

Sustainable Consumption and Production and Sustainable Industrial Policy

Position Paper of the Nickel Institute

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The Nickel Institute acknowledges European Commission's commitment to sustainable patterns of consumption and production and believes that nickel makes an important contribution to the delivery of recyclable, durable, reusable and material efficient products which allow great environmental savings

Introduction

The Nickel Institute takes note of the Commission activities on sustainable consumption and production (SCP) and sustainable industrial policy (SIP). The Nickel Institute appreciates the approach to align SCP and SIP with the Communication on a resource-efficient Europe and in the broader policy context of the Flagship initiative of the Europe 2020 Strategy and its overarching long term goal to deliver smart, sustainable and inclusive growth. The Nickel Institute would like to draw the Commission's attention to some general and specific points which it considers of particular importance in order to build sustainable consumption and production ensuring the competitiveness of the European economy and keeping a robust industrial base and the whole value chain in Europe.

Executive summary

The Nickel Institute supports the key principles of a Sustainable Consumption and Production and Sustainable Industrial Policy. It is however essential that SCP and SIP take account of and are aligned with other related policy initiatives such as Resource Efficiency, Energy Efficiency, Ecodesign Directive and the Waste Framework Directive in line with the OECD Recommendation of the Council on Regulatory Policy and Governance (22 March 2012) recommending that members should promote coherence between regulatory approaches and avoid duplication or conflict of regulations.

When setting the requirements of the various EU SCP regulatory instruments and policy measures the full life cycle of different products groups should be considered as well as the benefits of using different materials and resources. It is of utmost importance to ensure consistency in the criteria and aligned objectives among the various EU instruments addressing the environmental performance of products with a particular attention to sector-specific regulatory instruments (e.g. the Construction Products Regulation EU 305/2011 and the Energy Performance of Buildings Directive 2010/31/EU) and voluntary standards (e.g. CEN TC 350 standards) and other framework Directives (e.g. the Waste Framework Directive 2008/98/EC) in order to avoid 'conflicting overlaps' in terms of environmental results and costs. A harmonised overarching methodology which embraces the recyclability of products is needed to encompass different methodologies such as MEErP and PEF instead of mandatory measures or strengthening of the EU Ecolabel.

Moreover it is of key importance that SCP and SIP are based on sound science. SCP related instruments and policies such as GPP should adopt a risk-based approach rather than restricting substances on basis of their classification alone. This will ensure that regulation is targeted, relevant and effective, in line with the OECD Recommendation of the Council on Regulatory Policy and Governance which requires integration of Regulatory Impact Assessment as well as application of risk assessment, risk management and risk communication strategies.

Comments

(1) Sustainable consumption and production

The Nickel Institute strongly supports the idea that **accurate information based on the life-cycle impacts of products, their life cycle cost and environmental benefit** should guide consumption decisions of consumers and retailers. It is of critical importance that indicators and environmental performance criteria are based on **sound science**, high quality data and independently verified information. Several references are made to **'environmental friendly' and 'green' products** without a clear definition or criteria which may lead to 'greenwashing' and to the use of confusing and misleading environmental claims. Private or public initiatives and networks for the development of technical solutions to improve the recyclability and reusability of packaging waste should be favoured rather than strengthening the EU regulatory requirements on packaging. The effectiveness of **incentive measures** such as tax-based measures, product rating, information tools and support as well as tradable permit schemes is questioned. Moreover, as regards **environmental harmful subsidies** the Nickel Institute calls for a comprehensive assessment on whether removing them will not lead to an overall negative environmental impact.

(2) Sustainable Industrial Policy

The Nickel Institute welcomes support and specific focus on sustainable business strategies. **Nickel has already a high recycling efficiency (up to 70%)** and greatly contributes to sustainability. Nickel in fact is a high performance material that plays a key role in efficient, long-life components that enable clean, efficient energy, including batteries for electrical and hybrid cars, efficient gas turbines for power generation, wind turbines, fuel cells, aviation and solar power. However, there is still room for **improvement in the consumption patterns from households** and especially in improving the **framework conditions for smarter use, collection and recycling of metals**.

(3) Green public procurement

The Nickel Institute does not object to green public procurement criteria as long as **the full life cycle is taken into consideration and an approach is followed based on risk and not on hazardous classifications**. Furthermore, it recognizes a too high ambition of the GPP criteria especially since there is a lack of definition of 'green products' and considers that diverse practices among Member States hamper the effective implementation of GPP policies. It is imperative that when deciding on elements to be included in GPP criteria the distinctive characteristics of the materials should be given a special weight as well as the different phases of production i.e. for intermediate products (e.g. construction products), cases where criteria should be set at intermediate product level and cases where criteria should exclusively be set at final product level (e.g. building) should be clearly defined, to prevent the risk of sub-optimisation. Finally, all stakeholders including industry should be engaged in the debate around the development of GPP criteria for different product groups;

for example, recycled content might be a good indicator for paper but is inappropriate for metals and would lead to adverse environmental impacts.

(4) Improving environmental performance of products and organisations

The Nickel Institute believes that there is a need for **better coherence and policy consistency** among a set of different initiatives that are already in place at Member States and EU level to improve the environmental performance of products (e.g. Resource Efficiency Flagship, Energy Efficiency, EU Ecolabel Regulation, clean vehicles). From an industry perspective the above mentioned issues are interconnected and should not be viewed in silos if we want to achieve sustainable development and competitiveness of the European Union. The recently published OECD Recommendation of the Council on Regulatory Policy and Governance requests members to identify and reform overlapping regulations to promote regulatory coherence and avoid duplications or conflict of regulations. Especially in an area where several initiatives such as mentioned above exist and which influence each other, it is very important to develop regulatory policies and practices for all levels of government to achieve harmonization. There are far too many labels providing environmental information on products and there is **the risk that in the absence of scientific data and a harmonised methodology, a prevalence of some environmental impacts versus others is made, i.e. hazardous classifications of materials**, which will be misleading for the consumers. The OECD requires Governments to develop, implement and review regulatory compliance strategies against risk-based criteria.

Conclusions

The Nickel Institute calls for a SCP and SIP that establishes links to other relevant policies and initiatives, taking into account the material properties and specificities and the full life cycle analysis based on sound scientific evidence and a common methodology especially when comparison is at stake, i.e. when product A should be declared greener than product B. Above all, the SCP and SIP should cover those key areas and sectors where specific legislation is not already in place and should seek for 'win-win' solutions for both the environment and the economy.

The Nickel Institute is a nonprofit organization that represents the interests of 25 companies which together produce more than 75% of the world's annual nickel output. We promote on behalf of our members the production, use and re-use (through recycling) of nickel in a socially and environmental responsible manner.

Nickel Institute Brussels Office

Avenue des Arts/Kunstlaan, 13

B-1210 Brussels-Belgium

Tel : +32.(0)2.290.32.08

Fax : +32.(0)2.290.32.20

E-mail : mmistry@nickelinstitute.org

Web: www.nickelinstitute.org