Building the Single Market for Green Products

Dr. Michele Galatola

Product team leader

DG Environment –
Sustainable Production and Consumption Unit

WHY?

=

Confusion, mistrust
Free-riders win
Costs

- More than 400 environmental labels in the world
- Only for GHGs, 80 leading reporting methods and initiatives

- **Issues**:

  - What is green?
  - How do I prove that my product or company is green?
  - If I choose one approach, will it be accepted by everyone?
  - Do I have to prove I'm green in different ways to different clients?
  - Will consumers and business partners understand my claim?
  - Does green mean more expensive?

European Commission

A world of *"similar-but—different"* requirements for green products

Swedish EPD

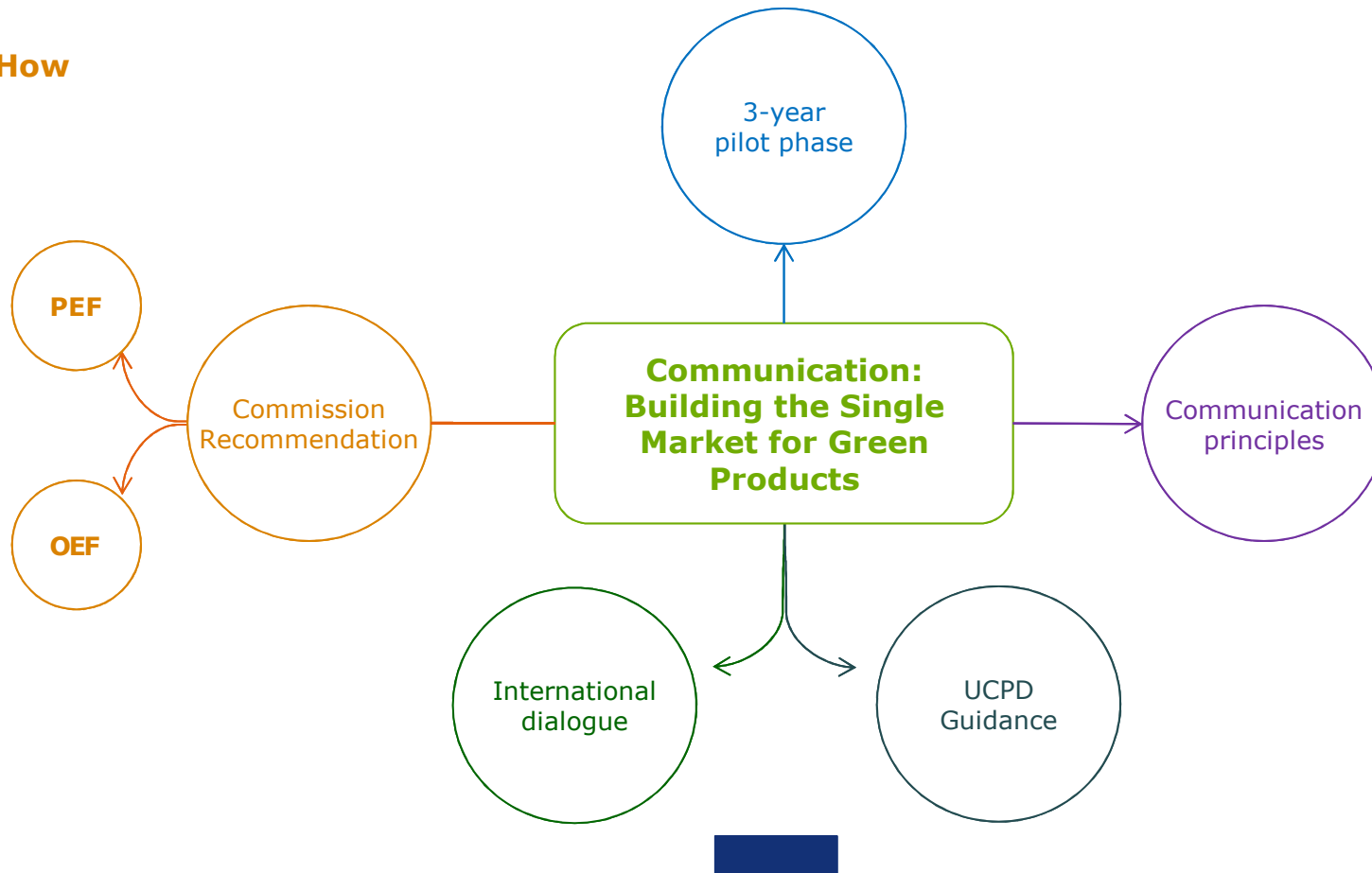PAS 2050

BP X30-323

Swiss footprint

IT carbon footprint

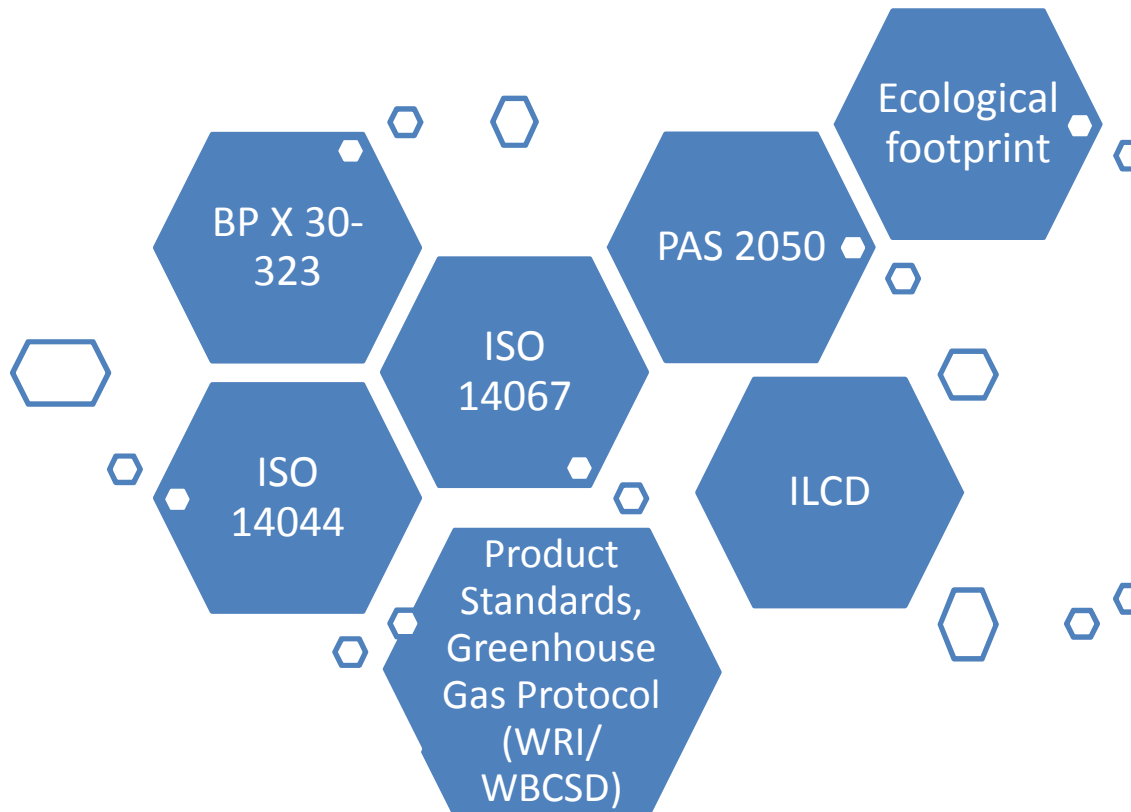Footprint schemes Japan, S Korea, Taipei

Objective

To improve the availability of clear, reliable and comparable information on the environmental performance of products and organisations

How

- 3-year pilot phase
- PEF
- OEF
- Commission Recommendation
- **Communication: Building the Single Market for Green Products**
- Communication principles
- International dialogue
- UCPD Guidance

How was the PEF Guide Developed?

Environmental assessment documents analysed:

What are the differences between PEF and traditional LCA?

Not that many!!

PEF is a way of doing an LCA which enables to deliver more <u>consistent</u>, <u>reliable</u> and <u>reproducible</u> results. Moreover, compared to a traditional ISO 14040 compliant LCA, PEF includes features that make easier the communication of its results both in B2B and B2C.

These new characteristics of PEF are possible due to:

- a limitation of methodological flexibility,
- more stringent requirements related to data quality, and
- the introduction of normalization and weighting

Simplification features

- **ONE** common methodology instead of **VERY MANY**

- Few and clear rules for product categories and sectors (PEFCRs/OEFSRs)

- Focusing on what really matters (e.g., **3** most relevant impacts for consumer products instead of the more than 200 we currently find in construction products EPDs)

- Great simplification "potential" for SMEs – provided that the Commission will manage in the coming years to implement a number of supporting measures
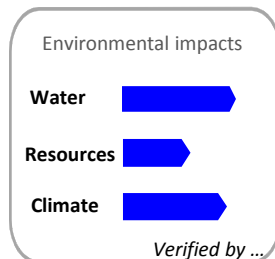
EXAMPLE - RESULTS

Most important life cycle phase for a cup of coffee: USE

Most important impact categories (relevant phases along the life cycle):
- Climate change (energy use in production and use phase)
- Water use (raw material and use)
- Resource depletion (mineral, fossil)

COMMUNICATING RESULTS

NO PEFCR (2012)

WITH PEFCR (fictitious example; possible if PEFCR available)

Environmental impacts

Water

Resources

Climate

Verified by …

VS.

Performance level B

VS.

Performance level C

Performance level A

ENVIRONMENTAL IMPACT

A **B** C D E

BETTER AVERAGE WORSE

This rating has been verified by independent experts and is based on this product's contribution to:
- Global warming C
- Air pollution B
- Water pollution B

www.eco-impact.eu
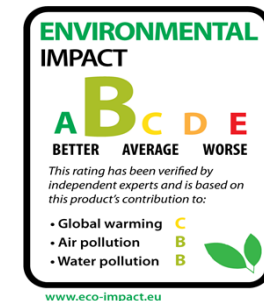
Next steps: The pilot/testing for PEF and OEF

Pilots' objectives:

1. Test the process for the development of PEFCRs and OEFSRs

2. Test different approaches for verification systems (embedded impacts, traceability)

3. Communication vehicles

- Engagement of key stakeholders, including from outside EU

- Focus on simplification and applicability

- Call for volunteers is open at (until 26 July):
 http://ec.europa.eu/environment/eussd/smgp/index.htm

It includes:

- Call for applicants

- Guidance for the implementation of the EU Product Environmental Footprint (PEF) during the Environmental Footprint (EF) pilot phase (ver. 3.0)

- Application form

- Letter of commitment

Why a pilot phase?

- Life Cycle data (quality & availability)

- Need to develop consistent product and sector-specific rules

- Involvement of stakeholders (particularly SMEs and developing countries)

- Simplification

- The verification system

- Convergence of methods at EU level and internationally

Pilot phase
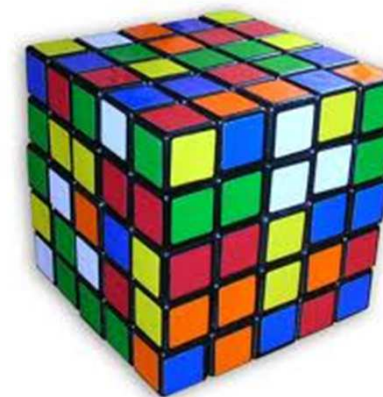
WHO can propose a pilot:

1. Single companies
2. Cluster of companies
3. National, European or non-European industry associations
4. NGOs
5. Member States or non EU governments
6. Universities, Research Institutions
7. International organisations
8. Any mix of the organisations mentioned above

- As leaders
- As proponents / participants

The Commission will lead on a <u>limited number</u> of pilots
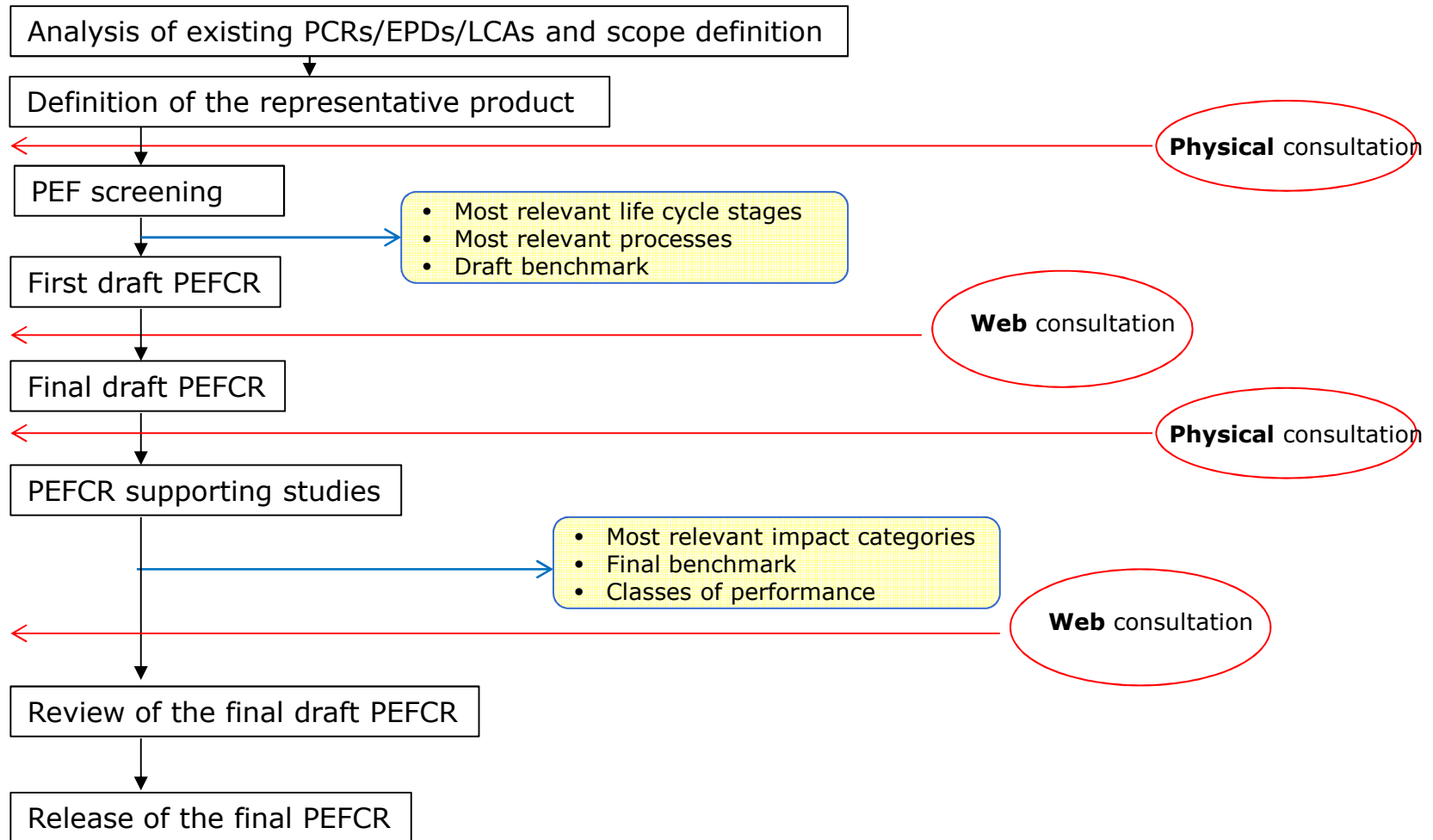
Representativeness

- Major competitors or their representatives – 75% of EU market invited (yearly turnover)

- All companies contributing to more than 10% of the market are invited

- 51% of the EU market actively participating

- Wide range of stakeholders (SMEs, consumers and environmental associations) involved

Analysis of existing PCRs/EPDs/LCAs and scope definition

Definition of the representative product

Physical consultation

PEF screening

- Most relevant life cycle stages
- Most relevant processes
- Draft benchmark

First draft PEFCR

Web consultation

Final draft PEFCR

Physical consultation

PEFCR supporting studies

- Most relevant impact categories
- Final benchmark
- Classes of performance

Web consultation

Review of the final draft PEFCR

Release of the final PEFCR

Timeline
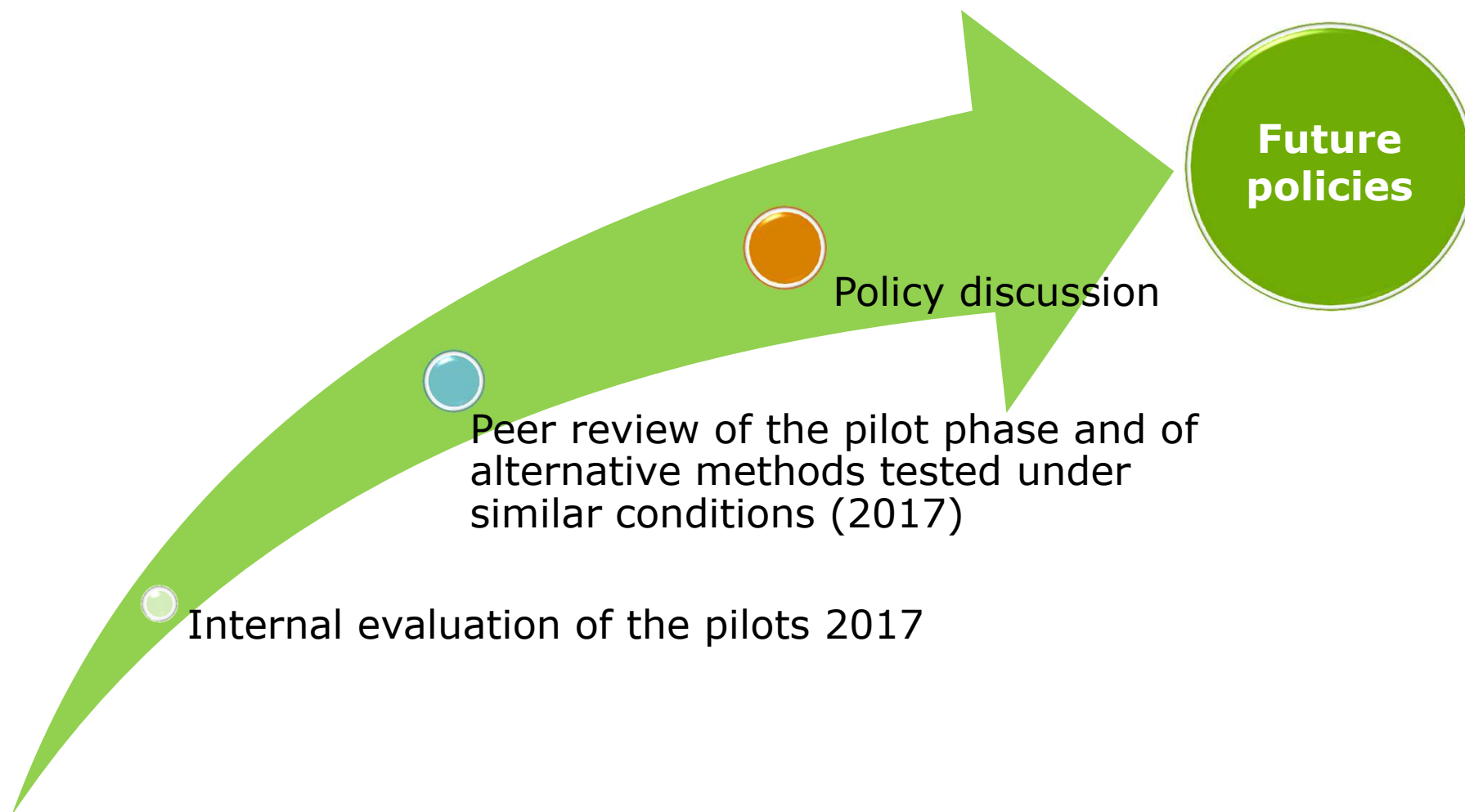
- Deadline of applications: **26 July, 12:00 CET**

- Selection of product groups and sectors: **September 2013**

- Start of the pilots (**October/November 2013**)

- End of the pilots (**end 2016**)

2ⁿᵈ phase

Future policies

Policy discussion

Peer review of the pilot phase and of alternative methods tested under similar conditions (2017)

Internal evaluation of the pilots 2017

For any further information

http://ec.europa.eu/environment/eussd/smgp/

env-environmental-footprint@ec.europa.eu

Governance

Steering Committee

- MS representatives
- Commission
- Representative from pilots
- Representatives of main stakeholder groups
- **Approvals, monitoring and conflict resolution**

Technical Advisory Board

Tech. Secretariat 1

Tech. Secretariat 2

Tech. Secretariat …*n*

EF Technical Helpdesk

Representative stakeholders

NGOs SMEs PAs Ind.

Representative stakeholders

NGOs SMEs PAs Ind.

Representative stakeholders

NGOs SMEs PAs Ind.