## THE CONGRESS OF LOCAL AND REGIONAL AUTHORITIES

## Recommendation 244 (2008)<sup>1</sup> Responsible consumption and solidarity-based finance

- 1. In its "Revised strategy for social cohesion", the Council of Europe defines social cohesion as "the capacity of society to ensure the welfare of all its members, minimising disparities and avoiding polarisation", since one of the prime objectives of social cohesion in the 21st century is "building a Europe of responsibilities that are both shared and social".<sup>2</sup>
- 2. New patterns of thinking and practice as regards production, trade and consumption allow the harnessing of markets to the cause of social cohesion and equity and the avoidance of activities ending in exclusion and aggravation of inequalities.
- 3. For more and more citizens, the act of purchasing carries a societal dimension. This awareness is expressed through the choice of local products with social labelling (or originating from organic production processes) and financial investments meeting social criteria. Citizen initiatives are proliferating, such as solidarity food-stores or inclusive co-operatives and enterprises promoting social integration, microloans, socially responsible local partnerships between producers and consumers, supportive buying groups and arrangements made at local level for non-monetary exchanges.
- 4. The Congress of Local and Regional Authorities of the Council of Europe for its part is convinced that central and local government administrative services can be active via public procurement, by encouraging businesses to take more responsibility and by intervening in support of the economically vulnerable. It has wished to examine how socially responsible consumption and solidarity-based finance could constitute a prime social cohesion policy instrument.
- 5. In the light of the above, the Congress recommends that the Council of Europe member states:
- a. facilitate, as appropriate, the promotion of, and citizens' access to, responsible consumption and solidarity-based finance by:
- i. creating and promoting social labels which indicate production methods that respect social standards (for example, where countries of origin prohibit child labour and guarantee the right to form labour unions), as well as European production methods and services which are inclusive and proactive with regard to these standards;
- ii. conducting information campaigns through the media in schools on the opportunities offered by responsible consumption and solidarity-based saving;

- iii. supporting consumers' associations that work to raise the awareness of consumers, in addition to research into merely their interests and satisfaction;
- b. set an example in public procurement and encourage enterprises to develop a responsible style of consumption and budgeting, particularly by:
- i. providing, where not already included in the legislation or regulations governing official competitive tendering (for example public procurement codes), for the possibility of introducing social clauses into the terms of award or performance of contracts;
- ii. encouraging public buyer groupings in order to harmonise their practices, especially as regards social ethics;
- c. more generally, encourage socio-economic and/or professional players to promote responsible consumption, solidarity-based finance and a responsible economy through practices such as:
- i. drawing up rules of ethical and professional conduct, particularly in the spheres of finance, advertising and information;
- ii. encouraging the media to publicise initiatives for responsible consumption and solidarity-based saving;
- iii. raising awareness among the arbiters of consumer choice and persons known to the general public who lend their image to advertising, through actions directed at their professional associations, such as the preparation of charters;
- d. promote social responsibility and responsible consumption at a global level, for instance by introducing social taxes, along the lines of the ecotaxes, for imports with a strong social footprint, making it possible to allocate the yield of such taxes to social investments in the countries concerned:
- e. encourage dialogue among public authorities, citizens and other socio-economic players, particularly in the context of the Council of Europe's European dialogue platform on ethical and solidarity-based initiatives, in order to:
- i. share practices, adopt common ethical references and make proposals for the advancement of responsible consumption, solidarity-based saving and a responsible economy;
- ii. identify and disseminate good practices, including those in other countries;
- iii. facilitate co-ordination of ethical and solidarity-based actions at the European level and the promotion of synergies between the various players and levels of intervention.
- 6. Furthermore, the Congress recommends that the Committee of Ministers of the Council of Europe undertake an appraisal of the concept of human rights, which takes into account citizen responsibility, and invites:
- a. the European Committee for Social Cohesion (CDCS) to initiate work on shared social responsibility, which should

include the local and regional dimension in accordance with the recommendations of the High-level Task Force on Social Cohesion in the 21st Century;

- b. the Steering Committee for Education (CDED) to develop guidelines on the education of children and young people in responsible consumption;
- c. the European Steering Committee for Youth (CDEJ) to promote the concept of responsible consumption actively and to help young people think about it by producing teaching materials;
- d. the Council of Europe Development Bank to insert social clauses in the terms of their loan contracts;

- e. the European Commission to:
- i. include social criteria in the procedures for allocating European funds, whatever their focus (for example, an obligation to allocate a certain percentage of jobs to organisations dealing with integration through the economy);
- ii. provide the possibility for establishing a European social label in consultation with the players concerned.



<sup>1.</sup> Debated and adopted by the Congress on 29 May 2008, 3rd Sitting (see Document CG(15)14REC, draft recommendation presented by P. Dee (United Kingdom, L, ILDG), rapporteur).

<sup>2.</sup> Report of the High-level Task Force on Social Cohesion in the 21st Century: "Towards an active, fair and socially cohesive Europe" (November 2007).