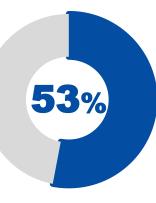
## **Green Claims Directive**

Małgorzata Gołębiewska, DG Environment

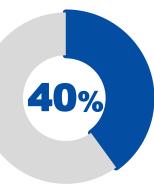
ENV.B1 Circular Economy, sustainable production & consumption



## **Credibility of environmental claims today**

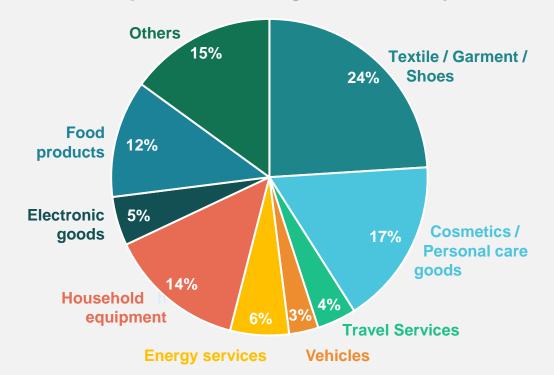


claims provide **vague**, **misleading or unfounded** environmental information on the product



#### of claims are unsubstantiated

2020 inventory on sustainability claims



2020 sweep on misleading sustainability claims



#### What do EU citizens say about green claims?

FA

"The impact of the product on the **environment is important** when making a purchasing decision."

5%

"Companies often make misleading environmental claims, leading customers to believe that their product or service is environmentally friendly."

8%



"To be credible, an environmental label needs to be verified by an independent organization."

#### Amended in 2024:



Bans generic environmental claims e.g. 'sustainable' 'ecological'

*'climate neutral'* 

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Bans environmental labels not based on certification schemes

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'ecological' 'climate neutral' Bans environmental labels not based on certification schemes Requires future performance claims to be based on implementation plan with targets, allocation of resources & regularly verified by independent 3<sup>rd</sup> party

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'ecological' 'climate neutral' Bans environmental labels not based on certification schemes Requires future performance claims to be based on implementation plan with targets, allocation of resources & regularly verified by independent 3<sup>rd</sup> party

Bans claiming that products have neutral, reduced or positive impacts **if based on GHG emissions offsetting** 

## Scope of the proposal

Green Claims Directive – complementary to Unfair Commercial Practices Directive (amended)

- ✓ <u>how</u> companies should back environmental claims
- ✓ **business-to-consumer** commercial communication
- × does <u>not</u> apply to environmental claims regulated by **other EU rules** (e.g. organic label)

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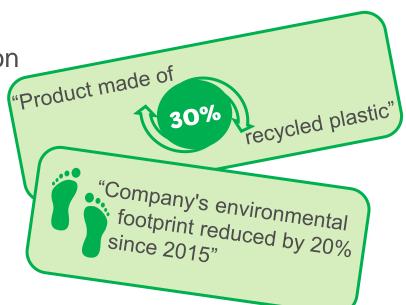
- ✓ <u>how</u> companies should back **environmental claims**
- ✓ **business-to-consumer** commercial communication
- × does <u>not</u> apply to environmental claims regulated by **other EU rules** (e.g. organic label)

#### Definition of an 'environmental claim'

- Not mandatory- i.e. only voluntary and explicit
- Any message or representation in a commercial communication text, pictorial, graphic, symbolic representation
- states or implies positive or no impact on the environment;

less damaging to the environment than others;

or improved impact over time.





## **Substantiation of environmental claims**

- Rules on substantiation of claims:
  - widely recognised scientific evidence / relevant international standards
  - demonstrates significance of the claim from a life-cycle perspective
  - identifies trade-offs between impacts



## Substantiation of environmental claims

#### Rules on substantiation of claims:

- widely recognised scientific evidence / relevant international standards
- demonstrates significance of the claim from a life-cycle perspective
- identifies trade-offs between impacts
- transparent on GHG offsets: high integrity & correct accounting of climate impacts
  - secondary legislation to set further rules taking account of other legislation NB. Climate neutrality claims on products <u>based on offsetting</u> banned under Unfair Commercial Practices Directive

Exemption for microenterprises from substantiation requirements on claims unless they chose to opt in

## **Communication of environmental claims**

- Rules are complementary to consumer protection framework
- Communicate only on what has been substantiated

L	

Information on substantiation to be made available to consumers on product / weblink / QR code



Exemption for microenterprises from communication requirements on claims unless they chose to opt in



## **Regime for environmental labelling**

#### Avoid the proliferation of schemes & reinforce the trust in existing ones

- > All labels to be based on certification schemes with independent & transparent governance
- Labels presenting **aggregated scoring** of overall impact allowed if developed under EU law



New public schemes allowed in the EU *if set up at EU level* 



New private schemes allowed only if added value can be demonstrated to national authorities



New 3<sup>rd</sup> country schemes (public or private) allowed if added value can be demonstrated to EU or national authorities

# Verification of environmental claims & labels

Ex-ante verification by independent & accredited verifiers competent to certify that substantiation & labelling schemes meet the requirements

- Certificate of conformity recognised across the EU
- Microenterprises can opt-in for verification of claims

#### **Support to SMEs**

- EU flanking measures & acquisition of high-quality data sets (useful to assess value chains)
- Member States:
  - raising awareness of ways to comply
  - financial support
  - access to finance
  - technical assistance



## **Green Claims Directive – State of play**

- Adoption by the Commission March 2023
  - Proposal in co-decision with European Parliament & Council
    - European Parliament first reading position in March 2024
    - Council general approach adopted in June 2024
  - Adoption of the Directive by the European Parliament & Council expected 2025
  - Transposition of the Directive by Member States- 18 months after adoption\*
- **Application of the Directive** 24 months after adoption\*

# **Thank You**



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