



## INDUSTRY STATEMENT

Enable the Green Transition with a harmonised, reliable and workable framework for Green Claims

22 February 2024

***Industry calls on the European Parliament to ensure the adoption of a clear and feasible framework for the substantiation and verification of environmental claims. A poorly designed framework will hinder the achievement of the EU climate and environmental objectives, as it will not empower consumers to make more sustainable choices and will disincentivise traders from making investments in sustainable innovation.***

As ever, our associations are committed to ensuring consumers are provided with trustworthy, relevant and transparent information about the sustainability of the products and services they choose. Communicating the sustainability profile of the business, or its products, to consumers is a powerful motivation for traders to continue innovating and investing in greener solutions. The ability to inform the consumer about progress achieved with new developments or innovations, which meet their expectations, is crucial. **It is a catalyst for the European industry to remain competitive and innovative in the green transition.**

We therefore support the objectives set by the European Commission’s proposal for a Green Claims Directive. Together with the proposal on Empowering Consumers for the Green Transition, the new rules will be key to fighting greenwashing practices and creating a level playing field (and legal clarity) among traders.

**A step in the right direction to establish a verification framework that is workable, practical and enforceable**

The framework proposed by the European Commission would establish a claim-by-claim approval, to be set up by Member States, without indication of the timings for the approval of claims. This could hamper internal trade across the EU, as there would be 27 different approval systems established. Considering the high number of claims and labelling schemes to be certified, the procedure risks becoming burdensome and costly and, most importantly, delaying the use of claims, directly impacting the purchasing decision of consumers. This will act as a disincentive for all traders, whatever size of business, if the communication becomes overly burdensome or costly or cannot be made at all.

We thus support the intention of the European Parliament’s compromise proposal which empowers the European Commission to establish, through secondary legislation, **simplified or shortened procedures and a presumption of conformity for certain environmental claims.** We also support the introduction of a **deadline for verifiers to complete the certification process,** which will provide certainty for traders.

However, the actual measures to implement these intentions have been moved to secondary legislation. Thus, **crucial elements aimed at preventing verification bottlenecks, ensuring verification requirements proportionate to the nature of the claim, and guaranteeing that consumers receive sustainability information may not materialise for years to come,** representing a lost opportunity for the objectives of the Green Deal.

## A missed opportunity to ensure full harmonisation of the procedures and balance the authority conferred to the verifiers

We regret the missed opportunity to ensure the full harmonisation of the procedures, costs and transition periods established in the proposal, which risks fragmenting the Single Market with the creation of 27 different systems. Moreover, the text should balance the authority provided to the verifier by mandating the **establishment of an independent review panel, allowing traders to challenge decisions where a certificate of conformity is denied by the verifier.**

## Without clear and proportionate rules for the substantiation of claims, even a well-designed and enforceable verification system will falter

Clear substantiation requirements will be crucial for all parties involved: they will guide traders in assessing environmental claims and will enable verifiers and national authorities to conduct the evaluation and enforcement. The **lack of definition of ‘lifecycle perspective’ mentioned in Article 3(1)(c), could lead to divergent interpretations among traders, verifiers and national authorities.** Without such clarity, the substantiation of claims related to environmental aspects, which should be based on supplier documentation, may unnecessarily necessitate costly and time-intensive lifecycle assessment (LCA) studies. Claims related to an environmental impact of a product (e.g., reduction of GHG emissions) require a significantly higher investment than claims focusing on a specific environmental aspect (e.g., recycled content). The related cost can vary significantly, from the estimated EUR 500 for a claim related to an aspect, to EUR 8000 for a claim related to an environmental footprint of a product<sup>1</sup>. This ambiguity would also be in contradiction with the Parliament’s suggestion to establish a simplified procedure for environmental claims that do not require a full life-cycle analysis. **The lack of clarity in the substantiation requirements risks unnecessarily increasing costs, delaying the substantiation and verification process and disincentivising traders from investing in the innovation of the environmental aspects of their products.**

## Ultimately, no claim will be made in absence of legal clarity on the applicable rules for the substantiation

Preserving the legal hierarchy defined in the European Commission’s proposal is essential to provide traders with full clarity on the applicable rules for the substantiation of environmental claims. **The removal of the reference to product-specific legislation such as the Packaging and Packaging Waste Directive, along with the empowerment of the Commission to amend the list referred to in Article 1(2) through delegated acts, will lead to uncertainty for traders and national authorities regarding the rules to be applied and enforced.** This will inevitably prevent traders from making claims, thereby depriving consumers of crucial information.

In conclusion, **as legitimate industry players, we need a well-designed and implementable green claims framework that will enable the achievement of EU climate and environment objectives and empower consumers to make more sustainable choices.** The framework needs to ensure environmental claims are properly substantiated with a viable approach for both traders and Member States, with clear, harmonised procedures. **The proposed text under consideration in the European Parliament needs to be evaluated holistically, to ensure the framework promotes, rather than curtails, the green transition.** We would welcome the opportunity of an open and transparent dialogue to ensure a future-proof practical and workable framework, for both traders and verification authorities.

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<sup>1</sup> [Impact Assessment for the European Commission’s proposal for a Green Claims Directive.](#)

## Signatories



ACE, The Alliance for Beverage Cartons and the Environment



AIM, European Brands Association



A.I.S.E, International Association for Soaps, Detergents and Maintenance Products



AmCham EU, American Chamber of Commerce to the EU



Cosmetics Europe



EUROPEN, The European Organisation for Packaging and the Environment



FESI, Federation of the European Sporting Goods Industry



FoodDrinkEurope



NATRUE, the International Natural and Organic Cosmetic Association



TIE, Toy Industries of Europe