

## **Joint GLOBE EU/CLG Europe (CISL) event**

### **The Sustainable Products Policy Framework:**

#### **Changing the Game or Missing the Point?**

February 28, 2022 – 16h00 to 17h30 (Webex)

#### Welcome and Opening Remarks – Martin Hojsík MEP, Vice-President GLOBE EU

- Welcome to the event. This event is taking place during an unprecedented situation. In the context of the sustainable product initiative, we need to manage our dependencies from people like Putin, whilst also living within our planetary limits.
- This event is being co-organized between Globe EU and Corporate Leader Group Europe. We need the companies to be a crucial part of delivering the change, including the Sustainable Products Initiative.
- Due to the crisis there were several last minute changes in the agenda due to urgent meetings around Ukraine. This includes our keynote speaker, Jan Huitema MEP.

#### First Panel Discussion: “Product Push”

#### The Sustainable Products Initiative – William Neale (Adviser for Circular Economy and Green Growth – DG ENV

- To firstly define circularity: What we mean by circularity is value retention, keeping materials in use as long as possible. It is not just about recycling and resource efficiency but about slowing down the flow of materials out of the economy. In the Circular Economy Action Plan, the goal is to reduce the consumption footprint. The design of a product defines the lifetime impact of that product. We are looking at a few design attributes that could have a massive impact.
- The first Circular Economy action plan came out in 2015. We are trying to get rid of the worst that is on the market. Behavioral nuancing. Analysis data access instead of the data itself. Circularity is about value. Attaching data to a product, as a passport, as has been used in the battery regulation. This is part of the wider set of tools which are to be used (ecolabel, green public procurement, consumer rights, etc.).
- The sustainable products initiative will come out on 30 March. We chose the eco-design to normalize the use of sustainable products. We mimic the eco-design procedure from a product-group basis, where we ask ourselves what the most important design features are.

Linking the SPI with the transition to a circular economy – Carsten Wachholz (Senior Policy Manager – Ellen MacArthur Foundation)

- We are looking at this based upon the circular economy principles. These principles are to eliminate waste, circulate products and materials, and to regenerate nature. We need to go further than redesigning the products themselves, but also the processes, services and business models around them. This is why SPI needs to be embedded in other policy principles.
- Look at end of life concept. We need to go beyond making sustainable products and also look at the supply chain and procurement (importance of digitization). SPIs need to be embedded in policy.

The SPI can steer business action at three levels:

- Product level – minimum design and information requirements eliminates worst performing products and enable new opportunities
- Business level – benchmarks incentivize businesses towards better environmental outcomes
- Procurement level – harmonized approaches to allow for pooling and scaling up of circular responses.

Unique opportunity to bring these subjects together for various products. SPIs could be more efficient. There are three main circulation improvement drivers:

- Enhancing use – how much, or how many times the product is used
- Cascading uses – either for the product, the materials or components. Can they be used elsewhere?
- Safe chemical and material choices – Can we ensure the value and integrity of these products across various life cycles.

Extended Producers Responsibility and tools to facilitate circular products – Myriam Tryjefaczka (Sustainability and Public Affairs Director, EMEA - Tarkett)

- What are the challenges within Tarkett. We are part of the B-group, we are a floor company, all types, every specific needs is possible, 12000 employees.
- Tarkett has its own recycling company. They want to make a product made to last and they are also able to recycle it. Welcoming SPIs and digital product passport initiative for the future. They also indicate on products how to get in touch with Tarkett to know about end of life process.
- Tarkett is participating in developing Extended Producers Responsibility (EPR) schemes. Creating the playing field for the EU industry.  
Regulation needs a harmonized framework between various actors in Europe. We want to make fully circular PVC and recycle it, planning to add that in their plan.
- It is important to understand the history of all products in a building to be able to prepare. They are very strict internally in the way they assess the products.

## Second Panel Discussion: “Product Pull”

### Influencing consumer behavior towards the circular economy- Ioannis Bakas (Circular Economy Monitoring Expert – European Environment Agency)

- How do we monitor circular economy? It’s a transition agenda. The consumer behavior and how it can be influenced towards a circular economy. Productions and consumption systems are integrated. They not only respond to demand but they shape demand. We can make a more or less circular choice. There is no absolute linear consumer but clear influence. Our choices matter.
- How do we choose? It is based on various aspects (economics, our needs, the info we have + a more psychological nature (which is difficult to change)) EEA focuses mostly on economics and the info available. They propose a framework template to accompany the policy. In a month, EEA will publish a briefing about this topic.

### Empowering Consumers – Lucia Reisch (El-Erian Professor of Behavioral Economics and Policy – Cambridge University)

- ‘Avoid, shift, improve’. Here is a list of behaviorally informed demand side policies:
  - Law: loi Garot, Italy, China (toughest in 2021, targeted against consumers) – fight against food waste.
  - Taxations (PAT, carbon friendly food)
  - Public procurement (typically underrated)
  - Choice architecture (triple A infrastructure) – make it fun and attractive
  - Sludge audits (bad nudges) – going systematically through legal barriers
  - Nudges
  - Deshrouding (simple info)
  - Skill-building (example of DK)
  - Narrative transportation (role models)
- We’ve started a new product in Copenhagen. What behavioral insights we can use to promote a circular society. We work with a municipality on reducing meat consumption and food waste. We work with the app – TooGoodtoGo. There are often practical barriers that need to be addressed, but building in the idea of a circular society can help to build a shared vision for the wider idea to tackle the challenges.

### Healthy and Sustainable Choices – Johannes Weber (Manager, European Affairs – Nestlé)

- Huge pressure on food systems due to climate crisis. What is our agricultural footprint? Main impact categories looked at on the roadmap. Also want to add other aspects info to customers (e.g., this is the water usage of the product, etc.)

- Product Environmental Footprint Methodology (PEF) → not only for food. We need the information to be clear and easy to understand for the customer. There are several different examples currently in existence.
- There are also national and public initiatives. The journey is not going to be easy but it will be beneficial, we need to continue the discussion. We look at systemic change and at the whole ecosystem of the product. How do we communicate to the people in a good way.

### Discussion

**William Neale:** Proposal has been developed between DG Grow, DG ENER, and ENVI + various others (so very close collaboration between parties). Very high level of consensus. Groundbreaking and innovative. Regarding the Digital Product Passport: a lot of private passports existed before and worked well but we needed a common language. Need to ensure that public interest is there.

**Myriam Tryjefaczka:** Third party can have an NDA with the supplier. Tarkett would only see the end result of the risk evaluation of the components and trust the supply chain

**Lucia Reisch:** on the question of labelling. Behavior shows that consumers don't tend to use labels so much. But what effect it does have is upstream for businesses, who now have transparency on their goods.

**Johannes Weber:** Nobody wants to be towards F, so instead wants to be at an A. This will give the sector a huge motivation to shift, and move towards an A, and have a better labelling than your competition.