



Position Paper

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EDA position on potential policy applications of the Product Environmental Footprint (PEF) methodology

The Dairy Product Environmental Footprint (Dairy PEF) has been driven by the European Dairy Association (EDA) as a major project to better identify the most relevant environmental impacts of different dairy products in examining a broad array of environmental criteria. It covers the full life cycle (cradle to grave) for dairy products.

Reasons for the PEF exercise and key learning

The aim of the Dairy PEF has been to develop a methodology from within the sector for assessing the environmental impacts of products, realising a simple and workable tool for all actors involved and all external bodies interested. It represents a cooperative effort of all stakeholders along the whole chain, building on the sector's several years' experience of environmental improvement. It is launched towards a European and global dimension.

The Dairy PEF aims to provide a harmonised approach for measuring environmental performances of products and should be used as an improvement tool for the performance of the overall sector. It also shows the positive outcomes resulting from the collaboration of the different stakeholders along the chain.

Main position points

- The Dairy PEF is the result of a global industry effort and has received recognition by Commission, member states and wider array of stakeholders, and it now represents a valuable improvement tool for the whole sector;
- The methodology aims to establish a harmonised approach, to be applied on a voluntary basis;
- The PEF method as it stands now is a good methodology for improvement calculation over time and internal assessment, as well as business-level relationships. It could thus be used for voluntary off-pack information to stakeholders. It is not ready to allow for meaningful and quantitative comparability between products, nor on-pack labelling;
- Further improvement is needed to allow for a further detailed use of the methodology: significant uncertainties persist, primary data gaps (esp. on farming level) are huge, and assessment of environmentally important processes as carbon sequestration, and biodiversity in more detail, still need to be covered.

General position on the PEF from a dairy perspective

EDA supports the use of a common method for measuring and communicating environmental performance

At the moment many environmental measurements and claims are not reliable, communicating misleading information especially when used towards consumers. Policy instruments are needed for regulating weak claims, in order to allow consumers to be properly informed on the environmental performances of the products on the



Position Paper

connect to the world of dairy

market. The high quality of the work of the Dairy PEF is relevant for framing sustainability strategies in the sector. Companies involved in eco-design and green products can benefit from the assessment of the Dairy PEF methodology, increasing their visibility and environmental credibility. Therefore, we support actions by the European Commission to integrate the Dairy PEF methodology in existing or new policy instruments, in order to reward sustainable practices in the dairy sector and limit the risk of credibility loss that the high number of non-reliable claims may cause. In this context, EDA could support the use of PEF information in the application of the Unfair Commercial Practices Directive, to check the accuracy of the different environmental claims, and in the definition of the Green Public Procurement criteria.

EDA also asks for flexibilities for companies on how to use the methodology, to allow adaptation to local markets. The method should also be used for off-pack info only.

EDA supports the use of the PEF for comparing environmental performances of the same product over time

Due to uncertainties that persist in the methodology, it is not meaningful and realistic to compare products within the same category. Therefore, the comparative assessment should only be referred to the environmental performance of the same product over time. The PEF methodology shall be an internal tool for companies for monitoring the environmental improvements over time and managing impacts associated with the products concerned.

EDA asks for a clear prohibition and enforcement of comparative claims between products of different categories

Outside category comparison is not part of the scope of the PEF. The method is not meant to compare products from different categories, for example dairy and non-dairy products, also because relevant aspects of concern, e.g. regarding health, quality, and nutritional value are not included in its scope. Therefore, EDA generally strongly opposes comparative assessments of products across different sectors and categories. A regulatory framework needs to be set to assure that sectors need to develop a PEFCR to make valid green claims and that comparability is restricted, as has always been the aim of the PEF, and assure member state authorities are ready to enforce this.

EDA asks for support by the Commission on the validity of the claims and on their communication

The European Commission should set a general framework showing the limitations of the current PEF methodology and allowing for business- internal and -general communication, but not for on-pack labelling. And consumer market relevant communication on environmental performance should be voluntary but conditioned to the PEF methodology (based on a sector-specific PEFCR).

Providing a system for a solid verification of the method used will be needed to ensure credibility. The Commission and MS authorities should also verify that the environmental claim relies on the PEF methodology in order to assure its validity.

EDA calls for a better availability of data on environmental performance of products

We ask the European Commission to put less constraints in the use of PEF data, preventing wider use of the methodology and its adaptation to different contexts/uses. This would also contribute to a better connection of the methodology to existing national regulations and initiatives. The European Commission should ensure, in collaboration with the Member States and the private sector, the availability of reliable environmental information on products, especially secondary data.



Position Paper

connect to the world of dairy

The importance of the success of the Dairy PEF in the overall strive for environmental improvement of the sector

The success of the Dairy PEF has been recognised by the successful vote by the European Commission in April, that defined the Dairy PEF as the reference methodology in the sector. It attests the European dairy sector's continuous effort for improving not only its economic performance, but also its long-term sustainability. In this perspective, the relevance of the Dairy PEF on the future of the dairy sector is confirmed by the discussions on the United Nations' Sustainable Development Goals (SDGs) and global effort of promoting more sustainable consumption and production. The global dairy sector has strengthened the necessary partnerships for furthering a sustainable dairy industry, and under the Global Dairy Agenda for Action it has come together to create the Dairy Sustainability Framework, which acts as a roadmap towards achieving greater sustainability and aligning such initiatives around the world.

Further EDA positioning on specific consultation questions

(based on COM consultation of 14 November 2018):

- ***How important do you rate the following elements for providing reliable, comparable and comprehensive environmental information?***
 - o ***Calculation tools enabling non-experts to carry out the analysis***

Not important. However, we would strongly favour adapted calculation tools for SMEs, which often have less in-house expertise.

- ***What actions related to the Product Environmental Footprint method (PEF) would be effective to trigger the uses of environmental information you consider important?***
 - o ***Use PEF benchmarks as thresholds for accessing Green Public Procurement:***

Not effective at all: the comparison of real products to a virtual product which does not exist is inadequate for dairy products.

- ***Where should Product Environmental Footprint information on products be available?***

As one option, EDA supports online only communication (e.g. with a QR code). EDA is also in favour of the explanatory approach: it is preferable to make claims or stories in commercials or on products that are legitimate because they are based on PEF studies. Therefore, the PEF study would be used as the proof to assure the claim is valid.