A framework for Member States to support business in improving its resource efficiency

An Analysis of support measures applied in the EU-28

Measure synthesis

Development of non-legal standards for products and services
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Development of non-legal standards for products and services

Standards for products and services can help producers with greener products to differentiate them from less environmentally-friendly alternatives, as well as allowing consumers to make more informed purchasing choices. Common voluntary (e.g. sector-wide) standards such as minimum efficiency standards, requirements for use of recycled materials in new products, or application of eco-labels, can therefore help to generate and spread resource efficiency improvements.

Developing non-legal standards for products and services is well established across the EU: in seven Member States, the measure is widely used (25%; Germany, Denmark, Finland, France, Italy, Spain and Sweden) and in 12 Member States it is used a little (43%). In nine Member States, there is no national policy in place regarding the development of non-legal standards (32%).

![Figure 1: Scope of application of support measure 8 across the EU-28](image)

**Good practice examples**

In the majority of Member States, voluntary eco-labels or certifications are used to help producers differentiate their environmentally friendly products from alternatives, as well as allow consumers to make more informed purchasing choices. In the following section, a selection of good practice examples is presented (see Figure 2; the full list can be found in the separate Annex document).
Figure 2: Good practice examples and scope of application for support measure 8 across EU-28
Through the “National experimentation for the environmental display on products,” the French government supported businesses in the development of common voluntary standards, which aim to improve the information available to consumers regarding the environmental impacts of products. The project, which ran from July 2011 to July 2012, was based on a call for volunteers, which was open to all kinds of companies, trade associations, etc. in order to create a sample group as broad and varied as possible. The goal was both to push consumers to be better informed when making their purchasing decisions and to allow producers to develop eco-design approaches when designing their products. 168 businesses of various sizes and sectors participated.

A very interesting recent instrument in Sweden (launched in January 2015) is the Miljönär label by the Swedish waste management and recycling association (Avfall Sverige), which is thought to be the first eco-label in Europe promoting reuse and repair. Further objectives of the label are to prolong the life of products, to inspire sustainable consumption, to save money by reducing waste and, finally, to increase knowledge of citizens. In contrast to other labels, it is not carried by the products but awarded to businesses (e.g. second hand shops, repair shops, businesses that specialise in lending or borrowing). The Miljönär Label combines economic and environmental arguments: certified businesses give consumers the opportunity to save money while at the same time reducing waste and, thus, saving natural resources and the environment. Moreover, the instrument tackles the specific problem in Sweden that, while waste collection and recycling are well established, there are still high amounts of generated wastes. Municipalities fund the measure, which is available nationwide. Among the companies awarded with the label so far, one specialises on the exchange of children’s toys and another offers tools for lending.

In Poland, the eco-labelling programme EKO (przynawania oznakowania ekologicznego EKO) promotes products that have a reduced impact on the environment and are resource efficient throughout the product lifecycle. The eco-label certificate “EKO” confirms the compliance of the product and service with specified ecological criteria. It is issued in accordance with Commission Decisions establishing the ecological criteria for the award within the European Eco-label (EU Ecolabel - criteria). At the same time, it is possible to develop new ecological criteria for EKO at the request of and in cooperation with producer groups, stakeholders and other interested parties. Launched in 1998, the measure targets producers, manufacturers, importers, service providers, wholesalers and retailers. Product groups which can be awarded with the label include beauty care products, cleaning products, electronic equipment, paints, floor coverings, furniture, lubricants, gardening products, household appliances and items, paper products, holiday accommodation and others. The eco-label EKO is a registered trademark by the Polish Centre for Testing and Certification (PCBC S.A.) and is issued only by this organisation. 17 years worth of activity have contributed to placing on the market environmental friendly products and extending the cooperation with industry in the scope of developing new ecological criteria. The measure is self-financed without need for national or European funding.

In Ireland, the “Green Hospitality Programme” promotes increases in resource efficiency by providing Environmental Certification for hospitality, travel and tourism businesses with a range of available eco-labels, in particular, the Green Hospitality Award certification. As of 2014, the voluntary programme had 270 members. The estimated environmental benefits of these members in 2014 are:

- 8,500 tonnes of waste prevented;
- 45,000,000 KWh of energy saved;
- 500,000 m³ of water saved; and
- 10,000 tonnes of CO₂ saved.

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3 See http://miljoglobin.se/
This amounts to average additional savings for participating hotels of 70,000 EUR per hotel per annum.

**Lessons learnt from the application of the support measure**

The following lessons learnt could be derived from the application of this support measure in the above four Member States, as well as from the information obtained for the other Member States where this support measure is being applied:

Resource efficiency aspects can be integrated in eco-labels in different ways. One approach is to adopt a **life cycle perspective**. This is, for example, done by the EU Eco-label, as well as the Nordic Eco-label and the Good Environmental Choice Label applied in **Scandinavian countries**. These labels cover the following environmental issues: energy usage, climate aspects, water usage, source of raw materials, use of chemicals, hazardous effluents, packaging and waste. The Blue Angel label in **Germany** takes another approach, where the sub-category “conserves resources” has been introduced to **mark products whose production used fewer resources in comparison to alternative products on the market**.\(^4\)

A number of barriers were identified in different Member States, hindering businesses from using eco-labels or other voluntary standards. Especially in Eastern European countries, a low interest from the business sector in environmental certificates hinders the spread of eco-labels. Reasons for this are a lack of information on the benefits of the labels, as well as a lack of consumer awareness for greener products and recognition of the labels. At the same time, there is limited public budget available to promote eco-labelling and to make it more known. Furthermore, long administrative procedures to obtain an eco-label discourage companies.

Various existing, successful examples for eco-labels and certificates give insight to how these barriers might be overcome. For example, **Italy** initiated a number of agreements, incentives and activities to promote the European Eco-label amidst Italian SMEs. The **initiatives targeted certain regions** of Italy (e.g. the project “Eco-label for tourism in Trentino”; promotion activity by the Regional Environmental Protection Agency in Sicilia, a regional regulation in Puglia). In 2014, Italy achieved the highest numbers of products awarded with the European Eco-label (19,480 products, 344 licences) among EU Member States.\(^5\)

One central success factor of the well-functioning labelling systems in the EU is the **involvement of relevant stakeholders**, which helps to overcome the barrier of lack of awareness and knowledge of eco-labelling. This is demonstrated by a survey conducted after the experimentation for the environmental display on products in **France**. The survey showed that after taking part in the project, 78% of the participating companies thought that the experimentation allowed them to better understand the environmental performances of their supply chain/of the value chain, and 73% thought that eco-labelling is a potential source for competitive advantage. Specific factors for success include the fact that this experimentation involved a **series of meetings and consultations with different stakeholders** (National Committee for Sustainable Development, Grenelle Environment Forum, ministries, the AFNOR ADEME platform [French standardisation body/French agency on environment and energy management], the French National Consumer Council, etc.) **in order to set labelling requirements**. This intensive collaboration across very diverse stakeholders was key to engendering positive feedback from the stakeholders and the positive impacts of the experimentation in terms of streamlining resource efficiency concerns into business operations.\(^6\) Similarly, in **Germany**, one strength of the well-known Blue Angel label is its **dynamic development** under the involvement of relevant stakeholders. The specific standards for products and services developed by the German Federal Environment Agency are **continuously**

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adapted according to the latest technological state of the art. This is achieved with the help of environmental and consumer organisations as well as producers. Another example is the labelling programme EKO in Poland, which is characterised by a close cooperation with producer groups and other interested parties, e.g. for the development of new ecological criteria.

Regarding the recognition of labels, Denmark presents a successful example. There are only two officially approved eco-labels in Denmark, and their high level of awareness and credibility makes them an attractive choice for businesses. For interested companies, a central website provides clearly structured and easily accessible information for both labels, e.g. on how to apply for licenses to label products. For the Nordic Eco-label, application forms can be completed electronically and submitted via email, which facilitates the application process for companies.

A further success factor for the acceptance of eco-labels by companies as well as consumers is a capable, trusted and credible awarding organisation. Good practice examples can be found e.g. in Poland and Sweden. The eco-label EKO is a registered trademark by the Polish Centre for Testing and Certification (state-owned company) and is issued only by this organisation. The Good Environmental Choice label in Sweden is managed by a renowned environmental NGO (the Swedish Society for Nature Conservation).

Across the examples obtained from literature review and Member State responses, the following aspects could be identified as key success factors for developing non-legal standards for products and services to improve resource efficiency in businesses in the EU:

- Adopting a holistic approach for the design of the requirements for labels/certificates, encompassing all stages of the life cycle of products and services.
- Involving relevant stakeholders (e.g. producer groups, consumer organisations, environmental NGOs) in the development and revision of the criteria for the label, e.g. through meeting and consultations, or through the establishment of an advisory council.
- Ensuring the credibility of, as well as the trust in, the awarding organisation, e.g. by making the label requirements and awarding procedures transparent, involving stakeholders, choosing an organisation independent of making profits (e.g. a state agency, NGO).
- Providing targeted, easily available and accessible information on certification criteria and application processes.
- Keeping administrative procedures to obtain the eco-label simple.
- Limiting the number of officially accepted labels in order to avoid a flood of different labels which unsettles consumers and diminishes their trust in eco-labels.

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8 See www.ecolabel.dk/inenglish/.