Deliberate greenwashing undermines stakeholder trust and the implementation of the Green Deal

This position paper responds to a [public consultation](#) by the European Commission about a legislative proposal for a EU Directive on Consumer Policy – Strengthening the role of consumers in the green transition ([COM(2022)143](#)).

Ecopreneur.eu - the European Sustainable Business Federation - and its seven member organisations welcome the European Commission's consumer protection initiative aimed at unmasking and inhibiting deliberate greenwashing and early obsolescence practices.

We agree that consumers play a vital part in the green transition to a CO_2 neutral and inclusive sustainable economy through responsible consumption based on well-informed purchasing decisions. Producers not only respond to but also shape consumer demand through the products offered and how the products are marketed.

We therefore concur with the principle that providing them with reliable, standardised and thus comparable information on products and services instead of leaving them exposed to overstated environmental claims ('greenwashing') is key to behavioural change and the success of the green transition. An ambitious regulatory framework with strict rules and sanctions would strengthen the consumers' trust and help them recognise businesses with genuinely sustainable products and services that are currently suffering from unfair competition due to systematic greenwashing practices.

As a matter of fact, experience from our membership shows that these practices not only cause substantial economic loss to sustainable frontrunners in the EU but also have the potential to slow down the implementation of the EU Green Deal altogether.

To safeguard its effectiveness and impact, we strongly advise the Commission to align the Consumer Policy Directive as much as possible with related initiatives aimed at empowering consumers in their sustainable choices. Specifically, this goes for the EU Directive on Sustainable Consumption of Goods Promoting Repair and Reuse ("Right to Repair"), the Sustainable Product Initiative (SPI) including the Digital Product Passport and extended Ecodesign regulation, the legislative proposal on Substantiating Green Claims, the Sustainable Labelling Framework announced in the EU's Farm to Fork Strategy, and the Corporate Sustainability Reporting Directive (CSRD).

At the same time, we emphasize the fact that even the most ambitious legislation will only drive behavioural change in terms of consumer demand, green investment and public procurement if the sustainability performance of each product is being measured, evaluated and communicated in a standardized manner.

We call on the European Commission to consider the following policy measures to make sure the reviewed Consumer Policy Directive will be effective in re-establishing consumer trust:

1. Introduce **mandatory minimum requirements** for sustainability related logos and labels to gradually oust the sale of unsustainable products

   - Rules and minimum requirements should apply to all end products and services, including those entering the EU market, to help phase out the worst performers and promote those that are sustainable by design in terms of durability, longevity, repairability, reusability, upgradeability and recyclability, without substances of concern but with a high amount of recycled material and a low environmental footprint, also in regard to packaging.
   - Labels and schemes should be science-based and certify above-average performance only.
   - A whitelist of top-performers should be established, including only Type 1 ISO-certified labels like the EU Ecolabel, Nordic Swan and a small number of independently verified labels (e. g. the EU "Organic" label). At the same time, the blacklisting of confusing or misleading green labels or claims like "CO_2 neutral" based on Scope 1 should be considered.
   - EU rules for minimum sustainability requirements should also be at the basis of green public procurement (GPP), one of the most important instruments for scaling up sustainable products, services and business models in the market.

2. Introduce a **classification system certifying the level of sustainability** of a product or service, like the energy label for electronic products:

   - The system should only consider proven indicators such as Type 1 ISO-certified sustainability labels, data from a Life Cycle Assessment (LCA) or Life Cycle Sustainability Assessment (LCSA) and a Digital Product Passport (DPP). Providing data from an LCA or LCSA for products and services should be mandatory for large companies only, for SMEs it should remain voluntary.
   - The system should also consider social and human rights criteria.
   - In addition, system should indicate the company's sustainability level based on the percentage of product sales certified sustainable within their entire product portfolio as outlined above, or by means of the EU Eco-Management and Audit Scheme (EMAS). To help SMEs apply this classification system to their products and services, the EU should provide practical support and financial resources like free vouchers, preferably through regional circularity hubs.

   For this reason, Ecopreneur.eu calls on a swift implementation of the Digital Product Passport, building on existing standards and tools such as the Environmental Product Declarations and the Product Circularity Data Sheet (PCDS).

3. Require companies to provide **information on sustainability performance and consumer rights in digital format** at the time of purchase

   - Information should include the warranty period, return policy, repair and maintenance information
   - It should be provided along with free diagnostic tools for all market participants
   - Information and tools should be monitored by an independent authority.

About Ecopreneur.eu

[Ecopreneur.eu](#) is the European Sustainable Business Federation of currently seven national associations representing about 3000 sustainable companies - mostly SMEs.

A member of the Coordination Group of the European Circular Economy Stakeholder Platform, Ecopreneur.eu is the only cross-sectoral EU business organisation committed to ambitious measures, rules and regulations for a low-carbon circular economy. We advocate a new economic framework in which sustainability is promoted, the environment respected, and ecological principles are followed.

Ecopreneur.eu and our members bring concrete experience from pioneering companies into the political debate, show best practice examples and represent the needs of green SMEs in a credible way.