

A Bibliography

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Foreword

"Eco-labelling" is an issue of considerable public interest. An Eco-label is an official label for approved "green" products. It provides authoritative guidance to consumers who wish to choose products for environmental reasons. Eco-labelling aims to encourage the production of products which are more environmentally benign and to facilitate trade in these products.

Environmental labelling, or eco-labelling, and standards have been considered as "trade positive" tools for the business community. They motivate manufacturers to comply with targeted consumer requirements and develop a good image for eco-friendly products and services in order to guarantee market access.

The growing use of eco-labels reflects an important change in social attitudes to the environment. It is also part of a wider movement towards the use of market-based instruments. Eco-labels are intended to bring significant environmental benefits through their positive influence on the purchasing decisions of consumers.

However, with the proliferation of interest in eco-labelling, a series of questions and concerns about the potential trade impact of these programmes has been raised by certain industry sectors and also a number of international organisations. Because eco-labelling is normally implemented in a way that reflects national values and eco-system sensitivities, full international standardisation is not likely to occur.

Has eco-labelling resulted in the marketing of more products with reduced environmental impact? No clear answer exists. A recent United Nations Conference on Trade and Development (UNCTAD) document noted:

Whether and how much eco-labelling has already contributed to reducing environmental stress is difficult to assess. Existing evidence of positive environmental effects which could be attributed to eco-labels is limited to specific cases. Unfortunately, however, there are no studies which have tried to make a systematic assessment of the effects of existing eco-labelling programmes on the environment. What can be said is that the environmental effects of eco-labelling depend largely on the relevance and significance of eco-labelling criteria as well as the market share of eco-labelled products, which in turn depends on consumer preferences for eco-labelled products and the responsiveness of producers and suppliers. Thus in order for eco-labelling to be an effective marketing instrument, there must be public awareness of eco-labelling programmes and eco-labelled products, and producers must be interested in making a significant volume of eco-labelled products available in the marketplace.

Many institutes, research scientists, NGOs, international and national organisations have undertaken research to determine what the effects of eco-labels are on the environment, market access for products and trade flows. In order to fill the information gap on the subject, "Eco-labelling and Trade", CERC-ENVIS has collected information from secondary sources and is bringing out an annotated bibliography. This bibliography will be useful as background information in research projects, reference tools and information tools by which users are made aware of recent research on the subject to facilitate writing of reports or publications. It will be a good collection for libraries and will make librarians or information officers aware of existing material on the subject.

We welcome comments and suggestions from users to enable us to improve.





| Contents | Page | |
|-------------------------------------|------|--|
| 1. Ecolabel and Trade | 4 | |
| 2. Ecolabel and Fairtrade | 19 | |
| 3. Ecolabel and Fashion | 25 | |
| 4. Ecolabel, Eco mark and Marketing | 29 | |
| 5. Eco mark and Environment | 46 | |
| 6. Ecolabel and Consumers | 63 | |
| 7. Trade and Environment | 66 | |



Ecolabel and Trade



On the Interaction of Eco-labeling and Trade

Ecolabelling and International Trade

Charles F. Mason

Department of Economics & Finance, University of Wyoming, Laramie WY 82071-3985

Research Paper, January 2007, 36 p.

While environmental certification can provide useful information to consumers, there is concern that it indirectly erects trade barriers. Author had constructed a two-country model where some firms use an environmentally-unfriendly (brown) production technology in each country, while other firms use environmentally-friendly (green) techniques. There are two green techniques, one in each country. Obtaining the eco-label entails certification costs; green firms in the exporting country must bear an additional cost to obtain the eco-label. I discuss the impact of eco-labeling on the quantities of green goods produced in each country and resultant welfare impacts, and the impact of changes in labeling costs. This research was funded in part by the National Science Foundation. The paper was presented at the Heartland Environmental and Resource Economics Conference at Iowa State University, the BIOECON workshop on "Trade Mechanisms for Biodiversity Conservation," held in Tilburg, the Netherlands, and at the 7th Occasional Workshop on Environmental and Resource Economics at Santa Barbara, California.

Keywords:

Environmental Economics, Eco-Labeling, Asymmetric Information, Screening

Simonetta Zarrilli (Editor), Veena Jha (Editor), Rene Vossenaar (Editor), United Nations Conference on Trade and Development (Corporate Author)

United Nations Conference on Trade and Development, New York: Palgrave Macmillan, 1997, xx, 376 p.

ISBN-10: 0333665473, ISBN-13: 978-0333665473

Eco-labelling is an increasingly popular way of meeting consumer's demands for environmental information about the products they purchase. This book has presented the views on this important subject from the academic, policy-making and commercial spheres to look at the conceptual and practical issues, and to discuss how eco-labelling can be made effective and equitable, and must avoid distorting international trade to the detriment of developing countries. It is published for and on behalf of the United Nations in association with United Nations Conference on Trade and Development. It includes bibliographical references and index.

Keywords:

Eco-labelling, Environmental Information, Practical Issues, Effective and Equitable, International Trade, Developing Countries, United Nations, Trade and Development



International Trade, Ecolabelling and Standards: A Case Study of the Greater Mekong Subregion

Trade Effects of Eco-labelling

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Deputy Director General, National Economic Research Institute, Ministry of Planning and Investment, Vientiane Capital, Iao PDR

Manitoba: International Institute for Sustainable Development, Series on Trade and the Environment in ASEAN-Policy Report 3, 2010, 17 p.

This report discusses trade- and environment-related issues, focusing on environmental labelling and standards. Environmental labelling, or ecolabelling, and standards have been considered as 'trade positive' tools for the business community in order to comply with targeted consumers' requirements and develop a good image for their products and services in order to guarantee market access. However, in developing countries, where the technology systems needed to comply with environmental requirements are costly to apply, ecolabelling often acts as a barrier to trade. It also discusses this issue as it affects the ASEAN region, with particular reference to the Greater Mekong Subregion, where less ecolabelling is applied and trade without labeling is still practiced. Intraregional trade generally still needs to come to grips with environmental issues, so that a concrete policy needs to be applied within the region with regard to ecolabelling and standards.

Keywords:

Trade and Environment-Related Issues, Environmental Labelling and Standards, Trade Positive, Developing Countries, Barrier to Trade, ASEAN Region, IntraregionalTrade

UN, Economic and Social Commission for Asia and the Pacific (ESCAP) New York: United Nations Publications, 1997, x, 164 p.

ISBN92-1-119763-5, ISSN1020-3516

This publication includes discussions on market access implications for export competitiveness in the ESCAP region ecolabelling environmentally preferable products and international trade in textiles and clothing; and norme française (NF) environment mark and the European eco-label. Country studies cover India, Indonesia and Singapore. Also presented are country studies of China and Sri Lanka dealing with relationships between eco-labelling, international trade, development policies and strategies, and the report on certified organic food development and export prospects from the Chinese perspective. The publication presents the proceedings of a Seminar on Trade Effects of Eco-labelling, held in Bangkok, from 17 to 18 February 1997. It addresses implications of eco-labelling schemes for market access and export competitiveness of products from ESCAP region, South East Asia; recommends measures to mitigate adverse trade effects.

Keywords:

Eco-Labelling, South Asia Trade, Textile and Ecolabelling



Eco-labels, Trade and Protectionism

Ecolabels and fish trade: Marine Stewardship Council certification and the South African hake industry

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Environmental and Resource Economics, Volume 33, Issue 1, January 2006, 1-37 p.

ISSN 0924-6460 ,ISSN 1573-1502

Eco-labels are suspected to serve protectionist purposes. Author analyses the choice between an environmental standard and a voluntary eco-label scheme in a partial trade model with one domestic firm and one foreign firm. The environmental standard will only apply to the domestic firm, while both firms can adopt the ecolabel. Pollution is production related, and domestic consumers demand products that are produced in an "environmentally friendly" way. Results show that it may be optimal for the domestic government to introduce an eco-label and get both firms to adopt the label, instead of setting an environmental standard. However, to what extent this policy serves protectionist purposes is ambiguous. In particular, if the willingness to pay for green products is sufficient to cover the pollution abatement costs of the foreign firm, foreign firm profit will increase while domestic firm profit will decrease compared to the outcome with a domestic environmental standard. On the other hand, if the willingness to pay for green products is insufficient, the foreign firm would be better off with a domestic environmental standard.

Keywords:

Eco-Labels; Product Differentiation; Trade Policy

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tralac Working Paper No. 9/2006, August 2006, 66 p.

This study is based on original fieldwork of second case study collected in a series of three studies on the political economy of standards on food safety, social and environmental impact, quality management and geographic origin. It covers standards in two export oriented fish industries- Nile perch in Uganda (food safety and quality management standards) and hake in South Africa (Marine Steward Council standard). It provides taxonomy of ecolabels in fisheries and discusses the history and general characteristics of the Marine Stewardship Council (MSC) initiative, and the criticism that has been levied against it. It examines the political economy of adoption, implementation and further verification of the MSC standard in the South Africa hake industry. It places the MSC case study in a comparative setting drawing from other 'sustainability' initiatives in timber and coffee. It also examines whether ecolabels are in breach of WTO disciplines. Conclusion drawn from this study is that independent auditing, transparency of standard-settings, accountability, and the need for standards to be based on 'good science', are not enough to facilitate certification in small scale developing country fisheries.

Keywords:

Food Safety; Social and Environmental Impact; Fish Industries- Nile Perch in Uganda; Marine Stewardship Council (MSC); Sustainability; WTO



Eco-labels: Trade Barriers or Trade Facilitators?: Discussion Paper

International Trade, Eco-Labelling, and Sustainable Fisheries – Recent Issues, Concepts and Practices

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CUTS-CITEE, 2009, 7 p.

This discussion paper evaluates the potential of eco-labels to be trade facilitators and conversely trade barriers. Which potential is harnessed more depends upon factors such as technology transfer, information dissemination, the modalities of designing and administering these labels etc. The paper takes the approach of 'first principles' by defining eco-labels and elaborating on objectives and classification of these labels. It brings out the potentially conflicting impacts of eco-labels in terms of protectionism and trade facilitation and illustrates this discussion through an elaboration of the Indian case. The paper analyses the relevance of eco-labels for the WTO and vice-versa, and concretises this discussion through elucidation of some of the major disputes triggered by eco-labels.

Keywords:

Eco-Label, Trade Facility, Trade Barriers, WTO

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Environment, Development and Sustainability, Volume 9, Issue 1, February 2007, 91-106 p.

ISSN 1387-585X, ISSN1573-2975

Certification of where, when and how fish are caught is emerging as an important fisheries management tool. The history of eco-labelling in the fisheries sector is relatively short and actual experiences of eco-labelling are limited, although an emerging trend is shaping in European and US markets. Eco-labelling in fisheries gained increased impetus with the development of the non-government Marine Stewardship Council (MSC) in 1996. This paper reviews the emerging importance of certification and eco-labelling in the fisheries sector, the development and operation of the MSC, identifying particularly the role of 'third party certification' as promoted by the MSC, and notes the opportunities and challenges for the MSC and eco-labelling in general.

Keywords:

Certification, Eco-labelling, Fisheries, International trade, Marine Stewardship Council



Ecolabelling: Is it a visible instrument for trade promotion?: Sustainable Production in the Leather Industry as a Tool for Enhanced Market Access

Eco-labelling and Sustainable Fisheries

Alam Ghayum

CUTS International Public Policy Centre, New Campus at Jagatpura Institutional Area, Jaipur, Calcutta: CUTS, 2005, v, 78p.

ISBN: 81-8257-053-0

The study on 'leather goods' is conducted by CUTS International to examine the impact of India's Eco Mark scheme on environmental performance and the influence of Eco label of EU on Indian trade. Eco labels play as an important market-based tool to influence the behaviour of consumers and industry in favour of environment-friendly products. This study is based on the primary information gathered from companies across India and member countries of European Union. The study finds that India's Eco Mark has not made any impact on the market due to its lack of popularity among industries and consumers. The EU eco label had a small impact on leather footwear market. The inference was that due to small impact of leather on EU market, it would not affect the export of these products to Europe. The study had also examined the impact of eco labels on India's exports.

Keywords:

Leather Goods, CUTS, Eco Label, Environment-Friendly Products, India's Eco Mark, Leather Footwear Market, EU Market

Deere, C.L.

Food and Agriculture Organization of the United Nations

ISBN-10: 283170507X, ISBN-13: 978-2831705071

The need for sustainable fisheries and the conservation of marine biodiversity are both internationally recognised. Both IUCN and the FAO share the goals of supporting and strengthening international and national efforts to improve the management of fisheries, coastal areas and marine biodiversity. In principle, eco-labelling has been endorsed by the international community as one of the tools that can help improve environmental management through market-based means. However, its application to natural resource sectors has proven complicated and often controversial. The goal of this publication, jointly supported by IUCN and FAO, is to outline clearly some of the complications and concerns as well as the benefits in an objective fashion to provide an informed basis for moving forward.

Keywords:

Sustainable Fisheries, IUCN; FAO, Eco-Labelling



An Overview of Ecolabels and Sustainability Certifications in the Global Marketplace, Interim Report, Document #2010-10-1

Private Voluntary Eco-labels for Sustainable Development

Jay S. Golden, Editor

Corporate Sustainability Initiative, Nicholas Institute for Environmental Policy Solutions, Duke University, October 2010, 99p.

This interim report is based on the findings of a joint survey between Big Rooms and the World Resources Institute, and it provides an initial broad overview of the use of eco-labels. The initial findings presented within this document provide a broad overview of the landscape and general construct of how eco-labels and certifications are being used in the global marketplace. The report includes three main sections: (1) a summary of relevant literature, (2) a review of key findings resulting from a global survey developed by Big Room and the World Resources Institute, and (3) a series of parallel studies of eco-labels and certifications as they have evolved in the food and agriculture, personal care, electronics, and textiles and apparel sectors. The results of this initial work are intended to provide greater insights into the design and utilization of eco-labels and certifications.

initiative in support of labelling.

Keywords:

World Resources Institute; Eco-Labels, Global Market, Food and Agriculture, Personal Care, Electronics, Textiles

The Ninth Meeting of the Round Table on Sustainable Development at the OECD was held at the Château de la Muette on Friday 6 December 2002, OECD, 2002, 4 p.

responsibility) of the discussion on 6 December. It is based on the two background papers for the meeting: Voluntary Sustainability Standards and Labels: The Case for Fostering them (Guy Salmon); and Private Voluntary Eco-labels: Trade Distorting, Discriminatory and Environmentally Disappointing (Vangelis Vitalis). Role of private and public sectors regarding trade and government intervention has discussed in large. The role of the public sector whether there was a need to expand the role of governments in private voluntary ecolabelling schemes discussed. In this context, the discussion was focused on the WTO, Eco-label Code of Conduct/Convention, WSSD Plan of Implementation, role of developing countries and their trade preferences. As with the discussion on the governmental role, views were mixed about the utility of private sector involvement. Among the points raised in the discussion were producer/consumer eco-labels, production versus process eco-labels, role of NGO/private sector standards, proliferation of schemes, and public-private sector

It is a short summary note (issued under the Chairman's

Keywords:

Eco-labels, Trade Distorting, WTO, WSSD, Governmental role, NGO



Eco-Labelling and Sustainable Fisheries

Who Needs Cream and Sugar When There Is Eco-Labeling? Taste and Willingness to Pay for "Eco-Friendly" Coffee

Carolyn Deere

Senior Associate, Global Economic Governance

IUCN: Washington, D.C. and FAO: Rome, 36p.

ISBN: 28317-0507-X

In the fisheries sectors, a number of recent eco-labelling initiatives have been designed to complement and support efforts to implement sustainable fisheries management systems. It reviews the current international framework and rationale for eco labelling, the different types of eco-labelling initiatives in the fisheries sector and the relationship of eco-labelling to international trade rules. It also highlights the particular concerns and opportunities that eco-labelling schemes may present for developing countries. It also presents the case for stronger engagement in eco-labelling discussions by all stakeholders and examines the rationale for international technical guidelines. This short review is primarily for the consideration of policy makers, private industry and civil society in countries with a strong interest in eco-labelling of fish and fishery products.

Keywords:

Eco-Labelling, International Trade, Developing Countries, fisheries sector

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PLOS ONE, Vol.8, No.12, 2013 9 p.

Participants tasted two cups of coffee, decided which they preferred, and then rated each coffee. They were told (in lure) that one of the cups contained "eco-friendly" coffee while the other did not, although the two cups contained identical coffee. In Experiments 1 and 3, but not in Experiment 2, the participants were also told which cup contained which type of coffee before they tasted. The participants preferred the taste of, and were willing to pay more for, the "ecofriendly" coffee, at least those who scored high on a questionnaire on attitudes toward sustainable consumer behavior (Experiment 1). High sustainability consumers were also willing to pay more for "eco-friendly" coffee, even when they were told, after their decision, that they preferred the non-labeled alternative (Experiment 2). Moreover, the eco-label effect does not appear to be a consequence of social desirability, as participants were just as biased when reporting the taste estimates and willingness to pay anonymously (Experiment 3). Eco labels not only promote a willingness to pay more for the product but also lead to a more favorable perceptual experience of it. Labelling serves as a marketing device for attracting consumers with preference for social fairness or environmental altruism and some individuals are indeed willing to pay a premium for labelled products.

Keywords:

Eco-Friendly Coffee, Sustainable Consumer, Ecolabelling and Trade



Eco-labelling: to be or not to be? Desirability of Eco-labels from an Environmental and Poverty Perspective

Multiplicity of Eco-Labels, Competition, and the Environment

Marisa Korteland

The Netherlands: CE Delft Solutions for Environment, Economy and Technology, May 2007, 92 p.

Eco-labelling is increasingly considered as a market instrument to bring about greater sustainability of human consumption and production patterns. At the same time, however, the application of labelling is controversial. Concerns have been raised on its actual environmental effectiveness and on its impact on growth and poverty alleviation in developing countries. The fear is that eco-labels act as barriers to trade. Government agencies operating in the field of environmental management and poverty alleviation need to take a position in the debate on 1.eco-labelling; to be or not to be? 2. This report aims to help defining this position. A theoretical framework with key indicators of labelling impacts is developed. Subsequently, two existing labelling schemes are evaluated: the Forest Stewardship Council (FSC) and Marine Stewardship Council (MSC) label. The main conclusion is that the desirability of eco-labelling is limited at the moment. When eco-labels grow to be successful, they are likely to become undesirable from a poverty perspective, whereas their ability to solve environmental problems remains uncertain. Therefore, the government is advised to solely support eco-labelling in its role as market participant. As a regulator it should not be heavily involved in eco-labelling; leave these initiatives to the markets.

Keywords:

Consumption, Production, Eco-labelling, Trade, International, Developing Countries, Welfare, Effects

Adel Ben Youssef¹ and Chema Abderrazak²

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Journal of Agricultural & Food Industrial Organization Volume 7, Issue 2, 2009, 1-24 p.

ISSN: 1542-0485

This article develops a vertical differentiation model to study the competition and environmental effects of multiplicity of eco-labels within a given market. The focus is on the informational content of multiple eco-labels and whether or not they reflect the environmental qualities the labels purport to represent. Two settings are considered. In the first setting, which represents the benchmark, It assumes information is complete (consumers know the true environmental qualities of the eco-labeled goods). In the second setting, information is incomplete but consumers use price as a signal for environmental qualities. The results show that when information is complete, introduction of a second eco-label in a market improves the environmental qualities of eco-labeled goods. When information is incomplete, introduction of a second label leads to a rise in prices and a reduction in the environmental qualities of the goods. The latter setting requires specific regulation whereby information must be revealed by a benevolent social planner.

Keywords:

Eco-Labels and Trade, Environmental Quality, Asymmetric Information, Green washing



Eco-Labelling: Actual Effects of Selected Programmes

Ecolabelling: Its Implications for China

Organisation for economic co-operation and development, Paris: OECD, 1997, 81 p. OCDE/GD(97)105

This paper is the final report of an examination of the actual market, trade and environmental effects of eco-labelling programmes carried out by the OECD Joint Session of Trade and Environment Experts. The study is based on information collected from various sources and interviews with representatives from eco-labelling programmes, government and interest groups (e.g. industry, consumer, environment and trade groups) in Sweden, USA, Belgium, Germany, Canada, Japan and France. This paper has examined the actual market, trade and environmental effects of a selection of eco-labelling programmes operating in OECD countries: the EU Eco-label Award Scheme, the Nordic Swan, the Swedish Environmental Choice Programme, the Canadian Environmental Choice Programme, the Blue Angel, the Green Seal, the Japanese Eco-Mark and the French NF Environnement.

The Fifth Conference of the China Council for International Cooperation on Environment and Development, Beijing, China, 23-25 September, 1996, Organised by International Institute for Sustainable Development, Canada and Information Institute, National Environmental Protection Agency, China, 21p.

It presents the outcome of the conference. It gives the information on labels which have been used for at least a century as means to inform consumers of special features of certain products or to warn consumers of possible impacts of particular products. It also describes how ecolabelling encourages manufacturing industries to be actively involved in environmental protection and pollution control by designing and developing environmentally friendly products. It presents the ecolabelling program in China and how it works. It summarizes the special features of this program. It discusses the implications of ecolabelling for China, including its impacts on China's trade as well as challenges and opportunities ecolabelling may create. At the end to the paper, it proposes some recommendations in the hope that they will be useful for China to implement its own ecolabelling program.

Keywords:

OECD Countries, Trade and Environment, Eco-labelling Programmes, Blue Angel, Green Seal

Keywords:

Ecolabelling, Environmental Protection and Pollution Control, Environmentally Friendly Products, Ecolabels and Trade



Sustainable Seafood and Eco-labelling: The Marine Stewardship Council, UK Consumers, and Fishing Industry Perspectives

Changes in consumer segments and preferences to green labelling

T.R. Potts, C. Pita Brennan, and G. Lowrie

SAMS Report: 270-211 Scottish Association for Marine Science, Oban. 2011, 78p.

ISBN: 0-9529089-2-1

The Effectiveness of Eco-labelling and Certification in Sustainable Aquaculture and Fisheries (EECSAF) project was funded by the Economic and Social Research Council (ESRC) and conducted by the Scottish Association for Marine Science (Dr Tavis Potts). This report presents the findings of research conducted over the period of December 2007 to December 2009. Further supporting research was conducted across 2010. The research investigated the structure, management and operations of several of eco-labelling and certification organisations (CEOs), public awareness and attitudes concerning seafood labelling, and the views of the fishing industry. This report investigates the following questions with a focus on the UK and the Marine Stewardship Council (MSC): 1. How does the Marine Stewardship Council implement its standard and what processes are in place to build credibility? 2. What is the impact of certified products in the market? Do labeled products influence consumers? 3. What are the experiences of industry in regards to the ecolabelling? This report aims to influence debate about the direction and effectiveness of the eco-labelling movement, provide advice and analysis to interested parties, and pull together the latest data on the topic. In contrast to recent approaches, EECSAF has taken a critical and in-depth approach to analysis of institutional practices, consumer values and the perspectives of the fishing industry. Future reports will cover eco-labelling and certification in aquaculture and growing trends in this emerging sector.

Keywords:

Eco-labelling and Certification, Marine Stewardship Council (MSC), Aquaculture, Ecolabelling, Fisheries, Ecolabelling and Trade Practices

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International Journal of Consumer Studies, Volume 38, Issue 5, September 2014, 458–466n.

ISSN: 1470-6431

This paper is a follow-up on a study conducted in 1996 to determine if there have been changes in market segments and consumer preferences since that time. The specific purpose of this study is to determine whether respondents' will be influenced by the presence of seals and/or logos certifying that the laundry detergent is environmentally friendly, and whether the customer segments and preferences have changed over time. Respondents were subjected to a stack of 16 cards with different combinations of price, degree of concentration, whether detergent had regular or low suds formulas, the presence of phosphates, and the presence of either a Green Seal, an EPA logo or both. The data yielded three distinct clusters/groupings of respondents (i.e. Green Seal, price and EPA Logo) different from the previous study. This study showed that respondents were not monolithic in their preferences for green labelling techniques. The findings of this study indicate that the customer segments and their preferences have changed over time. Suggestions are made for marketing to each of the respective current segments.

Keywords:

Choice, Eco, Environment, Green, Marketing, Eco label, Trade



Eco-Labeling Standards, Green Procurement and the WTO: Significance for World Bank Borrowers

Eco-labelling and the Trade-Environment Debate

Donald M. Goldberg, Elisabeth Tuerk, Janice Gorin, and David Vivas

Center for International Environmental Law, Geneva, Switzerland, March 2005, 51p.

This paper examines whether the rules of the World Trade Organization (WTO) are compatible with World Bank borrowers incorporating ecolabelling standards and criteria into their project-related procurement practices. This paper reviews WTO agreements, committee reports, and dispute panel and Appellate Body findings and concludes that eco-label standards and criteria can be used by client countries to "green" World Bank financed projects without offending WTO rules. This conclusion is based primarily on the exclusion of government procurement from the main WTO rules for goods and services and the flexibility provided by the rules of the plurilateral Agreement on Government Procurement. The paper also discusses concerns about eco-labelling that developing countries have raised in WTO committee and working group discussions, and it suggests some actions the Bank might take to alleviate those concerns. This paper provides a general overview of the applicability of trade law to eco-labelling. It analyses key elements of GATT and WTO jurisprudence related to labelling, including the most relevant agreements, related case law, and possible future directions that countries may take with respect to eco-labeling. It contains a similar discussion for government procurement. It concludes that WTO rules contain no significant barrier to the addition of eco-labelling standards and criteria considerations to project-related procurement by World Bank borrowers. It suggests some actions the World Bank might take to ensure that developing countries benefit from eco-labeling and green procurement.

Keywords:

WTO, Trade and Environment, Eco label and Trade, GATT and WTO, World Bank

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The World Economy, Volume 28, No. 1, January 2005, 49-62p.

ISSN: 1467-9701

In this paper author consider the effectiveness of eco-labels as a substitute for alternative, but trade-restrictive, environmental policies. Specifically, while there are concerns that eco-labelling requirements increase the cost of international trade, due to their potential for misuse as technical trade barriers, little attention has been given to the environmental benefits of eco-labelling. Authors show that incentive problems inherent in eco-labelling policies make it a very weak tool of environmental policy. Despite this, they argue that eco-labelling schemes may remain popular, owing to the lack of alternative WTO compliant environmental policies. They also use this framework to consider the economic and political conflicts facing the EU with regard to its policies on genetically modified organisms.

Keywords:

WTO. Trade and Environment, Eco label and Trade



Eco-labels, Production Related Externalities and Trade

Trade and Environment at the WTO

Mads Greaker

Statistics Norway, Research Department, Norway

Discussion Papers No. 332, September 2002, 33p.

This paper analyses the trade and welfare effects of eco-labels in a domestic market with one domestic firm and one foreign firm. Pollution is production related, and the government can choose between including the product category in an eco-label scheme and setting an environmental standard. The environmental standard will only apply to the domestic firm, while both firms can adopt the ecolabel. Given that the environmental damage is not too large, author finds that it is optimal for the government to introduce an eco-label scheme. An eco-label scheme is optimal even though the domestic firm may lose profit and the foreign firm may gain. Hence, the eco-label scheme is not introduced for protectionist purposes. Further, if the government for some reason were prevented from using ecolabels, global, domestic and foreign welfare would be hampered.

Keywords:

Eco-labels, Environmental Policy, Trade

WTO Secretariat, Switzerland: Trade and Environment Division-World Trade Organisation, 2004, 76p.

ISBN 978-92-870-3490-8

Developed to assist public understanding of the trade and environment debate in the WTO, this document briefly presents its history and focuses on trade and environment related issues within the Doha mandate, the effects of trade liberalization on the environment, the relationship between multilateral environmental agreements and the WTO, and a review of trade disputes involving environmental issues. Discussed in detail the Marrakesh Work Programme focused primarily on the issues of eco-labelling and handling requirements like requirements for packaging, recycling, re-use, recovery, and disposal. The issue of labelling requirements for environmental purposes has become, since the Doha Ministerial Conference, an issue of special focus in the work of the Committee on Trade and Environment (CTE) Regular. It details about the voluntary, participatory, market-based and transparent environmental labelling schemes which are potentially efficient economic instruments to inform consumers about environmentally friendly products.

Keywords:

Trade and Environment, WTO, Trade Liberalisation, Ecolabelling and Trade, Environmental Labelling, Environmentally friendly products



World Trade Report 2014 Trade and development: Recent trends and the role of the WTO

An Argument for WTO Oversight of Ecolabel

Delphine Marie-Vivien¹, Claude A. Garcia², C.G. Kushalappa³ and Philippe Vaast⁴

World Trade Organisation, Switzerland: WTO, 2014, 240p.

ISBN 978-92-870-3912-5

The World Trade Report 2014 looks at four major trends that have changed the relationship between trade and development since the start of the millennium: the economic rise of developing economies, the growing integration of global production through supply chains, the higher prices for agricultural goods and natural resources, and the increasing interdependence of the world economy. These trends are the economic rise of developing economies, the growing integration of global production through supply chains, the higher prices for agricultural goods and natural resources, and the increasing interdependence of the world economy. The Report also looks into what role the WTO plays.

The report shows how trade contributed significantly to the unprecedented economic development that has taken place since 2000. Trade has allowed many developing countries to benefit from the opportunities created by emerging new markets, to integrate into the world market through global value chains at lower costs, and to reap the rewards from higher world commodity prices.

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Stanford Environmental Law Journal, Volume 33, No. 3, July 2014, 421-455p.

ISSN 0892-7138

When the World Trade Organization (WTO) determined that the U.S.'s "dolphin-safe" tuna labels violated WTO obligations, environmentalists disparaged the organization for "ensur[ing] thousands of dolphins horrible deaths in tuna nets." When another decision found that the U.S.'s meat labeling rules violated WTO dictates, consumer protection groups similarly lambasted the international institution for "leading a race to the bottom in consumer protection." But these decisions pushed U.S. regulators to institute stronger measures that are more protective of dolphin and consumer safety. These strengthened protections are not accidental. The WTO opposed the original measures because they created uneven burdens, distorting trade without corresponding environmental or consumer benefit. Its intervention thus pushed the United States to improve its labeling systems for wider environmental and consumer benefit. This paper argues that such regulation by the WTO can improve environmental marketing more broadly, despite traditional environmentalist opposition to WTO intervention.

Keywords:

World Trade Organisation, WTO, Third World Countries, Trade and Development, Environment and Trade

Keywords:

WTO, Eolabel, Trade and the Environment, Tuna-Dolphin



Trademarks, Geographical Indications and Environmental Labelling to Promote Biodiversity: The Case of Agroforestry Coffee in India

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Development Policy Review, Volume 32, Issue 4, July 2014, 379–398 p.

ISSN: 1467-7679

The district of Kodagu, also called Coorg, in the Western Ghats of India produces 2% of the world's coffee, the expansion and intensification of which have reduced the forest cover by more than 30% in 20 years. Innovative actions are therefore urgently required to link economic development and biodiversity conservation, and stakeholders are exploring three strategies to add value to coffee from Coorg and prevent further biodiversity erosion: registration of trademarks; geographical indications; and environmental certification, via ecolabels. This article analyses their respective strengths and weaknesses and discusses the synergies between them.

Keywords:

Agro-forestry, Biodiversity, Coffee; Eco-Labels, Environmental Labelling, Geographical Indications, India, Trademarks



Eco label and Fairtrade



Label performance and the willingness to pay for Fair Trade coffee: a cross-national perspective

Consumer Preferences for Eco, Health and Fair Trade Labels: An Application to Seafood Product in France

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Department of Economics, College of William and Mary, Williamsburg, VA, USA

International Journal of Consumer Studies, Volume 32, Issue 5, September 2008, 470–478 p.

ISSN 1470-6431

In this paper, authors investigate how label information detailing the performance of the Fair Trade labelling programme with respect to coffee affect consumers' willingness to pay in the US and in Germany. It provides respondents (university students in the US and Germany) information regarding the hypothetical benefits of the Fair Trade coffee programme on its intended beneficiaries on the production side - the revenue gains to participating marginal farmers (scope of the programme) and, using stated preference conjoint methods, test how this performance criterion relates to the willingness to pay for Fair Trade coffee. Empirical results identify a 'threshold' property of performance-based labels. In effect, the willingness-to-pay for performance-based Fair Trade labelled coffee exhibits an inverted U shape in the sense that the willingness to pay is positively related to the scope of the programme, but only up to a critical level. Thereafter, the willingness to pay declines as the income gains to participating growers increase further. Interestingly, this inverted U property is exhibited by both the US and German respondents with different critical thresholds.

Keywords:

Willingness to pay, Poverty Aversion, Inequality Aversion, Stated Preference Methods, Conjoint Analysis, Cross-National Attitudes, Fair Trade

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Journal of Agricultural & Food Industrial Organization, Volume 10, Issue 1, April 2012, 1-30p.

ISSN (Online) 1542-0485

How are consumer attitudes towards eco-labeled products affected by a profusion of labels? This article provides both theoretical and empirical insight into this issue. Assuming that consumers perceive a label both as a sign of quality and of a particular characteristic of a product, authors deduce theoretical determinants for preferences for three types of label: a health label, an eco-label and a fair trade label. Using a French survey on seafood products, the estimation of a rank-ordered multinomial logit with random intercepts shows a certain proximity between the profiles of proeco-label and pro-fair trade label consumers, whereas pro-health label individuals have a more distinct profile: The two former are more likely to be young men mainly concerned with fishing conditions, whereas the latter are older married women with children who pay attention to the product form. Authors relate preferences for labels to degree of altruism, environmental consciousness, and other socio-economic features.

Keywords:

Environmental Preferences, Contingent Choice, Eco-Label, Seafood



Food Labels Survey: 2014 Nationally- Representative Phone Survey

Measuring Consumer's Willingness to Pay for Organic and Fair Trade Products

Consumer Reports® National Research Center, Survey Research Report, 2014, 23 p.

The consumer demand for more natural, environmentally friendly and socially-responsible food has proliferated. More than ever, consumers want to know exactly what is in their food; they are turning to food labels to provide this information. The Consumer Reports® National Research Center conducted a nationally representative phone survey to assess consumer opinion regarding the labeling of food. Survey showed that most U.S. consumers are environmentally and socially conscious when it comes to the food they eat; popular guiding principles when purchasing food include supporting local farmers, protecting the environment, and fair conditions for farm workers. In fact, fair trade conditions are so important to Americans, that most are willing to pay more to ensure their food was produced via fair working conditions. Findings also showed consumers expect more from natural and organic food labels. In addition, the vast majority of consumers want food labels to reflect different country origin, and if antibiotics or genetically modified ingredients were used at any stage of food production. Among Americans there is growing awareness of misleading food labeling practices; findings equivocally show that there is a consumer mandate for greater standardization and regulation of food labeling.

Keywords:

Natural, Environmentally Friendly, Food Labels, Fair Trade, Natural and Organic Food Labels

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International Journal of Consumer Studies, Volume 32, Issue 5, September 2008, 479–490p.

ISSN 1470-6423

Previous research has extensively studied consumer's environmental and social concerns. However, measuring the value of the environmental or social dimension of a product remains a challenge. This paper proposes to partially fill this gap by measuring the double 'Fair Trade and organic' labels" value using an experimental method - the Becker-DeGroot-Marschak's mechanism. Two 'organic and Fair Trade' and two conventional chocolate products were tested on a sample of 102 consumers. Results show that organic and Fair Trade labels increase consumers' willingness to pay, and allow the identification of three consumers' clusters. The first cluster represents people insensitive to the label. For the second cluster, the 'organic and Fair Trade' labels" influence on the improving image of the products is positive and important. And finally, for the third cluster, the valuation of the 'organic and Fair Trade' label is determined by the product's taste. The research contributes to a better understanding of consumers' valuation of Fair Trade and organic labels, leading to the conclusions, which offer managerial implications with respect to this market (importance of taste and usefulness of double labels).

Keywords:

Fair Trade, Organic Products; Taste, Labels, Experimental Method, Willingness To Pay, Organic Labels



Ecolable and Its Environmental Countenance

A conceptual framework for analyzing consumers' food label preferences: An exploratory study of sustainability labels in France, Quebec, Spain and the US

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Orissa Review, October - 2009, 64 -71 p.

This article details the information on Indian eco labeling scheme. It describes the different groups of label like fair trade, product specific labels, national labels etc. It provides the information on the general criteria and requirements needed for eco label. Also explains the product specific criteria and number of products covered in Indian eco labeling schemes. It explains the role of BIS and mechanism of getting eco mark logo. It also gives the information on eco labelling schemes across the world.

Keywords:

Fair Trade, Product Specific Labels, National Labels, Eco Label, Bureau of Indian Standards

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International Journal of Consumer Studies, Volume 37, Issue 6, November 2013, 605–616p.

ISSN 1470-6423

In a qualitative study of 375 consumers in France, Quebec, Spain and the US, respondents are asked to choose between pairs of actual food labels and to describe the reason(s) for their choice. The food labels included sustainability labels (eco-labels, Fair Trade, origin) as well as product attribute (e.g. quality, kosher) and health/nutrition labels. Respondents' reasons were coded in the original language using the same coding system across all four nations to examine their preferences for label message, design and source. Authors also examined the role of consumers' values, beliefs and experiences on their label choices. The coding system was drawn from a review of theoretical and empirical literature and provides a conceptual framework that calls the Label Consumer Interaction model for evaluating consumers' food label preferences. Although this is case study, the results point to substantial differences across nations in terms of preferred labels, as well as the rationale for their choice in terms of attributes of the labels and consumer characteristics.

Keywords:

Eco-Label, Fair Trade, Label Consumer Interaction Model, Sustainable Consumers



Green labelling, eco-certification and fair trade: Threats and opportunities for Namibia: A summary policy brief

Promoting Sustainable Consumption: Good Practices in OECD Countries

Organisation for Economic Co-Operation and Development, 2008, 61p.

This report highlights OECD government initiatives to promote

sustainable consumption, with an emphasis on individual

policy tools and instruments and their effective combination. In

this study, sustainable refers to both the environmental (pollution, waste, resource use) and social (health, welfare)

characteristics of products. It focuses on consumption by

households and governments. It discusses government tools

and instruments (e.g. standards, taxes, subsidies,

communications campaigns, education) put in place to

encourage sustainable consumption. It also discusses

approaches for protecting consumers from misleading

information on sustainability in areas such as

labelling, advertising and corporate reporting. It discusses

standards, mandatory and voluntary labelling and their

relationship with trade how these are used as instruments for

influencing sustainable consumer choices. The Fairtrade label

and certification system is credible, having a number of standard criteria aimed at providing a livelihood and quality of

life to small farmers in developing countries. This study is part

of the OECD contribution to the UN Marrakech Process on

Sustainable Consumption and Production. It draws on work being done within various OECD Committees (including the

Environment Policy Committee, Committee on Consumer Policy and Trade Committee) and the seven Marrakech Task Forces

Kudakwashe Ndhulukula and Pierre du Plessis

Renewable Energy and Energy Efficiency Institute (REEEI), Polytechnic of Namibia, Windhoek, Namibia

Windhoek: Polytechnic of Namibia, REEEI. 2009, 4p

Namibia has undertaken a rapid trade and environment assessment, which identified potential green opportunities and likely threats from international trade law and technical standards. The assessment has ignited national debate among stakeholders from the often unconnected sectors of international trade, environment, agriculture, water, energy, tourism and others. Labels serve the purpose of allowing consumers to make comparisons and informed choices from among products and or services in a category. Environmental labels focus primarily on consumption rather than production of goods. Organic labels specify a particular production method without necessarily requiring proof of environmental improvement. Ecolabels communicate the environmental impacts over the life cycle of the product – "from cradle to grave" This policy brief highlights opportunities and areas for further attention and follow-up in the green labelling and ecocertification.sectors.

This brief was summarised from the 'Green labelling, ecocertification and fair trade: Threats and opportunities for Namibia' by Kudakwashe Ndhulukula and Pierre du Plessis for Namibia's Rapid Trade and Environmental Assessment and edited by S. Montgomery

Keywords:

led by OECD countries.

Green Labelling, Eco-Certification, Fair Trade, OECD Countries

Keywords:

Green Labelling, Eco-Certification, Fair Trade



Do fair trade and eco-labels in coffee wake up the consumer conscience?

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Ecological Economics, Vol. 53, 2005, 129-138p.

ISSN 0921-8009

In this study, a face-to-face survey was conducted in order to reveal consumer preferences for ethical and environmentally sound labelling programs in coffee. Valuation questions regarding the fair trade, shade grown, and organic coffee labels were asked using a payment card format, after consumers were previously informed about each of the labeling programs. Results suggest that consumers are very receptive toward both fair trade and shade grown coffee labels, and consequently are willing to pay higher premiums for these labelling programmes than for the organic coffee.

Keywords:

Green Labelling, Eco-Certification, Fair Trade, Organic Coffee



Eco label and fashion



Labelling fashion market

Is the urban Indian consumer ready for clothing with eco-labels?

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International Journal of Consumer Studies, Volume 32, Issue 6, November 2008, 633–638 p.

ISSN 1470-6423

The present article discusses how an ethical and environmental labelling system can be implemented in fashion garment markets. Consumers act in markets that provide them with more information than their limited cognitive capacity allows them to handle. Ethical and environmental labelling in markets characterized by change, such as the fashion garment market, makes decision-making even more complicated. The ethical and environmental labelling system proposed here is designed to alleviate firms' administrative burden and give consumers more choice. It proposes that information on ethical and environmentally friendly production should be combined to enable consumers to decide whether they want to contribute an extra sum for the item they purchase in the store, which would then be transferred to the workers or an environmental organization. The beneficiaries - garment workers in developing countries and environmental organizations - would decide what to do with the money. This is a simpler and more direct solution than those suggested by scholars and activists trying to solve the problems of 'sweatshops' and the environmental consequences of the production of fashion garments. It also reduces administration compared with existing systems. At the same time, it can be implemented alongside systems based on strict regulation of production.

Keywords:

Ethics, Fashion, Information, Eco-Labelling, Green Market, Political Consumption

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International Journal of Consumer Studies, Volume 32, Issue 5, September 2008, 438–446 p.

ISSN 1470-6423

India has witnessed rapid strides of development at sustained growth rates of more than 8% and has seen a huge spurt in consumption. Consequently, it has been estimated that the increased consumption may result in the country becoming one of the leading offenders relating to environmental pollution. The textiles industry in India is traditionally one of the worst offenders of pollution, with its small units following outdated technology processes. One opportunity to reduce the environmental impact of clothing industry in India is to concentrate textile production within environmentally certified or eco-labelled clothing. In the absence of existing research, this study investigates whether the urban Indian population would be interested in clothing with eco-labels. The results suggest the existence of a segment of consumers who are positively motivated towards eco-labelled garments. This segment profile is described in terms of demographic and psychographic variables. Managerial implications and future directions are suggested.

Keywords:

India, Eco-Labelled Clothing, Consumers, Willingness to Pay More, Eco Label



Consumer willingness to pay for sustainable apparel: the influence of labelling for fibre origin and production methods

Green spirit: Consumer Empathies for Green Apparel

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International Journal of Consumer Studies, Volume 32, Issue 5, September 2008, 491–498 p.

ISSN 1470-6423

This study of value-based labelling for apparel products examined consumer willingness to pay (WTP) for three credence attributes of fibre: origin, type and production method. Experimental auctions were conducted with student subjects in Texas and used socks made from cotton and polylactic acid (PLA), a fibre manufactured from corn. The bid results of two rounds were compared. The first round was conducted without information about the credence attributes of the socks. The second round included varying levels of three types of attributes: fibre origin (imported, US and Texas), fibre type (cotton and corn) and production method [conventional, organic and non-genetically modified (GM)]. Tobit regression analysis was performed using the attributes and subject demographics to determine consumer WTP for the various attribute levels and to profile consumers with interest in the attributes. In terms of origin, results show that participants were willing to pay a premium for socks with fibres produced in Texas, but not for those produced in the US. Fibre type mattered, with participants requiring a discount once they learned that socks were made with PLA fibre. The greatest premium (\$1.86) was placed on socks labelled as organic, slightly more than the premium for socks labelled as non-GM. The results also indicate that women were less willing to pay for US fibres than men, and Hispanics were less willing to pay for organic or non-GM fibre production. A key finding of this study is that consumers value information about the local origin of fibres. The premium for organic fibres is not unexpected, given the success of the organic apparel market, but the premium on non-GM fibres suggests that sustainable production systems that are not organic may be successful if they emphasize other attributes such as local or non-GM.

Keywords:

Fibre, Apparel, Local Market, Organic, Genetically Modified

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International Journal of Consumer Studies, Volume 38, Issue 5, September 2014, 493–499 p.

ISSN 1470-6423

The fashion industry has not fully addressed the movement towards sustainability head-on. The purpose of this study was to identify factors influencing environmentally friendly apparel purchase intentions using the theory of planned behaviour as a guide. In this case, environmental knowledge, environmental concern and attitudes towards environmentally friendly apparel purchase behaviour make up the attitude component. In addition to social pressure, we suggest environmental guilt also makes up the dimension of normative influence. Furthermore, the study extends the theory of planned behaviour's idea of perceived behavioural control beyond previous behaviour and convenience, also taking into account willingness to pay. Data were collected from 220 American adults via an online consumer panel. The results show that individual environmental attitudes, environmental concern and knowledge, social pressure to behave in an environmentally friendly manner, environmental guilt, perceived environmental impact, past environmentally friendly apparel purchases, accessibility and cost of environmentally friendly apparel all impact purchase intentions. Furthermore, previous purchases, attitudes towards purchasing environmentally friendly apparel and social pressure are the strongest indicators of future environmentally friendly purchase behaviour. Managerial implications are discussed.

Keywords:

Apparel, Eco, Environmentally Friendly Apparel,; Green, Sustainability, Theory of Planned Behaviour



A Theoretical Investigation of Slow Fashion: Sustainable Future of the Apparel Industry

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International Journal of Consumer Studies, Volume 38, Issue 5, September 2014, 510-519 p.

ISSN 1470-6423

Environmental sustainability issues become important in the apparel industry. Primary practices involve replacing harmful chemicals with environmentally friendly materials, and reducing amounts of waste and resource consumption through apparel recycling. A more recent sustainable movement in the industry is slow fashion. It is a socially conscious movement that shifts consumers' mindsets from quantity to quality, encouraging people to buy high-quality items less often (Fletcher). Slow fashion encompasses slow production and consumption. Slow production does not exploit natural and human resources to expedite manufacturing speed (Fletcher), and slow consumption entails a longer product lifespan from manufacturing to discarding. Although the slow fashion concept may not be limited only to environmental sustainability, the conceptual distinction between slow fashion and environmentally sustainable fashion remains vague. This may be because academic understanding towards slow fashion is very limited despite the growing interests in slow fashion in practice. The purpose of this study is to explore the dimensions of slow fashion following Churchill's paradigm for measurement development. Through the scale item development measuring consumer orientations to slow fashion, this study attempts to define slow fashion theoretically with underlying dimensions. The initial scale items were generated based on a literature review and an open-ended survey. Then, via two surveys (i.e. with student and nonstudent samples) in the Southeastern region of the US, the items were purified and validated. As a result, 15 items of five dimensions accounted for slow fashion: equity, authenticity, functionality, localism and exclusivity. The identified five dimensions clearly show that slow fashion is a broader concept than environmental sustainability alone, encompassing (1) caring for producers and local communities for sustainable life (equity and localism); (2) connoting history for sustainable perceived value of the product (authenticity); (3) seeking diversity for the sustainable fashions world (exclusivity); and (4) maximizing product lifespan and efficiency for a sustainable environment (functionality). This study is one of the first attempts to seek underlying dimensions of slow fashion through scale development. This procedure may provide a basis for a theoretical definition of the slow fashion concept. Regarding practical contributions, slow fashion may be useful to foster US domestic apparel manufacturing and local economies. Furthermore, slow fashion may broaden the range of consumers' choices. When combining a young and independent designer's innovative spirit with local resources, slow fashion is likely to lead fashion diversity, beyond being driven by identical fashion trends.

Keywords:

Fashion, Environmental Sustainability, Apparel Marketing, Environmentally Friendly Apparel



Eco Label, Ecomark and Marketing



Green Consumerism and Eco-labelling

Labelling Wool Products for Animal Welfare and Environmental Impact

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Asia Pacific Journal of Marketing and Management Review, Volume 1 No. 4, December 2012, 91-96p

ISSN 2319-2836

During marketing of each product or service, if it is labeled properly, it makes consumers more informed and product manufacturers attract investors' attention by demonstrating progressive thought and action. There are so many labels, standards, symbols or logos available across the world. It helps the consumer to understand the implications of their buying decisions. These are ISI mark; ISO standards; Ag Mark; and eco labels of European Unions, USA, China, Japan, India, and other countries. Green Single is one of these green labels given to products and services not harmful to the environment. The present article narrates the different types of the labels of ISO and schemes of eco labelling across the world. Author concludes that eco-labeling to products and services are better to sale goods all over the world. Specially, European countries are giving more importance to the green labelling, so for export to these countries eco-labeling is important, so that it can be easily accepted.

Keywords:

Green Labelling, Eco-labelling, New Environmental Policy Instruments, Life Cycle Analysis, ISO, International Standards Organisation

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International Journal of Consumer Studies Volume 32, Issue 5, September 2008, 427–437p.

ISSN 1470-6423

The notable growth of the market in recent years indicates apparel consumers' interest in organic fibre products. Yet less is understood about how apparel consumers would respond to labelling for other credence attributes associated with animal-fibre products, such as animal welfare or eco-friendliness. An online survey of 507 U.S. consumers was used to compare consumers' reactions with a variety of labelling schemes for wool product attributes, including animal-friendly, organic and environmentally friendly production. Consumer segments were created based on frequency of label choice, and analysis of variance and multinomial logit regression were used to identify and characterize the demographics and psychographics of the consumer segments that found labelling for animal welfare or environmental concerns appealing. The study identified a segment of consumers (19% of the sample) who were motivated to purchase apparel products labelled for animal welfare. These animal-focused consumers could be identified with relatively high accuracy from the demographic and psychographic variables in the model. The model variables, which included familiarity with organic products and self-perceived knowledge about environmental damage related to apparel production, were not effective in identifying the environment-focused apparel consumers. The results also demonstrated the ability of a general belief in animal rights to motivate the apparel consumers in the sample, suggesting that acting on a concern for animals could be a more powerful motivation for consumer behaviour than acting on a concern for the environment.

Keywords:

Wool, Apparel, Animal Welfare, Organic, Country-of-Origin, Eco-Labels, Eco-Friendly, Environmentally Friendly Production, Eco label and Trade



Creating markets for eco-labelling: Are consumers insignificant?

Eco-Labelling and Stages of Development

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International Journal of Consumer Studies, Volume 30, Issue 5, September 2006, 477–489p.

ISSN 1470-6423

The proliferation of voluntary certification and labelling schemes for environmentally and socially responsible production is often seen as driven by companies and consumer demand. Through a careful examination of the initiation and spread of such initiatives in the fishery and forestry sectors, this paper challenges a rational-economic perspective that sees the spread of non-state governance schemes primarily as a market-driven phenomenon. Drawing on a political consumerism perspective, the paper argues that transnational environmental group networks and their targeting of firms were key to the emergence of non-state eco-labelling schemes, and that most firms decided to support or participate in such schemes only after intensive environmental group pressure. The paper opposes the view that non-state governance challenges traditional state authority, by showing that states, through public procurement policies and support, contributed to create markets for forestry and fishery labelling in many countries. Although some states have been more sceptical of fishery labelling, largely because of the way fishery resources are managed, they have come to accept it as a helpful supplement to public rules and regulations.

Keywords:

Certification, Consumer Influence, Eco-Labelling and Market, Environmental Governance, Non-Governmental Organizations

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Review of Development Economics, Volume 7, Issue 2, May 2003, 228–247p.

ISSN: 1467-9361

The paper examines the effectiveness of eco-labelling in providing a marketbased solution to the under-consumption of eco-friendly products in developing and developed countries. The authors show that whether labelling is an effective device in solving the problem of asymmetric information between sellers and buyers, or whether false labelling severs the link between willingness to pay and environmental conscious production choices, depends crucially on how monitoring intensities respond endogenously to economic growth, openness to trade, and technology transfers. In particular, by accounting for endogenous policy responses to economic growth, it is shown that an inverted-U relationship exists between consumer spending on eco-unfriendly products and national income. In addition, while international trade unambiguously benefits the environment in the presence of eco-labelling with perfect enforcement, trade openness may nevertheless delay the turning point of the growth and environment relationship, when the cost of enforcement falls disproportionately on developing countries, and when environmental policies are employed to reap terms-of-trade gains.

Keywords:

Eco-Labelling, Economic Growth, Endogenous Policy, International Trade



Eco-labelling and Textile eco-labelling

Eco-Labels and International Trade in Textiles

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Review of Progress in Coloration and Related Topics, Volume 28, Issue 1, June 1998, 61–70 p.

ISSN: 1478-4408

Importance of eco labelling and its philosophy in the life is increasing across the world. Eco labelling schemes- national and international is continuing to proliferate and causing confusion in the market place. The aim of this review is to provide the present status of different and major eco labelling schemes. National and international ecolabelling schemes continue to proliferate, causing increasing confusion in the market place. It has specifically focused on the leading textile related schemes across the world. It has discussed the different EU textile eco labels which are national labels and so called private labels that cover a wider geographical area. The terminology distinguishes these from EU eco labelling policy. It has discussed individually the private labels-Ecotex, Oekotex, and GuT and the national labels—Nordic Swan, Swedish Nature Conservation Society, Skal Organic, and Stitching Milieukeur.

Keywords:

Eco Labelling, National Labels, Private Labels, EU Eco Labelling Policy, Eco labeling Scheme and Market

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American Journal of Agricultural Economics, Volume 81, No. 5, Proceedings Issue (December, 1999), 1078-1083p.

ISSN: 1467-8276, ISSN: 0002-9092

This paper provides a formal analysis of the welfare and trade implications of ecolabelling schemes. A simple model of vertical (quality) differentiation captures major stylized features of the textiles market in which trading takes place between an industrialized North (domestic) and a developing South (foreign). The paper investigates several labelling scenarios (labelling by North, labelling by both North and South, and harmonization). A labelling scheme in the North without the South's participation is detrimental to both the North's and the South's producers of conventional textiles. In aggregate, the North's textiles industry benefits from the introduction of the label. If the South creates its own label, it regains market share in aggregate, but at the cost of its conventional textiles sector; both of North's industries lose. Consumers gain with a wider choice and with higher quality of textile goods. They would favor upward international harmonization of eco-labels towards the higher quality of the North, as long as the South participates in production and provides some cost discipline.

Keywords:

Eco-Labels, Textiles Markets, Trade and Ecolabelling, International Trade



Legal and Trade Issues Related to Eco-Labelling: Bangladesh Perspectives

Ecolabelling: Consumers' Right-To-Know or Restrictive Business Practice?

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Journal of Bangladesh Institute of International and Strategic Studies (BIISS), Volume 24, No.4, October 2003, 529-562p.

ISSN: 1010-9536

This article raises certain legal and policy issues arising from the use of labelling for environmental purposes (eco-labels) in international trade, and the implications for market access, particularly for products from developing countries. Eco-labelling was identified as a significant area in Agenda 21 (1992) and in Doha Declaration (2001). More recently, the Johannesburg Plan of Implementation (WSSD, 2002) also recognized the importance of consumer information related to sustainable consumption and explicitly noted the need to continue work in this area. Eco-labels may potentially enhance the terms of trade of those developing countries able to accurately translate the mood of industrialized country consumers into environmentally friendly product development. There are also hopes that eco-labelling could provide new opportunities for attracting capital investment and joint ventures in developing countries, such as Bangladesh. This article raises certain legal and policy issues arising from the use of labelling for environmental purposes (eco-labels) in international trade, and the implications for market access, particularly for developing country products. Of particular interest are transparency issues relating to the design and implementation of voluntary eco-labelling schemes; the criteria used in the design of eco-labels which increasingly reflects the life cycle of products; and the WTO treatment of eco-labelling. Eco-labelling was identified as a significant area in Agenda 21 (1992) and in Doha Declaration (2001). More recently, the Johannesburg Plan of Implementation (WSSD, 2002) recognises the importance of consumer information related to sustainable consumption and explicitly noted the need to continue work in this area. The financial cost of eco-labelling could be quite high. At the same time, eco-labelling is seen by some as an important element for gaining access to 'green' markets. Eco-labels may potentially enhance the terms of trade of those developing countries able to accurately translate the mood of industrialised country consumers into environmentally friendly product development. There are also hopes that eco-labelling could provide new opportunities for attracting capital investment and joint ventures in developing countries, such as Bangladesh. As a least developed country with a big emerging market, Bangladesh needs to have a better understanding of issues of eco-labelling. Therefore, this paper discusses the challenges and opportunities eco-labelling may create for Bangladesh

Keywords:

International Trade, Eco-Labelling, WTO, Agenda 21, Doha Declaration, Environmentally Friendly Product, Bangladesh

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Global Environment and Trade Study (GETS), GETS Paper #95-3

In recent years, environmental concern has stimulated new initiatives in labelling policies, which have been used to protect consumer health and safety for more than a century. Voluntary "ecolabelling" schemes now exist in dozens of countries, as official governmental policy or promoted by non-governmental organizations, and internationally. As trade expands, international cooperation amongst ecolabelling schemes is required. Negotiated agreements based on equivalent environmental impacts or mutual recognition between national schemes is feasible, but only if there is a careful balancing of all interests. By definition, ecolabelling imparts preferential access to markets for producers complying with certain processing and production methods. Such discrimination may conflict with the GATT's Most-Favoured-Nation rules and certainly generates new competitive pressures amongst producers. In particular, producers with scarce capital may lose markets and low per capita income countries may lose valuable foreign exchange. When ecolabelling criteria are stringent, producers lacking assured returns on their environmental investments may seek to undermine implementation. When ecolabelling criteria reflect a nation's domestic preferences, foreign producers may challenge them as trade barriers. When processing and production criteria are uninformed by an internationally standardized life cycle analysis, negotiations for equivalency and mutual recognition may fail. When producers are denied access to the ecolabelled market niche for any of these reasons, existing trends towards monopolistic global trade are exacerbated; ecolabelling itself may become a restrictive business practice enhancing the market shares of major transnational corporations. Especially when ecolabelling and certification bodies, or other decision making institutions, are captured by powerful interests, the implementation of an effective ecolabelling policy may be impossible. In the present period of international institutional evolution, broad and balanced participation is essential to ensure both the design and the implementation of effective policies to achieve sustainable patterns of production and consumption.

An earlier version of this paper was presented at the Max Planck Institute for Comparative Public Law and International Law Symposium on "Enforcing Environmental Standards: Economic Mechanisms as Viable Means?" Heidelberg, Germany, July 5-7, 1995.

Keywords:

Trade Barriers, Ecolabelling, GATT, Trade and Ecolabelling, Life Cycle Analysis, Eco label Market



Awareness of Eco-label in Malaysia's Green Marketing Initiative

Eco-Labelling Perspectives amongst Malaysian Consumers

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International Journal of Business and Management, Volume 4, No 8, 2009, 132-141 p.

ISSN 1833-3850, ISSN 1833-8119

Consumer awareness of the environment and preference for more environmentally benign products appears to be growing steadily around the developed world and also some developing countries. The Malaysian government too has responded very positively to this challenge. In 1996 Standards and Industrial Research Institute of Malaysia (SIRIM) launched the national eco-labelling program verifying products according to environmental criteria such as environmentally degradable, non-toxic plastic packaging material, hazardous metal-free electrical and electronic equipment, biodegradable cleaning agents and recycled paper. Federal Agriculture Marketing Authority (FAMA) has the Malaysia Best logo for environment friendly agriculture product and the Malaysian Energy Commission for energy efficient electrical products. But is the Malaysia consumer ready for the eco-label? Taking into consideration the infancy stage of the Malaysia green marketing initiative, traditional approach to evaluating local consumer receptiveness to the eco-label might not be suitable. This paper approaches the introduction of eco-label with two perspectives in mind. Firstly, while earlier studies from the western scholars use eco-label as a part of the augmented product, this study introduces eco-label as a separate moderating variable. Secondly, the choice of employees working in ISO 14001 certified organization as the study population explore a potentially conducive place to initiate a systematic effort in developing a green consumer community. The result is very encouraging. This study has clearly shown that, with some exposure to environmental related experiences (such as those who were working with organization implementing the EMS) Malaysian consumer would indeed react positively to the eco-label. In fact, for situation that requires them to consider environmental aspects of a product that they wish to purchase, the eco-label will definitely be the crucial factor that will push them to make the right purchase choice.

Keywords:

Eco-Label, Environmental Attitude, Malaysian Ecolabelling, Green Products, ISO14001, Environment friendly Agriculture Product, Eco labeling and Marketing

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Canadian Social Science, Volume 5 No. 2, March 2009, 1-10p.

ISSN 1712-8056, ISSN 1923-6697

This study explores the Malaysian consumers' trust of an eco-label and the influence it has in their choice for the corresponding environment friendly product. Taking into consideration the infancy stage of the Malaysia green marketing initiative, traditional approach to evaluating local consumer receptiveness to the eco-label might not be suitable. This paper approaches the introduction of eco-label with two perspectives in mind. Firstly, while earlier studies from the western scholars use eco-label as a part of the augmented product, this study introduces eco-label as a separate moderating variable. Secondly, the choice of employees working in ISO 14001 certified organizations as the population explore a potentially conducive place to initiate a systematic effort in developing a green consumer community. The result is very encouraging. This study has shown that, with some exposure to environmental related experiences Malaysian consumer would indeed react positively to the eco-label. In fact, for situation that requires them to consider environmental aspects of a product that they wish to purchase, the eco-label will definitely be the crucial factor that will push them to make the right purchase choice.

Keywords:

Consumer, Eco-Labelling, Environment Friendly Product, ISO 14001, Eco-label, Green Products, Environmental Management System, Eco label and Trade



Ethno-Cultural Differences and Consumer understanding of Eco-Labels: An Empirical Study in Malaysia

New Approaches to Ecolabelling of Paints in Ukraine

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Journal of Sustainable Development, Volume 3, No. 3: September 2010, 255-262 p.

ISSN 1913-9063, ISSN 1913-9071

Firms have been using eco-label as a tool to inform consumers of the environmental characteristics of their products. The essential issue for marketers in international markets particularly in countries with multi-ethnic population such as Malaysia is to identify the existence of different ethnic groups and their responses (i.e. behaviour) to their products. The purpose of this article is to examine whether different ethnic groups display different perception on eco-label. Results indicate that Malay, Chinese and Indian, the three major ethnic groups in Malaysia differ in their awareness, recognition and perception of the eco-label. The findings imply the importance of ethnicity whereby marketing managers should consider ethno-cultural differences when marketing and promoting their eco-labeled products in the market to achieve competitive advantage.

Keywords:

Eco-Label, Ethnic Groups, Malaysia, Eco label and International Market

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Forum Ware International, Volume 2, 2011, 6 p.

ISSN 1810-7028

This paper reveals the results of long standing collaboration of the government, science and business representatives aimed to reduce environmental impacts during production, application and disposal of paints. The importance of environment protection problem and the impacts during manufacturing and consumption of paints raise an interest to development of methods to reduce such impacts. Ecolabelling acceptance has been growing worldwide as a market based instrument to promote pollution prevention and sustainability. Paints ecolabelling scheme was developed in Ukraine under the programme of ecolabelling carried out by the ngo "Living planet", the member of Global ecolabelling network. Ecological aspects gain more importance, since the public is increasingly aware of environmental problems.

Keywords:

Ecolabelling Schemes, Ecolabelling Criteria, Paints, Global Ecolabelling Network, Ecolabel and Market



Eco-Labelling for Buildings

Selection of product categories for a national ecolabelling scheme in developing countries: a case study of Vietnamese manufacturing sub-sectors

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Towards Sustainable Building, Part 1, Nicola Maiellaro Ed., Springer: Netherlands, 2001, 43-57 p.

ISBN 978-90-481-5824-9, ISSN 978-94-017-3563-6

The dynamic character of the concept of sustainable development requires a continuous improvement of specific environmental performance in the building sector. Ecological construction that goes beyond general standards therefore needs voluntary engagement at the highest possible level. At the same time, outstanding ecological "better practice" in the construction industry often cannot be sufficiently distinguished by the general public from the growing number of overblown private eco-labelling schemes. Self-determined labels declaring a building (product) to be "ecological", "environmentally friendly" or "sustainable" often appear largely arbitrary or highlight just single aspects of the overall environmental impact of a building. At the same time, existing assessment and labelling schemes are of an extremely varied nature, rendering comparison even more difficult. This article is the chapter of a book 'Towards Sustainable Building' edited by Nicola Maiellaro.

Keywords:

Environmental Performance, Ecological, Environmentally Friendly, Sustainable Building, Ecolabel and Market, Construction Industry and Ecolabel

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Journal of Cleaner Production, Volume 18, Issue 14, September 2010, 1446–1457 p.

ISSN 0959-6526

Although the selection of product categories is a deciding factor for the success of eco-labelling schemes, there are no consistent methods for determining selection factors and how to prioritise product categories for developing countries (DgCs). This paper attempts to identify appropriate factors for product category selection and formulate a prioritisation method applicable to DgCs. Authors first examined the selection factors currently utilised in schemes worldwide by conducting a questionnaire survey of representatives of foreign schemes. Selection factors were illustrated on a plot graph, which indicated the percentage of factors implemented in the schemes of DgCs and developed countries (DGs), and their plausibility assessed when utilised in the schemes of DgCs. In this way, we proposed three groups of factors: an exclusion factor, five core factors and seven operational factors. Then, under the conditions of DgCs, such as socioeconomic issues and availability of data, they used and modified some judging guidelines of the European Ecolabel (the EU Flower), e.g. determining the environmental impacts and potential of environmental improvements, in the scoring method to prioritise product categories by weighting factors. In light of the findings, authors utilised the proposed factors and modified the scoring method to prioritise the screened primary list of product categories of Vietnamese manufacturing sub-sectors. By scoring factor-based questions and prioritising in three ways, i.e. following the scoring method of the EU Flower programme, totalling all values with equal weighting, and totalling all values but by doubling the weighting of core factors compared with operational factors, it is observed that the weighted prioritisation differentiates priority product categories more clearly than the other methods. Authors propose the two highest potential candidates for eco-labelling in Vietnam, namely textile/garment and fishery products.

Keywords:

Developing Countries, Factors implemented, European Ecolabel, Environmental Impacts, Ecolabel and manufacturing units



The Potential Role of Carbon Labelling in a Green Economy

Eco-labelling: Challenges and Opportunities for Small States and LDCs

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 Professor of Law and Director, Climate Change Research Network, Vanderbilt Law School
- RFF Discussion Paper 12-09, RFF Press: An Imprint of Routledge, Washington, DC April 2012, 32 p.

Over the past several years, labeling schemes that focus on a wide range of environmental and social metrics have proliferated. Although little empirical evidence has been generated with respect to carbon footprint labels, much can be learned from the experience with similar product labels. Authors had first reviewed the theory and evidence on the influence of product labelling on consumer and firm behavior. Next, they considered the role of governments and nongovernmental organisations, concluding that global, multi-stakeholder organisations have a critical part to play in setting protocols and standards. They argued that it is important to consider the entire life cycle of a product being labeled and develop an international standard for measurement and reporting. Finally, authors examined the potential impact of carbon product labelling, discussing methodological and trade challenges and proposing a framework for choosing products best suited for labelling.

Keywords:

Carbon Labels; Voluntary Disclosure, Consumer Behavior, Life-Cycle Analysis, Rebound Effect, Leakage, Trade and Ecolabelling

Michanne Haynes

Research Officer, Economic Affairs Division, Commonwealth Secretariat

Economic Affairs Division of the Commonwealth Secretariat, Issue 95, 2012, 8 p.

ISSN: 2071-8527, ISSN: 2071-9914

This issue of "Commonwealth Trade Hot Topics" highlights some of the challenges and also opportunities faced by exporters from small states and least developed countries (LDCs) heavily dependent on export markets where the use of voluntary ecolabelling schemes is continuing to grow, particularly in the agrifoods sector. It is observed that large, brand-sensitive retailers implement eco-labelling schemes voluntarily and provide a means to differentiate their products from those of competitors. The study concludes that producing goods and services by recognised environmentally sustainable practices could earn producers a premium price in export markets where consumers are willing to pay this premium.

Keywords:

Least Developed Countries, Agri-Foods Sector, Ecolabelling and Trade



Eco labelling: Overview and Implications for Developing Countries

Eco-Labelling Strategies: The Eco-Premium Puzzle in the Wine Industry

Eckart Naumann

Development Policy Research Unit, University of Cape Town, Hiddingh Campus

DRDU Policy Brief No. 01/P19, October 2001, 10 p.

This policy brief attempts to provide a brief introduction to eco labelling, and some of the implications thereof for developing countries. Eco labelling by implications links environment with trade and market access issues. Due to vast number of issues relating to this topic, it is only possible to draw attention to some of the more important, mostly non technical ones. This scientific basis used in developing the various product criteria, precludes one from altogether ignoring the technical issues involved. It highlighted the importance of eco label as a guide to consumers and eco labeling has important consequences for market access in foreign countries where ecolabelling standards are well developed and have captured significant market share.

Keywords:

Eco Labelling, Developing Countries, Trade, Market Access Issues

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Institute for Social, Behavioral and Economic Research ISBER Publications (University of California, Santa Barbara) Paper 12, 2008, 36 p.

Eco labelling signals that a product has been eco-certified. While there is increasing use of eco labelling practices, there is still little understanding of the conditions under which eco labels can command price premiums. In this paper, authors argue that the certification of environmental practices by a third party should be analysed as a strategy distinct from although related to advertisement of the eco certification through a label posted on the product. By assessing eco labelling and eco certification strategies separately, it will be easy to identify benefits associated with the certification process independently from those associated with the actual label. More specifically, it is argued in the context of the wine industry that eco certification can provide benefits, such as improved reputation in the industry or increased product quality, which can lead to a price premiums of wine due to the eco certification of grapes using 13, 4000 observations of wine price, quality rating, varieties, vintage, and number of bottles produced, for the period 1998-2005. Overall, certifying wine increases the price by 13%, yet including an eco label reduces the price by 20%. This result confirms the negative connotation associated by consumers with organic wine. The price premium of this luxury good due to certification acts independently from its label, a confounding result not previously demonstrated by related literature.

Keywords:

Eco Labelling, Eco-Certified, Quality Rating, Organic Win, Eco Certification and Market



Lost in a sea of green: Navigating the eco-label labyrinth

Eco-labelling as a Potential Marketing Tool for African Products: An Overview of Opportunities and Challenges

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UCLA Institute of the Environment, 2012, 24 p.

Eco-labels are widely used to invoke consumer demand for environmentally friendly goods. Many firms are using eco-labels to achieve economic goals by, for example, differentiating their products, mitigating regulatory scrutiny, and gaining access to lucrative green procurement practices. However, the number of new eco-label programs has grown rapidly – from a mere dozen worldwide in the 1990s to more than 427 programs today – with little quality control. For managers, choosing the appropriate label can be risky: a poorly designed label may confuse consumers, attract accusations of greenwashing, and/or ultimately prove to be a fruitless investment. In this article, authors describe a framework that evaluates eco-labels along three dimensions – consumer understanding and awareness, consumer confidence, and willingness to pay – and develops a set of recommendations to help managers choose the most effective labelling option.

United Nations Environment Programme (UNEP). Programme on Sustainable Consumption and Production, 36 p.

The report underlined that the spread of environmental requirements, including ecolabelling and other types of standards, can be expected to continue to increase due to the actions of private market actors, particularly through supply chain contracts and big retail chains. It also emphasises the need to contribute to the design of ecolabelling programmes and accompanying private and public policies that respond to SMEs and developing country needs and conditions, including 'phased approaches' to the introduction of standards, technical equivalence agreements and lower-cost conformity assessment and certification services. This brochure was produced on the basis of the outputs of the activities that were carried under the 'Development of an African Ecolabelling Scheme'. This is one of the activities implemented as part of the project on 'Supporting the implementation of the African 10 Year Framework Programme on Sustainable Consumption and Production and the work plan of the Marrakech Taskforce on Cooperation with Africa'.

Keywords:

Eco-Labels, Sustainable Strategy, Environmental Management, Greenwashing, Ecolabelling and Market

Keywords:

African Ecolabelling Scheme, Sustainable Consumption, Marketing Tool-Ecolabelling



Eco-Standards, Product Labelling and Green Consumerism

Eco-labelling in Fisheries: What is it all about

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 Associate Professor, Research Policy Institute, Lund University, Sweden
- Hampshire: Palgrave Macmillan, 2008, 246 p,

ISBN-10: 0230321720, ISBN-13: 978-0230321724

Objective of the book is to analyse and discuss green consumerism and the setting of eco standards as well as green labelling processes. This book has used the United States and Sweden as case study. The authors have addressed political, regulatory, discursive, and organisational circumstances and raised the issues: how can ecological intricacies be interpreted into a dependable and categorical label? Is there a mismatch between the production and consumption of green labels? Is it possible to achieve broad public participation in environmental issues through labelling? This book gives a social and policy-oriented analysis of the challenges for green consumerism through green labelling.

Keywords:

Eco-Standards, Product Labelling, Eco Product and Market, Green Consumerism

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New Jersey: John Wiley & Sons, 2008, 208p,

ISBN: 9780632064229, ISBN: 9780470995471

This book covers all aspects of the new eco-labelling initiative developed under the sponsorship of the Marine Stewardship Council (MSC). It details the MSC and its certification framework and implementation, dispute resolution, chain-of-custody assessment and community fisheries certification. It also covers the important case studies of the MSC certified fisheries of Australia's western rock lobster, Alaska salmon, Thames herring and New Zealand hoki. This book is good resource for all those involved in marine fisheries management throughout the world. Professionals and students in fisheries science, marine biology, ecology, conservation and environmental biology will find this book to be extremely valuable.

Keywords:

Marine Stewardship Council (MSC), Fisheries Science, Marine Biology, Ecology; Conservation and Environmental Biology, Fishing industry and eco labelling



Green labels: Consumer interests and transatlantic trade tensions in eco-labelling

Ecolabelling and Fisheries Management

Office for Developed and Transition Economies Consumers International, London: Consumers International, 1999, 52 p.

This paper examines the transatlantic trade tensions associated with the use of ecolabelling schemes from the perspective of the consumer interest. It discusses the different eco labelling schemes and their effectiveness followed by an examination of consumer interest. It has explored the primary transatlantic differences in the development and administration of ecolabelling schemes, because these generate trade concerns. It also focuses on the relationship between ecolabelling schemes and multilateral trade agreements. It has identified the strategies that would improve the compatibility of national ecolabelling schemes and reduce or eliminate transatlantic trade tensions. It has given emphasis on the promotion of the effectiveness of ecolabelling schemes in empowering consumers to make environmentally sustainable consumption choices. This study has revealed that crucial further research (with full consumer representation) is needed to establish the most appropriate international institutional arrangement for pursuing environmental sustainability objectives: consumer organisations do not have confidence in the ability of the WTO to make decisions on the balance to be struck between trade and the environment.

Keywords:

Ecolabelling Schemes, Multilateral Trade Agreements, National Ecolabelling Schemes, WTO

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Malaysia: World Fish Center, 2004, 52 p.

ISBN 983-2346-23-1

National and intergovernmental regulation of fisheries has not prevented many failures of fisheries management around the world. New approaches to improving the environmental sustainability of fisheries have included the certification of fisheries harvested by sustainable means, and the ecolabelling of fish and seafood products from certified fisheries. The intention is to use the power of markets as an incentive to induce more sustainable fisheries. To date, only a relatively small number of fisheries have been certified, and these have been predominantly in developed countries. Critiques from developing countries of ecolabelling, as currently formulated, focus on five general areas: (1) legitimacy and credibility; (2) a mismatch between certification requirements and the reality of tropical small-scale fisheries; (3) potential distortions to existing practices and livelihoods; (4) equity and feasibility; and (5) perceived barriers to trade. This paper reviews these developing country concerns on the basis of already certified fisheries, and on experiences from forestry, aquaculture and the aquarium industry, and also examines precedents and trends in international environmental and trade issues. It suggests that ecolabelling as currently practiced is unlikely to be widely adopted in Asian countries. Certification may have sporadic success in some eco-conscious, or niche, markets but it is unlikely to stimulate global improvement of fisheries management.

Keywords:

Ecolabelling and Fishing Industries, Certified Fisheries, Sustainable Fisheries, Fishery management; Certification, Fishery regulations, Sustainability



Seafood Ecolabelling: Principles and Practice

The Value of Eco-Labelling: Price Premiums & Consumer Valuations of Organic, Natural, and Place of Origin Food Labels

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Queensland: Wiley-Blackwell, 2008, 472 p.

ISBN: 978-1-4051-6266-1

This book comprehensively reviews the current eco-endorsement systems for seafood product. It describes the background and history of eco label, ratings, guides and choice systems. It details the seafood evaluation and certification with issues of quality, costs, and benefits. Significant case studies in the use of ecolabels, including details of programs undertaken with species such as Pollock, Baja Red Spiny Lobster, and Patagonian Toothfish are covered. It also discusses the future of sustainable seafood. Professionals including fishery scientists and managers, fish farm managers, marine biologists, environmental biologists, conservation biologists, ecologists, natural resource managers, civil society and sustainability governance practitioners, and resource and environmental economists will find this book to be extremely valuable.

Keywords:

Eco Label, Ratings, Sustainable Seafood, Ecolabelling and fishing industries

John Paull

School of Geography & Environmental Studies, University of Tasmania Germany: VDM Verlag, 2009, 196p.

ISBN 10: 3639154959, ISBN 13: 978-3639154955

The Study demonstrates that knowledge of the procedures and place of production of food has measurable monetary value for consumers. The study examines the value to consumers of particular eco-labels and geo-labels. It reports the values of Organic, Certified Organic, Natural and Eco, as well as of country-of-origin labelling (CoOL) and regional provenance labelling. It identifies just which consumers are responsive to which claims. This book reveals an efficient and effective methodology for quantifying consumer value. It presents a treasure trove of data, analysis, insights and surprises. This book will be useful for food producers, marketers and certifiers, as well as for agricultural departments, organisations, advisers, policy makers, consumer advocates and researchers.

Keywords:

Consumer Value, Added Value, Certified Organic, Natural, Eco, Labelling, Eco-Labelling, Geo-Labelling, Ecolabel and Market



Eco-Labelling Standards, Green Procurement and the WTO: Significance for World Bank Borrowers

Multiplicity of Eco-Labels, Competition and the Environment

Center for International Environmental Law, Washington, DC, Geneva, Switzerland, 2005, 51 p.

This paper examines whether the rules of the World Trade Organization (WTO) are compatible with World Bank borrowers incorporating ecolabelling standards and criteria into their project-related procurement practices. It reviews WTO agreements, committee reports, and dispute panel and Appellate Body findings and concludes that eco-label standards and criteria can be used by client countries to "green" World Bank financed projects without offending WTO rules. This conclusion is based primarily on the exclusion of government procurement from the main WTO rules for goods and services and the flexibility provided by the rules of the plurilateral Agreement on Government Procurement. The paper also discusses concerns about eco-labelling that developing countries have raised in WTO committee and working group discussions, and it suggests some actions the Bank might take to alleviate those concerns.

This document was funded by the World Bank and reviewed in cooperation with the World Bank LEGEN (Charles Di Leva; Roch Levesque) and OPCPR (Armando Araujo; Dominique Brief) units. This paper was prepared by Donald M. Goldberg, Elisabeth Tuerk, Janice Gorin, and David Vivas, with invaluable assistance from Melissa Brandt, Chandra Middleton, and Sasha H. Sajovic.

Keywords:

Center for International Environmental Law, Trade Organization (WTO), Eco-Labelling and Trade, Green, Developing Countries, World Bank

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Journal of Agricultural & Food Industrial Organization, Volume 7 Issue No.2, 2009; 1-24 p.

ISSN: 1542 - 0485

This article develops a vertical differentiation model to study the competition and environmental effects of multiplicity of eco-labels within a given market. The focus is on the informational content of multiple eco-labels and whether or not they reflect the environmental qualities the labels purport to represent. Two settings are considered. In the first setting, which represents the benchmark, authors assume information is complete (consumers know the true environmental qualities of the eco-labeled goods). In the second setting, information is incomplete but consumers use price as a signal for environmental qualities. Results show that when information is complete, introduction of a second eco-label in a market improves the environmental qualities of eco-labeled goods. When information is incomplete, introduction of a second label leads to a rise in prices and a reduction in the environmental qualities of the goods. The latter setting requires specific regulation whereby information must be revealed by a benevolent social planner.

Keywords:

Eco-Labels and Market, Multiple Ecolabels



It's all greenwash: Eco-friendly products, services are nothing but excellent marketing strategies

Challenges Facing Certification and Eco-Labelling of Forest Products in Developing Countries

Aparajita Sengupta

Co-founder of Smell of the Earth

Down to Earth, May 16-31, 2014, 47-48 p.

With the rise of environmentally friendly products and services the manufacturers began using green marketing strategies. Companies and industries create a proenvironmental image; sell a product or a policy. The author expresses her view regarding capitalist consumerism and its impact on people which changes their logic. 'Greewash' has gain access to domestic products like building projects and government aided energy schemes. It is successful because of two reasons one, it is an excellent marketing strategy and second it deals with the societal internalization of corporate capitalism and its mantra of progress. It's important to know what makes something "green." Consumers have to adopt more innovative practices that replace buying, rediscover the power of community, and rethink for cooperative and sharing drives.

Keywords:

Consumerism, Eco products, Trade, Capitalist Consumerism, Greenwash, Green Marketing

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FAO Regional Office for Asia and the Pacific, 39 Phra Atit Road, Bangkok, 10200, Thailand

International Forestry Review, Vol. 8, No. 2, 2006, 193-200 p.

ISSN: 1465-5489

Certification has been developed as an instrument for promoting sustainable forest management. Although the initial focus of certification was on tropical forests, it rapidly shifted to encompass all forest types. Ten years after the first certification schemes were developed, most (91.8%) of the 271 million hectares of forests that have been certified are located in Europe and North America. Only 13% of certified forests are located in developing countries and only 5% of the certified forests are located in the tropics. Among the reasons for this disparity are: weak market demand for certified products in global markets; wide gaps between existing management standards and certification requirements; weak implementation of national forest legislation, policies and programs in developing countries; insufficient capacity to implement sustainable forest management at the forest management unit level and to develop standards and delivery mechanisms; and the high direct and indirect costs of obtaining certification in developing countries. Despite these challenges and constraints, many developing countries remain interested in pursuing certification. Several promising developments have recently emerged that may give further encouragement to developing countries' efforts, including supportive codes of forestry practice, stepwise approaches to certification and increasing interest in forest certification and certified products in the Asia-Pacific region.

Keywords:

Forest Certification, Developing Countries, Sustainable Forest Management, Ecolabel and Market



Export of Environmental Goods: India's Potential and Constraints

Van Son Nguyen and Kaliappa Kalirajan

Crawford School of Public Policy, The Australian National University, Canberra, ACT 0200, Australia.

ASARC Working Paper 2013/15, 30 p.

The increasing awareness of climate change and its impact on overall economic growth has encouraged many countries to pursue environmental friendly production and consumption of goods and services. Based on their comparative advantages, developing countries too are emerging as exporters of environmental goods and services (EGS) along with developed countries. An important question in this context is whether these emerging EGS exporting developing economies are able to realize their export potential fully. Using data between 1996 and 2010, this paper identifies the constraints that make India, which is one of the emerging EGS exporters, not able to realize its export potential of environmental goods (EG). The empirical results show that the growth of India's exports of EG was negatively affected by its 'behind the border' constraints, such as weak infrastructure and institutions, while the effect of 'explicit beyond the border' constraints, such as partner-countries' tariff and exchange rate on the exports of EG was relatively small. The reduction of India's trading partners' 'implicit beyond the border' constraints, such as weak infrastructure and institutions has made significant contribution to India's exports of EG, especially during the period 2005 - 2010.

Keywords:

Environmental Goods and Services, Stochastic Frontier Gravity Model, 'Behind the Border' Constraints, 'Explicit Beyond the Border Constraints', 'Implicit Beyond the Border' Constraints, Asia-Pacific Countries, Ecolabel and Market



Eco mark and Environment



Eco Mark: A Symbol of Environmental Conservation

Green decisions: demographics and consumer understanding of environmental labels

Shivangi Dixit

Student, KLE Society's Law College, Bangalore

Legal News & Views, Volume 27, No. 3, March 2013, 18-21 p.

ISSN 2277-5323

Environmental problems are becoming global issue now days and Eco Mark is designed to protect environment. The article discusses about the Eco Mark Scheme of India and its objectives. It describes the importance of eco label on the consumer products and about the logo of Indian Eco Mark. Eco mark is a certification mark issued by the Bureau of Indian Standards. It provides the information about the criteria specified by the law related to eco labeling programme for eco-friendly products nationally and internationally. It describes the eco labeling programmes in accordance with International Organisation of Standardisation (ISO). It narrates the role of Global Eco-labelling Network (GEN) - a non-profit association of third party. Also discusses the relation between World Trade Organisation and Eco Mark. It ends with the national legal regime on Eco Mark and status of the Eco Mark scheme in India.

Keywords:

Green Labelling, Eco-Labelling, ISO, International Standards Organisation, WTO

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International Journal of Consumer Studies, Volume 31, Issue 4, July 2007, 371–376 p.

ISSN 1470-6423

This research examined the demographic profiles of Australian green consumers in relation to their satisfaction of environmental labelling. It examined consumers' understanding of labelling and empirically investigated the association of demographic profile of consumers with their attitudes towards such labels. The results indicated that some of the demographic variables were significant, which is largely consistent with earlier findings by other researchers in this area. Label dissatisfaction was higher in the older and middle age respondents. However, some respondents disagreed that labels were accurate while commenting that labels were easy to understand. The key issue arising from the findings is that in order to provide perception of accuracy in labels, it is an option to use Type I or Type III labelling on products. These labels are, arguably, more credible because they are endorsed by third party labelling experts. This would come at a cost and for green products that use third party labelling, they will also have to bear in mind to keep the prices competitive.

Keywords:

Green Marketing, Green Labels, Green Consumers' Profile, Third Party Labels



Environmental Standards & Trade: A Study of Indian Textiles & Clothing Sector

Eco-labelling and the Trade-Environment Debate

CUTS International, 2013, 211 p.

ISBN: 978-81-8257-190-7

This study was done with the objectives to strengthen the capacity of textiles and clothing (T&C) exporters/producers in their understanding on environmental standards and eco-labels, to promote sustainable production and consumption among the Indian textiles companies by encouraging them to increase the amount of eco-labelled textiles exports from India which leads to a greater penetration in other markets, to create awareness among the T&C supply chain in India on issues related to environmental standards and eco - labels so as to adopt sustainable practices and increase net welfare to consumers as such and increase producer profitability. To full fill these objectives three surveys were conducted based on an Internet survey of consumer organisations and households in select European countries markets to understand and evaluate socio-cultural- political regimes and related barriers generated by the mentioned standards. Second was done on European retailers and importers in the textile and clothing sector to identify the economic costs of implementing environmental standards and the benefits from marketing labelled products. The third one was conducted on a selected number of Indian producers and exports to understand their perception about demand-side factors and also supply-side concerns. Findings of these surveys are that T&C manufacturers are aware of environmental standards; to get in to the international market it needs certification, and compliance with environmental standards have impact on the trading of T&C products.

Keywords:

Eco-Labels, Socio-Cultural- Political Regimes, T&C Manufacturers, Environmental Standards, Trade

Daniel Melser and Peter E. Robertson

University of New South Wales, Australia

The World Economy, Volume 28, Issue 1, January 2005, 49-62 p.

ISSN: 1467-9701

In this paper authors consider the effectiveness of eco-labels as a substitute for alternative, but trade-restrictive, environmental policies. Specifically, while there are concerns that eco-labelling requirements increase the cost of international trade, due to their potential for misuse as technical trade barriers little attention has been given to the environmental benefits of eco-labelling. It shows that incentive problems inherent in eco-labelling policies make it a very weak tool of environmental policy. Despite this, authors argue that eco-labelling schemes may remain popular, owing to the lack of alternative WTO compliant environmental policies. They also use this framework to consider the economic and political conflicts facing the EU with regard to its policies on genetically modified organisms.

Keywords:

International Trade, Genetically Modified Organisms, Eco-labelling, WTO



"International Trade- Environment" Relationship in the Context of Sustainable Development

Eco-Labelling and Environmental Policy Efforts in Developing Countries

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1.Alexandru Ioan Cuza University of Ia i, Romania, 2.Professor of International Trade at the Alexandru Ioan Cuza University of Ia i, Romania

CES (The Centre for European Studies) Working Papers, Volume V, Issue 2, 2013, 279-299 p.

ISSN 2067 - 7693

The overall aim of this paper lies on presenting a short pragmatic image of the main aspects concerning the impact of international trade on the environment, on the one hand, and the impact of environmental policies and regulations on the international trade, on the other hand. Also, this article examines the multilateral environmental agreements (MEAs) focused on the use of environmental trade measures. In the same context, it discusses about the most important international institution with the regulatory powers in international trade – environment relationship which is considered to be GATT/WTO. Although, the international trade-environment relationship is a very debated internationally, in Romania it is not sufficiently addressed either theoretical or practical. Taking into account the transition period and the consequences of the global economic crisis which still will affect Romania a period of time; our country promotes simultaneous strengthening and optimizing of trade and environmental policies in sustainable development framework.

Keywords:

Eco-Friendly Goods; Eco-Label; Environment; Environmental Standards; GATT/WTO; International Trade; Multilateral Environmental Agreements; Trade Liberalization.

Rasul Shams

Hamburg Institute for Economic Research (HWWA), Hamburg, Germany

Intereconomics, Volume 30, Issue 3, May/June 1995, 143-149 p.

ISSN 0020-5346, ISSN 1613-964X

Eco-labelling has become an increasingly popular instrument in recent years. Among the new developments which have been called for are those they should also be used as a means of encouraging developing countries to apply stricter environment policies. The article investigates whether applying environmental seals of approval to the export products of developing countries is an efficient instrument for the purpose.

Keywords:

Environment Policies; Developing Countries, Environment Seals, Marketing



Eco-labelling, Competition and Environment: Endogenization of Labelling Criteria

WTO-Related Matters in Trade and Environment: Relationship between WTO Rules and MEAS

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Environmental and Resource Economics, Volume 41, Issue 2, October 2008, 133-154 p.

ISSN 0924-6460, ISSN 1573-1502

This paper suggests a modelling of the labelling procedure consistent with empirical observations that allows the endogenous calculation of labelling criteria. The authority in charge of the labelling program chooses the level of labelling criteria so as to maximise the social surplus, anticipating competition between firms in environmental qualities and prices. While accounting simply for the informational role of labels, this model allows to understand observed behavior such as firms' ignorance of a label, resistance, support or indifference of firms to the labelling program and the decision of the authority not to set up a label.

Keywords:

Eco-Label, Labelling Criteria, Environmental Quality, Price Competition, Marketing

Aparna Sawhney

Indian Council for Research on International Economic Relations, New Delhi, India

Working Paper No. 133, New Delhi: Indian Council for Research on International Economic Relations, May 2004, 92 p.

This study examines the relationship between specific trade obligations under certain multilateral environmental agreements (MEAs) and WTO environmental provisions in the negotiations under paragraph 31(i) of the Doha Ministerial Declaration. The paper analyses how environmental provisions have permeated into the multilateral trading system over the last two decades, through the incorporation of environmental provisions under new WTO agreements, and a wider interpretation of the GATT Article XX exceptions in the post-WTO regime through trade-environment disputes. The analysis considers six MEAs in detail: the Convention on International Trade in Endangered Species of Wild Flora and Fauna; the Montreal Protocol on Substances that Deplete the Ozone Layer; the Basel Convention on the Control of Transboundary Movement of Hazardous Wastes and Their Disposal; the Cartagena Protocol on Biosafety; the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade; and the Stockholm Convention on Persistent Organic Pollutants. The paper examines the trade provisions within the six MEAs and their compatibility with existing GATT/WTO rules

Keywords:

Environmental, Systematically. Trade, Environment, Doha Ministerial Declaration. WTO. Multilateral Environmental Agreements



Trade and the Environment in the WTO

A Guide to Environmental Labels Procurement Practitioners of the United Nations System

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Journal of International Economic Law, Volume 10, September 2007, GWU Legal Studies Research Paper No. 338, 30 p.

ISSN 1464-3758, ISSN 1369-3034

The linkage between trade and the environment stands out as an important challenge in global economic governance. Over the past decade, the WTO devoted considerable attention to this issue and included it on the agenda of the Doha Round. In parallel, the jurisprudence on trade and the environment has experienced significant advances. This study provides an overview of the main institutional changes at the WTO and of the developments in the jurisprudence most relevant to the interaction between the environment and trade. Specifically, this study focuses on GATT Article XX and takes note of many positive (and a few negative) features of the key Appellate Body decisions.

Sustainable United Nations, UNOPS, 2009, 38 p.

This document was developed in cooperation with UNEP experts, addresses the lack of guidance for procurement practitioners who approach the challenging but promising world of environmental labels. This guide sheds light on the nature of different environmental labels, ecolabels, product declarations and many other logos that, more or less accurately, aspire to define the environmental performance of consumer products. It also explains how to use environmental labels in the context of UN procurement and how to avoid misuses and misconceptions commonly found in the booming "green" market. This guide should help procurement practitioners safely navigate this complex area, to use environmental labels more effectively and transparently, and to enhance the sustainable performance of their tenders.

Keywords:

Globalization, GATT, WTO, World Trade Organization, Environment, Trade, Doha, ITO, Multilateral Environmental Agreement, MEA, Trade and Environment, Trade-Related Environmental Measures, TREM, International Governance, Global Governance

Keywords:

UNEP, Environmental Labels, Green Market



Environmental Regulations as Trade Barriers for Developing Countries: Eco-Labelling and the Dutch Cut Flower Industry

Consumer Attitudes toward Environmentally-Friendly Products and Eco-labeling

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- 1. Head and Deputy Director, Institute for Environmental Studies (IVM)
- 2. Economic Researcher, Institute for Environmental Studies (IVM)
- 3. Ph.D. candidate, Institute for Environmental Studies (IVM)

CREED working paper no. 2, Amsterdam: The Institute for Environmental Studies, July 1995, 19 p.

The present expansion of environmental standards and regulations in industrialised countries can have significant impacts on market access of developing countries. The fear in many developing countries is that stricter product standards in the markets of developed countries will act as trade barriers for their exports. Moreover, there is widespread suspicion that environmental restrictions are sometimes used as an indirect means of protecting northern industries. This paper briefly examines these issues, focusing on recent eco-labelling schemes for cut flowers in the Netherlands. The paper concludes that those eco-labels may have a significant negative impact on the export opportunities of a number of developing countries.

The GfK Roper Yale Survey on Environmental Issues, Connecticut: Yale School of Forestry & Environmental Studies, July 2008, 20 p.

More than ever before, consumers face a plethora of labels making claims about the environmental-friendliness of products. The uses of labels are promoted in hopes of ameliorating diverse environmental harms and are sponsored by various organizations, including government agencies, industry groups and environmental groups. This study sought to understand the perceptions of ecolabels and environmentally-friendly products held by Americans and Canadians. The key findings are that 1) Most Americans are willing to purchase environmentally-friendly products, but other considerations such as price and quality often take priority and 2) Americans are familiar with some, but not all ecolabels. The sponsors of eco-labels are not trusted equally. It is a series of quarterly national telephone surveys on a variety of environmental topics. Each survey is collaboration between survey researchers at GfK Roper Public Affairs & Media and scholars at the Yale School of Forestry and Environmental Studies. Survey sought to understand the perceptions of eco-labels and environmentallyfriendly products held by Americans and Canadians. Environmental friendliness is more important in their purchasing decisions. The survey responses indicate strong support from key populations in both Canada and the United states regarding the use of eco-labels to address enduring environmental challenges. Many in both countries would use information from a label to inform their purchasing decisions. However, their knowledge of existing labels is mixed, which appears to be limiting the effectiveness of current labels.

Keywords:

Environmental Standards, Developing Countries, Trade Barriers, Netherlands

Keywords:

Environmentally-Friendly Products, Eco-Labels, Gfk



Legal and Policy issue in the Market Access Implications of Labelling for Environmental Purposes

Environmental Quality Provision and Eco- labelling: Some Issues

Briefing Paper 2003, 23p.

This briefing paper is presented during the Sub-Regional Brainstorming Workshop (Asia) on the 'Specific trade and Environment Issues in Paragraph 31 and 32 of the Doha Ministerial Declaration in preparation for the Cancun WTO Ministerial Conference' held on 30 July-1 August 2003 at Bangkok.

This briefing paper raises certain legal and policy issues arising from the use of labelling for environmental purposes (ecolabels) in international trade, and the implications for market access, particularly for developing country products. Of particular note are transparency issues relating to the design and implementation of voluntary eco-labelling schemes; the criteria used in the design of eco-labels which increasingly reflects the life cycle of products: the WTO treatment of the distinction between so called 'like products' the use of process and production methods in that distinction; and the appropriate level and forum for addressing many of the issues.

Keywords:

WTO, Ecolabels, International Trade, WTO, Doha Ministerial Declaration

Laura Valentini and Vesta Spa Venice

World Trade Organization, Working Paper ERSD-2005-02, June 2005, 26p.

This working paper is a literature survey of some relevant issues arising from environmental quality provision and environmentally preferable products schemes. First of all it is shown how the two topics are strictly related. Firms adopting a production process (or producing a good) more environmentally friendly than others (environmental quality provision aspect) may want to make it public (eco-labelling aspect). The survey addresses the question of optimal environmental quality provision (also as a policy tool) and firms' compliance. With regard to eco-labelling, its impacts on market structure are analysed. It hasn't been possible to consider all issues, like for example that of moral hazard in providing non truthful information. Different issues related to trade are also analysed, even if the literature is not abundant on this yet. In the literature both aspects, of environmental quality provision and eco-labelling, are analysed using product differentiation models. The usual result is that multiple equilibria arise depending also on the parameters. Models are also not robust to different assumptions. Environmental quality provision and eco-labelling are also compared to more traditional policy instruments like taxes (or subsidies) and standards. From the empirical evidence it can be concluded that information plays a crucial role both for consumers' and producers' decisions. Consumers are willing to pay a higher price to be informed about the greenness of a good, and a label can really be a determinant in their choice of which brand to purchase. On the supply side, disclosing information about the environmental performance of a firm can affect investment decisions and its stock value.

Keywords:

Environmentally friendly, Eco-labelling, Environmental Quality, Consumer, Producers, International Economic Relations, Economics, Environment, WTO



International Trade and the Environment: Theoretical and Policy Linkages

Labelling for Environmental Purposes: A review of the state of the debate in the World Trade Organization

J. Peter Neary

Department of Economics, University College Dublin and CEPR Belfield, Dublin, Ireland

Environmental and Resource Economics, Volume 33, Issue 1, January 2006, 95-118 p.

ISSN 0924-6460,ISSN 1573-1502

Author has reviewed and extended three approaches to trade and environmental policies: competitive general equilibrium, oligopoly and monopolistic competition. The first two have surprisingly similar implications: deviations from first-best rules are justified only by constraints on policy choice (which motivates what author call a "single dividend" approach to environmental policy), and taxes and emissions standards differ in ways which reflect the Le Chatelier principle. Author also shows how environmental taxes may lead to a catastrophic relocation of industry in the presence of agglomeration effects, although not necessarily if there is a continuum of industries which differ in pollution intensity.

Keywords:

Environmental Policy, International Trade Policy, Location and Economic Geography, Pollution Abatement, Strategic Trade Policy

Tom Rotherham

Associate, International Institute for Sustainable Development, Winnipeg, Manitoba, Canada

TKN thematic paper, Trade Knowledge Network, 2003, 34 p.

The present paper considers whether there is any reason to believe that WTO members might finally resolve an eight-year old debate on eco-labelling. It reviews the history of discussions and singles out some particularly important issues. It also considers the obstacles facing the WTO Committee on Trade and Environment (CTE). A review of the main issues and the history of discussions, as well as a consideration of the state of the current debate, suggests that there are significant structural and substantive obstacles in the way of a resolution. It is not yet possible to predict a positive outcome from the work in the CTE on eco-labelling.

Keywords:

WTO; Eco-Labelling; CTE, World Trade Organization, Trade and Environment



Environmental labelling programmes: International Trade Law Implications

The Trade and Environmental Effects of Ecolabels: Assessment and Response

A.E. Appleton (ed.)

Adjunct Professor of International Law, the Johns Hopkins University, School of Advanced International Studies, Washington, D.C

International Environmental Law and Policy Series, London: Kluwer Law International, 1997, 235p.

ISBN 90-411-0715-0

Environmental labelling schemes could have dramatic implications for trade relations, economic development, and the environment. But prior to the publication of environmental labelling programmes, there had been no thorough study of the legal limits applicable to these schemes. In addition to examining the economic rationale behind environmental labelling and the policy issues associated with labelling schemes, this study explores the extent to which environmental labelling schemes can 1. operate in conformity with the requirements of general international law, specifically the principles of sovereignty and jurisdiction; 2. adhere to the guidelines agreed upon at the United Nations Conference on Environment and Development; and 3. function in accord with obligations arising pursuant to the WTO Agreement. In less than 20 years, environmental labels have become widely used, chiefly in developed countries but increasingly in developing countries. Environmental labelling programmes allows the reader to grasp the legal contours of this growing phenomenon.

Keywords:

Trade Relations, Economic Development, Environmental Labelling Programmes, WTO, Product Labelling, Environment; International Law; International Trade, International Agreements

Tom Rotherham

Associate, International Institute for Sustainable Development, Winnipeg, Manitoba, Canada

United Nations Environment Programme (UNEP), 2005, 44p.

ISBN: 92-807-2651-X

This report reviews what is known about ecolabelling as an environmental policy tool and as a potential trade barrier. It focuses on five well-known ecolabelling programmes that incorporate environmental requirements: the Blue Angel programme in Germany and the programmes associated with the Forest Stewardship Council (FSC), the Marine Stewardship Council (MSC), Fair trade Labelling Organizations International (FLO) and the International Federation of Organic Agriculture Movements (IFOAM). The report's ultimate aim is to identify specific issues and policy integration challenges that need to be addressed if ecolabels are to be designed and applied in ways that support sustainable development - balancing environmental, social and economic outcomes. In the report it is demonstrated that considerable additional data collection and research needs to be undertaken if the effects of ecolabelling are to be understood and policy recommendations developed. It reveals data limitation of identifying these effects and sets out further research and multi stakeholder exchange that is required to support design and application of eco labels which support sustainable development. The interaction between trade and environmental policies, and public policies and market forces are examined in some depth.

Keywords:

Eco Labels, Eco Labelling and Trade, Ecolabelling Programmes, Marine Stewardship Council, Forest Stewardship Council, Fair trade Labelling Organizations International, Blue Angel programme



Environment and Trade: A Handbook

Green Goods?: Consumers, Product Labels and the Environment

International Institute for Sustainable Development, United Nations Environment Programme. Economics and Trade Unit, 2005, 2nd Edition, England: UNEP, 142 p.

ISBN 1-895536-21-9

This handbook, a joint effort of the International Institute for Sustainable Development and the United Nations Environment Programme, is aimed mainly at those with some knowledge about trade, environment or development, but not expert on the intersection of the three. It is also a practical reference tool for policy-makers and practitioners. But the target audience is not just government policy-makers; the media and public will also find it useful. The handbook uses clear language and a minimum of jargon. The handbook should help to understand how trade can affect the environment, for better and for worse, and how environmental concern can work through the trading system to foster or frustrate development in both rich and poor countries. The handbook has discussed Ecolabelling and environmental management certification programs in length. It describes voluntary environmental labels (or ecolabels) and environmental management (EM) certification programs in detail and its role in trade. Broader understanding and awareness of these linkages will then be the foundation on which fair and environmentally sustainable policies and trade flows are built.

Keywords:

United Nations Environment Programme, Trade, Environment; Development, Government Policy-Makers, Ecolabelling, Environmental Management Certification Programs, Environmental Management (EM), Trade Flows

Julian Morris

Director of the Environment and Technology Programme, Institute of Economic Affairs, London

Great Britain: Institute of Economic Affairs, 1997, 109p.

ISBN 0255364415, ISBN 9780255364416

In the late 1980s concern over the validity of environmental claims led to demands for the creation of schemes that would provide the consumer with verified environmental information. In response, governments and private sector companies developed seal of approval 'ecolabels' purporting to denote the most environment-friendly products in a particular category. However, this book discusses the problem of how it is not possible to acquire sufficient information about the impact of a product over its life cycle to know in every case which product will be the most environment-friendly. This study examines the numerous practical difficulties with both voluntary and compulsory 'ecolabel' schemes.

Keywords:

Green products – Labeling, Commercial products -- Labeling --Environmental aspects, Green marketing, Consumer satisfaction, Environmental protection



Labelling for Environmental Purposes: Submission by the European Communities under Paragraph 32(iii)

The Future of Eco-labelling: Making Environmental Product Information Systems Effective

Committee on Trade and Environment, WTO, WT/CTE/W/225, 6 March 2003, 6 p.

Paragraph 32 (iii) of the Doha Ministerial Declaration mandates the WTO Committee on Trade and Environment (CTE) "in pursuing work on all items on its agenda within its current terms of reference, to give particular attention to labelling for environmental purposes" and "report to the Fifth Session of the WTO Ministerial Conference, and make recommendations, where appropriate, with respect to future action, including the desirability of negotiations." This paper presents the previous discussion in the CTE, the outcome of the World Summit on Sustainable Development (WSSD), the existing international standard for environmental labelling schemes developed by the International Organisation for Standardization (ISO) and the recent submission on labelling by the EC to the Committee for Technical Barriers to Trade (TBT) and the Committee for Trade and Environment (CTE). The use of various types of environmental labelling schemes to promote environmental objectives has increased considerably and has consequences for international trade. Well-designed eco-labelling schemes/programmes can be effective instruments of environmental policy to encourage the development of an environmentally conscious public. This paper emphasises that the different categories have very different degrees of impact on international trade.

Keywords:

WTO, Trade and Environment (CTE); International Trade, Doha Ministerial Declaration

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Sheffield: Greenleaf Publishing, 2005, 256 p.

ISBN 10: 187471987X, ISBN 13: 978-1874719878

Based on a major EU research exercise, this book plots a course for policy-makers to address some of the historic problems with eco-labelling, to learn what works and what doesn't and to move forward with schemes that can make a real difference to sustainable production and consumption. The book analyses the conditions under which eco-labelling schemes-both mandatory and voluntary-are or can become an efficient and effective tool to achieve given objectives; assesses previous experiences with eco-labels in different European countries and the relationship of these schemes with business strategies, integrated product policy (IPP) and market conditions; defines strategies aimed at linking eco-labels with other IPP measures; explores how eco-labels can be used to encourage sustainable consumption patterns, create green markets, foster innovation and development of green products and services, and implement multi-stakeholder initiatives; and sets out detailed recommendations for the future of eco-labelling. This is a good resource for policy-makers, businesses involved with eco-labelling schemes and researchers interested in the development of sustainable production and consumption and IPP worldwide.

Keywords:

Eco-Labelling, Integrated Product Policy (IPP), Green Markets, Green Products



Evaluation of the Environmental Effects of the Swan Eco-label – Final Analysis

Eco-Labelling: To Be or Not to Be? :
Desirability of Eco-Labels from an Environmental and
Poverty Perspective

Nordic Council of Ministers, Copenhagen: Nordic Council of Ministers 2001, 88p.

ISBN 92-893-0600-9

This report presents the evaluation of the eco label 'Swan' and the environmental effects of the Swan label. This evaluation was carried out by the consultant the International Institute of Environment Economics at Lund University, Sweden. The main basis of the analysis consists of three previous studies (Direct and indirect Environmental Effects performed by AF-IPK and Self Evaluation by the Nordic Ecolabelling Board) performed within the framework of the evaluation project. This report has identified the environmental effects achieved by the Swan label and analysed the role of the label as an environmental and consumer policy instrument. It has suggested the measures to develop the future role of the label for the systematic selection of product groups to scan large products areas in order to identify new product groups suitable for eco labeling. It has focused on needs and demands of purchasers and directed marketing measures to enhance the market acceptance of specific eco labeling criteria. It has suggested utilizing the potential for synergies with other environmental policy instruments like cooperation with other ecolabels.

Keywords:

Swan Eco Label, Sweden, Environmental Effects, Swan Label, Ecolabels and Market

Marisa Korteland,

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Publication code: 07 7479 17, Delft, May 2007, 92 p.

Eco-labelling is increasingly considered as a market instrument to bring about greater sustainability of human consumption and production patterns. At the same time, however, the application of labelling is controversial. Concerns have been raised on its actual environmental effectiveness and on its impact on growth and poverty alleviation in developing countries. The fear is that ecolabels act as barriers to trade. Government agencies operating in the field of environmental management and poverty alleviation need to take a position in the debate on eco-labelling; to be or not to be? This report aims to help defining this position. A theoretical framework with key indicators of labelling impacts is developed. Subsequently, two existing labelling schemes are evaluated: the Forest Stewardship Council (FSC) and Marine Stewardship Council (MSC) label. The main conclusion is that the desirability of eco-labelling is limited at the moment. When eco-labels grow to be successful, they are likely to become undesirable from a poverty perspective, whereas their ability to solve environmental problems remains uncertain. Therefore, the government is advised to solely support eco-labelling in its role as market participant. As a regulator it should not be heavily involved in eco-labelling; leave these initiatives to the markets.

Keywords:

Eco labelling, Trade, Forest Stewardship Council, Marine Stewardship Council, Ecolabels and trade



Illegal Trade in Environmentally Sensitive Goods

Environment and Trade A Guide to WTO Jurisprudence

OECD Trade Policy Studies, Paris: OECD, October 2012, 147 p.

ISBN 978-92-64-17422-1, ISBN 978-92-64-17423-8

The report overviews the economic and policy issues involved in illegal trade in environmentally sensitive goods and highlight a set of key policy messages for OECD and non-OECD governments. It provides an overview of the main economic, social, and environmental impacts. It reviews the data collected by customs and licensing schemes for selected environmentally sensitive goods including environmentally sensitive. It examines the extent to which this information can be used to identify and measure illegal trade. Then role of national and international policy mechanisms to reduce illegal trade flows is assessed with a focus on international licensing schemes. The publication is based upon a set of papers prepared by experts.

Keywords:

OECD and Non-OECD Governments, Environmentally Sensitive, Illegal Trade, International Licensing Schemes

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published with the Center for International Environmental Law (CIEL), London: Earthscan, 2006, 392 p.

ISBN 1-84407-298-3

This book examines how WTO jurisprudence has addressed these and many other questions. It is most comprehensive and accessible guide to environment and trade with thorough coverage of WTO rulings and impacts. An easy-to-use and accessible tool for practitioners, civil society, academics, students, and policy-makers who work on environment and/or trade issues are given. International trade rules have significant impacts on environmental law and policy at the domestic, regional, and global levels. In the WTO, dispute settlement tribunals are increasingly called to decide on environment-related questions. Can members treat products differently based on environmental considerations? Can members block the import of highly carcinogenic asbestos-containing products or genetically modified products crops? Can members require labeling for 'dolphin-friendly' tuna? This Guide, authored by five world leaders on international environmental and trade law at CIEL, is an accessible, comprehensive, one-of-a-kind compendium of environment and trade jurisprudence under the WTO. Providing an overview for both experts and non-experts of the major themes relevant to environment and trade, it also analyzes how WTO tribunals have approached these themes in concrete disputes and provides selected excerpts of the most significant cases. This Guide is useful to policy makers in the area of trade and environment to further develop their agenda and participate effectively in ongoing negotiations.

Keywords:

WTO, Environment and Trade, International Trade, CIEL



Trade and Environment at the WTO

How Green is Your Eco-label? A Comparison of the Environmental Benefits of Marine Aquaculture Standards

WTO Secretariat, Geneva: WTO 2004, 76 p.

ISBN 978-92-870-3490-8

This Document is developed to assist public understanding of the trade and environment debate in the WTO, this document briefly presents its history and focuses on trade and environment related issues within the Doha mandate, the effects of trade liberalization on the environment, the relationship between multilateral environmental agreements and the WTO, and a review of trade disputes involving environmental issues.

J.P.Volpe, J. Gee, M. Beck and V. Ethier

University of Victoria, Seafood Ecology Research Group, December 2011, 56 p.

This study — How Green is Your Eco-label? A Comparison of the Environmental Benefits of Marine Aquaculture Standards — use a well-established methodology, refined by the 2010 Global Aquaculture Performance Index (GAPI), to determine numerical scores of environmental performance for 20 marine finfish aquaculture standards. While a number of previous assessments have offered important insight on the sustainability of standards, this is the first to quantitatively assess their ecological impact. GAPI does not delineate "good" versus "bad" performance. Instead it is meant to be a tool to compare ecolabels and evaluate where they lie on the continuum of environmental performance. This study acts as a kind of Michelin guide for standards: distilling a large amount of disparate information into simple scores that highlight the strengths and weaknesses of different standards. The long term objective is to help stakeholders- seafood buyers, fish farmers, standard setters, and policy makers-understand how standards as a whole are contributing to the ultimate goal of a more sustainable marine aquaculture industry.

Keywords:

Trade and Environment, WTO; Doha Mandate, GATT

Keywords:

Green; Eco-Label, Global Aquaculture Performance Index (GAPI), Marine Aquaculture Standards



Environmental labels and declarations: How ISO standards help

Environmental Requirements in the WTO:
Developmental Challenges of the Least Developed
Countries with a particular reference to
Bangladesh

International Standard Organisation, Genève: ISO Central Secretariat, 2013, 25 p.

ISBN 978-92-67-10586-4

The brochure has been authored by leading experts from the ISO technical committee ISO/TC 207, Environmental management, edited and published by ISO. It gives a concise and clear introduction to the ISO 14020 standard dealing with different aspects of environmental labels and declarations. It presents ISO 14020 in clear and simple language to help manufacturers and consumer associations decide whether the standards can help advance their converging objective of informing the consumer in an accurate and understandable way. It is an information document and in no way represents the consensus views contained in ISO standards and other ISO deliverables.

Keywords:

International Standard Organisation (ISO); Environmental Management, Environmental Labels and Declarations

Pradip Royhan

Ph.d Candidate, Macquarie Law School and a member of Bangladesh Civil Service

Macquarie Journal of International and Comparative Environmental Law, Volume 9, No.1, 2013 78-92 p.

ISSN 1448-8345

Environmental standards such as labelling, packaging and sanitary standards (often characterised as non-trade barriers or NTBs) are becoming an increasing concern amongst the international trading community. Historically such standards have burdened producers and exporters for developing economies where a drop in net exports may infringe on their ability to access markets of developed nations. Conversely, developed economies demand compliance with minimum environmental standards, often resulting in criticisms of 'eco-imperialism.' This paper has examined the complex relationship between trade and the environment, with a particular emphasis upon the impact that international laws which regulate production methods has upon developing economies. This paper canvasses the developing economy of Bangladesh as a case study for this analysis

Keywords:

Environmental Standard, Environmental Management, Environmental Labels, Non-trade Barriers



Greening Trade and Investment: Environmental Protection Without Protectionism

Eric Neumaye

The Robert Gordon University, Aberdeen Business School, Garthdee, Garthdee Road, Aberdeen, UK

London: Earthscan Publications, 2001,228 p.

ISBN 1-85383-788-1

This book describes a comprehensive, critical analysis of the interactions between investment, trade and the environment. It examines the consequences of existing multilateral investment and trade regimes, including the WTO and the MAI for the environment, and asks how they should be reformed to protect it. In doing so, the text shows how these regimes can be greened without erecting protectionist barriers to trade that frustrate the development aspirations of poorer countries. The solution seeks to offer a way out of one of the most difficult dilemmas in international policy: how investment and trade can protect the environment without encouraging protectionism by the industrialized world.

Keywords:

WTO, Trade and Environment, Multilateral Investment



Ecolabel and Consumers



Eco-Labeling Strategies and Price- Premium: The Wine Industry Puzzle

Managing Green Complexities: Consumers' Strategies and Techniques for Greener Shopping

Magali A. Delmas and Laura E. Grant

University of California, Santa Barbara

Business & Society, Volume 53, Issue No.1, 2013, 6-44 p. First published online March 11, 2010

ISSN 0007-6503

Although there is increasing use of eco-labeling, conditions under which eco-labels can command price premiums are not fully understood. In this article, authors demonstrate that the certification of environmental practices by a third party should be analyzed as a strategy distinct from—although related to—the disclosure of the eco-certification through a label posted on the product. By assessing eco-labeling and eco-certification strategies separately, researchers can identify benefits associated with the certification process, such as improved reputation in the industry or increased product quality, independently from those associated with the actual label. In the context of the wine industry, it shows that eco-certification leads to a price premium while the use of the eco-label does not.

Keywords:

Eco-certification, Eco label

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International Journal of Consumer Studies, Volume 38, Issue 5, September 2014, 485–492 p.

ISSN 1470-6431

The complexities of green consumption are often discussed. Studies bring to fore difficulties of choosing sustainable alternatives in a complex world. How are consumers to know what products to purchase in a market society with global commodity chains? Can consumers really trust corporations' environmental reporting? In arguing this, these studies are giving voice to some of the difficulties and anxieties people have to deal with in a consumer society. As others have argued, consumption involves work and being a consumer is increasingly a laborious and anxiety-producing activity. However, what these studies are missing is the fact that consumers do manage to consume green, at least some of them do. An interesting question is then, how is this complexity managed? The aim of this paper is to contribute to the field of green consumption by illustrating and conceptualizing how consumers practically manage green complexities when performing green shopping. The focus is on shopping practices. Drawing on an ethnographic study of the Nordic Nature Shop – a Swedish retailer chain of outdoor products – and making use of practice theory, this paper shows that consumers have different strategies and techniques to make their shopping practices more sustainable. One strategy used is to shop for things that last. Consumers focused then on finding quality outdoor products with 'timeless design'. Another strategy included instead consuming less. These consumers had different techniques that aimed at reducing their overall consumption of outdoors products. Finally, there were also those that focused on purchasing green products. Here, two techniques were talked about. While some focused on finding green brands, others looked at the product information in search on information concerning its manufacturing. In sum, the practice-based analysis showed that green complexities are managed through the development of various green shopping strategies. Green shopping, however, is not an uncomplicated accomplishment. Green shopping, the analysis suggests, is knowledge demanding for consumers and requires an enabling/supportive socio-material retailscape.

Keywords:

Green Consumption, Green Marketing, Eco label, Trade; Sustainable



Consumers' Preferences for Eco-Friendly Appliances in an Emerging Market Context

Consumer Understanding, Perceptions and Behaviours with regard to Environmentally Friendly Packaging in a Developing Nation

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International Journal of Consumer Studies, Volume 38, Issue 5, September 2014, 559–569 p.

ISSN 1470-6431

At present, the South African (SA) energy supply per person surpasses that of several developing countries in the world notwithstanding the energy crisis in the country and the evidence that SA produces among the highest greenhouse gas emissions per unit of gross domestic product (GDP) in the world. The problem is aggravated by an increased demand for major household appliances in recent years, contributing to an overextension of existing capacity and perpetual power failures. Increasing consumption patterns in the rapidly expanding economy of South Africa require intentional efforts to promote more sustainable product choices e.g. an understanding of the relevance of environmental attributes in consumers' evaluation of product alternatives to ensure lasting environmental implications. Using Sawtooth conjoint software, trade-off tasks were included in a cross-sectional survey involving 648 households in Tshwane, South Africa to assess the relative importance of various environmental attributes in relation to other product features (e.g. brand and price) of washing machines. Aggregate results reveal that consumers across various age, income and educational levels prioritize brand and price, despite the longterm financial and environmental repurcussions of product features that impact on the use of natural resources. Four consumer segments were identified through cluster analysis that differ in terms of preference structures, which offer valuable insight for the development of intervention strategies and marketing campaigns. The findings underline current literature, namely that 'green' product offerings must also perform competitively in terms of nonenvironmental attributes. Future studies should focus on a broader scope of factors, including consumers' knowledge and awareness of the environmental impact of their product choices, to better inform marketing campaigns and intervention initiatives.

Keywords:

Conjoint Analyses, Emerging Economies, Environmental Attributes, Green Products, Household Appliances, Pro-Environmental Choices

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International Journal of Consumer Studies, Volume 38, Issue 6, November 2014, 642-649~p.

ISSN 1470-6431

There has been very little research conducted into sustainable consumption patterns, knowledge and attitudes in relation to environmentally friendly packaging in South Africa. Market research that has been conducted in relation to sustainable consumption has largely been based on overseas studies and is therefore limited in that its reflection of information is from a first world country perspective. Environmental knowledge has been found to impact environmentally friendly behaviour both directly and indirectly. Both quantitative and qualitative data were collected to investigate South African respondents' understanding (knowledge) and perceptions of environmentally friendly packaging as well as the extent to which they exhibited green behaviour with regard to environmentally friendly packaging activities such as reusing and recycling.

The data gathered for this study were collected by means of a questionnaire distributed to respondents using snowball sampling through Facebook networks. The snowball sample required respondents to answer the questionnaire and pass it on to other Facebook users. The unique benefit of this study is that it is conducted in a developing nation where issues such as sustainable consumption are new and evolving. There is limited promotion or implementation of environmentally responsible practices by authorities or industry. South African consumers in this study were found to exhibit limited knowledge of what environmentally friendly packaging is, how to differentiate it from normal packaging, as well as its benefits. However, actions are even less evident with regard to environmentally friendly packaging. Recommendations of how to improve knowledge as well as facilitate purchase of environmentally friendly packaging are provided.

Keywords:

Environmentally Friendly Packaging, Green Marketing, Green Consumers, Packaging



Trade and Environment

Trade and Environment

September 2011 Issue 27

Editorial

The changing picture of trade and the environment: towards increased integration

International trade policy is undergoing some remarkable and swift transformations. Environmental considerations were once considered simple 'add ons', on the periphery of trade policy. But now it can be seen that the environment is gradually migrating to the heart of trade policy, as part of an integrated, cross-cutting package.

This special issue of Science for Environment Policy reflects on the changing picture of trade and environment and points to its future development. The articles featured help us understand how we can mitigate unintended environmental impacts of trade and how we can build environmental concerns into trade policy, particularly in the context of international development.

While each article is significant in its own right, collectively they highlight how the debate surrounding trade and environment has moved beyond the idea of how the World Trade Organization (WTO) and its related provisions can be 'tweaked' to become more environmentally friendly. Instead, we are seeing serious thought being put into the driving forces behind trade and environment policy. Key determinants shaping policy explored in this issue are: regional trade agreements, sustainability impact assessments (SIAs), Aid for Trade and the prospect of a global green economy.

(Continued on page 2)

Contents

Page

6

7

21st Century trade agreements: implications for development policy

Developing nations can be held back by international trade agreements, says a recent report.

Knowledge exchange across the Atlantic: challenges faced by NAFTA

A new study reveals several areas in the North American Free Trade Agreement which are in need of reform.

Aid for Trade: lessons learnt about sustainability from the past

How is Aid for Trade integrating trade and environment policies?

EU and US: implications of different SIA approaches in negotiations

How the EU and US differ in promoting environmental protection as part of trade agreements.

Sustainable Impact Assessments do not capture all impacts of trade

Why trade sustainablility impacts may not be as helpful in negotiations as first hoped.

Revise trade model for a global green economy

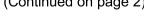
A recent report highlights how trade can contribute to sustainable development.

Related articles

10

9

A selection of recent articles from Strience for Environment Polidews Alert.







Trade and Environment



Issue 27 September 2011

Two articles clearly demonstrate how the scope of trade and environment has moved beyond the WTO and simple environmental tweaks to trade agreements. The first, '21st century trade agreements: implications for development policy' highlights a study which explores whether trade policies can encourage long-term development in the context of regional trade agreements, such as agreements between the EU and developing regions. Among the study's conclusions, policy tools for regulating trade of goods, such as export incentives and quotas, could be used to enable development in poorer countries, with environmental and sustainability concerns addressed as part of development.

The second, 'Lessons from across the Atlantic – environmental challenges faced by NAFTA', makes recommendations for trade policy reform. The North American Free Trade Agreement (NAFTA), between the US, Canada and Mexico, was a landmark agreement in its inclusion of environmental provisions, yet environmental degradation still occurs as a result of trade, particularly in Mexico, where mounting hazardous waste and threatened biodiversity exemplify some of trade's damaging side-effects. In reforming policy to reduce environmental damage from trade, the article supports the use of principles which account for uncertainty, such as the 'polluter pays principle' and increased financial support for compliance.

Environmental concerns can also be integrated into international aid efforts. 'Aid for Trade: lessons learnt about sustainability from the past' examines how Aid for Trade, which is designed to help developing countries increase their trading opportunities and power, could also help meet sustainable development goals. Among its recommendations for success, developing nations must be involved in setting standards for trade.

Trade Sustainabilty Impact Assessments have played a central role in trade negotiations since 1999 in the EU, as a tool to help *(x ante)* identify the environmental, social and economic impacts of trade liberalisation to be considered in both multilateral and regional/bilateral trade negotiations. Researchers have compared the contrasting approaches to SIAs taken by the EU and the US and suggest that the two regions could have much to learn from each other's experiences. For example, EU trade SIAs tend to be broader and longer than US SIAs, making clearer links between

(Continued on page 3)

environmental and socioeconomic impacts of trade. Key findings from this study are in 'EU and US: implications of different SIA approaches in negotiations'.

Separately, researchers have highlighted gaps in SIAs which may hinder trade negotiations, as summarised in Sustainability Impact Assessments do not capture all impacts of trade. For example, they suggest that they may not adequately capture trading nations determination to protect domestic businesses or the potential damage to ecosystem services arising from trade, such as the reduced provision of clean air and water.

The current financial crisis has had some devastating effects. So we must take this opportunity to look to the future and consider how to develop a new, more resilient economy that is fairer and operates within environmental limits. This 'Global Green Economy' will not be attained by small adjustments to the existing system; it will require significant changes to how it functions. 'Revise trade model for a global green economy' explores the pivotal role that trade can play in developing a new economy, provided that the benefits of trade are equally distributed throughout society and environmental impacts really are included in trade negotiations.

The scholarly work featured in this issue demonstrate how discussions surrounding trade and environment are clearly moving on and, in the 'real world', actions are being taken to more fully integrate the two policy areas. In the EU, for example, steps have been taken to build environmental concerns into external relations and trade policies, particularly in the context of the numerous Regional Free Trade agreements that the EU has been negotiating over recent years. At the same time, the articles also suggest that to maximise the positive and minimise the negative effects of trade on sustainable development and the environment, further work is still needed.

The question that used to be asked by environmentalists was 'How can we get the environment into trade policy?' But perhaps now, with all taken into consideration, we could say that the question should also be 'How can we make trade policy work for the environment?

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21st century trade agreements: Implications for development policy

Contact: racheldenae@gmail.com Theme(s): Sustainable development and policy assessment

"Much policy debate about international trade and environment has moved to regional agreements and debate has now spread to well beyond 'environmental provisions' only."

International trade agreements can limit the 'policy space' of emerging and developing nations to implement effective regulation to encourage their development. Researchers reviewed policies designed to encourage long-term development and examined how existing trade agreements may limit their use.

Much policy debate about international trade and environment has now spread to well beyond 'environmental provisions' only. The researchers examined global and regional trade agreements: those of the World Trade Organisation (WTO); four agreements between EU and developing countries (EU-South Africa, EU-Tunisia, EU-Mexico and EU-Chile); agreements between the US and developing countries, e.g. North American Free Trade Agreement (NAFTA), US-Chile; and finally South-South agreements between developing countries, e.g. China-Chile and the South Asian Free Trade Agreement. Four trade-related areas were examined: goods, services, investment and intellectual property. Within these areas, the study reviewed policy tools used to kick-start diversity and development for long-run growth, and analysed the space allowed for their use within the different agreements.

Overall, it appears that the US constrained the use of these policy tools the most, whilst South-South agreements between developing countries are the most flexible, allowing more space for tools to encourage development. Flexibility within South-South agreements derives from a lack of affirmative trade disciplines, but also from trade liberalisation between developing countries to protect industries and promote regional growth. EU and WTO agreements tend to occupy the middle ground and differ with trading partner. The WTO allows considerable room for manoeuvre, for example, countries are allowed to raise and lower tariffs and provide tax-related export incentives. The EU retains much of this flexibility in investment and intellectual property, but its policies tend to vary more with trading partner.

According to the study, this variation also depends on specific policy areas. For example, considering trade policies for goods, there are many tools, such as export incentives, quotas and safeguards, which could be used to enable development, but also to potentially protect the environment and ensure sustainability. The EU-Chile and EU-Mexico agreements are more prohibitive on the use of these tools, unless there are critical situations, such as food shortages or harmful imports. In comparison, the EU-Tunisia and EU-South Africa agreements are less prohibitive and provide space to deploy these forms of policy.

The greatest differences between trade agreements can be found in the area of investment. The EU-Chile agreement conveys a right of establishment for foreign firms, but other EU agreements remain silent on this matter, indicating a flexibility to regulate foreign enterprises, which could potentially enable environmental protection and sustainability. US agreements heavily constrain the use of policies by trade partners to regulate foreign investors, 21st Century Trade Agreements: Implications for so allowing no space for the policy to kick-start development.

Source: Thrasher, R.D. & Gallagher, K.P. (2008) 21st Century Trade Agreements: Implications fo Long-Run Development Policy. Pardee Papers No.2. Frederick S. Pardee Center for the Study of the Longer-Range Future. Boston University. Downloadable from www.bu.edu/pardee/publications/pardee-paper-002-trade

Knowledge exchange across the Atlantic – environmental challenges faced by NAFTA

Contact: kpg@bu.edu

Theme(s): Sustainable development and

policy assessment

"The EU could learn from the current challenges the North American Free Trade Agreement faces in dealing with trade-related environmental issues."

The 1994 North American Free Trade Agreement (NAFTA) was a landmark agreement in its inclusion of environmental provisions, but a new study has identified several areas in need of reform. The EU could learn from the current challenges the NAFTA faces in dealing with trade-related environmental issues.

NAFTA is a trade agreement between the US, Canada and Mexico. It was the first to link trade and environment through a specific side agreement that created a Commission for Environmental Cooperation (CEC). It has produced several positive impacts, such as establishing a pollutant release law in Mexico and the citizen submission process, where third parties can file claims against the violation of environmental laws. However, despite these gains, there are still trade-related environmental impacts.

Much environmental degradation in Mexico derives from trade issues, such as pile-ups of hazardous waste, threatened biodiversity from bio-prospecting (collecting plants and wildlife with useful properties) and unsustainable water and fertiliser use in agriculture. It has been suggested that NAFTA has been too strict in its regulations, making it difficult for Mexico to comply, leading to problems, such as illegal trade in waste. Additionally, institutions, such as the CEC, lack the authority to deal with violations.

The study provides recommendations for the different parts of the treaty. For example, under *investment rules*, it suggests screening possible investors for their environmental priorities. Under intellectual property rights it recommends facilitating the transfer of clean technologies and equal opportunities to all countries to develop clean technologies.

Considering NAFTA's specific environmental agreement, the study suggests reform based on four guiding principles: the 'polluter pays principle', the precautionary principle' i.e. policies should account for uncertainty, 'access and benefit sharing' between providers of goods/services, and 'the right to know', where producers and governments share environmental information with citizens. It recommends that all countries maintain, improve and effectively enforce a set of basic environmental laws and regulations relating to trade.

To support this, the CEC should have an expanded mandate and increased funding, possibly through the North American Development Bank, which would be remodelled along the lines of the EU structural funds. This would then support areas, such as loans, for SMEs to comply with environmental regulation and renewable energy development. Unlike NAFTA countries, the EU does not have a CEC to monitor the environmental dimension of its Free Trade Agreements, but the EU does integrate environmental aspects into its trade agreements, including through Sustainability Impact Assessments, which provide guidelines for possible policy measures.

Through the use of its structural funds, the EU also has the capacity to effectively level up and integrate disparate trading partners. In comparison Forces Report No.1 Frederick S. Pardee Center for to the EU, the NADBANK funds to address asymmetric development are tiny, particularly between the US and Mexico, and it has been suggested that Mexico could double its maize production if there was public investment in irrigation and agricultural technologies.

Source: Gallagher, K.P., Dussel Peters, E. & Wise, T.A. (2009Reforming North American Trade Policy: Lessons from NATTALee Center Task the Study of the Longer-Range Future. Boston University. Downloadable from www.bu.edu/ pardee/task-force-report-nafta

September 2011 Issue 27

Aid for Trade: lessons learnt about sustainability from the past

Contact: anajam@bu.edu

Themes: Sustainable development and

policy assessment

"Environmental policy has important trade implications and trade policy forms a significant part of international environment policy."

Aid for Trade (AfT) aims to help developing countries maximise their trade opportunities and represent their interests in trade negotiations. According to research reviewing the lessons learnt from previous aid initiatives, AfT can help meet sustainable development goals if developing nations are involved in setting standards.

AfT builds on the increasing recognition that trade and the environment cannot be considered as separate policy issues. Environmental policy has important trade implications and trade policy forms a significant part of international environmental policy. For example, to manage endangered species, products derived from rare species must be regulated. A number of environmental issues, such as global waste trade, resource use efficiency and organic agriculture, are also significant trade issues. Trade agreements and policies can also support certain goods and services that help protect the environment, whilst providing income to developing countries, such as for fair trade goods.

Three key priorities for effective AfT initiatives were developed from lessons learnt generally in aid provision. Firstly, if assistance is offered in one area, it should not be at the expense of assistance provided in another area. For example, new trade rules can remove existing preferential treatment enjoyed by developing countries and the impact of this can be significant to their economies. Alongside this, investments should be long-term and predictable.

Secondly, trade policy tends to be 'rule-based', with clear obligations and penalties. Developing countries may consider this as 'conditionality', which tends not to work in development assistance, because it is viewed as an imposition and often the countries themselves are not involved in setting these 'conditions'. The author argues that AfT initiatives must therefore be careful that their obligations do not lead to conditionality. Clear goals, targets, timelines and monitoring systems can be set up but any suggestion of policy conditionality must be avoided. The development of these systems should also involve the developing nations themselves.

Lastly, the criteria for accessing aid must be clear and transparent, demonstrate relevance to trade goals and be needs-based.

Developing countries need a sound domestic analytical framework to assess the impact of trade agreements and policies and AfT could help build these capacities. The assessments should be integrated and bring together economic, social and environmental dimensions. For example, trade policy to encourage environmentally-friendly products would benefit the environment, poverty alleviation and trade, and its impact should be measured in all areas.

Trade policy should also be mainstreamed into development policy, and environmental policy should be mainstreamed into trade policy. This could be achieved through a set of trade policy impact assessments. For these recommendations to become actions there needs to be investment in international policy processes, domestic implementation capacities and stakeholder participation. Developing countries need to meaningfully Perspectives. United Nations University Series on participate in international standard-setting and must encourage more linkages between the environmental and trade-related agencies that implement national policy.

Source: Najam, A. (2009) Aid for Trade for Sustainable Development. In: de Lombaerde, P. & Puri, L. (Edai) for Trade: Global and Regional Regionalism, VolDardrecht: Springer Science and Business Media BV. pp87-98.

EU and US: implications of different SIA approaches in negotiations

Contact: editor@bcjournal.org Themes: Sustainable development and

policy assessment

"The EU's approach is expensive and time consuming, but the benefits include better acceptance of the SIA in the partner country through greater stakeholder involvement."

Both the EU and the US undertake environmental impact assessments of trade agreements to understand environmental impacts of trade liberalisation. Researchers have compared the different approaches taken by the EU and the US to understand difficulties and successes in promoting environmental protection as part of trade agreements.

In the EU, Sustainability Impact Assessments (SIAs) have become an integral part of trade negotiations since 1999 and cover environmental, social and economic issues. Since the 1990s, US trade agreements also include environmental considerations, partly based on separate Environmental Reviews (ER).

Whilst the EU assesses the economic, social and environmental impacts of trade agreements, both with respect to its own territory and that of its trading partner countries, the US focuses more on assessing domestic environmental impacts. The EU's approach is expensive and time consuming, but the benefits include better acceptance of the SIA in the partner country through greater stakeholder involvement. For the US, the assessment is simpler, less costly and is seen not to impose US ERs on the partner country.

In the EU, SIAs are typically prepared by consultants. The long reports cover broader impacts of environmental issues, such as the relationships between environmental problems and socioeconomic effects in partner countries. In contrast, the US reviews are prepared by Trade Policy officials, are generally shorter and focus specifically on likely environmental issues arising from the trade agreement. Consequences of the agreement on economic matters, such as employment, are addressed in a different report, making it harder to link the different issues.

The EU SIAs are based on a thorough analysis of environmental impacts, involving descriptive and statistical analyses, including extensive use of modelling techniques: the US depends mostly on expert opinion to identify environmental impacts arising from trade agreements. Although the EU has a more objective and evidence-based evaluation of environmental impacts, modelling can be constrained by lack of data and simplifying assumptions. The US approach is more pragmatic, but less rigorous in terms of modelling techniques.

There are also differences between the EU and the US in how the impact assessment studies recommend actions to address expected environmental impacts as a result of trade agreements. In the US, mitigation actions are explicitly identified in the side agreements or ERs. However, in the case of the EU the links between identified impacts of trade agreements and mitigation action are less clear, unless measures are specifically foreseen in the trade agreement.

The researchers suggest greater dialogue between relevant officials in the EU and the US could help each region improve their own approach by providing a greater understanding of other possibilities and experiences.

Source: Alf, L., Assmann, C., Bauer, M. and Weinkopf, J. (2008) ward a Transatlantic Dialogue on Trade and the Environment: A Comparison of Approaches to Environmental Impact Assessments of Trade Agreements in the United States and the The Bologna Center Journal of International Affairs. Fall 2008: 137-150. This study is free to view at: http://bcjournal.org/ storage/BCJ-2008-special-edition.pdf

Sustainability Impact Assessments do not capture all impacts of trade

Contact: tancrede.voituriez@iddri.org
Themes: Sustainable development and

policy assessment

"Trade liberalisation could potentially harm non-market goods and services provided by the environment, society and culture. For example, services provided by ecosystems include the provision of clean air and water."

The Trade Sustainability Impact Assessments (SIAs) conducted by the European Commission are important elements in trade negotiations between the EU and its trading partners, but recent analysis suggests that trade SIAs are not as helpful in negotiations as might be hoped because they do not sufficiently assess the underlying reasons why negotiators are reluctant to conclude trade deals.

EU Trade SIAs, which are undertaken in parallel to negotiations, assess the potential economic, social and environmental impacts that could result from trade liberalisation, with a view to taking them into account in the positions taken during trade negotiations.

Thus, EU Trade SIAs seek to contribute to sustainable development, by ensuring that trade liberalisation does not occur at the expense of the environment or society. For civil society, trade SIAs are also an opportunity for stakeholders to voice their concerns and to understand the issues and potential effects of trade liberalisation.

As part of an appraisal of trade and globalisation, a recent book chapter has critically evaluated the role played by SIAs in trade talks. In this context, the authors suggest that trade SIAs have not had the desired effect of integrating sustainable development with trade liberalisation. The authors argue that this is because Trade SIAs do not capture the full range of environmental, economic and social impacts of trade, some of which may be the reasons for why negotiating parties do not choose to embrace trade liberalisation. Unrevealed by SIAs, these impacts may not be taken into account during the negotiation process.

The authors identify four main reasons (not always fully captured by SIAs) why negotiators may not want to conclude trade agreements. Firstly, special interest groups in the negotiating countries may seek to protect domestic enterprises (e.g. businesses and industries) from the effects of competitive imports. Governments can use trade agreements to counter strong lobbying by national interest groups and increase the overall welfare of citizens through trade liberalisation, but vested interests can be very powerful.

Secondly, the costs of making the necessary short-term structural changes related to trade liberalisation can be large. The benefits are clear in the long-term, but unless this short-term barrier is recognised in the negotiations this issue could be a stumbling block.

Additionally, trade liberalisation could potentially harm non-market goods and services provided by the environment, society and culture. For example, services provided by ecosystems include the provision of clean air and water. Potential damages caused by trade liberalisation to these non-market goods and services needs to be taken into account during the negotiating process.

Finally, a more open trading system could have a destabilising effect on (2009) Trade SIAs and the New Challenges of Trade Liberalization. In: P. Ekins and T. Voituriez choices a society makes could be constrained under the terms of a trade (eds)Trade, Globalization and Sustainability Impagingement should also be addressed during trade negotiations. Assessmentondon: Earthscan. pp 87-100.

and international trade.

Revise trade model for a global green economy

Contact: info@unctad.org

Themes: Sustainable development and

policy assessment

"To make development more sustainable, a move towards a green economy and green growth is needed." A green economy is one that promotes long-term social equality and well-being, without harming the environment or depleting natural resources for future generations.

Global trade can play a part in sustainable development and a green economy, if it ensures that benefits are equitably distributed among all sectors of society, and if trade agreements take account of and address impacts on natural resources and the environment. This is according to a recent report by the

United Nations Conference on Trade and Development (UNCTAD), which has

assessed the implications of a 'green economy' for sustainable development

The report has been produced in the context of ongoing preparations for the UN's Conference on Sustainable Development (Rio+20) to be held in Rio de Janeiro in June 2012, where 'a green economy in the context of sustainable development and poverty eradication' is a major theme on the agenda.

It is generally recognised that far reaching changes to the world economy, including international trade, are needed if urgent problems threatening the well-being of humankind, such as resource depletion and degradation, climate change, dependence on a carbon economy and poverty, in particular, are to be addressed.

The report describes how for the last 50 years, a trade model that focused on export-led growth was an accepted strategy to promote development, especially in developing countries. Success was typically measured in economic terms for producers, consumers and governments. Less consideration was given to whether trade gains were fairly distributed throughout society or used to reduce poverty and improve health and well-being. In addition, there was less attention paid to the impacts of trade on the environment. The report argues that to make development more sustainable, a move towards a green economy and green growth is needed. In a green economy, global trade would be more broadly centred on sustainable development goals, promoting social and environmental benefits in addition to economic gains.

The report highlights how trade can contribute towards sustainable development. For example, environmental protection in trade agreements should be given higher importance, driven by climate change concerns and the previous success of global trade to promote economic development should be built upon, but tied more strongly to social and environmental improvements. The role of trade instruments and agreements in promoting the transition to a green economy should also be considered.

However, there are a number of challenges to be faced in the transition to a green economy. Major changes are needed in the way goods and services are produced, consumed and valued. This transformation will be costly and developed countries would most likely have to help developing countries make the transition to a green economy. Adequate protection must be provided to the under-privileged who would be most severely affected by the costs accompanying such a transition.

In addition, although climate change is one of the main motivators for developing a green economy, the uncertainties associated with climate change (such as timescales and geographical impacts) are major barriers to the more demanding policies that are needed to promote the transition more swiftly.

Source: United Nations Conference on Trade and Development Secretariat (20**Tb**) Green Economy: Trade and Sustainable Development ImplicationsGeneva: The United Nations. (UNCTAD/DITC/TED/2010/2). The report is accessible at: www.unctad.org/en/docs/ditcted20102_en.pdf

A selection of articles on Trade and environment from the *Science* for *Environment Policy* news alert.

Hidden carbon emissions from trade offsets impacts of reforestation (14/7/11)

Countries that appear to have reduced greenhouse gas (GHG) emissions through reforestation may have simply "displaced" the emissions to another country, by increasing their imports of food, timber and wood. A new EU study highlights the need to recognise this "loophole" in ongoing emission targets.

How effective is the Forest Stewardship Council certification scheme? (27/01/11)

A recent paper suggests that the Forest Stewardship Council (FSC) certification scheme has not reduced deforestation, as originally intended, but acts instead as a market governance tool, which may become a barrier to international trade. However, it may develop a conservation role in conjunction with market initiatives which value ecosystem services, such as carbon sequestration through the Clean Development Mechanism.

International trade in forest products transfers environmental impacts (18/11/10)

Large imports of low-cost Russian wood to Finland up until 2007 increased pressure on Russian forest ecosystems, whilst reducing harvest pressure on Finnish forests and those of other European countries that consume wood-based products made in Finland, according to research. This highlights the need to take the international dimension of environmental impacts into account when designing sustainable production and consumption policies.

Making trade bans on endangered species work (4/6/10)

New research suggests that socio-economic considerations as well as biological and trade criteria need to be taken into account in the implementation of international trade agreements. The research focuses on the Convention on International Trade in Endangered Species of Wild Flora and Fauna (CITES), which is the largest international agreement on species conservation.

Deforestation driven by rural exodus and agricultural trade (6/5/10)

Deforestation in the tropics is being driven by people moving from villages to cities and the global demand for agricultural products, according to a recent study. The researchers suggest that forest conservation policies which target small landowners should be extended to also target industrial-scale, mechanised farming if such initiatives are to be effective.

Does Greening Public Procurement contravene Trade Laws? (14/06/07)

Dutch researchers have investigated to what extent promoting the greening of public procurement complies with international and European trade laws. Their results show that, at European level and in the context of international trade law, legislative requirements do not hinder climate-friendly procurement, as long as public authorities clearly specify the products and services they intend to purchase. Overall, they suggest that green public procurement is a useful tool in the endeavour to mitigate climate change.

To view any of these articles in full, please visit: http://ec.europa.eu/environment/integration/research/newsalert/index_en.htm, and search according to article publication date.

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Science for Environment Policy – A Weekly News Alert

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Trade and environment is the twenty-seventh in a series of special Thematic Issues of Science for **Environment Policy.**

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The contents and views included in Science for Environment Policy are based on independent research and do not necessarily reflect the position of the European Commission.

New to Science for Environment Policy

Research Repository

A new online database which brings together key environmental research for evidence-based policy. Free to access, the Research Repository lists studies that have undergone a rigorous selection process to ensure that only high quality, policy-relevant research is featured. The resource will grow as new research becomes available.

Studies are catalogued by topic, across an extensive range of policy themes, from ecosystem services to ecolabelling, and from soil management to urban water management. This is designed to help ensure that individual policymakers can find studies that are relevant to their specific project.

See: http://ec.europa.eu/environment/integration/research/newsalert/research_repository/research_repository.htm

Future Briefs

Future Briefs are a new series of policy briefs, which provide an accessible overview of emerging areas of environmental science and technology.

These are designed to help policymakers stay ahead of the game by exploring emerging areas of science and technology with implications for policy and by highlighting the latest findings, as well as identifying gaps in knowledge which require further research.

All subscribers to the weekly News Alert automatically receive Future Briefs free of charge.

See: http://ec.europa.eu/environment/integration/research/newsalert/future_briefs.htm

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Consumer Education and Research Centre

Consumer Education and Research Centre (CERC), set up in 1978, is a non-political, non-profit and non-government organisation dedicated to the education and empowerment of consumers as well as promotion and protection of consumer interests through effective uses of education, research, the media and law. CERC has three major roles-to make consumers aware of their rights, to help them protect themselves and to make providers of goods and services accountable.

Its activities include complaints handling, legal advice and litigation, consumer education and awareness programmes, library and information service, publication, comparative testing of products, advocacy, investor and environment protection.



CERC-ENVIS Centre

Ministry of Environment & Forest, Government of India has recognized Consumer Education and Research Centre (CERC) as ENVIS (Environment Information System) Centre in 2005. The focus of ENVIS is to provide environmental information to decision makers, policy planners, scientists and engineers, research workers, etc. across the country. ENVIS was conceived as a distributed information network with the subject-specific centers to carry out the mandates and to provide the relevant and timely information to all concerned.

Subject assigned to the CERC- ENVIS Centre is **"Eco labelling and Promotion of Eco** friendly products." The Centre launched the website http://cercenvis.nic.in/ on NIC (National Informatics Centre) platform with the theme 'Eco-labelling and Promotion of Eco-Friendly Products'. The website furnishes the information on national and international scenario on this subject.

It publishes theme based quarterly newsletter named "Green Insights". It also circulates bimonthly e-bulletin "Green Alert". Since Social Media is very popular among youth and to attract them and sensitise them towards eco products. ENVIS Centre has started a page on facebook also (https://www.facebook.com/EcoProductsEcoLabeling).





CERC-ENVIS CENTRE

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