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PART 3. EXECUTIVE SUMMARY:
CONCLUSIONS/RECOMMENDATIONS

1. GENERAL WORKING FRAMEWORK

The aim of this project, that NOVOTEC CONSULTORES, S.A. (from hereon NOVOTEC) is carrying out for the DIRECTORATE GENERAL FOR THE ENVIRONMENT OF THE EUROPEAN COMMISSION, is to help the latter in the Development and Implementation of a Marketing and Promotion Strategy for the Ecolabel in Spain.

The contract that regulates the present project has a maximum duration of 18 months as from the date of signing (13/02/02).

During performance of the project, NOVOTEC has contacted the various Stakeholders related to the European Ecolabel System, has identified how the System works in Spain and has designed and developed a Promotion and Marketing Campaign for the Ecolabel, the fundamental actions of which are summarised below.

The contents of this Executive Summary briefly summarise the most relevant activities and most significant achievements made throughout this project, which have been described in detail in previous sections of the present report.

2. MAIN ACTIONS PERFORMED AND MILESTONES ACHIEVED

2.1. NEW LABELS

Coinciding with the performance of this project, the Community of Madrid, through the Directorate General for Environmental Education and Discipline of the Council for the Environment, has awarded
its First European Ecolabel to a Paint for Interiors by the company LANDECOLOR. This has a double meaning, since on the one hand the number of labels awarded in Spain is increasing and, on the other, the new Competent Body, in this case the aforementioned Directorate General, is actively joining the European Ecolabel System. NOVOTEC has collaborated closely with the Community of Madrid throughout the entire process of awarding of this Ecolabel.

### 2.2. ACTIONS WITH THE COMPETENT BODIES

Throughout the project, various contacts have been made with both the Ministry of the Environment and the different Competent Bodies recognised in Spain for awarding of the European Ecolabel, these being as follows:

<table>
<thead>
<tr>
<th>REGIONAL GOVERNMENT OF CATALONIA (Generalitat de Catalunya)</th>
<th>COMMUNITY OF MADRID</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of the Environment</td>
<td>Council for the Environment</td>
</tr>
<tr>
<td>Directorate General for Environmental Quality</td>
<td>Directorate General for Environmental Education and Discipline</td>
</tr>
<tr>
<td></td>
<td>Environmental Promotion and Information Service</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>COMMUNITY OF VALENCIA</th>
<th>COMMUNITY OF MURCIA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directorate General for Environmental Quality</td>
<td>Council for Agriculture, Water and the Environment</td>
</tr>
<tr>
<td>Environmental Management Innovation Service</td>
<td>Secretariat for Water and the Environment</td>
</tr>
<tr>
<td></td>
<td>Environmental Quality Service</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>COMMUNITY OF CANTABRIA</th>
<th>AENOR Spanish Standardisation and Certification Association</th>
</tr>
</thead>
<tbody>
<tr>
<td>Council for Consumption</td>
<td>Product Certification Division</td>
</tr>
<tr>
<td></td>
<td>Products, services and ecolabelling</td>
</tr>
</tbody>
</table>

We have collaborated with all the above, this collaboration being closer in the case of the Ministry of the Environment and the Directorate General for Environmental Education and Discipline of the Council for the Environment of the Community of Madrid.

Further details on these actions may be found in Part 1 of the present report.
2.3. ACTIONS WITH CHAMBERS OF COMMERCE, CONSUMER ASSOCIATIONS, NGO’s, ETC.

Contacts have been made, opinions gathered and various promotional materials delivered to the following Chambers of Commerce, Consumer Associations, NGO’s, etc.:

<table>
<thead>
<tr>
<th>Council of Chambers of Commerce</th>
<th>Chamber of Commerce of Madrid</th>
<th>Chamber of Commerce of Bilbao</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chamber of Commerce of Zaragoza</td>
<td>Chamber of Commerce of Toledo</td>
<td>Fundación Entorno</td>
</tr>
<tr>
<td>National Institute for Consumption (INC)</td>
<td>34 Consumer Information Offices of the Town Council of Madrid (OMICS)</td>
<td>Centre for Recycled Products of the Community of Madrid (CPR)</td>
</tr>
<tr>
<td>Consumers and Users Organisation (OCU)</td>
<td>Spanish Consumers Union (UCE)</td>
<td>Confederation of Consumers and Users (CECU) and 13 other Consumer Associations</td>
</tr>
<tr>
<td>26 Town Councils in the Community of Madrid</td>
<td>Environmental Consulting Service of the Chamber of Commerce of Madrid</td>
<td>Directorate General for Food and Consumption of the Community of Madrid</td>
</tr>
<tr>
<td>Business Confederation of Madrid (CEIM)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Further details on these actions may be found in Part 1 of the present report.

2.4. ACTIONS WITH COMPANIES AND PROFESSIONAL ASSOCIATIONS

Contacts have been made, opinions gathered and various promotional materials delivered to the following companies and professional associations:

| SPANISH ASSOCIATION OF PAINT AND PRINTING INK MANUFACTURERS (ASEFAPI) | RESEARCH AND DEVELOPMENT ASSOCIATION OF THE FURNITURE AND SIMILAR PRODUCTS INDUSTRY (AIDIMA) |
| TEXTILE INDUSTRY RESEARCH ASSOCIATION (AITEX) | SPANISH ASSOCIATION OF PLASTICS INDUSTRIES (ANAIP) |
| SPANISH FEDERATION OF FOOTWEAR INDUSTRIES (FICE) | MULTISECTORIAL ASSOCIATION OF SPANISH ELECTRONICS COMPANIES (ASIMELEC) |
| NATIONAL ASSOCIATION OF HOUSEHOLD LAUNDRY APPLIANCE MANUFACTURERS (ANFEL) | SPANISH ASSOCIATION OF TILE, PAVING AND CERAMIC FLOORING MANUFACTURERS (ASCER) |
| ASSOCIATION OF DETERGENT, CLEANING AND MAINTENANCE PRODUCTS AND SIMILAR PRODUCTS COMPANIES (ADELMA) | NATIONAL ASSOCIATION OF PULP, PAPER AND CARDBOARD MANUFACTURERS (ASPAPEL) |
Further details on these actions may be found in Part 1 of the present report.

2.5. DEBATE CLUB OF THE FUNDACIÓN ENTORNO

We collaborated with the Fundación Entorno in organising the 15th edition of its Debate Club, dedicated on this occasion to "Consumption and New Environmental Policies". The session was presented by the Secretary General of the Ministry of the Ministry of the Environment and by the Deputy Director General for Environmental Impact and Risk Prevention of the same Ministry, who spoke of the situation of the European Ecolabel System in Spain.

At the entrance to the hall in which the session was held, NOVOTEC organised an exhibition with Spanish products bearing the Ecolabel, and promotional materials were distributed.

The Debate Club was followed by several of the media, both press and television. Channel TVE-1 of Televisión Española interviewed the Director of the Environmental Division of NOVOTEC at the exhibition of Spanish goods bearing the Ecolabel.

Further details on these actions may be found in Part 2 of the present report.
2.6. PILOT PROJECT AT LEROY MERLIN

Another of the relevant activities within the project has been the performance of an awareness campaign and a survey on the Ecolabel at a large sales outlet, in this case for DIY products and materials. The outlet chosen was the LEROY MERLIN centre in ALCORCÓN (MADRID).

This company was chosen because it was introducing on the Spanish market a paint for interiors, of its own private label, that had been awarded the Ecolabel in France.

The campaign was carried out at the weekend (Friday and Saturday) in July, and consisted of a small stand and the performance of a survey among consumers buying paints for interiors.

Further details on these actions may be found in Part 2 of the present report.

2.7. INFORMATIVE SESSIONS AT CHAMBERS OF COMMERCE

Throughout the project we have organised and/or collaborated in Four Subject-Specific Promotion Sessions on the Ecolabel at the following venues and dates:

<table>
<thead>
<tr>
<th>Chamber of Commerce of Madrid</th>
<th>Chamber of Commerce of Bilbao</th>
</tr>
</thead>
<tbody>
<tr>
<td>25th April 2001</td>
<td>3rd July 2001</td>
</tr>
<tr>
<td>Chamber of Commerce of Zaragoza</td>
<td>Chamber of Commerce of Toledo</td>
</tr>
<tr>
<td>15th November 2001</td>
<td>15th November 2001</td>
</tr>
</tbody>
</table>

These sessions included the participation of two University Professors, one from the University of Alcalá de Henares, a specialist in Ecological Marketing, and the other from the Pompeu Fabra and Polytechnic University of Catalonia, a specialist in Ecodesign.

Further details on these actions may be found in Part 2 of the present report.
2.8. SESIONS ON THE ECOLABEL IN EXISTING EDUCATIONAL PROGRAMMES

One of NOVOTEC’s specialities is environmental training. This training is delivered directly or in collaboration with other institutions. In this second mode, and with the collaboration of the Industrial Organisation Business School (EOI) and the Comillas Polytechnic University, specific modules were delivered on the Ecolabel during the Master courses of the EOI: Master in Business Administration (MBA) and Master in Legal, Economic and Social Organisation of the Environment (MOJESMA), as well as during the Course for Environmental Management Technicians of the Comillas University. These modules have been incorporated into the educational programme of both institutions.

Further details on these actions may be found in Part 2 of the present report.

2.9. PRESENCE AT TRADE FAIRS

Taking advantage of NOVOTEC’s presence, with its own stand, at the two most important trade fairs on environmental subjects held in Spain during 2001: ECOMED-POLUTEC (Barcelona. February 2001) and PROMA (Bilbao. March 2001), promotional material on the Ecolabel was distributed at both fairs, and a survey on perceptions of the Ecolabel was carried out at ECOMED-POLUTEC.

Further details on these actions may be found in Part 2 of the present report.

2.10. PRESENCE IN THE MEDIA

Information on the work performed has appeared in various press channels and on television. For all the actions, press releases have been prepared and/or announced via the media. The act that received the widest diffusion was the Debate Club of the Fundación Entorno, which was reported on three television channels and referred to in more than 25 written media with national and regional circulations, as well as being distributed via the Internet.

Further details on these actions may be found in Part 2 of the present report.
2.11. DESIGN AND PUBLISHING OF PROMOTIONAL MATERIALS

The following materials were designed and published for this campaign:

- NOVOTEC promotion poster. 1000 copies
- NOVOTEC promotion flag
- Two-page leaflets by the Commission Do-It-Yourself (republished by NOVOTEC). 300 copies
- Three-page leaflets by the Community of Madrid (Designed by NOVOTEC, published by the ACM and distributed in collaboration)
  - “A Commitment to the Environment” (for industry). 6,000+6,000 copies
  - “Ecological Purchasing. The Intelligent Purchase” (for consumers). 6,000+6,000 copies

SEE ANNEX XI: DRAFT COMMUNITY OF MADRID EU ECOLABEL MANUAL.

Further details on these actions may be found in Part 2 of the present report.

2.12. DISTRIBUTION OF PROMOTIONAL MATERIALS

- NOVOTEC promotion poster. 1000 copies
- Two-page leaflets by the Commission “DIY” (republished by NOVOTEC). 300 copies
- Commission Infokits. 900
- Three-page leaflets on the Ecolabel by the Commission. 400 copies
- Three-page leaflets by the Community of Madrid. 24,000 copies
- Tee shirts: 150.
Most of the promotional materials were distributed via the sessions, conferences, courses, etc. that were organised for this project. Nevertheless, and in order to reach other agents not attending these events, more than 400 mailings of the materials were carried out.

Further details on these actions may be found in Part 2 of the present report.

3. CONCLUSIONS/RECOMMENDATIONS REGARDING THE APPROACH TO THE STAKEHOLDERS. IDENTIFICATION OF STAKEHOLDERS

In Spain, as has probably been the case in most countries of the European Union, three major groups have been identified as potentially grouping all the stakeholders in the European Ecolabel System.

It is hardly surprising that these three major groups should be the Public Administration, the Industrial Sector and the Consumers.

Presented below are the conclusions of this study as regards the situation of the European Ecolabel in Spain, the difficulties involved in achieving more widespread use, what the Administration is doing to promote its use, the opinions of the consumers, the difficulties perceived by the business sector as regards its being adopted, etc.

3.1. PUBLIC ADMINISTRATION

A distinction should be made within the Spanish Public Administration between the Competent Bodies and other central and/or Autonomous Community institutions.

3.1.1. COMPETENT BODIES

In Spain, and in accordance with the Constitution, the environment is the responsibility of the Autonomous Communities. This means that there might potentially be seventeen Competent Bodies in the country, appointed by the Autonomous Communities.

Of the seventeen potential Competent Bodies, only five have been appointed by their Regional Governments, as a result of which twelve Communities (70% of the country) have no organisation specifically in charge of promoting the Ecolabel. This task is performed in a subsidiary manner by the Ministry of the Environment and by AENOR. In this respect it should be pointed out that the new role
of AENOR is currently being defined, in the wake of a new Regulation (1980/200) governing the Ecolabel.

Of the five Autonomous Communities that have appointed a Competent Body, only two have awarded an Ecolabel, the Generalitat de Cataluña and the Community of Madrid. These same two Competent Bodies are the only ones to have made any great effort in broadcasting and promoting the Ecolabel in their territories.

**RECOMMENDATION**

Given the distribution of responsibilities currently in existing in Spain in relation to Environmental Management, it is considered essential that all the Regional Governments appoint a Competent Body for the European Ecolabel. These Competent Bodies should be provided with the material and human resources required for their tasks of effectively promoting and broadcasting the Ecolabel.

From the surveys carried out throughout the project it may be deduced that it would be advisable for the Competent Bodies, within their respective realms of competence, to reduce costs and simplify arrangements for awarding of the Ecolabel. It would also be advisable for aid to be given for the performance of laboratory tests. This is especially true in the case of the SME (small and medium-sized companies), and until such time as the Ecolabel be sufficiently consolidated in Spain.

**RECOMMENDATION**

Until such time as the Ecolabel is definitively consolidated in Spain, and especially for the SME, it would be advisable for the Competent Bodies to reduce the Ecolabel rates and provide economic aids for laboratory tests, for those categories of products for which these are required.

From the Competent Bodies or via the supporting institutions, Ministries of the Central Administration, Autonomous Community Councils, etc., promotion should be given for an effective policy of “public green purchasing”, this covering all types of institutions and not only those relating to the environment. Another incentive might be reduction of VAT on products bearing the European Ecolabel.
3.1.2. OTHER ORGANISATIONS OF THE ADMINISTRATION

The role of other organisations belonging to the Administration is considered to be fundamental to achieve greater penetration by the Ecolabel in Spain. These other organisations to which we refer are more related to consumption. At national level we have the National Institute for Consumption, and in each of the Autonomous Communities there is an organisation or administrative unit responsible for such issues. It should not be forgotten that, with the exception of the Autonomous Community of Cantabria, the competent bodies appointed for the Ecolabel report to the environmental administrations. Given the current administrative structure of Spain, it might be thought that the different administrations with environmental responsibilities are closer to the manufacturers than to the consumers. Greater participation by the organisations of the Administration responsible for consumption would be particularly appropriate. This type of organisation usually inspires a high degree of confidence among consumers, as was demonstrated in the surveys performed.

These surveys also reflected the high degree of credibility that the European Commission has among Spanish consumers. Despite its being little known in Spain, the Ecolabel is considered to be very reliable because it is backed by a European institution.

RECOMMENDATION

The Competent Bodies should promote within their Administration a policy of “public green purchases”. A reduction in VAT for products bearing the Ecolabel would also be very interesting.

3.2. CONSUMERS

According to the study performed by the Fundación Entorno and the survey carried out by NOVOTEC at LEROY MERLIN, the Ecolabel is little known in Spain. Only 14% of the population know the label...
and 4% know what it means, despite which more than 21% of the respondents attach a high degree of credibility to it.

The Spanish consumers are willing to buy ecological products as long as the price is no higher than 10% more than would be normal for the product in question.

The existence of other national or regional labels leads to confusion. If the Ecolabel were consolidated in Spain this would probably not occur.

In Spain, product labels continue to include environmental claims that are not backed or validated by any institution. These claims should be removed from labels, since they simply confuse the consumer and lead to mistrust in brands with institutional backing.

**RECOMMENDATION**

The product labelling standards should be improved. Phrases such as “ecological”, “environmentally friendly”, etc. should not be allowed on labels. These confuse the consumer and seriously harm the Ecolabel. The existence of other national local labels also confuses the consumer.

Given that few products are available, the promotion campaigns cannot be massive, since they might create false expectations in consumers who would be led to request products that would be unavailable at many sales outlets.

**RECOMMENDATION**

The Ecolabel promotion campaigns should not be massive or indiscriminate. They should focus on certain products and on certain targets. It might be good to organise pilot awareness campaigns aimed at highly specific target groups and for products for which the ecological criteria are to be approved shortly.
3.3. MANUFACTURERS AND DISTRIBUTORS

MANUFACTURERS

The surveys performed in relation to the industrial sector show that the Ecolabel is not very well accepted, and no easy mechanisms may be identified to change this attitude. The criticisms might be classified into two types: the first represented by small companies that complain that the awarding system is complex and expensive, and the second represented by larger companies that generally consider the system to be rigid and not adapted to the reality of each country.

Referring to the business associations contacted, the vast majority are not favourable to the Ecolabel, and sometimes disagree considerably with the awarding system. In general, serious disagreement is encountered with the establishment of ecological criteria, a rejection that it would be difficult to resolve.

Another known fact, that has been sufficiently contrasted, is that the manufacturers do not see any direct added value attached to the Ecolabel, since as it is little known by the consumers it does not constitute a differential element potentially providing any competitive edge.

Another aspect underlined by the industrial sector is that in most Autonomous Communities the Competent Bodies are linked to the environmental authority. This might at times lead to reluctance, since they feel that when approaching the environmental authority to apply for the awarding of an Ecolabel, they might be providing information that could be used by the authority to initiate inspections and/or penalties if cases of non-compliance by the requesting industry were detected.

To remove this mistrust, it is considered fundamental that the Chambers of Commerce and Sector Associations collaborate in all the campaigns. The Chambers of Commerce are very important in Spain, especially as regards support for small and medium-sized companies. In this respect it should not be forgotten that more than 90% of Spanish companies are SME, this making the sector particularly disperse and heterogeneous.

The information strategies should be oriented in such a way that the industrialist appreciate the economic benefits and prestige of the Ecolabel (exclusiveness), and especially take into account the fact that the purchasing criteria of the Spanish consumer are changing and that, as a result, more environmentally friendly products are increasingly valued.
RECOMMENDATION

From the point of view of the industrialists, the Ecolabel promotion campaigns should focus on specific groups of products. The collaboration of the corresponding Business Association should be available from the very beginning and the campaigns should centre on given areas. This territorial focus should be reinforced by active participation by the Competent Body in the area and the corresponding Chamber of Commerce.

DISTRIBUTORS

Regarding the distributors, their role in promoting the Ecolabel is a fundamental one.

The main reason is that the purchasing habits of Spanish consumers centre increasingly on purchases at large specialist sales outlets, such as LEROY MERLIN, IKEA, etc., and at more general Department Stores such as EL CORTE INGLÉS, CARREFOUR, etc.

The conversations held with both the major chains and their association ANGED (National Association of Large and Medium-Sized Distribution Companies) demonstrate that there is some interest in participating in the European Ecolabel System.

This participation would focus on private label products. The first thing to achieve would have to be stability regarding the manufacturers of such brands. The major distributors tend to rotate their suppliers to a large extent.

Despite the difficulties identified, there is the example of LEROY MERLIN. In Spain with this project and in France with the collaboration of AFNOR, they have undertaken an important diffusion campaign for their paints for interiors with the European Ecolabel.

RECOMMENDATION

The role of the major distribution chains is thought to be very important for development of the Ecolabel in Spain. If they entered the System, the impulse achieved would be considerable. Performing a specific pilot project with some of them might be highly interesting.
4. OVERALL CONCLUSIONS AND RECOMMENDATIONS

The following might be singled out as overall conclusions and recommendations, considering the possibility of the European Commission’s undertaking actions of this type in Spain in the near future:

- Actions should be aimed at a specific group of products/services and centre on a given region, in order to maximise the impact.

- In the interests of novelty, the effect might be greater if actions were aimed at a group of products/services for which ecological criteria had not yet been approved. The action should be aimed at preparing the market before the products/services were available to the potential consumers.

- The group of products/services selected should be representative of sectors of relevance to the country.

- In view of the above, it is recommended that future actions focus on footwear, tourist establishments or hard floor coverings. These three product categories are currently considered to have the greatest potential in Spain.

- Actions should be carried out in regions/zones in which the category is firmly implemented, due to the existence of factories, quarries or tourist establishments.

- The Competent Body in the region should be involved from the very beginning, as should a consumer organisation, the National Institute for Consumption or its regional equivalent, the corresponding Business Association and a group of business people individually committed to the initiative. Joint, coordinated and agreed on action by all the agents and on all fronts is considered to be essential. The contribution of the Chambers of Commerce might be of great interest.

- Specific action aimed at the major distributors and alternative or complementary to the foregoing is essential. If these large chains decided to obtain the Ecolabel for certain of their own products (private label), the effect on the consumers and manufacturers might be one of major impact.

- Actions of a fiscal nature, reductions in VAT, reductions in levies and charges for SME and the promotion of public green purchasing are also dynamic instruments of great potential.