## **Green Claims Directive**

Proposal for a Directive of the European Parliament and of the Council on substantiation and communication of explicit environmental claims

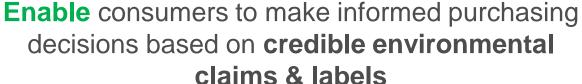
Małgorzata Gołębiewska, DG Environment

Directorate ENV.B Circular Economy ENV.B1 Circular Economy, sustainable production & consumption



### Why set requirements on environmental claims?

Protect consumers and companies from greenwashing



Boost the competitiveness of economic operators that make efforts to increase their environmental sustainability

Improve legal certainty & level the playing field on the Single Market



Accelerate the green transition towards a circular, clean & climate neutral economy

## Scope of the proposal

- **▶ Lex specialis** to **Unfair Commercial Practices Directive**
- (& Empowering Consumers for the Green Transition)
  - ▶ also covers *business-to-consumer* commercial communication
  - ► applies only to voluntary explicit environmental claims
- Definitions aligned with consumer protection framework
- ► Does not apply to environmental claims regulated by other Union rules (existing or future)

#### Environmental claim:

Any message or representation, which is <u>not</u> <u>mandatory</u> under Union law or national law, including text, pictorial, graphic or symbolic representation, in any form, including <u>labels</u>, <u>brand</u> <u>names</u>, company names or <u>product names</u>, in the context of a commercial communication,

which states or implies that a product or trader has a positive or no impact on the environment or is less damaging to the environment than other products or traders, respectively, or has improved their impact over time.

 Proposal Empowering consumers for the green transition





#### **Substantiation of environmental claims**

#### Rules on substantiation of claims:

- ► backed by widely recognised scientific evidence & takes into account relevant international standards
- demonstrating that the claim addresses significant environmental issues from a lifecycle perspective
- identifying trade-offs between impacts
- ➤ transparent on offsets: separate from own reductions, if concern reductions / removals, high integrity & correct accounting of climate impacts
- use of accurate information: primary data for env impacts/aspects/performance subject to the claim when available to the trader, and representative secondary data
- identifies if common practice or imposed by law

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



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
  - ► Based on <u>certification</u> schemes with **independent & transparent governance**
  - ▶ Ban of labels presenting aggregated scoring of overall impact to be developed under EU law







## 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 to finance 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



# Product Environmental Footprint (PEF) in the Green Claims Directive





### **Substantiation of environmental claims**

- Reliable claims need credible & proportionate substantiation:
  - ➤ PEF is an appropriate method to comply with the requirements of the GCD (claims on environmental impacts and environmental footprint)
    - Recital 17: PEF can support claims that consider the life-cycle of the product provided they are complete
    - Recital 24: PEF can support claims on specific life-cycle environmental impacts covered by the EF methods provided they are complete for the product
    - Recital 26: PEF does not assess the life-cycle environmental impacts related to the release of microplastics, some positive externalities of extensive farming, impacts on depletion of fish stocks.
    - Recital 27: PEF can support comparative claims as it ensures that for products with very different raw materials, uses and process chains the most relevant stages of the life-cycle are taken into account.
  - ►EC empowered to adopt product category rules via delegated acts (DA)



#### **Future database**

- ► Financial contribution for the development of a database:
  - ➤ The financial fiche accompanying the proposal for the GCD includes budget for the development of a large database with a different intellectual property regime
  - ➤ EC already started working and launched a contract to explore the different ways of this database governance: industry cooperation, IPR regimes, minimum quality requirements for the EF datasets, etc.
  - Industry should be pro-active in the development of EF compliant datasets that can be used in a PEFCR

## Thank You



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