

Fundamentals for Promoting the Use of the Taiwan Ecolabel

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Environmental Protection Administration of the Republic of China on Taiwan

English Translation¹

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1. These Fundamentals are promulgated by Environmental Protection Administration under the Executive Yuan, Republic of China on Taiwan (“TEPA”) to promote environmental protection concepts, such as recyclability, low pollution and conservation of resources and to encourage consumer interest to use products bearing the Taiwan Ecolabel.
2. The Taiwan Ecolabel as mentioned in these Fundamentals shall refer to a design [attached to the Chinese version of these Fundamentals] drafted and registered by TEPA in accordance with the law.

¹ Translators’ Note: This translation is for informational purposes only and does not represent the binding law of the Republic of China. The binding law appears only in the national language--Chinese. Therefore, for purposes other than acquiring information, reference must be made to the original Chinese version of these Fundamentals.

In translating these Fundamentals, the translators did not depart from the original Chinese text. Accordingly, ambiguities present in the translation are also present in the original. Bracketed text indicates translator additions for purpose of increasing clarity.

3. In order to review and administer the use of the Taiwan Ecolabel, TEPA may set up an Ad Hoc Review Committee (the “Review Committee”) to be organized by TEPA personnel according to particular applicant review assignments.
4. Products that may receive a Taiwan Ecolabel shall be designated and announced by the Review Committee.
5. Any company that has obtained a Taiwan Ecolabel user certificate under these Fundamentals shall use the Ecolabel according to the design registered by TEPA, and any distortion thereof or addition of any words thereto is not allowed, provided, however, that the Ecolabel may be enlarged or reduced in equal proportions.
6. The Taiwan Ecolabel shall be monochromatically printed in standard green (PANTONE: color code no. 3415C or blue 100, yellow 80, red 40) provided, however, that a company may adjust the standard green to any other monochrome color in printing the mark depending on the company’s particular packaging design.
7. In the event that the Taiwan Ecolabel is used or copied without first obtaining a Taiwan Ecolabel user certificate in accordance with these Fundamentals, TEPA will publicly announce the name of the unauthorized user and its products and hold the unauthorized user or counterfeiter responsible for civil damages, as well as investigate the unauthorized user or counterfeiter for criminal responsibility under relevant laws.
8. A company applying for use of the Taiwan Ecolabel shall meet the following requirements:
 - (1) The applicant has not been the target of corrective action by environmental protection agencies at any level of government, within one (1) year prior to the application, such as continuous daily fines,

orders to suspend operations, orders to shut down, permit revocation, or criminal punishment;

- (2) The applicant has achieved remarkable results in reduction of waste in the course of acquiring, producing, using or selling raw materials or recovering, clearing away or disposing of waste, and is able to show evidence of:
 - (i) significant reduction in the degree of environmental pollution;
 - (ii) conservation of energy or resources; or
 - (iii) certification to the International Standard of Environmental Management Systems (“ISO 14001”);
- (3) The applicant’s product meets the standard specifications stipulated by TEPA. Where national standards are prescribed for such products, such products are also required to be consistent with such national standards; and
- (4) The quality and safety standards of the applicant’s products meet the requirements set forth in relevant laws and regulations.

9. A company applying for use of the Taiwan Ecolabel shall pay review and inspection fees and submit the following documents:

- (1) An application form in triplicate;
- (2) Three photocopies of the applicant’s company license or for-profit enterprise registration certificate;
- (3) Three photocopies of the applicant’s factory registration certificate;
- (4) A certificate in triplicate issued by the environmental protection

agency in the municipal or county (or city) where the factory is located to verify that within one (1) year prior to the date of application, no measure as set forth in Item 8, subitem 1, has been taken against the applicant;

- (5) Three photocopies of the applicant's enterprise waste disposal plan approved by the responsible agency indicating that the applicant methods and facilities for waste storage, clearing and disposal satisfy relevant laws and regulations or three photocopies of the contract(s) between the applicant's company and the company responsible for the waste storage, clearing and disposal services; the applicant may substitute the aforementioned enterprise waste disposal plan or contract for waste services with the following documents accompanied by a written affidavit issued by the company:
 - (i) proof that an equilibrium between product quantity and quality has been maintained in the production or manufacturing process;
 - (ii) description of enterprise waste reduction plan; and
 - (iii) description of the source, volume and nature of wastes produced by the company.
- (6) Three photocopies of a document verifying that the applicant's waste recycling system and the recycling results achieved by the applicant have satisfied the requirements of relevant laws and regulations; where no waste is produced in the course of manufacturing the applicant's product, the applicant shall submit three copies of a document describing its production process, or submit an affidavit verifying the company's intent to join a collective recycling organization within a specified time period;
- (7) Three photocopies of a document verifying that the applicant's product satisfies relevant specification, quality and safety requirements;

- (8) Three photocopies of a document verifying that the applicant satisfies all the provisions as set forth in the preceding subitems; and
- (9) Other documents as required.

The particular information to be contained in, and the format of, the application form set forth in the preceding provisions of this Item shall be separately promulgated.

10. For the purpose of promoting the use of the Taiwan Ecolabel, TEPA may appoint a nonprofit, non-governmental organization² to be the Executive Body to carry out these activities. The rights and obligations of the Executive Body and TEPA shall be set forth in a separate contract.
11. Per agreement with TEPA, the activities to be carried out by the Executive Body are as follows:
 - (1) propose the criteria or specifications that products should meet to be eligible for the Taiwan Ecolabel;
 - (2) accept and convey (to TEPA) applications for use of the Taiwan Ecolabel;
 - (3) review the qualifications of applicant companies;
 - (4) conduct on-site inspections of the production operations;
 - (5) perform spot checks and product inspections;
 - (6) recommend the granting or suspension of the Taiwan Ecolabel;

² Translators' Note: The "nonprofit, non-governmental organization" mentioned in this Item must be a juristic person.

- (7) carry out activities in connection with the execution or termination of (Ecolabel) contracts with companies, and provide follow-up administration of such contracts;
 - (8) issue Taiwan Ecolabel user certificates;
 - (9) accept applications for reissuance or replacement of Taiwan Ecolabel user certificates; and
 - (10) conduct related activities.
- 12.** In reviewing the relevant documents, the Executive Body may invite experts, scholars, or relevant institutions to visit the applicant's premises, or contract with such experts, scholars or institutions to conduct inspections, if considered necessary by the Executive Body.
- 13.** Upon receipt of any application for use of the Taiwan Ecolabel, the Executive Body shall publicly announce the name and product of the applicant and the applicant's reasons for applying. If, within one (1) month after the announcement, the Executive Body determines that the applicant does not satisfy the provisions set out in these Fundamentals, as verified through an investigation conducted at the initiative of the Executive Body or based on the information provided by a third party, the Executive Body shall issue a rejection recommendation and forward the application and the recommendation to the Review Committee for formal rejection.
- 14.** If, after initial review of the application filed by a company for use of the Taiwan Ecolabel, the Executive Body decides that the application fulfills the provisions these Fundamentals, the Executive Body will submit the application to the Review Committee for approval. If the application is approved by the Review Committee, the Executive Body shall immediately notify the company of the approval, execute a contract with the company within one (1) month of the approval, and issue an Taiwan Ecolabel user

certificate to the company.

15. The Executive Body shall, within two (2) months after accepting an application for use of the Taiwan Ecolabel, make a decision recommending the approval or rejection of such application and forward the application together with its recommendation to the Review Committee for final decision. The preceding time limit may be extended for another two (2) months, if considered necessary. If an application lacks any relevant supporting documents, the company shall be notified only once to supplement such documents within one (1) month; if the applicant does not make the supplements within the stipulated time period, the Executive Body shall recommend that the application be rejected and forward the application together with its recommendation to the Review Committee.
16. The Taiwan Ecolabel user certificate shall contain information such as the company's name and address, the name of the company's statutory representative, the company's business field and the company's product names, the serial number of the Ecolabel user certificate, the reasons for approval of the company's Ecolabel application, and the term of validity of the user certificate.
17. The term of validity of a Taiwan Ecolabel user certificate shall be two (2) years, and application for extension of the term of use of the certificate may be filed four (4) months prior to the expiration of the original term.
- 17.1 The revision of specifications for products eligible for a Taiwan Ecolabel shall be publicly announced at least six (6) months prior to the date that these Fundamentals come into force. The Executive Body shall request that those companies that have acquired Taiwan Ecolabel user certificates in accordance with the pre-revision specifications submit supporting documentation proving that the company's products are consistent with the new specifications between the date of the aforementioned public announcement and the date that the new specifications come into force. The Executive Body shall convey the aforementioned documentary evidence provided by companies to the Review

Committee for consideration. Companies may continue use of Taiwan Ecolabels only after approval by the Review Committee and once the new specifications come into force. The new specifications apply to those companies that apply for use, or extension of the term of use according to Item 17, of a Taiwan Ecolabel during the period between the date of the aforementioned public announcement and the date that the new specifications come into force.

- 17.2** Specifications for products eligible for Taiwan Ecolabels, when inconsistent with the environmental protection concepts mentioned in Item 1, shall be annulled. The annulment decision shall be publicly announced six (6) months in advance of the date that the annulment is effective. After the date of public announcement, no applications based on the annulled specifications shall be accepted. On the date that the proposed annulment is effective, the Executive Body shall inform those companies that are authorized to use Taiwan Ecolabels of TEPA's order to discontinue use of the Ecolabels with regard to those products that were issued Ecolabels based on the annulled specifications.
- 18.** A company applying for extension of the term of use of the Taiwan Ecolabel shall meet the requirements as set forth in these Fundamentals. The applicant need only submit a written application in triplicate and need not submit supporting documentation.
- 19.** In the event of any change in the address of the company or the name of the statutory representative recorded in a Taiwan Ecolabel user certificate, the company shall, within fifteen (15) days after the occurrence of such change, apply to the Executive Body for issuance of a revised Taiwan Ecolabel user certificate.
- 20.** In the event that the Taiwan Ecolabel user certificate is lost or damaged, the exclusive user of the Ecolabel may apply to the Executive Body for issuance of a replacement certificate by submitting a affidavit explaining the cause of loss or damage.

21. A company using the Taiwan Ecolabel shall strictly control the discharge of pollutants in accordance with the provisions of (Taiwan's) environmental protection laws and regulations.
22. The Executive Body may conduct spot checks and inspections on companies using the Taiwan Ecolabel.

If, according to the results of spot checks and inspections as set forth in the preceding paragraph, it is determined that a company does not satisfy the provisions of these Fundamentals or of other relevant laws or regulations, the Executive Body may require that the company rectify the situation resulting in this determination within a specified time period. After the expiration of the specified time period, the company shall be inspected again. If the re-inspection reveals that the company still does not satisfy the relevant provisions, the Executive Body may refer the case to the Review Committee and terminate the contract executed with the company. Such termination shall be publicly announced by the Executive Body.

23. Under any of the following circumstances, the Executive Body shall request that the company using the Taiwan Ecolabel terminate the contract executed between the Executive Body and the company and refer the case to the Review Committee:
 - (1) if the company files an application for termination of the contract;
 - (2) if the company is dissolved or winds up its business operations;
 - (3) if the company's corporate registration certificate, for-profit enterprise certificate or factory registration certificate is revoked or canceled by the Responsible Agency;
 - (4) if the company has failed to comply with the provisions of Item 17.1 or if the company's application was rejected by the Review Committee in accordance with Item 17.1; or

- (5) if the specifications for particular products eligible for the Taiwan Ecolabel have been annulled by TEPA in accordance with Item 17.2.
24. Where a company using the Taiwan Ecolabel has been notified in writing by the Executive Body of the termination of the Ecolabel contract, it shall, from the effective date of contract termination, discontinue the use of the Taiwan Ecolabel and shall surrender its Taiwan Ecolabel user certificate to the Executive Body within ten (10) days after the effective date of termination. If the company delays in surrendering the certificate, the Executive Body shall cancel the certificate by public announcement.
25. A company using the Taiwan Ecolabel shall not reapply for use of the Taiwan Ecolabel after the effective date of termination of its previous contract executed with the Executive Body.
26. A company using the Taiwan Ecolabel shall prepare a monthly consolidated report of the names and quantities of its products affixed with a Taiwan Ecolabel and submit the report to the Executive Body for reference purpose.
27. The Executive Body shall, on a monthly basis, forward to the Review Committee for reference information resulting from the activities performed by the Executive Body, such as the names of companies that have applied for use of the Taiwan Ecolabel, the name of companies that have executed contracts to use the Ecolabel, the applications for Ecolabel use that were approved or rejected, the names of products of companies with regard to which Ecolabel contracts were approved or rejected, the terms of validity of Ecolabels, the results of spot checks performed, and the Ecolabel contracts that were terminated.
28. A company importing products may apply for use of the Taiwan Ecolabel in accordance with the Fundamentals by submitting a supporting document issued by the competent authority of the country from which the products were imported to verify that no significant pollution records exist for the company

within one year before the date of application. Such application may be exempt from the restrictions set forth in Item 8, Subitem 1.

- 29.** The criteria for collecting the product inspection and review fees in connection with applications for use of the Taiwan Ecolabel shall be proposed by the Executive Body and submitted to the Review Committee for approval.
- 30.** These Fundamentals shall become effective and be implemented after having been adopted at a meeting of the TEPA Department Heads and approved by the TEPA Administrator. This procedure shall also apply to the amendment of these Fundamentals.

Appendix

[The Taiwan Ecolabel]