

Regulative frameworks and life cycle thinking in sustainability management

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Agenda for today

13-14.30: Lecture

Regulative/voluntary frameworks around sustainability Indicators Life cycle thinking -based sustainability management Activities, footprints, handprint and compensation

14.30-16: Independent online session:

Environmental legislation (37 min) Industrial Emissions Directive (IED) and related BAT (best available technique) as a case example (25 min)



| | Never heard | l know the basics | l know very well | Have applied the measure/concept in practice (in work / course), please specify in the textbox, which measure and how you have applied it. | Keskiarvo | Mediaani |
|--|----------------|-------------------------|------------------------|--|------------------------|------------|
| the cycle thinking in companies | 0% | 86,67% | 6,66% | 6,67% | 2,2 | 2 |
| Environmental management systems | 26,67% | 53,33% | 13,33% | 6,67% | 2 | 2 |
| Environmental certificates and ISO standards | 6,67% | 53,33% TO | 26,67% day | 13,33% | 2,47 task | 2 |
| Sustainability indicators | 40% | 60% | 0% | Lectures r | next ¹ .wee | K 2 |
| Eco-labels | 20% | 73,33% | 6,67% | 0% | 1,87 | 2 |
| Footprints | 0% | 73,33% | 20% | 6,67% | 2,33 | 2 |
| Handprints | 60% | 26,66% | 6,67% | 6,67% | 1,6 | 1 |
| Industrial emissions directive IED | 73,33% | 20% | 0% | 6,67% | 1,4 | 1 |
| Best available technique BAT and reference documents BREFs | 60% In | 33,33% | o% dently | 6,67% | 1,53 | 1 |

Regulative and voluntary frameworks & drivers in sustainability management



Different levels of policy instruments

Binding Voluntary Global SDGs; Convention on biological Diversity; Climate convention... ac, o IED, energy-efficiency direc-SDS: Environment Action tive, industry-/material-/subs-EU Programme; thematic strategies, tance-specific legislation... standards, roadmaps... National thematic strategies, Country National legislation (based guidelines, standards on EU directives) eso, Specific sustainability Waste management Region/city targets... orders... EMSs, industrial symbiosis, sustain-This is a second Corporate/Institute ability programmes... Green deals, Individual/NGOs nutrition deals...

Some policy instruments during life cycle

Objectives:





Drivers of Agenda 2030 (SDGs) in Finnish universities



More about environmental legislation and IED (BAT/BREF) as a case example:

study the video lecures in MyCourses with the given guiding questions:

https://mycourses.aalto.fi/mod/page/view.php?id=651828

Life cycle thinking in sustainability management



Life cycle thinking and approaches



Disuss with a pair briefly:

- What is an indicator?
- Why do we need indicators?





An indicator is:

1. OECD: "a parameter, or a value derived from parameters, which points to, provides information about, describes the state of a phenomenon/environment/area, with a significance extending beyond that directly associated with a parameter value"

2. Sustainability measures*: "An indicator is something that helps you understand:

- where you are,
- which way you are going, and
- how far you are from where you want to be.

A good indicator alerts you to a problem before it gets too bad and helps you recognize what needs to be done to fix the problem."



What is an effective (environmental) indicator?

According to ISO (2013)

- **relevant** to the environmental policy and the important environmental aspects;
- **appropriate** to the management activities, operations or the environment;
- useful to and representative of the environmental performance criteria;
- **understandable** to internal and external stakeholders;
- easily obtainable, measurable and informative;
- adequate in relation to data quality and quantity; and
- **responsive** to changes in environmental performance.

A good sustainability indicator:

- Addresses carrying capacity
- Is relevant to the community
- Is understandable to community
- Is useable by the community
- Takes a long term view of progress
- Shows links between economy, environment and society



ISO (2013). International Organization for Standardization. ISO 14031:2013: Environmental management – Environmental performance evaluation – Guidelines.

http://www.sustainablemeasures.com/

Sustainability indicators

Sustainability needs multidimensional indicators

| Traditional | Sustainability | Emphasis of SD ind. | |
|--|---|--|--|
| Unemployment rate Number of companies Number jobs | Diversity and vitality of local job base Number and variability in size of companies Number and variability of industry types Variability of skill levels required for jobs | Resilience of the job market Ability of the job market to be flexible in times of economic change | |
| Tons of solid waste generated | Percent of products produced which are durable, repairable, or readily recyclable compostable | Conservative and cyclical or use of materials | |
| Number of registered voters | Number of voters who vote in elections Number of voters who attend town meetings | Participation in democratic process Ability to participate in the democratic process | |

Economic

Ecological

Social

Water Quality Stockholder Profits Education Air Quality Materials for Production Health Natural Resources Jobs Crime

→ Pointing to the interlinkages between ecological, social and economical parameters

http://www.sustainablemeasures.com/node/89

Life cycle thinking and approaches



Life Cycle Sustainability Assessment

Table 6. Example of life cycle sustainability assessment data for marble slabs case study (Traverso and Finkbeiner, 2009).

| (Environmental) LCA data | LCC data | S-LCA data |
|-----------------------------|--------------------------|------------------------------------|
| Energy consumption | Fuel costs | Total employees |
| Natural resources | Water- disposal costs | Wages |
| Water use | Electricity costs | Accidents |
| CO ₂ | Labour costs | Child labour |
| NO _x | Revenues | Working hours |
| SO ₂ | Raw material costs | Employees - Employees gender |



LCA=Life Cycle Analysis/Assessment LCC=Life cycle Costing SLCA=Social LCA LCSA=Life Cycle Sustainability Assessment (2 phases of an LCA: LCI=Life Cycle Inventory, LCIA=Life Cycle Impact Assessment)

UNEP/SETAC Towards a Life Cycle Sustainability Assessment (2011)

Indicators in LCA

Midpoint indicators

- results of different impact categories
- depict potential environmental impacts of certain impact categories, e.g. climate change, acidification, eutrophication scaling weighing
- can be aggregated to endpoint indicators

Endpoint indicators

represent ultimate impacts to human health, ecosystem quality and resources



Indicators in LCSIA

- Data categories vary!
 - Affects the presentation of the results
- Results presented in a Dashboard

Impact

categories

Human

rights

Working

conditions

LCI results

Land use

CO,

VOC

SO,

NO.

CFC

Cd

PAH

DDT

Etc.

Eutrophication

Ρ

Raw materials

• Expertise needed to evaluate

Subcategories

Health and

safety

Corruption

Discrimination

Child Labour

• Subjective

LCI results

organization

Presence of codes of conduct in

Compliance with regulations

regarding health and safety

Annual meetings with local

community representatives

Presence of information for

consumers regarding health

Presence of corporate policy to

Presence of children working

and safety of product

Number of employees

prevent corruption

Number of women

Men's wages etc. ...



Discount analysis

18

Challenges of LCA for sustainability

- Time consuming → companies use easy-to-use software and databases
 - → May be too generic for reliable product/project —specific assessment
- Data availability
- Immaturity of the LCSA method
 - Identifying the scope and interconnections of endpoint impacts
 - Selecting the indicators (quality / relevance)
 - Non-linearity of LCI and LCIA (proportional scaling)
 - Specifically in tackling biodiversity and financial indicators
- Subjectivity in scaling and weighing



Break 10 minutes



Footprints

Carbon footprint

- Many different standards, ISO14067 for products' CF Water footprint
- Global Water Footprint Standard + ISO 14046
- Health, biodiversity, social (child labour, forced labor etc.)
- Are footprints always negative?



Footprints and scopes

Bottom up vs. top down Production-based vs. consumption based

- Environmentally extended input-output EE I-O





Hiilipörssi.fi

WATER FOOTPRINTS OF SELECTED FOOD ITEMS (Juha-Matti Katajajuuri, VTT)



One apple 70 I ttps://www.aalto.fi/e Barley 1 kg 1300 l

Milk 1 I 1000 I

Chicken meat 1 kg 3900 I



1401







Cane sugar 1 kg 1500 l



One slice of bread 40 I



One egg 200 I

Ecological footprint



Demand (2019): Global = 2,2 gha (global hectares) Vs. Biocapacity (2019) Global = 1,8 gha

 Cropland & pasture, fishing grounds, built-up land, forest area, and carbon demand on land





Earth overshoot day 2019 in July 29th (FI: 9.4.2019)

2020: August 22nd



Source: Global Footprint Network National Footprint and Biocapacity Accounts 2019 Edition

data factorintnetwork.org

EARTH

OVERSHOOT



Global Footprint Network

ing the forum of Issue

Eco-social Sustainability



Source: Ecological Footprint (in number of Earths): National Footprint and Biocapacity Accounts, 2019 Edition, Global Footprint Network. Human Development Index: Human Development Report, 2018, United Nations Development Programme.

Handprint

"What if each of us thought of our careers as opportunities to create our lifetime environmental handprint?"

| Key aim: shift the focus | TABLE I. THE FOOTPRINT AND THE HANDPRINT | | | |
|---|--|--|--|--|
| instead of negative | Foot Print Thinking | Handprint Thinking | | |
| World as a resource Interconnected Regenerative | The harm we do Limited resources Reduce /Reuse/Recycle Admonish Measure quantities Calculate Resist destruction Problem Solving | The good we do Unlimited potential Recover/Restore Influence/Educate/Inspire Count accomplishments Appreciate/Celebrate Advocate protection Entrepreneurism | | |



Biemer, J., Dixon, W., & Blackburn, N. (2013). Our environmental handprint: The good we do.

Additional value of handprint

The aim: Footprint – Handprint = Net positive

- Reducing your footprint ≠ handprint
- → Handprint is something you perform outside your footprint, e.g. reducing others' (a friend / customer) footprints

Are handprints always positive?

Calculation:

 LCA-based assessement (ISO 14040-44): comparing a handprint solution to a baseline solution





Handprint = the difference between the carbon footprints of these two systems

Figure 5. Carbon handprint solution provider receives a handprint equivalent to the achieved carbon footprint reduction.



Pajula, T., Vatanen, S., Pihkola, H., Grönman, K., Kasurinen, H., & Soukka, R. (2018). Carbon Handprint Guide.VTT Technical Research Centre of Finland.

Group discussion

Which of these results in a handprint from my point of view:

- I change my old light bulb to a led
- I change to a biogas car
- I give a led light bulb to my friend
- I eat vegetarian food
- I give a ride to my friend with my biogas car

How about from the point of view of the producer (light bulb, car, food?)



Compensation / Offsets

Footprints are inevitable – they enable our presence

Compensation is making up for the emissions that cannot be avoided and further reduced ("Scope 4")

Companies aim at carbon neutrality by

- 1. Avoiding emissions that can be cut of
- 2. Reducing the existing footprint
- 3. Compensating for the remaining emissions

Handprint = compensation?







Ecological compensation = making up the land use that has reduced biodiversity by restoring or conserving habitats

Carbon compensation = making up GHG emissions by funding emissions-cutting somewhere else

 \rightarrow interconnected: by restoring ecosystems we also create carbon sinks



Greenwash or compensation?

Additional value as the premise of responsible compensation

Some criteria for credible compensation:

- Based on science
- Impact, additional value
- Sufficient and Sustainable how permanent the compensation activities are?
- Environmental impacts and emission reductions must me verifiable
- Transparency throughout the process



Hiilipörssi.fi

Life cycle thinking and approaches



Ecodesign

- An approach to **designing** products with special consideration for the environmental impacts of the product during its whole lifecycle
- ECODESIGN products are flexible, reliable, durable, adaptable, modular, degradable and reusable (6Rs: Rethink, Restore, Repair, Reduce, Reuse and Recycle). In addition to proving economical reasonability and social compatibility, these products represent an ecological necessity.
- EU Ecodesign Directive, mostly concerning electronic devices (e.g. CE-labelling, take-back schemes, info provided on rawmaterials etc.)



Design for Sustainability DfS









Evolution of DfS

From technologically focused product design to user practices and behavior From internal issues to large-scale systemic change

Ceschin, F., & Gaziulusoy, I. (2016). Evolution of design for sustainability: From product design to design for system innovations and transitions. *Design studies*, *47*, 118-163. <u>https://doi.org/10.1016/j.destud.2016.09.002</u>





Ecolabels

ISO 14020 to 14025 series:

Environmental labels and declarations

Type I: Voluntary, multiple-criteria based, third party program developed for a specific product or products.

Type II: informative environmental self-declaration claims

Type III: voluntary, LCA-based declarations on environmental impacts of products. Includes 1) Product Category Rules (PCRs): guidelines for the calculation of the environmental impact of products with similar characteristics, and 2) Environmental Product Declarations (EPDs) gained after following the PCRs: concise document containing relevant environmental information about a product.





| Type I ISO 14024 | Type II ISO 14021 | Type III ISO/TR 14025 |
|---|--|---|
| Environmental Labels | Environmental Claims | Environmental Declarations |
| Selected criteria as hurdles, demonstrating environmental excellence | Single issues describing specific environmental characteristics | Life cycle performance data, aim is continuous improvement |
| Life cycle thinking | Life cycle thinking | Llife cycle assessment |
| Mandatory certification Issued by private or publics, accredited institution | Issued by manufac- turer Certification possible | Mandatory 3rd party validation Cerification possible Issued by private, accredited institution |
| Public product group based criteria | Claims must be based on available public initial information | Initial information data should be available except private company information |
| like: Swan Label, European Eco-Label | like: Recyclabillity, Compostable | like: Environmental Product Declaration |

Life cycle thinking and approaches



ISO standards for managing sustainability

- ISO Guide 82 for addressing sustainability in standards
- Over 600 standards contributing to the SDGs (2018)
 - <u>https://www.iso.org/sdgs.html</u>
- Goal: All >22000 standards contributing to the SDGs

IMPACT AT A GLANCE

ISO contributes to all of the SDGs. Here you can see the number of ISO standards that are directly applicable to each Goal.



Some common ISO standards

- Environmental management system (EMS): ISO 14001
- Social responsibility ISO 26000
- Occupational Health and Safety Assessment Series OHSAS
- (ISO 45001 for the same)
- \rightarrow Integrated management system IMS tries to combine all*

Finnish Standards Association: <u>https://www.sfs.fi/</u>



*Silva, C., Magano, J., Moskalenko, A., Nogueira, T., Dinis, M. A. P.,
& Pedrosa e Sousa, H. F. (2020). Sustainable Management Systems Standards (SMSS): Structures, Roles, and Practices in Corporate Sustainability. *Sustainability*, *12*(15), 5892.

Life cycle management

To start with the use of some life cycle approaches and tools on a product-oriented or projectorganized basis.

To broaden the integration of life cycle thinking on a 'top to bottom' basis, including internal policies, management systems, accountabilities, and incentives.

- → Continuous improvement included in the strategy
- → Concerns also encouraging suppliers and supply chains to do so

P-D-C-A Plan-Do-Check-Act



Next?

- Video lectures on environmental legislation and the IED + BAT/BREFs: https://mycourses.aalto.fi/mod/page/view.php?id=651828
- Preparing your presentation on Friday

Thank you, see you on Friday at 9.00!