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IPP PILOT TASK FORCES

Progress report III

30.6. 2007

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1. SUMMARY

The Nokia IPP pilot project is now in stage V and the progress that has been made in the six task force projects is reported here.

The six task forces representing the key improvement areas that were set up in the fourth stage of the IPP pilot project on mobile phones are:

- Information and Communication – Product environmental facts
- Information and Communication – Usage and Disposal Information
- Reduce Energy Consumption (in Use Phase)
- Reduce/Eliminate Agreed Materials of Concern
- Take-back of Phones
- Environmental Assessment Methods/Tools

The task forces are lead by organizations that have significant influence in the area and the members in the teams are from organizations that play a role in the mobile phone life cycle. The task forces focusing on products are thus lead by Nokia, the ones focusing on usage and disposal are lead by two operators Vodafone and France Telecom/Orange, the task force looking to reduce materials of concern is lead by component manufacturer Epson and the working group focusing on developing new assessment methods is lead by a research institute, the Finnish Environmental Institute SYKE.

Two of the task forces deal with improving sharing information to consumers and other stakeholders, as consumer behaviour can have a significant influence on the environmental impact caused in the mobile phone life cycle and they need to be aware of their role in minimizing the environmental impacts. The two task forces have started working closely together and are approaching the piloting phase.

Three quarters of the initial time period of one year has now passed and the task forces are now beginning to finalize the projects. Some results have already been achieved and more are expected in the last quarter.

The task force working on developing environmental assessment methods and lead by Finnish Environmental Institute SYKE has not been able find funding that would enable conducting reliable and independent research, which means that this task force will not be able to deliver results within the agreed time frame. Some new possibilities for applying for funding have been identified and this will be continued also after the pilot is finished.

The other task forces have been able to proceed with their tasks and some are already delivering concrete results. Some task forces are hopeful that they may already finalize their project before the end of the follow-up year.

Although in most task forces all key stakeholders were represented to begin with, also new members from industry have joined some of the task forces. This is very welcome and shows that the task forces have been able to deliver useful project plans and results.

All the task forces have made project plans for the follow-up year, more detailed information on the plans can be found in the stage IV report. This progress report, the third one, contains the current state reports of the task forces after the first nine months, as well as their plans for the final three months. The next and final progress reports will be published in the beginning of October 2007.

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2. INTRODUCTION

Nokia's Integrated Product Policy (IPP) pilot project was initiated as a part of European Commission's (EC) effort to work together with stakeholders to further develop the IPP approach. The objective of the IPP approach is to "reduce the environmental impacts from products throughout their life-cycle, harnessing, where possible, a market-driven approach, within which competitiveness concerns are integrated"¹.

The pilot project on mobile phones is now in stage V. The task forces that were set up to work on the improvement options that were chosen to be the most important ones based on the work done in the other four stages of the pilot are now ongoing and the current status reports can be found in the following pages of this progress report, as delivered by the task force leaders.

2.1 Task forces

The six task forces that are reporting their progress are:

- Information and Communication – Product environmental facts (lead by Nokia)
- Information and Communication – Usage and Disposal Information (lead by France Telecom/Orange)
- Reduce Energy Consumption (in Use Phase) (lead by Nokia)
- Reduce/Eliminate Agreed Materials of Concern (lead by Epson)
- Take-back of Phones (lead by Vodafone)
- Environmental Assessment Methods/Tools (lead by Finnish Environmental Institute SYKE)

2.2 Progress report schedule

This progress report contains the current state reports of the task forces, as well as their plans for the next three months. The next progress reports will be published in the beginning of April 2007.

- First report: by 12.1. 2007
- Second report: by 2.4. 2007
- Third report: by 2.7. 2007
- Final progress report: by 1.10. 2007

3. TASK FORCE 1: PRODUCT ENVIRONMENTAL FACTS

This task force has been set up as an outcome of the stage III of the IPP pilot project on mobile phones. The target of this task force is to develop a Product Environmental Facts scheme relevant for mobile phones.

This task force consists of representatives from the following organizations:

- Mrs. Sonia Metzger (France Telecom / Orange)
- Mr. Siegfried Pongratz (Motorola)
- Mr. Julian Lageard (Intel)
- Ms. Minna Lindholm (Nokia)
- Mr. Jyri Seppälä (SYKE - Finnish Environmental Institute)
- Mr. Matthew Wilkinson (WWF)

¹ See EC's IPP at: <http://europa.eu.int/comm/environment/ipp/home.htm>

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- Ms. Beatrix Pichl (TI)
- Mr. Michael Guggisberg (Swisscom)
- Mr. Pontus Alexandersson & Katsumi Ichiba (SonyEricsson)
- Mrs. Anthea Carter (Samsung) – new member
- Mr Volker Hombach & Jürgen-Georg Schmitt (T-mobile) – new members

Mrs. Minna Lindholm from Nokia is leading the task force.

3.1 Overview of the progress and results achieved

The task force team has been successful in developing as a current outcome a proposal of an information sheet on Product environmental facts. This fact sheet is focusing on presenting key parameters on:

- 1) Company Environmental Footprint
- 2) Use of Materials
- 3) Energy
- 4) Waste reduction

In addition, the idea of an index has been introduced and further developed into practice. The idea is that the outcome of the other IPP task force projects, when they are finalized, could be used as elements in the index. To start with, the index will be based on energy efficiency criteria (charger energy efficiency) as an interim solution for piloting, leaving the option for continuous development by allowing a possibility to add other parameters.

The task force time schedule has been aligned with the IPP project schedule, which means that the target date for a voluntary approach and for format to be available for phone manufacturers is now October, 1st 2007.

All the stakeholders are committed. The study on existing schemes has been completed. Ways and means of communications have been agreed upon. This Task force group has been working on a monthly basis, having regular meetings where status, actions and progress have been reviewed. In order to be able to move forward, an industry wide commitment is needed. In June the task force had a face-to-face meeting, where the target was to close the remaining issues. Unfortunately all companies were not able to agree all the details in “Product environmental facts” form at this point. The task force is currently working on reaching an agreement. The plan is to start piloting in an on-line environment, where functionalities and feed back are easy to track. After the feedback from piloting the “Eco facts form” will be finalized.

It has been agreed with this task force group that as far as practically possible, communication of the Product environmental Facts –form should start from the forums and working groups where the task force members are already involved. This part of the communication will be carried out by the task force members. So far the following bodies have been identified as target groups for which the results will be communicated after the form is developed:

- American Chamber of Commerce Germany (AmCham): Mr. Siegfried Pongratz (Motorola)
- Bitkom: Mr. Siegfried Pongratz (Motorola)
- EICTA: Nokia
- AeA: Mr. Siegfried Pongratz (Motorola)
- ZVEI Germany: Mr. Siegfried Pongratz (Motorola)
- Orgalime: Mr. Siegfried Pongratz (Motorola)

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- European Semiconductor Industry Association (ESIA): Mr. Julian Lageard (Intel)

3.2 Project plan for next three months

Task	Responsible person	Target	Target date	Status
Stakeholder engagement	Task force team	Nominated task force team, team members' commitment to targets	13.4.2006	Done
Study on existing schemes	Task force team	Identify and analyze already existing eco information schemes. Capture the best practices.	30.6.2006	Done. Closed
Communications	Task force team Might need some financing	Identify and agree on the ways and means	30.8.2006	Done.
Format development	Task force team	Agree what issues to be presented. Agree in what format.	28.7.2007	Ongoing
Piloting.	Task force team	Draft format shall be piloted by within the task force group companies.	30.9.2007	Not started
Feedback collection and analysis	Task force team	Feedback shall be collected and analyzed. Improvements identified and format updated accordingly	30.10.2007	Not started
Communication	Task force team	Agree how format is marketed/ communicated to selected phone manufacturers and network operators. Communication of format.	30.12.2006. Communication starting 1.9. 2007	Not started
Voluntary approach	Task force team	Format available for phone manufacturers and operators to launch product environmental facts.	01.10.2007	Not started
Reporting	Task force team/Minna	Progress reporting to EU commission. Dates for progress reports by task forces, (dates for Nokia to submit the Progress report summary to Commission) (I) 4.12.06 (12.1.07) (II) 19.3.07 (2.4.07) (III) 18.6.07 (2.7.07) (IV) 17.9.07 (1.10.07)	Quarterly	Agreed

3.3 Changes in task force and to the current plan

Mrs Anthea Carter from Samsung, Mr Volker Hombach and Jürgen-Georg Schmitt from T-mobile have recently joined this task force group. A group of other potential new stakeholders to this task force group have been identified and they have been invited to join the task force group.

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4. TASK FORCE 2: USAGE AND DISPOSAL INFORMATION

4.1 Introduction of the task force

This task force has been set up as an outcome of the stage III of the IPP pilot project on mobile phones. The target of this task force is to develop customer information that will help the customers in adopting environmentally responsible behaviour during the use and End-of-Life phases of mobile phones and identify the most effective channels for this communication.

This task force consists of representatives from the following organizations:

- Ms. Beatrix Pichl (TI)
- Mr. Matthew Wilkinson (WWF)
- Mr. Olli Väänänen (AMD)
- Mr. Julian Lageard (Intel)
- Mr. Siegfried Pongratz (Motorola)
- Mr. Jyri Seppälä (SYKE - Finnish Environmental Institute)
- Ms. Outi Mikkonen (Nokia)
- Mr. Olli-Pekka Makirint (Nokia)
- Ms. Minna Lindholm (Nokia)
- Ms. Sonia Metzger (Orange)
- Mr Michael.Guggisberg (Swisscom)
- Mr Pontus. Alexandersson (Sony- Ericsson)
- Ms Anthea Carter (Samsung)
- MrVolker.Hombach (T-Mobile)
- Mr Jurgen Schmitt (T-Mobile)

4.2 Overview of the progress and results achieved

Project is proceeding according to plan.
The status of the different tasks is as follows:

Task	Owner	Target	Target date	Status
Environmental focus area	Work-stream participants	Define key environmental focus areas linked to desirable customer/consumer behaviour	31 05 2006	Complete
Knowledge about customer needs on environmental information	IPP participating stakeholders	Gather knowledge about existing customer/consumer needs with respect to environmental information	February 2007	Complete
Existing good practice for environmental communication	Work-stream participants	Seek input form other stakeholders and trade associations about good practice for communicating environmental information	March 2007	Complete
Communication channels	IPP participating stakeholders	Establish suitable communication channels to target customers/consumers	April 2007	Complete

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Content and format of messages to be delivered	Work-stream participants	Prepare proposed content and messages for customers/consumers	May 2007	Complete
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After defining the environmental focus areas for which communication is relevant: Energy, Materials of concerns, Dismantling/return of phones, the taskforce chose the most effective communication channels. They have been identified to be the following:

<p>1. Touch point Initial purchase of a handset</p> <p>Media : leaflet within phone packaging</p>	<p>2. Touch point Charging the phone</p> <p>Media : sticker on charging device</p>	<p>3. Touch point Receiving the bill paper or email</p> <p>Media : advert</p>	<p>4. Touch point Following a link from service provider website, responding to previous advertising or changing to online billing</p> <p>Media : central campaign website</p>
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The content messaging is now agreed. To introduce this content, we will use the following message: "Save the planet _ save your money". The task force expects that this introduction message will help to create customers' interest and get them to take the suggested actions.

The next stage will consist of defining the best ways for testing the messages. Only one communication channel will be used for the piloting: Web communication. This channel has been identified as the easiest to address and to be the most valuable for evaluation of customers' interest.

4.3 Project plan for the next three months

Project plan for the coming months is the following:

Task	Owner	Target	Target date	Status
Test	Work-stream participants	Test the messages to be delivered to customers	June 2007	planned start august
Environmental information delivery to customers	IPP participating stakeholders	Introduce environmental information raised the question of branding	31 08 2007	not started
Work stream	IPP	Agree on how to review and	31 12	not

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follow-up and continuous improvement	participating stakeholders	update of environmental communication, consider possible extension as a industry voluntary agreement	2007	started
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4.4 Changes in task force and to the current plan

New members who have joined the taskforce:

- Mr Michael.Guggisberg from Swisscom
- Mr Pontus. Alexandersson from Sony- Ericsson
- Ms Anthea Carter from Samsung
- MrVolker.Hombach from T-Mobile
- Mr Jurgen Schmitt from T-Mobile

5. TASK FORCE 3: REDUCE ENERGY CONSUMPTION IN USE PHASE

5.1 Introduction of the task force

This initiative aims at reducing the energy consumption of mobile phones during the use phase, especially minimizing charger no-load energy consumption.

The goal is to agree to add a visual reminder in the phone to inform consumers to unplug the charger from the wall after the phone is fully charged.

Current task force:

- Mr. Olli-Pekka Mäkirintala (Nokia) – Task force leader
- Ms. Sonia Metzger (France Telecom / Orange)
- Mr. Chris Read / Ms. Lucy Connell (Vodafone)
- Mr. Siegfried Pongratz (Motorola)
- Ms. Yu-Mi Mun (LG)
- Mr. Pontus Alexandersson (SonyEricsson)
- Mr. Sungjin Kim / Ms. Anthea Carter (Samsung)
- Mr. Michael Guggisberg (Swisscom).

5.2 Overview of the progress and results achieved

1. The final draft has been sent to other manufacturers for analysis
2. The task force is about to be closed and the voluntary agreement will be closed soon.
3. Currently companies who already have stated their commitment are:
 - LG
 - Motorola
 - Nokia
 - Samsung
 - Swisscom
 - SonyEricsson

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A couple of other responses are still expected.

5.3 Project plan for next three months

The plan is to close this in June (or early July). A possible press release will be developed later.

5.4 Changes in task force and to the current plan

None.

6. TASK FORCE 4: REDUCE/ELIMINATE AGREED MATERIALS OF CONCERN

6.1 Introduction of the task force

This task force has been set up as an outcome of the stage III of this project with an aim to reduce and eliminate the use of certain flame retardants, heavy metals and phthalates in plastics from mobile phones. This will be done by the phone manufacturers in close cooperation with the component manufacturers as they have control over the design and the manufacturing phase.

6.2 Overview of the progress and results achieved

The start of the task force has been rather delayed as there was no clear project plan identified and the project did not seem to move past the information gathering stages. Furthermore the task force was extended with several new team members that had not been involved in the earlier stages of the IPP project. On 23 February 2007 the task force met in Brussels to decide on a new project planning. During the meeting the new team members were introduced to the backgrounds of the IPP project and the team discussed the details of chemical use in mobile phones and the possible alternatives.

The presentations on the different flame retardants showed that the level of information available for the possible flame retardants differed in quality and quantity. Some flame retardants that are used in mobile phones have undergone a full EU risk assessment but other flame retardants lack this detailed level of data. It is expected that until REACH will come into force this data will not be available.

The project group has analyzed in which parts of mobile phones flame retardants and phthalates are still used and is now in the progress of finding safer alternatives. One of the main problems of the project is the selection of these alternatives as this very often affects other design requirements of the product such a molding properties, surface finish and it sometimes even leads to different plastic types.

6.3 Project plan for next three months

- List available safe alternative flame retardants per polymer.
- Combine list of flame retardants per polymer and list of materials used in mobile phones. The result will be a list that shows per mobile phone part and material which flame retardants can be used.
- Check for the list of possible flame retardants if risk analysis data is available (EU risk assessment or similar).
- Next meeting 10 July 2007 in Amsterdam. During the meeting the approach of the project will be reviewed.

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6.4 Changes in task force and to the current plan

After a first initial analysis the task force fears that it will be difficult to compare the chemicals used and their alternatives as the level of available data on these chemicals differs. This lack of data might make it very difficult to assess if the alternatives would lead to an environmental improvement. The next steps in the task force are aimed at clarifying which data is available and which data would be required to make any decisions.

The current task force members are:

- Michael Riess, Siegfried Pontgratz - Motorola
- Veronique Steukers - Albemarle
- Adrian Beard - Clariant
- Olli Väänänen - Spansion
- Beatrix Pichl - Texas Instruments
- Brigitte Dero, Christine Crab, David Cadogan, René Montaigne, Tim Edgar - CEFIC;
- Jarkko Epäily - Nokia
- Jörgen Svensson, Pontus Alexandersson – Sony Ericsson
- Julian Lageard, John Harland, Stephen Tisdale - Intel
- Lars Wallin - IPC
- Line Andersen - forbrukerradet
- Matthew Wilkinson – WWF
- Eelco Smit - Epson
- Anthea Carter – Samsung (monitoring status)

The task force has contacted LGE to participate in the data gathering exercise to ensure that the list of chemicals used gives a good overview of the market situation.

7. TASK FORCE 5: TAKE-BACK OF PHONES

7.1 Introduction of the task force

Vodafone is leading the Take back of Phones work programme. This initiative aims to analyse, identify and share good practices in the incentivisation of the return of used/unwanted mobile phones, devices and batteries in different countries/markets. Once good practices have been identified, the aim is to pilot selected 'new' incentives. The results of this will be communicated across industry with the intention of using new incentives, if successful, into existing return schemes, where appropriate.

Currently the work programme is nearing the end of the data collection phase of the work. The wide range of markets we operate in and the length of time that the schemes have been running in some of those markets means that the task force has a lot of information to share.

7.2 Overview of the progress and results achieved

The data collection template has been completed by some task force members but the information supplied was inconsistent and did not lend itself well to showing best practice in this area. There was also some confusion amongst task force members about the remit of the project. The issue of the destination of the handsets collected is overshadowing the challenge of identifying best practice in incentivising the take back of mobile phones.

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7.3 Project plan for next three months

The aim is to refresh the working group with the focus of the project and restart the process. The introduction of Samsung should help to provide some new momentum. The aim is to have identified the ideal method of incentivising handset return and to have developed an appropriate pilot project in the next three months.

7.4 Changes in task force and to the current plan

Samsung UK have just joined the task force.

8. TASK FORCE 6: ENVIRONMENTAL ASSESSMENT METHODS/TOOLS

8.1 Introduction of the task force

Based on experiences in the mobile phone industry it is not an easy task to use environmental impact methods and tools such as life cycle assessment (LCA) for eco-design and product information purposes. Therefore the aim of this task force is to solve the difficulties, especially to set the inventory data for all important components on a broader base and to find a consensus about the best suitable impact assessment methods. The focus is especially on simplified environmental assessment methods such the Key Environmental Performance Indicators (KEPIs) and their data requirements.

8.2 Overview of the progress and results achieved

The task force has not yet been started. The working plan prepared by the Finnish Environment Institute (SYKE) was introduced in the IPP stakeholder meeting in May 2006. The assumption was that the Commission also could finance the project. However, the Commission did not promise any funding for it. On the other hand, Nokia did not want to finance the project alone because the work will offer benefits for the whole electronic industry and the results might also not be seen as reliable, if the link to one company is too strong.

After the summer holiday period the Finnish Environment Institute (SYKE) and the University of Stuttgart prepared a new working plan for the task force. The budget of the project was divided in half. The idea was that the work will be funded by mobile phone and component manufacturers and the work will be started in the autumn of 2006.

In September an invitation letter with the new project plan was sent to fifteen contact persons working at the mobile phone and component manufacturers. The answers revealed that the companies were not interested in paying additional money for the project. On the other hand, some companies were interested in spending their work hours in the task force.

In the beginning of this year SYKE started to search for possibilities to develop and test the KEPI method in the context of EU projects. This requires finding suitable funding instruments and partners in the EU. For example, it seems that the 7th Framework Programme can offer themes suitable for KEPIs. However, it is important to notice that this approach may lead to a solution in which the results can not be obtained during this year.

8.3 Project plan for next three months

In April 2007 SYKE with other European research organisations prepared an EU project plan concerning sustainable consumption and production. In this project plan there is a working package in which there

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will be possible to gather experiences and views on environmental management in the mobile phone sector. If the project will be accepted, it also allows to gather opinions about KEPIs in the mobile phone sector. However, this project cannot offer possibilities to develop KEPIs.

8.4 Changes in task force and to the current plan

In September 2006 the original work plan was simplified so that the aim of the study was to test, develop and standardize the Key Environmental Performance Indicators (KEPIs) approach on the bases of former LCA experiences, especially gathered in the IPP Pilot study and the EPIC-ICT project. In June 2007 the working plan was again simplified in order to create background materials for more detailed working plan in the future.

In summary, during the IPP Pilot study the external funding could not be found. In the future, the development of KEPIs should be continued in the context of international research and development projects.