



10 strengths: How the Nordic Swan Ecolabel and the EU Ecolabel promote circular economy

The aim of the Nordic Swan Ecolabel and the EU Ecolabel is to promote sustainable development – by paving the way to a sustainable future and by ensuring the environment is already reaping the maximum benefit in today’s society. The ecolabels set out requirements specific to the product, taking the full life cycle of the product into consideration when drawing up these requirements. This is primarily done based on the following six parameters:

- ♻️ Requirements for renewable, recycled and sustainable raw materials
- ♻️ Strict chemical requirements
- ♻️ Requirements for reduced use of resources and energy
- ♻️ Quality requirements and lifetime
- ♻️ Requirements for product design, dismantling and repairability
- ♻️ Requirements for optimum waste and resource handling.

This solid foundation makes the Nordic Swan Ecolabel and the EU Ecolabel the obvious tools of choice for driving a circular economy – in turn strengthening competitiveness among businesses, boosting resource efficiency and helping create new business models and innovative solutions. Below are the 10 features of the Nordic Swan Ecolabel and the EU Ecolabel, which support the drive towards a circular economy:

1. Circular access to life cycle

The entire life cycle of the product, from raw material to production, use, disposal and recycling, is considered when drawing up the requirements for a particular product type. The ecolabels have a circular approach to the life cycle and this particular approach is a premise for circular economy. This means that focus is on how actions taken in one stage have a positive effect on several stages of the life cycle, and also how to avoid moving a negative environmental impact to another stage of the life cycle.

2. Absolute and transparent requirements

The Nordic Swan Ecolabel and the EU Ecolabel lay down absolute requirements that all certified products must comply with. At the same time, the requirements are 100% transparent and publicly available. This makes it easy for both consumers and professional procurers to see what the labels cover – and to choose from among the most environmentally friendly products. The labels are also an effective tool for businesses who want to get ahead and have visible proof from an impartial third party of their environmental efforts. They are also a strong marketing tool for businesses,

as they can be used easily and effectively in the business’ communication.

3. Product-specific requirements

Both the Nordic Swan Ecolabel and the EU Ecolabel lay down requirements specific to the product. This means that each product type has unique requirements. This is crucial for managing the most important areas for the product type from an environmental perspective, thus ensuring maximum benefit for the environment. Setting out product-specific requirements also creates the best conditions for supporting a circular economy in terms of the individual product type. As an example, building construction with the Nordic Swan Ecolabel must satisfy strict requirements when it comes to substances in building materials and chemical products that are harmful to health and the environment. A logbook must also be kept of the materials and chemical products used in the construction. These measures create opportunities for reusing the materials and minimising the amount of waste. By the same token, the Nordic Swan Ecolabel’s building criteria reward the use of reused building materials.



4. High awareness of the labels

9 out of 10 Nordic consumers recognise the Nordic Swan Ecolabel, and 3 out of 10 recognise the EU Ecolabel¹. This makes the labels attractive marketing tools for manufacturers. The wide awareness creates good conditions for driving the market in a more circular direction, since promoting a circular economy is exactly what the ecolabels do.

5. Adapted market

The idea behind the ecolabels is to promote sustainable development – by paving the way to a sustainable future and by ensuring the environment is already reaping the maximum benefit in today's society. One way of doing this is to adapt the requirements to what can be realised in today's market. The labels therefore take into account regional characteristics, such as waste management systems and the possibilities of reusing and recycling different product and material types.

6. Strict chemical requirements

The Nordic Swan Ecolabel and the EU Ecolabel place strict requirements on chemicals that may be used in ecolabelled products. This increases the opportunity for materials in the products to be reused and recycled later in the life cycle. Strict chemical requirements also reduce the environmental impact during production and the level to which we are exposed to chemicals when we use the products.

7. Requirements on quality and use stage

The Nordic Swan Ecolabel and the EU Ecolabel set down quality requirements, vital for ensuring effective products that have the desired function and long service life. For many types of product, life cycle assessments show that service life is the factor that has the greatest influence on overall environmental impact. A long service life in the use stage is also essential for circular economy – because it means the product lasts longer before being disposed of and because good quality increases opportunities for reuse.

8. Requirements from public procurers

The 2014 EU Public Procurement Directive (2014/24/EU) gives public procurers the possibility to stipulate ecolabels as

a requirement, making it easier and less demanding on resources to devise and review tender documents. At the same time, competition is fairer, since it is more apparent whether or not a product or a service is an environmentally good choice. The Nordic Swan Ecolabel and the EU Ecolabel are obvious labels to be stipulated as a requirement in public tenders since the ecolabel requirements are transparent and developed in an open process in wide consultation with both the market and stakeholders. Precisely these aspects form the basis for requiring a specific label in a tender. Public procurers can therefore help in promoting a circular economy by stipulating ecolabels as a requirement in tenders.

9. Certification of circular business models

The Nordic Swan Ecolabel and the EU Ecolabel support circular business models, as both products and processes can be certified. For example, toner cartridges can now be certified with the Nordic Swan Ecolabel, which ensures used cartridges don't end up in landfill, but are reused instead. Textile services also work with a circular business model, where the laundering service owns the textiles and is therefore interested in maximising the textiles' service life, and at the same time, where the washing process is optimised from an environmental perspective. There are many possibilities for including new circular business models in future ecolabel criteria, too.

10. Regular tightening of requirements

The requirements applying to ecolabelled products and services are regularly evaluated and tightened according to the latest science and development in the market. This ensures sustainable development – and ambitious, yet realistic requirements. The regular tightening of requirements also motivates innovation – not least in areas which benefit the circular economy. Such areas include the use of sustainable or reused raw materials, substitution of undesirable chemicals and greater energy efficiency. When the requirements for a specific product group or service are revised, each product or service is reassessed and it must be documented that it complies with the new requirements.

¹Ref. Nordic Consumer Research, Ipsos 2018.