

Guidance for consumers – how do labels help?

In recent years, there has been a substantial improvement in the energy consumption and environmental footprint of a wide range of products, from fridges to office equipment. Various labels are now in use to inform consumers about these and other product features. Through their spending decisions, consumers have the power to influence the market so that more eco-friendly products become established.

Criteria such as energy efficiency, environmental impact and sustainability are relevant factors in product design. The purpose of ecolabels such as the Blue Angel and the EU energy label is to provide information about environmental aspects of product design and to increase transparency. The Blue Angel is a voluntary scheme, whereas EU energy labelling is mandatory.

However, it is not only about raising consumer awareness. Recognising that substantial efficiency improvements are essential to meet climate targets, the EU is keen to reduce energy consumption and increase product sustainability across the board. In addition to introducing product labelling, the European Commission therefore adopted the Ecodesign Directive in 2005, establishing a framework for the setting of minimum requirements for energy-using appliances and energy-related products. These requirements are becoming increasingly ambitious.

The Oeko-Institut has been involved in developing the criteria for various ecolabels, and its researchers play a key role in implementing the European Ecodesign Directive. The Oeko-Institut also manages the EcoTopTen website, which offers consumers easy access to information about the eco-friendly appliances currently rated as the best available on the market.

The Blue Angel

The Blue Angel is one of the most widely used sustainability labels. It has a high level of ambition and covers products throughout their life cycles. Certified products are assigned to one of four categories with a separate tagline showing its specific protection goal: resources; human health and the environment; water; and climate. The Blue Angel ecolabel is awarded for products as diverse as office equipment, toilet paper, disposable nappies, paints and varnishes, electrical appliances, ebikes, energy- and resource-efficient data centres, returnable packaging for beverages (coffee to go) and many more besides. The process of developing Blue Angel criteria for any product group starts with comprehensive screening, which increasingly focuses on social criteria as well as environmental aspects. The process is committed to transparency and also includes consultations with experts.

The Oeko-Institut assists the German Environment Agency (UBA) and RAL gGmbH, as the bodies responsible for the label, to develop appropriate criteria and verification procedures. The UBA then submits the criteria to the independent Environmental Label Jury as the basis for Blue Angel award decisions.

The Blue Angel award criteria are frequently utilised in private and public procurement. Manufacturers must develop their products in accordance with the Blue Angel criteria in order to access this market. Even though the Blue Angel is a voluntary product labelling scheme, businesses thus have an interest in obtaining this accreditation for their products.

Video on the development and award of the Blue Angel ecolabel (English)

The EU energy label

EU energy labelling is mandatory. This EU scheme rates a wide range of domestic appliances and lamps on a scale from A+++ (very low energy consumption) to D (very high energy consumption). The simple colour scale used for the various energy efficiency categories – from dark green (most efficient) to red (energy-guzzler) – ensures transparency and product comparability and thus helps consumers make more informed purchasing choices.

If an EU energy label exists for a product group, it must be clearly displayed on the appliances within that group. Energy labelling is mandatory for fridges and freezers, washing machines and tumble dryers, dishwashers, televisions and lamps, as well as for various heating devices, including heat pumps and pellet stoves. The standards applicable to the various energy efficiency categories are becoming more stringent to take account of technological advances.

From 2019/2020 onwards, the grading system will move to an A to G energy scale in order to make the ratings more understandable for consumers than the current system, which includes A+, A++ and A+++ categories. Under the new system, as soon as 30 per cent of a product group is A-rated or 50 per cent of appliances in a group are A- or B-rated, the categories will be rescaled and tighter criteria applied.

A handy guide to ecolabels

A broad overview of various labels and their specific award criteria is provided by the <u>Siegelklarheit.de</u> website initiated by the German Federal Ministry for Economic Cooperation and Development (BMZ). The website reviews and evaluates product labels awarded for sustainability and compliance with social standards.

Evaluation is a two-stage process. First, the labels must meet the German Government's minimum environmental and social standards and have a credible management system.

As the second step, 200 additional criteria relating to environmental sustainability, compliance with social standards and credibility come into play. The more ambitious and stringent a label's award criteria, the more points it scores in the evaluation.

The website provides information about labels for textiles, leather, natural stone, mobile phones, laundry and cleaning products, foodstuffs, wood, laptops etc., and paper. Labels scoring more than

70 points in the evaluation are classed as "a very good choice", while products scoring up to 70 points are described as "a good choice". If a label does not meet the minimum criteria, the website explains why; for example, there may be a connection between a standard-setting organisation and a certified business.

The Oeko-Institut's researchers were involved in developing minimum standards and criteria for various product groups.

EcoTopTen

The Oeko-Institut provides transparent information and recommendations on an ongoing basis via the <u>www.ecotopten.de</u> website in order to help consumers make more informed purchasing decisions. With private consumption still producing more than a quarter of Germany's greenhouse gas emissions, the aim is to encourage consumers to switch to sustainable consumption as a means of reducing emissions.

EcoTopTen provides market reviews with regularly updated recommendations for more than 20 product groups, including domestic appliances, televisions, e-bikes, cars, lamps and heaters, and the best green electricity services. Only top-quality eco-friendly products and services are recommended.

The minimum criteria which the products have to fulfil to feature on the lists can be viewed on the website. They generally include energy consumption, a reasonable selling price and, depending on the product group, additional environmental criteria. Consumers can, for example, compare the total annual costs for the products, which include not only the purchase price but also the annual electricity costs.

EcoTopTen takes into account existing labels as well as the results of other tests, in particular the EU energy label's energy efficiency categories. In the case of fridge-freezers, for example, only appliances with an A+++ energy rating are recommended.

EU ecodesign

Going beyond all the various labels and quality marks, the EU's Ecodesign Directive ensures that appliances and products that use a high amount of energy are progressively removed from the market. The minimum standards established in the Directive are regularly revised, ensuring that products' energy consumption decreases in line with technological progress.

In order to formulate the Ecodesign Directive's minimum requirements for the efficiency and environmental footprint of energy-using products, the European Commission appoints various research institutes to carry out preparatory studies. These studies consist of a comprehensive review of market status, with a focus on the existing project range, technical developments, potential for environmental innovation, costs and consumer-related aspects. On this basis, various scenarios are developed as a basis for regulatory proposals, which are discussed in a broad stakeholder process before the final versions are adopted.

The Oeko-Institut was involved in several of these preparatory studies, including the revision of the ecodesign standards for domestic washing machines, tumble dryers and dishwashers, and the preparatory studies on commercial washing machines and dishwashers. In addition, Oeko-Institut researchers regularly advise the European consumer organisations ANEC and BEUC, the German

Environment Agency (UBA) and the Federal Ministry for Economic Affairs and Energy (BMWi) on many of the proposed items of legislation.

The standards set in the Ecodesign Directive are likely to become even more ambitious in future. Besides energy consumption, other aspects are increasingly being analysed on a life cycle basis, including product reparability and durability.

Further information

<u>Fünf Videos zu Klimaschutzhilfen beim Einkauf von Haushaltsgeräten</u> (Five videos on protecting the climate when purchasing domestic appliances)

Contact

Kathrin Graulich Deputy Head of Division Sustainable Products & Material Flows

Oeko-Institut e.V., Office Freiburg Phone: +49 761 45295-251 Mail: <u>k.graulich@oeko.de</u> **Dr. Corinna Fischer** Deputy Head of Division Sustainable Products & Material Flows Oeko-Institut e.V., Office Freiburg

Phone: +49 761 45295-223 Mail: <u>c.fischer@oeko.de</u>

Oeko-Institut is a leading independent European research and consultancy institute working for a sustainable future. Founded in 1977, the institute develops principles and strategies for realising the vision of sustainable development globally, nationally and locally. Oeko-Institut is represented at three locations in Germany – Freiburg, Darmstadt and Berlin.