

ECO-LABELLING IN THE LEATHER-BASED INDUSTRIES

Background

Whether the leather-related industries desires it or not, the eco-labelling discussion is gaining momentum and a great number of regional, national or private eco-labelling schemes have appeared within a short time. If the leather industry does not act rapidly, it will after all probability be confronted with a fait accompli from outside. An *international eco-label based on certification* would help counter the proliferation of inconsistent or misleading initiatives

The impression the ordinary consumer gets of the material leather is of the utmost importance. The leather industry has to gain acceptance for the view that leather products are safe to the user and environmentally sound (i.e., their production and entire life cycle being environmentally sustainable).

The consideration of ensuring the compatibility of eco-labelling with a free world trade accentuates the need for an *international eco-labelling scheme* for leather and leather products.

Product or process based schemes

The first thing to be considered is whether an exclusively product based scheme (a customer protection scheme) or rather a scheme also including environmental consequences of the leather production itself is to be preferred. (No scheme, which does not also include parameters relating to product properties, i.e. "human ecology aspects", can be expected to gain acceptance from the consumer).

An exclusively *product based scheme* is cheaper and easier to establish and handle, and all necessary testing of the leather can be carried out in the consumer country. On the other hand, only a scheme which also includes the *environmental consequences* of the leather production itself will act as an incentive towards an ecologically sustainable leather production through helping to enforce existing, usually reasonably strict, environmental legislation and through protecting tanneries which have carried out necessary environmental measures against unfair competition ("environmental dumping"). A certificate according to a scheme of this type may be given directly to tanneries, which then may be able to use it as marketing asset and in this way gain some payback from environmental investments undertaken.

Certification

To procure the information necessary for applying for a process-related environmental certificate, two main approaches exist: *self-declaration* by the company or *monitoring* by some exterior, independent agent; normally the certifying agent. The main arguments for a self-declaration are that the system is cheaper, making use of the monitoring already being carried out by the company itself and not necessitating the involvement of exterior institutions. However a system based on self-declaration exclusively is hardly to gain the confidence of the consumers (and without the confidence of the consumers, any eco-labelling system is worthless).

Accreditation

In order to ensure that producers in developing countries are able to gain admittance to "ecological" markets in consumer countries, it is necessary to establish an *international network of accredited certifying*

agents, acting as a connecting link between producers and consumers. Attention should be drawn to an existing network of approximately 20 leather laboratories "designated" by the IULTCS.

The organization which has to monitor and accredit the certifying agents should fulfil two main requirements:

- (i) it must be truly international and independent of any national interest,
- (ii) it must be able to draw upon the necessary expertise within the leather and environment fields.

Practical considerations

Testing the performance of a product, a material or a process according to standardized test methods can normally be done in a reasonably objective way, but the selection of parameters and limit values for an eco-labelling scheme is to a great extent subjective and in some cases politically determined.

The *IULTCS standard test methods should be used for the testing* whenever available. Also in other cases, test methods to be used must be exactly specified. Proposals for process based eco-labelling tend to be based almost exclusively on the waste water treatment. The quality of the waste water treatment given can be expressed through the type of treatment given (a biological treatment being demanded as a minimum), through limit values for specific outputs of selected parameters (e.g. COD) discharged into the recipient, or through combinations of both.

Besides the specific water consumption, the most important parameters would be COD, suspended solids, chromium and sulphide. (COD is to be preferred to BOD, as it is easier reproducible). The discharges should be expressed as e.g. kg/t rawhide and not as concentration figures in mg/l, thus eliminating the influence of the specific water consumption. Waste water analysis should preferentially be carried out according to the "Standard Methods".

Monitoring and certification for a process based eco-label should to the greatest possible extent be carried out in accordance with the existing systems for environmental auditing, namely:

- (i) British Standard BS 7750 (1992). Specification for environmental management systems,
- (ii) European Union EMAS (Environmental Management and Audit System), effective from April 1995,
- (iii) ISO CD 14001 (existing as a provisional draft only).

IELC membership

It is recommended that the following organizations are included in the *International Eco-Label Committee (IELC)*:

- ICT(*Working Group on Eco-Labelling*,
- IULTCS *Environment Committee (IUE)*,
- INTERNATIONAL UNION OF FOOTWEAR TECHNOLOGISTS ASSOCIATIONS (UITIC),
- relevant leather and footwear R&D institutions (e.g. institutes in Buenos Aires or Estancia Velha or Leon, Bulawayo or Nairobi, Cincinnati, Łódz or Budapest, Madras, Northampton or Kettering, Reutlingen, Shanghai),
- representative of the chemicals suppliers,
- UNIDO *Leather and Leather Products Panel*,
- UNIDO *Leather Unit*,
- UNITED NATIONS ENVIRONMENT PROGRAMME (UNEP),
- INTERNATIONAL STANDARD ORGANIZATION (ISO),
- WTO or UNCTAD,
- representatives of institutions actually working on eco-labelling of leather and leather products may also be invited as *observers*.

Nodal role will be played by ICT, IULTCS, ISO WTO or UNCTAD, UNIDO and consumer's NGOs.

Terms of reference for IELC

In order to establish a fully operative international eco-labelling scheme for leather and leather products the Committee, assisted by a secretariat, will provide the following *services*:

1. Selection and establishment of an accrediting organization for future certifying agents and the rules for accreditation, including the monitoring of potential certifying agents.
2. Formulation of policies concerning national and regional regulations and eco-labelling schemes in consumer and producer countries, international trade organizations, consumers' organizations, standardizing organizations.
3. Formulation of technical specifications of product based and process based ecolabelling schemes, parameters and limit values, test methods, performance of the monitoring.
4. Formulation of eco-label requirements and format (who can apply for a label; conditions for use of label; terms of validity; conditions for renewal etc.)
5. Formulation of rules for certification, recommendation of institutes suitable for accreditation as certifying agents, and establishment of an international network of accredited certifying agents.
6. Preparation of a preliminary economical survey of a self-sustaining eco-labelling scheme.
7. Establishment of a permanent updating function and of guidelines for the necessary regular updating of the eco-labelling scheme.

Financing

After an initial phase of a duration of some years, the eco-labelling scheme is presumed to be *financially self-supporting*. The applicant for a certificate has to pay a fee to the certifying agent (e.g. a leather institute) intended to cover the expenses of the laboratory (monitoring and administration costs plus accreditation costs of the certifying agent). In the same way, the accrediting organization should obtain the financing necessary to carry out its work (administration and monitoring, but also e.g. developing costs) through fees from the certifying agents applying for or renewing their accreditation. The price level of laboratory services is different in different parts of the world. The consequences of this could be that the cost of obtaining an eco-label tends to be much lower at institutes in low-wage countries. In the case of process-based certificates, however, the inclination to applying an institute in another part of the world for a certificate will only be limited.

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