

ASSOCIATION DES INDUSTRIES DE MARQUE
EUROPEAN BRANDS ASSOCIATION
EUROPÄISCHER MARKENVERBAND

AIM[®]

POSITION

PAPER



PRODUCT CARBON FOOTPRINTING
AND PRODUCT CARBON
FOOTPRINT LABELS



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Product Carbon Footprinting and Product Carbon Footprint Labels

Introduction

A carbon footprint is an estimate of the greenhouse gases (GHG) emitted by a product throughout its lifecycle: from raw material extraction to product manufacture, distribution, consumer use, and disposal. Carbon footprinting can be an important tool to identify the most meaningful GHG reduction opportunities for a given product or category. However, communication of a product's carbon footprint via, for example, on-pack labels is a source of significant debate being fueled by the lack of a single robust methodology and the inherent complexity and uncertainty of carbon footprint estimates.

AIM's Position

On informed consumer choice

The branded goods industry is committed to providing consumers information on all relevant product characteristics. Specifically, AIM supports factual, transparent communication to consumers about genuine and meaningful product benefits related to GHG emissions and other environmental indicators in order to help shape consumer behaviour towards responsible choices.

On product carbon footprinting

AIM believes voluntary carbon footprinting can be an important tool to identify meaningful opportunities to reduce GHG emissions. As such, AIM believes it is imperative to develop a technically rigorous, internationally validated carbon footprint methodology as part of a broader Life Cycle Assessment approach for products. Such an assessment should include all relevant environmental indicators to avoid creating a policy that encourages shifting environmental impact from carbon emissions to other, less visible indicators. This will serve to help focus and inform industry efforts to improve environmental performance.

On product carbon footprint labels

AIM has serious concerns with the use of carbon footprint labels on products for the following reasons:

- a. **Carbon footprint is just one of many relevant environmental indicators** such as water, waste, or biodiversity. Placing a singular focus on carbon could be misleading or result in shifting environmental burdens to other indicators. Product assessments should be holistic and consider the impacts on all relevant environmental indicators.
- b. **Carbon footprint labels are not actionable or meaningful for consumers.** Carbon footprints are the output of a modeling exercise that requires hundreds of inputs from the product lifecycle, requires numerous decisions, and are subject to almost constant change given the dynamic nature of supply chains, methodological difficulties, data variability, and the variability of the use phase. Given the resulting uncertainty and the complexity of carbon footprint estimates, it is almost impossible for a consumer to make a like for like comparison of carbon footprint labels on competing products.

- c. **Consumer understanding of carbon footprinting and its limitations is low.** Introduction of carbon footprint labels could lead to consumer confusion and potentially loss of consumer trust.
- d. **The cost of developing product carbon footprint estimates is significant.** Broad adoption of carbon footprint labels in the marketplace would result in significant cost increases and divert resources from the true objective of identifying and acting upon the most significant GHG reduction opportunities for a given product or category.
- e. **Carbon footprint labels on products will be seen as environmental claims.** Given the inherent uncertainty and complexity of carbon footprint estimates, the use of carbon footprint labels could result in numerous legal and competitive challenges.
- f. **Information overload.** Today's consumer is already faced with more information on the label than is easy to absorb. The provision of too much, complex, or conflicting information can leave the consumer no better informed.

AIM principles on sustainable development

While AIM does not support the use of Carbon footprint labels on products, AIM does support factual, transparent communication to consumers about genuine and meaningful product benefits related to GHG emissions and other environmental indicators. These types of communications should be consistent with the following principles:

1. Support a holistic approach
Embrace economic, environmental and societal dimensions
2. Promote innovation
Leverage innovation as a source of process, product and service solutions.
3. Enable informed consumer choice
Provide relevant communication to shape consumer behaviour towards responsible sustainable choices.
4. Promote dialogue
Work towards solutions with all relevant stakeholders.
5. Promote science-based life-cycle thinking
Base initiatives on a full life-cycle and risk assessment approach using proven science.
6. Pursue defined goals with flexible means
Permit flexibility in the way agreed policy goals are achieved.
7. Safeguard international trade
Ensure sustainability measures are not used as barriers to trade.
8. Promote voluntary instruments
Pursue a voluntary approach to sustainable development wherever possible.

AIM

AIM is the European Brands Association. It represents the branded goods industries in Europe on key issues which affect the ability of brand manufacturers to design, distribute and market their brands. AIM's membership groups 1800 companies of all sizes through corporate members and national associations in 22 countries. These companies are mostly active in every day consumer goods. They employ some two million workers and account for over 350 billion Euro in annual sales in Europe alone. AIM's mission is to create for brands an environment of fair and vigorous competition, fostering innovation and guaranteeing maximum value to consumers now and for generations to come.

Our corporate members include: Bacardi-Martini ▼ Barilla ▼ Beiersdorf ▼ Bongrain ▼ Cadbury ▼ Campbell Europe ▼ Coca-Cola ▼ Colgate-Palmolive ▼ Diageo ▼ Energizer ▼ Ferrero ▼ Freudenberg/Vileda ▼ Georgia Pacific ▼ GlaxoSmithKline ▼ Groupe Danone ▼ Heineken ▼ Heinz ▼ Henkel ▼ Johnson & Johnson ▼ Kraft Foods ▼ Kellogg ▼ Kimberly-Clark ▼ Leaf ▼ Lego ▼ Lindt & Sprüngli ▼ LVMH ▼ Mars ▼ McCain Foods ▼ McCormick ▼ Nestlé ▼ Oetker International ▼ L'Oréal ▼ Pepsi-Cola ▼ Pernod Ricard ▼ Philips Lighting ▼ Procter & Gamble ▼ Reckitt-Benckiser ▼ Royal FrieslandCampina ▼ Sara Lee / DE ▼ SCA Hygiene Products Holding ▼ SC Johnson ▼ Unilever

Our national association members include: Austria Markenartikelverband ▼ Belgilux BABM ▼ Czech Republic CSZV ▼ Denmark DLF ▼ Finland FFDIF ▼ France ILEC ▼ Germany Markenverband ▼ Greece Ελληνικός Σύνδεσμος Βιομηχανιών Επώνυμων Προϊοντών ▼ Hungary Márkás Termékeket Gyártók Magyarországi Egyesülete ▼ Ireland Food & Drink Federation ▼ Italy Centromarca ▼ The Netherlands FNLI ▼ Norway DLF ▼ Poland Pro-marka ▼ Portugal Centromarca ▼ Russia RusBrand ▼ Spain Promarca ▼ Slovakia SZZV ▼ Sweden DLF ▼ Switzerland Promarca ▼ United Kingdom British Brands Group