

Green Inland Ports

Good Practices





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Eco-labelling

1.1 Description

Eco-labelling is the practice of labelling or certifying based on the quality and performance with respect to consumer health, resource consumption, and environmental impacts of products or services. It can be organised in multiple ways. The inland port of Brussels requires that companies have two labels, namely the CO2 neutral label and the environment label (Label Ecodynamic Business). For the CO2 neutral label, companies need to deliver data, from which the energy consumption can be monitored. The label is being issued by the climate advisory organisation CO2logic and validated by the accredited and independent certification body Vinçotte (CO2 Neutral, n.d.).

For the environment label, a list of questions on different environmental topics (which are selected based on the profile of the company) need to be answered. The questions concern the extent to which legal obligations are being executed and to which extent good practices are being performed by the company, for which proof must be provided. Based on the results, a score will be awarded which will lead to a judgement of one, two or three stars (Leefmilieu Brussel, n.d.).

Eco-labels can function as a signal of environmental leadership, acting as a benchmark and are increasingly requested by customers. This indication of leadership is addressed towards business connected with the expectations that (Rubik, F. et al., 2008):

- It is taken up by product development and considered as orientation for product innovation processes.
- It is considered by marketing as an expression of 'market intelligence'.
- It is applied by marketing for operative and strategic positioning of the products.

Because of eco-labelling, downstream commercial clients get information on the environmental features of products and services that they purchase. Upstream suppliers get information about requests of their clients in order to fulfil the requirements of an eco-label, and they may gain an impression of market development due to missing a direct connection to the market of final products (Rubik, F. et al., 2008).

1.2 The aim of eco-labelling

The goal is to inform companies about their impact and force companies to have a critical look at their energy and waste management. An eco-label could become a license to operate within the relevant markets, both on the supply and the demand side.

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1.3 Inland ports that require eco-labels

· Port of Brussels

1.4 Stakeholders

- Port authority: The port authority can support this principle among companies within the port area. As a good example, the port authority can also be awarded an eco-label.
- Terminals within port area: Terminals can be awarded an eco-label to show to their customers how environmentally and sustainability aware they are.
- Shipping companies: Shipping companies can be awarded an eco-label to show to their customers how environmentally and sustainability-conscious they are.
- Companies located within the port area: if they fall within the scope of port ambitions to become more sustainable, other companies within the port area can be awarded an ecolabel to show their customers how environmentally and sustainability-conscious they are.
- Eco-labelling company: There should be a company that does verification in order for other companies to be rewarded an eco-label.

1.5 Voluntary or mandatory

The label can be requested on a voluntary basis but in the case of the Port of Brussels (a landlord port) companies operating in the port and leasing land from the port authority company have to acquire both labels. If not, a penalty on the rent can be given. When the principle of eco-labelling gets expanded further, it could become a license to operate, making it somewhat mandatory for companies to possess, as clients could choose for competitors that do have an eco-label.

1.6 Realised/potential impact

Eco-labelling is a principle that has been discovered multiple decades ago, which explains why most literature on this topic was written between 10 and 30 years ago. One of the most recent scientific papers out there on the topic of eco-labelling and its impact is Wojnarowska, M. et al., (2021). They state that the pro-ecological attitudes of companies are being shaped to a considerable extent by consumers who, ever more aware of their own impact upon the natural environment and make a difference through their purchasing decisions. An example is that there is a growing number of consumers preferring and willing to buy organic products, which created new opportunities for companies, as this leads to companies adopting a more market-oriented approach in order to remain competitive in the market. Ecological education is a crucial tool of communication and the goal should be to achieve a situation in which the consumer is consciously able to interpret eco-labels and make right choices based on this.

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1.7 Possible obstacles

- For this good practice to be effective, ecological awareness among consumers and business representatives needs to grow. This is currently the basic barrier impeding the proper use of environmental labelling (Wojnarowska, M. et al., 2021).
- The main underlying causes of environmental problems are often outside the direct scope of influence of companies that would like to apply an eco-label (CE Delft, 2007).
- An uneven playing field could be created. In general, eco-labelling is a 'western
 phenomenon', in which developing countries are participating less in. There is no evidence
 that the limited participation in eco-labelling harmed the exports from developing
 countries (CE Delft, 2007). This calls the effect of the good practice in these developing
 countries into question.

1.8 Key learnings

- Eco-labelling could function as a license to operate in certain markets and sectors, as consumers and companies increasingly become more environmentally and sustainability oriented.
- Even though the effect of eco-labelling seems to increase over time, considering multiple sources of literature that indicate the effect of the good practice, it also becomes apparent that the environmental consciousness of consumers and companies is still insufficient for eco-labelling to make a big difference.

1.9 Sources

CE Delft, 2007. Eco-labelling: to be or not to be?: Desirability of eco-labels from an environmental and poverty perspective, Delft. https://ce.nl/wp-content/uploads/2021/03/07_7479_17.pdf

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Wojnarowska, M., Sołtysik, M. & Prusak, A., 2021. Impact of eco-labelling on the implementation of sustainable production and consumption *Environmental Impact Assessment Review*.

