The Flower - a Guide for Applicants

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The Flower - the European Ecolabel - is the premier European award for products meeting higher environmental standards.

It was established by the European Commission as a voluntary "green label" award to encourage businesses to develop products which are less harmful to the environment, and to help consumers to identify them. Participating businesses can use the Ecolabel symbol (shown above) on their products.

This note is an introduction to the Ecolabel for businesses. It explains what the Ecolabel is, and how it can help your business. It explains how to apply, gives details of fees and the conditions for using the label, and answers some frequently asked questions about the label - and it contains some suggestions about what to do if the Flower scheme does not yet apply to your product.

Applicants should use it in conjunction with an Application Form when applying - there is a separate Application Form for each product group covered by the Flower, obtainable from the official Competent Bodies who run the scheme in each European country. (NB: this note replaces the previous Parts 1 and 3 of the Application Pack, called *General Guidance* and *The Standard Contract*.)

For a quick view of what's involved, see "The application process at a glance" in this note. The note should help you to get value for money from the scheme, and to save time when applying. If you would like more information, please contact us. We will be pleased to help.

[insert Competent Body details here]

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The Ecolabel

What is the Ecolabel?

The European Ecolabel (called the Ecolabel or the Flower in this note) is Europe's official environmental label.

Many products claim to be "environmentally friendly", but provide no way for customers to know what standards they meet.

Products with the European Ecolabel can show that they are less damaging to the environment than equivalent brands over their whole life cycle, because they have met a set of published environmental criteria agreed by EU member states after consultation with relevant interests (including European representatives of industry, consumers, environmental organisations, retailers and public authorities), using life cycle assessment (LCA) methodology. So products with the Flower really are kinder to the environment.

The technical criteria now cover twenty-one categories of products (listed in this note), and apply to the main environmental impacts generated at all stages of a product's life cycle, including manufacturing, use and disposal. You can see a list of ecolabelled products at http://europa.eu.int/ecolabel on the European Commission's website.

Businesses whose products comply with the published product group definition, and the criteria about the product and its production, can apply for an Ecolabel. Participation in the scheme is voluntary. It is administered by officially designated Competent Bodies in each EU country. [insert Competent Body name here] is the Competent Body in [insert member state name here].

The European Ecolabel was established in 1992 by an EU Regulation. It aims to encourage businesses to develop greener products and to help consumers to identify them. In 2000 the label was relaunched by a revised Regulation - http://europa.eu.int/comm/environment/ecolabel/background/pm_regulation. http://europa.eu.int/comm/environment/ecolabel/background/pm_regulation. http://europa.eu.int/comm/environment/ecolabel/background/pm_regulation http://europa.eu.int/comm/environment/ecolabel/background/pm_regulation https://europa.eu.int/comm/environment/ecolabel/background/pm_regulation https://europa.eu.int/comm/environment/ecolabel/background/pm_regulation https://europa.eu.int/comm/environment/ecolabel/background/pm_regulation https://europa.eu.int/environment/ecolabel/background/pm_regulation https://europa.eu.int/environment/ecolabel/background/pm_regulation https://europa.eu.int/environment/ecolabel/background/pm_regulation https://europa.eu.int/environment/ecolabel/background/pm_regulation https://europa.eu.int/envi

What does the Ecolabel cover?

The Ecolabel can apply to goods and services (not food, drink or pharmaceuticals or some medical products). So far, criteria have been agreed for these twenty-one product categories:

washing machines dishwashers refrigerators lightbulbs (all of the above are also covered by the EU Energy Label)

vacuum cleaners televisions personal computers laptops

tissue paper products copying and graphic paper

textiles footwear mattresses

laundry detergents dishwasher detergents all-purpose cleaners and cleaners for sanitary facilities hand dishwashing detergents

hard floor coverings indoor paints and varnishes soil improvers and growing media

tourist accommodation service (the first product group for a service sector).

All the criteria are published on http://europa.eu.int/ecolabel, which is the European Commission's official ecolabelling website. It contains all the other current Ecolabel documents, and explains in detail how criteria are developed and how the scheme operates.

More product groups are being developed. You can follow the progress of these on the Commission's website, and can attend working group meetings about criteria development (which are usually held in Brussels) if you wish.

Why should my products carry the Ecolabel?

Because of what the label says about you and your products. The Ecolabel is:

- *public and credible* products with the Ecolabel must to be independently certified to meet strict published criteria, and can't just get away with vague environmental claims;
- *comprehensive* it applies to all the environmental impacts of a product (not just energy, for example), over its whole life through to disposal, and the criteria are developed by a multi-stakeholder approach;
- wide-ranging the same logo covers all product groups, and the scheme now applies to many different kinds of products, from electrical goods to paints, and from cleaning products to mattresses, so is becoming increasingly visible in the marketplace;
- **Europe-wide** one label covers the whole of Europe: the scheme is backed by the European Commission, and all EU member states, so it has the potential to influence the behaviour of millions of consumers across Europe, and offers corresponding marketing advantages to manufacturers.

If you make a quality product which provides value for money, the Ecolabel can enhance its appeal and help it to stand out in the market.

If you make environmental claims about your product, what basis do they have? Many products claim to be greener, but the Ecolabel requires independent confirmation that products actually meet high environmental standards, and is supported by the Government.

If you want your customers to have confidence in your product, shouldn't you be able to tell them what standards your products meet? The Ecolabel criteria are published and are freely available.

If you want to promote your product, the Ecolabel offers marketing opportunities throughout Europe, and is steadily gaining recognition among consumers.

If you want to find new markets, the Ecolabel means that commercial and domestic purchasers seeking greener goods in this country and elsewhere in Europe can be assured that your product meets demanding standards.

If you want to demonstrate your company's commitment to creating a better environment, the Ecolabel shows that you have taken action.

Thinking about the label

Things to think about before applying

So the Ecolabel says a lot about you and enhances the appeal of your products. But before applying, it is worth considering how you want to use it, and perhaps discussing this with the Competent Body - and reading this note, including the annexes, so that you know the conditions of use.

What do you want the label for?

The Flower is a European label, so it offers the greatest advantages on products selling within Europe. (If your product originates outside Europe, remember that if you want to obtain the label for it, the product must be on sale in the territory of the Competent Body to which you make your application, or that you must intend to sell it there.)

In calculating the value of the label to your own company, it's relevant to consider where your customers are, and what issues are important to them, including the specifications of your major purchasers. (Note that the Ecolabel is a green label, and doesn't cover other aspects, apart from the product's fitness for use.)

The cost of applying is relatively small - Annex 1 gives details - but applicants also need to meet the costs of verification, and perhaps of adapting production processes to meet the criteria.

How do you plan to use the label?

The marketing advantages of having the label depend on how it is used. Some firms want to use the label as a high-profile statement (perhaps as part of a broader company strategy of making a positive green declaration), with accompanying explanatory material. Others prefer to use it in a less direct way (for example, for public procurement purposes, or business-to-business communication, where the fact of having the label may be more important than actively publicising it).

To get the best value from the label, it needs to be actively promoted on the product, because the Flower is designed to promote the product, and the product in turn promotes the Flower.

When do you plan to apply?

Each set of criteria is revised every few years. The process begins about eighteen months before the criteria expire. (The expiry date appears on the Commission's website.) You can apply for the label even when criteria are about to expire - but if you decide to do this, it is worth following the course of the revision on the Commission's ecolabelling website, and contributing your views to the revision process, because in due course products will need to comply with the revised criteria in order to continue displaying the Flower.

You can get the most value out of the label by applying when the criteria are new or have just been revised, as you won't have to renew your licence for several years.

Some general questions

Why don't more products carry the Flower?

Because many don't qualify - the Ecolabel is an award for products meeting high environmental standards. But in fact over 400 products across Europe now carry the label, and the number is steadily growing, with licensees ranging from major international companies to small and medium sized enterprises who share a commitment to good environmental practice.

Does it really make any difference to the environment?

All ecolabelling schemes take time to make their mark, but the Ecolabel has had some wider influence and success in greening product performance, because the criteria attract considerable interest from industry - to the extent that some companies use the published criteria for benchmarking purposes. The European Commission is sponsoring a study at present into the direct and indirect effects of the Ecolabel.

Isn't the Ecolabel a threat to industry?

No - the Ecolabel is intended to help industry to market its products, like other green initiatives and environmentally oriented advertising campaigns used in many sectors, with the difference that few such green claims are as soundly based. Member states aim to make sure that industry is fully involved as criteria are developed, and that the criteria are based on sound science and are genuinely attainable by the market.

Is the Ecolabel a barrier to trade?

The Flower is a gradually evolving voluntary scheme, and does not have the aim or critical mass to act in this way. It is open to a wide range of applicants, and the criteria development process is completely transparent. The scheme is regularly updated to meet changing needs - member states are currently implementing the Ecolabel Working Plan agreed in 2001 (published on the Commission's website) to ensure that the label remains fresh and relevant to market needs.

Applying for the label

The application process at a glance

Is my product eligible?

Check that your product comes under one of the product groups included in the scheme (see the Commission website at http://europa.eu.int/comm/environment/ecolabel/), then check the detailed criteria for that product group.

Am I eligible to apply?

Manufacturers, importers, and service providers can all apply, and so may traders and retailers, but only for products sold under their own brand names. (If you are a supplier or retailer trying to source greener products, the Commission's e-catalogue of ecolabelled products will enable you to find suppliers.)

Where do I apply?

To the Competent Body in the European country where the product is made, who can provide an Application Form. If the product is made outside Europe, you should apply to a Competent Body in a European country where the product is (or will be) placed on sale.

How do I apply? The Form explains what tests applicants must carry out (or have carried out independently) to prove that the product complies with the criteria for the relevant product group.

Applicants have the assessments independently verified by a suitable test centre, compile a Dossier of documents to show compliance, and submit this with the Form.

What happens to the application?

The Competent Body checks that the product complies with the criteria, and that the application complies with the assessment and certification procedures.

Meanwhile it invoices the applicant for the application fee (see Annex 1). If everything is in order, the application should take about a month to deal with.

What happens when my application is successful?

The Competent Body awards a licence to use the Ecolabel under the terms of a standard contract. The award normally lasts until the criteria expire (between three and five years after the criteria are agreed). When criteria are revised, companies can renew the licence by demonstrating that the product complies with the new criteria.

The requirements for obtaining the Ecolabel are the same in each member state, so the Ecolabel is valid throughout Europe once it has been awarded by one Competent Body.

The Competent Body invoices the applicant for the annual licence fee at the end of each calendar year.

Step by step guidance to applying



The product groups covered by the scheme are listed in this note and on the Commission website http://europa.eu.int/comm/environment/ecolabel/. You can find them all quickly by using the Sitemap tab under the ECO-LABEL heading.

Each set of criteria begins with a product group definition, so you can see whether the type of product you make is actually covered by the scheme (for example, some criteria exclude appliances designed for industrial use), and whether your product meets the criteria.

The criteria for the **tourist accommodation** product group are different. They are divided into mandatory criteria and optional criteria.

Applicants must comply with all the **mandatory criteria** where they are relevant to the accommodation (for example, the requirement about the sauna timer control does not apply where the accommodation does have a sauna). These do not override local or national legislation (which means that the requirement about window insulation would not override any restrictions on altering windows in historic buildings, for example).

There is also a range of **optional criteria**, for each of which applicants can score a stated number of points. Applicants can select which optional criteria they wish to meet to obtain the necessary total number of points. For more information, see the application form.

If your product isn't yet covered by the Ecolabel

The range of products covered by the Flower is growing, but if your product is not yet covered by the Ecolabel, you may wish to consider whether to apply for one of the reputable national ecolabels or eco-mark schemes, like the Nordic Swan or the Blue Angel, some of which cover many other products.

These schemes are separate from the EU label. They exist in several countries, including some European countries which also operate the EU scheme (see http://europa.eu.int/comm/environment/ecolabel/description/ecolabel.htm for a list of national and private labels). The European Ecolabel is developing closer ties with other reputable labelling schemes in Europe, and investigating ways in which future work on criteria development can be shared, so applying for another label can be a good alternative.

A list of product groups covered by the ecolabelling schemes around the world is shown at http://www.gen.gr.jp/product_list.html on the website of the Global Ecolabelling Network (GEN).

There are also several respected certification schemes for certain types of products - for example, for timber and organic products - and other quality labelling scheme which include environmental considerations, like the TCO label (http://www.tco.se/eng/).

The decision about which label to choose depends on the value that it adds to your product. Relevant factors might include the environmental specifications of your major purchasers, where your product is sold, how much a specific environmental label might help to generate sales in that area, and the reputation of the label in question and its rules. A sensible step is to discuss this with your customers and stockists before applying - an increasing number of retailers have environmental policies about which products they will stock.

[insert details about national label here]

Am I eligible to apply?

Manufacturers, importers, and service providers can all apply for the Ecolabel: traders and retailers may also apply, but may only submit applications for products marketed under their own brand names. (Applications may refer to a product placed on the market under one or more brand names.)

You can save time by simply identifying the name of a range of products and making a single application for the whole range: products within the range may vary or be modified, but must comply with the criteria at all times.

If you are an importer or supplier or retailer trying to source greener products, the Commission's e-catalogue of ecolabelled products can help you to track down goods already labelled around Europe - it's at http://www.eco-label.com/.



To the Competent Body which runs the scheme in the EU member state where the product is made. If the product is made outside the European Community, the application must be made to the Competent Body in an EU member state where the product has been (or is to be) placed on the market.

If the product originates in the same form in several member states, applicants can choose a Competent Body in one of those states, and the Competent Body will consult the other member states. All Competent Bodies assess applications against the same criteria, but individual Competent Bodies have slightly different procedures for handling applications, so you should obtain an Application Form from the Competent Body you are applying to.



The Application Form

OK - you know that your product complies with the criteria, and which Competent Body to apply to, and you've obtained an **Application Form** from the Competent Body, so you're ready to apply.

Application Forms are revised when criteria are updated (normally every three to five years), and occasionally for other reasons, so please check with the Competent Body that you are using an up-to-date form before you complete it!

Some test centres will complete and submit the Application Form on behalf of applicants for a fee, which can save time.

Compliance declarations, testing and verification

The Application Form asks for details of the applicant and product, as well as undertakings about compliance with all the published criteria.

In some cases the Application Form simply requires a producer's or supplier's declaration of compliance, or test results. For other criteria, independent verification of test results by a test centre is required.

Test results normally relate to the final product, including the component items. Applicants who use component items that already have the Ecolabel only need to send test reports concerning the <u>final</u> product, such as tests for fitness for use, and only the final production processes concerning the product will be assessed, ie those for which the applicant is directly responsible.

Tests can be carried out in-house, if applicants can provide all the necessary information themselves and can test for compliance with the criteria (called self-assessment), or by an outside testing organisation (third party assessment).

Data which applicants supply themselves must relate to their current production output. Test reports should be recent. Competent Bodies are authorised to make further checks on data submitted. On this basis the Competent Body does not normally accept test reports which are more than six months old at the date of the application. (Competent Bodies in other EU member states may have different practices on this point.)

If applicants are unable to provide the necessary test data themselves, they will need to arrange for the appropriate tests to be carried out by an independent assessor, or another laboratory of their choice as explained above. Again, test reports should be recent.

Where **independent verification** of test results is needed, the results must be independently checked by a test laboratory meeting appropriate standards, and certified as meeting the criteria, so applicants will need to liaise with a suitable test centre. All testing and certification costs must be met by the applicant, and are in addition to the fees mentioned in Annex 1, so applicants are advised to discuss testing procedures and costs with test centres before applying. Annex 2 contains more about test centres, and a list.

The Dossier

Applicants should provide a detailed **Dossier** containing the test reports and verifications showing how the published technical criteria mentioned in the Application Form have been met.

The Dossier should include an **illustration of the proposed usage** of the Ecolabel on the product and packaging, so that the Competent Body can satisfy itself that the label will be properly used.

If the application is successful, the applicant will be expected to retain a copy of the Dossier and keep it up to date for the duration of the licence.

Putting together the application

You've carried out the necessary tests to show that your product complies with all the ecolabelling criteria, or had the tests carried out independently. You've had the results independently verified where this is required, and you've compiled the Dossier of relevant documents and certification to show that the product complies with the criteria.

The next step is to **complete and sign the Application Form**, making sure that you have provided all the information requested.

Sending off the application

Now you are ready to send off the application. You should submit **two copies** of the Application Form and the Dossier, by post or a delivery service (not e-mail), to the Competent Body at the address on the cover of this note.

You shouldn't enclose the application fee - the Competent Body will invoice you for this when the application is received, so that it can make sure that all relevant discounts are applied. The application fee is not returnable, even if the application is unsuccessful, because it covers the work that the Competent Body carries out to assess the application.

What happens to the application?

The Competent Body will **acknowledge** the application at soon as it is received.

The Competent Body allocates a unique **application number** to each application. Applicants quote this in all communications about the scheme. If the application is successful, this number will be used to register the contract. As a example, UK / 007 / 24 would be made up as follows:

UK: is the designated Competent Body (the UK in this example);

007: the product group code (as shown in the criteria for each product group - this example uses the code for paints and varnishes);

24: the application number for that product group in that member state (which identifies the applicant).

(Some old licences include more figures - such as 03 for the site or plant, and 12 - 03 for the expiry date of a set of product group criteria - but these details are no longer used.)

The Competent Body invoices the applicant for the **application fee** when the application is received. A range of discounts applies - Annex 1 gives full information. (Fees differ slightly between EU member states, because the scheme permits Competent Bodies to set fees within a stated range, and Competent Bodies may also have slightly different procedures about the ways in which they collect fees.)

The Competent Body checks that the application is complete, then it considers the Dossier to assess whether the application complies with the product group criteria, and if the application conforms with the testing and verification requirements. It may test the product, or arrange an appointment to visit or audit the applicant's site. If the applicant sub-contracts part of the production, the Competent Body may visit the sub-contractor(s) on the same basis. The Competent Body also consults any other member states where the product originates in the same form. Where the ecolabelling criteria require production facilities to meet certain requirements, these must be met in all the facilities where the product is produced.

If everything is in order, the assessment process should take less than a month.

What happens when my application is successful?

Awarding the licence

When the assessment is completed, the Competent Body sends the applicant a contract for signature (see Annex 3). The contract is the licence to use the label - there is no separate certificate.

The Ecolabel is valid throughout Europe once it has been awarded. The licensee can display the logo on the product and use it in advertisements, provided that the conditions in the Standard Contract are observed.

When awarding the Ecolabel, the Competent Body will provide guidance about displaying the label (see Annex 4) and ask licensees to send it photographs of the final design of the product and packaging showing the Ecolabel, and copies of advertisements and other publicly available material referring to or displaying the Ecolabel.

The Competent Body will also liaise with the applicant about ways of publicising the company's participation in the scheme. The product is included in the list of ecolabelled products on the Commission's register and website, and licensees can have a photograph of their product included on the ecatalogue on the website.

Annual fees

At the end of each calendar year, the Competent Body invoices the applicant for the annual licence fee. Discounts apply, and fee levels are capped - see Annex 1.

Compliance monitoring

Once the licence has been issued, the Competent Body or its authorised agents may undertake monitoring of ecolabelled products, to ensure continued compliance by the Ecolabel licence holder with the product group criteria and with the provisions of the contract. For this purpose it can carry out audits to assess the producer's quality system, or visits to the applicant's site (by the Competent Body or its authorised agents) to assess the production process. In such cases the Competent Body will request permission to visit the premises and the holder is obliged to grant access. A report will be sent to the producer after each such visit.

Similarly, the Competent Body may request relevant documentation for compliance assessment, and licensees must provide this. The Ecolabel licensee is liable for reasonable costs incurred as a result of compliance monitoring, as described in Article 3 of the contract. (Methods of monitoring may vary in other EU member states, but the aim is to ensure that all products conform to the criteria, irrespective of the EU member state where the application is made.)

The monitoring process is likely to be simpler where the applicant holds a recognised quality standard (eg ISO) and uses certified suppliers.

The Competent Body may undertake additional visits if there are claims from consumers or customers which warrant investigation.

Renewing the contract

Contracts to use the Ecolabel normally expire when the criteria for that product group expire. If the criteria are renewed without alteration, the contract is automatically renewed, unless the licensee or the Competent Body has terminated the contract.

When the published criteria for a product group are revised, licensees can renew their contracts by completing an application form for the new criteria (obtainable from the Competent Body) and providing the supporting information to show that the product complies with the new criteria, but there is no application fee.

Modifications to ecolabelled products

Products already covered by the Ecolabel licence may be modified, but must remain in compliance with the criteria at all times. A new application is not needed for **modifications** in product characteristics like changes of size or design which do not affect compliance with the criteria; but the Competent Body must be told in writing about significant modifications, like changes of name.

To do this, applicants should send the Competent Body:

- the name of the ecolabelled product (or licensed product range);
- the number of the Ecolabel licence;
- a description of how the modification affects the ecolabelled product or range (eg whether this is simply a change of product name, or a new trademark, or a product ceasing to be manufactured);
- confirmation that the product formulation is already covered by the Dossier submitted with the original application; and that the product is still in complete conformity with the Ecolabel criteria.

Adding new products

Where an applicant wants the current licence to be extended to cover new products in the same or a similar range, whose technical formulation was not covered by the existing application, a new Application Form and Dossier about the new products should be submitted, but the Competent Body will not charge an application fee.

Competent Bodies normally have only one contract per company per product group, covering all the products made by that company that have the Ecolabel. Any extension to the range of ecolabelled products made by a company within a given product group does not usually mean a new contract: these are covered by a modification to the annex to the existing contract. This annex lists all the ecolabelled products made by the company in that product group.

Withdrawal or expiry of the Ecolabel

The Competent Body can suspend or withdraw the right to use the Ecolabel for the product concerned where the terms of the contract are breached.

In the same way, at the end of the criteria's validity, products will not refer to the Ecolabel (although in these circumstances the Competent Body will make allowance for the time needed to sell products with the old packaging, as explained in Annex 4 of the Standard Contract). At this time, revised criteria are likely to be developed. Licence holders will have at least six months to reapply against the new decision and criteria. A new contract can be signed between the Competent Body and the applicant after checking conformity with the new criteria.

Getting the most out of the Ecolabel

There are many opportunities to publicise the Flower award, in advertisements as well as on products. The conditions of use are explained in Annex 4, and we can advise on whether any proposed usage is acceptable.

Promoting the Ecolabel across Europe ...

The European Competent Bodies are planning a major marketing and advertising campaign across Europe to promote recognition of the label and participation in the scheme in 2003 track the plans http://europa.eu.int/comm/environment/ecolabel/background/pm managem entgroups.htm#marketing ... details of all awards appear on the *European* Commission's website - http://europa.eu.int/ecolabel - and can also include product photographs links to your website ... the Commission publicises new awards and participants' stories in its newsletter about the label, http://europa.eu.int/comm/environment/ecolabel/news/flowernews.htm, also available in paper format ... Commission publicity about the scheme includes free *Ecolabel mouse mats* and *posters* ...

... and in the [insert member state name here]

[insert details of promotional activities in member state here]

... and a final word

The Ecolabel can make your product stand out and enhance your company's image. It's yours to make the most of. If you've got ideas about imaginative ways of using it, please get in touch - we'd like to hear from you.



Annex 1 - Fees for the Ecolabel



This annex explains what fees are charged by the [insert Competent Body name here] for use of the European Ecolabel. Fees may differ slightly between EU Member States, because the scheme permits Competent Bodies to set fees within a stated range. Different Competent Bodies may also have slightly different practices about how and when they collect fees. (This note explains which Competent Body applicants should use.)

Applicants should also bear in mind that there are other costs associated with obtaining a licence, such as the costs of obtaining independent certification of test results, as explained in this guidance note.

Application fee

A <u>non-returnable</u> application fee is payable when an application is made. It does not apply to renewals, or when an existing product is modified or new products are added to an existing contract:

- * the basic fee is currently [insert details here]
- * reductions of 25% apply to SMEs (micro, small and medium-sized enterprises), and to product manufacturers or service providers in developing countries: so if you qualify on both counts, you are entitled to a reduction of 50% if you are uncertain whether you qualify, please consult the Competent Body. Micro, small and medium sized businesses are defined on the Commission website at http://europa.eu.int/comm/enterprise/enterprise_policy/sme_definition/decision_sme_en.pdf, and are essentially enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding 50 million euros, and / or an annual balance sheet total not exceeding 43 million euros.

For the **tourist accommodation** criteria, the <u>application fee for micro enterprises and mountain huts</u> is reduced by 75% (no other reductions apply). Micro enterprises are defined in Commission decision http://europa.eu.int/comm/enterprise/enterprise_policy/sme_definition/decision_sme_en.pdf on the Commission website. Mountain huts are defined as tourist accommodation suitable for offering a sheltered overnight stay in isolated mountain areas to mountaineers and hikers.

* <u>payment</u> should not be sent with the application - the Competent Body will invoice the applicant for payment by BACS and apply all relevant discounts (but will ask for proof of SME status if this reduction is applied for).

Annual licence fee

If the application is successful, an annual fee is payable, based on sales, starting from the date that the Ecolabel licence is awarded to the applicant.

- the basic annual licence fee for goods is 0.15% of the annual volume of sales (excluding VAT) of the product within the European Economic Area (ie the EC plus Norway, Iceland and Liechtenstein) at factory gate prices ie before transport to the purchaser's premises is involved or there is a wholesaler's or retailer's profit: this means that the fee excludes the cost of carriage, carriage insurance, and settlement discount (settlement discounts allow for early payment of invoices), but it includes any bulk discount (bulk discounts are where the customer is offered a percentage reduction in the total price when ordering large quantities of goods). Where the product uses components for which an Ecolabel fee has already been paid, the annual fee will be based on the annual sales of the products after deduction of the cost value of the components.
- * <u>the basic annual licence fee for services</u> is calculated in the same way, except that it is based on delivery price.

For tourist accommodation, the delivery price is the average fee paid by the guest for the overnight stay, including all the services which do not entail an extra charge, and the annual volume of sales is calculated by multiplying the delivery price by the number of overnight stays, and reducing the result by 50 % (so the annual fee is 0.15% of 50% of the annual volume of sales, followed by the relevant reductions to the minimum annual fee as set out below). For tourist accommodation, the minimum annual fee is insert details here].

- * the minimum annual licence fee per product group per applicant is [insert details here]
- * <u>the annual fee is capped</u> at a maximum of [insert details here] per product group per applicant.
- * the following reductions to the basic annual fee apply:
 - a reduction of up to 30% where the product in question has also been awarded another ecolabel which complies with the general requirements of ISO 14024.
 - 25% for the first three applicants in the member state in question that are awarded the Ecolabel for a given product group the Competent Body will apply this reduction automatically if it applies.
 - 25% to SMEs (micro, small and medium-sized enterprises see the note above), and to product manufacturers or service providers in developing countries: if you qualify on both grounds as an SME from a developing country you are entitled to a reduction of 50%. If you are uncertain about your status on either count, please consult us.

- 15% for licensees who are registered under EMAS (the EC Eco-Management and Audit Scheme) and / or certified to ISO 14001. This reduction is conditional on an explicit commitment in the applicant's environmental policy to ensuring full compliance of its ecolabelled products with the Ecolabel criteria for the period covered by the contract, and this commitment being appropriately incorporated into the detailed environmental objectives. (Applicants with ISO 14001 should demonstrate annually the implementation of this commitment. Those with EMAS should copy to us their annually verified environmental statement.)
- * these reductions are cumulative, and apply also to the minimum and maximum annual fee, but in total they cannot exceed 50%.
- * these figures exclude costs of any necessary additional tests or monitoring by the Competent Body, including site visits, for which the Competent Body will invoice the licensee.
- * payment will be collected annually by the Competent Body, at the end of each calendar year, when the Competent Body will request details of numbers of units sold and the value of sales, and will invoice the licensee accordingly for payment by BACS. The Competent Body will apply all relevant discounts, but will ask for proof of SME / EMAS / ISO 14001 status.

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Annex 2 - Test centres



Verifications should be carried out by reliable laboratories with experience of the relevant product group. Applicants may use test centres which are accredited under the requirements of EN ISO 17025 (which replaces EN 45001), or equivalent standards.

This is a list of test centres in the [insert name of member state here] which have indicated that they are willing to carry out verifications under the scheme. The list is not comprehensive: the Competent Body welcomes suggestions for additions.

Competent Bodies in other member states may be able to provide details of further test centres (contact details for Competent Bodies are on the European Commission's ecolabelling website at http://europa.eu.int/ecolabel).

[insert test centre details here]

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Annex 3 - The Ecolabel contract



When your application for the Ecolabel is successful, we will send you a hard copy of the Standard Contract to sign, with hard copies of the contract annexes.

The Standard Contract can be seen on the Commission's website at http://europa.eu.int/comm/environment/ecolabel/pdf/stcon/stcon_en.pdf

The annexes to the contract are:

Annex 1	The Ecolabel Regulation: http://europa.eu.int/comm/environment/ecolabel/pdf/regulation/001980_en.pdf
Annex 2	Product Specifications for the ecolabelled item (this will include the product name(s) and / or the manufacturer's internal reference number(s), the production site(s), and the Ecolabel licence registration number(s).
Annex 3	The official product group criteria
Annex 4	Conditions for using the Ecolabel (these are as in Annex 4 to this note, <i>Displaying the Ecolabel</i>)
Annex 5	The Commission Decision on fees: http://europa.eu.int/comm/environment/ecolabel/pdf/fees/fe es_en.pdf
Annex 6	Fees charged by the Competent Body (these are as in Annex 1 to this note, <i>Fees for the Ecolabel</i>)

Please note that **Annex 5** above is included for information, solely because it is a necessary part of the contract documentation, but that this Commission Decision on fees permits member states to set their own fees within a stated range. The <u>actual</u> fees charged by this Competent Body are as stated in this guidance note, and **Annex 6** simply repeats this information as an essential part of the contract.

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Annex 4 - Displaying the Ecolabel



This annex explains the conditions for reproducing the European Ecolabel - the Flower - as set out in the Ecolabel Regulation. All Ecolabelling Competent Bodies can help on any points not covered here, and can advise on whether a proposed usage complies with the scheme's conditions. <u>Licensees are advised to check if in doubt, before printing packaging or publicity material.</u>

Summary

The Ecolabel - the Flower - must only be used on products (or to advertise products) which have been awarded the label, and it must be used in the format set out in the Ecolabelling Regulation, as described below. There is no restriction on the Ecolabel being used for purely illustrative purposes, provided that the rules about colour reproduction are observed.

General

Changes to the logo are not allowed. The logo must not be distorted, or have other pictures or logos or text superimposed on it.

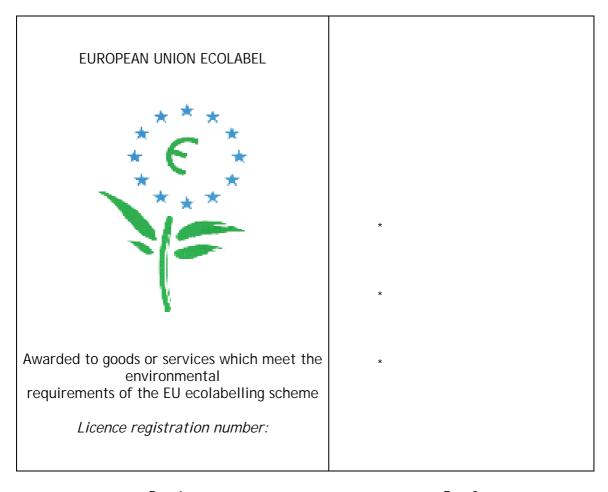
The label may only be used on products, and references to the Ecolabel in advertising may only be made, once an Ecolabelling Competent Body has awarded a contract permitting use of the Ecolabel in relation to the product. The label may only be used in relation to the specific product for which it has been awarded.

False or misleading advertising is prohibited. When applying, applicants should include in their dossier an illustration of how they intend to use the Ecolabel on the product and packaging, so that the Competent Body can satisfy itself that the label will be properly used. When awarding the Ecolabel, the Competent Body will ask licensees to send photographs of the final design of the product and packaging showing the Ecolabel, and copies of advertisements and other publicly available material referring to or displaying the Ecolabel.

Once the contract has terminated, the holder may not use the label in relation to the product, either as labelling or for advertising purposes. However, where stock has been manufactured before the termination of the contract, the Ecolabel may continue to be displayed on that stock for up to six months after termination, <u>except</u> where the Competent Body has terminated the contract because the holder has contravened the contract terms.

Use on products or in advertising

The full Ecolabel consists of two parts: Box 1 and Box 2, as follows:



Box 1 Box 2

The licence registration number is normally inserted in Box 1.

Box 2 contains a short clear explanation about the reasons for awarding the Ecolabel, relating to at least one and not more than three environmental impacts, using the wording in the published criteria for the specific product group (the criteria appear on the European Commission website at

http://europa.eu.int/comm/environment/ecolabel/index.htm).

This example is from the criteria for vacuum cleaners:

- * efficient cleaning, low dust emissions, low noise;
- * low energy consumption;
- * improved durability and recyclability.

It is not always possible to display the full label, for reasons of space or design.

<u>Box 1 and Box 2</u> should be used together where this is practicable; but Box 2 may be omitted where space is an important factor with regard to small goods, provided that the full label is used in other applications relating to the same product - for example, Box 1 may be used on its own on the product itself if the full label appears elsewhere on the packaging, information leaflets or other point-of-sale material.

The licence registration number makes it possible to trace registrations, so it should always be included on products; but it can be omitted in advertising and marketing if the product can be clearly identified in another way.

Where a product bears both the European Ecolabel and the national ecolabel of an EU Member State, the two logos should be displayed side by side on the product.

Reproducing the colours and typeface



There are two versions of the logo.

Version A (left) is the standard version. To ensure accurate reproduction, the Competent Body will e-mail an electronic file of the logo when awarding the Ecolabel.

Version B can only be used in a very small size (8-13 mm), or when it is not possible to reproduce version A distinctly because of the use of special materials or production methods, such as relief print or injection moulding. In version B, the stars and the $\mathfrak E$ are bigger and the flowers, leaves and stalk are simplified.

The label must be printed either in two colours (Pantone 347 green, for the "E" and stalk and leaves, and Pantone 279 blue, for the stars), or in one colour on a plain background (such as black on white, or white on black), for example where these colours match the rest of the packaging.

The colours for 4-colourprint are achieved by:

EU-ecolabelling green: 100% cyan - 80% yellow EU-ecolabelling blue: 70% cyan - 35% magenta

It is not necessary to use the same size or style of typeface shown in the example above, but the logo should be at least 8mm high, and the wording must be clearly legible, and the typeface must be plain.

Using the Ecolabel for illustrative purposes

The Flower may be used for purely illustrative purposes in reference books and similar material (such as leaflets about labelling schemes) without the need for specific permission from the Competent Body, provided that the label is not associated with any product, and that the conditions above about colour reproduction are followed.