

Baltic Sub-regional Multi-stakeholder Workshop

***Sustainable Consumption and Production:  
Challenge and Opportunity for the 21<sup>st</sup> Century***

Vilnius, 17-18 June 2004

***Draft report***

**Table of contents**

INTRODUCTION.....	2
Objectives of the workshop.....	2
Participants.....	2
CHAIR'S SUMMARY .....	3
Changes in Consumption and Production patterns and their consequences for the environment (Trends/Achievements).....	3
Problems and needs .....	3
Recommendation for future action .....	4
OPENING SESSION .....	6
SUMMARIES OF PLENARY PRESENTATIONS AND DISCUSSIONS .....	<b>Error! Bookmark not defined.</b>
International Perspectives on Sustainable Consumption and Production .....	9
Sustainable Consumption and Production in the Baltic Countries .....	10
REPORTS FROM THE WORKING GROUPS.....	14
Working Group I: Mainstreaming sustainable consumption and production: framework for promoting SCP (national and regional strategies, programmes, plans, policies, multi – stakeholder networks).....	14
Working Group II: Instruments for promoting sustainable consumption and production: legal, economic, and voluntary approaches (regulation, subsidies, greening tax systems, EMAS, eco-labelling, etc).....	15
Working Group III: Promoting sustainable choices: multi-stakeholder approach (awareness, information, choice, education, behaviour, sustainable procurement)....	17
CONCLUSIONS .....	21

**Sustainable Consumption and Production:  
Challenge and Opportunity for the 21st Century**

**INTRODUCTION**

A Baltic Sub-regional Multi-stakeholder Workshop on Sustainable Consumption and Production was held in Vilnius on 17-18 June 2004. The Ministry of Environment of Lithuania hosted this workshop, which was held under the auspices of the Ministries of Environment of Estonia, Latvia and Lithuania. The workshop was co-organised by the United Nations Environment Programme, Regional Office for Europe; Centre for Environmental Policy, Lithuania; Green Liberty, Latvia; and Green Movement, Estonia; in collaboration with the Ministries of Environment of Estonia, Latvia and Lithuania. This event was supported by the Ministry of Environment of Finland.

**Objectives of the workshop**

The objectives of the workshop were:

- to raise awareness of sustainable production and consumption issues in the Baltic countries and facilitate multi-stakeholder dialogue,
  - reporting on status and changes in consumption and production patterns, on-going actions and plans in the Baltic countries,
  - sharing examples of good practices and case studies from various stakeholder groups,
- to identify national and sub-regional priorities and needs for promoting sustainable consumption and production in the Baltic countries,
- to support the development of multi-stakeholder partnerships in the Baltic countries with the purpose of continuing dialogue and promoting coherent and concerted action.

**Participants**

Representatives from different stakeholder groups participated in the workshop. In total 71 participants from the Baltic States from ministries, local government, business, consumer associations, and academia took part in the workshop. Representatives from the Ministry of Environment of Finland, the European Commission and UNEP also participated in this event.

## **CHAIR'S SUMMARY**

Prior to the workshop, the three countries prepared background reports to illustrate changes of consumption and production patterns and environmental status in Estonia, Latvia and Lithuania, and to analyse their inter-relationship. This two-day workshop was structured into presentations and discussions and three working group discussions. It succeeded in generating a lively atmosphere and broad participation in the discussions, and a number of significant conclusions were reached.

### **Changes in Consumption and Production patterns and their consequences for the environment (Trends/Achievements).**

Following the end of the Soviet era, the three Baltic countries faced an initial inevitable economic and social decline. The deepest recession was experienced in 1994. The recovery of the economy started in 1995, and since then an acceleration of the growth of production as well as increase in household consumption have been observed. Although the overall environmental situation has improved, there are concerns that increased household consumption, which caused an increase in the amount of household waste, and private car ownerships, could overshadow the improvements achieved. Hence the need to take into consideration sustainability issues related consumption and production.

An essential decrease in consumption of natural resources and discharges of pollution was observed due to the decline in the amount of production in industry and agriculture, the increase in prices for natural resources, and modernization of technologies. Some remarkable changes to note were a drastic decline of pollution from agriculture and increased share of renewable energies. Decoupling of production from consumption of natural resources took place from the very beginning of the transition period. The reduction in the rate of pollution associated to consumption of energy and natural resources has been significant for the last several years.

All three Baltic States have taken action for achieving sustainable development. National strategies for sustainable development have been established. Data gathering to monitor progress has been well developed. The governments have already formulated and implemented some economic and legal instruments and have completed transposition of EU requirements into national legislation.

The number of industrial companies implementing EMS, cleaner production methods and environmental friendly technologies has been growing rapidly. The role of NGOs and environmental movements in promotion of sustainable consumption and production patterns, and more environmental friendly lifestyles has increased. Awareness on sustainable development (but not so much sustainable consumption and production) has increased through the development of Local Agenda 21 and Municipal strategies for sustainable development.

### **Problems and needs**

Although much progress has been observed, the following areas are identified as problems and needs for future actions.

- Production efficiency

Despite an improvement of energy consumption intensity and eco-efficiency of production, the efficiency level is still low. For example, energy efficiency is half of the average of EU 15 countries.

- Transport

Fast growth of transport volume, in particular a very sharp increase of the most polluting modes (road transport), and slow development or reduction of more environmentally friendly modes (railway and inland water transport) has been creating an essential environmental problem. Moreover, the decline of public transport system will lead to social problems.

- Waste management

The current very low level of separation and recycling of household waste blocks more efficient use of materials. It is very important to address waste management now, since the household consumption and waste generation is increasing.

- Information for consumers

The information provision system for consumers has been weak. Education and awareness raising programs have largely lacked.

- Policy framework

So far SCP has been little addressed in government policies, and there has not been much effort to promote eco-products.

### **Recommendation for future action**

The workshop recommended a series of actions as beneficial for the promotion of SCP in the Baltic sub-region. Priority actions include:

- To establish a **high level multi-stakeholder body** at the national level to facilitate the promotion of SCP and **multi-stakeholder SCP network** in the Baltic sub-region. To strengthen coordination at the governmental level and cooperation among all stakeholders.
- To integrate SCP considerations into **sectorial and regional action plans**, implement modern and environmental friendly technologies, EMS and cleaner production methods in order to secure further increase in eco-efficiency of production and decoupling from environmental impact.
- To develop more environmentally sustainable **transport** modes with special emphasis on the development of public transport, road safety and increase in the use of bio-fuels.
- To introduce modern **waste management** systems, based on reduction, reuse and recycling of waste, and provision of sorting of industrial and household waste near the sites of generation. This is an important issue to be addressed due to the recent increase in the generation of domestic waste.

Other important actions recommended include:

- To implement SCP and environmental criteria in **public procurement** and to promote **green procurement**.
- To revise the structure of **taxation and subsidies**, to ensure greening of the budget in order to reduce consumption of non-renewable resources and hazardous materials, stimulate reuse and recycling, and reduce environmental impact.
- To reduce in number the eco-labels in favour of implementing unified EU wide **eco-label** system, and to facilitate uptake by companies and promote information.
- To accelerate the transfer of modern environmentally friendly **technologies** and provide technical assistance, and to strengthen the role of local science in the promotion of more sustainable production and consumption.
- To promote organic **farming** and secure low level of pesticides and mineral fertilizers consumption, and to improve the quality and safety of agricultural products in conventional farms as well as in organic farms.
- To renovate and insulate houses and upgrade their thermal performance in order to increase energy efficiency for **domestic heating**.
- To improve environmental **education**, for the general public and also develop curricula for general and professional education, and to promote **awareness-raising** programmes and campaigns for all stakeholders groups.
- To develop indicators directly related to SCP to **monitor** regularly the progress to sustainable consumption and production.

Workshop Chair: Professor Romualdas Juknys, Vytautas Magnus University, Lithuania

## OPENING SESSION

Representatives from the Ministries of Environment of Estonia, Latvia and Lithuania, and from the Ministry of Environment of Finland and UNEP welcomed workshop participants and gave opening speeches.

**Mr. A. Spruogis, Undersecretary of the Ministry of Environment, Lithuania**, welcomed participants and recognised the importance of this workshop. He mentioned regional cooperation on environment and sustainable development issues in the Baltic Sea region since EU enlargement, and emphasised the importance of concentrating activities and regulation where the most added value is created, particularly in common environmental priority areas, and sustainable development implementation issues. He stressed the importance of sustainable consumption and production for sustainable development. Illustrating the situation in Lithuania, Mr. Spruogis noted that in the past several years there has been significant decoupling between economic growth and consumption of natural resources. Despite progress, energy efficiency and eco-efficiency in Lithuania is much lower than in other EU countries, and it is necessary to work to improve eco-efficiency, waste reduction, reuse and waste management among others. Mr. Spruogis recognised the important contribution of the workshop to better understanding and management of SCP issues in the Baltic sub-region and wished the participants successful work and good results.

**Ms. Marija Ebersteine, Ministry of Economics, Latvia**, welcomed participants to the Workshop and thanked the organisers of the meeting, in particular the Finnish Ministry of Environment, for providing the opportunity to raise the important issue of sustainable consumption and production patterns in the Baltic region. As a member of the 'Baltic Agenda 21' Industry Sector Task Force, Ms. Ebersteine recognised how important the issue of greening production and consumption patterns is to ensuring the economic, environmental and social sustainability of the region. The speaker wished all the participants of the workshop a fruitful discussion during the meeting and a successful implementation of these ideas at home.

**Mr. A. Kratovits, Ministry of Environment, Estonia**, welcomed the participants of the Workshop and discussed some issues regarding consumption and production patterns in Estonia, reporting stable GDP growth and a clear decoupling of economic growth and pollution. Mr. Kratovits provided an evaluation of sustainable development progress in Estonia, where environmental and economic pillars have developed quite well but social indicators are lagging behind. Due to accession to the EU, a good framework for sustainable production has been developed in Estonia in close cooperation with industry and other social partners, incorporating EIA, IPPC and eco-labelling. Mr. Kratovits stated that the fiscal framework is in place as well. The first draft of the new act on Environmental Charges will replace the existing regulations and build a new and clear basis for environmental taxes and charges. The speaker emphasised that the trend of consumerism is not encouraging and that, although present consumption patterns are quite sustainable, the rate of consumption is growing. Accordingly, support in this sector is crucial.

**Ms. A. Kalela, Ministry of Environment of Finland**, stated that sustainable consumption and production is one of the most interesting and challenging topics in Finnish international cooperation. However, in the ten years since the Baltic Agenda 21 was adopted, the aim of changing consumption and production patterns has seen more talk than action. Action is needed, and the framework of programmes for sustainable consumption and production calls for:

- improvement of the quality of products and services;
- awareness raising, education and consumer information (eco-labelling, etc.);
- exchange of information and best practice; and
- support for investment and loans.

Formatted: Bullets and Numbering

Ms. Kalela mentioned that in Finland stakeholders were working together in the establishment of a national programme, expected to be in place by June 2005. Members from the different sectors, including NGOs and industries, will analyse the various sectors and draft proposals. The Finnish national program will include:

- more environmental oriented taxation instead of labour taxation;
- a reduction of the use of resources and energy;
- new environmental technologies;
- an increasing share of organic farming;
- an increase in green public procurement (30% of national economy is public);
- the creation of a market for green products; and
- a shift from using products to using services.

Formatted: Bullets and Numbering

Ms. Kalela was looking forward to collaboration with partners from the Baltic countries and expected that the outcomes of the discussions during the two days of the Workshop would provide valuable input to the process of developing a framework of programmes for SCP.

**Mr. Frits Schlingemann, UNEP Regional Office for Europe**, welcomed participants and talked about the framework provided by UNEP's project Sustainable Consumption Opportunities for Europe that enabled the collaboration of the present Workshop and future follow-up work in the Baltic sub-region. This pan-European project, which started in late 2002, aims at raising awareness, facilitating multi-stakeholder dialogue among representatives from government, industry, NGOs and others in civil society, and the establishment of partnerships; promoting a positive understanding of sustainable consumption in relation to quality of life and adopting a bottom-up approach tailored to the particular needs of each country.

Mr. Schlingemann remarked on the progress made globally in the ten years between the World Summits of Rio and Johannesburg, with many production processes considered cleaner and more efficient. However, concerns remained with regard to the excessive use of resources and waste generation, the fact that most of the eco-efficiency gains had been outstripped by growing consumption, the growing disparity in levels of consumption between the rich and the poor and the realisation that increased consumption may not necessarily lead to an improvement in quality of life.

Referring to the Johannesburg Plan of Implementation, Mr. Schlingemann mentioned the decision that a 10-year framework of programmes should be developed to help accelerate the shift towards sustainable consumption and production. He noted the importance of identifying national priorities in the development of regional strategies, and indicated how national and sub-regional workshops would provide a forum for stakeholders to analyse the problems faced and report on the needs and priorities for action, for instance, with the Baltic workshop making an input to regional and global processes such as the European hub of the Marrakech process being organised by the EC and UNEP later in the year.

Mr. Schlingemann thanked partners in Estonia, Latvia and Lithuania, in particular the Centre for Environmental Policy in Lithuania, Green Liberty in Latvia and the Estonian Green Movement, for the organisation of the workshop in collaboration with UNEP Regional Office for Europe in a multi-stakeholder preparatory working group. He mentioned the excellent fact-finding work carried out for the preparation of country background reports that would be the basis for discussions during the workshop.

As Director of UNEP Regional Office for Europe and Regional Representative, Mr Schlingemann expressed his gratitude to the Ministry of Environment of Lithuania for hosting the Workshop, and to the government of Finland for their generous support.

## SUMMARIES OF PLENARY PRESENTATIONS AND DISCUSSIONS

### International Perspectives on Sustainable Consumption and Production

**Mr. Bas de Leeuw, UNEP DTIE**, presented a 10-year framework of programmes for promoting sustainable consumption and production. The presentation was focused on the updated Marrakech process and stressed the need for regional and national initiatives to be developed, in order to encourage and promote sustainable consumption and production. Actions taken to implement this goal to date include the preparation of the strategy in Latin America, the establishment of a help desk in Asia, the first review meeting of the international process, which was held in Marrakech in 2003. Consultation with Baltic States and Russia were to be held in 2004. The second international review meeting is foreseen to be in Costa Rica in September 2005.

The 10-year framework is not simply a series of meetings – it is expected to develop a tangible progress. Mr. Bas de Leeuw introduced the steps of the Marrakech process, which involve regional consultations, regional and national strategies, local, regional and national projects, monitoring, co-ordination and information sharing. The recommendations for UNEP were prepared by an informal expert task force, in a meeting in Paris, in March 2004

UNEP should focus on the global consumer class and meeting basic needs of the poor. It should assist governments in implementing projects in areas such as water, energy and waste and promote resource efficiency in key industry sectors. UNEP should also strengthen its existing work on Life Cycle Initiative, economic instruments and communication/capacity building (SME's).

Sustainable consumption and production is a priority for UNEP. Mr. Bas de Leeuw stressed that consumption and production should be an integrated issue. In order to change existing consumption patterns, underlying drivers for consumption first have to be examined and the obstacles and opportunities for change must be identified. In addition, the processes of production, services and infrastructure have to be improved. It is also important that consumers' awareness be increased, particularly as consumers are progressively more interested in the world that lies behind the products.

Mr. Bas de Leeuw mentioned that an EU expert meeting will take place in Brussels in September 2004 and a website on EU Sustainable Consumption and Production will be launched in October 2004, followed by the first European multi-stakeholder consultation conference in Ostend, Belgium, 24-26 November, 2004.

**Mr. Nis Christensen, European Commission**, highlighted the reasons for a focus on sustainable consumption and production in the EU and presented an inventory of relevant policies, activities and instruments at the European Community level.

In March 2003, the European Council identified sustainable consumption and production and the development of the 10-year framework as one of the key priorities for the EU. The inventory prepared by the Commission aims to contribute to the Marrakech process

and demonstrate to global partners what the EU members states are doing on SCP. The current inventory aims at giving a comprehensive, but non-exhaustive picture of the EU level policies, instruments and activities either currently in place or being developed. The inventory addresses both general and horizontal policy strategies and instruments as well as key economic sectors and issues. The inventory itself is not an assessment of the effectiveness of the existing policies and tools, nor is it a policy paper. It provides a factual 'photograph' of what is being done at the EU level and is published on the Workshop website ([www.unep.ch/scoe](http://www.unep.ch/scoe)).

Mr. Christensen emphasised that the achievement of sustainable consumption and production requires a mixture of different policies and tools. Action needs to be taken at all levels of government and also by all key stakeholders, involving the business sector, research institutions and non-governmental organisations such as consumer organisations. Seven thematic strategies of the Sixth Environmental Action Programme have been prepared so far. Policy strategies and instruments were described in various sectors, including industry, energy, agriculture and forestry, fisheries, transport, tourism, waste and chemicals. Those strategies and instruments consisted of integrated product policy, consumer policies, corporate social and environmental responsibility, public procurement policies, economic instruments, information tools, analytical tools, and research and development.

### **Sustainable Consumption and Production in the Baltic Countries**

Country reports on the status and changes in consumption and production patterns, current actions and plans were presented by *Ms. Viire Viss, SEI – Tallinn, Estonia; Mr. Janis Brizga, Green Liberty, Latvia; and Prof. Romualdas Juknys, Vytautas Magnus University, Lithuania.*

**Ms. Viire Viss, SEI – Tallinn, Estonia**, presented the *Country Report from Estonia*, highlighting trends and changes in consumption and production in the country. Socio-economic trends were marked by a population decrease and aging population. A constant increase in GDP reflected the pattern of economic development. Water consumption and energy production have consistently decreased in Estonia, but this is due rather more to the industry collapse in the beginning of the 90s than to improvement in consumption and production efficiency. Some indicators were also presented for agriculture, transport and forestry sectors as well as indicators related to industrial waste, municipal waste and household consumption. The speaker highlighted some problems, such as the sharp decline of the use and availability of public transport (where 2/3 of the railways have been demolished), dramatically increased car usages, rapidly increasing waste and undeveloped recycling systems.

Ms. Viss introduced the audience to the existing strategies in Estonia, which consist of the *Act on Sustainable Development*, the *Estonian Sustainable Development Strategy* and the *Environmental Strategy*. Developments to date in the business sector and in civil society with regard to sustainable consumption and production were also outlined. Voluntary instruments like Environmental Management Systems, eco-labelling, environmental/sustainability reporting are used by business. Civil society has used the

opportunity to carry out campaigns for waste collection, eco-labelled product promotion, etc. A Sustainable Consumption Coalition has been set up in cooperation with enterprises, public institutions and NGOs.

**Mr. Janis Brizga, Green Liberty, Latvia**, presented the *Country Report from Latvia* highlighting socio-economic and environmental changes in the country. From the socio-economic viewpoint, population is decreasing and aging in Latvia, while GDP and regional disparities are increasing. Environmental trends show that compared to the 90s pollution and consumption of energy and natural resources is decreasing or stable, while the amounts of waste generated is annually increasing. Mr. Brizga presented recent trends of consumption and production for energy, transport, agriculture, forestry, tourism and fisheries sectors and household consumption. Some sectors show positive trends, such as dematerialization in industry and lower inputs in agriculture, while others like forestry and fisheries indicate continuing depletion of natural resources. The identified problems were increasing traffic and decrease in public transport, increasing ecological footprint, and increasing household consumption and amounts of waste generated.

Policy frameworks, such as the *Strategy for Sustainable Development*, the *National Environmental Policy Plan*, the *Law on Environmental Protection*, and economic instruments (e.g. an excise tax on oil products and natural resource taxes) are used in Latvia for sustainable consumption and production. The presentation also touched upon the ways in which consumers receive the right information (e.g. labels, eco-labelling).

**Prof. Romualdas Juknys, Vytautas Magnus University, Lithuania**, presented the *Country Report from Lithuania*, analysing the main trends in the economy, environment and society. He focused his assessment on the changes in efficiency levels of production and consumption in the main branches of the Lithuanian economy, including the household sector.

The general provisions of the *Lithuanian Strategy on Sustainable Development* for the industry, transport, energy, agriculture and household sectors were presented in the workshop, with special attention given to the main challenge of eliminating unsustainable production and consumption patterns.

The GDP index has been constantly growing in Lithuania after the deepest depression in 1994, in particular in 2003 with a 9% increase. Consumption of natural resources and environmental pollution have decreased considerably along with the previous economic decline. Energy consumption has halved and has been stable, except for a slight increase for the last couple of years. Total emissions of the main air and water pollutants have shown a constant decrease. The most significant changes in energy intensity were seen in the agriculture, construction, trade and services sectors, while changes in energy consumption in the industry and transport sectors, however, were not so considerable. Despite the increased production efficiency, energy efficiency is still low comparing to EU member states, there are still much room to be improved.

Deleted:

In conclusion, Prof. R. Juknys summarised that an essential shift towards more sustainable production and consumption patterns was made during the past decade. However, efforts, including changes in lifestyle, will be needed for a further increase in efficiency levels of production and consumption in order to achieve the main targets foreseen in the *Lithuanian Strategy for Sustainable Development*.

**Dr. Romualdas Zemeckis, Lithuanian Institute of Agrarian Economics, and Ms. Angels Varea, UNEP ROE**, presented the results of research monitoring SCP patterns and the implications for promoting behavioural change. Indicators for sustainable consumption were prepared following the research prepared for UNEP ROE. It was a pilot study of 900 individuals (representing consumption patterns in their households), divided into three groups of 300 for each participating country, namely, Latvia, Lithuania and Estonia. The main objective of the pilot was to develop a new set of capability-sustainability variables elaborated to capture multidimensional elements of quality of life in consumption patterns. It was also intended to assess the possibility of carrying out further surveys.

The research on 'Indicators for Sustainable Consumption' aims to develop new methodologies for the choice and use of indicators for sustainable consumption, with emphasis on quality of life aspects. It also develops a conceptual framework clarifying the notion of sustainable consumption. A further goal of the research was to gather relevant statistics and to develop micro (sensitive to distributive concerns) indicators. The speaker emphasised that awareness of consumer choices could be measured in terms of practical actions (eg. recycling, saving water and energy, etc), reflecting people's attitudes towards the environment. The research involved micro-analysis (using disaggregated data) with the purpose of studying the links between different environmental and social variables.

In recent years, an abundance of indicators have been created for consumption and production to measure quality of life and the environment. Different institutions have each produced a variety of indicators. OECD has created indicators in different sectors and UNEP has produced a large series of indicative data on wealth, water, food consumption, mobility and energy indicators, while the EU has focused on a "limited number of essential indicators". This abundance has resulted in the problem of a lack of *comparability*. The problem is related to the absence of a coherent methodology for the selection and use of indicators. It is also a question, at a different level of analysis, of what "criteria we use to choose criteria". The patterns of consumption were evaluated by quantitative results: patterns are correlated with age in all countries; the older the person the higher share of income spent on food consumption and health care but less on transport, recreation, clothing and, naturally, on education. Histograms shown illustrated that people's evaluation of their own well-being is more complex than simply having more money available. It was illustrated that levels of satisfaction are not perfectly correlated with income levels.

The analysis on consumer awareness showed that in Estonia environmental awareness depends on age and size of the family, so that the older the person and the larger their family, the more aware he/she is. These findings suggest that policies for youth awareness could be developed. In the Latvian study, the decisive factors for awareness were gender and education, which indicate a potential to develop policies targeting women and schools. In the Lithuanian case, the place of living (rural-urban) was the main element of differentiation, indicating that awareness policies for rural areas could be implemented.

**Prof. R. Juknys, Vytautas Magnus University, Lithuania** then provided a *Baltic sub-regional overview*. The speaker drew attention to the fact that the changes in consumption and production patterns were very similar in the three Baltic States.

National differences were not considered very important for further joint actions. The main issues addressed in this presentation focused on patterns of wasteful consumption (4-7 times more intensive), a relatively not very active civil society and low consumer awareness in the Baltic States.

Deleted: inactive

Positive social and environmental patterns observed in these countries included relatively high levels of education, energy supply, transportation and well developed communication infrastructures, and also an increase in EMAS, eco-labels, organic farming, growth of eco-tourism, raise of forest certification and collection of packaging waste. Also, decoupling between the production

Some of the problems analysed by Prof. Juknys as priorities to be addressed by the three countries were related to economic growth, intensive resource consumption, and a low level of material recovery. He called for action to be taken in all three countries to change these resource-use patterns towards sustainable consumption and production. Actions should include creating sub-regional networks, education and awareness raising campaigns and the development of environmental friendly technologies.

Deleted: included lack of

Deleted: as the main priority for these countries,

Deleted: recycling

A plenary discussion took place on sub-regional priorities and needs. The participants discussed problems and priorities identified in the three country reports.

The following sectors were discussed as major problems in the region:

- Waste – the amounts of waste have been steadily increasing; and
- Transport – this sector uses 30 % of energy. In Lithuania there is 2/3 reduction of the use of public transport. In addition, there are alarming trends in the increase of public transport system costs.

Formatted: Bullets and Numbering

During the plenary discussion it was agreed that each working group would discuss and identify trends, achievements, problems and recommendations for future actions. A structure for reporting Workshop outcomes in the Chair's summary was also agreed.

## REPORTS FROM THE WORKING GROUPS

**Working Group I: Mainstreaming sustainable consumption and production: framework for promoting SCP (national and regional strategies, programmes, plans, policies, multi – stakeholder networks)**

### **Achievements/ Trends:**

Working group participants agreed that the main achievements include:

- SD strategies developed in each Baltic State
- Statistical data gathering system rather well developed
- Growing active networks, mainly NGOs
- Since EU membership – part of EU policy on SCP
- Economic and voluntary instruments to stimulate SCP are being developed (e.g. charges, eco-labelling)

### **Problems**

The main problems were described as follows:

- Economic growth overshadows SD
- The major challenge is to involve more government and business sector into SCP
- SPC mentioned in different chapters of SD strategies, but not emphasized as a separate issue
- Consumption issues are less addressed than production
- SCP Strategies exist but there are no concrete action plans for SCP
- Lack of specific SCP related information
- More concrete proposals from NGOs are needed

### **Actions**

Working group suggested that the following actions need to be taken:

- Establish a high level multi-stakeholder body for SCP
- Further develop indicators directly related to SC and carry out studies
- Ensure that SCP is integrated in sectorial action plans, etc.
- Regular updating and monitoring of implementation of activities related to SCP
- To involve more knowledge of NGOs and other stakeholders in decision making processes

- The legal and financial framework should be developed further for SCP actions, to support existing and upcoming activities and actors
- Develop further Baltic sub-regional multi-stakeholder SCP network as a follow-up of present workshop
- Other regional and sub-regional institutions should be made aware of the findings and recommendations of present workshop

**Working Group II: Instruments for promoting sustainable consumption and production: legal, economic, and voluntary approaches (regulation, subsidies, greening tax systems, EMAS, eco-labelling, etc)**

The discussion focussed on two main issues:

- Administrative and economic instruments: trying to clarify their efficiency and need for new additional instruments;
- Voluntary approaches (EMS, eco-labelling), trying to identify their role and clarify what actions and support are needed to increase their impact in promoting sustainable consumption and production.

**Trends**

It was noted that the economic decline in the Baltic States after the declaration of independence led to substantial pollution reduction, and that it is important to maintain current 'low' pollution levels in the future. It may be an attainable target keeping in mind that efficiency of use of energy and resources has increased in recent years. As positive trend noted was that current water and energy prices for households reflect production costs and foster more sustainable consumption patterns.

**Achievements**

The following achievements were identified during the discussion:

- Polluter-pays principle was implemented to some extent, e.g. prices of water and energy reflect the real costs. However, not all externalities are internalised and subsidies for renewable energy sources are necessary;
- The number of industrial companies that have implemented environmental management systems is rapidly growing;
- Awareness of sustainable development and sustainable consumption and production has increased substantially at the local level through development of Local Agenda 21 and Municipal sustainable development strategies;
- Eco-tourism is developing very fast and is more and more appreciated by the tourists.

## **Problems**

Despite substantial progress, serious problems still remain, including:

- Current economic instruments do not provide sufficient incentive to improve environmental performance;
- Despite certain progress, high intensity of energy and resource use is still observed;
- Large number of various labels and trade marks are confusing the consumers who may find it difficult to select the right environmentally friendly product;
- Lack of qualified experts in some special areas such as environmental reporting, performance evaluation, emissions trading, and green procurement.

## **Actions**

Various actions aimed at increasing efficiency of economic instruments and promoting voluntary environmental management systems were proposed during the discussion, including:

### *1. Promotion of economic instruments*

- Evaluation of the efficiency of the current system of economic instruments (on a regular basis and providing recommendations for improvements). Clear goals set (taking life cycle of the product) followed by a monitoring system
- Integration of economic instruments and voluntary measures including promotion of social management system
- Promote green procurement
- Introduce a partial green budget reform (for example reduce VAT for products with eco-label)
- Promote wider application of deposit-refund system (glass, plastic) and deposit for one-way packaging.
- Reduction of packaging waste by reuse
- Promote Emissions Trading Scheme
- Introduce new incentives for promotion of organic products

### *2. Promotion of sustainable production in industry*

- Promote environmental improvements at SME (differentiation among large, medium, small, micro)
- Develop assistance programs for industry for implementation of cleaner production, EMS and other tools

### *3. Environmental management systems*

- Promotion of EU wide eco-labels (reduce number of eco-labels)

- Promote green management system (business organisations)
- Increase resource efficiency through implementation of cleaner production
- Improvement of existing statistics, unify methodology for evaluation of energy efficiency and achieve comparable indicators

#### 4. Information and education

- Information on eco-labelling spread to the consumers and also to traders (supermarkets)
- Education and marketing campaigns on eco-labelling
- Promotion of science and innovative environmental technologies, Encourage education institutions to include environmental subjects in their curricula

#### 5. Coordination and cooperation

- Strengthen coordination at the Governmental level among the Baltic Sea Region of application of voluntary actions
- Strengthen cooperation among all stakeholders (scientific/innovations, business, NGOs, etc.)
- Encourage transfer of know-how among the Baltic Sea Region at governmental and non-governmental level.

### **Priorities**

In the final phase of the discussion the proposed actions were prioritised. The following were considered as the most important priorities:

- Integration of efficient economic/regulatory instruments and voluntary measures
- Promotion of green procurement
- Awareness raising of general public and greening of formal education system

### **Working Group III: Promoting sustainable choices: multi-stakeholder approach (awareness, information, choice, education, behaviour, sustainable procurement)**

### **Trends**

Discussions the working group highlighted the following trends:

- Increased household consumption
  - Household equipment
  - Packaging waste increasing
  - Household chemicals

- Increased volumes of waste
- Increased private transport vs. public
- Agriculture production:
  - Positive – increase of organic farming
  - Negative – increase of use of fertilisers and pesticides; impact on health and environment
- Stronger NGOs and growth of green movements
- Increased tourism (travel, accommodation):
- Import of new technologies
- Increased awareness about importance of innovations and sustainable products

## **Achievements**

Following achievements were identified:

- Some education, awareness raising
- Environmental legislation and institutions strengthened
- Information exchange and campaigning:
  - global, national and local
- Separate collection of waste and recycling in some places e.g. Tallinn
- Sales and production of eco-friendly products are increasing, good examples are:
  - Eco-tourism labels (rural tourism)
  - Organic food labels
  - Green Energy
  - Increase of sales of environmentally friendly household chemicals
- Consumer protection ensured e.g. control of food safety, household chemicals
- Businesses are more aware, e.g. particularly
  - Tourism sector
  - Big manufacturers
- Media attention for waste e.g. plastic bags
- Improvements in energy and resource saving e.g. heat insulation, energy saving light bulbs, water and energy meters installed

## **Problems**

However problems still remain:

- Society (consumers):

- Lack of awareness and education and information for specific target groups
- Lack of motivation
- Lack of understanding of individual impact on environment
- “Bad” behaviour
- Economic factors:
  - Increased consumption of rich
  - Small income (environment is not a priority)
  - Growing disparity between regions
- Weak infrastructure e.g.
  - Waste collection and recycling,
  - Traffic e.g. bicycle lanes, etc
- Weak implementation of legislation
  - Inefficient control
  - Enforcement
  - Monitoring and reporting
- Sustainable consumption is not addressed in government’s policies and no clarity on responsibilities of different governmental structures
- Lack of research on SCP
- No promotion of eco-products by government
- Waste and pollution are problems to be solved
- Careless construction and material use

## **Actions**

The Working group recommended that the following actions should be taken:

- Education and training
- Awareness/campaigns
  - Schools, environmental info about products
- Information about products
  - Alternative to advertising
  - Eco-friendly products (eco-labels)
  - Promotion
  - Information about contents (chemicals, food products, country of origin)
- Government and municipality actions

- Develop policies and infrastructure, especially for waste and mobility (bicycle lanes, safety)
- Economic measures: Fiscal reform e.g. regulations on advertisements and taxing on advertisements, efficient penalties for “bad” behaviour; diverse taxes; different waste tariffs for separately collected waste
- Government support: State aid for environmental actions of industry, subsidies for organic farming, eco-labelling
- Research support and development
- Cooperation and networking: Set up multi-stakeholder networks for SCP, promote sustainable innovations
- Sustainable public procurement
- Strengthen public involvement in the decision making
- Strengthen lobbying activities by NGOs, involve media

# CONCLUSIONS

## Next steps

- Presentations made at the Workshop and country reports will be available online ([www.unep.ch/scoe](http://www.unep.ch/scoe)).
- Chair's Summary to be sent to participants and state governments and UNEP.
- Lithuanian Ministry of Environment will present report to Council of the Baltic Ministers.
- Presentation of report in SCP expert meeting in Brussels (September).
- Participation of Baltic states representatives in Ostend meeting (November).
- Organisation of workshops as follow-up:
  - specified meetings following priorities (waste, transport, municipal issues, economic instruments, etc. networking)
    - involve other ministries of Economy, Transport
  - projects:
    - review of economic instruments and integration of economic and voluntary approach
    - green public procurement
    - eco-labelling
- Set a organisational structure/responsible body/network (coordinator)
- Application for support (technical assistance, material and financial support) to potential funders with project proposals (UNEP, EC, NCM).