



Policies  
to Promote  
Sustainable  
Consumption  
Patterns

## **EUPOPP Work Package 5**

### **Deliverable 5.3: The challenge for Central and Eastern Europe to transfer Sustainable Consumption Policy**

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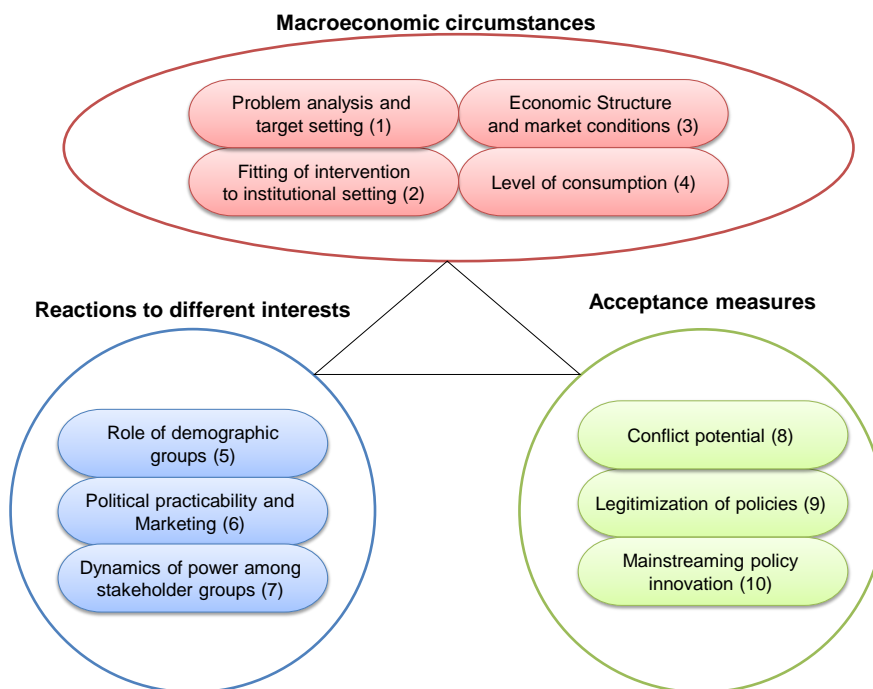
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# 1 The Challenge for Central and Eastern Europe

“Eastern Europe is different” – this is an opinion we can often read in media and research papers. But what exactly constitutes this difference? And how can sustainable consumption policies and instruments get transferred to Central and Eastern European countries, namely the ten New EU member states?

The EUPOPP deliverable “Options to Improve Policy Transfers” (Leung 2011) discusses ten key factors for successful policy transfer in the area of sustainable consumption. In this paper, we would like to reflect on these key factors in relation to the realities and pre-conditions currently presented in Central and Eastern European Countries (CEEC) with a view to exploring how far these key factors can be applied to the ten new member states of the EU.

Leung groups the key factors into three groups: i) macroeconomic circumstances, ii) reactions to different interests, and iii) acceptance measures:



Graph 1 – key factors for successful policy transfer (Leung, 2011)

Before this backdrop, we illustrate a number of historical and current consumption trends in CEEC in order to highlight the specific challenges that these countries face. The ten key factors introduced by Leung (2011) are then discussed against this context in order to analyse their applicability and weigh their respective importance as potential success factors and barriers to implementing SC policies in CEEC.

Reflecting Leung's (2011) paper, conclusions will be drawn in the last section, regarding the following guiding questions:

1. Which of the factors are most dominant in the CEE region (in comparison to EU-15 countries)?
2. Which differences to EU-15 countries must be taken into account when aiming at successful implementation of SC policy instruments?
3. What are the major obstacles?

It shall also be highlighted which factors possibly do not (yet) play an important role in the target countries and could be strengthened to achieve better transfer results.

## **2 Key factors form policy transfers**

As Leung explains in her paper (Leung 2011, p.2) task 5.2 of the EUPOPP project aims at exploring options for mainstreaming successful SC policies in different contexts across the EU-27. For this purpose she identifies a set of key factors for successful policy transfer based on existing literature and applies them to the findings of the in-depth instrument analysis of WP3 and WP4 with the aim to analyse whether generalisable success factors and barriers for policy transfer can be derived for the need areas of food and housing. Another point of her analysis is whether conditions responsible for the success of instruments in one country can be assumed to be 'transferable' to other countries. The current paper takes Leung's key factors up one by one reflecting the specific challenges faced by new EU Member States in Central and Eastern Europe when transferring policies in general and specifically SC policies.

### **2.1 Key factors addressing macroeconomic circumstances**

#### **2.1.1 Problem analysis and target setting**

Looking at the key factor on "Targets for policy transfer" we can fully support for Central and Eastern Europe the definition by Tews as quoted by Leung saying that new policy instruments are often not adopted as a reaction on an emerging problem (e.g. to reduce certain environmental pollution), but depend on international, supranational and national processes of policy transfer.

Twenty years after the breakdown of the Soviet Union and seven (respectively four) years after the EU accession of 10 Central and Eastern European Countries (CEEC) we observe a huge growth in all sectors of economy, in development of these countries' public administration & jurisdiction, in their educational systems and public information policy. The entire society was (and is still) a giant policy transfer. With it a whole set of environmental policies and policy instruments were adopted – the European 'Acquis Communautaire' was a pre-condition for EU Accession; EU membership means transposing, implementing and enforcing all EU legislation.

In the Old EU member states upcoming EU legislation is usually integrated into the existing legal system, while in the CEEC, EU legislation was often fully replacing the environmental legislation of the communist rule respectively, as many environmental problems were not tackled by policies to the same extent as in the EU; this built up a previously “empty policy area”. However, the newly set up environmental policy instruments were copied from the EU system based on the Accession Treaty, not due to “emerging environmental problems” – exactly as Tews writes. Later, Maie Kiisel, in reference to Estonia, writes:

*“Joining of the European Union promoted the development of environmental legislation, f.e laws of nature protection, forestry, waste (2<sup>nd</sup> version) and packaging (2<sup>nd</sup> version) were enacted. The implementation of the new laws has been quite problematic as the new norms do not originate from the natural reflexion of Estonian environmental problems, but from EU documents, i.e Estonian public institutions do not reflect (in the sense of reflexive modernity) as much as they translate.” (Kiisel 2006, p.145-146)*

On the other hand, the transposition of EU legislation into national legislation, as described, gave new member states the opportunity for a holistic environmental legal frame, not a patchwork of national requirements integrating EU requirements into remnants of ancient laws, and fighting possible controversial rules. The EU legislation has developed over the last 20 years, and its recent pieces of legislation are advanced policies based on the exchange of international experience and scientific backstopping from the Union – the new member states got a rather modern legal frame and were able to set it up with the assistance of advisors from the old EU member states, which has not been previously exercised to that extent in previous expansions.

For policy transfers in the future, CEE countries are well experienced in adopting new EU policies and integrating them into their legal frameworks, which is already suited for adoption, since they are based on the EU legal framework. However, they are not yet experienced in formulating Community policies and legislation derived from an emerging policy problem. It must be taken into account that for a long time to come, CEEC representatives in EU policy making will be rather in the lending position.

### **2.1.2 Fit of Interventions to a given institutional setting**

Leung discusses in the chapter on the second key factor whether a policy will fit into a new setting in the same way it fit into the institutional setting of the lending country.

With regard to CEE countries, one should first realize that there is a tradition of strict norms and regulatory frames from the communist period in the new member states. The economy was institutionalised and standartised (e.g. “GOST” technical standards for industrial production), flexibility in decision making was not an option for institutions– and looking, for example, at Russia today, the very static and narrow policy implementation is still in power. However, with the change towards a market economy and with the accession to the EU, the institutional set-up is undergoing substantial change.

In the new member states, the institutional set-up was one of the three pillars that was heavily shaken by the EU accession process: transposition of EU legal requirements, implementation & enforcement of those requirements, and the build-up of a suitable set of institutions was a formidable, yet necessary exercise, as institutional capacity was an evaluation criteria for readiness to become an EU member.

This opposes for the target region in principle the key factor as applied by Leung and quoted from literature and cases: in CEEC the “administrative fit” takes place the other way around – the question „What characteristics does the policy innovation need in order to be compatible with given institutional settings?“ should be “which institutional setting do we need to implement the EU legal requirements in our country” – guided by a strong interference from outside (EU delegation and accession evaluators). The institutional set-up is strongly linked to the policy transfer of EU policies. In reality this also means creating institutional responsibilities for policies which in the Communist past did not exist and consequently did not have a competent authority to implement them. Many aspects of consumption related to consumer policies as well as environmental policies nowadays are implemented by newly created institutions or departments.

What does this mean? It means that the institutions are less stable and easy to shake. Permanent reforms and re-organisations can be observed. And obviously, this also leads to “lack of institutional confidence” – which then leads to the wish of strict norms and clear guidance for implementation.

Taking this culture of command-and-control into account means that if policy makers in CEE focus on short-term results (in administration as well as target groups) they should choose such SC instruments that provide strict norms and clear targets. It can be expected that in a long term perspective, the institutions in CEEC will adapt to the EU style of delegating responsibility to the lower management level, e.g. local or regional authorities, allowing them to become more confident in finding and implementing the optimum instruments for their local situation.

### **2.1.3 Economic structure and market conditions**

This key factor addresses the general economic system of a country, such as taxes, structure, and market conditions.

A characteristic factor of Central and Eastern Europe that Leung referred to is the ownership structure in the housing sector: in the course of the breakdown of the Planned Economy it was common practice by the new governments to privatise a part of the state property, especially the housing – not only returning nationalised property of real estate to the previous owners, but also privatising the flats in the apartment blocks built in the Communist period. This was a way of compensating material disadvantages from the Communist time. “Privatisation is better than collectivism” was a slogan at the beginning of the market economy in the CEE countries. As a result, most flats (in Latvia more than 80% of housing is privately owned) are now privately owned. However, there are some special features: the building stock consists of a huge amount of multi-story

block buildings of very low building quality – far from any energy efficiency standard; most tenants do not have enough capital for any investment into refurbishment – and lack the priority to do so. Large scale refurbishment, beyond the changing of windows, must be agreed among the tenants, which is a major problem for implementation of such measures. House management often still belongs to the municipal/public sector and is in need of reformation, such as legal structures to organise the tenants, and a house management relationship has to be developed. In recent years, efforts have been undertaken to create efficient management units and at the same time the energy-efficient refurbishment of the huge building stock has become a declared major task of the governments of the CEE countries taking into account the huge potential for energy savings in this sector. However, only recently and with mostly external financial input financial incentives have been set up to stimulate action: in many of the CEE countries the Emission trading scheme funds do support refurbishment of the block houses.

Financial incentives to motivate business and citizens to take environmental action are new tools on the political agenda of the CEE countries – this is also due to the fact that simply no funds were available at the beginning of the market economy. Environmental measures funded by public money (often coming from pollution or resource taxes) were mostly clean-up actions involving pollution and investment in infrastructure (water supply & treatment, waste management). As already mentioned above: the explicit will for economic growth and related support of intensive consumption of goods and energy was the overwhelming policy target of the last 15 years in CEEC.

The situation that actually has recently led to a change in thinking about “growth = unlimited consumption & resource exploitation” is the issue of limits of energy supply that again has some specific CEE features: the dependency of Europe on Russian primary energy sources recalls in CEE countries unwanted Soviet Union dependencies and therefore “Mr. Putin playing at the tab” was a very successful action to stipulate thinking about the limitations of the resource. At the same time the rapidly growing demands for primary energy and electricity as standard of living and income increases at has led to politicians thinking more thoroughly about energy resources, about their end, about the need to produce them in a sustainable way and about energy saving. The CEE countries are on the receiving end of the funds from the CO<sub>2</sub> emission trading schemes – their set-up, in parallel to raising political awareness and declared will for action, give the opportunity to test out, at large scale, economic incentives, practically in all target countries. It is too early to backstop this with data, however, the calls for project proposals e.g. from municipalities for refurbishment of houses or private house owners for energy efficiency improvements, are getting very popular – similar to the 100.000-roof-programme (incentive to install solar panels on private houses and feed-in electricity to the grid) of the German government 10 years ago.

Tax incentives and planning tools at local level, as commonly practised in Western Europe by municipalities to steer the market by a set of stimulus and restriction leading to energy optimised urban planning, is not yet common practice in CEEC, where national regulations of EU law (e.g. EPBD Directive) only recently have been transposed and

still lack implementation experience. Local authorities' initiatives going beyond national regulation, especially if affecting economic structures, are new and being transferred in pilot projects (e.g. INTENSE by BEF, [www.intense-energu.eu](http://www.intense-energu.eu), where CEE local authorities learn from German examples how to set tax incentives when, for instance, investors shall be stimulated to build passive houses).

Market incentives related to food (e.g. support for organic food production) can be not really observed, similarly to this phenomenon in Western countries – the food sector is more seen as the personal issue of the consumer and his choice shall regulate the market. The food market is influenced by the Common Agricultural Policy of the European Union – organic farming also in CEE countries is only a marginal part of it and not especially supported by incentives. Especially in small countries such as Baltic States a variety of (un-sustainably produced) products from all neighbouring countries has entered the market pushing local production away. Eco-labels have still much less tradition than e.g. in Germany. Nevertheless, also in CEE countries an increase of request for clean and healthy food, leading to organic food can be observed in recent years and local eco-products are entering the market.

This key factor for sure is a substantial one when considering SC policy transfer to CEE countries, as the economic interests and market conditions actually are favouring quick growth and intensive consumption rather than sustainable growth. However, as setting economic incentives are new in CEE countries where the consumer market is liberal, it could also be that the stimulus from the incentives have a big impact – an issue to be monitored when more information on the incentives named above will be available.

#### **2.1.4 Level of consumption**

Key factor No. 4 is reflecting “level of consumption of goods and services” and addresses the general amount of consumption households in a given country may have.

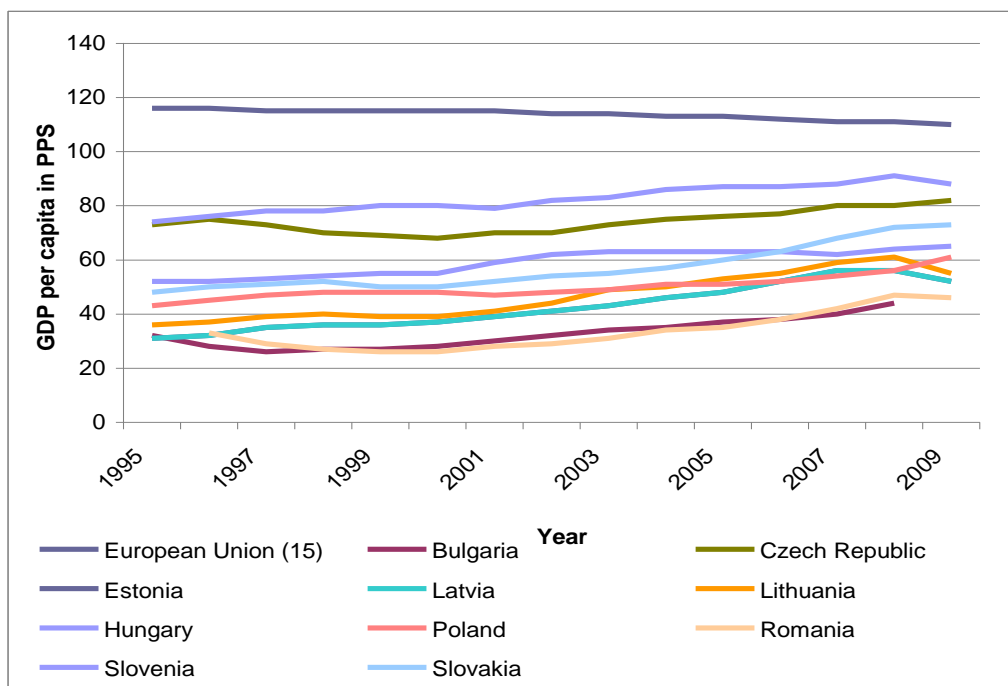
The ultimate will to grow and reach west European economic wealth is a major policy goal in all CEE countries since their shift to market economy. For the CEE countries the ideas of sustainable consumption are seen in conflict with the priority to economic growth, environmental policy is seen as hindering economic growth. Sustainable consumption policy is therefore not high on the political agenda in economies in development.

*“Estonia was accepted as a member of the European Union in May 2004 after ten-year rapid and economically successful development. Still, relatively good economic indicators were achieved at the cost of several social, cultural and environmental problems. Estonia experienced difficulties in fulfilling European standards in many aspects, one of them was the correspondence of environmental legislation to EU directives. For example, until 2004 there had been practically no systematic development of environmental consumer behaviour (waste separation, eco-labelling).” (Kiisel, 2006, p.138)*

Looking at the new member states and the interaction between economic growth and consumption patterns, the old discussion from Germany, if “green minded society” means “rich society” comes into the mind - can one impose on a country in development (e.g. China, India) limitations for consumption which oppose the wish to reach western European/North American living standard? Probably not – the declared goal of economic growth is accepted. Therefore the hunger for consumer goods and western lifestyle at CEEC population in the aftermath of the Communist “deficit society” (also called “Economy of permanent shortage”) in the target countries is easy to understand:

*“Consumption was constrained in the not so distant communist past of the region, and as a result of this, consuming more and achieving levels of material consumption similar to those in the western part of Europe is a very important motivation for most of the population” (Vadovics, 2006, p.153).*

With the growing economic development the income of the population is gradually rising – as opposed to the trend actual for EU 15 – and this meant constantly more money available for satisfying consumption wishes.

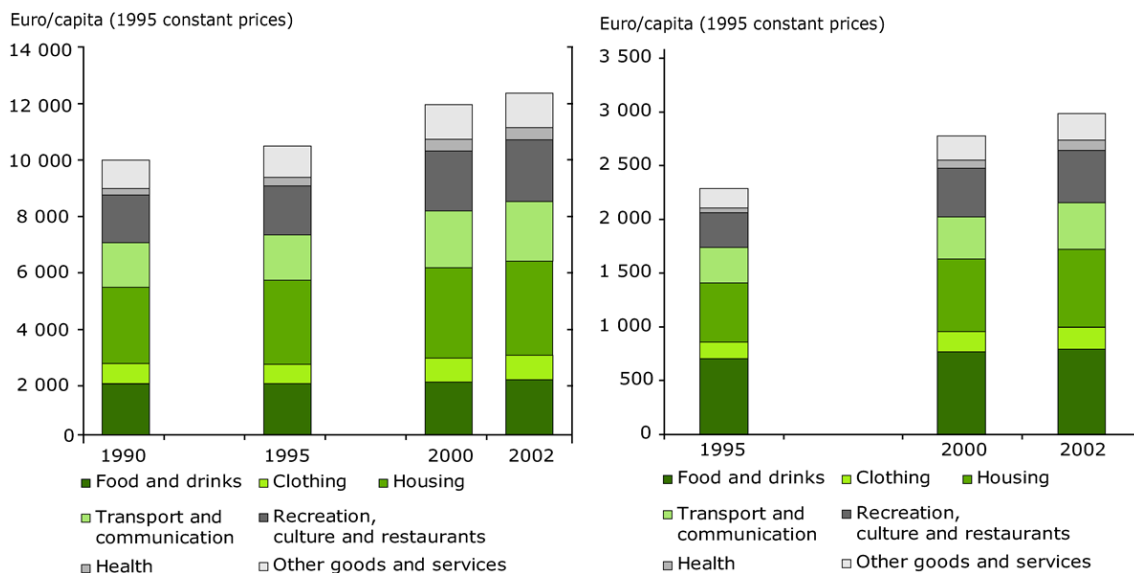


Graph 2: Eastern European GDP per capita compared against EU15 average. Source: Eurostat

The graph shows a steady increase of the GDP in CEEC 1995 - 2008 – due to the global financial crisis and its effects on some countries in 2009 a decrease is observed. Nevertheless – the trend shows a clear increase and consequently an increase of household budgets.

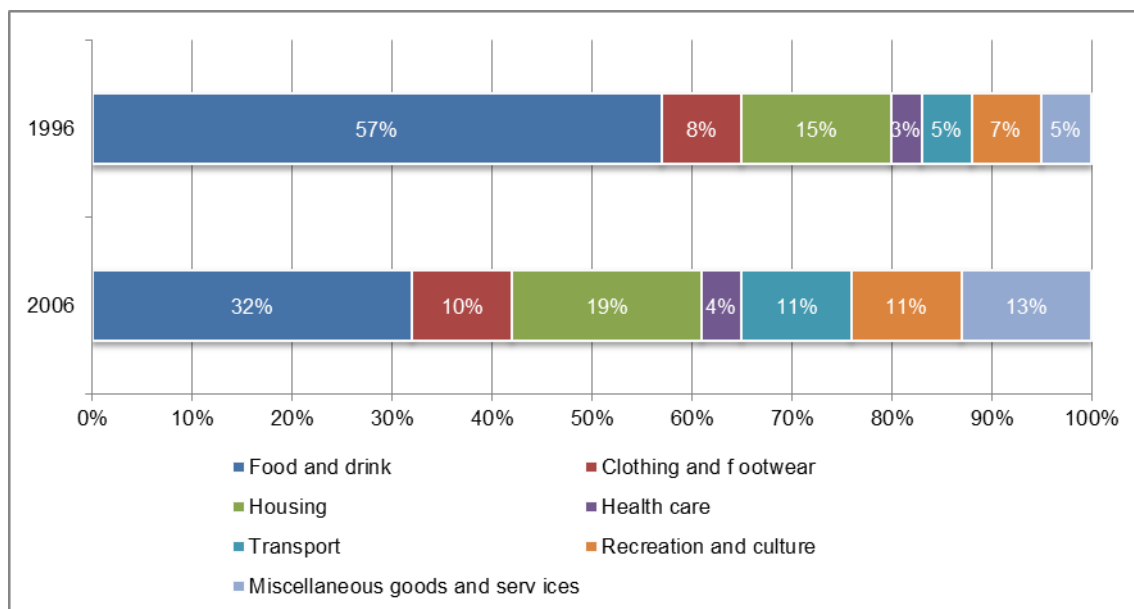
According to Dagiliute/Juksnys (p.64) in Lithuania not only the available household budget, but also the structure of household expenditure has changed and adapted to Western pattern: the total available household budget is growing, and the percentage spent on satisfying basic needs is decreasing. More and more money is spent for

transport, recreation and housing. This does not only stand for Lithuania but for all CEE region. A few graphs in the following shall illustrate this development:



Graph 3 - structure of household expenditure in EU 15 (left) and 5 new member States (right)

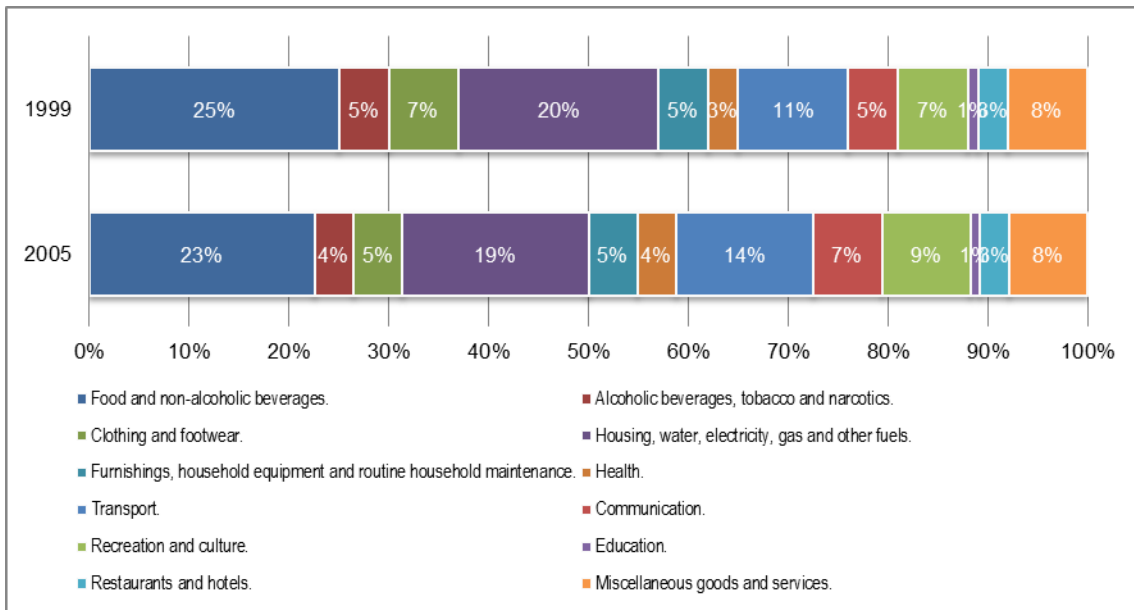
The graph illustrates both, the rapid growth of available household budget in five CEEC by approximately 30% between 1995 until 2002 (while in EU-15 the increase makes only ca. 13% even in a longer period 1990 – 2002) and the distribution of expenditures: the growth is mainly in the positions housing and recreation & culture. The graph also shows that the total household expenditure in CEEC is still far below EU-15 level.



Graph 4 - structure of household expenditure in Lithuania 1996 and 2006. Source Dagilite/Juksnys (data: Eurostat)

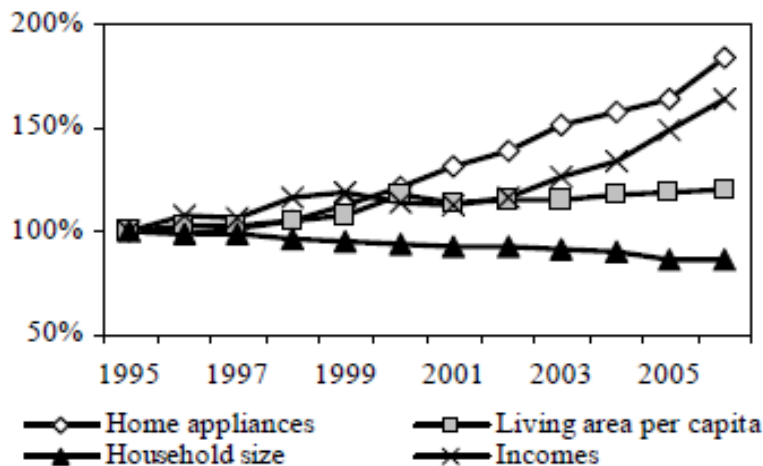
Policies to Promote Sustainable Consumption Patterns

The graph above illustrates in a clearer way the change of structure in expenditure in Lithuania, followed below by a similar picture from Hungary – however, with a slightly different time scale and break down of household structure – nevertheless, the message is the same: consumption patterns are changing reserving less budget for basic needs and more budget for housing, transport and recreation.



Graph 5 - structure of household expenditure in Hungary 1999 and 2005. Source: Eurostat

Dagiliute/Juksnys link the rapid increase of household income and household appliances with the increase of living space per capita and decrease of household size due to the fact of multi-generation families living in one flat due to shortage of flats in Communist period and now dividing into separate flats or private houses.



Graph 5: Changes in some drivers of household consumption (Source: Dagiliute/Juksnys, 2009, p.65, figures based on Statistics of Lithuania)

They come to the conclusion that “...recent growth of consumption drives Lithuanian households to unsustainable development patterns and causes increasing use of natural resources..... Taking into account differences in the consumption levels of Lithuania and the old EU member states, further growth in household consumption is unavoidable.” (Dagiliute/Juksnys, 2009, p.66-67)

Similarly to the specific Lithuanian case described, PRIMES data for all CEEC indicate also a substantial increase of electric appliances in CEEC and even major increasing tendencies based on trend scenarios (see: *Consumption Trend Analysis and Sustainability Potentials*”, Fritsche, Hunecke, Rausch, 2009, EUPOPP WP2):

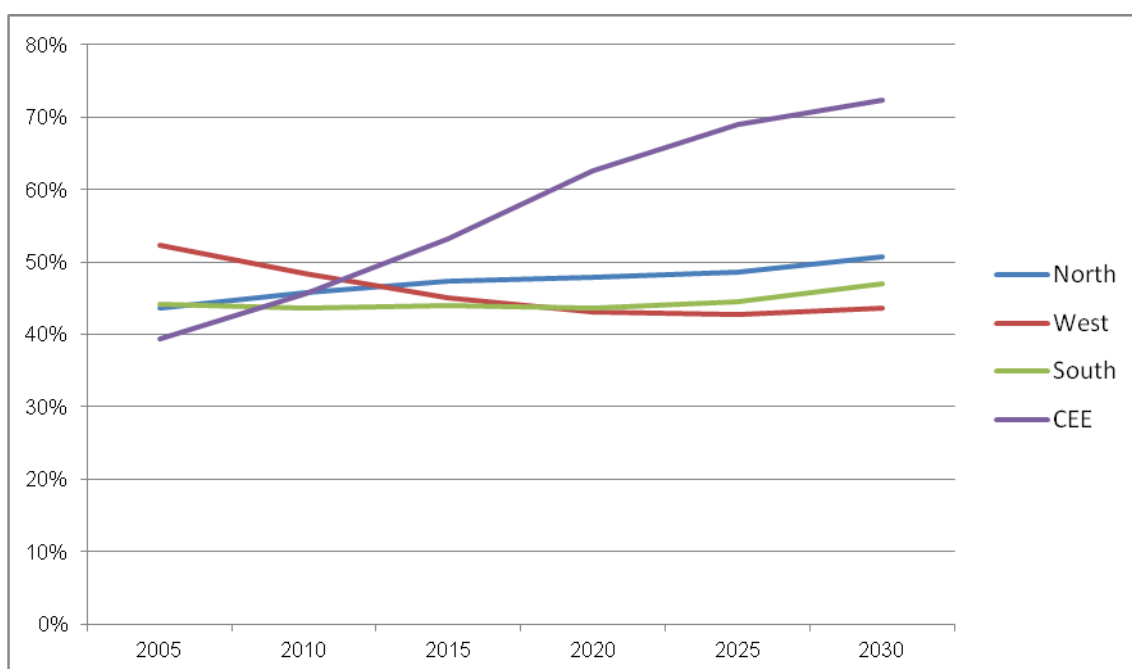


Figure 6: Saturation of households with freezers. Source: EUPOPP WP2, p.23 – clustered by authors, trend based on PRIMES baseline projections 2009

Despite the quantitative and rapid increase of consumption in CEE societies one should also take into consideration a qualitative factor derived from the Communist heritage that has an impact on the level of sustainability of consumption: the criteria for choice of goods. Based on the earlier “deficit” the main criteria nowadays are “availability” and “price” – criteria such as “environmental friendly” or “ingredients” are only slowly evolving in recent years.

„.....Inter-relationship between consumption patterns and the environment is becoming more central to the demand side of sustainability. A sudden influx of corporations over the past 15 years has created a new environment for the CEE consumer. These consumers, however, often lack experience with making complex decisions in a world of such vast choices. Understanding the life cycles of products, and the impacts on natu-

*ral resources of products and services is a complicated task that even the savviest consumer struggles with.....” (website of the Network of Central and Eastern European NGOs for Sustainable Consumption and Environmental Protection)*

Summarising the arguments: key factor 4, “level of consumption”, is important to be taken into account when aiming at implementing SCP in CEEC; it reflects the consumer interest to increase household consumption and illustrates the specific historic heritage of the region.

It also is the basis on which to discuss at EU level if SC policy actually is to be transferred to CEE countries, whose total household consumption is still only 20% of Western European countries (see graph 3 above), with similar targets to that of Western European societies: if economic growth is so closely linked to consumption and the main aim of the new EU member states is to reach EU average level, does it mean that SC policy is opposing general policy targets in CEEC as well as the general trend of the societies?

## **2.2 Key factors addressing reactions to different interests**

### **2.2.1 The role of distinct demographic groups**

Key factor 5, the role of distinct consumer groups and the discussed gender issue in the society make it difficult to identify any specific “Central and Eastern Europe feature”: experienced gender ‘behaviour’ is actually not different than that in the western world (it is even more “classical-patriarchal” the further one goes East or South) – women are obviously making more decisions on food issues while men make more decisions on energy efficiency issues when it comes to building activities – these are common facts all over Europe and any marketing pays attention to it. Nevertheless, probably due to women’s longer integration into the labour market in communist societies and well-organised external children care, gender equality discussions do not have such tradition in CEE countries in comparison to Western countries: a general gender difference in decision making is not perceived as an ‘issue’ or ‘problem’ that needs to be solved; and as it has no specific effect on SCP policy transferability to CEE, it will not be discussed here in further detail.

### **2.2.2 Political practicability and political marketing**

Key factor 6 on political marketing also cannot define a substantial specific CEE difference to the factor as described by Leung in its general application: political practicability and marketing is an issue in the same way as described by Leung: timing, take-up on political agenda, media activities, etc. These factors do have very similar features: depending on the political agenda, any issue may get attention. However, as the general awareness on sustainable consumption is low, the key factor of political marketing

gets very important and gives great potential for action to influence awareness in CEEC.

As already mentioned above, the idea of sustainable consumption is seen in Central and Eastern Europe as in conflict with the priority of economic growth. Environmental policy is seen as hindering economic growth: for example, EU nature conservation goals have even been questioned by their highest 'ambassador' in Estonia, the Minister of Environment, Heikki Kranich (1999 – 2003): "We have beautiful nature because there was a lack of development – now we need and want development!" was a famous sentence at the beginning of his work as minister. It reflects the thinking and it also proves the hypothesis that a policy transfer from the richer (Old) EU countries to the new member states are difficult to impose as it might mean calling for "limitation in consumption". The political marketing so far has been not intensive. Sustainable consumption policy is therefore not high on the political agenda in economies in development.

However, with the discussion on shortage of energy resources and the recast of the EPBD with its ambitious targets, energy efficiency policy goals have finally also reached CEEC. They are marketed heavily, compared to the earlier, rather low marketing profile of SC and environmental policies, which proves the argument of Leung that timing and actuality play an important role in policy transfers.

The attitude in CEEC is marked in contrast with places such as Germany, where the consequences from the Fukushima nuclear catastrophe led to a surprising "greening" of policy makers and pushed through decisions for ceasing nuclear energy as a source. In the Baltic States, for instance, such a reaction was not observed. Rather, the opinion on the political agenda was that "in our countries are no earth quakes and such harm to a nuclear power plant could not happen".

In conclusion we can say: political practicability and political marketing are key factors where CEE history influences the political opinion: if it comes to the question of e.g. energy sources, anything that will make the countries less dependant on Russian primary energy sources will sell best. Energy saving measures in consequence will sell well for the same reason, as well as cost efficiency reason. Sustainability or environmental friendliness alone is not yet a strong argument for political marketing, although green parties do exist in several of the target countries.

### **2.2.3 Dynamics of rationalities and power among stakeholder groups**

The role of civil society, economic stakeholders and governmental power is different in Central and Eastern Europe than in the Western countries; this relates back to the rules of the planned economy and as well the dictatorship of policy norms of the one party.

The economic players have to learn to link production to market structures and play all instruments of a market economy, to form self-confident lobby groups, become a dia-

logue partner (or opponent) for the government and take responsibility (e.g. polluters pays responsibility, risk prevention methods and product safety, quality and use proactive communication methods) instead of fulfilling centrally set technical standards believing that production is safe as long as “approved” by the state. Environmental performance has been introduced to CEE industry much later than in the Western countries of the EU and one can observe a general lack of understanding and knowledge on environmental impacts of the production, a lack of self-organised capacity building measures by industry unions and competency growth, but also a lack of voluntary initiative as common e.g. in Scandinavia. It has been a period of serious learning and of significant change. Recently, we can observe that a green image has also become important in CEE region and industry is adapting to it.

Civil society has been seriously suppressed by the communist dictatorship and political directions coming from the state level, which heavily affected private life – a factor that makes local action groups, citizens’ initiatives, non-governmental organisations, but also media active and investigative only in very recent years, while citizens became tired of political slogans and rather preferred to live an un-political private life. The request for sustainable consumption policy comes to a large extent from a bottom-up movement out of the environmental movement that started in the 1970’s in North-West Europe with spectacular Greenpeace actions pinpointing environmental damage and by protests against major pollution from industrial accident cases. Since that time a lot has changed in Europe, major environmental pollution has been ceased by environmental policy measures and technological development, as well as by a common sense of what must be prevented. This common sense was achieved without the societies of Central and Eastern Europe – when they joined the EU, this common sense was accepted, however as top-down direction and not well grounded in society. It was not carried out by activist groups and front runners who were strong negotiation partners to governments and industry.

As a consequence, important actors, such as the lobbyists for environment and sustainable consumption, which actually have influenced today’s policy in the EU-15, are much fewer in number and activities in the CEE region - these are groups that society usually trusts and that can create public pressure on policy makers. For successful SC Policy implementation it would be very important to strengthen these groups and support their lobbying work.

## **2.3 Key factors addressing acceptance measures**

### **2.3.1 “Conflict potential of intervention”**

Leung asks, related to key factor 8, “conflict potential of an intervention” if the transferred policy conflicts with pre-existing constitutions, laws, or concrete existing policies. Taking the fact that the previous communist policy traditions were ceased fully and new ones copied from the western examples starting from beginning of the 90’s, later resulting in EU accession, this key factor does not really playing an important role for CEE

countries. By EU accession and by taking up all EU principles and legislation with the accession treaty and in practice by developing totally new legal frames and institutional structures, CEE countries are much more “EU conformist” than the old EU member states.

Of course, only if looking at conflict potential from ‘official policies’, this does not say that old behaviour schemes are not vital anymore and do not hinder implementation. The conflict potential is rather on the emotional level than on the factual level and here it plays an important role: despite the general support for being an EU member and turning from “Moscow to Brussels” a lot of resistance had to be overcome, but also gaps of knowledge closed and competencies raised.

For policy transfers in general it means major conflicts with long-lasting traditions and policy frames are not to be expected once the policy transfer is agreed by a CEE country – the EU accession process has shown that transposition of legislation is going rather smoothly and there is not much controversial negotiation derived from opposing existing policies; however, implementation and enforcement later is the real challenge.

### 2.3.2 “Legitimacy of intervention”

The problem of legitimization of policies has a special feature in CEEC: besides a globally often observed “no trust in governments or public authorities”, which is also vital in the target countries we face again issues relating to our heritage from the communist time: private life and consumption was very controlled, morally defined and heavily influenced by the ruling organs. This style of government interfered severely with families’ interactions – therefore personal freedom and rights of decisions are very important to people from CEEC, and they should not be steered by an overwhelming power from above. And, “Brussels” (EU policies) is often associated with “Moscow” – the explanation of the difference remains a challenge for local politicians who also tend to use the argument of “Its EU policy!” for justification of decisions and rules.

The hypothesis as described above by Leung refers to the problem that “citizens can perceive these policies as interferences in their privacy”; this is probably one of the most delicate issues for promoting sustainable consumption behaviour in society – how can this be legitimized? How can it be communicated that concerns of sustainability and environment are a ‘collective’ issue for society while individual satisfaction is actually the preferred lifestyle derived from bad experience of the past?

Vadovics (2006, p.163) states: “(...) when formulating sustainable consumption policies for the European Union, it is important to consider the different past of people living in the new member states as well as the positive and negative effect it might have on the implementation of policies. People in the CEE region, for instance, have experience of shared use but they associate it with the economy of shortage and otherwise unsatisfied needs. Therefore, a policy designed to popularise and encourage it should frame it very carefully to avoid evoking negative associations while taking advantage of the experience and skills people have.”

Referring to the lack of trust in governments, CEE citizens do express much less trust in governmental institutions such as government, parliament and political parties than citizens in Western countries as the recent *Eurobarometer* shows:

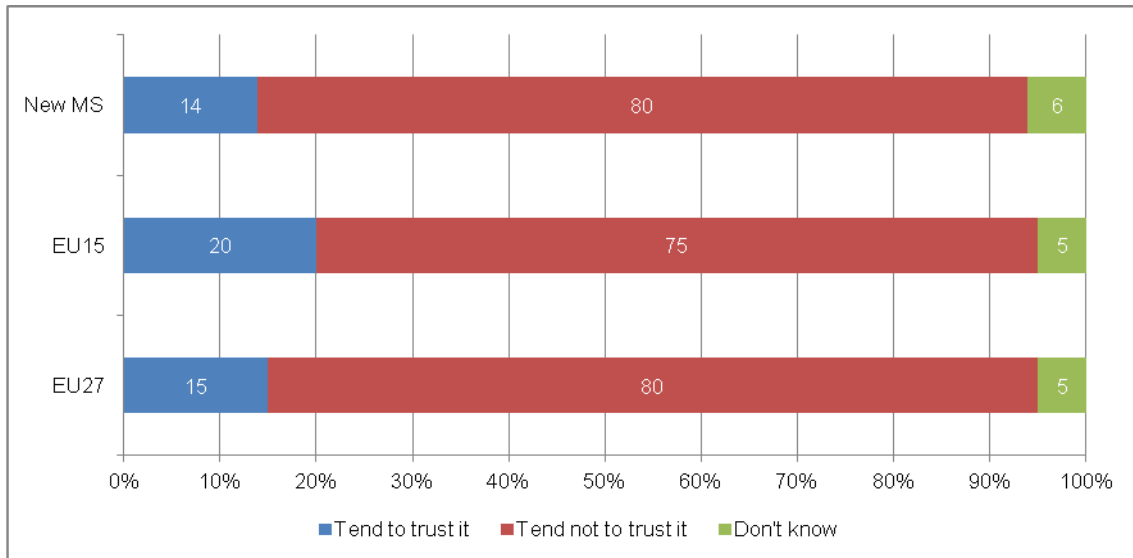


Figure 7: *Eurobarometer 74, 2010, chapter 3, “trust in institutions”*. In Percent.

One of the reasons for the lack of trust in state organisations is the permanently observed cases of corruption that are published – corrupt state officials in need of fulfilling their wishes to increase their level of consumption are not good examples for a discussion on sustainable consumption.

Today, there is also a larger discrepancy between rich and poor than was experienced in communist times, when a basic supply was guaranteed for everyone by state. Now, people observe that “everything gets more expensive that was for free earlier, but I cannot afford it anymore” (e.g. energy supply in communist period) while state officials obviously have a good life with new houses, travels, etc. When this is reported in the yellow press, it decreases the level of legitimacy of state officials.

When taking this key factor into consideration for transferring SC policies, one needs to be aware that policy without politicians that stand for them and whom people trust are very hard to implement – same as without lobby groups that promote them.

### 2.3.3 “Mainstreaming policy innovation”

Environmental awareness is growing slowly in civil societies all over Europe. As already stated, the Central and Eastern societies were excluded from the start of the environmental movement in Western Europe between the 70’s and 80’s, while in the 90’s catch-up in economic development and consumption were the major driving forces and environmental concerns were rather seen as hindering this. Therefore the defini-

tion of the key factor that policy innovation must be backstopped by stakeholder involvement and education is a very important factor for CEEC. Only if society is convinced about sustainable consumption policies, can these can be implemented. And only then can society be convinced that much more effort must be undertaken in information policy – by policy makers and public authorities.

Focus interviews within the EUPOPP project in Latvia show that people largely lack knowledge and information on possible environmental measures and their impacts: the position of the interviewed on instalment of heat consumption meters largely depended on their experience: persons who live in flats where the heat consumption meters have been installed are fully positive about it and do not regret the investment while people who do not have the practical experience doubt that it can lead to any good result (interview report, pp.9).

The chairman's summary of the Baltic Sub-regional Multi-stakeholder Workshop, 2004 (Conference report, p.5) sets as one of the most important tasks for the Baltic States to increase sustainable consumption behaviour: *“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.”*

After having interviewed 200 persons in Warsaw on a variety of aspects around sustainable consumption behaviour, Prof. B. Mroz from Warsaw University concludes that the most important factor hindering people purchasing environmental-friendly goods (besides higher price) is *“mental barriers reflecting insufficient knowledge and ignorance of benefits from purchasing eco-friendly products “ (Mroz 2010, p.11).*

These cases from the region highlight the importance of knowledge of consumers to be able to take the right choice, and they also highlight the current lack of it among the CEE citizens, regardless of whether they are a consumer, decision maker and administrator of decisions or producer of goods. Awareness raising is an important tool to overcome the lack of readiness of the societies in CEE to implement SCP.

But may be we can also say that awareness raising has great potential in Central and Eastern Europe because the societies are young and open for innovation; as already explained above, traditions have been broken up due to the change of system and people are eager to belong to Europe with its values. Therefore this factor actually bears the greatest potential for action towards transfer of SCP to CEEC.

### 3 Application of key factors for SCP transfer to new member states of Central and Eastern Europe – outstanding difference or just the same as Old EU?

A leading question of WP5.2 of the EUPOPP project was, if a successful Sustainable Consumption Policy Instrument is transferred to a country in Central and Eastern Europe, should the same key factors be applied that are recommended to be investigated and applied in Western Europe, or should they significantly differ, with special attention being paid to the different circumstances. The answer is clearly: yes, the factors should differ, especially with regard to the group of the four macroeconomic key factors; the circumstances in CEE countries are substantially different and the policy transfer should take this into consideration. At the same time these four key factors are of heavy-weight in terms of their importance in comparison to some of the other key factors identified – this means that a lot has to be done on the macro-economic level in Central and Eastern European countries if sustainable consumption policy shall be successful.

A few of the factors addressing different interests and acceptance measures are of less specific relevance to CEE countries, and apply to CEE in a similar fashion as they do to the old member states – they do reflect the general picture of Europe. Others, such as lobbying by stakeholder groups or political marketing or legitimacy show that history has an impact in making these key factors less heavy in CEEC and also give them less potential to support SC policy implementation.

The main issue, however, remains the question “how can SC policies be specifically tailored to CEEC, and reconciled with the wish for increased consumption?” if the wish for consumption is the overwhelming characteristic of CEE societies, as their per capita current consumption is much lower than EU-15? B. Mroz in his article about Polish consumer behaviour ends with a paragraph which also here shall function as résumé:

*“The advancement of sustainable consumption in Poland is a tall order indeed. After decades of ascetic consumption, the Polish consumers will not be easily persuaded to exercise self-restraint, the more so as the world of industry, commerce, media and advertisement sends them compelling signals with enticement to increased consumption. This constitutes a major challenge for central government, local authorities and consumer-education NGOs, while also providing them with room for initiatives and actions to further sustainable consumption.” (Mroz, 2010: p.14)*

#### **4 Conclusions: the challenge for Central & Eastern Europe - the potential for Central & Eastern Europe?**

The heritage from the Communist rule impacts today's consumption patterns in CEEC. It is characterized by:

- A late start of environmental awareness by society as during Communist times, where environmental problems were not named due to censorship and belief in unlimited natural resources;
- The „economy of permanent shortage“- household consumption was very restricted and created an enormous hunger for goods and western lifestyle;
- However, some “positive” environmental features existed: products were not packed, food production less „chemicalised”, collection of paper and re-use of beverage bottles was implemented at a high level, people threw away less, and re-use rates in the household were very high;
- In the building sector the Communist economy produced a high number of multi-storey block buildings with low energy efficiency and low quality of construction; centralized heating was without individual regulation – energy was available and at a low cost;
- In the previous 10-15 years a lot of new houses have been built, but without thinking about their energy performance – due to low budget and low awareness derived from the past.

Nowadays financial incentives for “smart consumption” are still largely missing in CEE countries – the market has been left to regulate itself in the aftermath of Communist over-control. With a growing GDP and household budgets,, the people started to consume and copy western un-sustainable consumption patterns – quick & cheap without thinking about environmental impacts. Environmental goods and principles, e.g. energy efficiency of housing, only were introduced to the market after the energy shortage and the stricter EU legislative frame made members states act. Good quality and energy saving housing costs more money – CEE societies do not yet have this money, but first experiences with initial incentive programmes show that as soon as the cost burden lowers, people are ready to act. This is a strong call for the policy makers to contribute with more incentives and make environmental friendly goods, e.g. for housing to be available to lower income societies.

On the other hand: the main driving force for growth in CEEC is the satisfaction of consumption wishes of the society – to move it in the direction of “sustainable consumption” means to invest a lot into awareness raising – constantly, not spot-wise and at all society groups. This may be with incentives for green procurement and green products, or may be with educational programmes – labels, environment and health impact explanations, advisory services – only an aware consumer can be a “smart consumer” in terms of taking consciously a decision for an environmental friendly product.

The advantage of Central and Eastern European societies is that we have much more openness for innovation and information, and fewer barriers from old traditions; it means more chances for awareness raising of the society and more moderate lobby groups, 'younger' ('younger in mind') institutions – a better chance to change?

Edina Vadovics describes in her article *“Emerging sustainable consumption patterns in Central Eastern Europe Creative Communities”* (2006, p.162-163) that the change to a market economy, capitalism and democracy, which meant a discontinuation of a system where the states provides for everyone, has actually brought great opportunities to the CEE societies for adapting to sustainable consumption ideas. She claims that the people bring from the Communist time experiences which vanished long ago in the Western world, and which actually qualify the CEE societies well for SCP implementation: people have experience in being parts of groups, consuming local products, they have a culture of reuse and recycling and at the same time the countries do have an existing infrastructure that does not exist in developing countries.

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