

WORKSHOP REPORT

of the workshop on Product Environmental Footprint in Product Policy -Focus on product environmental information

Date and time: 19 September 2018, 9:00-15:30

Place: room View 3, Scandic Park, Mannerheimintie 46, Helsinki

Participants: See Annex I

Introduction

The workshop was organized by the project “Nordic Swan, Circular Economy and Product Environmental Footprint”, funded by the Nordic Council of Ministers (NCM) and belonging to the projects of Finnish Presidency in NCM (2016) (See project at: www.syke.fi/en-US/content/39483/25245).

The objectives of the workshop were to discuss the possibilities and challenges for using PEF in the product policy instruments.

Ari Nissinen from the Finnish Environment Institute (SYKE) chaired the workshop. A preliminary draft report (27 pages plus 2 figures and a table) provided the background material for the workshop.

Setting the Scene

The morning session aimed to set the scene for the topic of the workshop and to provide different perspectives for the afternoon’s workshop sessions. The morning consisted of presentations by:

- Ari Nissinen presenting the project and the preliminary findings (also presented in the draft report).
- Harri Kalimo (Institute for European Studies, Vrije Universiteit Brussel, and University of Eastern Finland) and Arnold Tukker (Institute of Environmental Sciences, CML, Leiden University) presenting their comments on the draft report approach and preliminary results.
- Michele Galatola, Team Leader for the PEF project of the European Commission.

Ari Nissinen presented the SCEPEF-project aims, products, publications and the [internet site](#). He briefly presented the objectives of the report as well as those ideas that had arisen in the process of preparing the draft report following the comments from Kalimo and Tukker. He also clarified the definitions used in the report, the assets of PEF in comparison to existing product policy instruments and future improvements already foreseen for the PEF approach. Nissinen also pointed out the 5 options the EC has presented for using PEF, ranging from business as usual to a new policy instrument and presented the results of the report (kindly refer to slides in Annex III for further detail).

Harri Kalimo presented perspectives on PEF from the viewpoint of law and law-making. He reminded that there were various (environmental) policy instruments, in the context of which PEF, and the environmental information created within them, would need to be considered. He also illustrated how any policy instrument requires a political balance and careful compromises between a wide range of variables. He offered the following ideas for improving the report:

- The main research question, the conceptualizations and the relationships between different concepts addressed in the report should be clearer.
- The analytical approach of the report could integrate both a ‘bottom up’ and a ‘top down’ perspective: i.e. Is PEF seen to feed into policy instruments or should there be a new policy instrument on PEF?
- Clarifying why environmental information is useful for each policy instrument, and being more specific about the associated information needs for each instrument:
 - i.e. “What does the instrument want to do? Is information needed? What kind -- is PEF the answer?”

- Asked whether PEF in itself is an instrument or a way of analysing data that is used as an input to policy.

Arnold Tukker offered several ways of systematically addressing the report's research question. He presented the categories of policy instruments of Mont and Dalhammar (2006). He showed a diagram where policy instruments are positioned on a circular value chain as well as a table on policy instruments per life cycle stage. He furthermore presented a diagram that shows how the various instruments in question are in a continuum. One main comment for improving the report would be to address PEF, LCA and criteria-type information as a continuum, and not as opposites, where LCA is used when we have no information, PEF is used when we wish to have even more information, and criteria may be developed when we know the main parameters and impacts. He also reminded about a wish from retailers, to develop criteria that retailers can apply to their supply chains.

Michele Galatola (no slides) offered his comments among other matters on the distribution of products in relation to environmental performance and former use of LCA in policies (Figure 1 and Table 1, respectively, on the the draft report and Ari's presentation). Looking at the distribution diagram, he noted that most products are where there are least effective policy instruments, i.e. in the middle of the distribution. He furthermore discussed that there is a need for reproducible, comparable and verifiable information in policy making (i.e. PEF useful for preparatory studies related to product policy instruments). Of interest would be to discuss whether criteria-type information could move from "pass/fail" type of criteria to more "life cycle indicator" -type criteria. The second type gives the manufacturer more options (options for Design for Environment, DfE) provided that the manufacturer prepares a PEF to know where efforts should be targeted. Michele told that PEF is used in the preparation of the eco-design regulations for photovoltaic panels and batteries, in addition to the MEErP method (which is the 'official method' of the eco-design directive). Furthermore he pointed out the importance of acting at a right moment and balancing between scientific and pragmatic approaches. Therefore, it is essential to get it on the market. Lastly, Green Public Procurement was discussed, and especially it's article 42, which was then showed on the wall: "characteristics may also refer to the specific process or method of production or provision of the requested works, supplies or services or to a specific process for another stage of its life cycle even where such factors do not form part of their material substance provided that they are linked to the subject-matter of the contract and proportionate to its value and its objectives." Also Ari pointed out that the interpretation of the words 'linked' and 'proportionate' are relevant here, and further pointed out that there are specific products for which the acceptance of production-linked characteristics has been proven by a directive (electricity produced by renewable sources, organic farming) and by EY court cases (Fair Trade coffee).

Kindly refer to the agenda (Annex II) and the presentations (Annex III) for more information.

Workshop Sessions

The participants were divided into four groups, each group discussing one key theme. A summary of the discussions for each of the four themes is outlined below:

Synergies (Moderated by Arnold Tukker):

In general the group agreed that PEF could be used in principle as the main information basis for integrated product policy as well as SCP and Circular Economy policy instruments. However, as the starting point of PEF is at the product level, its use was seen as challenging for addressing systemic level changes (which are seen necessary). The participants discussed an example from the food sector where addressing the environmental impacts of meat may not support a systemic level reduction of meat consumption on the whole. The group considered that PEF is a useful starting point in situations where good information on hotspots does not exist. Arnold emphasized that the administrative burden for companies should decrease and not increase, and therefore updating PEF cannot be required to be done too often.

Mainstreaming the use of PEF in Policies (Moderated by Arne Remmen/ Morten Birkved)

The participants discussed the major obstacles regarding mainstreaming the use of PEF in policies to be price, interpretability, complexity, credibility, marketing, timing and having a flagship product. It was suggested that PEF should be ready for use when the currently pending topics are finalized. The group suggested that future PEFCR develop should address the so called "big impact" BBC sectors: Beef, buildings and cars (i.e. food, buildings and transportation). These are sectors that the general public can relate to and at the same time they meet the demand for increasing consumer acceptance of PEF in the market. The group considered multi-stakeholder participation essential for mainstreaming. In particular the role of NGOs in ensuring consumer acceptance was mentioned to be important.

Requiring PEF from companies (Moderated by Ari Nissinen)

The group discussed the PEF's usability in the development of product-group-specific requirements for eco-design directive and eco-labels and criteria for green public procurement, as well as policy instruments that could require a manufacturer to prepare a PEF. It was agreed that PEF can be useful in criteria development. However, experts were hesitating towards requiring PEF analyses from companies, i.e. setting a requirement about PEF for manufacturers and products. It was felt that in order to ensure uptake by companies there should be no major increase of costs. The group suggested that company uptake may necessitate capacity building in the form of e.g. expert help (like "PEF Clinics"), and that much more awareness raising is needed.

Need for new product policies (Moderated by Harri Kalimo)

A fourth theme was suggested by Michele Galatola for this workshop to discuss: Is there any need for new product policy initiatives, and if so, what could the role of PEF be in them? The group engaged in an exploratory brainstorming on the issue through a light policy analysis approach. As an analytical tool, they introduced a matrix that grouped existing and potential future product policy instruments into mandatory and voluntary ones, on the one hand, and further divided along the classic categories of economic, administrative and informative tools, on the other. They used as an assumption that an eventual new policy instrument could target the products that currently make the bulk of the supply at the middle part of the normal distribution curve (kindly refer to Figure 1 in Ari's presentation and the draft report). The Workshop had earlier identified improvements in these goods as having interesting potential, considering that the low end and the high end are already addressed by various tools (e.g. eco-design and eco-labels, respectively). They considered that the gaps in the existing product policy instruments to might be grouped into two types: vertical and horizontal. By vertical gaps they meant environmental information -related reasons that prevent a specific policy goal from being reached by the existing instruments. Horizontal environmental information gaps, on the other hand, plague many instruments in parallel, and could potentially be filled in by a common database that is used consistently. The group agreed that PEF could provide for a common base of data for all (environmental) policy instruments. They furthermore wondered whether the integration of PEF would lead to a general evolution whereby the currently voluntary policy instruments would have the potential, maybe even a tendency, to "harden": they might become increasingly mandatory and thereby push the whole market while at the same time allowing the creation of possibilities for new voluntary initiatives. One example of a possible future instrument facilitated or build around PEF could be a "Top 10 performer list", a dynamic public database promoting the products with the best PEF value in a specific product group.

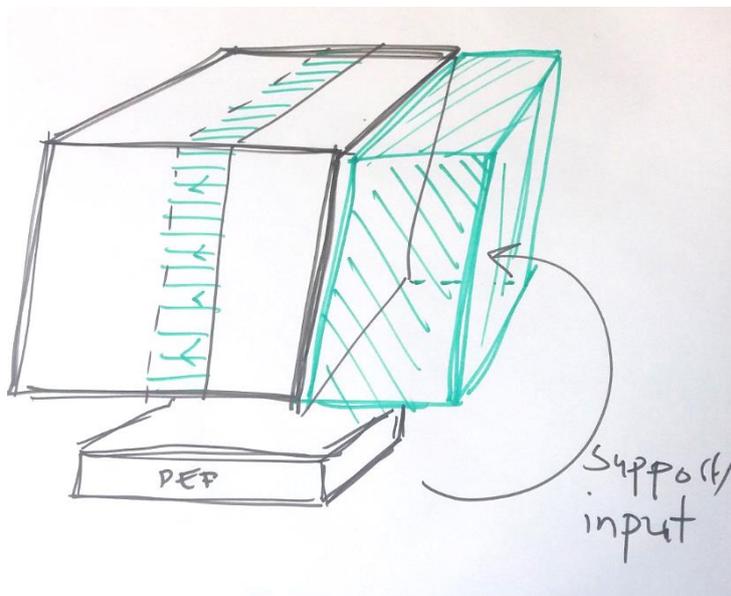


Figure 1. PEF could act as an input or a supporter of the existing product policy instruments in order to fulfil the horizontal and vertical gaps made by the group 4 moderated by Harri Kalimo.

Wrap up

The final session of the day included short presentations of the group work by each of the moderators, a short discussion, and some final remarks by Ari Nissinen. Ari stated that SYKE will provide the workshop notes (first for comments, and then the final ones) and share slides with the participants, and will continue with updating the report. Lastly, Ari warmly thanked all participants for fruitful discussions.

Annex I. Participants



Nordic workshop on

Workshop on Product Environmental Footprint in Product Policies

- Focus on product environmental information

Name	Organisation	Country
Andersen, Søren Mørch	Ministry of Environment and Food	Denmark
Bergbom, Karin	Ecolabelling Finland	Finland
Birkved, Morten	University of Southern Denmark	Denmark
Eskelinen, Hanna	Finnish Environment Institute	Finland
Galatola, Michele	European Commission	Belgium
Kalimo, Harri	University of Eastern Finland; Vrije Universiteit Brussel	Finland/Belgium
Kautto, Petrus	Finnish Environment Institute	Finland
Kristensen, Preben	NEF Group Coordinator	Denmark
Kurppa, Sirpa	Natural Resources Institute Finland	Finland
Mattsson, Cecilia	Swedish Environmental Protection Agency	Sweden
Nissinen, Ari	Finnish Environment Institute	Finland
Pedersen Emil	The Danish Environmental Protection Agency	Denmark
Petersen, Dorte	The Danish Environmental Protection Agency	Denmark
Remmen, Arne	Aalborg University	Denmark
Salo, Hanna	Finnish Environment Institute	Finland
Sederholm, Camilla	Finnish Environment Institute	Finland
Suikkanen, Johanna	Finnish Environment Institute	Finland
Tukker, Arnold	Leiden University	Netherlands

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Workshop on Product Environmental Footprint in Product Policies

Focus on product environmental information

Date and time: 19.9.2018, 9:00-15:40

Place: Room View 3, Scandic Park Hotel, Mannerheimintie 46, Helsinki

09:00 – 09:20	Welcome and The project Nordic Swan, Circular Economy, and Product Environmental Footprint Ari Nissinen (SYKE)
09:20 – 09:50	Main findings of using LCA and PEF in policies Ari Nissinen (SYKE)
09:50 – 10:00	Discussion
10:00 – 10:15	Coffee Break
10:15 – 11:00	Using PEF in the IPP/SCP/CE policy instruments- remarks and ideas by the reviewers of the draft report Harri Kalimo (Institute for European Studies, Vrije Universiteit Brussel) and Arnold Tukker (Institute of Environmental Sciences, CML, Leiden University)
11:00 – 11:30	EU perspectives on the use of PEF in policies Michele Galatola (European Commission)
11:30 – 12:00	Discussion
12:00 – 13:00	Lunch
13:00 – 14:15	Workshop sessions Moderated discussion on three key themes identified in the report: <ol style="list-style-type: none">1. Synergy between PEF and the Product Policy Instruments<ul style="list-style-type: none">○ How do you see it - could PEF be used, in principle, as the main information basis for the policy instruments of 'Integrated Product Policy' and 'Sustainable Consumption and Production' and 'Circular economy'?○ How do you see the possible synergies between PEF and criteria-type approaches?2. Mainstreaming the use of PEF in policies<ul style="list-style-type: none">○ What are the major obstacles a) generally, and b) for each policy instrument regarding mainstreaming the use of PEF in policies?○ Is PEF ready to be used when the topics that are now processed are finalized?○ What are the most essential topics for the future development in order to mainstream the use of PEF?3. Can PEF be required also from companies<ul style="list-style-type: none">○ What are the most important steps to increase PEF's usability in the development of product-group-specific requirements and criteria (in eco-design directive, GPP, eco-labels)?

- What are the most important steps to increase PEF's usability in the requirements that concern every manufacturer, i.e. a manufacturer needs to make a PEF of the product to show the compliance?
- Which policy instruments could require a manufacturer to make a PEF? Which ones could even require a 'good' PEF-value?

14:15 – 14:30	Coffee break
14:30 – 15:00	Presentations from parallel sessions
15:00 – 15:10	Table 2- Participants' views on success factors of PEI and EPIS
15:10 – 15:40	Identified key topics from the presentations- Discussions on how to proceed Next steps and Goodbye chaired by Ari Nissinen (SYKE)

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Annex III (Please see the separate PDF file)