

POSITION PAPER

STEEL INDUSTRY FEEDBACK ON SUBSTANTIATING GREEN CLAIMS INITIATIVE

The European Steel Association - EUROFER, supports the establishment of a common and consistent assessment framework that will, in principle, reduce cost to industry by limiting the proliferation of assessment methods and labels. This should help retain access to a single market without barriers to trade, and also ensure that the environmental impact of imported goods can be properly assessed. The initiative should also reduce the possibilities for green washing, where comparisons are made using inconsistent data and advantageous assumptions. We wish to make the following comments on the initiative:

- 1. The European steel industry welcomes a harmonised approach that is consistent with other policy initiatives, such as the sustainable product policy initiative, and takes into account the full product lifecycle. The Environmental Footprint method addresses serval important issues that are seen as an improvement compared to existing methods. This includes:
 - a. Having a consistent approach to assessing recycling performance, including recycled content, recyclability, and the quality of recycling.
 - b. Standardising and verifying data quality, in particular in relation to data representativeness and end-of-life assumptions. Too often products claim to be 'fully recyclable' whereas the reality at end-of-life is completely different.
 - c. Reconfirming the waste hierarchy that recognises high quality recycling without loss of properties, and clarifying the environmental credentials of materials such as waste, non-waste, and by-products.
 - d. The potential to reduce the unit cost and increase consistency of product assessments, although this is only likely where a PEFCR and standardised models/tools exist.
- 2. **Baseline option** The roadmap clearly points out the current issues, and these will not be solved if there is no further action to facilitate the uptake of a more consistent approach to environmental claims. Therefore, this option is not recommended.
- 3. **Option 1** The existing environmental footprint recommendation of 2013 must be updated, in light of the pilot phase developments, and be continually improved, especially with respect to impact indicators around resource depletion (ADP) and eco-toxicity, including their reliability, and their ability to reflect actual/real environmental impacts in product comparisons. Indicators can be added for issues that are lacking quantification, such as resource use and litter in oceans. The ongoing support from the JRC is critical and must continue to support the continuous development and oversee the establishment of good quality and consistent PEFCRs. Therefore, this option, the update of the 2013/179/EU Recommendation when based on the outcome of the 2013-2018 pilot phase, is highly recommended.
- 4. **Option 2** The development of a 'voluntary EU legal framework enabling companies to make green claims in accordance with the Environmental Footprint methods, as a complement to existing methods' seems to be a pragmatic way forward. With the right incentives, further convergence of approaches towards one accepted method is possible. Therefore, this option 2 is a preferred option.

5. **Option 3** – A mandatory approach for any green claim to use the Environmental Footprint method is premature, without first addressing the limitations in some of the current impact categories, and establishing application specific PEFCRs which don't yet exist. Incentives to encourage uptake in specific sectors could be foreseen, where the greatest impact can be made, combined with EC/JRC support to facilitate the development of the most relevant PEFCRs. One suggestion would be to require the use of the Environmental Footprint method in arbitrating unfair commercial practice claims. It would also be important to define what constitutes a 'green claim' – is it any communication about the product's environmental performance in its own right, or only where there is a claim about the product performance relative to alternatives or direct comparisons? We suggest the latter definition. Therefore, the option 3 is not, at the moment, a preferred one.