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In its 2019 communication on the European Green Deal, the Commission announced legislative and non-legislative efforts to reduce the risk of false green claims ('green washing'), including by requiring companies to substantiate environmental claims about their products with a standard methodology to assess their impact on the environment. This would provide consumers and other buyers with reliable, comparable and verifiable information on environmental impacts of products. The Commission specified its plans in the 2020 new Circular Economy Action Plan, by announcing that it would present a legislative proposal to require environmental claims to be substantiated by using the EU Product and Organisation Environmental Footprint (PEF and PEO) methods, developed by the Commission's Joint Research Centre.

The two environmental footprints measure 16 environmental impacts for a number of product groups and economic sectors, throughout their life cycle. The PEF has so far been developed, for instance, for beer, dairy, dry pasta, packed water, decorative paints, leather, T-shirts and thermal insulation, while the PEO exists for retail and copper production. The proposal would tie into the legislative proposal on empowering consumers for the green transition, legislative proposal for a sustainable product policy initiative and the new mandatory green public procurement criteria.

On 20 July 2020, the Commission published an inception impact assessment for a legislative proposal on substantiating green claims, planned for the second quarter of 2021. The public consultation took place from 27 August to 3 December 2020. The proposal has since been postponed several times.

Parliament adopted on 25 November 2020 a resolution on a sustainable single market for business and consumers. The resolution welcomes the announced legislative proposal on substantiating green claims and calls for the development of clear guidelines and standards for green claims and commitments translating into strengthened eco-label certifications. It also recommends assessing the possibility for the establishment of a public European register listing authorised and banned environmental claims, as well as the conditions and steps to be made to assert a claim.

The Commission put forward a proposal for a directive on substantiation and communication of explicit environmental claims ('green claims directive') on 22 March 2023.

The proposed directive would establish minimum requirements on the substantiation and communication of voluntary environmental claims and environmental labelling in business-to-consumer commercial practices, without prejudice to other EU legislation setting out conditions on environmental claims for certain products or sectors.

The proposal would require that the substantiation of explicit environmental claims is based on an assessment that relies on recognised scientific evidence and state of the art technical knowledge; demonstrates the significance of impacts, aspects and performance from a life-cycle perspective; takes into account all aspects and impacts to assess the performance; demonstrates

whether the claim is accurate for the whole product or only for parts of it (for the whole life cycle or only for certain stages, for all the trader's activities or only a part of them); demonstrates that the claim is not equivalent to requirements imposed by law; provides information on whether the product performs environmentally significantly better than what is common practice; identifies whether a positive achievement leads to significant worsening of another impact; requires greenhouse gas offsets to be reported in a transparent manner; and includes accurate information.

It would also set up specific requirements for comparative claims.

Different types of claims would be needed for different levels of substantiation. The proposed directive would not require a single method nor conducting a full life-cycle analysis for each type of a claim.

The proposed regulation would also introduce requirements on the communication of environmental claims. For instance, all claims would have to cover only the environmental impacts, aspects or performance that were assessed in accordance with the substantiation requirements.

Microenterprises (fewer than 10 employees and with an annual turnover not exceeding €2 million) would be exempted from some requirements.

It would also include provisions on environmental labels and labelling schemes. In particular, it would introduce a validation procedure for new schemes established by private operators (that should be assessed by national authorities).

There would be an ex-ante verification of environmental claims and labelling schemes by an officially accredited independent body.

Some provisions would ensure that small and medium sized enterprises would receive help, including financial support, access to finance, specialised management and staff training as well as organisational and technical assistance. The proposal also includes a number of provisions on enforcement.

In the Parliament, Andrus Ansip (Renew, Estonia) was appointed Rapporteur in the Committee on the Internal Market and Consumer Protection (IMCO, lead committee). The proposal was discussed in IMCO on 23 May.

References:

- European Parliament Legislative Observatory, [Procedure file on substantiation and communication of explicit environmental claims \(Green Claims Directive\)](#), 2023/0085(COD)
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- European Commission, [Have your say - Environmental performance of products & businesses – substantiating claims](#)
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- European Commission, [A new Circular Economy Action Plan: For a cleaner and more competitive Europe](#), COM(2020)98
- European Parliament, [Resolution of 25 November 2020 Towards a more sustainable single market for business and consumers](#), 2020/2021(INI)
- European Parliament, [Resolution of 10 February 2021 on the New Circular Economy Action Plan](#), 2020/2077(INI)
- European Commission, [Inception impact assessment on a legislative proposal on substantiating green claims](#), 20 July 2020

Further reading:

- European Parliament, EPRS, [Sustainable consumption: Helping consumers make eco-friendly choices](#), Briefing, October 2020

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