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CEEweb input to the on-line public consultation on Sustainable Consumption and Production (SCP) and Sustainable Industrial Policy (SIP)

1.1. Please indicate your opinion on the effectiveness options to strengthen the requirements concerning resource efficiency, beyond energy, into the various EU regulatory instruments.

In order to introduce proper measure realizing sustainable production and consumption EU wide, mandatory requirements should be introduced. These requirements should be implemented using holistic, instead of sectoral approach and aiming to set a European framework for absolute resource use reduction. Through this framework the shortcomings of resource efficiency, arising inter alia from the rebound effect could be avoided.

1.2 Please specify for what EU SCP regulatory instruments and policy measures you recommend to strengthen the requirements on material resource efficiency (e.g. recyclability, reusability, recoverability, upgradeability):

The proposed regulatory system absolute resource use reduction would provide a comprehensive set of tools for the roots of the problems related to climate change, and mitigate the drivers leading to climate change, gradually reduce the total fossil and nuclear energy use of Europe, set targets for reducing EU and national GHG emissions for 2050 and interim periods, promote energy conservation, energy efficiency and renewable energy resources through providing incentives and interest free loans for citizens, communities and economy to realize needed investments, enhance environmental consciousness towards sustainable consumption. The proposed regulatory system is based on 3 + 1 pillars.

- *Pillar 1: The Energy Quota*

The use of fossil and nuclear energy sources shall be reduced through direct savings, increasing efficiency, or shifting to renewable energy sources. An effective tool for realizing this reduction is the energy quota system. Energy consumption entitlements of annually decreasing quantities would be allocated among the individual consumers and public and private consumer groups. Those, who save a part of their allocated entitlements, can sell their remaining entitlements through the quota managing organization to those who have consumed more than their allocated consumption entitlement. The quota managing organization sells the quota in the national currency, and buys the remaining quota for quota money.

- *Pillar 2: The Market for Environmental Goods and Services*

The market for environmental goods and services is an open market operating according to environmental and ethical rules including aspects of sustainability and market considerations. The quota money received from selling energy consumption entitlements could be exchanged to products in this 'eco-labelled' secondary market.

- *Pillar 3: The Revolving Fund*



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The Revolving Fund provides the opportunity for everyone, both energy producers and consumers, to be able to achieve savings through energy efficiency and renewable energy investments. The Revolving Fund provides interest free loan in quota money with a payback period adjusted to the energy savings or income generation realised through the investment.

- *Pillar +1: Advisory Service*

The Advisory Service aims to provide advice on lifestyle, planning, social and environmental issues, as well as information on the functioning of the scheme to consumers.

1.3 Please indicate your opinion on the effectiveness of options to improve synergy and consistency between EU SCP regulatory instruments and policy measures

A new legal framework is needed, which regulates the resource use of the EU so that it reaches the carrying capacity of the EU's territory. In other words, the production and consumption of the EU should be shifted from unsustainable to sustainable. In order to reach this aim, mandatory resource use reduction goals should be set and proper tools should be developed and implemented.

1.4 Please indicate your opinion on the effectiveness of options to optimise the resource efficiency of packaging.

If the mandatory scheme on absolute resource use reduction is implemented, the whole resource input to the economy is limited. Because output comes from inputs, with less input less outputs are created, which means less waste in general. Therefore, the mandatory scheme would solve also some of the waste management and disposal issues.

1.5 Please indicate your opinion on the effectiveness of options to strengthen the legal requirements and voluntary initiatives for product durability.

Voluntary and incentive measures on more effective ecodesign are not enough to deliver resource use reductions in absolute terms and thus to deliver sustainable production. Industries can use freely resources saved due to their more efficient use and they would probably spend the saved resources on other activities, which pose additional harm to the environment. With a cap put onto resource use, this contradiction can be resolved. With a cap, the more efficient the resource use is the more resources are saved; and thus the more sustainable and the more competitive EU industries become in a longer term.

1.6 Please indicate your opinion on the effectiveness of options to augment competitive rewards for environmentally friendly products

Under the mandatory scheme of absolute resource use reduction, everyone gets the equal amount of resource quotas. The ones, whose lifestyles consume fewer resources, are able to save quotas, which they can sell for a so called complementary currency, the so called quota money. The quota money can be spent on the established green market, which is open for every product (organic fruits and



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vegetables) and service (consultancy on energy efficiency or renewable energy resource investment) that falls under the social and environmental rules of the market. These rules identify inter alia that goods of the market are generated through the preference of human labor to machinery and through less energy and resource input. Due to facts, that the more sustainable a lifestyle is, the more quota money can be received and spent on this green market, consumers' awareness would automatically increased.

1.7 Please indicate your opinion on the effectiveness of options to enable purchasers to get better information on product environmental performance:

On one hand, the green market, see above, gives consumers a very clear signal where and how to purchase and consume environmental friendly. On the other hand, a so called advisory service under the mandatory resource use reduction scheme is to be established, with the role to provide information and guidance on how to change lifestyles and on how to make decisions in line with sustainability.

1.8 Please indicate your opinion on the effectiveness of options to further prevent misleading green claims:

The sustainability rules of the green market are set by an independent scientific committee and goods of the market are constantly controlled. Therefore, products and services of the green market are fall under environmental requirements and in line with sustainability without any additional necessity of labeling or advertising.

1.9 Please indicate your opinion on the effectiveness of the following options to encourage retailers to stimulate sustainable consumption

Under the mandatory scheme of resource use reduction, a so called revolving fund would be established. This fund aims to support environmentally friendly investments through providing loans for everyone equally with covering the whole amount needed for the investment. Therefore, on one hand, number of goods sold at the green market would be continuously increased, because everyone has the very same chance to invest in environmentally friendly activities. On the other hand due to resource use savings the so called money can be received, and the more sustainable lifestyle someone lives, the more quota money he receives and can spend on the green market. Overall, the market of environmentally goods would constantly increase and thus no additional incentive is needed to make retailers phase out environmentally harmful products or support environmentally friendly ones.

1.10 Please indicate your opinion on the effectiveness of options to provide incentives for purchase of better performing products

The proposed mandatory scheme would establish a so called revolving fund (see also above), which aims to give credit in the interest free money for each and every stakeholder under the same circumstances. The credit can be used for investing in energy efficiency, energy saving activities, renewable energy resources and producing goods, which are in line with the ethical rules of the green



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market and thus can be sold there. Consumers, living sustainable lifestyles and thus saving resource quotas spend their quota money in the green market. Thus, the mandatory scheme gives a very clear incentive for purchasing better performing environmentally friendly products.

1.11 Please indicate your opinion on the effectiveness of options to strengthen the promotion of (and sensitisation on) sustainable lifestyles towards citizens and communities

The proposed mandatory scheme trigger sustainable lifestyles, since the less someone consumes the more he or she can benefit due to the quota saved and thus quota money received.

1.12 Please indicate your opinion on the effectiveness of options to improve waste management and recycling:

The proposed mandatory scheme would tackle the issues, which are targeted through measures listed under the category of improving waste management due to that less inputs create less waste at the end of the process.

1.13 Please indicate your opinion on the effectiveness of options to help SMEs contribute to a resource-efficient economy

The proposed mandatory scheme would establish a Revolving fund, which aims to give credit for all investors. The credit would be given in quota money and cover the entire cost of the investment. It has to be paid by according to the speed of the revenue gained or the resource saved due to the investment. This would enable each and every stakeholder, including people at marginalized areas or SMSs with no significant capital to invest in environmentally friendly products and services. Moreover a so-called advisory service would be established within the proposed mandatory scheme, which informs all stakeholders (citizens, industries, etc.) affected by the system. It provides assistance and guidance on how to make right lifestyle and investment decisions.

1.14 Please indicate your opinion on the effectiveness of options to “promote green business models & industrial symbiosis”

The Revolving Fund and the Green Market of the proposed mandatory measure provide opportunity for environmental friendly investments in a way that ensures that business activities do not cross planetary boundaries due to the overall cap of resource use. Therefore the proposed scheme promotes green business models.