

Consumer market study on environmental claims for non-food products

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The expressions “environmental claims” or “green claims” refer to the practice of suggesting or otherwise creating the impression that a product is environmentally friendly or is less damaging to the environment than competing products. This may be due to, for example, its composition, the way it has been manufactured or produced, the way it can be disposed of and the reduction in energy or pollution which can be expected from its use. When such claims are not true or it cannot be verified that they are true, this can be described as ‘greenwashing’⁽¹⁾.



Why a study on environmental claims?

Rising consumption around the globe has increased pressure on the environment and created greater competition for resources. Reaching the EU climate, energy and resource efficiency targets depends also on consumer engagement. But for consumers to be able to make informed choices, businesses need to ensure that **environmental claims are clear, accurate and reliable**, in accordance with the Unfair Commercial Practices Directive (UCPD). This is also a prerequisite for the market for ‘green’ or environmentally-friendly products to function properly.

Green products have the advantage of combining societal benefits of reduced environmental damage with higher satisfaction of consumers. There can be also relevant economic benefits for consumers, notably through more efficient use of resources, energy savings or a longer lifetime of products.

A report of the **Multi-stakeholder Dialogue on Environmental Claims** pointed to different challenges in this area⁽²⁾. As a follow-up, the European Commission undertook an **EU-wide study** to examine: the presence of environmental claims in different markets, aspects of consumer understanding and behaviour, the level of compliance with EU legal requirements, and different enforcement and self-regulatory instruments in a selection of EU and third countries.

⁽¹⁾ 2009 Guidance Document on the application of the Unfair Commercial Practices Directive 2005/29/EC

⁽²⁾ http://ec.europa.eu/consumers/archive/events/ecs_2013/docs/environmental-claims-report-ecs-2013_en.pdf

Key findings of the study

- Environmental claims are **widespread** on both product packaging and in advertising. **76 % of all the products assessed in shops contained an environmental claim**, i.e. a message or suggestion that a product, or its packaging, has certain environmental benefits.
- Most of the environmental claims take **the form of a logo**, however also many textual messages as well as more implicit environmental claims (such as images and colours) were found.
- Consumers have a **low level of understanding** of green claims. 61 % of consumers state that they find it difficult to understand which products are truly environmentally friendly, and 44 % indicate that they **do not trust** this type of information. Consumers also appear unable to understand the meaning of environmental logos, and make no distinction between non-certified (self-declarations) and third party certified labels.
- Almost 60 % of the respondents stated that they prefer to buy a product with an environmental label. Half of the consumers also **look specifically for environmental information** on the packaging when purchasing a product.
- A sample of claims was analysed against the Unfair Commercial Practices Directive to determine whether consumers are provided with clear, accurate and reliable information in relation to environmental claims in non-food products. Overall, the assessment pointed to **possible non-compliance** with EU legal requirements, as many of the analysed claims used vague terms and did not meet the requirements of accuracy and clarity. In addition, some claims seemed to contain untruthful statements.
- In several EU countries (such as CZ, DK, FR, FI, UK), **guidelines** on environmental claims have been published by public authorities, providing businesses and authorities with **best practices** for making and enforcing such claims. By providing businesses with best practices and guidelines, misleading claims can be **prevented** up front rather than being prohibited at a later stage.
- **There is room for improvement on enforcement** of environmental claims. Proactive surveillance or inspections are rather limited and in some cases inspectors have a limited knowledge about how to correctly interpret the Unfair Commercial Practices Directive with reference to environmental claims.

Study recommendations and next steps

The study includes a range of **recommendations for the short, medium and longer term** with the overall aim of assisting and encouraging consumers to be able to make sustainable purchasing choices. It includes recommendations on: a) the update of the Commission's UCPD Guidance document, b) strengthening of enforcement of environmental claims, c) consumer education and awareness campaigns and d) legal initiatives.

As a follow-up to the study, the **Multi-stakeholder Dialogue on Environmental Claims** is developing multi-stakeholder advice to support the implementation/application of the UCPD in this area. This work will be feeding into the **review process of the Commission's UCPD guidance document**.

Background

The **Unfair Commercial Practices Directive (UCPD)** provides a legal basis to ensure that traders do not present environmental claims in ways that are unfair to consumers. The Directive does not provide specific rules in relation to environmental claims. However, its provisions apply to all claims made in the context of business-to-consumer commercial practices, including those related to the environment. Generally speaking, in order not to be misleading, green claims should reflect a real environmental benefit or improvement and be communicated in a precise manner to consumers. It provides protection for consumers where there is no specific sectorial legislation at Community level.

The European Commission launched in 2012 a **Multi-stakeholder Dialogue on Environmental Claims** (MDEC) with representatives of national authorities, European business organisations, consumer associations and environmental NGOs, with the purpose to provide a better understanding of the use of environmental claims and to assess the scope of the problem of misleading environmental claims. The MDEC group also aims at building a common understanding concerning the application of the UCPD as regards environmental claims also with a view to achieve a uniform implementation and enforcement throughout the EU.

Related documents

2013 Report from the Multi-stakeholder Dialogue on Environmental Claims:

http://ec.europa.eu/consumers/archive/events/ecs_2013/docs/environmental-claims-report-ecs-2013_en.pdf

Unfair Commercial Practices Directive 2005/29/EC:

<http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32005L0029&from=en>

2009 Guidance document on the implementation of the Unfair Commercial Practices Directive 2005/29/EC:

http://ec.europa.eu/justice/consumer-marketing/files/ucp_guidance_en.pdf

