

Original Paper

Research on Legalization of Sustainable Supply of Ecological Products

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Abstract

With the widespread attention to global climate change issues, research on sustainable supply of ecological products has become an important area of global concern. This study aims to comprehensively analyze the legal framework for sustainable supply of ecological products, and explore the challenges, opportunities, and good practices for achieving sustainable supply of ecological products. The current problems in the supply of ecological products include unclear property rights, imbalanced supply and demand, and incomplete evaluation mechanism; the sustainable supply of ecological products was analyzed from three aspects: insufficient motivation to supply, inadequate supply capacity, and inadequate supply security mechanism; it is suggested that the property rights system for natural resources should be improved, the mechanism of equilibrium of interests of supplying subjects reshaped, and the rights and interests dispute settlement mechanism constructed.

Keywords

ecological product, sustainable supply, legalization

1. Introduction

The sustainable supply of ecological products has become an important issue in global efforts to address environmental degradation and climate change, and the legal framework surrounding the ecological product supply chain plays a crucial role in promoting environmentally friendly practices. Without a clear legal framework, it may lead to excessive development or degradation of ecological products, making it difficult to achieve sustainable supply of ecological products. Therefore, this article focuses on the challenges, opportunities, and good practices for achieving sustainable ecological product supply.

2. Problems of the Legalization of Sustainable Supply of Ecological Products

2.1 Unclear Property Rights of Ecological Products

Clear property rights are a prerequisite for market-oriented transactions of ecological products. Clearly defining the property rights of ecological products is challenging as they contain a wide range of natural resource elements. The unclear property rights of ecological products, such as those related to forest carbon sinks, pose challenges in terms of ownership, acquisition, and benefit sharing. Uncertain property rights may hinder or complicate the access to ecological products. Stakeholders, including local communities, private entities, and government agencies, may face challenges in using these resources for economic or conservation purposes. Meanwhile, when property rights are unclear, the distribution of benefits for ecological products may cause controversy. Determining how to share economic or environmental benefits among different stakeholders has become a complex task. In addition, clear property rights are crucial for effectively protecting resources. To address these challenges, it is crucial to establish a transparent and enforceable legal framework that clearly defines property rights related to ecological products, as the clarity of property rights not only promotes sustainable resource management but also encourages responsible investment and development initiatives.

2.2 Imbalance between Supply and Demand of Ecological Products

The supply and demand relationship of ecological products includes a balanced correspondence between both parties. Specifically, the supply and demand of ecological products involve a balanced interaction between producers (suppliers) and consumers (demanders) to create a sustainable market for environmentally friendly products. Firstly, the supply of ecological products needs to increase in quantity, and input does not necessarily mean equal changes in the ecological environment. In the case of long operating cycles and high initial investment in ecological products, rational investment entities still hold a negative attitude towards participation. Therefore, the contradiction between ecological protection and economic development still exists. Secondly, supply efficiency is relatively low. The development gap caused by uneven economic development has led to differences in the efficiency of ecological product supply. Regardless of the operational model, relying solely on specific types of entities cannot improve the supply capacity and efficiency of ecological products. It cannot be ignored that achieving a balance between supply and demand of ecological products requires a comprehensive approach. Thirdly, the awakening of public ecological awareness has to some extent activated market demand. Public goods have the characteristics of non-exclusive and non-competitive consumption. However, soil conservation, air purification, forestry carbon sequestration, and other regulating service products have public goods characteristics (Lin, 2016). Their value realization paths still need to be explored to fully mobilize multiple entities to participate in the demand market, standardize service products, and create a more sustainable and inclusive demand market.

2.3 Incomplete Evaluation Mechanism for Sustainable Supply of Ecological Products

Due to the externalities of ecological products, such as fresh air and clean soil, the benefits of their

supply are mobile and not easily limited to specific regions. Ecological products, especially those that help reduce emissions or pollution, can have a positive impact on air quality. However, the benefits of improving air quality are not limited to the communities that produce or use the products. The positive impact of ecological products on the environment may extend to neighboring areas and ecosystems, indicating the liquidity of these benefits. Meanwhile, the non-permanent nature of incentive measures poses a challenge to ensuring the sustainability of ecological product supply. Therefore, the measurement standards for ecological products need further exploration.

In addition, the setting of ecological product evaluation indicators is crucial for evaluating the ecological products. However, certain limitations in this process may affect the accuracy and reliability of the evaluation results. Due to the inherent complexity and interdependence of ecosystems, it is difficult to develop comprehensive indicators to fully reflect environmental impacts. Meanwhile, the process of selecting indicators involves making value judgments on which aspects of the environment are most important. Different stakeholders may have different views on the priority order of indicators, leading to a certain degree of subjectivity. And the key challenge is to adapt these indicators to constantly changing standards and ensure their sustained relevance. Therefore, addressing these limitations requires a dynamic and adaptive ecological product evaluation method. The formulation of planning policies is to promote implementation; so, it is necessary to further achieve sustainable development through benign incentive and constraint mechanisms, in order to enhance the enthusiasm for sustainable supply of ecological products as eco-products boost will develop to consumers' willingness (Rizki & Augustine, 2022).

3. Analysis of the Causes of the Sustainable Supply Dilemma of Ecological Product

3.1 Insufficient Motivation for Sustainable Supply of Ecological Products

Although ecological product projects have the potential for long-term investment returns, some investors, especially those who focus on short-term financial performance, may tend to prioritize short-term economic benefits over ecological protection and sustainability. In addition, investors may perceive ecological product projects to have a higher level of risk, especially if the ecological outcomes are uncertain or depend on factors beyond their control. This view may hinder long-term investment in such measures. Therefore, some investors may prioritize projects with fast economic returns and low risk over projects involving ecological development and potential uncertainty.

Meanwhile, consumers have a clear preference for ecological products. Under the influence of demand and cost, enterprises tend to choose economic construction projects with short investment return cycles and low financial risks. This requires establishing a sound incentive and constraint mechanism to further increase the driving force for long-term sustainable supply of ecological products. As to the gains side, the personal benefits associated with reducing consumption or channeling to eco-products [3]. Addressing these challenges requires the joint efforts of various stakeholders, including businesses, governments, consumers, and advocacy groups. By deepening understanding of ecological products,

establishing supportive frameworks and incentive measures, market participants can play a more active role in promoting sustainability and promoting ecological products.

3.2 Inadequate Capacity for Sustainable Supply of Ecological Products

Some countries that have accumulated rich experience in the ecological product market already have rich capabilities to realize the value of ecological products. Of course, as the supply of ecological products requires professional knowledge and experience accumulation, developing and cultivating ecological talents is crucial for addressing environmental challenges and promoting sustainable practices. In addition, there is an urgent need to utilize the introduction and training of ecological talents to create opportunities for high-level ecological professionals to fully play their roles.

Meanwhile, natural disasters are an important component of the supply of ecological products, especially seasonal climate losses. Ecological products may be susceptible to climate related risks, such as extreme weather events or changes in growth conditions. Ecological product suppliers are also passive bearers of market risks in the ecological product market, and small-scale development models are difficult to resist economic risks because the inherent characteristics of small-scale models make them more susceptible to the impact of economic risks. And it is necessary for companies to aim at green growth by selling eco-products that are both functional and environmentally friendly (Leelakulthanit, 2020). Addressing these challenges requires a combination of supportive policies, access to financial resources, capacity building initiatives, and market development efforts. Government support, industry cooperation, and the development of sustainable business models can help enhance the capabilities of small-scale ecological product suppliers in the ecological product market.

3.3 Inadequate Security Mechanism for Sustainable Supply of Ecological Products

The lack of a guarantee mechanism for the supply of ecological products may pose significant challenges to producers and consumers. For example, the lack of clear and widely accepted ecological product certification standards may create uncertainty in the supply chain, and manufacturers may face challenges in proving the authenticity of their products and ecological certification. If there are no recognized certification standards, the credibility of ecological products may be questioned, and consumers, retailers, and other stakeholders may hesitate to believe the ecological claims of producers. Clear ecological certification makes products stand out in the market, but without standardized certification, environmentally friendly products will be difficult to distinguish from traditional products, which may lead to market chaos. Therefore, standardization is crucial for promoting global trade in sustainable goods.

In addition, a sound traceability system is crucial for tracking ecological products from production to consumption, as insufficient traceability mechanisms may make it difficult to verify the origin, sustainable practices, and ecological impacts of products. Addressing these challenges requires cooperation from government, industry stakeholders, and international organizations. Establishing clear standards, strengthening education, and providing fiscal incentives can help establish a reliable

guarantee mechanism to ensure the supply of ecological products.

4. Legalization of Sustainable Supply of Ecological Products

4.1 Sound Property Rights System for Natural Resources

We must continuously study the property rights of ecological resources such as forest carbon sinks. At the same time, we should clarify the main body of asset property rights attributed to different natural resources and the main body of exercising rights corresponding to them. We should use the digital platform to unify the management of natural resources titling and registration information. It will contribute to protecting the interests of all parties, reducing the possibility of property rights disputes, and activating the market. The more mature and universally applicable experiences should be refined into institutional regulations to enhance the overall effect. In addition, in the legal relationship between supply and demand of ecological products, the right to obtain ecological products is the entitlement to acquire them, whose essence is understandable as the right to share ecological products and the right to request payment. It is necessary to refine the legislation on ecological products' public and private rights. In particular, the rules regulate the limitation of rights to public ecological goods. In contrast, acquiring rights to private ecological goods is possible through contractual regulation of obligations.

We also need to strengthen international cooperation to develop and promote standardized monitoring techniques and data reporting standards. Global initiatives, agreements and partnerships can play a key role in establishing a common framework for monitoring ecological products and promoting more consistent and transparent processes for defining and enforcing property rights. In addition, continued advances in technology and increased cooperation among stakeholders can contribute to the development of more standardized and universally accepted monitoring practices.

4.2 Reshape the Mechanism for Balancing the Interests of Supplying Subjects

In the absence of a clear guarantee of return, some stakeholders may remain hesitant and hesitant in the actual operation process. Firstly, the suppliers of ecological products should receive more funding from the distribution of benefits. This is because the sustainable supply of ecological products usually requires long-term operation, which largely requires the long-term work of the supply entity. We hope to combine practical needs to motivate enterprises to actively upgrade their industries, and different institutions need legal restrictions on the specific use of ecological products to ensure fair use and compliance with usage regulations. Meanwhile, with the development of science and technology, the multi-dimensional evaluation system for scientific refinement should also be optimized. For example, exploring the establishment of various social linkage reward and punishment mechanisms such as ecological credit behavior, financial credit, medical insurance, and social assistance, and actively promote the positive interaction of legal mechanisms, and achieve the sustainable provision of ecological products. In order to effectively avoid risks, the insurance system should also be strengthened. We must expand the beneficiaries of insurance to benefit ecological innovation enterprises. While regularly promoting the risk factors in current ecological product policies, actively

guiding production and operation entities to purchase insurance.

4.3 Construct the Rights and Interests Dispute Settlement Mechanism

A sound dispute-resolution mechanism can effectively boost the growth of eco-industries. In addition, it serves to further the value realization of ecological products elsewhere. Regarding institutional arrangement, the legal status of different ecological product supply subjects of social organizations, enterprises, and individuals needs a guarantee. Furthermore, it has been shown that large retailing chains are important actors in establishing markets for eco-products (Koos, 2011). Moreover, when the rights of different participants are violated, they will smoothly enjoy equal remedies. In judicial decisions, the penalties for ecological damage ought to be intensified. And the judicial interpretation should further refine the criteria for destroying ecological products to achieve refined justice. Concurrently, the principle of “risk prevention” is applied to ensure that precautionary measures are fully utilized to broaden the way of liability. It is a smart initiative to build a three-dimensional partnership of prevention, operation, and supervision in the supply of ecological products, the role of which is to reduce the legal risks in the subsequent implementation process, promote the specialization of environmental justice, and attain a synergistic and long-lasting effect of judicial application.

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