BCSD Portugal’s Feedback on the ‘Sustainable Products Initiative’

Conselho Empresarial para o Desenvolvimento Sustentável (BCSD Portugal), a Portuguese private sector stakeholder, welcomes the opportunity to give inputs to the Sustainable Products Initiative.

BCSD Portugal agrees with the Sustainable Products Initiative (SPI) as a preliminary step to revise the Ecodesign Directive and propose additional legislative measures to make products placed on the EU market more sustainable. In order to meet the objectives set out in the Green Deal, EU product policy needs to become a strong basis for ensuring high environmental performance of resource and energy use, production and use of products.

Regarding this and considering that BCSD Portugal’s working area is the Sustainable Development, we present the following inputs grouped in two sections:

1. Coherence with the SDG’s and Circular Economy Action Plan (CEAP):

We agree with the EU’s Commission approach to have a clear link between the SPI and CEAP 2020. We underline the importance of this European standard, as a way of harmonizing, simplifying, and crediting the separate processes and methods that are proliferating in this field today.

The Initiative presents an effective integration of the CEAP ambitions, when proposing to extend the current scope of the Ecodesign Directive to address other product groups such as textiles, furniture and high impact intermediate products including steel, cement and chemicals, in addition to energy-related products and ICT. The list of priority products seems to make perfect sense, as they are really “problematic” products with great opportunities for circularity. In addition, we would like to propose for consideration in this topic whether packaging in general should be included, and also the subject of recycling materials (if we want to look at a process and not a product itself - despite the initiative referring to sustainable products). This is because recycling processes and systems, in Portugal, Europe and the World, remain very ineffective and very inefficient.

On the other hand, we believe that a synergy with the SDG’s, specifically with the objective 12, would allow simultaneous monitoring and the evaluation of its contribution for the United Nations 2030 Agenda.
2. **Review on the objectives of the SPI:**

We believe that the objectives drawn for the Initiative should be aligned with the objectives included in the CEAP 2020, thus promoting a consensual framework related to the reduction of the overall life-cycle climate and environmental footprint of the products placed on the EU market.

Below we present some comments on the objectives written for the SPI:

- We agree that establishing broad and applicable sustainability principles may be favourable for horizontal use, however, our activity enables us to understand that industries are different and market conditions are different for each type of business (e.g. B2B and B2C, producers and retailers). Therefore, there is no *one-size-fits-all* possible framework, especially for circular economy. BCSD Portugal recommends considering sectoral specific implementation when developing the regulatory framework for a sustainable product policy.

- With respect to the enforcement of the regulation, we believe that it would be also important to provide effective market surveillance measures, as well as tools to assess compliance. While it is understood that Life Cycle Analysis is the most adequate scientific instrument for calculating the footprint, it becomes impractical when looking to apply generically to individual products, whose footprint calculation depends, among many other factors, on the circumstances of the sale and its specific supply chain. Here, we recommend reinforcing the idea of simplicity in communication combined with simpler methods for footprint measurement, even if inevitably incomplete - for example, focused solely on production and not on the whole supply chain.

- We noticed the absence of an objective integrated in the CEAP: *rewarding products based on their different sustainability performance, including by linking high performance levels to incentives.* We recommend the SPI to consider providing revenue mechanisms throughout the whole value chain, with special emphasis on the supply side, thereby valuing and encouraging sustainable procurement. We understand that there are two main forces that can drive this change – legislation and the consumer – and regarding legislation, we believe in “prizes” more than in punishments. The incentives that may exist for more sustainable products will mobilize the industry and set new "standards". It is systemic.

- As for the consumer, it may be more difficult. With no knowledge on the side of the community, people hope that in a simple, practical and visual way, labeling can help them. Iconographies or ratings work well. The difficulty will be to find something that can be minimally consensual – one example of that is the “NutriScore” classification, and how this subject was in discussion in Europe for many years.
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About BCSD Portugal

The BCSD Portugal – Business Council for Sustainable Development is a non-profit making association, for public use, which collects together and represents companies which have an active interest in sustainability. Through the conception of intercompany projects which stimulate sustainable development, the BCSD is an influential actor and inspirational regarding new, competitive, innovative, responsible, sustainable and inclusive business models.

By participating in public policies development, BCSD fosters collaboration between business community, policy makers and civil society. The total annual turnover of his 90-broad sectoral associated companies is close to 65 billion €, 38% of Portuguese GDP, aggregating about 270,000 employees. BCSD is part of the global network of the World Business Council for Sustainable Development (WBCSD).

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