

Ecopreneur.eu feedback on the Sustainable Products Initiative

Brussels, 12 November 2020 – Ecopreneur.eu welcomes the European Commission’s Sustainable Products Initiative, but stresses the need for additional measures including mandatory LCAs, economic incentives and regional “circular acceleration” hubs.

Ecopreneur.eu, the sustainable business federation representing 3000 SMEs, welcomes the European Green Deal, the Circular Economy Action Plan and, as part of that, the [Sustainable Products Initiative](#). We share their ambitious goals and advocate swift implementation. We also recommend additional measures because the combined policies are insufficient to meet the goals.

We fully recognise the identified market and regulatory failures including the lack of transparency throughout value chains, and welcome the goal of improved information flows, including solutions such as **digital passports and tagging**.

As a member of the Ecodesign and Energy Labelling Consultation Forum (EELCF), we also welcome widening the scope of the Ecodesign Directive beyond energy related products. We advocate to extend the **Directive to cover all end products and services**, starting with the most waste-intensive ones. To **avoid regulatory conflicts between EU regulations** and **administrative burdens** for SMEs, appropriate requirements should be implemented in **existing** product regulations when available, such as the Construction Products Regulation (CPR).

In the interest of the substantiation of environmental claims, Ecopreneur.eu advocates to **let all companies perform a mandatory gate-to-gate Life Cycle Analysis (LCA)**. Such an assessment of their own energy and resource use and their positive and negative impacts should be both feasible and cost-effective, also for SMEs, although special attention may be needed for the smallest ones. Their combination would yield extremely valuable information for full-chain footprint estimates and enable circular procurement and design. **Full-chain LCAs / PEFs are in general too expensive for SMEs**. Environmental Product Declarations (EPDs) can play an important role for large companies.

We also welcome the additional measures considered, from establishing overarching product sustainability principles to banning the destruction of unsold durable goods. In view of the slow pace of Ecodesign Directive regulation so far, we advocate **horizontal measures whenever possible**.

To create an innovative “race to the top”, the **resource and energy efficiency realised by revolutionary green products and services** – mostly developed by green SMEs – **should serve as a new standard for their product group**. They can play a crucial role in the transition as “regenerative heroes”, some of which can form a **basis for ambitious new standards or Best Available Technologies (BATs)**. Without this, minimum criteria for circularity will form an unambitious “ceiling”.

In this context we also stress the importance of implementing **Extended Producer Responsibility (EPR) schemes with eco-modulation of fees in all waste-intensive sectors**. This is crucial to get the economics right. The schemes should be **closely aligned** by clear guidelines and **harmonised** to create a level playing field within the single market involving all actors in the value chain. They should ensure that take back systems developed by individual front-runner companies can co-exist with mandatory regulated systems.

Introducing an effective **carbon border adjustment mechanism** – including embedded carbon - is key to create a level playing field for sustainable products by preventing **unfair competition** from outside the EU.

Finally, to ensure that companies can meet new product requirements, Ecopreneur.eu also advocates a separate action to create **Circular Acceleration Hubs**” in all EU regions. SMEs and start-ups play a pivotal role in accelerating the transition to a circular economy. However, they are faced with numerous barriers, including **the complexity of circular design** and lacking access to funding and collaborative networks. Circular Acceleration Hubs operate function as one-stop-shops offering SME support in an aligned way. In addition, in collaboration with recycling companies and other stakeholders, they should form an EU network to **organise cross-border closing of the loops**.

Our feedback was filed [here](#) as input to the Public Consultation from the European Commission on the Sustainable Products Initiative: <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12567-Sustainable-Products-Initiative>

ABOUT ECOPRENEUR.EU

Ecopreneur.eu sets a course toward sustainable economic policies on the European level to support the economic and societal transformation across Europe and beyond. Ecopreneur.eu aims at opening solidified structures and brings sustainable matters to European policy makers. Ecopreneur is a non-profit non-governmental organisation with six member associations from different EU member states. Together they represent about 3,000 companies committed to sustainability, mostly SMEs.

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