

Essity response to the European Commission Inception Impact Assessment for a legislative proposal on substantiating green claims (Ref. Ares(2020)3820384 -20/07/2020)

The European Green Deal aims to transform the EU into a modern, resource-efficient and competitive economy while reaching its 2030 climate and energy goals and becoming climate-neutral by 2050, as well as moving towards a zero pollution ambition to protect the EU's natural capital and citizens' health and well-being. Essity, is a global hygiene and health company, with a vision of sustainability, inclusion and well-being for hundreds of million people every day, believes that the European Green Deal (EGD) and the Circular Economy Action Plan (CEAP) will only deliver if hygiene, health and well-being of Europeans is placed at their core. Essity has already integrated circularity in its business model: from responsible raw material sourcing, more efficient production with a smaller climate footprint, to solutions that enable customers and consumers to minimise waste. Any new legislation under the CEAP must take into account the long-term socio-economic benefits of products and services and specifically for the hygiene, personal health and care sectors their role in:

- preventing diseases and infections;
- allowing high-level hygiene everywhere in the EU; and
- fostering the health, independence and well-being of Europeans.

Substantiating green claims

When it comes to substantiating green claims one-size fits all solutions should be avoided. Material, products and services must have different requirements depending on their function and use and should be based on Life Cycle Assessment (LCA).

Our request

We believe the European Commission should:

- take account of Life Cycle Perspective, based on ISO14040-series and already developed category rules for personal care and tissue products. This will support a sound European PEF methodology.
- co-ordinate the work in developing a sector-specific rules, in close collaboration with stakeholders, such as industry actors, public authorities, academia and NGOs.

The Commission has asked specifically for input regarding three options.¹

¹ Baseline: No modification to the 2013 Recommendation (attached) and no further action.

Option 1: Updating the 2013 Recommendation based on the outcome of the 2013-2018 pilot phase.

Option 2: Establish a voluntary EU legal framework enabling companies to make green claims in accordance with the Environmental Footprint methods, as a complement to existing methods

Essity is positive to both option 1 and 2 and we are happy to actively participate in further development. PEF is an important tool and we have been contributing during the phase of testing and developing the method.

However, the current state of play of the PEF methodology, and how it has been implemented so far, is not yet sufficiently mature and robust to be used for comparing one product against another. Its methodology, databases, and the handling of data collection to match and fulfil data quality requirements, still need further development and we are eager to be involved in and contribute to this upcoming work.

Regarding option three we are hesitant. It is important that the EU PEF should be a voluntary system and that it is developed in close co-operation with stakeholders. It is beneficial to have clear guidelines for green claims based on ISO Standard 14021. Guidelines for environmental claims on a more detailed level should be created per industry sector to secure relevance and credibility.

Our use of LCAs

Essity is positive to use a Life Cycle Perspective when assessing products and services from an environmental perspective. We have a long tradition of conducting Life Cycle Assessments (LCA). LCAs help us monitor the environmental performance of our innovations. This includes resource efficiency from suppliers and our own production, superior materials, as well as smarter product design.

Examples of our work

We managed the following using LCAs:

- We have reduced the carbon footprint of our TENA pants by a third since 2008. We optimized material selection to reduce waste based on the needs of the consumer whilst minimizing the risk for leakage.
- A recently performed LCA of the Tork Coreless Bath Tissue has shown an average of 11% reduction in the product's carbon footprint, compared to conventional toilet paper. It also generates 86% less packaging waste. Additionally, Tork Xpressnap reduces napkin consumption by at least 25% compared to traditional use of napkins.
- We have reduced the climate impact of Libero diapers by up to 25% since 2008 for the whole life cycle.
- We are rolling out a sustainability initiative for the Baby business in Germany, introducing 30% recycled (PCR) plastic in the baby packaging.

(developed by private or public entities, at national or international level).

Option 3: Establish an EU legal framework requiring companies making claims related to the impacts covered by the Environmental Footprint methods to substantiate them via the Environmental Footprint methods. When Product Environmental Footprint Category Rules (PEFCRs) or Organisation Environmental Footprint Sector Rules (OEFSRs) have been adopted, green claims should be substantiated on that basis, as they are establishing a more detailed calculation of the environmental footprint. When no such rules exist, claims could be substantiated via a study compliant with the PEF/ OEF method.

- Early 2020 we introduced packaging made of renewable materials on a significant part of our portfolio, for example feminine liners, Ultra towels and Maxi towels. Our towels plastic packaging is now made from at least 50 percent renewable sources, using responsibly grown sugar cane and our liners paper packaging are made from 100 percent renewable fibers.

Consumer empowerment in the green transition

We develop our business model to help consumers make more sustainable choices. All Essity products and services will be designed to promote sustainable consumption and behaviours, where everything is use, and less is wasted.

Our request

- The multiplication of labels should not come at the expense of brand and product information that companies need to communicate (i.e. brand recognition, conditions of use and own good practice).
- On-pack labelling or marking requirements should be proportionate to packaging size and take into the position of label on the product.

We believe the European Commission should:

- Encourage and support the adoption of nudge policies to bring about positive changes in consumer behaviour based on the Commission's own study on behavioural economics; and the multiplication of regulatory labelling schemes should not come at the expense of brand and product information that companies need to communicate (i.e. brand recognition, conditions of use and own good practice).
- Concentrate efforts on labelling that educates consumers to better environmental use and disposal of products (i.e. anti-littering and separation of waste).
- Support current national, European and international initiatives for the development of digital labelling as an alternative or a supplement to physical product information and adopt a coordinated approach to allow for digital means to provide product information in EU legislation.

Furthermore, any on-pack label/marketing should proportionate to the actual size of the packaging, and relevant and feasible in terms of its positioning on the packaging. Depending on the overall space available on the packaging, only a limited amount of information may be placed on-pack. If the label/marketing has difficulties to fit on the packaging one possibility could be to link a website where more information can be found.

We look forward to the continued dialogue with the Commission and engage together on this common challenge and opportunities in the future.



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