COMMISSION OF THE EUROPEAN COMMUNITIES

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COMMISSION STAFF WORKING DOCUMENT

accompanying the

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on a Community Ecolabel scheme

SUMMARY OF THE IMPACT ASSESSMENT

{COM(2008) 401 final}
{SEC(2008) 2118}

Executive Summary

According to Article 20 of the Ecolabel Regulation[1], the EU Ecolabel scheme, which has been in place since 1992, has to be reviewed and the Commission must then propose any appropriate amendments to the Regulation.

The overall objectives of the scheme are to encourage the sustainable production and consumption of products, and the sustainable provision and use of services, by setting benchmarks for good environmental performance. By guiding consumers towards them, the Ecolabel should promote those products and services that have met these benchmarks compared to others in the same category. The Ecolabel scheme also needs to be usable as an integral and effective part of the wider Sustainable Consumption and Production policy framework of the European Commission, linking well with other instruments, such as Green Public Procurement (GPP), the Eco-Management and Audit Scheme (EMAS) and the Eco-design Directive.

The Ecolabel review and impact assessment process began in February 2002, with the launch of a large-scale evaluation study on Ecolabel[2]. In addition to the review, a number of stakeholder consultations have taken place, culminating in a public internet consultation at the beginning of 2006, the results of which indicated strongly the need for significant changes to be made to the Ecolabel Regulation. The impact assessment shows that the current scheme is unable to achieve its objectives as it suffers from low awareness of the label and low uptake by industry resulting amongst others from excessively bureaucratic processes and management.

Three main or macro-options are considered in this impact assessment: continuing with the present approach; phasing out the scheme; or making modifications to the scheme. Within the last option a number of micro-options are analysed and then considered as a package of measures representing the best modifications of the scheme. Following the analysis of impacts this last option has been chosen. The following package of measures is therefore proposed for the modification and simplification of the scheme:

- Design Regulation to better fit into the other sustainable production and consumption actions of the Commission;
- Open up the scope of the label;
- Introduce measures to encourage harmonisation with other eco-labelling schemes: EU Ecolabel criteria as a standard for other eco-labels; fast track procedure to adopt criteria developed by national ecolabel schemes;
- More product groups / quicker criteria development;
- Introduce a template for criteria documents to ensure they are more user friendly;
- Incorporate guidance for Green Public Purchasing into criteria development;
- Simplification of the assessment and verification procedures and abolition of the annual fee;
- Peer review for Competent Bodies;

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[1] Regulation (EC) No 1980/2000 of the European Parliament and of the Council of 17 July 2000 on a revised Community eco-label award scheme (http://ec.europa.eu/environment/ecolabel/pdf/regulation/001980_en.pdf)

[2] http://ec.europa.eu/environment/ecolabel/revision_en.htm

- Boost marketing.

It can be expected that this modification and simplification of the scheme will lead, on the one hand to a considerable increase in companies using the label, therefore also to an increase in Ecolabelled products on the market and, on the other hand, to an increase in the number of consumers that know about, and are prepared to buy, Ecolabelled products as well as to an increase in the use of EU Ecolabel criteria in public procurement. The Ecolabel will be better tailored to policy makers, particularly within the framework of the Sustainable Consumption and Production Action Plan, and will be a useful benchmark and information tool on the environmental performance of products and services.

The economic and environmental impacts of the scheme will depend on the Ecolabel's success and this will in turn depend, amongst other factors, on how well it co-ordinates with other policy instruments aiming at promoting innovation in the life-cycle environmental performance of products. Forthcoming Commission actions on Sustainable Consumption and Production will examine ways to use a range of product policy instruments in a coherent and co-ordinated way to maximise their effect as a whole in driving both innovation and sales of better performing products. As the Ecolabel is part of this package of instruments, its impact will need to be judged as part of it.

This impact assessment concludes that, as a voluntary instrument, a modified Ecolabel can have net economic benefits for the EU economy, and increase both competition and competitiveness. The Ecolabel therefore works with the market and – with its simplified approach – is a model "better regulation" policy instrument.