agriculture: A step towards the Green Economy in the Eastern Europe, Caucasus and Central Asia region. Case studies from Armenia, Moldova and Ukraine <http://www.unep.org/greeneconomy/AdvisoryServices/EaPGreenOrganicAgriculture/tabid/133002/Default.aspx>



Wicked issue 4: frameworks to enable successful stakeholder collaboration

Stakeholder collaboration requires tailor made enabling frameworks. One of the main challenges in Romania is the lack of a framework and tools for such collaboration to happen.

Instruments rewarding best practices provide incentives for stakeholders to get involved and cooperate more closely. For example, thematic working groups with sustainability experts could be organised and serve as knowledge sharing platforms. These thematic working groups could offer opportunities for exchange, especially in countries such as Romania, where the dialogue with policy-makers is often very challenging.

Additionally, to foster a more successful collaboration in common projects or initiatives, it is important for stakeholders to agree upon scope and objectives. Positive synergies could emerge from a more transparent and open dialogue between the different parties, especially between policy-makers, industry and civil society. For example policy-makers and industry could raise public awareness on missing objectives and reassess positions in order to improve decision-making on sustainability issues and increase transparency in the supply chain

3. Conclusion

The 3rd Regional Dialogue reinforced the idea that sustainable consumption and production policies can foster optimised raw materials use. They are an opportunity for businesses, policy-makers, producers, consumers, researchers and NGOs to collaborate together towards a more integrated vision for sustainable raw materials management. Achieving greater resource efficiency in production through tailored measures such as waste prevention, eco-design, reuse, can bring greater sustainability and thus benefit society as a whole.

Stakeholder exchange illustrated that innovative solutions should be developed to shift towards more systematic raw materials sustainability across the value chain. Modern production technologies have changed consumers' habits and their relation to goods. Products are more functional but they have a more complex composition and need to be more frequently updated. These new product sustainability challenges must be kept in mind when drafting public policies and when, more broadly, promoting more efficient ways of producing and consuming. Some innovative solutions already exist and they should be further explored and encouraged in Eastern Europe via more stakeholder collaboration: improving the recycling potential of products, encouraging design-for-recycling initiatives, regulating the use of harmful substances, enhancing recycling and collection rate...

It has been pointed out by stakeholders that production systems are getting more and more complex and, thus, require stakeholders to develop systemic and integrated

Sustainable consumption and production policies foster the optimisation of raw materials use

Innovative solutions should be developed to shift towards more systematic raw materials sustainability across the value chain



approaches to improve their sustainability. Food production is a good example: waste reduction in this sector is not only based on an optimisation of the production process; it also implies a complete rethinking of diet patterns and consumer behaviour through helping them making the right choices. Participants mentioned that consumers need to have a proactive role in reducing their impact on the environment to increase the success of sustainable production and consumption policies. More generally, each stakeholder involved in one of the products' life cycle steps (manufacturing; use; end of use) has the potential to make overall consumption and production system more sustainable.

All stakeholders involved in the products' life cycle steps have a role to play in increasing the sustainability of consumption and production

In 2008, the EU's Sustainable Consumption and Production and Sustainable Industrial Policy (SCP/SIP) Action Plan underlined that, for them to be successful, such policies needed to be based on the involvement of all stakeholders. Fostering innovation in the research sector, shifting towards more transparency in the industry sector, raising consumer awareness—these are only some examples of the types of actions which are currently implemented by industry, academia, NGOs, policy-makers, and which could be further encouraged. The results of their collaboration highly depend on citizens' action as well: their demands are a powerful tool for catalysing change.

Different tools incentivising effective collaboration between the stakeholders across the supply chain coexist and should be further explored

The 3rd Regional Dialogue has pointed out that raw materials sustainability can only be achieved through closer collaboration among stakeholders, the success of which is influenced by several parameters. As discussed above, different tools incentivising effective stakeholder collaboration coexist: instruments rewarding best practices encourage stakeholders' involvement; transparency builds up mutual trust, the definition of common scope and objectives influences stakeholders' degree of commitment and involvement. These tools should be further explored when designing sustainable consumption and production policies necessitating a multi-stakeholder approach.

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