

UNION EUROPEENNE DE L'ARTISANAT ET DES PETITES ET MOYENNES ENTREPRISES EUROPÄISCHE UNION DES HANDWERKS UND DER KLEIN- UND MITTELBETRIEBE EUROPEAN ASSOCIATON OF CRAFT, SMALL AND MEDIUM-SIZED ENTERPRISES UNIONE EUROPEA DELL' ARTIGIANATO E DELLE PICCOLE E MEDIE IMPRESE

UEAPME'S COMMENTS ON

THE DISCUSSION PAPER PRESENTED BY DG ENVIRONMENT ON THE REVISION OF THE EUROPEAN ECO LABEL SCHEME

UEAPME, as already stated during the last EUEB meeting of April 2006, welcomes the Commission's discussion paper and regards it as a very good step in taking forward the review of the Eco-label scheme.

This paper consists of four parts:

- 1. The vision of the Future of the EU Eco-label
- 2. First response to the Recommendation of the EVER study
- 3. How might a revised Eco-label Regulation look
- 4. Legal considerations of how the scheme could operate

Part 3 of the document gives a concrete idea on how might the draft proposal look like. Considering the great experience and interest that SMEs have in the operation of the scheme, UEAPME can play an active role in the revision of the EU Eco-label scheme in order to ensure that the amendments are more SME-friendly.

Following the outcome of the discussion held during the last EUEB meeting on this paper, UEAPME would like to make the following first considerations relevant for SMEs:

- The fact that the management of the scheme and in general the criteria
 development should be streamlined is positive. Allocating voting and decisionmaking powers to stakeholders is consistent with this approach. Therefore,
 UEAPME encourages the Commission to create a fair and weighted voting
 system, which enhance stakeholders-participation, commitment and ownership of
 the scheme.
- An effective criteria development process is crucial. Alternative ways of

developing Eco-label criteria are needed to speed up the traditional procedure, to have criteria for more product groups and to adapt the existing criteria to the needs of the market in a quicker way.

- We encourage the Commission to develop proposals along the lines of a marketfacing scheme. We understand that among Member States/Stakeholders there is no consensus on the stringency of the Eco-label criteria. UEAPME is absolutely in favour of a stringency of Eco—label criteria so as to be achievable for between 30% and 40 % of companies as proposed by the Commission. There is enough interest among SMEs to apply for the Flower: let these SMEs be able to implement the scheme in the interest of the environment!
- The criteria are often too long, complicated and with too many references to standards. This means that their implementation is often costly for SMEs. In order to be achievable for 30% or 40% of companies, Eco-label criteria should become much **simpler**. UEAPME supports the Defra's comment to have criteria limited to far fewer, "key" environmental impacts.
- The costs of compliance tests are very high, particularly for micro and small business, and represent a barrier to their application for the EU Eco-label. The same goes for the investments in technology and consultancy requested by the implementation of the scheme. In order to overcome this problem, companies falling under the EU SME definition should benefit from tax reduction on the costs of compliance tests, technology and consultancy required to apply the EU Flower. Moreover, specific provisions to facilitate the adoption of the EU Ecobe foreseen for **SMEs** in the framework of EU should initiatives/programmes, such as the structural funds and the upcoming new Life + programme.
- UEAPME understands that among Member States there was quite a consensus in giving priority to the development of new product groups of high impact and of use for public purchasers (Green Public procurement, page 14 of the paper).
 UEAPME is not against this idea in principle, of course, but it has a word of caution. In fact among the typical product groups requested by public purchasers, only a few are produced/offered by SMEs.
- Considering that all energy using product groups (such as TVs, PCs, Washing machines...) have hardly no applicants, considering that this category of products are already regulated by the "energy label" and other more specific pieces of legislation, UEAPME considers that it should not be appropriate to invest other "energy" in this kind of product groups.
- Marketing must become much more effective in particular at national level. SMEs
 with the Flower should be entitled to use the Logo as much as possible as a real
 marketing instrument.

- The harmonisation of the EU Eco-label with the national eco-label should become reality after the revision. UEAPME suggests introducing a provision in the revised text of the EU Flower in order to allow companies with one eco-label to easily obtain the acceptance in the other scheme.
- The reaction among participants was quite positive as to the fact that criteria should include basic social issues (**Sustainability**, page 11 of the paper). UEAPME, as the Commission and other stakeholders, is against this idea. To try to turn an environmental label that is not reaching its potential into a full (or partly) sustainability label now could be very problematic and a little bit utopian.

We thank you for the consideration you may give to this UEAPME's first comments and remain at your disposal for any clarification you may need.

Brussels, July 2006