SCIENTIFIC SUPPORT PLAN FOR A SUSTAINABLE DEVELOPMENT POLICY

Intermediary report - January 2003

ECOLOGICAL, SOCIAL AND ECONOMICAL ASPECTS OF INTEGRATED PRODUCT POLICY: DEVELOPMENT OF TWO INSTRUMENTS CP-20

RUG - ETHIBEL

SPSD II

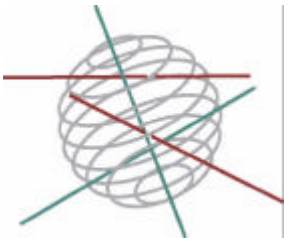
PART 1

SUSTAINABLE PRODUCTION AND CONSUMPTION PATTERNS

- GENERAL ISSUES
- AGRO-FOOD
- ENERGY
- TRANSPORT

This research project is realised within the framework of the Scientific support plan for a sustainable developmentpolicy (SPSD II)

Part I "Sustainable production and consumption patterns"



The appendixes to this report are available at :
http://www.belspo.be (FEDRA)

Published in 2003 by the
Belgian Public Planning ServiceScience Policy
Rue de la Science 8 - Wetenschapsstraat
B-1000 Brussels
Belgium
Tel : 32/2/238.34.11 – Fax 32/2/230.59.12
http://www.belspo.be (FEDRA)

Contact person :
Mrs Aurore Delis (deli@belspo.be)
Tel : 02/238.37.61

SCIENTIFIC SUPPORT PLAN FOR A SUSTAINABLE POLICY (SPSD II)
PART I « SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS »

1 PROJECT TITLE

Ecological, social and economic aspects of Integrated Product Policy: Development of two instruments.

2 INTRODUCTION

2.1 CONTEXT AND SUMMARY

Integrated product policy (IPP), oriented towards sustainable consumption and production patterns, is a relatively new policy area. A genuine integrated product policy means that ecological ánd social ánd economic considerations throughout the product's life cycle are taken into account. After all, the framework for integrated product policy is sustainable development.

At present though, IPP is principally interpreted from an environmental viewpoint. Some initiatives pay attention to the social conditions in which a product is manufactured or focus on a justified price breakdown. The full story however, is seldom told.

There is a growing need to achieve harmonisation[1], to integrate economic, social and ecological dimensions. This means that for example an integrated 'sustainable development' label, as mentioned in the Federal Plan for Sustainable Development, is required. This would make the informed consumer's choice easier and mean a benefit for producers and distributors as well. Administration would be simplified since everything could be classified in a single file. Initiatives worth mentioning in this respect are the Fair Trade Labelling Organisation (FLO) who set up global conditions for a fair trade label, and the FSC label for wood products. Both take into account the three dimensions. In Belgium, various initiatives have been planned in the short term concerning the European ecolabel and the social label.

Furthermore, it has emerged that the government does not know whether its policy is leading to sustainable consumption and production patterns. It does not have a sense of direction for its "genuine" integrated product policy, nor for the environmental product policy. The need for a set of key indicators to prepare and evaluate policy has also been highlighted in the Federal Plan for Sustainable Development. After all, measurement produces knowledge and, until now, there is no model list available, which has either been fully tested or subjected to public debate

2.2 OBJECTIVES

This policy oriented research project aims at making a targeted contribution to achieving a genuine integrated product policy, by developing two instruments:

(1) a voluntary policy instrument, i.e. the 'sustainable development' label: a proposal of a legal basis for 'the allocation of a 'sustainable development' label to products' (with attention paid to content and procedure), plus implementation and testing in a case (coffee); and

(2) a set of key indicators for 1) sustainable consumption and production patterns, 2) integrated product policy and 3) integrated product policy, partim the environmental aspects. The inter-

[1] The need to achieve harmonisation has also been emphasised in the Federal Plan for Sustainable Development 2000-2004.

relatedness of the three sets will be ensured, but attention will also be paid to the detailed working out of each separate set of key indicators.

The project proposal is directed at the integration of the ecological, social and economic dimensions in concepts, methodologies and voluntary instruments. Attention will be paid to the section of the life cycle, which occurs in developing countries during the working out of the case study.

2.3 EXPECTED OUTCOMES

As previously stated, the project comprises the development of two integrated product policy instruments on the basis of environmental, social and economic considerations within the framework of sustainable development.

In addition to the project report and the usual publications, lectures and forum discussions, the following initiatives have been planned:

For the label 'sustainable development':

- an English-language publication to make the results known at an international level;
- a proposal of a legal basis for (the allocation of a 'sustainable development' label;
- a workshop where the instrument would be presented to corporate representatives and stakeholders;
- a special workshop concerning the policy and legal aspects for policy makers (political representatives and the appropriate civil servants).

For the indicators:

- the indicators will be presented during a workshop;
- the three sets of key indicators with a methodological file per indicator will be published in a brochure.

3 DETAILED DESCRIPTION OF THE SCIENTIFIC METHODOLOGY

3.1 LABEL 'SUSTAINABLE DEVELOPMENT

Initially, existing initiatives (labels, certificates…) are examined: what are the relevant themes, the criteria, the monitoring and evaluation systems, the administrative procedures they use? This survey will inspire the development of operational criteria, monitoring system, testing methods, integration and evaluation system. This leaded to a draft of the criteria and the monitoring of the label 'sustainable development'.

This draft is tested on a practical case, coffee, in close cooperation with the Escuéla Politécnica del litoral (ESPOL) in Guayaquil, Ecuador. The instrument will be further refined on the basis of the experience gained with the ongoing case study.

This will lead to the development of a legal basis for the allocation of the 'sustainable development' label for products. A draft law and implementation procedure will be drawn up. Account will be taken here of the existing national and international legal framework (including free trade rules). An effort will be made to develop the legal model in such a way that it will be possible to implement the label at the European level at a later stage. The Centre for Environmental Law' experience will be called on for the development of the legal component.

Each part of the project is accompanied by meetings of the Users Committee, in which stakeholder organisations are represented (fair trade and environmental organisations, companies, workers organisations, government administrations, consumers, north-south organisations…). The aim of

these meetings is to get feedback on the project and to develop the instruments in a participative process.

3.2 INDICATORS

3.2.1 Original method

Literature study: investigation of proposed international and European key indicators
It will be examined whether reports have already been drawn up on indicators for sustainable production and consumption patterns, for IPP and for the environmental aspects of IPP.

Investigation of usability within the DPSIR framework and for suitability analysis
The results of this literature study will be integrated for each set of key indicators (see above) and placed within the DPSIR framework. Attention will also be paid here to this DPSIR framework's 'superstructure', i.e. what motivates the 'driving forces' (satisfiers, wishes and needs).
On the other hand, the research will indicate how a suitability analysis for integrated product policy must be prepared so that an 'ex post' evaluation is possible by using indicators. A vision statement, which can be used in both cases, will naturally have to be drawn up.

Proposal of a model list of key indicators: social debate
Finally, a proposed model list will be developed based on the previous steps in the research and new indicators proposed, if necessary at this point. For the selection of indicators, internationally accepted preconditions (cf. Bellagio principles), which an indicator must meet, will be taken into account.

3.2.2 Alternative method

Unfortunately, the literature study described above resulted in only a few existing sets of indicators for consumption and production patterns and no existing sets of indicators for (the environmental aspects of) integrated product policy. Therefore, in consultation with the OSTC and the Users Committee, an alternative method was proposed.

Background texts
Clearly determined and consistent series of indicators are needed to measure the progress in setting goals, to screen and adjust the policy and to predict future developments. Ideally objectives and indicators are closely connected. Areas of attention for which an indicator is wanted, should be selected based on a clear vision of what sustainable production and consumption, IPP and the environmental aspects of IPP mean or should be. To reach a vision on sustainable consumption en production patterns and integrated product policy in Belgium, the starting point consists of two basic elements: (1) a normative frame giving a general interpretation of 'sustainable consumption en production patterns', 'IPP' and 'IPP partim environmental aspects'; and (2) an analysis of the current situation in Belgium. From the visions text, objectives are distilled and placed in a tree structure.

Thus, based on the literature, 4 background texts are drawn up:

1. Normative frame for 'sustainable consumption en production patterns', 'integrated product policy' and 'integrated product policy, partim the environmental aspects'

The normative frame gives a general interpretation of 'sustainable consumption en production patterns', 'IPP' and 'IPP partim environmental aspects', based on the literature (global developments (Rio, CSD bluebook, Rio+10), diverse European initiatives, the Federal Plan for Sustainable Development, …) .

2. Analysis of the current situation

This is a general description and analysis of the current situation, developments, problems, potentials etc. Belgium has to take into account (based, among others, on texts in the frame of Rio+10, Global Environmental Outlook, EEA and the Federal Report Sustainable Development).

3. Vision on sustainable consumption en production patterns and integrated product policy

The next step is a description of the desired picture of the future of sustainable production and consumption patterns and IPP in Belgium, derived from the normative frame and the analysis of the current situation.

4. Tree structure

The different elements of the vision are translated in less abstract intentions or objectives and placed in a tree structure.

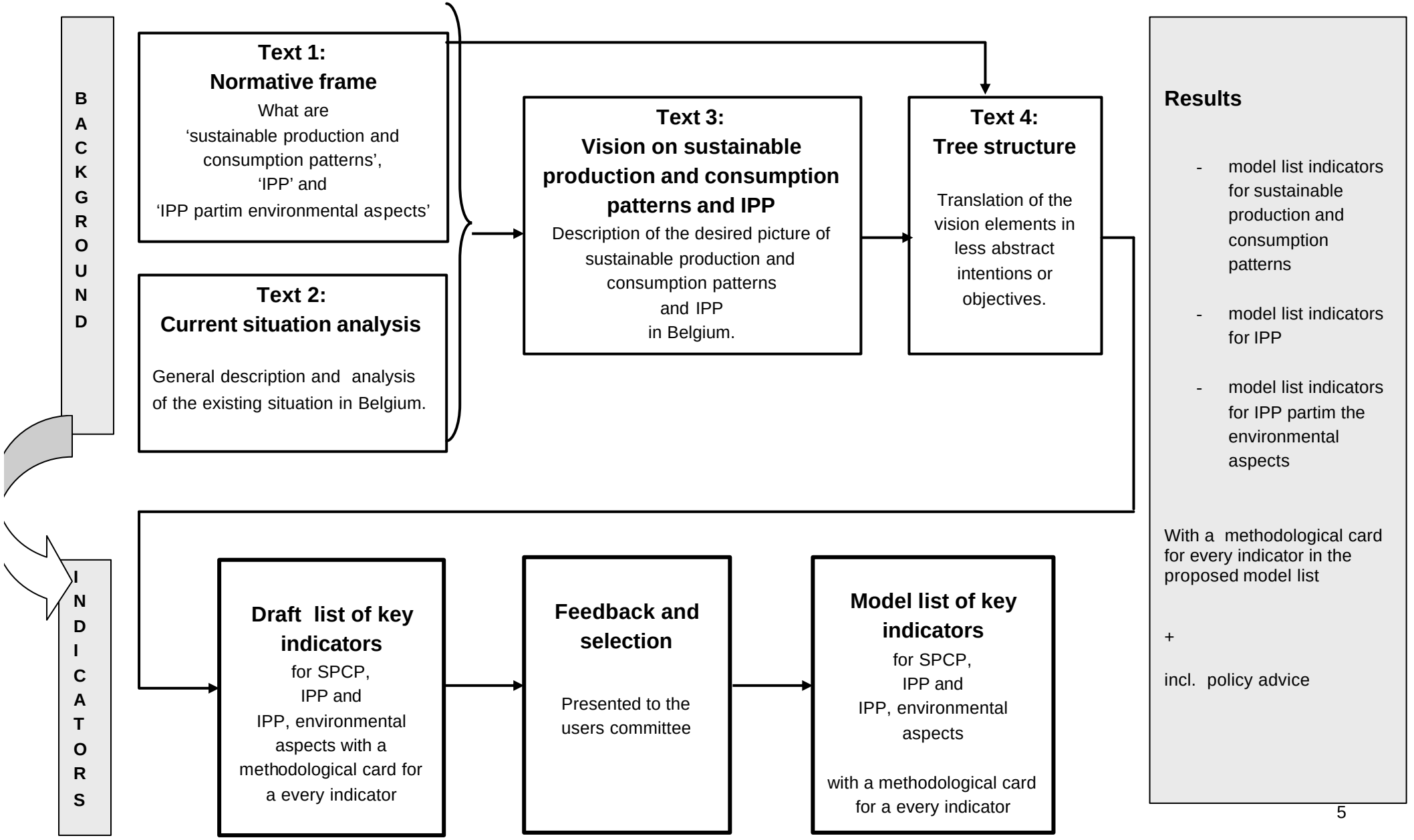
In the development of these background texts, the involvement of the users committee is indispensable for the representativity/support of principally the vision and the objectives derived from it.

Indicators

Finally, based on the objectives in the tree, three lists of key indicators will be developed: a) key indicators for sustainable production and consumption patterns; b) key indicators for IPP; c) key indicators for IPP partim environmental aspects.

For every indicator in the presented model list a methodological card is made, to inform the users committee as well as possible, since this part of the research project will be counselled by the users committee as well. (The foreign partner in this project (ESPOL–Guayaquil–Ecuador) will also comment the lists as a lector.) This more or less participative way of designing increases the support for the use of the final sets afterwards.

General overview of the indicators project



4 DETAILED DESCRIPTION OF THE INTERMEDIARY RESULTS, PRELIMINARY CONCLUSIONS AND RECOMMENDATIONS

4.1 LABEL 'SUSTAINABLE DEVELOPMENT

4.1.1 Literature study

The following existing initiatives were studied:

Ecological initiatives:
Eco-labels: Green Seal (USA), Environmental Choice Program (Canada), Eco Mark Program (Japan), Blue Angel (Germany), NF-environnement (France), Milieukeur (The Netherlands), Good Environmental Choice (Sweden), Nordic Swan (Nordic Countries), EU EcoFlower (EU)
Biolabels: The Soil Association (UK), Demeter (The Netherlands), Agriculture Biologique (France), Eko label (The Netherlands), Biogarantie (Belgium)
Certificats: EMAS, ISO 14024
Other Initiatives: Eco-rating International, Global Eco-labelling Network, Centre for Environmental Labelling, Austrian Label on Tropical Wood, Öko-tex, the Marine Stewardship Council (MSC) (UK).

Social initiatives:
Social labels: Abrinq (Brazil), Kaleen (India), Rugmark, Belgian Social Label (Belgium)
Certificats: Social Accountability 8000 (SA 8000), Fair Wear Foundation (FWF) (The Netherlands)
Other initiatives: Clean Clothes Campaign (CCC), AccountAbility 1000 (AA1000), Fair Labour Association (FLA) (USA), Ethical Trading Initiative (ETI) (UK).

Integrated initiatives:
Integrated labels: Eco-OK, Ethibel, Fairtrade Labelling Organisations International (FLO) (and Max Havelaar as a member), Flower label, Forest Stewardship Council (FSC), STEP Foundation (Switzerland),
Certificats: World-wide Responsible Apparel Production (WRAP),
Other initiatives: Global Compact, Global Reporting Initiative (GRI).

The initiatives were studied based on the following questionnaire:
General
- What is the aim of the initiative?
- History and description of the initiative.
- What difficulties did the initiative meet?
- Which changes where introduced in the initiative and why?
- What products/sectors and geographical areas are covered by the initiative?

Administrative organisation
- Description of the internal organisation of the initiative.
- How is the initiative funded?
- Does the initiative have a legal basis?

Criteria
- What are the criteria / standards that the label is based on?
- How and by whom are the labelling criteria developed?
- Is the process transparent?
- Were stakeholders consulted during the development of the criteria? If so, which stakeholders were consulted? To which level where their meanings taken into account?
- Are the criteria periodically revisited/adapted?

- Do criteria take into account national differences?
- Are there specific criteria for different sectors or categories of products? If so, for which?
- Is the ISO 14024 standard followed?

Application

- What is the procedure for a new product or company to obtain the label?
- Is the procedure the same for every country?
- What are the costs to business for meeting the standards and for being certified?
- What is the system used for the final assessment?
- Is there a logo? Is this logo accompanied by information on the product package?
- For which period the label is given?
- By who and how is the compliance to the standard/criteria monitored?
- How is the follow up of the monitoring arranged (when, how, by who)?
- What happens if the product does not comply anymore?
- How is the label promoted?

Effects

- Is the initiative already evaluated (survey…)? What were the results?
- What are the positive effects for the company/product?
- What is the market share of labelled products?
- In what outlets and countries are labelled products available?
- What is the percentage difference in the price between comparable labelled and unlabelled goods?
- Are the goals attained?
- Are there complaints against the initiative? If so, by who and why?
- Is the initiative protectionist? Are foreign products prejudiced? Why?

Other important characteristics

This questionnaire was filled in for each of the initiatives studied, based on Internet search, brochures, articles/reviews and contact (per email) with the organisations involved. The questionnaires were summarised and an overview of relevant themes, methods, procedures, problems etc. was made: **annex 1**. A separate document was drawn up with an overview of the criteria used in the initiatives studied: **annex 2**.

4.1.2 Criteria, monitoring and measuring methods

Based on the literature study, an overview of existing criteria was made. Starting from this overview, a number of criteria were selected according to the selection principles listed below. This first draft was sent to Jorge Duque at the Escuéla Superior Politecnica del Litoral (ESPOL) in Ecuador for a review. Based on his comments, a second draft was made. This draft was then tested in the case study on coffee in Ecuador (cfr. 4.1.3). The experiences with the case were used to make up a third draft, which was presented to the users committee (including Jorge Duque) for comment, by email and at the users committee meeting: **annex 3**.

Selection principles:

- *Relevance:* Criteria should be relevant for the sustainability of the product or service. They should, in other words, concern those aspects that have the greatest potential to reduce negative impacts or to improve economic, social or ecological conditions.
- *Technical and economic feasibility:* Criteria should not be difficult or expensive to implement by the company.
- *Measurability:* Criteria should produce measurable results/ be measurable.

- *Feasibility proven by case study:* A first draft of the document has been tested on 'coffee' in Ecuador. Based on this experience, a second draft was made.
- *Presence in other initiatives:* Some criteria frequently occurred in the other initiatives studied. This could indicate that they are important and/or acceptable for companies.
- S*takeholder perception:* Stakeholders (eg. consumers, companies, government, NGOs…) should feel the criteria secure the sustainability of the product. The users committee was asked to give their opinion on the second draft.

Production chain

In order to obtain the label 'sustainable development' not only the product itself will have to comply with a number of criteria, but the organisations involved in its production as well. The first step in the certification process will be the identification of the (most important) organisations of the production chain of the product. At this stage of the project, the procedure for identifying the main chain actors has not been drawn up yet.

The *applying company* will have to comply with a more extensive list of criteria than the other organisations linked to the production chain, as far as they are applicable (e.g. criteria on animal health will only be applicable for producers of livestock or livestock products). Some criteria do not apply to the whole company, but only to the production plant or the part of the production plant where the product involved is processed. If this is the case, this is indicated in the document.

Beside the applying company, the *suppliers and subcontractors* that have been identified as the most important will also have to comply with certain criteria, albeit a limited number. These criteria are listed in **annex 3** and are generally limited to criteria that are directly related to the (processing of the) product involved.

Product specific criteria and process tree

Some of the criteria, esp. the environmental ones, will have to be specified for each product group. LCA (life cycle analysis) documents are a very useful instrument to identify the process tree. The LCA identifies the product phases that are the most important from an environmental viewpoint and illustrates possible environmental criteria. In the present document, all kinds of possible environmental impacts in possible important life cycle stages are listed. Some of the environmental criteria listed will not be applicable for certain product categories. When a company applies for a label for a product, the labelling committee will have to define the product specific criteria for the product category to which this product belongs. The exact procedure to do this (e.g. expert consultation) will be drawn up in a later stage of the project.

Importance of the criteria and indicators

The criteria document is very extensive. In a later stage of the project, an evaluation system will be developed, where more or less importance can be given to certain criteria. The importance of the criteria and indicators will also be determined in function of a stakeholder consultation, their relevance and the importance other initiatives give to them. For example, a limited number of criteria can be selected as basic 'sine qua non' criteria, some criteria can be additional or optional, some can be 'bonus criteria', etc. Therefore, the criteria document distinguishes between three levels of importance:

- The criteria and indicators that are essential;
- The criteria and indicators with 'intermediate' importance;
- The criteria and indicators that are considered less essential or can be omitted.

Major differences between the different drafts

- Document structure

The first draft was a list of criteria with matching indicators and a separate monitoring document. In the third draft, these were rearranged into a table with 4 headings: theme – criteria – indicators –

monitoring. For each theme, a number of criteria are proposed, with a number of indicators for each criterion. For each indicator the appropriate measuring method is added. This structure makes the document more comprehensive and makes it clear how to measure each indicator. The division between integrated, social, economic and ecological aspects stayed unaltered.

- Agriculture / food

The first draft had a number of (ecological) criteria specific for agriculture and food products. In the next draft, this distinction has been omitted, but a prescription was added to the document: criteria only have to be complied with *if applicable*.

- Applying company and suppliers

The fourth draft distinguishes between criteria for the applying company and criteria for the suppliers.

4.1.3 Case study

The subject of the case study is 'coffee' originating from Ecuador and sold in Belgium. Part of the coffee chain, from the plantation till the transport, was studied in September 2002 during field visit in Ecuador, in cooperation with Jorge Duque Rivera at Espol, Guyaquil, Ecuador. The case was prepared by establishing coffee-specific criteria. An LCA document for coffee has been studied to identify the phases that are important in the life cycle of coffee. This document has also been useful to specify certain general (ecological) criteria specific for coffee. The criteria that do not apply to coffee were not taken into account in the case study.

Visits and interviews were carried out in order to check the applicability and the relevance of the (draft) criteria and the monitoring system. The interviews were held semi-structured, based on the list of criteria. The trip included visits to coffee plantations, where coffee is grown and processed into dry peeled beans, coffee buyers and a coffee processing plant. Various farms were visited: regular farms, fair trade and biological. Some were part of larger organisations, but not all of them. Only small farmers were visited, because large plantations are extremely rare in Ecuador. Most of the coffee is produced by farmers owing less than 5 ha. The 2 biggest plantations in the country are about 200 ha. The report on the field visit is added in **annex 4** and the main conclusions are added below.

Because at the time of the visit, in September, there was no harvesting at the plantations, it was planned to carry out a 'general' assessment – to evaluate whether or not it would be possible to carry out a thorough monitoring in May 2003. It turned out to be possible to get a general picture of coffee farming in Ecuador. Therefore, it was decided not to pay a second visit to Ecuador and that Jorge Duque Rivera will carry out the thorough monitoring in May by himself. Additionally, he will try to find 2 large plantations to monitor, probably in another country in Latin America.

Generally, farmers seemed to be interested in converting into organic coffee and labelling initiatives were seen as positive.

The used list of *criteria* was applicable. Some adjustments need to be made to the ecological and economic criteria, because some are not clear or can be interpreted too broadly. Some concepts should be worked out more deeply but no major changes are needed. The social criteria are clear and well explained. A small brochure, accompanying the list of criteria and containing more detailed information of the used criteria could help to clarifying some concepts and to make the list more operational, especially for people who are not familiar with (this kind of) labelling and certification. There should be a clear distinction between criteria for the agricultural sector and those for the industrial sector as working circumstances are not that much comparable. The criteria could be differentiated for small organisations (e.g. farms, handicrafts) and bigger, more structured organisations (e.g. industrial plants). The format of the list could be changed so that it becomes more

a 'working instrument', for example by putting it into a table, with different columns (criteria, different scores, ways to check the criteria…). By putting the list in this format, all dubious cases will become clear and can be clarified.

Concerning the *monitoring*, it became clear that the auditor has to known the sector. A preliminary research or knowledge of specific problems in the sector is necessary. The interviewer needs thorough knowledge of the criteria so the interviews can be held semi-structured. Most of the organisations visited reported to spend a lot of time in answering questions of foreign visitors, all interested in controlling the same aspects. Therefore, it would be interesting to construct a network to allow access to the results of those visits, in order to gain more information without unnecessary controls.

A difference must be made between the monitoring of small organisations (eg. small farms) and large plants. *Small organisations* are hard to monitor via Internet. When visiting on-site, an auditor acquainted with the local culture can easily get an impression of the environmental and the social circumstances. When interviewing small organisations, questions seemed to be answered openly and problems were reported. Infractions on the criteria are not always experienced as problematic. In this case, child labour on the farms was seen as normal, and neither were the wages and the working hours. In both cases the people interviewed were not aware of the criteria used by the labelling system. For the monitoring of *large plants*, external interviews with workers organisations and NGO's are needed. Interviews with the workers do not always guarantee a clear view of working conditions. In larger companies, one single person, even from the management, will never be aware of all the topics of the label, so several persons must be interviewed. Security measures need to be monitored by a person acquainted with the process.

4.1.4 Monitoring procedure

A draft monitoring procedure was commented by the users committee and is added in **annex 5**. It was based on eg. the procedure of the ecolabels and the social label.

4.2 INDICATORS

The literature was studied for existing sets of indicators. Since the result was very poor, a new approach was proposed (3.2.2). A draft of two background texts was made up: the 'normative frame' and the 'analysis of the current situation'.

4.2.1 Literature study

The literature was searched for existing initiatives that propose sets of indicators for sustainable production and consumption patterns; integrated product policy; integrated product policy, partim the environmental aspects. Although many initiatives propose general indicators for sustainable development, the result for the above mentioned topics was very limited. There were no initiatives found that propose indicators for integrated product policy or for the environmental aspects of integrated product policy, and only 4 initiatives that propose indicators for sustainable consumption and production patterns. These initiatives are described in **annex 6**. The indicators they propose are summarized **annex 7**: "overview indicators production and consumption".

4.2.2 Background text1: Normative frame

This conceptual framework was prepared to clarify the concepts of 'sustainable production and consumption patterns', 'integrated product policy' and 'integrated product policy partim the environmental aspects', and to assist the working groups in the development of indicators for 'sustainable production and consumption patterns' and 'integrated product policy' at national level. The full text is added in **annex 8**.

Sustainable production and consumption patterns

Sustainable production and consumption patterns are an essential part of sustainable development. Principle 8 of the Rio Declaration on Environment and Development explicitly addresses production and consumption patterns, stating that '*states should reduce and eliminate unsustainable patterns of production and consumption and promote appropriate demographic policies'*. In *Agenda 21*, unsustainable consumption and production patterns, especially those in developed countries, are identified as the major cause of continued deterioration of the global environment. Furthermore a majority of problems descend from developed countries, while the most severe impacts are being felt in the poorest regions of the world: it enhances social inequality.

Sustainable development is often defined as '*Development that meets the needs of the present without compromising the ability of future generations to meet their own needs*'. To achieve this better quality of life for everyone, now and for generations to come, the necessity for harmony between the environment, society and economy is recognised. Sustainable development means meeting three objectives at the same time: social progress recognising the needs of everyone; effective protection of the environment and prudent use of natural resources within the boundaries of the carrying capacity of the earth; maintenance of high and stable levels of economic growth and employment, and this in Belgium and the world as a whole. The principles highlighted in the *Federal Plan for Sustainable Development* as basic for sustainable development action are: shared, but differentiated responsibility; intragenerational and intergenerational fairness; integration; precautionary principle; participation and good government.

For sustainable production and consumption patterns all three pillars of sustainable development need to be considered: the economic conditions, environmental consequences of the production process, the product and its consumption, as well as social and institutional issues. Sustainable development requires a way of production and consumption, which is adjusted to the carrying capacity of the ecosystems, and is socially and ethically acceptable and contributes to increased human well-being.

Future development cannot simply follow the patterns of the past. The need for change has been demonstrated time and again, not only because problems caused are vast as it is, but just as much because this development model of the industrial countries cannot be expanded all over the world. If the world sticks with existing consumption and production patterns, further development will be held back and the quality of life will diminish. Increasing production and economic growth should be de-coupled from environmental degradation and support and endorse social justice. This de-coupling requires integration of economic, social and environmental aspects of sustainability.

A 'production / consumption pattern' could be understood as a way, a system of producing / consuming to provide in certain needs. In these systems, one can consider all aspects of sustainability during the whole life cycle[2] of products and services. Production and consumption patterns cover a multistage process, with each stage associated with certain types of environmental degradation and social issues. Each stage should be regarded as an integral part of a whole interrelated process, with

[2] from the mining of raw materials through production, distribution and use to end-of-life disposal

changes at one stage yielding effects at other stages. In a sustainable pattern the production / consumption is moved away from unsustainable schemes and towards sustainable production / consumption. While the efficiency approach aims at getting the same goods and services out of less material, the sufficiency approach finds that the efficiency approach can only gain time, looks at development in a broader frame than just economical growth and aims at getting the same welfare out of fewer goods and services.

Since reaching an agreement on what the truly sustainable production and consumption patterns are seems impossible, the *Johannesburg plan of implementation* recommends changing **un**sustainable production and consumption patterns. Pointing out the unsustainability of actions is easier.

Integrated product policy

'Integrated product policy' is an instrument for sustainable development and in particular for the section of production and consumption patterns[3]. Integrated product policy attempts to create –in a product's life-cycle approach– production and consumption patterns in which besides the economic efficiency of products[4], the environmental consequences of the production process and the product, as well as product related social and institutional issues are considered.

Integrated product policy addresses sustainability objectives from a different reference point than traditional policies: the objective is to minimise the social and environmental burdens of goods and services with *product-oriented* policies. This approach 1) does not stop at the company gates and takes account of the full chain, 2) works with 'management systems' and 3) comprehends that this will not immediately fit in with the ordinary socio-economic way of thinking. The focus on products seems necessary as a complementary strategy to the traditional policies.

One of the key principles underpinning 'integrated product policy' is obviously integration. Through its situation within the sustainable development context, its life-cycle orientation, and the involvement of diverse stakeholders, integrated product policy assures a greater integration at and between different (policy) levels and coherence of durability practices.

Integrated product policy aims at promoting quality through supporting best practice and innovative ideas. Challenging targets for social respect, eco-efficiency and better goods and services in the market are set, thus promoting respect, innovation and excellence. Minimum rules to eliminate what is unsafe or unacceptable plus an incentive for the top performers should result in a positive market transformation process leading to better and more sustainable goods and services. Encouraging product innovation and best practice can be a more influential method of achieving environmental and social performance improvement, and it also provides opportunities for going beyond the optimisation of existing product systems. By emphasising high standards and continuous improvement in the provision of goods and services, integrated product policy is more proactive.

Integrated product policy partim environmental aspects

Integrated product policy partim environmental aspects, which could also be termed 'environmental product policy', seeks to minimise environmental degradation caused by products. It seeks to do this through looking at all phases of a products' life-cycle[5] and taking action where it is most effective.

3 Therefore 'Integrated product policy' should be seen wider than the European Union interpretation, which might be better termed 'environmental product policy'.

4 in principle all goods and services

5 All products cause environmental degradation in some way, whether from their manufacturing, use or disposal.

Environmental product policy wants to create conditions, which promote environment-friendly products, or those with a reduced impact on the environment.

IPP-thinking so far has focused on the environmental impacts of products, while policy approaches for reducing the social[6] impacts of consumer products are often less well defined. However, integrated product policy should also take into account the other dimensions (social, ethical, economic, institutional) of sustainable development. The broad experience with life cycle analysis of environmental impacts and other available environmental tools could prove useful for developing the other dimensions of integrated product policy.

4.2.3 Background text 2: Analysis of the current situation

The full text is added in **annex 9**. Here are the main conclusions:

Most of the policy documents found on sustainable production and consumption patterns were on an international level. There are some European and national contributions to the international debate, but at these levels there are less initiatives on the theme. Belgium paid attention to production and consumption patterns in the Federal Report on Sustainable Development and finances research projects. The policy documents are mainly descriptive, non-binding documents. There are some European and national policy instruments aiming at making production and consumption patterns more sustainable. These are described in the chapter on integrated product policy.

The UNCED-conference in 1992 was important because it recognised poverty and environmental degradation to be closely interrelated. Agenda 21 identified the unsustainable pattern of consumption and production as "the major cause of the continued deterioration of the global environment, particularly in industrialised countries", "which is a matter of grave concern, aggravating poverty and imbalances" (VN 1992). As a consequence, the industrialised countries should adopt, as soon as possible, a pattern of production and consumption that is environmentally sound and socially responsible.

This was confirmed over and over at conferences in the following years, but few new elements were added to the international debate. So far the debate has been largely driven by the concerns about global ecology and limits to growth. Agenda 21 clearly referred to "Cleaner Production as the way to reconcile economic growth with environmental production". The main existing approaches, which have emerged in result of environmental concerns, such as *green consumerism* or *eco-efficiency*, though desirable, have a limited impact on changing volumes of consumption. They do not address the complexity of factors and trends which account for the current unsustainable patterns of production and consumption, and the relationship between its environmental and other impacts. The impacts on jobs, health, distribution of wealth, participation in decision-making are rarely addressed. The environmental gains achieved by programmes aimed at cleaner production and eco-efficiency have been offset by trends on the demand side: population growth, an increasing standard of living and individual desires to consume products and services. Moreover, there is increased evidence of rebound effects in which improvements in efficiency actually become a stimulus for increased consumption. Another concern, which has not yet received much attention are the regional differences. The globalisation of the unsustainable patterns of consumption and production, and the

[6] For example looking at companies' observance of the core ILO labour standards (freedom of association, abolition of forced labour, non discrimination and elimination of child labour) and their sense of social responsibility regarding best practices on lifelong learning, work organisation, equal opportunities, social inclusion and restructuring in a socially responsible manner

role of trade liberalization, investment flows, and the TNC's in spreading these patterns comes up as a new challenge to re-think the strategies for changing consumption and production patterns.

Meanwhile, it looks like the main progress achieved is in the area of decision-making and consultation on sustainable development. The main achievement in a time period of 10 years seems to be an increased consciousness on the subject. Actual results are still a long way off. The first evaluation, the Rio+5 Summit in 1997, found that hardly any of the objectives was attained. Another 5 years later, at the Johannesburg Summit in 2002, we have to conclude that poverty remained unaltered in absolute numbers, and what's more, inequality, even in industrialised countries, becomes more and more obvious. Still, production has never been this huge and there was never so much circulation of money. Worldwide, the environment suffers from an ever-increasing pollution and resources become scarcer.

The Johannesburg Summit's original purpose, to draw up a concrete implementation plan for Agenda 21 with explicit targets and timetables, was not reached, except for some issues. The Plan of Implementation is a weak compromise, criticised by many delegates in the last plenary session. Many concrete proposals put forward during the negotiations were made subordinate to geopolitical and economic interests and waved aside in the final phase.

4.3 USERS COMMITTEE

There have been some changes in the membership list of the users committee. An updated version is given in **annex 10**. The committee came together on March 5th, June 20th and December 5th 2002. Meanwhile, the committee was consulted by email. The interim results of the project were presented and discussed. The reports of the meetings are added in **annex 11**.

5 FUTURE PROSPECTS AND FUTURE PLANNING

5.1.1 Label 'sustainable development'

Case study, criteria and monitoring

The case study will be finished: Jorge Duque will finish the monitoring in Ecuador and the part of the coffee chain situated in Belgium will also be monitored. The results of the case study will be used to make a final version of the criteria and monitoring documents.

Monitoring system

A proposal for the monitoring methods will be elaborated. It will consist of quality requirements and a concrete tool containing questionnaires taking into account all criteria and a list of the required documents. It will be investigated whether guidelines to define the chain boundaries can be formulated.

Evaluation system

An evaluation system will be developed:

- score system to evaluate whether a certain criterion is complied with or not;
- integration system to reach the final conclusion;
- evaluation procedures.

Stakeholders (users committee) will be asked for comments on the draft evaluation system and procedures and the system will be tested in the case, so that a definitive version can take the remarks into account.

Legal framework
A draft legal framework will be developed. The Centre for Environmental Law will revise and improve it.

Valorisation
- Preparation, organisation and evaluation of study day and workshop;
- Writing the end report, a summary of the report and articles.

5.1.2 Indicators

The background texts 'normative frame' and 'analysis of the current situation' will be further developed and a final version will be made. This will serve as an input for a draft vision text, which will be presented to the users committee. Based on their comments, the tree structure with objectives will be drawn up. From the objectives, indicators will be deducted with a methodological card for each indicator. Starting from there, in participation with the users committee and after an analysis of the suitability, 3 final sets of indicators will be selected: one for sustainable production and consumption patterns, one for integrated product policy and one for the environmental aspects of integrated product policy.

6 ANNEXES

6.1 REFERENCES

/

6.2 PUBLICATIONS

/

6.3 DETAILED RESULTS

Label
Annex 1: Literature study label
Annex 2: Literature study criteria
Annex 3: Criteria and monitoring
Annex 4: Verslag case study ecuador
Annex 5: Monitoring procedure

Indicators
Annex 6: Literature indicators
Annex 7: Overview indicators
Annex 8: Normative frame
Annex 9: Analysis of the current situation

Users committee
Annex 10: members users committee
Annex 11: users committee meetings reports