



## The EU Ecolabel and Asia Pulp and Paper

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Best known as the EU flower, the European Ecolabel is a voluntary scheme, established in 1992 to encourage businesses to market products and services that are kinder to the environment. The EU Ecolabel covers a wide range of products and services including paper products. The website of DG Environment of the European Commission makes the following strong statement about the label: *“While the logo may be simple, the environmental criteria behind it are tough, and only the very best products, which are kindest to the environment, are entitled to carry the EU Ecolabel. What is more, this is a label that consumers can genuinely trust.”*<sup>1</sup>

But the EU flower is withering. Several reports have documented the destructive environmental and social impacts of Asia Pulp & Paper (APP), part of the Sinar Mas group, including its involvement in clearing rainforest in Indonesia for paper.<sup>2</sup> Nonetheless in 2006 the EU Ecolabel was awarded to two brands of photocopy paper – Golden Plus and Lucky Boss – produced by the Indonesian company Pindo Deli, a subsidiary of APP.

In 2010, FERN published *“EU Ecolabel allows forest destruction – the case of Pindo Deli,”* questioning how the Ecolabel could be awarded to paper from a company such as Pindo Deli. It also exposed the flaws of the system: overall lack of transparency of the EU Ecolabel award process, the lack of a formal complaints mechanism as well as the weakness of the criteria for providing an EU Ecolabel to copying and graphic paper.

Following this report, the European Commission has asked the French competent body<sup>3</sup> AFNOR, the same body that had advised the EU to provide an EU Ecolabel to APP in the first place, to investigate whether APP should have received the EU Ecolabel by doing an on-site audit of the APP/Pindo Deli mills.

In November 2011, the Commission announced that AFNOR’s audit proved there was full compliance with the criteria of the EU Ecolabel for copying and graphic paper valid at that time, and especially with the criteria on sustainable forest management. So are we satisfied now?

The short answer is “no”.

### 1) The EU Ecolabel is not transparent

The conclusions from the audit report, which have been made publicly available, do not give insight into what is being assessed and do not give meaningful information on how the company performed on the different criteria. Did AFNOR carry out visits to the forest operations which supply material to the mills? Did they consult with stakeholders before and during the audit? While FERN provided APP with a draft of the report it published in 2010 and gave APP the chance to correct factual mistakes, FERN has yet to receive any substantive response.

<sup>1</sup> [http://ec.europa.eu/environment/ecolabel/about\\_ecolabel/what\\_is\\_ecolabel\\_en.htm](http://ec.europa.eu/environment/ecolabel/about_ecolabel/what_is_ecolabel_en.htm)

<sup>2</sup> [www.fern.org/exportingdestruction](http://www.fern.org/exportingdestruction) (pages 25 onwards)

<sup>3</sup> A competent body is a body inside or outside the Member States government ministries responsible for carrying the tasks that are provided in the legislation underpinning the EU Ecolabel. One of these tasks is to ensure that the verification process is carried out in a consistent, neutral and reliable manner by a party independent from the operator being verified based on international, European or national standards and procedures.

For the EU Ecolabel to be transparent; the basis on which the Ecolabel has been awarded must be clear to the outside world. Anything less will undermine the quality of the label.

## **2) The Ecolabel criteria are weak**

The criteria for copying and graphic paper are too weak. A company like APP can receive an EU Ecolabel on the basis of the certified pulp it buys, while continuing business as usual elsewhere. Even if a company violates environmental or social legislation, or uses controversial practices like destroying natural habitats at large scale, it can still obtain an Ecolabel for certain products. So Pindo Deli can obtain an Ecolabel for products by buying certified pulp on the global market and using that in some of their products (those that got awarded an EU Ecolabel) while at the same time using pulp from forest destruction for other products and reaping the public relations benefits of association with the Ecolabel.

Recommendations and input made by the European Environmental Paper Network's members have been twice completely rejected, both for copy and graphic paper and for tissue products. The legislation underpinning the EU Ecolabel states: *'For the acceptance by the general public of the EU Ecolabel scheme, it is essential that environmental non-governmental organisations (NGOs) and consumer organisations play an important role and be actively involved in the development and setting of EU Ecolabel criteria'*. European NGOs working on forest issues have warned the European Commission for some time that the EU Ecolabel lacks credibility because input from NGOs has been ignored. The EU Ecolabel should not be issued to any product from a company that is involved in the destructive logging of high conservation value or intact forests.

## **Conclusion**

NGOs have warned the European Commission they would have to advise their supporters, the public and companies to steer away from the EU Ecolabel for paper and timber products, unless the European Commission ensures (1) the awarding process of the EU Ecolabel becomes transparent – *at least* in line with existing forest certification procedures; and (2) the EU Ecolabel criteria are considerably strengthened.

The European Commission has not done that. Hence, the current EU Ecolabel for timber and paper products does not work, and forest NGOs across Europe will inform their supporters, the public and companies, that the label is meaningless at best, and misleading at worst, until the European Commission ensures the awarding process becomes fully transparent and the criteria are significantly strengthened, in line with existing NGO demands.

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ARA, Arbeitsgemeinschaft Regenwald und Artenschutz, Germany

Bruno Manser Fund, Switzerland

CAPPA-Ecological Justice, Indonesia

ClientEarth, UK

FERN, Belgium

Friends of Siberian Forests, Russia

Global Witness, UK

Greenpeace International

Pro Regenwald, Germany

Rettet den Regenwald, Germany

Robin Wood, Germany

Terra!, Italy

WWF International