

**APEAL'S COMMENTS  
ON  
THE EUROPEAN COMMISSION / ERM FINAL REPORT OF SEPTEMBER 2002  
ON ENVIRONMENTAL PRODUCT DECLARATIONS SCHEMES (EPD'S)**

### **Introduction**

The basis for EPD's is Life Cycle Analysis (LCA). Therefore the critics one can have on LCA's and what they are used for are also valid for EPD's.

APEAL agrees with Environmental Resources Management (ERM) that the European Commission should get involved in the development of EPD's but should, on the other hand, refrain from establishing an EU wide EPD scheme. Accordingly, we would welcome Commission initiatives supporting existing activities in the field of standardization. Indeed, ISO, and CEN standards are important, in this scheme, but not sufficient.

A Directive approach could seem appropriate, but let us also be aware of all the problems related to the present Packaging and Packaging Waste Directive which has really not been able to harmonize the approach throughout EU member states. Maybe is it due to the failure of CEN standards? Possible, but it is certainly also due to the too broad liberty Member States have to tackle these issues.

### **The key problem is data quality certification**

The key problem is indeed data quality. APEAL thinks that before any further developments are carried out based on LCA, it is essential that LCA's are improved. A data certification procedure and a sensitivity analysis are minimum goals to be reached, besides peer review process, system boundaries, allocation rules, as well as functional units definitions which are also needed for clarity and transparency.

It seems obvious that what is being done at ISO, UNEP or SETAC levels is not enough. A procedure has to be developed making certified basic inventory data obligatory for the execution of LCA's ensuring that the outcome of such studies is reliable. Increasing the quality of data will increase the reliability of LCA results and will improve the quality of the instrument, and as a consequence improve the quality of EPD. The simple following example illustrates one of the aspects of data quality :

With the help of the selected quality indicators from ISO 14040 standards, two European LCA key studies were recently analysed by TNO for APEAL : the German PROGNOS and the Danish CHALMERS studies. It appears that, in the PROGNOS study, for a number of indicators (such as precision, completeness and representativeness of the data and uncertainty of the information), the information needed to assess the data quality is simply missing. The CHALMERS study presents also a number of problems with respect to data quality, and therefore scores low regarding the ISO standards (see TNO study nearly completed).

Why are these studies rating low on data quality? The main reason for this is the extra cost sensitivity analysis and data certification procedures cost, without counting the extra time needed for this work. The cost issue is an important one. It will have to be tackled before progress can be made.

### **EPD : for what use ?**

EPD is certainly an important tool for an effective "Integrated Product Policy" (IPP) approach. Giving consumers an objective and valuable environmental information enabling them to base purchasing decisions also, but not only, on environmental evaluation is certainly a valuable process which is going to improve the consumer's awareness of the importance of these issues. The purchasing choice of the consumer will then still be based on a number of criteria which already exist today, such as the price, the quality, the taste, the convenience, to which a new criteria can be added : the environmental profile of the product.

Nevertheless, I would like to draw the attention of the European Commission on a number of points :

- Firstly, the greatest care should be taken not to influence the consumer through the selection of certain environmental indicators. For that reason, we have some reservations concerning the establishment of minimum requirements by the Commission (as suggested in ERM's report, p.105.s). Indeed, while we do not foresee any difficulty in implementing "programme-related minimum requirements" (i.e. Independent verification, quality control of data, interested party participation and openness for additional data), we are concerned about the potential consequences for the choice of the consumer of a selection by the EU regulator of a minimum set of environmental impact categories (those proposed in the report on p.107 are : climate change, acidification, eutrophication, formation of oxidants and destruction of stratospheric Ozone).
- Secondly, if the approach is to be positive and have all the actors of the chain push in the right direction for a better environment, a lower impact of activity on the environment, then it is a fair approach. If this should lead to decisions which will be imposed upon the consumer I do not agree. The final purchasing decisions taken by the consumer should not be biased by regulatory disproportionate measures such as eco-taxes, refill quotas or compulsory deposits, dictated by the legislators' choice for refillable rather than one-way packaging, for example. Indeed, if the legislator uses an eco-tax or another discriminating measure to financially penalize the consumer in case he purchases one-way packaging, then the consumer is biased in his choice. The consumer is not considered as responsible, and competition between products is diminished or stopped by the taxation. Because choice will be restricted, monopolistic situations will increase, and will play a negative role on global costs, on consumer choice, and finally on environmental impact.
- Lastly, the risk of having a biased process also applies to public procurement procedures. A recent article in the Belgian newspapers described the decisions taken by the Federal Ministry for Energy concerning their Ministry purchasing behaviors. In this article, it was mentioned they wanted to favor refillable packaging compared to one-way packaging because they were convinced "refillables" were better for the environment, compared to "one-ways". On what basis have they decided that? That is where the problems start. This brings us back to the beginning of our comments where we mentioned the importance of correctly conducted LCA's, not forgetting in the process for budget reasons sensitivity analysis, as well as data certification.

## **Conclusions**

- LCAs and the validity of LCA's remain an essential problem, whether for EPD or for IPP. The cost issue linked to this data quality problem is to be tackled.
- Give the consumer extra information on the environmental impact of the product he wants to buy, yes. Bias the consumer's choice by eco-taxes, and other discriminating measures, no.
- Harmonization is an issue by itself. The European PPWD is a good illustration of this.

APEAL would like to be involved in the process and is ready to co-operate, provided the essential basis of the validity of LCA's is tackled openly and effectively first.

Philippe Wolper  
Managing Director