ITU Green standards week

Innovating today for
a sustainable tomorrow

Communicating Sustainability

Of Handsets – Nokia Experiences

Markus Terho, Head of Sustainability, Nokia

There is a need for Information

Consumer Facing Information

Sustainable Supplier Requirements

E-Tasc
Questionnaires
Assessments

**Sustainable Product Requirements**

RFI:s, Data for Product Ratings, Certificates of compliance (RoHS, REACH, etc)

Market Entry Requirements

Producer: WEEE, Batteries, Packaging Materials, Green Public Procurement, REACH
Product: WEEE, RoHS, Batteries, Packaging Materials, Green Public Procurement, ErP, REACH

Authorities – Green Procurement – Consumers – Media/Rating Agencies

Local Sustainability Priorities and Awareness Are Different
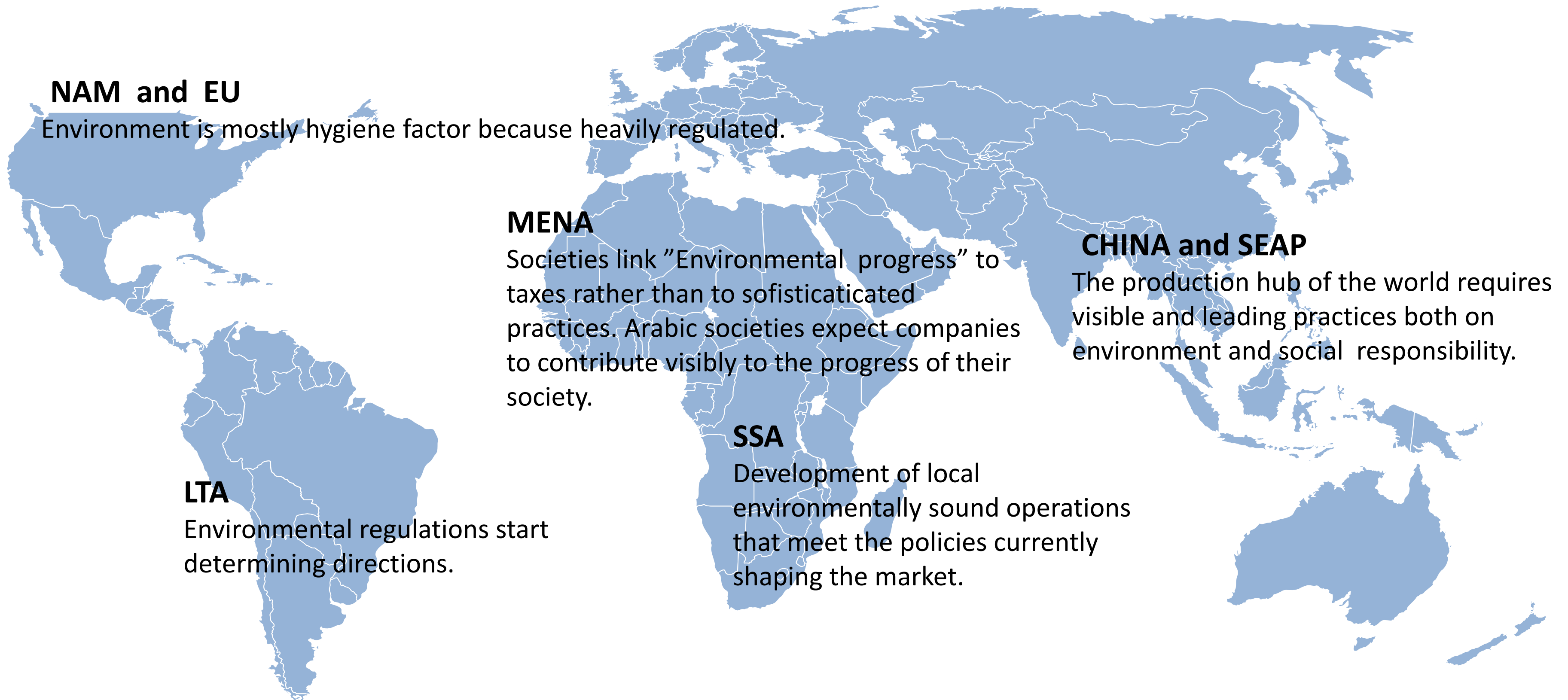
NAM and EU
Environment is mostly hygiene factor because heavily regulated.

MENA
Societies link "Environmental progress" to taxes rather than to sofisticaticated practices. Arabic societies expect companies to contribute visibly to the progress of their society.

CHINA and SEAP
The production hub of the world requires visible and leading practices both on environment and social responsibility.

SSA
Development of local environmentally sound operations that meet the policies currently shaping the market.

LTA
Environmental regulations start determining directions.
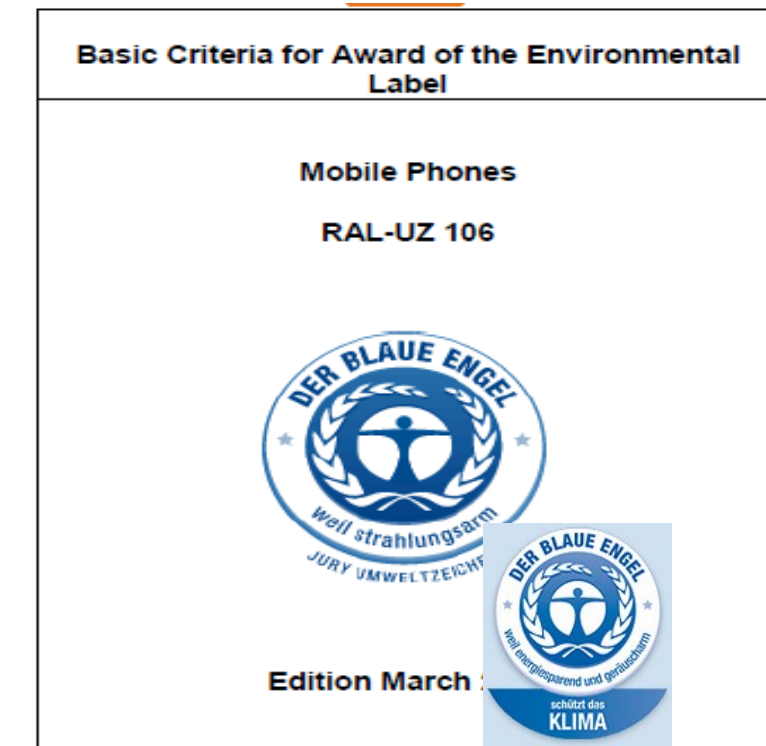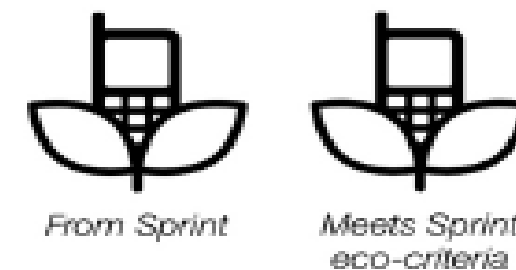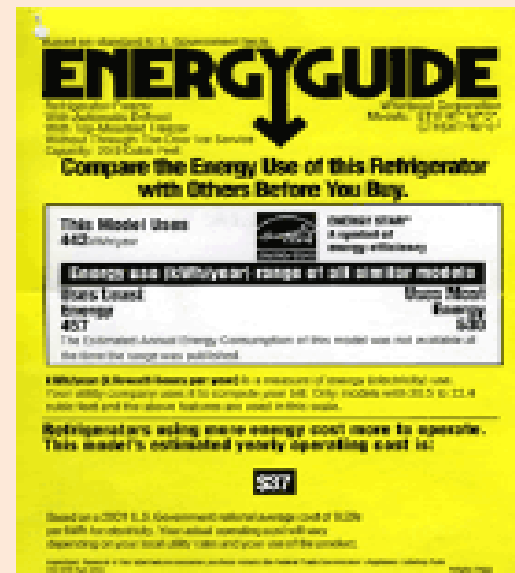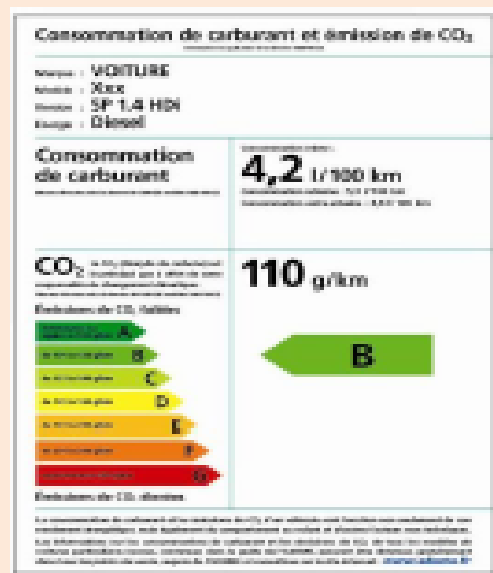
NOKIA

Eco labels in general

1. Give understandable and descriptive information to customers

2. Drive improvements in Product manufacturing value chain

Observations:

- There are a **lot** of them. Not just in consumer electronics, but in every possible field of business.
- The consumer type that is most affected by eco labels is an over 39-year-old highly educated woman. For men and younger consumers eco labels are less important.
- Consumers with lower levels of education, manual workers, the unemployed and rural residents are most likely to claim that they never read any type of labels.

1. Consumer Information = Informed Decisions?
... a Broad Spectrum of EcoLabels and eco-claims

2. Drive Improvement = Reduce Product Life Cycle Impact
"Traditional Ecolabels" (Nordic Swan, TCO, Blue Angel, EU Flower)

- The EU Ecolabel **is intended to identify products and services with reduced "life cycle" (i.e. extraction of raw material through to production, use and disposal) impact.**

- The EU Ecolabel is recognized throughout Europe.

- It is a voluntary label intended to promote environmental excellence which can be trusted.

- Help provide consumers the information needed to make more informed choices.

- Help provide corporations and governments make more informed device procurement decisions.

- http://ec.europa.eu/environment/ecolabel/the-ecolabel-scheme.html

The life cycle of a product begins with extraction – the mining or cultivation of the raw materials, such as cotton (for textiles) or wood (for paper products). It continues with manufacturing and packaging, distribution, use and finally the "end of life" stage, when the product is disposed of or recycled.

When developing EU Ecolabel criteria for products, the focus is on the stages where the product has the highest environmental impact, and this differs from product to product.

Handset Ratings

1. **Information to customers**
2. **Drive improvements in Handset manufacturing value chain**

Learnings

1. Data gathering and quality verification is challenging

- Changes/Managing New questions is difficult - long and flexible supply chains (takes time to establish and stabilize data gathering process)

- Non-harmonized data requirement s

+ The collected data supplements manufacturers own analysis

- Environmental difference between products mainly depend on IC size, factually difficult to communicate to consumers

2. Why have there not been bigger take-up by consumers?

- Comparability – Is there clear enough differences between products for consumers to decide upon

- Relevance – do they give a relevant message to consumers ?

- What is the consumer perception of many different labels, will it enhance awareness or confuse ?

- Could uniform messaging better support consumer choise?

Way Forward?

- **Customers still want to make sustainable decisions**

- **Product performance data exists, but**
  - non-comparable (e.g OEM own data)
  - Incomplete (e.g. Third party overviews)

- **Industry initiative can solve both of these problems by providing detail and authority**

- **But multiple initiatives can be counter-productive by:**
  - adding to the confusion
  - adding to the workload

  ==> A harmonized approach could benefit all

Challenges in Harmonizing

- **While harmonizing has undeniable benefits there are also concerns or at least circumstances we should avoid when considering harmonize measures of sustainability**

    1. **No method today accounts for all sustainable attributes**

    2. **It will be difficult to create a harmonized method which by its definition must be a static, standardized measurement system**

    3. **The concern with this kind of system is that it cannot account and allow for the addition of new innovation in devices and advancement in sustainability**

    4. **As a result companies who wish to raise the bar with innovations in efficiency or resources consumption and who invest in these advancements will not have recognition within a standardized method and therefore are forced to seek to represent those achievements in some other way**

Thank you