Procedure file

Basic information

INI - Own-initiative procedure	2003/2221(INI)	Procedure completed
Environment: integrated product policy, life-cycle and sustainable development Subject 3.70 Environmental policy 3.70.20 Sustainable development		

Key players

European Parliament	Committee responsible	Rapporteur	Appointed
	ENVI Environment, Public Health, Consumer Policy		26/11/2003
		PPE-DE WIJKMAN Anders	
	Committee for opinion	Rapporteur for opinion	Appointed
	ITRE Industry, External Trade, Research, Energy	The committee decided not to give an opinion.	
Council of the European Union	Council configuration	Meeting	Date
	Environment	2536	27/10/2003
European Commission	Commission DG	Commissioner	
	Environment		

Key events

18/06/2003	Non-legislative basic document published	COM(2003)0302	Summary
27/10/2003	Resolution/conclusions adopted by Council		
18/12/2003	Committee referral announced in Parliament		
06/04/2004	Vote in committee		
06/04/2004	Committee report tabled for plenary	A5-0261/2004	
19/04/2004	Debate in Parliament		
21/04/2004	Decision by Parliament	T5-0349/2004	Summary
21/04/2004	End of procedure in Parliament		

Technical information

Procedure reference	2003/2221(INI)

Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 54
Stage reached in procedure	Procedure completed
Committee dossier	ENVI/5/20350

Documentation gateway

Non-legislative basic document		COM(2003)0302	18/06/2003	EC	Summary
Economic and Social Committee: opinion, report		CES1598/2003 OJ C 080 30.03.2004, p. 0039-0044	10/11/2003	ESC	
Committee of the Regions: opinion		CDR0159/2003 OJ C 073 23.03.2004, p. 0051-0053	19/11/2003	CofR	
Committee report tabled for plenary, single reading		A5-0261/2004	06/04/2004	EP	
Text adopted by Parliament, single reading		T5-0349/2004 OJ C 104 30.04.2004, p. 0427-0725 E	21/04/2004	EP	Summary
Follow-up document		COM(2009)0693	22/12/2009	EC	Summary
Follow-up document		SEC(2009)1707	22/12/2009	EC	Summary

Environment: integrated product policy, life-cycle and sustainable development

PURPOSE : to present a Communication on integrated product policy (IPP). CONTENT : the European Commission has adopted a Communication on Integrated Product Policy (IPP), outlining its strategy for reducing the environmental impact caused by products. The Commission will take a number of actions to stimulate continuous improvement in the environmental performance of products throughout their whole life-cycle. The Commission will also initiate work towards identifying those products with the greatest potential for environmental improvement, working with industry, business and consumers to green those products. The IPP Communication builds on the stakeholder consultation exercise following adoption of the Commission Green Paper on IPP in February 2001. Existing environmental product-related policies have tended to focus on large point sources of pollution, such as industrial emissions and waste management issues, rather than the products themselves and how they contribute to environmental degradation at other points in their life cycles. Measures have also tended to look at the chosen phases in isolation. The IPP approach, which has been developed gradually over the last decade, is now generally recognised as being a potentially very effective way to address the environmental dimension of products. This approach is based on five key principles: 1) Life-Cycle Thinking - it considers a product's life-cycle and aims for a reduction of its cumulative environmental impacts - from the "cradle to the grave". In so doing it also aims to prevent individual parts of the life-cycle from being addressed in a way that just results in the environmental burden being shifted to another part. By looking at the whole of a product's life-cycle in an integrated way, IPP also promotes policy coherence. It encourages measures to reduce environmental impacts at the point in the life-cycle where they are likely to be most effective in reducing environmental impact and saving costs for business and society. 2) Working with the market - setting incentives so that the market moves in a more sustainable direction by encouraging the supply and demand of greener products. This will reward those companies that are innovative, forward-thinking and committed to sustainable development. 3) Stakeholder Involvement - it aims to encourage all those who come into contact with the product (i.e. industry, consumers and government) to act on their sphere of influence and to encourage co-operation between the different stakeholders. Industry can look at how to better integrate environmental aspects in the design of products while consumers can assess how they can purchase greener products and how they can better use and dispose of them. Governments can set the economic and legal framework conditions for entire national economies and also act directly on markets, for instance by purchasing greener products. 4) Continuous Improvement - improvements can often be made to decrease a product's environmental impacts across its life-cycle, whether in design, manufacture, use or disposal, taking into account the parameters set by the market. IPP aims for a continuous improvement in these rather than setting a precise threshold to be attained. As a result, companies can settheir own pace and can focus on the most cost efficient improvements. 5) A Variety of Policy Instruments - the IPP approach requires a number of different instruments because there are such a variety of products available and different stakeholders involved. These instruments range from voluntary initiatives to regulations and from the local to the international scale. Within IPP, the tendency is clearly to work with voluntary approaches, although mandatory measures might also be required. The determining factor is the effectiveness of the tool to achieve the desired result with regard to sustainable development. The Communication sets out what the Commission will do to implement IPP. It will adopt a two-pronged approach: - Improving the tools that already exist to make them more product-focused. These tools, known as the IPP toolbox, can be used on many different products. They include environmental management systems (such as the EU Eco-Management and Audit Scheme EMAS), environmental labelling and the provision of life-cycle information. IPP will also improve co-ordination between the different instruments to better exploit their synergies. - Taking action to improve the environmental performance of products that have the greatest potential for environmental improvement. FINANCIAL IMPLICATIONS : - Budget line : B4-3040 A; - Total allocation for action (Part B): EUR 1.605 million for commitment; - Period of application: 2003 - 2007.?

Environment: integrated product policy, life-cycle and sustainable development

The European Parliament adopted a resolution based on the own-initiative report drafted by Anders WIJKMAN (EPP-ED, S) welcoming the IPP communication but regretting that it provides only limited guidance on how to move society in the direction of truly sustainable systems of product development and design. It called on the Commission to present a framework directive for IPP based on a set of clearly defined principles and objectives. The objective is not to present detailed requirements for product design but to establish framework conditions aimed at facilitating business practices which should be built on systems thinking, giving priority to resource efficiency and should be structured progressively along biological lines. Parliament suggested that the main principles guiding the IPP framework have to be based on: - a systems-based approach, where life-cycle thinking is at the core and primary attention is given to product design, - an enhanced understanding of how natural systems work and of how structuring business along biological lines can both improve the environment and establish the bottom line, - ensuring that products whose useful life is over should ideally not become useless waste but be separated and reconditioned to become inputs for new production cycles, - an enhanced understanding of how consumption patterns are formed and how they can be changed to contribute to sustainable development, - optimisation of the product design process, by the selection of low-impact materials, - giving preference to bio-based materials; moreover, hazardous substances, including many heavy metals, should not be allowed systematically to increase in concentration in the biosphere; furthermore, chemicals should be used in a non-dissipatory way; safety of chemicals should be assessed through a science-based hazard and/or risk-approach. Priority should be given, however, to the substitution principle, meaning that hazardous substances including many heavy metals should preferably be replaced by more benign ones or safeguarded through tightly controlled closed-loop recycling, - optimisation of production techniques, by giving preference to the clustering of production by encouraging reuse and recycling of materials, in particular by developing techniques for the separation and reconditioning of used products and materials to become input for new production cycles, - reduction of impact during use, - making full use of the potential offered by ICT to promote miniaturisation and dematerialisation, enhancing energy and material efficiency and reducing transport demand by turning products into sustainable services, - maximum involvement of stakeholders. The short-term objectives for the IPP framework should be focused on reductions in emissions of greenhouse, acidifying gases and air pollutants, reductions in energy intensity, reductions in the use of hazardous substances, reductions in the intensity of virgin material resource use, water use and waste production and increase in renewable material use. Without the creation of such a framework, the necessary signals and incentives are not put across to designers and decision makers. Parliament called on the Commission to give priority to the following actions: - develop the necessary legal and economic framework conditions, objectives and incentives to make IPP a reality, - identifying key R&D areas and pilot projects, - developing and implementing effective information tools at consumer level (product registers, eco-labels and/or comparable tools); presenting a strategy on how different information instruments can be developed and co-ordinated in order to improve the information flow in the whole product chain, - developing education and awareness-raising programmes in society at large, giving special attention to certain target groups, - integrating IPP and life-cycle thinking in all major EU policy areas, - drawing up a plan for co-ordinating IPP with other on-going processes such as relevant thematic strategies, the follow-up to Johannesburg, Chemical Strategies, Climate action plan etc. Finally, Parliament insisted that, to promote the consumption of environmentally friendly products, the Commission should encourage Member States to consider various incentives, such as reduced taxes and rebates.?

Environment: integrated product policy, life-cycle and sustainable development

The Commission presents its report on the State of Implementation of Integrated Product Policy. The concept of Integrated Product Policy (IPP) aims at coherent action towards "greener" products that combine lower environmental impacts with enhanced service to consumers. It calls for continuous improvement in product manufacturing and design, and for promoting their uptake by consumers. The Communication on IPP of 2003 sets out the principles on which IPP is based and highlighted possible areas of action and suggested responsibilities for the main groups of stakeholders.

State of implementation: today, the IPP principles are embedded in many initiatives, and the research done and tools developed as outlined in the Communication are being widely used. However, explicit references to IPP in these initiatives are not common. The uptake of the IPP approach therefore needs to be assessed from the contents of policies rather than on the basis of explicit references. Also, ambitions towards better coherence of product-related policies have since its inception significantly increased, forming part of the "Better Regulation" agenda. Indeed, the IPP principles have been successfully subsumed into the over-arching Sustainable Consumption and Production/Sustainable Industrial Policy (SCP/SIP) framework with the 2008 SCP/SIP Action Plan (see COM/2008/0397), effectively embracing and taking forward the process started with IPP Communication. Going forward, it seems appropriate to further integrate the two processes and consider IPP as a significant component of the SCP/SIP agenda.

The report gives several examples of implementing IPP at Community level, citing the above-mentioned Action Plan on SCP/SIP, Directive 2009/125/EC on the Eco-design for energy-using products, and the new Waste Framework Directive (Directive 2008/98/EC) which makes several IPP elements legally binding, to name a few. The report also gives examples of implementing IPP at Member State level, and at business and stakeholder level. It notes that Member States have taken action to strengthen the demand for better products notably in the area of Green Public Procurement. Action by the seven best performing Member States has brought the EU average to 45% green public procurement in terms of value, resulting, for example, in 25% less CO2 emissions and yet lowering the life-time costs by 1%.

Room for further action: altogether significant progress has been made in the EU towards environmentally driven product policies, there continues to be ample room for further activities. Some evident options would include:

- further enhancing the role of IPP in national policies. Some Member States have exemplary measures in place but many are still lagging behind. As IPP is an ongoing process, different degrees of progress can also be seen due to wider developments during the reporting period, such as the enlargement of the EU. However, several new Member States have made good progress while several of the EU-15 Member States could step up their efforts;
- for environmental NGOs, consumer organizations and SMEs participation in IPP processes and application of its instruments could be further encouraged and facilitated. As a general observation, it seems that more support and dialogue is needed to strengthen awareness of the environmental benefits that life-cycle thinking can bring to reducing the overall negative impacts of products. Many product panels and the pilot projects have demonstrated that this can be achieved particularly well by co-operation on concrete cases;
- as already indicated in the IPP Communication, the concept can also be applied to the environmental improvement of non-industrial products and to services. Initiatives in this direction have been launched in the context of the SCP/SIP Action Plan, such as the

already mentioned Retail Forum and European Food SCP Round Table;
- the 'IPP instruments' of taxation and subsidies have not yet been applied at Community level.

Conclusions: IPP requires a high level of awareness among policy makers and other stakeholders, and the will to translate awareness into concrete action on a daily basis. The IPP approach has contributed significantly to the development of several environmental policies in the areas of product design, use of natural resources and management of waste. Member States, industry and other stakeholders have actively advanced its implementation by direct involvement at Community level, transposition of Community legislation, economically motivated actions and other own initiatives. The implementation of IPP in terms of policy integration is difficult to document as new policies seldom make explicit reference to IPP. However, overall significant progress has been made in the uptake of life-cycle thinking by key industries and policy makers, and the availability of life-cycle data and consensus on methodology have greatly advanced. Good

progress has also been made in identifying products with the greatest potential for improvement and possible measures for improvement. Consumer information, eco-design legislation, clean production and "green" public procurement/purchasing are now at the core of the SCP/SIP Action Plan. The SCP/SIP Action

Plan is carrying forward the process initiated with the IPP Communication with the aim of further unlocking market potentials for more sustainable products and promoting smarter consumption. The review of the Action Plan foreseen in 2012 will provide an excellent opportunity to further assess the development of IPP.

Environment: integrated product policy, life-cycle and sustainable development

The Commission presents a staff working document accompanying its report on the state of implementation of integrated product policy (IPP). To recall, IPP seeks to minimise the environmentally negative impacts of products by looking at all phases of a product?s life-cycle and taking action where those impacts can be reduced best and most cost?effectively. This report examines the following topics:

- IPP approach
- EU IPP strategy
- establishing the framework conditions for continuous environmental improvement
- developing a focus on particular products
- co-ordination and integration

In the last 6 years, the IPP approach has been successfully integrated in the activities of regulators and relevant stakeholders. These principles are also the pillars of the 2008 SCP/SIP Action Plan. Life-cycle thinking is widely applied in EC environmental legislation (i.e. Ecodesign Directive) and commonly used in national policies and measures by Member States. Industries make use of the principle as well, not only to comply with the legislation in force, but also to understand better the impact of the products they produce on human health and the environment.

The report states that by promoting the continuous improvement of the environmental performance of products and organisations, IPP has fulfilled its promise and contributed to promoting the perception that the environment is an opportunity and no longer an obstacle. The SCP/SIP Action Plan is carrying forward the process initiated with the IPP Communication (COM (2003)0302) with the aim of further unlocking market potentials for more sustainable products and promoting smarter consumption.