

**Tools for the development of  
environmental goods market/  
Assessment of the effectiveness of  
implementation status and the  
practical application in Ukraine**

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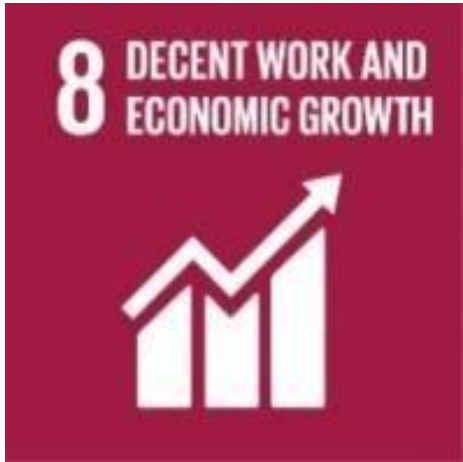


# Agend

- Tools for the development of environmental goods market
- Major trends affecting market development
- Assessment of the effectiveness of implementation status and the practical application in Ukraine
- Barriers
- Capacity building

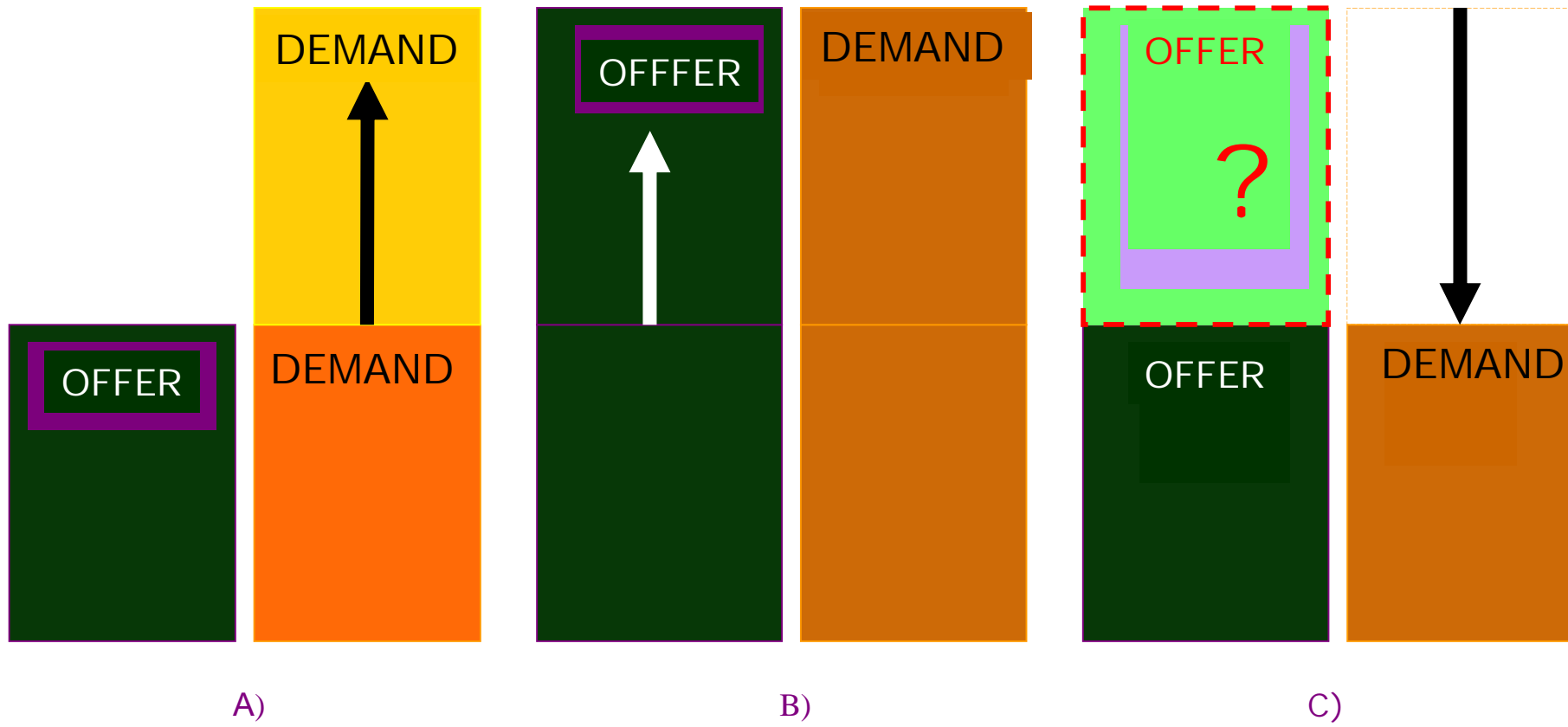


**12.1**  
 Implement the 10-year framework of programmes on sustainable consumption and production, all countries taking action, with developed countries taking the lead, taking into account the development and capabilities of developing countries



**8.4**  
 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead

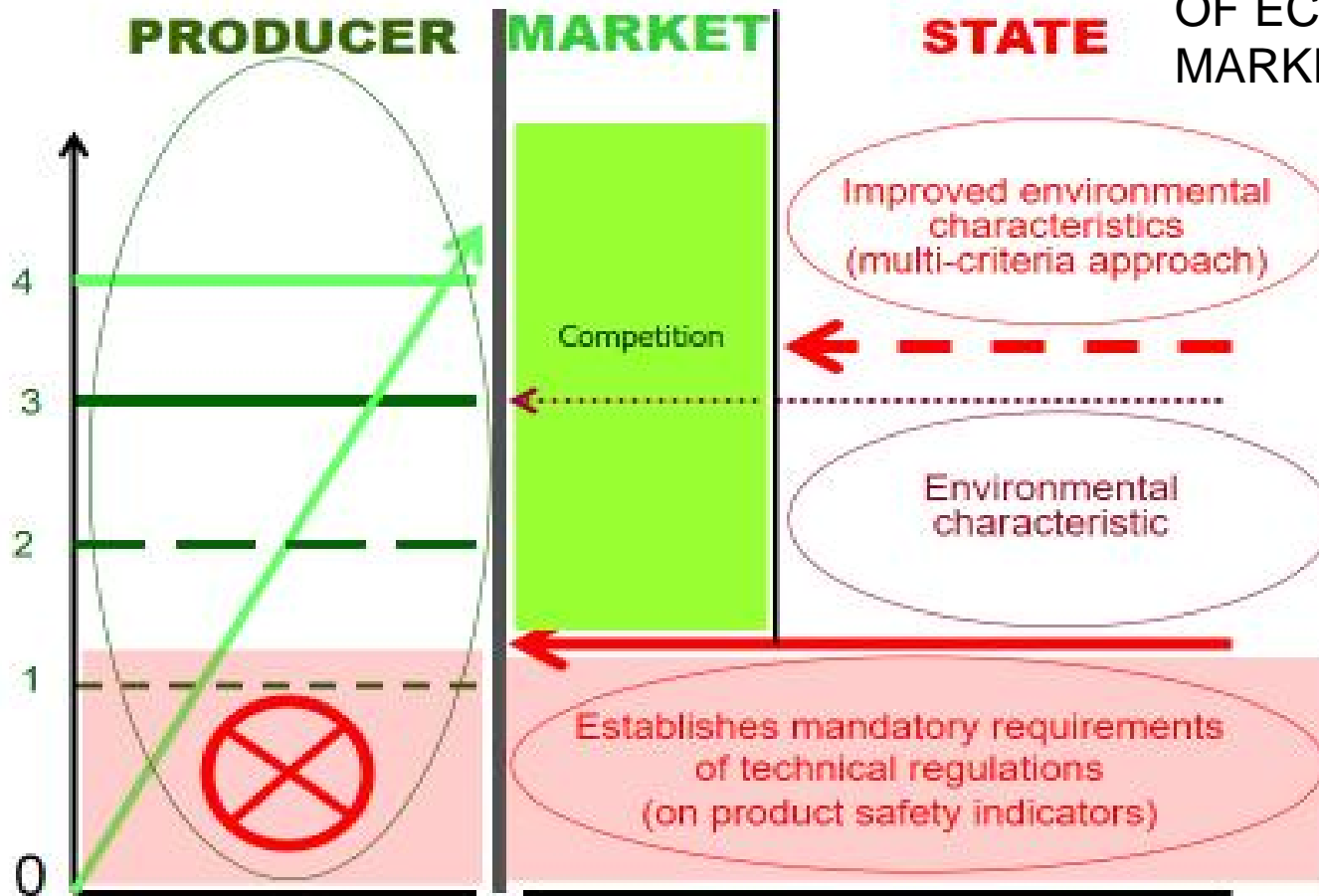
# What prevails? «offer» or «demand»



# WHAT DIFFERS ECO-PRODUCTION FROM ORDINARY GOODS AND SERVICES?

HOW DOES IMPROVED ENVIRONMENTAL PRODUCT CHARACTERISTICS AFFECT CONSUMER CHOICE?

WHAT CAPACITY AND TRENDS OF ECOPRODUCTION MARKET DEVELOPMENT?



# WHAT ENCOURAGES ECOPRODUCTION MARKET DEVELOPMENT ON B&B LEVEL

SUSTAINABLE CONSUMPTION  
AND MANUFACTURING

SUSTAINABLE PUBLIC  
PROCUREMENT

GREEN INVESTMENTS

# Environmental certification

Environmental certification allows:

- comprehensively evaluate and confirm improved environmental characteristics;
- to enter the markets in the category "eco-products" without violating the competition law;
- apply innovative approaches and best practices in the world to use proven product benefits to increase sales, particularly in the public sector.

# Target audience in B2B sector

Private sector: primary producers, manufacturers, retailers and procurement practitioners, recycling, waste and resource management facilities

Marketing and advertising professionals

Apply the Guidelines for the development of product sustainability information

Labelling and voluntary sustainability standards schemes

Governments (including sub-national authorities) and public procurement practitioners

Compare/ adapt (upcoming) product sustainability information schemes and policies to the Guidelines

Trade unions, trade or industry sector bodies

Consumer, environmental and other civil society organisations

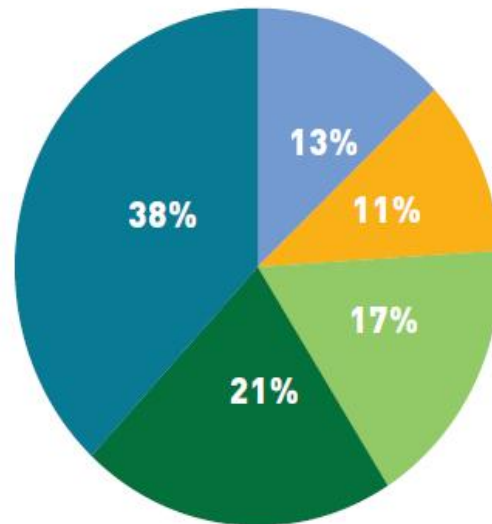
Market surveillance authorities

Check the quality of product sustainability information by comparing to the Guidelines

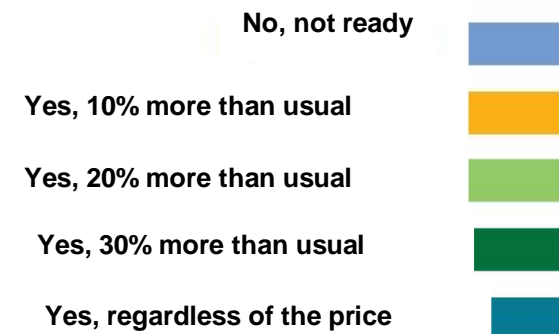
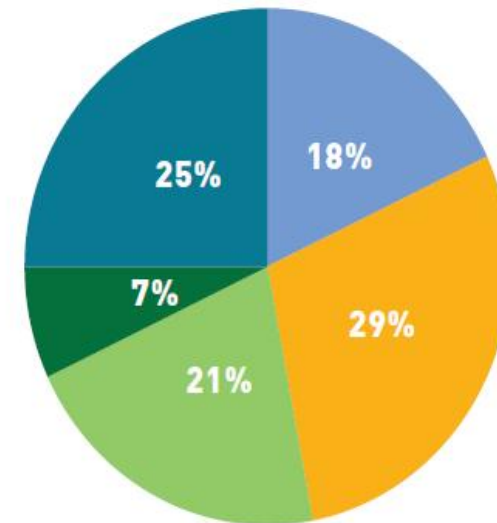




information that influences the product selection



Are you ready to buy safer and better quality products that are certified in accordance with international standards, which is more expensive than usual?



# Profile of ecoproducts and services

**Concerned about health**

**Average and above income**

**Active Internet user (surf to find useful information)**

**Price matters to him, but not more than the product itself**

**Age - 25 to 45. Gender - Depending on product category.**

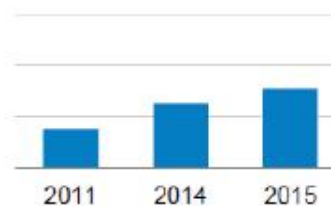
**Even in times of economic depression, such consumer will stay for quality and safety.**

**The number of such consumers is increasing year by year.**

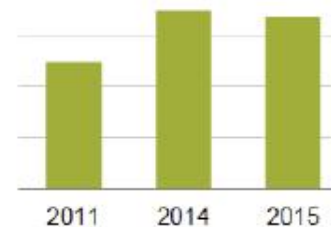


## eco-products consumer

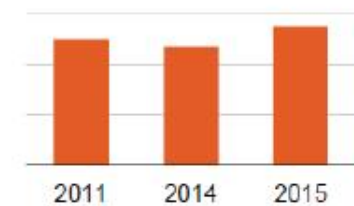
records the monthly costs of goods and services, %



Consciously choose goods and services (scale from 6-7)



the influence of factors such as quality and safety, %







## WHY IS ECOLABELING APPLIED?





# Ecolabeling is a greening tool of economics



The principle of sustainable consumption is based on the consumption of products with improved environmental characteristics at all stages of the life cycle

# Type II of ecolabeling ISO 14021

**Type II of eco-labeling ISO 14021 is informative declarations in the form of wordings or labels of an environmental nature**

An example of type II ecolabeling may be statements such as "content of recycled material is,%; «recyclable», «compostable», «collapsible construction», etc., or special signs specified by the standard ISO 7000



**Requires documentary confirmation.**

**Does not require mandatory certification of conformity of the declared feature by a third party (certification).**

<https://www.iso.org/obp/ui/#iso:pub:PUB400001:en>  
or by entering the ISO 7000 standard code on the <https://www.iso.org> search

# Type I of ecolabeling ISO 14024

## Improved environmental characteristics?

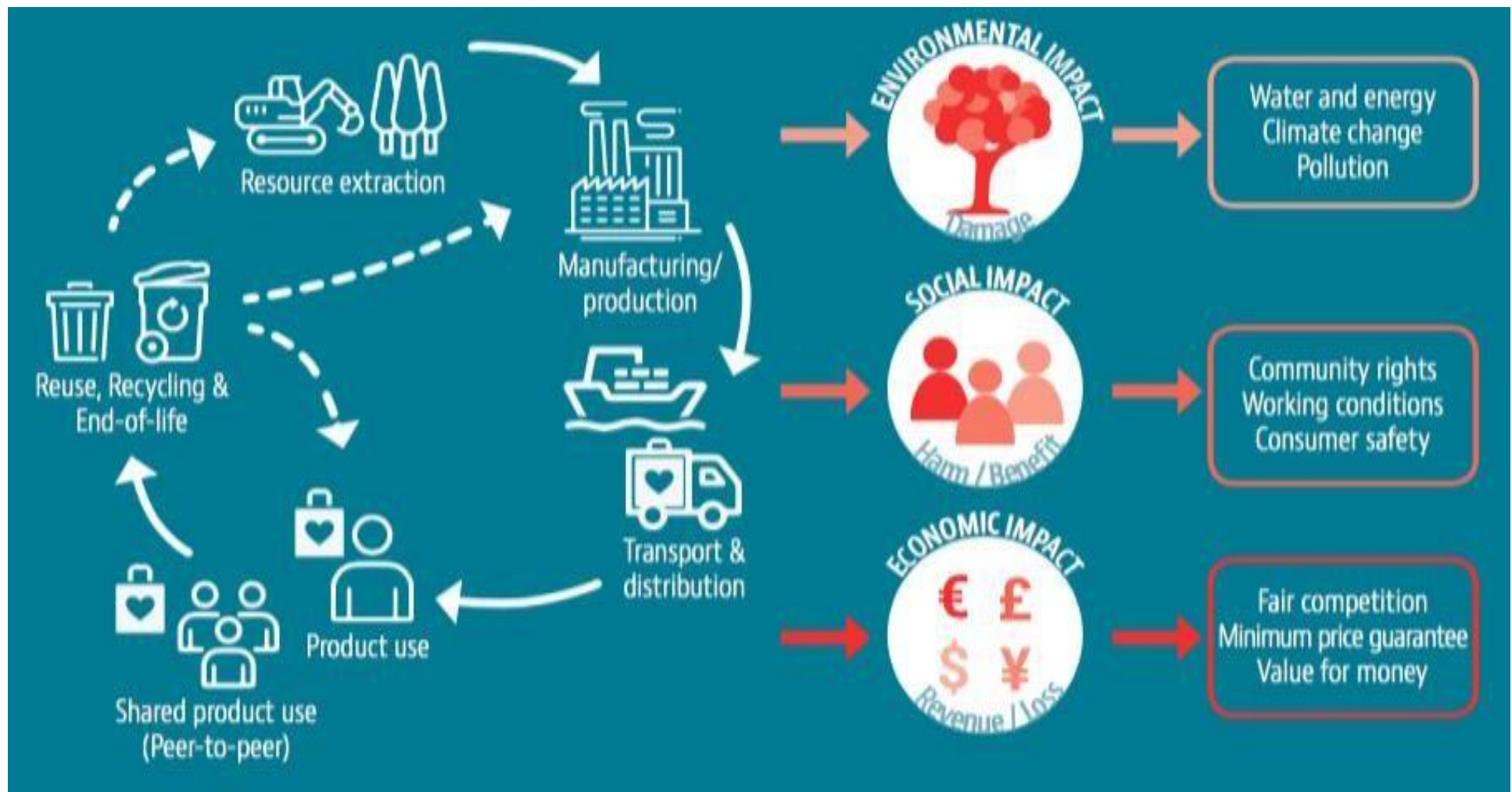
- ✓ Significant aspects ('hotspots') covered
- ✓ Not masking poor product performance, no burden shifting
- ✓ Genuine benefit



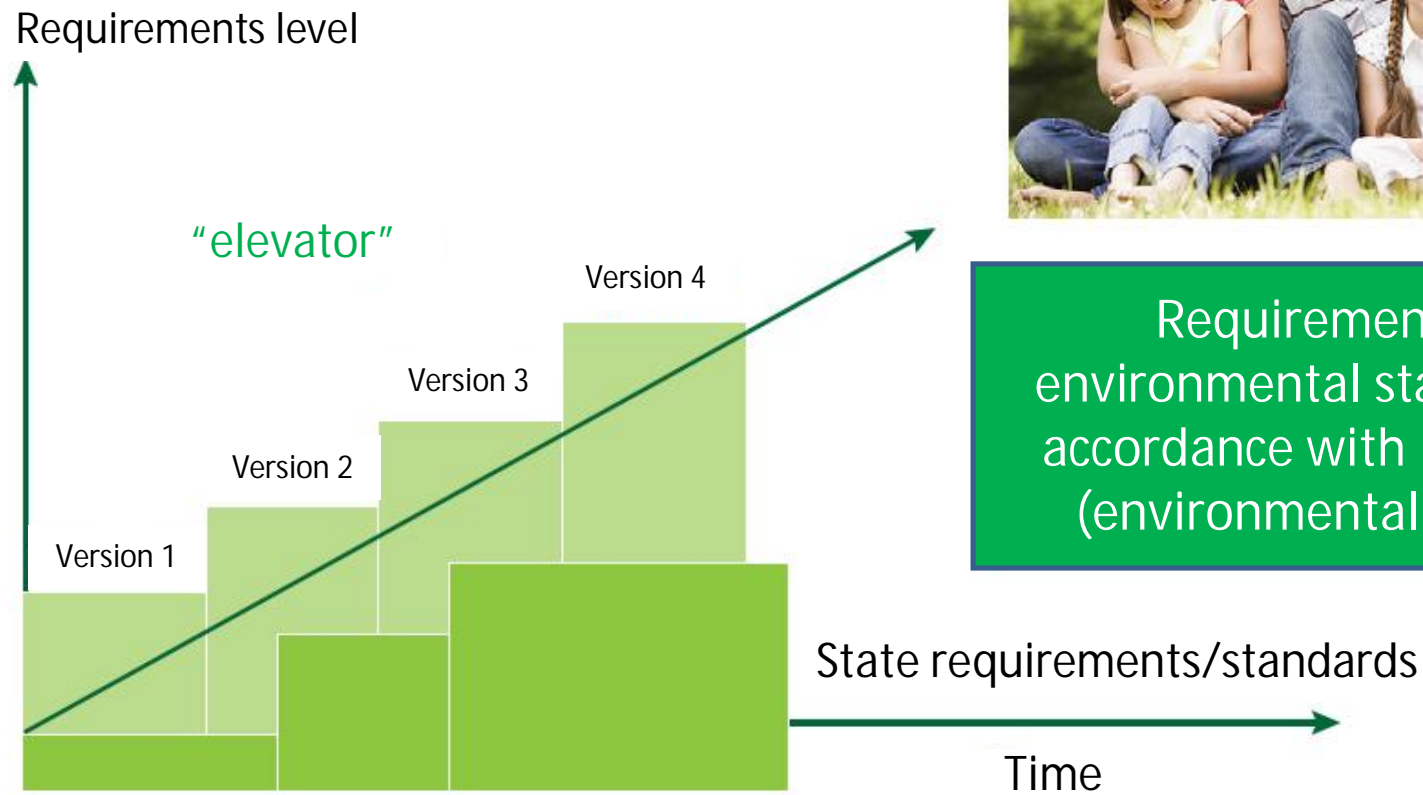
Requires mandatory certification of conformity of the declared improved environmental characteristics by a third party (certification).



# Product life cycle?



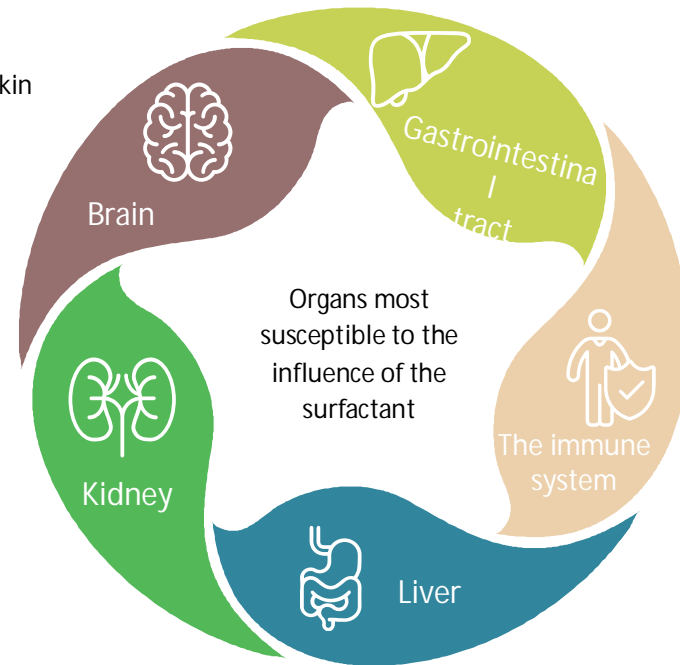
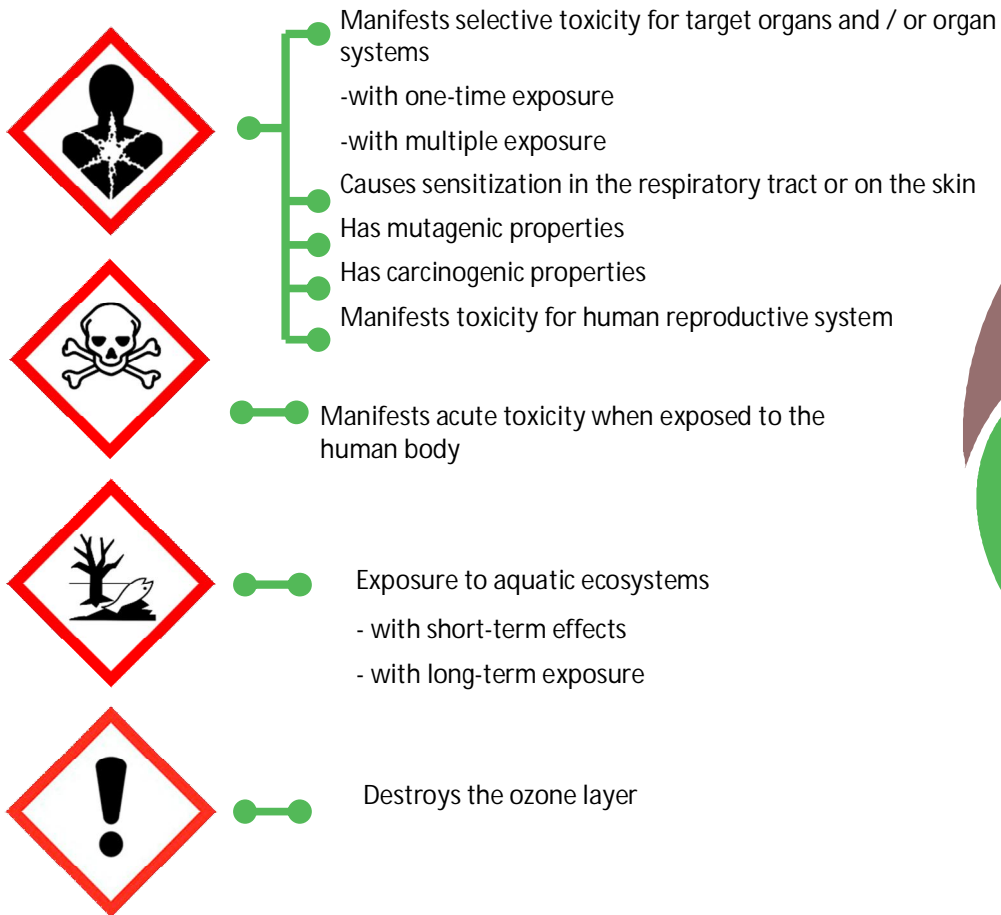
# Principle of development of environmental criteria



Requirements of environmental standards in accordance with ISO 14024 (environmental criteria)



# Detergents: Environmental Criteria (Health)



# Detergents: environmental criteria (environment)

## WHY?



Phosphorus is the main nutrient element that is a factor in the multiplication of blue-green algae

## THREATS:



Not recommended to swim



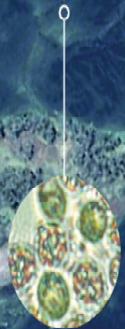
A breath of fish



Toxins dangerous to human health



Blue-green algae



The content of phosphorus compounds in unpolluted water is 0.005-0.2 mg / l

In Dniprovsy reservoirs 0,38 mg / l

In rivers Dnipro basin 0.44 mg / l

The Dnipro River

is the main source of drinking water in Ukraine



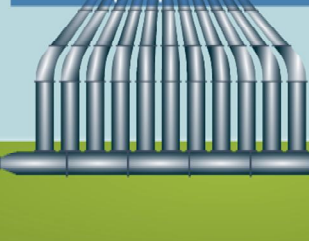
Satellite snapshot from GoogleMap



Washing and dishwashers with phosphorus detergents



For the year, the sewage of a city with a population of 1 million people = 748 tons of phosphorus



At the treatment facilities, at the expense of primary (physical) purification, 10% of phosphorus is removed. Due to the biological (secondary) purification - 20% phosphorus

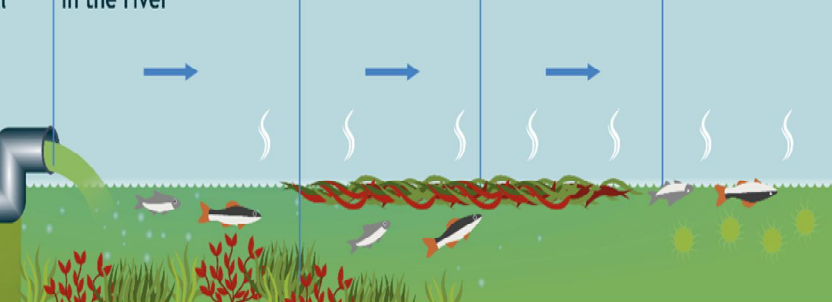


Phosphorus, which has arrived with sewage, stimulates the development of algae in the river

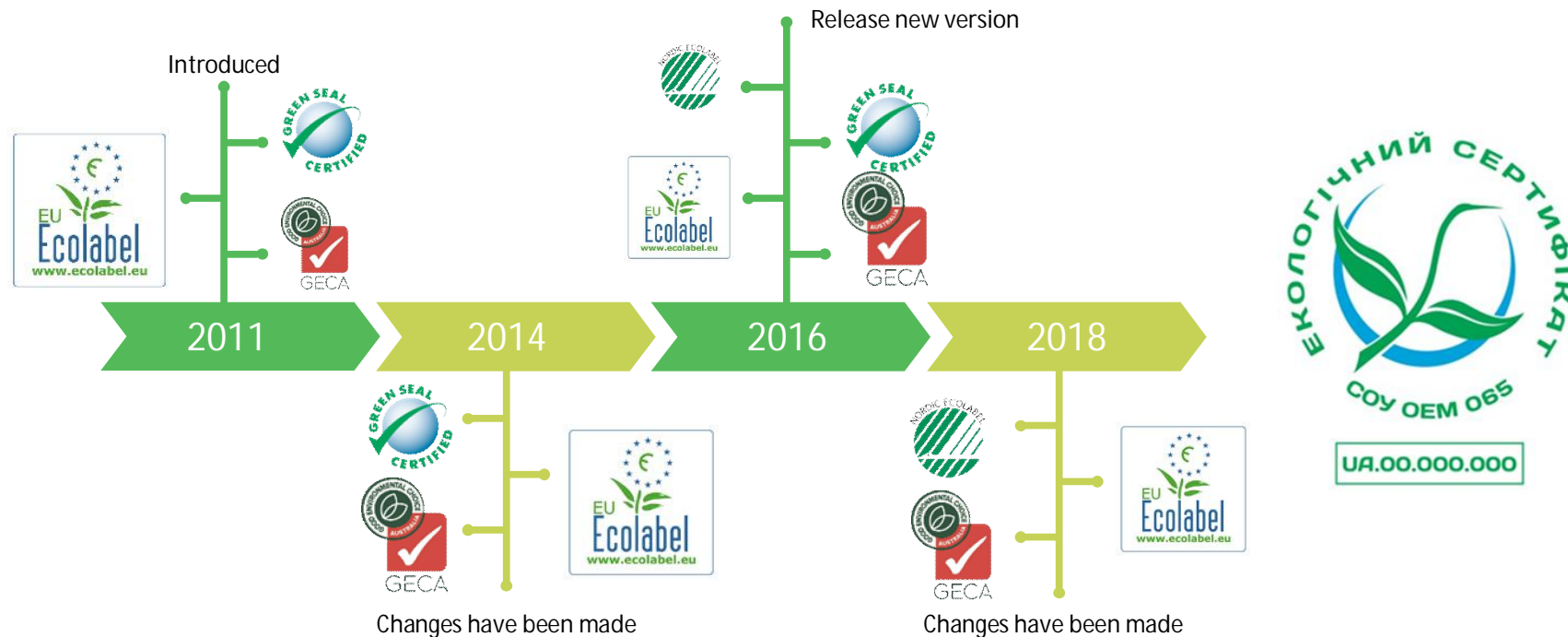
Excessive development of algae leads to "flowering"

Oxygen is spent on algae decomposition

A breath of fish, the release of dangerous toxins



# Environmental criteria for detergents in Ukraine



## Criteria take into account the requirements:

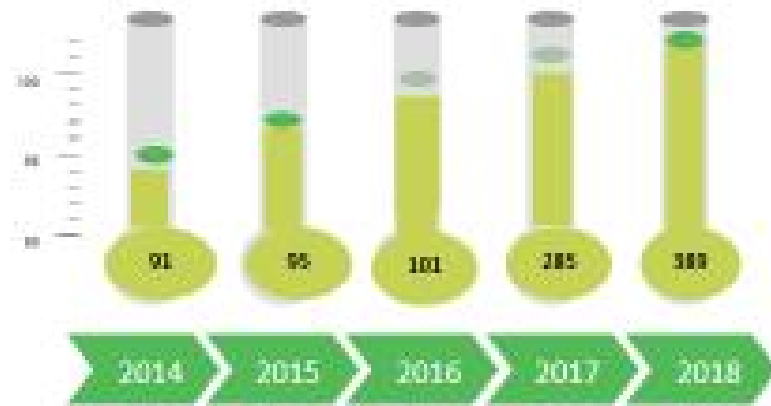
Regulation (EC) No 1907/2006 (REACH)

Globally Harmonized System for the Classification and Labeling of Chemicals (GHS)

Regulation (EC) No 1272/2008 (CLP)

# Statistics of detergents (for dishes) in Ukraine

Consumption of synthetic detergents in the Ukrainian market, tons/year



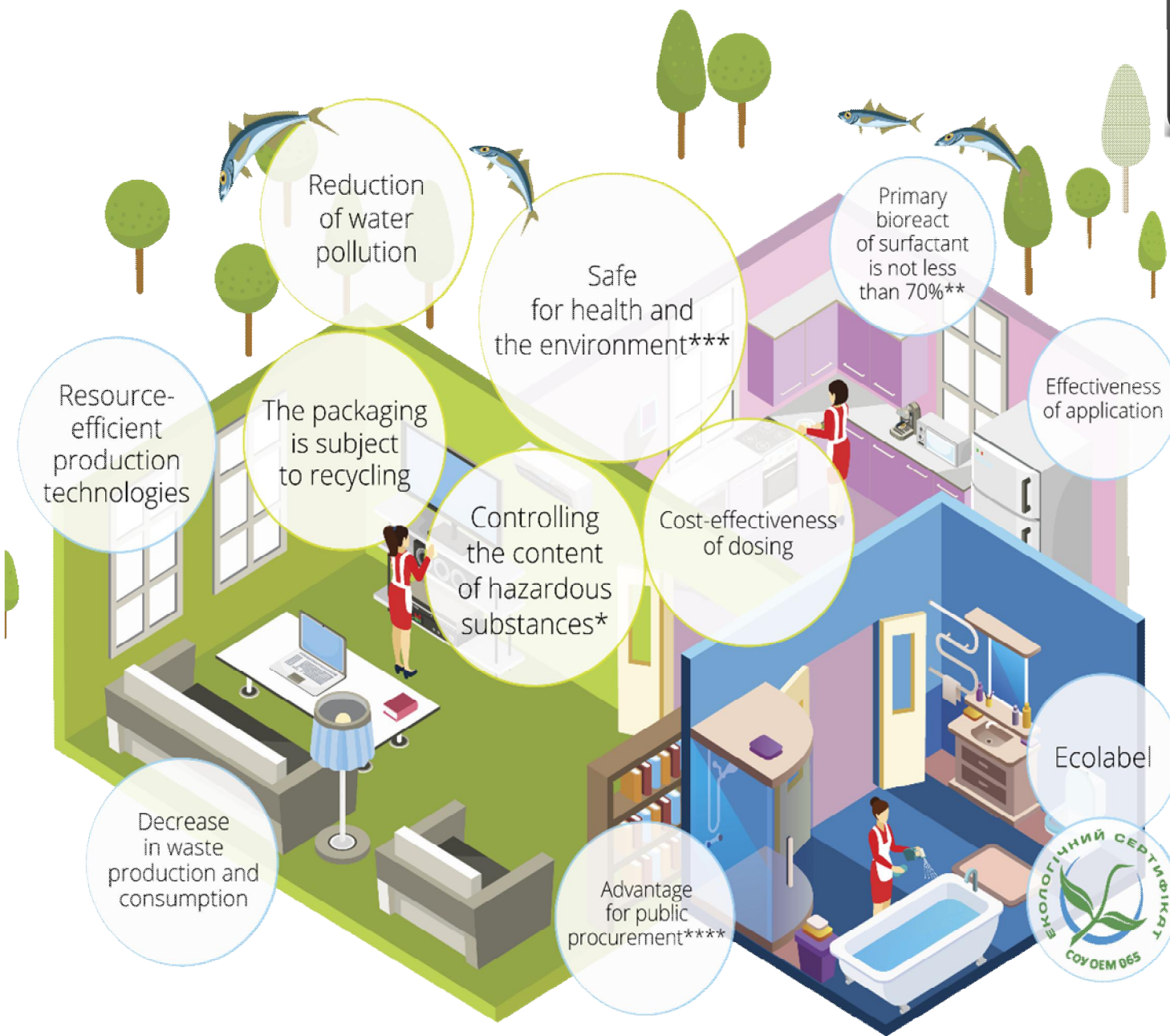
Ecolabel on detergents in the Ukrainian market



Eco-certified detergents in the Ukrainian market

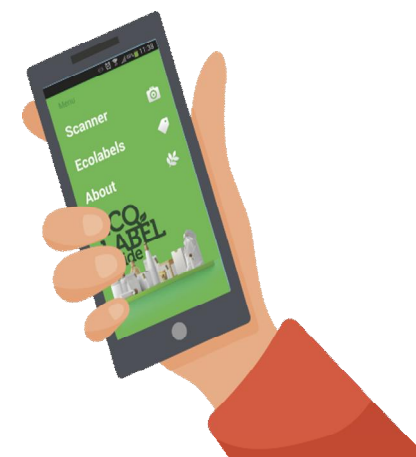






**ECO LABEL**  
guide

Download the Ecolabel Guide mobile app for Android and iOS, scan the ecolabel and find out that you're choosing really environmentally-certified products.



# Ecodesign: energy efficiency A+++

**Energy** Air-conditioner

Manufacturer  
Outside unit  
Inside unit

**More efficient**

**Less efficient**

Annual energy consumption, kWh in cooling mode  
at full load (the higher the better)

Cooling output kW

Energy efficiency ratio  
Full load (the higher the better)

Type Cooling only —  
Cooling + Heating —

Air cooled —  
Water cooled —

Heat output kW

Heating performance  
A higher G lower

Noise  
(dB) = 1 unit

Further information is contained in product brochures

Air-conditioner  
Energy Label Directive 2002/91/EC

kW 3,5  
SEER 5,6  
kWh/annum 219

kW 2,8  
SCOP 4,8  
kWh/annum 817

2,6  
3,8  
95,8

X  
X  
X

56dB

63dB

ENERGIA - ENERGIJA - ENERGIJA - ENERGIJA - ENERGIJA - ENERGIJA - ENERGIJA  
626/2011

I II

EER

A+++  
A++  
A+  
A  
B  
C  
D

A+++

XY,ZkW  
X,YEER  
XYkWh/60min\*

COP

A+++  
A++  
A+  
A  
B  
C  
D

A+++

XY,ZkW  
X,YCOP  
XYkWh/60min\*

ZYdB

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\*Maks. pot. izlaz  
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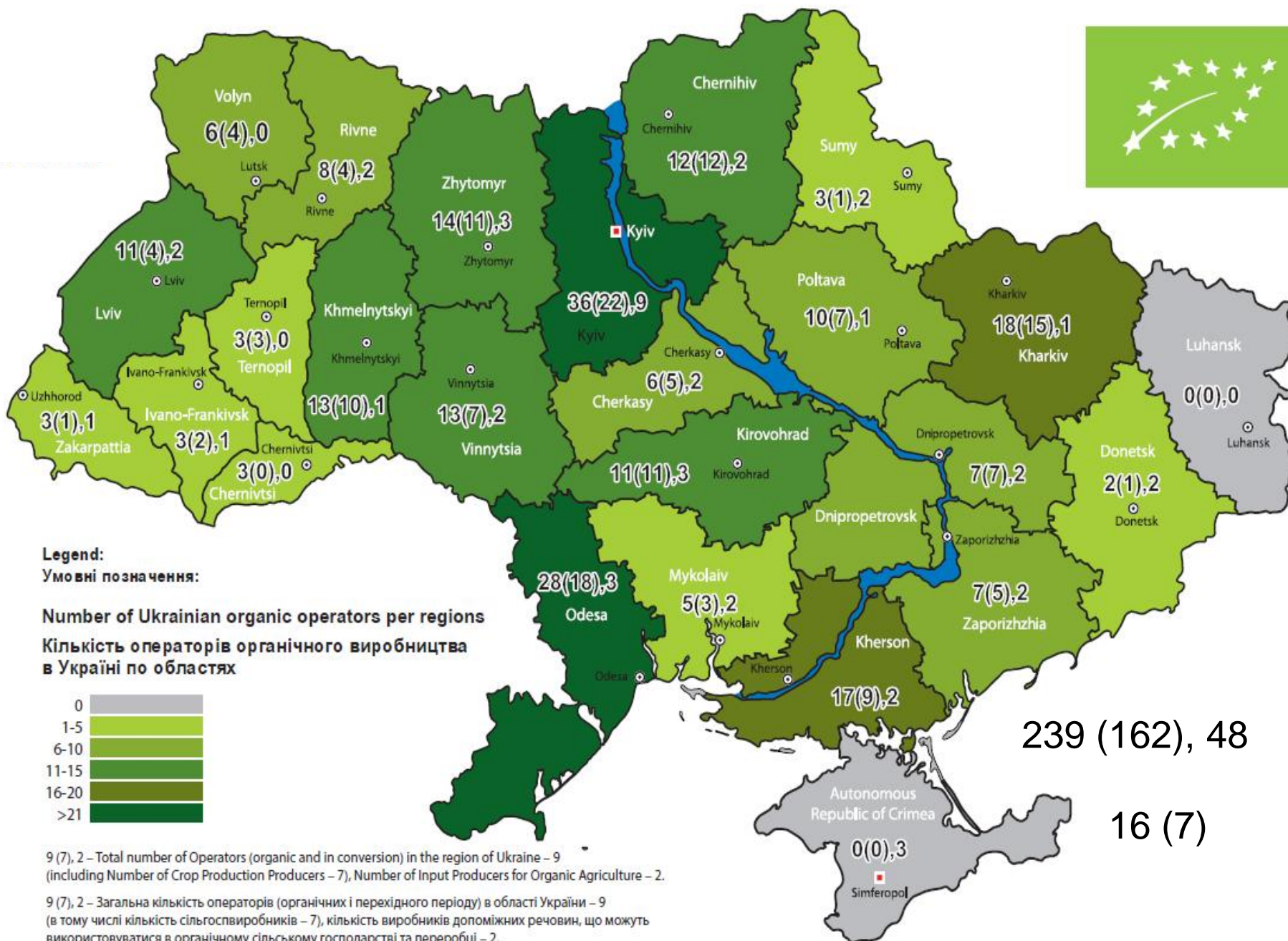
# UKRAINIAN ORGANIC PRODUCTS





# ORGANIC MAP OF UKRAINE

# ОРГАНІЧНА КАРТА УКРАЇНИ

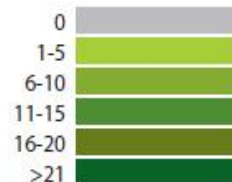


**Legend:**

Умовні позначення:

Number of Ukrainian organic operators per regions

Кількість операторів органічного виробництва в Україні по областях



9 (7), 2 – Total number of Operators (organic and in conversion) in the region of Ukraine – 9 (including Number of Crop Production Producers – 7), Number of Input Producers for Organic Agriculture – 2.

9 (7), 2 – Загальна кількість операторів (органічних і перехідного періоду) в області України – 9 (в тому числі кількість сільгоспвиробників – 7), кількість виробників допоміжних речовин, що можуть використовуватися в органічному сільському господарстві та переробці – 2.



# MAGNIFLEX factory in Ukraine



# FSC IN UKRAINE







## Mountain Hotel «The Ark» (Chernovtsy obl.)



## Blue Flag in Ukraine



# Environment Standard “Green Class”

**ECOLOGICAL EDUCATION AND EDUCATION  
BEGINS WITH A GOOD EXAMPLE**

energy consumption

water consumption

excess costs

criteria for goods,  
materials and services

emissions of harmful  
substances

transport

wastes



**45 mandatory requirements  
40 additional requirements, at least 6 of which  
must be implemented**

<https://www.globalecolabelling.net>



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## Members List

Country/Region	Member	GENICES
Australia	Good Environmental Choice Australia	✓
Brazil	Associação Brasileira de Normas Técnicas	✓
China (CEC)	China Environmental United Certification Center	✓

<https://www.ecolabel.org.ua/pro-nas/mizhnarodne-viznannya>



Country/Region	Member	GENICES
Australia	Good Environmental Choice Australia	✓
Brazil	Associacao Brasileira de Normas Tecnicas	✓
China (CEC)	China Environmental United Certification Center	✓
China (CQC)	China Quality Certification Centre (CQC)	✓
Chinese Taipei	Environment and Development Foundation	✓
European Union	European Commission	
Germany	German Federal Environment Agency	✓
Germany (TUV)	TÜV Rheinland	✓
Hong Kong (GC)	Green Council	✓
India	Confederation of Indian Industry	✓
Indonesia	Ministry of Environment	
Israel	The Standards Institution of Israel	✓
Japan	Japan Environment Association (JEA)	✓
Kazakhstan	International Academy of Ecology of the Republic of Kazakhstan	✓



# GLOBAL ECOLABELLING NETWORK



GEN was founded in 1994  
28 systems according to ISO 14024, 60 countries in the world



## UKRAINE Green Procurement advances



As of September this year, the Ukraine ecolabelling programme had 48 standards and 60 certified manufacturers. Motor fuel, tea and spa services are among the latest sectors.



In April the Living Planet celebrated its tenth anniversary with an exhibition involving its licensees. Over three days it was visited by over 10,000 people, including Oleg Proskuryakov, Minister of Ecology and Natural Resources of Ukraine. A special social media contest caught the attention of younger followers.

Ukraine is also moving

towards green government procurement. In April this year a handbook was developed through the initiative of the Living Planet, "Guidelines for the application of green procurement in the public and private sectors of the economy". It is a joint effort by scientists and lawyers, to assist with implementation of effective and efficient procurement in the public

and private sectors of the economy, says the Ukrainian ecolabel. "Its uniqueness lies in the fact that the proposed method is based on the current Ukrainian legislation and includes as instruments both mandatory state regulation and voluntary international and national standards: the best home experience and the experience of other countries."

click to



## EUROPE Sustainable / Green Procurement

As many GEN members prepare to gather for their AGM in Brussels, the EU has been discussing a matter very much on our minds, and under examination by UNEP. According to Parliament magazine, public authority spending on supplies, works and services represents around 18 per cent of GDP across Europe, so public procurement is pivotal to the overall EU economy.

The European parliament is in the process of updating the directive for public procurement to ensure environmental factors are fully considered in the tendering process. MEP Malcolm Harbour (pictured, right) says the days are gone when procurement was just about price. It is now important to consider whole life costs, including energy consumption, replacement parts costs and disposal when looking at the true cost of a product or service. This approach isn't new for industry but he says public procurement needs to catch up.

The new rules will address these issues by introducing a new procedure to

establish 'innovation partnerships' allowing pre-negotiation and the development of tender specifications around solutions which may still be at the development stages. "We aim to achieve a framework law which will allow procurers to move away from a lowest price culture towards promoting best practice and best value while driving innovation," says Mr Harbour.

South Korea is one GEN member operating a 100 per cent electronic public procurement system which has cut administrative costs significantly; China also has a growing list of approved products and services. Mr Harbour, who is a vice-chair

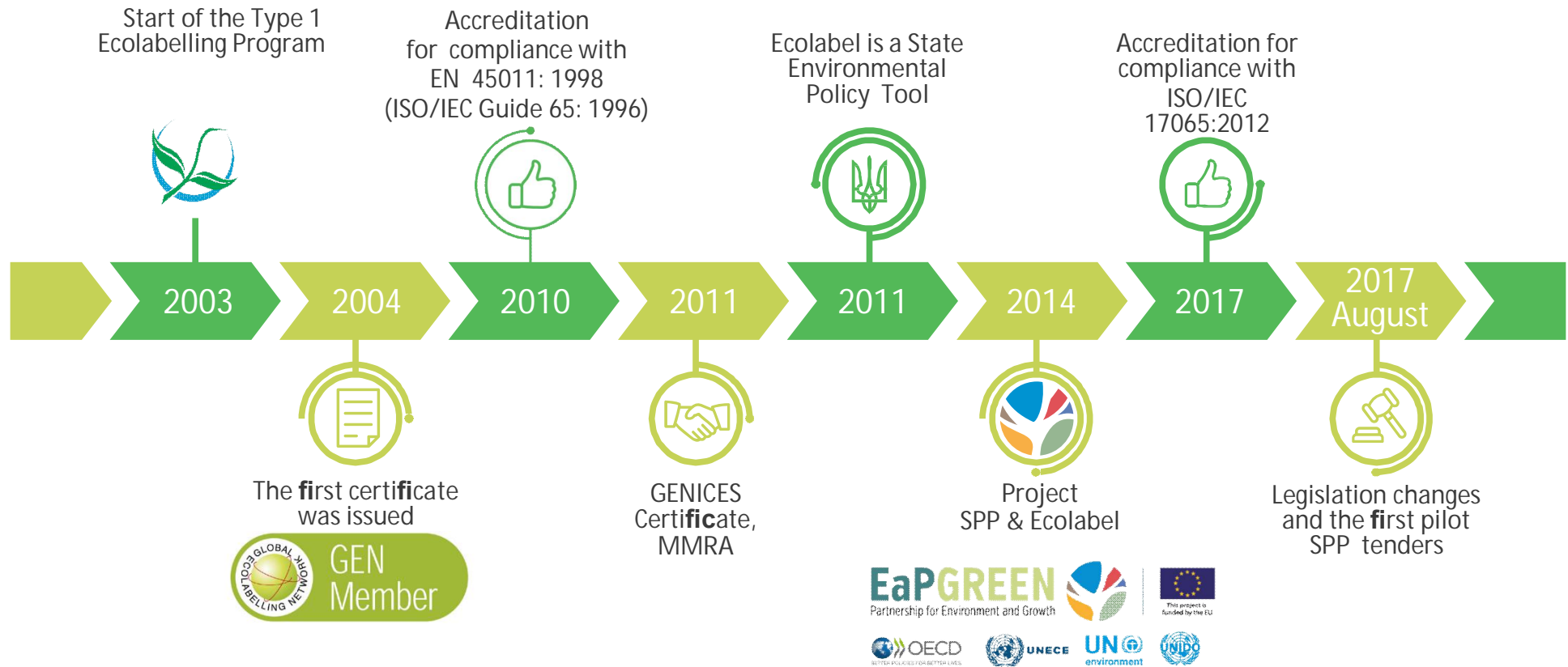
of the European parliament's science and technology options assessment panel (Stoa) is quoted by Parliament Magazine as supporting a mandatory electronic procurement system for EU member states' contracting authorities.

click to read





# «GREEN CRANE» - TYPE 1 ECOLABELLING PROGRAM IN UKRAINE





## Реєстр пропозицій

Друкувати реєстр отриманих тендерних пропозицій [PDF](#) • [HTML](#)

🕒 Дата і час розкриття: 24 жовтня 2017 • 16:00

Учасник	Первинна пропозиція	Остаточна пропозиція	Документи
ТОВ "СИРЕНА ПЛЮС ЛТД"	953,28 УАН з ПДВ	953,28 УАН з ПДВ	<a href="#">Документи</a>
ФОП "Малиновський Олександр Леонідович"	2 973,00 УАН з ПДВ	2 100,00 УАН з ПДВ	<a href="#">Документи</a>
БГМ ТОВ	2 901,84 УАН з ПДВ	2 118,00 УАН з ПДВ	<a href="#">Документи</a>
ТОВ ТОРГОВЕЛЬНА КОМПАНІЯ КОНСТРУКТИВ	2 610,30 УАН з ПДВ	2 125,00 УАН з ПДВ	<a href="#">Документи</a>

Cleaning products (cleaning products and detergents)  
DK Code 021: 2015  
(39830000-9)

# Requirements of Directive 24/2014

## **Article 152 of the Ukraine - EU Association Agreement**

By 2019, Ukraine is required to introduce at the legislative level procurement requirements that will ensure greater integration of environmental and social criteria based on relevant standards to contractors or to goods, services or works purchased for government needs, including the establishment of:

- standards for the confirmation of the quality of products, works and services, methods of managing economic activity, criteria for organic production, etc. (Articles 57, 58, 62 of Directive 2014/24 / EC);
- establishing special conditions for the public procurement of goods and services procured in order to support the employment of socially disadvantaged persons with disabilities (Articles 20 and 77 of Directive 2014/24 / EC);
- the conditions for integrating social and environmental standards and requirements for contractors or for products procured for public use as characteristics and elements of the evaluation of tenders in procurement procedures (Articles 74 and 77 of Directive 2014/24 / EC);
- product quality certification and international eco-labeling standards (Articles 74 and 77 of Directive 2014/24 / EC);
- the requirements and methods for determining the cost of the goods, works and services purchased in calculating their full life cycle and the additional costs of environmental, social and technological consequences of their use (operation) (Articles 31, 68, 78-82 of Directive 2014/24 / EC).

# Legal Frame Advantages

- Approved by the Presidential Decree Sustainable Development Goals
- Approved by the Law of Ukraine Objectives of the state environmental policy till 2030
- Adopted the updated Law of Ukraine on public procurement, which clearly defines the right of the customer to buy goods and services
- Adopted Law of Ukraine on Organic Production was
- Adopted technical regulations on Ecodesign
- Type I ecolabelling program with national accreditation and international recognition is in place

ENVIRONMENT  
CRITERIA

CAB  
Orders development

TK-82  
Drafts and approve  
with interested parties

Ecolabelling Steering  
Committee  
Approves the draft

CAB  
Adopts and uses for  
assessment

CONFORMITY  
ASSESSMENT BODY

- Ensures the operating of system of ecocertification and ecolabelling
- Provides the independent assessment guided by the life cycle assessment method
- Issues the EcoCertificate for ecolabelling use
- Provides supervision on the certified goods or services

Ecolabelling Steering  
Committee  
Coordinates and  
supervises

NATIONAL  
ACCREDITATION  
AGENCY OF UKRAINE  
Confirms the competence  
in accordance  
to ISO/IEC 17065

GLOBAL ECOLABELLING  
NETWORK  
Confirms the compliance in  
accordance with ISO 14024  
GENECIS- mutual trust  
between CABs



# Barriers

- Lack of effective public policy aimed at developing the market for ecoproducts and sustainable trade
- Low level of awareness of customers, consumers and manufacturers in ecolabelling market benefits
- Greenwashing
- Low level of trust
- Low level of application of sustainability criteria in public procurement
- The Association Agreement does not specify which products and services are classified as “environmentally friendly” or “eco friendly”.
- The market demand exists but it’s almost impossible to calculate its volume from GDP. There is also a number of problems associated with the application of the standards.



# Greenwashing. Unconfirmed ecolabelling use.



# RESPONSIBILITY FOR VIOLATION OF LAW

Responsibility for violation of law on protection of economic competition, advertising, on protection of consumer rights regarding the use of ecolabelling

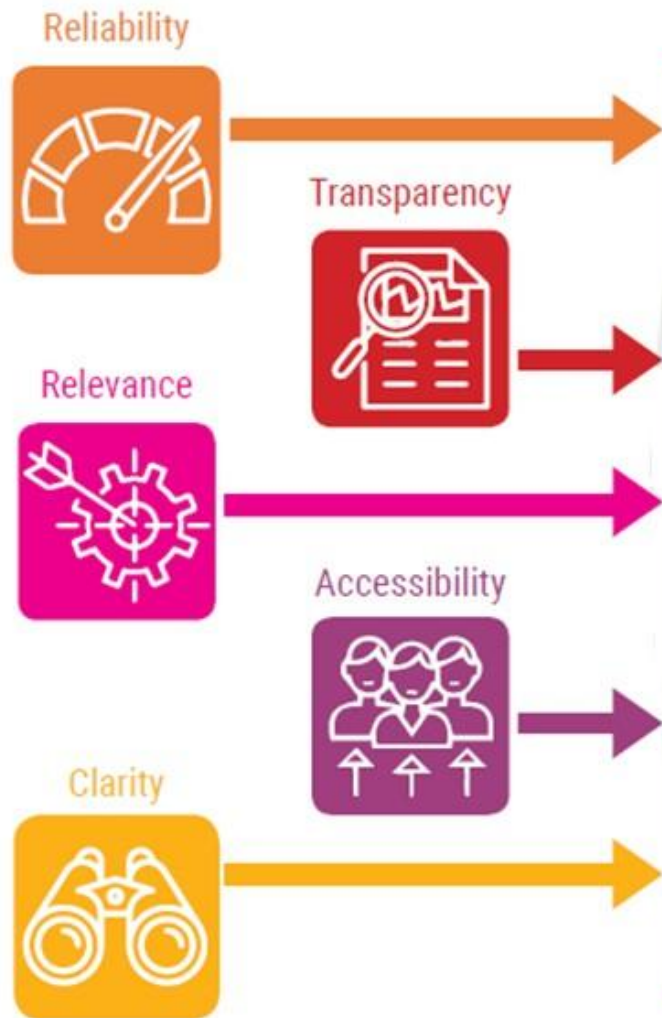


The Antimonopoly Committee of Ukraine imposes indicative sanctions on the allocation of up to 5% of annual revenue for the last reporting year. The amount of fine depends on the negative impact or possibility of impact on common markets, social importance of the goods and the equal profitability of the related activities.

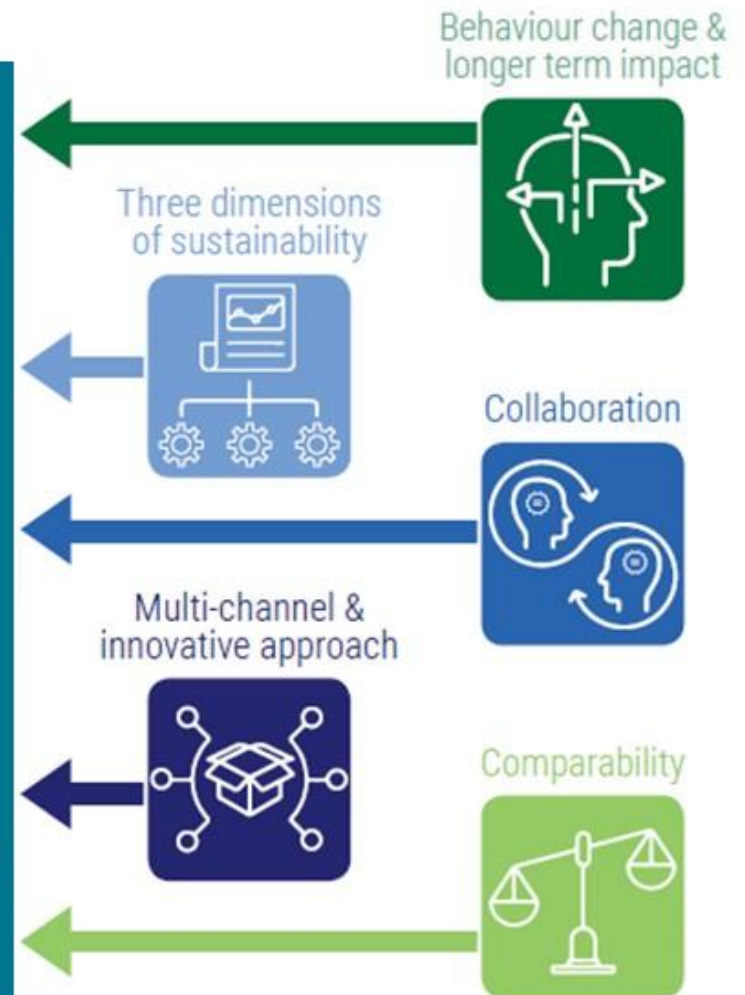


# Providing Product Sustainability Information

## The 'Fundamental Principles'



## The 'Aspirational Principles'



**Effective,  
trustworthy  
sustainability  
claim**

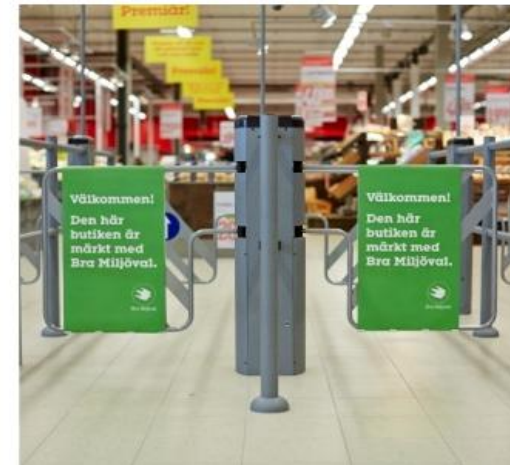
# How to further progress in the field?



# WILLY:S



Bra Miljöval







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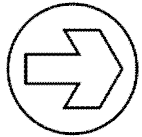
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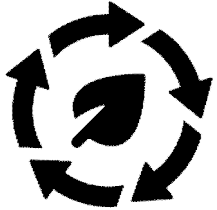
129.00

129.00

# How to further progress in the



**Provide additional guidance on implementation of the following approaches and principles**



## **Hotspots Analysis Approach**

The majority of road testers were not familiar with this approach prior to the road testing. More guidance is needed in order to clarify what hotspots analysis means and its relevance to communicating product sustainability information.



## **Principle 4 (Transparency)**

The potential that new technologies can bring for progress in this principle should be recognized and further discussed, considering that data-enabled technologies provide information to consumers first hand in real time, while also addressing the challenge of limited space on pack.

# How to further progress in the field?



## **Principle 6 (Three Dimensions of Sustainability)**

Considering there are still no internationally recognized standards or labels that cover all three aspects of the full life cycle, the Guidelines suggest that companies look at combining standards and methodologies to ensure all three dimensions of sustainability are taken into account.



## **Principle 7 (Behavior Change and Longer Term Impact)**

Further guidance should be provided on how to monitor changes in behavior of consumers. This process is regarded as demanding and onerous, especially for small and medium sized organizations.

# How to further progress in the field?



## **Principle 8 (Multi-Channel and Innovative Approach)**

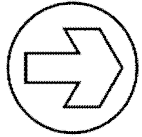
This principle was found to be more challenging for standard-setter (as opposed to companies). 72% of them shared the desire of developing additional multi-channel and innovative activities to better engage consumers.



## **Principle 9 (Collaboration)**

It was recognised as a crucial next step to involve consumers in the development of the claims. The results also pointed out the necessity of additional advice on how small and medium sized organizations could use their limited resources and capacity to involve relevant stakeholders (partners) during the development of the claims, ultimately aiming at building an open and inclusive process.

# How to further progress in the field?



## Work on policy level

- Link to **national processes and instruments**, although recognizing that consumer information is an issue that needs international consensus
- Engage with **national marketing surveillance** authorities and regulators responsible for overseeing consumer marketing and claims on a national level
- Continue to lift the Guidelines to a **more political and strategic global sphere**, for which the involvement of governments will be crucial



# How to further progress in the field?



## **Principle 8 (Multi-Channel and Innovative Approach)**

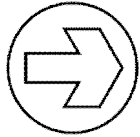
This principle was found to be more challenging for standard-setter (as opposed to companies). 72% of them shared the desire of developing additional multi-channel and innovative activities to better engage consumers.



## **Principle 9 (Collaboration)**

It was recognised as a crucial next step to involve consumers in the development of the claims. The results also pointed out the necessity of additional advice on how small and medium sized organizations could use their limited resources and capacity to involve relevant stakeholders (partners) during the development of the claims, ultimately aiming at building an open and inclusive process.

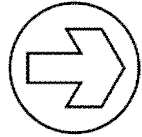
# How to further progress in the field?



## Enhance collaborations and create synergies

- Build partnerships with a focus on a **replication effect**
- Promote activities to **strengthen collaboration with retailers** considering their role in promoting more sustainable goods in a visible and appealing way to end consumers
- Collaborate for **country level awareness raising** and identification of national specificities

# How to further progress in the field?



## Work on policy level

- Link to **national processes and instruments**, although recognizing that consumer information is an issue that needs international consensus
- Engage with **national marketing surveillance** authorities and regulators responsible for overseeing consumer marketing and claims on a national level
- Continue to lift the Guidelines to a **more political and strategic global sphere**, for which the involvement of governments will be crucial

# Progress Potential

- Favorable investment climate
- State support for green modernization (the Association Agreement provides for up to 40% support, as an option - environmental tax).
- Clear government criteria for sustainability of goods and services should be adopted at the national level:
  - to define priority categories;
  - to establish a criterion base for prior categories of goods and services with reference to the requirements of the relevant standards with a clearly recognized presumption of conformity (Resolution of the Cabinet of Ministers)
  - to ensure proper state monitoring of its implementation
- Conduct systematic outreach to rise public awareness
- Involvement of retailers in informing consumers in commercial networks about environmentally friendly / ecofriendly / energy efficient products
- Apply for the technical assistance to conduct the survey to assess the real capacity of environmental goods and services market

Thank  
you!

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