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INSTITUTIONAL PLATFORM FOR THE SUSTAINABLE CONSUMPTION IN EUROPEAN UNION AND SERBIA

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Abstract: *Under conditions of globalization, the problems of sustainable development are more and more evident. A part of these problems relates to the excessive or unsustainable consumption caused by inadequate business principles dominant in the previous practice, which itself influence significant economic and social problems worldwide. It is considered that these problems are mostly present in EU, but that they can be intensified in emerging markets also by further economic and technological development. Therefore the institutional platform for promoting sustainable consumption, consisting of various regulations and initiatives, has been developed in EU. In light of the requirement for harmonization of national legislation with EU regulations, the basis for development of such platform has been established in Serbia, also. In this paper, the authors point out the significance of sustainable consumption and necessity of institutionalization of this issue. The special attention is directed to analysis of the mentioned regulations in EU and Serbia.*

Keywords: *institutional platform, sustainable consumption, sustainable production, European Union, Serbia, Innovation*

1. Introduction

Sustainable consumption may be analyzed starting from several approaches. Two basic and complementary approaches are the sustainable development approach and the approach related to customer obligations. The first method of the analysis of sustainable consumption involves its consideration as an integral component of a wider concept of sustainable development. Sustainable development as an imperative of contemporary economic and social development is defined as the development through which *the present generation enables future generations to use the same or bigger basket of resources* (World

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Commission on Environment and Development, 1987). In light of the requirements related to sustainable development, both sustainable production and sustainable consumption have been defined. Sustainable production, in this sense, involves the use of natural resources and energy in a more efficient manner and the minimization of adverse impacts on the environment. Sustainable consumption, in turn, implies the satisfaction of basic needs for goods and services, with the aspiration to achieve a better quality of life, and a response to the request for securing sufficient resources for future generations (European Union, 2010). From this definition, it can be concluded that some of the basic components of sustainable consumption are related to orienting customers primarily toward the use of products and services that meet their basic needs, which could also imply the intention of certain *refraining* from the consumption of other products. Sustainable consumption, however, does not apply to *renouncing* the consumption of products and services that do not meet basic, but other needs, because the definition still says it is the concept that promotes the quality of life, which means that it involves both buying and use of these goods and services, but in a way that is consistent with the requirement that a certain amount of resources is saved and preserved in order to be available to future generations.

Another approach that can serve as a starting point for the analysis of sustainable consumption is related to the obligations of consumers. Unlike consumer rights that are defined in the UN Declaration (The United Nations Guidelines for Consumer Protection (UNGCP), 1985), *incorporated* in the legislation of most countries in the world¹, on the promotion and protection of which not only the official government institutions but also numerous institutions of consumer self-organization are engaged, the obligations of consumers are not unified, clearly defined and regulated. Namely, legislative or similar acts do not define the list of consumers' obligations, but they are discussed to some extent in theory and practice, particularly within the concept of *(socially) responsible consumption*. Based on the operationalization of this concept by the scale for its measurement given by Webb, Mohr & Harris (2008), we may single out the three primary determinants of socially responsible consumption: *orientation of consumers towards performances related to the company's social responsibility* when making purchasing decisions, to the *recyclability of products/packing* and to the *avoidance or reduction of the use* of products that have a negative impact on the environment. At purchasing decision-making by socially responsible consumers, these factors will play a more dominant role than the so-called traditional purchasing decision factors (e.g. price, availability, price/quality ratio, etc.). In this sense, it is necessary to differentiate the concepts of sustainable and (socially) responsible consumption. It is believed, namely, that the (socially) responsible consumption is a broader concept as it relates to social, economic and environmental aspects of consumption, while *sustainable consumption* is primarily related to the environmental aspect.

For the purposes of this paper we will, therefore, define sustainable consumption as the consumption of goods and services, that themselves, as their packaging and the very process of exploitation have no or minimal negative impact on the environment, which can

¹ In terms of harmonization of legislation, EU Member States have an obligation to coordinate the issue of the protection of customers with the requirements of the latest Directive 2011/83/EU of the European Parliament and Council of 25 October 2011 on consumer rights, which replaced the Council Directive 93/13/EEC and the Directive 1999/44/EC of the European Parliament and Council and by which the Council Directive 85/577/EEC and the Directive 97/7/EC of the Parliament and the Council were revoked.

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be recycled and which imply the rational use of resources so as to *preserve* their appropriate part for future generations. Along with aforementioned, sustainable consumption implies a certain degree of restraint from excessive consumption, too. Sustainable consumption is therefore related to the lifestyle of consumers, i.e. their habits in the process of purchase decision-making, the purchase itself and in disposal of products and services.

The basic research questions are defined as:

- What are the reasons leading to the study and promotion of the concept of sustainable consumption?
- What implications it has on the theory and practice of marketing?
- What measures and initiatives constitute an institutional platform for the regulation of this area in the EU?
- To what extent such a platform has been developed in Serbia?

2. Significance of sustainable consumption

The concept of sustainable consumption has been developed in response to the current problems, given that the unsustainable patterns of consumption and production have a growing negative effect on the environment, society, economy and business. It is believed, namely, that the modern society that is defined as a consumer-driven society generates a significant burden on the planet, in the sense that it rapidly depletes resources and creates large amounts of waste, which threatens the environment. Modern production and consumption cause many problems related to the environment, such as global warming, depletion of natural resources, deterioration of biodiversity, etc.

Economic growth and technological development have led to a change in modern perceptions of comfort and development of a lifestyle which involves even greater demand for goods and services, and thus for energy and other resources. Kotler (2011) points out that such phenomena are the consequences of the fact that, among other things, the business principles that led to the unsustainability were based on the assumption of unlimited supply of resources and on the understanding that the production, distribution and consumption do not add to pollution and associated costs, or at least that companies do not have to bear these costs. However, due to understanding that the reality is different, it is necessary to change the mode of entire business, including the following changes in marketing philosophy:

- from the conception that desires are natural and unlimited and that endless consumption should be encouraged, to the view that desires are shaped by culture, marketing and other forces, and that an orientation toward *mindful* consumption is required;
- from the understanding that the Earth's resources are infinite, to the realization that they are limited and sensitive;
- from the understanding that the Earth's capacity to withstand waste and pollution is unlimited to the realization that it is extremely limited; and
- from the perception that the quality of life and personal happiness increase with the increased consumption and higher satisfaction of desires, to the opposite view, that they do not always increase. In this respect, Stern (2010) states the attitude of

Paul Polman, the Director of Unilever, which formulated the mentioned request for prudential consumption as a component of sustainable consumption: "... the road to well-being doesn't go via reduced consumption. It has to be done via more responsible consumption."

Apart from the mentioned assumptions, there are also numerous additional reasons for the unsustainable consumer behavior, which are primarily related to the following facts (European Union, 2010, p.16):

- Most people have difficulty connecting their personal consumption habits with important and comprehensive environmental issues related to the environment, such as, for example, climate changes;
- Market prices, which are one of the dominant factors in the purchase decision making for the majority of consumers do not reflect the total cost of production and consumption - Therefore, most consumers still opt for products and services that do not meet the requirements of sustainable consumption, because their *displayed* market prices are lower. These prices, however, have not taken into account, i.e. outlined the problems that arise from their production and consumption - e.g. production and use of certain products result in emissions of greenhouse gases and, consequently, in climatic changes; in the excessive use of resources and, consequently, in disruption of biodiversity; as well as in pollution, which will certainly lead to an intensification of human health problems, so medical costs will rise. Advocates of sustainable consumption indicate that it is necessary to inform consumers about all these aspects in order to make more informed and wiser decisions when selecting and using products and services, taking into account data on the performances of products throughout their life cycles, on all current and future costs and on overall consequences of the purchase and use.
- Regarding the previously mentioned, even those people who understand the necessity of using the products and services aimed at realizing sustainable consumption are often not in a position to transform their *loyalty in attitude (devotion)* to the *loyalty in behavior (purchase)*, due to the phenomenon which in literature is called *the green gap* (see, for example, Gordon, 2002). This concept refers to the phenomenon that the consumers who assertively support the products and services that meet the requirements of sustainability, are not buying the same goods from primarily economic reasons, because they are not ready or able to pay a high price for them.

The problem that, on the other hand, producers are facing is related specifically to this inconsistency in consumer behavior and the fact that they encounter lower demand for *sustainable* products and services, compared to that which could be expected on the basis of the statements/opinions/preferences alleged by potential consumers. The low level of demand does not motivate producers to invest in the creation of products and services whose production, use and disposal reduce the negative influence on the environment. Prices of manufactured *sustainable* goods are therefore high compared with unsustainable options of the same class, primarily because the need for them to cover the production costs, additionally affecting the low level of demand.

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The problems of unsustainable consumption are particularly pronounced in the EU member states and, in order to illustrate them, statements like the following are often emphasized:

- *If the rest of the world population lived as Europeans (residents of EU member states, A/N), the resources of at least two more planets like Earth would be required to support such consumption.*
- *Although residents of EU countries account for less than 10% of the global population, they are spending half the world's production of meat, a quarter of the produced paper, and 15% of energy produced.* (European Union, 2010, pp. 3-4)

The consequences of such unsustainable consumption of EU citizens are felt on a global level, because the European Union is dependent on imports of energy and other natural resources from all over the world, and increasingly on imported finished products as well. However, the changes in other countries are also reflected on sustainability at the global level. Kotler (2011) in this regard highlights the fact that is often cited in order to draw attention to this problem: if, hypothetically, the underdeveloped countries have met the standard of living of the developed, changes related to the growth of road and air traffic and the energy consumption would lead to an increase in pollution, which would most adversely affect the quality of life of all the inhabitants of the Earth. In this sense, Sheth, Sethia and Srinivas (2010) state that sustainable - conscientious consumption (the authors refer to it as *mindful*) is one of the fundamental questions of modern marketing. These authors, in fact, suggest that in the emerging markets there are more than four billion people who seek to become the first time buyers and users of the products of modern technology, while Mahajan and Banga (2005) also emphasize that the vast majority of the population of the emerging markets have yet to experience the benefits of industrial revolution, such as running water and electricity, which will further affect the growth of demand and intensification of the problem of sustainability. Given the size and rapid growth of a new middle class in these markets, which Sheth and Parvatiyar pointed out almost 20 years ago (Sheth & Parvatiyar, 1995), we may expect that the consumption of this class will have both short- and long-term consequences for the sustainability on the global level.

For the mentioned reasons, the need singled out to promote sustainable consumption worldwide. In the following part of the paper, the institutional prerequisites for the development of sustainable consumption in the European Union and Serbia will be elaborated.

3. Institutional platform for sustainable consumption in the European Union

Considering the aforesaid dramatic data on consumption in the European Union, the promotion of sustainable consumption represents one of the priority areas of activity related to sustainable development. It is believed, namely, that the efficiency in using energy and other resources is the basis for future competitiveness of Europe (referring to the EU - A/N), while sustainable consumption and production maximize the potential of the business to transform challenges related to environmental protection into economic opportunities by providing greater value to consumers through innovation. (European Union, 2010, p. 5)

Basic EU measures related to sustainable consumption and production are focused on achieving four main objectives:

- production of better (more sustainable) products,
- (promotion of) *smarter* consumption,
- improvement of production which is to become leaner and cleaner, and
- support of global initiatives aimed at achieving these goals.

As a basic way of regulation, in the form of guidelines, the Action Plan on Sustainable Consumption and Production and Sustainable Industrial Policy was defined (EC, July 2008). This plan is used to respond to identified key challenges related to sustainable consumption:

- improvement of total *environmental performance* of products during all the phases of their life cycles,
- promotion and stimulation of the demand for better (more sustainable) products and production technologies,
- assisting consumers to make better decisions and choose products and services consistent with the requirements of sustainable development,
- finding ways to support EU industry to take advantage of innovations in order to achieve continuous leadership in environmental performance.

The Action Plan on Sustainable Consumption and Production and Sustainable Industrial Policy represents the result of the integration of the existing regulations, primarily the legislation on the design of energy-using products, labeling schemes for products that comply with the relevant regulations, environmental management systems and incentives for citizens and public institutions for the purchase of environmentally friendly products.

Based on the above it can be concluded that the regulations define the support to two major target groups - consumers (to become more informed and educated and make better decisions about consumption) and producers (various forms of support to manufacturers of products and services adjusted to the requirements of sustainability).

3.1. Support to consumers in selecting sustainable options

Providing support to customers is done by raising the level of their awareness and their knowledge of products that meet the requirements of sustainability, in order to make decisions that allow the choice of long-term superior value. Basic directives and initiatives that represent the institutional platform for the regulation of this field in the EU are:

- *Ecodesign of Energy using products Directive,*
- *The EU's Energy Labelling Directive,*
- *EU Ecolabel Initiative*
- *Retail Forum initiative of retailers, manufacturers and nongovernmental organizations,* and
- *Initiatives for informing and educating citizens on sustainable consumption— like Dolceta and Europa Diary.*

One way of providing superior long-term value is responding to the mentioned target that is related to the creation of better products. This objective is operationalized

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through the *Ecodesign of Energy using Products Directive*. After it was found that 80% of all the impacts of household products on the environment is already determined in the designing phase of the product, the EU adopted in 2005 the legislation which is forcing manufacturers to focus on energy use and other aspects related to the environment, as early as at the stage of conceptualization and design of the product. (European Union, 2010, p. 9) The Directive on Ecodesign of products that use electricity (and to large amounts - e.g. water heaters, computers, TV sets), sets the requirements that prescribe which products can be found on the EU market. Although the main goal is to reduce energy use, this Directive imposes an obligation to consider the entire life cycle of the product and its environmental impacts associated with, for example, the use of certain materials, water, emission of harmful gases, issue of waste and its recyclability. The mentioned Action Plan regulates the domain of energy efficiency in a much wider area - a larger number of energy-using and energy-related products.

Whereas the above mentioned Directive is oriented toward increasing the value for consumers by enabling technical improvements to the product, *product marking - labeling* allows consumers to make decisions based on larger amounts of information. By the *EU's Energy Labelling Directive*, manufacturers and retailers are already required to provide marking of products with the labels that give consumers an insight into the energy consumption of home appliances. The mentioned Action Plan introduced compulsory labeling of a large number of energy-using and energy-related products, which will provide multiple benefits - for example, based on the label data on the insulating capacity of the window, consumers will be able to choose more appropriate options also from the aspect of savings in heating costs, etc.

The *EU Ecolabel* initiative is also based on labeling the products, but those that are *the most environmentally friendly* or have the least negative impact on the environment and the best environmental performance, with a recognizable logo in the shape of a flower that enables consumers to easily identify such products. Only 10-20% of products, which are best adjusted to the requirements of sustainability and have the smallest negative impact on the environment, are given this label. These products belong to the following categories:

- Cleaning products,
- Clothing,
- Home & Garden furniture and equipment,
- Household appliances,
- Paper products,
- Lubricants,
- Services (tourist services - accommodation).

Brands of products that are *most sustainable* within each of these categories are marked with a EU Ecolabel informing consumers that their purchases support sustainability. With the Action Plan, the initiative is extended to other categories of products and services that have the greatest impact on the environment and the greatest potential for improvement. Improvements defined by the Action Plan relate also to the development of uniform criteria for the labeling of food and beverages in the territory of the whole European Union, as well as to the reduction of bureaucracy and simplification of the application process for manufacturers and service providers.

In addition to these kinds of regulations, other forms of customer support have also been developed in the EU. One of these is the *Retail Forum* initiative, which was launched by the European Commission, consisting of retailers, manufacturers and consumer organizations, as well as other NGOs. This initiative is aimed at helping consumers at the very points of purchase to make more sustainable selection when deciding on the purchase. The objectives are related to the influence on the large retail chains to commit to conducting a series of ambitious and concrete actions aimed at protecting and improving the environment and to raising the consumer awareness about sustainable options to help them make more informed decisions and choose products and services consistent with the requirements of sustainability at the point of purchase. Specifically, this initiative implies that merchants should include more *eco-friendly* products in their assortments and inform consumers about them by clear indications, in order to facilitate their decision-making and purchasing.

Another way of raising awareness of the importance of sustainable consumption involves initiatives related to information and education of not only potential consumers but citizens in general. With that purpose, numerous Internet initiatives have been launched, such as *Europa Diary* and *Dolceta*. These initiatives are aimed at providing plenty of information to a large number of citizens, not only of the EU countries (namely, the *Europa Diary* was translated into Serbian and Turkish, too), about various aspects of sustainability, including sustainable consumption. Educational materials have been prepared for both adults and young people (*Europa Diary* is an educational material that also contains the module on sustainable consumption since 2009, is distributed to European schools for the education of students, and is available in the Internet, too).

3.2. Supporting manufacturers to produce more sustainable products and services

The results of the analysis showed that the public authorities in the EU annually spend 16% of EU gross national income (about € 2000 billion) on goods and services (European Union, 2010). If government institutions, in considering the invite of tenders for public procurement, would take into account the environmental impact of using these products and services, they could influence the saving of resources and reducing of pollution, and obtain highest possible value for customers. Given these facts, the EU launched an initiative called the *Green Public Procurement - GPP* to stimulate new eco-friendly products, technologies and innovations. With this initiative, the European Commission proposed to member states that half of their tendering procedures become *green* by 2010 and provided them with instructions and training to facilitate the application of the criteria developed jointly with the representatives of member countries and other stakeholders. Through this initiative, the objective of setting common criteria for the purchase of products and services from 10 priority categories: Construction, Food and Catering Services, Transport, Electricity, Office IT Equipment, Textiles, Copying and Graphic Paper, Furniture, Cleaning Products and Services, Gardening Products and Services would be accomplished. In a recent study (European Union, 2010) it was found that the application of GPP in 10 basic sectors could lead to an average reduction of 25% in CO₂ emissions and to a reduction in total cost of public procurement by 1%. The same study has indicated that the most successful EU countries (Austria, Denmark, Finland, Germany, the Netherlands, Sweden and the UK) already consider ecological criteria in 45% of total value and 55% of total public procurements. In this sense, mandatory criteria

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related to GPP were developed and defined by the official legislation. Additional regulations apply to some of the aforementioned sectors, as well. The area of office IT equipment is regulated by the so-called *Energy Star* regulations which set minimum energy efficiency standards that must be met when the central government and the EU institutions are to buy computer equipment. The area of transport is defined by a separate *Directive on the Procurement of Clean and Energy Efficient Vehicles*, by which public authorities and operators are obligated to take into account the cost of the product life cycle - including the energy consumption and emissions of CO₂ and other pollutants. For the purchase of *energy-related products*, the European Commission proposed a set of mandatory GPP criteria for public authorities in the revision of the Energy Labeling Directive.

In several EU countries, regulations are in practice amended with various supportive measures and tax exemptions to encourage customers and companies to buy/produce *green* products and services. However, the set criteria vary considerably from country to country. The Action Plan will set precise level of energy and environmental performances for certain products of priority to be in line with the requirements for labeling or requirements needed to be purchased by the public authorities of member states or EU institutions. This means that these criteria will be defined through special classes of labels within the current mandatory labels for certain categories of products - among *sustainable* brands within each product category, marked with corresponding labels, *the most sustainable* ones will be marked with special labels. Member States shall, however, be given the discretionary right to decide whether and how to provide benefits, while the European Commission is also considering options for possible tax incentives for customers who buy sustainable goods.

4. Institutional platform for sustainable consumption in Serbia

Current situation regarding the protection of the environment in Serbia is best illustrated by the fact, stated in the National Strategy for Sustainable Development of Serbia (Vlada RS, 2008a, p. 27), that only 0.3% of GDP is allocated for the environmental protection, which is significantly less than allocations for the same purpose in advanced transition countries. The same document (p. 34) specified the main problems related to sustainability as follows: unclean industry, inadequate use of energy and nonrenewable resources, excessive use of materials in production, low level of recycling, intensive pollution, unregulated issue of waste-disposal landfills, low energy efficiency - dissipation of energy due to economic and technological factors.

The basic document which regulates the areas of sustainable production and consumption is the aforementioned National Strategy for Sustainable Development of Serbia, which the RS Government adopted in 2008 (Vlada RS, 2008a). Issues of sustainable production and consumption are analyzed from several perspectives in this Strategy.

Planning of sustainable production and consumption (with the reduction of waste per unit of product) is *one of the key national priorities* for achieving the vision of sustainable development by 2017, as defined under Priority 5: *Protection and improvement of environment and rational use of natural resources, protection and enhancement of the environmental protection system, reduction of pollution and contamination of the*

environment and utilization of natural resources so as to preserve them for future generations. (Vlada RS, 2008a, p.13)

Sustainable production and consumption are indirectly included in the strategy also because it is based on the globally accepted principles laid down in the Declaration on Sustainable Development in Johannesburg, the Millennium Development Goals and the EU Sustainable Development Strategy, and some of these principles are: *To respect balanced relations in the exploitation of natural resources and to ensure a high level of protection and improvement of the environment. To reduce environmental pollution and to promote sustainable consumption and production, but economic growth must not cause a proportional increase in environmental degradation. (Vlada RS, 2008a, p.14)*

In the elaboration of this goal, the concept of sustainable production and consumption is explained as a concept *based on the production of the highest possible added value with the lowest possible usage of materials and energy and with the smallest possible negative environmental consequences in order to leave better chances for future generations (Vlada RS, 2008a, p. 34).*

The Strategy promotes the concept of product life-cycle and highlights the necessity for manufacturers, retailers and consumers to be aware at any moment of the consequences that products and services have on the environment. The need is expressed for transparency of the ecological characteristics of the product and its mode of consumption.

Based on the defined problems related to protection of the environment in Serbia, the Strategy defines the necessity of introducing very severe measures of restrictions for unclean industry and measures against the dissipation in the production and consumption of energy and waste of material, especially nonrenewable resources. The prescribed measures are the following:

- Including international eco and natural rent in economic price of the electricity
- Decreasing use of PET (Polyethylene Terephthalate) and ceasing use of PE (polyethylene) and PVC (Polyvinyl Chloride) shopping bags, petrol containing lead etc.
- Introducing incentives for green packages, biodegradable materials, decrease and separation of waste, increase of energy and eco efficiency of production and for energy-saving programs.

As in EU initiatives, these measures (mostly simulative, but sometimes restrictive) have to be oriented towards producers and consumers, and therefore include:

- Economic intervention – paying the full price for use of energy and natural resources, especially the non-renewable ones,
- Stimulations – encouraging production that uses green and eco materials and renewable energy,
- Regulation on ecologically inadequate production and consumption, import and export,
- Education for sustainable consumption for the wide audience,
- Standardization of acceptable products and services from the aspect of environmental and consumer protection,
- Wide media campaign on sustainable production and consumption,

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- Demonstration of healthy and sustainable lifestyle through using more efficient, economic and cleaner transportation,
- Encouraging citizens to use energy, water and food more wisely, to protect environment, biodiversity and other values,
- Customer protection and inclusion in defining measures and activities for sustainable production and consumption concept implementation.

Based on this Strategy, the *Action plan for implementation of National Strategy on Sustainable Development of Serbia for the period from 2009 to 2017* was adopted in 2009. The instructions for achieving sustainable production and consumption are defined in this document in following manner:

- Establishing sustainable production and consumption systems: adoption of appropriate legislative framework for regulation of harmful and inadequate production and consumption – import and export of eco-unfriendly products and services;
- Standardization of acceptable products and services from aspects of environmental and consumer protection;
- Encouraging use of eco and green packages and eco projects by tax stimulations and scientific research;
- Program of training and education for sustainable production and consumption for wide audience:
 - Change of habit, promotion of sustainable behavior in consuming electricity, water, food, protecting the environment and biodiversity, cultural and other values in consumption;
 - Nurturing healthy lifestyles;
 - Media campaign for accepting sustainable ways of production and consumption;
 - Support to recycling and ‘green’ products through system of public procurement – changing the Law on Public Procurement.

Although the Strategy and Action Plan are largely harmonized with the regulations laid down in the EU territory, the application of these documents is not adequate. For example, the Action Plan states that the amount of around EUR 2,000,000 is allocated for achieving the goal related to the standardization of products and services acceptable in terms of protection of the environment and consumers, and the deadline is set for the completion of this initiative - 2012. Since the deadline for achieving this goal is approaching, and related initiatives have not even started, we may say that it will not be realized at all.

In addition, the only Report on the development of the Strategy implementation is from 2010, so information on any recent developments in this regard is not available to the public.

A new Public Procurement Law has not yet been enacted, neither has the current law of 2008 been changed so that provisions include the requirements related to sustainability and that the legislation be aligned with the aforementioned GPP initiative in the EU. Specifically, in the existing law there is one and only mention of the issue of environmental protection, and in the following way:

Procuring entity may impose other additional requirements for participation in the public procurement procedure, especially if they relate to social and environmental issues. (Government of the Republic of Serbia, 2008b, p. 20)

However, positive developments can be expected in this respect, because in the recently adopted National Strategy for Sustainable Use of Natural Resources and Goods (Government of the Republic of Serbia, 2012), contribution to the direction of development towards sustainable production and consumption, as well as to the *greening* of public procurement, is listed as one of the primary goals that are set to be achieved by this National Strategy².

3. Conclusion

One of the reasons for treating the sustainability as the imperative for contemporary economic and social development is in fact the understanding that previous principles of economy and society in general can hardly be defined as sustainable. The irresponsible ways of producing, consuming and disposing have led us to the situation in which we are dealing with serious damages of natural environment that need to be resolved and the trend of further negative impact should be prevented. The responsibility for causing the problems related to unsustainable consumption is primarily being put on the most developed countries, among which the EU members especially. That is the reason why the EU has been developing the institutional platform in form of regulations and initiatives, to promote and introduce sustainable consumption in the priority sectors.

However, it can be expected, if the unsustainable trends continue, that as the present developing national economies rise, the unsustainable consumption will become significant and more pronounced problem in these countries also. That is why these countries, including Serbia, are also expected to formulate the institutional platforms as bases for concrete initiatives of solving the problems related to unsustainable consumption.

As mentioned, these measures are addressing two groups of stakeholders as ones of priority – consumers, who need to become more educated and informed on sustainability issues in order to make better (more informed) choices; and producers – who need support in producing the sustainable products and services and innovating in order to create best value for customers. In EU these measures are well-developed and diversified with potential for further growth, while in Serbia they are being tailored according to EU measures in strategic documents, and still are not sufficiently implemented in practice.

Having in mind that the main aims of these efforts are to educate customers and to create best value for them, we can clearly see that marketing has very significant role in promoting and establishing sustainable consumption as it can influence and enhance change in behavioral patterns of both customers and the producers. On the other side, the theory

² Likewise, among the principles adopted in drafting the National Strategy there were also the following: *The principle of building public awareness that emphasizes the importance of educating the public and interested parties, including employees, to better understand the issues of sustainable development and the change of the established ways of public consumption, and The principle of green public procurement - GPP (called the "greening" of public procurement) which highlights the importance of selecting products and services that are less polluting the environment, thus contributing to the economy based on more efficient use of resources and stimulating eco-innovation.*

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and practice of marketing are going through radical change, as the former principles of doing business are being completely transformed and becoming aligned with requests for sustainability. The sustainable consumption should become one of the main topics for contemporary marketing, for finding the use of marketing instruments in order to promote and further strengthen the sustainable consumption and sustainable production behaviors.

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INSTITUCIONALNA PLATFORMA ZA ODRŽIVU POTROŠNJU U EVROPSKOJ UNIJI I SRBIJI

Apstrakt: U uslovima globalizacije problemi vezani za održivi razvoj postaju sve izraženiji. Jedan deo ovih problema odnosi se na prekomernu ili neodrživu potrošnju koja je uzrokovana neadekvatnim načinima dosadašnjeg poslovanja, a koja pak izaziva velike ekonomske i socijalne probleme širom sveta. Smatra se da su ovi problemi najizraženiji u Evropskoj Uniji ali da se, daljim ekonomskim i tehnološkim razvojem, mogu intenzivirati i u trenutno manje razvijenim nacionalnim ekonomijama. Stoga je u EU definisana institucionalna platforma koja se sastoji od brojnih regulativa i inicijativa za promociju održive potrošnje. U svetlu harmonizacije nacionalne zakonske regulative sa regulativom EU, i u Srbiji su postavljene osnove za razvoj ovakve platforme. U ovom radu autori ukazuju na značaj održive potrošnje različitih subjekata i na neophodnost institucionalizacije ovog problema. Posebna pažnja je usmerena na analizu pomenutih rešenja u EU i Srbiji.

Ključne reči: institucionalna platforma, održiva potrošnja, održiva proizvodnja, Evropska Unija, Srbija, inovacije