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## **Towards responsible food consumption**

Report  
Committee on the Environment, Agriculture and Local and Regional Affairs  
Rapporteur: Mr Renzo Gubert, Italy, Group of the European People's Party

### *Summary*

Responsible consumption reflects a new awareness based on "sustainable development". Consumption is responsible when it takes into account its impact on the quality of human life in its every dimension: health, natural resource management, the economy, spatial planning, the environment, the fight against poverty and social exclusion, social life, culture, etc.

Agriculture was and still is the most common economic activity, closely linked to a basic human need: food. Responsibility in food consumption has specific connotations and is of special importance. Numerous citizens' initiatives are being developed in this field and the consumers who are mobilising to stand up for their interests vis-à-vis producers and distributors are becoming organised. Their organisations are now recognised by the public authorities.

Fair trade is also a very particular form of responsible consumption in so far as it takes the nature and characteristics of production processes into account, going beyond the intrinsic quality of the product to combine sustainable consumption, respect for the environment and human dignity.

It is now essential to develop dialogue and co-operation between public authorities and the various partners in responsible consumption, and to take steps to give a strong boost to the social commitments that drive a solidarity-based economy.

The Council of Europe has a duty to encourage the development of synergy between government, businesses and citizens around this new awareness - that is here to stay.

## **A. Draft recommendation**

1. The Parliamentary Assembly recalls the Council of Europe's revised social cohesion strategy, approved by the Committee of Ministers on 31 March 2004, which defines social cohesion as "the capacity of a society to ensure the welfare of all its members, minimising disparities and avoiding polarisation" and recommends a human-rights-based approach to social cohesion, noting that the legal protection of rights must be accompanied by determined social policy measures to ensure that everyone in practice has access to their rights.
2. While farmers in poor countries often do not manage to promote their products sufficiently to provide themselves with an adequate quality of life, a growing number of consumers in rich countries do not want their purchases to have ethically unacceptable effects on producers and the environment.
3. While consumers seek definite reassurance as to the quality and healthy nature of food products, the retailing of such products on a huge scale makes a direct or close link between consumers and producers almost impossible, thereby placing small farmers in particular at a disadvantage.
4. The Assembly refers to its different work on sustainable development and in particular its Resolution 1292 (2002) on the World Summit on Sustainable Development: ten years after Rio; its Resolution 1318 (2003) on Globalisation and sustainable development, and its Resolution 1319 (2003) and Recommendation 1594 (2003) on Follow-up to the World Summit on Sustainable Development: a common challenge.
5. The Assembly also refers to the various texts it has issued on the production and promotion of agricultural products, particularly Recommendation 1636 (2003) on the development of organic farming, Recommendation 1575 (2002) on the introduction of a quality label for food products derived from hill farming and Resolution 1419 (2005) on genetically modified organisms (GMOs).
6. Responsible consumption reflects a new awareness based on "sustainable development" and the ethos of responsibility, in an effort to meet the economic, social and environmental needs of human beings today, and also of future generations, without overlooking the effects of consumer choices on society and the environment.
7. Agriculture was and remains the most common economic activity, closely linked to a basic human need: food. Responsibility in food consumption has specific connotations and is of special importance. Numerous citizens' initiatives are being developed in this field. The consumers who are mobilising to determine where their interests and those of producers converge, and organising partnerships with them, are now recognised and in some cases even supported by the public authorities.
8. The Assembly stresses that by opting for sustainable development and an ethos of responsibility, applied to consumption as well, the different economic and political players guarantee lasting economic prosperity and greater respect for the human right to health, an adequate income and a varied, high-quality environment.
9. Fair trade is also a very particular form of responsible consumption in so far as it takes the nature and characteristics of production processes into account, going beyond the intrinsic quality of the product to combine sustainable consumption, respect for the environment and human dignity.
10. The Assembly welcomes the setting-up, under the Council of Europe's social cohesion strategy, of the European platform for dialogue on ethical and solidarity-based initiatives, to promote dialogue between public authorities and citizens' organisations engaged in ethical, responsible and solidarity-based economic initiatives.
11. The Assembly considers that citizens' involvement in economic issues is of the utmost interest to public authorities, as it is gradually changing the economic system, for example by introducing new perspectives into relations between citizens and society, citizens and the environment, citizens and the

world. This approach is particularly noteworthy for the countries of Europe and for an organisation like the Council of Europe, considering the values it defends and promotes.

12. It also considers that the public authorities have a duty to alert citizens to their responsibilities as consumers, particularly of food, as well as the other partners in the agri-food sector, such as farmers, transporters, distributors, etc.

13. Accordingly, the Assembly recommends that the Committee of Ministers invite the member states to:

13.1. support citizens' initiatives involving solidarity and partnership between producers and consumers and promote responsible consumer behaviour and commitments;

13.2. develop dialogue and co-operation between the public authorities and the various players involved in responsible consumption;

13.3. take legislative, regulatory and socio-economic steps to give a strong boost to the social commitments that drive the solidarity-based economy and develop an ethos of responsibility in economic activity;

13.4. provide for agricultural and rural subsidies that make better allowance for the economic, social and environmental consequences of the different food production systems;

13.5. take into account the growing public awareness of values other than immediate economic benefit and take steps to:

13.5.1. encourage the development of synergy between government, firms and citizens around this new awareness that is here to stay;

13.5.2. introduce fiscal incentives in favour of associations and organisations engaged in the development of a solidarity-based economy and fair trade;

13.5.3. inform consumers, through information campaigns to help them make enlightened choices, and support the efforts of non-governmental organisations to inform consumers;

13.5.4. encourage the networking of these initiatives and facilitate links with other sectors of the solidarity- or citizen-based economy;

13.5.5. facilitate the establishment of "ethical banks", more heedful of the social and economic consequences of the bank credit system;

13.5.6. encourage firms, especially major firms in the agri- food and food retailing sector, to draw up "ethical balance sheets" of their activities.

13.6 The Assembly also recommends that the Committee of Ministers:

13.6.1. support the work of the European Committee for Social Cohesion (CDCS), and in particular that of the European platform for dialogue on ethical and solidarity-based initiatives to combat poverty and social exclusion in carrying out its three-year action plan aimed, inter alia, at improving awareness in children, access to responsible consumption for the poorest population groups, links between solidarity and responsible consumption, and product information methods;

13.6.2. instruct the European Youth Centre to include responsible food consumption in its efforts to develop youth participation and democratic citizenship, social cohesion and social inclusion for young people.

## **B. Explanatory memorandum by Mr Renzo Gubert, Rapporteur**

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### **I. Mass consumption and responsible consumption**

#### *i. Definition of responsible consumption*

1. One of the main consequences of globalisation is the vast amount of information in circulation that reminds us of the immensity and the diversity of the world we live in. People in the four corners of the world have easy access, at least in pictures, to what is happening on the other side of the world. However, while offering rapid access to complex new information thanks to various new technologies (especially the Internet), by moving production centres away from consumers globalisation has increased the distance separating people from first-hand information about the products they consume.

2. As for food this paradox is particularly visible to consumers, in that the bigger the world becomes and the more production centres there are and the greater their diversity, the less people know about what they have in their plates. This lack of information, magnified by the different food scares, like 'mad cow' disease or avian flu, has finally triggered a new need for information. In this age of participatory democracy, people want to know exactly what they are consuming and what they are feeding their children. Food safety is not their only concern, however, as consumers become increasingly responsible in their behaviour.

3. Responsible consumption is a new awareness linked to "sustainable development". It is a means of satisfying our economic, social and environmental needs all at once so that we leave our children a world they too can enjoy when they grow up. Consumption is responsible when it takes into account its impact on the quality of human life in its every dimension: health, natural resource management, the economy, spatial planning, the environment, the fight against poverty and social exclusion, social life, culture, etc.

4. Responsibility in consumption implies that the view of consumption as an act of "*homo oeconomicus*" as conceptualised by traditional economic policy must be reconsidered. Consumers do continue to seek value for money when buying goods and services, but it is no longer their only concern and other arguments now enter the picture. For example, new trends that link consumption and sustainable development are emerging, such as fair trade, ethical investment and making sure that our purchasing habits do not encourage the exploitation of workers. More and more citizens are also questioning our consumer behaviour in terms of its effects on human health and the quality of life. Others worry about what heritage we will be leaving future generations if we deplete the world's natural resources beyond retrieve.

5. Foodstuffs more than any other products have important and immediate consequences for people's quality of life. Agriculture was and still is the foremost economic activity as it is closely linked to certain fundamental human needs. People's health depends largely on the quantity and quality of food at their disposal. Changes in eating habits can have serious consequences for the economies of whole continents, as well as on the environment and the landscape, and on the social and cultural viability of rural areas.

6. Responsibility in food consumption has special connotations and is particularly important. It is no coincidence, therefore, that so many citizens' movements are developing in this field.

*ii. Current problems in food consumption*

7. Intensive farming and agro-industry, backed by mass distribution, dominate the food market in western Europe, and are well on the way to doing the same in central and eastern Europe (in France mass distribution now accounts for nearly 90% of the market). Half of western Europe's farmers have gone under in the last ten years, with grave effects on rural areas in human and social terms.

8. This trend is also apparent on the outskirts of towns and cities, owing to competition over building land and the collapse of local markets.

9. This situation gives rise to serious problems in terms of:

- food and public health: the increase in illnesses and disorders such as cancer or child obesity has two chief causes: atmospheric pollution and poor diet; the quality of human life is declining and the cost of health care is rising as a result;
- management of the environment: the strong increase in the volume of waste generated by plastic and assimilated packaging is a source of pollution, and standardisation is adversely affecting biodiversity;
- spatial planning: urban sprawl at the expense of agricultural areas implies the disappearance of fertile farm land;
- the social and cultural marginalisation of farmers and all communities whose economy is based on agriculture.

## **II. Citizens' movements in Europe**

10. A few decades ago, first in Japan then in the United States and in Europe and elsewhere in the economically developed world, consumers mobilised to stand up for their interests vis-à-vis the distribution channels and seek convergence of their own interests with those of producers. They became organised in partnerships which are now recognised and sometimes funded by the public authorities. Sometimes they have looked beyond their immediate interests, extending their concerns to the social consequences of certain modes of production, such as child labour.

11. As a result, consumers have broadened their focus to the consequences of certain modes of production and distribution in poor countries. On the foodstuffs market there are ever more products or raw materials from poor countries, where working conditions and salaries are far lower than in the wealthy countries of Europe. Consumption is said to be 'responsible' if it also takes account of the consequences for farmers in poor countries of production and marketing systems organised by large food companies in wealthy countries. Consumers have organised various forms of fair trade, which are now gaining support. Fair trade seeks to supply produce from poor countries to wealthy countries in a manner beneficial to the farmers and rural societies of those poorer countries.

12. Within this broad, general movement we have seen initiatives also geared to tackling the domestic problems stemming from the dominant model of food production and distribution in Europe. It is on these initiatives that the Council of Europe Parliamentary Assembly was asked to focus<sup>1</sup>.

*i. Fair trade: sustainable consumption, respect for the environment and human dignity*

13. Fair trade is also a very particular form of responsible consumption in so far as it looks beyond the intrinsic quality of the product and takes the nature and characteristics of production and marketing processes into account.

14. Fair trade is not a form of charity. It is based on the principle that *"Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity"*<sup>2</sup>. The three aims of fair trade are:

- sustainable economic and social development, working with disadvantaged groups to build organisations' capacities and help them develop effective structures at local, national and international level;
- raising public and consumer awareness of North-South issues, in other words, development education;
- promoting changes in conventional trade practices and rules.

15. It is clear that the amount households spend on food has a decisive impact on the choice of produce and its origin, as well as its quality. Attention must to be drawn to the issue of incentives, especially fiscal incentives designed to influence distributors. Traditionally fair trade produce is sold in specialist shops, but major distribution networks are becoming increasingly interested. In supermarkets it is a special label that informs the consumer and guarantees the fair trade quality of the product. However, the involvement of major distribution networks in fair trade raises various questions. The very nature of supermarkets can be in conflict with the principles of fair trade. Moreover, the product range in specialist shops is broader than in supermarkets. It takes time for fair trade production and distribution channels to develop and new products to appear on supermarket shelves. Co-operation with major firms is also a controversial issue in activist circles. The policy followed by the organisations which propose the use of fair trade labelling is to co-operate with such firms, but they are not exactly queuing up to make a commitment. For the time being, only Nestlé UK has struck up an agreement with Max Havelaar on a single product. The conclusion seems to be that the work done by specialist shops and that of the labelling organisations are complementary.

16. The key issues of fair trade involve the social implications, product diversification, the development of North-North co-operation to combat poverty among small farmers in the poorer countries of Europe, the action taken by fair trade organisations against the doctrinaire approach adopted by the WTO and the idea that competition is the key to the planet's future, and legislation and the role of the authorities.

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<sup>1</sup> In preparing this report, the Committee on the Environment, Agriculture and Local and Regional Affairs organised a hearing on responsible food consumption on 28 February 2006, with the participation of Mr Victor Ferreira, Director of Max Havelaar France, Ms Christine Gent, International Fair Trade Association (IFAT), Mr Francesco Vignarca, Executive Director of Altreconomia Publications, Italy, and Mr Daniel Vuillon, Head of the Network of Associations for the Preservation of Smallholdings (AMAP), France. The rapporteur has taken account of their respective comments and experiences in this report.

<sup>2</sup> Universal Declaration of Human Rights (Article 23, para. 3).

17. The two complementary approaches in fair trade are the labelling schemes (Max Havelaar, Fairtrade, Transfer...) and the system of special shops (IFAT). They are co-ordinated internationally around the informal FINE forum of four federations of fair trade organisations: FLO International (Fairtrade Labelling Organisations, with 21 organisations like Max Havelaar France), IFAT, NEWS and EFTA. 52 countries are covered by FLO, including 21 consumer countries (Europe, North America, Japan and Australia), while there are 300 organisations in IFAT, 11 in NEWS and 15 in EFTA.

18. FLO (Fairtrade Labelling Organisations) provides detailed standards for certifying certain products and processes as complying with fair trade principles. FLO can delegate its certification powers to national agencies such as Max Havelaar in France, which issues certification in accordance with FLO standards. 22 national labelling schemes are currently involved.

19. NEWS! (Network of European World Shops) groups together "world shops" – fair trade showcases – in 13 west European countries, which sell fair trade products and seek to raise customer awareness. The aim is to pool information and co-ordinate advertising campaigns, while also helping to expand existing shops and open new ones. There are currently over 4 000 such shops.

20. EFTA (European Fair Trade Association) groups together around ten leading European fair trade importers. It aims to make fair trade importing more effective and seeks to promote fair trade at European political level. The association has also developed a system for exchanging information to monitor the operation of certain fair trade schemes not regulated by FLO (FLO has specific standards for certain products, but cannot certify those for which it has not yet developed standards).

21. IFAT (International Fair Trade Association): in this association 220 fair trade organisations in the northern and southern hemispheres co-operate and are involved in advocacy at international level, while seeking to establish a fair trade organisation (FTO) label so that consumers can be sure that the products they buy really are fair trade products. IFAT, which was set up in 1989, has a charter and is active in lobbying international organisations. It groups together large numbers of fair trade players from around the world. Its work focuses on three main areas: development of the fair trade market so as to increase sales opportunities, monitoring of fair trade so as to build and maintain trust, and advocacy and promotion of fair trade so that the fair trade message gets across. Above all, IFAT is a network for pooling information and experiences.

22. Fair trade products are either purchased through registered fair trade organisations or FLO certified and labelled.

23. The system operates through and for producers in partnership with the economic players. 1 million producers and workers currently benefit; 52 developing countries are involved; 15 sectors have the label; 510 producer organisations were involved in 2005, generating € 100 million additional revenue that year (in France, Max Havelaar worked with 95 producer organisations in 45 countries in 2004 and 118 organisations in 2005); and 1 700 firms are involved in marketing products with the label and have agreed to comply with fair trade criteria (110 firms in France).

24. Global consumption of fair trade products is growing very rapidly (sales of € 1.2 billion in 2005) and has increased 4.8-fold in five years (tenfold increase in France in four years). The products with the highest sales are coffee and bananas. 15 products are currently marketed (coffee, tea, sugar, cocoa, fresh fruit, honey, fruit juice, rice, wine, cotton, spices, nuts (cashew, peanuts), balls for sports, cut flowers, quinoa).

25. In fair trade, price is not the only consideration and the system focuses on establishing fair trading relations. At the very least, fair trade offers a price that covers the cost of high-quality, environmentally friendly production and satisfies the basic needs of the producer family in terms of food, hygiene, education and health. However, it also helps identify new outlets for products, and fair trade commercial partnerships are long-term relationships and orders can be paid for upfront. The system seeks to create the conditions for economic and social development, offering a development premium to fund projects decided upon by producers, while laying down requirements (democracy, transparency, role of women) and imposing

standards that employ a dynamic approach, involving both basic requirements and the requirements of progress. In addition, it offers a dynamic certification system and provides support for producers which helps them meet fair trade and consumer requirements and establish contacts with NGOs and technical support agencies, etc.

26. In 2005, the estimated direct financial benefit for producers compared with conventional trade was € 100 million. However, there was also a crucial non-financial impact in that the relevant organisations grew stronger. Non-financial benefits for producers also include:

- closer links between producers and the market, direct contacts with buyers through better understanding of the international market, increased ability to negotiate contracts, increased prices on the conventional market;
- payment upfront, which offers producers better financial management options;
- longer-term co-operation with buyers, providing better planning and investment opportunities, for example;
- improvements in quality, leading to better prices and new sales opportunities.

27. Fair trade also seeks to adjust the balance of power in relation to the market and the authorities. Producers increase their skills and knowledge of markets, join together at regional and national level to make their views heard and take part in decision-making under the international labelling system.

28. Producers sign up to a range of standards:

- Social development: democracy, participation, transparency, non-discrimination, etc;
- Economic development: export capacity, consolidation of the economic position of the organisations;
- Environmental development: environmental protection;
- Working conditions: health, safety, right to organise, child labour.

29. The commercial terms guarantee prices defined on the basis of studies of production costs, the requirements for “decent” living conditions and the actual market situation. They take account of the time spent by the farmers/workers (local remuneration levels, adjusted if necessary to ensure “decent” living conditions), the investments required for the operation of the farms (annual or medium/long-term) and those carried out or to be carried out to meet the relevant standards, analysis of the actual market situation and, lastly, the final political choice. In agreement with the majority of the stakeholders, provision is also made for a development premium (approximately 15% of the cost of production), which is adjusted depending on the consistency of the social and economic investments needed and the volumes concerned. In addition, provision can be made for payment upfront when necessary, and the commitments are always medium- or long-term.

*ii. A two-way commitment between producer and consumer as a vector of sustainable development*

30. While it clearly is the case that there are fewer and fewer farmers, this does not mean the disappearance of agriculture itself. Instead, there have been great changes and industrialised farming has taken over from smallholdings, with farms becoming ever larger. Awareness among consumers is growing and they are showing increasing concern about the quality of their food, especially since the “mad cow” crisis in Europe. Half of the 150 000 deaths a year in France are said to be diet-related. There is also marked trend towards concentration in distribution and marketing. Superstores, which accounted for only 5% of the market in sectors such as fruit and vegetables in 1980, now account for 94%. This development has gone hand in hand with the disappearance of small shops, wholesale markets in small and medium-sized towns and local abattoirs, as well as with great concentration in the supply sector. Farms have had to make structural changes to adapt to the new situation. France holds the record for the number of superstores per head of population, with seven times as many as in Italy, for instance, but the trend is the same throughout the rest of Europe.

31. The AMAP network is based on an initiative that comes from Japan and has been adapted to the French situation. It involves local farmers producing food for the association's members according to certain standards (healthy, diversified, seasonal produce), in exchange for which the farmers' produce is bought in advance by the members. The producers are paid before they start growing the crops and the payment includes the cost of labour. In this way farmers no longer depend on the yield per hectare or on the unit price of the produce and have only to produce the best quality possible. The system is expanding in many countries. What is more, this direct and lasting relationship between the producer and the consumer gives farmers greater freedom to choose what they produce, which is an additional source of recognition and satisfaction for them in their work.

32. In Japan a third of the population uses the system, in the United States 2 000 consumer associations employ the method and in Canada 12.5% of the population have opted for this alternative form of consumption. It has the advantage of developing ties between farmers, their land and consumers while guaranteeing total traceability, and involves less transport and unnecessary packaging and fewer intermediaries.

33. In France the concept was introduced in Provence in April 2001, when 40 families joined together for the purpose, before expanding to other parts of the country. France expects to have about 300 groups of this kind in spring 2006, making about 45,000 people supporting 450 farms, and the figure is doubling every six months. According to a survey conducted by the CREDOC<sup>3</sup>, 20% of the population is potentially interested in the concept.

34. There is growing awareness among the public, who feel responsible for their food and health and those of their children. It is interesting to note that 80% of the members of the relevant associations are young people with children, a group who were previously regular customers of the large supermarkets.

35. Unlike the intensive mass production that leads to standardisation, this system helps to stem the decline in biodiversity and preserve fertile farmlands close to home, while also performing an educational role. Personal contact with the producer gives consumers access to more reliable information about the production process and the chemical fertilisers and substances used to control diseases and pests or to preserve food. Through dialogue with the producer, the use of chemical substances can gradually be reduced and alternative methods developed (such as integrated protection, organic farming, biodynamic farming, etc.), helping to protect the environment and public health.

36. A further benefit of this steady relationship between producers and consumers is that it enhances the social and cultural viability of rural communities and encourages better upkeep of the landscape and the environment. The urban periphery remains directly adjacent to farmland, keeping in check the man-made urban environment and the state of neglect peripheral areas often fall into pending urbanisation

37. Nowadays a large proportion of waste is generated by the packaging needed to sell food in supermarkets. Direct and stable relations between farmers and consumers minimise the need for disposable packaging, and are therefore good for the environment, helping to conserve natural resources and to reduce the volume of waste to be processed. This system also helps to eliminate crop wastage, which can amount to 30% of the harvest in conventional distribution. It drastically reduces costs and the time spent on marketing the products, which explains its great economic efficiency. This economic efficiency is reflected in the great independence of the system and the players involved, making it possible to achieve the objectives of sustainable agriculture, promoting a healthy environment, biodiversity, social life in rural communities, and links between city dwellers and country folk, with no need for subsidies for farmers. This raises the problem of the comparative disadvantage artificially created in relation to intensive farming practices, which produce the same products but are subsidised, although they do not offer the same positive externalities and indeed often generate negative externalities (soil and water pollution, little employment, human desertification of rural areas).

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<sup>3</sup> CREDOC: *Centre de Recherche pour l'Etude et l'Observation des Conditions de vie* (living conditions observation and research Centre)

38. This model can be adapted to any country and networking has already started. Today 25 countries in the world have set in place this type of alternative economy. Initially these are mainly developed countries, where it is people's way of reacting to an all-powerful economy. In Italy, for example, the "*Gruppi d'acquisto solidale*" (GAS) solidarity-based purchasing groups are similar to the AMAP. The concept is also beginning to be developed in the countries of the South, however.

*iii. Consumption as a factor of interpersonal relations and greater individual autonomy*

39. One of the problems of modern society is that it is becoming a faceless mass; interpersonal relations no longer play a significant role in consumption. The dominant force in product selection is advertising; dealings in large stores are impersonal. It has been calculated that a child in the United States sees 10,000 food advertisements each year. If relations between producers and consumers are direct and stable, the influence of advertising diminishes and consumption becomes a building block in a society driven by interpersonal relations.

40. The AltrEconomia consortium in Italy is made up of 17 organisations that operate in the field of organic trade, critical consumption and ethical finance. The practices and experience of the various organisations are the source of the material in the consortium's publications. The subjects and issues covered involve responsible consumption, ethical finance and organic trade. The aim is to link consumers' growing interest in the environment and increased understanding of the consequences of the inappropriate use of resources with awareness of the issues concerning agriculture and food production methods. One of the focuses is GMOs, which are central to consumers' concerns, in particular in Italy. If there is no determination to stop the development of GMOs or at least slow it down, then it is essential to advocate transparency and make sure that consumers are properly informed. Consumers can only exercise their judgment if they are in possession of the relevant information and educated in the issues. What they can do depends on what they know. It is necessary to turn consumers into active players in enlightened consumption.

41. The idea is that consumer groups can influence the market and that the introduction of fair trade rules can have a major impact. The consortium uses several methods for promoting the idea, in particular its various publications and also responsible consumption fairs, which bring consumers and producers together and play a real part in raising public awareness. Throughout Italy, 150,000 to 200,000 people attend such fairs.

42. A method currently employed in Italy consists in groups of consumers coming together to decide which food products of each type (pasta, vegetables, etc.) are best in terms of sustainable and social development and then negotiating the best price for buying them wholesale. In this way, they are helping to move the market towards produce that is more nature-friendly and better for human beings and their health. One of the current challenges is to persuade the authorities and local institutions to apply rules supporting ethical trade in their (public) procurement.

43. Another method is the system of short distribution chains, which use and promote local produce and do away with the major distribution networks as intermediaries. In the Milan region, for instance, there are 900 farms that could direct consumers towards environmentally friendly consumption. The idea is to expand these short distribution chains which give priority to organic consumption and ensure that producers and consumers really are close together.

44. Better food means increased respect for the environment and for human beings themselves.

45. From the legal standpoint, lawmakers must promote such short distribution chains by passing corresponding legislation and including incentives for responsible consumption in public-sector tendering procedures. Moreover, political leaders are responsible for consumer information.

iv. *The food heritage as a vector of local identity*

46. Food consumption, like other kinds of consumption, is influenced by advertising, which tends to shift responsibility from consumers to those who determine the products on offer, and to iron out those differences in food consumption patterns which are a major feature of local identities, although these identities appear to be gaining ground to a certain extent in reaction to globalisation. If identities are to be preserved, our food heritage must be preserved.

47. Founded in Italy in 1986, Slow Food became an international non-profit organisation in 1989. Today its vast network of 80,000 members, grouped together in about 1,000 "Conviviums" (local groups), is the movement's greatest asset. The international headquarters of Slow Food are in Bra, in Italy. Slow Food works both locally and with international organisations like the United Nations Food and Agriculture Organisation (FAO).

48. In approaching gastronomy as a link between politics, farming and the environment, Slow Food has become a major player in the agricultural and environmental fields. Slow Food combines food and pleasure with conscience and responsibility. The aim of the association's activities is to protect biodiversity in foodstuffs, to help people educate their palates and to connect producers of outstanding foods with consumers through various events.

**III. The role of public authorities**

49. What citizens are achieving through their involvement in economic issues is of the utmost interest to public authorities, as it is gradually changing the economic system in a number of ways, for example by introducing new perspectives into relations between citizens and society, citizens and the environment, citizens and the world.

50. It is therefore essential to develop dialogue and co-operation between local authorities and the various partners in responsible consumption, and to take political, legal and socio-economic steps to give a strong boost to the social commitments that drive the solidarity-based economy.

51. The considerable advantages presented by this responsible approach to consumption seem to be of increasing interest to the authorities, whose duty it is to alert citizens to their responsibilities as consumers, particularly of food products.

52. More recently, consideration of the social and economic consequences of the organisation of bank credit has led to the setting up of "ethical banks".

53. Growing public awareness of values other than immediate economic benefit has prompted entrepreneurs to draw up "ethical balance sheets" for their companies..

54. In the legislative field there are fewer initiatives at present in ethical finance (20%) than in fair trade (48%).<sup>4</sup> Most of the legislative or legal projects identified in Europe are national projects, while regional and local projects remain the exception. At European Union level the Commission has recommended that in their annual reports firms mention any environmental measures or issues. The European Parliament's Committee on Employment and Social Affairs has proposed drawing up a directive requiring firms to present annual social and environmental reports, and all European private pension funds to state their policy with regard to ethics. Where fair trade is concerned, the Treaty establishing the European Community (Article 177) states that its objective is to foster the sustainable economic and social development of the developing countries, and the need to support fair trade, in particular through financial support and the promotion of fair trade activities, is mentioned in various other documents.

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<sup>4</sup> Survey carried out by the Directorate General of Social Cohesion of the Council of Europe in November 2003, the findings of which were published and commented in *Solidarity-based citizen involvement in the economy: a prerequisite for social cohesion*, Council of Europe Publishing.

55. Although fair trade schemes have been set in place in certain east European countries such as Albania, Hungary, Poland or Slovenia, thus far legislative and legal measures have only been taken in western Europe and implemented at the national, regional and local levels. Some of the most outstanding examples are found in Austria, Belgium and Spain, where laws have been passed at the local, regional and national levels.

56. Moreover, public authorities at the local, regional and national levels provide financial support for public and private information and awareness-raising campaigns and fair trade associations and labels.

57. The public authorities have a duty to support these citizens' initiatives, by recognising the validity of citizen-based approaches, offering tax incentives, fostering consumer information, organising the promotion of responsible behaviour and commitments, encouraging networking and facilitating links with other sectors of the solidarity- or citizen-based economy (such as ethical banks).

#### **IV. The Council of Europe's work**

58. As part of its revised social cohesion strategy, approved by the Committee of Ministers on 31 March 2004, the Council of Europe (Social Cohesion Development Division) has set up a European platform for dialogue on ethical and solidarity-based initiatives to promote "a dialogue between public authorities – represented in the Council of Europe's institutions (Parliamentary Assembly, Committee of Ministers, Congress of Local and Regional Authorities, European Committee for Social Cohesion) – and citizens' organisations engaged in ethical, responsible and solidarity-based economic initiatives"<sup>5</sup>.

59. The aims of the platform are: to analyse and highlight the relevance of ethical, responsible and solidarity-based initiatives in the economy which are intended to promote social cohesion; to exchange experience gained with partnership and dialogue at different levels, and make use of the lessons learned; to define the role of the public authorities more precisely in terms of support; to encourage the creation of legal frameworks; to systematically circulate information on the activities and policies set in place; and to receive, discuss and draw up proposals for increasing the impact of these initiatives. In addition to the platform's partners at the European level, it involves the participation of national authorities with responsibilities in the fields concerned; researchers and networks of researchers working on these themes, who are capable of clarifying certain issues, taking appropriate follow-up action and facilitating dialogue and the definition of objectives; media representatives, who can play a vital role in publicising these new approaches and practices, thus ensuring that the public has a better understanding of the concept of shared responsibility; business representatives, who will be asked to explain their views on shared responsibility for social cohesion and sustainable development at different local and regional levels; and trade union representatives, who can present the viewpoints of employees in a spirit of shared responsibility.<sup>6</sup>

60. In May 2005 the Pilot Committee for the Platform held its first meeting and decided that the platform would focus first and foremost on combating poverty and social exclusion, in keeping with the guidelines laid down at the Third Summit of the Council of Europe in Warsaw

61. In December 2005 the platform held its first seminar in Trento (Italy), where public authority representatives from different European countries discussed these issues with representatives of consumer movements and were able to appreciate and confirm the importance of citizen involvement in the fight against poverty and social exclusion. Also on this occasion, it was decided to set up a European network of ethical and solidarity-based initiatives and the platform extended its thinking to more specific topics such as excessive borrowing by families.

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<sup>5</sup> Final declaration of the Forum on "Solidarity finance and responsible consumption: official and community commitment to social cohesion" organised by the Council of Europe on 4 and 5 November 2004 in Strasbourg to launch a platform for political dialogue and the promotion of ethical, socially responsible and solidarity-based initiatives in the economy.

<sup>6</sup> Idem.

62. At present the European fair trade platform has set up a three-year action plan which identifies a number of priorities: raising awareness in children and in particular the production of a guide to responsible consumption and solidarity-based saving for dissemination in schools; access to responsible consumption for the poorest population groups, links between solidarity and responsible consumption, and product information methods.

63. The Parliamentary Assembly has constantly encouraged sustainable development in all its dimensions. It has adopted various texts such as Resolution 1292 (2002), on the World Summit on Sustainable Development: ten years after Rio; Resolution 1318 (2003), on Globalisation and sustainable development, and Resolution 1319 (2003) and Recommendation 1594 (2003), on the Follow-up to the World Summit on Sustainable Development: a common challenge.

64. The Parliamentary Assembly has adopted more specific recommendations concerning food namely in its Recommendation 1636 (2003) on the development of organic farming. Moreover, in its Recommendation 1575 (2002) on the introduction of a quality label for food products derived from hill farming, the Parliamentary Assembly considered that "the development of hill farming can also have a positive impact on the conservation of the natural and cultural environments" and expressed its conviction "that the Council of Europe can aid the development of hill farming, given the activities it pursues, especially those undertaken by the Congress of Local and Regional Authorities of Europe".

65. It welcomes the launch in December 2005 of the European Charter for Mountain Quality Food Products on the initiative of Euromontana<sup>7</sup>. The Charter has two main objectives: an economic development objective – a better identification of mountain food products - and a policy objective – the recognition of the central role of mountain farmers in the future of their local economies

## V. Conclusions

66. Responsible consumption reflects a new awareness based on "sustainable development" in answer to the economic, social and environmental needs of human beings today and also of future generations. Responsible consumption implies that the view of consumption as an act of *homo oeconomicus* as conceptualised by liberal economic policy is obsolete. The consumer no longer acts solely on the basis of value for money.

67. Agriculture was and still is the most common economic activity, closely linked to a basic human need: food. Responsibility in food consumption has specific connotations and is of special importance. Numerous citizens' initiatives are being developed in this field. The consumers who are mobilising to stand up for their interests vis-à-vis producers and distributors are becoming organised and the resulting organisations are now recognised and in some cases funded by the public authorities.

68. Fair trade is also a very particular form of responsible consumption in so far as it takes the nature and characteristics of production processes into account, going beyond the intrinsic quality of the product to combine sustainable consumption, respect for the environment and human dignity.

69. The considerable advantages presented by this responsible approach to consumption seem to be of increasing interest to the authorities, whose duty it is to alert citizens to their responsibilities as consumers, particularly of food products.

70. It is therefore essential to develop dialogue and co-operation between local authorities and the various partners in responsible consumption, and to take political, legal and socio-economic steps to give a strong boost to the social commitments that drive the solidarity-based economy.

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<sup>7</sup> Euromontana is a multi-sectoral co-operation association for the development of mountain areas, which groups together mountain organisations at the regional and national levels throughout the wider Europe.

71. By opting for sustainable development the different economic and political players guarantee lasting economic prosperity.

72. The Council of Europe has a duty to encourage the development of synergy between government, firms and citizens around this new awareness that is here to stay.

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*Members of the Committee:* Mr Walter **Schmied** (Chairman), Mr Alan Meale (1<sup>e</sup> Vice-Chairman) (alternate: Mr Paul **Flynn**), Mr Renzo **Gubert** (2<sup>e</sup> Vice-Chairman), Ms Elsa **Papadimitriou** (3<sup>e</sup> Vice-Chairperson), Mrs Marisa Abbondanzieri, Mr Ruhi **Açikgöz**, Mr Gerolf **Annemans**, Mr Ivo Banac (alternate: Mr Miljenko **Dorić**), Mr Rony **Bargetze**, Mr Jean-Marie **Bockel**, Mrs Pikria Chikhradze, Mr Valeriu **Cosarciuc**, Mr Osman **Coşkunoğlu**, Mr Alain **Cousin**, Mr Taulant Dedja, Mr Hubert **Deittert**, Mr Tomasz Dudziński, Mr Adri Duivesteijn, Mr József Ékes, Mr Bill **Etherington**, Mrs Catherine Fautrier (alternate: Mr Christophe **Spiliotis-Saquet**), Mr Adolfo Fernández Aguilar, Mr Christopher Fraser (alternate: Mr Nigel **Evans**), Mr György Frunda, Ms Eva Garcia Pastor, Mr Fausto Giovanelli, Mr Peter Götz, Mr Vladimir **Grachev**, Mr Kristiin **Gunnarsson**, Mr Poul Henrik Hedeboe, Mr Mykhailo Hladiy, Mr Anders G. **Högmärk**, Mr Rafael **Huseynov**, Mr Stanislaw Huskowski (alternate: Mr Edward **Maniura**), Mr Jean Huss, Mr Fazil **İbrahimli**, Mr Ilie **Ilaşcu**, Mr Mustafa **İlicali**, Mrs Fatme Ilyaz, Mr Ivan **Ivanov**, Mr Bjørn **Jacobsen**, Mr Jaroslav Jaduš, Mr Gediminas **Jakavonis**, Mrs Danuta **Jazłowiecka**, Mrs Liana Kanelli, Mr Karen Karapetyan, Mr Orest Klympush, Mr Victor **Kolesnikov**, Mr Zoran Krstevski, Mr Miloš Kužvart, Mr Ewald **Lindinger**, Mr Jaroslav Lobkowicz, Mr François Loncle, Mr.Theo **Maissen**, Mr Giovanni Mauro, Mrs Maria Manuela **de Melo**, Mr José Mendes Bota, Mr Gilbert Meyer, Mr Goran Milojević, Mr Vladimir Mokry (alternate: Mr Valeriy **Sudarenkov**), Mr Žarko Obradović, Mrs Carina **Ohlsson**, Mr Pieter Omtzigt (alternate: Mr Leo **Platvoet**), Ms Gordana Pop Lazić, Mr Cezar Florin Preda, Mr Jakob Presečnik, Mr Lluís Maria de Puig, Mr Jeffrey Pullicino Orlando, Mr Maurizio Rattini, Mr Fidas **Sarikas**, Mr Herman Scheer, Mr Rainer Steenblock, Mr Zoltán Szabó, Mr Kimmo Tiilikainen, Mr Nikolay **Tulaev**, Mr Iñaki **Txueka**, Mr Geert Versnick, Mr Rudolf **Vis**, Mr Klaus Wittauer, Mr G.V. Wright, Mr Kostyantyn Zhevago

*N.B. The names of those members present at the meeting are printed in bold.*

Secretariat to the Committee: Mr Alfred Sixto, Mr Bogdan Torcătoriu and Mrs Marine Trévisan