

Green claims initiative

DG ENV.B1



European Green Deal – 12/2019

Reliable, comparable and verifiable information also plays an important part in enabling buyers to make more sustainable decisions and reduces the risk of 'green washing'. Companies making 'green claims' should substantiate these against a standard methodology to assess their impact on the environment.

Circular economy action plan – 3/2020

***The Commission will propose that companies substantiate their environmental claims using Product and Organisation Environmental Footprint methods.** The Commission will test the integration of these methods in the EU Ecolabel and include more systematically durability, recyclability and recycled content in the EU Ecolabel criteria.*

The review of the Ecodesign Directive as well as further work on specific product groups, under the Ecodesign framework or in the context of other instruments, will build, where appropriate, on criteria and rules established under the EU Ecolabel Regulation, the Product Environmental Footprint approach and the EU GPP criteria.

Why do we talk about green claims?

No of ecolabels worldwide

430 → 458
2013 2020
~232 in the EU

54%

Consumers wanted to make more sustainable choices at the beginning of the COVID pandemic

56%

of consultation respondents encountered misleading claims

4% filed a complaint

80

Leading initiatives on GHG reporting

40-60%

Percentage of consumers who would pay more for products with better environmental performance

61%

Consumers find it difficult to understand which products are environmentally friendly

74%

Businesses use more than two methods to measure environmental performance

€5,000 - €2million
Cost of methods/initiatives used

68%

Growth of assets under green funds in last three years (ref. yr 2018)

44%

Consumers do not trust environmental information

Acting on green claims

Strengthen the internal market and unlock opportunities for the circular and green economy

Claims made on environmental performance are based on reliable, comparable, verifiable information

Minimise additional environmental burden for businesses generating information

GREEN CLAIMS (DG ENV)

Environmental claims are not reliable, comparable and verifiable

Companies face obstacles in leveraging their environmental performance on the internal market

CONSUMER LAW (DG JUST)

Consumers lack information to contribute to the green transition

Consumers face misleading practices preventing them from contributing to the green transition

Substantiation requirements
More methodological coherence

Strong safety net for sustainability claims
Specific measures
(early obsolescence, repair)

Why EF methods?

Cannot use LCA systematically
in policy making



Same product

BUT

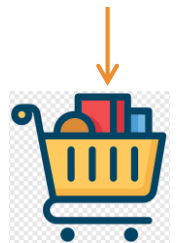


Different results

We need information that is **reproducible**, **comparable**, and **verifiable**

Features of the EF methods

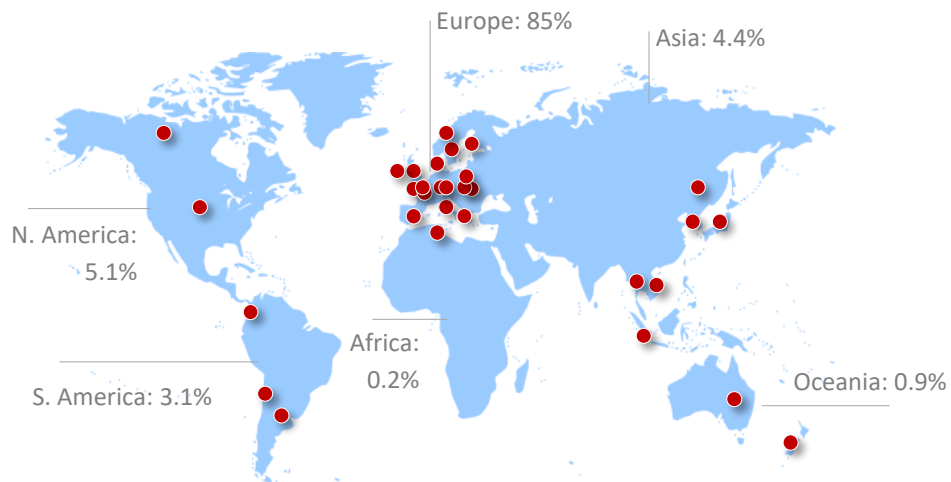
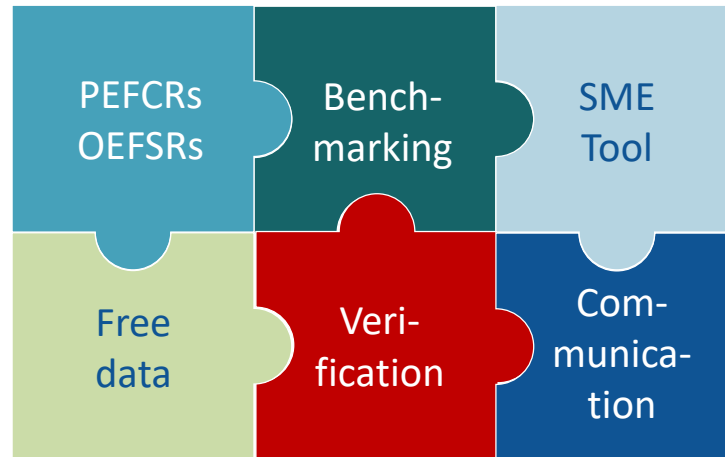
- **Avoid trade-offs** between different value chain steps and between different environmental impacts (life cycle approach)
- **Tested** between 2013-18 with more than 250 leading stakeholders and more than 2000 stakeholders following the process
- **Based on international** best practice approaches BUT
 - Reproducible: methodological choices taken in method/ product- and sector-specific rules (PEFCRs/ OEFSRs) – this also leads to simplification
 - Materiality-driven: focus on the processes that are driving the environmental impact of a product/ organisation
 - Comparable: when PEFCRs exist, specific products' performance is comparable to a benchmark (average environmental performance)
 - Reliable: best practice methodological solutions discussed with experts and stakeholders, minimum verification requirements included in the method
 - Agreed: methodological choices taken based on input from experts (business, academia, public administrations, NGOs)
 - Less cost: Where secondary impact data is used, available for free to PEFCR/ OEFSR users



A living method

- Resource dissipation (further workshops in Q1 2022)
- Agricultural working group (TAB): biodiversity, pesticides, fertilizers, feed digestion and manure management, water use, primary data collection/quality for farm related activities.
- Data working group: update of the EF reference package, advanced documentation requirements for dataset reviewers, proposal for a new and more specific set of requirements for reviewer qualification and guideline on review process and method
- Working groups will finish their work during 2022

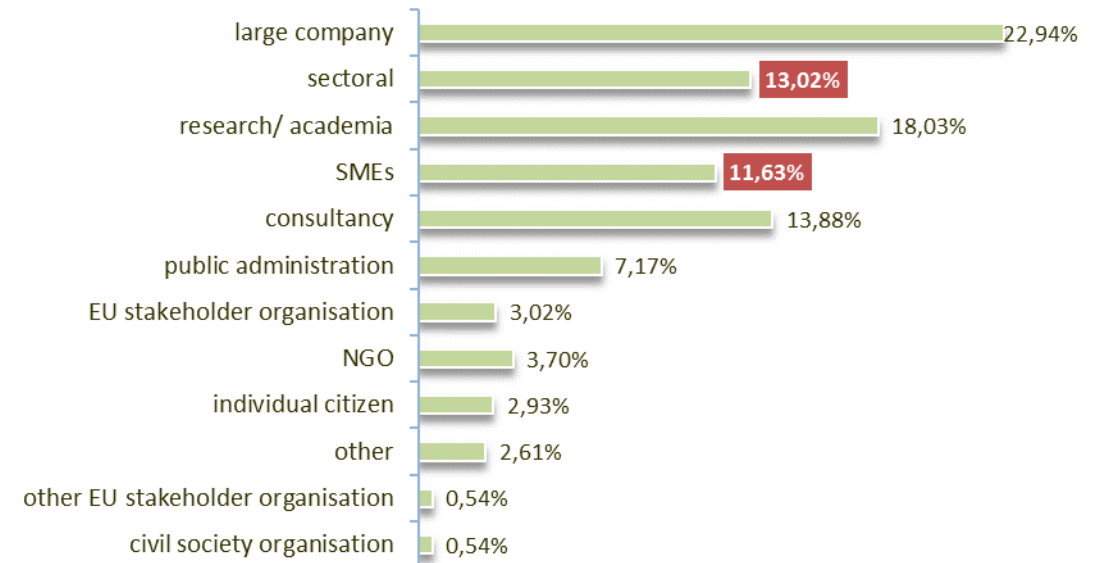
The pilot phase (2013-18)



Stakeholders in the world (● = leading stakeholders)

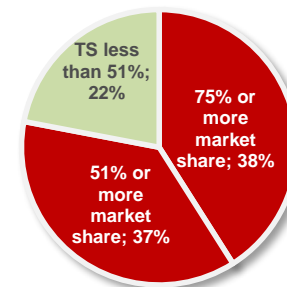
Participants (27 pilots):

2219 individual stakeholders (5703 participations)















267 leading stakeholders in the 23 active pilots


The EU market is behind the pilots:
73% of pilots have the majority of
industry in the lead



PEFCRs/ OEFSRs

Finalised PEFCRs

	Batteries and accumulators		Liquid household detergents
	Decorative paints		Metal sheets
	Hot & cold water pipe systems		Photovoltaic electricity generation
	Intermediate paper products		Thermal insulation
	IT equipment		T-shirts
	Leather		Uninterrupted power supply

	Beer		Pet food
	Dairy products		Pasta
	Feed		Wine
	Packed water		Olive oil (pending)

Ongoing PEFCR development

	Apparel
	Cut flowers and potted plants
	Flexible packaging
	Synthetic turf
	Marine fish

Finalised OEFSRs



Retail sector



Copper sector

Options landscape – green claims



- **Baseline:** No modification to the Recommendation and no further action.
- **Updating** the EC Recommendation with results from 2013-18 pilot phase; include recommendations on how to communicate results, how to develop PEFCRs/ OEFSRs...
- **Voluntary Environmental Footprint scheme:** legislation establishing a voluntary framework based on the PEF and OEF methods – existing methods/ initiatives are not affected

Options landscape – green claims

- **Legislation on green claims:**

requiring companies making green claims to substantiate them based on the Product and Organisation Environmental Footprint methods (PEF/ OEF). Substantiation via PEF category rules/ OEF sector rules (if existing) or the PEF/ OEF method (if no product- or sector-specific rules)

- Only claims covered by the method or product-/ sector-specific rules (e.g. claims on climate change covered, repairability not covered)

Consultation activities



2018-19

- Targeted consultation (224 respondents)
- Public consultation (291 people) – section on EF of the consultation on the product policy framework for CE
- Stakeholder workshop (88)
- Final conference (456)

2020

- Feedback on the roadmap (20 July – 31 August, 193 responses)
- Open public consultation – ended 3 December 2020
 - Questions for the general public
 - Questions for experts
 - Stakeholder workshops (November 2020)
- Foreseen adoption: 2021

Uses of the EF methods - examples

- ✓ Definition of thresholds for classes of performance for products
 - *E.g. carbon footprint thresholds by **Batteries Regulation** proposal*
- Tracking environmental performance
 - *E.g. the delegated act on climate mitigation under the **Taxonomy regulation***
- ✓ Hotspot identification along the value chain, steering innovation
 - *E.g. use in **EU Ecolabel** to identify hotspots (background to criteria definition)*
- ✓ Communication of environmental profile and labelling / reporting
 - *E.g. options under the **Green claims initiative***

