

Green Claims trilogues: the first test for von der Leyen's simplification revolution

Brussels, 28 January 2025 – Today marks the start of the inter-institutional negotiations on the Green Claims Directive. APPLiA has been a strong supporter of the overall objective of the Directive to address greenwashing, protect consumers and the environment. However, its effective implementation will depend on the establishment of a practical framework to simplify procedures and reduce regulatory burden on businesses.

APPLiA Director General Paolo Falcioni said: *Contrary to Von der Leyen's 'simplification revolution' of companies' regulatory burden, the Green Claims Directive is yet another example of lengthy reporting obligations for businesses stalling innovation and holding Europe back in the global tech race. Europe urgently needs a bold signal that the EU is serious about cutting unnecessary red tape.*

Voluntary green claims are essential for promoting sustainability. They help companies highlight environmental benefits, drive innovation, and differentiate products, creating a competitive market for sustainable goods. This benefits both the environment and consumers, who get access to better, more sustainable products. However, the proposed procedures may be impractical, costly, and time-consuming for businesses, complicating product launches without offering clear value to consumers. The goal should be to encourage innovation and transparency in sustainability, with a balanced approach that ensures verification without hindering progress or discouraging legitimate claims.

This paper contributes the **following recommendations** to ensure that the Green Claims Directive provides real value in driving consumer choice and fostering innovation:

- **Support the simplified procedure proposed by the Council:** The Commission's draft proposes a lengthy testing process by external verifiers for all claims, which must be completed before any use. This would force companies to rely on external, often commercially-driven, verifiers, meaning they'd have no control over certification timelines. Additionally, mandatory third-party verification would create unnecessary bureaucratic burdens. A simplified procedure, as suggested by both the Council and Parliament, is

crucial for minimising administrative burdens, especially for less complex claims. The Council's proposal is particularly appreciated due to its potential for rapid legal clarity and implementation, enabling businesses to communicate their environmental efforts effectively.

- **Clarifying 'explicit environmental claims' by excluding hard-to-monitor oral statements:** The Council defines "explicit environmental claims" as both written and oral statements, including those in audiovisual media. Expanding the rules to cover all oral claims is problematic, as it would be difficult for market authorities to monitor and enforce.
- **Implement requirements consistently across the EU:** The Commission's draft and the positions of the Parliament and Council only establish minimum requirements, which goes against the goal of having uniformity throughout the EU. To ensure a fair and functioning internal market, rules should be applied consistently. This should be reflected in the directive's development, national implementation, and enforcement. For example, the principle of mutual recognition should apply, meaning that if a claim is allowed in one Member State, it should automatically be accepted in all EU states.
- **Allow for sufficient transition time:** We agree with the Council's proposed 36-month overall transposition period. However, we recommend reducing the transposition period into national law to 18 months (instead of 24). Additionally, we suggest extending the transitional period for companies to comply by another 18 months (instead of 12).

While it remains essential to provide trustworthy information to consumers, the new legislation should not fall in the trap of discouraging companies from making valuable claims that drive consumer choice. The added burden of extra reporting and the cost of verifying environmental claims could lead companies to refrain from making these claims, ultimately limiting the information available to consumers. Innovation would also suffer, as companies would have less motivation to invest in sustainable product development, which requires both financial resources and effort.

For further information, please contact:

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