



UNION EUROPEENNE DE L'ARTISANAT ET DES PETITES ET MOYENNES
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EUROPEAN ASSOCIATION OF CRAFT, SMALL AND MEDIUM-SIZED ENTERPRISES
UNIONE EUROPEA DELL' ARTIGIANATO E DELLE PICCOLE E MEDIE IMPRESE

UEAPME's position on the revision of the Eco-label Regulation

UEAPME welcomes the revision of the Eco-label scheme since it is important to adapt the scheme to the current environmental and market needs and encourage the uptake of the Eco-label , in particular by SMEs.

UEAPME is in favour of a voluntary Eco-label scheme.

Although the decision-making process under the Eco-label Regulation will remain distinct from that of the Eco-design and the Labelling Directive, the implementation of these schemes will be closely linked to ensure that the data and scientific knowledge are used efficiently and that the information given to consumers is consistent. Notably, the process of setting criteria under the Eco-label will provide information to the analytical work carried out under the Ecodesign Directive for the setting of minimum requirements and benchmarks of environmental performance, and vice-versa. When the same product groups are addressed, the assessment methods and review timetables will also converge.

The Proposal extends the scope to food products but it only refers to processed food and the products of fishing and aquaculture. (*Article 7.3: Where criteria are developed for processed food other than the products of aquaculture, those criteria shall relate only to processing, transport or packaging*).

The link with Regulation (EC) No 834/2007 on Organic Food has to be clarified because the current wording can cause confusion to both producers and consumers.

SMEs' DEMANDS

UEAPME is in overall satisfied with the flexibility introduced in the Proposal. It however regrets the lack of commitment towards SMEs with its very few mentions to businesses in general and in particular to SMEs or SME networks.

The issues of greatest concern for SMEs are the following:

- **Ownership of the scheme by stakeholders –SME representatives**

With regards to the overarching structure of the Eco-label, it is worth noting that it has been maintained with no major modifications, in particular as for the members of the European Union Eco-labelling Board (EUEB). The current structure has proven long, bureaucratic and costly for small businesses in the two previous versions of Eco-label.

The idea to allocate voting and decision-making powers to stakeholders has not been contemplated in the Regulation. As a consequence, stakeholders' participation, commitment and ownership of the scheme remain the same as they have been up until now.

As for the development and revision of the Eco-label criteria, the Proposal does not mention the importance that SMEs have for the scheme. It is important to adapt the Eco-label system to **SMEs** because up until now **they are its main clients/users**.

- **Facilitate the uptake by SMEs of both products and services**

Article 2 of the Proposal defines the scope of the Regulation saying that it “shall apply to any goods or services which are supplied for distribution, consumption or use on the Community market...” Neither on this article nor in the subsequent articles there is a specific mention to the development of Eco-label criteria for product groups (both goods and services) manufactured by SMEs. The overall regulation focuses in promoting the use of ecolabel criteria by public purchasers.

Furthermore, UEAPME welcomes the inclusion of “services” in articles 2 (scope) and 3 (definitions).

- **Quicker and simpler criteria development**

An effective criteria development process is crucial for the Eco-label. UEAPME believes that alternative ways of developing Eco-label criteria are needed to speed up the traditional procedure, to have criteria for more product groups and to quicker adapt the existing criteria to the needs of the market.

In the first place, the reduction **of both the number of criteria and the number of tests**, which SMEs have to go through, would be desirable. Sometimes criteria that are not indispensable for granting the Eco-label are included. In order to avoid this, it would be good to introduce a short explanation for every criterion that would prove its necessity.

The criteria must be supported by scientific evidence, using methods accepted widely across the scientific and technical community.

UEAPME welcomes the withdrawal of the existing mandate of the Commission to the EUEB. The removal of the mandate will enable the EUEB to launch the development or revision of criteria without having to obtain the “approval” from the Commission. Under the Proposal, Member States, competent bodies and other stakeholders may initiate the development or revision of criteria.

The introduction of a template for criteria documents proves also useful since it will ensure more user-friendly criteria.

Another necessary reform would be to reduce the time of inter-service consultations. Inter-service consultations can block criteria that have been approved at the EUEB and as a consequence, the whole procedure becomes very long.

Different modalities of criteria

It would be interesting to allow **the re-use of tests already carried out for the same products or introduce the use of self-declaration** (as the New Approach foresees). By introducing the self-declaration, the enterprises themselves would guarantee that the product complies with the criteria. This would avoid SMEs to have to go through many lengthy and costly tests all over again. An external ex-post control could be established in this case.

UEAPME strongly believes that a reduction of the number of tests would ease the overall procedure.

- **New measures of promotion of the scheme**

Although boosting marketing of the Eco-label should be one of the priorities of this revision, Article 12 does not propose any new measures on how to improve the promotion of the scheme. It only mentions awareness-raising and information campaigns, which have already taken place up until now. In this context, new measures of promotion are desirable in order to increase the general uptake of the Eco-label and in particular the uptake among SMEs. Marketing must become much more effective in particular at national level.

SMEs with the Flower should be able to use the logo as much as possible as a real marketing instrument.

- **More emphasis on the costs for SMEs**

Article 9.3 sets up a fee for processing the registration of up to 200 Euro and abolishes the current annual fees being applied by competent bodies to Eco-label users and therefore to SMEs. UEAPME welcomes the abolition of annual fees, which reduces the administrative burden for companies.

However, UEAPME deems more important the overall cost reduction of the scheme for SMEs. The Proposal does not make any reference to the costs of compliance tests, which are normally very high, particularly for micro and small business. In order to overcome this problem, UEAPME strongly believes that a reduction of the number of tests would ease the overall procedure.

The costs (compliance, consultancy costs) represent in most cases a barrier for SMEs and might deter their application for the EU Eco-label.

In order to overcome this problem, one possibility could be to draw up guidelines or recommendations on how to help businesses in this matter. These guidelines could be based on best practices in the different Member States. Another possibility would be that companies falling under the EU SME definition benefit from tax reductions on their compliance, technology and consultancy costs. Moreover, specific provisions to facilitate the adoption of the EU Eco-label should be foreseen for SMEs in the framework of EU initiatives/programmes, such as the structural funds and the new Life +.

- **Easier Harmonisation**

The harmonisation of the EU Eco-label with the national eco-label should become reality after the revision. UEAPME suggests introducing a provision in the revised text of the EU Flower in order to allow companies with one eco-label to easily obtain the acceptance in the other scheme. In fact the actual wording "as strict as" is rather vague

since it is difficult to judge strictness and thereby understand when harmonisation is possible or not.

- **Other comments**

UEAPME is against the extension of the scope of the Eco-label to social aspects. Although, we support the social principles, in practice it would not be feasible to translate them into the Eco-label scheme without extra burdens for SMEs. It would result in high costs to test the products and their life-cycle as well as very time-consuming and expensive for a small enterprise with few resources.

- **Conclusions**

A wide participation of SMEs would greatly contribute to the growth and the dissemination of the scheme. Therefore UEAPME asks for:

1. An overall reduction of the costs, in particular the costs of the technical tests required in order to show the respect of the criteria, and
2. An enhanced added value of the Ecolabel scheme as a market instrument.

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