

## What are **Ecolabels**?

Information for Producers

EU4Environment



**Labels** that help consumers select products and services according to specific environmental and social criteria.



**Tools** that protect the environment and simultaneously differentiate the products or services from competitors.



Means of promotion that boosts the sale of products and services.



Market-based instruments that are voluntary.

## Did you **know**... 🖓

Sales of sustainability-marketed products grew more than twice as fast as conventionally marketed products in the past **6 years**.<sup>1</sup> There is a business case for offering more sustainable products and services to a growing consumer segment, including younger generations. In a recent survey in 25 countries, 64% of respondents said they wanted to reduce their personal impact on the environment and nature, and 44% felt guilty about their current impact.<sup>2</sup>

Consumer preferences are changing globally, not just in developed markets – more than 35% of respondents in emerging or developing markets (versus 28% in developed markets) said they bought sustainably produced goods.<sup>3</sup> In the EU's Eastern Partnership region, only Ukraine has a Type I ecolabel – the **Green Crane**, which is awarded by an independent NGO.<sup>4</sup> Moldova is also developing a national ecolabel.

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<sup>1</sup> Sustainable Market Share Index. Center for Sustainable Business, 2021

- <sup>2</sup> GlobeScan, 2022.
- <sup>3</sup> Euromonitor International, 2021.
- <sup>4</sup> Green Crane Ecolabel, n.d.









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# What are the different types of **Ecolabels**

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Overview of labels and their application for environmental best practice:

	Ecolabel  Type I	Certification scheme or sustainability label Type I-like	Self-declaration	Environmental product declaration Type III
ISO reference	ISO 14024	     	ISO 14021	ISO 14025
Third party- verified	Ø	Ø	Not required but recommended	⊘
Life cycle-based			Rarely	Typically
Environmental focus	Full set of environmental (and social) criteria	Specific environmental impact	Specific environmental impact	Overall impact (often shown as matrix)
Comparability between products possible	Sometimes	Sometimes		Typically
Communication method	Seal or label	Seal or label	Declaration, sometimes with seal or graphical element	Environmental product declaration
Type of communication	Business-to-consumer	Business-to-consumer	Business-to-consumer	Business-to-business

### The product life cycle

Anufacturing Packaging & Distribution Dist

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## What are the benefits of **Ecolabels**?

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#### Ecolabels help companies:

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#### Increase competitiveness

- tapping rising consumer demand for green products and services
- opening up new markets (domestic and international) or expanding existing ones
- improving access to sustainable public procurement

#### Install long-term sustainable, efficient production, after initial investment

- cutting resource use
- measuring performance to further reduce environmental impact

**Promote products** with a sustainable brand that stands out and gains the trust of consumers

**Improve their reputation** in the field of nature protection and sustainable development

Provide consumers with a reliable criterion for choosing sustainable products with little effort

#### The **impact** of Ecolabels on the environment<sup>1</sup>

## Savings of 21,000 tonnes of $CO_2$

emissions annually can be attributed to the sale of ECNZ-licensed toilet paper in New Zealand (equivalent of 21 round trips from Paris to

New York by plane).

#### In China, almost 10 billion kWh of electricity

was saved in 2018 through the sale and use of printerbased multifunctional devices certified by the China Environmental Labelling.





In India, GreenPro-labelled cement and concrete result in a reduction of almost **6,5 million** tonnes of greenhouse gas

emissions annually.



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Measuring the Performance of Ecolabels. Global Ecolabelling Network, 2019.

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## Making the most of **Ecolabels**

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#### Careful, greenwashing!

**EU4Environment** Green Economy in Eastern Partner Countries

A recent market review in the EU found that 42% of environmental claims made on websites were exaggerated. Misleading consumers regarding the environmental practices of a company or the environmental benefits of a product or service is called "greenwashing". It leads to consumers buying products that do not deliver what they promise. This creates confusion and undermines the credibility of eco-labels and the companies using them.

To avoid greenwashing and build trust between businesses and their customers it is essential for producers to provide the right background information when writing their own green claim.

#### How to provide product sustainability information<sup>1</sup>

It is important to apply a life cycle thinking approach to identify potential and actual social and environmental impacts (from resource extraction to disposal). Sustainability claims should be based on five fundamental principles:



RELIABILITY



### RELEVANCE

CLARITY





turn

Further, consider all of the economic, social and environmental dimensions of sustainability, highlight the long-term positive impact your product or service will deliver, find innovative ways to spread your message, work with partners to enhance your credibility and help consumers compare products.

 Guidelines for Providing Product Sustainability Information. United Nations Environment Programme, 2017. https://app-onet.tbf.dev/sites/default/files/from-crm/guidelines\_executive\_summary.pdf
Video. Guidelines for Providing Product Sustainability Information. United Nations Environment Programme, 2021. https://www.youtube.com/watch?v=wOOBn\_RUKVE.

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THE WORLD BANK



## How to obtain Type I Ecolabels

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Submit your application

Promote your product & reap the benefits

## How to obtain an EU Ecolabel and export your products to the EU market

The EU Ecolabel is a Type I award scheme managed by the European Commission and EU member states. The label is available for 11 product groups – cleaning, clothing and textiles, coverings, do it yourself, electronic equipment, furniture and mattresses, gardening, holiday accommodations, lubricants, paper, personal and animal care products – with more under development.



#### Seven steps to obtain an EU Ecolabel

- Contact a Competent Body an independent organization responsible for EU Ecolabel applications and licences – in a country in the EU or European Economic Area where your product is or will be marketed. The Competent Body will provide guidance on the next steps.
- 2

Register your goods or services in the online EU Ecolabel catalogue (ECAT) or the EU Ecolabel tourist accommodation catalogue.

3

Build your application dossier so that the Competent Body can assess your compliance with the criteria.

4

Submit your application and pay application & annual fees.

Wait while your application is assessed.



- Receive approval of your application and the EU Ecolabel license.
- Communicate and advertise your goods or services with the EU Ecolabel.

#### The costs of the EU Ecolabel<sup>1</sup>

The cost of using an EU Ecolabel depends on the location and size of your enterprise. Fees are divided into application fees (between 200 and 2,000 euro), annual fees (maximum 18,750 euro for micro-, smal and medium-sized enterprises, and enterprises in developing countries) and inspection fees. Adapting products to meet the ecolabel criteria and modifying or extending a licence may incur additional costs.

<sup>1</sup> EU Ecolabel - How to apply. European Commission, n.d. https://environment.ec.europa.eu/topics/circular-economy/eu-ecolabel-home/how-apply\_en www.eu4environment.org
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