Building a single market for green products – Environmental Footprint methods: outcomes of the pilot phase and the way forward

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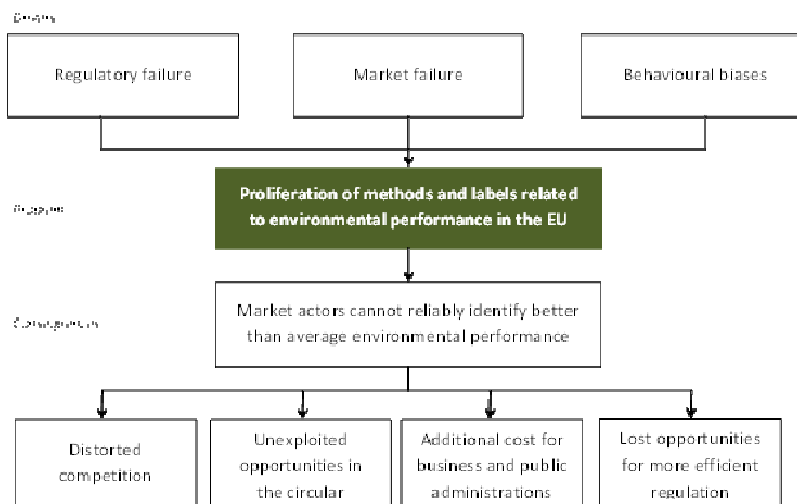
Environmental Footprint Team Leader

**DG Environment –
B1 – Sustainable Production, Products &
Consumption**

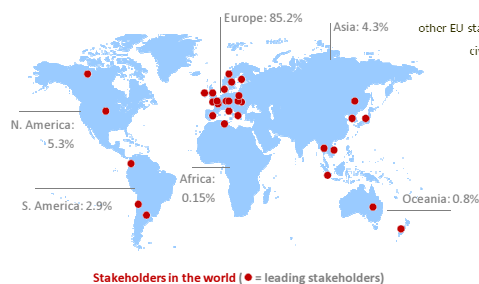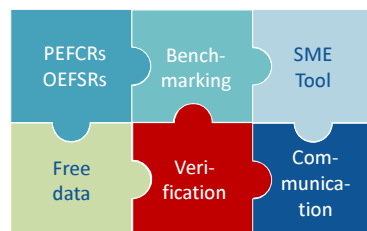©HD wallpapers

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Which problems are we addressing?

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Causes

| Regulatory failure | Market failure | Behavioural biases |

Proliferation of methods and labels related to environmental performance in the EU

Market actors cannot reliably identify better than average environmental performance

| Distorted competition | Unexploited opportunities in the circular | Additional cost for business and public administrations | Lost opportunities for more efficient regulation |

- Unfair competition

- Confusing claims
  - ✓ Obstacle in green private and public procurement
  - ✓ Obstacle in greening investment, insurance
  - ✓ Mistrust of consumers, obstacle in the growth of green markets

- Costs to companies that trade cross-border in the EU (and internationally) and that have to measure and communicate their environmental impacts in different ways for different markets.

- Environmental information not available along the supply chain in a consistent and harmonised way – unexploited opportunities in the circular economy
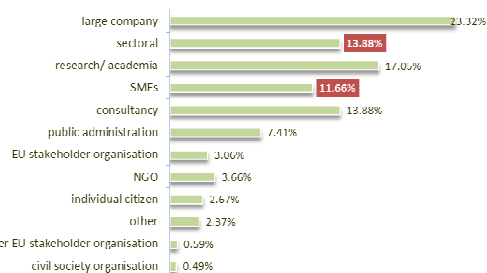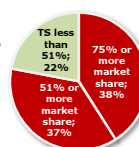
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The pilot phase

PEFCRs OEFSRs	Bench-marking	SME Tool
Free data	Veri-fication	Com-munica-tion

Participants (27 pilots):
2024 individual stakeholders (**5322** participations)

large company	23.32%
sectoral	13.88%
research/ academia	17.00%
SMEs	11.66%
consultancy	13.88%
public administration	7.41%
EU stakeholder organisation	3.06%
NGO	3.66%
individual citizen	2.67%
other	2.37%
other EU stakeholder organisation	0.59%
civil society organisation	0.49%

267 leading stakeholders in the **23** active pilots

The EU market is behind the pilots:
73% of pilots have the majority of industry in the lead

Europe: 85.2%
Asia: 4.3%
N. America: 5.3%
Africa: 0.15%
S. America: 2.9%
Oceania: 0.8%

TS less than 51%; 22%
75% or more market share; 38%
51% or more market share; 37%

Stakeholders in the world (● = leading stakeholders)

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EF pilot phase

Batteries and accumulators

Decorative paints

Hot & cold water pipe systems

Liquid household detergents

IT equipment

Metal sheets

Non-leather shoes

Photovoltaic electricity generation

~~Stationary~~

Intermediate paper products

T-shirts

Uninterrupted power supplies

Retailer sector

Copper sector

Leather

Thermal insulation

Beer

~~Coffee~~

~~Fish~~

Dairy products

Feed

~~Meat~~

Pet food

Olive oil

Pasta

Wine

Packed water

The PEFCR

The PEFCR provides the following information:

- The list of EF compliant impact categories covered
- The most relevant impact category / life cycle stages / processes / elementary flows
- The environmental profile of 0.75 litres packaged wine, sold in EU (benchmark for still wine and sparkling wine)
- List of mandatory company-specific data
- List of default datasets to be used + data needs requirements

	Most relevant process	Other process
1. Process run by the company	Use company-specific data and create a company-specific dataset **DQR≤1.6**	
		Use default secondary dataset **DQR≤3.0**
2. Process not run but with access to company-specific information	Use company-specific data and create a company-specific dataset **DQR≤1.6**	
	Use company-specific activity data for transport and electricity **DQR≤3.0**	
		Use company-specific activity data for transport and electricity **DQR≤4.0**
3. Process not run by the company	Use a default secondary dataset **DQR≤3.0**	
		Use a default secondary dataset **DQR≤4.0**

Improvements from the methodological perspective

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- ☺ **How to define representative product/organisation**
- ☺ **Life Cycle Impact Assessment Methods**
- ☺ **Materiality principle (Hotspot procedure)**
- ☺ **Cut-off**
- ☺ **Climate change modelling**
- ☺ **Agricultural modelling**
- ☺ **Electricity modelling**
- ☺ **Transport modelling**
- ☺ **Infrastructure and equipment modelling**
- ☺ **Packaging modelling**
- ☺ **Use stage modelling**
- ☺ **End-of-Life modelling**
- ☺ **Data Quality Requirements**
- ☺ **Data Need Matrix**

- ☺ **Functional Unit**
- ☺ **Scope (granularity)**
- ☺ **Allocation**
- ☺ **Biodiversity**
- ☺ **Toxicity**
- ☺ **Normalisation**
- ☺ **Weighting**

- ☹ **Slaughterhouse modelling**
- ☹ **Classes of performance**

Verification phase

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	Red audit	Blue audit	Green audit
Description	Model and data verification Data verification limited to data owned by company	Model and data verification Data verification limited to data owned by company	Model and data verification Data verification extended to data owned by suppliers
	Distance audit	Audit on site at the company	Audit on site at the company and remote or on site supplier audit
	In one day	In two days	In two days and half a day with suppliers

State of play

Spring 2017

Product Environmental Footprint Category Rules

Organisation Environmental Footprint Sector Rules

Summer 2017

Default secondary datasets

Ongoing

Remodelling exercise

European Benchmarks:

PEF profile Hotspots

Spring 2018

Product Environmental Footprint Category Rules

Organisation Environmental Footprint Sector Rules

Deliverables of the pilot phase

- Two updated methods to carry out PEF and OEF studies
- A clear Guidance to develop PEFCRs and OEFSRs
- 21 PEFCRs and 2 OEFSRs covering a variety of sectors and products
- More than 70 models used to define the representative products available for free to any user
- Clear rules to perform PEF/OEF verifications
- About 8000 freely available secondary LCI datasets
- An open source IT tool to perform PEF/OEF calculations for 4 PEFCRs
- E-learning packages in different languages
- Information on the effectiveness of different communication vehicles tested by the pilots and by the Commission
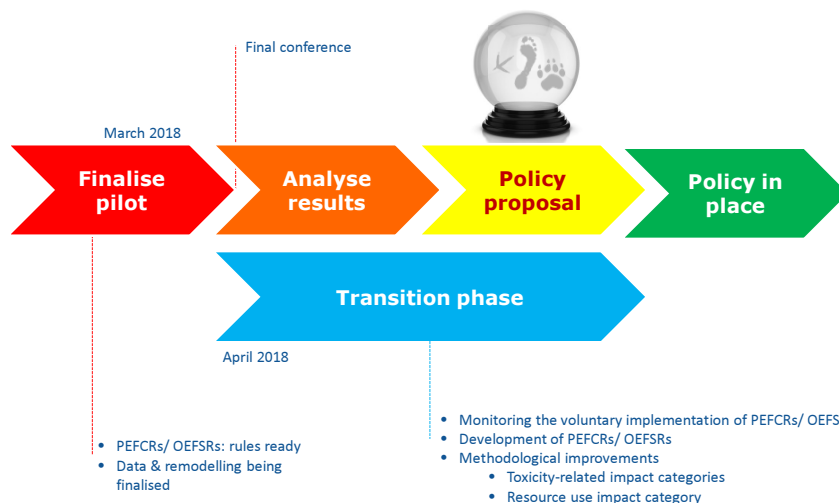
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EF-based information system

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Would allow:

- To design better products improving their environmental performance

- To transfer environmental information in a more standardised way

- To address the whole consumption market

- To allow citizens to make informed choices

- To allow Member States to introduce incentives/disincentives linked to the environmental performance

- To allow policy makers to have a picture of the potential environmental impacts related to certain product groups/sectors, setting targets and environmental objectives

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Status & next steps

Final conference

March 2018

Finalise pilot → **Analyse results** → **Policy proposal** → **Policy in place**

Transition phase

April 2018

- PEFCRs/ OEFSRs: rules ready
- Data & remodelling being finalised

- Monitoring the voluntary implementation of PEFCRs/ OEFSRs
- Development of PEFCRs/ OEFSRs
- Methodological improvements
  - Toxicity-related impact categories
  - Resource use impact category

European Commission

http://ec.europa.eu/environment/eussd/smgp/
https://webgate.ec.europa.eu/fpfis/wikis/display/EUENVFP/

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