



CONSUMERPRO

BOOSTING PROFESSIONALS
IN CONSUMER PROTECTION

Sustainability

Theoretical background document

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1. SUSTAINABILITY – AN INTRODUCTION

Why sustainability matters to consumers

There is growing concern across the European population that more climate action is necessary. A European Barometer survey¹ on attitudes of Europeans towards climate change from March 2020 shows that:

- **94% of citizens in all EU Member States say that protecting the environment is important to them.**
- **91% of citizens stated that climate change is a serious problem in the EU.**
- **According to 83%, European legislation is necessary to protect the environment.**

The 2019 Consumer Condition Scoreboard indicates that more than half of EU consumers (56.8%) report that at least some of their purchasing decisions are influenced by environmental claims².

This matches the findings of many of BEUC's member organisations who notice a rising interest from consumers related to sustainability topics. As a consequence, national consumer organisations are receiving more and more questions from consumers and are more interested in being able to provide people with useful advice and tools such as product ratings and apps.

This is why we have developed the Consumer PRO training module and resources on sustainability – to support you as consumer professionals to both support and educate consumers on this issue to change their behaviour, as well as advocate and lobby on behalf of consumers.

The political agenda – EU level

The importance of environmental issues to European citizens and their concerns about climate change is being reflected in the EU political agenda. Due to public pressure, the EU has now set itself the goal of being a net zero carbon economy by 2050 and will increase its emissions reduction target of currently 40% by 2030, to 50 or possibly 55% by 2030.

To put the necessary structural changes in place, the European Commission announced in its 'European Green Deal' (December 2019) measures to make food systems sustainable, improve energy efficiency of transport and housing, shift European energy supply to more renewable energies and make products last longer, better repairable and recyclable. **The European Green Deal is a comprehensive political guideline for the next five years and beyond.** All other policies of the EU such as the industrial policy, research policy, mobility,

¹<https://ec.europa.eu/commfrontoffice/publicopinion/index.cfm/survey/getSurveydetail/instruments/special/surveyky/2257>

² https://ec.europa.eu/info/sites/info/files/consumer-conditions-scoreboard-2019-factsheet_en.pdf



food, finance, energy, etc. must be consistent with its goals. However, to succeed, deep systemic changes in the way we live, produce, consume, heat, and move around will need to be made³. It also needs policy makers to not only focus on 'climate change' but ensure that broader societal and environmental challenges, such as chemicals, biodiversity, land use and food production are addressed.

To make sure the visions and goals outlined in the new European Green Deal are achieved, the consumer movement plays a vital role alongside other civil society groups to hold the EU and Member States to account, as well as to act in line with the Paris commitments⁴.

National level political agenda

For national trainers to complete.

- The following should however be taken into account:
- National plans and contributions to the Paris Agreement
- Fiscal policies to get the prices for consumers right (such as available bonus/ malus schemes, tax breaks and subsidies etc.)
- Agenda 21 projects and new possible cooperation such as with cities on housing and transport policies
- Information about local services that can be used by consumers (e.g. Repair Cafés, local groups that organise cloth swapping etc.)

Involvement of consumer organisations

Consumer organisations have historically only partially been involved in environmental policies, and in particular on those that relate to consumer information such as ecolabel and energy or car labelling, product design policies and on the protection of consumer rights.

However, in recent years the consumer movement has become more receptive to the need to protect the planet and there is a growing understanding that the interests of future generations need to be taken into account.

³ See for example: European Environment Agency (2019): Sustainability transitions – Policy and Practice, <https://www.eea.europa.eu/publications/sustainability-transitions-policy-and-practice>

⁴ On 12 December 2015, Parties to the United Nations Framework Convention on Climate Change reached a landmark agreement to combat climate change and to accelerate and intensify the actions and investments needed for a sustainable low carbon future. The Paris Agreement's central aim is to strengthen the global response to the threat of climate change by keeping a global temperature rise this century well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius. <https://unfccc.int/process-and-meetings/the-paris-agreement/what-is-the-paris-agreement>.



The increased awareness of the public, as well as policy makers on the climate emergency highlights the need for collaboration between consumer advocates and policy makers. It is key that consumers are genuinely engaged in the roll-out of policies for this to succeed. Be it in the way we eat, move, travel, live in our homes or use products and services, a critical mass of changes of consumer attitudes and behaviours is needed. It is crucial that the policies that will be rolled out in the months and years to come put consumers at the centre of all relevant action points.



European consumers have a huge purchase power and it makes a difference for the planet if consumers opt for sustainable or unsustainable products and services. Most purchase decisions of consumers are made before going to shops and thus the challenge is to reach consumers beforehand. Consumer organisations play an important role in this process and act as trusted intermediaries, informing millions of people every day through magazines, help lines, web articles and videos. However more sustainable products and services need to become available in addition, on which we can advise consumers.

In the coming years, the role of consumer groups and consumer professionals will be needed to, for example, continue:

- Giving independent advice on sustainable products and services to consumers.
- Testing products and services against their environmental impact.
- Organising group purchases to bring prices down for sustainable products such as, for example, for solar panels⁵.
- Engaging consumers into transition debates through: managing web communities where peers can speak to each other about their experiences such as renewable energies⁶, organising festivals to inform people how we will/can live in the future⁷, and in collative actions such as collating consumers pictures of unwanted and unnecessary packaging waste and sending to policy makers and economic operators
- Teaming up with social workers to help consumers who are struggling to pay their energy bills⁵ and educating consumers on efficient use of energy in their homes.
- Teaming up with schools and training teachers⁸.
- Organising demonstration workshops to explain to people how to use new products and services, for example an electric vehicle⁹.

⁵ See Chapter 3 on Housing

⁶ See Chapter 3 on Housing

⁷ <https://www.altroconsumo.it/festival-2019#>

⁸ MundoOn project Portugal to train teachers: <https://decojovem.pt/iniiativa/mundon/>

⁹ Citizen's Advice Electric Vehicle Workshop 2019 <https://www.youtube.com/watch?v=i3KkP0AohI8&feature=youtu.be>



- Carrying out research on consumers' needs and preferences such as on consumers' strong wishes to reduce waste or to have more durable products¹⁰¹¹.
- Developing Capacity Training Programmes with the objective to make consumer organisations and other actors in consumer policy stronger and better equipped to protect consumers in their countries, including on sustainability topics.
- Programming apps such as to help consumers avoid harmful chemicals in products and choose healthier food¹².
- Promoting credible labels of environmental excellence to consumers such as the EU Ecolabel.

Sustainability in light of COVID 19

At the time of writing, the short, middle and long-term impacts of the COVID 19 pandemic are unknown, but what is clear is that the crisis will drastically impact all our lives and social cohesion in both the immediate, middle and long term. As well as addressing the immediate health response, policy makers at national, European and international level are discussing policy measures which can alleviate the negative economic and social impacts. This concerns immediate emergency support but comprises also decisions about longer term investments to reinvigorate the economy after the end of the immediate health crisis.



The **European Green Deal** reforms must stay on track as our goal cannot be to go simply back to the 'old normal' which is driving the climate crisis. All public money to bail out companies should be conditional upon making a change towards more sustainability. It will be primordial not to repeat the errors of the past, for example the financial and economic crisis in 2009 where many agreed that we cannot exit the crisis as we entered it, but little changed thereafter in practice. Consumer organisations are committed to play an active role in the transition process.

While the European Commission is currently reassuring civil society organisations that they will remain on track with the European Green Deal reforms, the COVID-19 crisis will

¹⁰ See Chapter 7.3 on PROMPT project.

¹¹ The German Verbraucherzentrale Bundesverband found through an [opinion survey](#) that 96% of consumers think it is important that less packaging waste is generated and [89% thought](#) that the EU should oblige producers of large household appliances to make products better repairable.

¹² BEUC members, Forbrugerrådet TÆNK (Denmark), Sveriges Konsumenter (Sweden) and VKI (Austria) are part of the LIFE funded project Ask Reach: <https://www.askreach.eu/partners-and-supporters/>. Forbrugerrådet TÆNK also programmed the app 'Kemiluppen' and UFC Que Choisir the App 'QuelCosmetic' to help consumers choose cosmetics which do not contain certain harmful chemicals.

inevitably have severe impacts and be decisive for the question of whether we can resolve the climate crisis on time.

There are risks as well as opportunities from a consumer perspective. It is important for you to reflect upon the national context and take these factors into account when formulating relevant response strategies for national consumer professionals.

Among the risks, we see the following:

- Less public money will be available for investments into structural changes. This may, for example, impact budgets that are spent on research and innovation, rolling out model projects with new infrastructures (such as electric vehicle charging stations), public buildings which are ecologic (e.g. passive office buildings with innovative concepts for light, ventilation, rain water collection, using renewable energies etc.)¹³
- Resistance from national policy makers against the European Green Deal project.
- Less attention from consumers because they are occupied with other problems which makes awareness rising a challenge.
- Less ability of consumers who lost their jobs to live more sustainably in case this is more expensive.
- More incentives for companies to betray consumers such as asking for a higher price for 'sustainable' products even those that do not live up to their promises.

Among the opportunities, we see the following factors:

- More awareness among consumers that change is necessary, possible and feasible.
- New skills, knowledge and interest among some consumers that they developed during the confinement such as cooking and sewing, playing with the children, supporting local small companies, doing more via videoconferencing for professional purposes.
- A new and reinforced appreciation for an intact environment such as less noise, clean air, singing birds in cities etc.
- New means to change lifestyles such as swapping clothes, toys and books, using products longer and repairing them, cooking more often at home instead of going to a restaurant, spending quality time with the family more locally because of economic pressure.
- More solidarity and the feeling that we can overcome a big crisis if we all work together and act more in the common interest. This can give people the feeling that they are not helpless and that their actions matter.

¹³ Indeed, the negotiations for the next EU multi-annual budget indicate that there might be less money available for the health programme, research and development as well as environmental protection than initially being proposed for the period from 2021-2027. <https://www.europarl.europa.eu/news/en/headlines/priorities/eu-s-long-term-budget/20200722IPR83804/eu-long-term-budget-deal-must-be-improved-for-parliament-to-accept-it>

2. SUSTAINABLE HOUSING

Why sustainable housing is important to consumers

Consumers see their energy bills increasing and many have difficulties to keep their bills under control, as they live in inefficient houses or cannot access more sustainable solutions.



Buildings nowadays account for the largest share of energy consumption in the EU. In particular, the residential sector represents 45% of total energy consumption for heating and cooling in the EU. **European housing must become sustainable to achieve the EU's climate ambitions.** As most of the housing stock of 2050 exists already today, the focus should be on decarbonising buildings via higher renovation rates, switching to renewable heating and cooling, using the most efficient products and appliances, smart building/appliances management systems, and improving materials for insulation.

While energy efficient homes are good for the consumers' wallet, good for the climate, and good for public health (less air pollution), consumers often struggle to see the benefits of investing in renovations and lack tools to do so. Funding support is either little known, or simply unavailable. According to BEUC members, national consumer organizations, the top issues preventing consumer action on home renovations are:

- lack of awareness on the benefits of renovation.
- lack of available/suitable financing for renovations.
- lack of legal certainty.
- shortage of available trusted impartial advice.

Engaging consumers in the energy transition is key for building public acceptance in a period of change. Although consumers are interested in actively contributing to the energy transition, their day to day realities mean they also need to be convinced that they can save money, improve their comfort levels and will have security of supply in the energy transition.

Consumers need information about the impact of their choices and related carbon footprint. They need to be able to easily identify the best solutions for them, for instance when making choices about their own use of energy or the total cost of ownership when investing in heating or cooling equipment. And they need information on and easy access to available support schemes. At the same time, they need adequate advice by skilled professionals that refurbish their homes as well as assistance in organising relocation while renovation takes place. While information is important, it should be understood as part of the solution, together with well-designed and stable policies that provide certainty for their investments and trust.



Political agenda - EU level

To improve energy efficiency of its building stock, the EU established a legislative framework that includes the Energy Performance of Buildings Directive 2010/31/EU (EPBD) and the Energy Efficiency Directive 2012/27/EU. Both directives were amended, as part of the Clean Energy for all Europeans package, in 2018 and 2019.

First of all, [the amended Energy Performance of Buildings Directive \(2018/844/EU\)](#) sends a strong political signal on the EU's commitment to modernise the buildings sector in light of technological improvements and increase building renovations. The EPBD mandates Member States to develop national long-term renovation strategies to make the EU building stock highly efficient by 2050, which means a reduction in emissions by 80-95 % compared to 1990. This overarching policy objective will be reached through a variety of provisions, ranging from a 'smartness indicator' for buildings to Energy Performance Certificates (EPCs). The former is a tool measuring the ability of buildings to take up new technologies and interact with the grid in order to achieve higher efficiency levels. The latter consists in a certification scheme to improve the comparability of buildings' energy performance before and after renovations. The Directive establishes also the roll-out of Electric Vehicles (EV) charging points for new residential buildings and requires Member States to consider measures alleviating energy poverty when designing national renovation strategies. The deadline for the EPBD transposition into national law was March 2020.

Secondly, [the amended Directive on Energy Efficiency \(2018/2002\)](#) was agreed to update the policy framework to 2030 and beyond. The key element of the amended directive is a headline energy efficiency target for 2030 of at least 32.5%. The target, to be achieved collectively across the EU, is set relative to the 2007 modelling projections for 2030. One of the main objectives of the revised Energy Efficiency Directive is to reduce energy consumption and thereby lower energy bills for consumers. It also aims to make Europe less reliant on energy imports, incentivize producers to innovate and attract more investments in the building sector.

Thirdly, [the Governance Regulation \(Regulation 2018/1999\)](#) can be defined as the cornerstone of the Clean Energy for All Europeans package, setting the direction to reach the Energy Union long term objectives in accordance with the Paris Climate Agreement. By requiring Member States to develop long-term strategies and integrated national energy and climate plans, the Regulation defines clear rules on how to reach the 2030 EU energy efficiency target among others.

The current European Commission set the European Green Deal as one of the key priorities and introduced a renovation wave of public and private buildings as part of its **European Green Deal**. It aims to take further action and create the necessary conditions to scale up renovations and reap the significant saving potential of the building sector. According to [the European Commission's Green Deal Communication](#) from December 2019:

"the Commission will rigorously enforce the legislation related to the energy performance of buildings. This will start with an assessment in 2020 of Member States' national long-term renovation strategies. The Commission will also launch work on the possibility of including emissions from buildings in European emissions trading, as part of broader



efforts to ensure that the relative prices of different energy sources provide the right signals for energy efficiency. In addition, the Commission will review the Construction Products Regulation. It should ensure that the design of new and renovated buildings at all stages is in line with the needs of the circular economy, and lead to increased digitalisation and climate-proofing of the building stock”.

In parallel, the Commission proposes to work with stakeholders which is expected to include an open platform bringing together relevant stakeholders. Last but not least, large financial support will be made available for building renovations which can also provide a unique opportunity for BEUC’s member organisations and other consumer professionals to set up national advice programmes and help consumers to get access to this funding for building renovation. According to the Commission’s work programme, this initiative is expected in the third quarter of 2020.

National level political agenda

For national trainers to complete this section as necessary. Should take into account the transposition of the Energy Union package where related to housing.

Involvement of consumer organisations in “sustainable housing”

Some key areas of work for consumer organisations are as follows:

- **Advising consumers on how to reduce their energy consumption:** Access to clear and transparent information is not always available to consumers. They need to easily identify the best solutions when choosing their energy suppliers and sources, or when investing in clean technologies (such as heat pumps). Some consumer organisations have been providing general energy efficiency advice and advice and product comparison (e.g. on heating appliances).
- **Assisting consumers when renovating their homes:** e.g. on how to reduce the energy efficiency gaps as well as on independent experts or energy performance certificates. As possible next step, consumer organisations could further focus on providing consumers with tailor-made advice for energy renovations as well as taking consumers through the necessary steps (the whole customer journey), organise collective building renovation actions and offering them new services.
- **Influencing legislation to make sure that consumers can easily access all necessary tools:** consumers need to be supported by financial incentives and well-designed, stable policies that provide investment certainty. Renovation programmes, green loans, or incentives for landlords are all key areas where consumers can be better enabled in the energy transition. Particular attention should be paid to consumers in vulnerable situations as well as to tenants and multi-storey buildings.



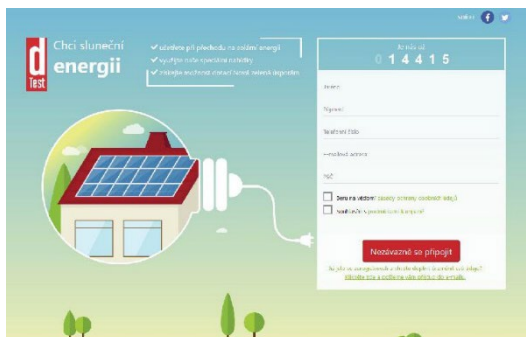
- **Closely monitoring the market and advocating for strong consumers rights and better deals:** More needs to be done to increase energy efficiency and shift to renewable sources in the heating and cooling sector. Ensuring healthy competition between companies, as well as ensuring consumer rights and protections are in place are part of this work.
- **Testing and influencing technical standards** relevant to products and building renovation (e.g. test of materials: windows, insulation).

National examples or tools for consumer education and engagement

- **Group purchasing of renewable energy installations**

The CLEAR project supported many countries with group purchasing campaigns.

Solar panels - In Belgium and Czech Republic, this was for solar panels. In Belgium where the average Belgium is responsible for emitting 8 tonnes of CO2 emissions annually, Test-Achats managed to help reduce 60,000 tonnes of CO2 emissions annually through the group purchase of solar panels¹⁴.



In the Czech Republic the ‘I Want Solar Energy’¹⁵ campaign registered 14,556 people interested in a group purchasing of photovoltaics.

Heat pumps and pellet stoves were also part of group purchasing schemes in Belgium, Czech Republic, Slovenia, Portugal, Spain and Italy¹⁶.

Lithuania – SOL project “Solar Energy for Multi-Family Buildings” - Since 2017, [ALCO](#) (The Alliance of Lithuanian Consumer Organisations) has been advocating for more solar photovoltaic technologies in the Multi-Family apartment building sector, where a big gap compared to those living in houses was identified. Through making international partnerships and [conducting research](#) into best international practices and possible solutions, ALCO developed a strong advocacy position on the national policy-making scene. It has become recognised as an important stakeholder by the Minister of Energy and was

¹⁴ Test-Achats magazine edition 623 October 2017.

¹⁵ www.chcislunečnienergii.cz

¹⁶ https://www.beuc.eu/publications/beuc-x-2020-008_clear.0_factsheet_0.pdf



invited to be one of five initial signatories of the Prosumers Alliance under the auspices of the Ministry. The prosumer scheme introduced in October 2019 is currently considered as one of the most 'prosumer friendly' in the EU, opening real possibilities for families, living in flats, to become prosumers and overcome the many obstacles considered insurmountable just a few years ago.

Citizens Advice Bureau, UK - [Assisting consumers to make their homes more energy efficient.](#)

UK- Assessing and endorsing traders: The consumer organisation Which? has developed the [Which? Trusted Trader logo](#) to help consumers choose the right trader and recognise good traders when undertaking a major home renovation or looking for professional help to improve energy efficiency at home. The label is a sign of reputation and trust.

STEP project: BEUC is coordinating the project [Solutions to Tackle Energy Poverty](#) (STEP) which involves 9 BEUC members. The big idea of the project is to provide advice to vulnerable people with simple, concrete and cost-effective tips and measures so they can save on their energy bill. What makes the STEP project unique is that national consumer organisations are teaming up with frontline worker groups, who already provide vulnerable citizens with advice on different issues such as household budget advice or health tips, to reach out to people in or at risk of energy poverty. The project has received funding from the Horizon2020 funding programme. For more information see: [STEP project website](#) and [STEP's reports](#).



CLEAR and CLEAR 2.0 projects: CLEAR stands for enabling Consumers to Learn about, Engage with and Adopt Renewables. CLEAR 2.0 was a project by European consumer organisations to advise and support consumers who want to produce electricity and heat from renewable energy sources in their households. The project was funded by the European Union Horizon 2020 research and innovation program and ran from September 2017 to February 2020.



Through CLEAR, we have been able to:

- Gain a better understanding of consumers' motivations and main triggers to change their behaviour by conducting online interviews
- Test what makes consumers use energy more efficiently by monitoring a group of households, providing them with information and equipment
- Help consumers make better informed choices by assessing the performance of renewable systems and making this information accessible to more households through new online tools
- Accompany the consumer to buy cheaper and smarter through group purchases

- Contribute to more ambitious national and EU energy policies where we advocated for easy and fast administrative and permit processes as well as for one-stop-shops providing consumers with information and personalised advice.

For more information see the [CLEAR 2.0 website](#), [factsheet](#) and the [CLEAR 2.0 results and recommendations](#).

Further resources on sustainable housing – factsheets, publications, links

- **Factsheet about the Clear 2.0 project** - enabling consumers to learn about, engage with and adopt renewable energy https://www.beuc.eu/publications/beuc-x-2020-008_clear.0_factsheet_0.pdf
- **BEUC position paper on the future of energy consumers** https://www.beuc.eu/publications/beuc-x-2019-055_the_future_of_energy_consumers.pdf
- **BEUC position paper: Lower energy consumption, lower energy bills:** https://www.beuc.eu/publications/beuc-x-2017-029_lower_energy_consumption_lower_energy_bills.pdf



3. SUSTAINABLE FINANCE

Why Sustainable finance is important to consumers?

When it comes to supporting consumers to contribute to the fight against climate change and be able to live sustainably, addressing finance and the financial systems is a crucial topic. Currently consumers are not sufficiently aware that they can make a difference with their financial choices and drive the markets.

For most consumers, banks are a one-stop-shop when it comes to managing all their finances. They receive their salary and all other payments and benefits into their current accounts, as well as save money and invest for retirement, take out loans, buy insurance, and more, through their bank. This means that trillions of euros pass through banks every year¹⁷, money which could be spent in initiatives that have a positive impact on the environment and society and contribute to mitigating climate change.



Given the urgency of the situation and in spite of current efforts to drive resources towards the sustainable economy, the vast majority of banks continue to use these trillions to invest in and finance emission intensive activities, including the fossil fuel industry.

For example, in Sweden, the seven largest banks invest almost twice as much of savers' money in fossil energy compared to sustainable energy. Of every hundred cents that Swedish banks invest and lend to the energy sector, SEK 64 goes to fossil energy and only SEK 36 to sustainable energy. In total, the banks invested SEK 44.2 billion in fossil energy and only SEK 9.8 billion in sustainable energy¹⁸.



Many consumers would like their money to contribute to building greener, fairer and more inclusive societies, for example financing activities that have a positive impact on the environment. However, currently, financial institutions do not sufficiently report on their environmental strategies, including where the money is invested. In this context, financial institutions continue to provide untrustworthy financial advice when consumers take out an investment fund or a life insurance policy¹⁹, without taking into account the sustainability preferences of consumers. As a result, consumers can unknowingly contribute to environmental, climate and human rights abuses, and lack agency to do anything about it.

¹⁷ In 2015, European households held more than EUR 10 trillion in savings accounts https://www.beuc.eu/publications/beuc-x-2015-101_savings_accounts_in_eu-a_dormant_market-study.pdf

¹⁸ <https://fairfinanceguide.se/media/494515/lagg-om-vaxeln.pdf>

¹⁹ See BEUC's campaign on thepriceofbadadvice.eu, which highlights the continuing inadequacy of financial advice given to consumers. BEUC is calling for a ban on the payment of 'inducements' to financial advisers, that result in biased impartial finance advice to consumers.

EU Political agenda

In its 2020 Work Programme, the European Commission announced its intention to publish a renewed **Sustainable Finance Strategy** in the third quarter of 2020. In April 2020, the European Commission launched a public consultation on its renewed sustainable finance strategy, to which BEUC responded²⁰ voicing the concerns of consumers in the wider sustainable finance debate. The consultation was divided in two main sections: 1) The first one addressed to all stakeholders on how the financial sector and the economy can become more sustainable; 2) The second one was targeted at experts, asking further technical and strategic questions on the future of sustainable finance. BEUC response to the consultation made a number of concrete policy recommendations to the European Commission to ensure that consumers can be better informed about the sustainability characteristics of the financial services products that they rely on in their daily lives, including:

- A requirement for all financial products (savings accounts, investment funds, life insurance, pensions, etc.) to disclose how sustainable they are. For instance, based on a colour rating system similar to the already well-known energy label, where a solid Green A is the most sustainable, and a Red G the least sustainable.
- Stronger efforts by the European institutions to combat greenwashing by financial services providers, a key risk for consumers.
- The development of a so-called Brown Taxonomy of activities that negatively impact the climate and the environment.
- A requirement for the European Supervisory Authorities to assess the cost and performance of ESG products versus their traditional counterparts, as part of their annual studies.
- Better supervision and regulation of ESG ratings and ESG rating agencies.
- Ambitious rules for the creation of an EU Ecolabel for Retail Financial Products.
- A requirement for financial advisers to assess the sustainability preferences of clients when seeking investment advice, and a requirement for financial advisers to be adequately trained about ESG products when providing investment advice.
- Support for initiatives that guide and assist consumers in comparing between the sustainability and investment practices of credit institutions and other financial firms, such as the [Fair Finance Guide](#).

Other relevant EU legislation and workstreams in the area of sustainable finance, include:

- **EU Ecolabel for investment products** - an expert group established by the European Commission is currently developing an EU Ecolabel²¹ for financial products based on the taxonomy, an EU classification system for sustainable activities to help investors,

²⁰https://www.beuc.eu/publications/beuc-x-2020-069_consultation_on_the_renewed_sustainable_financial_strategy.pdf

²¹ See chapter 7.2 on Ecolabel

companies, issuers and project promoters navigate the transition to a low-carbon, resilient and resource-efficient economy. Civil society, including BEUC's Ecolabel coordinator, are involved to ensure a reliable label based on strict conditions that avoids greenwashing and misleading information for consumers.

- In March 2020, the European Commission's Joint Research Centre presented a proposal about the requirements for the EU Ecolabel for retail financial services products. In April 2020, BEUC published its comments²² (in cooperation with other civil society organisations) to such proposal highlighting a few concerns. BEUC and other Civil Society Organisations stated that the JRC proposal should be improved to ensure that the EU Ecolabel is fit for purpose, and ensures that products under the EU Ecolabel target investments into green economic activities. More precisely it was proposed amongst other that the final label matches the expectations of retail investors, i.e. with 51% at least of green investments in the funds and tight exclusion criteria for significantly harmful sectors. BEUC and CSO advocate for a future EU Ecolabel that protects retail investors and consumers in general from greenwashing and meet their expectations from a label of environmental excellence.
- **Draft delegated acts "MiFID II" (Markets in Financial Instruments Directive) and "IDD" (Insurance Distribution Directive)** – The EC published the draft delegated acts on 8 June 2020 and launched a 4 week consultation until 6 July 2020. If adopted, the draft delegated acts will be subject to scrutiny by the European Parliament and the Council. The amended rules will apply from 12 months after their publication in the Official Journal of the EU. According to the draft delegated acts, financial advisors shall be required to integrate sustainability factors into the investment advice provided to consumers. Consumer organisations work towards ensuring in the drafting phase that those texts protect adequately consumers, by requiring financial advisers to assess adequately the Environmental, Social and Governance (ESG) preferences of clients seeking financial advice (for instance, when seeking advice on a pension product, a life insurance policy or an investment fund).

Brown taxonomy – the EU taxonomy regulation currently only lays down a 'green taxonomy'²³. It does not include a 'brown taxonomy' with criteria for economic activities that have a negative environmental impact. Campaigning for a brown taxonomy would mean retail investors understand when their investments are fuelling unsustainable activities.

²² http://www.beuc.eu/publications/beuc-x-2020-026_ecolabel_financial_products_ngo_joint_briefing.pdf

²³ On 18 December 2019, the Council and the European Parliament reached a [political agreement on the Taxonomy Regulation](#). On 15 April 2020 the Council [adopted by written procedure its position at first reading with respect to the Taxonomy regulation](#). The European Parliament approved the text pursuant to the "early second reading agreement" procedure on 18 June 2020. The text has now also been [published](#) in the Official Journal of the EU and will enter into force the 20th day after its publication.

National level political agenda

National trainers – please complete as necessary. Possibly refer to the Markets in Financial Instruments Directive (MiFID II) and Insurance Distribution Directive (IDD) delegated acts that will be adopted by EU policymakers - BEUC will monitor their transposition into national laws and be able to provide some support/information on this.

Involvement of consumer organisations

The world of sustainable finance is a growing field, and there are many key roles that consumer organisations can play:

- **Supporting consumers to trace their green or dirty funds** – researching and providing information to consumers on where their funds go. For example, the Fair Finance guide²⁴ is an example of work consumer organisations can do to help consumers have more transparent information about where their banks channel money. It exposed socially and environmentally destructive practices of European banks from financing palm oil expansion in Indonesia to exposing the scale of their continued investment in the fossil fuel industry as opposed to renewables.
- **Pressure for more range of products** - There is currently a limited range of products available for savings, investments and pension funds based on Environmental, Social and Governance (ESG) goals and criteria. Coupled with limited public information, consumers have a very limited choice on services they use to manage their private finances and consumer organisations can engage and build consumer pressure for more ESG basic products. Consumer organisations could raise awareness about the fact that consumers can drive the markets and exert pressure with their demands and choices.
- **Educating consumers about “greenwashing” of ESG goals and criteria** - Whilst it can be positive for banks to be perceived as sustainable and socially conscious, higher pressure needs to be placed on the banks to ensure ESG goals are both inherent and integral in the banking system. “Greenwashing” practices, i.e. products that appear green, but are in fact not, need to be effectively countered.
- **Offering comparisons of green loan offers** – Such an activity can support consumers to find good value green unsecured loan offers to invest in renewables (such as heat pumps or solar panels), green goods such as electric cars, as well as energy efficient mortgages or loans for energy efficient renovations of residential buildings.

²⁴ Case studies of European banks financing and investments, from the Fair Finance guide: <https://fairfinanceguide.org/ffg-international/case-studies/>

- Finally - consumers are unable to mitigate or even be aware of the risks to their investments in carbon-based industries through **stranded assets**²⁵ – investments, pensions and savings should be protected against the risks of climate change and unsustainable finance. Consumer organisations could advocate for more transparency regarding the financing and investments made by financial institutions.

National examples or tools for consumer education and engagement

- **The Fair Finance guide – Norway & Sweden**



The Norwegian consumer organisation *Forbrukerrådet* and the Swedish *Sveriges Konsumenter* are part of the **Fair Finance Guide network**, a project to rank and compare leading banks in their country based on environmental, social and governance criteria.

The Norwegian Fair Finance Guide scores 13 banks on their policies and practices <https://etiskbankguide.no/> And the Fair Finance Guide Sweden covers the 7 largest and 2 alternative banks in Sweden- <https://fairfinanceguide.se/>

- **Lithuania - Joint Sustainable Finance Monitoring Group (S.U.R.F. project).** Similar to the [Fair Finance International](#) project, the Alliance of Lithuanian Consumer Organizations (ALCO) are replicating a bank rating system for Lithuanian consumers. The project focuses on impact in three ways: Producing targeted information campaigns to help consumers actively seek and invest into sustainability-oriented financial retail products; Engaging with local financial sector actors to encourage the creation and placing of products onto the market; Lobbying and advocacy towards decision-makers for a legal framework to reorient financial sector from the 'business as usual' investments into sustainable ones. The aim is to build a financial system, where the increased role and pressure from sustainability-conscious consumers enables deep transition of the financial system.
- **Belgium - Réseau Financité** (the Alternative Finance Networking) is a Belgian network whose main aim is to promote socially responsible and ethical finance. Réseau Financité conducts research, develops knowledge, and supports individuals in their search for ethical and responsible financial products. The network regularly publishes [reports](#) evaluating financial products that promote social, ethical, governance and environmental concerns, to help retail investors who wish to invest their money in a responsible way. The network also operates a [comparison website](#)

²⁵ Stranded assets are assets that suffer from premature and unexpected loss of value. Researchers from the London School of Economics have pointed out that climate change has a twofold risk to lead to stranded assets. First, extreme weather events can directly destroy crucial assets such as infrastructure as well as land-use or lower their production value. Second, it can lower the output of these assets and thereby lead to lower returns on investment. Therefore, tougher action on climate change which would prevent such outcomes makes also sense to protect investors. For more information see: <https://www.beuc.eu/press-media/news-events/tougher-action-climate-change-makes-sense-investors>

(including for savings accounts, investment funds, and pension products, etc.) allowing users to easily compare the ESG characteristics of financial services products (based on a set of criteria and [methodology](#) developed by the network).

Further resources – factsheets, Publications, links

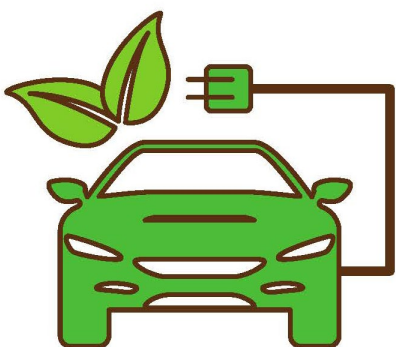
- **European Commission website on the Renewed Sustainable Finance Strategy**
https://ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance_en
- **BEUC response to the European Green Deal on “Finance” page 10:**
http://www.beuc.eu/publications/beuc-x-2020-012_beuc_position_on_european_green_deal.pdf
- **The Fair Finance Guide** - a project implemented in several EU countries that promotes consumer awareness by ranking financial institutions according to sustainability criteria: <https://fairfinanceguide.org/>
- **Finance Watch** – European NGO founded post 2008 financial crisis to raise attention to and counter the finance lobby- <https://www.finance-watch.org/>
- **BEUC and NGO recommendations to EU eco-label and financial products:**
http://www.beuc.eu/publications/beuc-x-2020-026_ecolabel_financial_products_ngo_joint_briefing.pdf Also refer to section 7.2/page 30 of [this theoretical background document for more about eco-label and inclusion of financial products.](#)
- **Finance Watch blog post “no climate justice without sustainable finance”** - <https://www.finance-watch.org/no-climate-justice-without-sustainable-finance/>
- **Finance Watch blog post: “Nine financial reforms climate strikers should demand”**- <https://www.finance-watch.org/uf/9-financial-reforms-that-climate-strikers-should-demand/>
- **Commission Action Plan on Financing Sustainable Growth, 8 March 2018-**
https://ec.europa.eu/info/publications/180308-action-plan-sustainable-growth_en
- **BEUC response to the European Commission’s consultation on its renewed sustainable finance strategy-** https://www.beuc.eu/publications/beuc-x-2020-069_consultation_on_the_renewed_sustainable_financial_strategy.pdf
- **United Nations Environment Programme Finance Initiative**
<https://www.unepfi.org/>
- **Frank Bold public interest Law Organisation** <https://en.frankbold.org/about-us>

4. SUSTAINABLE MOBILITY

Why is sustainable mobility important to consumers?

Many consumers have no other choice than to use their individual car to fulfil their mobility needs. This is the result of decades of urban and economic policies based on the assumption that individual, petrol-fuelled, car ownership was the ideal way to move from A to B. This has resulted in a mobility system where driving is expensive, inefficient and bad for the climate, environment and public health. Consumers could save a lot of money and time if our transport system was to become more sustainable. In parallel, the aviation sector is one of the fastest-growing sources of CO₂ emissions and could become one of EU's biggest emitters by 2050.

Significant progress has been achieved in recent years to bring down CO₂ emissions and fuel consumption from passenger cars. **New tests** (WLTP and RDE) have entered into force, the



EU has significantly strengthened its **type-approval and market surveillance framework**, and it has agreed ambitious CO₂ reduction **targets for 2025 and 2030**. It is hoped that this new regulatory framework will significantly accelerate the transition towards lower carbon cars and deliver progress in reality and not only on paper. In the next decade, we therefore expect a profound shift in the car industry with reductions in CO₂ emissions being strongly driven by a change in powertrain technologies and a switch from internal combustion engines to electric vehicles.

Political agenda – EU level

The following are upcoming relevant EU processes to be aware of:

- Publication by the end of 2020 of a new EU strategy for “sustainable and smart mobility” setting policy goals in terms of uptake of clean vehicles, clean transport alternatives (rail), and setting the right incentives for consumers.
- Revision (expected in June 2021) of the EU directive on the deployment of alternative fuels infrastructure which sets requirements notably for the roll-out of recharging points for electric cars.
- Revision (expected in the course of 2021) of the EU car labelling directive which provides car buyers with information about the efficiency of cars at the point of sale
- Revision (expected in June 2021) of the cars CO₂ reduction targets for 2025 and 2030.

National level political agenda

National experts update as necessary; ideally this comprises information about getting the prices right such as taxation

Involvement of consumer organisations

During the transition to electric vehicles expected in the next decade, it is important for consumer organisations to advise and help consumers about the right mobility options for them. Regarding cars, information at the point of sale can help car buyers opt for more fuel-efficient cars. A unified car emissions label across all EU countries would help consumers do so and influence the supply of more sustainable options, such as electric cars.

Consumer groups can complement this work by providing people with information about the real fuel consumption/level of emissions of their cars and advise them to select the best vehicles on the market. Many consumer organisations do this in projects such as [Green NCAP](#) or [MILE21](#).

There are other developments in the car sector that can create new and different challenges for consumer policy. New innovations such as increased automation and Internet-connected features pose a whole new set of questions regarding liability, safety, data protection, fair competition and more.

In parallel, consumers should have better access to alternatives to individual cars, such as public transport, active mobilities (walking and cycling) or shared and micro-mobilities. Our whole mobility systems need to be rethought to provide consumers with more efficient and more sustainable alternatives.

National examples or tools for consumer education and engagement on sustainable mobility

- **Testing “greener” car models (e-cars and fuel choices)**
 - **Test Achats, Belgium:**
 - comparison of cars to make the most ecological choice
 - advice on greener driving
 - **MILE21** – “more information less emissions” – provides consumers with real-world passenger car fuel consumption data, helping them make well-informed purchase decisions for more efficient vehicles <https://www.mile21.eu/about>
 - **Green NCAP** – comparison of cars
 - <https://www.greenncap.com/>
- **Promoting public transport**



- **Forbrugerrådet Tænks, Denmark** – The project [“Passenger pulse”](#) helps consumers with public transport.
- **vzbv, Germany**- Conducting studies on legal claims to the accessibility of the place of residence by public transport might look like, and connecting with new modes of public transport (i.e. ride pooling): <https://www.vzbv.de/dokument/mobil-bleiben-auch-ohne-auto>
- **Campaigning for [improved passengers rights](#)**
- **Collective lawsuits**
- **Volkswagen case** - When Volkswagen was exposed for using “defeat device” software in its vehicles, effectively feigning better emission output so that cars would be sold and seem to be meeting pollution standards, national level consumer organisation and BEUC on the European level have worked together to help consumers be compensated and have their vehicles in line with legal requirements. Consumer groups in Germany, Lithuania, Slovenia, Slovakia, Switzerland, Belgium, Italy, Portugal and Spain launched group actions against VW.
- **Consumer education and research**
 - **Citizens Advice UK** - organized a series of workshops on how to charge efficiently an electric vehicle (for instance how consumers could take advantage of “smart tariffs” to optimize their electricity consumptions and save money). Watch the video: <https://www.youtube.com/watch?v=i3KkP0AohI8&feature=youtu.be>

Further resources – factsheets, Publications, links

- **BEUC position paper** on how consumer policy can help to clean up transport in Europe: https://www.beuc.eu/publications/beuc-x-2020-065_fossil_fuelled_mobility.pdf
- **BEUC Factsheet on Sustainable Mobility:** <http://www.beuc.eu/sustainability/sustainable-mobility>
- **BEUC factsheet on Electric cars accessibility:** https://www.beuc.eu/publications/beuc-x-2019-036_making-electric-cars-convenient-across-europe.pdf
- **BEUC factsheet on affordability of electric cars:** https://www.beuc.eu/publications/beuc-x-2018-113_when_will_electric_cars_be_an_affordable_option_for_european_consumers_-_a5_format.pdf

- **BEUC position paper** on making electric cars more convenient:
https://www.beuc.eu/publications/beuc-x-2019-032_making_electric_cars_convenient.pdf



5. SUSTAINABLE FOOD

Why is it important to consumers?

A growing number of consumers are willing to eat food that is good for their health and good for the planet. This is the encouraging trend which emerged from a survey on consumers' attitudes to sustainable food published by BEUC in June 2020²⁶. The survey, spanning 11 countries, found that two-third of Europeans are open to changing their food habits for environmental reasons. However, it also showed that consumers face hurdles in turning their words into deeds. Price, lack of knowledge, unclear information, and limited choice of sustainable options are what most consumers say prevent them from eating more sustainably.

Food sustainability boils down to meeting the population's eating needs with the least impact on the environment while offering healthy eating choices. This topic includes

- 1- How to avoid food waste, and
- 2- How to make the sustainable choice easy and affordable for consumers.

Food waste

According to the European Commission's estimates²⁷, around 88 million tonnes of food are wasted annually in the EU. Based on available data, half of this waste (53%) occurs at household level²⁸.

Yet food waste is a shared responsibility across the food chain. Action is needed at all levels including: tackling overproduction at farm level and damaged products/packaging at manufacturing level; preventing cold chain ruptures during transport and poor stock handling and management at retail level; addressing bad or no consumer packaging, bad shopping habits or improper food storage at consumer level, etc.

Besides its negative environmental impact, food waste is unacceptable from an ethical perspective but also has financial consequences for consumers. Each year, on average, a Belgian family throws away perfectly edible food worth circa €300²⁹. In the UK, each month, the average family throws away almost £60 of food that they bought but did not eat³⁰.

Research shows that foods most wasted by EU households consist of fruit and vegetables (fresh salad in particular), bakery items, meat and fish, dairy products, dried food (pasta, rice) and condiments^{31 32 33}. Food waste at home is largely linked with food-related

²⁶ BEUC (2020). [One bite at a time: consumers and the transition to sustainable food](#).

²⁷ http://ec.europa.eu/food/safety/food_waste/index_en.htm

²⁸ FUSIONS, 2015.

²⁹ Test-Achats 589. Gaspillage alimentaire. September 2014.

³⁰ WRAP 'Love Food, Hate Waste' campaign. <http://england.lovefoodhatewaste.com/content/5-sure-fire-ways-save-money-your-food-bills>

³¹ German Federal Ministry of Food and Agriculture (2012). http://www.bmel.de/SharedDocs/Downloads/Ernaehrung/WvL/Studie_Lebensmittelabfaelle_Langfassung.pdf?__blob=publicationFile

routines³⁴, including shopping routines (i.e. the purchase of oversized food portions) and routines regarding the use (or non-use) of left-overs (with the amount of left-overs affected by the food portions that have been bought). According to an EU-wide poll³⁵, 58% respondents indicated that the availability of smaller portion sizes in shops would help them cut food waste. A recent study³⁶ carried out by the European Commission also estimates that up to 10% of consumer food waste is linked to date marking because of misinterpretation by consumers but also due to inconsistent or inappropriate use of the 'use by' and 'best before' dates by food manufacturers and retailers.

Making healthy and sustainable food choices easy and affordable for consumers

Making sure healthy and sustainable food choices are the easy option for consumers means:

- Improving consumer access to more sustainable products at an affordable price
- Creating an environment that supports healthy and sustainable food choices, for example by/
 - Increasing availability and range of sustainable food products.
 - Restricting the marketing and advertising of unhealthy food to children
 - Providing consumers with at-a-glance information on the nutritional value of food through a mandatory front-of-pack label (Nutri-Score).
 - Ensuring that food that is high in fat, sugar and/or salt can no longer claim health benefits.
 - Improving consumer information on where food comes from.
- Fighting bogus sustainable food claims (i.e. greenwashing) by ensuring that food sustainability labels are clear, unambiguous, reliable, verifiable, not misleading and user tested.



³² WRAP report (2008). The Food We Waste.

³³ Crem, bureau voor duurzame ontwikkeling, report (2013).

³⁴ Stancu, 2015; Stefan et al, 2013

³⁵ Flash Eurobarometer 316 (March 2011). Attitudes of Europeans towards resource efficiency

³⁶ European Commission (2018). [Market study on date marking and other information provided on food labels and food waste prevention](#).

Political agenda – EU level

Concerning **food waste**, in September 2015, as part of the 2030 Sustainable Development Goals, the United Nations General Assembly adopted a target of halving per capita food waste at the retail and consumer level and reducing food losses along production and supply chains. The European Commission's EU Action Plan for the circular economy³⁷ adopted in December 2015 outlines actions to support the achievement of this target:

- A platform (EU Platform on Food Losses and Food Waste³⁸), bringing together EU institutions, experts from EU countries and relevant stakeholders, was set up to support all actors in defining measures needed to prevent food waste, sharing best practice, and evaluating progress made over time.
- A common EU methodology to measure food waste consistently across food supply chain was elaborated³⁹.
- Work has been initiated⁴⁰ at EU level to examine ways to improve the use of date marking by actors in the food chain and its understanding by consumers, in particular "best before" labelling.

The **EU Farm to Fork Strategy**⁴¹ for a fair, healthy and environmentally friendly food system was published on 20 May 2020. A major component of the overarching Green Deal, it comes together with an Action Plan listing 27 measures which pave the way for greener food production, healthier and more sustainable diets, and less food waste. These measures – many still subject to further studies, consultations, and other impact assessments – include notably:

- A proposal for harmonised mandatory front-of-pack nutrition labelling to enable consumers to make health conscious food choices (by Q4 2022).
- A proposal to require origin indication for certain products (by Q4 2022).
- A proposal for a sustainable food labelling framework to empower consumers to make sustainable food choices (by 2024).
- Nutrient profiles to restrict the use of nutrition and health claims of food high in salt, sugar and/or fat (by Q4 2022).
- A proposal for EU-level targets for food waste reduction (2023).
- A proposal for a revision of EU rules on date marking ('use by' and 'best before' dates) (Q4 2022).

³⁷ http://ec.europa.eu/priorities/jobs-growth-investment/circular-economy/docs/communication-action-planfor-circular-economy_en.pdf

³⁸ https://ec.europa.eu/food/safety/food_waste/eu_actions/eu-platform_en

³⁹ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L:2019:248:TOC>

⁴⁰ https://ec.europa.eu/food/safety/food_waste/eu_actions/date_marking_en

⁴¹ https://ec.europa.eu/food/sites/food/files/safety/docs/f2f_action-plan_2020_strategy-info_en.pdf

- Initiatives to stimulate reformulation of processed foods, including the setting of maximum levels for certain nutrients (Q4 2021).

National level political agenda

National experts update as necessary.

Involvement of consumer organisations in Sustainable food

Depending on their capacity and resources, there is a broad range of activities consumer organisations can engage in to avoid food waste and make the healthy and sustainable food choice easier for consumers:

- **Raising awareness:** through articles they publish in their magazines/on their websites and through campaigns they run, consumer organisations contribute to raising consumer awareness on issues such as food waste⁴² or the environmental impact of our food habits⁴³.
- **Supporting behaviour changes:** consumer organisations can provide simple tips to consumers to help them change behaviour. For instance, this includes providing food storage recommendations and ideas of recipes to re-use leftovers⁴⁴, helping consumers better understand the difference between the 'use by' and 'best before' dates⁴⁵, advising parents on the healthiest school snacks for their kids⁴⁶, or helping consumers find out which fish is more sustainable⁴⁷.
- **Advocating regulations that make the healthy and sustainable choice easier for consumers:** consumer organisations have a key role to play in ensuring that EU and national laws that shape our food systems and what ends up on consumers' plate foster sustainable agricultural and food production and create a food environment where the healthy, sustainable choice is the easy one.
- **Using new media and technologies to reach out to consumers:** consumer organisations are increasingly making use of new media and technologies (smartphone apps⁴⁸, Facebook posts and videos⁴⁹, Twitter, discussion fora, etc.) to reach out to consumers - especially the younger ones – and support them in their efforts to adopt healthier and more sustainable eating habits.

⁴² OCU (2017). [No tires la comida!](#)

⁴³ CLCV (2020). [Manger durable.](#)

⁴⁴ Fédération Romande des Consommateurs (2012). [Bien accommoder ses restes : les recettes de la FRC.](#)

⁴⁵ OCU (2018). [10 alimentos que se pueden comer "caducados".](#)

⁴⁶ Test-Achats/Test-Aankoop (2019). [Comment choisir une collation saine ? Pour les enfants.](#)

⁴⁷ UFC – Que Choisir (2018). [Pêche durable. Manger des poissons en bonne conscience.](#)

⁴⁸ See for instance [the app developed by Forbrugerrådet Tænk](#) (in partnership with a group of organisations) to help consumers cut food waste at home.

⁴⁹ See for instance [Forbrugerrådet Facebook campaign](#) on food waste.

National examples or tools for consumer education and engagement

- **Portugal- Green Chef**- Invites schools that are members of DECOJovem to produce videos with culinary recipes made from leftover meals and / or with better use of food, with the aim of sensitizing young consumers to the importance of combating waste and the adoption of responsible consumption behaviours.
- **Portugal “Chef fish”**- Invites schools to produce videos with culinary fish recipes, revealing healthy and sustainable choices, in the consumption of seafood products, and that show respect for the Ocean and its resources.

- **France – “Zéro Gâchis Académie”**: Over three months, 100 households were ‘coached’ by the consumer organisation CLCV (families but also single people, retired people, etc.). During the first fifteen days, households were invited to measure the amount of food they typically wasted. They were then provided with recommendations and tips on how to cut food waste at home. Overall, participants in the project reduced their food waste by more than half (59%).



- **Portugal “Too much plastic”**- Is an initiative that was developed last year from June to November. Consumers were invited to send photos of goods and products packaged in excessive plastic. Then the consumer organisation contacted the suppliers asking for action on reducing excessive packaging.
- **Belgium – ‘Doggy Bag’ renaming contest**: Test-Achats/Test-Aankoop teamed up



with three Belgian cities to promote the use of doggy-bags among Belgian consumers. For cultural reasons, the practice was not common in Belgium and many consumers felt uncomfortable asking to bring their left-overs home when eating out.

A contest was organised on social media to rename the English word ‘doggy-bag’ into Flemish and French, to help popularizing the practice among Belgian

consumers.

Further resources – factsheets, Publications, links

- **BEUC open letter on the Farm to Fork strategy**
https://www.beuc.eu/publications/beuc-x-2019-092_csos_open_letter_on_the_farm_to_fork_strategy_to_achieve_sustainable_foo

[d_systems .pdf](#)

- **BEUC report on survey of EU consumers and sustainable food**, June 2020:
http://www.beuc.eu/publications/beuc-x-2020-042_consumers_and_the_transition_to_sustainable_food.pdf
- **BEUC position paper on sustainable food** – a paper developed by BEUC in 2016 to initiate a discussion on “sustainable food” – has since been elaborated on
https://www.beuc.eu/publications/beuc-x-2016-029_ipa_cpe_beuc_position_on_food_sustainability.pdf
- **BEUC position paper on front-of-pack nutrition labelling:**
https://www.beuc.eu/publications/beuc-x-2019-033_front-of-pack_nutritional_labelling.pdf
- **BEUC comments to the European Commission public consultation on the Roadmap on the Farm to Fork Strategy for Sustainable Food**
<https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12183-Farm-to-Fork-Strategy-/F507869>
- **BEUC assessment of the Farm to Fork Strategy**
https://www.beuc.eu/publications/beuc-x-2020-057_beucs_take_on_farm_to_fork_strategy.pdf



6. PRODUCT SUSTAINABILITY: AN ENCOMPASSING EU APPROACH TO MAKE PRODUCTS LESS RESOURCE CONSUMING

Introduction

The European Union has a long tradition of developing specific rules for consumer products, be it for safety reasons or for environmental reasons. The EU actions comprise the development of new legislation, technical standards and consumer information. The role of the EU in this process cannot be overestimated because in an internal market, those rules apply to every manufacturer who is placing products on the EU market.

In the early years of product policy, the EU focused on consumer information in order to strengthen the demand for energy efficient products. This was done, for example, through the EU Energy Label, introduced as of the mid-80s, starting with household appliances. Since the early 1990s this has been complemented with the EU Ecolabel, which further aims to inform consumers and points them towards the most environmentally friendly products on the market.

However, solely “informing consumers” brings about limited change and cannot address certain market failures such as a limited supply of sustainable products. Therefore, in the years after 2005, the EU started to address product design through setting binding requirements upon manufacturers through so-called Ecodesign requirements. This is due to the notion that 80% of a products environmental impact is determined through the design choices of a manufacturer and upon which the consumer has little to no influence.

In its early years, the Ecodesign process focused on energy efficiency and other core environmental impacts such as noise emission and water consumption. The instrument is currently under transformation to address more systematically new challenges such as the use of recycled materials, prolongation of product lifetime, and allowing for easier repair and maintenance, dismantling, reuse and recycling.

The EU’s toolbox on sustainable product policy also comprises various instruments to address **chemicals**, such as through the EU’s approach to Registration, Evaluation and Authorisation and restriction of Chemicals (REACH), The Classification, Packaging and Labelling of Chemicals (CLP), the restriction of hazardous chemicals (RoHS) and legislation related to waste reduction, collection, packaging and recycling.

Since 2015, the EU is working on a broad-based approach toward more sustainable products through the development and implementation of a so-called **circular economy**. Since then, two action plans with concrete measures have been presented, one in 2015 and one in 2020. A circular economy is a system which is aimed at eliminating waste and ensuring the continual use of resources. Circular systems employ [reuse](#), [sharing](#), repair, refurbishment, [remanufacturing](#) and [recycling](#) to create a close-loop system, minimising the use of [resource inputs](#) and the creation of [waste](#), pollution and carbon emissions. The circular economy aims to keep products, equipment and infrastructure in use for longer, thus improving the productivity of these resources. All "waste" should become "food" for another process: either a by-product or recovered resource for another industrial process or as regenerative



resources for nature (e.g. compost). This regenerative approach is in contrast to the traditional [linear economy](#), which has a "take, make, dispose" model of production³⁹.



In this chapter on product policy, we provide you with information about the following topics and why they matter for consumers:

- Eco-design
- Energy Labelling
- The EU Ecolabel
- Longer lasting and better repairable products
- The role of better consumer rights for prolonged product lifetimes
- Enforcement of product policy rules at national level
- Upcoming policy initiatives under the second circular economy action plan which the EU is planning to develop and implement in the coming years

We do not include comprehensive information on chemicals because this topic would require a training on its own due to its complex nature. However, for those experts who are interested in this area, BEUC will be able to provide expertise on:

- The EU's regulatory framework around chemicals
- Chemicals in consumer products such as cosmetics, toys, textiles, food contact materials etc.
- Shortcoming in national enforcement around chemicals requirements for consumer products and related hazards for consumers.



- Negative health consequences related to products which negatively impact the hormonal system (so-called endocrine disrupters) and how to reduce exposure in our daily lives.

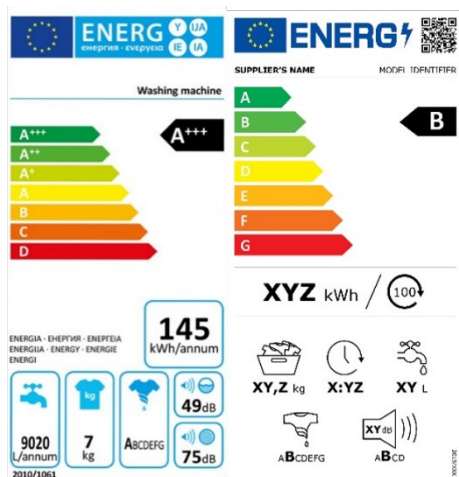
6.1. Ecodesign and Energy labelling

Every month, consumers spend a considerable amount of their budget on energy consumption. Today, consumers not only own more energy-consuming products such as computers, mobile phones and televisions, but they use them for longer hours each day. This development has increased electricity bills.

At the same time, consumers are often confronted with products that cannot be fixed shortly after the guarantee expires, that break down too quickly, or that cannot be repaired because of unavailable spare parts. Many consumers must deal with this early failure of products, also called 'premature obsolescence' which puts an additional strain on their purses and on the environment.

Why Ecodesign and energy labelling matters to consumers

The European Ecodesign directive not only protects the environment but also helps consumers save money. According to a survey commissioned by BEUC in 2016⁵⁰, an average EU household can save up to €330 yearly thanks to Ecodesign, and because products have become more energy-efficient over time.



Left: the old label; right: the new one set to appear on appliances as of 2021.

Sources: European Commission

Ecodesign also pushes for better performing products in terms of resource efficiency over the lifetime of a product via e.g. repair requirements. It also considers the quality and comfort of products and provides consumers with more information on sustainable use of products. The Energy Labelling Regulation mandates the European Commission to adopt measures for mandatory labelling for specific, energy-related product groups such as washing machines and TVs. This ensures consumers make an informed choice regarding the energy consumption of products in their use phase.

Although the Energy Label has existed for decades, a revision in 2010 compromised the principles of transparency and comprehensibility when it introduced the additional classes of A+, A++ and A+++ on top of the scheme.

⁵⁰ http://www.beuc.eu/publications/beuc-x-2016-109benefits_of_ecodesign_for_eu_households_executive_summary.pdf

As these changes led to simple messages to the consumer - such as “buy green” or “buy A” - being lost, confusion among consumers undermined the ability of the scheme to transform markets towards more efficient appliances. A new Energy labelling framework was adopted in 2017 to bring back the label as quickly as possible with the well-known closed A-G labelling scale.

Political agenda – EU level

Among the most crucial policy instruments for consumers in the EU policy agenda are the **Ecodesign Directive 2009/125/EC**, and the **EU Energy Labelling Directive 2010/30/EU**. These two tools cover energy-related products ranging from washing machines, to vacuum cleaners to boilers.

In March 2020, the EU launched its **circular economy action plan**, outlining that sustainable product policy should also consider product durability, upgradability, repairability and reusability and that more products should be covered by the Ecodesign directive, especially ICT products and textile.

The EU process to improve **energy efficiency** of consumer products was launched in 2005, which led to the adoption of the Ecodesign Directive 2009/125/EC⁵¹ that establishes a framework for improving the environmental performance of products such as household appliances ranging from vacuum cleaners and lighting to boilers.

Under the current EU Ecodesign Directive⁵², the European Commission is mandated to regulate not only the energy efficiency, but also the **resource efficiency** (durability, repairability, recyclability, upgradability etc) of energy-related products and adopt implementation measures for Ecodesign⁵³. By optimising the sustainability of products, while maintaining their functional qualities, the Ecodesign Directive is meant to provide new opportunities for manufacturers, consumers and society as a whole⁵⁴.



Both the European Parliament and Council highlight the importance of Ecodesign and Energy Labelling and have called on the Commission to adopt a new Ecodesign working plan (2020-2024), to also include new product groups beyond energy-related products, in particular ICT products.

⁵¹ <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32009L0125>

⁵² Directive 2005/32/EC of the European Parliament and of the Council establishing a framework for the setting of Ecodesign requirements for Energy-Using Products and amending Council Directive 92/42/EEC and Directives 96/57/EC and 2000/55/EC of the European Parliament and of the Council.

⁵³ For a list of product groups covered see: <https://ec.europa.eu/growth/single-market/european-standards/harmonised-standards/ecodesign/>

⁵⁴ See Ecodesign Working Plan 2012-2014, Commission Staff Working Document, Establishment of the Working Plan 2012-2014 under the Ecodesign Directive, p.1

The European Council and European Parliament have also stressed⁵⁵ that a new legislative proposal for a coherent product policy framework should be made, allowing for the longer use of products and to keep materials in the economic cycle for as long as possible.

National level political agenda

National experts update as necessary.

Involvement of consumer organisations

a) Contribute to Ecodesign criteria and regulation as a stakeholder - The Ecodesign legislation requires the European Commission to consult with stakeholders, including consumer organisations, in the process of establishing and revising product criteria for Ecodesign and eco-labelling.

Article 18 of the Ecodesign Directive stipulates that:

"the Commission shall ensure that in the conduct of its activities it observes, in respect of each implementing measure, a balanced participation of Member States' representatives and all interested parties concerned with the product/product group in question, such as industry, including SMEs and craft industry, trade unions, traders, retailers, importers, environmental protection groups and consumer organisations".

With the construction of the new 2020-2024 workplan, consumer organisations have the opportunity to contribute to the establishment of new criteria for product groups not yet covered by Ecodesign such as ICT products, as well as revising existing measures and ensuring mandatory regulations.

Through the Ecodesign and Energy labelling Consultation Forum, official forum where these policies are discussed with stakeholders, consumer organisations have the opportunity to comment on horizontal issues including but not limited to:

- the 2020-2024 Work Plan
- the method to develop Ecodesign criteria (MEErP)
- the scoring system for repair
- the possible revision of the Ecodesign Directive 2009/125/EC
- the effectiveness of market surveillance

⁵⁵ See Resolution of 15 January 2020 in response to the European Commission communication on a European Green Deal

- b) **Communicating the new schemes and labels** - Due to the changes due to labelling and because different labels will coexist, informing and educating consumers and these will be paramount for helping consumers become more familiar.
- c) **Advocate towards policy makers - Consumer** interests will need to be taken well into account by policy makers when developing Energy Label measures. This can be achieved through:
 - Giving input to the technical preparatory work and participation in stakeholder meetings when the labels are being rescaled.
 - Giving advice to the European Commission on how to better communicate about the benefits of the Energy Label for consumers.
 - Participating in projects to promote the Energy Label. For example, consumers organisations are involved and leading the BELT project⁵⁶, Boost the Energy Label Take up to promote the uptake of more efficient energy-related products.

Further resources – factsheets, Publications, links

- **BELT – Boost Energy Label Take up:** <https://www.belt-project.eu/>

BELT is a project funded by EU **Horizon 2020 programme** which aims to promote the uptake of more efficient energy-related products. Its objective is to **facilitate the transition period from the old energy label to the new one**. Thanks to BELT, the transition process to the new rescaled label will be more easily performed providing training and technical guidance to manufacturers, distributors and retailers. Confusion and errors among consumers and public and business procurement staff will be avoided through clear and targeted communication campaigns. Further findings of the project will be available from BEUC at a later date.

- **Financial savings from Ecodesign, research commissioned by BEUC:** <http://www.beuc.eu/publications/beuc-x-2016-109-benefits-of-ecodesign-for-eu-households-executive-summary.pdf>

Key findings:

- Consumers save every year up to €330 thanks to Ecodesign. This is because EU laws have enabled manufacturers to produce less energy-guzzling products.
- Consumers' savings can increase to over €450 per year if they choose a product which is in the top class of the Energy Label.
- Ecodesign can also help improve consumer products, like making vacuum cleaners more silent.
- **BEUC Factsheet on the Energy label** - <https://www.beuc.eu/publications/beuc-x-2017-120-new-energy-label-back-to-the-a-g-scale.pdf>
- In March 2017, the European Union institutions have updated the energy label. In the future consumers will benefit from a simpler A-G scale that will replace the

⁵⁶ <https://www.belt-project.eu/>

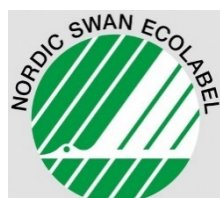
confusing A+, A++ and A+++ classes. This factsheet highlights the main changes, positive aspects and challenges that will come with the rescaling.

6.2. Ecolabel

The EU Ecolabel was set up in 1992 as a Europe-wide voluntary label, designed to make greener and healthier choices easier for consumers.

More than 77,000 products and services in 24 different categories now display the Ecolabel, a figure that has nearly doubled since 2016. They range from baby clothes and cleaning products to TVs, paints, shampoos, wooden floors, copying paper or accommodation. Products and services must meet a list of environmental and health-related criteria to be able to sport the flower logo, ranging from product durability to exposure to toxic chemicals.

In the EU there are other nationally or regionally officially recognised ecolabels which are equivalent to the EU Ecolabel, such as the Nordic Swan in Nordic countries, the Blue Angel in Germany or the Austrian Ecolabel⁵⁷.



Why it matters to consumers

Ecolabel helps consumers easily identify those products and services that tend to be within the 10-20% of the most environmentally friendly ones. 8 out of 10 shoppers who know the EU Ecolabel already trust it⁵⁸.

The Ecolabel pushes manufacturers to go the extra mile. Indeed, only those products that perform better for the environment and health than required by law can sport the label. Companies must address impacts of the product or services considering their entire life cycle, from production to recycling or disposal and ensure that products respect high-quality performance thresholds.

The Ecolabel is a benchmark for companies who want to improve their products, even if they do not apply for it. It plays an important role within the broader EU product policy framework as an instrument to pull up the market, meaning all around consumers get better, greener products and services.

⁵⁷ For an inventory of other national officially recognised labels in the EU, [this Commission study](#) can be consulted.

⁵⁸ [Special Eurobarometer 468: Attitudes of European citizens towards the environment](#), NOVEMBER 2017.

The label is reliable - manufacturers can use the label only after a national authority has verified that the product or service is actually “green”. To do so they ensure that the product fulfils the requirements, which are updated regularly according to technology progress.

EU political agenda

The new **Circular Economy Action Plan** has proposed important regulatory and non-regulatory initiatives which can build on requirements set by the EU Ecolabel Regulation No 66/2010 for different product groups and services. Notably, the **Sustainable Product Policy Framework** will expand the Ecodesign Directive beyond energy related products. It could integrate existing Ecolabel criteria addressing durability or substitution of hazardous chemicals in products such as textiles or furniture.

New legislative and non-regulatory measures will be proposed to better support consumers with reliable and trustworthy information on sustainability credentials of products, which could be a good opportunity to reinforce the EU Ecolabel. Notably companies will be asked to substantiate their green claims and minimum requirements for sustainability labels will be set. A separate legal initiative is also foreseen to better protect consumers from the green washing.

The Commission is currently expanding the scope of the EU Ecolabel to cover sustainable retail financial products (e.g. saving accounts or investment funds) and all cosmetics. The work plan 2020-2022 might consider the inclusion of additional services as well, such as renewable energy from new installations or photovoltaic panels. However, beyond enlarging the Ecolabel portfolio, the Commission wants to focus on increasing the use by industry of existing criteria. It will undertake increased marketing and communication activities towards consumers and public procurers. It will also enhance the uptake of the label via financial incentives, such as green public procurement or, potentially, extended producer responsibility. In this process, the Commission is seeking the support from Member States and other stakeholders such as consumer organisations.

EU institutions and Member States can do the following to boost eco-labelling:

- Increase public awareness and attract retailers and frontrunner companies through enhanced marketing efforts.
- Reinforce the scheme by including more goods and services relevant for consumers and green public procurement.
- Lead by example and procure green products which are certified with the EU Ecolabel or equivalent regional or national labels, such as the Nordic Swan, the Blue Angel or Austrian Ecolabel.
- Preserve the environmental excellence of the scheme, by ensuring ambitious criteria in all areas relevant for the environment and health.
- Allocate sufficient human and financial resources to ensure the scheme works properly and increase cooperation with regional and national officially recognised ecolabels to optimise existing resources.



National level political agenda

National experts update as necessary.

Involvement of consumer organisations

Some of the key roles for consumer organisations are:

- **To push public authorities to do more promotional activities**, which can increase consumers' awareness on the eco-label and increase public pressure for goods and services which have the logo.
- **Demand that retailers and companies offer more ecolabel products to consumers** and back up their environmental claims through reliable certification schemes, such as the EU Ecolabel.
- **Participate in defining the criteria** to make sure that only products of environmental excellence display the EU flower. As a member of the EU Ecolabelling Board, BEUC has a say in the development of Ecolabel criteria and provide input from consumers organisations in the decision-making process. The EU Eco-labelling Board also brings together the European Commission, Member States, environmental NGOs, industry and retailers.
- **Help make the EU Ecolabel better known⁵⁹ and educate consumers** on which labels to trust and identify companies "greenwashing" their products. With increasing demands for more sustainable products, there has been a surge in different initiatives to label them, as well as increased "greenwashing" which mislead consumers into purchasing goods that are not as green as they claim. There are now over 500 such labels in use worldwide⁶⁰, and 3 out of 4 products display an environmental claim in the EU⁶¹. As a result, consumers often feel lost when having to choose between several 'green' options and may unintentionally chose a product which is far from "green" or ethical.

⁵⁹ [The Commission has developed a Digital Toolkit with relevant information and communication materials available for organisations interested in promoting the EU Ecolabel. BEUC regularly proposes communication materials which can be used by consumer organisations, such as the spring campaign for detergents and cleaning products or the holidays campaign for tourist accommodations. Interested organisations can contact BEUC secretariat for any questions and information needed to promote the EU Ecolabel.](#)

⁶⁰ [Gruère, G \(2013\), "A Characterisation of Environmental Labelling and Information Schemes", OECD Environment Working Papers, No. 62, OECD Publishing, Paris.](#)

⁶¹ Ibid

Further resources on ecolabel

- **BEUC Factsheet on EU Ecolabel** - https://www.beuc.eu/publications/beuc-x-2017-056_ecolabel_factsheet.pdf
- **EU Ecolabel facts, figures and graphics** - <https://ec.europa.eu/environment/ecolabel/facts-and-figures.html>
- **EU infographic on Ecolabel** - https://ec.europa.eu/environment/ecolabel/documents/label_you_can_trust.pdf

6.3. Premature Obsolescence

Why it matters to consumers

Current consumption patterns are marked by two trends: Consumers own more products than in the past, and partly they are only used for shorter periods. Shorter use times and quicker replacement rates lead to increasing pressure on resources. Studies which analyse the use time of products find that they are declining in recent years. However, the motivations for consumers to replace products more frequently than in the past are not yet fully clear. It might be linked to changing consumer preferences, early failing products and marketing pressure which drives consumerism. Remarkably, despite the fact that some products are replaced after a short time of use, several studies indicate that consumers would wish products to last considerably longer⁶² and that information concerning the durability of products matters to them⁶³. Moreover, many consumers are frustrated in case the products they purchased do not live up to their expectations⁶⁴. Too often commodities which are needed for a convenient lifestyle such as washing machines⁶⁵, electric toothbrushes⁶⁶, TVs⁶⁷, printers and smartphones⁶⁸ break shortly after the end of the

⁶² Arbeiterkammer Wien: The use-time and obsolescence of durable goods in the age of acceleration. An Empirical Investigation among Austrian Households.

⁶³ European Commission (2013): Flash Eurobarometer 367 – Attitudes of Europeans towards building the single markets for products indicated that “More than nine out of ten respondents agreed that the lifespan of products available on the market should be indicated (92%). http://ec.europa.eu/public_opinion/flash/fl_367_en.pdf

⁶⁴ Around a third of all washing machines and fridges, and a quarter of all the vacuum cleaners replaced in the UK each year failed to meet the average customer’s expectation for each product’s lifetime. See WRAP: Switched on to Value. Why extending appliance and consumer electronic product lifetimes and trading used products can benefit consumers, retailers, suppliers and the environment, <http://www.wrap.org.uk/content/switched-value>.

In a survey of AK Wien with Austrian consumers 45% of respondents indicated to be satisfied with current product lifetimes but almost 30% said they are rather unsatisfied.

http://media.arbeiterkammer.at/wien/PDF/studien/Bericht_Produktnutzungsdauer.pdf

⁶⁵ http://www.beuc.eu/documents/files/FC/durablegoods/articles/1014_DECO_Portugal.pdf

⁶⁶ http://www.beuc.eu/documents/files/FC/durablegoods/articles/1013_Test_Achats_Belgium.pdf

⁶⁷ http://www.beuc.eu/documents/files/FC/durablegoods/articles/0913_Stiftung_Warentest_Germany.pdf

⁶⁸ http://www.beuc.eu/documents/files/FC/durablegoods/conference/presentations/Gerjan_int_Veld.pdf

guarantee period⁶⁹ and cannot be repaired which is putting increasing pressure on consumers' budgets and the environment, in particular when taking into account that early failure occurs for different product groups and may lead to combined effects.

Obsolescence is a multi-faceted problem and it can cover intentional and unintentional failure of products due to poor design, inability of the product to be updated with new software, maintained, or repaired. Sometimes there is also consumer dissatisfaction with the current functioning of a product leading to its replacement while still functioning.

Political agenda – EU level

The EU has started to address the problem of early failing products through its circular economy action plans (see introduction and chapter on Ecodesign above). It contains an annex with a time plan and very concrete measures which will be put in place in the coming years and which offer a lot of opportunities for consumer organisations to contribute with concrete proposals which will bring about improvements⁷⁰.

In addition, some EU countries have already acted on aspects that can tackle premature obsolescence:

- Longer guarantees for some product categories (Netherlands, Finland, Sweden, Iceland, Norway, Ireland and the UK).
- Legislative ban of planned obsolescence in France and recent enforcement measures taken in Italy⁷¹ and in France⁷² by the national authorities on the basis of the Unfair Commercial Practices Directive.
- Lower VAT for repair activities in Sweden.

Yet other countries have been calling for the issues to be tackled at the European level (Belgium and Germany). This is why the circular economy action plan specifically mentioned

⁶⁹ While no statistical data on breakdown rates exists for the whole EU, the German Federal Environment Agency is carrying out research on product lifetimes. Preliminary results suggest that the number of small appliances which is not achieving a life-time of 5 years is increasing and that the lifetime of large appliances – while still being above ten years – is declining. Moreover, over 10% of washing machines achieved in 2013 only 5 years lifetime or less compared to 6% in 2004. See:

http://www.umweltbundesamt.de/sites/default/files/medien/378/publikationen/texte_10_2015_einfluss_der_nutzungsdauer_von_produkten_auf_ihre_umwelt_obsoleszenz_17.3.2015.pdf

Prakash, Siddharth; Stamminger Rainer & Ines Oehme (2015): Faktencheck Obsoleszenz: Analyse der Entwicklung der Lebens- und Nutzungsdauer von ausgewählten Elektro- und elektronikgeräten. In: Brönneke, Tobias und Andrea Wechsler: Obsoleszenz interdisziplinär. Vorzeitiger Verschleiß aus Sicht von Wissenschaft und Praxis.

⁷⁰ <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52020DC0098&from=EN>

⁷¹ In 2018, the Italian Consumer and Competition Authority (AGCM) fined Apple and Samsung respectively for €10 and €5 million for unfair commercial practices (for more information see [here](#)). In May 2020, the decision against Apple was upheld by the Lazio court in Italy (see the judgment [here](#)).

⁷² In February 2020, French authority (DGCCRF) fined Apple for €25 million for not informing consumers about the fact that their iPhone update will affect the device performance, which constituted an unfair commercial practice (see [here](#) for more information).

countering planned obsolescence. The EU circular economy action plan also contains plans for upcoming measures such as:

- **More products will become sustainable.** Thanks to the future ‘Sustainable Product Policy Framework’, many more consumer products – such as smartphones and computers – are expected to be more durable, reusable, upgradeable, repairable and recyclable.
- **Highly polluting sectors** – such as textiles and buildings – are expected to use raw materials more efficiently. The approach to develop rules for specific sectors draws inspiration on the much talked-about ban on single-use plastics that EU institutions pushed through last year in record time.
- **Consumers’ ‘right to repair’ will get a boost.** More consumer products will have to become easy to fix and upgraded. Smartphones, coffee machines and printers should be priorities as they top the list of consumer complaints across Europe.
- **Consumers will get more reliable information on durability and reparability. For example, in the future** companies may need to disclose, at the point of sale, how long their products last or how long spare parts will be available.
- Consumers will be **better protected against greenwashing and premature obsolescence cases.** For example, the European Union aims to tackle better unsubstantiated environmental claims and unfair obsolescence cases.
- **Dangerous chemicals** will be tackled so they do not persist in recycled products.

The European Commission is committed to creating a culture of repair and the latest implementing measures of the Ecodesign directive show that concrete measures can be taken to prolong product lifetime by enabling “repair”. For several product categories, spare parts provision must be maintained over time, and information on repair and maintenance needs to be accessible.

Building on the existing measures, the European “Right to Repair”, that will be first applied to ICT products, may cover:

- Accessibility to spare parts, for at least as long as the products expected lifetime. The extension of spare parts to software parts is possible, and is currently applicable to enterprise-servers
- Accessibility to repair and maintenance manuals
- Design for reparability, with easy access to parts that need to be repair
- Information on product reparability at the point of sale, possibility in the form of a repair score

National level political agenda

National experts update as necessary.



Role of consumer organisations

Considering the complexity of this issue, consumers organisations, alongside academics and professional repairers are involved in a research project⁷³ PROMPT, on developing a testing programme for premature obsolescence, with pilots for mobile phones, vacuum cleaners, TVs and washing machines.

The PROMPT project aims at:

- Consolidating consumers complaints regarding under-performing product in terms of durability and repairability through online platforms to collect feedback on early failing products and a web-crawler able to scan consumer reviews of products on online retailing platforms.
- Providing a testing method that allows to flag under-performing products to orient consumer choice.
- Informing the industry on best practices and design strategies to avoid premature obsolescence.

Further resources on premature obsolescence

- **BEUC Factsheet on premature obsolescence:** https://www.beuc.eu/publications/beuc-x-2018-057_premature_obsolescence.pdf
- **EU new Circular Economy action plan:** https://ec.europa.eu/environment/circular-economy/pdf/new_circular_economy_action_plan.pdf
- **PROMPT factsheet:** https://www.beuc.eu/publications/beuc-x-2020-063_prompt_testing_products_to_promote_longer_lifetime.pdf

National examples or tools – ecolabel & energy label, Ecodesign and Premature obsolescence

Premature Obsolescence:

Belgium - Consumer organisation *Test-Achats* ran a video awareness campaign called “**trop vite usé**”, highlighting premature breakage and irreparability of products and getting consumers to sign up with products they’ve bought which broke too soon.



⁷³ <https://prompt-project.eu/>

Consumer advice on products:

- **France** – Advice to consumers on [how to reduce energy consumption](#) through products
- **Spain** – A [study comparing platforms](#) for buying and selling second hand products



7. ENFORCEMENT – PRODUCT SUSTAINABILITY

7.1. Misleading green claims on products and possible enforcement issues

Why consumer rights matter to consumers

An ever-increasing number of traders are taking advantage of consumers' growing interest in environmental matters and are using green claims to differentiate themselves from their competitors. According to the EU Consumer Conditions Scoreboard⁷⁴ of November 2019, more than half of EU consumers are receptive to environmental claims when making purchases.

Consumers are facing a multiplication of green claims. Many of them are doubtful (because they are not or cannot be substantiated) and misleading. This situation triggers confusion and mistrust among consumers and jeopardize their active contribution in the transition towards the green economy. According to a Eurobarometer survey published in March 2020⁷⁵ and focusing on environmental claims in the clothing sector, a majority of consumers believe that many products are environmentally friendly but may not trust the statement to be true.

Political agenda – EU level

At the EU level, the **Unfair Commercial Practices Directive** (Directive 2005/29/EC, UCPD)⁷⁶ is the key horizontal legislation applying to green claims. It is the reference point used for establishing whether a claim is misleading either in its content or in the way it is presented to consumers. Apart from the general prohibition on misleading practices, several practices relevant for green claims are blacklisted under its Annex 1.

As an attempt to enhance the effectiveness of the UCPD to misleading environmental claims, the EU also updated the **UCPD Guidance Document**⁷⁷ in 2016 based on the work of the multi-stakeholder group and on the guidance documents published by several national bodies.

In addition to the UCPD, other specific EU legislations also have implications for green claims (e.g. Directive 2012/27 on energy efficiency, Directive 2010/31/EU on the energy performance of buildings etc.).

In September 2019, in her mission letter to the new Justice Commissioner Reynders⁷⁸, President van der Leyen highlighted the need to "find new ways of empowering consumers

⁷⁴https://ec.europa.eu/info/publications/consumer-conditions-scoreboard-consumers-home-single-market-2019-edition_en

⁷⁵<https://ec.europa.eu/commfrontoffice/publicopinion/index.cfm/survey/getSurveydetail/instruments/special/surveyky/2257>

⁷⁶ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32005L0029>

⁷⁷ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52016SC0163>

⁷⁸ https://ec.europa.eu/commission/sites/beta-political/files/mission-letter-didier-reynders-2019_enpdf.pdf

to make informed choices and play an active role in the green transition." In December 2019, the **European Green Deal Communication**⁷⁹ pointed out that "reliable, comparable and verifiable information (...) plays an important part in enabling buyers to make more sustainable decisions and reduces the risk of green washing". On this occasion, the Commission announced its objective to step up "its regulatory and non-regulatory efforts to tackle false green claims". In January 2020, the EU Consumer Summit dedicated a workshop to the "fight against greenwashing" and discussed possible solutions that EU consumer policy can offer to address misleading green claims. In April 2020, the EU Commission published a new **Circular Economy Action Plan**⁸⁰, which includes new measures for tackling false environmental claims. The Commission also announced a new legislative instrument for "empowering the consumer for the green transition".

National level political agenda

At national levels, some Member States have recently strengthened their fight against misleading green claims (e.g. France in February 2020). National regulators have also published several guidance documents on green claims (the Danish Consumer Ombudsman, French Ministry of Economy, UK Department for Environment, etc).

National experts update as necessary.

Role of consumer organisations

In societies where the environmental awareness among consumers is growing, many traders are trying to take advantage of this, when selling their products. They make claims which cannot be substantiated. Consumer organisations have a key role to play in protecting consumers against such unfair practices and, in particular, in:

- **Observing the market** and detecting any green claims that could be misleading and therefore illegal: Consumers are often not able to assess independently, whether specific claims are truthful or not and can easily fall into a trap of products that only pretend to be more environmentally friendly.
- **Testing products and services:** Consumer organisations have a unique expertise to be able to assess whether specific green claims can be substantiated and assist consumers in choosing best products.
- **Challenging unfair green claims and unfair obsolescence cases before the courts and/or public authorities:** Consumer organisations have an important role to play in the enforcement of the rules which apply to green claims.

⁷⁹ https://ec.europa.eu/info/sites/info/files/european-green-deal-communication_en.pdf

⁸⁰ https://ec.europa.eu/environment/circular-economy/pdf/new_circular_economy_action_plan.pdf

- **Educating consumers about greenwashing:** Whilst consumers are more and more aware of the impact of their purchases on the environment and want to take this into account when choosing a product, they often do not realise that some of the claims or labels present on the market are not reliable or untruthful.
- **Influencing legislation** to make sure that consumers are efficiently protected from the misleading green claims: At the moment, no specific laws regulating green claims exist on the EU level. Only general rules of the UCPD directive apply. Lack of the legal certainty and flawed enforcement do not counteract the growing number of unsubstantiated green claims on the market.

Further resources on consumer rights

- **BEUC Position Paper: Consumers at the centre of the drive to sustainability.** BEUC's view on the European Green Deal: http://www.beuc.eu/publications/beuc-x-2020-012_beuc_position_on_european_green_deal.pdf
- **BEUC Position Paper: BEUC calls for an effective ban on misleading green claims** (will be updated in 2020): <https://www.beuc.eu/publications/2011-09991-01-e.pdf>

7.2. Consumer rights and what it can contribute to longer lasting products

Why consumer rights matter to consumers

Consumers prefer longer lasting products. According to the recent study⁸¹, they are even ready to pay significantly more for products that are more durable and repairable.

Moreover, they are getting more and more aware of the environmental issues we are facing and the climate change emergency. They would like to engage more in circular economy⁸² and best way for them to contribute it is to buy longer lasting products.

Consumer law helps them in achieving such goals. Within two years after purchasing a product, consumers are covered by legal guarantee rights that make sure that in case their product is defective, they can have it repaired, exchanged or even in some cases get their money back. Such obligations create an incentive for the sellers (and indirectly producers) to opt for products with the longer lifetime.

Political agenda – EU level

The main tools used by consumer law to promote longer lasting products are legal guarantee rights.

⁸¹ Behavioural Study on Consumers' Engagement in the Circular Economy, October 2018, [final report](#).

⁸² Ibid

Currently they are still regulated on the EU level by **Consumer Sales and Guarantees Directive 1999/44/EC**. It is a minimum harmonisation directive which gives a consumer the right to certain remedies in case his/her good is defective. This directive establishes a hierarchy of such remedies. In case of a lack of conformity, consumer can ask in the first place for repair or replacement. If that is not possible within a reasonable time or without a significant inconvenience, he might ask also for a price reduction or a termination of his contract (which leads to a reimbursement of the purchase price).

However, a new **Directive (EU) 2019/771**⁸³ will soon start to apply. The new Directive brought some changes which might contribute to the longer lasting products:

- Extension of the period during which the lack of conformity is presumed to have existed at the time of delivery (reversal of the burden of proof) to one year, with the possibility for Member States to expand it to two years.
- Durability became a new objective requirement for conformity.
- Obligation to provide updates to ensure that goods with digital elements remain in conformity.
- A new voluntary commercial guarantee of durability was introduced - under which the producer can be directly liable to the consumer.

This directive is currently being transposed into the national legislations of different EU Member States (with the transposition deadline on 1st January 2021) and will become applicable as from 1st January 2022.

In December 2019, the European Commission published the **European Green Deal** communication⁸⁴, where it announced its goal to make the EU carbon neutral by 2050. In order to achieve it, it announced a series of initiatives also in the field of consumer law. They were further specified in the new **Circular Economy Action Plan**⁸⁵, published in March 2020. The action plan announced a revision of EU consumer law to ensure that consumers receive trustworthy and relevant information at the point of sale, including their lifespan, and on the availability of repair services, spare parts and repair manuals. Several legislative proposals were announced for the next years, including:

- Legislative proposal on empowering consumers in the green transition (2020)
- Legislative proposal on substantiating green claims (2020)
- Legislative and non-legislative measures establishing a new “right to repair” (2021)

European Green Deal was announced to be of highest priority for the Ursula von der Leyen’s Commission but some of its initiatives might unfortunately be postponed due to the current COVID-19 pandemic⁸⁶.

⁸³ Directive 2019/771 on certain aspects concerning contracts for the sale of goods.

⁸⁴ https://ec.europa.eu/info/sites/info/files/european-green-deal-communication_en.pdf

⁸⁵ https://ec.europa.eu/environment/circular-economy/pdf/new_circular_economy_action_plan.pdf

⁸⁶ This concerns also the two initiatives above on empowering consumers and on green claims which have been postponed to 2021. However, the preparatory work within the Commission is ongoing and several public consultations have been

National level political agenda

In February 2020, France adopted its new law on circular economy⁸⁷. It foresees different measures that aim to ensure better consumer information, waste prevention etc. For example, as from 1st January 2021, producers and importers will be obliged to inform consumers about the environmental performance of their products, in particular about their durability, reparability, potential for reuse, use of recycled materials, etc.

National experts update as necessary.

Role of consumer organisations

Consumer organisations are important market watchdogs that assist consumers in their search for longer lasting products. Most importantly they:

- **Test products and services:** Consumer organisations assist consumers in choosing best performing and most durable products.
- **Make recommendations for consumers:** on the basis of their test results, consumer organisations publish rankings in different product categories and award rewards for best products.
- **Inform and advice consumers about their rights** in case products they purchased are defective, do not meet their expectations or failed prematurely.
- **Educate consumers about their rights** most importantly on the rules establishing their legal guarantee rights via awareness campaigns, magazines articles, helplines etc.
- **Observe the market** and detecting any patterns which might incline that some specific products fail prematurely (see more about PROMPT project in section 7.3 dedicated to premature obsolescence).
- **Enforce consumer rights** before the courts and/or public authorities
- **Influencing legislation:** most importantly, to make sure that consumers can count on their legal guarantees throughout the entire expected lifespan of their products.

published to which BEUC will contribute. The consultations are available at this website: https://ec.europa.eu/info/consultations_en

⁸⁷ Loi du 10 février 2020 relative à la lutte contre le gaspillage et à l'économie circulaire: <https://www.vie-publique.fr/loi/268681-loi-lutte-contre-le-gaspillage-et-economie-circulaire>

Further resources on consumer rights

- **BEUC position paper** on the proposal for a directive on certain aspects concerning contracts for distance sales of goods:https://www.beuc.eu/publications/beuc-x-2016-053_csc_beuc_position_paper_on_tangible_goods_proposal.pdf
- **BEUC position paper: Durable goods: More sustainable products, better consumer rights**:http://www.beuc.eu/publications/beuc-x-2015-069_sma_upa_beuc_position_paper_durable_goods_and_better_legal_guarantees.pdf
- **BEUC website on durable goods**:<https://www.beuc.eu/durable-goods>
- **EU new Circular Economy Action Plan**:https://ec.europa.eu/environment/circular-economy/pdf/new_circular_economy_action_plan.pdf

7.3. New market surveillance regulation

The EU adopted in spring 2019 a new Regulation on market surveillance⁸⁸. While this legislation was focusing during the past primarily on product safety aspects, it has been enlarged to cover certain environmental aspects of products including Ecodesign, Ecolabel and Energy Labelling requirements as well as some requirements on chemicals and waste.

The objective of this Regulation is to

‘improve the functioning of the internal market by strengthening the market surveillance of products covered by the Union harmonisation legislation (...), with a view to ensuring that only compliant products that fulfil requirements providing a high level of protection of public interests, such as health and safety in general, health and safety in the workplace, the protection of consumers, the protection of the environment and public security and any other public interests protected by that legislation, are made available on the Union market.’

This new Regulation can be used by consumer organisations in many ways on how to improve compliance with environmental requirements of products:

- Should consumer organisations discover non-compliance of products with environmental requirements through laboratory testing, they can use this new Regulation as a legal basis to report the laboratory testing results to national market surveillance authorities and to ask them to take action against non-compliant economic operators.
- Furthermore, the new Regulation allows for the conclusion of more formalised cooperation agreements to be concluded with third parties, including with consumer groups: *‘market surveillance authorities may agree with (...) organisations representing (...) end users on the carrying out of joint activities that have the aim of*

⁸⁸ Regulation (EU) 2019/1020 on market surveillance and compliance of products <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019R1020>

promoting compliance, identifying non-compliance, raising awareness and providing guidance in relation to the Union harmonisation legislation with respect to specific categories of products, in particular categories of products that are often found to present a serious risk, including products offered for sale online.'

- The new Regulation also requires the EU Commission to set up networks of Member States enforcement authorities so that they collaborate better on product compliance than in the past (so-called Union Product Compliance Network). Hence, if consumer groups become aware of non-compliant products which are likely to be sold in many EU countries, they should ask their national enforcement authorities to share this information with other Member States for their follow-up in other EU national markets and to ensure coherence of enforcement actions throughout the EU internal market.
- Consumer groups can inform consumers in their national test magazines about the non-compliant products and advise against their purchase.

