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EEB and BEUC feedback on options for the improvement of the implementation of the Ecolabel Regulation, based on the questions raised by DG Environment and the JRC at the June 2016 EUEB

At the June 2016 EUEB, DG Environment and the JRC raised a number of points for discussion on improving the implementation of the EU Ecolabel Regulation¹, focussing on the following aspects:

- 1. Identification of product groups on which the EU Ecolabel should focus and building a strategy for the EU Ecolabel
- 2. Simplification of the process of the EU Ecolabel criteria development or revision
- 3. EU Ecolabel communication and promotional activities

The questions put forward are fundamental for a well-functioning and effective scheme. However, they cannot be answered separately from the evaluation of the implementation of the EU Ecolabel Regulation and the ongoing REFIT process, whose results have not been made public yet. We also miss indicators on market sales and a comparison of the EU Ecolabel with other Type 1 national Ecolabels.

Taking a step back to address strategic issues for the future of the scheme requires that we first take account of where the EU Ecolabel stands. In this respect, we are still missing a clear picture.

In addition, the general strategy and vision of the EU Ecolabel should not be framed in disconnection to the EU agenda on sustainable consumption and production and a resource efficient circular economy. What are the synergies and inconsistencies between the EU Ecolabel and other product policy instruments? How can the EU Ecolabel help to promote more sustainable consumption and production patterns in synergy (or in mutual reinforcement) with other product policy instruments?

These are important questions that should be considered at the start of any discussion on the key elements, objectives, principles or targets for the strategy of the EU Ecolabel.

The development of a strategy for the EU Ecolabel and the optimisation of criteria development are of high important for the future of the scheme. We should not limit this discussion to the exchange of

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¹ EU Ecolabel Regulation (EC) 66/2010

written comments. Sufficient time for debate should be allocated at the EUEB meetings within dedicated closed sessions.

Having said that, the EEB and BEUC would like to raise some preliminary considerations to the issues raised by DG Environment and the JRC at the June 2016 EUEB.

1. Identification of product groups on which the EU Ecolabel should focus

1.1. How could a real strategy for the EU Ecolabel be developed? And on what principles?²

Without being exhaustive, the following elements should be at the core of the EU Ecolabel strategy: assessment, ambition, scope, marketing/communication, incentives and coherence with EU product policy and available resources.

a) Assessment

Apart from the indicators on the <u>number of licenses and products/services</u> awarded with the EU Ecolabel in the EU per product group, we currently lack figures on market sales that can help to understand the impact of the scheme. Awareness of the EU Ecolabel was also assessed in the EU Eurobarometers for 2006 and 2009 revealing an increase from 11% to 37%³. The <u>Consumer market study on environmental claims for non-food products (2015)</u> included also the EU Ecolabel in its scope, concluding that 37% of EU citizens are aware of the EU Ecolabel.

Information with regular updates of key indicators is necessary to develop and adapt any strategy.

Those indicators could at least encompass:

- Market penetration per product group
- Evolution of market sales over time
- Awareness by country
- Number of licenses + products/services awarded with the label

b) Ambition: the EU Ecolabel as a label of environmental excellence!

The EU Ecolabel needs to be preserved and further supported as a label of environmental excellence. The goal for the scheme to differentiate the greenest products is embedded at the core of the EU Ecolabel Regulation. However, the scheme has not always been able to react efficiently and timely to the technological and market developments. As a consequence, it has sometimes

² Question raised by DG Environment, including the following: What should be the key elements of such a strategy? What objectives? (market share/uptake, number of product groups, positioning vs other existing schemes etc?) What targets? An EU Ecolabel for whom? End users, businesses (BtoB), other? What type of product groups should be targeted?

^{3 &}lt;u>Special Eurobarometer 275: Eco-label Flower week 2006</u> and <u>Flash Eurobarometer 256 Europeans' attitudes towards the issue of sustainable consumption and production</u>

provided examples of criteria that do not reflect the best environmental products available on the market anymore. For instance, this has happened with the EU Ecolabel for TVs.

It is necessary to find solutions that can allow timely and low-resource updates of targeted criteria. Greater flexibility in updating criteria is necessary or formulations granting the alignment with best available technologies should be used more (e.g 'the product should comply with best energy class of the energy labelling scheme'). That could also help to ensure an increased consistency with other product policy instruments!

When selecting product groups for criteria development and revision, it is fundamental therefore to consider from the beginning which criteria will need faster/timely updates and how that will be organised.

While the Regulation aims at awarding the top 10-20% best environmentally performing products, sometimes there are no sufficient available data to ensure that the final criteria are covering this segment and this target can only work as a rule of thumb. However, it should at least be ensured that the EU Ecolabel does not lag behind any national relevant ecolabels in the concerned product groups.

c) Scope: the EU Ecolabel good for the Environment and good for Health!

Nine out of ten EU citizens believe that buying environmentally-friendly products can make a difference to the environment⁴. However, potential users of the label are likely to ask themselves, what is in the label for me? Selecting product groups with a bigger potential for communicating the benefits that the label bring to the environment and to the people can lead to a greater impact of the scheme.

With one third of EU citizens concerned about the chemicals used in the products that surround us⁵, any future strategy for the EU Ecolabel should be more systematic in integrating health related criteria and in communicating accordingly. Experience from the Nordic Swan and the Blue Angel shows that this is a win-win strategy.

Strong criteria for the substitution of hazardous chemicals and application of a precautionary approach should always be at the core of the scheme. This means that the EU Ecolabel should always be ahead of baseline environmental, health and safety legislation. If substitution of hazardous substances is not technically possible, we have to accept that the EU Ecolabel does not need to cover all kind of products and materials, unless the EUEB recognise very significant improvements for the environment. The more flexible update of specific criteria should also be considered an option in that case.

d) Marketing and communication

We need to bring the EU Ecolabel closer to people and make it accessible!! (See additional considerations under chapter three below).

⁴ Attitudes of Europeans towards building the single market for green products. Flash Eurobarometer 367, July 2013.

⁵ Attitudes of European citizens towards the environment. Special Eurobarometer 365, June 2011.

Marketing and communication should be a core pillar of the EU Ecolabel strategy. Prioritising product groups with a greater potential for social visibility can be beneficial for the global uptake of the scheme.

e) Incentives for companies

Good communication and marketing strategies are among the biggest incentives to attract companies. However, the strategy should also link to further instruments such as green public & corporate procurement and financial incentives (e.g. tax reduction) for companies using the label. Selecting products which can be good candidates for such incentives would be beneficial for the EU Ecolabel strategy.

Both at national and EU level, Green Public Procurement (GPP) can foster the uptake of the EU Ecolabel. Increased synergies in the criteria development processes of GPP and EU Ecolabel can be found/deployed. The most significant EU Ecolabel criteria for the different product groups could be reflected in the GPP development process, enabling public procurers to refer more often to EU Ecolabelled products in their tenders. For those goods/services where availability of Ecolabelled goods is still low, procurers could make reference to the EU Ecolabel in the award section of the tenders or communicate future targets for its use to companies.

f) Coherence with EU product policy

Together with other instruments such as Ecodesign, Energy Label or GPP, the EU Ecolabel has an important place in the EU agenda to promote sustainable consumption and production and a resource efficient circular economy.

The EU Ecolabel strategy should increase synergies and reduce inconsistencies with other policy instruments, as well as highlighting the added value of the scheme.

Under the SCP Policy Framework, it is crucial to establish a benchmark of environmental excellence for products, and in this regard the EU Ecolabel criteria have a clear role to play and should act as pull instrument complementing the market push of Ecodesign measures. This would be all the more relevant as Ecodesign measures now tend to consider other human health and environmental dimensions beyond energy use.

The EU Ecolabel have enormous potential to serve the objectives of the EU Action Plan for Circular Economy. It not only sets requirements for improving the design of products (on areas such as extended lifetime, more efficient recycling or use of non-toxic materials), but has an important awareness raising role in promoting sustainable behaviours among consumers and businesses.

g) Available resources

The impact and ambition of any strategy and the identification of product groups to be targeted largely depends on availability of resources to work out the policy. Within the context of the EU agenda for circular economy, the EU Ecolabel should see resources available to develop criteria and communicate them, not less! Aligning better the development of ecodesign, energy labelling measures and ecolabels could be a first step to optimise the use of resources.

h) Additional considerations on the type of products that should be targeted

As mentioned before, more products on the shelves increase the visibility and effectiveness of the scheme. Focus on consumer products of daily/regular use should be a clear target of the strategy. This includes both resources dedicated to criteria development/revision and communication/marketing.

The above does not exclude of course the development of criteria for B2B, provided that interest from business sectors and environmental and resources efficiency benefits exist.

1.2. Strategic Task Force on EU Ecolabel Uptake⁶

It is still soon for answering to the question whether the Strategic Task Force on EU Ecolabel Uptake is providing relevant information. Nevertheless, in the case of Heat Pumps the Task Force has delivered a useful analysis of some of the reasons behind the low uptake of this product group.

The role of the Task Force should be to achieve a more efficient implementation by identifying obstacles for higher uptake and consequently frame solutions to increase the effectiveness of the scheme. However, we should avoid that this additional perspective ends up slowing the revision of criteria for product groups with good potential for uptake or where the experience shows that primarily better marketing/communication is needed. In this respect, we should consider advancing the schedule for the assessment of product groups such as textiles, paints and varnishes and rinse-off cosmetics which have enormous potential for higher visibility.

The work of the TF could be useful to build some guidance on the conditions for a product group to be considered as 'successful'. However, the decision on whether criteria should be developed/revised or not for a product/service group should remain with the EUEB responsibility and be based on broader considerations than the number of licenses/available products.

It is essential to recognise that the scheme benefit other policy tools and foster local improvements by raising the performance of producers even if they do not strictly apply for the label. The mere reference to limited uptake of ecolabelled products should not discontinue work on EU Ecolabel criteria. It should rather become a question on how to better define and communicate them.

2. Simplification of the process of EU Ecolabel criteria development or revision

The EEB and BEUC share the opinion on the need to make the criteria development process more efficient and shorter. Two and half years for a standard revision process is a too long time to ensure that criteria are up to date in a timely manner and binds a lot of resources. Especially for product groups for which technology evolves quickly. However, we do not consider that reducing the number of EUEB or AHWG meetings will lead to a better process. On the contrary, it has the risk of delaying decisions and reducing stakeholders' involvement.

Instead of decreasing the number of meetings, we should assess other options such as increased use of "short procedures" for criteria development, more efficient organisation of meetings by better defining the role of each group and optimising the exchange of information. More flexibility in

⁶ Questions raised by DG Environment on the Task Force on low uptake of EU Ecolabel: Is the Task Force providing sufficient/relevant information? Should the Task Force provide guidance on requirements for PG to be considered as "successful"?

formulations and references to other product policy instruments studies and development could also help in increasing the efficiency of the criteria setting process.

a) Number of EUEB and AHWG meetings

We believe that the number of EUEB meetings should not be reduced but kept at least to the current three EUEB meetings per year.

As suggested by JRC, a change of the rhythm of EUEB meetings from March/June/November to a more reactive approach on demand by DG Environment might help to speed up the process. However, this needs further considerations. As the criteria for different product groups are at different stages at a given time it will be complicated to find the most suitable dates to convene the EUEB for each of the product/service groups. Moreover, uncertainties on the dates for EUEB meetings can complicate the organisation of people's agendas, possibly leading to less participation.

Introducing an additional EUEB meeting might be a better solution. In the past, there used to be three EUEB meetings and one Presidential EUEB meeting each year.

Additional use of written communication and technical (remote) meetings to consult on specific issues where there are divided opinions (or when a majority of MS have not provided their views during the AHWG meetings/consultations) could be considered and potentially help to set more efficient agendas for the EUEB meetings.

We do not see how reducing the number AHWG physical meetings will help to speed the process. Moreover, while there would be less logistics involved, the exchange of information would be less reach.

It would be preferable to focus on measures to increase the effectiveness of those meetings such as presenting options with more advanced draft proposals already from the first meeting, selecting points for discussion on issues were views are divided or organising subgroups if necessary.

Could we consider breaking the fix sequence of reporting to the EUEB from three to two for those product groups for which there is broader support?

b) Better definition of the role of the EUEB and the AHWG

The EUEB should only be consulted on political issues of criteria development. Its role should be political, acting as a "think-tank" platform to discuss the EU Ecolabel strategy, mission, overall goals of the EU Ecolabel for the different products/services, cross-cutting and strategic issues, including options for improvement on the implementation of the EU Ecolabel Regulation.

The suggested option of establishing a EUEB subgroup of most interested parties per product group for additional meetings needs to be further clarified as it seems very close to the AHWG function.

The AHWG is the place for technical exchange on options and solutions for improvement of criteria development. After written consultation, only issues for which there is no consensus should be brought to the EUEB.

c) Short procedures for criteria development

The EEB and BEUC fully support the considerations raised by Belgium and Denmark on the use of "short procedures" for swift criteria development. This really makes sense for those product groups

for which the JRC has already performed background studies and when national Type 1 Ecolabel criteria already exist (some research of targeted areas can be necessary though).

In addition, amendments should be more often considered. Until now they are mainly organised for extending the validity periods of the criteria. However, we should be able to update and add new criteria in a more flexible and fast manner. As said before, updating some of the criteria is most of the time a matter of common sense to reflect technological, legal and policy developments.

d) Data access

The EEB and BEUC fully support the JRC in its proposal to obtain access to data from Competent Bodies during the criteria development process.

3. EU Ecolabel communication and promotional activities

a) Bringing the EU Ecolabel closer and more accessible to citizens

36% of Europeans are aware of the EU Ecolabel logo. Although most of them have only a partial understanding, also a majority trust the EU Ecolabel⁷. Awareness levels are greater in countries like France and Italy (66% and 46% respectively), showing a correlation with a higher number of EU Ecolabelled products/services available in those countries. However consumers' awareness of the EU Ecolabel is rather limited if compared with other national ecolabels, such as the Nordic Swan or the German Blue Angel (83% in DK and 92% in DE respectively) and more efforts to remediate this situation should be undertaken. Indeed this difference between national and the EU scheme might be explained by higher visibility of those national ecolabels in the shops and more efficient marketing.

Marketing and communication should be a strong component of the strategy for the EU Ecolabel, with the aim of achieving a greater understanding of the EU Ecolabel and creating more demand for EU Ecolabelled goods. For this to happen, people should be able to spot more systematically the label. And for that, they need to come across EU Ecolabelled goods in their daily lives and be told more about its performances.

Possibly due to limited resources, communication and marketing activities often concentrate on social media. While social media have their role in increasing the knowledge of the label, the targeted audience is often limited to those already aware and which have subscribed to the different networks. Social media should not side-line other channels such press, radio, television, public transport, the street, retailers, etc.

In addition, to be able to recognise the label, shoppers should be able to easily find EU Ecolabelled goods. There is need for more EU Ecolabelled products on the shelves and as possible more supportive schemes (e.g vouchers, eco-cheques).

It would be beneficial to provide easy and accessible information to shoppers on where they can find goods/services with the EU Ecolabel. Involving retailers is crucial to give more visibility to the label (such as through increased offer of EU Ecolabelled products, dedicated shelves, promotional activities, or discounts).

⁷ Consumer market study on environmental claims for non-food products (2015)

Also today people can come across the label not only in the shops. ICT technologies have a great potential for informing and facilitating people's choice and access to ecological products. This offers huge and untapped opportunities for communication and marketing.

Just as an example of ICT based actions to improve access to EU Ecolabelled products, there is still enormous room for improvement of the EU Ecolabel Product Catalogue (<u>E-CAT</u>). This tool should be made more user-friendly by including useful information on the nearest shops or online sites to find EU Ecolabel goods. This could even be turned into Apps for smart phones in each country!

b) Understanding better how the EU Ecolabel can benefit people and the environment

Most importantly, people need to better understand how their choices can make a difference. What improvements EU Ecolabelled products/services bring to the human health, the environment and the circular economy (repair and recycling criteria) and how citizens can benefit from them.

The Commission should facilitate the development of communication materials by product group which easily explain the criteria and related benefits to people (use of audio-visuals, infographics, appealing figures or facts to raise awareness). In addition to the technical background documents for criteria development, simplified material compiling the most striking achievements and savings should be systematically made available to the general public and journalists.

Consumer-friendly materials can be used to improve the EU Ecolabel Website. As example, a virtual house with EU Ecolabelled products and their advantages compared to baseline products could be imagined. That could be translated and replicated in national languages in the Member States. This content could also be developed in the form of exhibitions that can be organised in different cities. In addition to potential shoppers, journalists and bloggers are important target groups that could benefit from such materials and help in raising awareness.