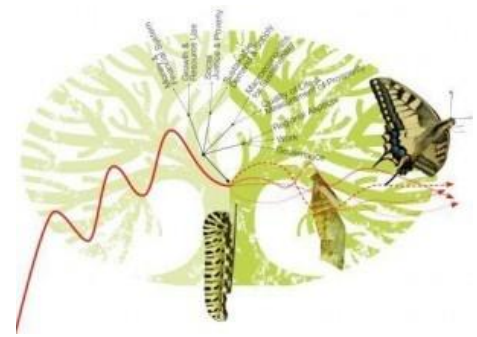


Verena Farré-Capdevila (Federal Ministry of Economy)



Parallel Session IV: Sustainable Production and Consumption

Chair: **Verena Farré-Capdevila** (Federal Ministry of Economy, Family and Youth)

Rapporteur: **André Martinuzzi** (Vienna University of Economics and Business)

Sustainability plays an increasingly important role in product markets. Its effects are most strongly pronounced with respect to final consumption (e.g. organic and fair trade products, low energy customer goods or those consumer goods, which have been produced in an ecological sustainable way). At present, developments in these areas are driven primarily by consumers and producers, rather than by politics. There is an interesting relationship between supply of and demand for sustainable products. The effects of the current economic crisis on the supply and/or demand for sustainable products seem to be - at least for retailers - not negative.

Parick O'Riordan from the European Commission uncovered eco-efficiency through eco-innovation and green-growth to prevent a loss of jobs as a future challenge. He stated that green growth is not only the development of specific sectors, but changing the way we do business in all sectors. He also referred to the Commissions' Sustainable Consumption and Production Action Plan. Finally he presented the following figures: environmental industries have a turnover of more than €300bn and employ 3.4 mio people.

Carmen Wieser from SPAR Inc. presented the market segment of fair trade, organic food, regional food and bio products etc. of her company. She also outlined the CSR Strategy of Spar. The challenge for retailers is to anticipate market developments and react quickly. The mentioned market segment seems to be stable throughout the current crisis.

Stefan Schleicher (Wegener Center on Climate and Global Change) outlined the problems of old and outdated economic paradigms, ie. (a) welfare comes from products and flows (instead of stocks and functionalities), and (b) discounting is in contradiction to sustainable development. He advocated a new paradigm: Consumption should be targeted to functionalities instead of products (e.g. thermal, mechanical, communicative, emotional) and on a broad perspective on resources (human, natural, social). He claimed that products are getting less important for providing these functionalities (e.g. transport: not „how“ but „why“ do we want to move persons and goods; not selling cars but their services). For the future he expects welfare stemming from fewer flows but also fewer incomes. He urged the need for improved measuring and evaluating („comprehensive footprint“).

Nora Brüggemann (Center on Sustainable Consumption and Production / collaboration of Wuppertal Institute and UNEP) outlined the working of her institute in the triangle of change of business, governments and civil society. Activities to overcome the gap between perception and action of consumers are taken in the following areas: Knowledge exchange and network facilities. An aim is a cross cutting integration of SCP. Currently SCP are mostly niche markets.