

VNO-NCW preliminary comments on the Environmental Impacts of Products study

Dutch entrepreneurs have over 15 years of experience with product care and therefore support initiatives that aim at the further improvement of the environmental aspects of products throughout the life-cycle. The work that is undertaken in this study however - identifying products with the greatest environmental impact - seems to assume that it is possible to compare the impact of each product at any place in Europe at the same point in time. This approach has great limitations and entails the risk that the further elaboration of IPP is based on this starting point.

Although the main challenge will lie in the manner of application of the study in the IPP-policy framework, it is clear that this phase of the study already forms an important contribution to IPP. Therefore -before providing some comments on the study itself - VNO-NCW would like to express our concerns regarding the organisation of this study and stakeholder involvement. Two exclusive workshops and a public internet consultation of a few weeks about the draft report (120 pages!) can not suffice as stakeholder involvement. We understand the need to balance this involvement with the need to keep the project manageable, but the consequence is that these activities are hidden from the view of entrepreneurs throughout Europe. The lack of transparency makes it difficult for business to retrace and control the steps that have been taken by the researchers. Given the complexity of the study, more attention should be given to the explanation and distribution of this information. Furthermore, we note that a large number of European legislative acts and studies are already in place or underway and cover many environmental aspects that are also subject of this study: IPPC, REACH etcetera. All these individual activities lead to (partial) overlap and use different methodologies.

The researchers have made an enormous effort in collecting, comparing and interpreting data to try to come to an actual overview of the environmental impact. As is recognised in the draft report by the researchers themselves, this has brought the clear lack of comparable and complete data to light, such as data about resources. The great differences between the compared existing top-down and bottom-up studies form another problem that is mentioned but not tackled in the study.

The most important part of the study is the second part, where a new analysis is carried out that allows consolidating the results at higher levels of aggregation. We would like to draw your attention to the following critical points:

1. Through aggregation several hundreds of emissions are reduced to a small number of environmental issues. Although this is not said explicitly in the study, next a weighing step is introduced. This means that on the basis of certain considerations an opinion is given about the relative importance of these environmental issues. In the past much attention has been given to the different weighing methods. Several solutions have been thought of (like

¹ Confederation of Netherlands Industry and Employers VNO-NCW - Be Zuidenhoutseweg 12 The Hague – P.O. box 93002 – Phone +31 70 349 03 27- <mailto:verweij@vno-ncw.nl>

combining different weighing methods), but none of them are considered satisfactory. The biggest problem is that any weighing method is always subjective, and because of that disputable, subject to changes in time, sensitive for fashionable considerations and even abuse.

2. The level of aggregation that is chosen leads to great differences in outcome and score. Some product groups are divided at lengths, while others are treated as a more homogeneous group.

3. It is not clear if the study uses the real environmental costs or that these costs are passed-on.

4. No collegial/peer review or sensitivity analysis has been performed. This is an essential element for any study and should be incorporated in the final report.

5. Most important question is how this study will be used in new policies or measures. Besides the fact that the critical factors as mentioned above need to be solved if possible, even with this methodology any product policy should never focus on improving the intrinsic qualities of the product alone. The purpose can not be to decide whether a chair causes more environmental impact than a pack of biscuits. Furthermore, the context (use or production phase) should be taken fully into account.

As a general comment VNO-NCW thinks the fifth point requires an open discussion with all parties. This debate should pay attention to the question whether the focus of IPP should be on ready-made data and numbers or on identifying the points for improvement in the process or chain.