

Fee Regulations for Nordic Ecolabelling

Nordic Ecolabelling
17 October 2017

In November 1989, the Nordic Council of Ministers adopted a measure to implement an official voluntary ecolabelling scheme, the Nordic Ecolabel, also known as the Nordic Swan Ecolabel. The organizations/companies listed below administer the Nordic Ecolabelling scheme on assignment from their national governments.

For further information, please visit the following websites:

Nordic Ecolabelling

www.nordic-ecolabel.org

Denmark

Ecolabelling Denmark
Danish Standards Foundation
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This document is a translation of an original in Swedish. In case of dispute, the original document should be taken as authoritative.

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1 Introduction

The following fee regulations apply to companies that apply for a licence, hold a licence for the right to use the Nordic Ecolabel, request inspection of raw materials for the Nordic Swan Ecolabelled products, or pay for a listing of inspected raw materials. The regulations follow the guidelines for ecolabelling issued by the Nordic Council of Ministers and were ratified by the Board of the Nordic Ecolabelling Association on 17 October 2017. The relevant fees for various product groups are shown on the websites of each country's ecolabelling organization.

2 Application fee

Application fees are payable by the applicant in conjunction with application. The application fee is not refundable in the event of non-approval of the application. The application fee normally covers processing time on up to three occasions, i.e. one when the application is submitted and two for the processing of supplementary documentation. Subsequent work may be invoiced by the relevant national ecolabelling organization at the prevailing hourly rate.

3 Fees for on-site inspection

No fee other than the application fee will be charged for carrying out an on-site inspection at one production site in the Nordic region. If multiple on-site inspections are necessary, e.g. to multiple production sites, an additional fee shall be charged. For on-site inspections outside the Nordic region, the applicant shall also be charged an additional fee.

If products or production do not fulfil requirements at the time of the on-site inspection or on subsequent inspection, the ecolabelling organization is entitled to invoice costs for on-site inspections and follow-up inspections i.e. work, on-site inspections and testing which are evaluated to be necessary.

4 Licence fee

Following the award of a licence, the applicant must pay a licence fee. The licence fee is payable annually for the right to use the ecolabel in the Nordic market. The licence fee is payable in advance. It is based on the turnover of the Nordic Swan Ecolabelled product and may be regulated/adjusted in the following year. Information on turnover must be supplied, as required by the ecolabelling organization, without delay at the start of each new calendar year, by 31 March at the latest. For certain product groups, the licence fee may be based on other factors, which will then determine the fees for the product group.

Should information on turnover not be provided by 31 March at the latest, the ecolabelling organization has the right to debit an estimated licence fee based on the Nordic Ecolabelling organization's estimation on turnover. A financial supplement of EUR 1,500 (one thousand five hundred) is also payable. The licence fee will be adjusted once the correct sales figures are received, though the financial supplement will not be repaid. Failure to supply data on turnover, or to pay the licence fee, constitutes grounds for revocation of the licence.

The ecolabelling organization has the right to demand documentation in support of the information on the turnover of the Nordic Swan Ecolabelled product and to contact the licensee's accountants. Random samples may also be taken. Information in respect of turnover for the past five (5) years may be checked and adjusted by the ecolabelling organization.

Within most product groups, the licence is valid in all countries (see 2.1.2 in Regulations for the Nordic ecolabelling of products). In such cases a common Nordic fee system applies, and the licensee shall normally pay a licence fee based on sales throughout the Nordic market, even if a third party is responsible for sale of the product. The company or the group of companies, which have several licences in product groups included in the common Nordic fee system, have to pay at least a minimum fee per product/commodity group per certifying country (the country which processes the application). Nordic Ecolabelling charges also a fee for sales outside the Nordic countries if it exceeds a certain level.

Even for other product groups, the fee is usually calculated based on sales. The licensee must inform Nordic Ecolabelling if the Swan Ecolabelled products are sold in another Nordic country or outside the Nordic countries. Sales in another Nordic country enables that the licence will be registered in this country and the products are shown on country's website.

For new applications granted after 1 July, a fee reduction will apply for the first year. The minimum or maximum fee and any breakpoint¹ will be multiplied by the result of the following formula: "number of remaining days in the year" x 2 / 365.

Special regulations for groups of companies

Within the Nordic fee system, it is possible for a group of companies to request Nordic Ecolabelling in advance to combine the fee basis from all of the group's licences within the same product and commodity group in the calculation of fees. It is the responsibility of the group to communicate this before the licence fee is invoiced. The invoice can later be changed (with reference to the group regulation) during the business year, for an additional fee of EUR 3,500 (three thousand five hundred). No subsequent changes or adjustments may be made. In order for the group regulation to apply, subsidiaries with such licences must be consolidated into the parent company's consolidated financial statements. Additional requirements for invoicing as a group are as follows:

- The group may have only one administrative contact with Nordic Ecolabelling.
- The group must report all sales figures for its ecolabelled products for each licence included in the group calculations by 31 March at the latest.
- The group undertakes to provide an auditor's certificate of the sales of the group's ecolabelled products if required by Nordic Ecolabelling.

5 Fee for extension of scope and amendment

A licensee wishing to amend the contents or extend the scope of the licence must pay an amendment and/or an extension fee, and any adjusted licence fee, for the work thus carried out by the ecolabelling organization.

¹ Breakpoint = Turnover where the percentage changes in the calculation of licence fee.

Minimum fee = the lowest licence fee ecolabelling organisation annually invoices a company or a Group per product/ commodity group per certifying country.

Maximum fee = the highest licence fee ecolabelling organisation annually invoices a company or a group per product/ commodity group.

6 Fees in the event of termination

Immediately after the licence has expired, the licensee must report the realized sales for its Nordic Swan ecolabelled products for the current year and the previous year, as well as the value of its remaining stock of ecolabelled products. Nordic Ecolabelling may also require provision of an auditor's certificate. The licence fee will be calculated on the basis of realized sales and the value of sales of ecolabelled products. The licence fee shall be paid throughout the termination notice period.

If the licensee cancels the licence or decides not to renew its licence, fees paid in advance will be adjusted after the licence has expired. Nevertheless, the licensee must provide information on the value of its remaining stock of ecolabelled products. No reduction will be granted on any minimum/maximum fee or breakpoint. A fee shall be paid for realized sales during the licence period and for the value of remaining stock of ecolabelled products, even on expiry of the licence.

7 Other fees

Nordic Ecolabelling can charge a fee for the inspection of raw materials for Nordic Swan ecolabelled products and for listing inspected raw materials. Fees for inspection and listing are shown on the ecolabelling organizations' websites.

8 Changes to these regulations

The Board of the Nordic Ecolabelling Association reserves the right to change these regulations. All licensees and holders of registrations will be informed of such changes in writing.