

Letter to the European Commission President Juncker and First Vice-President Timmermans (CC Vice-President Katainen, Commissioner Vella)

Subject: Concerns on the potential discontinuation of EU Ecolabel product groups

19 December 2016

We, European paper manufacturers, retailers and wholesalers, consumer organisations and environmental NGOs, are writing to share our concerns about the possible removal of a number of EU Ecolabel product groups^[1] which we understand the Commission is considering. In our view, such a unilateral and unexpected consideration would be premature, given the ongoing Fitness Check of the EU Ecolabel Regulation, and we urge the Commission to reconsider the possible discontinuation of these product groups.

The <u>Commission has recognised</u> the EU Ecolabel as an "incentive scheme in favour of the market" which can benefit consumers and boost job creation^[2]. This voluntary, market-based instrument is also consistent with, and complementary to, other EU policies concerning the circular economy and sustainable development^[3].

The Commission has suggested discontinuing some product groups that include two relatively successful EU Ecolabel paper-related products (tissue and newsprint). Such a discontinuation would have the following consequences:

1. Environmental benefits would be reduced: Narrowing the scope and the uptake of the scheme will reduce its positive effects as a sign-post for product sustainability in areas ranging from biodiversity to water and energy efficiency or chemicals and raw materials management.

[2]Ibid

^{[1] 2187}th meeting of the Commission, 25 October 2016 (PV(2016) 2187 final)

^[3] The EU Ecolabel has significant strengths to address the objectives set up in the 7th Environmental Action Programme, especially in the areas of resource efficiency, circular economy and non-toxic environment. It is also key to deliver on the EU action plan for the Circular Economy, the EU's strategy to implement the UN sustainable development goals and other product policy tools such as Green Public Procurement.

2. A proliferation of labels could lead to additional confusion among consumers: The Ecolabel is designed to help EU citizens make sustainable purchases, with a range of almost 40,000 environmentally more friendly products and services, of which one quarter are paperrelated. Consumers already face a wide variety of labels, and a credible EU Ecolabel allows them to buy with more confidence. Having no EU Ecolabel for paper may result in a further proliferation of private or national schemes. Such schemes are likely to use slightly differing criteria and contain protectionist national features, hampering the functioning of the EU single market.

3. Business would face significant costs: Both the tissue and newsprint EU Ecolabels have generated several billions of euros in sales every year. Companies have invested significantly to be able to use the EU Ecolabel on their products which has helped companies market these products across the EU and access green public procurement with fewer administrative burdens. Such market uptake takes time and perseverance. Dropping these labels would lead to extra costs for such companies, as for example existing packaging materials of EU Ecolabelled products would need to be modified, and would create market uncertainty.

The Commission's suggestion to prematurely remove specific product groups in isolation raises questions not only over the evidence used, but also on the process, governance and stakeholder consultation as set under the EU Ecolabel Regulation. This also seems to us incompatible with the Commission's Better Regulation guidelines issued last year. We therefore urge the Commission to:

- Reconsider any suggested discontinuation of specific product groups at this point in time;

- Underpin with clear evidence, such as produced by the Fitness check, any decision on the fate of the ecolabels for specific product groups and the future of the scheme;

- Make the consultation process transparent, involving the EU Ecolabelling Board and stakeholders from manufacturing, retail and consumer organisations.

We remain at your disposal for any questions you might have and to further discuss any issues related to the future of the EU Ecolabel.

Yours sincerely,

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