

Speech European Consumer Day Sustainable consumption 15/03/05

Mr Chairman, distinguished guests,

It is a pleasure for me having the opportunity to speak on a topic that so clearly combines the expertise in my present position at the Swedish Consumers' Association and my educational and early professional career in the environmental field. I will elaborate on my perception of what is essential for building trust and making sustainable products a real choice for consumers.

Sustainable policies are quite mature concepts these days, but not everywhere and definitely not always in the light of the consumption perspective. We are here today to discuss how the demand side, the consumer power that is, can be strengthened. Sustainable products and services have to become a real choice for consumers wherever, whenever, whatever he or she is consuming.

There are so many different definitions and aspects of sustainable development in general and sustainable consumption in particular. The one to ultimately decide the content of sustainable development should be the consumer; this through deciding the content and levels that are essential for one's perception of sustainability.

Sustainable consumption is the most important part of sustainable development dimensions. The society has for far too long focused on support and rules aimed at producers instead of allocating resources to initiatives at the demand side in the market. A strong sustainable consumption will create sustainable production; it is not the other way around. So why do the EU, countries, regions, communities that are claiming to be modern market economies still focus their activities on supporting and controlling the rules and prerequisites for production? Maybe the real market economy focus has yet to come?

Responsible companies take sustainable initiatives but do frequently experience that the consumers are not demanding their green products. One Swedish example is ecological milk at a supermarket chain, Hemköp, which for some time did provide and market the more expensive ecological milk at the same price as the regular one. They did not experience a substantial increase of the sales!

If asked a majority of consumers want to be sustainable and responsible, but in the everyday life factors like stress, price, transparency, trust, availability, lack of time, traditions etc make the individual consumer not acting in line with his or her ideals.

I had the pleasure of attending the first ISO, International Standards Organisations meeting on Social Responsibility, SR, in Salvador, Brazil last week. There was a genuine and broad commitment from a variety of stakeholders to make all organisations adhere to basic social responsibility, within witch sustainability is a major part. The concepts are largely the same —even if sustainability is not as wide as the potential SR issues being addressed by ISO. There are huge potentials in incorporating the SR principles in all organisations. Raising awareness on these issues help organisations becoming more responsible and will foster a culture that have potential in strengthening the impact of sustainable consumption.

A Swedish survey made by "Företagsbarometern", a Swedish survey institute, shows that 87 % of Swedish students believes it is better to influence through active consumer choice then through national parliament elections. This is clear evidence that consumers are ready to make conscious choices like sustainable consumption.

Unfortunately the positive attitude is not even close to always mirrored in the way consumers act at the moment of purchase. Consumers generally have a positive, but unfortunately passive relation to sustainable consumption. There is need for further behavioural research to better understand the processes and environments that make consumers consume in line with their positive notion that consumption actually changes the world; for better or for worse.

The responsible consumers are most likely to be found in an environment with a collective responsibility, manifested through, often local, engagement in sustainable issues. This engagement is often found in popular organisations like the environment movement, consumer organisations, local communities etc. Humans are group-oriented and the feeling of acting together to achieve a better world has a potential of changing the way consumers act with their purchasing power. The collective interest and exchange of experiences are nurturing a responsible consumption pattern for the individual consumer. This based on a community notion that we are bringing positive change for the future together.

Sustainable consumption has in some areas proven to be a real choice for consumers but the demand side has so far been neglected and needs substantial support and new focus. Such efforts can make sustainability issues the most important quality criteria's when choosing products and services. A majority of consumers are quality oriented, so sustainability should be addressed and marketed as the ultimate quality feature in consumption of products and services. This development has already become an important part of the consumption patterns in communities with high integration and maturity of both consumer and environmental policies.

There is a need for broad labelling initiatives, preferably in line with some of the more successful environmental labels. In the Nordic countries the environmental label, the Nordic Swan, has become a real success, having substantial impact on the environment through consumers preference for labelled products. Some products, like many household chemicals, are next to impossible to sell without the Nordic Swan label.

The Swedish Consumers' Association does support the, at present not so flamboyant, EU-flower. The label needs to be strengthened and substantial resources need to be put into awareness raising and marketing. The long time gains will be a stable European system for the entire European market stimulating sustainable consumption and facilitating competition and trade. The core attractive feature with environment labelling is the step-by-step improvement of the levels of environment protection. Hopefully the positive experiences with the system for environment labelling could be brought in to the other aspects of sustainable consumption.

There is need for a real shift of paradigm, made feasible through the societies efforts to improve social, economic and environmental development through radically changing the focus and spending of resources to the demand side. The sole focus on production should be history, belonging maybe to the old non-democratic socialist systems, and can not be the way forward for modern market economies. The way forward is instead to empower consumers to be in line with their ideals when consuming. This would bring a real change and potential for business to make better business and profits, based on increased quality content in products and services. This quality constituting the diverse sustainable demands a modern consumer might have.

So what can be done to shift societies focus from production to consumption, supply to demand? The recourses allocated by society should be re-allocated to demand-oriented areas like:

- Education
- Information
- Labelling systems
- Popular education
- Support to popular movement representing the co-operative voice, e.g. environment, consumer, human rights organisations
- Possible VAT reduction for sustainable products
- Financial support to stakeholder engagement
- Sustainable spending of public money
- Support to cultural activities should aim to foster sustainable culture
- Etc

I am not saying that society should totally abandon the support to sustainable production initiatives and appropriate regulation and control. But if the resources were spent more equal between the demand and supply side of the economy, say 50-50, then a real change in consumers' mindset, as to their role as sustainable consumers, could be achieved.

This change of resources to be demand-oriented will help in achieving the shift of paradigm. -A change that is needed to empower consumers to express their priorities as to sustainability and even the broader concept of Social Responsibility.

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