



# **Project to Support the Evaluation of the Implementation of the EU Ecolabel Regulation**

Synthesis Report

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# **Project to Support the Evaluation of the Implementation of the EU Ecolabel Regulation**

Synthesis Report



1.	INTRODUCTION .....	1
	<b>A. What is the goal of the EU Ecolabel?</b> .....	1
	<b>B. What is the aim of the evaluation study?</b> .....	1
	<b>C. How has the analysis been performed?</b> .....	2
	<b>D. How does it contribute to the REFIT process?</b> .....	2
	<b>E. Structure of the Synthesis Report</b> .....	3
2.	OVERVIEW OF THE EU ECOLABEL SCHEME.....	4
	<b>A. Organisation of the business model</b> .....	4
	<b>B. Understanding the five-step delivery process of the EU Ecolabel</b> .....	6
3.	EFFECTIVENESS .....	9
	<b>A. Overarching and Multi-Stage Matters</b> .....	11
	<b>B. Identification of product groups</b> .....	12
	<b>C. Development and negotiation of criteria</b> .....	12
	<b>D. Awarding of the EU Ecolabel</b> .....	14
	<b>E. Promotional activities</b> .....	19
	<b>F. Timely revisions</b> .....	22
4.	EFFICIENCY.....	23
	<b>A. Overarching and Multi-Stage Matters</b> .....	24
	<b>B. Identification of product groups</b> .....	27
	<b>C. Development and negotiation of criteria</b> .....	28
	<b>D. Awarding of the EU Ecolabel</b> .....	29
	<b>E. Promotional activities</b> .....	30
	<b>F. Timely revisions</b> .....	32
5.	COHERENCE.....	32
	<b>A. Coherence of Objectives</b> .....	34
	<b>B. Coherence of Execution</b> .....	35
6.	RELEVANCE.....	37
7.	EU-ADDED VALUE .....	41

## **1. INTRODUCTION**

### **A. What is the goal of the EU Ecolabel?**

The EU Ecolabel is a voluntary instrument aimed at promoting products with a reduced environmental impact during their entire life cycle providing consumers with accurate, science-based information on the environmental impact of products, to inform their choices.

In this way the EU Ecolabel aims to contribute to transforming the common EU internal market for products and services, enabling consumers to choose better performing products in terms of environmental impacts, and thus providing an incentive for producers to make their production patterns more sustainable.

The EU Ecolabel Regulation (No. 66/2010)<sup>1</sup> lays down rules for the establishment and application of the voluntary Ecolabel Scheme. It can be applied to any goods or services that are supplied for distribution, consumption or use on the Community market, whether in return for payment or free of charge. The EU Ecolabel criteria are determined on a scientific basis considering the whole life cycle of products, in consultation with key stakeholders, including Commission DGs, manufacturers, industry, consumer groups and NGOs. The Commission adopts separate decisions establishing the criteria for the award of the EU Ecolabel for each particular product group, and currently there are 35 product groups with criteria.

### **B. What is the aim of the evaluation study?**

This study aims to review the implementation of the EU Ecolabel since 2000. Considering the performance of the EU Ecolabel to date, the topics investigated through this work were whether the EU Ecolabel contributes to the promotion of products with high environmental performance as a standalone consideration, what the role of the EU Ecolabel is in relation to other policy tools, and how it performs in relation to other labels, noting the key differences.

In respect to the potential value the EU Ecolabel offers to its different stakeholders, the study sought to find out how aware they are of the different aspects of the label, whether they trust it and believe it delivers its objective, and whether they consider it to be effective and efficient in its implementation.

Looking to the future of the EU Ecolabel, the questions concerned how stakeholders see the scheme could develop and, if it remains relatively similar, where greater efficiency might be achieved.

This study feeds into the Fitness Check of the EU Ecolabel and EMAS Regulations, and consequently the findings of the study have been considered in the context of the five key elements of the Refit analysis: Effectiveness, Efficiency, Coherence, Relevance and EU Added Value. The work then goes on to provide a first preliminary assessment of the impacts of possible changes to the programme.

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<sup>1</sup> <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2010:027:0001:0019:en:PDF>

## **C. How has the analysis been performed?**

The analysis was supported by both desk-based research and by an extensive public consultation that received 364 responses, from all types of stakeholder.

The evaluation of the EU Ecolabel is a wide ranging matter that required a breadth of topics and inputs to be considered. In order to facilitate this, the evaluation study was divided into a series of tasks:

### *EU Ecolabel contribution to Sustainable Consumption and Production (SCP) (Task 1)*

This task assesses the contribution of the EU Ecolabel to Sustainable Consumption and Production outcomes. This is assessed through considering the implementation against its main objective of promoting products with high environmental performance. This includes investigating the criteria development process, promotional activities undertaken, the uptake of the EU Ecolabel and the relationship with other SCP policies.

### *Conflicts and Synergies with National Labels (Task 2)*

This task reviews the interaction between the EU Ecolabel and other national public and private labelling schemes that co-exist alongside it. This includes analysis of the results from the stakeholder engagement to identify added value, market share and operational, structural and legal differences between the EU Ecolabel and national labels, to draw conclusions on the synergies and conflicts that exist.

### *Perception and Role of the EU Ecolabel (Task 3)*

The aim here was to investigate the stakeholders' perception of the EU Ecolabel: awareness (related to the level of stakeholders' knowledge about the EU Ecolabel); acceptance (considered both as the level of take up and recognition of the EU Ecolabel and as the level of geographical spread of the Scheme); and finally reputation. This included detailed assessment of the stakeholder engagement responses, together with information gathered from the literature.

### *Analysis of the EU Ecolabel business model – drivers and barriers (Task 4)*

Here the level of efficiency and effectiveness of the Ecolabel as a business model was explored. In particular, this section of the work investigates: factors that brought organisations to participate in the scheme (drivers); direct and indirect benefits derived from the award of the EU Ecolabel; and administrative, procedural and economic barriers that prevent a greater adoption by organisations.

### *Forward looking analysis (Task 5)*

This task took the options for the future identified and discussed throughout the preceding tasks and those proposed through the stakeholder survey, and assessed their potential impacts into the future. Several stages of screening of the options were performed and the most favourable scenarios to take forward were analysed.

## **D. How does it contribute to the REFIT process?**

In 2010, the European Commission set out to ensure that the regulations it enacted were 'better and smarter', considering the regulation lifecycle of design, implementation, enforcement, evaluation and revision, where this was undertaken.

REFIT was initiated in 2012, and demonstrates the Commission’s commitment to a simple, clear, stable and predictable regulatory framework for businesses, workers and citizens, and focuses on ensuring that only those areas best served by policy activities carried out at the EU level are progressed. A fitness check will assess whether the regulatory framework for a policy sector is “fit for purpose” with the intention that it can be assessed how well the EU policies have been performing and feed into the considerations for the policy’s future.

The work undertaken within this study evaluates the implementation of the EU Ecolabel, considering the elements described above. It is acknowledged that the five task reports are very detailed documents. Therefore, this Synthesis Report has taken their learnings and pulled them into a single discussion here that considers the five key elements relevant to the REFIT exercise, as set out below.

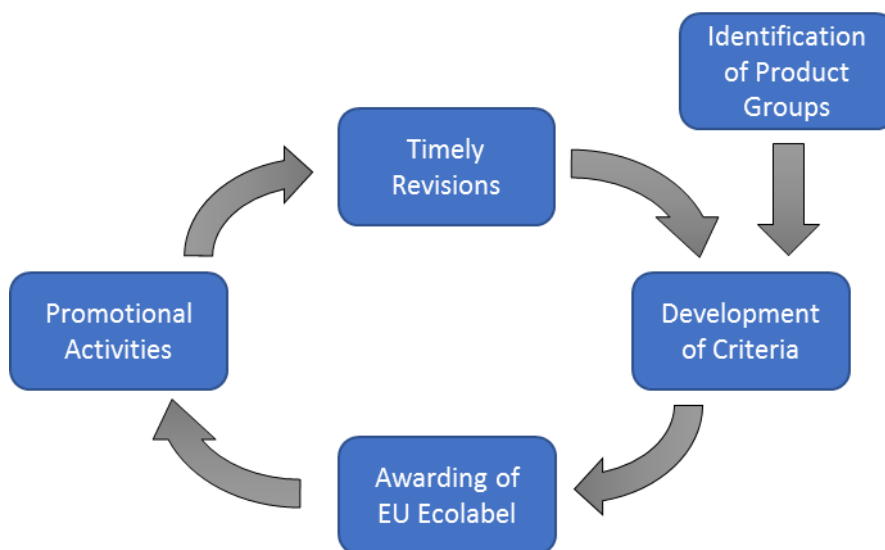
### E. Structure of the Synthesis Report

After a section to introduce the EU Ecolabel Scheme, this synthesis report takes the evidence gathered in the full evaluation study, and summarises the main findings, according to the following five main issues relevant to the REFIT analysis:

- Effectiveness
- Efficiency
- Coherence
- Relevance
- EU-Added Value

Under effectiveness and efficiency, the analysis is done with reference to a five-step delivery cycle, as depicted in Figure 1 that illustrates the main activities related to the EU Ecolabel. This is done to capture potential drivers and barriers in each step of the process.

**Figure 1: The EU Ecolabel Delivery Cycle**





## 2. OVERVIEW OF THE EU ECOLABEL SCHEME

### A. Organisation of the business model

The EU Ecolabel is arranged as specified in the Regulation itself (and depicted in Figure 2), hence any alteration of this arrangement would require revision of the Regulation itself. The European Commission and the EU Ecolabelling Board (the EUEB) are the main actors within the overarching structure established for the implementation and management of the EU Ecolabel, while Competent Bodies are the actors connecting the EU and national level. The European Commission manages the scheme at the EU level to ensure that the Ecolabel Regulation is implemented correctly.

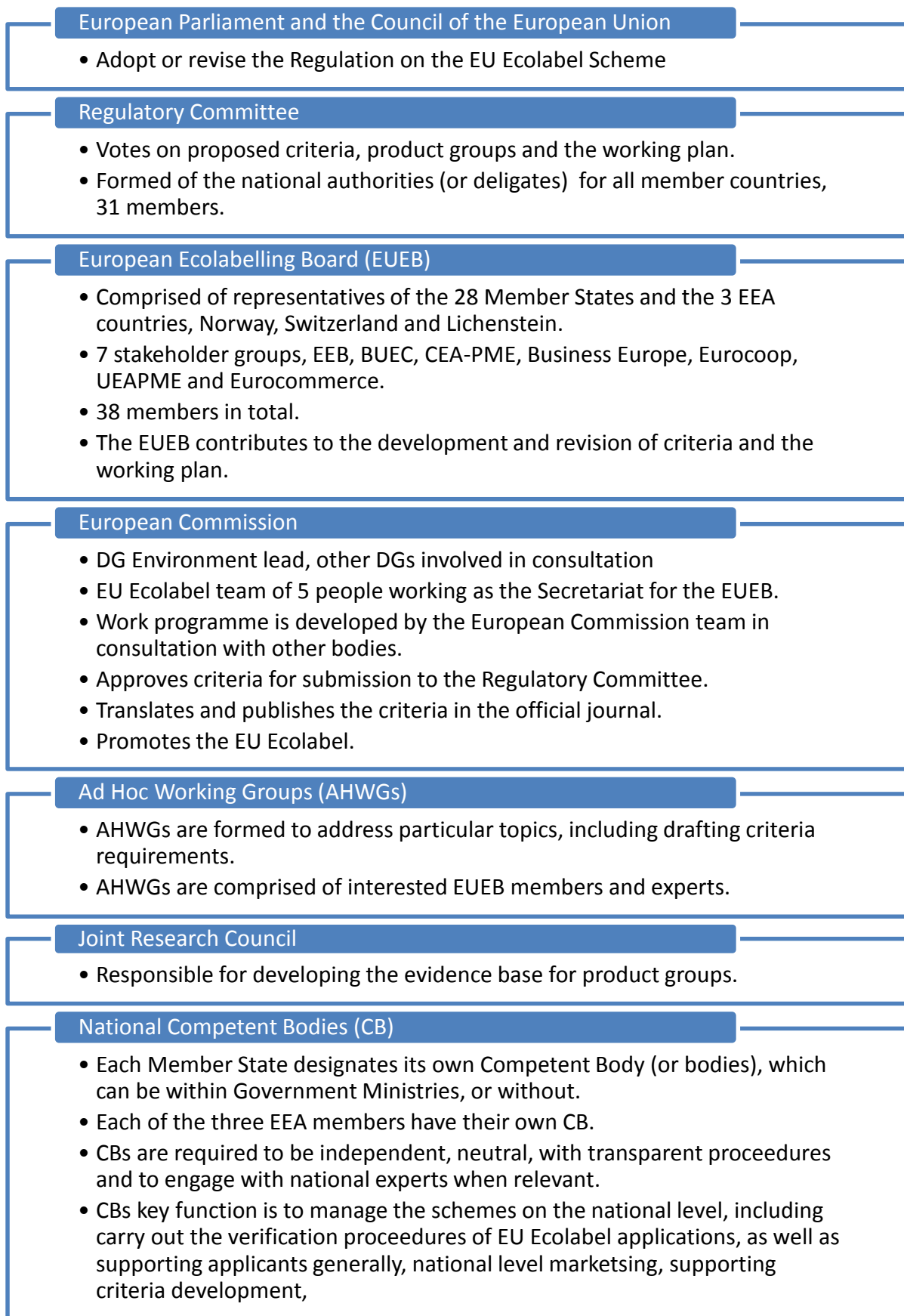
The EUEB and the Commission are heavily involved in initiating the development and the Commission often initiates and leads the criteria development and revision through a multi stakeholder process led by the European Commission Joint Research Center. Even if the development or revision of EU Ecolabel criteria can be initiated and led by parties other than the European Commission (states, Competent Bodies and other stakeholders), the Commission is in any case responsible for preparing the final draft of the criteria documents that has to take into account the comments from the EUEB. The Commission adopts EU Ecolabel criteria for each product group as "Commission decisions" after the Ecolabel Regulatory Committee positively votes them.

The EUEB, composed of representatives of the Competent Bodies of the European Economic Area (European Union, Iceland, Liechtenstein and Norway) and of the main stakeholder organisations, contributes to the development and revision of EU Ecolabel criteria and to any review of the implementation of the EU Ecolabel scheme. It has a political and advising/consultation role. It provides the Commission with advice and assistance in these areas and, in particular, issues recommendations on minimum environmental performance requirements.

In the development of the criteria, a balanced participation of all relevant interested parties concerned with a particular product group has to be guaranteed. This includes industry and service providers, including SMEs, crafts and their business organisations, trade unions, traders, retailers, importers, environmental protection groups and consumer organisations. For this purpose, at least two Ad Hoc Working Group meetings, gathering all interested stakeholders, are convened during each revision/development process, in which Competent Bodies are invited to participate.

Competent Bodies are independent and impartial organisations designated by states of the European Economic Area within or outside government ministries. They are responsible for implementing the EU Ecolabel scheme at the national level and should be the first point of contact for any questions from applicants. They specifically assess applications and award the EU Ecolabel to products that meet the criteria set for them. As such, they are responsible for ensuring that the verification process is carried out in a consistent, neutral and reliable manner by a party independent from the operator being verified, based on international, European or national standards and procedures concerning bodies operating product-certification schemes. The Competent Bodies meet three times a year at the Competent Body Forum in Brussels to exchange experiences and ensure a consistent implementation of the scheme in different countries.

**Figure 2: Diagram of the EU Ecolabel's structure**



The objective of the business model is to achieve equal representation of all the involved members, to ensure the scheme has the authority and independence in the view of consumers. The extensive consultation process also contributes to an additional objective, that the process of criteria setting should be as transparent as possible.

## **B. Understanding the five-step delivery process of the EU Ecolabel**

### B1: Identification of product groups:

The first step in the EU Ecolabel process is to identify target product groups for which criteria are developed. Suggestions for new products groups can be expressed by any party or stakeholder involved in the EU Ecolabel, and proposed using a form on the Commission's website.

Proposed new product groups are discussed by the Commission and the EUEB in an annual Commission meeting to set the Working Plan agenda.

The ones that are considered technically feasible and for which a policy and business need is identified, are added to the non-exhaustive list of products available on the EU Ecolabel Workplan, for which criteria can be developed if resources become available.

The process delivers several benefits, including being a relatively cost-effective and pragmatic means of identifying which product groups to develop next. The approach can also be quite efficient, as long as efforts are made to avoid repetition.

### B2: Development and negotiation of criteria

The general requirements of the criteria for the EU Ecolabel are set out in Article 6 of the current Regulation. They establish that the criteria should focus on environmental performance, and should use a scientific basis to establish the whole life cycle impact of products (including the key impacts, hazardous substances, durability, etc.). Annex I of the Regulation sets out the specific procedure and requirements for the development and revision of EU Ecolabel criteria.

It is required that environmental and consumer NGOs be involved in the criteria setting process in an effort to maintain a balanced representation of stakeholders. The industry is included in the process to ensure that criteria reflect the latest technology development and that possible compliance concerns can be voiced. It is also set out that the EUEB, with representatives from all MS and other interested parties, be involved with the criteria setting process.

The criteria development activities of the AHWG usually draws heavily on the detailed background and technical reports (as prescribed in Annex 1 of the Regulation) prepared by the party leading the development/revision, recently being often the EC JRC, and on stakeholder consultation for verification of the criteria under consideration. The draft criteria for the particular product group are discussed at at least two meetings of the dedicated Ad Hoc Working Group (AHWG), formed of interested stakeholders, and are available for written comments on dedicated websites.

In practice, the development of EU Ecolabel criteria requires the use of a range of information and approaches in order to set criteria with an appropriate level of ambition, including for example other ecolabels, standards, legislation and BREFs (Best Available Techniques Reference Documents). This range of information is supplemented through stakeholder feedback, which is an essential part of the process both to ensure full representation and to provide expert information where market and function data are limited (which is relatively often). Discussions go into details about, for example, the

level of ambition for the criteria and possible compliance issues for the industry, such as how to verify compliance. Iterative discussions will often take place depending on the complexity of the criteria.

During this process, a horizontal working group on chemicals can be involved to address particularly complex issues.

The EUEB is kept informed on the criteria developments during the process and involved in the discussion when policy issue may arise. Typically around the third set of draft criteria, the EUEB is more formally consulted. One function of the EUEB is particularly to contribute to recommendations for the establishment of minimum environmental requirements.

After agreement has been reached within the EUEB, the criteria are sent through Interservice Consultation in the Commission, to check compliance and coherence with other legislation, after which the EUEB has another chance to review. The criteria are formally adopted by the Regulatory Committee of national authorities, and then formally published in the Official Journal.

This approach is adopted primarily to ensure that the criteria that are developed are clearly seen to be scientifically sound, addressing what are demonstrated to be the key environmental impacts. The process provides producers and consumers with evidence that the EU Ecolabel is trustworthy. The negotiation process is also transparent and inclusive for all countries and stakeholders.

### B3: Awarding the EU Ecolabel

Producers wishing to apply for an EU Ecolabel must register on-line, and then collect the necessary evidence to support their application. Since this information varies by product group, user manuals are provided for each product group that explains what is required. A critical step is to gather the necessary testing data to demonstrate that the product meets the criteria. Evidence is submitted to the appropriate Competent Body (CB). The CB assesses the received applications and determines whether the EU Ecolabel can be awarded. The CBs also have an important role to play in supporting applicants in the data gathering process.

The award process is led by the CBs, the intention being to leverage the in-country expertise, local support and native language skills to facilitate the application process for the producers. The direct contact with producers also provide an opportunity to gather valuable input from the producer perspective (e.g. on possible barriers to compliance) that can be fed into the system, through the local CB.

It is important to be able to track the performance of the EU Ecolabel over time. Good news on such data can then be used to promote the scheme to potential new applicants and drive further applications.

The collection of relevant data is highlighted in the current EU Ecolabel working plan, stating that it is 'necessary to develop ways to measure and track the "uptake" and the relevant key performance indicators'. It identifies the following key parameters:

- Number of EU Ecolabel licences that companies hold
- Number of products for which these companies were awarded the EU Ecolabel
- Number of people who have seen/heard/bought ecolabelled products.

Comparable data prior to 2013 is not available due to differences in the counting methodologies used by CBs and the lack of licence holder registrations on ECAT<sup>2</sup>. Since December 2013, internal CB information is used to report numbers of EU Ecolabel Licences. In 2014, a guidance was issued to CBs on counting methodologies, to further improve the reliability of the data collected.

This approach is chosen for largely pragmatic reasons. CBs have the data at hand without needing to perform further data gathering exercises, and the information is of some value in assessing the success of the scheme. It is accepted that information on the commercial impact of the scheme would be more insightful if numbers of licences and numbers of products were complemented by the numbers of EU Ecolabelled products actually sold in each market. However, the limited uptake of the scheme in certain product groups and countries means that such data would likely betray confidential sales information; also, it would be difficult to estimate what would be the replaced product and thus the environmental gain.

#### B4: Promotional activities

The current EU Ecolabel Regulation recognises that marketing and promotional activities are decisive success factors for a voluntary scheme. Article 12 calls on Member States and the European Commission, in cooperation with the EUEB, for an effective promotion of the scheme by means of awareness-raising actions and information/public education campaigns for the widest possible range of stakeholders.

Paragraph 13 of the Regulation highlights that it is necessary "to inform the public and to raise public awareness of the EU Ecolabel through promotion actions, information and education campaigns, at local, national and Community levels, in order to make consumers aware of the meaning of the EU Ecolabel and to enable them to make informed choices. It is also necessary in order to make the scheme more attractive to producers and retailers." Article 12 specifically addresses this objective by requiring an action plan to be developed for this activity.

Current promotional activities carried out centrally include:

- Website, revamped in March 2012 to modernise it, make it more user-friendly, and consumer-relevant. Key information added on cost, criteria development and the application process.
- The EU Ecolabel Catalogue launched in 2010 to replace the former EU Ecolabel online database, the Green Store; consumers can find out about products in their country that carry the EU Ecolabel and where they can buy them.
- EU Ecolabel Helpdesk: responsible for helpdesk hotline operations; news alerts; EU Ecolabel newsletters; EU Ecolabel on Facebook and Twitter; EU Ecolabel retailer & licence holder success stories; leaflets for producers; support for the European Ecolabel month; the EU Ecolabel Communication Award; media activities; E-catalogue; assistance to Competent Bodies forum; and participation in conferences/trade shows. Other activities discontinued in recent years are the support for the EU Ecolabel week and the EU Communication Awards.
- Other marketing and promotion activities and instruments that have been undertaken since 2009 include leaflets, videos, sample bags and giveaway gadgets,

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<sup>2</sup> The Ecolabel Catalogue, <http://ec.europa.eu/ecat/>

specific campaigns for soaps and shampoos and printed paper product groups, press releases, advertisements in the press and the EU Ecolabel magazine on Euronews.

The promotion of the EU Ecolabel is organised this way so that the different parties can all promote the scheme at their respective levels. The producers promote the products themselves directly to their customers, the MS (should, finance permitting) promote the scheme at national level, and the Commission shares information about the scheme at the European level.

#### B5: Revisions

A key part of maintaining the integrity of the EU Ecolabel as a scheme that continues to promote products with the highest environmental performance is to ensure an appropriate criteria revision process.

The revision of criteria is undertaken periodically, typically every 4 years, and starts with a discussion at the EUEB aimed at prioritising the revision process, taking into account the technological and market developments of the product groups, and the availability of resources for the revisions. It happens quite often that the validity of criteria of some product groups is prolonged.

Product groups subject to a full criteria review are subjected to broadly the same process as for the development of criteria for new product groups. This can include updating limits / thresholds, deleting or adding criteria, for example if the key environmental issues have changed, and adapting scope/definitions to take into account product developments.

A shortened procedure for non-substantial revisions of criteria was introduced in the 2010 update of the Regulations, which aimed to streamline the overall process. This streamlined process has yet to be applied.

Revisions are performed this way in order to maintain the high environmental standards and reduce the risk that criteria become degraded as the products improve. The revision process is long and resource consuming and its complexity and the need to prioritise due to resource constraints may lead to prolongation of certain criteria.

### **3. EFFECTIVENESS**

#### **Definition**

The EU Ecolabel can be judged effective if it meets its objective. Simply put, that objective is to promote products that have a high level of environmental performance.

There are two aspects to this objective. Firstly, the products that are awarded the EU Ecolabel must indeed deliver a high level of environmental performance, so the awarding procedure needs to be robust, in both its setting of criteria and its checking of applications. Secondly, there must be tangible market uptake of the labelled products (otherwise, the environmental benefits are not realised).

#### **Summary**

The fundamental goal of the EU Ecolabel scheme is to promote products with better environmental performance on a voluntary basis.

The analysis carried out in the Evaluation Study has shown the impossibility at the moment to set benchmark reference products on the European market, against which the environmental performance of EU Ecolabel products can be measured. What is sure is

that the EU Ecolabel is designed to be awardable to only a small part of the products on the market, and that producers are free not to have their product awarded even if they would comply with the criteria.

The evaluation study has found that the criteria development process does set environmentally effective criteria at the time of adoption, but that insufficient account is taken of potential market uptake. Although licence numbers are steadily growing, uptake is not as high as it could be and for many product groups zero or negligible. At the heart of this appears to be a lack of consumer awareness reflecting the limits of current promotional efforts.

*Factors positively influencing effectiveness include:*

- The criteria development process does set effective criteria, mostly based on life cycle impacts, as demonstrated by stakeholder consensus. This is a significant direct benefit of the EU Ecolabel, establishing a Europe wide description of what products with high environmental performance should be.
- The EU Ecolabel is being adopted by a steadily growing number of licensees, indicating an increasing uptake by producers.
- A range of channels is used to promote the EU Ecolabel, including the website, helpdesk, news alerts and newsletters, social media accounts, case studies, merchandising and leaflets.

*Factors negatively influencing effectiveness include:*

- The criteria development process is complex, leading to criteria that have high compliance costs and excessive documentation. In some cases the process does not deliver timely updates.
- The absence of or particularly low uptake in certain product groups is caused by industry dissatisfaction with the criteria, for example arising from Articles 6.6 and 6.7 on hazardous and toxic substances.
- Marketing and promotional activities are judged by stakeholders to be insufficient and inadequate, and fail to raise consumer awareness sufficiently.
- The EU Ecolabel is not equally recognised in all Member States and sales data of EU Ecolabel products are not available to estimate market penetration.

## Recommendations

- Effectiveness could be increased by a better promotional programme, involving all parties.
- The criteria need to be adjusted, to increase consideration of subsequent market uptake. This should include striving to define environmental excellence using fewer criteria. Knock-on benefits of lower compliance costs and less documentation should accrue from this. The simplification of the requirements on hazardous chemicals deriving from Articles 6.6 and 6.7 of the EU Ecolabel Regulation provide a good example of what is needed.
- A more comprehensive procedure for assessing and choosing the new product groups for which criteria can be developed should be implemented, in which a technical and market analysis is coupled with stakeholders' consultations providing

elements on the potential uptake by producers and consumers. A similar procedure could be established also for prioritising revisions.

- Some form of sales data monitoring, even if it had to be qualitative to maintain confidentiality, could help persuade producers of the business case for adopting the scheme.

## B. Overarching and Multi-Stage Matters

In order for the EU Ecolabel to be effective, each stage of the delivery cycle (see Figure 1) should contribute. The sections below discuss each of those stages in turn, after a review of the over-arching considerations.

*What are the main barriers to and drivers for the business model achieving its objective?*

The current design and objectives of the EU Ecolabel define a balance between environmental performance and more effective uptake by setting the indicative standard that criteria are set so that only products meeting the top 10-20% in terms of their environmental performance can be awarded the label. This is done to ensure that the EU Ecolabel remains a label of environmental excellence. On the other hand, effective uptake can be achieved when more products can fulfil the criteria. In the end, environmental savings are realised by a combination of environmental performance and uptake and any environmental labelling scheme will have to balance the two. By aiming indicatively at the top 10-20%, the EU Ecolabel sets the bar relatively high, but this will naturally happen at the expense of more effective uptake.

The analysis carried out in the Evaluation Study has shown the impossibility at the moment to set benchmark reference products on the European market, against which the environmental performance of EU Ecolabel products can be measured. What is sure is that the EU Ecolabel is designed to be awardable to only a small part of the products on the market, and that producers are free not to have their product awarded even if they would comply with the criteria.

This evaluation has found that the business model does enable the EU Ecolabel to meet the first aspect of its objective, to define criteria at a level where consumers can feel confident that they actually identify products of environmental excellence.

However, the second aspect of its objective, concerning actual market uptake, is not so well achieved. Beside from the natural limitations for a label of environmental excellence, the evaluation could identify no formal and well established procedure to systematically evaluate potential uptake before product groups are selected for development of criteria; nor is any formal responsibility established for promotional activities. Both these factors are thought to contribute to the low levels of uptake seen in certain product groups.

In the end, criteria are set based on environmental performance. The Regulation most clearly sets out the objective of environmental performance in Annex 1, but no indication is provided of expected uptake.

In conclusion, the conflict between the environmental rigour of the criteria and the potential uptake in the market is clearly acknowledged. The evaluation study has found that, on balance, there is an understandable over-emphasis on high environmental performance rather than market uptake, understandable because the legislation is slanted that way. This concerns both the formal procedures and the attribution of



responsibilities for promotional activities within the organisational structure of the EU Ecolabel.

*Have any actions been taken to address those barriers or support the drivers?*

Efforts made to increase market uptake have largely focussed upon promotional activities and so are covered in that later section of this document.

### Recommendations

- The need to balance between high environmental standards and low market uptake goes to the heart of the EU Ecolabel's and any other environmental label. Although no final answer can be given, it is important to be conscious and realistic about this balance.
- The results of the study suggest that better promotion of the EU Ecolabel should be a key priority going forward. This is discussed further below under promotional activities.

## C. Identification of product groups

The fact that many product groups have zero or insignificant uptake while others have achieved much better results leads to questions about how product groups are identified in the first place. The evaluation has found that, generally, attention is given to discussing environmental potential before product groups are selected, without any more formal quantitative evaluation. In addition, there is no formal procedure for evaluating the potential for later uptake by producers or consumers before product groups are selected for criteria development.

The evaluation study did not identify any actions that have been taken to address these potential barriers.

### Recommendations

- Formalising the product identification would likely increase the effectiveness of the EU Ecolabel scheme. Preparing and issuing a procedure outlining how new product groups will be selected, and how to take account of both the potential improvement and the potential market uptake, could further increase the effectiveness of the EU Ecolabel as a driver for environmental improvements.

## D. Development and negotiation of criteria

The general requirements of the criteria for the EU Ecolabel are set out in Article 6 of the current Regulation. They establish that the criteria should focus on the main environmental impacts over the product's life cycle.

*Does the criteria development process lead to criteria being set at an appropriate level?*

Lack of access to both product performance data and a commonly agreed method mean that it is not possible to quantify and benchmark a first draft set of criteria to identify the top 10-20% in terms of environmental performance. In general, the JRC provides a first set of draft criteria, together with a technical background report reflecting their

interpretation of accessible data, existing studies and results from consultation with stakeholders.

However, the evaluation shows that, generally, the draft set of criteria developed by the JRC does indicatively reflect the top 10–20% products in terms of environmental performance, taking into account the most up to date knowledge on the product and consultation with stakeholders. The consensual criteria development process further validates the process. This is a significant direct benefit of the EU Ecolabel, establishing a Europe wide description of what products with high environmental performance should be.

Whilst it is not possible to demonstrate quantitatively that the criteria really correspond to the indicative top 10-20%, other elements of the process e.g. stakeholder engagement, ensure the criteria do reflect high environmental performance, though just how high is unknown. The criteria may collectively be far more stringent than 10-20% of the market; they may be too lax (though this is less likely).

*What are the main barriers and drivers to effectively setting criteria levels?*

The evaluation study also finds that, while the system ensures that criteria are credible and trustworthy for a label of excellence in terms of environmental performance, the lack of access to performance data means that it is not possible to evaluate and benchmark the environmental performance or improvement.

In addition, very little attention is systematically given to ensure the potential for uptake in this process, risking the possibility that market uptake will be negligible and that, as a consequence, little overall environmental benefit will accrue from the development of the EU Ecolabel product group.

There remains a belief that the criteria development process could achieve greater efficiency, through a less time consuming process and that simpler (fewer) criteria, focusing on the key environmental impacts, would encourage more applications and higher uptake especially applications from SMEs. Although amendments to the criteria setting process were key elements of the 2010 revision of the Regulation, the stakeholder response was that this is still a principal area to be improved through simplification and streamlining.

*Have any actions been taken (by MS or COM) to address those barriers or support the drivers?*

Improvement of the process for criteria development/revision was one of the issues that the 2010 revision of the EU Ecolabel Regulation addressed, as the previous system was regarded as ineffective by stakeholders. Article 7 of the current EU Ecolabel Regulation allows for a greater number of criteria to be developed or revised at the same time. However, stakeholders still perceive there is a need to simplify and streamline criteria development/revision in order to speed up the process and make the scheme able to respond to market needs and technological changes.

## Recommendations

- The criteria development process is currently highly focussed on achieving high environmental standards, to some extent at the expense of setting criteria that will enjoy a higher market uptake when launched. It should be possible to adjust the process to increase the emphasis on this second element, so that products are selected and criteria are set that are better adapted to the marketplace.

- The study suggests that more efforts are required to reduce the absolute number of criteria set for any given product group, and, where possible, to simplify them. It should be possible to limit the criteria to a smaller number of key factors, compliance with which should be sufficient to demonstrate excellent environmental credentials. This should also have the associated benefits of expediting the process and lowering the costs to achieve the award, if less testing is required.

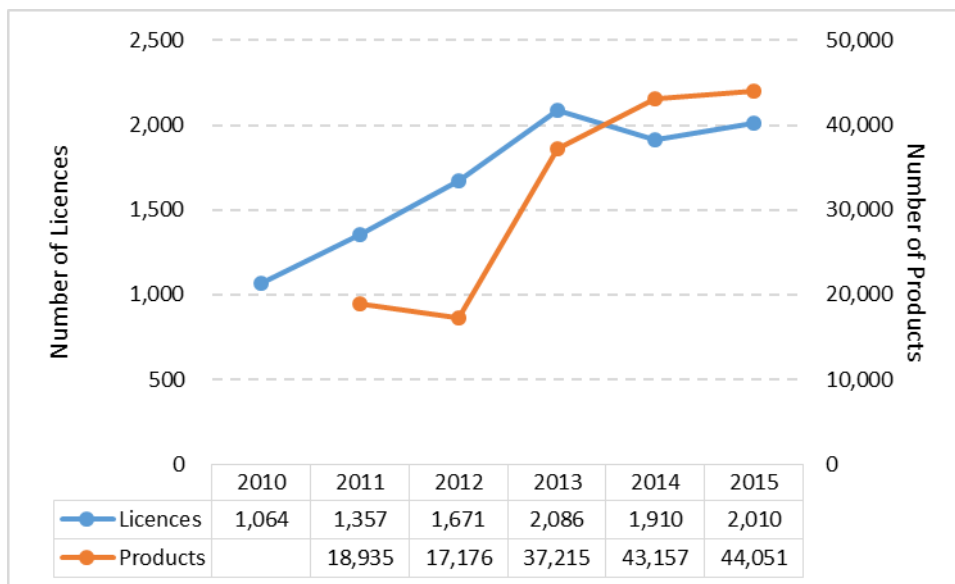
## E. Awarding of the EU Ecolabel

This section examines the awarding of the EU Ecolabel, in particular focussing on the likelihood that producers will seek to adopt it for their complying products. Whether or not the consumers will then buy those products is largely a matter of the promotional activities, addressed in the next section.

*What is the level of uptake by producers?*

The EU Ecolabel is being adopted by a steadily growing number of licensees, indicating an increasing uptake by producers. Figure 3 below presents the total numbers of EU Ecolabel licences and products over the past four years.

**Figure 3: Numbers of EU Ecolabel Licences and Products**



The evaluation study reported generally increasing trends in most of the key parameters, including product groups covered, companies applying and numbers of products and licences. In 2009, there were 1,015 licences and in 2015, there were 2,010 (a slight decrease from 2,086 in 2013). The number of products has increased from 19,000 in 2011 to 44,000 in 2015.

Table 1 shows the licence numbers by product group, indicating a significant variation in uptake between different product groups. Given the different profiles of the products and their markets, it is difficult to estimate what would be considered effective uptake (either in terms of licences or numbers of products) for the individual product groups.

Furthermore, whereas for some product groups one licence more or less equals one product (such as tourist accommodation), for others one licence can be used for several products (e.g. hard coverings where 18 licences result in 14,435 products). This means

that the number of licences and products is sensitive to the "characteristics" of the product group included.

**Table 1: Uptake of EU Ecolabel by Product Group**

Product Group/Service	Licences	Products	Product Group/Service	Licences	Products
Tourist accommodation	604	638	Paints and varnishes	7	760
AP Cleaners	248	2424	I&I laundry detergents	6	70
Indoor paints	165	6810	News print papers	5	32
Campsites	128	129	Heat pumps	4	473
Tissue Paper	126	5409	Bed mattresses	3	85
Dishwashing detergents	112	499	Wooden furniture	2	39
Soaps and shampoos	79	1010	Converted paper	1	1
Textiles	77	3522	Tapware	1	8
Lubricants	70	317	Wooden floor coverings	1	1
Paper	52	3721	Toilets	0	0
Outdoor paints	41	673	Imaging equipment	0	0
Laundry detergents	37	274	Light sources	0	0
Dishwasher detergent	28	155	PCs	0	0
I&I Automatic dishwasher detergents	19	110	Laptops	0	0
Hard coverings	18	14435	Textile floor coverings	0	0
Growing media	12	65	Water based heaters	0	0
Soil improvers	11	63	Hygiene products	0	0
Footwear	11	233	Rinse of cosmetics	0	0
TVs	7	1908			

Some product groups (such as absorbent hygiene products, rinse off cosmetics and converted paper) have only very recently been adopted and therefore limited uptake at this time must be expected.

The numbers do indicate a general increase. This can be attributed both to a general increase within certain product groups and to the fact that more product groups have been included under the scheme each year, adding to the overall number of licences and products.

At the same time, for some product groups, there is no or only very limited uptake, even after criteria have been in place for some time. It is also clear that this cannot be considered effective.

Table 2 shows the uptake of EU Ecolabel licences and products by country, and Table 3 shows national uptake compared to national labels for the focus countries of this study. The evaluation study presents notable differences on these numbers between MS, though much of this is quickly explained. That some of the larger MS are at the top should not be surprising, given that most companies apply within their "home country" and the larger MS have more businesses. There are some striking differences between the relative ratios of licences and products in different countries. For instance, the UK has 84 licences and 2699 products, whereas Germany has 217 licences and only 711 products. Further investigations revealed that these apparent discrepancies are caused by countries having

a different distribution of products. For example, a single licence for a company manufacturing floor tiles or paints may cover many products within that licence, whereas tourist accommodation is more frequently one licence per product (location). Therefore, national licence/product ratios will depend on the types of organisations adopting the EU Ecolabel and their particular lines of business.

One might have expected that a country such as Germany would be at the very top, given the size and potential of the industry, and not approximately equivalent to e.g. Austria. However, Germany also has a strong competing label (the Blue Angel). Indeed, for the relevant product groups in the evaluation study, there is a significantly higher uptake of the Blue Angel than for the EU Ecolabel. The evaluation study also reports a difference in price structure, with the application fee for the Blue Angel being smaller than for the EU Ecolabel.

**Table 2: Uptake of EU Ecolabel by Country<sup>3</sup>**

Country	Licences	Products	Country	Licences	Products
France	544	5246	Hungary	16	1514
Italy	325	18685	Finland	16	2472
Germany	193	652	Slovenia	15	41
Spain	172	2997	Norway	8	109
Austria	162	557	Cyprus	7	8
Netherlands	81	1033	Lithuania	3	87
UK	79	2608	Slovak Rep	4	9
Denmark	74	1127	Bulgaria	3	18
Greece	35	234	Estonia	1	3
Sweden	43	2220	Latvia	3	5
Belgium	30	1563	Ireland	2	36
Poland	29	1144	Luxembourg	1	1
Portugal	22	668	Malta	1	1
Romania	23	80	Croatia	0	0
Czech Rep	19	40	Iceland	0	0

It cannot be concluded that a strong competing national or alternative regional label hinders the uptake of the EU Ecolabel. It is worth noting for instance that countries such as Denmark and Sweden, where the Nordic Ecolabel is strong, are placed relatively high taking into account their market size. The evaluation study reports EU Ecolabel numbers on the product groups from Denmark to be similar to those of the Nordic Ecolabel, although in general the Nordic Ecolabel is considered to be (much) more successful than the EU Ecolabel. The fees for applying for the Nordic Ecolabel are higher than for the EU Ecolabel.

Given its size, uptake seems to be relatively high in Austria. It was outside the scope of the evaluation study to look into Austria, but the numbers reported from Austria could make it an interesting study to see why they have been doing so well.

<sup>3</sup> Taken from the Sept 2014 collection of data

**Table 3: Comparison of licence numbers in Germany, Czech Republic, Poland, Denmark, Italy and the United Kingdom**

Product groups	Germany				Czech Republic				Poland	
	EU Ecolabel		Blue Angel	Viabono	EU Ecolabel		Ekologicky Šetrný Výrobek		EU Ecolabel	
	Licences	Products / Services	Licences	Licences	Licences	Products / Services	Licences	Products / Services	Licences	Products / Services
Paper (tissue, incl. toilet paper)	32	86	347		1	2	2	6	1	4
Paints and varnishes	17	73	1589		0	0	24	99	6	234
Tourist Accommodation	12	12	n/a	213	6	6 sites	2	2 sites	2	2
Televisions	0	0	4		0	0	0	0	4	795

Product group	Denmark				Nordic Total			
	EU Ecolabel: Denmark		Nordic Ecolabel: Denmark		EU Ecolabel Nordic Total		Nordic Ecolabel Nordic Total	
	Licences	Products / Services	Licences	Products / Services	Licences	Products / Services	Licences	Products / Services
Paper (tissue, incl. toilet paper)	1	5	4	50	9	1003	17	1293
Paints and varnishes	7	500	4	176	23	1435	23	991
Tourist Accommodation	14	15	7	27	19	20	424	424
Televisions	0	0	0	0	0	0	1	28

Product group	UK				Italy		
	EU Ecolabel		David Bellamy	Green Tourism Award	EU Ecolabel		Legambiente Turismo
	Licences	Products / Services	Awards	Members	Licences	Products / Services	Awards
Paper (tissue, incl. toilet paper)	7	192			34	1868	
Paints and Varnishes	5	758			12	745	
Tourist Accommodation	4	10	610	2400	175	178	265
Televisions	0	0			0	0	

*Are there any provisions in the regulation that hamper uptake by producers?*

The evaluation study suggests that the particularly low uptake in certain product groups is caused by industry dissatisfaction with the criteria. The clearest example of this is for product groups such as computers and laptops, and concerns criteria on hazardous substances arising from Articles 6.6 and 6.7 of the EU Ecolabel Regulation, that ban or significantly restrict the use of hazardous substances in EU Ecolabel products. These criteria are considered to be both too stringent to be met and based on unfamiliar verification processes associated with hazardous classifications. Several times industry stakeholders had to supply derogation requests that had to be individually assessed in order to request some indispensable and unsubstitutable substance to be allowed in EU Ecolabel products.

*Are businesses changing their portfolio of products as a result of the EU Ecolabel?*

There is insufficient evidence from the study to provide anything beyond a qualitative response to this question. It has been shown above that the levels of uptake of the EU Ecolabel vary considerably by product group and by country. In the areas of low uptake, it is hard to find any evidence that EU Ecolabel is changing what businesses offer.

However, there are other areas where uptake is higher. Here, we believe the market is evolving more positively, and interested businesses will use the EU Ecolabel as a guide to what is a good environmental product, and design their products accordingly. The fact that they may not choose to adopt the EU Ecolabel does not mean that it has had not positive environmental impact on those products. This is the case for some big players on the market that have a high reputation in terms of environmental performance. Sometimes, they participate in the AHWG meetings for criteria revision/development even if they are not awarding their products with the EU Ecolabel due to an alternative marketing strategy of the firm.

*What are the main barriers and drivers for improved uptake by producers?*

Stakeholders participating in the survey supporting the evaluation study highlighted the three main barriers to uptake:

- The market reward is insufficient. While competitive advantage was seen as a main benefit when applying for the EU Ecolabel, it was reported that this expectation was not met – primarily due to a lack of awareness of the EU Ecolabel among consumers (see later section).
- There is a lack of public incentives, such as easier access to public procurement, tax reductions or simplification of permitting procedures.
- The application process is too bureaucratic, requiring more documentation and manpower that can be spared, particularly for SMEs.

Stakeholders participating in the survey supporting the evaluation study highlighted two main drivers to uptake:

- The market pressure for environmentally friendly products, embracing the EU Ecolabel as an effective way to showcase performance.
- The potential to use EU Ecolabel criteria as a benchmark and guide for improvement in the environmental performance of specific aspects within the company. This is also reported for non-licence holders, and may indicate that the impact may go beyond just the registered licence holders.

There are also lessons to be learnt from the particular product groups that have particularly high or low uptake.

- Looking at high uptake first, the evaluation study found that, for cleaning products and soaps and shampoos, there is a higher consumer demand for EU Ecolabelled products because they are perceived have a reduced health impact as well.
- In contrast, low uptake may arise as a result of a lack of buy-in from industry (for instance, as a result of concerns about Articles 6.6 and 6.7) or the existence of successful competing labels (Energy Star, Energy Label or national schemes).

*Have any actions been taken (by MS or COM) to/address those barriers and drivers?*

The main action taken to address the identified barriers has been the 2010 modification of the EU Ecolabel Regulation, which attempted to streamline the criteria development process. The outcome of the changes have been slow to be realised and therefore not possible to fully analyse, despite being brought in five years ago, mainly due to the revision cycle for existing product groups.

Matters of consumer awareness are considered later on under promotional activities.

### Recommendations

- The recommendations in the previous section, concerning the use of fewer criteria, should also bring benefits to the awarding of the EU Ecolabel to producers. Fewer and less complex criteria should result in lower compliance costs, and less documentation, and hence may encourage uptake.
- The provisions of Articles 6.6 and 6.7 of the EU Ecolabel regulation, concerning hazardous substances, are a clear issue for some product groups, and appear to have resulted in negligible uptake of the label for those groups. While the provisions are of course designed to ensure high environmental standards, their inclusion is to some extent having the opposite effect by discouraging producers from applying for the scheme altogether. It is therefore suggested that the Commission should consider whether these provisions could be renegotiated or otherwise relaxed to encourage greater uptake.

## F. Promotional activities

*What is the level of awareness of the EU Ecolabel for different stakeholders?*

95% of the stakeholders who completed the survey are aware of the EU Ecolabel (noting the very biased sample). The 2014 Eurobarometer survey recorded that the level of awareness in the general population was at 37%.

This evaluation study found that surveyed stakeholders have high awareness of the logo and the aims and objective of the EU Ecolabel (respectively 99% and 97%), but lower awareness of 'detailed criteria', 'how to apply' and the 'verification process' (respectively 66%, 69% and 69%). It can be concluded that the EU Ecolabel enjoys a good level of awareness amongst the stakeholders that completed the survey. However, surveyed stakeholders have a lower level of knowledge of the wider aspects of the Scheme.

The EU Ecolabel achieves varying levels of recognition depending on the type of stakeholder. 80% of the businesses who responded hold the EU Ecolabel licence. When companies act as purchaser in their private procurement processes, the level of



recognition of the EU Ecolabel was considerably lower, as only 38% of Licence Holders and 26% of Non-licence Holders seek out the EU Ecolabel in their purchasing. Meanwhile 66% of individual consumers in the survey stated they prioritise EU Ecolabel products in their purchasing decisions (noting the biased sample as responses from individual consumers were limited).

There is a general consensus that reputation (and consequentially acceptance) of the EU Ecolabel is strictly related to the level of awareness and, therefore, to the promotion activity carried out at EU, National and local level. This activity is still considered to be very poor by the broad stakeholder response.

*What are the main barriers and drivers to increased awareness?*

This evaluation has found there to be relatively little promotion activity by any of the parties involved in the EU Ecolabel, with all citing limited budgets. If promotion activity is low, then awareness is low, the level of applications are low, and so licence income remains low, keeping marketing budgets low – a vicious circle. Even in Denmark, where the EU Ecolabel is promoted alongside the Nordic Ecolabel and encouraged as part of Government policy, the funds devoted to promotion of the EU Ecolabel are significantly lower than those of the Nordic Ecolabel, because the income generated is significantly lower. Even so, Denmark is one of the strongest performers in this regard.

As a result, the evaluation study finds that the lack of promotional activities is a major barrier to higher awareness amongst consumers. This naturally reflects also on the attractiveness of the scheme to producers and the level of market reward they can anticipate, and subsequently awareness created through simple exposure to consumers.

However, the evaluation study also found that interviewees reported that consumers have a higher awareness of the EU Ecolabel for beauty care and for cleaning products. Indeed, cleaning products are credited as the product group in Germany that helped the EU Ecolabel to begin to be accepted. This suggests that awareness is also product specific. Literature has identified that these particular product groups have a direct impact on individual human health and wellbeing, leading consumers to show a higher degree of interest in their environmental impact as well as their health impact, which influences their purchasing choices.

Although not further analysed, this evaluation also identifies these products as typically everyday products that can be bought in supermarkets or in a similar purchasing situation. This suggests that there are additional factors specific for the product groups that determine awareness. This is significant and suggest that in the selection of candidate product groups for the EU Ecolabel more consideration should be given to product specific characteristics that may influence awareness and presumably then uptake.

While the Regulation includes a requirement for greater promotion of the EU Ecolabel, a significant number of CBs have no or negligible dedicated resources for marketing, training and information activities. Furthermore, the evaluation study has been unable to identify any significant contribution to raise awareness of the EU Ecolabel from the commercial activities done by licence holders.

It is clear that stakeholders consider marketing and promotional activities for the EU Ecolabel to be insufficient and inadequate and that this is perhaps the biggest challenge the EU Ecolabel is facing in order to realise its potential. This was the dominant topic throughout the stakeholder consultation. As the investigation of the stakeholders' perception of the EU Ecolabel clearly showed, when making

recommendations about what should be changed, 97% of the respondents indicated that EU, National and local institutions should promote the EU Ecolabel through a more intensive effort, and that greater efforts were needed to encourage the use of the EU Ecolabel within the GPP process.

Article 12 of the EU Ecolabel regulation requires an action plan to be developed by Member States and the Commission in cooperation with the EUEB to promote the use of the EU Ecolabel. At the moment, this has not yet been developed. However, several promotional activities have been implemented to support the requirements under Article 12 of the Regulation, at both Member State and EU levels. This evaluation study has found that such a requirement is still highly relevant, and highly desired by the vast majority of stakeholders.

*Does the way that monitoring of market development is carried out create barriers or drivers to effectiveness?*

There is a lack of data about the rewards of adopting the EU Ecolabel. The lack of market sales data for EU Ecolabelled products means there is no evidence to persuade company management teams about the benefits of applying for the EU Ecolabel. The only counter to this is that the existing participants presumably do have access to their own sales figures, know the benefits (or otherwise) of the scheme and choose to retain the EU Ecolabel, suggesting they must accrue some value. Of course, this is also a tricky barrier to overcome, because the missing market data will reveal business confidential information in certain scenarios, such as where there are few local market participants.

*Have any actions been taken (by MS or COM) to address these barriers or support the drivers to increased awareness?*

The above critique seems to imply that little promotional activity has taken place, but the list of current promotional activities that are carried out centrally (see page 7) is actually quite long, though some activities have been discontinued.

Although some Member States highlighted the promotion activities they carried out, the level of activity overall seemed relatively low, and the funds available were often linked to a proportion of the income received from the licences granted, hence were correspondingly low. Most Competent Bodies chose not to share the budget available for their promotion activities.

Whatever the precise picture of what promotional efforts do take place, ultimately, however, stakeholders consider these efforts to be insufficient and inadequate.

## Recommendations

- The evaluation has confirmed that a lack of consumer awareness, through insufficient promotion of the EU Ecolabel, is one of the most significant barriers to the success of the scheme. It follows that effectiveness could be increased by a better promotional programme. While it is not the Commission's role to promote any individual products or services, stakeholders suggested that the Commission could promote the EU Ecolabel scheme as a whole. If this were coordinated with increased promotional efforts from all of the MSs and licence holders, a step-change could increase the awareness of the EU Ecolabel among consumers. If this translated into a change in purchasing behaviour, a virtuous circle of environmental behaviour could result.

- A possibly critical missing link in this chain of events could be the lack of sales monitoring, without which there may be insufficient feedback to the producers that consumers are adopting the EU Ecolabel in greater numbers.

## G. Timely revisions

*Does the way that criteria are revised create barriers or drivers to effectiveness?*

The evaluation study has shown that the criteria revision process itself may undermine effectiveness, in that criteria validity periods are often extended beyond the point where they can be considered still to reflect environmental excellence, as identified for (for example) tissue paper and televisions. Although criteria may initially be established at an appropriate level, there is a challenge surrounding the frequency of review to ensure they remain current and relevant.

That said, it is worth considering that where product groups show significant uptake (e.g. tissue paper), this may be an indication that the scheme has been working as a driver. If what were environmentally superior products are becoming more mainstream, this is perfectly in line with the overall objective of reducing the environmental impacts of production and consumption. It has not been possible within the evaluation study to determine to what extent the uptake for tissue paper has been driven by the commercial value of the label itself – or from other factors.

Nevertheless, having current criteria that potentially do not represent the top of the market introduces a real reputational risk for the EU Ecolabel, a clear example being televisions with the EU Ecolabel that currently only achieved a level-B rating energy label.

The basis on which extensions to the validity period are determined is not formalised, although the Commission does seek the input of the EUEB and Competent Bodies. The critical factor is the lack of a formal assessment to demonstrate whether criteria are still relevant or not.

However, it is also important to note that the Commission only has capacity to undertake a set number of revisions during a given time period and may be obliged to prolong the validity of some criteria, even if such an assessment were available stating that revision was due. It is also worth noting that revisions are influenced by and have to be handled at the same time as including an increasing number of product groups.

*Have any actions been taken to address potential barriers or support drivers?*

The evaluation study did not identify any actions that have been taken to address the potential barriers above.

### Recommendations

- From the above analysis, it seems clear that the criteria revision process would benefit from a more comprehensive procedure for assessing the need for revising criteria and for prioritising among product groups when resources are not available at a given time to revisit all the product groups that might require review.
- The need to revise criteria should be assessed by considering how the market has moved since criteria have been adopted, looking at the number of licences and products affected and the general evolution of the market. Ideally, criteria

would be set within the procedure to define what constitutes a sufficiently evolved market.

- This assessment ought to be done on a case-by-case basis, considering the absolute merits of each product group in question.

## 4. EFFICIENCY

### Definition

Does the EU Ecolabel achieve its aims in an efficient manner, or could efficiency improvements be made? Efficiency may be judged by considering the return for a given level of financial or time investment and considering if these are proportionate to the benefits delivered.

### Summary

There are many levels of process within the EU Ecolabel scheme, each with associated costs of meetings and paperwork, and this way of operation has with it associated high costs for MSs. A key driver for change should be that many MS have what appear to be limited budgets for their involvement with the EU Ecolabel, so greater efficiency might deliver fuller representation across Europe.

The creation of the CB Forum at the last review is a powerful step to harmonise the activities of CBs and identify and encourage best practice. The previous review of the Regulation strove to address a range of points, including to address bureaucratic processes and management, and to reduce administrative costs and burdens on companies.

*Factors positively influencing efficiency include:*

- Participation by all MS and key representatives of industry, civic society, environmental groups, etc., is encouraged which assures that criteria can be set relatively efficiently without access to full data on the environmental impacts of products to identify indicatively the top 10-20%.
- The cost of the licence fee (including inspection visits) is not a barrier to applications.

*Factors negatively influencing efficiency include:*

- High costs of the business model adopted with many stages of administration; participation is reported by MSs as costly and with often insufficient funds available to fully address the activities asked of them.
- Several aspects were introduced in the previous revision to increase efficiency, including the shortened criteria development process, but it has not been possible to action these. So although action was taken, the benefit has not been realised, for example efficiency gains that enable an increased number of product groups to be covered has not been realised.
- Stronger and better promotion of the EU Ecolabel is requested by all categories of stakeholder. A lack of funds, even if efficiently used, hampers the success of the EU Ecolabel due to a lack of promotion and therefore makes the EU Ecolabel inefficient as awareness of its existence and value remains low.

## Recommendations

- A reduced number of criteria would offer significant efficiency benefits to a number of stakeholders without necessarily impacting either representation of the top 10-20% environmental performance on the market or value for the end consumer; it would reduce the amount of time needed to develop criteria (benefitting the Commission, CBs and other EUEB and AHWG stakeholders), would reduce the compliance burden on applicants, would reduce the compliance verification burden on CBs.
- Continue the work to harmonise the requirements of the EU Ecolabel with other SCP policy measures such as the Energy Label where such measures exist, and other type I ecolabels, again where overlap exists, in terms of criteria requirements, testing protocols and timescales where possible.
- Ensure that meeting protocols are adhered to for EUEB, AHWG, etc meetings, and that matters are not discussed multiple times across multiple meetings.

In order for the EU Ecolabel to be efficient, each stage of the delivery cycle (see Figure 1 above) needs to be efficient in itself. The sections below discuss each of those stages in turn, after a review of the over-arching considerations.

### A. Overarching and Multi-Stage Matters

#### *What are the cost of running the Business Model?*

There are a number of players within the Business Model of the EU Ecolabel, in terms of its administration and processes (rather than the business model of pursuing the EU Ecolabel as a producer). There are the regulatory committee (essentially the decision making body formed by MS and representative organisations), the EU Ecolabel Board, the Competent Bodies within each member state and the Competent Body Forum (designed to share best practice and experiences), the Commission's role of administering the scheme, and the Ad Hoc Working Groups of MS and interested parties formed to inform each criteria development/revision. Each of these functions obviously has an associated cost, as does the activities of the meetings, drafting of papers, review of papers, etc.

Information on the cost of running the scheme within the Commission (largely based on the 2010 Impact Assessment, with recent updates provided by the current Commission team) reveal that that the marketing budget appears relatively low for the EU Ecolabel, as does the number of staff operating centrally at the Commission, particularly when compared to the level of investment seen within the Blue Angel and the Nordic Ecolabel. Moreover, the functioning of the EU Ecolabel relies on the involvement of MS and representative organisations, in terms of forming the EUEB, CBs and CB Forum, and participating in the AHWGs.

When the costs at MS level were explored through the survey, little information was supplied to reveal such costs, much of it unavailable. Cost information (summarised below) was made available by four MS, and demonstrates the heterogeneous nature of the estimates available for the annual costs. Some MS noted that the administration of the EU Ecolabel scheme was subsidised (rather than fully funded from the licence fees), and other noted that they subsidised the application fees.

Danish Competent Body, which also manages the national Nordic Ecolabel, has costs of 3 700 000 EUR (40% State funded), 25% of which (925 000 EUR approximately) is allocated to the EU Ecolabel. Of this latter amount, fees cover only 10%.

- Income from EU Ecolabel fees: about 100 000 EUR
- Communication and marketing: 500 000 EUR (Nordic Ecolabel and EU Ecolabel promoted jointly)
- Annual costs to manage the applications for the EU Ecolabel: 270 000 EUR
- General administration costs for the EU Ecolabel: 90 000 EUR
- EU Ecolabel criteria development input: 110 000 EUR.

Swedish Competent Body, full costs of EU Ecolabel 350 000 EUR, of which:

- 300 000 EUR for salaries, travel (including accommodation) and fixed costs
- 50 000 EUR for marketing and promotional activities.

Poland's Competent Body provided an estimated budget of approximately 24 000 EUR (100 000 PLN) of which:

- 4 000 EUR (approx., 16 000 PLN) for travel and subsistence
- 1 800 EUR (approx., 8 000 PLN) for marketing and communication
- 16 500 EUR (approx., 70 000 PLN) for assessment and verification
- 1 400 EUR (approx., 6 000 PLN) for market surveillance and control.

Malta's Competent Body provided an estimated budget of 8,000 EUR of which:

- 3 500 EUR for travel and subsistence
- 1 000 EUR for marketing and communication
- >1 000 EUR for assessment and verification
- <1 000 EUR for market surveillance and control
- <1 000 EUR for fixed costs.

The costs shared above indicate that while some key MS players may have a significant budget, this is down to a political decision to support this activity. Many other countries have very limited budgets with which to operate the EU Ecolabel, and struggle to join all the meetings for which the participation is not reimbursed by the Commission and address all the associated paperwork.

*What are the benefits of the current business model?*

The current business model of the EU Ecolabel has a large representation of all different stakeholders. This ensures that the scheme has independence and authority in the eyes of its users.

The establishment of CBs within each MS ensures that there is EU Ecolabel expertise available within each MS, with knowledge of the local situation and able to respond quickly and likely more efficiently. While a centralised application system would remove the variation that is seen between CB implementation, and would likely be significantly cheaper to administer, it would also remove this more local support and knowledge. Cost efficiency here is a balance between the 28 CBs and the value they deliver versus a centralised administration hub.

*Are there any provisions that make cost-efficient implementation difficult?*

The EU Ecolabel Regulation itself specifies the formation of the EUEB and its membership from all MS and the creation and maintenance of MS CBs. The Rules of Procedure of the EUEB set out how often meetings shall occur, sub groups and timetables for the sharing of associated paperwork. Theoretically, this enables good representation across Europe of MS and of representative organisations. In practice, it has been reported that this large structure is of itself a barrier and is inefficient, through the number of topics able to be addressed within each meeting and the sheer volume of paperwork generated. Possibly because some MS have very limited budgets to participate in Ad Hoc Working Group Meetings, it was also reported that topics are not confined to the appropriate meeting for their discussion but are discussed repeatedly across several meeting types creating further cost inefficiencies for the other MSs.

There is considerable feedback from CBs that the resources devoted to managing the scheme in MS are limited and insufficient given the activities being asked of them. Furthermore, they say that this also holds true for the level of investment in the Commission team, and in comparison to other policy tools. Essentially the funds available do not match the level of effort required. While achieving greater efficiency where possible would aid this, it is a challenge that on the one hand there is a requirement to include and revise more product groups and on the other hand funding at MS and centrally remains limited.

As noted above in Effectiveness, the challenge posed by articles 6.6 and 6.7 of the EU Ecolabel Regulation are of concern, and have implications for the efficient implementation of the scheme. Given that the inclusion of these articles has resulted in a long and complex criteria development process and very low uptake of the relevant product groups, this is clearly not an efficient use of the scheme's resources. Resolution of criteria bound by these articles is recommended to take place iteratively to achieve practical and achievable criteria, but this may require a considerable investment of time and resources.

*Are there any significant differences in the way CB implement the Scheme?*

There are some significant differences between MS implementation, including level of attendance and involvement in meetings, likely dictated by the funds available, as well as in the costs of applications and the approach by CBs to verification of submitted applications. The time required to award and renew an EU Ecolabel licence, the support provided to applicants, the interpretation of criteria and market surveillance on the use of the EU Ecolabel logo were all flagged as varying between different CBs. Such variety was particularly highlighted as a problem for multinationals, especially regarding different interpretations of criteria requirements.

There is a significant range in the costs of applying for the EU Ecolabel, with some countries choosing to subsidise the costs of the label. The application fee of the EU Ecolabel in Denmark were the highest of the countries considered at 2 000 EUR + VAT, while the Czech Republic's fees were the lowest at 325 EUR. All countries had significantly graded fees for SMEs and micro companies as required, which is an obvious benefit for such companies. While this may be expected to influence the level

of applications across MS and potentially be a significant barrier in some places, with more applications in the lowest fee countries, this isn't borne out by the figures, with 74 licences held in Denmark and only 19 in the Czech Republic (2014 figures).

Certain countries identified that an inspection visit is a standard part of the licence application, such as France and Denmark, and that this required additional costs from the applicant. Most countries appear to only require this for product groups where it is specified (in the criteria requirements). Again, this variation could be considered to be an inefficiency, and that applications would be higher in countries without an inspection, yet it is France that has the highest number of licences overall at 544 (2014 figures). This implies that other issues are more important than the application fee and inspection visits, such as awareness and market rewards as discussed elsewhere. The monetary value of the application fee (including inspection visit) is not a key barrier to adoption of the EU Ecolabel.

### Recommendations

- For the Business Model itself within the EU Ecolabel system, the stakeholder survey showed that there was no significant will to reform the groups or processes identified throughout this work. It was identified though that there was a will for a greater use of technology to facilitate efficiencies, for example far greater use of webinars rather than face to face meetings as well as for much stricter enforcement to topics discussed at meetings to ensure no duplication.
- For users of the EU Ecolabel, the producers of ecolabelled products, greater efficiency would be achieved through having fewer criteria while still maintaining a high credibility of the scheme. This brings efficiency within the matter of criteria development, criteria discussions, producer time and cost for compliance, time required for CBs to assess applications and a greater ease of understanding for consumers potentially.
- Although theoretically there is the provision (Article 11) that the EU Ecolabel could adopt the criteria of another type I ecolabel, and therefore it would not be necessary to develop the criteria themselves, in practice this has not been found to be possible.

## B. Identification of product groups

Product group identification for the EU Ecolabel is carried out as described in Chapter 2 B1. The process is quite efficient in terms of time and cost used for the preparation of the EU Ecolabel Workplan. However, the process would benefit from a more comprehensive analysis and stakeholder consultation of the potential market uptake of new product groups. In fact, while efficiency may be achieved in the "selection" process, it does not lead to overall efficiency if at the end the criteria are not taken up by producers and consumers.

In spite of this relatively simple approach to the identification of product groups, and the option to use the criteria of other product groups (see below) it has not yet proved to be practical to adopt a product group and criteria from another scheme directly to date, although this approach still holds merit, especially for efficiency considerations.



## C. Development and negotiation of criteria

The work undertaken here concluded that effective criteria were established for product groups. Stakeholder engagement is critical in developing appropriate criteria, particularly to address absences of data. Use of experts and stakeholders to input into the criteria development and negotiation process in this way is likely to be highly efficient in terms of cost and time requirements, in comparison to commissioning research to fill such data gaps which potentially cannot be filled even with significant amounts of research investment.

However challenging issues remain, such as quantifying the top 10-20% products of the market in terms of environmental performance, in comparison to the market average product, and open topics such as this mean that the potential for discussions to continue across several meetings without resolution potentially reduces efficiency. The EU Ecolabel implementation involves a large number of organisations and other stakeholders. While transparency and inclusion is important, without control of discussions inefficiency can easily emerge. Strong leadership of meeting processes and adhering to the function of meetings will help ensure efficient processes.

A key feature (within Article 7) incorporated following the previous revision is the option to suggest adopting for the EU Ecolabel criteria developed by another ecolabelling scheme (that is compliant with EN ISO 14024) for a product group that is not yet part of the EU Ecolabel. This serves both as an effort to harmonise product groups addressed, as well as for potentially increased efficiency as the full criteria development process may not be needed. This method of identifying product group criteria is relatively efficient in terms of costs and time, and serves the intention to harmonise with other ecolabelling schemes well.

*What is the timeline of criteria development? How does that compare to similar schemes e.g. at the national level?*

The Commission has identified that it generally takes 30-36 months for criteria to be developed or revised within the EU Ecolabel Scheme. In comparison, the Nordic Ecolabel and the Blue Angel both state that criteria development or revision takes generally about 12 months. Information from private labels was not available. This represents an inefficiency for the EU Ecolabel, as well as a frustration for stakeholders. However it has to be highlighted that a longer process is inherent to the business model with institutional leadership at EU level, as there are some procedures (such as the length of Interservices Consultation of draft criteria within the Commission or the length of the period for criteria adoption after the vote) whose duration cannot be modified.

*To what extent does the criteria development benefit from existing criteria (e.g. from national or private schemes)?*

Both the Nordic Ecolabel and the Blue Angel noted that the EU Ecolabel draws heavily on the evidence base and work previously carried out by these labels, including the existing criteria and verification approaches. Little evidence was identified of a connection and a mutual benefit between the EU Ecolabel and the private labels available for tourist accommodation. Within the other national labels, the interactions appears more reciprocal because of harmonisation efforts at the Member State level, so the EU Ecolabel may make use of existing evidence and research from France, Austria, the Czech Republic etc., and national schemes may draw upon the EU Ecolabel evidence base. These schemes and a number of others also noted that they work to harmonise product groups with the EU Ecolabel and ensure that the requirements between the two schemes are the same, or are working towards harmonisation.

Although considerable evidence is taken from the Blue Angel and the Nordic Ecolabel, the shortened procedure, whereby the criteria and evidence pack developed by another type I ecolabel are used as the sole input without further developmental work for an EU Ecolabel product group, has not been used to date. The reason given is that existing evidence and criteria for a product group under consideration in the recent period has not been accepted as comprehensive for the European context as a whole, so it has not been possible to use this process. In addition, other new requirements on hazardous substances implemented by the current Ecolabel Regulation were not previously required, therefore any criteria developed under the previous regulation must undergo the full criteria development process. Moreover, the Blue Angel and the Nordic Ecolabel criteria on hazardous chemicals are very often not as strict as their equivalents from Article 6.6 and 6.7 of the EU Ecolabel Regulation, and a simple copy and paste of criteria is therefore not possible. This is a shame as the shortened procedure would offer significant efficiency savings for the entire business model of the EU Ecolabel, and potentially dramatic time (and therefore cost) savings.

Potential efficiencies are available, both in terms of using the shortened criteria development approach, and in terms of reducing the number of criteria, which is a theme that the work identified repeatedly. It is probably possible to identify the top 10-20% most efficient products in terms of environmental performance with relatively few criteria, and a reduced set of criteria would enable the EU Ecolabel to achieve its aims, while offering significant efficiencies in terms of criteria development time and cost, reduced costs for producers, as well as reduced costs for CB verification processes. The use of a greater number of criteria likely impacts the percentage of the market able to comply with the criteria requirements, with possibly little additional benefit delivered to the environment or to the consumer in terms of the products themselves (especially if the number of licences applied for is few). The process for criteria development emerges from this work as an area that hinders the efficient implementation of the scheme.

#### **D. Awarding of the EU Ecolabel**

Awarding of the EU Ecolabel is one of the key activities carried out by the CBs. The CB Forum is a key activity that has been undertaken to achieve best practice and consistency between the CBs in this regard, and this work identified that its work was welcomed and appreciated. Although there is variation between CBs in terms of the verification process undertaken (site visits for example), this doesn't necessarily represent an inefficiency or a barrier, just a raised cost for the applicant and for the CB in that particular country. The ability to share best practice between CBs is a driver for efficiency.

The EU Ecolabel can be used throughout Europe once awarded, with a single logo, and following a single application procedure. For licence holders of the EU Ecolabel, this is the most efficient way to demonstrate their products' environmental credentials (assuming sufficient market reward), and is the main benefit and driver for the use of the EU Ecolabel.

*Do licence holders regard the EU Ecolabel as an efficient use of their resources?*

Licence holders almost exclusively adopt the label with the intention that it will help drive sales; to distinguish themselves in the market place. The number of licences can be directly correlated to how cost effective adopters consider the scheme to be. As has already been noted, the cost of the licence fee is not a barrier itself. Of greater importance are the sometimes significant costs involved in demonstrating compliance with the criteria requirements, and gaining the test results and verifications necessary (especially for SMEs). Some CBs particularly highlighted that impractical and

expensive test requirements could be reduced. The EU Ecolabel Regulation itself, in Point (12), states that “in order to increase the use of the EU Ecolabel and in order to encourage those whose products meet the EU Ecolabel criteria, the costs of using the EU Ecolabel should be reduced.” It is interesting to note that it is the costs of ‘using the label’ rather than simply applying for the label that are highlighted here.

Further efficiency would be achieved from the point of view of licence holders through improved market response, both through promotion and through fiscal incentives.

The EU Ecolabel is clearly cost effective for a certain proportion of producers, as shown by the existing licences, and there is some evidence that the EU Ecolabel improves the environmental performance of the company as a whole, so potentially delivering further cost savings to licence adopters. This can be considered as an indicator of efficiency of the scheme, insofar as these improvements turn into for example reduction in resource consumption and therefore economic savings. However, the overall low market uptake levels suggest that, for a large majority of companies, the costs of application and compliance are seen as outweighing the benefits of doing so. A lack of data means that it is not possible to quantify the benefit of obtaining the EU Ecolabel directly.

Harmonisation of the EU Ecolabel with other type I ecolabels represents a good opportunity to achieve significant efficiencies for licence holders, through the use of (for example) common test standards and criteria requirements, and steps are being taken to iteratively achieve this. The revised licence fee approach is also a step taken to address barriers.

## **E. Promotional activities**

The importance of promoting the scheme is recognised in the updated Regulation, and in the Working Plan of the EU Ecolabel; Article 12 requires MS and the Commission to promote the EU Ecolabel.

However promotional activities remain relatively low profile, and the feedback from stakeholders was that increased promotion of the EU Ecolabel is one of the key areas that needs to be improved. A significant challenge is of course the funds available for promotion, and efficiency of promotion activities, and the lack of funds is a significant barrier to promotion in general. Devolving the responsibility for promotion between all MS and the Commission likely creates a barrier to efficient promotion of the EU Ecolabel itself and its value.

A marketing campaign strategy was launched in 2009 by the Commission aiming to make the EU Ecolabel the reference standard in environmental product labelling. This has produced an updated website that is more user friendly, an updated catalogue of products available (again more user friendly), the EU Helpdesk and a coordinated set of leaflets, posters and branding information (as well as some product specific activities). Promotion of the EU Ecolabel by the Commission and MS benefits all licence holders in terms of increased awareness of the label in general. The intention was that there would be a broader campaign across Europe in cooperation with Member States and retailers, but this was not implemented because of a lack of funding.

*Who is currently doing the promotional activities?*

As well as the above activities undertaken by the Commission, a number of MS reported that a proportion of the licence fee was available for them to use in marketing activities for the EU Ecolabel, but generally the budget is low because adoption levels are low. Activities carried out by MS to promote the EU Ecolabel

include the organisation of seminars to promote the EU Ecolabel (general or Product Group specific), participation in fairs and events, campaigns on targeted product groups, publication of articles in newspapers and magazines, TV spots and documentaries, promotion in social media (especially Facebook) and collaboration with Nordic Ecolabel. Licence holders should carry out promotional activities of their own products awarded the EU Ecolabel, but this is either not done at all or is done in a way that does not increase the awareness of the EU Ecolabel.

*To what extent can current promotional and service activities be said to be efficient? Are promotional activities carried out in a harmonised and coherent way throughout Europe?*

A challenge identified with the activities identified above, particularly those of the Commission and MS/CBs, is that this presents EU Ecolabel information in a very user friendly way but in some cases only if a consumer/producer is already searching for such information. Such promotion is highly unlikely to reach consumers and producers who are entirely unfamiliar with the EU Ecolabel and thus raise general awareness. There is communication and harmonisation of the promotion plans between the Commission and MS, through the Working Plan and through the CB Forum, but further synergies could be created.

One of the main themes to emerge from this work is that all stakeholders believe that the EU Ecolabel needs to be more intensively promoted to increase awareness across the board. The marketing budget available to the Commission and to MS appears to be significantly lower than that available for the other national type I ecolabels, which cover significantly smaller geographical area, and smaller populations. In addition, promotional activities for the EU Ecolabel have to be considered against the massive use and available budgets for promotional activities in general by companies looking to increase awareness of their brand within and outside the sphere of green claims. It can therefore be concluded that the budget available for marketing the EU Ecolabel is inadequate. It may be that the use of such funds is efficient, but they are certainly not sufficient to establish wide recognition and awareness across Europe.

*Is the existence of competing labels and the voluntary nature of the EU Ecolabel hampering efficient communication?*

The EU Ecolabel is just one among a large array of labels, almost all of which are also voluntary. This has always been the case, but the proliferation of labels is currently rapid. Commercial enterprises are seeking to gain a competitive advantage with consumers by highlighting their environmental credentials, recognising that this market is growing. These competing labels are a direct challenge and barrier to the EU Ecolabel, and likely reduce the efficiency of any promotional activity that is carried out. The EU Ecolabel would need to 'shout' about itself to be heard above the clamour of other labels, requiring more investment than would otherwise be needed to achieve the same level of promotion.

The only relevant label that is mandatory is the Energy Label, which receives very significantly more publicity and promotion, as its display and use is mandatory.

*To what extent can the monitoring of market development be said to be efficient?*

The available data for monitoring market developments is the number of licences issued and the products covered within these licences. Action has been taken very recently by the Commission to improve the quality of this data through achieving standardised reporting from all CBs, and the vast majority of CBs have responded to this request providing good data, after inconsistencies in the data reporting were previously identified. Licence numbers and products are relatively easy to monitor and

therefore are an efficient way to track developments of the EU Ecolabel over time, and to track against other environmental labels.

The lack of sales data is a barrier to more refined data exploration, and does prevent identification of market penetration. There is the option to request sales figures, or % figures from producers, which would allow year on year sales patterns to be identified, even if the data itself cannot be made public due to confidentiality requirements.

*Are there any best practices on promotional activities that could enhance the efficiency of the promotional activities?*

The Commission website has received significant investment and is now a more user friendly experience. The promotion of the EU Ecolabel has also expanded into social media through Facebook and Twitter. The online promotion should be further exploited for a relatively modest investment, both at the Commission level and at Member State level – a combined effort could drive significant traffic to the resources that are available and already developed. There is an opportunity to develop this further and to reach out to consumers to promote the EU Ecolabel, rather than wait for consumers to find the EU Ecolabel website and information themselves.

## F. Timely revisions

*How has the Scheme been able to adapt to technology changes and scientific progress?*

The principle method for the EU Ecolabel scheme to respond to scientific progress and technological changes is through the development of relevant criteria that address the key impacts of the product group under consideration, and particularly through the criteria revision process when criteria are updated. The scheme does develop criteria that are set at an appropriate level, and is able to update criteria to reflect the changing technologies and priorities. Examples of this in action are the development of the paints and varnishes revisions over a number of cycles, addressing the concern of VOC level, and then, once that aspect was broadly addressed, moving on to address semi-VOCs. The criteria development process, although often taking longer than stakeholders would like, produces criteria that are valid and appreciated at the time of publication.

Uncertainty regarding their validity enters the system around the review date, especially if the criteria validity period is extended without a review of criteria. Although few product groups innovate this rapidly, it is a concern for those with high innovation rates, such as electronic equipment. Furthermore, criteria validity periods are often extended with limited justification or because of resource constraints. Although this is efficient for the label, in that it continues to function with minimal input, this does risk its effectiveness through a risk to its reputation. An action that would address this risk is to carry out a more comprehensive assessment of whether a criteria update is necessary, releasing a very brief outline of the basis for a criteria update or not. Again at this point, if criteria included fewer criteria requirements it would be a more straight forward exercise to establish whether an update was needed or not with efficiency benefits for many bodies at this point.

## 5. COHERENCE

### Definition

Coherence here considers whether the EU Ecolabel is well aligned with other relevant policy tools within and outside the European Commission.

There are two distinct levels to this, looking at the coherence in the objectives of the EU Ecolabel scheme (coherence with current policy objectives e.g. resulting from the EU2020 strategy, the Roadmap to a Resource Efficient Europe or the 7<sup>th</sup> Environmental Action Programme) and the coherence in their execution. These are considered separately below.

### Summary

The EU Ecolabel is a key element of European SCP policy, and as such is largely coherent with the objectives of such policies and of the wider objectives within the EU2020 and the 7EAP. However an opportunity has been identified to significantly improve coherence of execution between the key SCP policies, in terms of timelines, evidence base and requirements, and such developments are strongly requested by stakeholders using the scheme.

#### *Factors positively influencing coherence include:*

- The main intention and objective of the EU Ecolabel is in line with current policy agenda as spelled out in EU2020; the Roadmap to a Resource Efficient Europe, the 7EAP and policy regarding the European Single Market, hence a high level coherence of policy is achieved.
- Good coherence is achieved in terms of the objectives of SCP policies.
- The EU Ecolabel is the only policy approach that in all instances explores the total environmental impact of a product, identifying the key life cycle stages to be addressed through the criteria. The life cycle approach is becoming a cornerstone of environmental decision making, and the EU Ecolabel has led the way in this respect. Other policy approaches, and evidence gathering, are moving to a closer alignment with the EU Ecolabel's approach, indeed the Ecodesign approach now adopts a life cycle approach within its preparatory studies, and these moves offer future opportunities for further coherence.
- Good coherence of objectives achieved with respect to the other key national labels in Europe, and increasing coherence is demonstrated by the considerable efforts within some Member States to bring their national labels in to closer coherence with the EU Ecolabel, or to replace their national label with the EU Ecolabel.

#### *Factors negatively influencing coherence include:*

- Coherence in terms of execution together with other SCP policies could be enhanced, in terms of timelines, evidence base, testing methodologies and requirements. However it should be recognised that:
  - This is taking place within some product groups, such as TVs, where the evidence base for the EU Ecolabel, energy label and Ecodesign is being developed as one.
  - Where relevant the EU Ecolabel and GPP evidence bases and requirements have been developed simultaneously.
  - The EU Ecolabel and GPP follow a similar methodology to the Ecodesign process, so product groups that are to be included in the Ecodesign process in the future, and have an EU Ecolabel background, already have a good start point for this development.

- Lack of coherence is a barrier for execution but many categories of stakeholders see the current steps taken as a driver for positive change.

## B. Coherence of Objectives

Unlike efficiency and effectiveness, it is not particularly helpful to assess coherence (or relevance or EU added value) in terms of the delivery stages. Instead, therefore, we consider coherence in terms of coherence of objectives and then coherence of execution.

*To what extent is the EU Ecolabel coherent in objective with other relevant policies and instruments at the EU level?*

The EU Ecolabel Regulation is a key component of the European policy framework for sustainable consumption and production (SCP) presented in 2008, that also includes Ecodesign, Energy label, Green Public Procurement and Eco-Innovation. The EU Ecolabel identifies products of high environmental performance, while the Ecodesign measure aims to introduce minimum requirements to eliminate the poorest performing products, and the Energy Label aims to label the whole of the market. Hence the EU Ecolabel's role is coherent with and complementary to other directly related policies. EU Ecolabel evidence and requirements can be used as a benchmark for the mandatory requirements, and the EU Ecolabel fulfils the position of the voluntary measure that identifies the top performing products on the market, coherently integrating with the other measures. Furthermore, the lifecycle approach used by the EU Ecolabel is becoming the norm in terms of approaches for environmental decision making in many policy areas such as Ecodesign, energy labelling, waste and water, with the EU Ecolabel having initially led the way in terms of methodology.

It is worth noting that little overlap or synergy was identified with the European organic label as the EU Ecolabel is not covering food products at the moment, and while it was felt that the Directives on misleading claims and unfair commercial practices had value and the objectives were coherent, it was also identified that market surveillance, through these tools and elsewhere, was not sufficient and did not allow full realisation of the value of the EU Ecolabel in demonstrating strong environmental benefits.

It is recognised that continued pressure from European consumption and production, as noted in the latest State of the Environment Report from the EEA, means there is a continuing need to improve the sustainability of that consumption and production. The Europe 2020 strategy aims to increase resource efficiency in part through the *Roadmap to a Resource-efficient Europe*. Thus, the EU Ecolabel Regulation must be considered also in the context of these wider policy initiatives of resource efficiency and the single market for green products.

The EU Ecolabel addresses not only impacts beyond energy (unlike most other SCP policies, which to date are still mainly, if not exclusively, energy focused) but also those impacts that fall outside of Europe. Through its life cycle approach, the EU Ecolabel considers impacts arising from the construction and disposal of products, and strives to minimise and reduce such impacts.

Overall, positive evidence emerges from this work with regard to the potential of the EU Ecolabel as a pan-European label in support of the creation and promotion of a single market for green products. The indirect effects of the EU Ecolabel (of building consensus of product group identification, key impact areas within product groups, criteria approaches, the definition criteria corresponding to the top 10-20% of products on the market in terms of environmental performance, etc.) all serve to build

coherence around the approaches to product policy taken in Europe. The EU Ecolabel provides an ongoing and stable forum for stakeholders to progress such topics.

*To what extent is the EU Ecolabel coherent in objective with other labels including at the national level?*

The EU Ecolabel's objective is strongly coherent with the two leading national/regional labels within Europe, the Blue Angel and the Nordic Ecolabel. All three seek to provide scientific basis to consumers to guide their purchasing decisions and to promote more environmentally friendly products and choices from producers. However, a key difference worth noting between these is the level of the market they aim to identify. The Nordic Ecolabel aims for the top third, the Blue Angel the top 20-30%, and the EU Ecolabel indicatively aims for the top 10-20% in terms of environmental performance. They also vary in the intention of their geographical coverage, with the EU Ecolabel aiming to encompass the whole European Economic Area. In terms of the other national labels considered in this study (Poland and the Czech Republic) coherence of objective is good, although the criteria requirements may not be as stringent.

The private labels identified and explored within this work showed much less coherence, as the aims of the private labels are significantly different in terms of inclusivity and transparency, and there little reference was identified to the EU Ecolabel, its objectives or its methodology. Many are single topic labels, established by private entities and seeking to promote particular matters, rather than focusing on a life cycle approach for example. The EU Ecolabel cannot encompass all of these issues and still hope to be relevant and effective at the same time across a range of product groups.

*Are there any provisions in the regulation that hamper coherence of objective?*

No provisions within the regulation that hamper coherence of objective were identified through this work.

### Recommendations

- It was identified that market surveillance is not sufficient to identify many misleading claims, especially environmental claims, and that this is a barrier to the realising the full potential of the EU Ecolabel and its value in demonstrating the environmental performance of the products it covers. Therefore, the strengthening of such efforts would benefit the EU Ecolabel.

## C. Coherence of Execution

*To what extent is the EU Ecolabel coherent in execution with other relevant policies and instruments at the EU level?*

As discussed above, the EU Ecolabel is strongly coherent with the aims and objectives of the other SCP policy objectives (Ecodesign Directive, Energy Labelling, GPP, etc.), and complements well the wider policy areas highlighted through the EU2020 Roadmap and the 7EAP.

However, on a practical level, when implementation itself is considered, there is a clear need to further integrate these policy measures, especially concerning the practical aspects of criteria development and timelines surrounding the SCP measures, and this is confirmed by the stakeholder feedback. The revised EU Ecolabel Regulation has contributed to a greater degree of coherence with the other existing SCP tools. However, in practice, unsatisfactory situations have arisen through delays in decision



making, insufficient exchange of information with the relevant Ecodesign preparatory studies and/or lack of ambition when setting EU Ecolabel criteria. Specifically, the EU Ecolabel criteria can become obsolete soon after adoption for some important impacts such as energy consumption in the use-phase. When this happens EU Ecolabel products can appear to be relatively poorly performing against other measures (for instance, in terms of the energy label), which undermines the reputation of the EU Ecolabel. Although this is only a risk where product group cross over occurs, it represents a significant reputational risk.

Achieving better coherence between these policy measures, in terms of scope and definitions, test standards, criteria requirements (with high minimum standards) and timescales, also offers significant efficiencies if product groups subject to these overlapping measures are to be pursued. Most product groups will not be appropriate for coverage through all such measures, but some will be and here strong coherence would benefit a wide range of stakeholders. The existence of the EU Ecolabel benefits GPP, as the range and scope of areas to address is often largely coherent. The EU Ecolabel would also benefit the Ecodesign approach when and if Ecodesign expands beyond the remit of considering only energy. The EU Ecolabel already provides significant experience and understanding of the topics of concern beyond energy, and is the policy instrument that leads the way on such matters. The EU Ecolabel has established precedents of how to approach, set criteria for and verify topics beyond energy, which has already enabled the Energy Label and Ecodesign activities to follow in its wake where product groups overlap.

The EU Ecolabel differs significantly from the Energy Label in scope by going beyond energy related products, by addressing all stages in the life-cycle as opposed to only the use-phase and by addressing all environmental impacts. At the same time, it should be recognised that for some product groups the Energy Label is already well established and the EU Ecolabel has lower awareness, very limited uptake and thus adds little extra value. Thus while coherence should be the objective in the criteria development process, it should not uncritically guide the selection of product groups for which criteria are developed. It should be taken into consideration for instance that article 6.6 presents a challenge to IT producers, that consumers may be confused by the existence of both the Energy Label and the EU Ecolabel and that the Energy Label is mandatory and already well known in the retail sector and among consumers.

*To what extent is the EU Ecolabel coherent in execution with other labels including at the national level?*

Increasing coherence between the EU Ecolabel and other national labels is occurring through several routes, principally at Member State level through the activities of the national schemes bringing their own scheme into closer coherence with the EU Ecolabel. This is being done e.g. through ensuring that if criteria exist within the EU Ecolabel then these are adopted wholesale into the national schemes. Not all member States are following this path, but a significant number are.

With respect to the strongest two national/regional schemes, the Blue Angel and the Nordic Ecolabel, the approach followed is broadly the same, with neither of these other labels identifying significant differences other than they appear to have a greater degree of flexibility and are able to respond more dynamically than is the EU Ecolabel, due to their relatively smaller size of bodies for decision making and process. As discussed within the efficiency section, the EU Ecolabel contains within it a very large number of stakeholders, encompassing all Member States, and a range of representatives of industry, civil society, etc. Such a large body of representation naturally brings a slower and more time consuming approach to progress.

Coherence between national labelling schemes and the EU Ecolabel is also occurring through harmonisation of the product groups covered, their criteria and the verification requirements, and is a specific requirement and intention of Article 11 of the EU Ecolabel. This is occurring iteratively as the labels refer to the criteria and verification requirements used by other labels, to the evidence base and to the key areas addressed. This is especially the case with the prominent schemes of the Nordic Ecolabel and the Blue Angel, as the evidence base developed for these schemes and existing criteria often provide a helpful starting point for the EU Ecolabel when developing new product groups. Such harmonisation is welcomed by stakeholders, but there is a great desire from licence holders and producers that this harmonisation be developed a great deal further to reduce the burden on producers who have labelled products, so that test standard requirements are harmonised, criteria are harmonised, time lines are harmonised, etc.

*Are there any provisions in the regulation that hamper coherence of execution?*

The EU Ecolabel Regulation sets out specific processes and timelines and these must be adhered to, whereas, obviously, the requirements for other labels will not need to do the same, although they will likely have their own requirements. The same is true for other SCP measures, they in turn will have their own strict timelines and processes that must be adhered to. Streamlining these could be challenging, but where possible would bring benefits, in terms of efficiency and coherence of approach and requirements, and would not be insurmountable if there were the will to achieve this.

### Recommendations

- There was strong evidence from stakeholders that increased coherence of execution was desired between the EU Ecolabel, other SCP measures and other national labels, encompassing timelines, requirements and testing methodologies, etc. This could be achieved through ensuring that the evidence bases for all SCP measures that overlap are developed together, striving for consistency especially in terms of product group scope, test methods and requirements. The EU Ecolabel could still require a higher level of performance, but this approach would ensure that the same test could be used to verify performance for both the energy label and the EU Ecolabel for example.

## 6. RELEVANCE

### Definition

Relevance is taken as the consideration of whether the overall objectives of the EU Ecolabel are still valid given the current needs and problems as reflected in the development of the Commission's policy and goals for this policy area.

### Summary

The study finds that the objective of the EU Ecolabel in its current form is in line with the current policy agenda as specified by the European Commission including in the 7<sup>th</sup> Environmental Action Programme. The study also finds that the EU Ecolabel remains relevant as a tool that fulfils the role of promoting products and services at the top end of the market, an area that is not covered by other policy tools – although there is some overlap with the Energy Label in some cases. For this reason, the EU Ecolabel should still be considered as relevant in its objectives and in the issues it seeks to address.

*Factors positively contributing to relevance include:*

- The general objective is in line with current policy agenda as spelled out in EU2020; the Roadmap to a Resource Efficient Europe and the 7EAP and policy regarding the European Single Market.
- The EU Ecolabel fills a gap that is not taken by other policy tools; although for energy related products there can be some overlap, which may lead to some confusion.
- The EU Ecolabel is the only approach that explores the total environmental impact of a product, identifying the key life cycle stages to be addressed through the criteria and thereby also addresses the increasing global impact as a result of European production and, in particular, consumption.
- The EU Ecolabel supports companies and consumers in their own efforts to produce and consume with less environmental impact.

*Factors negatively contributing to relevance include:*

- The focus on total environmental impact and life-cycle makes the EU Ecolabel less flexible to take additional measures to address resource efficiency and integrate with eco-innovation activities.
- Although the Energy Label focuses only on the use-phase there can be some overlap considered for both producers and consumers – especially when the energy label also reports on other environmental impacts in the use-phase (water use, noise).
- Issues with the effectiveness of the EU Ecolabel mean that the potential relevance is not fully realised. As far as this limits the privileged opportunities for producers of environmentally friendly products, it also has implications for relevance to jobs and growth.

*To what extent are the existing objectives still relevant in the context of existing related policies?*

The current environmental pressure resulting from European consumption and production as highlighted by the latest "State of the Environment Report" from the European Environmental Agency confirms that there is still a need to focus on sustainable consumption and production and the issues addressed by the EU Ecolabel (such as water, material consumption, hazardous materials, end of life, etc.). The "State of the Environment Report" also concludes that the EU policy framework that regulates and steers the life-cycle impacts of the production and consumption system is rather limited (except for energy efficiency for energy related products) and focuses mainly on impacts that occur within Europe whereas an increasing part of the impact happens outside the EU. The EU Ecolabel is an exception to this because it seeks to take into account the total environmental impacts throughout the lifecycle – including the impact that happens abroad for products that are imported.

The recognition of the need to address production and consumption patterns is also clearly reflected in the policy objectives of the European Commission as set out in "EU2020 – strategy for smart, sustainable and inclusive growth", in the "Roadmap to a Resource Efficient Europe" and more recently in the "7<sup>th</sup> Environment Action Programme".

Further evidence of the relevance of the EU Ecolabel's life cycle approach comes from the breadth of other measures (such as the Ecodesign and Energy Labelling measures)

and of waste measures, that increasingly address matters beyond simple energy consumption. Many such measures now use a life cycle approach when identifying areas of attention, an approach the EU Ecolabel has led since its launch.

While all of these support the objectives towards more sustainable consumption and production patterns, they are less precise in the ways and the tools that should be used, than the EU Ecolabel. One general trend in the development of the policy objectives seems to be a move towards a priority focus on resource efficiency as reflected in the 7 EAP, which calls for the EU Ecolabel to be reviewed with a view to improving environmental performance and resource efficiency of products throughout their life-cycle.

The EU Ecolabel currently deals with resource efficiency if and when it is considered relevant on the basis of the total environmental impact rather than as a separate area of focus. In practice, this means that resource efficiency in some form is addressed in the majority if not all product groups. Giving priority to resource efficiency over other issues would however require a change in current practices and the rationale behind the current scheme, which is exactly not to favour any particular issue but look at the most important impacts based on a scientific analysis.

The EU Ecolabel sets out to determine a scientific analysis of the environmental impact and the key life cycle stages and impacts to be addressed through the criteria. This is part of the foundation of the EU Ecolabel and is essential both for the trustworthiness of the scheme and justifies its strong position. However this does make the EU Ecolabel less flexible and more challenging to integrate with specific policy agendas as well as other policy tools such as Eco-innovation and EMAS because it has to maintain a level of technological neutrality, and stick to proven technologies and processes of environmental excellence.

In terms of the position of the EU Ecolabel with regards to other SCP policy tools and its specific role, the situation has not changed much since the last revision in 2009 and since the launch of the Communication on the SCP Action Plan.

The EU Ecolabel remains the only EU instrument that aims to promote the best performing products taking into account the overall environmental impact throughout the lifecycle. The mandatory Ecodesign measure addresses (and removes) the poorest performing energy related products available in terms of energy consumption in the use-phase. The mandatory Energy Label seeks to label energy related products on the market to benchmark energy efficiency in the use-phase and occasionally also includes additional information on other relevant parameters in the use-phase such as water use or noise. The EU Ecolabel, as the voluntary measure, seeks to pull the top of the market forward and contrary to Ecodesign and Energy Label seeks to address overall environmental performance through the criteria established, not just focusing on the in the use-phase.

However, the Energy Label is a mandatory tool that can also report on impacts beyond energy such as water consumption and noise. Although the Energy Label remains focused on the use-phase and does not cover the total environmental impact, the fact that producers are obliged to report on these issues can make the EU Ecolabel less relevant for them. As both labels can apply to the same product (although this only actually applies to a few products), confusion can be created for consumers, and the value of the EU Ecolabel undermined, if the requirements are not aligned. On the implementation side however synergies on the preparation of criteria can be exploited.

*How is the EU Ecolabel relevant in the context of jobs and growth agenda?*

The EU Ecolabel supports the European Single Market and provides an avenue for a level playing field for companies. In the absence of the EU Ecolabel it is possible that more national or private labels would develop with the result that companies that want to promote their product with low environmental impact would most likely need to comply with different criteria across several labels. By providing harmonization across Europe the EU Ecolabel should contribute to a more effective competitive situation. While this may not create growth and jobs, a pan-European EU Ecolabel that supports the European Single Market may minimise cost for companies compared to likely alternatives, assuming relevant levels of uptake.

The EU Ecolabel was from the beginning not intended to focus on jobs and growth; however, recent policy developments have highlighted the links between innovation, resource efficiency and new business opportunities in a world with scarce resources and unsustainable environmental impacts. Combined with an increased focus and willingness from consumers to give priority, and in many cases also pay more for products with a documented environmental benefit, the EU Ecolabel could further be used as a tool to support jobs and growth for those companies with products with reduced environmental impact. Stakeholder evidence gathered here showed that stakeholders do not believe that the EU Ecolabel directly contributes to the creation of jobs. For this to happen, it would require more use of the EU Ecolabel. Whilst this issue is discussed more under the effectiveness criteria, clearly if producers do not adopt the EU Ecolabel or if consumers do not use it to guide their purchasing decision, the potential relevance of the EU Ecolabel will not be delivered in practice.

*How is the EU Ecolabel relevant in driving improvement on the market in general and in technology development?*

The role of the EU Ecolabel in driving improvements in the environmental performance of products and services on the market is one of the key objectives of the measure overall, through providing a driver for producers to take such steps and an opportunity (and thereby a driver) for consumers to take advantage of this. It is clear that improvements are happening to products on the market. However, there is simply a lack of data to determine how much of this is due to the EU Ecolabel in isolation. There is a wide range of other policies, including Ecodesign, GPP and Energy Labelling, but also REACH and various waste regulations, that all influence producers. Furthermore, potentially rapid market innovation and shifting material costs also influence producers. Looking more critically, it could be inferred that the relatively low level of take up of the EU Ecolabel overall implies it has relatively little influence on producers, although as mentioned for some product groups such as tissue paper the EU Ecolabel may have acted as a driver.

It is clear that, if a potential applicant considers that the EU Ecolabel could help significantly increase sales, the EU Ecolabel could act as a driver, and the survey results clearly indicates that this does occur for some producers. In this scenario, market rewards play a significant role for the producers, and as discussed under the effectiveness criteria these are not always sufficient: often due to the lack of awareness among consumers of the EU Ecolabel.

In contrast, the indirect effects of the EU Ecolabel (influencing other labels on the market, influencing other mandatory policy measures at both EU and member state level, providing a definition of what a 'green product' looks like, indicating what are the topics of key concern for that product group and what benchmarks may look like) all bring a greater relevance than that conferred directly through adoption numbers.

## Recommendations

- It is clear that there is a distinction between the potential relevance of the EU Ecolabel and its relevance in practice, which is closely connected to its performance – i.e. effectiveness. That is, even if the objectives of the EU Ecolabel remain relevant, the "real" relevance disappears if the EU Ecolabel is not used by producers and consumers in the end. For this reason, the elements that increase effectiveness, such as increased consumer and producer awareness, also enhance the direct relevance of the EU Ecolabel, and thus if those recommendations are carried out Relevance will also be directly strengthened.
- In addition, addressing the need for harmonisation of policy measures and ensuring that they complement each other rather than compete with each other, both in terms of specific criteria requirements and of the product groups selected to be addressed in the first place, could contribute to relevance (and coherence – see specific section above).
- In some respects, there is a trade-off between different objectives and implications for the future relevance of the EU Ecolabel. In the current form, the EU Ecolabel is unique because it focuses on the main environmental impacts and on all life-cycle stages. Forcing specific policy issues, such as a specific focus on resource efficiency, innovation or production processes as part of the scheme, could increase alignment with specific policy targets but would undermine the current rationale of the scheme and compromise both the uniqueness of the scheme and potentially also add confusion for consumers as well as producers, as the focus for specific product groups could vary, depending on which policies were deemed most relevant, or were in the ascendancy at the time criteria were developed.
- An option could be considered where specific issues may be incorporated "on top" of the existing criteria development methodology, however that would likely also add to the complexity of the criteria and administration of the scheme, and there is strong evidence that additional complexity would not be welcomed by the current users of the EU Ecolabel.

## 7. EU-ADDED VALUE

### Definition

The EU added value is here taken as the value offered and delivered by the EU Ecolabel over what would otherwise be achieved by other environmental labels and schemes existing at Member State, national or regional levels.

### Summary

The EU Ecolabel delivers a pan-European type I ecolabel, available for use by all Member States and all producers releasing products onto the European Market. The EU Ecolabel enables a level playing field for producers within the European Market and reduces the administrative burdens compared to compliance with multiple national or regional schemes. The EU Ecolabel provides a credible and recognised alternative to Member States or producers developing their own labelling schemes. Its existence particularly benefits SMEs who are far less likely to have the internal capacity to develop their own labelling schemes and/or comply with multiple regional labelling schemes.

*Factors positively influencing EU Added value include:*

- The EU Ecolabel delivers a high quality type I ecolabel across the EU, available for use by all Member States and producers; serving the single market.
- Most EU Member States do not have their own ecolabel, and do rely on the EU Ecolabel to provide this function.
- The EU Ecolabel provides a single ecolabel for use throughout Europe, which means that producers only need to comply with one set of requirements to demonstrate the environmental leadership of their products throughout Europe, and consumers only need to recognise and understand one label to identify leading products.
- A Europe wide statement of what is an 'environmentally friendly product' is discussed, defined and shared, bringing consensus to the product groups addressed and the key impacts within them that need attention.

*Factors negatively influencing EU Added value include:*

- The existence of other labels, both national type I ecolabels, and single issue labels, reduces the EU Added value of the EU Ecolabel where such labels provide competition.

*What is the opinion of different stakeholder on the EU Ecolabel's added value?*

Consultation of the range of stakeholders involved with the EU Ecolabel revealed that the definition of the 'added value' of the EU Ecolabel varied according to the type of stakeholder being consulted.

Licence holders appreciate the competitive advantage the EU Ecolabel brings allowing them to 'showcase' products and demonstrate their environmental commitment across Europe, through the use of a single label on their products, and how well these products perform in the market place.

NGOs and the environmental sector highlighted its contribution to improving the environmental performance of products and services, particularly the adoption of the life-cycle perspective, and providing a stated example of what is a 'green product' looks like on the market. In particular, the adoption of the life-cycle perspective in the development of criteria is seen as a guarantee of effective action to reduce a product's environmental impact, with a high "added value" for the overall framework of the EU policies, which today are increasingly relying on a life-cycle approach.

Some Member States and Competent Bodies highlighted the value that the EU Ecolabel has in terms of providing a focus and forum for discussion of environmental labels and policy related to this area at Government level. It was also highlighted that the label serves to drive producers to develop more environmentally friendly products, a tool that can be utilised to drive the market.

*Why and how would the main objectives addressed by the EU Ecolabel still benefit from a common EU approach?*

The main objective of the EU Ecolabel is to promote products and services with high environmental performance, thus raising the standard of products and services and providing recognition of the best environmentally performing products and services available on the market. The EU Ecolabel serves this purpose by providing a common and Europe wide labelling system to identify such products and services, benefiting both producers and consumers with the provision of such a label. The added value is considerable as the EU Ecolabel provides this system that is applicable throughout

Europe, but only one set of requirements need be complied with, and there is only one set of processes to be gone through and financed, which is a clear benefit to producers. There is also the efficiency provided to Member States that do not need to develop their own ecolabel schemes.

It is worth considering what would happen if the EU Ecolabel did not exist. Were this the case, in the absence of a common European approach and statement, it is likely that varying approaches across Europe would develop, as organisations and Member States would have different views of what is best or key to focus on for particular product groups in terms of their environmental impact and performance. Potentially other labels would come to dominate, and/or a significant proliferation of further labels would be seen. This, as noted previously, would potentially bring significant additional burdens onto producers wishing to demonstrate their product's environmental credentials by requiring them to comply with multiple sets of criteria, across different regions with different priorities, or potentially to develop their own labels to fill gaps. These implications would have a negative impact on SMEs who are less likely to be as able or willing as larger corporations to comply with multiple sets of requirements or to develop their own impactful label.

Instead this common approach of the EU Ecolabel brings with it a clear definition and statement of what a green product is within Europe, and what the key life cycle impacts that should be addressed are. There is a down side to such a definition though, in that it may not hold true for all Member States. The market for the top 10-20% of products in terms of environmental performance is unlikely to be identical throughout Europe. The EU Ecolabel is not able to be flexible in terms of the criteria set (for it to vary across Europe) and instead addresses this challenge through compromise with the level of specific criteria that are set.

The drivers for the added value of the EU Ecolabel, in terms of the value delivered for Member States and the Commission in general, are the provision of a strong ecolabel for use throughout the European Union, the common approach, consensus building and the definition to green products and services this brings. For producers the main benefit is the aligned approach of a single label, knowing the same requirements and application process apply throughout the EU. Both producers and buyers know it is a label that can be trusted with one set of standards applicable throughout all MS. Therefore a key driver is minimisation of costs and ease of compliance processes for producers compared to possible alternatives. Furthermore, for consumers the driver is to make it as easy as possible for buyers to understand which products are labelled and hence which provide better environmental performance.

The added value of the EU Ecolabel is to some degree independent of its actual use, as it is the only pan-European label available. If every Member State had its own ecolabel, then this would be a significant barrier, but in fact the majority do not, and the EU Ecolabel is indeed the only pan-European type I label.

A practical barrier that does hinder realising the full potential of the added value of the EU Ecolabel is the existence of the few other successful labels, both national and single issue, that do dilute its impact. Some such labels are very well established and popular, and there has been significant proliferation of labels in general over the past decade or more bringing a wealth of information to the attention of consumers, which is not always helpful. The successful labels (including the EU Ecolabel), together with the large number of labels in general, have the potential to sow confusion in the minds of consumers as they are bombarded with information and this confusion reduces the practical added value of the EU Ecolabel as a barrier to its effectiveness is created.

In terms of addressing the barriers, one approach would be to work to reduce the further proliferation of labels, especially the lower quality ones, through setting higher



standards for ecolabels and to work to eliminate 'greenwash'. There are actions that can be taken in this area, but it is a broad area encompassing advertising claims and unfair claims. There is a role for the relevant regulations on unfair commercial practices (2005/29/CE) and misleading and comparative advertising (2006/114/CE) to play. It may also be possible to discourage Member States from developing their own labels, both type I ecolabels, and the general proliferation of local and single issue labels, through working to have the EU Ecolabel be the vehicle to address such topics.

There is evidence that some harmonisation of national schemes to the EU Ecolabel is occurring in some countries (Poland and Czech Republic for example). Ideally the EU Ecolabel should substitute national levels.

### Recommendations

- A way to enhance the added value of the EU Ecolabel would be to achieve greater use of the scheme itself (more licences, more market share), and to reduce the impact of the other labels which compete with its role, especially those which are the lower quality labels that contribute to 'greenwash'. Increased use of the EU Ecolabel is in essence an effectiveness issue, rather than an added value matter, but the two are linked in terms of the practical value the EU Ecolabel delivers. In terms of addressing label proliferation and greenwash matters there is the potential to harness the power of the EU Ecolabel to address this in part, through demonstrating the strong value the label itself has, promoting its rigorous background and communicating its benefits far more forcefully than is carried out now.
- Thus, to improve the practical, day to day, added value of the EU Ecolabel into the future, both the effectiveness and efficiency should be improved as recommended above in those relevant sections, and the label itself could be better communicated to address label proliferation and greenwash.



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