



Fact Sheet on Eco-efficiency

This fact sheet first explains the aims and developments of eco-efficiency and gives examples of positive results. Then we give the views of WECF of missing aspects in the current definition and application of eco-efficiency, i.e. the health aspects. Including these will improve eco-efficiency and prevent eco-efficient solutions that cause health damage.

Eco-efficiency was coined by the World Business Council on Sustainable Development (WBCSD) in 1992 as “the basic business contribution to sustainable development”. The WBCSD defines eco-efficiency as “Producing competitively priced goods and services that satisfy human needs and bring quality of life, while progressively reducing ecological impacts and resource intensity throughout the life cycle, to a level at least in line with the Earth’s estimated carrying capacity”². The concept describes a vision for producing economically valuable goods and services while reducing the ecological impact of their production. Put in simple terms, the vision of eco-efficiency is to ‘produce more with less’: creating more goods and services while using fewer resources and creating less waste and pollution. Reducing waste and pollution, and using less energy and fewer raw materials is obviously good for the environment. It is also evidently good for business because it cuts companies’ costs, and eventually avoids potential environmental liabilities. It is, therefore, a prerequisite to the long-term sustainability of business.

Important aspects of eco-efficiency are³ :

- A reduction in the material and energy intensity of goods or services.
- Reduced dispersion of toxic materials.
- Improved reuse through remanufacturing and recycling, if more eco-efficient.
- Maximum use of renewable resources.
- Greater durability of products.
- Increased service intensity of goods and services.

Eco-efficiency, sustainable development and the Lisbon Agenda

Eco-efficiency deliberately induces a change of values, moving from a short-term to a long-term vision and from quantitative to qualitative objectives for economic development. Eco-efficiency is a precondition to sustainable development and thus bears relevance for the implementation of the Sustainable Development Strategy into EU policy. At the same time, eco-efficiency will contribute towards enhancing the competitiveness of the European industry and can thus help delivering the goals of the Lisbon Agenda.

The European Commission launched an Eco-Efficiency Initiative in 1998⁴. The relationship between eco-efficiency and competitiveness was re-examined through the Dutch presidency in 2004 and promoted in their Clean, Clever, Competitive initiative⁵.

At the Spring Council of March 2005, European Heads of State and Government recognised the positive

contribution of eco-efficient innovation to economic growth and competitiveness. They also agreed that the EU should fully exploit this growth potential. “Strengthening innovation will form the heart of the Strategy for Growth and Employment. Eco-efficient innovations offer the EU a strong opportunity to improve its competitive edge. The pursuit of these innovations can give the EU important comparative advantages over countries like Japan, the US, China and India, particularly as pure cost strategies no longer suffice in the face of strong global competition. Full use of eco-efficient innovations will also decrease the EU’s dependence on resources and thus its vulnerability to price shocks on commodity markets.”⁶

Making industry competitive through eco-efficiency

Eco-efficiency has created a shift from preventing pollution in manufacturing industries to becoming a driver for innovation and competitiveness. Companies implement eco-efficiency to optimise their processes, turn their wastes into resources for other industries, and drive innovation that leads to products with new functionalities. Eco-efficiency has been demonstrated, through hundreds of case examples, to work for companies of all sizes, in all industrial sectors and in all regions. For example, STMicroelectronics, a Swiss-based technology manufacturer, saved £38 million in energy and \$8 million in water costs, with a total saving over a decade predicted at \$900 million. United Technologies Corporation's sites eliminated almost 40,000 gallons per year of waste water and saved over US \$50,000 per year with a fundamental change in the way it manages its test cells, underground storage tanks and waste streams.⁷



WECF demands for an eco-efficiency policy that takes the health effects into account

- Eco-innovation, eco-efficiency and clean production policies (i.e. substitution of hazardous chemicals) need to encompass the elimination and prevention of health effects for today's and tomorrow's generations.
- The above mentioned integrated approach of eco-efficiency should be promoted by policy makers through environmental procurement, environmental tax reforms, subsidies for eco-innovation. Such measures should all safeguard our health.
- Integration of health aspects into the Clean Clever Competitive concept should be implemented under the Lisbon Strategy.
- Including protection of health and environment in developing eco-efficiency indicators should give guidance to both producers and consumers.
- True costs and benefits of all products and production processes should include health damage and prevention.
- Technology choices to reduce resource use should not have an adverse impact on health and environmental effects (e.g. nuclear energy, recycling of toxic waste).

¹ www.wbcsd.ch

² *ibid.*

³ http://www.bsdglobal.com/tools/bt_eco_eff.asp

⁴ *The EEI was launched by the WBCSD and the European Partners for the Environment*

⁵ <http://www.cleanclevercompetitive.com>

⁶ *A will to compete: a Competitive, Clever and Clean Europe. Advice of the Eminent People Group, Brussels, January 2006*

⁷ "WBCSD learning tool helps companies to adopt, implement and integrate eco-efficiency" (www.wbcsd.org)

WECF

Women in Europe for a Common Future

is a Network of 78 Organisations in 31 Western and Eastern European countries, the Caucasus and Central Asia, working on sustainable development, health and environment, and poverty reduction.

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