



Cambridge Sustainability Research Digest – JUNE 2009

The *Cambridge Sustainability Research Digest* is a monthly briefing on a selection of the latest global research on leadership for sustainability, compiled by Rebecca Collins of CSR International (www.csrinternational.org) for the University of Cambridge Programme for Sustainability Leadership (www.cpsl.cam.ac.uk).

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1) SUSTAINABLE MOBILITY REPORT (GLOBAL)

Mobility for Development, a new report from the World Business Council for Sustainable Development (WBCSD), summarizes findings from a two-year study into the state of mobility in fast-growing cities of the developing world. The study set out to measure the state of mobility in four rapidly developing cities – Bangalore, Dar es Salaam, São Paulo and Shanghai.

Key findings

- Overall, the mobility opportunities in all four cities are expanding, but for low-income communities, the mobility situation is deteriorating.
- City residents reported that they are not confident that sustainable mobility will be achieved in their cities, and many fear that the situation will deteriorate further.
- The main challenges are adequate public consultation in planning processes, consultation, coordination among municipal authorities and implementation, and lack of capacity to finance and maintain investments.
- To achieve higher levels of sustainability, recommendations in the report call for leadership and collaboration towards more integrated planning, an integrated and inclusive approach to urban land-use and transport planning and improved access to mobility through integrating public and private transport modes.
- Innovative solutions, such as the deployment of intelligent transport systems, are gaining ground and can help mitigate negative transport impacts, and link alternative modes of transport, including para-transit operators, popular in many developing countries.

For more information

The full report can be downloaded as a PSD here:

<http://www.wbcd.org/includes/getTarget.asp?type=d&id=MzQOMzM>

2) MICROFINANCE AND CLIMATE CHANGE REPORT (DEVELOPING NATIONS)

A new report from the Consultative Group to Assist the Poor (CGAP) finds that microfinance institutions (MFIs) are well-positioned to contribute to energy efficiency in developing countries, but recommends a shift in priorities from loans to financial services that include savings.

Key findings

- MFIs have begun to address the issue of climate change, and have the potential to become key players in forestry and clean energy projects. However, work in this area is only just beginning.
- The report identifies three areas where MFIs can engage in climate change strategies:
 - At the customer level, clean energy lighting and cooking products are especially important, along with forestation.
 - At the institutional level, MFIs can address their own carbon footprints as well as involve themselves in carbon finance and aggregation schemes.
 - At the systemic level, MFIs can use climate change information and advocate in the policy debate on issues relating to climate change.

For more information

The full report can be viewed here:

http://www.cgap.org/gm/document-1.9.34043/FN_53_ENG_4-08-09a.pdf

3) CONSUMER ASSURANCE REPORT (UK)

A new report from AccountAbility provides a timely analysis of the changing nature of consumer trust and the impact of the credit crunch on business strategies related to sustainable development. The findings are based on 2,000 online surveys completed by UK consumers and a series of interviews with leading experts.

Key findings

- There is a huge “accountability gap” between the institutions consumers deem to be accountable for ensuring sound business behaviour, and the trust held in those institutions to deliver.
- Regulators and businesses themselves score 60% and 56% respectively for their responsibility, yet only 22% and 6% of people trust them to deliver.
- Even as the recession deepens, there is an urgent need for government and other stakeholders to invest in re-building that trust by developing accountable and effective regulatory systems. Leaving this ‘accountability stimulus’ out of the overall recovery package is a serious oversight that could invalidate the effectiveness of the other investments, the authors suggest.
- Businesses are suffering from this low consumer confidence, although cooperatives are five times more trusted than PLCs. Consumer watchdogs, NGOs and third parties assurance remains well trusted.
- Consumers state their preference is for using independent channels of information, like consumer watchdogs and personal recommendations more than any other channel of information about a business. This suggests there will be a reduced consumer tolerance for corporate reporting, even with state-of-the-art assurance processes, let alone overstated claims, celebrity endorsements and greenwash.
- Statistics suggest that ethical consumption has not been dented by the downturn - at least so far, and most survey respondents predict their use of ethical labels will be maintained.
- The difficulty will be in expanding those markets beyond established consumer groups, although there is an opportunity for energy efficiency products to increase their market share as consumers make the switch for cost-saving reasons.

For more information

The full report can be viewed as a PDF here:

http://www.accountability21.net/uploadedFiles/publications/AccountAbility_What_Assures_Consumers_in_an_Economic_Downturn_230409.pdf

4) GREEN POWER PURCHASERS RANKING (USA)

The US Environmental Protection Agency (EPA) has released its updated quarterly ranking of the Top 50 Green Power Purchasers in the United States.

Key Findings

Rank	Company	Green Power as % of Total Energy Use	Green Energy Source
1	Intel Corporation	46%	Wind
2	PepsiCo	100%	Various
3	Kohl's Department Stores	50%	Biogas, biomass, small hydro, solar, wind
4	Dell Inc.	158%	Biogas, solar, wind
5	Whole Foods Market	100%	Solar, wind
6	The Pepsi Bottling Group	100%	Various
7	Johnson & Johnson	38%	Biomass, small-hydro, solar, wind
8	US Air Force	5%	Biogas, biomass, solar, wind
9	Cisco Systems	46%	Wind
10	City of Houston, Texas	27%	Wind

For more information

The full ranking can be viewed here: <http://www.epa.gov/greenpower/toplists/top50.htm>

5) GREENWASHING REPORT (US)

American environmental marketing company TerraChoice has released a report entitled, "The Seven Sins of Greenwashing: Environmental Claims in Consumer Markets." This builds on the findings of a similar study conducted by the firm in 2007.

Key findings

- The number of 'big box store' products making green claims grew 79% since 2007.
- The report found 2,219 products making a total of 4,996 green claims in the US and Canada.
- 98% of these were found to have committed at least one of TerraChoice's sins of greenwashing. Only 25 companies were found to be "sin-free."
- What TerraChoice calls legitimate eco-labeling has doubled in frequency. Legitimate eco-labeling now appears on 23.4% of "green" products in the report, as opposed to 13.7% last year.
- The report finds that green claims are most common in kids toys, baby products, cosmetics and cleaning products.
- The report said that research showed similar patterns of "greenwashing" in the United States, Canada, the United Kingdom and Australia.
- The amount of advertising of green claims is on the rise. Looking at 18,000 ads in recent issues of Time, Fortune, National Geographic, Sports Illustrated and Vanity Fair, TerraChoice found that more than 10% of all ads in 2008 made some sort of "green" claim. This is an increase from around 3% in 2006.

For more information

The full report can be viewed here:
<http://sinsofgreenwashing.org/findings/greenwashing-report-2009>

6) CORPORATE CSR RATINGS REPORT (INDIA)

Karmayog, a not-for-profit organisation which connects stakeholders (including NGOs and companies) on different environmental, social and governance (ESG) issues, has released its Corporate Social Responsibility Ratings 2008 of the 1000 Largest Indian Companies. In the ratings, Karmayog chose the largest 1000 companies by sales figures and collated all environmental, social and governance (ESG) information on the company. The companies were rated on any negative effects caused by their production processes and products and whether they can be neutralised.

Key findings

- 51% of the largest Indian companies are implementing CSR practices.
- 2% of companies publish a CSR report, and 3% of companies publish how much they spend on CSR.
- 11% of companies practice CSR by creating a trust or foundation.
- Some companies repeat the exact same information on CSR activities each year, indicating their lack of commitment on CSR issues.
- Many companies spread their CSR activities over many issues, reducing the effectiveness of individual initiatives.
- Not one company received a Level 5 rating, the highest available in this survey.

Sector-Specific Best CSR Practices		
Sector	Expected CSR	Example of a company doing this
Cement	Quarry Rehabilitation	ACC Ltd
Paper	Farm Forestry	Ballarpur Industries Ltd.
Finance	Enabling access to affordable housing	HDFC Ltd.
Software	Software to improve public systems	Infosys Technologies Ltd., TCS Ltd.
Pharmaceutical	Reducing environment pollution through process improvement	Jubilant Organosys Ltd.
Paints	Development of environmentally-friendly paints	Kansai Nerolac Paints Ltd.
Hardware	Improvement in product design and use to benefit society	Moser Baer Ltd.
Steel	Mitigating impact on the natural and human environment	Tata Steel Ltd.
Watches and Jewellery	Employment of handicapped and village artisans	Titan Industries Ltd.

For more information

The full report is available here:

<http://www.karmayog.org/redirect/stred.asp?docId=22987>

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