

SUSTAINABILITY CERTIFICATIONS

Environmental labels are, among others, the most used tools to measure sustainability in terms of performance of a product and of the company that produces it; as a matter of fact, *"is the conversion of strategies and processes that generate sustainable products, not the other way around"*¹.

This statement highlights how the sustainability transition is an endogenous and transversal process.

Sustainability certifications are declarations issued on a voluntary basis in the light of accredited standards, to communicate transparency in the production processes and to guarantee compliance with ESG parameters.

The main environmental sustainability certifications or labels can be grouped into three major families:

- 1) environmental labels for performance purposes. The main purpose is to guarantee a correct form of communication to the final consumer in compliance with environmental limits;
- 2) labels for information purposes (self-declared environmental claims). The main purpose is to show improvement in terms of environmental awareness of a product. A third party verification is not mandatory; and
- 3) environmental product declarations. The main purpose is a deep assessment on the product and an independent check with the official reference standards.

The first group mentioned includes the EU Ecolabel. The EU Ecolabel is a trademark on ecological quality established in 1992 by the Regulation no. 880/92 and now governed by Regulation (EC) no. 66/2010. The EU Ecolabel, depicted by a daisy whose petals are represented by twelve stars enclosing a rounded "e", identifies products and services with high performance standards with a reduced or minimal environmental impact. It is a voluntary based label that is placed on a product only if it is compliant with scientific criteria. These criteria must consider the environmental impact of the product throughout all its life cycle.

The certification is assessed and issued by an independent body: the Ecolabel and Ecoaudit Committee. In Italy, the entities that deal with the granting and use of the certification are ISPRA (Higher Institute for Prevention and Environmental Research) and the European Commission. ISPRA carries out a technical / scientific evaluation through laboratory tests and techniques that verify the compliance with ecological criteria. ISPRA also analyses parameters about health and safety conditions of consumers. With a positive evaluation from ISPRA, the National authority can assign the Ecolabel, which is then inserted in the European Commission's catalogue.

¹ Francesca Rulli, Founder and CEO of Process Factory/4sustainability®

No company is obliged to use the Ecolabel, even if it is evident that an environmental certification can have multiple positive implications on the market. On one hand, the trademark Ecolabel attracts a whole range of consumers who are concerned and sensitive to environmental issues. As a matter of fact, in various product categories, research suggests that Ecolabels play an important role in influencing consumers' buying intentions, even if it would be more accurate to underline that the greatest influence is exerted on consumers who already have a real concern about the environment. On the other hand, Ecolabel diversifies the market because it is not only based on the high-performance standard, but also on sustainability performance. As a matter of fact, the Ecolabel guarantees a high-level product quality standard in the light of a double evaluation of its environmental and social sustainability impact.

The Ecolabel certification lasts three years, the costs of achieving and maintaining it have been regulated both at European and national levels, and different kind of incentive mechanisms for small and medium enterprises have been implemented. The evaluation criteria for the attribution of environmental labelling mainly concern the life of the product, disposal costs, packaging and consumption for the entire life cycle of the product. The Ecolabel Committee and Ecoaudit are involved in a preliminary investigation and they receive all the necessary documentation for the technical assessment. If the product, on which the company would like to achieve the Ecolabel certification, is compliant with ecological standards, ISPRA will issue a technical positive opinion. Subsequently the product labelled Ecolabel will be included in a periodically updated catalogue, which is published on the European Commission's website.

In the textile sector, Ecolabel certified products can be grouped into three major categories, these categories, according to Commission Decision 2009/567/ EC, are:

- 1) garments and textile accessories, consisting of at least 90% of textile fibres;
- 2) interior textile products consisting of at least 90% of textile fibres; and
- 3) fibres, yarns and fabrics (including durable nonwovens), intended for the production of clothing and textiles accessories or interior textiles.

The EU Ecolabel has obtained positive ratings of reliability, especially because it considers the entire production cycle without allowing for the private interests of companies.

However, the product evaluation criteria are not entirely transparent or easily accessible; moreover, the whole evaluation process is not very focused on the pollution from micro plastics or on the promotion of circular economy (recycling and reuse).

Indeed, there is a need to introduce a clear and effective legislative framework at the international level with harmonized ecological laws that regulate the consequences for producers of imitative labels or ineffective labels for consumer protection².

Many guidelines on labelling (such as the Federal Trade Commission and the International Organization for Standardization “ISO”) do not allow, for example, the use of term "sustainable", unless it can refer to one independent and verifiable set of criteria. The call to the European legislator for the definition of a precise legal framework is thus becoming mandatory.

In 2020, Amazon launched its environmental label in Europe, so called: "Climate Pledge Friendly"³. The new label is visible in the e-commerce within the product sheets, to help the user in sustainable purchases. Currently, more than 40,000 products have been certified. The "Climate Pledge Friendly" label identifies products with different certifications. Precisely 19 sustainable certifications are included; among others, we can also find the EU Ecolabel. Here below the list of sustainability certifications:

Blue Angel;	Global Organic Textile Standard;
Blue Sign;	Global Recycled Standard;
Reducing CO2;	Made in Green by Oeko-tex;
Carbon free Certified;	Nordic Swan Ecolabel;
Compact by Design;	Organic Content Standard 100;
Cradle to Cradle Certified;	Rainforest Alliance;
EPEAT;	Recycled Claim Standard 100;
Fairtrade International;	Recycled Claim Standard Blended;
Forest Stewardship Council;	Responsible Wool Standard.

In addition to environmental certifications, the performance of a product, in ESG terms, can also be evaluated through the so-called “social certifications”. Social certifications are aimed at promoting the protection of workers and the full implementation of human rights. An example of social certification is the one provided for by the Fair Wear Foundation,⁴ which aims to implement workers’ rights in the textile industry. Other important certifications are:

- GOTS - Global Organic Textile Standard, concerns the production and processing of organic fibres with the aim of sustainability and production responsibility.

² J.Bucklow, P. Perry and E. Ritch, The Influence of Eco-Labeling on Ethical Consumption of Organic

³ www.sostenibilita.aboutamazon.it

⁴ www.fairwear.org

- OCS - Organic Content Standard, ensures the origin of raw materials from organic farming thanks to traceability along all the production chain.
- GRS - Global Recycle Standard, concerns recycled materials used by companies.
- FSC - Forest Stewardship Council, concerns the responsible management of forests from which raw materials derive.
- STANDARD 100 BY OEKO-TEX, concerns the limit values and processing methods of raw materials.
- PETA (VEGAN), protects animals' rights all around the world by promoting the use of non-animal products.

At a national level, Italy can boast a certification of excellence in sustainability and authenticity: the "Made Green in Italy". This is a voluntary based national certification scheme on the environmental footprint of a product promoted and developed by the Ministry of the Environment⁵.

Made Green in Italy was created on February 2, 2016, when the environmental link to the Stability Law 2016 (Law 221/15) entered into force and subsequently published in the Official Gazette on 29 May 2018, by decree 56/2018⁶, entered into force on 13 June 2018. The regulation established the operating procedures of the regime called "Made Green in Italy" and aimed at promoting highly qualified environmental products through the granting of the use of the "Made Green in Italy" trademark.

Like the European EU Ecolabel certification, also the "Made Green in Italy" lasts three years. The license of use of the trademark is issued directly by the Ministry of the Environment, following an evaluation of compliance with the law, carried out by an accredited certification body. In particular, the assessment is carried out according to the Product Environmental Footprint (PEF)⁷ methodology.

It is a measurement of the environmental performance of a good or service, during its entire life cycle, through various criteria that take into account all the supply chain (raw material extraction, production cycle, disposal and waste). The CSQA was the first body of certification to obtain ACCREDIA accreditation for the Made Green in Italy.

The possibility of joining the Made Green in Italy scheme is limited to Made in Italy products that have an environmental performance equal or greater than the reference benchmarks for which there is a valid product category rule. In particular, the "Made Green in Italy" scheme is structured on two different moments:

⁵ www.mite.gov.it

⁶ Regulation for the implementation of the voluntary based national scheme for the assessment and communication of environmental footprint products, so called «Made Green in Italy», in light of article 21, +1st paragraph, law no. 221, 28 December 2015, (OG no.123 of 29-05-2018).

⁷ Product Environmental Footprint (PEF) Guide, European Commission (EC), Joint Research Centre (JRC), Institute for Environment and Sustainability (IES). Authors: Simone Manfredi, Karen Allacker, Kirana Chomkhamsri, Nathan Pelletier, Danielle Maia de Souza

- 1) The first one is about proposal, approval and publication of the "product category rule" (PCR). Product category rules are documents that define mandatory and optional requirements necessary to conduct a Life Cycle Assessment, as well as to proceed with the drafting of Environmental Product Declarations (EPD). In particular, a PCR application for a specific product category is sent to the scheme manager of Made Green in Italy, in accordance with the provisions of article 3 of the Regulation for the implementation of the Made Green in Italy scheme.
- 2) At a later stage, however, the availability and validity of the PCR must be verified in the light of article 4 of the Regulation.

The Made Green in Italy scheme has the ultimate goal of stimulating informed and aware consumers' choices, promoting sustainable consumption and improving the environmental performance of products, also in light of the well-known Sustainable Development Goals in the European strategy of the Agenda 2030. Furthermore, Made Green in Italy has a positive impact in terms of image and efficient communication of "Made in Italy" products that are increasingly competitive on international markets.