

Cefic views on the Green Claims Directive

The chemical industry is strongly committed to bringing safe products to the market that also have a reduced environmental impact. Cefic wants to collaborate with the European Commission and the entire value chain to make the Green Claims Directive effective in product differentiation and providing accurate information to consumers while ensuring a level playing field for all players across the industry, including SMEs.

Cefic appreciates the approach establishing quality criteria to assess and communicate green claims while allowing companies the freedom to substantiate claims using different methodologies, as a mechanism to promote innovation that can reduce environmental impact. Provided that safe use is assured, products containing hazardous substances should be able to qualify for environmental claims, especially if they yield environmental benefits.

Focus on products that are safe and offer superior environmental performance

The core purpose of the Green Claims Directive is to act as a tool to phase out all forms of greenwashing and enable consumers and market participants to make informed choices based on **reliable, comparable, and verifiable data**. We fully support this objective.

However, this principle is not fully reflected in Article 21(3)b of the proposal. This provision stipulates that within five years from the date of transposition of this Directive, the Commission will assess this Directive to consider a ban on environmental claims for products containing hazardous substances, except where the use is essential to society (in line with the Commission criteria). Cefic believes that this evaluation must encompass a comprehensive assessment on the substance role within the product and its overall safety. It is important to keep in mind that according to ECHA, over 70 % of all substances placed on the market qualify for some form of intrinsic hazard as defined in the Classification, Labelling and Packaging (CLP) Regulation.

Disallowing green claims in the mere presence of hazardous substances fails to recognise an important aspect: certain substances can **offer superior environmental performance while still being used safely**. We consider that green claims should be allowed when a product contains hazardous substances, provided safe use can be demonstrated. This is particularly important when these substances bring **environmental benefits**, such as **lifetime extension, energy-saving applications** (including those during the use-phase), lightweight design applications, and more.

Finally, we believe that this proposal should avoid referring to criteria or concepts that have not been developed yet, such as any references to “**essential use of hazardous substances for society**” as to date, there are **no official criteria for essential use**.

Align the methods used for green claim substantiation with international standards

Cefic appreciates the approach taken by the Commission to **include the possibility of using internationally recognised methodologies to calculate and communicate the environmental impact** of a product. This approach facilitates the use of existing information and tools to support the substantiation of green claims by allowing **accredited third-party certifications**. Cefic sees as beneficial the use of existing standards such as the ISO 14020 series on environmental labels and declarations or ISO 14026, which focuses on communication regarding life cycle assessment (LCA) information, along with ISO 14071, which provides the principles and framework for conducting an LCA. It is also very important that the Directive keeps the door open to the use of new methodologies to foster scientific progress and technological innovation.

Review the PEF methodology to incorporate the use of recycled waste, biomass and carbon capture

For the future, Cefic recommends enhancing the robustness of the PEF methodology by supporting the **utilisation of circular feedstock**, such as feedstock coming from **recycled waste, biomass and carbon capture** as described in the Transition Pathway for the Chemical Industry. We therefore recommend to, i.a. adapt the Product Environmental Footprint methodology to **account for biogenic carbon uptake**.

Furthermore, we recommend considering the ongoing developments in the **ISO/TC 308/WG 2 “Mass balance and book and claim”** for further integration of the mass balance approach in the Product Environmental Footprint methodology. Additionally, we encourage the Commission to revise the methods used to assess **toxicity and ecotoxicity** in the PEF to reflect latest advancements.

Finally, to maintain stakeholder involvement, a clear pathway is needed, specifying the approach and timeline for addressing methodology adjustments and involving relevant experts like the Technical Advisory Board (TAB) and the carbon removals expert group.

Significantly better performance and efficient verification mechanism

Cefic supports the general advertising law rule that requires claims not to refer to attributes common to all products, services, or traders in the relevant sector. However, Article 3(1)(f) requires traders to demonstrate “significantly better” performance than what is common practice in the market/sector, i.e., competing products, which would require access to detailed **primary data of competitors**, typically **not publicly available**. This presents considerable practical challenges and is exceedingly difficult to achieve, if possible at all. Such a requirement would **disincentivise investments** in improving the environmental profile of products, which runs counter to the fundamental objectives of the Directive.

We would like to highlight another practical difficulty related to the verification mechanism (Article 10). The Directive proposal requires that a “verifier” approves the environmental claim **before it is made public**. This is a significant change to the current practice that could have many implications, including potential delay to timely communicating environmental claims on new green innovations to consumers. A **fast and flexible mechanism that avoids delays** is needed instead.

Directive transition period

Article 25 stipulates that Member States must transpose the Directive into their national legislation within 18 months after its entry into force. The new rules and administrative provisions are expected to take effect 24 months after the Directive enters into force. However, this leaves Member States with a mere 6 months to accredit verifiers capable of verifying a substantial number of claims, labelling schemes, and certification requests submitted by traders from all economic sectors. This is too short for what is an extensive administrative process. It will undoubtedly result in delayed verification procedures and the potential discontinuation of environmental claims due to the excessively short transition period. Therefore, Cefic recommends extending the envisaged transition period with provisions taking effect **no less than 30 months (12 months after the transposition deadline)** from the date of entry into force.

Proportionate enforcement

Cefic understands that the Commission wishes to link the level of fines with companies’ financial capacities to increase deterrence. However, fines should at all times **remain proportionate and calculated in a fair manner**. When defining fine levels based on turnover, for the same infringement, companies with **low margins** will be much **more impacted than companies with high margins**. This regime will thus inevitably result in unfairness in the penalties imposed for comparable offences. The logic for the percentage level is also unjustified. This is why we strongly recommend removing the obligation for Member States to provide for a minimum threshold for the maximum level of fines based on a percentage of the annual turnover of the trader.