

Workshop 2: Sustainable Production and Consumption: Greening the Supply Chain

Cillian Donnelly, EU Reporter

As demand for food and drink products, energy, housing and transportation adds considerably to global environmental pressures, how can companies adapt to changes in consumer demand for greener products while maintaining profitable businesses?

The key to maintaining this kind of sustainability, says Jivka Staneva, from the cabinet of Consumer Protection Commissioner Meglena Kuneva, is firmly in the hands of European businesses, who, with the co-operation of consumers can help create creative sustainable consumption patterns.

“To help consumers make choices”, she says, “information must be made available”, but too often labeling is confusing. Businesses must therefore, work with consumers to help bring about a change in attitude that will have long-term benefits for the planet. “We need a partnership in which all consumers benefit. Product information must be sound, sustainable products should not be luxury items. European business holds the key to a more sustainable future”.

Taking up this point, Monique Goyens, Director General of consumers’ organisation BEUC, stressed that this kind of information labeling must be “easily understood by consumers”, who must beware of the lure of “greenwashing”. More ambition from companies is needed, she maintained, if business is to benefit consumers and society.

But, this does not mean businesses should be stifled with regulation. “The regulatory challenge can be taken up by businesses. It is a chance to be more innovative. Please, be more ambitious”.

A certain amount of regulation, however, is not to be greatly feared, says Dominique Reiniche, President of Coca-Cola Europe. “There is a big link between self-regulation, and regulation that has to be put in place”, she said, adding that making industry choices is about forging partnerships; listening to stakeholders, consumers and citizens.

“I am deeply convinced”, she says of current industry strategies to develop sustainable business solutions, “that nothing can happen with just one partner. We need to talk with all stakeholders. It is all about co-creating solutions together. Yes, we are all competing for the benefit of consumers, but we can also collaborate for the greater good”.

Collaboration between businesses, while adapting to consumer demands is a “tactical way to survive”, believes Gianni Ciserani, President of proctor and Gamble Western Europe, while innovations in the marketplace can help “eliminate the trade-off between better performance and better sustainability”.

If this can be achieved, he says, it can lead to a “win-win” situation for European businesses.

For those companies that operate in local markets, particularly in the developing world, it is important that activities are not seen “as charity, but as good business”, said Jean-Francois van Boxmeer, CEO of Heineken. “Sustainability is a long process of trial and error, and you need a lot humility to admit your mistakes”.

He also stressed the importance of partnerships in creating sustainable business strategies. “It is only from this kind of dialogue”, he said, “that solutions emerge. We may be all competing for consumers, but we are also trying to make sense of our business. Sustainability cannot be seen as a fad, but as something that is going to stay”.

Developing such strategies, he said, should be the “cornerstone” of innovation, which should help business emerge from the current economic problems. “If we are able to manage this dilemma, then we must think two things; making money and making a better world for our children”.