

**Summary**

The purpose of the meeting was first to take stock of EU initiatives on Integrated Product Policy (IPP) and then try to build a dynamic view of how IPP should be taken forward in the future.

The vision that was developed was about making ‘products’ central to delivery of both national and EU-level commitments on sustainable consumption and production (SCP).

The meeting considered how that vision could be developed and taken forward, in terms of priority instruments, organisation and capacity, and the key links with other policies.

**1. An assessment of the current position**

On *the positive side* - IPP has succeeded over several years in bringing together policy-makers across the EU, building up common understanding amongst them, and starting to engage business stakeholders around the growing challenge to reduce product impacts.

On the other hand, we must recognise *the weaknesses* at present:

- IPP is still largely at the evidence-gathering stage, conducting research and developing generic tools, rather than generating action in specific product areas.
- It is therefore hard to demonstrate the value and effectiveness of an IPP approach; and so the profile of IPP is still weak.
- There is no strong political or institutional leadership, so IPP is not steering other relevant activities as it needs to do.
- In any case, the links with other EU strategies and activities are not clearly set out and understood, so integration and influence is hard to achieve in practice.
- There is insufficient capacity devoted to IPP approaches, either at EU or national level.

*‘SWOT’ analysis : Results from individual contributions and group discussions*

<p><b>STRENGTHS</b></p> <ul style="list-style-type: none"> <li>• There is broad consensus on the importance of a coherent life-cycle approach.</li> <li>• The emerging ‘evidence base’ (on priority sectors and products) holds great promise.</li> <li>• IPP can encourage industry cooperation to implement flexible solutions.</li> </ul>	<p><b>WEAKNESSES</b></p> <ul style="list-style-type: none"> <li>• IPP can seem abstract, not readily understood by political leaders and stakeholders.</li> <li>• The links between IPP, SCP and other related agendas have not been clearly made.</li> <li>• Leadership and capacity for driving IPP is too low, both at EU and national level.</li> </ul>
<p><b>OPPORTUNITIES</b></p> <ul style="list-style-type: none"> <li>• IPP can facilitate better policy-making, able to address related problems in an integrated way.</li> <li>• IPP can educate the market in eco-design and help develop business opportunities.</li> <li>• IPP can help the move away from ‘end-of-pipe’ approaches to more effective, flexible solutions.</li> </ul>	<p><b>THREATS</b></p> <ul style="list-style-type: none"> <li>• We are confronted by increasing consumption and a proliferation of new types of products.</li> <li>• To change consumption behaviour (as well as improving the products) is hugely difficult.</li> <li>• Traditional growth policies might ‘crowd out’ attention on products and consumption.</li> </ul>

To become ‘real’ to policy leaders and stakeholders, IPP will need to complete the identification of priority products, and then move towards proposing specific targets and plans

for action. The various research findings are now pointing us towards some priority sectors - among food products, building and energy products, and personal transportation.

The next phase of IPP will also need to recognise a big 'parallel' challenge - how to influence the strong existing patterns of consumption behaviour. Governments will face some hard choices - because tackling consumption will raise issues which are politically difficult, with actions which may result in 'winners' and 'losers' among stakeholders.

## 2. Future visions of what IPP might deliver

IPP needs to have (i) a clear, strategic vision of the future; and (ii) a 'roadmap' of dynamic steps for making that vision a reality.

Looking 15 years ahead, the ambitions for the vision should be set high. This is the kind of picture which came out of our discussions:

*“ 2020: Products for a one-planet lifestyle ” - when ...*

- Governments will have public acceptance that they have a role in making consumer activity more sustainable, with environmental costs 'internalised' in product prices.
- Consumers will simply expect all products to be sustainable (just as, today, they expect all products to be safe).
- Eco-design will be a routine part of business practice, so that the use of materials, energy and water, and emissions and waste from products, will be minimised at all stages of the life-cycle.
- Business supply-chain policies and public procurement programmes will apply constant pressure to improve the sustainability of goods and services.
- Developing countries will be developing with 'leapfrog' technologies for products, increasing their wealth and well-being while also minimising environmental damage.
- Policy leaders and stakeholders will see that active product policy makes a strong and measurable contribution to reducing environmental, social and health impacts, and to delivering political targets and commitments.

## 3. Future governmental priorities for the actions and instruments to deliver change

IPP must be seen as closely associated with the forward-looking agendas for innovation, better regulation and better policy-making. IPP is very much a 'smart', modern approach:

- Developing a sound knowledge base of product impacts and product markets.
- Building the standards framework for measuring products' environmental performance.
- Making and communicating clear 'product' objectives to businesses and consumers.
- Selecting and targeting the interventions that will make the market work to deliver change.

Three types of policy instrument offer the most potential for creating dynamic change:

- Public procurement - with governments demonstrating strong environmental leadership to support today's best practice and future / emerging technology.
- Economic measures - with governments using fiscal and economic measures to give clear cost signals about sustainable choices; and removing any contradictory signals which act against sustainability.
- 'Intelligent' mandatory approaches - with governments applying frameworks like EuP to negotiate packages of measures for a product sector (underpinned where necessary by regulation, but allowing a range of non-regulatory action).

**Organisation, resources and capacity**

Currently, there is only loose co-operation (at EU and national level) between the policy areas relevant to products, rather than a coherent and 'driven' programme for change.

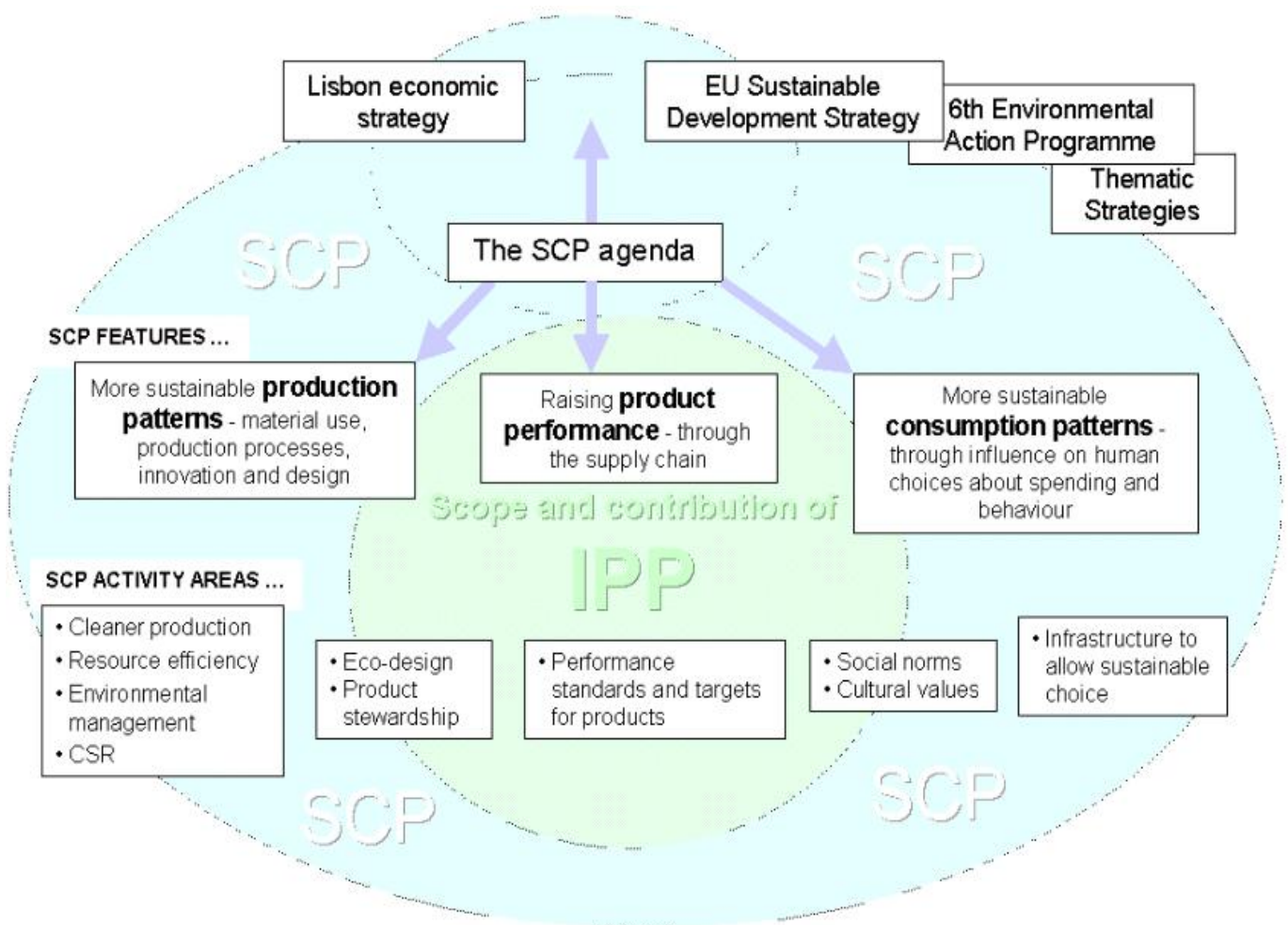
It is crucial to have strong EU policy leadership on IPP. This would mean embedding a 'product focus' right across the organisation of the Commission. Such leadership would make it easier for national governments to make the 'policy case' for IPP within their own countries and to implement similar changes. Without strong leadership, it will be extremely difficult to engage effectively about products with business and stakeholders.

There is a strong case for the Commission and national governments to create new capacity in their organisations - working coherently to build up the relevant knowledge base; to set priorities and performance standards; and to propose the actions which it would be appropriate for the relevant policy areas and instruments to pursue.

More generally, this should be seen as part of a shift of resources that is needed in environmental policy as a whole - away from 'end-of-pipe' regulatory approaches, towards more 'horizontal' and 'thematic' strategies and programmes.

**4. Making the connections between IPP and other policies**

Finally, the meeting considered the crucial links and connections which IPP helps us to make within the broader agenda for sustainable consumption and production (SCP). The following 'map' was used to stimulate the discussions.



The meeting did not try to reach any conclusions on the details of such a 'policy map'. However, it recognised that:

- Some kind of shared vision of the whole policy structure is needed.
- Such a vision could be provided in the 'SCP action plan', which the Commission will be preparing under the new EU Sustainable Development Strategy.
- This could provide a much clearer 'mandate' for the practical areas of work which IPP should influence and contribute to.

### ***IPP and SCP at EU level***

There are several areas where IPP could contribute strongly to the SCP agenda:

- Most directly - the identification of priority products and performance targets for products, which can be used in various tools (e.g. procurement) and in various regimes (e.g. the implementation of EuP) and initiatives (e.g. ETAP).
- This contribution on product impacts and product performance should connect strongly with the '*sustainable production*' agenda - life-cycle techniques, eco-design and resource efficiency.
- The '*sustainable consumption*' agenda has not yet been properly developed, but IPP could make a very valuable connection. IPP could encourage behaviour change by prompting consumers to think harder about the impacts of their consumption and by enabling them to have a truly 'greener' choice of products in the market.

### ***IPP and other EU / international agendas***

IPP has direct links with:

- The EU Thematic Strategies on waste and resources.
- The practical delivery of major programmes, especially on energy efficiency and climate change.
- International cooperation on raising product standards (the 'Marrakech' Task Force on Sustainable Products) and supporting standards through ISO and WTO.
- International cooperation on the 'sustainable consumption' agenda (the 'Marrakech' Task Force on Sustainable Lifestyles, OECD analysis on consumption patterns, UNEP workstreams on youth and marketing).
- The 'development' agenda - through the 'product' dimension of technology transfer and new markets for developing economies.

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\* The European IPP Informal Network was set up on the initiative of member states in 2000, with the aim of sharing practical information and strategic thinking about the development of policy for sustainable products. As envisaged in the Commission's [Communication](#) on IPP, the role of the Network continues in parallel with the formal arrangements for the implementation of the Communication.

The November 2005 meeting consisted of presentations and facilitated discussions on the four key themes summarised in this note. The note was prepared by the UK's ministries for environment, trade and industry (*Defra* and *DTI*) to record the issues and views which emerged. As the Network operates on an informal basis, this note should not be regarded as representing the formal position of Member States.