The Eco-labelling Program

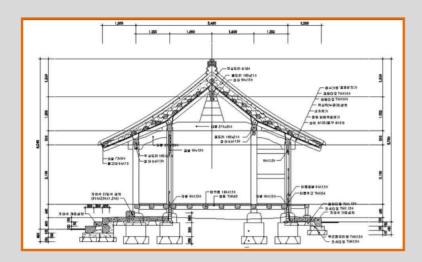
KOREA'S COMPLIANCE WITH INTERNATIONAL STANDARDS



May 3rd, 2012

Environmental Certification Department Environmental Standard Management Office





A blueprint



A traditional Korean-style house

ISO 14020

Environmental labels and declarations- General principles

ISO 14024

- Type | environmental labelling
- Principles and procedures



Contents

ISO 14024

- 1. Voluntary nature
- 2. Consistency with ISO 14020 requirement
- 3. Compliance with environmental/other relevant legislation
- 4. Consideration of whole product life cycle in setting criteria
- 5. Criteria established to distinguish environmentally preferable products based on measurable difference in environmental impact
- **6.** Product environmental criteria set at attainable levels, and give consideration to relative environmental impacts, measurement capability and accuracy
- 7. Product environmental criteria set for and reviewed within a predefined period
- 8. all elements in the eco-labeling criteria are verifiable
- 9. Open and accountable process
- 10. Criteria must be credible and verifiable
- 11. Participation costs and fees kept low
- 12. Transparency
- 13. Accessibility
- 14. Avoiding unnecessary trade barriers
- 15. Confidentiality
- 16. Mutual recognition, based on confidence

- Transparency
- International Trade Aspects
- Accessibility
- Avoidance of Conflict of Interest
- Confidentiality

Transparency(1)

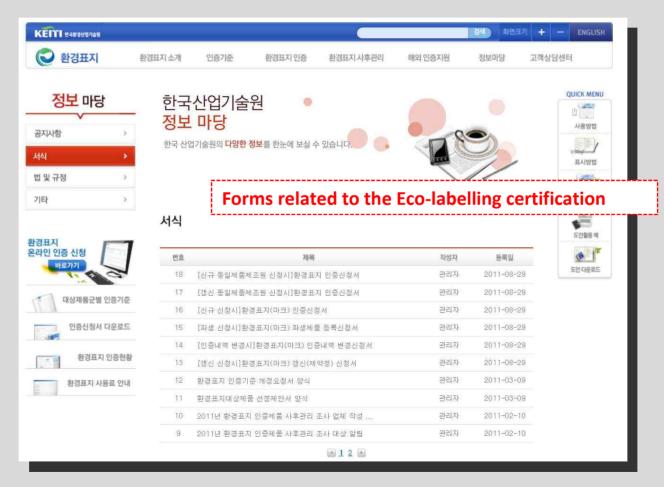
ISO 14024 5.11 Transparency

A Type I environmental labelling programme should be able to demonstrate transparency through all stages of its development and operation. Transparency implies that information shall be available to interested parties for inspection and comment where appropriate.

- All of the required templates and criteria can be found at http://el.keiti.re.kr/eng/index.do
- Applicants can check their own application status at http://elms.keiti.re.kr/
- Upon receipt of certification application, KEITI assigns auditors and announces on-site audit schedule.

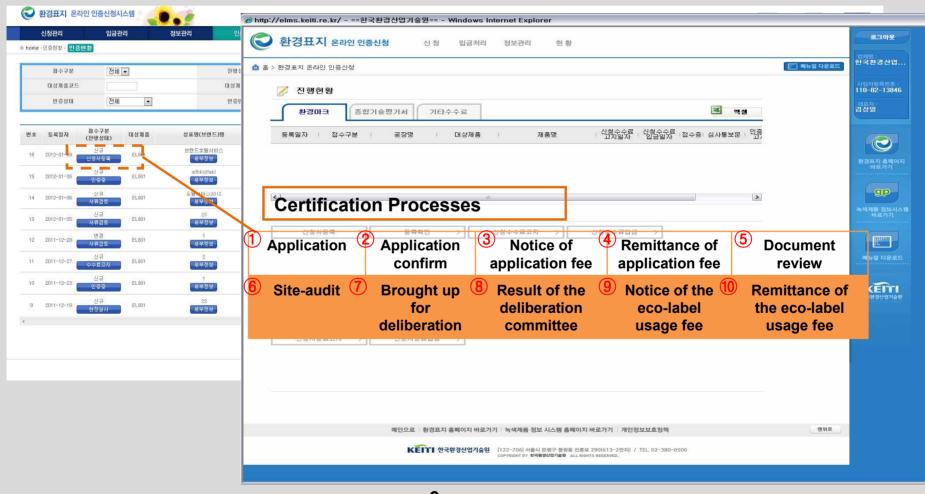
Transparency(2)

- ♦ Website for the Korean Eco-labelling Program
 - There are every related forms that people can download.



Transparency(3)

- Online Certification Application System
 - Applicants can check their certification status through this system.



Transparency(4)

Related Parts from < Customer Service Implementation >

:o-label Certification and Follow-up Surveillance>

ecking whether the Eco-label certification product conforms to certification criteria or not, if necessary, KEITI will implement the relevant businesses in a reliable way through testing/assessment procedures. KEITI will always listen to the opinions of stakeholders, and if desired, will offer stakeholders an opportunity to further explain their position after participating in the Deliberation Committee meeting.

ere is a case in which Eco-labels are used without permission, KEITI will let an appropriate person/company immediately explain the reason, and will take prompt actions to prevent customers who have acquired Eco-label certification from being damaged.

Transparency(5)

- ♠ Related Parts from < Customer Service Implementation >
 - <The Development and Revision of the Eco-label Certification Criteria>
 - In consultation on the establishment/revision of certification criteria, KEITI will strive to secure the transparency and clarity of certification criteria through a sufficient understanding on and replies to related matters.

International Trade Aspects(1)

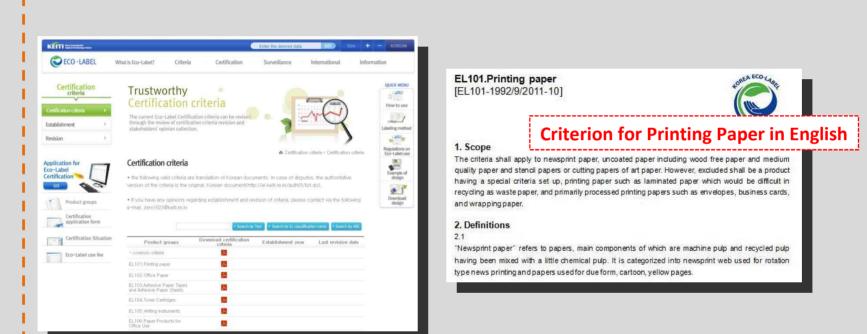
ISO 14024 5.12 International trade aspects

Procedures and requirements for environmental labelling programmes shall not be prepared, adopted or applied with a view to, or with the effect of creating unnecessary obstacles to international trade.

- Korean Eco-Label program is open to international applicants
- The Korean Eco-Label program is developed considering international standards and criteria
- All of the English information can be found at the http://el.keiti.re.kr/eng/index.do
- Korean Eco-Label and licenses are provided in English for overseas applications

International Trade Aspects(2)

◆ <The Eco-label Website in English Ver.>



International Trade Aspects(3)

- ◆ <English Certificate Form> and <the Eco-label in English Ver.>
 - Certified manufacturers can use the emblem in English abroad.

Certificate of Korea Eco Label

Certificate No. : {{1}}

We hereby certify that the following products comply with the criteria set forth under the Environmental Technology Development and Promotion Act and are granted the right to use the Korea Eco-Label.

Licensee : {{2}}}

Address ((3))

Factory ((4))

address

Name of Brand: ((5))

Product category : {(6)}

Reason for Certification: {(7)}

Valid until : ((8)) Issued : ((9))

President of the Korea Environmental Industry & Technology Institute





Accessibility(1)

ISO 14024 5.13 Accessibility

Application to, and participation in, environmental labelling programmes shall be open to all potential applicants. All applicants who fulfill the product environmental criteria for a given product category and the other programme requirements shall be entitled to be granted a license and authorized to use the label.

- Online application is available at http://el.keiti.re.kr
- Application is open to Korean nationals and foreigners regardless of business size and geographical location
- Lowered application/license fees for small business

Accessibility(2)

♦ Foreign licensees: Five products manufactured abroad by four overseas companies have been eco-labelled (as of Dec. 31, 2011)

Target Product	Company Name	Factory Address	Brand Name	Date of Reception
EL145. Notebook Computers	ASUSTek COMPUTER INC.	Pu Dong New Dist, Shang Hai, China	U30Jc	2011.01.11
EL221. Water-saving	개평한양위욕	Kaiping, Guangdong, China	HY-322	2011.12.22
Faucets	유한공사(China)		DL1003	2011.12.22
EL248. Finishing Materials for Wall or Ceiling	HUME CEMBOARD INDUSTRIES SDN BHD	Perak Darul Ridzuan, Malaysia	PRIMAplank	2011.02.07
EL724. Biodegradable Resin Products	NatureWorks LLC	Minnesota, USA	NatureWorks LLC	2011.04.22

^{*} Excluded the cases of the applications made through branch offices based in Korea

Accessibility(3)

♦ License fee based on annual turnover

Annual turnover	License fee per year
Over 50 billion won	5 million won
10 billion won ~ 50 billion won	4 million won
5 billion won ~ 10 billion won	3 million won
1 billion won ~ 5 billion won	2 million won
Under 1 billion won	1 million won

Avoidance of Conflict of Interest(1)

ISO 14024 5.15 Avoidance of conflict of interest

Type I Environmental labelling programmes shall ensure that they are free from undue influence. Programmes shall be able to demonstrate that sources of funding do not create a conflict of interest.

- KEITI: Accredited agency by the Ministry of Environment
- The implementation of eco-label schemes in Korea is subsidized by the MoE, application fees and annual fees paid by the license holders
- Nominated experts pledge to comply with the Code of Ethics
- In case that the nominated expert exercises undue influence over certification, he or she can be removed from his/her position
- When certification is rejected as a result of certification deliberation, reapplication is possible after improving the product

Avoidance of Conflict of Interest(2)

♦ Legal base for the establishment of KEITI

<Support for Environmental Technology and Environmental Industry act>

(Korea Environmental Industry and Technology Institute) (1) In order to effectively support the development of environmental technologies and purchase of green products under subparagraph 5 of Article 2 of the Framework Act on Low Carbon, Green Growth (hereinafter referred to as green products) and foster the industry, there shall be established a Korea Environmental Industry and Technology Institute.

Avoidance of Conflict of Interest(3)

♦ Budget compilation in 2012 (by project)

	Project	Main Contents
Government Agency Project (30%)	Enactment and Amendment of Certification criteria	Development of Certification criteria
	Test Method Development and International Standards	Enactment of Test Method/ GEN activities and development of common standards
	Developing a comprehensive management plan	Developing a comprehensive management plan
	Surveillance	Follow-up management
	Certification Examination	Operation of Certification Examination
	Development and Operation of Service Certification criteria and Promotion of the eco-label program	Standard development for service sector and operation of certification system / Promotion of the eco-label program
	Monitoring of unauthorized use	Monitoring of unauthorized use of eco-label, online and offline.
	International Cooperation	International cooperation with relevant agencies

Avoidance of Conflict of Interest(4)

<Security and Ethics Compliance Pledge> -Key contents

<Security and Ethics Compliance Pledge>
I pledge to comply with the following.

- 1. With respect to the eco-label certification process, I shall carry out the process fairly and without prejudice.
- 2. With respect to the eco-label certification process, I shall not exert undue pressure, and if there is any external or internal undue influence, shall reject it.
- 3. With respect to the eco-label certification process, I shall not require and not receive any payment of/from customers.
- 4. With respect to the eco-label certification process, if I have any interest in the corporation/private company, I shall report the fact honestly and faithfully

• • • •

Avoidance of Conflict of Interest(5)

♦ <Code of Regulations on Eco-label Certification > - Appointment of Expert Advisors

Article 37 (Appointment of Expert Advisors) (4) The President, in case a Deliberation advisor wants to retire or the President determines that an advisor is unable to serve the required function, may revoke the appointment.

Avoidance of Conflict of Interest(6)

◆ <Code of Regulations on Eco-label Certification > - Certification Deliberation and Follow-up Surveillance

Article 23 (Certification Deliberation) (7) In case where an applicant makes an appeal to the decision described in (3) of this Article, the President shall review the stated reasons for the appeal and, if necessary, may dictate a Committee meeting to examine the merits of the appeal raised.

Article 23-2 (Deliberation in Connection with Follow-up Surveillance) (6) Based on the assessment results and the concerned manufacturer's statements of reasons for non-compliance which are deemed reasonable, the President has discretion to dictate the Committee to conduct a further on-site assessment including testing and analysis.

Confidentiality(1)

ISO 14024 5.17 Confidentiality

The confidentiality of all information which is identified as confidential shall be maintained.

- All information acquired in the process of criteria development, surveillance, and follow-up management is kept confidential
- All of the KEITI workers are obliged to keep confidential pursuant to the KEITI rules and regulations
- Code of Ethics Pledge
- All of the collected documents related to production are kept confidential

Confidentiality(2)

♦ Codes of Regulations: Confidentiality-1

of Association of KEITI>

(Confidentiality) The staff of KEITI or a person on the post shall not reveal or steal any information that he has gained in the course of conducting his duties.

e Job Integrity Contract Operating Regulations >

Job integrity duty) Employees must perform their work fairly and in accordance with the relevant laws and regulations, and are prohibited from the following:

act of revealing official secrets.

Confidentiality(3)

Codes of Regulations: Confidentiality-2

Regulations related to Eco-label Certification >

(Prohibition of Disclosure) Current and former KEITI officers or employees and current and former members of deliberation advisor committee may not disclose confidential information to which they have gained access in the course of conducting their duties or information that might do damage to relevant organizations.

I Certification Terms>

Confidentiality) Party A and Party B shall not disclose to any third parties information to which they have gained access in the course of conducting their duties. This provision shall continue to be effective after the date of termination of these terms. However, it shall not apply to information in the public domain or information gained legally without any connection with their functions.

Confidentiality(4)

◆ <Form of On-the-site Inspection Plan>



<Remarks>

5. In particular, if there is any information requiring confidentiality, please let us know in advance.

THANK YOU FOR YOUR ATTENTION



Eco-labeling: Realizing Green Growth, Green Consumption & Green Society

Environmental Certification Department Environmental Standard Management Office

Tel.: +82-2-380-0415

http://el.keiti.re.kr/eng/index.do

