

TACD

TRANS ATLANTIC DIALOGUE TRANSATLANTIQUE
CONSUMER DIALOGUE DES CONSOMMATEURS

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Resolution on Consumer Expectations for Governments' Action on Climate Change

This resolution outlines the Transatlantic Consumer Dialogue's (TACD) policies related to sustainability and climate change, as a background for discussion with EU and US governments at the June 2009 TACD annual meeting. Consumer organisations on both sides of the Atlantic are calling for more ambitious positive action to facilitate a mass move to sustainable consumption. We are also calling for renewed dialogue between consumer organisations, US-EU governments and other concerned stakeholders to identify areas where co-operation between our governments would be most relevant and effective. TACD members' work on sustainable consumption and production is outlined at the end of this paper.

Citizens in the US and the EU are among the planet's biggest energy consumers. They are also increasingly concerned about climate change and keen to adopt 'greener' consumption behaviours¹. However, government policies aimed at consumers have been mostly of the 'softer' kind, focusing on information and awareness raising; these have not been very effective in changing consumption behaviour patterns. The adoption in July 2008 of a Sustainable Consumption and Production Action Plan in the EU, including activities focusing on the retail sector, and current efforts in the US to address energy efficiency are welcome steps. However much more remains to be done to enable collective action and make 'green' and socially responsible choices the easy and default options

Recommendations

TACD resolves that EU and US governments should

General principles:

1. Treat sustainable consumption as a policy area equal in importance to sustainable production, rather than as an afterthought of production policies. Production and consumption are sides of the same coin and therefore should be addressed in a coherent and consistent manner. This principle should be the basis for Transatlantic Economic Council discussions during its next meeting towards agreement on a work program for a TEC Task Force on Sustainable Consumption. Among the projects of the Task Force would be development of a Sustainable Gross Domestic Product metric that would gradually supplant the GDP as a metric for economic planning and evaluation. The Task Force would invite contributions from business, academics, and non-governmental

¹ See for e.g. Consumers International *What Assures Consumers on Climate Change?*, June 2007; Eurobarometer survey 'Europeans' attitudes towards climate change', September 2008

organizations towards developing the SGDP. The use of such analytic tools could help prevent economic crises caused by justifying unsustainable and even predatory economic activity as “growth.” Use of a SGDP in planning and evaluating stimulus measures towards recovery could help ensure that the recovery is sustainable, rather than a return to business as usual economic bubbles.

2. Integrate sustainability within all policies across government, and particularly consumer policy and product standards. Work towards achieving this objective could begin with a joint project of DG SANCO and the U.S. Consumer Products Safety Commission, and other relevant agencies to delineate sustainability criteria for EU and U.S. rule making. This project could likewise be part of the work of the TEC Task Force.
3. Avoid conflicting policies as they threaten the success of sustainable consumption and production policies and undermine the message given to consumers. For instance, policies aiming to increase the number of people traveling by train could be undermined by policies, which aim to increase the number of short to middle distance flights.
4. Promote and use economic incentives for getting more people to use public transportation, which can minimize emissions of Green House Gasses (GHG), lead to less pollution in the local areas and can solve some of the transportation queuing in the cities
5. Address adequately and equally social and economic well being, as well as environmental impact considerations, in sustainable consumption and production policies. Fairness is key to the design and delivery of policy interventions: sustainable behaviour should be rewarded, and the cost to consumers must reflect their ability to pay.
6. Cooperate to achieve integrated strategies and action plans for sustainable consumption and production. To make ‘greener’ and socially responsible consumption the easy choice, a coherent mixture of policies and market-based instruments is required, using legislation, taxes and various information tools. Government policy must be coordinated across all sectors, with government departments themselves leading by example².
7. Link sustainable consumption, as well as production, policies to support existing and future environmental targets, for example the 20-20-20 targets for climate change policies in the EU³. Demonstrate to consumers how such policies will contribute to reduction of GHG emissions and environmental improvements in the economy as a whole. Such demonstrations should include an economic analysis of the costs of inaction on climate change. The TEC Task Force proposed above could design and carry out such a demonstration project, in consultation with stakeholders.
8. Encourage and fund research into energy saving technologies, as well as research into the most effective measures to achieve consumer behaviour change towards more sustainable lifestyles.

² This can be achieved through green public procurement, which means that purchasers for all public institutions, including local authorities, schools and hospitals, take account of environmental factors when buying products, services or works.

³ http://ec.europa.eu/energy/strategies/2008/2008_01_climate_change_en.htm

Government procurement policy:

9. Influence the market by prioritizing public procurement of climate-friendly products. Set a visible example to the public, by making all public buildings and transport carbon-neutral by 2012, and putting a priority on changes such as sustainable food and on-site renewable energy in all public settings.
10. Implement ISO 26000, the Standard for Organizations Social Responsibility, in governmental organisations. The standard sets up criteria for e.g. ethics, environment and consumer issues. The standard is being finalized and is planned for publishing before summer 2010.

Energy efficiency and choice of products:

11. Provide encouragement and incentives to consumers and materials subsidies to low-income households to 'retrofit' poorly insulated homes to make them energy efficient. This will also mean cost-saving to all consumers and considerably help most poor households
12. Ensure carbon taxes and other fiscal instruments aimed at lowering energy consumption are counter-balanced with support to disadvantaged consumers that have low consumption levels and cannot afford additional costs.
13. Oblige energy companies to introduce 'smart' or intelligent meters to help consumers use energy more efficiently and economically. Ensure interoperable standards for such meters, as well as standards for two-way communication and adequate privacy.
14. Encourage development and rollout of on-site micro-energy or small-scale generation that is affordable, easy to install and use as decentralized energy production at community level is more cost and carbon effective. Make such generation a standard feature for new homes and housing developments.
15. Create a permanent dialogue between government and other stakeholders to exchange best practices and policy tools used to achieve concrete results, for example fiscal penalties for excessive energy and water consumption.
16. Green claims and advertising for products must meet clear rules and independent control. In the long run, consumers will only buy environmentally friendly products if they can trust the claims made by companies.
17. Phase out products with the most serious environmental impacts and improve the environmental standards of existing products. Sustainable choices must be available to all consumers at affordable prices. This can be achieved through collaboration with business champions to plot ten sustainability product 'roadmaps'⁴ within set and rapid time limits. Such roadmaps should include priority product groups, such as low-carbon cars and low-energy using home entertainment.

⁴ A product roadmap is a tool to help improve understanding of the environmental and, in some cases, wider sustainability impacts, of a particular product and the ways in which these impacts can be mitigated.

Information, awareness and behaviour change

18. Exchange best practices on how to connect effectively with consumers, learning from branding, psychology, communications and social marketing⁵ to engage with them more effectively.
19. Enter into effective partnerships with consumer and other civil society organisations in order to ensure credibility and effectiveness of policies. This should include secure funding for activities such as social marketing campaigns. Surveys⁶ show that consumers trust civil society organisations more than they trust government, industry or media.
20. Support independently verified multi-criteria product labels, providing they are developed following a multi-stakeholder consultation process and effectively marketed to achieve the levels of consumer recognition that the Fairtrade label or eco-labels have in some of the EU countries.
21. Work with schools, and integrate learning about climate change and what can be done about it into school curricula and activities

TACD members' work on sustainable consumption

Work to encourage sustainable consumption and help prevent climate change should start from where people are as consumers, understand their culturally specific values and habits in order to design the right mix of policies to achieve step changes in consumption patterns. Consumer organisations are uniquely placed to do this, both in terms of their expertise and the trust people have in them. Consumer protection is not just about combating market irregularities, or empowering consumers to make choices or seek redress; it is also about securing the right to a safe and healthy environment, and about the right to secure access to basic goods and services. These are closely related to the precepts of sustainable consumption, which is concerned with using fewer resources and causing less pollution, as well as helping consumers to stimulate the supply side to be more innovative and improve competition. An example that illustrates this link closely: unfair commercial practices legislation both in the US and the EU, covers also false marketing claims related to products' environmental and ethical characteristics (or 'green claims').

Many TACD member organisations have realised this close link and have been working on sustainable consumption and climate change-related issues for some time. Examples include (in alphabetical order):

- **ANEC, the European Consumer Voice in Standardisation**, includes Environment as one of its priorities. This includes active work on the measures under the EU Sustainable Consumption and Production Action Plan, including energy labelling, eco-design of products, and the EU Eco-Management and Audit Scheme (EMAS). ANEC also works on the inclusion of environmental aspects in product and service standards (e.g. chemical requirements in products), environmental labelling, and sustainability criteria in the construction products field.

⁵ Social marketing learns from brand marketing to achieve socially desirable goals: listening to the concerns, needs, desires and barriers of the target audience for sustainability, and starting programmes from where consumers are, not where policy-makers want them to be.

⁶ See for e.g. Consumers International and AccountAbility report, note 1

- **ASECO – Alliance of Social and Ecological Consumer Organisations** is a European network of consumer organisations that was created in 2004 with the aim of rooting sustainability principles in the daily behaviour of the EU consumers. To achieve this, ASECO has circulated and followed up on intra-network information to member organisations, and raised debate on key themes such as environmental or social policies and alternative economy; member organisations would then include appropriate sustainability issues in their national and local activities. Besides that, several members participated to the ISO 26000 social responsibility process. In 2007 ASECO co-founded the IRIS Inter-network for Solidarity-based Initiatives.
- **BEUC, the European Consumers' Organisation** has Energy and Sustainability as a priority in its work programme, and is integrating sustainability into all its priority work areas. It is working on all the issues included in the recent EU action plan on sustainable consumption and production, including eco-design of products, energy labelling and work on 'greening' retailers. BEUC's past activities on REACH (the Chemicals Regulation) and product safety (for e.g. Toys and Cosmetics) and current work on nanotechnologies and general product safety have also made an important contribution to sustainability goals.
- **Consumer Focus, Great Britain** has sustainability as one of the four strategic goals across all its work programs, as well as a stand-alone advocacy program. The objective of this program is 'to increase the number of people that benefit from initiatives for sustainable lifestyles'. The work to achieve this is focused on policies for sustainable resource use, adaptation to climate change, as well as campaigning for the social dimension of sustainability such as healthy eating by schoolchildren and the ethics of where our clothes come from. Current projects include a major campaign against fuel poverty, demanding effective insulation of energy-inefficient old housing stock; assessment of marketing 'green' claims; and performance of supermarkets in relation to health and sustainability.
- **Consumers Union of US** launched in 2005 a new environmental program, Greener Choices.org, to expand its ability to promote sustainable consumption and advice consumers about practical, affordable and effective things they can do to reduce their environmental footprint. The program also aims to help consumers make the link between their concerns, such as health and financial stability, and the wider benefits to the planet. The organisation performs product tests for both energy consumption and energy efficiency for both energy and non-energy using appliances (such as replacement windows). It also tests for water consumption and efficiency use and for product brand reliability. Over the past year, the organisation stepped up its advice to consumers on environmentally sound purchasing and launched a Global Warming Solutions Center to help consumers reduce their carbon output at home and on the road.
- **The Danish Consumer Council** has sustainability as an overarching principle. It has developed a climate change policy in readiness for the Copenhagen UN negotiations this year. In it the Council reasons that climate change and the solving of the crisis is everybody's challenge and the consumers are willing and ready to take on the challenge. The council is engaged in several activities leading up to the COP15 meeting in Copenhagen. One initiative is a 1-day conference on Climate change, food and ethics. Another initiative is a CO2 thermometer, where the consumers can see how much CO2 their food emits. The Council is also very much involved in the EU and Nordic countries eco labelling initiatives.

- **Euro Coop** is the umbrella organisation for consumer co-operatives. It organised a major conference in 2007 on the theme of climate change and as a result the European consumer co-operatives movement has adopted a common plan for concrete actions. Euro Coop is fully engaged in the sustainability policy debate on the EU level and is also co-operating with the joint Belgian NGO initiative CompenCO2, to offset carbon emissions produced by travelling of staff. In 2009 Euro Coop together with Consumer Cooperatives Worldwide (CCW) organised a further important conference on Climate Change to launch the project: "Climate Change and Consumer Cooperative: Taking the Challenge forward". The project launched in that occasion represents an ambitious and all-encompassing action plan, containing the specific activities and goals that consumer cooperatives will voluntarily commit to, as their contribution to counter Climate Change.
- **Institute for Agriculture and Trade Policy (IATP)** has focused on sustainable agricultural production and agro-environmental practices since its founding in 1986, most recently through its participation in the International Assessment of Agricultural Knowledge, Science and Technology for Development. However, both in its recently established Local Foods Program and its Center for Earth Energy and Development, IATP has begun to focus on sustainable food and energy consumption in local, national and international policy and practice. IATP's Trade and Global Governance Program is participating in the preparations for the Copenhagen high level meeting to revise the Kyoto Protocol on climate change. We are focusing on the linkages between climate change, agricultural production practices, and food and water security.
- **Norway Consumer Council** in its action plan to 2010 has enabling sustainable consumption as a main objective, with the priority areas of 'The Great and Stable' (energy consumption and food), 'The Great and Increasing' (transport and aviation in particular) and 'The less, but highly increasing' (imported consumer products). To this end it is developing its web site as an important entrance for information and knowledge; activating research programs; focusing on the finance industry's sustainability-relevant products and services; and public procurement/public energy consumption.
- **VZBV – The German Consumer Federation** has always had a focus on sustainability issues and it is one of the organisation's missions. It is lobbying for a favourable political framework for sustainable consumption, e.g. with regard to energy consumption (top runner approach, CO2 standards for cars, efficiency standards for buildings, etc), waste management and transparency requirements for corporate responsibility. The member consumer centres advice consumers regarding energy efficiency and broader sustainability aspects.