

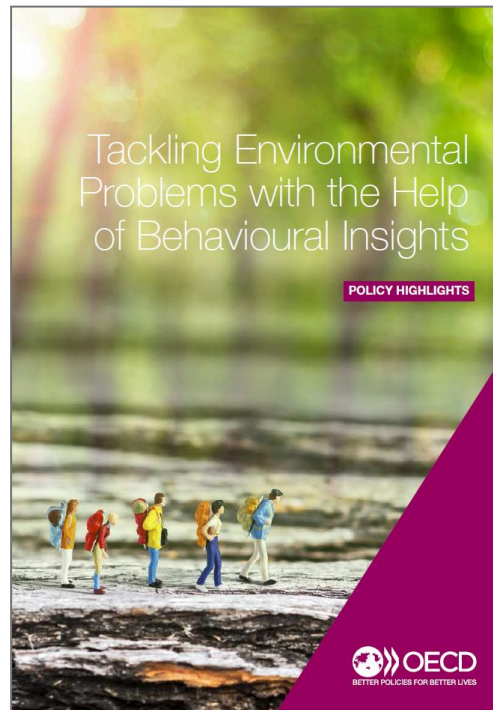


ENVIRONMENTAL LABELLING AND FOOTPRINTING: Evolution and Policy Implications

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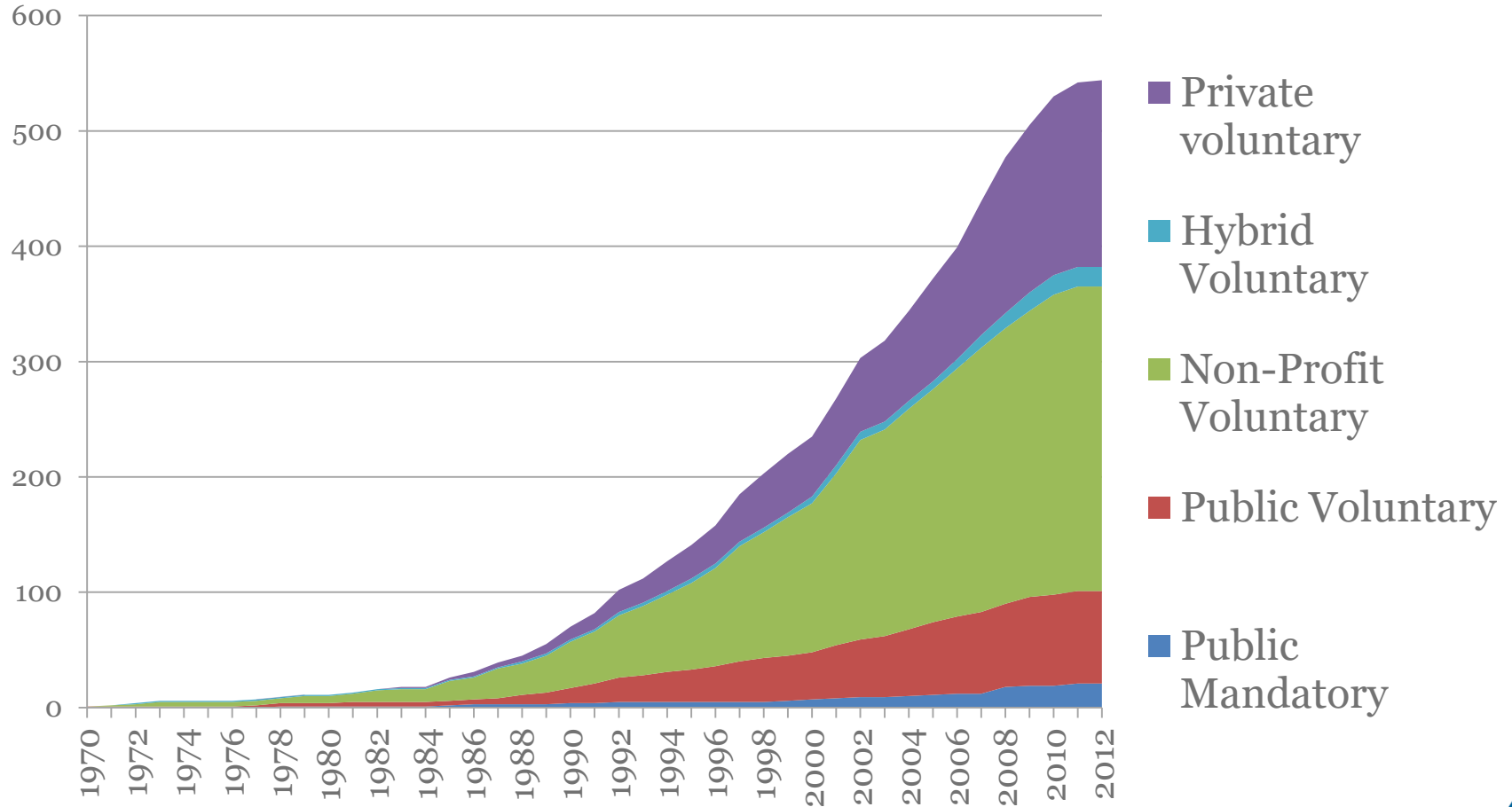
Head, Environment and Economy Integration Division
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24 April 2018

- Not engaged directly in EU PEF process
- Reflections based on related OECD work



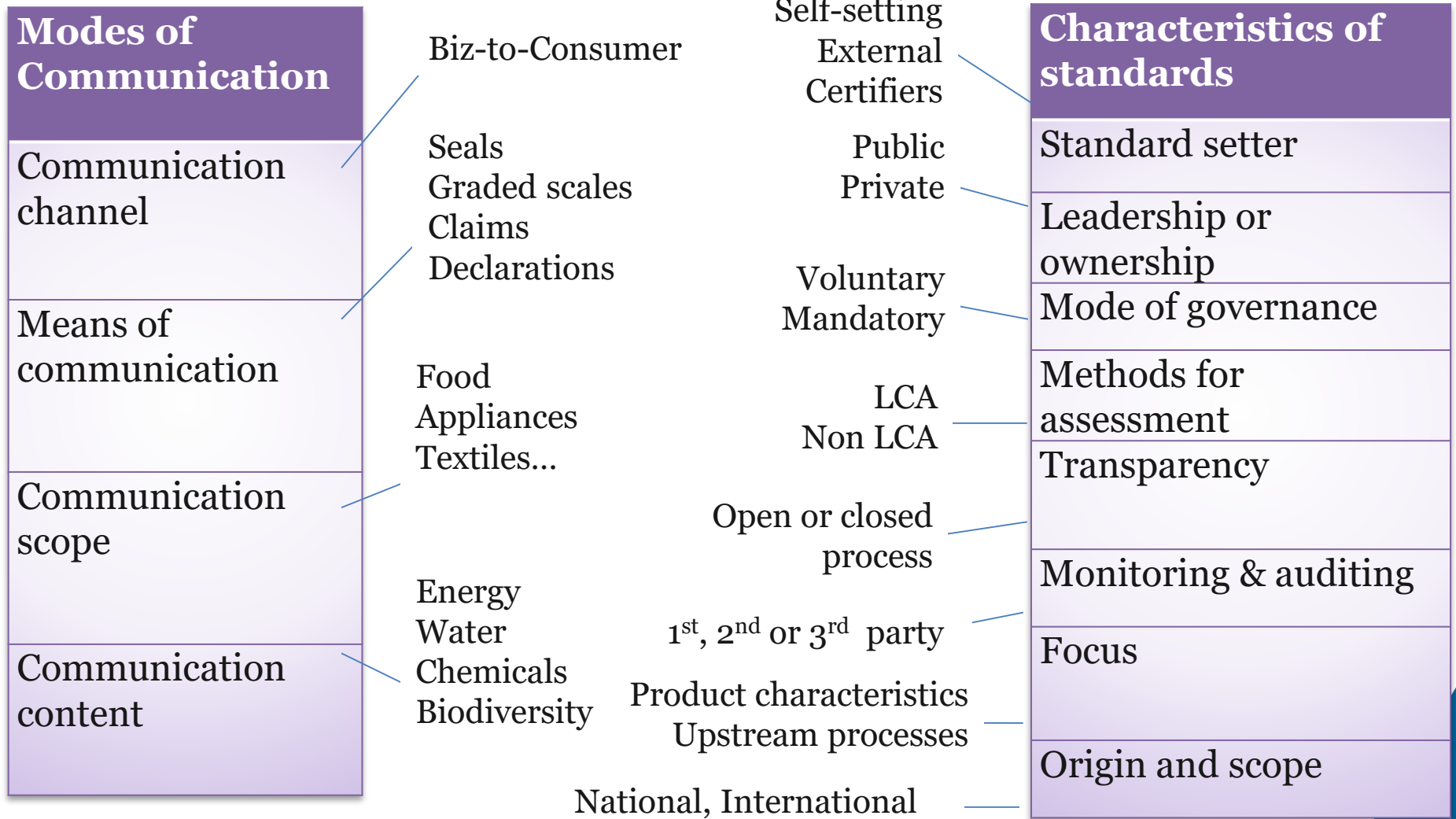


Growth in Environmental Labelling and Information Schemes (ELIS)

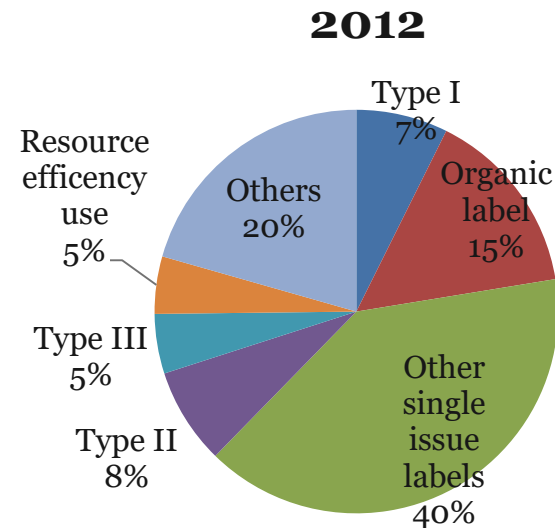
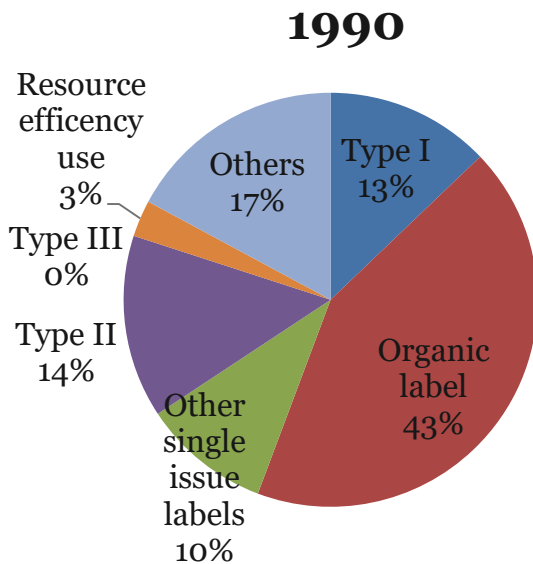
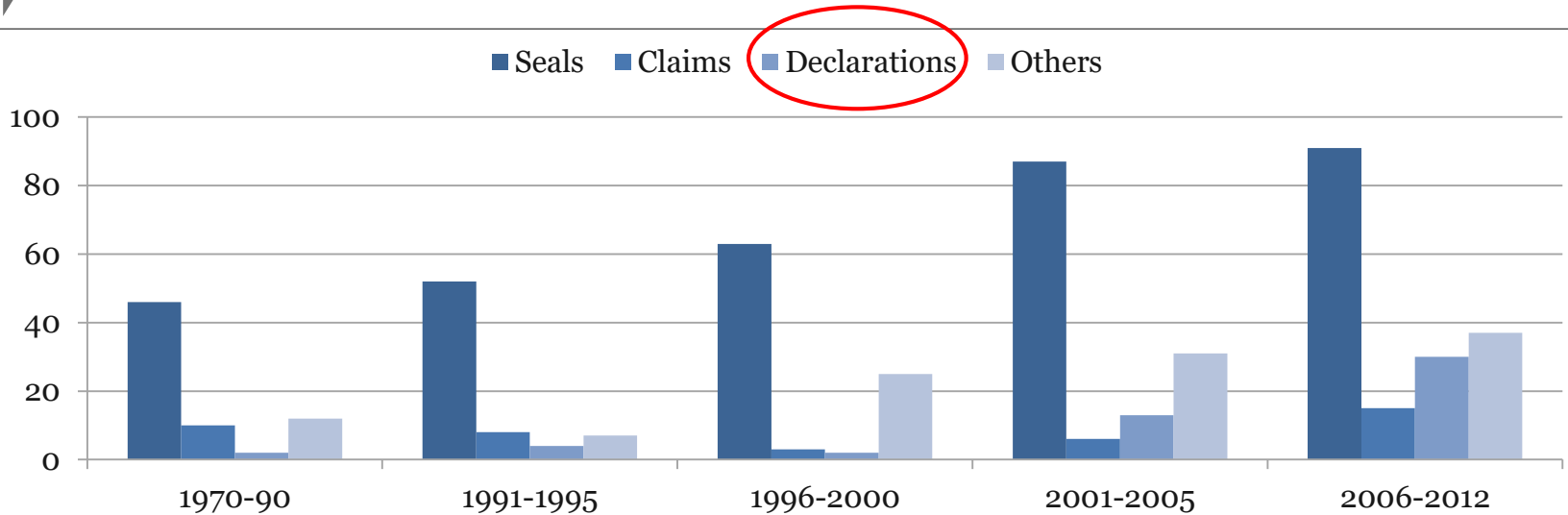




Growing complexity and heterogeneity

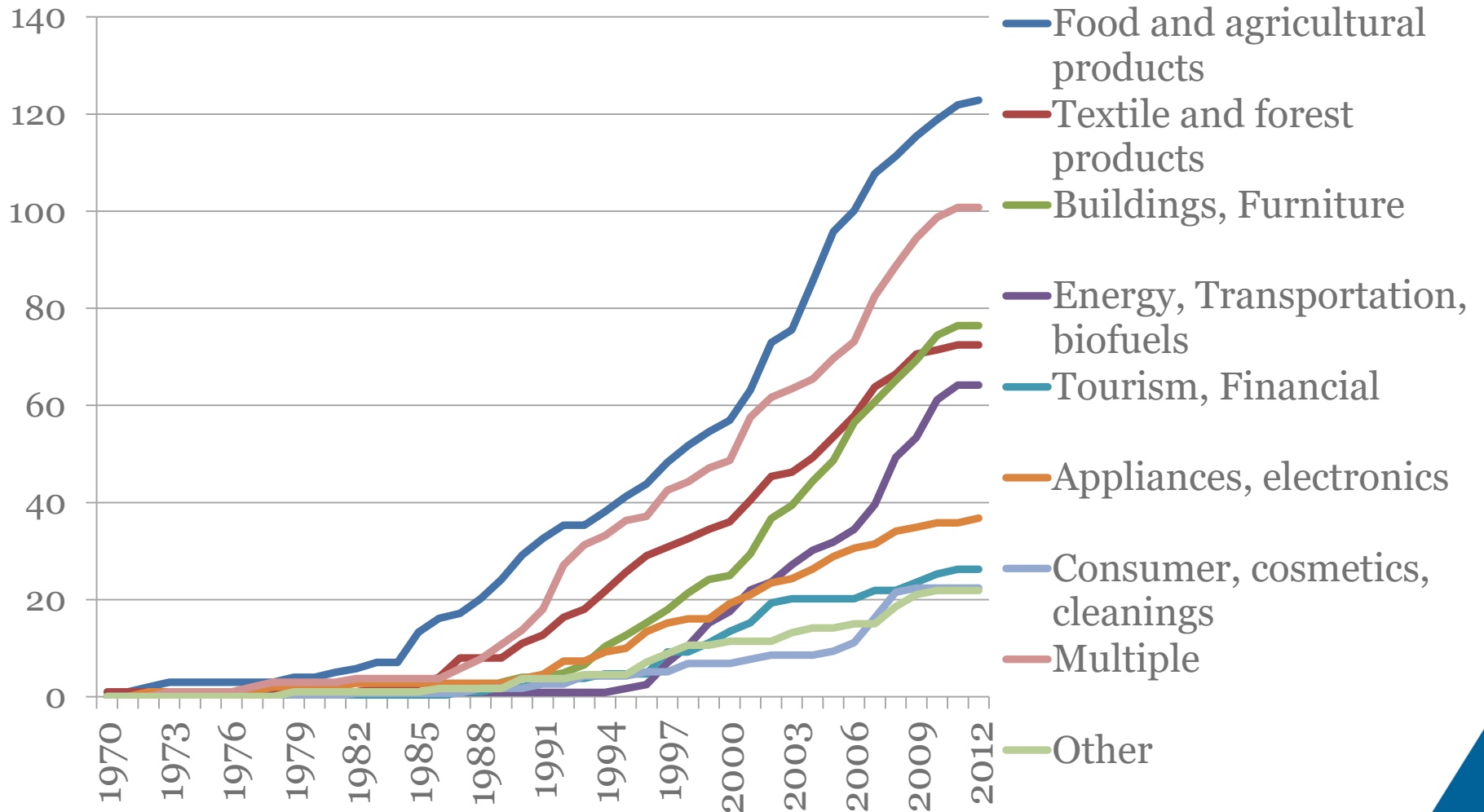


From organic labels to other seals.. and some footprints



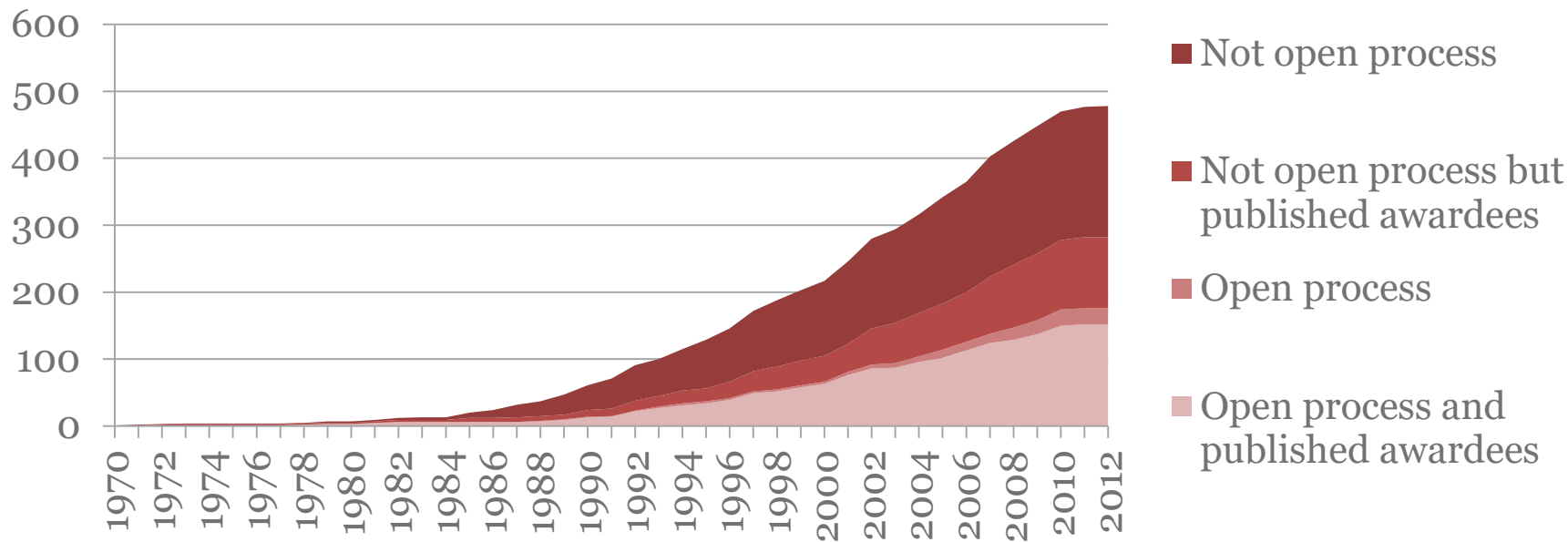
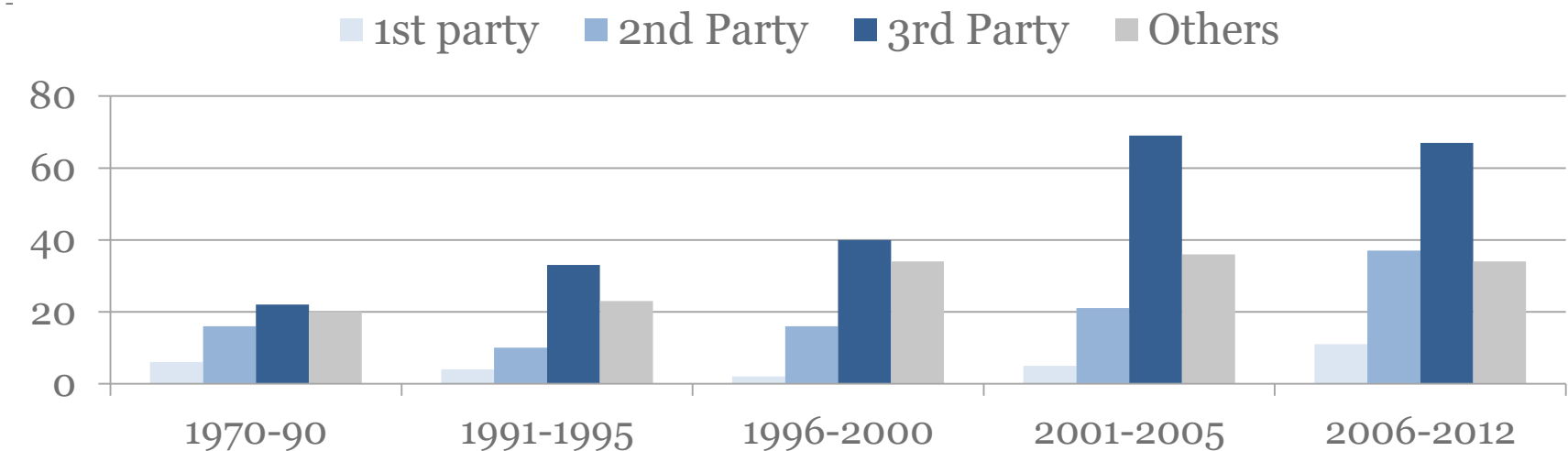


Growth across product categories





More third-party audited, but room for improvement on transparency





Implications of multiplication

- **On the positive side** ... potentially more tailored to specific circumstances, competition among labels, customised approaches to emerging issues, greater choice
- **BUT** ... potentially higher compliance (auditing and certification) costs, increased complexity for managing supply chains, higher differentiation costs, consumer confusion



PEF as part of broader government responses to label growth and multiplication

- Opinions differ on whether governments should intervene in the expanding labels market
- **Different levels of government involvement include:**
 - Mandatory government-stipulated labels (energy efficiency)
 - Government involvement in a “focal” label or standard
 - Government ownership or management of a voluntary national label (e.g. Type I ecolabels)
 - Introduction of a publicly-designed standard for use by non-government-run schemes (e.g. **PEF**)
 - “Light-touch” intervention via voluntary guidelines for public procurement (e.g. US EPA guidelines)
- Governments also play a role in policing fraudulent environmental claims



Some Trade Aspects

- PEF while not a labelling scheme can be seen as aimed at improving coherence across footprint schemes.
- Could potentially reduce trade barriers by limiting diversity in approaches and standards, so facilitate access to EU markets.
- Need to ensure applicability of standards internationally, with defaults relevant to local conditions.
- Inter-operability / mutual recognition in other jurisdictions ?
Voluntary vs mandatory standards and TBT ?



Consumer facing information

- Is the multi-dimensional footprint information amenable to more informed consumer choices ?
 - Potential for information overload
- PEF input to existing Ecolabels. Or a new PEF label?
- How to present the underlying information ?
- What other information might matter to consumers?



What other information can help consumers opt for more sustainable products?

Product lifespan labelling



Prix : 444,99€	Durée de vie minimum : 12 ans
Ainsi, ce produit vous reviendra à 37€ par an	

Source: European Economic and Social Committee (2016)



In the US, annual fuel cost is indicated in fuel economy labels

EPA DOT Fuel Economy and Environment Gasoline Vehicle

Fuel Economy
26 MPG
combined city/hwy
22 city
32 highway
3.8 gallons per 100 miles

Small SUVs range from 16 to 32 MPG. The best vehicle rates 99 MPGe.

You save \$1,850 in fuel costs over 5 years compared to the average new vehicle.

Annual fuel cost \$2,150

Fuel Economy & Greenhouse Gas Rating (tailpipe only) 7 (1 to 10 Best)

Smog Rating (tailpipe only) 6 (1 to 10 Best)

This vehicle emits 347 grams CO₂ per mile. The best emits 0 grams per mile (tailpipe only). Producing and distributing fuel also create emissions; learn more at fueleconomy.gov.

Actual results will vary for many reasons, including driving conditions and how you drive and maintain your vehicle. The average new vehicle gets 22 MPG and costs \$12,600 to fuel over 5 years. Cost estimates are based on 15,000 miles per year at \$3.70 per gallon. MPGe is miles per gasoline gallon equivalent. Vehicle emissions are a significant cause of climate change and smog.

fueleconomy.gov
Calculate personalized estimates and compare vehicles

Smartphone QR Code