



Federal Council for Sustainable Development

Advice on the Guidelines for Consumer Protection of the Commission for Sustainable Development (CSD)

Own initiative;

Prepared by the work group on “Socio-economic aspects of sustainable development”;

Approved by the General Assembly of the Council of 4 December 1998.

1. Introduction

1.1. Objective

The Federal Council for sustainable Development advises the federal authorities on all measures concerning sustainable development policies. The Council has issued the present advice on its own initiative.

This advice proposes a comprehensive revision of the Consumer Protection: Guidelines for Sustainable Consumption of the UN Commission on Sustainable Development (CSD), in an effort to promote models of sustainable consumption and to harmonise these guidelines with the Rio agreements.

1.2. Summary

Measures leading to unbridled consumption must be avoided. Rules concerning liberalised international trade and sustainable consumption models must be harmonised. A more qualified approach to the impact of subsidies on modes of consumption is also needed.

A certain number of **gaps** are then pinpointed. The text of the guidelines should in particular focus more attention on the precautionary principle, the respect for the environment, the social dimension of consumption, socio-economic inequalities both national and international, and a fair sharing of resources.

Finally, **recommendations** are made for a balanced distribution of the responsibility between three actors who have an important impact on the models of consumption: consumers, producers and the authorities.

2. Consumer Protection: Guidelines for Sustainable Consumption

2.1. Antecedents

The United Nations General Assembly approved in 1985 a document on guidelines for consumer protection. These guidelines were to serve as a basis to establish a policy framework



for introducing legislation on the safety and economic interests of consumers, the quality and distribution of goods and services, the education and information for consumers, etc.

In 1995, with the Rio Conference and the Agenda 21 as a backdrop, the CSD launched a programme aimed at changing the modes of production and consumption. The question then arose to extend the UN guidelines on consumer protection to sustainable consumption.

That same year, the UN Economic and Social Council (Ecosoc) asked the general secretariat to set this process in motion and in 1997 to continue the work through an inter-regional conference of experts (São Paulo, 28-30 January 1998). The purpose of this conference was to propose recommendations for guidelines for “sustainable consumption” via the CSD-6 during the Ecosoc session of 20 April to 1 May 1998.

This issue was therefore entered in the Agenda of the work group on “Industry”.

2.2. The São Paulo Report

No concrete amendments to the guidelines came out of the conference, but subjects related to sustainable consumption were identified. These should be included in the guidelines. The way in which the guidelines are to be applied was also examined.

2.3. Decision to postpone the discussion until CSD-7

The G77 group and China did not have the time to hold a comprehensive discussion on the subject at the CSD-6, and the United States asked that the discussion be postponed until the CSD-7 in 1999, as they considered a discussion on the guidelines premature.

3. General critical analysis

The Council deemed it useful to determine first what is meant by sustainable consumption. *Generally speaking, it can be described as a mode of consumption that could acquire concrete form as of today among the population of the world as a whole, without harming the potential of our planet to meet the needs of future generations.*

For the OECD (Oslo, 1994), sustainable ecological development is defined as follows in the work programme devoted to sustainable ecological production and consumption: *“the use of products and services that meet essential needs and contribute to improving the quality of life while reducing to a minimum the quantities of natural resources and toxic substances used, as well as the quantities of waste and of pollutants discarded throughout the life cycle of the product or service, so that the needs of future generations can be met.”*

From these definitions of sustainable development, the Council considers that the UN text **“Consumer protection: guidelines for sustainable consumption” must be revised thoroughly**. The Council considers that it is not its task to rewrite the text, but wishes however to point out a certain number of shortcomings.

First, the text concerning the guidelines dates from 1985, a period during which much less attention was paid to sustainable development. The text moreover comprises a series of inconsistencies and serious gaps, which we shall broach in more detail. On the basis of these observations, the Council has formulated a number of recommendations on how the CSD text should be revised.



4. Specific critical analysis

4.1. Inconsistencies

- With reference to Paragraph 1, point g and Paragraph 17, the Council considers that a universal approach of the situation in all countries and for all products is not possible. It is essential for the less privileged persons that market conditions evolve towards a greater choice of a greater number of products at lower prices. The application of this principle to a society where the supply of products and consumption are already very extended, may lead to unbridled consumption.
- With reference to Paragraph 8, the Council has noted that the role of trade and of the World Trade Organisation is entirely hidden in this text. The rules concerning an open international trade and concerning models of sustainable consumption must be harmonised, without necessarily giving priority to rules of free trade.
- With reference to Paragraph FF3, the Council considers that it is up to each country to find the best means to protect consumers, especially the weakest. Access to an entire series of basic goods and services (water, electricity, public transport, staple foods) necessarily requires subsidies or at least cross-subsidies (one group of consumers pays a more expensive price for a product or service, to enable other consumers to pay a lower price). This is how the underdeveloped countries have access to basic goods.
- On the other hand subsidies could be thwart for sustainable development. The text is very vague on these definitions; it should be more precise concerning the possible impact of the subsidies over the models of consumption.

4.2. Gaps

- Nowhere is there a reference to the application of the precautionary principle enshrined in the Rio Declaration concerning development and the environment (Principle 15).
- In more general terms, only little attention is paid to the principle of respect for the environment. The more developed countries are exerting the strongest pressure on the environment. They must therefore set a good example by taking measures to initiate a more sustainable development.
- It is necessary to propose measures concerning the ownership of genetic matter (see Paragraph 45, point b). Through the International Service for the Acquisition of Agri-biotech Applications, among other channels, a patent can be used in developing countries without paying any fees.
- It would be particularly useful to examine the pertinence and effectiveness of measures intended to make consumption more sustainable and more ethical. To this end, the necessary instruments have to be created.
- The social dimension at the international level is totally absent from this text. In particular, there is not the slightest word concerning “the universal rights to the provision of services”. Every citizen in the world, without exception, is entitled to a certain number of basic services, such as appropriate public transport.



- The problem of social inequality is not broached either, although it sometimes hides behind extremely low prices as well as bad working conditions or child labour.
- Neither the responsibility of consumers from rich countries, nor of the rich strata of society in poor countries is put to question.
- The objectives of sustainable consumption establish no link with the substantial socio-economic inequalities in the world, the fair sharing of aid sources and the need for international solidarity.
- There is no concern raised in the text about ecological dumping either.
- Low prices may hide an over-exploitation of natural resources.

5. Recommendations

The Council considers not only that the text of the guidelines must be rewritten taking due account of the foregoing remarks, but also that responsibilities must be shared fairly between the three actors who are intimately involved in consumption and who can, each according to his abilities, contribute to sustainable consumption.

5.1. Make consumers aware of their responsibilities

More and more citizens are discovering that consuming may constitute a political act. In this way, they can accept or reject a system of production or a system of management of goods. To a certain degree, they can, by their consumer behaviour, make their opinion known to the economic world and the public authorities. It is therefore absolutely essential to draw the attention of consumers not only on their rights but also on their obligations, or in other words, make them aware of their responsibilities.

Some consumers are already consciously making a sustainable choice for personal or altruistic reasons.

The absence of available information on alternatives to meet consumer needs is a serious obstacle to a change in their consumption behaviour.

For consumers to make sustainable choices effective through their consumption behaviour, they must have information presented in an understandable manner, and an effective flow of consumer information must be organised.

A clear, comprehensible, and well thought out labelling system, that would inform consumers about the ecological and ethical characteristics of the product fits perfectly in this line of reasoning. Sufficiently strict criteria must be applied at this level, and continuing supervision is required.

The labelling may not however contain all the information. This role falls to the media, which must disseminate information to make consumers aware of the situation.

It should however be borne in mind that no feelings of guilt must be created among consumers, and that responsibility must not weigh solely on their shoulders. Education and training are fundamental in this regard. Consumers must be motivated and encouraged, they must get answers to their questions and be informed about the consequences of their behaviour.



5.2. Make producers aware of their responsibilities

It is therefore important to draw the attention of the producers also to the great responsibility they bear for the creation of more sustainable consumption models. If companies offered consumers only products made according to social and ecological rules, they would make it a lot easier to choose. The problems must be tackled at their root. Here too prevention is better than cure.

The efforts devoted to encourage consumers to consume in a more sustainable manner are thwarted by advertisements goading the public to consume more and more, in particular through hypermarkets, telesales, and telemarketing.

It is not easy however to get producers, especially multinational corporations, to question their production. To get companies to think and act in terms of sustainable development, they must be encouraged to make eco-effective products.

The Council considers that it would be advisable to devote more efforts to motivate SMEs which have a large potential of eco-effective production. On a general plan, it is important that companies be stimulated to invest in technological research and development geared to sustainability.

Companies must abide by existing laws and respect human dignity. They must moreover be encouraged to abide by a code of ethics and allow verification in this regard. The code must pertain to ecological and social rules for the manufacture of products as well as to the labelling and advertising campaigns.

5.3. Make the authorities aware of their responsibilities

As regards their consumption behaviour, the overwhelming majority of consumers are influenced and carried away by the trends without making conscious choices themselves. This situation may lead not only to a lack of correct information (see 5.1.) or to a profusion of contradictory signals (see 5.2.), but also to a lack of willingness on the part of consumers to be informed. It is moreover possible that consumers are not capable of establishing a clear link between their daily actions and the quality of life of each and everyone.

It is therefore not enough to count on the good will of the consumers alone. The authorities must make clear policy choices and use all the instruments at their disposal to promote sustainable consumption.

The Council deems it advisable to orient consumption through coercive measures. These measures must pertain to both the supply and the demand.

The Council proposes that policy makers take concrete measures on the economic, cultural and educational front. To be effective, these measures must concur optimally and be always based on the precautionary principle. In this sense, more attention should be paid to an integrated policy on products.

The effects of such measures must be evaluated systematically.

The Council proposes the following measures:

- Define standards that products must meet to be marketed: composition, properties, packaging, labelling, etc.
- Regulate advertising concerning the use of ecological arguments.
- Authorise ecological and social labels.



- Promote the recycling and re-use of products.
- Introduce taxes to discourage the purchase of products that harm the environment (ecotaxes) and to stimulate environment-friendly behaviour.
- Stimulate an eco-effective behaviour on the part of producers by legal and economic means, such as product liability, ecotaxes, subsidies for R&D, and alternative technologies.

The political world must set a good example with its spending (investments, public services).

As regards concrete social and ecological standards, the Council wishes to underscore that reference must be made to international agreements concluded by environmental or social conventions, in particular in the International Labour Organisation concerning work standards. It is important to take due account thereof in the World Trade Organisation or when concluding a multilateral investment agreement.

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