

**EVER:  
Evaluation of EMAS and Eco-label for their Revision**

**Annex II**

**WORKSHOPS FOR THE REVISION OF THE TWO SCHEMES**

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## INTRODUCTION

The workshops were aimed at:

- Presenting the findings emerging from both the literature review and the in-field research of the EVER study
- Involving relevant stakeholders in a consultation process aimed at obtaining feedback on the above-mentioned findings, so as to activate a discussion over possible evolution of the schemes
- Identifying main problems and barriers for the development of the two schemes
- Discussing the positioning of the schemes themselves, in the range of EC sustainable development environmental policies
- Gathering suggestions and indications for the revision process

The participants in the workshops were selected taking into account factors such as their expertise or interest and involvement in the application of each scheme, both as subjects/bodies directly involved (competent bodies and verifiers) and institutions, and as actors of the system (firms, consultants etc).

A specific focus was put on companies, to gather “first hand” indications by those actors and practitioners that are more directly involved in the application of EMAS and the EU Eco-label.

The workshops started with a general presentation of the study, followed by the setting up of parallel sessions, each angled towards a specific issue. At the beginning of such sessions, whose results and findings will be presented and outlined further in this document, the consultants provided some “interpretation keys”, showing further data specifically linked to the issue being discussed.

Some preliminary indications were given, such as the questions spurring the dialogue, the time available for the discussion and information on how to send in (for instance via e-mail), further comments on the discussion itself.

This report contains a synthesis of the discussions taking place during the parallel sessions. The contents and ideas expressed within such sessions represent the position of the persons, not the institutions they represent. That is the reason why we do not mention the names of participants in the following synthesis, but only, if at all, the type of organisation involved (company, Public sector, etc). The complete list of participants is appended to the present report.

The information, positions, and suggestions gathered during the workshops represent, along with the literature review and the interviews, empirical evidence for the study.

**Both the workshops were organised and carried out thanks to the great support of the European Commission - DG Environment and of the EMAS Helpdesk. We wish to sincerely thank all the persons involved.**

## **EMAS WORKSHOP - *Brussels September 27, 2005***

(registered participants: 48)

### **a) External incentives and structural/institutional changes for EMAS development (12 participants)**

Moderator and rapporteur: Walter Kahlenborn (Adelphi Consult)

**Question 1:** A large number of structural/ institutional improvements have been brought forward with respect to an optimisation / simplification of the EMAS regulation, e.g.:

- a return to the three year period for validations - at least for SMEs.
- a reduction of the necessary information to be provided in the environmental statement.
- a reduction of the range of indirect aspects

Which structural/institutional improvements do you think are the most relevant and why?

**Question 2:** Some interviewees argue that there are too few external benefits connected with an EMAS participation in general. Do you think there is much leeway for further external incentives and what does that require from the EMAS system and the EMAS regulation?

**Question 3:** Some interviewees declared they experienced difficulties connected with the institutional setup and functioning of the scheme. Do you believe that the institutional setup behind EMAS should be modified by changing the share of tasks between the European Commission and the member states? Do you think that the scheme should be more centralised or more decentralised?

Initially, Walter Kahlenborn presented briefly some of the findings of the study regarding the topic of the workshop. After the presentation the workshop participants discussed the three questions above.

The workshop participants mostly agreed that there is both a wide potential for improvement of the benefits for EMAS participants and a need for such improvements. However, a number of workshop participants also pointed out that there is a need to solve some strategic questions first: If EMAS is seen and kept as a public system which imposes some burdens on the participants than they should receive public benefits in exchange. If there is no willingness to provide such benefits, it would be better to switch the system to a private one which would allow for radical simplifications.

A second strategic issue is the positioning of EMAS as “FIAT or BMW”: Should EMAS remain a scheme which targets all possible participants and should it rather be simplified or should it target preferably those which have more resources for implementing an environmental management system and potentially even raise the requirements? Most workshop participants agreed that EMAS should keep the current level and should not lower its requirements.

A general feeling was that EMAS currently does not differentiate itself enough from ISO 14001. This in turn leads to the fact that many promotional activities for EMAS cannot be restricted to EMAS, but often include ISO 14001 (and sometimes other environmental management approaches as well). A number of workshop participants suggested that the differences between EMAS and ISO 14001 should become stronger.

With respect to potential external benefits for EMAS participants discussed intensively the linkage of EMAS with other policy instruments. Experts complained that the Commission started rather late with attempts to link EMAS with other EU policy instruments. Also, the outcome of such attempts has been disappointing. It was argued that the regulation should provide for an obligation to promote EMAS within other EU policies. However, the workshop participants recognized also the problems of policy integration. Any attempt to integrate EMAS into other regulations causes other advocacy groups to ask for an equivalent treatment of ISO 14001 participants. Also, public authorities usually feel unhappy to grant benefits to EMAS participants and to lower regulative requirements for them. Instead, they put more trust in their own regulations.

To avoid fruitless discussions to integrate EMAS in other regulations one participant suggested including specific regulatory alleviations for EMAS participants directly into the EMAS regulation itself.

An area of particular relevance is public funding. The Commission failed to include EMAS as a requirement for receiving structural funds. Also, EMAS was not included in the recent call for LIFE proposals. The workshop participants suggested supporting stronger links between EMAS and public funding mechanisms.

Views on promoting EMAS were somewhat divided. On the one hand, experts argued that without increased public awareness, a successful scheme was impossible and that calls for more external benefits for EMAS participants would be heard only if the system itself was better known. In addition, some experts stated that EMAS should develop into more of a brand, which required a marketing strategy. Others however counselled caution. The question of whether EMAS ever could become as well known as ISO 14001 was raised. Also, it was pointed out that promotion campaigns had been run in the past with only limited success. Instead of promoting EMAS to the broad public, promotion of the scheme should focus on B2B-relationships.

The workshop participants agreed that public procurement is potentially an important leverage for promoting EMAS. However, since EMAS is restricted to Europe and not worldwide applicable, tender provisions referring to the scheme violate WTO regulations. Still, some leeway to include EMAS in tender specifications exists and should be made better known.

The workshop participants also agreed that as a symbolic step it would be important that the Commission “takes its own medicine”. So far very few EU bodies have registered under EMAS. Instead the whole Commission, i.e. all Directorates, should register under the scheme.

While there is a large potential for improving the external benefits for EMAS, most of that refers to changes in the framework of the EMAS and not to changes of the regulation itself. Several participants pointed out that only few changes of the regulation itself were needed.

Among the changes which were asked for was an improvement of the conditions for the usage of the EMAS logo. The guidelines for the use of the logo should be simplified and reduced to one page.

There was less agreement on changes for the validation period. Some experts argued that a return to the former three-year period was preferable. Others opted against such a move. Providing transparency, it was said, is one major advantage of EMAS and any deterioration with respect to that would be detrimental to the scheme. Also, it was pointed out that ISO 14001 foresees an annual certification and that it did not cause major problems to ISO 14001 participants either.

Apart from the issues discussed more in depth, a number of further potential initiatives was raised by the workshop participants:

- starting with small steps which are easy to implement, e.g. introducing EMAS in the speeches of EU Commissioners
- giving more visibility to positive side effects of EMAS, e.g. how EMAS participants find it easier to comply with financial reporting obligations, how they can better involve employees, how they can obtain licenses more easily, etc.
- developing a guidance document on how to move forward from being an EMAS company to becoming a socially responsible company
- integrating H&S and other managements systems into EMAS so that SMEs have to implement and certify only one system instead of several
- creating an overarching policy which integrates EMAS, EPD, the EU Eco-label etc. Companies, it was argued, would appreciate it if they were provided with one coherent information system by the Commission

## **b) EMAS as a reporting and communication tool (15 participants)**

Moderator and rapporteur: Juan Mateos Garcia (SPRU)

**Question 1-** Many interviewed companies have identified improvements of the public image as one of the most relevant benefits of EMAS registration, although they argue that these benefits could be higher if the EMAS was more effective under the communication point of view.

Is the EMAS Environmental Statement as it is conceived today the most effective tool for communication with stakeholders and the public, and for the diffusion of environmental innovations?

Can it be improved and can other solutions be proposed in the prospect of the revision?

**Question 2-** Many interviewees complained about the heterogeneity and diverse quality of the EMAS environmental statements, arguing that this limits benchmarking possibilities and reduces transparency and competition.

Is it necessary or useful to implement some sort of reporting standards for the EMAS Environmental Statement in the new revision?

How should this be eventually done?

**Question 3-** The results of the interviews also show that reporting is considered a key aspect in EMAS. Can EMAS be turned into a scheme mostly aimed at the verification and certification of reporting by organisations (e.g. making the requirements on the Management System non-mandatory)? What benefits and risks would such a possibility generate?

As regards the first question, participants showed surprise at the suggestion of the possible use of the EMAS statement as a tool for the diffusion of innovation: companies are not keen on revealing innovations, as their Eastern Asia competitors are very fast in imitating them. On the other hand one of the participants pointed out that it would be extremely interesting if the EMAS statement could be used in such a way.

Another participant stated that in his sector, the EMAS Statement is seen as the defining element of EMAS, and that companies choose between EMAS and ISO 14001 depending on their need for communication, that is, those that need to communicate use EMAS because of the presence of the statement.

There was a controversy regarding the need to simplify the Statement in order to increase its effectiveness: some participants (verifiers, accreditation bodies and NGOs) argued that the requirements of the statement regarding data content are too weak and that in some occasions 'it would seem as if it had been written by the marketing department'. From their point of view the EMAS statement is a formal document with information and 'hard data' about a company's environmental aspects, management system and performance. On the other hand, industry members argued that they have found accreditation bodies in charge of the assessment of their statement too strict, demanding excessive page lengths and too much data and thus limiting the possible effectiveness of the Statement as a communication tool with the public. These actors seem to consider the statement as an element of a company's public image management in addition to the environmental communication functions.

So it seems that different actors have diverse, in some occasions conflicting understandings of the functions of the EMAS statement. It also appears that there is variation in the stringency and expectations of different national accreditation bodies regarding its contents (these manifests in the different demands placed in companies depending on the state in which they are registering).

There was an agreement on the limitations of the statement as a communication tool in its current form: there was frustration about the fact that it is mostly students who request it, and a perception of it being too complicated and confusing for the lay public. One participant argued that in some cases companies are opting for a combination of ISO 14001 and a CSR report instead of EMAS.

As far as the second question is concerned, some participants seemed sceptical about the possible use of the EMAS statement as a tool for benchmarking. It was argued that the circumstances of companies in, for example, different geographical areas, are too diverse for this kind of comparisons to be meaningful. On the other hand, some participants replied that there must be some sort of absolute criteria that can be used to assess environmental performance ('even if a company operates in a remote area where no-one can hear it, it still should conform to noise regulations', argued one of them).

Another reason for scepticism seemed to be that a focus on benchmarking will not address one of the main problems of the statement mentioned above, that is, its lack of readability and appeal to the mass public.

There was an agreement regarding the impossibility of fixing strict reporting standards, although the group seemed in favour of establishing some sort of guidelines for the elaboration of the statement, as well as of enforcing more consistency in the requirements and expectations of different national accreditation bodies. One participant suggested that in this context a return to EMAS 1, where the inclusion of data in the statement was compulsory, would be desirable.

As regards the last question, all participants agreed on the essential aspect of the EMAS statement, however it was also pointed out that it is the EMS part of the scheme that fills it with content and makes it credible and verifiable. Moves towards a stronger focus on reporting should not neglect the EMS part of EMAS, although it would seem desirable to be more flexible about it and 'open up to a (EMS) world outside ISO14001' (this would be especially interesting in order to facilitate the registration of SMEs).

Participants argued that as it is known, the EMS part of EMAS is too bureaucratic and not enough focused on performance. It was also suggested that it would be interesting to try to include some sort of product life-cycle/supply chain verification in the statement.

### c) EMAS and public institutions (9 participants)

Moderator and rapporteur: Fabio Iraldo (IEFE Bocconi)

**Question 1:** The EVER study shows that, even if the interviewed Local Authorities and public institutions consider the “indirect environmental aspects” to be one of the key features of EMAS, they still face difficulties in measuring their performance in this field, assessing their significance and managing/improving them. How can EMAS be modified or developed in order to enable public institutions to overcome these difficulties?

**Question 2:** Few interviewed public institutions (among those registered in EMAS) are currently adopting procedures for green public procurement. Do you believe that this is an essential task for a registered public institution? How do you think its adoption can be improved by means of the new EMAS revision?

**Question 3:** Many interviewees believe that special attention should be given to the EMAS requirements for public administrations in the new revision. Some of them even suggest a separate EMAS scheme for Local Authorities. Some other requested strong guidelines. Do you agree? What are the pros & cons and how do you think these measures can be implemented in the new EMAS regulation?

Some preliminary consideration expressed by the participants emphasised the importance of Public Administrations for the future of EMAS. The stakeholders agreed that Public Administrations should be considered as a priority by the Commission, considering the key role they are playing and can play in the diffusion of the scheme. There was a certain consensus on the fact that, in order to be effective, the development of the scheme has to rely on a possible contribution by local authorities and public administrations, in general. The participants pointed out different aspects motivating the priorities of this particular “actor” of the scheme: one participant underlined that EMAS should be promoted as a policy tool mainly aimed at Public Administrations; other participants emphasised the potential diffusion of the scheme among a large number of local, regional and national institutions; others finally focused on the role that an EMAS-registered administration can have as a “trigger” and a “multiplier” to endorse and stimulate the adoption of the scheme in its territorial area (both by giving a good example, and by means of direct measures: incentives, funding, green procurement initiatives, and so on).

As concerns the aspects relating to the implementation of EMAS by Public Administrations one statement was supported by virtually all the participants: whereas the Regulation as it is conceived today is not a problem for Public Administrations, they often find problems in the implementation of its requirements. A first important indication, provided by the stakeholders, is that accompanying measures tailored to the needs and specificities of Public Administrations can be more useful than modifications or significant changes in the Regulation or in its institutional framework.

This approach can effectively be adopted, for example, for the issues relating to the “indirect environmental aspects”. In this case, the most relevant difficulties for the Public Administrations are related to the lack of competence and knowledge within these organisations, as well as to the lack of operational and practical guidance by the Commission. Indirect aspects for Public Administrations are very much connected with knowledge-intensive activities, requiring very specific competence: urban and land planning, transport and mobility, procurement policies, etc. It



has been stated that indirect environmental aspects are often localized in “soft departments”, instead of technical departments, increasing the difficulties of their identification and assessment.

The same problem relating to the lack of competence is also seen with respect to the role of other actors: for instance, a participant emphasised how many public institutions are not prompted and encouraged to properly take care of the indirect aspects, because the verifiers are not focusing on these aspects very much, due to their lack of competence in this field.

Providing technical training and information support (including guidelines and manuals) is considered one of the main options to support and reward EMAS adoption by public institutions. This would provide a very effective tool for the identification, assessment and management of the indirect environmental aspects. To this purpose, many participants agreed on the fact that a guideline should be developed and published by the Commission, to support the application of EMAS in Public Administrations, starting from the very synthetic content and generic indications provided by EC Decision 681/2001 point 8 (on the “Entities to be registered”). This guideline should mostly focus on “indirect aspects” and, in particular, should provide: a list of aspects to be taken in consideration (categorising the main kinds of indirect aspects for a public administration), suggestions on how to measure indirect aspects (for example, by proposing a set of indicators) and, most important of all, practical examples and best practices taken from interesting experiences.

The idea of creating an EMAS scheme for public institutions did not obtain a high level of consensus by the participants, even if one participant suggested that this solution could be effective, provided that it is applied only by defining a specific set of requirements, not a completely separate scheme. Most of the participants stated that a separate scheme would mean a separate approach, different rules and verification procedures, therefore weakening the credibility of the scheme. Moreover, the fact that the same scheme can be applied in every sector is a powerful tool to promote the awareness on EMAS and make it known and diffused throughout the society.

Another issue in the discussion concerned the way in which EMAS is applied and “used” by different kinds of organisations. While, on the one hand, EMAS currently helps industrial companies in identifying opportunities, enhancing innovation, prompting technical and organisational improvements and, consequently, producing beneficial “side effects” (such as economic savings and paybacks), on the other hand, the scheme seems not to be used by Public Administrations with the same approach. In the experience of some stakeholders (including a local authority), Public Administrations apply the scheme merely to manage the most relevant environmental aspects, focusing on the “housekeeping” of the main problems (the “negative” side of the coin) rather than stimulating the environmental efficiency and effectiveness (the “positive” side). This is an area on which the Commission, and the other “actors” of the EMAS system, should work. Sharing of experience and exchange of information and competence were identified as very effective ways to obtain a positive outcome. Two participants strongly suggested that operating by “clusters” or networks of Public Administrations, co-operating in EMAS implementation, can produce very interesting results. The Commission could have a leading role in organising and promoting these “clusters” and networks.

A significant part of the discussion was devoted to the role to be played by Public Administrations in their community. First of all, it was pointed out that today registered Public Administrations are not fully exploiting all the communication opportunities that are offered by EMAS. For example, many participants agreed on the fact that, since local authorities are elected by the people, they must consider people’s expectations and satisfactions in their EMAS programmes and activities. Consistently, registered local authorities should intensively communicate with the local communities and aim at sensitising and informing them. The feeling of the participants was that this part of EMAS is currently “neglected” by local authorities, mainly because they face difficulties in effectively communicating with their territory. It was generally agreed that EMAS III should give

public institutions more effective tools to communicate about their environmental decisions and actions, and to better interact with the social stakeholders.

The last issue to be discussed was Green Public Procurement. Most of the participants believed that this is a crucial aspect for public institutions, even if there was some controversy about whether the European Commission should oblige Member States to set rules for stimulating and enabling local authorities and other public institutions to include EMAS in their public procurement choices.

Public institutions cannot oblige their contractors to have EMAS registration (as it is a voluntary tool), but they should include EMAS requirements in their contracts. Another possibility could be that of a contract stating “the company is committed to achieve EMAS within the contract itself and/or within a specified period of time...”.

A final question was the following: should GPP be mandatory for public institutions to obtain EMAS? The answer to this question was negative: even if GPP is seen as a fundamental step to promote and diffuse EMAS through the supply chain, the general opinion was that this should remain as one of the most important “indirect environmental aspects” and managed as foreseen by the Regulation, with no additional requirement.

## **d) EMAS, global competition and effectiveness as a market tool (10 participants)**

Moderator and rapporteur: Kathrin Ankele (IOEW)

**Question 1:** Most interviewees think that EMAS is currently not a very effective tool for supporting the competitive strategy of participants with regard to increasing sales, gaining market share and acquiring new customers. What can be done to improve the competitive capabilities of EMAS with respect to customers and consumers on the market?

**Question 2:** The evidence collected by our study shows that many economic and social actors would like to make EMAS an internationally applicable scheme, going beyond the borders of the EU.

What are the pros and cons of this perspective? How can this potentially be pursued in the revision?

**Question 3:** Many interviewees asked for a broader and easier use of the EMAS logo, for competition purposes. Do you agree? What measures can be introduced in the new EMAS Regulation to favour a wider use of the logo by the registered organisations in their marketing strategies?

As regards the first question, the discussion started with a debate about whether competitive capabilities are really important. Some argued that EMAS started as an environmental tool and not as a tool for enhancing the competitiveness of participants. The Commission should decide on what they want since the goals are different. Others argued that it was always important to motivate companies through market-related advantages.

There was consensus on the fact that EMAS should be different, more ambitious (compared to ISO 14001), and that the differences should be highlighted. Possible elements to distinguish EMAS from ISO 14001 could be:

- product dimension
- CSR
- Combination with EPD

Supportive approaches/measures to improve competitive capabilities of EMAS could be:

- Green public procurement
- More flexible use of the logo (also on products, but with a clear indication what it means)
- Better conditions of financial institutions
- Better marketing for EMAS (image of a frontrunner)
- Focus marketing on “additional effects” as compliance or product dimension and not so much on environmental management system

There was another line of arguments in the session concerning advantages of EMAS as a stepwise approach ending up with an integrated system which would then be a benchmark. But this was not supported by the majority.

As regards the second question, global applicability was not seen as crucial. There was disagreement about whether EMAS is really better than other instruments and therefore recommendable to be adopted worldwide.

Global applicability could be good for the diffusion of EMAS, but also difficult due to e.g. different environmental legislations in Member States and Non-Member States, the role of the verifiers, realisation of for quality checks, potential as a trade barrier. Furthermore EMAS is little known even in the EU, so how should it then be marketed worldwide?

Finally, as far as the use of logo is concerned, the majority of the session participants was in favour of a broader use of it.

A key element for the competitive capabilities and the success of EMAS is the customer. Therefore it must be better marketed and better known and the logo is crucial for this. It should be possible to use it on products, as long as clear indications are given (e.g. logo because manufactured in an environmentally friendly site). It must be clearly distinguished between product and site information. And its use on products should also be combined with specific requirements (life-cycle-approach along the supply chain or life-cycle-management approach focussing on areas where the organisation has full management control). It was stressed that this might be a barrier for SMEs or even too complicated altogether. It was also proposed that the Commission should publish a guideline how to use the logo (better than the existing one).

Here once more there was a good deal of disagreement about whether a stepwise approach would be helpful, distinguishing also different logos for each step.

### e) EMAS and the product dimension (13 participants)

Moderator and rapporteur: Kim Christiansen

**Question 1:** Many interviewed companies think that EMAS should focus more on product related aspects and producer responsibility along the product chain. Do you agree? How do you think this result can be obtained in the new EMAS Regulation?

**Question 2:** Which tools / schemes should EMAS be further linked to if product related aspects get more focus in EMAS? Can the EPD – Environmental Product Regulation - be an effective tool in this prospect? Do you envisage the possibility and opportunity (as some interviewees did) of merging EMAS and the EU Eco-label in a unique scheme or creating more synergies between them?

**Question 3:** Some interviewees emphasised the opportunity of involving the suppliers in EMAS implementation. Do you think that obtaining environmental information from the supply chain should be a requirement for EMAS registration? How should this requirement be eventually included in the new EMAS regulation?

As far as the supply chain and the necessity to gather information on it are concerned, most of the participants agreed that it all depends on the type of product and on the relevance of the supply chain, as information should be provided as long as there are relevant aspects within the supply chain itself.

Other comments regarded the necessity to “re-write” the whole system, so that it is the customer that “pushes” the supply chain, and the fact that for an EMS it is overkill to go all the way up the supply chain.

Two options hence emerge:

- Put pressure on suppliers
- Choose suppliers fulfilling the requirements

It all depends on the market and the product, and the influence that can be exerted on suppliers.

Neither option is the better for all situations, but the new text should take into account both of them.

It was stressed that supply chain cooperation is already part of the implementation of EMAS for many organizations but the requirements and recommendations in EMAS could be much more clearly stated

Participants also agreed that not only the “before” is important, but also the “after”: Product Chain Management should therefore be implemented and strengthened.

As regards the possibility of linking EMAS to other tools and schemes, most participants support the idea that if we link EMAS to the EU Eco-label, then we should link them to LCA, EPD etc as well, integrating them all in a unique, flexible tool.

It appears that EMAS should be more closely linked to both the EU Eco-label and new legislation (e.g: EuP), BUT we should avoid that specific and precise criteria are lost.

However, some participants pointed out that it is necessary not to focus too much on the EU Eco-label, as this would shift the instrument into the marketing of a product, with no attention for production processes.

What is clear is that, as there are currently few synergies between EMAS and the Eco-label, so that it is advisable to change at least one of the two systems. The benefits might regard both marketing advantages and a strategic approach to environmental improvement.

A participant of the workshop stressed the fact that, however, Eco-label criteria already consider the production process.

In conclusion, a broadly agreed-upon solution is that of a **STEPWISE APPROACH** (e.g: EMAS then EPD then Eco-label). Most participants, however, pointed out that it is necessary to introduce and stress differentiations, as to foster competition and award “frontrunners”.

## **f) EMAS, CSR and the other pillars of sustainability (12 participants)**

Moderator and rapporteur: Walter Kahlenborn (Adelphi Consult)

**Question 1:** EMAS often is seen as one of the instruments to be effectively used within the framework of CSR. Do you agree? How can EMAS be best integrated into CSR policies both at company and at political level? What does that mean for the development of EMAS?

**Question 2:** Some interviewees recommend enlarging EMAS and including - as a voluntary add-on feature - health and safety aspects. Do you agree? Would you add other facets as well?

**Question 3:** Another option would be to redesign EMAS into a broader CSR scheme, covering all social and environmental aspects (with variations according to size and sector of the participant). Do you think such an option would help to develop EMAS in the right direction? How do you think this result can be obtained in the new EMAS Regulation?

Initially, Walter Kahlenborn briefly presented some of the findings of the study regarding the topic of the workshop. After the presentation the workshop participants discussed the three questions.

Participants of the workshop largely agreed that EMAS is one tool in a big box called CSR. Currently, organisations use EMAS as an instrument for the implementation of their CSR strategy, with respect to the environmental dimension. Other tools are used for health & safety (e.g. OHSAS18000) or socially (e.g. SA8000) related issues.

While EMAS is seen as valid tool within the concept of CSR, most workshop participants agreed that it would be premature or even completely impossible to integrate CSR within EMAS. A number of arguments were put forward to support that position:

- The concept of CSR is still quite vague. With no clear definition of the social requirements that might enter into EMAS a first problem would be to single out and define the CSR aspects to undergo regulation.
- Generally, there are no clear methods for measuring compliance with CSR. A universally valid and recognised rules system does not exist as yet, and a verification of compliance with CSR requirements is not possible.
- Including CSR aspects in EMAS would result in increased costs for the implementation and verification. Verification costs especially would rise substantially if verifiers had to check for social issues in the supply chain (e.g. child labour used by Asian suppliers). It is unlikely that any benefits arising from an enlargement of EMAS would outweigh this disadvantage.
- EMAS is already well known as a brand. Including CSR would change substantially the content of the scheme and need a costly re-branding of EMAS.
- A further aspect which emerged in the discussion regards the fact that CSR is company-related and not site-related: inserting CSR elements in EMAS would require the individuation and definition of the requirements applicable at a site-level; at the same time certain aspects of CSR are by their very nature not site-related.
- Given the fact that other tools for social issues exist and given the big resistance against any CSR management system, the EU should not commit the mistake of starting to develop a tool for that dimension by itself.

- It was also felt that if EMAS does not currently deliver the expected results then it would be even less likely to do so if the scheme were to be enlarged to encompass additional issues.

While a clear majority of workshop participants opposed the integration of CSR in EMAS, there was a number of experts, however, which advocated the integration of health and safety (H&S) aspects in EMAS. H&S is already based on a solid framework; one does not encounter the uncertainties connected with CSR. The integration of H&S would make the implementation of both issues (environmental and H&S) less costly and easier. At the same time grey areas between the two dimensions could be eliminated. Also, the current distinction between protection of human beings (the company staff) (H&S) and protection of nature and the environment (EMAS) was partly regarded as somewhat artificial. Pushing up the door of EMAS towards H&S and developing tools in that direction, including giving guidance and best practice information might bring substantial benefits to EMAS.

A particular issue discussed more in detail was H&S information in the environmental statement. On the one hand, H&S issues often are seen by companies as more sensitive than environmentally related information. Therefore, they might resist publishing information on these issues. On the other hand, not necessarily companies must be obliged to disclose H&S information in the same way as they have to do it with environmentally related matters.

Furthermore, the argument was put forward that H&S information might be more interesting to the public and therefore increase general interest in environmental statements. Enlarging the scope of environmental statements provides the opportunity to introduce issues of general interest, such as gender issues, information on working policies, risk related information, etc. The point was also made, that companies in general prefer sustainability reports rather than environmental reports.



## **g) Integration of EMAS with other policy instruments (10 participants)**

Moderator and rapporteur: Fabio Iraldo (IEFE Bocconi)

**Question 1:** Most EVER interviewees stated that EMAS should be more integrated with other policies. They particularly signalled the opportunity of integrating EMAS with the IPPC directive framework. What would you suggest can be done to this purpose in the EMAS revision (considering the experience of the Member States in applying the IPPC Directive)?

**Question 2:** Another relevant finding of the study focuses on the Emission Trading Directive. Some interviewees emphasised the operational synergy in collecting, elaborating and managing the significant indicators relating to CO<sub>2</sub> emissions, at the same time complaining about the fact that no synergy has been conceived for the application of the directive. What do you think can be done to support this synergy in the EMAS revision process?

**Question 3:** The interviews show that there is still a great expectation concerning the use and valorisation of EMAS in the command and control system as a guarantee and an opportunity for regulatory relief (and that very little has been done by Member Countries in this area). How do you think the new EMAS revision could help and support the Member Countries to develop such a desired and expected initiative?

Before the group started discussing the questions included in the presentation, as a participant requested, it was made clear that the “issue at stake” was not if EMAS is able to deliver compliance with other policy instruments (such as command and control legislation). The only aim of the discussion was how to better integrate EMAS as a voluntary scheme with other regulations and instruments, in order to valorise its positioning and role among the EU environmental policies.

As a starting point of the discussion, it was stated that the regulator should be confident in the data that are provided by EMAS and, particularly, by the management system and by the environmental statement. An example was made with reference to the UK Environmental Agency implementing OPRA, a vetting scheme that enables enforcement authorities to better target industry using the risk manager’s analysis of level of risk and environmental performance. The UK Environment Agency gives the highest level of recognition to EMAS in this risk-rating scheme under the Integrated Pollution Prevention and Control regime.

According to some participants, it should be possible for a registered company to use the validated data and indicators that are produced by its environmental management system, in order to comply with the different monitoring, assessment or authorisation requirements made by the Member States. If this is the objective, than one should make sure that all the relevant environmental data are properly validated by the accredited verifier and, in any case, the requests by the regulator should be focused on few data and indicators. Otherwise, it would be too difficult for the companies to provide a high number of data and indicators through the EMS documents or through the statement.

A participant suggested that the EMAS statement could be used as a report for compliance, to satisfy different requirements made by the regulator. He also emphasised, though, that there would be a harmonisation problem, due to the heterogeneous requirements and parameters adopted by the Member States. This would really support a fuller integration of EMAS in existing legislation, which has never been pursued in the past.

There was a general agreement on the fact that the lack of integration with other legislation and regulation has been one of the most relevant problems for the development of EMAS in the last years. In spite of the fact that the need for this integration is explicitly stated in the EMAS regulation itself, very few attempts have been made in the past. Complaints have been reported from some Member States (e.g. Germany, Italy) about the fact that EMAS organisations were not able to obtain substantial benefits within the IPPC Directive application, e.g. in the renewal or extension of the integrated permits in cases of relevant modifications to the processes and/or to the plant. Other significant complaints on the lack of integration with other policies were expressed with respect to the Environmental Liability EC Directive, which totally ignores the guarantees that EMAS might provide with respect to the organisational and managerial aspects of environmental risk.

A participant pointed out that the reason why EMAS has not been integrated with existing policies in the past is that many observers and practitioners believed that, by way of a higher integration, the Commission and the Member States wanted to make EMAS a mandatory policy tool. But renouncing this opportunity, meant that many EMAS organisations lost the possibility to effectively use EMAS also for other purposes (e.g. legal compliance).

In order to enable and support this integration, it is absolutely essential that the Commission provides guidelines or other useful documentation that compares EMAS requirements concerning the measurement and reporting of environmental data with the needs and the requests made by legislation (both at the EU and at the national level). This could be done by drafting and publishing a sort of “bridging document” that identifies the ways in which EMAS can provide data and indicators to comply with the different requirements made by environmental legislation and regulation.

Virtually all the participants supported this option. One of them particularly focused the attention on the environmental statement: a guideline could specify how this should be drafted in order to comply with all the possible monitoring, assessment or permitting data requests. Another participant supported the idea that the Commission provides guidance on reporting issues by means of an official act (possibly by developing and deepening the content of Rec. EC/532/2003).

This approach could also be used by local authorities to obtain wider guarantees on legal compliance. For example, even when a company requests a permit for a completely new part of the plant (on which it cannot provide any data by means of the EMAS statement), it might anyway obtain a “fast lane” procedure, thanks to the fact that it is able to provide reliable and validated data on its general environmental performance.

Many participants emphasised that, if the option of providing guidance on reporting for legal compliance is pursued, then all the institutional “interlocutors” of the EMAS organisations should be sensitised and trained, in order to fully understand and correctly use the provided environmental information.

A good example on how the data and information validated by the environmental management system could be used is the Emission Trading (ET) Directive. In this case, although the opportunity of a direct link with EMAS has been lost in drafting the text of the Directive, a strong connection between the data requested by the ET Directive and the role of the EMAS verifier can be effectively made. Some Member States are working in this direction.

The standardisation of reporting for legal compliance purposes should be carried out with a flexible approach. According to many participants, the Commission should define a set of “core” and basic indicators, for different legal compliance purposes, that should be agreed upon by Member States.

At a later stage, Member States can expand this set of core indicators with additional indicators, based on the specific national legislation and regulation.

The set of proposed indicators, as a participant emphasised, should be “modular”, according to the different legal requirements which the EMAS company wants to comply with.

It was also pointed out that the data and indicators must be properly generated and validated by the EMAS environmental management system. Once they have been validated by the company and by the verifier, they should be “usable” for all the legal compliance-related purposes.

Furthermore, the standardisation work by the Commission should not produce a rigid “standard model” for the EMAS environmental statement, that must remain a very flexible communication tool. The reporting standards should be an optional reference, just for those companies that want to use the statement for supporting legal compliance procedures.

Finally, the participants discussed a last important issue: the link between EMAS and the enforcement of legal requirements.

A shared view was that EMAS must be used as a way to support and facilitate the enforcement of legal requirements. In particular, controls and inspections should take into account that a company is EMAS registered.

Even if an EMAS verification will never be a substitute for an inspection by a control body, some participants emphasised that it should be able to guarantee that the registered organisation is fully capable of managing, updating and maintaining compliance with relevant legislation and regulation. On this basis, and once it is demonstrated that this guarantee is provided by EMAS, registered companies should benefit from relief and simplification in the control activities.

To this purpose, it would be necessary to analyse in depth and share a common view among Member States and the Commission on what is meant by “legal compliance” within EMAS application, and on who and how (what approaches and methods) must check this compliance. This should be done also to avoid the risk of a non –homogeneous application of the “legal compliance” pre-requirement in the verification and registration procedures, between the different Member States.

## **h) EMAS and Small and Medium Enterprises (11 participants)**

Moderator and rapporteur: Juan Mateos Garcia (SPRU)

**Question 1-** Do you believe that allowing organisations to use less formal environmental management systems (rather than the present ISO-like EMS) to obtain EMAS can be a useful approach to foster the diffusion of the scheme among SMEs?

Do you believe that this approach will imply the same difficulties linked to the verification process and the verifier-costs encountered today by SMEs (as the EVER interviewees show)?

Do you think that enabling SMEs to apply a simplified and guided version of EMAS (such as what is done with the EMAS-easy approach) can be an effective solution?

**Question 2-** Some interviewees argued that the so-called staged-approach or step-wise approach could be an effective solution to overcome the barriers and difficulties encountered by SMEs in the implementation of the EMAS requirements.

Do you agree?

Should this approach be introduced in the new EMAS Regulation?

**Question 3-** Do you believe that the application of EMAS within business clusters (such as supply chains, industrial districts, tourist areas, etc.) should be further developed in order to facilitate the diffusion of the scheme among SMEs?

In this regard, what kind of requirements or guidelines can be eventually introduced in the new EMAS Regulation?

Before the group started discussing the questions included in the presentation, participants stated their dissatisfaction with what they consider an ‘anti-industry’ bias in the distribution of the population of EMAS interviewees. According to them not enough industry representatives are included in it.

It was also pointed out that it would be desirable to disaggregate certain results more (E.g. in some of the slides presented in this session it would be interesting to have the results only for SME respondents).

The discussion that took place about the first two questions will be presented in a single section as participants argued that the main way in which EMAS can be made simpler and easier for SMEs to implement (question 1) is through a staged approach (question 2) and thus most of the points raised are relevant for both.

One participant argued that one of the main problems that SMEs face when considering the possibility of registering in EMAS is the existence of a priori undefined costs, mostly related to the implementation of the EMS. This uncertainty could be removed through the acceptance of staged approaches in EMAS.

Another participant pointed out that in the course of his research on EMSs in Europe he has found 30 different ‘less formal’ staged approach EMS models covering 10.000 participants, most of which do not register into EMAS or ISO 14001 because they do not need it. In this context, EMAS should

not try to become a competitor with these standards, which incorporate important cultural elements and tend to be popular and accepted in specific regions, but instead, become an umbrella that integrates them. The way of doing this would be to recognise those local standards that fulfil a number of conditions, mostly related to their credibility and effectiveness in improving environmental performance, that is, those standards that comply with a 'higher' one accepted at an European level. In his own words 'a staged approach should be introduced not in the new EMAS regulation, but outside'.

One of the main barriers to the adoption of this more flexible EMAS scheme would be the need to differentiate fully registered and partially registered companies. One participant indicated that in his experience, a possible strategy to address this issue is the establishment of limitations to the time a company can spend in each of the stages, and a strict verification of improvement in environmental performance for each period.

The final observation made regarding the possibility of a broader acknowledgement of local, less formal, staged approach EMS outside EMAS regulation is that it is an idea that will be very difficult to 'sell' to the European Commission.

It was also argued that it would be desirable to simplify the language used in the EMAS regulation while trying to avoid giving SMEs the impression that they were registering to some sort of 'EMAS for dummies' scheme.

Another issue that in the opinion of participants is essential for the acceptance of EMAS by SMEs is a perception of stronger advantages and benefits for those companies that register. They argued that a large proportion of SMEs who have invested the effort and resources to register in EMAS do not receive any relevant benefits or appreciation, feel that are being treated unfairly and finally drop out with a very negative impression of the scheme. Public campaigns raising the visibility of the scheme and priority in the granting of public procurement contracts would be desirable incentives in this context. Another participant argued against this, stating that in his view EMAS registration does not constitute sufficient demonstration of an improvement in environmental performance and therefore such advantages should not be warranted to registered companies.

As regards the last question, participants discussed initially the definition of cluster (a term with different meanings depending on the country) and concluded that the decision on this issue should be left open for member states, as it is very relevant in some (e.g. Italy) but not in others (e.g. UK). One participant also mentioned the idea of a 'convoy' of collaborating companies, each of them registered to EMAS individually in contrast to that of clusters of companies (or even industrial sites) registered collectively.

The group concluded that the role of the European Commission should be to remove barriers and facilitate cluster registration where this can be a driver for improvements in environmental performance, instead of creating them through an excessively bureaucratic and legalistic approach to the definition of EMAS.

## **ECO-LABEL WORKSHOP - Brussels September 26, 2005**

(registered participants:43)

### **a) The institutional aspects of the EU Eco-label (11 participants)**

Moderator and rapporteur: Fabio Iraldo (IEFE Bocconi)

**Question 1:** Controversial evidence emerged from the interviews concerning the institutional aspects of the scheme. Should the way the scheme is managed be changed? (e.g. by the creation of an independent body for organising the scheme - that could imply a level of independence from Commission)

**Question 2:** Should the present sharing of tasks between the Commission, Member States and the EUEB be modified, and how?

**Question 3:** Should the EU-Eco-label scheme as a whole be more centralised or decentralised?

A first and preliminary indication emerging from the participants (mostly agreed upon) is that institutional aspects “per se” are not a priority for the revision of the Regulation, insofar as there is not a problem directly linked with the current institutional framework and functioning of the scheme. Most of the participants shared the view that institutional changes should be pursued in the Revision to the extent in which they are a means to pursue other priorities and other objectives, linked to the real problems of the EU Eco-label.

For example, some of the participants stated that there could be modifications in the institutional framework only if this can help in “streamlining” the process of developing the criteria and of checking the compliance of the products to the criteria.

First of all, a shared view by the participants was the following: the institutional modifications of the criteria development process must not imply a downgrading of the criteria themselves. There must be a guarantee that, even if there is “institutional innovation” in the management of the scheme, the criteria must remain restrictive enough to assure the credibility of the scheme. On the opposite, streamlining should be aimed at supporting the companies (especially those not participating in the scheme) in approaching the criteria and at diffusing the scheme.

A participant from a new Member State, for instance, emphasised how the problems in the diffusion and application of the EU Eco-label can be different from country to country. In the case of Eastern Europe, the “streamlining” process should take into account that there is a strong lack of competence in the companies regarding the label and the connected criteria and procedures.

Particular attention was devoted by the participants to the opportunity of “streamlining” the development of the criteria. The starting point of the discussion was the acknowledgement that, at present, developing the criteria related to a new product group takes more or less 2 years. The

Commission stated that, on average, one new product group criteria are finalised each year (including the consultation and approval phases).

Some of the stakeholders did not complain about this performance; on the opposite, they confirmed that having one new accessible product group every year was acceptable and that they would not expect more than that. Many participants agreed that 2 years to develop new criteria is a relevant length of time, if one wants to guarantee a fair and transparent drafting process.

The problems of the drafting process probably lie elsewhere. For example, a representative of the industry stated that a major difficulty is linked to scarce involvement of other DGs and of industry at large in the working groups drafting the criteria. This, in his view, causes difficulties in the last step of the process (the official approval of the criteria): since some key actors are not properly involved, they oppose the criteria, stopping the process at the very end (when a huge effort has been already done).

This opinion was not shared by many participants and the Commission emphasised that other DGs (such as DG Enterprise) are officially involved in the criteria development process. But this does not anyway prevent opposition to the criteria from emerging in the end of the process.

On the other hand, the idea that the development process is “inverted” (industry develops and proposes criteria and the Commission together with the Member States approve the criteria after an assessment process) was rejected, first of all by the participants coming from the private sector and from industry.

It was also emphasised that, if the objective is to involve to a larger extent the Competent Bodies in the process of elaborating the criteria, or to create incentives for a higher number of new product groups (and corresponding criteria) to be developed every year, then the economic resources should be found and made available in order to sustain the connected costs.

The participants agreed on the fact that the development of the criteria (and the potential “streamlining” of the process) is more connected with the availability of economic resources than related to institutional improvement of the scheme.

A participant underlined that, more than getting deeply involved with the development of the criteria, institutional improvements of the scheme should aim at enabling the European Commission to play the role of a real driver for the diffusion of the scheme. Most of the participants emphasised that the degree of “ownership” of the scheme shown by the European Commission currently seems rather low, and can be considerably increased. This is shown, for example, by the fact that other DGs, or even parts of DG Environment not directly dealing with the EU Eco-label, are today not “recognising” this policy instrument, e.g. they do not take it into account when drafting consistent or potentially inherent directives and other provisions, they do not participate in the drafting of criteria, they do not use it as a selection criteria in their procurement policies. In few words, they do not demonstrate by facts that the Commission “owns” the EU Eco-label.

Very brief and specific answers by the participants to the questions related to the public or private nature of the scheme and on the centralisation/ decentralisation concluded the session.

These can be summarised in the following positions:

1. the optimal framework for the management of the scheme should foresee a mix of public and private actors (just like the scheme is managed today in many EU member countries)
2. an effort can be made to decentralise more the management of the scheme, but only if this is useful for the development of the EU Eco-label. A higher decentralisation could make sense, for example, in order to enable a more effective and intense marketing of the scheme by the Member States and/or the Competent Bodies. But in this case, the problem will be the

distribution of economic resources to the MSs and to the CBs, to allow them to perform marketing campaigns.

3. Moreover, in the case decentralisation becomes an effective option, we should ask to MSs and CBs if they really want to be more involved in the application of the scheme. This is, again, a problem of “ownership” of the EU Eco-label by the actors operating at the national level.



## **b) The setting of the EU Eco-Label criteria and the application / validation procedure (15 participants)**

Moderators and rapporteurs: Frieder Rubik and Dirk Scheer (IOEW)

**Question 1:** The empirical evidence collected by the EVER study generally indicates that a higher level of stakeholder involvement could be desirable. Should the elaboration process involve more front-runner companies in environmental innovation and other “environmental leaders” and if yes how could this be stimulated?

**Question 2:** Some interviewees suggested that the way in which the criteria are set can be effectively modified. How stringent should the performance levels of criteria be? Should they be reduced to ensure that more companies can participate or should they be strengthened to signal environmental leadership? Should the number of criteria for product groups be modified (reduced or increased)?

**Question 3:** Do you think that the approach of self-verification can be introduced in the new Eco-label Regulation? What are the pros and cons of such an approach?

As regards the first question, a higher involvement of stakeholders seems to be welcomed. Currently – according to a remark from an NGO – industry joins the criteria development meetings with a high number of participants, each one representing a specific part of the chain, but the effect is a clear dominance of business in comparison to NGOs. The participant saw two possibilities to balance this: a) Restriction of the participation of industry, or b) Involvement of different NGOs representing the different environmental media. In addition to that point of insufficient balance, it was remarked that retailers and media should more be involved. The restriction of the participation of industry was rejected by a business representative: “the presence of industry is quite good and useful for the scheme”. The involvement of frontrunners was discussed intensively. The question arose: “How to do that?” Frontrunners must not be represented by a newly created organisation. It was proposed by an NGO to reserve two floating seats to these companies, one seat for a Northern frontrunner and one for a Southern frontrunner; given the case that there do not exist differences among them, only one could represent them. The same NGO proposed that this NGO itself should look for, select and nominate the two frontrunners; this selection could be done in conjunction with the Competent Body responsible for the developing the criteria. It was argued that this involvement of frontrunners could stimulate a new mechanism in the scheme. The COM should at least reimburse travelling expenditures of the invited frontrunners. It was also stressed by an expert that retailers could also be the involved frontrunners due to their roles on the market.

The consortium partners explained at this stage the conceptual ideas behind the involvement of frontrunners and its potential. But it was also stressed that this involvement is not a good for its own, but must be embedded into a process of criteria development that has to become more ambitious. Only in this event the role of the frontrunners will be crucial.

This involvement of frontrunners was partly welcomed, especially by experts, but met with some scepticism from business; one important argument against it was that this kind of involvement

might increase the level of criteria, would cause a smaller penetration (potential) of eco-labelled products on the market and could also have the consequence of a lower visibility of the eco-label itself on the market; this might prevent retailers from listing eco-labelled products in their range.

It was pointed out that involving frontrunners does not necessarily mean transforming the EU Eco-Label into a scheme only for frontrunners.

Three short side-lines of discussions were:

- Another intervention coming from a business representative dealt with the relationship between brands and the recognition of the eco-label: It was argued that the brand itself should include top environmental performance and signal environmental leadership. Based on this the key challenge is: “How to stimulate the market”, i.e. how could consumers be encouraged to consider environmental issues more? However this intervention was not considered further during the session.
- Another – shortly – stressed topic was the issue of marketing, as an expert remarked: Currently, marketing does not really understand what eco-labelling is about. Appropriate information seems to be missing.
- The current funding of NGOs to join the EU Eco-labelling scheme was seen as insufficient by a representative of these organisations. Funding should be increased, perhaps also financially supported by Member States.

As far as the second question is concerned, a business representative argued strongly in favour of science-based criteria. According to this person, criteria which are not very important should be singled out. In the following, the discussion was focussed on some exemplary product groups, namely tourist accommodations, washing machines and paper products. It was argued by an expert that e.g. 80 criteria for tourist accommodations are too much. The consortium partners showed, using the example of washing-machines, that a certain type of bargaining might occur during the development of criteria: “If you accept my criteria, then I accept yours” – with the consequence of an increasing number of criteria.

Several participants from business argued in favour of a concentration of criteria on key environmental issues. But a representative of NGOs explained that the diverging ecological, cultural etc. conditions of the EU 25 are reflected in the requirement and this – also – explains the number of criteria. The representative concluded: “We must learn to live with it”.

Eco-labels are not only an environmental policy tool, said a representative of an NGO. It is also a communication and information tool. As such they could “translate” complex environmental goals into the world of consumers. And then it might be justified that the requirements encompass more criteria.

Another argument supporting the larg(er) number of criteria deriving from the same person was: It should be made transparent - by modelling and scenario techniques - what impacts any cancellation of criteria (or a weakening of the criteria) could have.

An expert intervened in this discussion with the question: Are these general or product-group specific observations?

Short side-lines of discussions were:

- Another intervention from business referred to the development of the requirements: The eco-label started with environmental issues, which were expanded with health & safety issues;

currently CSR might come. The French AFNOR is – according to this source – a strong advocate for quality systems.

- “How to integrate the evolution of technology?” questioned one representative from business. However, this question was not discussed during this session.

As regards the third question, the verification is already at least partly based on some elements of self-verification, according to a representative from a Competent Body (CB).

However, any change of the current system to a complete self-verification system was rejected by the participants. Neither business nor NGOs seemed to argue in favour of such an approach. The main argument was that an eco-label must possess credibility among consumers.

What was claimed was an agreement among the Competent Bodies on how to conduct practically verification. The reason behind this claim was that actually the procedures are different because quite diverging resources (in terms of personnel, for example) exist in the EU 25 to carry out this task. It was proposed by an NGO representative to offer some centralised services to the CBs to strengthen the co-operation among them.

A side element of discussion was that a fully developed quality system within business is the best way to verify.

### c) Eco-label and marketing (16 participants)

Moderator and rapporteur: Anette Petersen (Valor & Tinge)

**Question 1:** The empirical evidence collected by the EVER interviews shows that a large majority of the companies and stakeholders believe that the EU Eco-label should be better marketed and diffused. How could future information and promotion campaigns be organised? (Please discuss the following options: partnerships with license holders, retailers and stakeholders? Central promotional unit within the Commission? Mandatory participation for all Member States and, consequently, mandatory promotion campaign by Member States?)

**Question 2:** Many interviewees expressed a desire for dialogue between license holders and companies with their customers. How could such dialogue fora/platforms where license holders and customers can exchange experiences and discuss expectations and business opportunities be established?

**Question 3:** Our study also shows the need for a broader use of the Eco-label logo. Should a broader use of the logo be allowed and how? (please discuss the following options: change logo design and where it can be placed; associate Eco-label with environmental NGO logos)

Some of the findings emerging within the workshop session can be summarised as follows:

First of all, there is agreement upon the fact that the Commission should play a key role as driver and co-funding institution.

It is important that national and local campaigns are co-funded by the EU (COM) (e.g. 50%) and that applying for those funds should be easy i.e. not like LIFE; funding opportunities by public-private partnerships should be investigated and used more

Moreover, there should be a yearly event funded by the Commission, but implemented on the national level (with different means for different product groups and target groups)

Many participants are in favour of a “toolbox” of marketing materials; some of the indications on how to prepare this toolbox are to: differentiate the marketing solutions and strategies (and therefore the tools) according to target groups, national culture, experience from other schemes; to differentiate also among product groups; to use the proposed tools where customers are e.g. festivals (local community fairs or trade fairs), festivals, conferences of sector organizations etc. The EU Eco-label secretariat at the Commission level should have a web page which incorporates material from EU Eco-label campaigns - not only Commission driven events, but also others at national, regional and local level

Some participants believe that all Member States should establish a national marketing centre, with the competent body providing showrooms, guidance etc.

Competent Bodies should establish a showroom with product examples, meeting facilities etc., hotline and other information (some member states already have this); moreover, they should organize 1-2 national assemblies at the national level for all stakeholders in Eco-labelling and other interested parties.

Finally, there is awareness that the logo is not good, but many participants believe we should not change it if the benefits are not very clear (considering, also, the money needed for such a big marketing effort), especially in member states where the old logo is very well known



## **d) Policy incentives for the Eco-label (15 participants)**

Moderators and rapporteurs: Frieder Rubik and Dirk Scheer (IOEW)

**Question 1:** Should policy-makers actively support the EU Flower by setting direct policy incentives?

**Question 2:** And if so, which policy measures and instruments do you judge to be effective and efficient?

**Question 3:** Strengthening of eco-labelling can be reached through integration of eco-labelling in other policy initiatives (e.g. public procurement, energy policy, waste policy etc.). Which integration efforts do you consider could be promising?

As regards the first question, participants debated on the issue whether policy incentives are reasonable (or not) for making eco-labels (i.e. the EU Flower) more effective and efficient. Generally speaking there was predominantly common sense that eco-labels need direct and indirect policy incentives. This appraisal was based on the assumption that the Eco-label meets several barriers, such as lack of consumer awareness, producer abstinence etc. However, arguing in favour of policy incentives for the Flower must also lay emphasis on distributive justice among ISO type I labels. Supporting just the European Eco-label with direct and indirect flanking measures may fundamentally disadvantage national eco-labels. Arguing with this common sense appraisal, one business representative argued that, based on a free market principles, free competition rules among labels would distinguish successful from unsuccessful eco-labels. Extra policy incentives for the benefit of just one eco-label (here: the Flower ) contradicts fair competition rules.

Policy incentives discussed to be promising centred on the following issues:

- Economic incentives: VAT reduction could be attractive; different product taxes (e.g. for cars) could be used as flanking measures for the Flower .
- Capacity building: use more systematically data input from member states concerning products on the market (e.g. for criteria elaboration); the writing of manuals for design and public procurement as support (EU-criteria as guidance tool); build up a better information base.
- Built-in incentives: create advantages for producers and end-users.
- Distinct role of Flower: several product groups, such as, tourism for instance, rely on geographically distinctive environmental effects. While water is not an issue in the north it is in the south. Therefore, the Flower should allow (criteria)-flexibility in order to cope with regional environmental challenges. Therefore, the role of the Flower has been proposed to set a minimum baseline.

Referring to the second question, when asked what measures and instruments are promising, participants contributed with an array of proposals and reflections. To begin with, one participant doubted the compatibility of setting European / national economic incentives with international free trade principles. However, several participants stated that in principal all kinds of measures and instruments should be considered for stimulating the Flower . The following measures and instruments as promising:

- Intensify environmental research: it was stated that there is a lack of quantitative and qualitative scientific knowledge with regards to product-related environmental knowledge .
- Fiscal instruments: the wide array of economic instruments such as taxes (reduction), subsidies, deposit systems, tradable certifications etc. might stimulate the Flower .
- Integration in EU Calls for tenders: the integration of Flower requirements into all European call for tenders is seen as a potential driver for the diffusion of environmentally sound products.
- Educational measures: since eco-labelling is a market-based instrument depending heavily on green consumer behaviour and attitude, educational measures for consumer capacity building are essential.
- Integration into EU directives: when it comes to EU product policy, the Flower should be integrated in EU regulation. Most promising seems to be the integration into the so-called EuP directive [Directive 2005/32/EC on the eco-design of Energy-using Products (EuP)], that is, the product group-related specification currently underway according to the aforementioned EuP framework directive.
- Encourage product-chain co-operation: co-operation among supply chain actors should be encouraged, especially among retailers, producers and key suppliers.

The discussion following question three highlighted promising integration efforts into other policy fields and instruments. One contribution emphasized the need to link the Flower with energy policy, precisely the CO<sub>2</sub> emission trading system. The Eco-label certified companies could receive more certificates CO<sub>2</sub> and/or discount prices. Even if linking the Eco-label with emission trading seems to be a promising idea several colleagues hinted at considerable technical problems for the implementation.

Further integration efforts were outlined for the forestry sector, linking the Flower with sector specific labels such as the FSC (Forest Stewardship Council) and the PEFC (Pan-European Forest Certification) labelling scheme.

Another proposal centred eco-labelling in the field of current product policy developments, that is, the European Integrated Product Policy approach, and the so-called ETAP initiative. ETAP stands for the European Environmental Technologies Action Plan which is composed of actions around the themes “Getting from Research to Markets”, “Improving Market Conditions”, and “Acting globally”. Tied up to that point, the discussion elaborated on methodological issues with regard to eco-labelling. As a future vision, measuring environmental product performances with a set of promising methodologies such as ecological footprint could be of importance. Eco-labelling could then play a major role for the measurement of environmental product performance.

### **e) Eco-label and the other pillars of sustainability (13 participants)**

Moderator and rapporteur: Fabio Iraldo (IEFE Bocconi)

**Question 1:** The interviews carried out in the EVER study show that some companies and stakeholders would like to see the EU Eco-label open to other aspects of sustainability, especially consumer health and fair trade. Do you agree with this prospect and why?

**Question 2:** A significant majority of these interviewees think that there should not be any mandatory requirement concerning these “new” issues, but only requirements for “additional points” or the chance to provide qualitative information on these issues to the customer. Do you think this is operationally feasible and how can it be done?

**Question 3:** What positive and negative consequences will an enlargement of the EU Eco-label to other sustainability issues have for consumer information and for licence-holder competitiveness?

The debate in this parallel session was intense and fruitful, the opinions of the stakeholders were controversial and, in the end, it was not possible to obtain a wide consensus on the options foreseen by the three questions.

The first part of the session focused on the opportunity and on the potential advantages and disadvantages connected with the prospect of including other aspects of sustainability in the EU Eco-label, with particular reference to consumer health, social responsibility and fair trade. There was no common view on this issue.

Some of the participants (especially among the industry representatives) were in favour of opening the Eco-label to social issues. The reasons for this, as reported by these stakeholders, are twofold: on the one hand, there is a growing interest shown by companies operating in many sectors for obtaining and using a product certification based on social grounds, in order to improve their image and their relationships with their stakeholders. On the other hand, consumers seem to increasingly pay attention to social issues, also driven by the echo of some recent events and by the media. In addition to this, some of the participants underlined that there is an issue (made especially by environmental NGOs and consumerist associations) for harmonisation in assessing products and informing consumers on 360° issues (under different points of view: environmental impact, social implications, consumer health, etc.).

Moreover, a favourable factor pushing for the inclusion of these aspects in the EU Eco-label is the opportunity of regulating the “market” of social product certification (which is rather confused), as it has been done with the EU Eco-label for the environment, and to deal with these issues at the institutional level with an integrated approach (i.e.: by means of a EU “sustainability label”). This might also offer potential synergies and savings of time and resources to the interested companies (a “one-desk” solution for all certification procedures was mentioned as a potential benefit).

Another potential benefit emphasised by those stakeholders that agreed with the possibility of integrating the EU Eco-label with social issues, relates to the area of “chain management”. Some of the industry representatives stated that it could be more effective to manage the relations with the supply chain with an integrated approach, in order to obtain simultaneous guarantees on both environmental and social issues by the providers. The reason, in this case, was that it makes no sense in asking to the suppliers just some guarantees (environment) and not others (social issues).



Finally, the issue of credibility was raised by those in favour of opening the EU Eco-label to social considerations. It would be very dangerous, they said, if a company holding an Eco-label is included in a social “black list” or is simply perceived as a company that violates the basic rules of socially-responsible behaviour. This eventuality could damage not only the company itself, but the EU Eco-labelling scheme as a whole.

Other participants were against the inclusion of any kind of social aspect in the EU Eco-label (with the significant exception of consumer health which, they emphasised, has been already taken into consideration for criteria development in some product groups, with positive results). Many reasons for this opposition were presented by the participants.

First of all, some participants pointed out that the Commission has to acknowledge that the EU Eco-label is not successful on the market and it is not widely used by producers. Therefore, the real issue at stake is understanding why the Eco-label is not as successful as expected, focusing on the possible solutions to the barriers and difficulties met by the current scheme, based only on environmental concerns. Extending an unsuccessful scheme to other aspects can generate negative consequences and even be counterproductive. The adoption of a “sustainability” label can imply even more complicated procedures than the current ones; adding criteria for social issues can make it more difficult for interested companies to guarantee appropriate performances; marketing a scheme based on “sustainability” can be even harder, due to the uncertainties and the lack of knowledge by companies and consumers on social aspects.

Moreover, it should be considered that, for some social issues, many private labels already exist and some of them are proving to work very effectively on the market (e.g. consumer health private labels, fair trade certifications). There is no need for additional labels in these areas.

The real challenge today must be to promote the EU Eco-label as it is, and make it more accepted and widely used; once the scheme will be successful, it could then be feasible to extend it to new areas.

It has to be noted, though, that some participants replied that the choice of marketing a label focused on both social and environmental issues can also produce positive consequences: there could be, for example, an “amplifier effect” for consumers.

Coming back to those who opposed the extension to social issues, some participants emphasised that it could be extremely difficult to define product-related criteria concerning social responsibility. This concept can be applied to the corporate strategies by means of a flexible and rather wide-ranging approach, based on general principles and guidelines for action; but when it comes to product and life-cycle issues, it will be very difficult to focus on specific criteria and, especially, quantitative requirements.

These considerations triggered a discussion on the possibility to elaborate sustainability-related criteria for products. A positive experience relating to a sustainability label was presented: although this initiative (undertaken in Belgium) is still at an early stage, the attempts in defining social criteria by means of a life-cycle approach have been successfully carried out.

In this case, a general consensus emerged from the participants on the need for the Commission to work on possible approaches to develop such criteria. It was agreed by most of the stakeholders that, if any effort is eventually to be made to include social-responsibility criteria in the scheme, this has to be made in a “soft” way.

A proposed solution was to focus on some “baseline” social criteria, as prerequisites to access the EU Eco-labelling scheme. Another proposal was to introduce requirements regarding exclusively consumer information on social issues. These solutions were opposed by many participants, who identified some drawbacks, due to the high uncertainty and heterogeneity (what social “baseline”?) and to the discretionary power given to the companies (the power to decide if or not to include information on social responsibility can affect transparency).

A final agreement was achieved on the general indications that this parallel session should provide to the Commission. Even if the opportunity of “opening” the Eco-label to social issues is very controversial, there is consensus on the facts that:

- the “moral” and ethical basis for introducing a label including other forms of producer responsibility (in addition to the environmental one) or even “sustainability” at large, in the long run, is undisputable; the doubts and oppositions are on timing (the incoming revision seems to be too early), methodological choices (not as an extension of the EU Eco-label) and operational ways (what kind of criteria) to do it
- consumer health is an issue that can be easily integrated into the EU Eco-label, especially for some product groups
- any eventual attempt of introducing social responsibility issues must be carried out with a very “soft” approach, the EU Eco-label must continue to be a label essentially based on environment-related issues

## **f) The EU Eco-Label and the national schemes (13 participants)**

Moderator and rapporteur: Anette Petersen (Valor and Tinge)

**Question 1:** The EVER study identifies a strong need for harmonisation between the EU Eco-label and national Eco-labelling schemes (ISO type I multi criteria / single criteria). Should this should be included in an harmonisation process / initiative with the EU Eco-label?

**Question 2:** how can harmonisation of national Type I labels and the EU Eco-label be pursued and implemented on an operational level? In particular: which parameters should be included? How to overcome barriers?

**Question 3:** Our study also shows that the interviewees are interested in other types of labels, such as ISO Type III (e.g: EPD – Environmental Product Declaration) and Type II (self claims) and believe that the EU Eco-label can play a role in connection with them. Is there a need for harmonisation (or an opportunity for integration and mutual reinforcement) with these labels and how can this be pursued?

Participants believe that the Flower should keep on setting the standard (i.e. labels at national or supranational level should follow criteria and criteria level from the Flower). The performance levels can be differentiated according to geography and culture and/or differentiated among product groups

Many argued that labelling is not a goal, but a means. Moreover, it was stressed that Type I and Type III are different; while Type I sets performance requirements; Type III gives only information. The Commission should develop a common framework (umbrella) based on a stepwise approach starting with EMAS (organization learns how to work with significant aspects and impact, how to involve employees and other interested parties, how to work with procedures, how to communicate externally etc.); step 2 could then be Type III, i.e. communication on products and their performance but no requirements on performance levels; step 3 could then be Type I with performance requirements; significant aspects, EPD parameters and performance criteria in Eco-labelling should be coordinated for specific sectors and product groups

Some said that the verification of EMAS, Type III and Type I could also be better coordinated

According to the participants, the development of the previously mentioned “three-level” stepwise approach seems good for industrial organizations, as it is consistent with the need for integration and synergy among the different policy instruments, within the framework of a more effective EU environmental strategy. Moreover, if such a “three level” approach is realised, then the actors that will play the role of verifiers could become ambassadors for the this innovative approach and stimulate the interest of the business world more than what is happening today with the EU Eco-Label.

## EMAS WORKSHOP - *Brussels September 27, 2005*

### List of participants

|                  |                      |  |
|------------------|----------------------|--|
| AXEL             | Dick                 | Quality Austria GmbH   |
| BARRECHEGUREN    | Maria de los Angeles | European Commission DG Environment                           |
| BIANCHI          | Giuseppe             | Environmental expert   |
| BOCHICCHIO       | Paolo                | European Plastics Converters                                 |
| BUCKLEY          | Claire               | KWI Management Consults & Auditors GmbH                      |
| CHRISTIANSEN     | Kim                  | Expert   |
| CHRISTIANSEN     | Hans Chr.            | City of Copenhagen   |
| CLAESSON         | Annika               | Union of the Baltic Cities, Commission on Environment.       |
| COSCI            | Sabrina              | Cartiera Lucchese S.p.A.                                     |
| COSTES           | Bruno                | Airbus S.A.S.  |
| DE SOUSA BOLINA  | Joao                 | Portuguese Government  |
| DR. MITTENDORFER | Cornelia             | Arbeiterkammer Wien  |
| EFENTZOGLOU      | Despina              | Lloyd's Register   |
| FLECKEN          | Vera                 | KATE   |
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| GALLUS           | Bernhard             | Hubert Burda Media   |
| GAMBONI          | Mauro                | CNR Consiglio Nazionale delle Ricerche                       |
| HAMON            | Patrick              | European Commission DG Environment                           |
| HARBIDGE         | Jim                  | Leeds City Council   |
| HECKER           | Michael              | 3M Deutschland GmbH  |
| HORTENSIUS       | Dick                 | NEN, the Netherlands   |
| HÜWELS           | Hermann              | DIHT Brussel   |
| HYVARINEN        | Esa                  | Confederation of European Paper Industries (CEPI)            |
| JANHUNEN         | Marko                | UPM-Kymmene Corporation                                      |
| JUNGWIRTH        | Martin               | PhD networks sustainable economics Germany                   |
| LENA             | Guido                | UEAPME   |
| LINHER           | Sigrid               | ORGALIME   |
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| LOTTE            | Ralf                 | ECOS   |
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| MCCAUSLAND       | Hannah               | Associated Newspapers Ltd                                    |
| MELZER           | Katrin               | Siemens AG   |
| MONRAD ANDERSEN  | Christina            | Grundfos   |
| ORSKOV           | Erik                 | Green Network (company/authority network)                    |
| ORTALLI          | Sonia                | Unicredito Italiano  |
| PEGLAU           | Reinhard             | Umweltbundesamt - German Federal Environmental Agency        |
| RACKE            | Markus               | DAU  |
| REMMEN           | Arne                 | University of Aalborg (DK)                                   |
| REVELLINO        | Paolo                | TOROC  |
| RIEPER           | Helge                | LIFE Assistance and Technical support                        |
| SARAIVA SANTOS   | Manuel               | CELBI –Celulose da Beira Industrial (PT)                     |
| SCHEMMER         | Michael              | German Environmental Verification Committee                  |
| SMITH            | Paul                 | LRQA Centre  |
| STUNT            | Rick                 | European Newspaper Publishers' Association - ENPA            |
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| TOSCANI          | Nadine               | UNICE  |
| TSCHULIK         | Andreas              | Ministry for forestry and agriculture, environment and water |

## ECO-LABEL WORKSHOP - *Brussels September 26, 2005*

### List of participants

|              |             |  |
|--------------|-------------|--|
| AICHINGER    | Herbert     | European Commission DG Environment               |
| BULTEZ       | Anne        | BRUNEL CHIMIE DERIVES                            |
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| BERSANI      | Raffaella   | Macroscopio                                      |
| BIRTWISTLE   | Jeffrey     | C&A  |
| CASASNOVAS   | Jose Manuel | AKZO NOBEL COATINGS SA DECO                      |
| CHAMBRION    | Philippe    | AARON S.A.                                       |
| CHRISTIANSEN | Kim         | Expert   |
| CIPRESSI     | Giulia      | European Council of Vinyl Manufacturers          |
| COSCI        | Sabrina     | CARTIERA LUCCHESI S.p.A.                         |
| CRUYSSAERT   | Mieke       | Hotel Le Plaza                                   |
| EIDERSTRÖM   | Eva         | Swedish Society of Nature Conservation           |
| OLIVIER      | Gilles      | NOVAMEX  |
| GORI         | Marco       | Materis Paints                                   |
| HAMON        | Patrick     | European Commission DG Environment               |
| HARDER       | Bodil       | Danish EPA                                       |
| HARRISON     | David       | Bayer MaterialScience AG                         |
| HAUBEN       | Alexandre   | akzo nobel                                       |
| JANHUNEN     | Marko       | UPM-Kymmene Corporation                          |
| KÖSTER       | Wolfgang    | WEPA Papierfabrik                                |
| KOUTROUMANI  | Athina      | European Commission DG Environment               |
| KUUSOLA      | Leena       | The Finnish Standards Association SFS            |
| LÄMSÄ        | Merja       | BINOL BIOSAFE OY                                 |
| LINHER       | Sigrid      | ORGALIME   |
| MATTIUZZO    | Debora      | EUROCOMMERCE                                     |
| MAXWELL      | Christopher | European Commission DG Environment               |
| MAZIYN       | Bernard     | Secretariat of State for Sustainable Development |
| MENICUCCI    | Brunello    | CARTOTECNICA SANTA CATERINA                      |
| MIHALIČ      | Tanja       | Ministry for Industry Republic of Slovenia       |
| MINK         | Erika       | Tetrapak   |
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| PIRSON       | Michel      | DALLE HYGIENE SA                                 |
| PRETATO      | Ugo         | Environmental expert                             |
| REMMEN       | Arne        | University of Aalborg                            |
| RIISGAARD    | Henrik      | University of Aalborg                            |
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| SAETTONE     | Roberto     | PlasticsEurope (member of WG)                    |
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| ZIKELI       | Stefan      | SEACELL GmbH                                     |

