

AIM POSITION

Legislative proposal on substantiating green claims

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AIM, the European Brands Association, welcomes the Commission's initiative to tackle "green-washing" so as to ensure the continuing veracity and relevance of product claims related to environmental attributes, create a level playing field for companies and allow for informed consumer choices. We strongly support the Commission's assertion that "green claims" must be substantiated by appropriate scientific data.

I. We support LCA-based approaches based on robust, commonly recognised and science-based methodologies for substantiating green claims

Companies wishing to make claims about the environmental profile or performance of their products and services should have the **option to substantiate their green claims through commonly recognised Life-Cycle Analysis (LCA) approaches**, provided that these are based on robust and science-based methodologies and the international ISO standards. Any such claims would require the use of a well-documented methodology that is available for critical, objective evaluation and that the underlying data and used method can be made available for scrutiny and review by a competent, independent, third party. We therefore would suggest that the European Commission defines, together with industry, minimum standards and requirements for LCA methods that can be used to substantiate environmental claims. This is particularly important for companies operating on a global level.

We equally believe that the Product Environmental Footprint (PEF) is one of these methods and could represent a valid opportunity to harmonise the way green claims are made. However, it must be recognised that it is not the only existing methodology and if it was to become the sole means by which to substantiate green claims, it would restrict the use of other commonly recognised and valid scientific methodologies. We therefore call upon the Commission to **leave the door open to credible and robust alternatives, at the same time working to improve PEF**. The Council has likewise called on the Commission to explore "*whether it can be one of the methodologies in developing criteria for product policy measures*"¹, rather than the only methodology.

In order to promote a framework that fosters transparent and truthful communication to consumers, we believe that any claim should be based on concrete, scientific data, **following the paradigm "no data, no claim"**. In the absence of a credible, commonly recognised methodology, transparent data and the opportunity for appropriate scrutiny, any claim should be precluded. A new paradigm based on "no data, no claim" may be a better approach than the unique prescription of PEF as the only valid tool for substantiating environmental performance claims.

¹ <https://www.consilium.europa.eu/media/40928/st12791-en19.pdf>

II. Product Environmental Footprint Category Rules (PEFCRs) need further development and refinement

The PEF methodology is – next to other methods – a valid LCA approach. However, in order to make effective, relevant, verifiable and representative product comparisons, the development of an officially recognised and full-grown PEFCR for a product category is key. Today there are still a number of limitations that make the development, adoption and use of PEFCRs challenging, and we therefore would advise caution on how to use PEFCRs and support a flexible approach in their application:

- Depending on how the categories are set, it could prevent meaningful comparisons. Because of the narrow definition of a *product category*, making claims based on PEFCR may not reflect actual consumer behaviour: it is highly unlikely that consumers will compare products only within a narrow category; instead they will tend to compare products that perform the same function, provide the same service or have the same or similar intended use, but are ultimately not in the same defined category.
- The PEF databases and Category Rules (CRs) still need further development. Currently, these PEFCRs are only available or pending for around 25 product categories. Given the considerable resources and time necessary to establish a PEFCR, limiting environmental claims solely to those categories where CRs are available will initially preclude any form of claims for those product categories without existing CRs, and in consequence could lead to consumer “blacklisting” of these products. We urge the Commission to treat all products and companies in a fair and equal way. For comparing the environmental impacts of products, the methodology used needs to be clear, robust and scalable beyond the current 25 product categories.
- New PEFCRs will take considerable time and effort to be established. Such limits on scope will be particularly true for new innovative products and product categories. Many innovative products may contain new technologies that cannot be assessed properly via a PEFCR developed based on existing product categories and technologies. This points also to another inherent weakness of PEFCR which is the availability of secondary data that are truly up to date with latest science. A legal inability to make claims around such innovative products would be a barrier to their adoption, even if they are understood to offer considerable environmental benefits and have been developed with such an ambition in mind.
- We also share the concern that even where a PEFCR has been developed for a specific product category, the outcome may not offer sufficient granularity to permit comparative quantitative assessments between individual products if it is (overly) reliant on the use of generic secondary data for key phases of a product’s lifecycle.

III. Consumer information and labels on environmental impacts of products

Green claims are today a key driver of innovation for brands as they provide an opportunity for product and brand differentiation. This incentive to develop greener products has a positive effect as it improves the overall performance of the category of products. **We believe that flexibility is key to adapt the type of communication to each product as long as the communication on products is clear, meaningful, credible**

and substantiated. In this context, digital communication represents an important opportunity to inform consumers in a comprehensive and engaging way. EU communication rules should support the huge potential of this channel.

As highlighted in the previous section, it is premature to base claims for product comparison on PEFCRs. Further work needs to go into the development of databases and PEFCRs for additional product categories. We therefore would suggest to consider a **phased approach for consumer communication**, whereby the Commission first sets principles and minimum requirements for claims in line with existing international standards and the [compliance criteria on environmental claims](#), which were developed in 2016 by a multi-stakeholder platform in collaboration with the European Commission². In all cases, claims must be based on PEF or one of the LCA-based methods that are recognised as robust, credible and science-based and, as suggested above, fulfil the minimum requirements for LCA methods to be defined by the European Commission, together with industry.

Once the PEFCRs will have developed and reached a level that is accessible to all companies, based on recognised principles, agile and up-to-date databases, then the methodology will be more likely to be ready as a basis for developing an EU harmonised communication, including logos, labelling and digital means. Based on our insights and relationship with consumers, **brands are eager to work with and support the European Commission in developing the best appropriate format and design for such consumer information.**

² The aim of the document "[Compliance criteria on environmental claims](#)" was to support the implementation of the Unfair Commercial Practices Directive (UCPD) 2005/29/EC for helping consumers to make informed green choices and ensuring a level playing field for business. The document outlines concrete criteria that should be followed by businesses to support compliance with the UCPD as regards environmental claims, the improvement of transparency of these environmental claims and ultimately the increase of consumer trust.