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Introducing Product Environmental Footprint (PEF) in practice in Eastern partnership region

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13 May, 2024

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What is the Product Environmental Footprint?

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Hundreds of labels confuse everyone



How confident are you that when you buy a product labelled to be environmentally friendly, it will cause less damage to the environment than other products?

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At a European level: threat to single market

- *The EU wants to create an open market for environmental products, and **develop trustworthy information***
- ***Council conclusions in 2010** asked for a harmonised method to calculate the environmental performance of products along their life cycle.*
- *The European Commission started to develop the Environmental Footprint **methods to bring more clarity for citizens and new opportunities for businesses** by calculating the full environmental footprint of a product or organisation*
- ***PEF and OEF methods were adopted in 2013** by the European Commission and published in the Official Journal (2013/179/EU)*

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This led to the Single Market for Green Products Initiative (2013)



Commission Recommendation 2013/179/EU of 9 April 2013

- Established 2 recommended methods for measuring environmental performance throughout the life cycle:
 - Product Environmental Footprint (PEF)
 - Organization Environmental Footprint (OEF)
- Announced a **pilot phase to develop specific rules for products and industries** through a multi-stakeholder process



EC (2021)932 Commission recommendation on the use of the Environmental Footprint methods to measure and communicate the life cycle environmental performance of products and organisations

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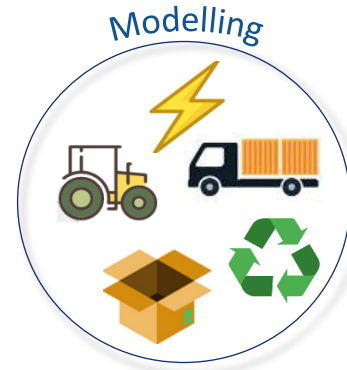
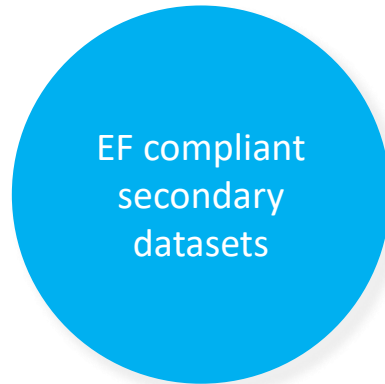
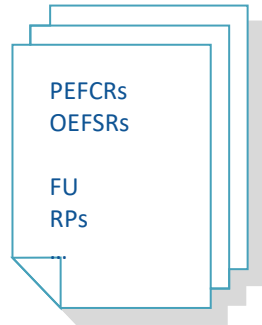




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Product environmental footprint:



ISO14040/44
Primary data
Detailed rules
Supply chain
Harmonisation
Environmental assessment
EF compliant data
Cradle to gate
Recommended
16 Impact indicators
LCA



Data quality requirements

	Most relevant process	Other process
1. Process run by the company	Use company-specific data and create a company-specific dataset DQRs1.6	Use default secondary dataset DQRs3.0
2. Process not run but with access to company-specific information	Use company-specific data and create a company-specific dataset DQRs1.6	Use company-specific activity data for transport and electricity DQRs3.0
3. Process not run by the company	Use a default secondary dataset DQRs3.0	Use company-specific activity data for transport and electricity DQRs4.0
		Use a default secondary dataset DQRs4.0

Data Needs Matrix



Materiality

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Goal of PEFCRs: product category

- Provide **specific guidance for the calculation and reporting** of environmental impacts of the product life cycle of a certain product category
- Focus on the **most important parameters** in determining the environmental performance of a product
- Allow **comparability** between PEF calculations of the same product category



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

















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PEFCRs and OEFSRs developed in the pilot phase

PEFCRs

-  Batteries and accumulators
-  Beer
-  Dairy products
-  Decorative paints
-  Feed for food-producing animals
-  IT equipment
-  Metal sheets
-  Hot and cold water piping systems
-  Intermediate paper products
-  Liquid laundry detergents

-  Leather
-  Pet food
-  Pasta
-  Thermal insulation
-  Wine
-  Packed water
-  Photovoltaic electricity generation
-  T-shirts
-  Uninterrupted power supplies

OEFSRs

-  Retail sector
-  Copper sector

Legend:

Currently under revision

Due and no revision planned

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New PEFCRs under development

Official ones:

-  Apparel and footwear products
-  Cut flowers and potted plants
-  ~~Flexible packaging~~
-  Synthetic turf
-  Marine fish

Non-official ones:

Concluded

Growing media

[Horticultural products](#)

[Red meat](#)

[Shampoo](#)

Ongoing:

[Cosmetic products](#)

[Fruits and vegetables](#)

Soft drinks

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Use of PEF in policy making

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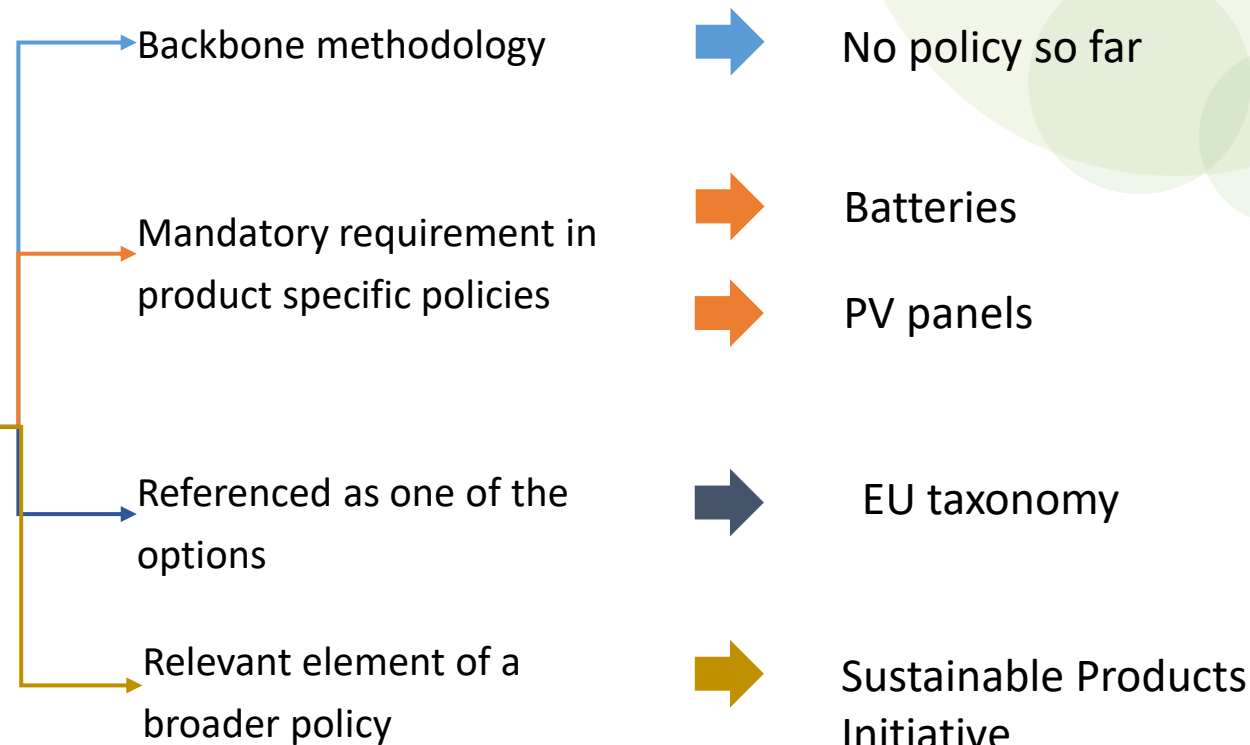


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PEF is not a policy, its an instrument



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E.g., Proposal for a Battery regulation

- Industrial batteries, light means of transport batteries (e.g., e-bikes) and electric vehicle batteries shall be accompanied by technical documentation that includes, for each battery model and batch per manufacturing plant, a carbon footprint declaration drawn up in accordance with the delegated act.
- Two steps approach:
 - i) declaration,
 - ii) classes of performance (later on)
- Basis for carbon footprint declaration: [PEFCR Rechargeable batteries](#)
- Entry into force: 1st July 2024
- Web based tool to be provided by the EC to facilitate calculation and declaration



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E.g., EU Ecodesign for Sustainable Products Regulation ESPR (Sustainable product policy)

Revises the existing Ecodesign directive

To make sustainable products the norm

Extends the existing framework in two ways:

- broadens the range of products (beyond energy related products)
- broadens the scope of the requirements
- EU rules for setting **mandatory minimum sustainability requirements on public procurement**
- EU rules for setting requirements on **mandatory sustainability labelling** and/or disclosure in the form of a **digital product passport**

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Why is it important for the Eastern Partners' region?

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EF solves several issues

Consensus based: work with many stakeholders in pilots with clear structure;

Let **industries take the initiative**

The general PEF method is highly **prescriptive**

Develop **detailed rules** to get consistency within a product category

It's not only about climate change: broad set of **default impact categories**

Define very high **data quality guidelines**, but only for data that really matters.

Benchmark

Refine these again, and again, and again, and again, and again, and again, and again

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How EF can help

State of the art

Focus on **Minimum costs** for data collection

Build on **wide consensus** and largely **tested**

Recommended by the European Commission

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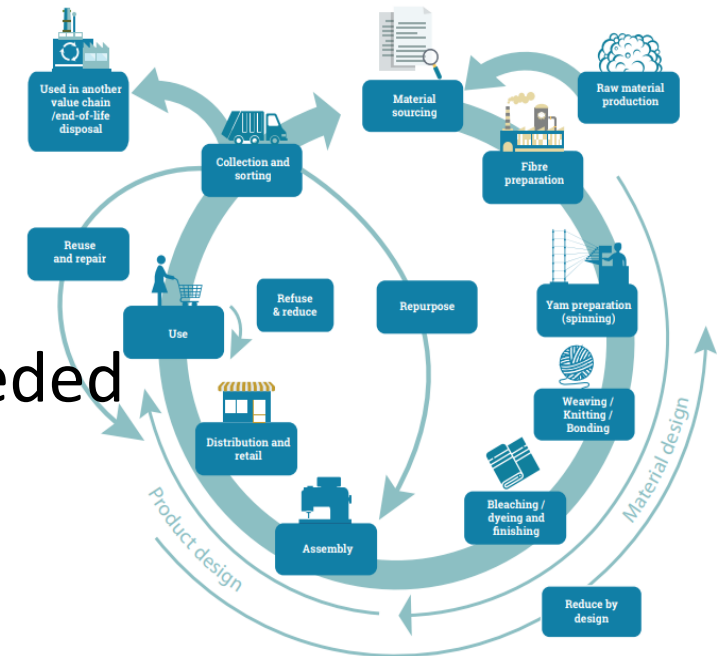
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However

- The rules are complex ---> training is a must
- Data collection is the basis ----> time is needed
- A calculation tool is required ----> finances are needed



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Benefits for your company

- Will create a **level playing field** for industries
- For companies aligned with these rules, will open **up opportunities to enter a larger market in the EU**, in addition to the already existing market outside of the EU
- It will “future-proof” the operations of the company through reduction of regulatory incompliances and enable them to **be policy ready**
- This can help identify and provide **opportunities** to reduce impact through sustainable innovations

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The main problems of Azerbaijan's environmental labelling legislation

- The concept of ecologically appropriate (acceptable) product has not been defined in the legislation;
- The concept of "ecological labelling" ("ecolabeling") is not clearly defined in the legislation;
- The criteria for distinguishing the ecologically appropriate product from ordinary products have not been defined, except for the area of ecological agriculture;
- The rules for informing the consumer about the eco-signs on the products imported into the country have not been defined;
- The fact that consumers are especially interested in purchasing a product that is considered ecologically appropriate (acceptable) and therefore willing to pay a higher price has not been investigated;
- The emergence of non-certified products in the country accompanied by various eco-labels;
- Poor awareness of the manufacturer about the advantages of buying an "ecolabel" and lack of such opportunities.

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Recommendations for the development of ecological certification and ecological labelling

Recommendations in the field of standardization:

- Acceptance of national standards based on general ISO standards;
- Adoption of ISO 14000 standards;
- Preparation and adoption of standards in the field of national ecological, food safety, health and environmental protection based on ISO standards,

Recommendations in the field of accreditation:

- Creation of accreditation laboratories and organizations for determining the conformity of products and services according to ISO 14000 standards and accreditation in bodies of other countries, including TURKAK, until the Azerbaijan Accreditation system is developed;
- Creation of organizations and laboratories in the field of ecologically clean agriculture.

Recommendations in the field of certification:

- Implementation of mandatory and voluntary Certification on human health and environmental protection.

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Thank you!

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