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EU's 'green products' policy fails to convince

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The Commission has adopted long-awaited proposals to expand the scope of existing 'eco' design and labelling requirements to all products that impact on energy consumption. But most EU stakeholders are not overly enthusiastic about the plans.

Background:

Amid concerns that growing resource scarcity and rising raw material costs are dampening prospects for Europe's economic growth, the EU is looking for ways to decrease the environmental impact of industrial activity, product manufacturing and consumption patterns.

The mainstay of current EU efforts to reduce the environmental impact of consumer goods is the 2005 Eco-design requirements for energy-using products (EuP) Directive, which sets out requirements on energy use for popular products that consume energy, such as hairdryers, computers, fridges or office equipment (EurActiv [LinksDossier](#)).

In addition, a range of existing instruments and policy areas address the broader issue of sustainable consumption and production, including 'thematic strategies' on the use of natural resources and waste as well as the Integrated Product Policy (IPP). Environmental groups have criticised this policy framework for being too fragmented and lacking sufficiently stringent regulations.

The Commission's strategy, presented in Brussels on 16 July by EU Industry Commissioner Günther Verheugen and EU Environment Commissioner Stavros Dimas, is based on a combination of voluntary and binding measures designed to mitigate the energy use and environmental impact of products.

Under the draft plans, products like windows and shower heads are to fall under the scope of existing rules for energy-using items as set out by the EuP Directive. They will be banned from the EU market if they do not meet certain standards related to energy consumption.

This represents a step-down from earlier plans in which the Commission was contemplating expanding the scheme to a wider range of consumer goods, like footwear and furniture (EurActiv [28/04/08](#)).

In an apparent effort to strike a balance between regulatory and market-based instruments, industry is being urged to develop benchmarks and voluntary standards for the various products that would be affected by the plans. The Commission said it would step in and regulate specific standards in cases where industry initiatives are deemed insufficient.

The package of measures, contained in 'action plans' on Sustainable Consumption and Production (SCP) and on a Sustainable Industrial Policy (SIP), includes:

- A proposal to revise and expand the scope of the EuP Directive to all energy-related products;
- A widened scope for the use of labels that detail the energy use or impact of products;
- New public procurement rules to favour the uptake of 'green' products;
- A revision and expansion of the EU's Ecolabel or flower scheme to include, among others, food and drink products, and;
- A revision of the voluntary eco-management and audit scheme ([EMAS](#)).

Implementation - patience required

The products that will be affected by the measures still need to be determined and will be the subject of negotiation between Council and Parliament. Certain products will also require 'priority action' due to their greater impact on energy

use, but, again, the precise list of such goods still needs to be determined, according to the Commission.

Once specified, the minimum requirements will be set either by industry or by the special committees of EU experts according to the existing implementing measures set out in the EuP Directive.

"Nobody can answer" when asked precisely when the new rules will actually enter into force and affect products on the market, Verheugen told journalists in Brussels on 16 July. There is a need to "be a little bit patient," he said.

However, the commissioner "does not expect major difficulties" during the negotiations between Council and Parliament and speculated that industry would set the first benchmarks for priority products "not more than two years" from today.

Positions:

BusinessEurope, the confederation of European businesses, only released a short statement in response to the plans, requesting that "impact assessments on the specific proposals for regulation be carried out to the highest standards".

The group also stressed that the plans "should not lead to an increase of bureaucracy and administrative burden," adding: "European companies must be fully involved in the design of [regulatory] instruments because they will have to implement them."

EuroCommerce, a trade group representing the retail sector and the **European Retail Round Table (ERRT)** gave the most positive response to the plans. The ERRT in particular has been closely involved in their design and is still "working with the Commission to develop a concerted, cohesive retail involvement in the actions," according to a press statement.

Orgalime, the European **engineering industries** association, questioned whether the plans go far enough. "If this policy is about moving towards a low carbon economy, then the action plan has to be about more than just labelling or an extension of the scope of the Eco Design (EuP) Directive," it said in a press statement.

Nonetheless, the organisation still sees the "potential" of the plans as long as they raise consumer awareness while creating the "required change in the market without creating collateral damage to the competitiveness of industry".

Small and medium-sized enterprises (SMEs), represented in Brussels by **UEAPME**, are worried the plans will raise their costs to such an extent that they will be priced out of the market by larger companies better able to finance a 'green' shift in their product lines.

"The action plan published today dramatically underestimates the impact on smaller businesses, which will have to face a revolution in their manufacturing methods and stricter compliance rules without proper support and in a relatively short timeframe," UEAPME's Director for Sustainable Development Guido Lena said in a press statement.

The **European Consumers' Organisation BEUC** slammed the proposals, labelling them a 'non-action plan' on the grounds that the "concept of sustainability is greatly reduced to only energy efficiency, and instead of setting ambitious objectives, it proposes to revise, albeit taking the right direction, a range of legislation for which the revision had either already been planned, or was at least foreseeable".

These concerns were echoed by the **European Environmental Bureau (EEB)**, which lamented that "the package simply reinforces existing mechanisms".

The EEB also took issue with the Commission's emphasis on a voluntary approach for industries, and hopes that the Council and Parliament will strengthen the measures in order to drive "substantial changes to European behaviour, which current mechanisms alone cannot do".

Environmental group **Friends of the Earth Europe** also criticised the limited scope of the plans, arguing that the proposals should cover not only energy-related products but also those with a major environmental impact like paper, packaging and furniture.

Next steps:

- **March 2009:** End of Parliament legislature. Commission expects the proposals to be adopted by this date in a first reading agreement between Council and Parliament.

Links

EU official documents

- Commission press release: [EU promotes sustainable products and technologies: a package of actions for sustainable consumption, production and industry](#) (16 July)
- Commission: [European Sustainable Consumption and Production Policies](#)
- Commission: [Towards a sustainability industrial policy](#)
- Commission: [EU Eco-Management and Audit Scheme \(EMAS\)](#)

EU Actors positions

- BusinessEurope: [Sustainability Action Plan: Yes, but avoid more bureaucracy and involve industry](#) (16 July)
- EuroCommerce & European Retail Round Table (ERRT): [Retailers welcome launch of EU sustainability plan](#) (16 July)
- Orgalime (European Engineering Industries Association): [Sustainability Action Plan: an opportunity?](#) (16 July)
- European Consumers' Organisation (BEUC): [A "non-action" plan](#) (16 July)
- UEAPME (EU crafts, trades and SME association): [EC plans on sustainable consumption and production a worrying signal for SMEs](#) (16 July)
- Friends of the Earth Europe: [Green product proposals fall short of potential](#) (17 July)
- European Environmental Bureau (EEB): [Commission's package on consumption, production and industry welcomed, but is sadly lacking in vision or ambition and full of contradictions](#) (16 July)