Presentation: 1st Symposium – Nordic Life Cycle Association – Lund, Sweden – 10 October 2006

Life Cycle Thinking in European Policy

- actions for greening the market and consumption

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Overview of the Presentation

- EU Policy and Life cycle Thinking
- Example Policy Support Activities and Deliveries of:
  - **DG ENV**
  - **DG JRC**
  - **DG RTD**
  - **DG TREN**
  - **DG ENTR**
- Example of Upcoming Activities and Foreseen Next Steps
- Some Learning's and Findings Identified

European Union Institutions

Court of Auditors

Court of Justice

The European Parliament

The Council of Ministers

Committee of the Regions

Economic and Social Committee

European Commission
(25 Commissioners, 36 DGs)

TREN ... RELEX ... ENTR ... ENV .... SANCO ... RTD .... JRC ...

IES IPSC IPTS IE .....

A bit of history and background of needs

EU LIFE CYCLE HISTORY

- 1990s – 2001 reflection and concept development
- 2001 – 2003 consultation and definition
- 2003 – implementing IPP Communication

IDENTIFIED NEEDS FOR LIFE CYCLE PRODUCT POLICY

- from regulation of point-source pollution …
- to complementary policy appraoch that look into products and their enviornmental impact through the life cycle in an **integrated** way

Integrated Product Policy (IPP)

reduce the environmental impact caused by products

PRINCIPLES – IPP COMMUNICATION (2003)

- Advocate **life-cycle thinking** for goods and services taking action where it is most effective
- **Market approach** – setting incentives
- **Flexible** as to the type of policy measure to be used (e.g. economic measures, standards and labelling, and voluntary agreements, but also mandatory measures)
- Encourage full **stakeholder involvement** (industry, retailers, consumers, authorities)
- **Continuous** improvement

The Role & Structure of IPP

ROLE

- **Contribute** to 6th Environmental Action Plan
- Conceptual framework **supplement** existing product-related policies, tools and support insights
- Strengthen **coordination and coherence** – will help to exploit the potential synergies:
  - identify **opportunities** for improvement of goods and services
  - avoid **shifting** burdens
  - consider **trade-offs** – upstream/downstream, across impact categories, across political boundaries, …

  → Benefit both business competitiveness and the environment

STRUCTURE

1) **tool box** – economic/legal/applying/consumers

2) **product approach** – identifying and improvement, pilot projects

Contribute to 6th Environmental Action Plan (1)

to reduce environmental impacts associated with resource use in Europe and in a growing economy (decoupling)

Thematic Strategy on Sustainable Use of Natural Resources

- Adopted 2005. **Long-term** framework – 25 years
- The **whole life cycle** of resource use, avoiding environmental impacts are shifted from one phase to another / other countries
- Creating more value - increasing **resource productivity**
- Reducing overall impact – increasing **eco-efficiency**
- Substituting used resources with better alternatives
- Integration, including into national and sectoral policies
- **Key initiatives:** 1. Information hub / data centre; 2. International Panel (jointly with UNEP); 3. Indicators; 4. MS; and 5. sectoral action plans.

Contribute to 6th Environmental Action Plan (2)

help Europe become a recycling society that seeks to avoid waste and uses waste as a resource

Thematic Strategy on the Prevention and Recycling of Waste

- Draw on thematic strategy on natural resources – assess against **environmental objectives**
- Revision of main **legislation** to incorporate life cycle thinking – e.g. the Waste Framework Directive to reduce environmental impact taking into account full life cycle of resources
- Action at **national** and probably sub-national levels – mandatory national waste prevention programmes
- **Targets and indicators** at appropriate level
- Improve **science** and knowledge useful for waste prevention
- Environmental potential of prevention actions

IPP Example of Actions and Deliveries

COORDINATION AND COHERENCE

- Web-site on EUROPA
- **Regular** IPP Meetings – Member states, NGO, representatives
- Study on **Indicators** for IPP (basket of products)
- Awareness study
- Reporting formats for **progress** on IPP implementation

PRODUCT SPECIFIC APPROACH

- Study to identify products with **greatest environmental impact** from a life cycle perspective (EIPRO) – JRC-IPTS (2006)
  - food – transportation – buildings
  - further methodology and data development
- IPP **Pilot** Project – demonstrate the practical application of IPP
  - mobile phones
  - tropical wooden chairs

IPP Examples of Tool-Box Activities (1)

- Green public procurement (**GPP**)
  - life cycle approach
  - COM support from Member State process
  - **handbook** explain concrete with best practice examples (2005)
  - need: **green criteria guidance** for purchasers, and address SME

- European **Platform** on Life Cycle Assessment (LCA) – JRC-IES (2005-)
  - Making quality assured methodology and data **available**
  - European Reference Life Cycle Data System **(ELCD)**
    - life cycle inventory **data**
    - life cycle impact **assessment factors**
  - **Handbook** on recommended LCA methods and guidance and review process
  - **Info hub** and communication platform on the web (new version soon)

Environmental Technologies Actions Plan (2)

- environmental technologies have the **potential** to reduce pressures on natural resources and contribute to EU competitiveness and growth (the Lisbon process)
- potential is **not fully used** – and EU action is needed
- fields of action:
  - getting from **research** to markets
  - **improving market** conditions
  - acting globally
- **performance targets (PT) scheme**
  - agree on **ambitious** long-term environmental PT for key products
  - compete - encourage uptake by business and consumers
  - based on **voluntary** agreement – may become legally binding
  - project defining performance targets in the framework of IPP
  - trigger **innovation**, move the market, **reward front-runners**
  - synthesis paper in ETAP Report in 2007 – scheme 2008

Eco-design Directive for Energy-using Products (3)

- a **framework** for setting eco-design requirements for energy-using products
- promote SD, free movement of EuP, env protection, security energy supply
- background: **better regulation -** efficient decision making, consultation, self reg
- concrete example of IPP; links with IPP are:
  - EuP is in line with **IPP principles** - i.e integrated approach, room for volutary approaches
  - one of the elements of IPP – legal requirements on **product design**
  - cross-fertilisation of studies and other activities
- significant **volume**, environmental **impact**, and improvement **options**
- legal obligations for manufactures will come with the **implementing measures**
- adoption through a transparent process
- priority is given to **self-regulatory** activities by industry
- preparatory **studies** (13+1+5)
- **adoption** of first implementation measures expected in 2008

WG Environmental Product Information (4')

Objectives:

- identify the needs for environmental product information
- examine the tools
- identify the gaps and opportunities
- propose how things **should be improved**

→ The **potential** for making product information work for the environment is a long way from being achieved

→ "How governments and stakeholders can act to make life-cycle based product information **a real force** for environmental improvement…"

→ **Strong** case for policy action

WG Environmental Product Information (4”)

Analysis

A. Policy background

B. Market conditions

C. The bigger picture - a ‘system’ view of product information

D. Barriers, gaps and **opportunities**

Recommendations

E. **Conclusions and Recommendations**

1. Clear statement of **policy vision** and roles
2. Administrative and policy **integration** measures
3. **Legislative** power measures

LCT Example of Foreseen Actions (1)

- Thematic stategies:
  - Natural resources – **international panel**
  - Waste Framework Directive (proposed **revision**)
- Study to identify **potential for improvement** (IMPRO) JRC-IPTS (2007)
  - meat and diary
  - car transportation
  - housing
- Pilot Project – finalise step 5 on monitoring the **committments**
- **Environment Data Centre on Products**
  - Eurostat lead with ENV, JRC, EEA
  - assessment of data to derive **policy relevant** information
  - information hub
  - manage data, perform quality assurance, coordinate data management
  - develop necessary methodologies… **data, statistics, indicators**

LCT Example of Foreseen Actions (2)

- EXIOPOL – product **methodology and data** development (EIPRO cont.)
- Environmental **Product Information**
  - Framework power
  - Environmental Product Declarations (EPDs)
- The European Platform on LCA (cont.) and new items (simplified, ecodesign)
- Report on **process in implementing IPP** to EP and the Council
- GPP Communication (**benchmarking**)
- **Performance targets scheme** (ETAP)
- EMAS and EU Flower – **revision** of regulation
- Research
- **SCORE2** – research for policy support on IPP tools effectiveness
- Sustainable Production & Consumption **Action Plan**

Sustainable Production & Consumption Action Plan*

- EU Sustainable Development Strategy: revision in 2005
- MS Overall Policy Framework for SCP – need for an integrated approach
- SPC **raising on the agenda** – global, national (SF, UK, CZ, SE…)
- Building on ongoing initiatives and instruments…**IPP** and LCT
- Measures to reinforce impact, address any gaps and ensure contribution
  - concrete **priority actions**
  - long-term elements
- Common **consumption areas**
  - food / transportation / building
- Thinking of a broader **eco-design regulation** framework
- Consumption side not so good covered
- Adoption foreseen in the end of **2007** by the Commission
- International activities – the Marrakech process

* Disclaimer: must not be regarding as stating an official position of the European Commission

Findings and Challenges Ahead*

- **Growing role** of life cycle thinking in EU policy
- Working on the **foundation** – product **priorities**, data, indicators
- A **policy mix** is needed – not replacing regulation
- Product performance as a **driver** for **innovation** and benefit business **competitiveness.** Lack of concrete actions for **change**.
- Opportunities to some key elements e.g. **product information**
- SCP Action Plan, improving **synergies** -> concrete priority **actions**!
- Addressing the **demand side** and lifestyles remains a challange
- Involving key **stakeholders**: governments, businesses, local authorities, NGOs, trade unions, academia… win-win partnership

→ SUPPORT THE DEVELOPMENT OF **REGIONAL** LIFE CYCLE HUB

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7th EU RTD Framework Program Activities

- **CALCAS**
  - explore how to enlarge and deepen the LCA methodology
  - how to move towards a European Life Cycle Sustainability methodology
  - good share of LCA research funding might be based on the outputs

- Within the first calls, most waste-technology research projects:
  - have to provide a ISO 14040 compliant **LCA**
  - an **LCC/externality** study
  - and a **Life Cycle Social** Assessment study

  LCA studies provided according to requirements of European Platform for LCA

- Within FP7 DG RTD will explore the possibility of developing an European Methodology for Technology Assessment. The European Technology Assessment will be based on a **Life Cycle Thinking/Assessment** approach.