Definitions 1:
Sustainable consumption

‘Use of products and services, and their constituent materials and energy, by nations, communities, organisations and individuals, in such a way that society’s and global capacity for sustainable development is not diminished and is, where possible, enhanced.’

Definitions 2:
Integrated Product Policy (IPP)

Integrated Product Policy (IPP)

- Public policy which aims at or is suitable for continuous improvement in the environmental performance of products and services within a life-cycle context.


An EC initiative, IPP is a governmental approach to reducing the environmental impact of products by using an appropriate mix of supply-side and demand-side EPP instruments.

Definitions 3:
Environmental product policy (EPP)

Environmental Product Policy (EPP)

- A broad term for environmental product policies; used for national product policies in national states

Any product-oriented governmental policy or measure (normally at national level) aimed at reducing the environmental impacts of products’
IPP, consumption and CO2 reduction

IPP: Tools

- Integrated toolbox
- Stakeholder driven
- Shared versus Producer Responsibility
- IPP does not mean new regulations
- Customised to national/regional conditions
- Instruments for:
  - consumption (demand)
  - product development (supply)
- Instrument mix:
  - economic
  - voluntary agreements/schemes
  - informative
  - direct regulations

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IPP: CfSD’s perspective

- Overall goal of IPP
  To green the marketplace through the integrated use of supply and demand-side government policy tools
- Key components
  - Green(er) consumption (demand side)
  - Green(er) products (supply side)

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EPP instruments

Supply-side
- Prohibitions/phase outs (regulatory/voluntary)
- Product performance requirements
- Producer responsibility
- Funding of R&D (grants, subsidies for eco-product development)
- Eco-design competitions
- EMS and product-oriented EMS (POEMS)
- Standardisation
- Information and reporting
- Voluntary agreements

Demand-side
- Consumer information
- Eco-labels
- Product profiles
- Product guidelines
- Information centres
- Indirect taxation (eg lower VAT for eco-labelled goods)
- Public purchasing
- Deposit/refund schemes

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Levels of integration (coordination)

INTEGRATED
CONSIDERATION IN
PRODUCT POLICY

NATIONAL
- Product life cycle impacts
- EPP approaches
- Other environmental policies
- Other non-environmental policies

EU/EC
- Harmonisation of national EPPs

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EPP developments

- Main application in northern European countries – various instruments applied
- Wide disparities in progress
- Emphasis on waste, toxics and emissions.
- Eco-labels most common but ineffective
- Energy efficiency included and some energy labeling, but generally no specific emphasis on reducing CO2 emissions.
- Focus has generally been on consumer products
- Some EC initiatives but mostly implemented by Member States

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National Approaches

Leaders:
- Denmark
- Sweden
- The Netherlands
- Germany
- Austria

Followers:
- UK
- Finland
- France
- Belgium
- Luxembourg
- Italy

Laggards:
- Ireland
- Spain
- Portugal
- Greece

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IPP developments

- EC took lead (1998)
- Ongoing discussion rather than application – progress slow
- Green Paper - Feb 2001
- Draft for inter-service consultation - Jan/Feb 2003
- EC Communication - April 2003?
- Emerging consensus on pragmatic approach (focus on key products/impacts)
- Some countries taking a lead

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IPP Green Paper

Key elements
- Discussion paper
- Framework
- 6th Environmental Action Plan
- Lifecycle Thinking (LCT)
- Stakeholder co-operation
- Greener markets
  - eco-design
  - information/incentives
- Did not cover
  - sustainable development
  - supply chains
  - services
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IPP Green Paper

Strategy
- Prices
- Consumption
- Supply

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IPP: Draft for Inter-service consultation

- Focus = products
  - LCT
  - Stakeholder involvement
  - Continuous improvement
  - Variety of policy instruments
- Priority: political decision e.g. CO2?
- Calls for project
  - heuristics
  - problem sectors
- 2003 - 2007 budget

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EPP, IPP and CO2 reduction

Few EPP measures specifically for CO2 reduction. Exceptions are:
- Voluntary agreement/proposed Directive on fuel efficiency for cars
- Energy labelling for electrical appliances
- Voluntary agreement on reducing no-load power of chargers

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EPP, IPP and CO2 reduction

Sustainable consumption
SUSTAINABLE DEVELOPMENT STRATEGY
Sustainable development issues
Conclusions
IPP offers useful approach to any product issue
• Basis for sustainable consumption strategy
• Basis for product policy
• Generic toolbox
• Encourages life cycle, supply and demand-side thinking
Lessons from European experience. However,
• Early days and a lack of experience and data
• Japanese situation is different

Recommendations
• Monitor European EPP/IPP developments, and identify issues and opportunities
• Clear definition and objectives for sustainable consumption and IPP
• Car and appliance labelling
• Consider labels for other ‘products’ eg buildings
• Consider integrating with producer responsibility and the recycling economy
• Develop strategy and plan

(S)IPP
• IPP = government policy toolbox
  - demand-side
  - supply-side
•IPP = greening of markets
(S)IPP
  - (sustainable) market development
  - (sustainable) innovation

WSSD: 10 year plan