

# Sustainable Consumption and Production

Course 'Governance, Policies and Technologies for  
Development'  
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Mr. Ari Nissinen  
Senior researcher, PhD,  
Finnish Environment Institute  
[ari.nissinen@ymparisto.fi](mailto:ari.nissinen@ymparisto.fi)



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IPP, Integrated Product Policy: Progress by EU

# Why Integrated Product Policy?

“So far, environmental policies have mainly been geared to **curbing emissions and discharges** during the production stage.

Yet a significant part (even over 80 percent) of the environmental effects of a product is determined at the **product planning stage.**”

“On the other hand, the problems ensuing from the **consumption habits and lifestyles of the population** have brought out the **need for an overriding product policy.**“

products  
services

# INTEGRATED PRODUCT POLICY

ALL:

common  
interest

stages of life cycle

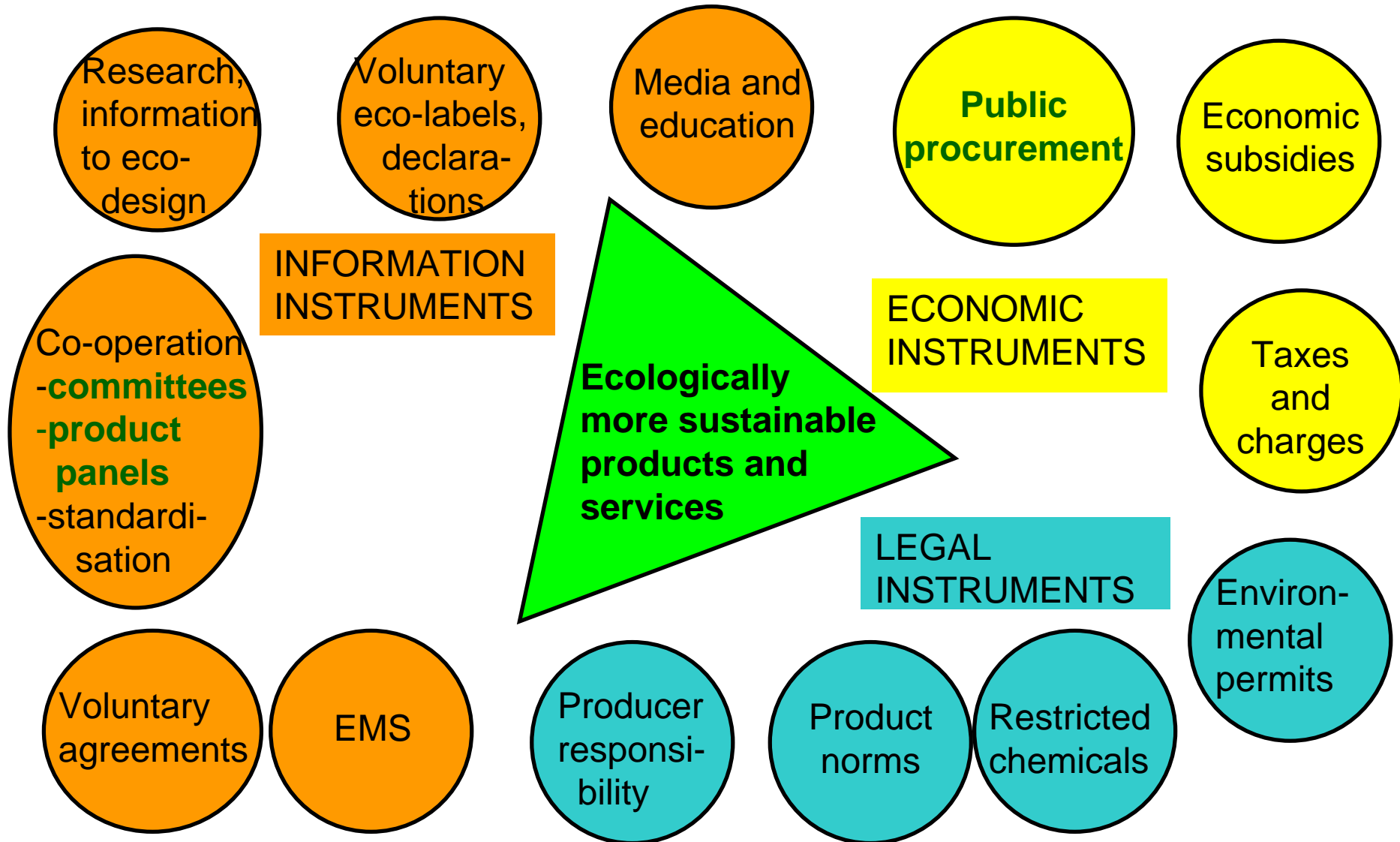
activities of  
administration

actors in the product chain

policy instruments,  
means

promoting voluntary  
action + also legislation

# IPP toolbox



# Committee on Sustainable Consumption and Production

## “Why a national programme for SCP?”

Finland ranks well in international indexes: good environmental sustainability, competitiveness, clean water, innovative solutions. Decoupling has been achieved for several pollutants.

### ***But...***

Consumption of natural resources and energy is increasing steadily. Transport is growing. Certain toxics still cause problems. Eco-efficiency is not improving as rapidly as expected.”

Source: [www.environment.fi](http://www.environment.fi) > Environmental protection > Programme to promote sustainable consumption and production > Sustainable ... Transparencies (pdf-file)

## **National SCP Committee**

**Established November 2003 -> 16th June 2005**

**28 members from ministries, industry and trade,  
environmental and consumer organisations**

**23 meetings, informed by national and  
international experts**

**The committee's proposal is unanimous**

## **Proposal for a national programme**

**Vision: Eco-efficient Finland**

**73 recommendations for action on social structure,  
food, transport, housing and construction, lifestyle,  
technology, international cooperation...**

## **Policy measures recommended:**

### **1. Competitive advantage from eco-efficiency**

Establish a service centre for promoting material-use efficiency.

Launch major study on eco-efficiency to identify sectors with high impact and substantial potential for improvement.

Increase the use of renewable energies.

Launch dialogue with industry for targets and solutions on energy and material efficiency.

Set up a Food Panel for improving the quality and environmental performance of food.



# Committee on Sustainable Consumption and Production

## **Policy measures recommended:**

### **2. Include environmental costs in prices**

Tax reform: Set long term political goals.

Vehicle tax: Include CO<sub>2</sub> emissions of vehicles.

Transport: Fee system based on location technology.

Services, sharing and rental: Promote innovation.

Agriculture: Raise environmental subsidy system by 30 million € and improve its efficacy.

Buildings: Economic incentives for renovation.

# Committee on Sustainable Consumption and Production

## **Policy measures recommended:**

### **3. Public sector as a role model**

Procurement strategies by 2010.

Network (Eco-forum) for exchanging information and developing tools in public procurement.

Criteria for sustainable food in public procurement.

Hydrogen and bio-fuel based public transport.

# Committee on Sustainable Consumption and Production

## **Policy measures recommended:**

### **4. Enabling sustainable consumer choices**

High-level course on sustainable development for decision-makers.

Network for promoting education for SCP.

Study the harmful effects of advertising and develop responsible solutions with advertisers.

## **Progress after June 2005**

The Government discussed the programme in April 2006.

"Going global on eco-efficiency - Finland's initiative for a new generation of environmental policy", in informal meeting of EU member states' environment ministers 14-16 July 2006.

Several studies about ecological taxes.

9 new research projects, Environmental Cluster Research program.

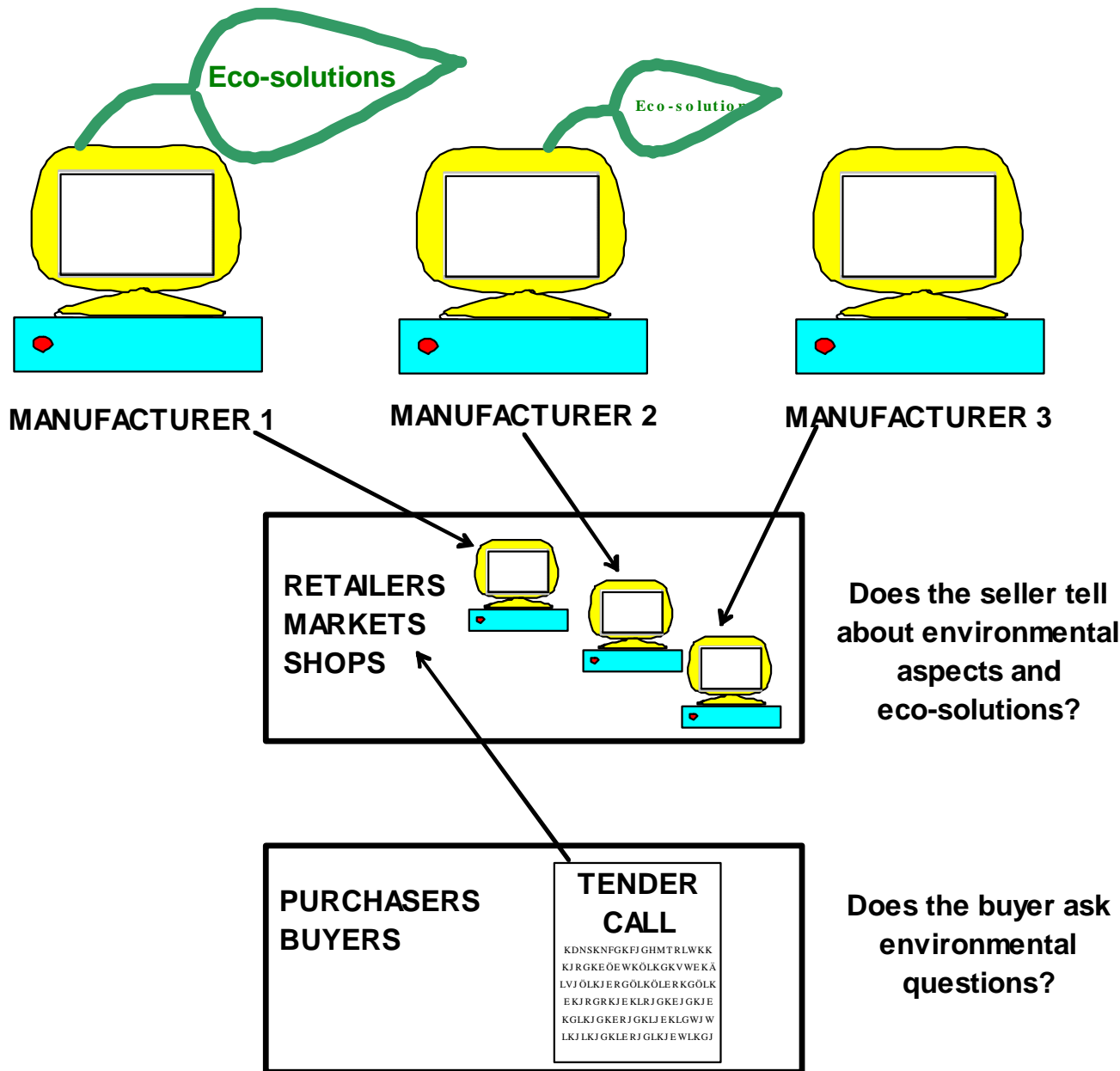
Service centre for promoting material-use efficiency, start in May 2007?

Working group for 'National action program for greening public purchasing' start in 2007, prestudy started in October 2006.

# Green Public Purchasing – Why?

- Authorities as an example for other actors in the society
- Big volumes (15% of GDP) -> motivate eco-design
- Professional buyers -> can be product-experts and know environmental criteria
- Direct environmental effects decrease (e.g. emissions of harmful chemicals)
- Economic benefits, smaller life-cycle costs (energy, life-time, waste costs)

# Why PURCHASE IS IMPORTANT ?



# Do's and dont's

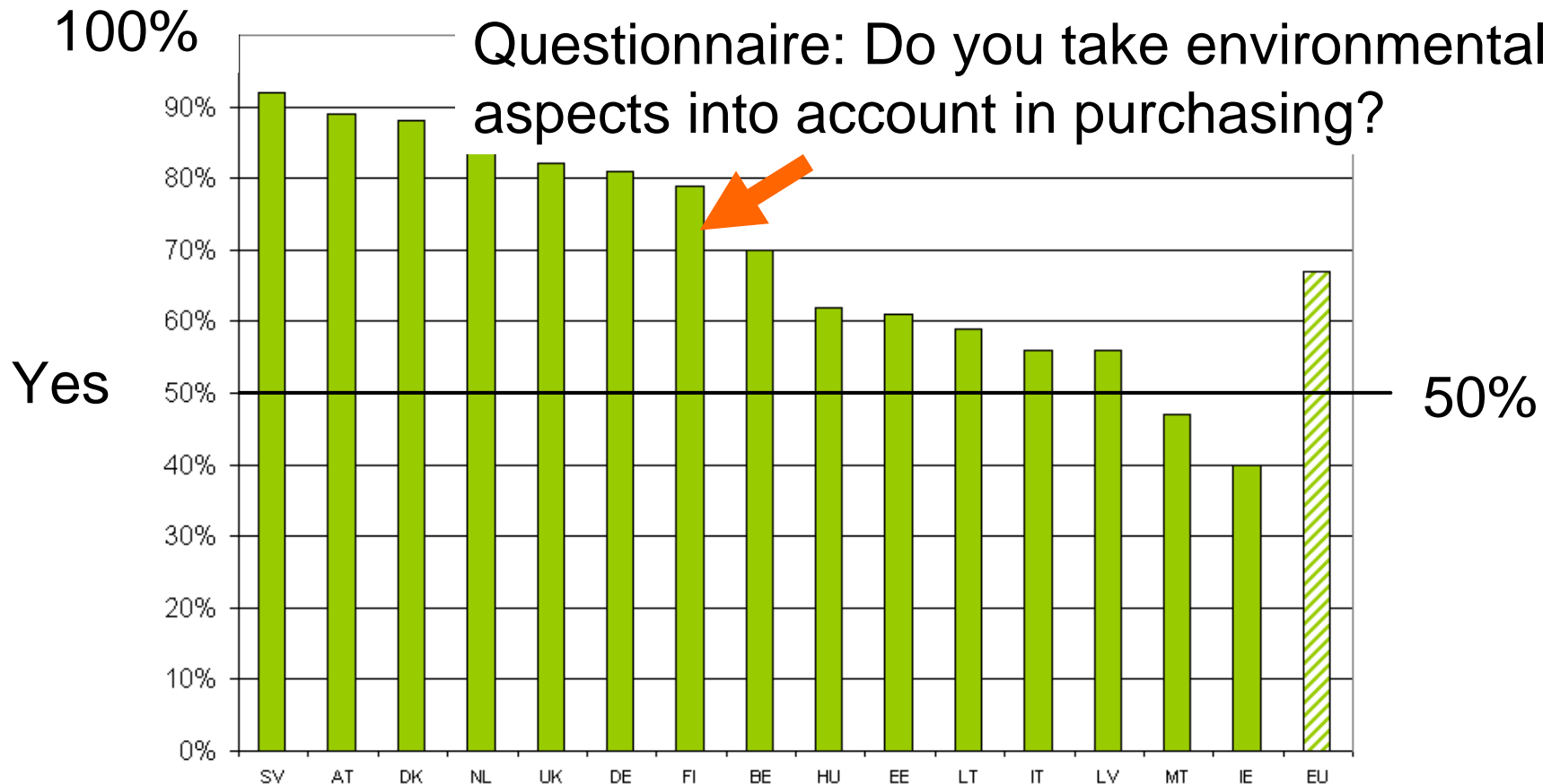
For some years it was unclear, which kind of environmental criteria are allowed in public purchasing.

The legal situation is now quite clear and there is a large number of environmental aspects which clearly can be used in public purchasing.

Examples can be found e.g. at  
<http://europa.eu.int/comm/environment/gpp>  
>Guidelines >Handbook...

However, training is important, and should be integrated to other training of public purchasing.

# State of GPP in EU countries, 1

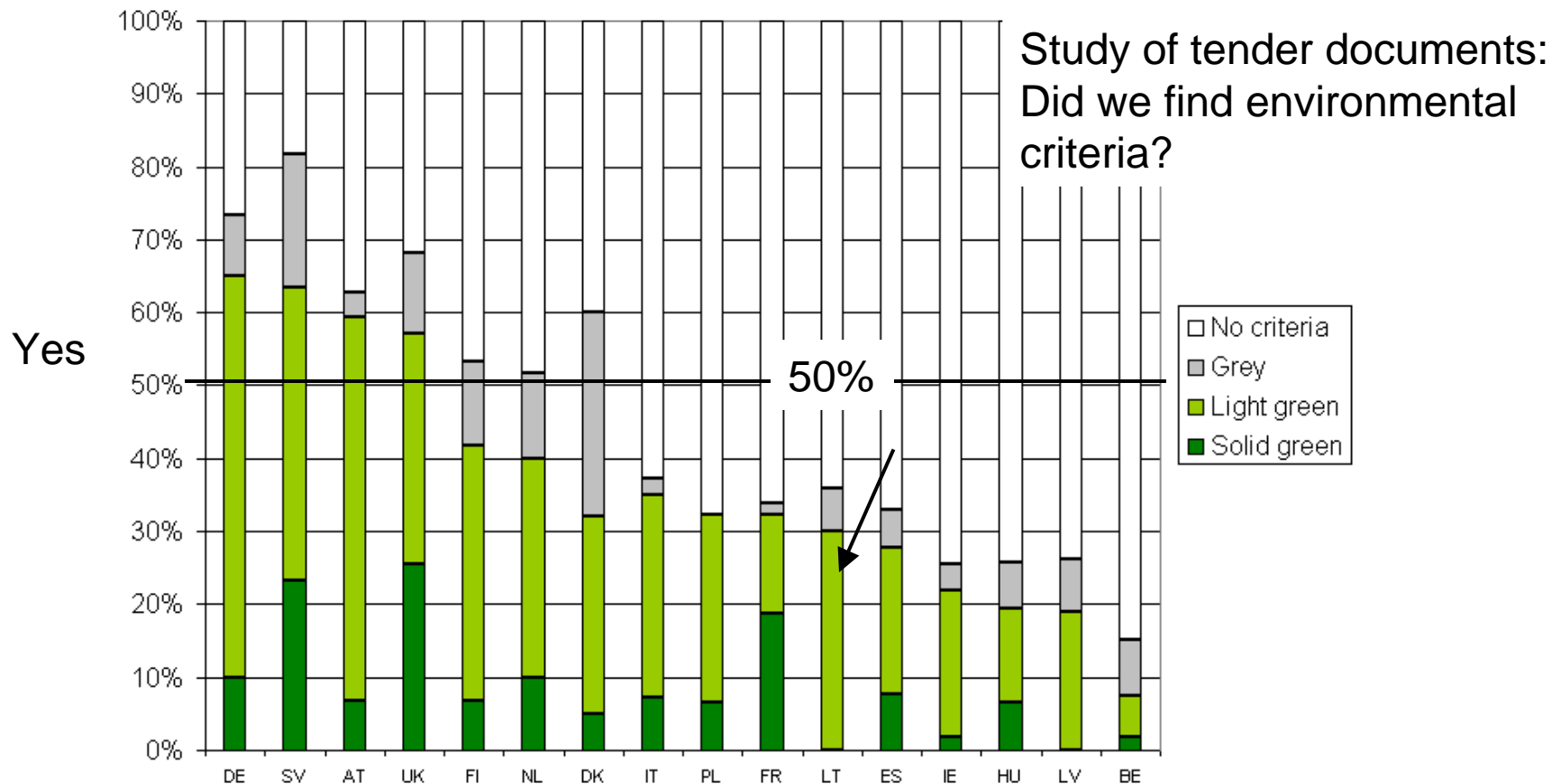


Source: Green Public Procurement in Europe 2005. Status overview.

<http://ec.europa.eu/environment/gpp/media.htm> > Presentation of the intermediary report ... London > Final report, p.43



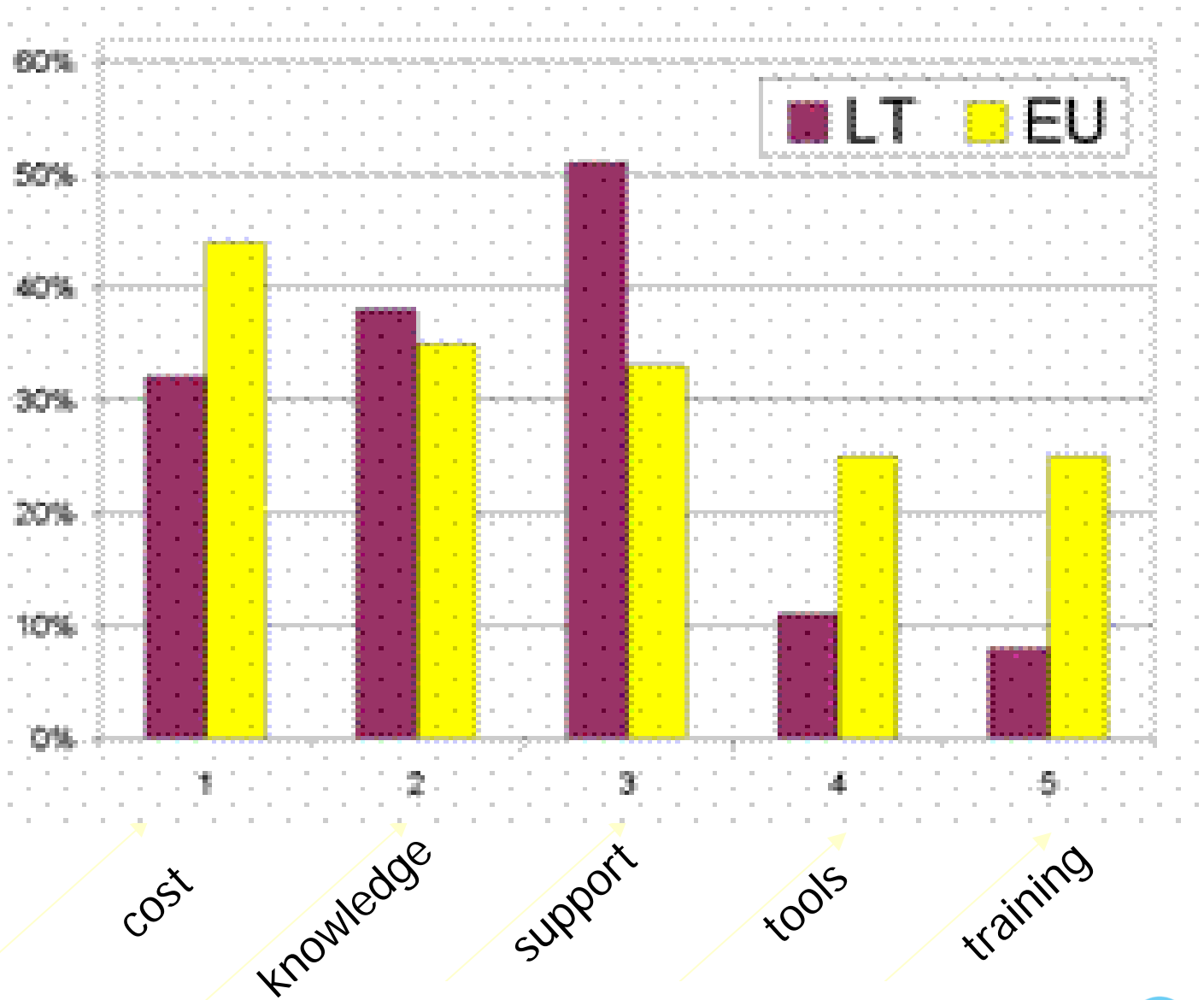
# State of GPP in EU countries,2



Source: Green Public Procurement in Europe 2005. Status overview.

<http://europa.eu.int/comm/environment/gpp/media.htm> > Presentation of the intermediary report ... London > Final report, p.44

# What purchasers regard as most important obstacles?



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# GPP RECOMMENDATIONS

## For policy makers:

Get GPP on the political agenda

Set targets

Enable and stimulate training

European consensus on information; better knowledge base

Synchronisation of eco-label information

Benchmarking (comparing organisations, nations)

Source: Green Public Procurement in Europe 2006 – Conclusions and Recommendations. <http://ec.europa.eu/environment/gpp/>

# GPP RECOMMENDATIONS

## **For management and operational staff in organisations:**

Professionalism (purchase law, environmental criteria)

Communication (networks, suppliers, stakeholders)

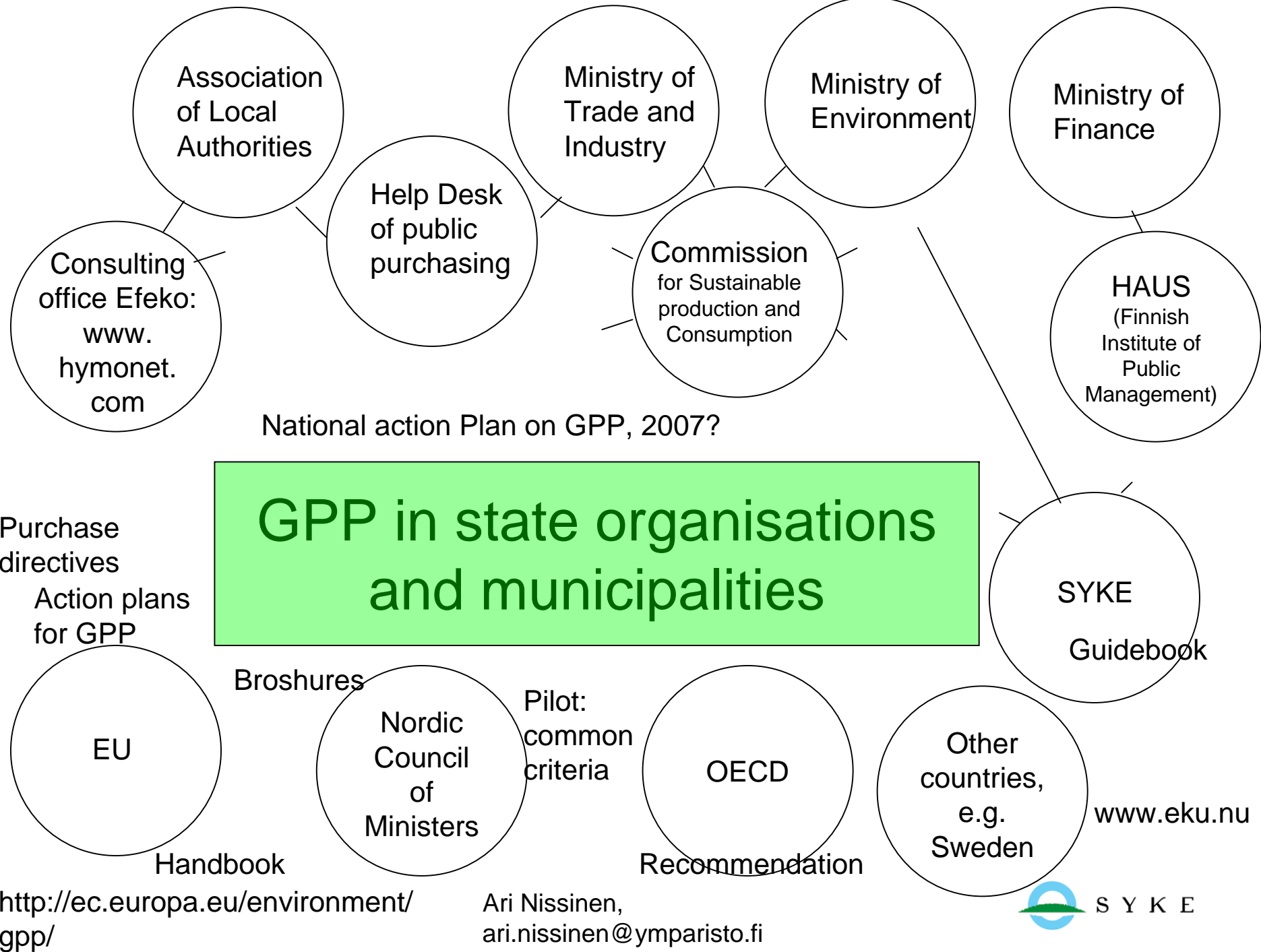
Give managerial support

Do what you know

Training

Use eco-labels, GPP guiding systems

Source: Green Public Procurement in Europe 2006 – Conclusions and Recommendations. <http://ec.europa.eu/environment/gpp/>



# Product Panel – what is it?

“A group of key stakeholders working together to find solutions for environmental problems arising from products”

*EU Commission 2001. Green Paper on Integrated Product Policy. COM(2001)68*

## Experiences e.g. in Denmark and Finland

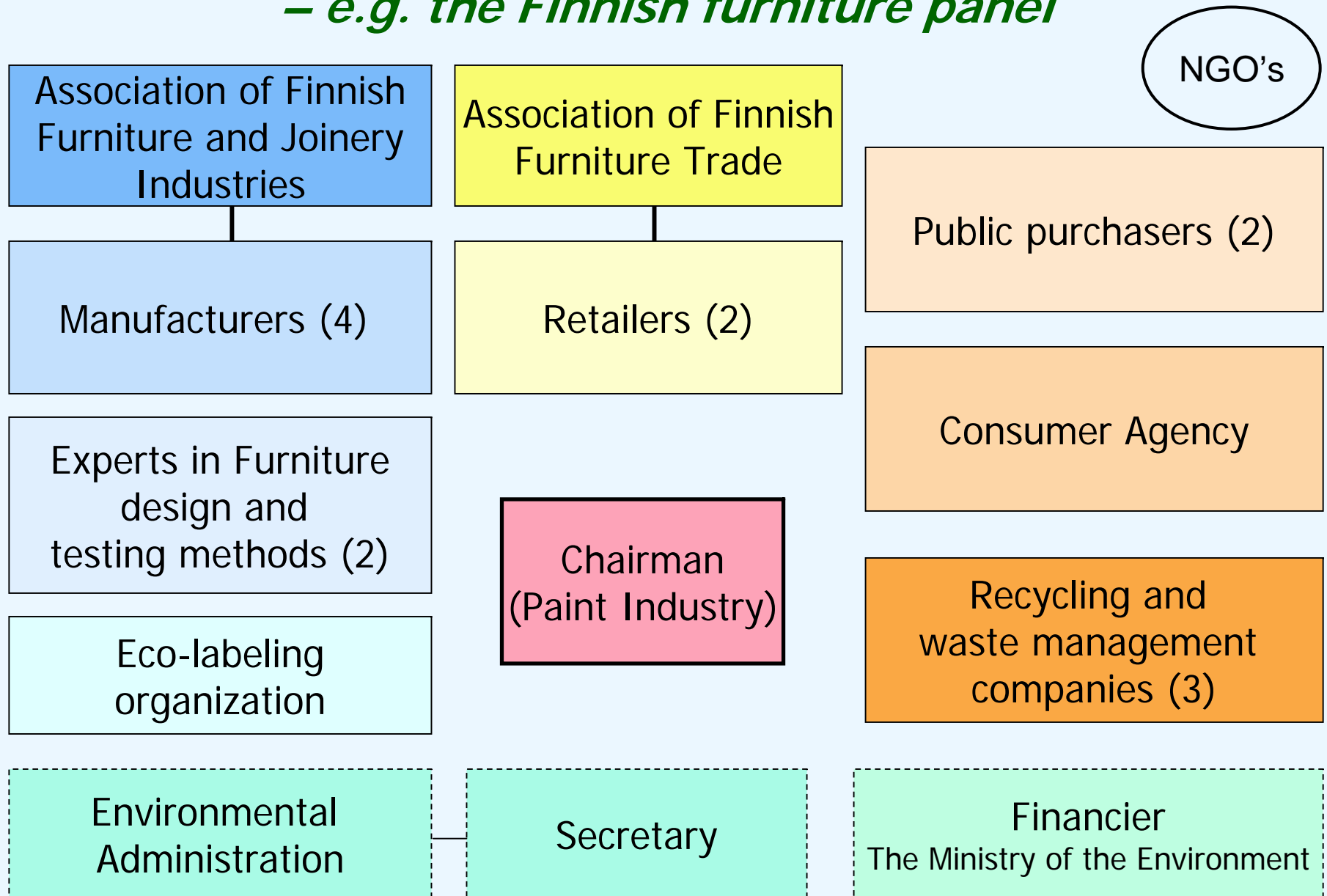
Danish Textile Panel (1999 – 2005)

Finnish Textile Panel (2001 - 2003)

Finnish Furniture Panel (2004 - 2005 ->)

# Who are key actors and stakeholders?

– e.g. the Finnish furniture panel



# Why is it interesting?

companies

Offers a discussion forum to meet various stakeholders' interests.

Helps to establish positive dialogue on environmental issues with authorities.

Offers knowledge to lower the risk of bad reputation.

Provides a cooperative, voluntary forum for coordinated interaction between players in product design, manufacture, retail, use, recycling and waste management

→ **promote eco-design and markets of green products.**

Establish interaction between the participating players, and works as a social process through learning and negotiating.



# Example: Textile Panel - Danish action

- First meeting 12 January 1999  
-> action plan ready 10 June 1999.
- Workshop on designing and marketing environmentally sound clothes, October 1999.
- In 1999 proposed twelve different Research & Development –projects, which received 800 000 E from funding organisations.
- Knowledge center started its work and recruited their first employee in January 2000.
- Marketing campaign on eco-labeled textiles in February 2001 - 16 new textile products with 'EU Flower label' available at the Danish markets/shops.

# For more information:

- IPP-pages of EU Commission:  
<http://europa.eu.int/comm/environment/ipp/home.htm>
  - > Green Paper on IPP and related documents
  - > Product Panels (*however just this one document*)
- Finnish pages: [www.environment.fi](http://www.environment.fi)
  - > Business and the environment
  - > Sustainable production and consumption
  - > Finnish furniture panel
- Danish pages: [www.mst.dk](http://www.mst.dk)
  - > Produkter och industri
  - > Renere produkter > Produkt paneler

# Alternative Tool

Company-specific consultation about

- eco-design (design for environment, DfE)
- advantage: no competition, as in product panels

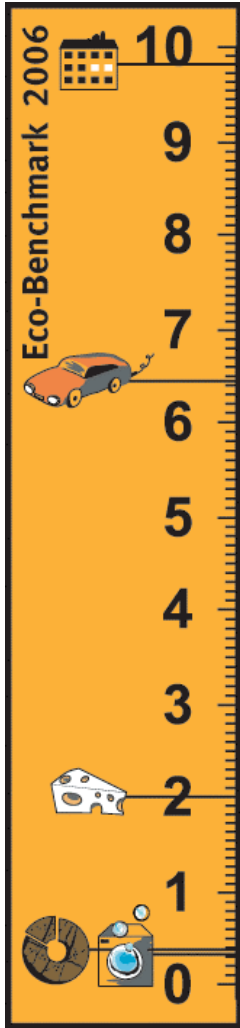
Example in energy-saving-field: ESCO

- Energy Service Company provides consultation and proposal of energy saving possibilities
- ESCO-company pays the costs and gets the profits for a certain time period
- ESCO system is coordinated and promoted by Motiva Ltd, a state-owned company promoting efficient energy use and uptake of renewable energy sources.
- New concept: MASCO-service (material savings) (connection to material-efficiency center)

# Developing 'Eco-Benchmark' for consumer-oriented LCA-based environmental information on products, services and consumption patterns

*Nissinen et al.*

SCORE Conference  
23.-25.11.2006, Wuppertal



Finnish Environment Institute

Grönroos Juha

Nissinen Ari

Seppälä Jyri

National Consumer Research Centre

Heiskanen Eva

Timonen Päivi

MTT Agrifood Research Finland

Katajajuuri Juha-Matti

Kurppa Sirpa

Usva Kirsi

Virtanen Yrjö

Voutilainen Pasi

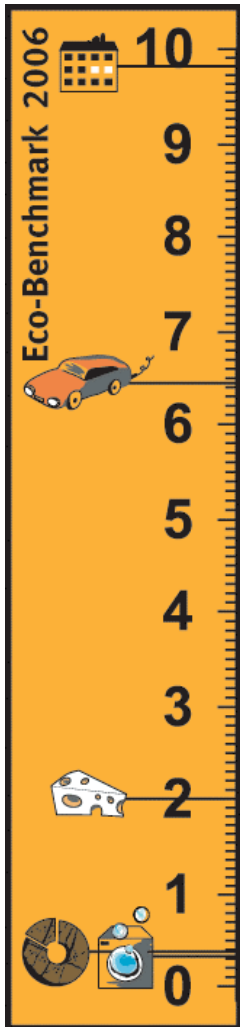
Finnish Game and Fisheries Research Institute

Honkanen Asmo

Mäkinen Timo

Thule Institute, University of Oulu (input-output study)

Mäenpää Ilmo



# PROJECT

## Background

- Action programmes for sustainable consumption and production (UN, Finland, etc.)
- IPP, integrated product policy (EU)
- The Finnish Environmental Cluster Research Programme, [www.environment.fi](http://www.environment.fi) > Research > Research programmes > Finnish Environmental Cluster Research

## Time frame of the project

1.9.2003 – 30.4.2006



# PROJECT

## Purpose

- to promote the use of LCA-based product information and sustainable consumption.

## Aim

- to develop benchmarks to which the LCA results of various products can be compared.

# TASKS

**'Popularise' LCA**

Brochures  
website

Seminars

**Study how people understand  
results / presentations**

**Develop presentation  
formats**

Articles,  
reports

**Develop benchmarks for  
LCA-based results**

**Develop quality  
assessment of LCA**

**Survey**

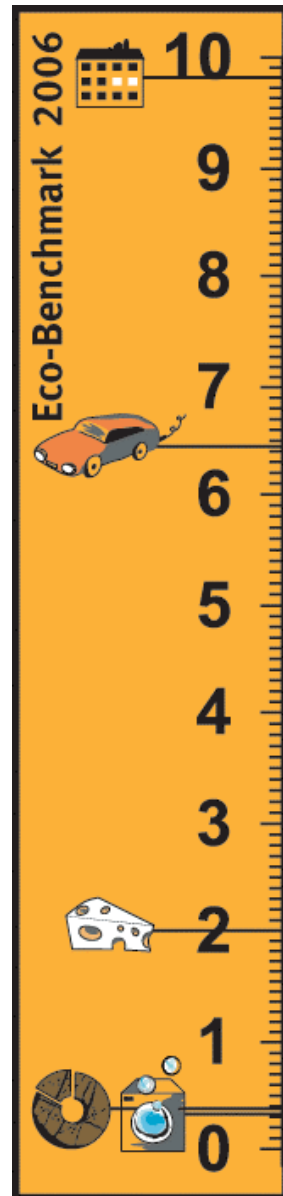
**LCA studies**

27 November 2009

Ari Nissinen,  
ari.nissinen@ymparisto.fi



# The final outcome / The benchmark



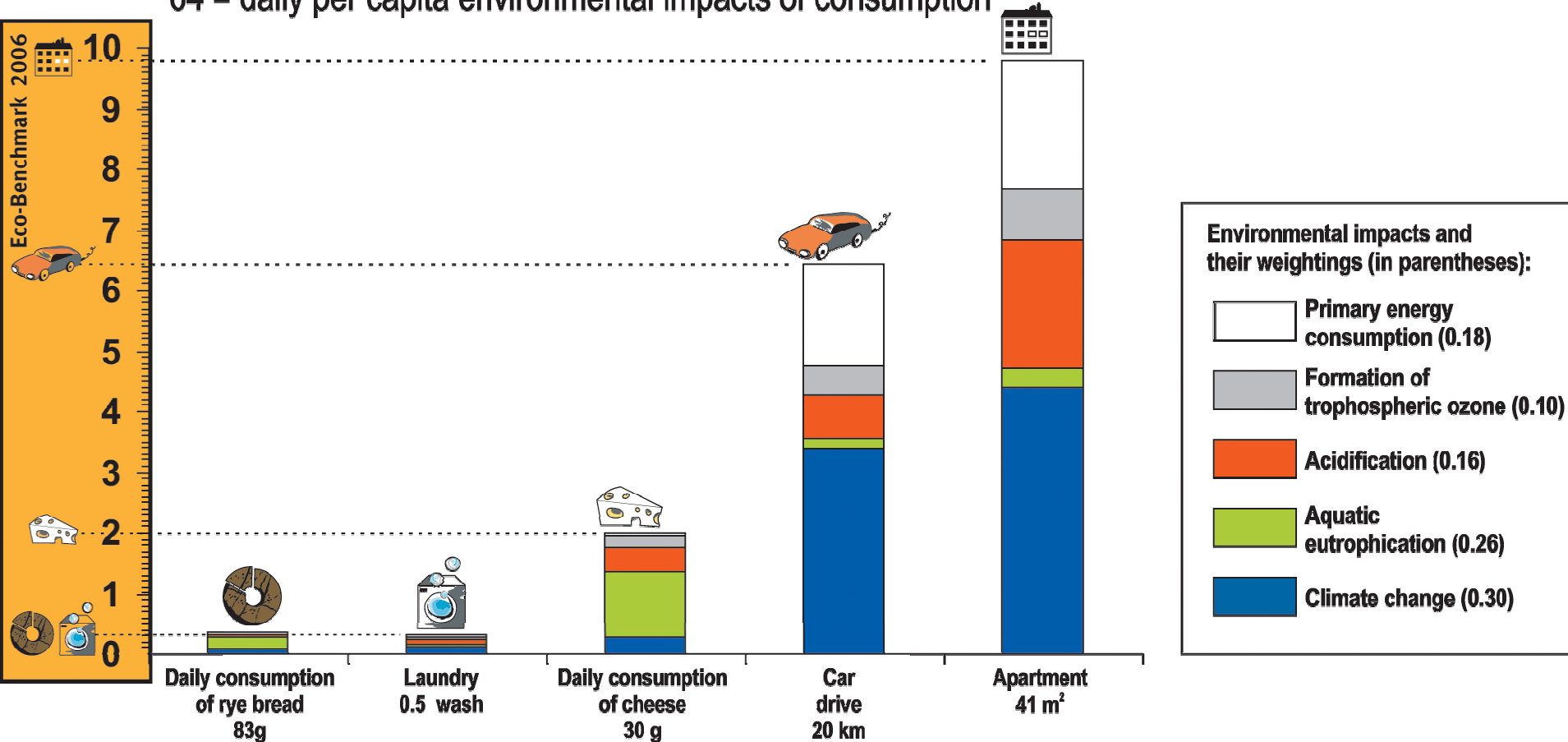
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ari.nissinen@ymparisto.fi

# What are the components of the Eco-Benchmark?

100 = daily per capita environmental impacts of Finland

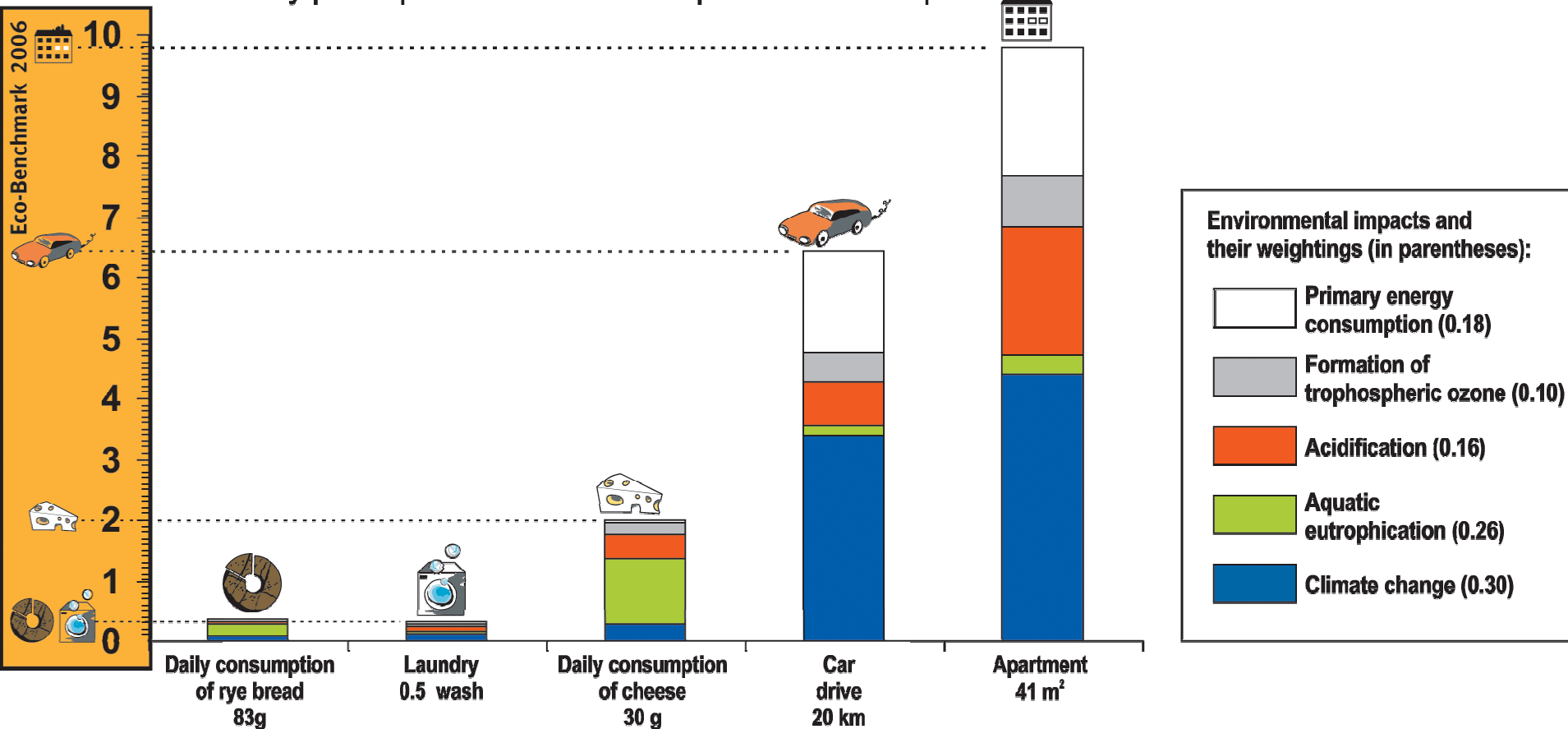
64 = daily per capita environmental impacts of consumption



# What are the components of the Eco-Benchmark?

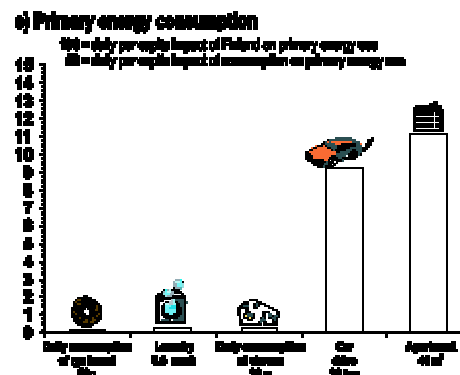
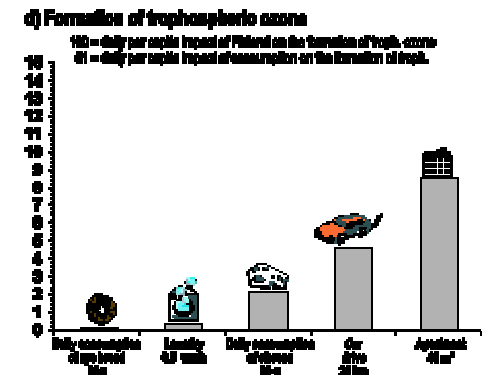
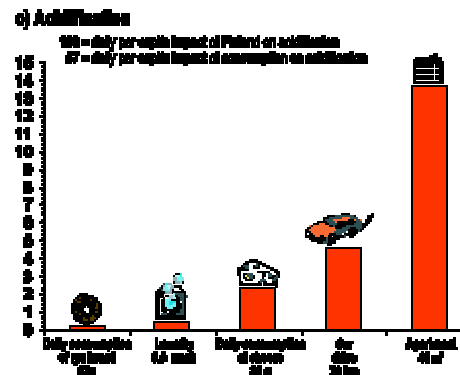
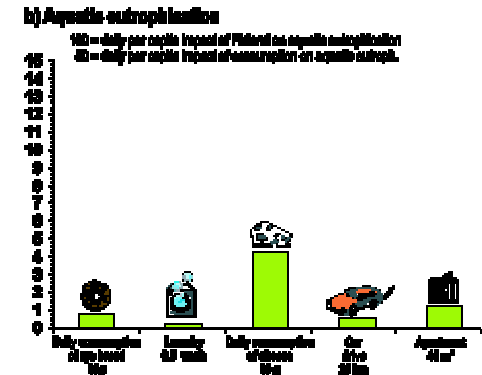
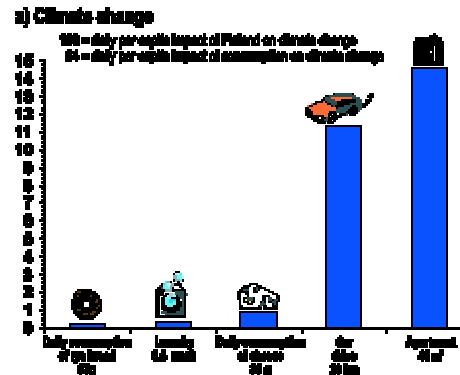
100 = daily per capita environmental impacts of Finland

64 = daily per capita environmental impacts of consumption



"Page 2":  
Each  
environmental  
impact class  
in it's  
own figure

Eco-Benchmark  
("page 1")  
aggregates  
these to one  
figure



# Explanations to the benchmark figure, 1

Environmental impacts of different products and services can be compared to the Eco-Benchmark.

Eco-Benchmark takes into account five environmental impact classes, weighted according to their importance (average of around 100 experts).

Please remark, that products have also other relevant environmental impacts (you can find information about these at the web-site).

The scale is based on the average daily per capita environmental impacts of the whole Finnish economy, which are set at the value of 100.

Using the input-output method, we estimated later that private consumption amounts to about 64 % of Finland's environmental impacts.

The difference between 100 and 64 is caused by public consumption, capital formation, and the difference between export and import.

# Explanations to the benchmark figure, 2

The ruler also integrates the different benchmark products, i.e. products like bread and car.

The products serve as additional – and perhaps more down-to-earth – benchmarks.

The different environmental impacts of these products are shown in the columns.

The impacts have been calculated for average or typical daily use of product or service.

The impacts of any other product can be presented in a similar way (assuming that LCI information exist).

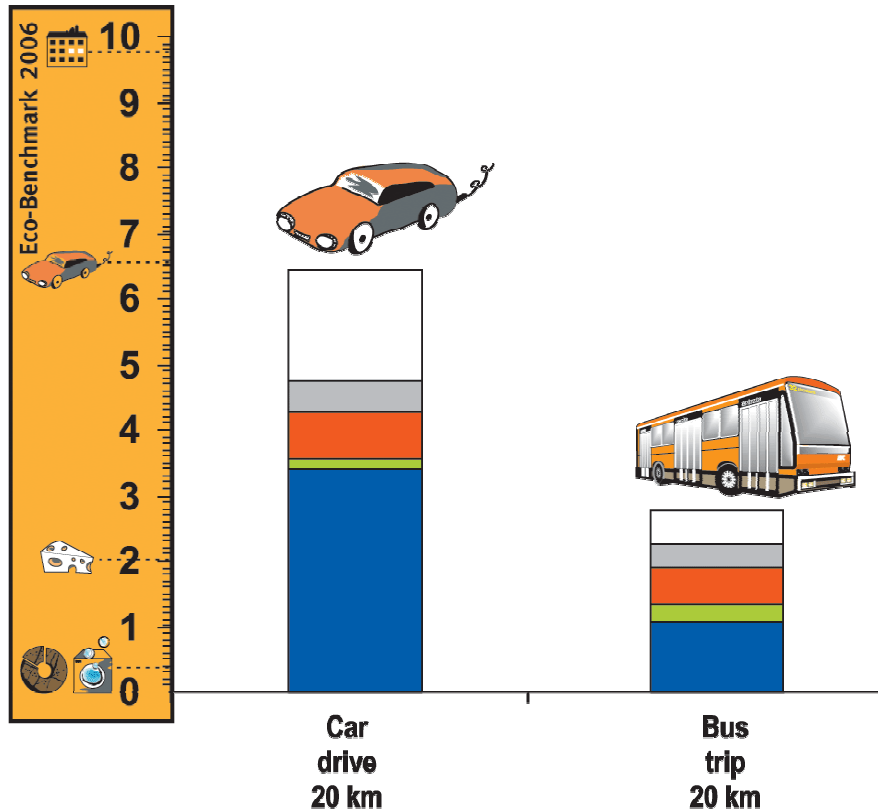
More information about the products, impacts, weights and calculations etc. from Internet:

[www.environment.fi/eco-benchmark](http://www.environment.fi/eco-benchmark)

It can be a good practise to present also the environmental impacts without weighting and aggregation, see next slide/page:






100 = daily per capita environmental impacts

64 = daily per capita environmental impacts of consumption



# How can it be used? - One example

**Environmental impacts and their weightings (in parentheses):**

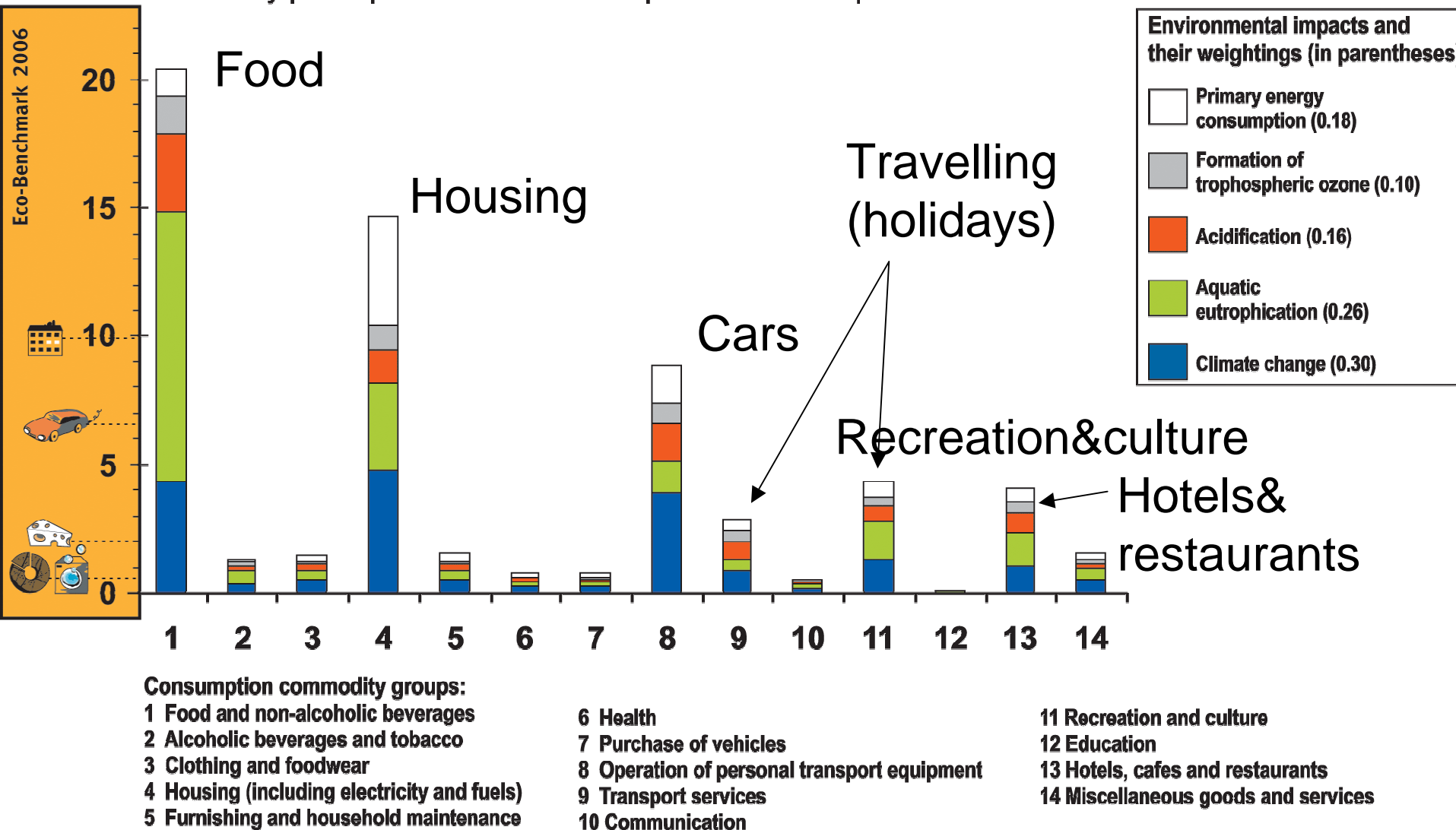
-  Primary energy consumption (0.18)
-  Formation of tropospheric ozone (0.10)
-  Acidification (0.16)
-  Aquatic eutrophication (0.26)
-  Climate change (0.30)

Ari Nissinen,  
ari.nissinen@ymparisto.fi

# Whole consumption (input-output method)

100 = daily per capita environmental impacts of Finland

64 = daily per capita environmental impacts of consumption





# The road ahead?

New project 'ConsEnv', that focus on foodstuff and housing  
(2006-2008)

For more information, visit:  
[www.environment.fi/eco-benchmark](http://www.environment.fi/eco-benchmark)

# IPP progress by EU

IPP Green paper, 2001

IPP Communication, 2003

Regular meetings (and informal meetings of MS)

Working groups (reporting formats, information)

EuP framework directive (for Energy-using Products)

Projects

- Pilot product 'exercises'

  - for mobile phones (Nokia), garden chairs

  - LCA, stakeholders, communication

- LCA Platform

- Environmental Product Declaration Schemes

- EIPRO, environm. impacts of products (input-output)

- IMPRO

Source: <http://ec.europa.eu/environment/ipp/>