



ACCELERATING GREEN COMMERCE

Green Products Roundtable
Interim Report

March 2011

Summary

This report, written by The Keystone Center, summarizes progress to date of the Green Product Roundtable (GPR), a voluntary, multi-stakeholder forum launched in 2008 by The Keystone Center and comprised of approximately 35 members representing different actors and experts in the emerging green products marketplace.

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Interim Report—March 2011

What is the Green Products Roundtable (GPR)?

The GPR is a consensus-seeking entity composed of participants who are able to give voice, view, and perspective on the work of manufacturers, retailers, purchasers, distributors, eco-labelers, academicians, and non-profit organizations in the green products marketplace. *Please see Attachment-1 for a list of members.*

Stimulated in part by draft bills introduced in the 110th Congress, as well as concerns expressed by knowledgeable experts on all sides of the eco-labeling debates, GPR's mission is to improve the decision-making capabilities of green product makers, institutional and commercial buyers, and consumers by bringing further clarity to the green products marketplace in the service of having products that are better for the environment and human health.

By agreement of the membership, the initial scope of the GPR is initially focused within the United States while staying mindful of the need for open international lines of communication. Further, the focal point of the GPR's work to date has been on environment and human health issues. *Please see Attachment-2 for the GPR's charter.*

GPR is funded by membership dues supplemented by funding from government and non-government entities. The Keystone Center (keystone.org) serves as convener, secretariat, and facilitator.

Why a Green Products Roundtable (GPR)?

GPR is one of several national entities providing organized forums for knowledgeable individuals and organizations that choose to come together to work on issues related to green commerce. Some are focused on the emerging science of life cycle analysis; others are exploring research aimed at identifying the long-term environmental impacts of green standards, labels, and practices. Still others are focused on specific product categories such as electronics, packaging, cleaning products, and building materials. GPR is focused on the emerging policy landscape and the current and future interactions of the public, private, and civil sectors.

The last decade has witnessed an explosion of environmental actions, claims, and initiatives by manufacturers and retailers. Going "green" is more than a fad. Increasingly it is a powerful force for product reformulation and a would-be competitive edge in different markets. Companies adopt green strategies for different, sometimes interlaced reasons. Many care deeply about environmental issues and want to make a positive difference. Depending on the product, companies may have specific interests in fossil fuel replacement, ozone depletion, air quality, or reducing habitat destruction. Other companies seek to save money through footprint reduction by using less water, oil, coal, or other natural resources. Some companies are coming to view green as the new "normal" and want to be leaders

amongst their industry peers. Still others see green as a pathway to long term business transformation.

This youthful movement makes the world of green commerce creative, noisy, and confusing. While considerable dialogue and debate is taking place in many quarters, some experts characterize the challenges as follows:

Definitional Challenges There is no single unitary definition of green that can be applied to all products and services in the marketplace. Green means different things to different actors working in different product sectors. A single satisfactory definition, rubric, or model that can be used by all actors may or may not be possible. For the moment, some sellers rely on single attributes (green for one reason), multiple attributes (green for several reasons), standards that a third party defines as green, or standards that meet an eco-labeler's definition of green.

The Science Lags The physical and social sciences of green are complex, improving rapidly, but still emergent. Because green cuts across and through so many product categories, considerable intellectual work is being done both in industry and academia, but much more lies ahead. At the moment, there is insufficient publicly available data about the environmental and human health impacts of many green products and too few agreed upon criteria and mechanisms for verification.

Not Yet Fully Evolved Standards Attempts at creating robust and trustworthy standards are underway and in place for some products. Overall, the development of standards is incomplete. Many more are needed to cover major product categories. However, even in advance of more uniform standards and/or the emergence of meta-standards, manufacturers are reformulating products to reduce negative impacts and simultaneously seeking to communicate their differentiation in the marketplace.

Proliferation of Eco-Labels and Claims

Green products are a burgeoning business for eco-labelers and certifiers. Hundreds of labels now exist and more are in development, both in the U.S. and internationally. Some view the inflation of labels and claims as a strong sign that both the general consumer and B-to-B markets care about green. Others worry that the proliferation of labels is confusing to consumers and businesses alike and may ultimately undermine consumer confidence and diminish the value of green claims. Many claims and labels are legitimate and well-substantiated. Others exhibit considerable exaggeration and there is some out-and-out deceit ("green-wash"). Some of this may be unintended and done out of ignorance. Attendant to this is a lack of transparency, clarity and available substantiation as to the underlying basis for claims and labels along with a lax system of defining and enforcing best practices in marketing environmental attributes/certifications. The recently revised and strengthened FTC "Green Guides" may offer greater hope, and perhaps grounds for better enforcement.



Lack of a Central Repository for Action-Oriented Knowledge In the United States, there is currently no independent, central, well respected, authoritative “go to” body that can shape guidance on what constitutes a green product across all market sectors. This is not to say that there aren’t many credible sources of trusted information. Rather, it is a reflection of the diversity, complexity and fragmentation of actors vying to display green and the need for a body that can help purchasers navigate the green products space.

Few Effective Forums for Inter-Sectoral Collaboration and Conflict Management Conflict is inevitable in a dynamic marketplace and the green factor is a growing source of disagreement. The National Advertising Division of the Better Business Bureau provides a forum for inter-corporate advertising challenges but there is also a need for front-end forums that can engage all stakeholders to identify, anticipate, and potentially prevent unnecessary frictions or the escalation of disputes over green policies, procedures, standards, claims, and labels.

Insufficient Education of Purchasers Due to marketplace noise and fragmentation, purchasers have few clear signals they can rely on to get rapid and effective education on green marketing claims. This education needs to be continuously updated to keep current with the environment of green marketing claims.

What is the GPR doing to address these challenges?



In order to examine these and other related issues, the GPR engages in targeted discussions intended to inspire action by potential partners from government, business, and the not-for-profit community. The GPR meets for plenary session three times a year. Between meetings, members form work groups to develop specific proposed actions that are then brought back to the plenary for ratification.

To date, the GPR has crafted the following:

Lexicon of Commonly Used Terms To help improve its own discussions and avoid seemingly simple semantic disagreements, GPR developed a glossary of commonly used terms and agreed-upon definitions currently in use in the green marketplace. Definitions are cited or adapted from existing reputable sources and where gaps exist, or to tailor the definition to the green products space, the GPR developed common sense definitions. It is hoped that this lexicon contributes to the goal of providing clarity and cohesion in the green products and green marketing arena. *Please see Attachment-3 for an initial set of agreed upon terms.*

Framework for Greener Products The GPR is developing a unified framework for understanding the relationship between environmental impacts and marketplace products, particularly those lines that represent high-volume purchases for government and business. When fully completed, this framework will provide a road map cutting across different product categories and identifying significant “hot spot” linkages among lifecycle impacts and attributes of ‘green’

products at the product category level. We anticipate that it can be adapted for diverse training and education purposes. *Please see Attachment-4 for an interim description.*

Organizational Practices Matrix The GPR has identified major categories of actor-organizations currently populating the green commerce marketplace and has refined a set of preferred practices that can be used to determine and drive the credibility of organizations involved in promulgating environmental marketing standards and claims. This matrix (*Attachment-5*) will help manufacturers, retailers, standard-setters, labelers, and others review and improve their practices.

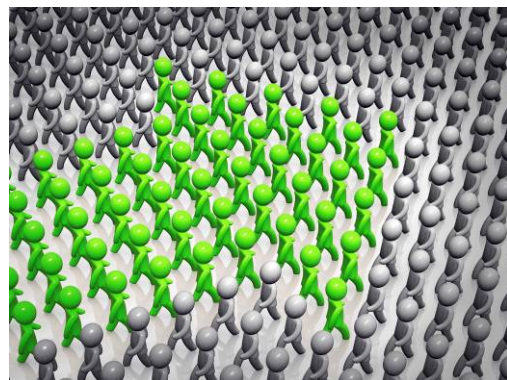
Guidance to Federal Trade Commission (FTC) on the Green Guides The GPR formally submitted a consensus-based letter of recommendation to the FTC in May 2010 on the proposed revised Guides for the Use of Environmental Marketing Claims. Additionally, an updated letter was submitted on behalf of the GPR in response to FTC's request for final comments in December 2010. *Please see Attachment-6 for the letter.*

Green Marketing Pledge GPR is in the final preparatory stages of launching a pledge that will enlist multi-sector signatories, stating that they will support the manufacture and marketing of green products consistent with the FTC Guides for the Use of Environmental Marketing Claims and other similarly relevant environmental marketing guidance documents. The pledge aspires to extend the business community's knowledge of and interest in green commerce and create a stronger network of green business advocates. *Please see Attachment-7 for the pledge.*

What lies ahead for the GPR in 2011?

In addition to bringing the projects listed above to their fullest completion, the GPR is working on four further initiatives.

- ⇒ First, the GPR will inaugurate its campaign to enlist corporate signatories to the pledge that is about to be launched. Several companies who are also members of the GPR have already signaled their willingness to sign it once it is formally in place. Expected launch date is April 2011.
- ⇒ Second, the GPR is undertaking exploratory model-building for an independent, qualified and respected entity that will (a) bring greater clarity to the green marketplace; (b) achieve greater scale in the uptake of green products; and (c) help purchasers make wiser purchasing decisions. Any effort to actually launch an entity will be done with wider collaboration and consultation. *Please see Attachment—8.*
- ⇒ Third, the GPR is exploring the possibility of convening the first of what may become a series of meetings with groups working in Europe, Asia, and the Australia/New Zealand region to begin building a framework of elements and roadmap of procedures that could eventually lead to a state of greater transnational interoperability.



- ⇒ Finally, the GPR will undertake a new round of plenary and work group discussions focused on the prospective roles federal, state, and local governments could play under different market-place conditions. The aim is to produce a strong guidance to governments as well as more specific recommendations to Congressional leaders in this area.

The public and private sector policy landscapes are fast-moving and dynamic. The GPR has been, and will remain, a flexible body that is intentionally responsive to new challenges and emerging opportunities.

How do I submit a comment?

Persons wishing to provide comments to the Green Products Roundtable may do so at the GPR's website which is located at <http://www.keystone.org/spp/environment/GPR/Project-Page>. The GPR welcomes comments, questions and suggestions but cannot promise immediate responses.

Who do I contact for more information?

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Attachment-1

Green Products Roundtable – Member List

3M Environmental Laboratory

Stefanie Giese-Bogdan
Technical Manager

The Ashkin Group

Steve Ashkin
President

Big Room, Inc.

Anastasia O'Rourke
Co-Founder

Business and Institutional Furniture Manufacturer's Association

Brad Miller
*Director of Communications and
Government Affairs*

Alternate: Larry Dykhuis
*Michigan Area - Environmental Affairs Manager
Herman Miller, Inc.*

DEKRA

Jennifer Cooper
Sustainability Management

The Dow Chemical Company

Martin Debney
*Director of Global Product
Stewardship and Hazard Communication*

Erb Institute, University of Michigan

Thomas Lyon
Director

Five Winds International

Libby Bernick
Senior Sustainability Consultant

Green Electronics Council

Wayne Rifer
Manager

GREENGUARD Environmental Institute

Henning Bloech
Executive Director

Alternate: Mark Rossolo
Director of Public Affairs

Green Seal, Inc.

Arthur Weissman
President and CEO

ISEAL Alliance

TBD

MeadWestvaco

Laura Rowell
Director, Sustainable Packaging

National Association of State Procurement Officers

Jonathan Rifkin
*District of Columbia Office of Contracting
and Procurement*

Alternate: Greg Hopkins
*State of Oregon, State Procurement Office on behalf of
NASPO*

Office Depot

Yalmaz Siddiqui
Director, Environmental Strategy

Overbrook Foundation

Daniel Katz
Director, Environment Program

Procter and Gamble Professional

Christopher Vuturo
External Relations Manager

Santa Monica Office of Sustainability and the Environment

Karl Bruskotter
Environmental Programs Analyst

Shaw Industries, Inc.

Dennis McGavis
*Product Stewardship and
Regulatory Affairs Director*

Staples, Inc.

Jake Swenson
Sustainability Manager

UL Environment/TerraChoice

Scot Case

*Director, Market Development, UL
Environment*

Vice President, TerraChoice Environmental Marketing

Unisource Worldwide, Inc

Nancy Geisler

Vice President, Sustainability

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*Associate Professor, Corporate
Environmental Management*

U.S. Department of Energy*

Corey Buffo Esq.

Office of Environmental Policy and Assistance

U.S. Environmental Protection Agency*

Clare Lindsay

*Office of Resource Conservation
and Recovery*

Alternate: Stephan Sylvan

*EPA Partnership Programs Coordinator
National Center for Environmental Innovation*

Weyerhaeuser

Cassie Phillips

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Alternate: Jim Stark

Director, Environmental Education

World Resources Institute

Cynthia Cummis

Senior Associate

Other Participants**Minnesota Pollution Control Agency**

Garth Hickle

Product Stewardship Team Leader

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Sabrina Vigilante

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World Wildlife Fund

Suzanne Apple

*Vice President & Managing Director
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-and-

Linda Kramme

*Manager, Global Forest & Trade
Network-North America*

The Keystone Center Staff**Peter Adler**

President and CEO

Judy O'Brien

Senior Facilitator

Deborah Brody Hamilton

Vice President, Development and Strategic Partnerships

Suzan Klein

Associate Facilitator

Eileen Miller

Program Coordinator

***indicates Non-Voting Member of the GPR**

Attachment-2

Charter of the Green Products Roundtable

Updated March 2011

This document is intended to serve as the basis from which the Green Products Roundtable (GPR) will operate through the end of 2011, after which the effectiveness, productivity and continuation of the GPR will be evaluated by the Members and by Keystone. Should the GPR continue to convene in 2012, this Charter and the makeup of the Steering Committee will be revisited.

Identified below is the mission of the GPR, which is being carried out via the goals that follow. Each goal includes specific objectives; work group members have identified and are producing associated deliverables for each (to be agreed upon by the GPR members). The Steering Committee is tasked with prioritizing the goals for the GPR and suggesting reasonable time lines and appropriate metrics. This charter also outlines the roles and expectations of Steering Committee members, a description of the decision-making process for the GPR, and the structure and process of Work Groups.

MISSION

Provide leadership to improve the decision-making capabilities of product manufacturers, institutional buyers and businesses, and consumers by bringing clarity to the green products marketplace

SCOPE

The scope of the GPR will initially be North American, with the goal of keeping open international lines of communication. The focal point will be on environment and human health with consideration of social factors as appropriate. Initially the GPR will focus on retailers and institutional purchasers, with the intent to expand the scope to consumers at a later date.

GOALS

GOAL 1

Institutional purchasers and businesses have a consistent, readily understandable way to identify and procure greener products, in priority categories.

Objectives:

1. Identify environmental and human health impacts resulting from high volume institutional purchases.
2. Clarify how and where in the product life cycle stage these impacts occur.
3. Provide guidance informed by and consistent with the work products from Goals 2 and 3, on how existing product standards / eco-labels effectively address these high priority impacts, and where there are critical gaps.
4. Encourage development of new lifecycle analyses / product standards / eco-labeling approaches to fill critical gaps.

5. Identify short, medium and long term approaches for institutional purchasers to credibly reduce environmental/human health impacts through greener purchasing.
6. Provide a mechanism to implement the deliverable on a larger scale.

- ⇒ **Associated Work Group(s):** Lexicon; Framework
- ⇒ **Deliverables:** Glossary of Working Terms for the Green Products Roundtable; Greener Purchasing – A Framework for Institutional Purchasers, to include a mapping illustrating how existing product standards and ecolabels address high priority impacts as well as where gaps remain.

GOAL 2

Principles that improve the reliability, quality, and consistency of environmental claims.

Objectives

1. Define a core set of principles that can serve as a source of guidance in the development of
 - a) A green marketing pledge
 - b) An appraisal system for green labeling, standards, and certification
 - c) The development of environmental procurement policies

- ⇒ **Associated Work Group(s):** Organizational Credibility; Core Principles
- ⇒ **Deliverables:** Best Practices for Eco-Labeling; GPR Pledge

GOAL 3

Assess the need for an independent body that would provide coordination and resources to institutional purchasers about greener products.

Objectives

1. Develop a model for an independent, respected body (IRB).
 - a) Identify potential models of IRBs in other areas and their functions and governance (includes benchmarking); apply learning to green products arena.
 - b) Define what purchasers need and expect in an IRB to accelerate the purchase of green products.
 - c) Force field analysis (of driving and restraining forces).
 - d) Draft description of a possible IRB.
 - e) Financial plan for an IRB (other parts of business plan).

- ⇒ **Associated Work Group:** Independent, Respected Body
- ⇒ **Deliverables:** Model for a New Independent Respected Body

GOAL 4

GPR work products are widely diffused and adopted across the green products marketplace.

Objectives

1. Identify relevant audience for the work of the GPR.
2. Research the best mechanisms to engage and educate those audiences (websites, training, networking, etc).
3. Define right delivery mechanisms (i.e., people, systems, and execution plan).
4. Measure effectiveness of communication. Plan by gauging the adoption of GPR work products.

⇒ **Associated Work Group:** Communications

⇒ **Deliverables:** A communication plan that includes a timeline and plan for measuring effectiveness; press releases to announce GPR work products; PowerPoint slides for GPR members to use in presentations.

GOAL 5

Identify a mechanism for helping consumers identify greener products.

Objectives

This goal will be addressed sequentially at a later date within the GPR

GOVERNANCE FRAMEWORK

Steering Committee

The GPR will maintain a Steering Committee comprised of no more than seven members with the following composition: one retailer; one manufacturer; one purchaser; one NGO; one certifier; one government representative; and one ad hoc member.

Role of Steering Committee

- Provides guidance to Keystone (re: GPR direction, agenda development, budgeting issues, maintaining balance of perspectives, etc.).
- Represents the best interests of the GPR as a whole, and not just individual agendas and preferences.
- Helps organize and/or lead work streams and work groups to ensure ongoing consistency with the GPR mission and goals.
- Assists Keystone in securing the requisite financial resources needed to maintain a high-functioning GPR.
- Meets on a regular basis.
- Commits to keeping the group apprised of and engaged in Steering Committee activities.
- Monitors and alerts facilitators to conflicts within the group.

Decision-Making Process

The power of a group such as the GPR is its ability to bring together a diverse group of stakeholders on green products with a range of perspectives around specific public policy – related topics. Achieving the highest possible level of agreement on key issues is the goal that The Keystone Center brings to the table. This is done through a consensus-building process that involves numerous rounds of discussion, review of documents, and negotiations among Members. A group is said to have reached consensus when they can “live with” the product, in its entirety. In most cases, this will occur by voiced consent or at the discretion of the facilitator by vote.

To assist in calibrating the level of contingent consensus on any given matter, the facilitators will periodically use a version of the following polling tool:

- 1 = I really like this idea and can support it enthusiastically.
- 2 = I like it. It suffices. It’s good enough.
- 3 = Not necessarily my preference but it doesn’t defeat my interests. I will support it.
- 4 = I have mixed feelings, but wouldn’t stand in the way of this going forward.
- 5 = I can not support it. I prefer something different. Here’s my proposal which solves my problem and doesn’t completely defeat what other organizations are seeking (state your proposition).

Should full consensus be unobtainable (i.e., the group is “stuck”), the GPR has agreed to implement a super-majority voting process, with a 75% threshold. In other words, if 75% of the GPR Members (or their designated alternate) can “live with” a proposal, then it will be considered final. Only one vote per organization will be permitted. GPR members are encouraged to raise concerns and offer possible solutions throughout the consensus building process, e.g., during work group sessions, plenary calls, email exchanges, etc. The 75% super-majority (based on a “yes or no” vote) will only be used if consensus cannot be reached without a vote; in such cases, any member who continues to have a dissenting opinion will have the opportunity to have their perspective acknowledged in final written documents.

Work Group Structure and Process

The GPR is comprised of up to 40 individuals representing a wide breadth of perspectives on issues important to the green products environment. To more adequately address specific issues, work groups play an integral role in the consensus-building process. The role of the work group is to further discuss topics that have been identified at the plenary level in a smaller group structure that enables a deeper discussion and more efficient vetting of proposals. No work group has the authority to make final decisions on products that have not been shared with members of the GPR.

- GPR members identify an issue that requires further analysis and discussion.
- Work group is formed on a volunteer basis; Keystone will seek to ensure there is a balance of perspectives on each work group, to the extent feasible.
- Keystone coordinates and facilitates work groups via conference call, and with face-to-face meetings as appropriate.
- Work groups may include subject matter experts who are not GPR members, to participate in work group activities as non-voting members.
- Work group members seek to reach consensus on work products before sending them on to the full GPR for further discussion.

- If consensus is not possible within the work group, the same super-majority (75%) voting procedure that will be used for plenary decisions will be utilized.
- Work group members are responsible for participation in those groups for which they volunteer, including keeping track of the status of work group products and decision-making timelines.
- If a work group member is unable to contribute to discussions on a consistent basis, and has reservations about a product that is being forwarded to the Plenary for review, that member should be prepared to express any concerns within the context of the next plenary meeting or conference call.
- Work group products are presented at plenary meetings (or via plenary conference calls) and vetted by the larger group. Depending on its stage of development, the plenary members will provide feedback and guidance to the work group for further development/refinement of said proposal. This process continues until a product is deemed complete and/or its relevance has passed.

FUNDING

GPR receives membership dues supplemented by funding from government and non-government entities. Members contribute annual dues on a sliding scale ranging from \$1,000 to \$20,000 per organization. In some cases, the GPR will provide financial support for a member to join if that organization represents a critical perspective and otherwise would not be able to participate.

ROLE OF THE KEYSTONE CENTER'S FACILITATION TEAM

Keystone staff will serve as the facilitator for the GPR, with responsibility for determining the most efficient and effective process to achieve the GPR's goals. This includes providing strategic process direction for the GPR's overall activities, including plenary meetings and working groups, as well as fundraising and monitoring the budget; planning meetings and managing logistics and follow-up; developing agendas in consultation with the Steering Committee; facilitation of all GPR interactions; and preparing meeting summaries.

Keystone serves as the independent convenor in this process and as such will make process decisions that are in the best interest of the group. All participants, however, have an equal voice in decision-making and discussions will be facilitated in a fair and impartial way. Should any member of the GPR become concerned about any aspect of the facilitation, they should either discuss it with a member of the Keystone team; or bring it to the attention of a member of the Steering Committee, who will serve as a colleague-to-colleague liaison, for the GPR.

Keystone's Team

Peter Adler, President

Peter has been involved with the GPR since its inception. He has been and continues to be an integral part of the project team, which has grown to rely on his expertise in strategy and conflict resolution.

Judy O'Brien, *Senior Facilitator and GPR Project Director*

Judy became GPR Project Director in January 2010 and is responsible for day-to-day management for the team. Judy also facilitates various work group activities and shares plenary facilitation.

Suzan Klein, *Associate Facilitator*

Suzan has been involved with the GPR since its early days, and continues to play a key role in leading and coordinating work group efforts and relevant plenary discussions.

Deborah Brody Hamilton, *VP Development & Strategic Partnerships*

Deborah has been instrumental in outreach and recruitment of GPR members since the beginnings of this initiative. She continues to support the facilitators by assisting with work group and plenary meeting responsibilities. Deborah also maintains the financial records and budget for the project.

Eileen Miller, *Project Support Coordinator*

Eileen is responsible for all aspects of project support including coordinating meeting spaces and logistics; managing travel arrangements and reimbursements for supported participants, handling all materials production and managing list serves and the GPR website.

Attachment-3

Glossary of Working Terms for the Green Products Roundtable (Version I)

To help improve its own discussions and avoid seemingly simple semantic disagreements, GPR developed a glossary of commonly used terms and agreed-upon definitions currently in use in the green marketplace. Definitions are cited or adapted from existing reputable sources and where gaps exist, or to tailor the definition to the green products space, the GPR developed common-sense definitions. It is hoped that this lexicon contributes to the goal of providing clarity and cohesion in the green products and green marketing arena.

Term	Definition	*Source
Accreditation	Third party attestation related to a conformity assessment body conveying a formal demonstration of its competence to carry out specific conformity assessment tasks.	ISO/IEC 17000
ANSI Accreditation	The approval by the ANSI Executive Standards Council of the written procedures submitted by a standards developer relative to the development and documentation of evidence of consensus in connection with standards that are expected to be approved as American National Standards. Accreditation by ANSI signifies that the procedures submitted by the standards developer satisfy the essential requirements contained herein.	ANSI2
Attribute	The characteristics or properties of entities (<i>such as products</i>) that determine the type and extent of their short and longer term impacts on the environment or human health. Environmental attributes include, for example, biodegradability, recyclability, VOC emissions, energy efficiency, water efficiency, indoor air emissions, hazardous waste, carcinogenicity, etc.	Modified IEEE
Audit	Systematic, independent and documented process for obtaining evidence and evaluating it objectively to determine the extent to which the criteria are fulfilled. (<i>Audits may be field and/or desk audits and it should be clarified as to which</i>).	Modified ISO 19011
Auditor	Person with the competence to conduct an audit. Competence: demonstrated personal attributes and demonstrated ability to apply knowledge and skills.	ISO 19011 ISO 19011
Benefit	An expected environmental or social improvement (or positive impact) that has been made as a result of procurement of an environmentally preferable product or service	WG
Bio-based products	Commercial or industrial products whose main ingredients are renewable plant or animal materials.	USDA
Certification	Procedure by which a third party gives written assurance that a product, process or service conforms to specified requirements.	ISO 14024, ISO/IEC Guide 2:1996)
Certifier	An individual or organization that assesses compliance of an entity against an applicable standard or set of criteria, and issues a certificate if deemed successful.	WG
Chain of Custody	The ability to guarantee the identity and integrity of the sample (or data) or product from collection/creation through reporting or certification	EPA modified
Compliance Audit	An independent examination of a work product to assess compliance with specifications, standards, contractual agreements, or other criteria.	IEEE

Term	Definition	Source
Conformity assessment	Demonstration, or activities involved in demonstrating, that specified requirements relating to a product, process, system, person or body are fulfilled.	ANSI1 modified
Consensus	General agreement, characterized by the absence of sustained opposition to substantial issues by any important part of the concerned interests and by a process seeking to take into account the views of all parties concerned and to reconcile any conflicting arguments. NOTE - Consensus need not imply unanimity.	ISO/IEC Guide 2:2004
Corrective Action Reports	Reports that are issued during certification evaluations or audits that require entities applying for an ecolabel to make specific changes in order to meet criteria.	WG
Criteria	The specific parameters that have to be met in order for an entity to attain a standard and/or be awarded the use of an ecolabel.	WG
Declaration	An attestation by a responsible authority within the manufacturer's organization that the product meets the requirements of the standard as declared	WG
Ecolabel	A visual communication tool indicating environmentally preferable products, services or companies that are based on standards or criteria. Note: Ecolabels may be referred to as tiered, pass-fail, Type I, II, III, multi-attribute, single attribute, etc.	WG
Ecolabelling Program	A scheme defining requirements to obtain a specific Ecolabel. The term 'Ecolabelling Program' can also describe the organization that creates an ecolabel, and is responsible for its ongoing management and use.	WG
Entity	A product, service, company, or organization that seeks, or has been, awarded an ecolabel. Entities can be buildings, companies, facilities, farms, fisheries, forests / land holdings, individuals, non-profit, organizations, products, processes, services, or supply chains.	WG
Environmental or green claim	Any statement, assertion or visual display about the environmental aspects of an entity.	Modified ISO 14021: 3.1.3
Environmental aspect	Element of an organization's activities or products or services that can interact with the environment	ISO 14001, Environmental Management Systems
Environmental impact	Any change to the environment whether adverse or beneficial, wholly or partially resulting from an entity's environmental attributes.	ISO 14001, Environmental Management Systems <i>(revised)</i>
Environmental Product Declaration (EPD®)	Quantified environmental data for a product with pre-set categories of parameters (raw material, energy use, etc) based on the ISO 14040 series. Also includes additional product and company information.	GEDnet

Term	Definition	*Source
Environmentally preferable products	Products or services that have a lesser or reduced effect on human health and the environment when compared with competing products or services that serve the same purpose. This comparison applies to raw materials, manufacturing, packaging, distribution, use, reuse, operation, maintenance, and disposal.	EPP
First, Second and Third Party	The first party is generally the person or organization that provides the object, such as the supplier. The second party is usually a person or organization that has a user interest in the product, such as the customer. The third party is a person or body that is recognized as being independent of the person or organization that provides the object, as well as the user or customer of the object.	ANSI1
First party attestation	When the producer of an entity claims to meet a criterion or standard without the verification or endorsement of another party.	WG
Harmonization	A process whereby national or regional standards and requirements are aligned, including product and manufacturing standards and conformance assessment requirements. Harmonization does not necessarily mean that standards need to be identical in each jurisdiction, but rather that they are consistent or compatible so there is no barrier to trade.	ICFPA
Harmonized standards	Standards on the same subject approved by different standardizing bodies that establish interchangeability of products, processes and services, or mutual understanding of test results or information provided according to these standards.	ISO (citing ISO/IEC Guide 2, 2004, Definition 6.1)
Impact/ Impacts	The effect or output of an activity, product or substance on the environment or human health, whether adverse or beneficial.	WG
Life cycle	Consecutive and interlinked stages of a product system, from raw material acquisition or generation of natural resources to the final disposal.	ISO 14040
Life cycle assessment (LCA)	Compilation and evaluation of the inputs, outputs, and the potential environmental impacts of a product system throughout its life cycle	ISO 14040
Life cycle cost	The amortized annual cost of a product, including capital costs, installation costs, operating costs, maintenance costs and disposal costs discounted over the lifetime of the product. However, this definition does not include external costs (i.e., those not borne directly by the entity that owns and operates a product/service, such as environmental costs to society at large).	Modified EPP★
Life Cycle Thinking (LCT)	LCT is a concept that integrates existing consumption and production strategies, preventing a piece-meal approach. LCT and other approaches can be used to improve the way we think about problem solving and use available information. Life cycle approaches help avoid shifting problems from one life cycle stage to another, from one geographic area to another and from one environmental medium (air, water, soil) to another.	European
Multi-attribute	A type of ecolabel or standard that captures a number of environmental attributes or life-cycle attributes or impacts of a product	WG

Term	Definition	*Source
Mutual recognition	Where ecolabel programs or standard-setting organizations formally recognize the criteria and requirements of each-others' standards or sets of criteria. If such an agreement exists, entities that have been awarded the label in one program may therefore be able to register in another without undertaking the full certification evaluation procedures again.	WG
Norm	A formal rule or standard laid-down by an authority (government, international standards organizations) that guides or mandates behavior towards conformity.	WG
Performance standard	Those standards that require specific and measurable outcomes or results to be achieved by the entity.	WG
Product	The result of an act or process that transforms inputs into outputs, and which satisfies a market's want or need. NOTE: This definition may include services.	Modified ISO (Adapted from ISO 9000:2005, Definitions 3.4.1 and 3.4.2)
Product Category Rules	Product category rules (PCR) define the criteria for identification of a specific product category and sets out the parameters to prepare an Environmental Product Declaration (EPD). A PCR aims to identify and define rules for specific product categories in order to: identify the functional and performance characteristics of the product; define the criteria to be used in the LCA study of products belonging to the category; specify the information that must be reported in the Environmental Product Declaration.	EU Intend Project
Product Stewardship	Product stewardship is a principle that directs all participants involved in the life cycle of a product to take shared responsibility for the impacts to human health and the natural environment that result from the production, use and end-of-life management of the product	PSI
Registration	Third party attestation related to systems that convey assurance that specified requirements have been demonstrated. Such systems include those established for the management of product, process or service quality and environmental performance. In the context of ecolabels, registration refers to the initial step of registering an entity in order to become certified to that label's standard.	ANSI1 modified
Second Party Certified or Verified	When an entity is assessed against a standard by an organization that has an interest in (or conflict of interest with) but is not the producer of the entity.	WG
Single-attribute	Type of environmental claim that is based solely on a single characteristic or property of a product's performance	WG
Specifications	Tolerances, limiting values and other defining characteristics for materials, products, services, processes, systems or persons, contained within the provisions of a standard.	ISO

Term	Definition	*Source
Standard	A standard is a set of environmental criteria for a product, service or company.	WG
Standard-setting organization (SDO)	The organization responsible for creating and maintaining the set of criteria that makes up a standard; and which stipulates the requirements or conditions of the eco-label's use.	WG
Substantiation	Verification of something by supplying evidence to prove the truth of a claim (a FTC rule requires an advertiser to prove the truth of advertising claims made about a product or service).	McGraw Hill, modified
Technical harmonization	Process of harmonizing technical practices of any kind, whether at the national, regional or international level. This process deals with technical issues, is facilitated by standards and is often used in support of policy objectives.	ISO
Third Party Certified or Verified	When an entity is assessed against a standard by an independent (third party) organization that is different to the entity being certified (first party) and has no conflict-of-interest with the latter.	WG
Type I Environmental Labelling Program	Voluntary, multiple-criteria-based third party program that awards a license which authorizes the use of environmental labels on products indicating overall environmental preferability of a product within a particular product category based on life cycle considerations.	ISO 14024
Type II Self-declared environmental claim	Environmental claim that is made, without independent third-party certification, by manufacturers, importers, distributors, retailers or anyone else likely to benefit from such a claim.	ISO 14021
Type III Environmental declarations	Quantified environmental life cycle product information, provided by a supplier, based on independent verification, (e.g. third party), (critically reviewed) systematic data, presented as a set of categories of parameter (for a sector group).	ISO 14025
Transparency	Open, comprehensive and understandable presentation of information.	ISO 14040
Verification	The process by which an entity is evaluated or assessed against a standard or set of criteria to ensure conformity or ongoing compliance.	WG

**See sources, next page*

Sources

ANSI1

National Conformity Assessment Principles for the United States, 2d Ed., 2007 (NCAP). American National Standards Institute. Note: The definitions in NCAP are based on ISO/IEC 17000:2004, *Conformity assessment — Vocabulary and general principles*. * Text in italics represent terms not in ISO/IEC 17000 or that have another specific meaning in the United States.

ANSI2

ANSI Essential Requirements: Due process requirements for American National Standards. 2009. American National Standards Institute

EPP

EPA's Environmentally preferable purchasing online glossary, <http://www.epa.gov/oppt/epp/pubs/guidance/finalguidanceappx.htm#AppendixA> "Modified EPP" (☆) = EPP definition in which internal cites to U.S. laws and regulations have been removed by WG to make definition more universal.

EUROPEN

Understanding the differences between life cycle thinking and life cycle assessment. 2006. The European Organization for Packaging and the Environment.

GEDnet

<http://www.gednet.org>

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ICFPA

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ISO

Online list of terms, <http://www.iso.org/sites/ConsumersStandards/en/5-glossary-terms.htm>

ISO 14040

Environmental management - Life cycle assessment - Principles and framework, 1st Ed., 1997. International Standards Organization.

ISO 19011

Guidelines for quality and/or environmental management systems auditing, 1st Ed., 2002. International Standards Organization.

McGraw Hill

http://highered.mcgraw-hill.com/sites/0072492171/student_view0/glossary.html

PSI

Product Stewardship Institute, <http://www.productstewardship.us>

WG.

Definition developed by the Glossary Working Group: Stefanie Bogdan, Anastasia O'Rourke and Arthur Weissman.

USDA

USDA, BioPreferred Program fact sheet.

Attachment-4

Description of Framework for Greener Products

Institutional purchasers wish to use their significant buying power to reward products that are better for the environment and human health. But how can a purchaser best use this power for good? What questions should an institution ask and answer to ensure it is gaining the biggest environmental benefit for its buck?

These are the types of questions that the Green Products Roundtable's Framework Group is addressing as it develops a conceptual Framework for greener products. The first question the group is asking is "how can we give coherence to the question: what is a greener product?" In developing an answer, the group is summarizing and mapping the range of methodologies currently being used to designate greenness: single attributes, multiple attributes, ecolabels, environmental product declarations, lifecycle analyses, product footprints, etc.

The group has researched how major segments of institutional purchasers currently attempt to buy greener, finding that most of the institutions researched focus their green purchasing efforts on single product attributes that they understand to be green for a particular product category: typically, recycled content, energy efficiency, reduced toxics, bio-based, etc. They then instruct buyers to prefer products that have these attributes or display relevant ecolabels. If they are organized, institutions also track and quantify purchases that align to this attribute or ecolabel-based approach.

The Framework puts these attribute and ecolabel-based approaches in a broader context – and shows how different attributes and ecolabels align to different lifecycle impact areas/environmental concepts such as land use change, global warming potential, water toxicity, etc. The Framework also allows the start of a more strategic inquiry by institutional purchasers to maximize the environmental and human health benefits of their greener purchasing programs: an inquiry that asks (1) what types of purchases have the highest environmental impacts, and (2) how should buyers find products that meaningfully reduce their most significant environmental impacts:

(1) Understanding the environmental impacts of purchasing. The first step towards making the most of institutional purchasing power is to identify the environmental and human health impacts of high volume institutional purchases. How to determine this is a multi-step process of comparing high-volume spend patterns to information on the known environmental impacts of various product and service sectors. One screening tool to use in analyzing this is life cycle assessment using economic input/output data. This "environmental I/O" can provide a big picture overview of which general types of products or services rank relatively high on a national basis in terms of environmental impacts.¹ It can also help identify potential environmental "hotspots" in the life cycle of those products or services. By comparing purchasing activity with environmental I/O tools, one can get a sense of which purchasing categories are likely to have significant overall impact across a range of environmental impact areas; which purchases may have the most significant impact in one specific environmental impact area; and which purchases may have relatively little negative environmental impact from a big picture standpoint. By gaining this insight, purchasers can better define the priority products for their greener purchasing efforts.

¹ See, for example, EPA's Report entitled, "*Sustainable Materials Management: The Road Ahead*" (2009) which relatively ranks products and services by their environmental impacts. <http://www.epa.gov/wastes/inforesources/pubs/vision.htm>.

(2) Seeking products that meaningfully reduce the highest impacts

Knowing which products to focus on is but the first step. The second and perhaps more difficult step is determining for priority purchases which products are greener in a marketplace filled with all manner of claims, labels, and standards that promise to distinguish what is green. While institutional purchasers generally focus on “single attribute” environmental claims (e.g., recycled content, toxic free, energy efficient, bio-based, etc.) in choosing greener products, sometimes environmental impacts are spread across many facets of a product – and the single attribute may not address the range of impacts. Other times, single attributes may be enough but it is not clear when this is the case and when it is not. Additionally, because environmental impacts of products vary, there are, accordingly, many and varied designations in the market, including: 1) multi-attribute standards and labels that address many aspects of product design, manufacture, and more; 2) environmental footprint protocols that trace the carbon, water, or other impacts across the lifecycle of the product; and 3) environmental product declarations used by manufacturers to disclose the full impacts of their product in a standard format.

A major aim of the Framework is to help institutional purchasers make some sense of this increasingly confusing playing field and to present a synthesis of the main methodologies being employed. The Framework seeks to align important environmental impacts with attributes, footprints, standards, and labels that address these impacts. The goal is to aid purchasers in identifying which marketplace designations address the most important impacts of their purchases, so that they can be more certain they are using their purchasing power to reward reductions in the impacts that matter. The Framework also encourages institutional purchasers to call for life cycle analyses, product standards, and eco-labels to fill critical gaps.

Attachment-5

Preferred Practices for Organizational Credibility (Version 1)

What makes a credible ecolabel?

As interest in sustainability continues to grow, people want easy ways to identify an environmentally preferable product. The past decade has witnessed a dramatic increase in the number of ecolabels and environmental claims on both consumer and commercial products, and buyers want assurance that these ecolabels and claims are credible, and are not “greenwashing.” Practitioners who evaluate the credibility of ecolabels often look at the three key aspects:

- Does the organization issuing a claim or ecolabel follow preferred practices in terms of its management, governance, and operations?
- How well does the ecolabel’s underlying standard define and ultimately lead to improvement for the important sustainability issues?
- How well does the market recognize the ecolabel?

This document addresses the first item – the preferred practices related to the organizations involved in ecolabels and environmental marketing claims. Note that the focus is just on the organizational practices related to making credible environmental marketing claims; we did not attempt to define organizational preferred practices for general sustainability performance, environmental or safety operating practices, etc.

The Organizational Credibility Workgroup began by defining current marketplace practices in ecolabeling and environmental claims. As we surveyed the ecolabel landscape, we found a myriad of guidance and information– at varying levels of complexity and technical depth, and written for audiences ranging from the interested consumer to the highly informed expert. The need for a synthesis of the current use of ecolabels by different stakeholders became apparent, and we sought to summarize key stakeholder’s interest in ecolabels credibility in one document. One of the goals in doing so was to understand where there may be gaps in information, guidance, or best practice to draw upon. We drew heavily on existing references, such as the ISO 14020-series of standards that address ecolabels and environmental claims, and the good work done elsewhere over the past two decades by other individuals and organizations, such as ISEAL’s Code of Good Practices. Implicit in a discussion of preferred practices is that organizations comply with all regulatory requirements related to environmental claims, and that this document will be updated in the future as more experience is gained.

The document is intended to help inform anyone who is attempting to evaluate “what is a credible ecolabel”. The document should be helpful for entities involved in making, interpreting, using, or substantiating environmental claims on products. These entities include, for example, product manufacturers, retailers, consumers, institutional and commercial buyers, developers of environmental product standards, eco-label issuers, certifiers, dispute resolution entity, federal government, accreditation bodies, other interested stakeholders, and an authoritative or coordinating entity. We expect that the information below would also be used in conjunction with the FTC’s Guidelines for Environmental Marketing Claims.

Several clarifying notes are important to remember when using this table:

- The term “product” includes both “product and services”.
- The term “environmental claims” includes both environmental and health aspects of a product’s performance.
- The ISO 14020-series standards include ISO 14020, 14021, 14024, and 14025.
- Consumers as an entity is not included below because consumers do not have “best practices” – the purpose of this document is to ensure best practices are followed for the benefit of consumers.

1. Product Manufacturers

- Self-declared environmental claims conform to ISO 14021 practices
- Environmental Product Declarations conform to ISO 14025 practices.
- When electing to use a third party ecolabel, product manufacturers contract with those eco-labeling programs that meet the criteria set forth in section 5 and 6 of this document.
- Environmental claims and endorsements conform to the relevant FTC Green Claims Guides where products are sold,
- Environmental claims are substantiated and made publicly and readily available. If the information needed to substantiate the claim includes confidential business information, then the data supporting the claim can be verified or certified by a third party to maintain confidentiality. If the manufacturer uses self-declared environmental claims, detailed documentation sufficient to substantiate the claim is publicly available upon request.
- Measures, monitors, and evaluates the product’s environmental performance and works to continuously improve the environmental and safety performance of the product.

2. Retailers

- Have an environmental purchasing policy that includes a system to recognize legitimate and meaningful environmental claims on products communicated in accordance with ISO 14020-series standards and FTC guidelines.
- Procure products that are evaluated for effectiveness and that continually improve their environmental performance.
- Make environmental claims in accordance with relevant FTC Green Claims Guides and ISO 14020-series standards.
- Environmental claims are substantiated. If the information needed to substantiate the claim includes confidential business information, then the data supporting the claim is third party verified or certified. Documentation sufficient to substantiate the claim is made readily available.
- Request environmental data from suppliers in a standardized way, consistent with globally accepted environmental metrics and reporting practices.

3. Institutional and Commercial Buyers

- Procure products that have environmental claims communicated in accordance with ISO 14020-series standards and FTC guidelines
- Have an environmental purchasing policy that addresses the environmental performance of products purchased in large dollar volume, and that have the greatest environmental impact.
- Procure products that are evaluated for effectiveness and environmental performance. Have a process to recognize legitimate and meaningful environmental claims and work toward sourcing products that aim for continuous environmental improvement
- Have access to a product rating system that identifies important product attributes that reduce environmental impacts of concern.
- Request environmental data from suppliers in standardized way, consistent with globally accepted metrics and environmental reporting practices.
- Work with facility managers, product users, and product specifiers (such as architects and engineers) to incorporate environmentally preferable products into the design of systems.

4. Developers of Environmental Product Standards

- Meet the **standards development process** requirements found in ISO 14024¹, ANSI Essential Requirements², and/or ISEAL Codes of Good Practice³. These requirements include: (1) openness, (2) balance of interests, (3) lack of dominance, (4) coordination and harmonization with other standards efforts, (5) notification of standards development, (6) consideration of views and objections, (7) consensus orientation, (8) appeals process, (9) transparency, and (10) avoidance of conflict of interest.
- Consider life cycle environmental impacts and follow accepted protocols for the **content of standards** outlined in ISO 14024⁴, ISO Guide 64⁵, and ISO 14021⁶. This includes: (1) selectivity (ensuring the criteria are not too weak and meaningfully differentiate products), (2) basic criteria (ensuring the criteria are not too aggressive), (3) product function characteristics (ensuring the product actually works), (4) compliance and verification (verifiable criteria), (5) scientific basis of product environmental criteria, (6) coverage of at least one major environ-

¹ISO 14024; First edition 1999-04-01; *Environmental labels and declarations — Type I environmental labeling — Principles and procedures*. It can be found at http://www.iso.org/iso/catalogue_detail.htm?csnumber=23145

²ANSI Essential Requirements: *Due process requirements for American National Standards Edition*; January 2010. This publication can be found at <http://publicaa.ansi.org/sites/apdl/Documents/Standards%20Activities/American%20National%20Standards/Procedures,%20Guides,%20and%20Forms/2010%20ANSI%20Essential%20Requirements%20and%20Related/2010%20ANSI%20Essential%20Requirements.pdf>

³ISEAL Code of Good Practice for Setting Social and Environmental Standards P005 – Version 5.01 – April, 2010. See http://www.isealliance.org/sites/default/files/P005%20ISEAL%20Std-Setting%20Code%20v5.01%20Apr10_0.pdf

⁴ISO 14024; First edition 1999-04-01; *Environmental labels and declarations — Type I environmental labeling — Principles and procedures*. It can be found at http://www.iso.org/iso/catalogue_detail.htm?csnumber=23145

⁵ISO GUIDE 64: *Guide for addressing environmental issues in product standards*; Second edition 2008. This publication can be found at http://www.iso.org/iso/catalogue_detail.htm?csnumber=41352

⁶ISO 14021:1999 *Environmental labels and declarations -- Self-declared environmental claims (Type II environmental labelling)*. This publication can be found at http://www.iso.org/iso/catalogue_detail.htm?csnumber=23146

mental/public health hot spot, (7) ensure the coverage of one environmental/public health hot spot does not come at the expense of another major environmental/ public health hot spot.

- Are transparent about the content of standard itself (i.e., it is readily available in the public domain), the standard setting process, and the source of funding for facilitating the development of the standard.
- Avoid developing new standards that are duplicative unless there is a compelling need, and collaborate with other standard setting organizations who are developing similar standards to avoid this duplication.
- Seek continuous improvement in environmental performance and monitor, evaluate, and publicly report on the effectiveness of the standard in reducing environmental impacts.
- Interoperability & Harmonization: Work with other standard developers and certifiers to harmonize, where appropriate, with other standards and adopt common metrics, indicators and reporting frameworks, so that the programs can be compared and assessed.
- Use verifiers and certifiers that adhere to good practices such as objectivity and avoidance of conflict of interest, consistency, transparency, and assurance of auditor competence.
- Specify and control (e.g., through self-certification, third-party certification or other licensing mechanisms) the way logos and claims may be used.
- Use a market surveillance system to monitor compliance with standards in the media, on the Internet, and in the marketplace. Have internal complaint resolution mechanisms in standards setting and verification systems to address complaints or challenges against any given system, operation, or product.
- Participate in a system that makes it fast and easy for institutional buyers to recognize the credibility and legitimacy of their standards.⁷
- Are compliant with ISO Guide 59 and Annex 3 of WTO regarding Technical Barriers to Trade.
- Take leadership in surmounting the challenges encountered by SDO's in the development of environmental standards within the traditional world of industrial and product standards.

5. Eco-label Issuers

Mission and principles of the eco-labeling program are stated on the website, and describe the extent to which the program is designed to educate consumers and/or improve the environmental performance of products.

- Disclose all financial, antitrust, or other significant conflicts of interest with other entities that may be involved in certification, accreditation, standards development, or endorsement.
- Standards meet the preferred practices for Developers of Environmental Product Standards in this document.
- Standards fulfill reasonable consumer, institutional buyer and stakeholder expectations generated by the program's communications (e.g., if the name of the label implies that qualifying products are holistically green then the standard used by the labeling program must meaningfully address all environmental/public health hot spots).
- Standards are periodically reviewed (no less than every five years) and revised to meet the guidelines for Developers of Environmental Product Standards in this document.

⁷An example of this could be a system allowing standards meeting these preferred practice guidelines to use a mark distinguishing them from standards that do not meet preferred practices; this mark could be the environmental equivalent of the "©" symbol for copyright or the "™" symbol for trademark.

- Communications meet FTC Guides for the Use of Environmental Claims, are truthful and evidence based (including critiques of competing eco labels and standards)
- The eco-labeling program participates in a system consistent with the preferred practices for Developers of Environmental Product Standards in this document.⁸
- Verification and surveillance systems meet the preferred practices for Developers of Environmental Product Standards in this document.
- Verifications system has effective traceability or chain-of-custody procedures where this is necessary to ensure qualified products meet the standard
- Periodically conducts program performance measurement and program evaluation consistent with the preferred practices for Developers of Environmental Product Standards in this document
- The following are easily found on the program's website: program's mission and governing principles; standards; method used to verify products meet the standard; method used to ensure the label is used only in association with products meeting the standard; the list of manufacturers, retailers and other organizations participating in the program; partner agreements; list of qualifying products; costs, and program performance measurement and evaluation reports.

6. Certifiers

- Establish criteria for auditors that require ISO 19011 or equivalent, and means of evaluating auditors to these requirements.
- Certify to publicly available standards.
- Certifier of record is publicly available.
- Are accredited or otherwise evaluated to be compliant with ISO 65, 17021⁹, or equivalent.
- Cooperate with standards setting organizations to develop monitoring and reporting of operator performance along a common set of indicators and under a common framework so that programs can be assessed over time
- Employ a market surveillance system to monitor compliance with standards
- Have internal dispute resolution mechanisms. The standard setting and verification system is designed to address complaints or challenges against any given system, operation, or product that is being certified.

7. Federal Government

- Requires all federal purchasing to recognize standards from organizations, ecolabelers and certifiers that meet these preferred practices.
- Guide businesses and consumer to legitimate standards and ecolabels.

⁸This could be a system allowing eco-labeling programs meeting these guidelines to use a mark to distinguish them from eco-labels that do not meet preferred practices; for example, this mark could be the environmental equivalent of the "©" symbol for copyright or the "™" symbol for trademark.

⁹ISO 17021, as may be amended or revised as ISO 17065

8. Accreditation Bodies

- Evaluate certifiers' and standard setters' competence, including program, process, and technical subject matter knowledge, and degree to which these programs and standards address the performance across the complete value chain.
- Are ISO 17011 compliant
- Mutually recognize other accreditation bodies operating to the same set of process and performance criteria.
- Cooperate with a variety of entities, including international accreditation bodies, government recognition/ partnership with non-government initiatives, etc.
- Accredite eco-labeling programs that meet preferred practices outlined in this document.

9. Other Interested Stakeholders

- NGOs actively participate in the standard setting process and communicate their support for best practices
- Media who succinctly and accurately provide information sharing with their constituents.
- Universities, consultants, and other subject matter experts participate actively in the development of the standards
- Universities and academics provide research and academic input to other entities about items such as the extent to which standards, certification systems and communication tools conform with current research in social and natural sciences; the extent to which standards improve environmental performance, and how communication systems such as ecolabels influence producer or consumer behavior.
- Foundations build capacity in existing standards by funding development of new standards in critical, but non-active environmental, health, or social areas, and by funding information or data infrastructure to increase the uptake of standards and ecolabels.
- Foundations will encourage recipients of their funds, who are involved with ecolabels, to adopt these best practices, and advocate for emerging market certification to facilitate access to new markets.
- All stakeholders to encourage best practice and standardization amongst ecolabeling organizations.
- Information and data providers to provide standardized platforms and data on ecolabels and standards and the products certified.

NOTE: The Organizational Credibility work group recognizes that neither an independent, respected body nor a dispute resolution entity that meets the principles laid out below currently exists. Should either be created, it is recommended that these practices be followed.

10. Dispute Resolution Entity

- Provides a forum for handling disputes between programs or about the veracity of environmental claims.
- Mitigates potential conflicts of interest when standard setters and certifiers attempt to resolve their disputes without the assistance of an authoritative body.
- Provides dispute resolution services regarding environmental claims to all stakeholders.
- Entity is widely recognized, accepted, and has authority and technical capacity to resolve the dispute.
- Clarifies and aligns “rules of the game” so disputes are consistently addressed based on prior decisions and interpretations
- Establishes a Framework, Terms of Reference, and Protocol for:
 - Categories/types of disputes
 - Who may raise a dispute
 - Process for raising a dispute
 - Options for resolution (e.g., mediation, adjudication, etc.)
 - Status of parties over the course of a dispute
 - Possible outcomes and further recourse
 - Notification and reporting, and storage of information
 - Administration and monitoring of the dispute resolution facility
 - Criteria for mediators, adjudicators, and other assisting parties
 - Means of educating stakeholders about the existence and use of the dispute resolution facility
 - Funding the system

11. Independent and Respected or Coordinating Entity (generic term referring to an organization that has broad authority and legitimacy)

- Collects, analyzes, and reports on information about the performance and effectiveness of eco-labeling practices.
- Recognizes and rewards stakeholders that follow preferred ecolabeling practices.
- Works with stakeholders and ecolabeling programs to promote preferred practices.
- Tracks the decisions of the Dispute Resolution Entity and clarifies the ‘rules of the game’.
- Provides a centralized coordinated role in bringing together the practices of all the stakeholders in a single voice to key influencers. Will look at potential for conflict of interest between certifiers, standard setters, and accreditors and issue guidelines as needed.

Next Steps

The GPR plans to pilot test the information included within this table by Members representing different entities within the GPR. In addition to learnings that will evolve from the pilots, the GPR will also seek informal feedback from the public via the GPR website. The group anticipates the final preferred practices document will be available for use by December 2011.

Attachment-6

GPR Consensus Guidance Sent to Federal Trade Commission



December 10, 2010

The Honorable Jon Liebowitz
Chairman
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580

Re: Proposed, Revised Green Guides, 16 CFR Part 260, Project No. P954501

Dear Chairman Liebowitz:

The Green Products Roundtable (GPR) is working to improve the decision-making capabilities of green product makers, institutional buyers, and consumers by bringing further clarity to the green products marketplace. Membership is comprised of approximately 35 stakeholders involved in different aspects of green products manufacturing, distribution, certification, research, and consumer education (see attached membership list).

The GPR continues to be keenly interested in the revision of the Federal Trade Commission's Guides for the Use of Environmental Marketing Claims ("Green Guides") that is currently underway within the Agency. This diverse group of stakeholders had achieved consensus on a set of recommendations for FTC's consideration last spring and would like to submit the following to reinforce those recommendations as you work toward finalization of the Green Guides. Members of the GPR would welcome an open dialogue with you and offer any appropriate assistance that might be useful.

Enforcement

The GPR strongly supports recent enforcement actions and encourages further enforcement by the FTC. The barrage of misleading and deceptive environmental marketing claims and product (brand) names bombarding consumers today is desensitizing consumers to valid and credible messaging. This is also confusing to both manufacturers and purchasers, limiting significant progress toward environmentally preferable purchasing.

The GPR agrees with commenters who stated that lack of enforcement can also have a significant impact on companies that practice proper use of environmental marketing claims by creating a competi-

tive advantage for those who routinely use misleading or deceptive environmental claims.

ISO/FTC Alignment in Definitions

The GPR disagrees with the FTC's position that alignment with ISO 14021 is not needed. Given the global nature of commerce, it is critical that the Green Guides be in alignment with ISO 14021, which has been adopted by other countries, including Canada, Australia, and the UK. For example, differences currently exist in the application of an accessibility threshold for recyclability that has created an inability to use the term for items that may cross international borders. As "recyclability" is a term that is readily recognizable by consumers, the possibility of valuable consumer messaging is lost.

Specific Definitions on Existing Claims in the Green Guides

Recyclability

The use by both ISO and the FTC of narrative definitions as opposed to specific numeric thresholds for an unqualified claim of recyclability has resulted in high levels of consumer and industry confusion. The GPR agrees with the FTC providing a numeric threshold that can be used to substantiate a claim of recyclability.

Biodegradability

The emergence of oxo- and organic additives that claim to degrade fossil fuel-based plastics under landfill conditions have created confusion in a marketplace where the term "biodegradable" is considered as equally beneficial as "recyclable." The GPR agrees with the FTC position that these claims must meet the same conditions for a claim as degradability. We also agree with the FTC's position that degradability should require that all of the organic carbon can be converted into biomass, water, carbon dioxide and/or methane via the action of naturally occurring micro-organisms, such as bacteria and fungi, in time frames consistent with the disposal method. While we understand the reluctance to specify testing methods, we believe that the Green Guides should emphasize that substantiation should be through testing and validation by means of globally recognized testing methodologies, such as those adopted under ISO, ANSI, ASTM, and OECD standards. Additionally, we suggest that conditions under which degradation will occur – litter, landfill, and marine environments – should be included in the qualifying language.

Specific Definitions for New Claims to add to the Green Guides

Sustainability

Sustainability is measurable over long periods of time and is a journey rather than a destination. It is therefore very difficult to make a definitive claim of sustainability at one point in time. The GPR agrees with the FTC's position that claims relating to sustainability must meet the same standard for qualification as those relating to general environmental claims of superiority. However, claims that refer to specific, registered management systems or standards are acceptable provided that they can be verified.

Example:

Preferred: This wood comes from a forest that was certified to a sustainable forest management standard [*specific standard must be identified*].

Discouraged: This wood is sustainable.

A claim about a product's sustainability cannot be based on a single attribute of the product such as how it was managed and extracted. If the wood for a product came from a forest that was certified to a sustainable forest management standard, it is not necessarily true that the entire wood product is sustainable.

Natural

The GPR agrees with the FTC position that "Natural" and plant-based claims should be qualified as the use of these terms implies general environmental benefits. Naturally occurring ingredients can have both positive and negative environmental, health and safety impacts and the extent to which a product is sourced from natural ingredients may vary significantly. We recommend, however, that the FTC go further to recommend that use of the term should be accompanied by disclosure of environmental or health impacts related to natural ingredients, the percentage of ingredients that are of natural origin, and the percentage of the finished product made of natural ingredients.

Life Cycle Assessment (LCA)

The GPR disagrees with the FTC position not to provide guidance on the use of life cycle information either in marketing or as substantiation for environmental claims. The GPR suggests that the term "life cycle assessment" should be used only when the study is performed and verified in a manner consistent with ISO Standard 14040 series, or other internationally accepted equivalent standards. If data are being used to make comparative claims, the GPR strongly suggests that the study conform to, and be made available, as required under the ISO Standard 14040 series.

Broad claims relating to saving natural resources

The GPR agrees with the FTC's position that claims of general environmental benefit be qualified; we further suggest that broad claims relating to saving natural resources, such as "trees saved", should be restricted as the tools available to support these claims are not sufficiently accurate to avoid consumer deception. Examples of broad claims relating to natural resource savings include:

"(XYZ) Paperless Display Technology Saves Trees and the Environment."

"We balance the effect of the carbon emitted from your flight by supporting UN certified projects like Perlabi Hydroelectric in Ecuador."

None of the claims provide substantiation as to how the natural resources are actually "saved," or carbon balanced, rather than, for example, to simply transfer an ongoing resource use somewhere else, how the amount of savings or support are quantified, or that the natural resources saved and used are equivalent.

Communicating Recyclability

Currently, there is no standardized label for communicating recyclability of a specific product or pack-

age to consumers, even though the term, benefits, and positive consumer reaction to it are widely recognized. There are several efforts underway to create such a communication tool, including the labeling project currently underway by the Sustainable Packaging Coalition (US) and the related WRAP (UK) labeling program. The GPR would encourage FTC to participate in an open dialogue with each of these initiatives to discuss how such programs can be implemented within the boundaries of the FTC Act. The GPR would be pleased to participate in such discussions as well.

Third-party standards, labels, seals and endorsements

The FTC should clarify that any label, third-party standards or certifications used as an environmental marketing claim must be capable of providing competent and reliable scientific evidence, based on transparent standards, and the use of professional expertise to support the label. When third party certifications are relied upon, the status of certifications and methodology used for awarding the certification shall be publicly available.

In addition, some environmental marketing claims are endorsed by environmental non-governmental organizations (ENGOS) through “cause-related” marketing. The GPR encourages the FTC to clarify that the same level of substantiation is needed for cause-related advertising claims as for other green marketing claims.

Suggested revision to 16 CFR § 260.5: add examples of cause-related marketing after this section

Endorsement Guides

The GPR also recommends that the FTC add a new section to the Green Guides drawing attention to its Guides Concerning the Use of Endorsements and Testimonials in Advertising, 16 CFR Part 255 (the “Endorsement Guides”). Several elements of the Endorsement Guides are relevant to environmental marketing, especially cause-related marketing. We recommend the FTC develop examples to illustrate the broad definition of endorsements and how they apply to organizations involved in environmental cause-related marketing, particularly regarding:

- The need for processes to ensure that expert organizations apply sufficient expertise, conduct adequate investigation, and make objective decisions when lending their name or logo to a third-party company or product.
- The fact that endorsements are not a substitute for substantiation.
- The requirement to disclose any material connections between an endorser and an advertiser if they are not already known or reasonably expected by the audience.

Thank you for considering the comments of the Green Products Roundtable.

Sincerely,

Members of the Keystone Green Products Roundtable

Attachment-7

Green Marketing Pledge

GOAL

The Pledge seeks to accelerate the adoption of sound green product practices, garner the widest possible awareness of the FTC's Environmental Marketing Guides and other similarly relevant environmental marketing guidance documents, and help organizations to publically display continuing commitments to the delivery, purchase and use of green products and services. Specifically, the Green Products Roundtable (GPR) seeks to enroll 100 additional signatories by December 31, 2012.

BACKGROUND

From its inception an ongoing theme in GPR discussions has been a desire to bring high level collaborative leadership to the green products and marketing space. Dimensions of this include both minimal practices (a floor) and aspirational goals (a high bar), understanding that these are both likely to rise further over the next decade as the science of green improves.

The idea of the Pledge is simple. GPR wants to accelerate the use of existing voluntary and credible standards of practice. Through the Pledge, signatories make a moral commitment to follow the appropriate standards for green marketing claims. Signing the Pledge is an indication of corporate and organizational commitment to referenced ideas about "green." However, signatories are encouraged to go beyond these minimum standards. The Keystone Center will administer and maintain the Pledge system, hold the pledges and their renewals, and help publicize them until an independent authoritative successor body emerges later in 2011.

TASKS AND TIMETABLE

- Finalize the Pledge (*by March 2011*)
- Develop a website (or portion of the GPR website) to explain the Pledge and display the names and trust marks or logos of signatories. (*by March 2011*)
- Develop a final organization and program structure that will support the Pledge. (*by March 2011*)
- Identify best mechanism(s) for distribution of the GPR Pledge and the bringing of national and international attention to this initiative. (*by March 2011*)
- Prepare and disseminate a press release announcing the Pledge, identifying the initial signatories, and inviting others to become initial signers. (*by March 2011*)
- Contact non-GPR companies and organizations to see if they are willing to be Initial Signatories (*by March 2011*)

FAQ's FOR PROSPECTIVE SIGNATORIES

What is the Pledge?

A voluntary, public, and signed commitment to adhere to appropriate standards or practices, as described later.

Who is sponsoring it?

The Green Products Roundtable (GPR), a 35 member ongoing collaborative convened and facilitated by The Keystone Center. The GPR is composed of corporations, NGOs, institutional purchasers and other experts on the greening marketplace (see <http://www.keystone.org/spp/environment/sustainability>).

What are the benefits to signatories?

The Pledge benefits signatories in the following ways:

- It signals a desire and willingness to be identified as a progressive entity committed to honesty and transparency in the use of environmental marketing claims.
- It creates an instant networking tool to connect with other like-minded organizations.
- It is a vehicle to publicize the commitments made by a signatory;
- It will bring further communications from the GPR on major policy initiatives that are underway and a special invitation to annual events for corporations, NGOs, purchasers, certifiers, standard setters, and others.

What about substantiation?

Signatories must be able to substantiate their claims when made. Disclosure is a much more complex matter, which the GPR has under discussion. To facilitate information sharing, the GPR website will provide an opportunity for signatories to voluntarily post their third-party certifications, technical or scientific information, and other non-proprietary examples of substantiation or provide a URL link to their own websites where such materials are made available.

Are signatories required to divulge business proprietary information?

No.

Are signatories required to subscribe to a particular set of standards or labels?

No. The Pledge is voluntary. However, by signing the Pledge you are stating that your organization's intention that its environmental marketing materials or product or service claims will be consistent with one or more relevant guidelines and standards, for example:

- U.S. Federal Trade Commission's (FTC's) *Guides for the Use of Environmental Marketing Claims*; and/or
- Canadian Competition Bureau guidance *PLUS 14021 Environmental claims: A guide for industry and advertisers*; and/or

- United Kingdom's Department for Environment, Food, and Rural Affairs (DEFRA) *Green Claims – Practical Guidance How to Make a Good Environmental Claim*; and/or
- International Consumer Protection and Enforcement Network (ICPEN) Green Claims Working Group's, *Reference Document for the Development of Environmental Marketing Claim Guides*; and/or
- The European Commission's *Guidelines for the Assessment of Environmental Claims*; and/or
- Australian Competition and Consumer Commission's *Green Marketing and the Trade Practices Act* and/or
- International Organization for Standardization (ISO)'s *ISO Standard 14021: Environmental Labels and Declarations - Self-Declared Environmental Claims* Guidance or *ISO Standard 14025: Type III Environmental Labels and Declarations – Environmental Product Declarations*.

Are there any legal liabilities to signing?

No. The Pledge is not intended to impose judicially enforceable rights or obligations, nor does it constitute a waiver of any substantive or procedural rights or obligations. Rather, the Pledge, similar to "Corporate Responsibility Statements" and other high level organizational commitments, is a voluntary declaration aimed at encouraging participation, understanding and compliance with environmental marketing requirements.

Is there a fee?

Yes. A modest annual fee of \$175.00/year commencing on the date of signing will be required to help administer the program.

What happens after an organization signs?

Two things. First, the organization's commitment will be posted to the GPR's website. Secondly, the organization's commitment will be announced to the GPR's membership, and the organizational representative(s) will be added to the GPR list serve. The Keystone Center, on behalf of The GPR, will perform the logistics around upkeep and monitoring of the list serve and other relevant information.

Is the Pledge for perpetuity?

No. The Pledge is annually renewable and the Pledge itself will be reviewed each year to keep up with the emerging science and policy of green marketing and product claims. As "state-of-the-art" changes, so will the Pledge and the documents it references and uses as the basis of the public commitment organizations are asked to make.

Who will be responsible for reviewing and revising the Pledge annually?

The GPR or its successor entity will be responsible for the review of and revisions to the Pledge. GPR or its successor will annually review the Pledge and, if required, prepare possible revisions. Comments from all signatories, the GPR, and other experts will be invited prior to making changes.

Who will be responsible for ensuring that signatories follow through with their commitment?

The GPR or its successor will bear this responsibility. We do not anticipate complaints but it is conceivable they could arise. When and if a complaint arises, the GPR or its successor will first encourage in-

formal communication between the complainant and the specific organization to resolve the matter. Where that is not possible, the complainant is free to file a complaint to the Federal Trade Commission (FTC), the National Advertising Division (NAD) of the Better Business Bureau (BBB) or to any other relevant legal authority. If the signatory is found to be out of compliance through this means, and the GPR is so notified, the signatory will be removed from the list until they are in compliance.

Will companies be able to voluntarily remove themselves as signatories of the GPR Pledge if necessary?

While it is hoped that signatories remain committed to the Pledge once they sign, it is a voluntary commitment and signatories may remove their names if they deem it necessary. If a request to remove the company name is made by the signatory to GPR, the company name will simply be removed from the online list of signatories by GPR.

Will the GPR continue to be the operating entity?

Discussions are underway in the GPR about the creation of a new, knowledgeable, and independent entity that could be the successor body for some of the GPR's activities, including this Pledge.

Who do I contact for more information or to enroll on the list of organizations making a pledge?

Ms. Suzan Klein, Associate
The Keystone Center
Tel: 202-452-1591

Green Marketing Pledge

Month, day, 2011 – Month, day, 2012

(posted organization logo if desired)

Organization Name _____

joins with other signatories advocating honesty and transparency in the use of environmental marketing claims. We believe that the public needs accurate, relevant, and verifiable information on which to make purchasing decisions about our companies and products/services. We commit to use environmental marketing materials and product or service claims that are consistent with one or more applicable guidelines, for example:

- U.S. Federal Trade Commission's (FTC's) *Guides for the Use of Environmental Marketing Claims*; and/or
- Canadian Competition Bureau guidance *PLUS 14021 Environmental claims: A guide for industry and advertisers*; and/or
- United Kingdom's Department for Environment, Food, and Rural Affairs (DEFRA) *Green Claims – Practical Guidance How to Make a Good Environmental Claim*; and/or
- International Consumer Protection and Enforcement Network (ICPEN) Green Claims Working Group's, *Reference Document for the Development of Environmental Marketing Claim Guides*; and/or
- The European Commission's *Guidelines for the Assessment of Environmental Claims*; and/or
- Australian Competition and Consumer Commission's *Green Marketing and the Trade Practices Act* document; and/or
- International Organization for Standardization (ISO)'s *ISO Standard 14021: Environmental Labels and Declarations - Self-Declared Environmental Claims* Guidance or *ISO Standard 14025: Type III Environmental Labels and Declarations – Environmental Product Declarations*.

(Signature)

(Printed Name)

(Title)

(Organization)

(Date)

Attachment-8

Description of a Potential Independent Respected Body (IRB)

The proliferation of eco-labels and green product claims has created a need for an independent respected body that can provide guidance to buyers and marketers about the best available green product choices and the claims that can legitimately be made about them. The GPR is studying a model for such an entity including its potential functions, costs, timelines and revenue-generating sustainability.

Mission

To become the first comprehensive North American entity to effectively guide market actors--institutional buyers, household consumers, retailers, distributors, and manufacturers--on the legitimacy of a broad range of environmental marketing claims--ecolabels, standards, individual product claims--across all product categories.

Description of the Products and Services

Potential primary products of an IRB include:

Greener Product Sourcing Tool

The Greener Product Sourcing Tool will include a decision support process and on-line tool. Its function is to help procurement professionals evaluate and determine which green product classification systems they should most beneficially use for their environmentally preferred procurement needs.

Professional Credentialing Program

A professional credentialing program will be proposed, targeting both institutional and commercial buyers and marketing and communications professionals. The purpose of the program is to provide third party verification that an individual has acquired the necessary level of proficiency of the emerging green product principles, practices and product methodologies and that he or she is able to properly evaluate and select green products and evaluate marketing claims.

Third party verification will be evidenced by the listing of an individual's name in a directory of certified professionals and the granting of use rights to a logo indicating that the individual has achieved certification. This commercial product will be a live training curriculum offered in various locations followed by a certification examination.

Greener Product Information Tools Platform

A Greener Product Information Tools Platform (the "Platform") is proposed to provide a common hub and directory of all the different information tools on the market that currently serve green procurement practices and the green product marketplace in general. This platform will act as a 'one-stop-shop' for up to date information and assessments of the various tools on the market and that are being developed. By doing so, stakeholders will keep abreast of the many different initiatives and tools coming onto the marketplace and better understand how and where they might be best utilized. For the tools listed, it will create a space and forum for further coordination and efforts towards interoperability.

The Green Products Roundtable will have further updates on this following its June 2011 meeting.



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