



## EUROPEAN COMMISSION

DIRECTORATE-GENERAL  
ENVIRONMENT

Directorate G - Sustainable Development and Integration

### **MINUTES** **OF THE SECOND STAKEHOLDER MEETING ON THE IPP PILOT PROJECT ON A TEAK** **GARDEN CHAIR**

**BRUSSELS, 18 JANUARY 2006**

**Ms Orsolya Csorba** from DG Environment's Sustainable Production and Consumption Unit chaired the meeting. Prior to the stakeholder meeting, the consultancy contracted by the European Commission, Environment Resources Management (**ERM**), had submitted the report "Study and Assessment of Available Information for a Pilot Project on a Teak Garden Chair" including environmental improvement options for a teak garden chair. This report was published on the Commission's website and the Commission invited stakeholders to send comments on the improvement options (Chapter 5) identified in the report.

#### **1. WELCOME – BY THE EUROPEAN COMMISSION**

The **Chairwoman** welcomed the participants, the agenda was adopted, and a "tour de table" introducing the participants followed. The meeting will discuss the environmental improvement options for a teak garden chair based on Chapter 5 of the report that was prepared by the consultant contracted by the Commission. The stakeholder comments received (only a few) to the report published on the European Commission website was also to be discussed.

**Mr Timo Mäkelä**, Director of DG Environment's Sustainable Development and Environmental Integration Directorate, gave an overview of ongoing activities within the Commission that are related to greening of products and the Integrated Product Policy:

- The recent review of the Sustainable Development Strategy (SDS), with a plan to be approved during the Austrian presidency on June 2006.
- The Action Plan on Sustainable Production and Consumption (SPC) that was proposed in the SDS review related to
  - the need for mutually supportive actions;
  - synergies of instruments;
  - product information and eco-labelling;
  - eco-design as a new tool for policy, e.g. the energy-using directive (EuP)
  - ETAP, incl. action on benchmarking of products on the market (i.e. performance targets);

- the two thematic strategies on natural resource management and on prevention and recycling of waste;
- IPP is in the centre of this, with the contribution of i) life-cycle thinking and ii) target policy interventions where it really matters. The product prioritisation EIPRO study by DG JRC (IPTS) is related to this.

**Mr Mäkelä** underlined that this pilot project was important to demonstrate that the integrated product policy (IPP) approach can work in practice.

The IPP pilot project on mobile phones (NOKIA etc.) is one step ahead compared to this pilot project. In the pilot project on mobile phones, they have so far suggested to work towards a) drawing of direct conclusions, b) voluntary agreement scheme with the business sector, c) how the methodology issues can be used e.g. in the eco-labelling revision, and d) development of already existing industry section action.

Following this, the **Chairwoman** presented current work plan and past activities of this pilots project on a teak garden chair. The project had looked at the environmental impact of the teak garden chair. Based on the report produced by the consultant a first stakeholder meeting was held. Then, it was decided that the project would continue by looking at the improvement options for the teak garden chair also looking into the social and economic effects of these in the following stage. This is the stage where we are now and this stakeholder meeting will be discussing the report produced by the consultant. Next step would, in short, be to finalise the project with a concluding report including commitments to actions by stakeholders to green the product.

## 2. PRESENTATION ON THE MEDIATION OF THE ENVIRONMENTAL IMPACTS FOR A TEAK GARDEN CHAIR FROM THE REPORT “STUDY AND ASSESSMENT OF AVAILABLE INFORMATION FOR A PILOT PROJECT ON A TEAK GARDEN CHAIR”– BY ERM

**Mr Robert Nuij** from Environmental Resources Management (ERM) presented the final report that was made for the purpose of the second phase of the pilot project. The report is available on the IPP web site. ([http://europa.eu.int/comm/environment/ipp/pdf/teak\\_chair\\_final\\_report.pdf](http://europa.eu.int/comm/environment/ipp/pdf/teak_chair_final_report.pdf)) This report includes environmental improvement options for a teak garden chair. The main areas of improvement suggested were:

- Forest management system: The biggest environmental impact of the product lies with the wood production. The current system that Carrefour has in place for the tracing of the wood seems quite reliable, but expensive. It is important to put pressure to verify the activities in the supply-chain. The forest management system should preferably be certified.
- Environmental product information: The communication to the consumers on the sustainability of the wood is not solved yet. To give information to the consumers is an important tool to influence their decisions. Awareness raising for consumers on the legality of the wood can be improved. Improved consumer information can be made through giving clear information to consumers on the use phase of the product, by this the unnecessary use of materials with high environmental impact (ex: paints) can be reduced and the lifetime of the chair can be prolonged.

- Support actions: Product design improvements though eco-design can be achieved by making the product better to transport and reduce the impact of packaging, and focus on life-time optimisation and the reduction of waste. The use of EHS system, packaging standards, product guarantee extension, eco-labels, green public and corporate procurement, eco-taxes, and reporting could contribute to improved product performance of the chair.
- Change the market through IPP by a simultaneous application of several instruments such as voluntary agreement (VA) and green procurement, etc creating push and pull at the market achieving better results.

### 3. DISCUSSION ON THE REPORT AND ON THE STAKEHOLDER COMMENTS RECEIVED

Following the presentation, a Q/A session and discussion took place on the report and the stakeholder comments received, with the following highlights and conclusions:

- (1) The material scope for the project was teak, thus no other material choice has been considered as an improvement option in this pilot project. This was discussed and agreed on the 1<sup>st</sup> stakeholder meeting. The reason why the project was limited to this was that there is a high consumer demand for teak garden products, and it is almost a brand itself.
- (2) **Carrefour** clarified that they have decided to change and reduce the production of the chair, following a drop in sale last summer (the price was estimated by them to be 20-25% too high) and the low availability of certified teak wood on the market.
- (3) **ERM** stressed the importance of the level playing field, and make the other actors (i.e. competitors to Carrefour on this product segment) to as well change their attitude in the direction of sustainability.
- (4) **WWF** will make a survey on garden furniture sold, this year. The purpose is to compare the products environmentally. They also suggest using new wood material (hard wood), which may need a new policy, and encourage the use of FLEGT implementation.
- (5) **IKEA** do not use teak wood any more for their products. They have an internal policy for the use of tropical wood, e.g. only to use FSC certified wood. Ikea explained that they have a chain of custody that applies to all their products.
- (6) **FSC** stressed that Carrefour did a good job on pushing the issue of FSC certified teak wood that also had an impact on the ground by pushing the wood towards certification. FSC has developed 'controlled wood' standards allowing companies and forest managers to avoid wood from undesirable sources from their supply chain. Controlled wood excludes wood from forest areas which have been illegally harvested, and also where human rights are violated, global conservation values threatened, and natural forests are converted. The standards enable forest product companies to avoid the risk of purchasing non FSC-certified wood from environmentally and socially damaging forestry sources when FSC certified wood is not available, as well as to communicate business-to-business about the source of their uncertified wood and meet government and other procurement specifications for legal timber harvesting. This and other issues are discussed in

FSC market forums (e.g. Retailers, Paper, Garden Furniture) with a range of stakeholders (where among others IKEA participate). This process could be extended with the participations of other actors, and can provide a good learning model.

- (7) **CEI-Bois** asked the reasoning for Carrefour and IKEA to stick to FSC registered wood as there are many other schemes available, not for teak wood but for other (European) hard wood that could be used substitution of the teak. **ERM** asked if FSC is gaining very strong support from NGOs. **IKEA** responded that they have only recently changed from using teak to other hard wood materials. They use FSC for products, but only occasionally use on-product labels (labelling products at the point of sale).
- (8) **COM** gave a brief status report on the FLEGT programme as the Commission is now in the process to put the initiative forward on partnership agreements on a regional basis, for example in Africa and Asia. More staff resources and more money will soon be available for this purpose. On 31.01.2006 there is a FLEGT conference organised in Brussels. This is a forum to discuss further development for FLEGT. At the moment the question on more regulation is being opposed by many Member States.
- (9) For the pilot project, **Ovam** sees improvement options in extending the life-time of the product, the waste management issue, and of proper data in reporting.
- (10) **CEI-Bois** see as a general suggestion for furthering the development of IPP to make more use of product standards that are available, however maybe not exactly feasible in this pilot project.
- (11) **Carrefour** made a remark on natural resources as a difficulty and an obstacle to applying the principles and objectives of IPP for retailers.

The **Chairwoman** pointed out some conclusions that could be made at this stage:

- Other material than teak wood could (potentially) be to use for the chair when continuing this project.
- Conclusion from the pilot project could be made wider, thus not only focus on garden chair made of teak wood but on furniture made of tropical wood and suggested to widen the scope of the project to this. The analysis prepared by the consultant for the teak garden chair can be useful for this.
- The possibility of voluntary agreement among stakeholders to avoid illegal logging is a good possibility for improvement. The FLEGT regulation is adopted, but details to advance it with third countries still need to be worked out.
- Visibility for companies using certified wood is important to push the market, e.g. name and shame.

#### **4. DISCUSSION ON THE ACTION THAT CAN BE TAKEN BY STAKEHOLDERS**

The following are the highlights and conclusions from the discussion on actions that can be taken by stakeholder:

- (1) **COM** asked if the product-chain (industry) sector could use the IKEA code of conduct (CoC) for teak wood to be applied by the sector or if the scope could be widened covering for example all wood products. **IKEA** responded that the CoC is basically only a small piece of paper for internal use, the main issue is the implementation of CoC in the whole supply-chain. **WWF** argued that many voluntary agreements (VA) already are in place in this area, but it could be beneficial to make them more coherent. However, they don't see any area where real progress is made. More attention and next step would need to be directed towards consumer (public) communication; also as legislation is a slow process. They have a campaign in France during 2006, that among other things include a questionnaire on transparency improvement and awareness raising.
- (2) **COM** explained that in the FLEGT programme they have four pilot countries they work with. The TFT (tropical forest trust) work on more binding CoC on the purchasing of legal wood.
- (3) **WWF's** experience on voluntary agreements is that they are very difficult to communicate to end-consumers, also because there is no harmonisation between the VA's. **IKEA** pointed out that the EU CSR conference in 2005 had a section on reporting that could be interesting for 'communication' purposes for the IPP pilot project. **Carrefour** finds it difficult to communicate alone VAs.
- (4) **ERM** asked who would be the catalyst for some of the valid areas, e.g. which person or entity will do a front-runner campaign for emerging issues? **IKEA** finds this issue rather complex. FLEGT addresses only part of the problem related to sustainable wood. It is also important to identify the real added value for a company such as IKEA to participate in such a campaign. **FSC** stressed it is impossible for only one player to advance the actions; it rather has to be an engine that drives it selves.
- (5) **CEI-Bois** brought up the issue on the many existing labels and schemes that are available on the market. No added bureaucracy is needed, and there is a need for awareness of simplified methodology. A 'chain-of-custody' paper was signed only some weeks ago by Cei-Bois members for a simplified system for wood purchasing that can be also applied by the SMEs with the forest sector.
- (6) **ERM** asked for a reality check of consumer behaviour, as figures on show consumers shows that < 5% are dedicated green, 20-30% are interested green, and that the rest, i.e. approximately  $\frac{3}{4}$  are not at all interested in green consumption.
- (7) **FSC** asked for more actions on green public procurement (GPP), on legislation, on corporate social responsibility (CSR) and forest management scheme.
- (8) **WWF** asked if EU could lead GPP for wood products. **COM** responded that there no possibility to make GPP mandatory, but that there are many actions on GPP, including national GPP action plans following the Communication on IPP. The new directives on public procurement make GPP easier, and the Handbook on Green Public Procurement ("Buying Green") by the Commission provides informal guidance with examples. **WWF** therefore proposed for a forest green procurement action by the Commission.
- (9) It was stated that there is a need for an improvement enforcement of the Type II self declaration scheme (ISO 14024). In this specific case, it is on the issue of

legality of wood. **COM** finally asked if the guideline or Code of Conduct used could be developed by Eurocommerce.

The **Chairwoman** concluded that the assurance of sustainability of the wood could be taken as an action, and reinforces companies to make voluntary agreement on the purchasing of sustainable wood. The issue of communication to consumers on environmental issues is another potential action as well as to consider life-cycle environmental issues at the design of the chair to make for example the transport and the packaging eco-friendlier.

## **5. ANY OTHER BUSINESS**

None.

## **6. NEXT STEPS**

The **Chairwoman** finally asked all the participant at the meeting to contribute with an inventory of already existing actions in the area that are being proposed by the consultant as improvement options, but also ideas for further actions and what stakeholders can do about it in this pilot project. It is important to gather the ideas for a final report of this pilot project and discuss these at the next meeting. Actions could be considered to the widened scope of the project, to be applied to furniture made of tropical wood. The last project report will be put together and written by Carrefour on the basis of stakeholder contributions.

Next pilot project meeting will take place in Brussels on 15 May.

## **Annex: List of participants 2<sup>nd</sup> meeting 18<sup>th</sup> of January 2006**

Chris Van Riet – CEI-Bois

Emmanuelle Neyroumande – WWF

Lotta Malfrere – IKEA

Katarina Maaskant – IKEA

Paul Rowsome – Carrefour

Solene Flahault – Carrefour

Virginie Saudrais – Carrefour

Jean-Christophe Ferrer – Carrefour

Wouter Ulburghs – Ovam

Alistair Monument – FSC

Robert Nuij – ERM

CSORBA Orsolya (DG ENV)

DAVIDSSON Bengt (DG ENV)

WOESTYN Anne-France (DG ENV)

RAKONCZAY Zoltan (DG ENV)

SCOTLAND Neil (DG DEV)

CARDOSO Julio (DG ENTR)

MÄKELÄ Timo (DG ENV)

### **Organisations Missing:**

BEUC

Pro-Natura