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**FAEP**

Commissioner Stavros Dimas  
DG Environment, European Commission  
Rue de la Loi 200,  
B-1049 Brussels

Brussels, 15 March 2007

### **Ecolabel for Printed Paper Products : EU Commission's impact assessment**

Dear Commissioner Dimas,

In June 2006 the European Federation of Magazine Publishers (FAEP) and the European Newspaper Publishers Association (ENPA) asked you in a letter to remove editorial press products from the proposed ecolabel for printed paper products. In this letter we presented several strong arguments why European publishers consider this tool as inappropriate for editorial products, such as magazines and newspapers. One of our main criticisms was the fact that there was no impact assessment taking into account what effect the proposed ecolabel might have on the role of the press in a democratic society.

Two weeks ago we received an impact assessment from your DG regarding this ecolabel. We were asked to comment on this impact assessment before the end of this week.

The quality of this impact assessment is very disappointing, as the information is general and does not reflect the specificities of the sector this ecolabel is proposed for. We explain this argument as follows:

Magazines and newspapers are cultural products with economic values. This fundamental consideration is not at all taken into account in the impact assessment:

- The cultural nature of press is obvious, if you consider the national, regional and local particularities that characterise magazines and newspapers, how their editorial content contributes to the diversity of local, regional and national information. This is the main reason why press products are not transferable from one country to another: they are part of the local culture, reflecting it and shaping it. The press is the fourth pillar in a democracy and therefore plays a vital role for the democratic future of European Member States: it simply cannot be compared to such products as fridges, television sets or other eco-labelled goods.

We would like to point out, once again, that a citizen chooses to buy the editorial content he/she likes to read not on the basis of where/how the paper is produced, but on the basis of the words, ideas and opinions that are contained in the press product.

- The impact assessment presented by your DG is introducing very general aspects of economic theory only, without referring to the specific economics of press publishing. The fact that press products need to compete on the advertising market as well as on the readers market is not mentioned, even though this is the most fundamental difference to all the other product groups of the ecolabel scheme so far. In the reality of the publishing industry, the range of possibilities for advertisers increases the competitiveness of a publication amongst its rivals – the impact assessment has not addressed what the impact of the ecolabel technical criteria would be on the possibilities offered within the fiercely competitive advertising market.
- We remain furthermore to be convinced that the ecolabel would single-handedly increase the competition in the publishing market to such an extent that it would provide a net benefit to the European economy. The impact assessment, whilst pointing out that a few newspapers have had the Nordic Swan ecolabel for many years does not actually investigate the added economic benefit of the ecolabel for the circulation and general business health of each newspaper, rather relying on general economic theory to “guess-timate” that it is the ecolabel alone which would improve economic competitiveness.
- Moreover, the impact assessment has clearly not been done on a pan-European scale as we requested, and therefore this impact assessment has not provided the evidence that our members need to justify that the ecolabel might be a success in their country. The statement in the Impact Assessment under *Analysis of Stakeholder Positions* which says: “the success of the Nordic Swan for this product group suggests that the EU Ecolabel would be successful” is evidence that the impact assessment has only taken an unacceptably narrow perspective for a few countries. It is not good methodology and indeed improper for an impact assessment to declare that a model used in a minority of countries with specific characteristics would automatically make a different tool also suitable in a number of additional other countries where the impact is unknown because no evidence is given.

When we sent in October 2006 the following list of questions to the responsible Unit in your DG, we already indicated that the press is different compared to other eco-labelled product groups in Europe – as we did from the very beginning of this process in autumn 2003.

Unfortunately none of these questions was answered in the “impact assessment” nor was our offer to provide expert knowledge about the publishing sector in order to brief your services on the particularities of our sector accepted.

**(1) Practicability:**

How can magazine publishers apply for an ecolabel, if the magazine's consistence is changing partially from issue to issue (weekly or monthly) regarding the set of materials used (look also at inserts (printed inserts, but also small products)), and the production processes?

**(2) Complexity of the business concept (interrelation of editorial content – reader – advertiser):**

- What effect does the ecolabel have on the readers' choice of a magazine, given that magazines are – because of their editorial content – not standardized products?
- What is the impact of the ecolabel on the editorial part of a magazine?
- What effect does the ecolabel have on advertising in magazines, given the fact that the editorial content is linked with the reader, who is finally linked with the advertiser?
- What is the impact of an ecolabel for SMEs in the publishing sector?
- Finally: What is consequently the impact of the ecolabel on the diversity of the press (regarding the possible effect that certain magazines are discriminated, because their editorial content – readership – advertiser relationship does not allow them to apply for an ecolabel) and therefore press freedom?

**(3) More fundamental question about the ecolabel:**

- Why is the ecolabel the best way of reducing the environmental impact of the publishing sector?
- Why is the integrated industry approach, consisting of voluntary self-agreements and case-by-case initiatives in all relevant fields (sourcing, production and recycling), at the same time responding to the specific complexity of the product and therefore being able
  - to reduce significantly the environmental impact in a way that is adapted to the industry's particularities and therefore efficient,
  - to kick-off a "best of the class" competition within the sector leading to an overall improvement (attitude), and
  - to set economic incentives to improve,less welcome, than an ecolabel that tries to split the sector in 30% GOOD GUYS (ecolabel carriers) and 70% BAD GUYS (non-ecolabel carriers) - with all the other un-clarified issues mentioned before?

We would like to insist that you do not ignore the realities of our sector while designing this ecolabel for printed paper products. Publishers throughout Europe support in various concrete projects the minimization of the environmental impact of our sector. This was shown and explained in detail in several meetings over the last two years with the Commission. But this initiative infringes the borderline needed to maintain a vibrant and independent press in Europe, providing hundreds of millions of readers with the news, entertainment and engagement that the printed media provides according to reader demand.

Unless a proper impact assessment is done and it is proven that the ecolabel for printed paper products will not infringe on the cultural and economic role of the press as well as with the vital role of the press in our democratic society, magazine and newspaper

publishers will not accept that the EU Commission proposes a political instrument that looks at the simplified “consumers choice” aspect of the press market only.

Finally, we reject a large part of this impact assessment because of a number of incorrect statements and assertions. Reference to the success of the Nordic Swan for publishers in Scandinavia are simply not true. It is printers who apply for and are granted the Swan. Those publishers who use the Swan do so only because they source their paper from printers who are licensed with the Swan. We would therefore insist that the impact assessment is changed to reflect the reality.

In its final paragraphs, the paper makes some alarming and disingenuous comments:

***“Often industrial organisations object to Ecolabel criteria because, by definition, the criteria will bring economic benefits only to a minority of companies in that sector – those companies which promote innovation. It is these companies which stand to gain market share from less innovative competitors. Organisations representing the majority view of their members tend to represent the views of those less innovative competitors.***

***The impact analysis above indicates that, in taking this line, industrial organisations block a voluntary scheme which generates direct economic benefit and block support for innovation and SMEs. This harms the EU economy.”***

To retain these paragraphs in the final text would be to court a strong political reaction from the associations referred to.

We would remind you that our members count among them many thousands of SME publishing houses, producing local or regional content or very specialized content. Indeed, the vast majority of our membership is not the big publishing houses, but innovative SMEs. It is indeed in the interests of these more exposed publishers that we reject the notion of applying eco-labels to editorial content.

Please do not hesitate to contact us for any further information.

Yours sincerely,



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*ENPA is a non-profit organisation of 5100 titles from 24 European countries (plus one observer member), representing the interests of newspaper publishers to the European Institutions. More than 120 million copies of newspapers are sold each day and read by over 235 million people in Europe.*

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*The European Publishers Council (EPC) is a high level group of Chairmen and Chief Executives of leading UK and European media corporations whose interests span newspapers, magazines, books, journals, online database and internet publishing as well as in many cases significant interests in private television and radio.*

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*FAEP is the European Federation of Magazine Publishers, a non-profit organization, currently representing some 15.000 magazine publishers in the EU, publishing 50.000 magazine titles with 20 billion copies read by 300 million Europeans per year.*