The service sector is becoming more important in all EU economies and an increasingly significant determinant of environmental impacts. Hence it is vitally important that they
develop in an eco-efficient manner. Eco-efficient services (services which add value for customers and also create significant environmental benefits compared with alternatives) are a means of achieving this. Their relatively low capital requirements also mean that they are an activity particularly suitable to small and medium sized enterprises, SMEs.

The European Union-financed project started in September 1998 and will finish at the end of 2000.

The project team consists of researchers from AVANZI (Italy), Gothenburg Research Institute, GRI (Sweden), Institute for Prospective Technological Studies, IPTS (Spain), Institut für ökologische Wirtschaftsforschung, IÖW (Germany), UK Centre for Environmental and Economic Development, UK CEED (Great Britain), Vrije Universiteit Amsterdam, VUA and Centre for Technological and Policy Studies, TNO-STB (The Netherlands).

The project is divided in five major stages:

- Developing a conceptual framework to understand eco-efficient services
- Identification and analysis of service innovations in selected product chains
- Analysis of case studies of eco-efficient services and finalisation of framework
- Elaboration of policy implications
- Creation of business educational materials, and review process.

Business sectors that will studied in the project are:

- Building construction, maintenance and management;
- Industrial ecology, industrial gasses and chemicals;
- Professional laundry and cleaning;
- Electronical appliances and equipment for the business sector;
- Document services;
- Transportation and communication.

The outputs of the project will include recommendations to policy-makers and a workbook for companies to use during product and service development processes.

Overall purpose of the project: To bring the topic of eco-efficient services into the mainstream of European business and policy making and provide practical tools for both large companies and SMEs to identify opportunities to introduce them. The main focus is on eco-efficient producer services, i.e. a business-to-business perspective.

A lack of research in the field of eco-efficient producer services, combined with the perceived possibilities for eco-efficient services on this level, have been the most important driver for choosing the business-to-business perspective.

Objectives:

- Develop a model of the key elements involved in the development of eco-efficient
producer services.

- Clarify understanding and develop conceptual models of an important economic and environmental issue.
- Identify the drivers for the introduction of selected eco-efficient producer services.
- Provide policymakers with a clearer understanding of the importance and nature of eco-efficient services and the ways in which they can influence its development.
- Assess the impact of eco-services on competitiveness and employment.
- Provide the business sector with practical tools.
- Compare and contrast eco-services with those in final consumer/tertiary services.
- Provide insights into the actual and potential contribution of eco-efficient producer services to the attainment of sustainable development.
- Identify corporate level barriers to the development of eco-services.
- Identify policy barriers to the development of eco-services.
- Develop practical tools, e.g. checklists and workbooks.