The Funders Working Group on
Sustainable Consumption and Production

Environmental Grantmakers Association

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Sustainable Consumption and Production: Strategies for Accelerating Positive Change

A BRIEFING GUIDE FOR GRANTMAKERS

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EXECUTIVE SUMMARY

Sustainable Consumption and Production: Accelerating Positive Change

You don't have to be an economist to see that almost every environmental problem connects to consumption and production, though the impacts aren't always obvious. We see ever-expanding production, use, and disposal of goods and services; we don't always see how this growing economic activity depends on rising throughput of materials, water, and energy. The result: unchecked growth in solid waste and greenhouse gas emissions—and a multitude of other problems. Yet it seems almost taboo to examine the economic forces that inexorably lead to rapid ecological degradation. The dominance of pro-growth politics and the prevailing "more is better" economic and cultural norms have prevented scrutiny of current patterns of commerce as a root cause of environmental problems. Until now.

The past decade has seen the emergence of numerous initiatives aimed at redirecting consumption and production. In so doing, these initiatives seek to minimize environmental pressure, bolster economic prosperity and improve quality of life. These emerging programs are primarily driven by environmental concerns, but some stem from growing misgivings about excessive commercialism, crass materialism and the commodification of all parts of life. Some of the initiatives have arisen from the recognition that current patterns of consumption, production, and economic development are exacerbating poverty and failing to meet genuine human needs. For most, these environmental and quality-of-life issues converge.

The innovative efforts to promote sustainable consumption and production such as those described in this book are on the leading edge of this important transformation. But such efforts need support, and that is where foundations and philanthropists have a crucial role to play. This briefing book describes many ways that grantmakers can help support organizations working with producers, consumers, investors, and citizens to bring commerce into greater harmony with environmental and social needs.

Our research and analysis point to five key actions that grantmakers can target to accelerate meaningful change in the area of sustainable production and consumption:

INCREASE CONSUMER AWARENESS AND CHOICE

Individuals—both as citizens and as conscious consumers—are a prerequisite for long-term change. Few people believe that a sustainable future will be secured exclusively by individual consumer action or lifestyle change. Yet these early adapters inspire and motivate others through new approaches to living and consuming. Further, the most efficient and effective market and policy changes almost always depend on a highly organized group of these motivated individuals. It is absolutely essential for NGOs to increase the number of individuals working for both household and systemic change.

The "more is better" consumer culture constantly bombards North Americans with messages urging them to buy now and pay later. Indeed shopping is heralded as a patriotic act while working for positive change is often seen as quixotic. Individual consumers need to hear new messages, to help them to understand the hidden effects of their consumer choices, and to reevaluate those choices based on their core values.

Grantmakers need to underwrite communications campaigns, school curricula, and other investments in cultural currency to raise awareness and engage citizens and consumers for this cause. Consumers also need to understand how to buy environmentally friendly products, and how to signal to producers that a growing constituency of green consumers is on the move. Building a network of individual consumer activists can help bring about policy change and accelerate the demand for green products.

PROMOTE INNOVATIVE POLICIES

According to the late systems analyst Donella Meadows, if you want to understand the deepest malfunctions of a system, pay attention to the rules and who controls them. In our current political system, sustainability is almost completely ignored and the rules are controlled by corporations with strong vested interests in maintaining the status quo. Prices don't reflect the true environmental costs of production. Growth and consumption are measured in positive terms even when they result in the permanent extinction of animal and plant species or contribute directly to climate change. It is crucial to intervene at the policy level by creating new rules for the system, such as incentives and penalties. This grantmaking approach involves increasing the political support for sustainability initiatives, possibly beginning with a focus on model policy initiatives at the local and state levels. There are many new, innovative policies that can provide incentives, assess more accurate prices (tax policy) and eliminate subsidies of wasteful or unsustainable practices.

ACCELERATE DEMAND FOR GREEN PRODUCTS

Businesses, governments, universities and other institutions are major consumers of goods and services. This purchasing power is a fundamental lever for change because suppliers must listen to their customers. Efforts to regulate or require changes in corporate behavior through federal policy change have been severely hampered for the past two decades, though this work remains absolutely essential. In the short term, initiatives to bypass the federal scene and achieve change directly through the interplay of consumer demand and producer response show great promise. When billions of dollars—from governments, universities, and companies—are redirected to sustainably harvested and produced products, the market responds and producers change their practices. This "virtuous cycle" of supply and demand can work in favor of sustainability.

DEMAND CORPORATE ACCOUNTABILITY

We live in a world increasingly dominated by very large corporations. Typically these companies can wield an extraordinary social and environmental impact when they opt to be more responsible (and also when they opt to be ruthless). One key lever for change focuses on emerging corporate campaigns and initiatives that spur companies to be accountable to their socially responsible investors and customers. Consumer campaigns, boycotts and shareholder advocacy are effective ways to influence corporate behavior, because corporations want to protect their brand value and company reputation. These techniques can work well to change a company's corporate procurement, design, sourcing and manufacturing practices.

ENCOURAGE SUSTAINABLE BUSINESS PRACTICES

NGOs, governments and others can help companies "green" their products and services—through such means as mapping their environmental footprints; rethinking resource extraction, use and recycling; sustainable re-design of products; and analysis of supply-chains and their environmental impacts. Companies often need help in revamping their practices, evaluating costs and benefits and motivating senior staff to adopt new values and operations. Many programs have emerged to provide vision, support and technical assistance to major companies that indeed are trying to promote sustainable development and business practices. These are vital efforts, very important in making real progress toward a sustainable future. Foundations can play an important role in making this happen.

We have identified these five priority grantmaking areas because they incorporate a broad range of strategic approaches, some of which have already been adopted within the philanthropic community. Yet this field, perhaps more than most, necessitates a systemic approach to change. In order to harmonize commerce with long-term ecological health, grantmakers will be best served by the complete integration of sustainable consumption and production concepts into every aspect of the more traditional issue silos framing and directing their work—be they environment, education, poverty, public health, youth, social justice, or literally any other. This will not be achieved easily or quickly, but in the long run it will help to accelerate the profound transformation of how we sustain ourselves physically and socially in a world of finite resources.

These photos from photographer Peter Menzel's innovative work *Material World*, show two families, one from Thailand and one from the US, in front of their homes with all of their possessions on display. Americans represent 5 percent of the world's population but consume 30 percent of the world's resources, producing more waste per capita than any other country.

Photos printed with permission from Peter Menzel Photography ©2003

INTRODUCTION

THE FUNDERS WORKING GROUP ON SUSTAINABLE CONSUMPTION AND PRODUCTION

The Funders Working Group on Sustainable Consumption and Production (SCP) was launched in 1998 and became a working group of the Environmental Grantmakers Association in 2001. What began as a series of informal discussions among funders about the harmful environmental impacts of producing material goods and disposing of them has evolved into a more deliberate effort to improve communication, foster collaboration and enhance the overall effectiveness of grantmaking in this field. However, defining "this field" has been one of the group's most challenging tasks.

The products that define our consumer society—and the associated resource extraction, design, manufacture, storage, use and disposal—sit at the center of the complex relationship between the environment, the economy and society at large. Through regular conference calls, meetings and now this briefing book, SCP seeks to examine and explore sustainability grantmaking, both systemically and through its members' myriad approaches, with the goal of maximizing philanthropic leverage, both individually and collectively. We hope to offer funders real-world entry points, strategies and examples that promote balanced living, sustainable purchasing, dematerialization, redesign of products and manufacturing processes, awareness of product life cycles and consumer activism. Our ambitious task is to help create the building blocks for a system of commerce that engenders economic prosperity, material security and environmental health.

SCP invites your participation, whether you are directly involved with these issues or not. In addition, we challenge all grantmakers, environmental or otherwise, to think systemically and to consider the links between their own priorities and the pressing need to dramatically shift current production and consumption patterns. Please feel free to contact EGA with your feedback about this briefing book or to join the SCP.

PURPOSE OF THIS PUBLICATION

You don't have to be a rocket scientist—or an economist—to see that the way we make products, the amount we consume and the way we dispose of our "stuff" causes stress on the earth's natural resources and systems. It's also clear that while some need to reduce consumption, others urgently need to increase their material and dietary intake. How can we make things better?

Fortunately, there is a growing movement to transform the way we produce and consume material goods to meet human needs, protect the environment and maintain economic prosperity. Scores of organizations are working on different facets of sustainable consumption and production, and they certainly have their work cut out for them. They're trying to ensure that all people can live healthy, prosperous and fulfilling lives without hindering the ability of future generations to do the same—indeed, while enhancing the well-being of the generations to come.

The field is vast, and this briefing book covers topics touching a wide spectrum of economic, environmental and social issues, ranging from business strategy to consumer behavior. In an effort to keep this publication both focused and of a manageable size, we had to omit many topics and only briefly touch on others. We hope that this book will serve as a springboard for additional research and inquiry into these topics.

Its purpose is to:

- Help grantmakers, both program staff and board members, understand the key issues of sustainable consumption and production;
- Highlight why sustainable consumption and production is relevant to every foundation's grantmaking;
- Provide an overview of the key actions to accelerate change and examples of promising strategies available to grantmakers; and
- Be a resource for organizations in the field.

METHODOLOGY

In preparing this briefing book, the authors scanned the vast literature on the topic of sustainable consumption and production and interviewed more than 40 opinion leaders representing a full spectrum of interests—businesses, foundations, nongovernmental organizations, government agencies, academics and others. A complete list of those interviewed is included in Appendix 1. In addition, we solicited responses to an online survey posted at GreenBiz.com, a nonprofit web site focusing on business-environmental issues founded by co-author Joel Makower. More than 150 responses were received. We drew on the opinions expressed in the interviews and survey to create this report.

ORGANIZATION OF REPORT

Chapters 1 and 2 explain what sustainable consumption and production is, why it is important and how foundations can get involved. Chapters 3 through 7 describe the five key areas identified for strategic action and grantmaking: increase consumer awareness and choice; promote innovative policies; accelerate demand for green products; demand corporate accountability; and encourage sustainable business practices. Each chapter begins with an overview of the issue followed by promising strategies, sample organizations and projects and suggested resources for further information. The Appendices include a guide to the best resources on sustainable consumption and production and a directory of many of the organizations and foundations working on the issue. To assist grantmakers with specific program areas, we've used a set of icons to map the key issues related to sustainability, as follows:

The five key actions identified can be applied to a variety of issues. While most foundations will likely apply them to their existing funding priorities, we have identified six strategic issues that could produce environmental and social benefits from changing consumption and production patterns. They include:

Energy: The production and consumption of energy from fossil fuel sources (such as coal and oil) are linked to most of the world's environmental problems, and especially to global climate change. Many groups are promoting energy efficiency, technologies, and federal policies. Reducing individual and institutional consumer demand for energy is also critical for long-term sustainability as are strategies that redirect consumer demand to efficient new products.

Transportation: Transportation—of both people and goods—is another crosscutting issue of vital importance. In addition to being one of society's largest energy users and contributors to global climate change, it is also linked to land use, air and water pollution, and habitat destruction, to name a few. There is a critical need to shift to more sustainable transportation systems, such as alternative fuel vehicles, public transportation, vehicle-sharing programs, and strategies that eliminate the need for many automotive and airplane trips altogether. Again, producers and consumers can often bypass government regulators to achieve progress.

Forestry: The consumption of paper and wood products has dramatic environmental and social impacts. The health of the world's forests affects climate change, biodiversity, soil erosion, and water pollution, in addition to affecting jobs, cultures, and communities around the world. It is very important to reduce the consumption of forest products harvested in unsustainable ways in order to protect environmental, social, and economic interests. Likewise, redirecting institutional purchasing to recycled paper products and alternative fibers is crucial for forest conservation.

Agriculture and Aquaculture: Conventional farming methods cause myriad environmental and human-health risks and can negatively impact local economies. Sustainable agriculture techniques can be promoted through a mix of policy incentives, labeling schemes and producer/consumer campaigns. Fair trade programs can guarantee a living wage and steady livelihood for workers in other countries. Unfortunately, technology-based solutions often create more problems than they solve. The real solutions lie in building demand for local, organic food and certified-sustainable seafood, while reducing consumption of meat and heavily packaged foods.

Sustainable Design and Manufacturing: The take-make-waste nature of the products we buy squanders natural resources and generates vast quantities of both hazardous and non-hazardous wastes, affecting ecosystems around the world. Promoting and supporting product designs and manufacturing systems that utilize innovative designs, resource productivity, closed-loop manufacturing systems, and product take-back strategies can dramatically reduce this waste while creating vast new business opportunities.

Water: Water scarcity is becoming a real and present danger. It is vital to examine the root causes of excess water consumption, often tied to development and industrial processes. Water conservation technologies and policies must be a priority in the coming decades.

This is by no means an exhaustive list. There are countless other parts of the marketplace where whole-systems thinking can dramatically shift production and consumption patterns in a way that promotes sustainability. New grantmaking opportunities are emerging on materials use, for example with the production and consumption of computers, cell phones and major home and office appliances. Several NGOs are tackling plastic, packaging, and the need to dematerialize production. These six crosscutting issues link the broadest possible consumer, business, and institutional markets with the most pressing environmental problems, thereby creating the most potent leverage points for grantmakers.

1

WHAT IS SUSTAINABLE CONSUMPTION AND PRODUCTION?

DEFINING SUSTAINABLE CONSUMPTION AND PRODUCTION

For purposes of this briefing book, we define sustainable consumption and production very broadly, encompassing any and all issues that seek to improve the way that products and materials are sourced, manufactured and marketed, and the way that products are purchased, used and disposed of at the end of their useful lives. Purchasers, under our definition, include individuals, households, large and small businesses, governments at all levels, and institutions such as universities and hospitals. All of these purchasers buy goods and services in more or less significant amounts. We're not just interested in the environmental impacts of production and consumption, but also the social and economic impacts. And while the focus of this briefing book is centered on North American-based grantmaking institutions, any definition of sustainable consumption and production must ultimately consider the global impacts of these activities.

The goals of sustainable consumption and production are to balance environmental, social, and economic goals:

Environmental goals include minimizing or eliminating wastes of all kinds in the manufacture, use and disposal of products; designing and producing goods efficiently, with the minimum materials, and the maximum use of nontoxic, recycled, recyclable, renewable and sustainably-harvested materials; designing products that are durable and can easily be repaired, reused or recycled at the end of their useful lives; and creating manufacturing systems that do not deplete the earth's stock of "natural capital," that is, resources, materials and services.

Social goals include producing goods and services in a way that ensures employees a fair living wage and healthy working conditions; does not harm the well-being of employees, communities, consumers or other stakeholders; and provides equal opportunity for all citizens to improve their lives.

Economic goals focus on producing goods and services in a way that ensures a fair and reasonable profit to companies and their owners and that benefits the communities and nations where they operate.

Sustainable consumption and production encompasses more than simply "doing less bad." At its best, sustainable consumption and production can, for example, not

only reduce harm to the earth's ecosystems, but actually help replenish them. It can achieve goods that are positive and healthful for citizens, businesses, and institutions.

WHY SUSTAINABLE CONSUMPTION AND PRODUCTION?

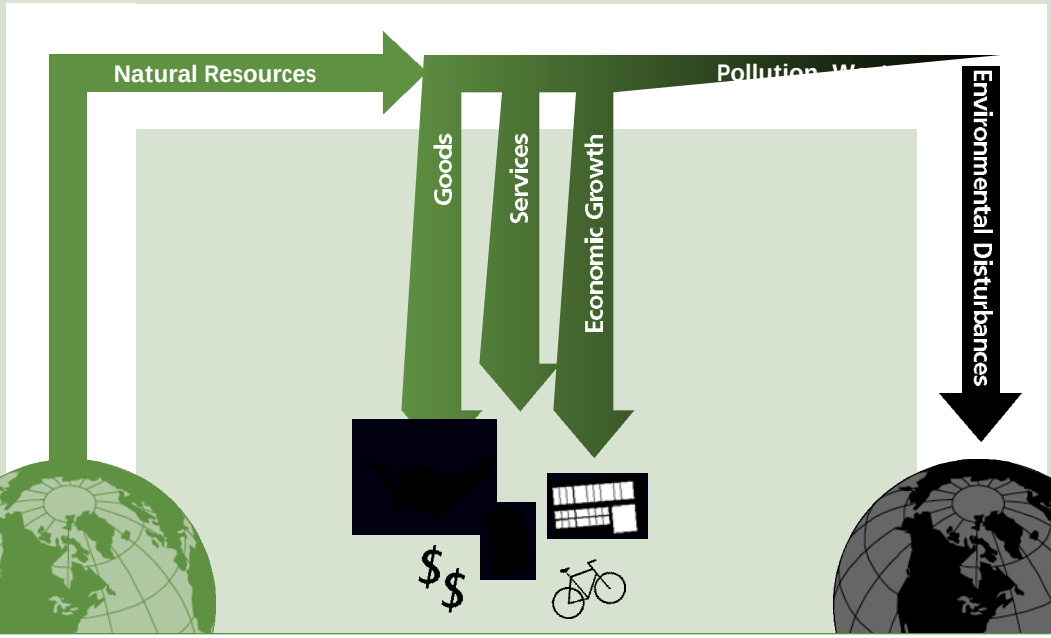
For better or worse, we live in a commercial world and a consumer society. You can see it at work in the advertisements that intrude in our lives, in the corporations whose profits depend on our endless appetite for more, and in the political leaders who work to support the needs of commerce, often at the expense of ecological and human needs. You can see it at work in our culture of debt and "keeping up with the Joneses." But our love affair with consumption has an extraordinary impact on the natural world: with 5 percent of the world's population, Americans consume 30 percent of the world's resources. We consume more paper, plastic, energy and chemicals and produce more waste per capita than any country in the world.[1] With the US population growing by three million people a year, our impact shows no signs of slowing down. This "take-make-waste" cycle is illustrated below.

Yet the impacts of our consumption are virtually hidden. Most of us don't see firsthand the 120 pounds of natural resources extracted from farms, forests, rangelands, oceans, rivers and mines that go into what the average American consumes each day.[2] Paul Hawken, the noted author, entrepreneur and social critic, has estimated that the sum of all substances required to support one American for a year, including water used that is no longer available for reuse, totals nearly a million pounds—or roughly 109 truckloads for a family of four.[3] And do we recycle those million pounds that we use? Not likely—Americans discard 2.5 million plastic bottles every hour and enough steel and iron to continuously supply all of the country's automakers.[4]

For the past two centuries, the consumption of goods and services seemed good for economic growth and well-being. Billowing smokestacks meant economic and social health, abundant jobs and prosperous communities. The only limit on industrial systems was the ability of consumers to purchase more and more goods.

Things have changed. Now we know that belching smokestacks mean more environmental and public health problems, with severe economic impacts on communities and society as a whole. The

THE TAKE-MAKE-WASTE MATERIALS CYCLE



Based on original graphic provided by World Resources Institute

proper limit on industrial systems is not consumer demand but our dwindling supply of natural resources, which can hamper the well-being of companies, individuals and society.

A study published in the Proceedings of the National Academy of Sciences reports that average human consumption of natural resources (water, forests, land and energy sources) exceeds the capacity of the biological systems that support our planet by 20 percent. We must radically change the way we produce goods and services. We must consume conscientiously (while also controlling our population growth). If we do not, we are in danger of "over drafting" our "ecological account"—with devastating effects on global standards of living.

A summary of environmental trends linked to consumption and production over the past 30 years—as described by the United Nations Environment Programme's 2002 report, *Global Environment Outlook-3*, and World Wildlife Fund's *The Living Planet 2002*—presents a sobering litany of the challenges we face (see below). These disturbing trends are linked to, or exacerbated by, our inefficient, wasteful and polluting production systems. But there is hope: alternative policies, processes and practices can dramatically shift industrial models and consumption patterns towards sustainability. There are ways to promote economic prosperity and personal well-being without compromising the interests of future generations. Some of these alternatives are described in the following pages.

DISTURBING TRENDS

Atmosphere The Intergovernmental Panel on Climate Change, an authoritative body of climate scientists, has calculated that worldwide emissions of the greenhouse gas carbon dioxide (from burning fossil fuels) are already 60 to 80 percent higher than the atmosphere can naturally absorb. Global temperatures are expected to increase 3 to 11 degrees Fahrenheit in this century, more change than in the past 10,000 years. American energy consumption contributes disproportionately to global warming.

Land and Soils With 2.22 billion more mouths to feed today than in 1972, growing global population has become a primary driving force pressuring land resources. Productive agricultural land is diminishing, due to soil erosion and degradation caused by overgrazing, deforestation, agriculture, the over harvesting of vegetation, and industrial activities.

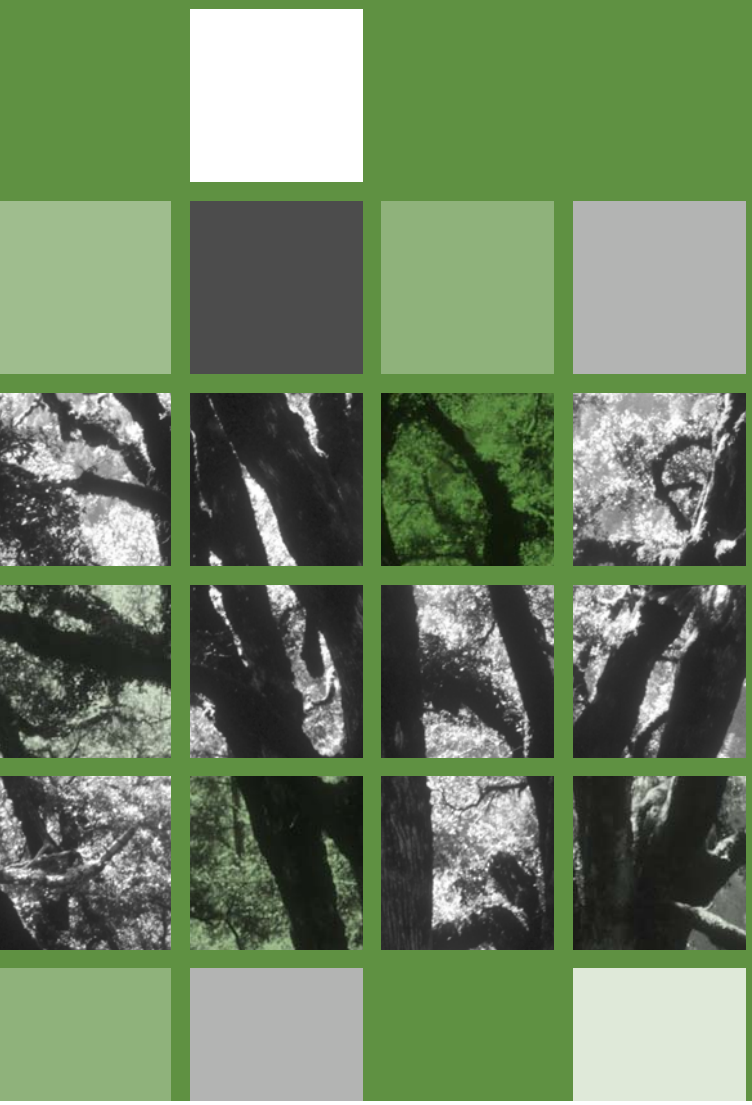
Biodiversity and Forests The world is currently undergoing a very rapid loss of biodiversity comparable with the great mass extinctions that have previously occurred only five or six times in the Earth's history. According to the World Resources Institute, just one-fifth of the Earth's original forest remains in large, relatively natural ecosystems—what are known as frontier forests. Much of the destruction is connected to growing consumer demand for wood, paper, and agricultural products.

Freshwater Around half of the world's rivers are seriously depleted and polluted. Meanwhile, more than one billion people lack access to safe drinking water and 2.4 billion lack access to improved sanitation. Some 80 countries, representing about 40 percent of the world's population, are suffering serious water shortages.

Coastal and Marine Areas Just under a third of the world's fish stocks are now ranked as depleted, overexploited, or recovering as a result of over fishing, fueled by subsidies estimated at up to $20 billion annually. Fisherpeople around the world suffer hundreds of millions of dollars in losses from toxic algal blooms triggered by the runoff of fertilizers from farms and emissions from cars, trucks, and other vehicles. Other threats to the oceans include climate change, oil spills, discharges of heavy metals, persistent organic pollutants, sedimentation and litter, all connected to industrial practices.

2

HOW GRANTMAKERS CAN HAVE AN IMPACT



The challenge of transforming our systems of production and consumption to be more sustainable may be formidable, but there is good news.

According to some estimates, more than 30,000 non-profits, foundations, business associations, religious organizations, citizen groups and others are addressing social and ecological sustainability, including many focusing on some aspect of sustainable consumption and production.[5] New and vital models are emerging on a regular basis.

The research and analysis conducted in preparing this briefing book points to five key actions that grantmakers can target to accelerate meaningful change:

- Increase consumer awareness and choice
- Promote innovative policies
- Accelerate demand for green products
- Demand corporate accountability
- Encourage sustainable business practices

These leverage points incorporate a broad range of approaches. It is critical that grantmakers adopt a holistic approach, recognizing the interdependence of initiatives to raise public awareness, galvanize citizen and consumer constituencies, advance policy proposals, mount market-based initiatives by institutional consumers and investors and accelerate technological innovation. No single approach will move us into the future safely; when these efforts are developed synergistically, lasting positive change can be achieved.

THINKING IN SYSTEMS

These actions do not exist in isolation. The strong links between them mean that the success of one directly affects the success of others. It also means maximum impact: a small, well-leveraged action in one area can have broad ramifications. This is particularly useful when foundation budgets are tight. For example, a foundation concerned about old growth, tropical or US forests could support a program that alters the demand for paper,

thereby protecting many forests with one program. Understanding the links in the complex production and consumption systems enables grantmakers to find strategic leverage points that make the most of their funds.

Let's consider in more detail the issue of renewable energy or "green power"—energy produced by sunlight, wind power, from the heat deep inside the earth or the natural decomposing of trees and plants. It's important to build markets for green energy in order to find alternatives to the burning of fossil fuels like oil—which causes global warming and contributes to many other environmental problems. Green energy also allows for economic growth without petroleum use, and can bolster Americans' economic and national security by reducing its dependence on foreign oil. Because many renewable energy sources are distributed, meaning that energy can be generated where it is needed rather than transmitted over power lines from central power plants, it is more immune to disruptions caused by terrorism, market manipulation or supply-demand imbalances.

Photo courtesy of Community Energy

But the road from here to a renewable-energy future has not been easy. Most green energy providers are faced with an uneven playing field, where large fossil fuel companies and energy utilities fiercely protect their turf, taking advantage of their political clout—along with the subsidies and incentives they have helped create for themselves over the years. Creating markets for renewable energy requires strategies in all five of the action arenas:

Increase awareness: Grantmakers can support education programs for consumers, businesses and others, so they can understand the potential for green energy, including how it works and its many benefits. Their questions and concerns about reliability and cost need to be addressed, and they may need help in switching electricity providers or plans. And, all along the way, they need to be reminded of the difference they are making—to the environment, to the economy and to the health and well being of their families and communities.

Promote policy shifts: Foundations can support programs that reform the laws, regulations and subsidies favoring the status quo and inhibiting green energy markets. One example: where solar energy customers can sell excess energy into the electricity grid and receive credits from their local utilities, solar energy use has grown significantly. But many jurisdictions prohibit this, or make it difficult to do. Nonprofits are trying to change these rules to allow solar customers to contribute energy to the grid, and they need foundation support to make that happen. Work also needs to be done to change tax incentives and subsidies that encourage oil drilling and coal mining and keep fossil fuel prices artificially low, forcing renewable energy sources to compete unfairly. With funder support, local communities can create tax and other incentives to encourage green energy producers.

Accelerate demand: NGOs can create buyers' groups and other means of aggregating demand for renewable energy, which helps lower prices and attract alternative-energy providers to enter new markets. NGOs also create buyers' cooperatives to aggregate the demand of smaller energy consumers, and they work with governments to purchase green energy. Such work needs foundation support.

Demand accountability: Grantmakers can engage in shareholder efforts to press large public companies to adopt green energy procurement policies, which in turn can help to stimulate markets. They can also support activist campaigns against companies, governments and universities that fail to embrace green power, adding further pressure to these organizations.

Encourage business: Foundations can encourage activists, citizen groups and others to build green energy markets by promoting and partnering with companies that take leadership roles in switching to green energy.

Consumers can't demand green energy unless it's supplied; it won't be supplied unless fair energy policies are in place and/or consumer demand is strong; suppliers won't offer good prices without coordinated and aggregated demand; and businesses won't jump on board without a little pushing and pulling from various sides. All the aspects of this problem depend upon one another. Simply enhancing one aspect, such as consumer demand, will be a wasted effort unless the supply is also increasing (and vice versa). These new systemic challenges require solutions that are also systemic.

WHERE CAN GRANTMAKERS HAVE THE BIGGEST IMPACT?

We need to address sustainable consumption and production on a systemic level. This means looking at the two fundamental leverage points simultaneously: increasing the market demand for sustainability and pressuring companies to clean up their acts. The supply-and-demand character of the problem can become a catch-22: there's no supply because there's no demand, but there's no demand because there's no supply. We must achieve both at once, incrementally, with a two-pronged approach.

The two main prongs of action are like two movers carrying a bureau up a flight of stairs. The mover on top and the mover on the bottom must move the bureau together. If they try to move separately it either won't work or the bureau will fall. They have to move up the stairs, together, one step at a time.

Foundations can lift different corners of the bureau. Most of us have neither the money nor the flexibility to address all five aspects of an issue at once. The big impact will come from cooperative grantmaking that helps all the players maximize coordination and strategic sharing among different players in the field. Communications campaigns must be connected to action and advocacy. Technological innovation and design must be connected to building institutional demand for new products. Producer education must be combined with investor and consumer demand for corporate change. The great challenge and potential impact for grantmakers is to cement the ties and relationships between these strategic approaches.

CHALLENGES FOR GRANTMAKERS

While a small but growing number of foundations are focusing on sustainability issues, we found only a handful with a distinct funding program focused on sustainable consumption and production. Our review revealed that the majority of projects related to sustainable consumption and production fall under grantmakers' environmental programs. Annual funding for sustainable consumption and production-related projects at individual foundations ranged from $60,000 to just over $2.5 million.

Where grantmakers are addressing sustainable commerce it is usually in a piecemeal manner, due to the limitations of traditional foundation structure. Looking at individual problems more often

than addressing the larger issues or systems. For example, programs supporting sustainable forestry may promote the preservation and enjoyment of forests, but many do not consider such issues as the growing demand for wood and paper products, or government subsidies that promote destructive logging practices or the availability of alternative products that reduce the need to cut forests at all.

Sometimes a piecemeal approach is the best you can do. Foundations tell us that their funding mandates or trustee interests can limit their options. In many cases, foundations are organized by relatively narrowly defined programs. A forestry-related program, to use the above example, may be unable to address consumption patterns, alternative business models, or innovative new products because they are the domain of others within their organization—or, equally likely, simply not part of the grantmaker's mandate.

But there may be ways to move beyond the piecemeal approach. This can be a great opportunity for holistic, systemic thinking. This field is fraught with challenges and there will be times when strategies no longer work—for example, when advocacy for federal policy changes becomes futile due to stalemates in Washington, DC. At times like these, foundations need to draw on all their nimbleness, flexibility and willingness to think holistically. If federal policy is hopeless, perhaps state and local governments would be more responsive. Or perhaps consumers or businesses could be convinced to enact the necessary changes without the policies in place. Because of the changeable and far-reaching nature of the issues being addressed, grantmakers may need to create more flexible funding categories or create new funding categories for supporting systemic changes to sustainable consumption and production.

Many environmental grantmakers focus on environmental health and sustainable communities. These and other grantmaking priorities are unlikely to be achieved without greater attention to the root causes of health and community problems. Often these core problems are directly connected to the way we do business as producers and consumers. For example, health funders might redirect some grants to groups working to build demand for non-toxic industrial cleaning products, thereby eliminating carcinogens and improving environmental and human health. Programs funding education, children and youth, environment and sustainable communities could similarly leverage their impacts by integrating sustainable consumption and production initiatives into their portfolio of projects.

It's been said before but we'll say it again—this is long-term work. Systemic change requires risk taking, patience and many "baby steps," from developing new alliances and networks to orchestrating and nurturing campaigns. We must be willing to take a risk on unproven ideas, to provide long-term funding commitments and to develop new evaluation criteria that recognize the longer time horizons and more "intangible" benefits, such as stronger relationships between sustainable consumer and producer groups.

3

INCREASE CONSUMER AWARENESS AND CHOICE

Individuals wear many hats, as consumers, citizens, parents and community leaders able to inspire and motivate others. It is important to undertake grantmaking with all these roles in mind.

ENGAGING CONSUMERS

Consumers have more power than they think they do. With every dollar they spend, they're voting for the kind of world they want. Grantmakers understand that money spent goes toward creating our collective future. But many consumers do not yet understand this. They often don't see that at the grocery store they have consumer choices—for example to support a world with increased organic farming or factory farming. All they see is the familiar cheap eggs versus the expensive free-range organic eggs.

Several focus groups and polls suggest that most Americans don't yet grasp the environmental impact of their consumer choices. Almost everyone we spoke with agreed on the need to raise consumer awareness and to make it easy for consumers to do the right thing. We need to blend communications, internet strategies and community-based education to galvanize a core group of consumers to shop for a better world.

Consumers of all kinds, from individual shoppers to institutional procurement officials, naturally resist change, especially when changes involve new products, brands, suppliers and habits. Any programs to raise public awareness must connect to deeper values, emotions and the genuine human desire to be part of making a better world. Gloom and doom approaches are out; problem solving, solution-oriented messages are in. As much as possible, raising public awareness should be couched in upbeat, optimistic terms that maximize freedom of choice for consumers.

Those promoting sustainable consumption can point to growing success in changing purchasing habits. The 2002 edition of Worldwatch Institute's authoritative *Vital Signs* describes how education and awareness are leading a growing number of consumers around the world to build markets for greener goods:

- Sales of energy-saving compact fluorescent lamps are surging: an estimated 1.8 billion are in use worldwide, eliminating the need for nearly 40 medium-sized, coal-fired power plants.
- At the seafood counter, consumers can now find rock lobster, cockles, hoki, mackerel, herring and salmon that carry the Marine Stewardship Council's logo as having been harvested under environmentally responsible management.
- Coffee drinkers in the US and Canada can ask for their coffee to be brewed from beans carrying the Bird Friendly label of the Smithsonian Migratory Bird Center, which certifies that the beans meet standards for shade farming and organic production.

None of these victories came easily, and each required significant educational campaigns to help consumers, whether coffee drinkers or seafood lovers, understand the issues and make wise choices, without unduly taxing their time, patience or pocketbooks.

MEETING NON-MATERIAL NEEDS AND ADDRESSING FAMILY LIFE

The proper question for many consumers is not what to buy, but whether to buy. Curiously, a growing body of social science research suggests that the most effective way to reach many Americans on these issues is not with a head-on environmental message but rather with messages and messengers who talk about meeting non-material needs, who discuss the ways in which life feels out of balance, and consumerism's role in over-work, excessive spending, debt and stress. In short, rather than engaging individuals with a "buy green" message, several groups are capturing the public's attention by first posing questions like, "What really matters?" and with mottos like "More Fun, Less Stuff." Early work by the Merck Family Fund with its 1995 poll, *Yearning for Balance*, as well as communications campaigns on simplifying the holidays, kids and commercialism, and junk mail (all conducted by the Center for a New American Dream) point to the effectiveness of this approach. Groups like the New Road Map Foundation and the Northwest Earth Institute have focused on the benefits of voluntary simplicity as a core value.

Millions of Americans feel that everything from baseball games to children's movies have become too commercialized and millions more wish to escape the fast-track treadmill of a society that defines happiness almost solely in terms of acquisition. Each year a growing constituency observes "Buy Nothing Day" (or, in some countries, "No Shop Day"), a small but increasingly global annual Earth Day-like event aimed at promoting reduced consumption. Meanwhile, a 1998 book, *The Overspent American: Upscaling, Downshifting, and the New Consumer*, by Harvard economist Juliet B. Schor continues to gain attention and currency. For Schor, the "competitive spending" she calls "the new consumerism" is leading some Americans to "downshift" to lower-paid, less-demanding jobs and curb their appetites for "commodified leisure."

INDIVIDUALS AS CITIZEN ADVOCATES

One primary goal of most groups working to reach individual consumers is also to speak to them as citizens who can take action in the policy arena. While political participation and social capital continues to decline, efforts to engage people, whether directly as green consumers, or indirectly as people who feel life is out of balance, must ultimately connect back to the other strategies described in this book—to efforts to change the rules of the road. A number of groups are working to make these connections, through online activist programs, community based advocacy and old-fashioned organizing.

PROMISING STRATEGIES

Less Is More

Most consumers are overwhelmed and discouraged by having to make wholesale changes in their lives, even when they know it is in their direct personal interest. When it comes to lifestyle changes, less is often more. In the case of sustainable consumption, where many actions seem more geared to the "greater good" than personal benefit, asking for large-scale change can be a turnoff. More effective, say experts in the field, is to focus on a very limited number of changes—select certain products to buy, practices to change, new options to consider. Consumers Union is now helping consumers with small consumer decisions that make a difference. The Center for a New American Dream's "Turn the Tide" campaign, described below, is a good example of this strategy. The very concrete and useful consumer tips provided by *The Green Guide* represent another example of this approach.

Keep It Simple

Being an effective environmental communicator means not merely imparting information, but doing so in a way that simultaneously fills in knowledge gaps, counters myths and misinformation and keeps it very, very simple. For example, Kevin Coyle, president of The National Environmental Education & Training Foundation, describes what he calls the one-step/two-step paradox of environmental communication: people are much more likely to understand an environmental issue when there's a single, direct cause-and-effect relationship. According to Coyle, people easily understand that cars pollute the atmosphere, or that species become extinct because their habitat is destroyed. But where there are two or more steps involved, such as energy production from fossil-fuel fired power plants contributing to climate change, thereby warming ocean waters sufficiently to inhibit the production of plankton for fish, thus impairing the survival of marine life from whales to sea birds, public understanding drops precipitously. Says Coyle: "The more complex things become, the less people understand. And we're in an age when things are becoming pretty complex." Simple communications emphasizing one step at a time will be most effective in educating the public.

Celebrate Success and Remind People They Are Not Alone

Feedback is critical. People need to know that they are not alone, that they are part of a larger effort, that they are making a difference. Whenever possible, they want specifics—"Last year, your efforts helped save 42,000 tons of excess packaging from landfills." Even better is to make such information understandable by putting it into relevant units of measure—"If laid out on a football field, it would make a pile equivalent to two Empire State Buildings. The reduced paper use saved enough trees to cover a forest about the size of Rhode Island." Communicating such successes in relevant terms can ensure that consumption-related campaigns are themselves sustainable, and that consumers are ready and willing to jump on board the next campaign.

Connect Various Outreach Programs with Specific Actions

Grantmakers should encourage grantees to connect their web, school-based and communications programs to simple things that people can do. Raising awareness must always be coupled with simple user-friendly tools for positive change. The Audubon guide to seafood choices, Co-op America's Responsible Shopper program, Global Action Plan, and the Center for a New American Dream's online consumer program are good examples of this approach.

Link Concerns About Commercialism with Sustainable Consumption

Advertising and marketing is pervasive, and increasingly it is focused on children. This non-stop bombarding of kids with ads—in schools, youth recreation leagues and on the Internet—is creating a generation of hyperconsumers. The consumption ethic starts early. A child typically sees a mini-

mum of 20,000 commercials every year and begins to express brand loyalty by age two.[6] Channel One, a twelve-minute in-classroom broadcast featuring two minutes of commercials for every ten minutes of news, is compulsory in 40 percent of US middle and high schools; companies pay up to $195,000 for a 30-second ad, knowing that they have a captive audience of 8 million students in 12,000 classrooms across the country.[7] American children suffer from ever increasing levels of obesity and diabetes, yet junk food companies continue to target them by advertising in and around our schools.

Activists and government watchdogs have long pressured media companies and advertisers on issues that could be influencing children to learn bad habits—from smoking to eating sugary cereals to buying toys that promote violence and sexism—but few have created positive, competing programs and advertisements promoting sustainable consumption and related topics. Mass media can be a strategic force for changing consumer behavior. There is a great need to craft and disseminate positive messages that challenge commercialism and equip parents, teachers and children with media literacy tools. We also need campaigns aimed at teaching young people how to make wise buying choices. The field is ripe with opportunity.

Involve Faith-Based Organizations

There is a growing movement of religious-environmental alliances working to educate Americans on "caring for the creation"—issues such as green consumerism, environmental justice, individual and corporate responsibility, socially responsible investing and population. Sustainability-minded groups are working to reach out to major faith-based organizations, which can be powerful allies in communicating messages through sermons, social groups, publications, events and other means. One innovative result of this kind of partnership is the "What Would Jesus Drive" campaign organized by the Evangelical Environmental Network to encourage people to make responsible choices when purchasing vehicles.

Create the Conditions for a Paradigm Change

Systems analyst Donella Meadows, in her article, *Leverage Points: Places to Intervene in a System*, wrote that the most effective place to intervene in a system is in the foundational mindset or paradigm that gives rise to the system itself (its goals, power structure, rules, culture).[8] She talks about the importance of working with social change advocates and with the vast middle ground of people who are open-minded. Eco-philosopher Joanna Macy supports this conclusion in her statement, "The greatest revolution of our time is in the way we see the world."[9] We live in an era of extraordinary materialism and affluence. Indeed, we have just lived through a second gilded age that celebrated the values of excessive consumerism and individualism. Yet huge numbers of Americans are questioning the society's "more is better" definition of happiness. The nationwide interest in yoga, meditation, book clubs, poetry and many non-material pleasures is one indicator of the ripeness for communications campaigns and outreach about focusing on core values in a commercial world. Recent corporate scandals have led to further questioning about the pervasiveness of greed and conspicuous consumption at the top levels of our society.

Some NGOs are working within this niche, by providing leadership training and retreats for change agents and activists, by facilitating experiential practices based on deep ecology to heal our broken relationship to the natural world and by articulating a vision for a new paradigm of social change. Others are mounting innovative communications campaigns aimed at reconnecting to people's non-material aspirations for friendship, adventure, security, spirituality and affection. These initiatives build the foundation for larger systemic change.

SUGGESTIONS FOR FOUNDATION ACTION

Help make it easy for consumers to do the right thing: Support programs that educate consumers about sustainability, green purchasing and balanced living; and link these issues to specific actions they can take to make a difference. Provide feedback to let them know how they are doing. It is important to focus educational campaigns on issues consumers care about: quality of life, health, family, child education and reducing stress. Programs will be most effective when they are fun, positive, engaging, non-preachy, provide easy, affordable action steps and integrate a feedback loop that helps individuals see the cumulative impact of their actions.

Invest in programs that educate and empower young people to adopt more sustainable consumption practices: Support organizations and programs that connect youth and sustainability and work to reduce commercialism in schools. Partner with traditional educational funders to link their existing educational programs with broader sustainability themes. Look for opportunities to invest in young leaders, to mentor them by inviting interested youth to relevant meetings and conferences and to support innovative programs that counterbalance mass media and marketing.

Support a major media campaign to brand sustainability and make it fashionable: Grantmakers can support major media campaigns, perhaps focused on youth or young adults, that brand sustainability and make it "cool." This effort would need to empower consumers and help them to make the link between their buying decisions and building a better world. It is important that awareness be linked to action. As Betsy Taylor of the Center for a New American Dream put it, "If people grasp the problem, they must be introduced to solutions. If introduced to solutions, they must be given simple steps that will allow them to be part of making things better. Otherwise, the raised awareness can often lead to paralysis and cynicism."

Be open to innovative approaches: Successfully shifting consumer values will require new, innovative approaches. One emerging concept is the need to help people slow down, reflect and celebrate culture and family. Although this concept may seem intangible to some, others have found that consumption goes up when we are more stressed and tight on time. For example, those with little free time are more likely to turn to single-use, disposable "convenience" products.

Support awareness campaigns focused on specific commodities and products, such as cotton, paper, computers, seafood or coffee: Several campaigns are underway to boost public awareness of specific consumer choices. These initiatives to direct consumers to a few high impact consumer choices are worthy of support. Providing help to intermediary groups such as Green Seal (see Appendix 3) is also helpful.

Center for New American Dream

The Center for a New American Dream works with individuals, institutions, government agencies and companies to conserve natural resources, counter the commercialization of our culture and promote positive changes in the way goods are produced and consumed. Since the organization was founded five years ago, the Center has conducted nine highly successful media campaigns and launched a powerful online action network with the capacity to move tens of thousands of people to action.

Part of the Center's media success can be attributed to its efforts to make an emotional connection with people, finding resonance with their concerns about excess commercialism and the "work and spend" culture. By first connecting with people's daily concerns about their quality of life, the Center can then link and help citizens make connections with the environmental consequences of unsustainable consumption.

After consultation with leading environmental scientists, the Center developed Turn the Tide, nine simple consumer actions people can take that have a measurable, positive impact on the environment. Released in 2001, this web-based tool calculates the environmental benefit of each household consumer change and instantly shows the resulting impact. The Center is also mounting an innovative communications campaign in 2003 and 2004 in an attempt to engage tens of thousands of new consumer and citizen activists and is testing communications programs with teenagers in three cities. For more information see www.newdream.org.

Redefining Progress

Redefining Progress, in collaboration with Harvard biologist E.O. Wilson, has been working to calculate humans' per-capita global ecological demand or "footprint." The total of all the farming, fishing, mining, building materials, energy and other resources we use to support our lifestyles reveals that we are operating 20 percent beyond Earth's capacity to sustain these activities, according to their study, released in the *Proceedings of the National Academy of Sciences*. The study has earned Redefining Progress a flurry of major media coverage, raising the issue of over-consumption in the public's eye.

Measuring one's ecological footprint can be a helpful exercise that can engender awareness about the links between consumption and environmental challenges. In addition to tracking human demand on resources, the footprint can also help us measure the benefit of new programs and policies aimed at reducing consumption. The ecological footprint is a powerful tool that is applicable to individuals, communities, companies and nations. By taking a short on-line quiz individuals can quickly calculate how many planets we would need if everyone lived the way they do. (If everyone consumed like people in the US do, for example, we would need at least five more Earths, according to Redefining Progress.) For more information see www.redefiningprogress.org.

Mainstream Media Project

The Mainstream Media Project places top policy analysts and social innovators on radio stations to promote educational campaigns on themes lasting between one week and three months. For example, between November 2001 and February 2002 it aired a variety of interviews on consumptions issues and on redefining the American dream, ranging from advertising and children to voluntary simplicity. The programs can be found on local, national and even global stations. "A World of Possibilities," a new half-hour weekly radio program, will air broadly on the Public Radio International network. For more information, and to listen to past interviews, see www.mainstreammedia.net.

Circle of Life Foundation

Founded in 1999 by Julia Butterfly Hill, the Circle of Life Foundation's purpose is to encourage people to be conscious of their choices and to connect people with tools that make taking action easy, joyous and fun. Through its outreach efforts, tens of thousands of individuals have been inspired, educated and connected to opportunities for making a difference in their communities and in the world. Its "One Makes the Difference" kit is a simple tool to help people save trees, landfill space and energy resources. The group also focuses on working with youth and on making events more environmentally friendly. For more information see www.circleoflifefoundation.org.

Commercial Alert

The goal of Commercial Alert's Education program is "To rid the nation's schools of corporate marketers, junk food peddlers and market researchers, and to banish their influence upon textbooks and curricula as well." They have developed effective strategies to deal with the commercialism that is creeping into our schools. Using free media, public education and grass roots organizing they have successfully raised awareness and shone the spotlight on how corporations are using schools as a way to market consumption of junk food and junk entertainment to a captive audience of impressionable children. They focus systemically on the causes of overconsumption, current laws, regulations and market practices and corporate influences in our schools. For more information see www.commercialalert.org.

The Satyana Institute

The Satyana Institute works with social change activists, communities and organizations to combine inner work of the heart with outer service in the world. Their Leading with Spirit program is committed to the integration of spiritual wisdom into practical leadership for social change. In November 2001, Satyana Institute hosted the second annual gathering for Colorado's leading environmental activists. A group of 23 leading activists from around the state gathered in Crestone, Colorado to rejuvenate, deepen their sense of community and draw strength from one another's commitment to protecting the natural environment. Such retreats serve several purposes: to strengthen the sense of community and collaboration among the participants, to introduce contemplative practices and the spiritual dimensions of leadership, to support skillful communication on potentially sensitive topics and to create time for renewal and celebration. Educators, activists, foundation staff, government officials and even corporate leaders working on sustainable consumption and production issues are invited to participate in retreats where affiliations are left at the door and the focus is on heart and spirit. For more information see www.satyana.org.

These are just a few selected out of many possible sample organizations and projects; a longer, though still not exhaustive, list appears in Appendix 3. This briefing book is designed for further revision and expansion as a web-based publication, and the Funders Working Group on Sustainable Consumption and Production welcomes additional content suggestions. The strategic issues icons listed next to each organization are designed to help funders identify organizations and specific campaigns that relate to their program areas. However, it should be noted that each organization may work on multiple issues and employ a range of strategies not listed here.

4

PROMOTE INNOVATIVE POLICIES

In order for sustainable production and consumption to advance in any meaningful way, somebody has to change the rules of the game.

Because of the current structures of government subsidies and tax laws, sustainable enterprises simply don't have a fair chance. And there are times when simply raising awareness doesn't encourage the necessary changes; in these cases, political and economic incentives and penalties may be needed. There are two main approaches to getting the bureau up the stairs: pushing and pulling. We can push by taxing products to reflect the true environmental cost, or by eliminating subsidies to harmful business practices. We can pull by creating incentives to encourage consumers to buy environmentally friendly products. Both aspects of policy can work together to make sustainability a real political goal. Says Hal Harvey of the Hewlett Foundation: "I think that policy is the big winner—by far. Appliance standards enacted so far will save consumers over $180 billion dollars and prevent the construction of over 200 power plants. This is just one example of the power of good standards—or good policy."

Some European nations have steered government taxing and spending policy to support sustainability goals, creating economy-wide incentives and significantly increasing the rate of change in targeted markets. But these are challenging political initiatives, and leadership organizations in the sustainability movement over the past decade have not had the political muscle to succeed. (In this political climate the most successful short-term potential is in state and local governments, creating smaller and more flexible models for larger federal initiatives.) Strong campaign finance reform could help blunt corporate lobbyists' ability to thwart sustainability related policies and regulations, but it is unclear whether changing just the political finance system will be sufficient. It may be more effective to simply educate corporate leaders about the long-term economic benefits that can come from more sustainable public policy and to educate consumers to support companies and brands that support (or at least don't oppose) sustainability-related policy changes.

PROMISING STRATEGIES

Economic Drivers: Getting the Prices Right

The prices of most goods and services do not reflect their actual social and ecological costs. Consider gasoline, for example. The price consumers pay at the pump—typically $1.50 to $2.00 per gallon in the US—does not cover such things as cleaning up the environmental damage from oil spills and pipeline leaks, the defense costs of protecting US oil interests and the health care costs associated with air pollution resulting from the burning of gasoline in vehicles and the refining process. If these prices were fully accounted for at the pump, gas prices would likely double or triple—and incentives to dramatically improve fuel efficiency and reduce driving would loom large. Getting the prices of gasoline, and myriad other things, more aligned with their actual costs could be an extremely effective means to promote more sustainable consumption. Two key policy tools for achieving more accurate prices include environmental tax shifts and reducing subsidies.

Environmental Tax Shifts: An environmental tax shift would increase taxes on activities harmful to the environment and reduce taxes on activities with economic or social benefits. Taxes are already used in other areas to discourage or encourage consumer behaviors—for example, to encourage home ownership, discourage smoking or promote childcare for working parents. In the sustainability arena, nine Western European countries have implemented environmental tax shifts as a means to reduce air pollutants like sulfur dioxide and carbon dioxide.[10] And some have gone even further, fighting waste by taxing landfill space or encouraging conservation by taxing electricity and water. The Swedish air pollution tax and the Dutch water pollution tax are two examples of "green taxes."

A fact sheet prepared by the Environmental League of Massachusetts and the Tellus Institute summarizes some examples of environmental tax shifts:[11]

- Institute a zero-sum "feebate" program that places a fee on purchases of inefficient vehicles and gives a rebate for purchases of more efficient models.
- Encourage recycling and reuse and discourage wastefulness by introducing higher taxes on solid waste.
- Tax agricultural pesticide and fertilizers to reduce their use while providing incentives and technical assistance to help farmers adopt less-toxic practices.

Reducing Subsidies: Under federal and state policies dating as far back as the 19th century, logging, mining and waste disposal industries receive subsidies, making it even more difficult for businesses promoting alternative products and services. The Grassroots Recycling Network has estimated that the US government spends $2.6 billion each year on subsidies for resource extraction and waste industries.[12] Friends of the Earth estimates US taxpayers will pay more than $26 billion over the next five years for polluting energy programs that benefit the oil, gas, coal and nuclear industries.[13]

Pushing the Edge with State and Local Government Policy

While progress might be slow at the federal level, there are many examples of innovative policies at the state and local levels. According to Judith Corbett of the Local Government Commission, "We will create the most change by educating local elected officials who are the change agents in our communities. You can't do it at the state or national level. But at the local level, there are enough local elected officials who are visionary and creative and willing to get beat up in order to implement a good idea." State and local policies can model innovative concepts, demonstrating their viability to those at the federal level—as well as to other states and communities.

The Adam Joseph Lewis Center for Environmental Studies at Oberlin College, Oberlin, Ohio. The building features rooftop photovoltaic cells, energy efficient heating and lighting systems, a "living machine" to treat wastewater, and non-toxic building materials, among other innovative designs.

Photo courtesy of Oberlin College

Extended Producer Responsibility

Extended producer responsibility (EPR) is a policy approach in which product manufacturers are required to take responsibility for the disposal of their goods at the end of their useful lives—ideally, by taking them back and recycling them. "Product take-back" and "product stewardship" are common terms related to EPR.

The European Union has drafted legislation that requires EU car producers to take back all cars they make free of charge and reuse or recycle 80 percent of their vehicles by 2005. Italy, Norway and the Netherlands have laws requiring manufacturers to take back select products when consumers no longer want them. A second strategy is for manufacturers to lease rather than sell equipment such as computers and floor coverings—an arrangement in which the manufacturer retains ownership, as well as the responsibility for disposal. Savvy companies learn how to turn their unwanted goods from liabilities back into assets through demanufacturing, refurbishing and other means of returning the products or their constituent components back into the marketplace. In many cases, such strategies lead to product redesign to reduce toxic and unrecyclable ingredients and facilitate "end of life" management.

Green Plans

As summarized by the Resource Renewal Institute, green plans are comprehensive and integrated strategies for the deliberate pursuit of sustainable development that involve each sector—government, business and the NGO community—as partners in developing and implementing a plan's provisions. The model is comprehensive because it embraces integrated problem-solving for all environmental and resource issues, across media and geographic boundaries. Ten defining characteristics of green plans are that they be: long-term, comprehensive, dynamic, cooperative, integrated, informed, flexible, strategic, results-oriented and investment-intensive. The green plans of the Netherlands and New Zealand provide excellent models of effective cooperation among key sectors. *Where There's a Will There's a World: Working on Sustainability* is the title of the Netherlands' latest green plan, known more formally as the 4th National Environmental Policy Plan. It focuses on seven key environmental problems, including loss of biodiversity, climate change, over-exploitation of natural resources and damage to the living environment, and articulates guiding principles and a policy framework to implement sustainability. In our country, creating a green plan on a nationwide scale may be impractical, but there is great potential for this work on a state or local level. According to the RRI, green planning on the state level is "setting the pace for lasting change" and represents a very encouraging trend.[14]

Zero Waste

Another promising movement promotes zero waste, a concept that refers to a range of policies and practices designed to eliminate waste and emissions in manufacturing processes. As described on the Zero Waste New Zealand website, it seeks to redesign the way that resources and materials flow through society, taking a whole system approach. Zero waste is both an "end of pipe" solution that maximizes recycling and waste minimization and a design principle that ensures that products are made to be reused, repaired, or recycled back into nature or the marketplace.[15] Several NGOs are using the concept to help companies and communities "close the loop" by turning what once had been disposed of as waste into reusable raw materials. The ultimate goal: factories with no drainpipes or smokestacks, communities with no landfills, yet still meeting people's needs.

SUGGESTIONS FOR FOUNDATION ACTION

Help develop policies to end or reduce wasteful subsidies, and to implement tax shifting: It's not easy to make this happen on the national level, even if the current administration were receptive to the idea. But change can happen at state and local levels, where model policies that reduce undesirable subsidies and implement tax shifts can in turn inspire other local governments.

Support development of extended producer responsibility (EPR) policies: EPR has high potential to move industries to more sustainable design and manufacturing practices. Product take-back policies are ripe for both the electronics and automotive industries, among others.

Promote state and local models for overarching green plans, as well as for renewable energy, sustainable transportation, green design, zero waste, green plans and sustainable agriculture: All of these initiatives have great potential. There is also a need to catalog and disseminate best practices and tools to help propagate successful program models.

Support development of a new policy approach to automobiles: According to Amory Lovins of the Rocky Mountain Institute, we can create the equivalent of about 30 Arctic National Wildlife Refuges' worth of oil through good engineering in Detroit—promoting hybrid electric cars and other fuel-efficient vehicle designs. Foundations have an opportunity to bring business and environmental groups together to craft and advocate a new policy approach to push the major automobile manufacturers to dramatically accelerate their design, manufacture and marketing of fuel-efficient models.

SAMPLE ORGANIZATIONS AND PROJECTS

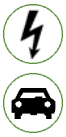
Vote Solar Initiative

The Vote Solar Initiative's mission is to promote a national transition to clean energy by empowering city governments to implement large-scale, cost-effective solar projects. It is based on San Francisco's successful 2001 ballot initiative, in which voters overwhelmingly approved a $100 million revenue bond for renewable energy and energy efficiency that repays itself entirely from efficiency savings. Replicating this model across the US could help to accelerate markets for renewable energy. For more information see www.votesolar.org.

Green Scissors

The Green Scissors coalition of taxpayer and environmental groups, led by US Public Interest Research Group, Friends of the Earth and Taxpayers for Common Sense, has targeted energy and environmental programs that both waste tax dollars and contribute to health and environmental problems. Since 1994, the Green Scissors Campaign has helped cut $26 billion from the federal budget. Its programs highlight reform in six sectors: agriculture, energy, international and military programs, public lands, transportation and water. For more information see www.greenscissors.org.

Union of Concerned Scientists



UCS focuses on climate change, fuel economy and renewable energy policy within the broader context of sustainable development. It has developed a series of climate impact studies that apply global-scale science at the local level—for example, studies on the impacts of climate change on California, the Gulf Coast and the Great Lakes. "The point here is to pick regions that are vulnerable to climate change, where you can set policy precedents, and develop a stronger constituency to put pressure on the people in Washington to make the ultimate policy changes we need," says President Howard Ris.

UCS has worked closely with its network of scientists to get the issue of global warming in the media and on the policy agenda. Its Climate Solutions Campaign focuses on mobilizing the scientific community to explain to the media and policy makers the scientific consensus on climate change, to show that it is a real threat and to motivate consumers and policy makers to take action.

UCS also encourages states to enact policies that favor renewable energy. In twelve states it has helped to enact a Renewable Portfolio Standard requiring utilities to provide a minimum percentage of energy from renewable sources by a specific date. UCS demonstrates the feasibility of renewable energy technologies and presses state governments to enact policies that will commercialize it at a faster rate.

UCS also has conducted research showing that automobiles, including sport utility vehicles, can be made to be more fuel-efficient at an affordable cost and has worked to change federal energy policies affecting vehicles. Its Clean Energy Blueprint articulates a portfolio of clean-energy policy solutions. For more information see www.ucsusa.org.

Local Government Commission

LGC is a membership organization composed primarily of California elected officials and city and county staff. Its members are committed to developing and implementing local solutions to state and national problems. LGC provides a forum and technical assistance to enhance the ability of local governments to create and sustain healthy environments, healthy economies and social equity. It works on waste prevention, energy, transportation, community design, environment and economic development, identifying the best new ideas and providing education and tools to implement them. Based on a recent survey of its members, funded by the Packard Foundation, more than 50% of those polled had developed new programs and policies as a result of LGC trainings. LGC could help local governments expand sustainable consumption and production-related programs, such as green building, renewable energy, zero waste and procurement programs. Although it focuses on California, the model could be exported to other regions. For more information see www.lgc.org.

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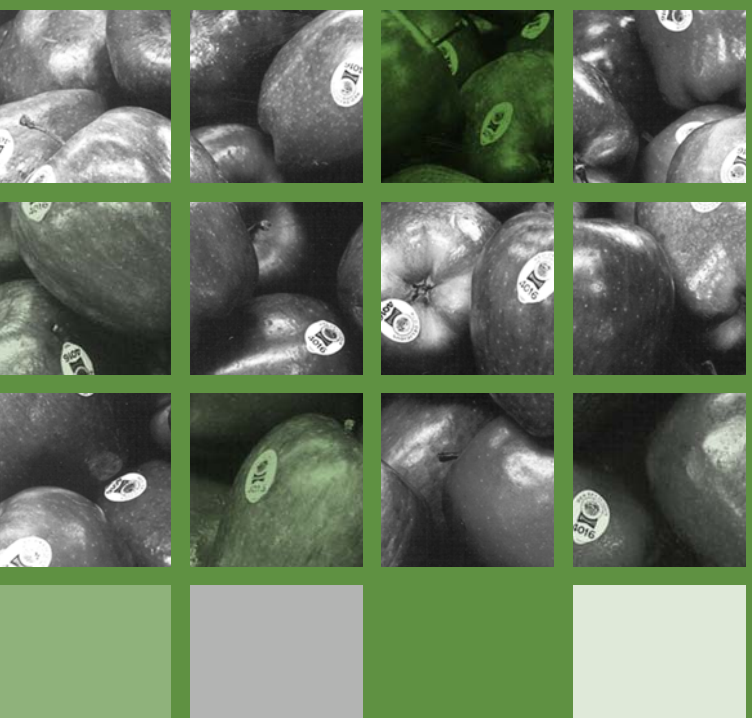
5

ACCELERATE DEMAND FOR GREEN PRODUCTS



Some complain that in our capitalist system, businesses only seem to care about money, and often shirk their social and environmental duties. But the capitalist system can work to our advantage if we know how to use it: businesses listen to the market. Purchasers—particularly institutional purchasers, such as governments and universities—control the market through their demand. When they speak the language of market demand, businesses will listen. If the demand is for environmentally friendly products, businesses will respond. But it must be a clear message that there will be a sustained, orderly market for that product—it's not simply a trendy, flash-in-the-pan demand that will dissipate when consumers move on to the next new thing. From there begins a virtuous cycle of increased marketing and promotion, which engenders increased demand. Success begets success.

While simple in theory, creating such virtuous cycles takes time, persistence, patience and many discrete steps. It calls for tools, resources, new standards and marketing efforts to educate buyers and stimulate demand. In the case of business and institutional procurement, changes may require technical specifications, hands-on demonstrations and other resources and actions to help buyers understand that choosing the greener product won't mean sacrificing price, performance, quality or availability.

PROMISING STRATEGIES

Procurement

Companies, government agencies, universities and other large buyers have substantial purchasing power. Redirecting this power of procurement toward greener products is a key strategy for building markets for sustainable goods. In 2000, the 50 US states and the 87,000 US local governments spent more than $385 billion on goods and services, 20 percent of total US spending. With economic clout like that, aggregated purchasing programs become large enough to direct the market towards sustainable products.

In order for sustainable products to be viable, there must be demand. It's difficult for corporations to risk developing and marketing new products and

designs without some assurance that there will be a significant consumer market responding to their investment. Buyers' cooperatives and other aggregation strategies can convince companies to create new, sustainable products, by guaranteeing large demand (and, therefore, sufficient return on investment). Institutional demand has the power to transform markets: it's a powerful lever, but it needs organization and guidance to be effective.

The large-scale purchasing power of companies, government agencies, universities and other large buyers can also jump-start or accelerate development of new markets and new products. Governments, in particular, have a major role to play. Over the past half-century, many technologies have been born, raised and brought to market largely on the basis of government support. In the 1950s, for example, the Department of Defense, needing a lightweight electronic replacement for vacuum tubes for the development of new weapons for the Cold War, made a significant investment in transistors. At the time, transistors cost $20 apiece. Within ten years, they had dropped to 25¢ each. Today, tens of millions of transistors can be packed into a $50 silicon chip. The buying power of governments and other large purchasers can alter the market forever.

Eco-labeling and Certification

One challenge of procurement programs is defining what constitutes a "green" product. This is no simple task. In many categories there is no legal or generally accepted standard, and this can result in misleading claims or consumer confusion. The solution is third-party eco-labeling, which provides marketplace stability by verifying environmental claims and by reassuring sustainability-minded buyers.

Today, there are at least 25 eco-label programs worldwide, plus dozens more certification programs covering protection of fish and wildlife, labor, climate, the ozone layer and forests among others. (Visit www.eco-labels.org for a comprehensive list.) The most credible sources of labeling programs are independent organizations, such as Green Seal and the federal government's Energy Star, whose labeling criteria come from scientific and stakeholder input.

Success with eco-labels will require massive promotion and education at the retail level and a strategy to reduce "green washing" (unregulated labels that mislead consumers into thinking they are buying green). Because sustainability-related issues are, at best, secondary or tertiary buying criteria, they need to be made simple and readily understandable. This combination of requirements—making it well known and making it simple—has been a barrier to many labels' success. Combined with the sheer number of eco-labels—not to mention those covering nutrition, safety and other societal concerns—labeling and certification can be a challenging though important means of transforming markets.

SUGGESTIONS FOR FOUNDATION ACTION

Grow green markets: Support programs that help households, governments and institutions to shift an increasing percentage of purchases to those with demonstrable environmental and social benefits. Markets for sustainably produced paper, vehicles, food and energy are among those in great need of further development.

Coordinate a strategy to increase demand for recycled and tree-free products: Consider combining the power of procurement into one coordinated campaign—engaging government, universities, businesses and households—to pressure forest product companies to adopt sustainability practices. Support programs that can increase the demand for FSC-certified wood, including more widespread application of the US Green Building Council's LEED Green Building Rating System™, educating architects on green design and sustainable wood use, and prodding government agencies to adopt and implement green building design policies.

Encourage an increase in and coordination of certification programs: Some products, such as aquaculture, need more certification programs and labeling to help educate consumers about sustainable fisheries. In other areas, eco-labeling and certification should be more streamlined and coordinated, in order to facilitate the establishment of coherent standards and the education of purchasers.

Find ways to reward early adapters: Companies that respond to the demand for green products with flexibility, ingenuity and genuine enthusiasm should be commended. Incentive systems and other strategies to reward these early adapters can help the market for green products rise to new heights.

SAMPLE ORGANIZATIONS AND PROJECTS

Co-op America

Co-op America's mission is to harness economic power—the strength of consumers, investors, businesses and the marketplace—to create a socially just and environmentally sustainable society. It works with people in their economic roles—as consumers, investors, business owners and workers. Co-op America asks people to (1) rethink their consumption practices; (2) shift the purchases they do make to favor companies working on becoming more socially and environmentally responsible; (3) invest in more responsible companies; and (4) use their power as consumers, investors and businesses to demand change—and to make those changes in their own homes and businesses. The group's publications and web sites provide members—50,000 consumer activists and 2,500 companies—and the general public with tools they need to make these changes. Co-op America also manages the programs of the Social Investment Forum. Related campaigns include the P.A.P.E.R. Project (Printing Alternatives Promoting Environmental Responsibility), a joint project with the Independent Press Association and Conservatree to shift the magazine industry to printing on recycled paper (95 percent of magazines currently use virgin paper); WoodWise, to encourage practices for forest protection; and the Solar Catalyst Group, to coordinate consumer, business, government and investor purchasing power to create affordable solar energy worldwide. For more information see www.coopamerica.org.

Recycled Products Purchasing Cooperative

The Recycled Products Purchasing Cooperative (RPPC) is dedicated to increasing the use of recycled paper and products. One way RPPC does this is by making recycled copy paper more widely available at prices competitive with or cheaper than their virgin counterparts. Each year, co-op members pool their purchases of copy paper, enabling the co-op to negotiate attractive discounts which are passed along to members. Currently, members must order a minimum of 20 cases (200 reams), which makes participation difficult by many smaller purchasers.

To date, the co-op has converted 350 purchasers to recycled paper, providing paper at 8 to 20 percent below market rate, and has sold 120,000 cases of 30 percent recycled content paper since its inception, saving more than 20,000 trees, 6.3 million gallons of water, 3.7 million kilowatt-hours of electricity and 54,000 pounds of air pollutants. For more information see www.recycledproducts.org.

Markets Initiative

The Markets Initiative is dedicated to finding practical solutions to preserve the world's ancient forests. A partnership of three environmental organizations (Friends of Clayoquot Sound, Greenpeace Canada and Sierra Club of British Columbia), it works with Canadian companies to reduce their consumption of ancient forest products. By doing so, the Markets Initiative is helping to stimulate a growing market for environmentally sound paper and wood alternatives within Canada. The initiative is a success: in only three years it has signed on 24 leading trade publishers, including Random House of Canada and Raincoast Books. The project helps shift market demand to stimulate the market for recycled paper while helping to educate readers about the ben-

efits of recycled paper. It engages companies at three levels: senior management, production staff and the publisher. Its educational outreach includes informational flight tours to help company executives see firsthand the impacts on ancient forests. It also has provided participating companies significant media coverage, further leveraging their outreach. To date, the initiative estimates that 1.5 million books have been printed on 100% post-consumer recycled paper, saving 9,500 trees. Its success has inspired the development of a similar US program called the Green Press Initiative. For more information see www.greenpressinitiative.org and www.marketsinitiative.org.

The Food Alliance

The Food Alliance uses the marketplace to encourage farmers to change their practices and provides technical assistance to help farmers adopt sustainable agriculture practices. Its eco-label incorporates social and environmental criteria for use with sustainably grown and harvested food. The Alliance asks food retailers, wholesalers and distributors for a commitment to purchase food certified by its label. This could increase the demand for food produced with fewer environmental impacts and under better labor conditions than conventionally grown food. Beyond the eco-label, the Alliance is working to develop regional sustainable food markets and to educate farmers on agriculture and the environment. For more information see www.thefoodalliance.org

Green Power Market Development Group

Launched by World Resources Institute and Business for Social Responsibility in 2000, the partnership's mission is to build corporate markets for green power—derived from solar, wind and other renewable energy sources. The group hopes to create 1,000 megawatts of new cost-competitive green power for corporate markets by 2010 and has identified three key policies to accelerate the growth and investment in green power, including: tax incentives, emissions markets and public-private partnerships. In 2002, group members General Motors Corporation, IBM, Johnson & Johnson and Kinko's announced renewable-energy purchases. Other members include Alcoa Inc, Cargill Dow, Delphi Corp., DuPont, Interface and Pitney Bowes. For more information see www.thegreenpowergroup.org.

Center for a New American Dream

One out of every five dollars spent in America is spent by federal, state, or local governments—a significant sum that could be directed to purchases of more sustainable products and services. The Center for a New American Dream is working to redirect institutional purchasing of everything from vehicles and paper to computers and telephones.

The Center's efforts have helped more than 1,000 government and other institutional purchasers purchase environmentally preferable goods by making available data on product criteria, standards and labels; cost/benefit analyses of these products; and other tools, resources and technical assistance. It operates working groups focused on three commodities: cleaning products, energy and paper products. For more information see www.newdream.org.

Forest Stewardship Council

The Forest Stewardship Council (FSC) is composed of representatives from environmental organizations, the timber trade, forestry professionals, indigenous groups and forest product certification organizations from around the world. FSC sets standards and evaluates and accredits forest management certifiers, such as the for-profit Scientific Certification Systems and the nonprofit Smartwood, based on a set of 10 principles addressing environmental, social and economic issues. As of June 2002, more than 73 million acres of forestland have been certified by FSC worldwide in 66 countries (9.7 million of those in the US). For more information see www.fscoax.org.

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6

DEMAND CORPORATE ACCOUNTABILITY

Corporations want to protect their brand value and company reputation.

That's why the threat of using media and the marketplace to associate a brand with bad environmental practices can be a good way to get corporations to change their ways. Consumer campaigns, boycotts and shareholder advocacy are effective ways to target a company's brand and reputation.

Institutional change happens more rapidly when advocacy groups work in concert, especially in sustainability circles. But this isn't always easy, as advocacy groups often compete for members, funders and media attention. However, a growing number of advocates have come to recognize that a coordinated campaign in partnership with others can generate big results.

When they work, corporate campaigns and shareholder advocacy efforts can be powerful tools for communicating concerns and moving markets. Whether conducted by one organization or a coordinated effort among many groups, the power of demanding corporate accountability can be a potent tool, one worthy of more foundation consideration and support.

Such sustainable consumption and production campaigns typically focus on a single name-brand market leader that can serve as a high-profile target. In a growing number of instances, the target need not even be the company most directly responsible for causing the environmental or social problem at hand. For example, in the sustainable forestry arena, where activists are seeking forestry practices that do not devastate old-growth forests and that consider the impacts of logging on local communities and ecosystems, campaigns haven't necessarily targeted logging companies directly. Rather, they have targeted those downstream in the process: large, national paper companies (such as Boise), paper retailers (such as Staples), lumber retailers (such as Home Depot), or large paper users (such as Citigroup).

The idea is that shining the spotlight on these brand leaders will send signals upstream to those doing business on the forest floor, as well as to other companies in the brand leader's cohort. And because these consumer product companies are vulnerable to public opinion—especially when it is being expressed by activists in their stores and parking lots, not to mention billboards, newspaper ads and at annual shareholder meetings—the activists' effectiveness can be relatively forceful and swift.

At the shareholder level, activist strategies can be more subtle. Submitting a shareholder resolution that receives only five percent of the vote may seem a relatively feeble exercise for organizations more accustomed to large-scale protests, but such efforts can be persuasive to companies. The mere act of raising such a resolution at an annual meeting, and creating the risk of a shareholder exodus if management is perceived as not performing to shareholder satisfaction, can spur a company's senior management or board of directors into action (even if motivated mostly by their desire to see the measure to "go away" or be addressed in a less-public setting). The publicity value of shareholder resolutions—in the media and among the growing corps of stock analysts viewing companies through social and environmental "screens"—can be an effective force for change.

PROMISING STRATEGIES

Corporate Campaigns

Companies often need an extra push before they will begin seriously addressing sustainability issues. While most companies are hesitant to publicly admit such campaigns are effective, others, such as sustainability consultants and environmental groups, credit such pressure as a key reason companies come to them for assistance or to form proactive partnerships.

An effective and well-crafted corporate campaign will use a diverse range of strategies and platforms to make a case: free media, paid media, public service announcements, celebrity endorsements, internet and e-mail-based campaigns, direct mailings, petitions, public speakers, shareholder activism, guerilla theater, picketing, boycotts, rallies and marches, even concerts and music festivals. The goal is to raise public awareness and action in such a way that will bring senior management to the table for substantive discussions, negotiations and commitments.

It can be an effective strategy for different groups to "own" different tactics, often mirroring each group's varying levels of activism. In some cases, a "good cop, bad cop," strategy can be effective, in which one or more groups step forward to consult proactively with companies that find themselves the subject of pressure campaigns. As was learned from the Home Depot campaign, while the "bad cops" are pushing companies away from harmful practices, it is critical to have other groups engaging the same target companies to ensure that alternative practices are developed within a sustainability framework.

Advocacy groups such as Rainforest Action Network and Global Exchange fund the majority of their campaign work through membership contributions and small, progressive foundation grants. As part of a broader strategy that incorporates the other key actions, additional foundation support for NGOs to demand corporate accountability could be very effective at pushing more companies toward implementing sustainability measures.

Social Investing and Shareholder Advocacy

Another potent means of encouraging accountability is through investments, whether by individual consumers, larger institutional investors, or financial players such as venture capitalists and investment banks. The whole field, generally known as socially responsible investing (SRI), has grown dramatically in recent years. Assets in socially screened investment portfolios under professional management rose by more than one-third from 1999 to 2001 to top the $2 trillion mark for the first time ever, according to the Social Investment Forum's *2001 Report on Responsible Investing Trends in the United States*.

Among the investment tools worthy of further examination by funders are:

Screening: Screening describes the inclusion or exclusion of companies in investment portfolios based on specific social or environmental criteria. This can help send signals to companies about investor and public interest in sustainability. Social investors include individuals and institutions such as corporations, universities, hospitals, foundations, insurance companies, pension funds, nonprofit organizations and religious organizations. The Social Investment Forum is one of several leadership

organizations that help individuals and institutions (including foundations) screen their investment portfolio to support investments with sustainable practices.

Foundations are encouraged to develop investment screens in order to maximize the impact of their corpus. To date, success has been limited, as traditional financial managers and foundation board members view screening as a means of discounting their financial returns. In reality, socially and environmentally responsible investments continued to earn top marks through the first quarter of 2002, according to the Social Investment Forum, with some outperforming conventional, non-screened funds. On another level, investing in companies that engage in sustainable practices is a concrete investment in the long-term health of our society and its natural life-support systems.

Shareholder Advocacy: The shareholder process can be an effective tool to advocate for social change in corporate policies. Shareholders can be advocates on many levels, from voting their own proxies, to using their shareholder status to enter into dialogue with a company, to filing shareholder resolutions, to conducting shareholder solicitation campaigns to support a resolution. Shareholder activism can educate corporate managers, shareholders and the public about critical social, environmental and labor issues.

NGOs use shareholder activism to pressure corporate management to change their policies, sometimes working behind the scenes in concert with other activists on a coordinated campaign, but more often working independently. Activist groups have helped investors to leverage their shares to promote sustainability-related issues by filing resolutions, voting their proxies and pressing their cases at annual meetings.

Even receiving 5 to 10 percent of the votes on shareholder resolutions sends a strong message to senior management. In these situations, a shareholder can sometimes gain access to senior management and start a substantive dialogue on issues. In many cases, resolutions never reach a vote, as the ensuing dialogue process can lead to a negotiated settlement, in which a company commits to a specific action in exchange for having the resolution withdrawn.

Venture Capital: Foundations can direct some of their investments to start-ups or emerging companies with innovative solutions to sustainability. This gives foundations the ability to directly support the development of new companies and markets, though at a greater risk than most other investments. The Jessie Smith Noyes Foundation is a pacesetter in the field of mission-related investing. It has invested in two new venture capital funds oriented toward environmental sustainability.

Targeting Lenders: Changing the lending practices of financial institutions to reflect sustainability issues is yet another potentially effective tool. Most banks and other lending institutions make loans without sufficient regard for their environmental impacts (beyond conventional due diligence, such as ensuring that mortgages aren't given for property sitting on toxic waste sites). A handful of activist groups have undertaken campaigns to persuade financial institutions to put the environment on the balance sheet.

SUGGESTIONS FOR FOUNDATION ACTION

Seek opportunities to target specific company practices: Find ways to support corporate campaigns that have potential to move industries with significant environmental impacts. Examples include product take-back for computers, automobiles and other goods; sustainable agriculture; solar, wind and other renewable alternatives to fossil fuel energy; and efforts to improve the lives of farm workers and factory workers in developing countries that contract to large multinational companies.

Support collaboration among the different players: Look for opportunities to bring together those who "push" and those who "pull," so they can work together to (metaphorically) get the

bureau up the stairs. Key groups need to communicate, collaborate, coordinate on specific marketplace issues of mutual concern and map out a collective strategy.

Support work to ensure company commitments are fulfilled: Advocacy groups can track company progress on issues and make sure the commitments companies make are carried out in a timely manner.

Support corporate governance and sustainability: Identify opportunities to promote and support projects that leverage the financial power of investors to urge companies to begin integrating sustainability deep into their business strategy.

Support the greening of finance: Seek out opportunities to educate lenders, investment banks, stock analysts, venture capitalists and others in the financial community about sustainability issues, including the business value of environmental and social responsibility. There is a growing body of evidence linking environmental and social initiatives to enhanced shareholder performance.

SAMPLE ORGANIZATIONS AND PROJECTS

ForestEthics

ForestEthics spent more than a year trying to get the Staples office products retail chain to discuss issues associated with the source and content of the paper it sells. After ForestEthics led an aggressive, well-coordinated campaign against the company, Staples finally sat down with the group to develop a policy to avoid paper from endangered forests and increase the recycled content of paper products. Within 18 months, Staples had introduced more than two dozen new products with recycled content. In June 2002, it began selling 100 percent tree-free recycled paper in more than 1,000 of its US stores.

The campaign used many different tactics, including 600 store demonstrations over 18 months, involvement from the religious community, celebrity endorsements, public service announcements, shareholder resolutions, intense negotiations and both paid advertising and free media coverage. ForestEthics also leveraged markets to influence change. It sought and received commitments from more than 50 large companies and 350 smaller ones that they would not buy paper derived from old-growth forests, and that they would increase their purchases of paper with recycled content. This gave Staples some assurance that it would have a ready market for such products. For more information see www.stopstaples.net and www.papercampaign.com.

Rainforest Action Network

The campaign against Home Depot is a good example of how businesses, investors, consumers and activists can collectively work together to hold companies accountable and transform markets. Since 1992, Home Depot had been under pressure by Rainforest Action Network (RAN) and other groups to phase out purchases of old-growth tropical timber. RAN members staged protests outside 150 Home Depot stores, worked with large investors to raise shareholder resolutions, coordinated a national ad campaign, fought Home Depot expansion plans at local city council meetings and enlisted a corps of luminaries, including rockers REM and the Indigo Girls. Their Old-Growth Campaign culminated in a major success in 1999 when Home Depot, which sells 10 percent of the world's lumber and commands 40 percent of the US home improvement industry, committed to stop selling all old-growth wood from endangered areas and to give preference to wood designated sustainably harvested by the independent Forest Stewardship Council (FSC). This led to at least nine other companies making similar pledges.

The campaign also illustrates that the process of implementing change within a supply chain can be painfully slow and encounter serious resistance. While Home Depot has made a commitment to change, it remains to be seen whether they will be successful in implementing their promise to phase out old-growth wood by December 2002. Key obstacles include an insufficient supply of FSC-certified wood to

meet Home Depot's needs, disagreement within the industry on how to define "endangered" forests, confusion between FSC and the industry-sponsored Sustainable Forestry Initiative (SFI) certification programs and concern that restrictions on wood use could unintentionally push consumers to buy more wood substitutes, such as plastic decking material made from toxic polyvinyl chloride. These obstacles highlight the importance of linking corporate campaigns with other strategies, such as increasing market demand and NGO-business partnerships that can help pave the road to viable sustainable alternatives. For more information see www.ran.org, www.fscoax.org, www.certifiedwood.org and www.homedepot.com.

Silicon Valley Toxics Coalition

The Silicon Valley Toxics Coalition (SVTC) works to improve the environmental health and safety practices of the global electronics industry. Since 1982, it has worked with hundreds of communities and companies in Silicon Valley and around the world to raise the environmental consciousness and performance of the high-tech sector. Its efforts have expanded awareness of high-tech's toxic legacy and helped moved the industry to eliminate some harmful chemicals and begin to adopt more sustainable practices. Its current Clean Computer Campaign is focused on promoting cleaner design and clean production policies, computer recycling practices and manufacturer take-back of electronics waste.

Electronic waste (or "e-waste") is among the most rapidly growing waste problems in the world, and it is a focus of SVTC's efforts because of the occupational and environmental health threats it poses. SVTC's 2002 report, *Exporting Harm: The High-Tech Trashing of Asia*, explains that many US companies are exporting e-waste to developing countries, leading to serious social, health and environmental impacts. Its Computer TakeBack Campaign, launched in 2001, publishes an annual *Report Card* that compares computer companies' environmental performance. SVTC also tracks computer eco-labeling programs in other countries. For more information see www.svtc.org.

Global Exchange

Coffee is the world's second most valuable market commodity after petroleum, and US consumers consume one-fourth of the beans traded globally. How coffee is grown and sold has significant environmental and social impacts. With the threat of multiple store demonstrations, Global Exchange successfully persuaded Starbucks to commit to buying one million pounds of Fair Trade Certified coffee in 2002–03 and to brew Fair Trade coffee once a month. Fair Trade Certified coffee guarantees that coffee farmers are paid a living wage for their harvest. Fair Trade promoters say the coffee is an easy way for consumers to participate in efforts that have a direct benefit on the environmental, health and social well-being of some of the world's poorest citizens. Global Exchange, in partnership with the Organic Consumers Association, is implementing a campaign to increase the amount of Fair Trade Certified coffee Starbucks brews and serves in its stores to a more significant level and to improve working conditions for coffee plantation workers. For more information see www.globalexchange.org and www.transfairusa.org.

Carbon Disclosure Project

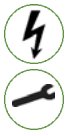
Shareholder advocacy needn't take the form of resolutions. For example, in 2002, 30 large institutional investors representing some $2.35 trillion in investments announced they were joining forces to press the world's 500 largest public companies to disclose more information about their greenhouse gas emissions. The investors plan to survey chief executives, asking them where they stand on carbon dioxide emissions and what measures they have in place to minimize exposure to future liabilities associated with having to cut emissions. The initiative, called the Carbon Disclosure Project, was prompted by a fear among some of the world's most powerful financial institutions that when companies ignore climate change impacts, it could affect the value of their investment funds. The move is the first time that institutions not generally renowned for shareholder activism have supported such a project. The investor groups include UBS Global Asset Management and the Co-operative Insurance Society. For more information see www.cdproject.net/press_release.htm.

Campaign ExxonMobil

Campaign ExxonMobil is a shareholder initiative to compel ExxonMobil to take responsibility for its contribution to global climate change, and to make a serious commitment to the development of sustainable solutions. A resolution urging ExxonMobil to adopt a plan for renewable energy resources garnered an impressive 20.3 percent of the vote in 2002, more than double the 8.9 percent vote the same resolution achieved in 2001.

A critical factor in winning over institutional investors, who do not traditionally engage in social or environmental shareholder activism, was a report co-sponsored by Robert A.G. Monks, CERES and Campaign ExxonMobil. The report, *Risking Shareholder Value? ExxonMobil and Climate Change: An Investigation of Unnecessary Risks and Missed Opportunities*, concluded that ExxonMobil's attitude toward climate change is fraught with "unnecessary risks and missed opportunities" that could make it liable for more than $100 billion in long-term shareholder value in the company. CERES, which helped found Campaign ExxonMobil, played a crucial role in building support for the campaign and developing the financial arguments buttressing the resolution. Religious shareholders that belong to the Interfaith Center on Corporate Responsibility (ICCR) also supported the resolution. ICCR and its members press companies to be socially and environmentally responsible. Each year ICCR-member religious institutional investors sponsor more than 100 shareholder resolutions on major social and environmental issues. The combined portfolio value of ICCR's member organizations is estimated to be $110 billion. For more information see www.iccr.org and www.campaignexxonmobil.org.

Coalition of Environmentally Responsible Economies



CEOs and corporate boards of directors are an elite, highly interlocked group of roughly 11,000 people with a disproportionate influence on what happens in the marketplace. The Coalition of Environmentally Responsible Economies' (CERES) Sustainable Governance Project is leveraging shareholder action to persuade corporate boards to take specific and measurable actions to reduce greenhouse gases and to build awareness among institutional investors that taking action on climate change is a key component of fulfilling their fiduciary duty to shareholders.

"To make advances in the world of corporate accountability, we need to zero in on corporate boards of directors and ask them to take on sustainability," stressed Bob Massie of CERES. He believes that large, global companies simply cannot succeed unless they take into account the significant sustainability issues that are facing us, from climate change to income inequity. For more information see www.ceres.org.

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7

ENCOURAGE SUSTAINABLE BUSINESS PRACTICES

Some people think that sustainability is about going backwards economically, suppressing innovation and undermining prosperity.

But there are business leaders and NGOs who have demonstrated that sustainable businesses practices can be win-win strategies that bolster economic performance and job creation while also conserving resources. Environmental activists and a growing number of businesses have been working on this for over a decade. Companies have explored a wide range of activities, from the basics—pollution prevention, recycling, waste reduction and energy efficiency—to more sophisticated initiatives that embed sustainability thinking deep into company policy, products and processes. Along the way, a steady drumbeat of concepts and buzzwords have worked their way into the business lexicon: demanufacturing, dematerialization, design for the environment, eco-efficiency, eco-effectiveness, end-of-life management, industrial ecology, life-cycle assessment, natural capitalism, servicizing and so on.

But while the amount of activity in this area has increased dramatically in recent years, and the state of the art in some sectors has grown impressively, the number of leadership companies remains frustratingly small. Changing company practices is a challenge, even for those with strong senior-management commitments to "do the right thing." Companies, not unlike individual consumers, resist change, even when they believe that change is important, and their resistance can thwart even the most ambitious commitments and initiatives.

Beyond that, a large number of companies have been left out of the conversation. While the early environmental movement and news media focused their attention on large, industrial companies, that does not reflect today's economy, at least in the US. The lion's share of businesses are now rooted in the service sector, which includes finance, insurance and real estate; wholesalers and retailers; transportation, utilities and communications. The service sector comprises fully 75 percent of US gross domestic product—some $4 trillion—and accounts for 78 percent of US employment. These companies don't have belching smokestacks, but they are far from benign. Service-sector businesses can be

gluttonous consumers of resources and can generate vast quantities of waste, some of it quite toxic.

Also left out are small and midsized companies—millions of machine shops, metal-finishers, printers, chemical refiners, dry cleaners, manufacturing facilities, service stations and others. In the US, more than 98 percent of all companies have fewer than 100 employees. And most of these smaller firms lack the knowledge, time, money and other resources to invest in pollution prevention, waste minimization and other aspects of environmental management, even though it may be quite profitable for them to do so.

Nonprofits are starting to help companies, a tactic that can be very effective in greening businesses. Many national environmental groups work with the private sector, partly because it's necessary in today's corporate world, and also because some of the largest groups rely on corporate contributions, licensing fees, or project sponsorships to cover a large portion of their operating expenses. Such corporate-NGO alliances can be controversial: some environmentalists bristle at the idea of their colleagues consorting with the likes of Exxon, Dow, McDonald's, General Motors and other companies perceived to be bad environmental and social actors. But in any case, such partnerships have become a fact of modern life.

Most of the organizations that step in to help companies understand and implement sustainability into their operations focus on larger, marquee companies. The programs helping smaller companies tend to emphasize compliance issues, not the deeper, more substantive proactive steps that can help move companies and markets toward sustainability. But some business-environmentalist partnerships are becoming relatively sophisticated. Many environmental groups say they are willing to provide research or consulting services to companies. Others offer companies access to their scientists and other professionals. A few loan staffers to companies, or allow corporate employees to work inside the activist groups on specific projects.

All of this may seem like work that the businesses should be doing for themselves. Foundations might rightfully ask, "Why should we fund work that business should be paying for?" There are several answers.

First and foremost, businesses aren't funding this type of work. Businesses that have already greened their operations rarely recruit and assist other companies to do the same—but somebody needs to recruit and assist those companies. Early adapters of this sort need nurturing; success in this realm can be fragile and needs support in the early stages. NGOs can help with that.

Secondly, green businesses put pressure on their suppliers to conform to specific environmental criteria and standards, but most aren't offering technical assistance to help suppliers make the necessary changes. This field is so young that tools and mechanisms that are scientifically and technically sound often still need to be developed. But in the absence of strong and persistent demand, this work needs support from other sources.

Third, many NGOs are well-suited to help these businesses, but in order to maintain their integrity and neutrality they should remain financially independent of the business sector. Grants from foundations can allow them to render these important services to businesses without "selling out."

In the end, what's really needed is a broader educational, mentoring and technical assistance effort, along with new initiatives that more substantively transform company practices. Many NGOs are well-suited to help, but most are constrained by extremely limited budgets. Foundations can help these organizations leverage their work and extend their reach, while helping companies break through market barriers and make major shifts together that might be difficult or impossible for them to do alone.

PROMISING STRATEGIES

Educating Businesses

In order for businesses to adopt sustainable practices, they need to be educated about the issue. A wealth of resources already exist. There are literally hundreds of NGOs working on these issues in the US alone, plus countless government agencies, trade associations and multisector partnerships at the international, national and local levels. Unfortunately, NGOs rarely share information or promote resources created by other NGOs. Government agencies—federal, state and local—operate with similar blinders. The same phenomenon holds true for academic institutions, think tanks, trade associations, companies and others. There is little resource sharing and cross-marketing of information.

As a result, many of these organizations fail to reach beyond their individual members and constituents. Many of the best tools and resources reach only a relatively small circle of friends, neglecting the broader business audience. It is vital to promote and grow the existing business education programs for promoting sustainable business practices.

Award and Recognition Programs

Recognizing and rewarding companies for their exemplary efforts in implementing sustainable business practices is an important way to nurture early adapters. The US Environmental Protection Agency and other federal agencies offer many award and recognition programs, among them EnergyStar (given to products and buildings that achieve minimum energy-efficiency standards), PerformanceTrack Partners (given to companies pursuing environmental excellence) and awards recognizing companies on green chemistry, climate protection, employee commuting, ozone protection and other areas.

All told, there are more than 150 business environmental award and recognition programs in the US, including many at the state and local levels. These programs help companies not just externally, by providing them with publicity, logos, plaques and other ways to promote themselves to customers, but also internally, instilling pride and commitment among employees while reinforcing the business value of good environmental citizenship.

Business-NGO Partnerships

Though they aren't all as public as the headline-grabbing alliance between McDonald's and Environmental Defense in the 1980s, scores of equally productive collaborations have occurred between companies, NGOs and regulators. Acting as the "good cops" in helping businesses comply with regulations, many NGOs consult independently to companies. In fact, businesses and environmental groups are now as likely to be partners as adversaries. Some groups partner with market leaders to help them achieve specific environmental goals, from procurement to innovative product design. Efforts with just one company can lead to new models that motivate broad change and create a "ripple effect" throughout the business sector.

One potentially powerful role of NGOs is to convene groups of like-minded companies to solve problems of mutual interest. Business for Social Responsibility (BSR), for example, formed an Apparel Industry Working Group in the mid 1990s, to help name-brand companies address environmental problems. One result was a joint wastewater emissions standard created by the group to use with their Asian contract manufacturing facilities. It is unlikely that any of these companies would have worked together without the cover of a credible intermediary like BSR.

Sustainable Design

From the moment a company's product development team puts pencil to paper, a product's environmental impact begins to take shape. That initial R&D phase is the first and best time to start a product down the path of sustainability. Many design tools fall under this category, from life-cycle

assessment to product takeback strategies to "green chemistry."

William McDonough, co-author of *Cradle to Cradle: Putting Eco-Effectiveness into Practice*, advocates nurturing businesses that make things from less-toxic materials, materials so in tune with the environment (because they turn into soil nutrients or pure raw materials at the end of their useful lives) that we can celebrate consumption, not seek to minimize it. McDonough's book articulates the difference between eco-efficiency (what he calls "doing less bad") and eco-effectiveness, which rethinks the entire concept of products and considers the whole system—cultural, commercial and ecological. Eco-effectiveness, he says, will enable us to create buildings that produce more energy than they consume, factories that produce cleaner effluents than they take in and products that fully close the loop.

Radical Resource Productivity

Forecasters say that by 2050 we will need to feed, clothe, house and employ 50 percent more people than are on Earth today.[16] To do this, visionaries like Paul Hawken and Amory Lovins promote the idea of "radical resource productivity." Hawken defines this as "obtaining the same amount of utility or work from a product or process while using less material and energy." He says that in some sectors, "empirical evidence suggests that radical improvements in resources productivity are both practical and cost-effective." This is an area ripe with possibility.

Mentoring Businesses

Companies concerned about environmental performance have long turned to colleagues for help. NGOs can provide a forum for companies to learn from one another and discuss the complexities of environmental business issues. Much of the focus has been on the multinationals whose environmental problems are significant and global. But smaller firms don't usually benefit from such advice. That's starting to change, thanks to the growing number of mentoring programs aimed at small and mid-sized companies. The programs come from federal, state and local government agencies; from trade groups, both national and regional; from academics; and from companies themselves. Collectively, they represent an underutilized resource that needs to be nourished and promoted in the mainstream business community.

Corporate Reporting

Sunlight, it's been said, is the best disinfectant, and a growing number of stakeholders— including investors, consumers, activists and employees—are asking companies, especially larger ones, to illuminate their operations by publishing "warts and all" reports on their environmental and social impacts. This concern predates by several years the current wave of interest in corporate disclosure born of abusive accounting practices. As this trend for increased accountability and transparency spreads throughout the globe, corporate reporting can aid businesses in assessing and improving their performance while providing information to the full range of stakeholders.

Supply Chain Management

In recent years, the idea of pushing environmental responsibility upstream—increasingly known as supply chain environmental management, or SCEM—has gained favor as a strategy among environmental leadership companies. This makes sense on a number of levels. The fewer problems suppliers ship to their customers—in the form of wasteful or toxic materials, for example—the lower customers' costs and risks. But for both suppliers and their customers, a well-managed supply chain effort can go beyond mere cost-cutting: it can create business value in the form of higher-quality materials or manufacturing processes, innovative new goods and services, protection of one's brand reputation and enhanced customer loyalty.

Supply chain initiatives can also help to ensure an adequate supply of green products. For example, meeting the growing demand for organic cotton poses a significant challenge to the organic

cotton industry. First, worldwide organic cotton supply is limited—only about 18 million pounds were grown in 2001. As companies expand their organic cotton programs, shortages could occur. For example, consider Nike, one of the world's largest purchasers of organic cotton. If Nike alone chose today to shift to 3 percent organic across its entire product line—the company's goal for 2010—current world supply could not meet its demand. More farmers and others in the supply chain need support to transition their conventional cotton production to organic.

Moreover, the number of players involved in processing organic cotton from raw fiber to finished product must be dramatically expanded. Currently only a few dozen yarn spinners, mills, cut-and-sew facilities and apparel and fabric finishing organizations understand how to integrate organic cotton into their operations. The presence of a robust supply chain—one with lots of potential players at each stage of the chain—is an essential ingredient in convincing additional large apparel, furniture and other consumer products companies to specify the use of organic cotton in their products.

SUGGESTIONS FOR FOUNDATION ACTION

Develop programs to help small, sustainability-focused businesses emerge and thrive: Foundations can play a major role in helping to provide loans or investments to innovative start-up companies to develop new green products and services. They can also support local networks and technical assistance programs to help disseminate new business models and best practices.

Support business education: Many companies know they need to change, but have limited time, knowledge and resources—or may simply not know where to begin. Support initiatives that promote balanced, accurate and timely environmental information and resources to the widest possible business audience.

Support the development of a design database: It can be challenging for companies to get good information from suppliers on the contents of materials. It would be helpful to support the creation of a design database to inform designers and help them avoid environmentally undesirable materials. A public database that helps companies identify less-toxic materials and support distribution of product design software could be of considerable value in moving companies in the right direction.

Support collaboration: Fund collaborative conversations that bring together key nonprofit players and help them coordinate approaches in working with companies, or collaborations among companies to address environmental challenges of mutual interest.

Support supply chain initiatives: Support efforts to educate and communicate within supply chains to grow sustainable markets. For example, help convene meetings in which disparate parts of a single industry or product supply chain can address barriers and share opportunities to increase sustainable practices.

Go high tech: Support groups that work with high tech companies to improve technology take-back recycling programs and incorporate sustainable design into computers.

Alliance for Environmental Innovation

The Alliance for Environmental Innovation (AEI) is a project within Environmental Defense that focuses on market-based solutions to corporate environmental challenges. It works with high profile, market-leading companies to develop products and strategies that reduce environmental impacts and provide marketplace advantage. The Alliance partners with a small handful of companies to improve products and prove new concepts. It takes no funding from companies and the results of its partnerships are made publicly available. Among those it has worked with are McDonald's, United Parcel Service, SC Johnson & Sons and Starbucks. Over the past year, the Alliance has been working on a project with Federal Express, the world's largest express transportation company, to develop cleaner, economical and more fuel-efficient pick-up and delivery trucks. The project's goal is to develop vehicles that will work as well as FedEx's current trucks, cost about the same over the vehicles' lifetime, reduce emissions by 90 percent and increase fuel efficiency by 50 percent. In early 2002, Fedex and AEI announced that three competing teams have committed to produce prototype vehicles that meet these standards.

Another AEI success was the switch by mail-order company Norm Thompson Outfitters to a paper with a minimum of 10 percent post-consumer recycled content for use in all of its catalogs. The move to recycled paper will bring significant environmental benefits and demonstrate to other catalog companies that recycled content prints as well as virgin paper, is competitively priced and has no impact on customer response. For more information see www.environmentaldefense.org/alliance.

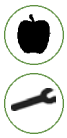
Sustainable Cotton Project

Grown in 72 countries, cotton supplies nearly 50 percent of the world's fiber needs. Unfortunately, cotton is among the world's most toxic crops. Although grown on only two percent of the world's cropland, 25 percent of all insecticides applied globally are sprayed on cotton. Many common cotton pesticides are linked to cancer, birth defects and reproductive harm in both humans and wildlife. Addressing both the supply and the demand sides of the cotton market, the Sustainable Cotton Project (SCP) works to create a larger demand for organic cotton (cotton grown without the use of synthetic pesticides, defoliants or fertilizers) in the global apparel industry, while developing advanced organic farming techniques and teaching them to growers.

The SCP's corporate outreach team provides senior executives of industrial scale cotton purchasers with information on the toxicity of conventional cotton and on the promise of organic. By giving farm tours and providing critical contacts and tools, the SCP cultivates organic cotton advocates within senior management. This strategy has succeeded in convincing large companies, including Parkdale Mills, the nation's largest yarn-spinner, Nike, the nation's largest sportswear manufacturer and nearly a dozen other businesses, to buy and use organic cotton. It is significant to note that almost every company that has begun using organic cotton during the past four years credits the SCP with introducing them to organic cotton.

On the supply side, the SCP farmer-to-farmer mentoring program has helped over 40 growers, farming tens of thousands of acres in California's San Joaquin Valley, to learn organic and other environmentally preferable farming practices. This program is now being expanded to other parts of the US to meet the expected growing demand for organic cotton. For more information see www.sustainablecotton.org.

Organic Exchange



Approximately 25 percent of the world's pesticides and fertilizers are used in cotton production. Thanks to the success of the Sustainable Cotton Project (see page 42), many companies, including Cutter and Buck, Marks and Spencer, Mountain Equipment Coop, Nike, Norm Thompson, Patagonia and Timberland, have decided to switch from conventional cotton to organic cotton in many, and in some instances, all of their cotton products. Doing so will require working closely with suppliers to ensure enough organic cotton is available to meet future demand. As Heidi McCloskey, Global Sustainability Director for Nike's Apparel Division put it, "Organic cotton is a team sport."

In 2002, McClosky asked Sustainable Strategies, a small consulting firm, to help launch the nonprofit Organic Exchange to address cotton value chain issues. The Exchange brings together a wide range of stakeholders—farmers, certifiers, mills, major cotton buyers and others—to discuss and address barriers and opportunities for growth in the organic cotton industry. Such collaboration is unusual in the highly competitive apparel, furniture and consumer products industries.

The Exchange will focus on building demand, growing the infrastructure and assisting cotton-buying companies to use organic cotton. Its goal is to increase the global organic market to 10 percent of all cotton grown over the next 10 years (current estimates are at 0.1 percent). This would eliminate 2.5 percent of cotton-related pesticides globally. To learn more, contact Rebecca Calahan Klein: rcklein@mindspring.com.

The Natural Step

The Natural Step (TNS) helps businesses and governments to integrate sustainability into core strategy and operations. It takes an upstream, scientific approach by trailblazing new organizational models and innovating new practices within corporations and governments to build the foundation for a sustainable future and bring into balance our economic, social and environmental systems.

Since its establishment in the US in 1995, TNS has fostered deep working relationships with corporations such as Nike, McDonald's, Bank of America, Starbucks and Home Depot, helping them embed sustainability into supply chain management, procurement policies, employee training and global strategy.

In 2001, The Natural Step helped organize a group of leaders from key nonprofits working with the corporate sector—groups looking to collaborate, but which hadn't necessarily done so. The goal of the meeting was to learn about one another's work and approaches, discuss obstacles and successes and identify opportunities for collaboration. Participants included Rainforest Action Network, Rocky Mountain Institute, CERES, the World Resources Institute and the Center for a New American Dream. A major outcome of the meeting has been stronger relationships, better coordination and increased trust. Dialogues such as this are an excellent way to enhance communication and coordination among NGOs working in the environmental movement. One tangible project that resulted from the dialogue is the collaboration between TNS and RMI to launch an initiative to "green" the electronics industry in Silicon Valley. For more information see www.thenaturalstep.org.

World Resources Institute

The World Resources Institute, through its Sustainable Enterprise Program, works to eliminate the disconnect between business schools and sustainability. It points to a finding by McKinsey & Company that more than 90 percent of chief executives at Fortune 500 companies believe sustainable development is important to the future of their firms, but less than one-third of them think they are successfully addressing the challenge. Why? One reason may be that top managers of these companies have neither the inclination nor the training to manage social and environmental concerns. *Beyond Grey Pinstripes: Preparing MBAs for Social and Environmental Stewardship* provides an index of business schools and a chart rating the top schools on the quality of their environment and social responsibility curricula. Their web site provides a wealth of information to help prospective business school students, business school administrators, and professors identify the best programs and compare how peers in the field integrate environmental and social subjects in their teaching and research. For more information see www.wri.org/wri/bschools.

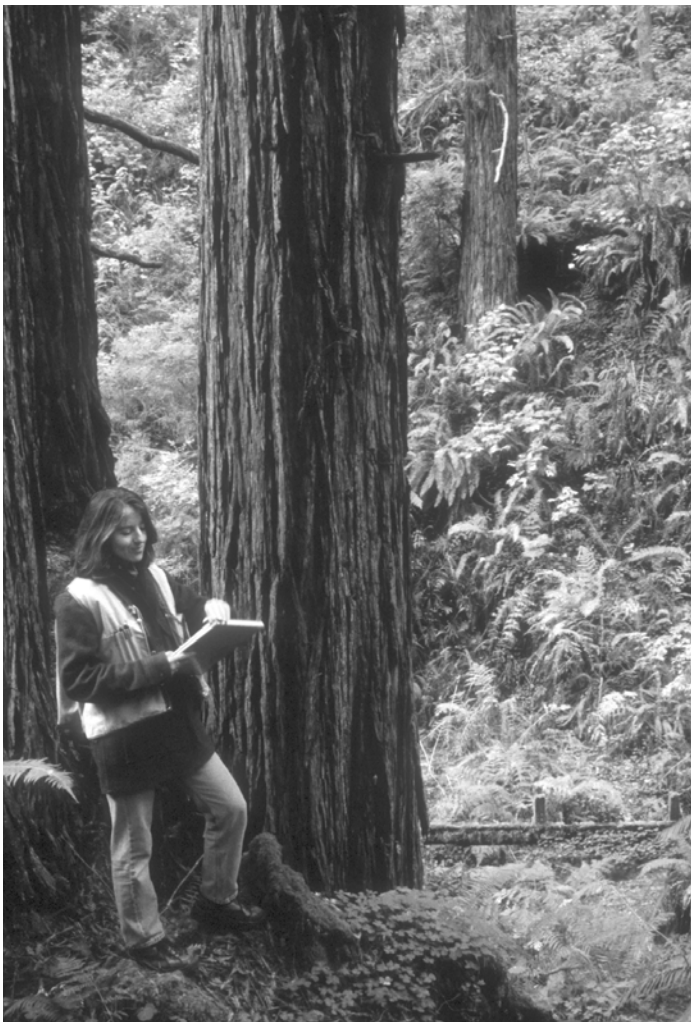


Photo courtesy of the Forest Stewardship Council

Global Reporting Initiative

The Global Reporting Initiative (GRI) has developed Sustainability Reporting Guidelines—globally applicable guidelines for reporting on economic, environmental and social performance—that will allow stakeholders to compare companies across sectors and borders. Initially designed for large, multinational corporations, a separate version of the guidelines has been created to meet the needs of smaller enterprises and nonprofit organizations. For more information see www.globalreporting.org.

The Factor 10 Institute

The Factor 10 Institute was created to promote resource productivity in the production and consumption sectors. It works on policy approaches to dematerialization; changes in economic and cultural priorities; increasing resource productivity through "lean" technology; changing consumption patterns; and refinancing national budgets. The institute's goal is to help nations achieve, within a single generation, a tenfold increase in the efficiency with which they use energy and resources. For more information see www.factor10-institute.org/Factor10.htm.

These are just a few selected out of many possible sample organizations and projects; a longer, though still not exhaustive, list appears in Appendix 3. This briefing book is designed for further revision and expansion as a web-based publication, and the Funders Working Group on Sustainable Consumption and Production welcomes additional content suggestions. The strategic issues icons listed next to each organization are designed to help funders identify organizations and specific campaigns that relate to their program areas. However, it should be noted that each organization may work on multiple issues and employ a range of strategies not listed here.

8

WALKING OUR TALK

If you want to support sustainable consumption and production and get first-hand experience of the challenges and joys involved, we recommend that foundations model sustainable practices in their own philosophy and operations. It's a great way to show that you take seriously your commitment to sustainability.

LOOK UNDER YOUR OWN ROOF

As an important first step, why not adopt sustainable practices in your own operations? For example, consider your annual report. Was it printed on recycled paper? Is it available in electronic form to avoid printing at all? What type of paper does the office use in its copier and printer? Are you reducing the environmental impacts of your conferences and annual meetings? "Foundations and environmental visionaries with the ability to effect change must effectively be the change they want to create," stressed Alissa Hauser, Executive Director of the Circle of Life Foundation. The Environmental Grantmakers Association has a highly useful publication to help foundations begin to walk their talk, *Philanthropy as Stewardship: Recommended Principles & Practices for Operating in an Environmentally Responsible Manner*. The program suggests baseline actions for any organization promoting sustainability and enables foundations to do their part to help build markets for greener products and services. For more information about the program, or to view a copy of the publication, visit www.ega.org.

EDUCATE THE BOARD ON SUSTAINABILITY AND SYSTEMS THINKING

Educating trustees on sustainability, systems thinking and the role of investments in a sustainable world can help steer a foundation to focus strategically in this direction. This can also help grantmakers avoid making investments in companies and causes that run counter to sustainability ideals. Grantmakers tend to be organized around specific issues, such as health, education and the environment; and sustainability is a cross-disciplinary issue that requires systems thinking. For this reason, sustainable consumption and production projects might get more support if boards are educated on the broader themes of sustainability. The Rocky Mountain Institute's Natural Capitalism practice and The Natural Step are among the organizations that can provide board training or retreats on systems thinking and sustainability. It might be most effective to integrate such a presentation into an issue in which the board is already interested. For example, if your board is interested in national security, you could show the link between renewable energy and security.

MAXIMIZE THE IMPACT OF THE CORPUS

Shareholder advocacy and socially responsible investing can act as an extension of your philanthropic mission. Active shareholders can and do make a difference in the way publicly traded companies do business. You can begin by applying social screens to your portfolio, targeting investments in companies whose activities further your mission, or working with grantees to strategically support their programs through shareholder advocacy. Some foundations have been successful in screening their portfolios for tobacco, firearms and certain other issues, but few have fully integrated a sustainability screen. According to the Weeden Foundation, foundations have nearly $1 trillion in investments, but only one out of every eight dollars is invested using an environmental or social screen. The Foundation Partnership on Corporate Responsibility is a good place to start to learn more about how to link grantmaking values with investments.

Jessie Smith Noyes Foundation and Shareholder Advocacy

The Jessie Smith Noyes Foundation is one of the few foundations to have filed a shareholder resolution, at the request of a grantee, as a strategic leverage tool. Its grantee, the SouthWest Organizing Project (SWOP), was having trouble getting a meaningful response from Intel Corp. regarding its accountability and transparency to communities. Intel was part of the Noyes stock portfolio. The foundation partnered with the Interfaith Center on Corporate Responsibility, which helped Noyes file a resolution and recruit support from religious and socially responsible investment groups. Though such resolutions rarely pass, they often get the company's attention. Five to twenty percent of voter approval can represent millions of dollars of investment in a company and send a strong signal to management. As a result of the resolution, Intel agreed to change its environmental, health and safety policy to address SWOP's concerns. The shareholder resolution helped generate a meaningful dialogue with the company. In 2000, Noyes co-filed shareholder resolutions with Home Depot, Kohl's, Kroger, Quaker Oats and Warnaco.

The Noyes Foundation has also set up its own venture capital partnership, seeking investments in young companies that provide commercial solutions to the problems the foundation supports through its grantmaking. One such investment for Noyes was Stonyfield Farm, a producer of yogurt made from family farms that follow sustainable agricultural practices and which has been a leadership company on many sustainability issues. Since the foundation has a major grantmaking program in sustainable agriculture, the investment and the grant complemented each other. For more information see www.noyes.org.

Environmental Fiduciary Project

The Environmental Fiduciary Project encourages fiduciaries—trustees responsible for pension funds, foundation endowments and other pools of capital—to recognize the role that environmental performance can play as a source of corporate value. The goal of the project is to encourage major shareholders to require better environmental performance from the companies in which they invest, based on the notion that superior environmental performance often increases shareholder value. The Rose Foundation has released an Environmental Fiduciary Report addressing these issues. Copies of the full report can be downloaded from www.rosefdn.org.

These are just a few selected out of many possible sample organizations and projects; a longer, though still not exhaustive, list appears in Appendix 3. This briefing book is designed for further revision and expansion as a web-based publication, and the Funders Working Group on Sustainable Consumption and Production welcomes additional content suggestions. The strategic issues icons listed next to each organization are designed to help funders identify organizations and specific campaigns that relate to their program areas. However, it should be noted that each organization may work on multiple issues and employ a range of strategies not listed here.

Endnotes

1 1999. Brower, Michael and Leon, Warren. *The Consumer's Guide to Effective Environmental Choices: Practical Advice From The Union of Concerned Scientists*, p. 5.

2 1997. Ryan, John and Thein, Alan. *Stuff: The Secret Lives of Everyday Things*, p. 5.

3 Hawken, Paul. "Sustainability & Survival: Creating a Commerce of Living Systems," *Common Ground*, Summer 2002, p.8.

4 2002. Hill, Julia Butterfly. *One Makes the Difference: Inspiring Actions that Change Our World*, p. 27 and 34.

5 Hawken, Paul. "Sustainability & Survival: Creating a Commerce of Living Systems," *Common Ground*, Summer 2002, p.22.

6 "The Hidden Life of Your Television," *Sierra*, July/August 2002, p. 26.

7 See www.newdream.org

8 See www.sustainabilityinstitute.org/pubs/Leverage_Points.pdf

9 See www.joannamacy.net/html/living.html

10 See www.progress.org/shift20.htm

11 See www.environmentalleague.org/Issues/Tax_Shifting/taxfactsheet1.htm

12 See www.grrn.org/order/welfare4waste.html

13 See www.foe.org/eco/payingforpollution/p4ppr.html

14 See www.rri.org

15 See www.zerowaste.co.nz

16 Hawken, Paul. "Sustainability & Survival: Creating a Commerce of Living Systems," *Common Ground*, Summer 2002, p. 20.

Appendix 1

STAKEHOLDERS INTERVIEWED

Allenby, Brad
AT&T

Arnold, Matt
World Resources Institute

Bagiardi, Karl
International Paper

Baglia, Todd
ForestEthics

Basil, George
The Natural Step

Bingham, Sally
Regeneration Project

Brash, Dave
New Zealand Ministry for the Environment

Brune, Mike
Rainforest Action Network

Burns, Susan
Natural Strategies

Calahan Klein, Rebecca
Sustainable Strategies

Cameron, Catherine
Wallace Global Fund

Case, Scott
Center for a New American Dream

Charon, Scott
Herman Miller

Clark, Susan
Columbia Foundation

Corbett, Judith
Local Government Commission

Cowan, Stuart
Ecotrust

Danaher, Kevin
Global Exchange

Eiseman, Constance
Prospect Hill Foundation

Ford, David
Certified Forest Products Council

Garn, John
ViewCraft

Friend, Gil
Natural Logic

de Freitas, Patrick
Laird Norton Foundation

Gomer, Alicia
Park Foundation

de Graff, John
Author of Affluenza

Gravitz, Alisa
Co-op America

Gray, Catherine
The Natural Step

Hauser, Alissa
Circle of Life Foundation

Hill, Julia Butterfly
Circle of Life Foundation

Kane, Deborah
Food Alliance

Katz, Daniel
Overbrook Foundation

Keniry, Julian
National Wildlife Federation

Kinsella, Susan
Conservatree

Korten, Fran
Positive Futures Foundation

Kubani, Dean
City of Santa Monica

Langert, Bob
McDonald's

Liss, Gary
Gary Liss Associates (GLA)

Little, Tim
Rose Foundation

Lovins, Hunter
Rocky Mountain Institute

MacKerron, Conrad
As You Sow Foundation

Massie, Bob
Coalition for Environmentally Responsible Economies (CERES)

Maxwell, Jamaica
Funders Agriculture Working Group (FAWG)

McCloskey, Heidi
Nike

McDonough, William
McDonough Braungart Design Chemistry

McGeady, Cathy
Robert Wood Johnson Foundation

McGlashan, Charles
Sustainability consultant

Mendelsohn, Jeff
New Leaf Paper

Meydbray, Olga
Silicon Valley Toxics Coalition

Miller, Tyson
Recycled Products Purchasing Cooperative

Mills, Victoria
Alliance for Environmental Innovation

Moons, Cees
Netherlands Ministry of Environment

Mosby, Wade
The Collins Companies

Ottman, Jacquelyn
Greenmarketing.com

Packard, Ben
Starbucks

Passoff, Michael
As You Sow Foundation

Polak, John
Terra Choice

Pricket, Glenn
Center for Environmental Leadership and Business

Reed, Rick
Sustainable Cotton Project

Rembert, Tracy
Social Investment Forum

Ris, Howard
Union of Concerned Scientists

Robèrt, Karl-Henrik
The Natural Step

Roy, Dick
Northwest Earth Institute

Russell, Jenny
Merck Family Fund

Rycroft, Nicolle
Markets Initiative

Sheenan, Bill
GrassRoots Recycling Network

Seth, Camilla
Surdna Foundation

Skloot, Edward
Surdna Foundation

Smith, Derek
Norm Thompson

Smith, Ted
Silicon Valley Toxics Coalition

Snow, Warren
New Zealand Zero Waste Campaign

Speth, James Gustave
Yale School of Forestry and Environmental Studies

Sommer, Mark
Mainstream Media

Straus, Michael
Straus Communications

Taylor, Betsy
Center for New American Dream

Viederman, Steve
Needmor Fund

Wackernagle, Mathis
Redefining Progress

Waage, Sessel
The Natural Step

Appendix 2

KEY RESOURCES

Some of the best places to learn more about sustainable consumption and production include the following web sites, books, magazines and reports. Other sources of information are the web sites listed in Appendix 3, Active Organizations.

WEB SITES

Act Global
www.actglobal.org
Provides information on environmental, social and economic issues and allows users to send e-mail to organizations and governments urging reform.

Action Network
www.actionnetwork.org
Created by Environmental Defense, this web site sends registered users action alerts by e-mail on legislative issues relating to the environment.

Adbusters
www.adbusters.org
A quarterly magazine concerned with the erosion of our physical and cultural environments by commercial forces.

Affluenza
www.pbs.org/kcts/affluenza/home.html
Based on the one-hour television special that explores the high social and environmental costs of materialism and over-consumption, the web site provides many resources and links on consumption.

Bioneers
www.bioneers.org
A project of the Collective Heritage Institute, provides practical and visionary solutions for restoring the earth.

Building Green
www.buildinggreen.com
Product reviews, events calendar and feature articles on green building materials and practices.

Business for Social Responsibility
www.bsr.org
A valuable resource on corporate practices.

Business and Sustainable Development: A Global Guide
www.bsdglobal.com
Offers case studies from around the world to demonstrate practical applications of corporate commitments to sustainability.

Carbohydrate Economy Clearinghouse
www.carbohydrateeconomy.org
Provides information on all facets of the carbohydrate economy (in contrast with the petroleum economy).

Conservatree
www.conservatree.com
Provides access to articles, reports and newsletters on recycled, tree-free and chlorine-free printing and writing papers.

Co-op America
www.coopamerica.org
Provides environmental and social-responsibility ratings of many well-known businesses, as well as information on socially responsible investing.

Corp Watch
www.corpwatch.org
Details how activists, citizens, students and other interested people can access a company's record on environmental, labor and other social issues

Environmental Media Services
www.ems.org
Provides current information for journalists on environmental issues.

Energy Star
www.energystar.gov
Contains list of products that have met the US DOE's standards for energy efficiency.

FoodRoutes.org
www.foodroutes.org
Allows users to locate vendors of locally grown, organic produce.

Funders Network for Smart Growth and Livable Communities
www.fundersnetwork.org
A resource for foundations and nonprofit organizations that provides information on critical policy and grassroots developments in the promotion of smart growth and livable communities.

Global Action Plan
www.globalactionplan.org
Reports and tools to aid in promoting sustainable lifestyles, addressing climate change and understanding media biases.

Green Advisor
www.greenadvisor.org
A source of local information and advice on solving environmental problems at home and in the community.

GreenBiz.com
www.greenbiz.com
Free resource center with links to reports, tools, articles and programs that aid businesses in aligning business and environmental goals.

The Green Guide
www.thegreenguide.com
An environmental lifestyle newsletter and website that provides practical everyday actions benefiting environmental and personal health.

Greening Uncle Sam Purchasing Tool Suite
www.epa.gov/oppt/epp/tools/toolsuite.htm
A series of tools developed by the US EPA's Environmentally Preferable Purchasing Program to assist federal purchasers in the many aspects of developing and implementing a green procurement plan. Businesses will benefit from these resources, too.

Grist Magazine
www.gristmagazine.org
Daily online news on cutting sustainability issues.

International Cleaner Production Information Clearinghouse
www.emcentre.com/unepweb
A wealth of information on cleaner production, from a thorough introduction to case studies.

O2
www.o2.org
Provides tools for designers and articles on sustainable design.

ProxyInformation.com
www.proxyinformation.com
Information on shareholder voting on corporate responsibility issues.

The Simplicity Forum
www.simplicityforum.org
Articles and discussions on achieving and honoring simple, just and sustainable ways of life.

The Simple Living Network
www.slnet.com
Resources on creating a simple lifestyle.

Social Investment Forum
www.socialinvest.org
Information on choosing socially responsible investments.

SustainableBusiness.com
www.sustainablebusiness.com
Tools, articles and advice for socially and environmentally responsible businesses.

TerraChoice
www.environmentalchoice.com
A Canadian company that lists third-party verified environmentally preferable products and services.

Watershed Media
www.watershedmedia.org
Produces action-oriented, visually dynamic, communication projects to influence the transition to a green society.

BOOKS AND MAGAZINES

Note: most of these books can be found at your local bookstore, library, or from an online vendor.

***The American Paradox: Spiritual Hunger in an Age of Plenty,* David Myers**
www.davidmyers.org/paradox
Explores the American paradox: while material affluence and human rights have surged, national civic health was, until recently, falling.

***Biomimicry: Innovation Inspired by Nature,* Janine Benyus**
A revolutionary new science that analyzes nature's best ideas—spider silk and eyes, seashells and brain cells, photosynthesis and DNA—and adapts them for human use.

Building Partnerships: Cooperating Between the United Nations System and the Private Sector
Overview of cooperation between the United Nations system and the business community, including more than 150 examples from around the world.

***The Chrysalis Economy: How Citizen CEOs and Corporations Can Fuse Values and Value Creation,* John Elkington**
Elkington maps a world of greater corporate transparency and accountability; evolving financial institutions; radical dematerialization; status-quo-shaking partnerships; and young, enlightened and empowered "Citizen CEOs."

***Confronting Consumption,* Thomas Princen, Michael Maniate and Ken Conca,editors**
Covers a range of topics related to consumption within such overarching concepts as political economy, social equity and the global north-south divide.

***Consumer's Guide to Effective Environmental Choices,* Warren Leon and Michael Brower**
Looks at the full range of consumer activities, identifying which cause the least and most environmental damage.

***Cradle-to-Cradle: Putting Eco-Effectiveness into Practice,* William McDonough and Michael Braungart**
Offers a manifesto on "eco-effectiveness": designing from the ground up for both environmental and cost efficiency.

***Dancing With the Tiger: Learning Sustainability Step by Natural Step,* Brian Nattrass and Mary Altomare**
Examines the pressing need for innovation and change to generate greater sustainability in corporations and institutions.

***Earth Odyssey: Around the World in Search of Our Environmental Future,* Mark Hertsgaard**
This book explores the question, will humans survive the environmental degradation we've loosed on the world, or will we drive ourselves to extinction alongside countless other species?

***The Ecology of Commerce: A Declaration of Sustainability,* Paul Hawken**
Proposes a culture of business in which the natural world and the economy both flourish, and in which the planet's needs are addressed.

E Magazine
www.emagazine.com
An independent newsstand-quality publication on environmental issues.

***Exploring Sustainable Consumption,* Maurie Cohen, editor**
A collection of essays on the current state of consumption policy and the consumer culture.

***Factor Four: Doubling Wealth, Halving Resource Use,* Ernst von Weizsäcker, Amory Lovins and L. Hunter Lovins**
www.rmi.org/store/p385pid510.php
Offers 50 case studies of companies that have profitably achieved fourfold increases in resource productivity.

Fatal Harvest: The Tragedy of Industrial Agriculture
www.fatalharvest.org
Identifies and debunks the seven most popular myths of agribusiness. Includes essays from more than 30 authors including Wendell Berry, Wes Jackson, Helena Norberg-Hodge, Vandana Shiva, Michael Ableman, Jim Hightower and Alice Waters.

***The Future of Life,* Edward O. Wilson**
An impassioned call for quick and decisive action to save earth's biological heritage and a plan to achieve that rescue.

Global Environmental Outlook 3, United Nations Environment Program
www.grida.no/geo/geo3/
Analyzes worldwide environmental conditions and trends and the policies and policy instruments available to address them.

Green at Work
www.greenatworkmag.com
Monthly magazine features the stories of ecological pioneers, products and systems that are driving an important change in corporate and bureaucratic America. Often highlights the work of pioneering CEOs.

The Green Business Letter
www.greenbizletter.com
Monthly newsletter focusing on environmental initiatives for a mainstream business audience, with a focus on tools, resources and hands-on advice.

Green Money Journal
www.greenmoneyjournal.com
Bi-monthly journal on socially and environmentally responsible investing and business performance.

***How Much Is Enough: The Consumer Society and the Future of Earth,* Alan Durning**
This classic in the field focuses on consumer society and the future of the earth.

***In Earth's Company: Business, Environment, and the Challenge of Sustainability,* Carl Frankel**
Frankel describes the history and meaning of the term 'sustainable development' and outlines key contributors to the concept.

***Mid-Course Correction: Toward a Sustainable Enterprise: The Interface Model,* Ray Anderson**
Anderson, chairman of Atlanta-based Interface, Inc., the eco-revolutionary carpeting company, outlines the steps his petroleum-dependent company is taking in its quest to become a sustainable enterprise.

***Natural Capitalism: Creating the Next Industrial Revolution,* Paul Hawken, Amory Lovins and L. Hunter Lovins**
A refreshingly new vision for how industry can survive and thrive in the 21st century.

***One Makes the Difference: Inspiring Actions that Change Our World,* Julia Butterfly Hill**
Inspiring words for activists.

***The Overspent American,* Juliet Schor**
An analysis of the pitfalls and pressures inherent in the consumer society

***State of the World 2002,* WorldWatch Institute**
A report on our progress toward a sustainable society. The next report to be issued in early 2004 will have an overriding focus on consumption.

***Stuff: The Secret Lives of Everyday Things,* John Ryan and Alan Thein Durning**
An enlightening summary of the life cycle of many everyday items.

***Take It Personally,* Anita Roddick**
A guide to making conscious choices to change the world.

Vital Signs 2002: The Trends that are Shaping Our World, Worldwatch Institute
www.worldwatch.org/pubs/vs/2002/index.html
This study of world consumption trends finds that consumers are emerging as a new force in the global struggle to create a more sustainable world.

Where There's a Will There's a World, 4th National Environmental Policy Plan, 2002
www.rri.org/NEPP4_final_summary.pdf
The Netherlands fourth version of their National Environmental Policy Plan.

Woodwise Consumer Guide
www.woodwise.org
Developed by Coop America in partnership with other organizations, this guide offers tips and resources for establishing forest-friendly consumption practices.

YES! A Journal of Positive Futures
www.futurenet.org
Features analyses of key environmental and social problems and highlights actions people are taking in the US and around the world to create a more positive future.

***Your Money or Your Life,* Vicki Robin and Joe Dominguez**
Advice on managing money and living a more fulfilling lifestyle.

REPORTS

"Achieving Preferred Packing: Report of the Express Packaging Project"
Alliance for Environmental Innovation,1998
www.environmentaldefense.org/alliance/ups_index.htm
Reviews the joint effort between Alliance for Environmental Innovation and UPS to environmentally improve UPS's express packaging.

"Beyond Grey Pinstripes 2001: Preparing MBAs for Social and Environmental Stewardship," World Resources Institute, 2001
www.beyondgreypinstripes.org
Lists schools and faculty at the forefront of incorporating social and environmental issues into their programs.

"Building with Vision," Watershed Media
www.watershedmedia.org/building/index.html
The second volume in the Wood Reduction Trilogy, this is an easy to read, visually dynamic resource tool that allows architects, builders and owners to explore and envision a variety of opportunities to use tree-free, recycled and FSC certified wood materials and structural systems before projects begin.

"The Cascading of Environmental Consequences: Are we running out of time?" James Gustave Speth, Yale School of Forestry and Environmental Studies
www.yale.edu/forestry/popup/articles/harvard.pdf
Reviews some of the key trends related to sustainability.

"Catalyzing Environmental Results: Lessons in Advocacy Organization-Business Partnerships," J.M Kaplan Fund, 1999
www.environmentaldefense.org/pdf.cfm?ContentID=563&FileName=kaplan.pdf
Walks readers through the partnership process, from project design to identifying partners to project execution.

"Citizens' Guide to Environmental Tax Shifting," Friends of the Earth, 1998
www.foe.org/res/pubs/pdf/foetax.pdf
Examines opportunities for reforming the tax system in order to promote a cleaner environment, a stronger economy and a more fair tax code.

"Climate Action Report 2002," US EPA
www.epa.gov/globalwarming/publications/car
The US EPA's report to the United Nations acknowledging that human actions are contributing to global warming.

"Confronting Companies Using Shareholder Power," Friends of the Earth
www.foe.org/international/shareholder
The guide introduces the concept of shareholder activism through dialogue, proposals and a strategic campaign.

"Consumption Opportunities: Strategies for Change," UNEP 2001
www.uneptie.org/pc/pc/library.htm
Answers some key questions about sustainable consumption.

"Implementing Sustainable Consumption and Production Policies: North-South, South-South and East-West Partnerships," UNEP and Consumers International
www.uneptie.org/pc/sustain/reports/unguidelines/parismeetingreportfinal.pdf
A summary of an informal expert working on "Implementing Sustainable Consumption and Production Policies" in Paris, May 2002.

"Is the Future Yours?" UNEP 2001
www.uneptie.org/pc/sustain/youth/research-project.htm
A summary of youth actions to promote more sustainable lifestyles.

"Guide to Tree-Free Recycled and Certified Papers," Watershed Media
www.watershedmedia.org/toolbox.html
The first volume in The Wood Reduction trilogy, this practical volume lays out the case against wood-based paper and offers a practical resource of the best high-post-consumer content recycled and non-wood content papers.

"Human Development Report 2001," United Nations Development Programme
www.undp.org/hdr2001
Explores the relationship between development and technology.

"The Jo'burg Memo: Fairness in a Fragile World," Heinrich Boll Foundation
www.joburgmemo.org
Assesses the progress on sustainable development since the 1992 Earth Summit in Rio.

"Leverage Points: Places to Intervene in a System," Donella Meadows
www.sustainer.org/pubs/Leverage_Points.pdf
Summarizes nine of the most effective ways to create systems change.

"Living Planet Report, 2002," World Wildlife Fund
www.panda.org/downloads/general/LPR_2002.pdf
A summary of the state of the world's natural ecosystems.

"Partnering for Sustainability: Managing Nonprofit Organization-Corporate Environmental Alliances"
www.kenaninstitute.unc.edu/aspeninstitutereport.pdf
Analyzes various types of collaborative activities that corporations and nonprofits undertook in 2001.

"Philanthropy as Stewardship: Recommended Principles & Practices for Operating in an Environmentally Responsible Manner," Environmental Grantmakers Association
www.ega.org/pas/index.html
Suggestions and resources to help foundations walk their talk.

"2001 Report on Socially Responsible Investing Trends in the United States," The Social Investment Forum
www.socialinvest.org
A summary of the recent performance of socially responsible investing.

"Yearning For Balance: Views on Consumption, Materialism and the Environment," Merck Family Fund, 1995
www.newdream.org/yearning/yearn_full.html
A report of citizen perspectives on the issue of consumption.

"A Roadmap for Natural Capitalism," Amory Lovins, L. Hunter Lovins and Paul Hawken, 1999
www.natcap.org/images/other/HBR-RMINatCap.pdf
A readable summary of the business case for natural capitalism.

"Role of Major US Foundations in the Implementation of Agenda 21: The Five-Year Follow-up to the Earth Summit"
www.ecouncil.ac.cr/rio/focus/report/english/foundatn.htm
Examines the role of major US foundations in supporting the implementation of Agenda 21 and in financing key sustainable development projects in the United States and around the world.

"State of the States: Assessing the Capacity of States to Achieve Sustainable Development Through Green Planning"
www.rri.org/archived_rri_2002/SOS_Full_Report.pdf
A comprehensive appraisal of individual state preparedness to implement sustainability as integral public policy.

"Sustainable Consumption: A Global Status Report," United Nations Environment Programme, April 2002
An overview of action and thinking on the issue of sustainable consumption since the publication of Agenda 21 in 1992.

"Tax Shift: How to Help the Economy, Improve the Environment, and Get the Tax Man Off Our Backs," Northwest Environment Watch
www.northwestwatch.org/pubs/tax_shift.pdf
A paper summarizing tax shifting.

"Ten Years After Rio: The UNEP Assessment"
www.uneptie.org/outreach/wssd/sectors/reports.htm
Assesses progress to date by industry on sustainability issues and finds that there is a growing gap between the efforts of business and industry to reduce their impact on the environment and the worsening health of the planet.

"Tracking Progress: Implementing Sustainable Consumption Policies"
www.uneptie.org/pc/sustain
UNEP and Consumers International global survey that finds slow progress from governments on implementing the Sustainable Consumption Guidelines in the UN Guidelines for Consumer Protection.

"Tree Trade: Liberalization of International Commerce in Forest Markets"
www.wri.org/forests/treetrade.html
Examines how various trade-liberalization efforts pose threats to the world's forests.

"Tomorrow's Markets: Global Trends and Their Implications for Business" 2002
www.uneptie.org/outreach/wssd/TM/pub_TM.htm
Describes nineteen "powerful trends that are reshaping global markets and changing the roles and strategies of corporations."

"Whose Business? A Handbook on Corporate Responsibility for Human Rights and the Environment"
www.nautilus.org/cap/reports
An introduction to the key issues driving efforts to promote corporate social responsibility and accountability worldwide.

"Youth, Sustainable Consumption Patterns and Lifestyles, " UNEP
www.unesco.org/education/youth_consumption
A strategy for sustainable consumption among youth globally.

Appendix 3

ACTIVE ORGANIZATIONS

In addition to the well-known major national environmental activist groups, below is a select list of other organizations that can serve as a potential partner or resource. In order to keep the list manageable, we have not attempted to provide a comprehensive list. Rather, we have included organizations that actively focus on some aspect of sustainable consumption and production. They were selected via Internet research, interviews and an on-line survey; the list is only a starting point for those working to identify NGOs active in the field. Organizations whose web sites were included in Appendix 2 are not repeated here.

Alliance for Environmental Innovation
www.environmentaldefense.org/alliance
Focuses on market-based solutions to corporate environmental challenges.

As You Sow Foundation
www.asyousow.org
Uses shareholder advocacy to push corporations toward sustainability.

Campaign ExxonMobil
www.campaignexxonmobil.org
A shareholder initiative to compel ExxonMobil to take responsibility for climate change.

Center for A New American Dream
www.newdream.org
Educates consumers on ways to reduce consumption and choose environmentally preferable products.

Center for Ecoliteracy
www.ecoliteracy.org
Aims to foster public understanding of the natural world that leads to sustainable patterns of living.

Center for Environmental Leadership
www.celb.org
Provides a new forum for collaboration between the private sector and the environmental community. The Center promotes business practices that reduce industry's ecological footprint, contribute to conservation and create value for the companies that adopt them.

Center for a Sustainable Economy
www.sustainableeconomy.org
Works to implement environmental taxes, tax incentives and other market-based tools.

Certified Forest Products Council
www.certifiedwood.org
Offers third-party certification and labeling for sustainably harvested forest products, holds seminars and training, provides assistance in purchasing certified products and promotes facilities that use certified products.

Circle of Life Foundation
www.circleoflifefoundation.org
Distributes tools to help people take individual actions to preserve the earth, researches local environmental issues and promotes other environmentally and activism-focused nonprofits.

Chlorine Free Paper Consortium
www.clfree.com
Works to educate consumers and organizations on the environmental benefits of purchasing chlorine-free paper.

Coalition for Environmentally Responsible Economies (CERES)
www.ceres.org
Focusing in part of shareholder advocacy, corporate governance and efforts to standardize corporate reporting on environmental performance.

Commercial Alert
http://www.commercialalert.org/
Works to keep the commercial culture within its proper sphere, and to prevent it from exploiting children and subverting the higher values of family, community, environmental integrity and democracy.

Conservatree
www.conservatree.org
Dedicated to converting paper markets to environmental papers.

Consumer's Choice Council
www.consumerscouncil.org
An association of environmental, consumer and human rights organizations from 25 different countries, dedicated to protecting the environment and promoting human rights and basic labor standards through ecolabeling.

Co-op America
www.coopamerica.org
Provides economic strategies, organizing power and practical tools for businesses and individuals to address social and environmental problems through informed consumption and sustainable living habits.

Economic Policy Institute
www.epinet.org
Works on sustainable economics and energy policy.

Ecotrust
www.conservationeconomy.net
Their conservation economy program focuses on integrating sustainability into social, economic and natural systems.

Environmental Media Association
www.ema-online.org
Works with the entertainment industry to educate and help problem solve on environmental issues.

Environmental Leadership Program
www.elpnet.org
A center for leadership development within the environmental field.

Environmental Working Group
www.ewg.org
Environmental research organization dedicated to improving public health and protecting the environment by reducing pollution in air, water and food.

Factor Ten Institute
www.factor10-institute.org
Created to provide practical support for achieving significant advances in resource productivity in the production and consumption sectors.

Food Alliance
www.thefoodalliance.org
Recognizes farmers who produce food in environmentally and socially responsible ways, and educates consumers about the benefits of sustainable agriculture.

Food First
www.foodfirst.org
Researches and develops publications that examine the root causes and create value-based solutions to hunger and poverty around the world.

ForestEthics
www.forestethics.org
Works to educate individual consumers, large corporate purchasers and distributors about the environmental impacts and ethical dimensions of their purchasing decisions.

Forest Stewardship Council
www.fscoax.org
Encourages the use of sustainable practices in forestry worldwide.

Forest Trends
www.forest-trends.org
Advocates forest-management practices and forest-product purchasing practices that significantly reduce negative environmental and social impacts.

Future 500
www.globalff.org
Provides businesses with tools and techniques for thriving in an environmentally responsible and resource-efficient economy.

Global Exchange
www.globalexchange.org
Works to increase global awareness among the US public while building international partnerships to promote fair trade, human rights, and sound environmental policies.

Global Reporting Initiative
www.globalreporting.org
Works to implement globally applicable guidelines for reporting on economic, environmental and social performance of companies.

Grassroots Recycling Network
www.grrn.org
Works to eliminate the waste of natural and human resources—to achieve Zero Waste. Utilizes activist strategies to achieve corporate accountability for waste and public policies to eliminate waste, and to build sustainable communities.

Green Power Market Development Group
www.thegreenpowergroup.org
Dedicated to building corporate markets for green power.

Green Scissors
www.greenscissors.org
A coalition of taxpayer and environmental groups that targets energy and environmental programs that waste tax dollars and contribute to health and environmental problems.

Green Seal
www.greenseal.org
Green Seal identifies and promotes products and services that cause less toxic pollution and waste, conserve resources and habitats and minimize global warming and ozone depletion.

Healthcare Without Harm
www.noharm.org
Promotes environmentally preferable practices and purchasing policies in health care facilities.

Independent Press Association
www.indypress.org
Works to promote and support independent publications committed to social justice and a free press.

Inform
www.informinc.org
An independent research organization that examines the effects of business practices on the environment and human health.

Institute for Agriculture and Trade Policy
www.iatp.org
Promotes resilient family farms, rural communities and ecosystems around the world through research a n d education, science and technology, and advocacy.

Institute for Ecological Economics
www.uvm.edu/giee
Works to integrate the study and management of ecology and economics.

Institute for Market Transformation
www.imt.org
Dedicated to the promotion of energy efficiency and environmental protection.

Institute for Deep Ecology
www.deep-ecology.org
Promotes ecological values and actions through experiences that transform old ways of thinking, honor spirit and support bold actions. Supports reduction in human consumption and finding root causes of unsustainable practices.

Institute for Local Self Reliance
www.ilsr.org
A research and educational organization that provides technical assistance and information on environmentally sound economic development strategies. Works with citizen groups, governments and private businesses in developing policies that extract the maximum value from local resources.

Interfaith Center on Corporate Responsibility
www.iccr.org
Coalition of Protestant, Roman Catholic and Jewish institutional investors committed to shareholder activism and socially responsible investing.

International Council for Local Environmental Initiatives
www.iclei.org
A worldwide movement of local governments working to achieve tangible improvements in global environmental conditions.

International Forum on Globalization
www.ifg.org
An alliance of sixty leading activists, scholars, economists, researchers and writers formed to stimulate new thinking, joint activity and public education in response to economic globalization.

Just Think
www.justthink.org
Uses media literacy education programs to encourage students to think critically about media and technology.

Local Government Commission
www.lgc.org
Works with elected officials and local government to implement policies on sustainability.

Mainstream Media Project
www.mainstream-media.net
A public education organization that places top policy analysts and social innovators on radio stations across the country and around the world. Topics covered include sustainable forestry and consumption issues.

Markets Initiative
www.marketsinitiative.org
The Markets Initiative works directly with Canadian companies to develop practical and economic ways to shift their wood and paper use from ancient forest products to ecologically sound alternatives.

MetaphorProject
www.metaphorproject.org
Teaches and promotes more effective ways to communicate with mainstream Americans about becoming a sustainable society.

My House is Your House
www.myhouseisyourhouse.org
A community education and consumer organizing campaign tied to the feature documentary Blue Vinyl. Their goal is to support the growing national grassroots movement to transform the polyvinyl chloride (PVC) industry so that it is no longer a source of environmental and human harm.

National Environmental Education & Training Foundation
www.neetf.org
Helps develop partnerships to integrate environmental education into K-12 schools, businesses, health care institutions and other places where citizens interact every day.

National Religious Partnership for the Environment
www.nrpe.org
An alliance of US Jewish and Christian faith groups that integrate a commitment to environmental protection and social justice in religious communities.

National Wildlife Federation
Campus Ecology Program
www.nwf.org/campusecology
Works to transform the nation's college campuses into living models of an ecologically sustainable society and to train a new generation of environmental leaders.

The Natural Step
www.naturalstep.org
Offers a framework for businesses, communities, academia, government entities and individuals working to redesign their activities to become more sustainable.

New Road Map Foundation
www.newroadmap.org
Develops practical tools to assist people in managing personal finances, health and human relations in a sustainable manner.

Northwest Earth Institute
www.nwei.org
Develops programs and courses that teach an earth-centered ethic promoting individual responsibility for the earth.

Northwest Environment Watch
www.northwestwatch.org
Uses research and outreach programs to promote changes in consumption, transportation and tax programs that will lead to sustainability in the US Northwest. A good source of information about the impact of over-consumption.

Organic Consumers Association
www.organicconsumers.org
Works to support food safety, organic agriculture, fair trade and sustainability.

Organic Exchange
rcklein@mindspring.com
Works to address organic cotton supply chain issues and to address barriers and opportunities for growth in the organic cotton industry.

Product Stewardship Institute
www.productstewardshipinstitute.org
Assists state and local governments throughout the US in developing product-stewardship policies.

Rainforest Action Network
www.ran.org
Works to protect tropical rainforests and the human rights of those living in and around those forests.

Rainforest Alliance
www.rainforestalliance.org
Works to protect ecosystems and the people and wildlife that live within them by implementing better business practices for biodiversity conservation and sustainability. Conservation programs include the Sustainable Agricultural Network and SmartWood.

Recycled Paper Coalition
www.papercoalition.org
A consortium of major paper users—including businesses, conservation groups, nonprofits and public entities—that aims to reduce waste by purchasing environmentally preferable paper products, maximizing the efficient use of paper and stimulating a demand for recycled paper products.

Recycled Products Purchasing Cooperative
www.recycledproducts.org
Provides recycled copy paper at prices competitive with non-recycled counterparts.

Redefining Progress
www.rprogress.org
Promotes market-based environmental policies that use pricing systems to promote sustainability and equity. Home of the ecological footprint and GPI (Genuine Progress Indicator).

Resource Renewal Institute
www.rri.org
Promotes innovative, long-term and comprehensive green plans worldwide.

ReThinkPaper
www.rethinkpaper.org
Attempts to shift current industry practices by providing an accurate and comprehensive overview of ecological paper options and educating the end-user about paper-use reduction.

Rocky Mountain Institute
www.rmi.org
Helps companies create solutions to a wide range of environmental challenges—including climate change, economic renewal, energy efficiency and green development—through market economics and resource efficiency.

The Ruckus Society
www.ruckus.org/index2.html
Working with a broad range of communities, organizations and movements to facilitate the sharing of information and expertise that strengthens the capacity to change our relationship with the environment and each other.

The Satyana Institute
www.satyana.org
Works with social change activists, communities and organizations to combine inner work of the heart with outer service in the world.

Second Nature
www.secondnature.org
Assists colleges and universities in integrating sustainability as a core component of their curricula.

Silicon Valley Toxics Coalition
www.svtc.org
Works to improve the environmental health and safety practices of the global electronics industry.

Sustainability Institute
www.sustainer.org
Provides information, analysis and practical demonstrations of sustainable systems that are applicable at all levels of society, from local to global.

Sustainable Communities Network
www.sustainable.org
Provides resources and case studies on Smart Growth projects throughout the US.

Sustainable Cotton Project
www.sustainablecotton.org
Works to build bridges between farmers, manufacturers and consumers to pioneer markets for certified organically grown cotton.

Sustainable Northwest
www.sustainablenorthwest.org
Works to build partnerships that promote environmentally sound economic development in the Pacific Northwest.

Sustainable Products Purchasers Coalition
www.sppcoalition.org
Acts as a catalyst for the transformation of industry and the marketplace to develop, produce and consume sustainable products utilizing the Coalition's aggregate purchasing power.

David Suzuki Foundation
www.davidsuzuki.org
Explores human impacts on the environment, researches the root causes of environmental problems and presents science-based solutions to bring fundamental changes. Located in Canada.

Tellus Institute
www.tellus.org
Tellus' Business and Sustainability (B&S) Group provides strategic thinking and management tools to advance corporate sustainability.

TransFair USA
www.transfairusa.org
Partners with industry to increase the availability of Fair Trade Certified products, and promotes Fair Trade products to consumers.

Turning Point Project
www.turnpoint.org
Formed in 1999 to design and produce a series of educational advertisements concerning the major issues of the new millennium.

Union of Concerned Scientists
www.ucsusa.org
A science-based organization that works on global warming, fuel-efficient vehicles and renewable energy.

US Green Building Council
www.usgbc.org
Strives to accelerate the adoption of green building practices, technologies, policies and standards through market-based solutions. Its web site includes tools for builders.

Vote Solar Initiative
www.votesolar.org
Promotes a national transition to clean energy by empowering city governments to implement large-scale, cost-effective solar projects.

Watershed Media
www.watershedmedia.org
Develops reports and tools to promote local agriculture and environmentally preferable purchasing.

Wildfarm Alliance
wildfarm@earthlink.net
Promotes agriculture that helps protect and restore wild nature, by raising awareness of the need for wildlife friendly agriculture and by building an alliance between conservation biologists and sustainable agriculture advocates.

World Business Council for Sustainable Development
www.wbcsd.org
Develops best practices and policies that promote the role of eco-efficiency, innovation and corporate social responsibility in sustainable development.

Worldwatch Institute
www.worldwatch.org
A public policy research organization dedicated to informing policymakers and the public about emerging global problems and trends and the complex links between the world economy and its environmental support systems.

Wuppertal Institute
www.wupperinst.org/Sites/home1.html
Confronts the economic and ecological challenges surrounding sustainable development issues.

Youth for Environmental Sanity
www.yesworld.org
Educates, inspires and empowers young people to join forces for social justice and environmental sanity.

Zero Waste New Zealand
www.zerowaste.co.nz
Works to achieve a national goal in New Zealand of zero waste through advocacy and policy development, networking, technology transfer and funding.

Appendix 4

ACTIVE FOUNDATIONS

The following provides a select list of foundations interested in sustainable consumption and production, based on a review of the funders of the organizations most active in the field. This is not a complete list, but a starting point for those working to identify foundations interested in sustainable consumption and production. The Environmental Grantmaking Foundations directory is a valuable resource for more details on these foundations (see www.environmentalgrants.com).

ARIA Foundation
1275 Lenox Road
Richmond, Massachusetts 01254
Funds natural resource conservation and protection.

Beldon Fund
www.beldon.org
Funds human health and the environment, corporate campaigns and key places.

Benjamin Rosenthal Foundation
PO Box 166037
Chicago, IL 60616
312/808-0112.
Funds youth, child welfare, natural resources and environment.

Body Shop Foundation
www.thebodyshop.com/web/tbsgl/values_tbsf.jsp
Funds small grassroots organizations at the forefront of positive social and environmental change.

The Bullitt Foundation
www.bullitt.org
Committed to the protection and restoration of the environment of the Pacific Northwest. Funds a variety of priorities, including forests and land ecosystem, public outreach and education and sustainable agriculture.

Brainerd Foundation
www.brainerd.org
Protects the environmental quality of the Pacific Northwest and funds endangered ecosystems and communications and capacity building.

Charles Stewart Mott Foundation
www.mott.org
Funds special environmental initiatives and the reform of international finance and trade.

Clarence E. Heller Charitable Foundation
cehcf.org
Funds environment and health, management of resources, education and special projects.

Columbia Foundation
www.columbia.org
Funds sustainable communities and economies, with a focus on sustainable food systems and zero waste.

Compton Foundation
www.comptonfoundation.org
Funds peace and world order, population and the environment.

Doris Duke Charitable Foundation
www.ddcf.org
Funds projects that improve forest management, increase the supply and demand for certified wood products and improve land-use management.

Dudley Foundation
www.dudleyfoundation.org
Funds projects that address and work to eliminate the social and environmental roots of human suffering.

Educational Foundation of America
www.efaw.org
Funds programs addressing energy and the environment.

Energy Foundation
www.energyfoundation.org
Funds energy-efficiency and renewable energy projects in the US and China.

Fetzer Institute
www.fetzer.org
Funds projects that explore the integral relationships among body, mind and spirit. Current focus includes science, leadership, integral practice and philanthropy.

Flora Family Fund
www.florafamily.org
Funds environmental and sustainability issues.

Ford Foundation
www.fordfound.org
Funds US smart-growth related activities and other sustainability efforts.

Fred Gellert Family Foundation
fdncenter.org/grantmaker/fredgellert
Funds large-scale and integrated "green plan" strategies for the protection, restoration, and sustainable management of ecosystems.

Garfield Foundation
3 Barnabas Road
Marion, MA 02738
Funds programs focusing on sustainable consumption and production, biodiversity, mercury source reduction and community revitalization.

Geraldine R. Dodge Foundation
www.grdodge.org
Funds education and environment, with a focus on sustainability in New Jersey.

Richard & Rhoda Goldman Fund
www.goldmanfund.org
Funds programs in the environment, democracy and civil society, education, populaton and health.

Gordon-Lovejoy Foundation
www.gordon-lovejoy.org
The mission of the foundation is to shift human behavior toward more environmentally sustainable practices. Funds land-use, transportation systems and product production, distribution and use.

Greenville Foundation
www.greenville-foundation.org
Funds environment, education and human and social services projects that address the linkage of ecosystems and economics.

Jenifer Altman Foundation
www.jaf.org
Funds projects related to environmental health and mind-body health. Dedicated to the vision of a socially just and ecologically sustainable future.

Jessie Smith Noyes Foundation
www.noyes.org
Funds work on toxics, sustainable agriculture, sustainable communities and redefining fiduciary responsibility.

John D. & Catherine T. MacArthur Foundation
www.macfound.org
The foundation's Global Security and Sustainability program funds projects related to peace, population and the environment.

Joyce Foundation
www.joycefdn.org
Funds projects to improve public policies that effect the environment and the health of communities.

V. Kahn Rasmussen Foundation
60 State Street
Boston, Massachusetts 02109
617.526.6610
Funds environmental programs such as The Natural Step and WRI.

W.K. Kellogg Foundation
www.wkkf.org
Funds community-based food systems, health and youth programs.

Steven and Michele Kirsch Foundation
www.kirschfoundation.org
Funds advocacy and grants that address causes, not symptoms, and find solutions and cures. Sample grants include Union of Concerned Scientists and Youth for Environmental Sanity.

Kongsgaard Goldman Foundation
www.kongsgaard-goldman.org
Funds environmental protection and restoration, with a priority on building grassroots organizations.

Max and Anna Levinson Foundation
www.levinsonfoundation.org
Funds alternative agriculture, alternative and energy efficiency, sustainable communities.

Merck Family Fund
www.merckff.org
Funds projects that promote sustainable consumption, create green taxes and encourage responsible business practices.

Mertz Gilmore Foundation
www.mertzgilmore.org
Funds the promotion of more efficient use of existing energy resources and the development of renewables as a significant future source of energy in the US.

Nathan Cummings Foundation
www.ncf.org
Funds environment, health and interprogram initiatives for social and economic justice. Its environment program promotes environmental justice and environmentally sustainable communities.

Needmor Fund
fdncenter.org/grantmaker/needmor
Funds projects that work to change the social, economic, or political conditions that limit the access of all citizens to democracy.

Oak Foundation
www.oakfnd.org
Funds the advancement of renewable energy technologies and marine resource protection.

Overbrook Foundation
122 East 42nd Streeet, Suite 2500
New York, NY 10168
212.661.8710
Funds programs that support biodiversity conservation in Latin America, renewable energy initiatives and sustainable consumption efforts.

Panta Rhea Foundation
20 Sunnyside Avenue, Suite 132
Mill Valley, CA 94941
415.380.7965
Funds trade and trade-related issues, community organizing and movement building, media and communications and corporate power and accountability.

Patagonia
www.patagonia.com/enviro/enviro_grants.html
Funds projects that promote sustainable agriculture, renewable energy, community activism and resource conservation.

Pew Charitable Trusts
www.pewtrusts.com
Funds programs that promote policies and practices that protect the global atmosphere and preserve healthy forest and marine ecosystems.

Rockefeller Brothers Fund
www.rbf.org
Funds international discussions on climate change and biodiversity preservation and supports practical, cost-effective models that can contribute to international agreements on these issues.

Rockefeller Family Fund
www.rffund.org
Funds work at the cutting edge of advocacy in such areas as environmental protection, advancing the economic rights of women and holding public and private institutions accountable for their actions.

Rockefeller Foundation
www.rockfound.org
The foundation's Global Inclusion Program aims to help broaden the benefits and reduce the negative impacts of globalization on vulnerable communities, families and individuals around the world.

Rose Foundation for Communities and the Environment
www.rosefdn.org
Through its Environmental Fiduciary Project, the foundation encourages major shareholders to require better environmental performance from their investments, as a way to increase shareholder value.

Solidago Foundation
www.fntg.org/funders/profile.php?op=view&orgid=56
Its global justice program aims to develop an international grassroots movement against corporate-driven globalization, and to delay or alter the direction of new treaties and policies by international bodies, governments and corporations that globalize economies.

Surdna Foundation
www.surdna.org
Funds sustainable forestry, transportation and energy, urban and suburban issues and biological and cultural diversity. Supports sustainable consumption and production related projects within existing funding programs.

Threshold Foundation
www.thresholdfoundation.org/
Funds policy and systemic change, especially in relation to the human treatment of the environment.

Towards Sustainability Foundation
c/o Eastern Bank & Trust Co.
217 Essex St.
Salem, MA 01970-3828
Funds projects that help promote the efficient use of natural resources and human capital towards a balanced carrying capacity that can support all living organisms fairly and justly.

Town Creek Foundation
www.towncreekfdn.org
Funds programs that engage citizens in challenging the unsustainable use of natural resources and in protecting biological diversity.

Turner Foundation
www.turnerfoundation.org
Funds protection of water and air quality, and conservation of biodiversity.

Lawson Valentine Foundation
335 Court Street, Suite 65
Brooklyn, NY 11231
Funds natural resources preservation and protection and has a particular interest in grassroots efforts.

Wallace Global Fund
www.wgf.org
Funds projects that promote global sustainable development, with a focus on early stabilization of growth of human populations; participatory and accountable economic, social and environmental governance; and significant changes in global patterns of production and consumption.

Warsh-Mott Legacy
469 Bohemian Hwy.
Freestone, CA 95472-9579
707.874.2942
kathyk@csfund.org
Funds biotechnology, economic globalization, children's environmental health and food security.

Weeden Foundation
www.weedenfdn.org
Funds projects aimed at promoting greater efficiency in the use of wood products and consumer-targeted education programs with innovative delivery and outreach methods.

Wilburforce Foundation
www.wilburforce.org
Funds environmental issues in the Western US and Western Canada. Interested in market-based solutions.

William and Flora Hewlett Foundation
www.hewlett.org
Funds global freshwater management, national energy policy and sustainable development.

RELEVANT FUNDERS WORKING GROUPS

Funder working groups and affinity groups are an effective means to pool the interests and resources of multiple funders on a single topic or theme. There is considerable opportunity to collaborate with existing working groups focusing on issues related to sustainable consumption and production. They include:

Consultative Group on Biological Diversity
www.cgbd.org
Lynn Lohr, Executive Director
llohr@cgbd.org
Grantmakers forum focused on conservation and restoration of biological resources. Its four working groups address: marine conservation, biodiversity and environmental health, climate and energy funders and forest conservation.

Funders for Sustainable Food Systems (Formerly Funders Agriculture Working Group)
www.fawg.org
Jamaica Maxwell, Coordinator
jamaica@ceaconsulting.com
A foundation collaborative to catalyze the transition to a sustainable agriculture and food system in California. They are hoping to raise $6 million to launch four initiatives, including a public education campaign for improved "food literacy" and a public policy project to establish a permanent policy presence in Sacramento.

Funders Forum on Environment and Education (F2E2)
http://www.tidescenter.org/project_detail.cfm?id=94.0
Geri Unger, Co-Director
geri@f2e2.org
Informal network of grantmakers interested in environment and place-based approaches to education.

Funders Network for Smart Growth and Livable Communities
www.fundersnetwork.org
Ben Starrett, Executive Director
bstarrett@collinscenter.org
Resource center and network for foundations, nonprofit organizations and other partners working to solve the environmental, social and economic problems created by suburban sprawl and urban disinvestments.

Funders Network on Trade and Globalization (FNTG)
www.fntg.org
Mark Rand, Coordinator
mark@fntg.org
The mission of FNTG is to the funding community in its efforts to promote global relations, policies and institutions that foster environmentally sustainable, human-centered and just economic development around the world.

Health and Environmental Funders Network
www.hefn.org
Kathy Sessions, Coordinator
hefn@aol.com
A network for funders working at the interface of human health and environmental or ecological health.

Sustainable Agriculture and Food Systems Funders
Virginia Clarke Laskin, Coordinator
vclarke@ega.org
A working group of the Environmental Grantmakers Association for funders with a shared interest in economically viable, environmentally sound and socially responsible systems of food production, processing, distribution and consumption.

Appendix 5

WORKING GROUP MEMBERS

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Appendix 6

INTERVIEW QUESTIONS

While each interview took on its own flavor and focus, some of the standard questions asked are listed below.

Questions for NGOs

- How do you define sustainable consumption and production?
- How can we make this issue resonate with mainstream funders?
- What is the current focus of your work? What is the intended impact?
- What scale are you working at—Short-term? Long-term? Local? Global?
- What has been your biggest success? How do you measure success? What factors led to the success? Specific strategies used?
- What is your biggest professional frustration? What are the primary obstacles?
- Who else is doing the most effective work? What makes it effective?
- Where are the key opportunities for impact? Where are the critical leverage points for change? What will create change?
- Which issues are most important to address in order to accelerate sustainable practices? Best entry point for new groups? Areas being neglected?
- What are barriers to change?
- How do you collaborate with other organizations?
- What is your relationship to businesses?
- What characteristics/qualities support successful initiatives and campaigns? What makes their work effective?
- What is the role of NGOs and foundations in helping businesses make shifts toward sustainability?

Questions for Business

- How do NGOs get your attention, short of boycotts?
- What NGOs do you consider partners/educators?
- What NGOs do you see as consumer advocates pressuring you for change?
- Which NGO do you see as most effective in creating change in businesses? Best case study?
- What makes their work effective? What characteristics/qualities support successful initiatives and campaigns?
- What is the role of NGOs and foundations in helping businesses make shifts toward sustainability? Why is external funding necessary?

ABOUT THE PUBLICATION

This briefing book was published by the Funders Working Group on Sustainable Consumption and Production, a project of the Environmental Grantmakers Association.

ABOUT THE AUTHORS

Joel Makower is an author and journalist, and a leading voice on business, corporate responsibility, and the bottom line. A writer and lecturer on business environmental topics, Makower is editor of "The Green Business Letter," a monthly newsletter on corporate environmental responsibility, and founder of GreenBiz.com, a nonprofit online resource on corporate environmental responsibility. He is author of more than a dozen books, including *Beyond the Bottom Line: Putting Social Responsibility to Work for Your Business and the World*, *The E-Factor: The Bottom-Line Approach to Environmentally Responsible Business*, and *The Green Consumer*. Makower also is co-founder of Clean Edge Inc., a research and consulting company helping build companies and markets for clean technology.

Deborah Fleischer is an environmental consultant with more than 15 years of experience working with nonprofits and businesses on sustainability, environmental, and land conservation-related issues. Her company Green Impact is committed to helping nonprofits and businesses implement innovative solutions to today's complex environmental problems. Fleischer's areas of expertise include facilitation of multi-stakeholder dialogue, project management, research and writing, and land conservation planning. She has been the lead author on several collaborative publications, including *California at a Glance*, an overview of some of the key environmental issues facing California and *Habitat and Prosperity*, a consensus statement signed by over 20 environmental, business, and governmental leaders advocating the need for additional funding for habitat protection in California. She has worked with the California Environmental Dialogue (CED), Sustainable Conservation, National Audubon, and the Sonoma Land Trust.

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