

Environmental Marketing by Traders The Danish Consumer Ombudsman's Recommendations

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W ENVIRONMENTAL MARKETING BY TRADERS

Environmental Marketing by Traders

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# Section 1 Purpose and introduction

Traders are increasingly using climate, environmental and sustainability claims in their marketing initiatives. If a trader's products are significantly less harmful to the climate or the environment than other products, or if a trader otherwise takes significant climate or environmental measures, these are naturally important messages which can be used in marketing initiatives.

However, marketing initiatives must comply with the Danish Marketing Practices Act – as well as any special legislation that may apply to an industry area.

The Marketing Practices Act applies to private undertakings and public enterprises to the extent that products are offered on the market. Thus, the Marketing Practices Act does not apply to political statements.

The Danish Consumer Ombudsman's Recommendations constitute an interpretation of Sections 5, 6, 8, 13 and 20 of the Marketing Practices Act and describe what traders must be aware of if they use climate, environmental and sustainability claims in their marketing initiatives. Ultimately, it is the courts that decide whether a legal violation has taken place, and who is liable for this violation.

These Recommendations are an update of the Danish Consumer Ombudsman's Quick Guide on Environmental Claims from 2021 and thereby replace it. The Guidance from the Danish Consumer Ombudsman on the use of environmental and ethical claims, etc. in marketing initiatives¹ applies alongside with the Recommendations and contains chapters that are not included in the Recommendations, including chapter 8 on ethical claims. The Recommendations also make continuous reference to the Guidance. As a consequence of new practice by the Danish Consumer Ombudsman, the Danish Consumer Ombudsman's Recommendations include a number of specifications in relation to the Quick Guide from 2021 concerning the section on liability, sustainability and climate compensation. In addition, the Recommendations include an update of the Danish Consumer Ombudsman's practice and a number of illustrative examples of legal and illegal marketing initiatives. Finally, the Recommendations provide ongoing information on the amendment of the UCP Directive, where relevant. These amendments are explained in more detail in the appendix to the Recommendations and will enter into force on 27 September 2026 by amendment of the Marketing Practices Act. The Danish Consumer Ombudsman expects to update the guidance and Recommendations when the amendments enter into force and when it is clear what changes the proposed Green Claims Directive may entail.

The Danish Consumer Ombudsman has submitted these Recommendations for consultation to the Danish 92 Group, Concito, Danish Chamber of Commerce, Danish Industry, Dansk Mode & Textil (DM&T), Association of Danish Law Firms, Mobility Denmark, the Danish Energy Agency, the Danish Ministry of Industry, Business and Financial Affairs, the Danish Business Authority,

¹ Guidance from the Danish Consumer Ombudsman on the use of environmental and ethical claims, etc., in marketing

FDM, Finance Denmark, the Danish Financial Supervisory Authority, Forbrugerrådet Tænk (the Danish Consumer Council), FSC Denmark, the Danish Veterinary and Food Administration, Green Power Denmark, the Danish Climate and Transition Council, the Danish Ministry of Climate, Energy and Utilities, the Danish Council on Climate Change, the Danish Climate Forest Fund, the Danish Competition and Consumer Authority, Kreativitet og Kommunikation, the Danish Agriculture & Food Council, Landsforeningen for Bæredygtigt Landbrug, the Danish Ministry of the Environment, Ecolabelling Denmark, the Danish Environmental Protection Agency, the Ministry of Food, Agriculture and Fisheries of Denmark, Green Building Council Denmark and the Danish Technological Institute.

### Section 2 General requirements for marketing initiatives

Marketing initiatives may not be misleading and it must be possible to substantiate the information provided. This follows from the prohibition on misleading consumers in Sections 5 and 6 of the Marketing Practices Act, the prohibition on misleading traders in Section 20 of the Marketing Practices Act and the documentation requirement in Section 13 of the Marketing Practices Act.

Infringement of the prohibitions concerning misleading marketing initiatives may be subject to the penalty of a fine.

If a trader uses climate, environmental or sustainability claims (hereinafter "environmental claims" as a collective term) in its marketing initiatives, the **claims must be correct and precise, relevant and balanced, and clearly worded** in order for consumers to understand them. In addition, essential information may not be omitted.

These requirements apply to **all** environmental claims in marketing as a consequence of the prohibition concerning misleading marketing initiatives in the Marketing Practices Act.

- » The requirement concerning correctness and precision: The claim must be correct and it must be clearly and precisely stated whether the environmental claim applies to the trader as such, one or more activities, or a product.
- » **Relevance requirement:** The message may not highlight characteristics or aspects that may be deemed irrelevant in relation to the impact on the climate or the environment.

If it *follows from legislation* that the trader or its product must meet climate or environmental requirements, it is misleading to highlight the fact that these requirements are met as a special aspect of the trader or product.

It would also be misleading to highlight an environmental benefit of a product in a marketing initiative if the environmental benefit is *common practice* or *commonly occurring* for the product or product category.

» **The requirement concerning balanced messages:** Exaggerations about the trader's activities or the impact of the product on the climate or the environment may not occur, and essential information may not be omitted.



From27<br/>SeptemberAs from 27 September 2026, the following claims about the entire prod-<br/>uct/trader, when the benefit only relates to aspects thereof, will be<br/>subject to Annex 1 of the Marketing Practices Act, which lists forms of mar-<br/>keting initiative that are always considered misleading:

From

2026



"4b. Making an environmental claim about the entire product or the trader's
entire business when it concerns only a certain aspect of the product or a spe-
cific activity of the trader's business. " ²

Read more about the amendment in the appendix.

27 As from 27 September 2026, the following on requirements imposed by law presented as benefits will be subject to Annex 1 of the Marketing September Practices Act, which lists forms of marketing initiatives that are always considered misleading:

"10a. Presenting requirements imposed by law on all products within the relevant product category on the Union market as a distinctive feature of the trader's offer."³

Read more about the amendment in the appendix.

From 27 September 2026	As from 27 September 2026, the following on <b>irrelevant benefits</b> will be subject to Section 5 of the Marketing Practices Act, which prohibits mislead-ing actions:
	"(e) advertising benefits to consumers that are irrelevant and do not result from any feature of the product or business." ⁴
	Read more about the amendment in the appendix.

Practice	A trader marketed its building materials with claims about them being "environmentally friendly", "good for the environment" and "sustainable". Furthermore, the trader marketed the products with claims stating that they had half the $CO_2$ footprint of competing products. The marketing initiative was aimed at both consumers and other traders.
	The trader stated that the marketing initiative was documented by <i>By-ggeriets Materialepyramide</i> (the building industry's materials pyramid), which among other things showed that the trader's products emitted 91.2 kg of $CO_2e$ per m3, while competing products emitted 169.6 kg of $CO_2e$ per m3.
	However, the Danish Consumer Ombudsman found that the figures in the materials pyramid on the environmental impact of the trader's products,

² Directive (EU) 2024/825 of the European Parliament and of the Council of 28 February 2024 also known as "Empowering consumers for the green transition" (ECGT).

³ Directive (EU) 2024/825 of the European Parliament and of the Council of 28 February 2024 also known as "Empowering consumers for the green transition" (ECGT).

⁴ Directive (EU) 2024/825 of the European Parliament and of the Council of 28 February 2024 also known as "Empowering consumers for the green transition" (ECGT).

had changed significantly within a short period, and that the materials pyramid did not include the entire product life cycle.

On this basis, the Danish Consumer Ombudsman assessed that the trader had not *documented* its climate, environmental and sustainability claims, since it is not sufficient to *show that a claim is probable*.

The marketing initiative was therefore in breach of the documentation requirement in Section 13 of the Marketing Practices Act and the prohibitions on misleading in Sections 5, 6 and 20 of the Marketing Practices Act.

### 2.1 Obtain the Danish Consumer Ombudsman's prior approval of proposed marketing initiative

The Danish Consumer Ombudsman attaches great importance to being able to provide guidance on applicable law and prevent possible infringements of the Marketing Practices Act. In this context, the possibility of prior approval of intended marketing initiative is particularly relevant.

It is thus possible to obtain the Danish Consumer Ombudsman's assessment of whether a **specific** and **not yet implemented** marketing initiative will be legal under the Marketing Practices Act (preliminary notice). The marketing initiative must be (almost) fully developed, and any images, text and relevant background information must be included.

The Danish Consumer Ombudsman assesses the specific marketing initiative for which prior approval has been requested. Any further development or change of the marketing initiative will therefore not be covered by the preliminary notice.

The Danish Consumer Ombudsman will endeavour to process preliminary notices within six weeks of the full disclosure of the case.

Traders are responsible for ensuring that the marketing initiative is legal, and other traders or consumers are free to challenge the legality once the marketing initiative has been implemented.

However, the preliminary notice binds the Danish Consumer Ombudsman in the sense that the Danish Consumer Ombudsman cannot subsequently intervene against the trader at its own initiative in connection with marketing initiative that is covered by the preliminary notice and initiated within a reasonable time after the preliminary notice. If there are any subsequent complaints with information about the trader's marketing initiative that has not been included in the Danish Consumer Ombudsman's considerations, the Danish Consumer Ombudsman will be able to reassess the case in the light of the new information.

Ultimately, it is the courts that decide whether an action violates the Marketing Practices Act.

Request a preliminary notice on the Danish Consumer Ombudsman's website.

### Section 3 Liability for marketing initiative

Violation of the prohibitions on misleading marketing initiatives in Sections 5, 6 and 20 of the Marketing Practices Act may be subject to the penalty of a fine.

As a general rule, the trader that markets itself is responsible for compliance with the Marketing Practices Act, and may therefore be subject to criminal liability.

Example	If you run a business as an influencer, you are independently liable for your marketing initiatives and, as such, may be held liable for violation of the Marketing Practices Act if messages and/or information in an advertisement, for example, are misleading.
	If the influencer is asked by a trader to disclose information in its adver- tisement for a product that the product is "environmentally friendly", "cre- ated with care", "sustainable" or similar, this vague, general information should cause the influencer to ask for further information or possibly doc- umentation from the trader – and, after receiving this, possibly completely refrain from advertising the product with the vague, general claims.

- » Both the manufacturer and the retailer of a product may be held liable for the marketing initiative. There may also be cases where both can be held liable, including if the retailer should have ensured that the manufacturer's marketing initiative was correct before the retailer passed it on.
- » When a product has an environmental claim attached to it, but the retailer is not the same as the manufacturer, the Danish Consumer Ombudsman will handle the case in relation to the manufacturer and will only consider the matter in relation to the retailer in cases where the retailer *should have* examined the accuracy of the claim in more detail.
- » As a general rule, a retailer can rely on the manufacturer's information. If the information appears dubious, or if there are special circumstances indicating that the retailer should ensure that the information is correct, the retailer will be liable if the retailer fails to request the necessary documentation of the accuracy of the information from the manufacturer before the retailer repeats the information in its marketing initiative. The retailer can thereby be held liable if the retailer has demonstrated *simple negligence*.

Example	If the retailer uses claims from the manufacturer <i>independently in its own marketing initiative</i> of the product on the website, in direct marketing fliers, etc., for example by repeating the claim, adding a supplementary or edited text to the claim, or using colours, images, or similar, the retailer will to a greater extent have to make sure that the claims can be documented. The same would be the case if the retailer compares "green" products with other "non-green" products in direct marketing fliers.
	However, the potential liability of the retailer will always depend on the specific circumstances, including the claims used in the marketing initiative, the overall impression of the marketing initiative, the type of product, and the other products on the market, etc.

Practice	A retailer was found liable for misleading marketing initiative of a sun-
	screen product using environmental claims, because an enquiry from the
	Danish Consumer Council about the sunscreen's environmental impact
	should have given the retailer reason to investigate the accuracy of the
	manufacturer's environmental claims and not just rely on the information. ⁵

It follows from Section 23 of the Danish Criminal Code that anyone who has contributed to an offence by inducement, advice or action can (also) be held liable for the offence. A third party, e.g. an advertising agency that has contributed to a trader's marketing initiative (such as designing an advertisement or by providing advisory services), may be jointly liable for the marketing initiative. The assessment is made in accordance with the general rules of the Criminal Code on accessory and the legal practice developed in this area.⁶

If the trader has an online platform on which other traders' products are sold, the trader must be aware that it may be liable for violations of, for example, the Marketing Practices Act on the platform, *even if* the illegal information is stored on the platform by other than the trader itself, and *even if* the trader has not had specific knowledge of the illegal information on the platform.

Practice	Two online platforms had actively contributed to promoting the sale of products that traders selling clothes via the platforms had designated as sustainable. The platforms had marketed the products for sale on the platforms with savings claims or other claims that encouraged consum- ers to make a quick purchase decision, and had marketed products with competitions and discount codes for the websites. The Danish Consumer Ombudsman's overall assessment was that the online platforms had played an active role in the dissemination of information on the plat- forms. The online platforms were therefore not included in the scope of
	Article 6 of the DSA Regulation, ⁷ according to which online platforms can invoke exemption from liability for illegal information stored on their platforms if the online platform in question plays a passive role in the dissemination of the information. See section 8 concerning the Danish Consumer Ombudsman's assessment of the legality of the sustainability claims. ⁸

⁵ Case <u>20/08497</u>

⁶ Advertising agencies may be held liable if they realise or should realise that an advertisement, etc. entails a violation of the Marketing Practices Act. An example of this is an unpublished judgement by the Danish Maritime and Commercial Court of 13 January 1993 (Ikea A/S and Wibroe, Duckert & Partners A/S). The publisher of an advertising leaflet or similar (which is not subject to the Danish Media Liability Act) has a certain obligation to review an advertisement before it is published. The publisher may thus be found criminally liable for participation in a violation of the Marketing Practices Act when the violation is clear and should therefore have been discovered immediately by the publisher, cf. as an example U 1996.209/2 H.

⁷ Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 October 2022 on the Single Market for Digital Services and amending Directive 2000/31/EC (Digital Services Regulation). Article 6 of the Regulation is a continuation of Article 14 of the E-Commerce Directive.

⁸ Cases <u>21/05846</u> and <u>21/05847</u>

### Section 4 The overall marketing initiatives impression

Not only the words used in marketing, but also images, drawings, colours, etc. are included in the assessment of whether a marketing initiative is likely to give the impression that a product has a climate or environmental benefit.

These aspects are also included in the assessment of whether the marketing initiative is misleading.



Practice	A taxi was marketed with a green plug symbol on the side of the vehicle.
	The Danish Consumer Ombudsman assessed that the marketing initia-
	tive was suitable to give the consumer the impression that the taxi was
	an electric car. However, since the taxi in question was a diesel car, the
	marketing initiative was misleading. ⁹

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Practice	A petrol station marketed a diesel product with the claims "Climate die-
	sel" and "We're running on climate diesel - are you coming aboard?" with
	two green leaves and a picture of a mustard flower field. It is a statutory
	requirement that diesel products on the Danish market must contain at
	least 1 per cent biofuel and that at least 7.6 per cent of the trader's total
	1 1
	annual fuel sales must constitute biofuels. The trader therefore believed
	that it was a climate benefit that their product contained up to 25 per
	cent biofuel. The Danish Consumer Ombudsman assessed that the envi-
	ronmental claims and the use of the green leaves and mustard flower
	field could give consumers the impression that the product was not only
	significantly better than equivalent products, but that the product was
	less harmful to the environment than it actually was, because most of the
	diesel product was still fossil fuel. The marketing initiative was therefore
	misleading. ¹⁰

⁹Case <u>23/09583</u>

¹⁰ Case <u>20/09657</u>

<b>Practice</b> A soft drink bottle made partly from plant material was marketed with the claim <i>"100 per cent recyclable bottle"</i> . The claim was objectively correct, but because the claim was supplemented with an image of the bottle with plants, farms, windmills, animals, etc. coming out of the bottleneck,		
the marketing initiative could give the consumers the impression that the fact that the bottle was 100 per cent recyclable was a special environ- mental benefit. Since all bottles – including those not partly based on plant material – were 100 per cent recyclable, as they are part of the re- covery system, the claim was misleading. ¹¹	Practice	the claim <i>"100 per cent recyclable bottle"</i> . The claim was objectively correct, but because the claim was supplemented with an image of the bottle with plants, farms, windmills, animals, etc. coming out of the bottleneck, the marketing initiative could give the consumers the impression that the fact that the bottle was 100 per cent recyclable was a special environmental benefit. Since all bottles – including those not partly based on plant material – were 100 per cent recyclable, as they are part of the re-

¹¹ Case <u>12/00396</u>

### Section 5 Use of specific claims – The Danish Consumer Ombudsman's Recommendations

If the trader does not use general climate or environmental claims in the marketing initiative, but *specific claims about a specific climate or environmental benefit* of a product, the marketing initiative will be significantly easier to document. Specific claims also provide consumers with more precise information about the product's climate or environmental benefits, and the risk of misleading is therefore minimised.

Specific claims might be, for example, "[...] per cent recycled plastic", or "Free of [...]", etc., which give the consumer an unambiguous impression of the product's environmental benefit.

### Therefore, it is the Danish Consumer Ombudsman's recommendation to use claims that are as specific as possible.

- » It must be possible to document that the specific claim is correct, and essential information may not be omitted from the marketing initiative.
- » **REMEMBER** the general requirements that *always* apply, including the requirement concerning correctness and precision, the relevance requirement and the requirement concerning a balanced message. See more about the requirements in section 2.

Practice	A trader wanted to put a REACH ("Registration, Evaluation, Authorisa-
	tion and Restriction of Chemicals") label on the packaging of its products.
	It was the Danish Consumer Ombudsman's view that it would be mis-
	leading for the trader to market itself as being in compliance with the
	REACH regulation, as the trader was obliged to comply with the regula-
	tion. ¹²

¹² Inquiry in case 24/00747

F	Practice	In a preliminary notice, the Danish Consumer Ombudsman stated that it would be legal to market a product as "PFAS-free" or similar if PFAS were found in a concentration lower than the detection limit for the most recognised and sensitive measurement standard for measuring PFAS in the relevant medium (e.g. an OECD, ISO or similar standard), and if the trader was not aware that the product contained PFAS in an untraceable amount. The Danish Consumer Ombudsman also found that a product could legally be marketed as "no PFAS added" or similar if there was documentation that no PFAS had been used at any stage of the product's production chain and if it was immediately apparent concurrently with the claim that the product could contain PFAS.
		However, the Danish Consumer Ombudsman stated that it would be mis- leading to highlight the characteristic of "PFAS-free" or "no PFAS added" as an (environmental) benefit if the product's material and/or coating usually did not contain or had PFAS added, or if similar products usually did not contain or had PFAS added, either. ¹³

Practice	In a preliminary notice, the Danish Consumer Ombudsman stated that it would be legal to use specific claims about a $CO_2$ reduction, compared to the $CO_2$ emissions of equivalent products, on the packaging of a number of products. The Danish Consumer Ombudsman emphasized the fact that the calculations of the $CO_2$ reduction had been made by an independent body. On the packaging, the $CO_2$ reduction was stated in a neutral way
	body. On the packaging, the $CO_2$ reduction was stated in a neutral way and it was stated which product the $CO_2$ reduction for the marketed product was compared to. ¹⁴

Practice	A trader wanted to market cotton buds, nursing pads and baby pads un- der a fragrance-free product range. In a preliminary notice, the Danish Consumer Ombudsman stated that it would be misleading to market the cotton buds, nursing pads and baby pads under the fragrance-free prod- uct range, because similar products did not contain any fragrance at all.
	The Danish Consumer Ombudsman stated that the fact that it would appear on the packaging that the products were naturally fragrance-free could not change the conclusion. ¹⁵

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Practice	In a preliminary notice, the Danish Consumer Ombudsman stated that it
	would be legal to market packaging with the claim "the tube contains XX
	per cent recycled plastic and the cap is made of virgin plastic", because the
	wording was specific and factual. A condition for legality was that the
	packaging and the product as a whole did not give the impression of an

¹³ Preliminary notice in case <u>23/08581</u>
¹⁴ Preliminary notice in case <u>23/03453</u>
¹⁵ Preliminary notice in case <u>22/09904</u>

environmental benefit that did not exist, for example by using images, drawings, colours, etc.¹⁶

Drinking water in a cardboard carton was marketed with the claims "We Practice give you the option to say no to plastic", "Recycling plastic bottles won't save the planet" and "Recycling plastic is not the solution". The Danish Consumer Ombudsman assessed that these claims were likely to give consumers the impression that the drinking water carton did not contain plastic. However, there was plastic in the carton. In addition, the drinking water carton was marketed as a climate-friendly alternative to water in bottles made from virgin plastic. This claim was misleading because it was not relevant to compare the cardboard carton with virgin plastic bottles, as a large proportion of the plastic bottles on the market are part of the recovery system and are therefore not made of 100 per cent virgin plastic. The marketing initiative also used claims that the drinking water carton was "100 per cent recyclable". However, the trader could not document that the drinking water carton could be fully recycled at the time of marketing, because far from all municipalities had the necessary technology to recycle the drinking water cartons. The claim was therefore misleading.¹⁷

A trader marketed insulation material on advertising stands with the Practice claims "Breathable" and "By Nature" written against the background of a nature scene depicting moss on stone. The Danish Consumer Ombudsman found that the "Breathable" claim could give the consumer the impression that the trader's insulation material gave a less enclosed and less sealed building than when using other insulation materials. As buildings' sealing and moisture conditions are determined by law, it would hardly be possible to achieve a more breathable building by choosing the trader's products rather other insulation products. In addition, the Danish Consumer Ombudsman found that the use of the claim "By Nature" about a product or a substance included in a product could give the consumer the impression that the trader's insulation material was natural in the sense that it had only undergone minimal processing. However, the trader's insulation product had not only undergone minimal processing. Both claims were therefore misleading.¹⁸

**Practice** A trader contacted the Danish Consumer Ombudsman with a question about whether it would be legal to use the wording *"free of [phthalates, silicone, BPA, etc.]"* in the marketing initiative of a product if the product contained the said substance, but the concentration was below the limit value stipulated in legislation. The Danish Consumer Ombudsman stated that consumers understood the wording as information that the marketed

¹⁶ Preliminary notice in case <u>22/09157</u>

¹⁷ Case <u>22/08056</u>

¹⁸ Case <u>22/07942</u>

product did not contain the said substance at all, and not as information that its concentration was below the statutory limit value. It would therefore only be legal to use the wording *"free of* [...]" if the marketed product did not contain the substance at all, or if the substance was found in a concentration lower than the detection limit of the most recognised sensitive measurement standard to measure the substance in the relevant medium, and the trader was not aware that the product contained the substance in question in an untraceable quantity.¹⁹

<b>D</b>	A accurring manage was marketed with the claims "100 per cent natural
Practice	A scouring sponge was marketed with the claims "100 per cent natural
	sponge" and "100 per cent natural cellulose sponge". When assessing how
	the average consumer understood the claims "natural"/"natural-cellulose",
	the Danish Consumer Ombudsman applied the Danish Food Agency's
	guidelines on the labelling of foods, which state that the use of "natu-
	ral"/"naturally" about a product or a substance included in a product,
	means that the substance/product appears as it exists in nature, i.e. with
	no or only minimal processing. Since the sponge had undergone a long pro-
	cessing process, it was misleading to market it as <i>"natural/naturally"</i> . ²⁰

Practice	A pair of mittens for children were marketed with the claim " <i>PFOA-free finish</i> ". However, the mittens contained small amounts of PFOA and also
	contained other fluorinated substances, including a fluorinated sub- stance that degrades to PFOA. The marketing initiative was therefore
	misleading. ²¹ Since 2020, the production, marketing and use of PFOA
	have been prohibited, which is why it would today already be misleading to market a product as being PFOA-free. ²²

Practice	A taxi company marketed itself with the claim "This taxi is an energy class C or better!". However, there was a statutory requirement for newly registered taxis to be in at least energy class C, and at the time of marketing initiative, at least 70 per cent of the taxis already on the roads were in energy class C or better. The marketing initiative was therefore misleading. ²³
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Practice	An airline that operated domestic flights with propeller aircraft mar-
	keted itself with a recent study from the Danish Energy Agency showing
	that propeller aircraft's CO ₂ emissions were well below half those of an
	ordinary jet aircraft. Furthermore, the airline wrote that in

¹⁹ Preliminary notice in case <u>22/07060</u>

²⁰ Case <u>20/10227</u>

²¹ Case <u>15/12246</u>

²² See more on the <u>Danish Environmental Protection Agency's website</u>.

²³ Case <u>12/03215</u>

environmental terms their propeller planes were fully competitive with other forms of transport and added "You won't get far in your car on 8 kg of fuel, but in our propeller planes you can get all the way from Copenhagen to Aalborg". However, the airline did *not* state that the study by the Energy Agency also showed that transport by IC3 train emitted significantly less  $CO_2$  than a propeller plane. The airline had therefore omitted significant information and the marketing initiative was misleading. Weight was also given to the fact that the colour scheme and background illustration (including colourful flowers, a rainbow and a green background) signalled that the flights did not affect the environment.²⁴

#### REMEMBER

» Marketing initiatives can be misleading, even if the environmental claims are *factually correct*. This is because it is the *consumer's understanding* of the marketing initiative, as well as the marketing *as a whole*, that determines whether it is assessed to be misleading.

Practice	A car importer marketed mild-hybrid cars with the designation "hybrid". The Danish Consumer Ombudsman's view was that the consumer would not be familiar with mild-hybrid cars and would understand "hybrid" as a car that can be powered partly by electricity alone and partly by fossil fuel alone. The trader's mild-hybrid cars could only run on electricity in combination with fossil fuel. It was therefore misleading to use the term "hybrid" for a mild-hybrid car could not make any difference. The Danish Consumer Ombudsman referred to how it follows from Section 5(1) of the Marketing Practices Act that even if it is factually correct, a statement may still be misleading.
	The trader also used the claim <i>"More environmentally aware than ever be-fore"</i> in the marketing initiative of a specific mild-hybrid car. The Danish Consumer Ombudsman assessed that the claim could reinforce the consumer's perception that the car could be powered partly by electricity alone and partly by fossil fuel alone. Combined with the fact that the marketed car model's CO ₂ emissions and fuel economy were not significantly improved, and that there were other cars with lower CO ₂ emissions and better fuel economy, this gave the consumer a misleading impression of the car's environmental impact. ²⁵

» Marketing claims must be reassessed continuously and updated if necessary due to new legislation, technological developments, sustainability measures for similar products or other circumstances that may change the accuracy of the claim.

Practice	A retailer received a fine of DKK 125,000 for marketing non-Nordic Swan Ecolabelled wood-burning stoves as Nordic Swan Ecolabelled and environ-
	mentally friendly. In the marketing initiative, the wood-burning stoves

²⁴ Case <u>09/05694</u>

²⁵ Case <u>21/02919</u>

were described as Nordic Swan Ecolabelled, even though they were not Nordic Swan Ecolabelled during the two-year period in which the marketing initiative took place. The retailer had not updated the information on its website and the manufacturer did not use equivalent descriptions of the wood-burning stoves in its marketing initiative. The Danish Consumer Ombudsman assessed that the description of the wood-burning stoves as being Nordic Swan Ecolabelled could mislead the consumer about a significant environmental aspect of the wood-burning stoves, as the Nordic Swan Ecolabel limit value for particle emissions is 2 g of particles per kg of fired wood, while the statutory requirement is 4 g particles per kg of fired wood. The Danish Consumer Ombudsman reported the trader to the police for violation of the Marketing Practices Act's prohibition on misleading.²⁶

» There are special rules in certain areas, such as regarding chemicals and food, which must also be complied with.

#### 5.1 Use of the claim "organic" (cosmetics and textiles)

- » A trader may use the term "organic" for textile products when at least 95 per cent of all the materials in the product (including synthetic fibres) come from certified organic vegetable and/or organic animal production²⁷. The other substances used may not materially reduce or equalise the benefits of organic cultivation (e.g. a dye with environmentally harmful properties).
- » The term "organic" may be used for a cosmetic product if at least 95 per cent of all the raw materials/ingredients of the product (i.e. excluding added water) originate from certified organic vegetable and/or organic animal production. The non-organic substances/ingredients may not, with their own composition or effect on the processing process, unnecessarily reduce or equalise the benefits of organic cultivation (e.g. a fragrance with environmentally harmful properties).
- » If the product cannot generally be described and marketed as organic, the trader can legally state the percentage content of certified organic substances. However, the trader must be aware of the general requirements for environmental claims in marketing initiatives. See section 2.

Practice	In a preliminary notice, the Danish Consumer Ombudsman stated that it would be misleading to market textile products containing minimum 20 per cent organic cotton with the <i>"contains organic cotton"</i> claim, because the consumer would understand the claim to mean that the textile products contained at least 95 per cent organic cotton.
	On the other hand, it would not be misleading to market the textile products with a specific claim that the products contained minimum 20 per cent organic cotton. 28

²⁶ Case <u>22/02973</u>

²⁷ The Guidance on the use of environmental and ethical claims, etc. states that it is the Danish Consumer Ombudsman's view that, on determining the extent of the organic share, inspiration can be drawn from Article 30(5) a), ii) of Regulation (EU) no. 2018/848 of 30 May 2018 on organic production and labelling of organic products and repealing Regulation (EC) no. 834/2007 (formerly Article 23(4) a), ii) of Regulation (EC) no. 834/2007; ("at least 95 per cent by weight of ingredients of agricultural origin are organic"); and in particular from national provisions on organic agricultural products to be used for non-food purposes.

²⁸ Preliminary notice in case <u>22/09019</u>

**Practice** A supermarket chain marketed children's clothing with the designation *"organic well-being"*. However, the clothes were not organic, but OEKO-TEX-certified. The marketing initiative was therefore misleading.²⁹

#### 5.2 Use of the "recycled" and "reused" claims

- » If the claim "recycled" is used in the marketing initiative of a product, packaging, etc., the product must be made of at least 95 per cent recycled material.
- » Traders must be aware that there is a difference between whether something is "recycled" or "reused", as a product is only reused if, after cleaning, it is used for the same purpose, e.g. a bottle that is rinsed and then refilled after use.

Practice	A trader marketed bottled drinking water with an environmental claim that the packaging consisted of reused plastic, while in fact it was recy- cled plastic. Bottles made from reused plastic are rinsed or cleaned, and then refilled, while bottles made from recycled plastic are melted down and used as a production material. The Danish Consumer Ombudsman assessed that the marketing initiative could give the consumer a mis- leading impression of the bottles' environmental impact, as bottles made from recycled plastic have a greater environmental impact than bottles made from reused plastic.
	The bottles were also marketed with the claim "Reused plastic reduces $CO_2$ emissions by up to 35 per cent compared to virgin plastic". The Danish Consumer Ombudsman assessed that it was not relevant to compare the trader's plastic bottles with new bottles made of virgin plastic because a large proportion of the plastic bottles on the market are included in the recovery system and are therefore not made of 100 per cent virgin plastic. The marketing initiative was therefore misleading. ³⁰

Practice	In a preliminary notice, the Danish Consumer Ombudsman stated that it would be misleading to market textile products containing minimum 20 per cent recycled material, with the statement <i>"contains recycled material"</i> . The Danish Consumer Ombudsman stated that the consumer would perceive the claim as an indication that the products were made from minimum 95 per cent recycled material.
	However, it would not be misleading to market the textile products with a specific claim that the products were made from minimum 20 per cent recycled material. ³¹

²⁹ Case <u>16/05359</u>

³⁰ Case <u>23/00560</u>

³¹ Preliminary notice in case <u>22/09019</u>

Practice	In a preliminary notice, the Danish Consumer Ombudsman stated that it would be misleading to use the claim <i>"recycled plastic"</i> about a plastic product consisting of up to 55 per cent recycled plastic. It was the Danish Consumer Ombudsman's assessment that the consumer would understand the claim as an indication that the product was made exclusively – or at least predominantly – from recycled plastic. ³²
	The trader subsequently requested a new preliminary notice. The Dan- ish Consumer Ombudsman stated that the trader could legally use the claim <i>"I am organic on the inside, recycled plastic* on the outside!"</i> fol- lowed by the claim <i>"*This cup is made from 55 per cent recycled PET</i> <i>(RPET)"</i> on a plastic cup, if the trader could document this. The Danish Consumer Ombudsman emphasised that the claims were made in close proximity to each other, that the font size and emphasis of the claims did not differ significantly from each other, and that the claim <i>"*This cup is made from 55 per cent recycled PET (RPET)"</i> was specifically worded, while the marketing initiative had a neutral overall impression.
	The Danish Consumer Ombudsman also stated that the trader could not legally use the claim <i>"Made of recycled PET plastic"</i> . The Danish Consumer Ombudsman emphasised that the consumer would understand the claim as information that the plastic cup was made exclusively – or at least 95 per cent – from recycled plastic. In addition, the Danish Consumer Ombudsman emphasised that the claim was not made in close proximity to a clarification of how much of the cup was made of recycled plastic, and that the consumer had to turn the cup to see the exact percentage. ³³

Read more in Chapter 7.1 of the Guidance from the Danish Consumer Ombudsman on the use of environmental and ethical claims, etc., in marketing initiatives

³² Case <u>22/05352</u>

³³ Case <u>24/02997</u>

### Section 6 **Use of general claims**

#### 6.1 General climate or environmental claims without further explanation

General climate or environmental claims can be, *for example*, "environmentally friendly", "environmentally correct", "green", "climate friendly", "gentle on the environment", "good for the planet", etc.

This type of claim is information about actual circumstances, and the accuracy of the claims must therefore be documented in accordance with Section 13 of the Marketing Practices Act. General claims will be perceived by consumers as an indication that the product mainly has a positive impact on the climate or the environment, is gentle on the climate or the environment, or does not affect or only to a lesser extent affects the climate or the environment. If this type of claim is used in a marketing initiative, there are strict requirements for documenting that the marketing initiative complies with the Marketing Practices Act.

#### Requirements

- » The product must be among the absolute best equivalent products in environmental terms. For example, if all products on the market have approximately the same environmental impact, the product may not be marketed with general environmental claims. As a general rule, it must therefore be possible to document that the product has a significantly lower impact on the climate or the environment than similar products.³⁴
- » The documentation must normally be based on a life cycle assessment of the product and must be substantiated by opinions or studies by independent experts.³⁵
- » A life cycle assessment maps the environmental conditions and assesses the significant (environmental) impacts throughout the product's life cycle, from the procurement of raw materials and manufacture to the use and disposal of the product, and transport within and between these phases.

³⁴ The climate or environmental impact of the marketed product must be compared with the climate or environmental impact of a comprehensive sample of similar products. Similar products are defined in <u>Chapter 4.2 of the Guidance</u> as "Products which satisfy the same need or serve the same purpose and are sold in the part of the market with which the trader may compare himself to a reasonable and relevant extent, see also in this respect the definition laid down in competition law of 'relevant product market' with mutually substitutable products".

³⁵ ISO standards 14040 and 14044 contain specifications for how the life cycle assessment should be performed and what is expected of the professionals who perform it.





From 27 September 2026	As from 27 September 2026, the following concerning <b>generic environ-</b> <b>mental claims</b> will be subject to Annex 1 of the Marketing Practices Act, which lists forms of marketing initiatives that are considered misleading in all circumstances:
	"4a. Making a generic environmental claim for which the trader is not able to demonstrate recognised excellent environmental performance relevant to the claim." ³⁶

Read more about the amendment in the appendix.

Practice	A trader marketed itself with claims that it had nominated Denmark's most climate-friendly hotels and with claims about environmentally friendly and sustainable travel destinations.
	The trader stated that another trader had calculated the $CO_2$ emissions for the hotels participating in the competition, and the enterprise also stated that not all – or almost all – Danish hotels were included in the competition.
	Furthermore, the trader stated that the marketing initiative of the specific travel destinations as sustainable and environmentally friendly described how travellers could conduct themselves more sustainably and be more environmentally friendly – but that the enterprise did not designate the destinations as sustainable.
	The Danish Consumer Ombudsman assessed that the marketing initiative was in violation of the prohibitions on misleading in Sections 5 and 6 of the Marketing Practices Act.
	With regard to the competition, the Danish Consumer Ombudsman empha- sised that not all – or almost all – Danish hotels were involved in the com- petition.
	With regard to the specific travel destinations, the Danish Consumer Om- budsman emphasised that the trader had not reported any environmental

³⁶ <u>Directive (EU) 2024/825 of the European Parliament and of the Council of 28 February 2024</u> also known as "Empowering consumers for the green transition" (ECGT).

or sustainability measures it had taken, but on the contrary had described what consumers themselves could do to minimise their climate impact. The Danish Consumer Ombudsman, assessed that the initiatives the consumers could do themselves – such as visiting fewer sights, eating a vegan diet or staying in a more sustainable hotel – did not otherwise constitute significant environmental or sustainability measures.³⁷

With regard to the enterprise that provided the  $CO_2$  emission calculations, the enterprise submitted documentation – which met relevant ISO standards – that the hotels that had won in the respective categories were more climate-friendly than the other hotels that had participated in the competition, but the enterprise could not document that the hotels were the most climate-friendly in Denmark.

The enterprise further promoted itself with claims that it was possible to stay on a more climate-friendly basis at certain hotels than with an average Dane. The marketing initiative was aimed at other traders.

The marketing initiative was in breach of the documentation requirement in Section 13 of the Marketing Practices Act and the prohibition on misleading between traders in Section 20 of the Marketing Practices Act.

With regard to the competition, the Danish Consumer Ombudsman emphasised that not all – or almost all – Danish hotels were included in the competition.

With regard to the claim that it was possible to stay on a more climatefriendly basis at certain hotels than with an average Dane, the Danish Consumer Ombudsman emphasised that the claim was not documented, already because the climate impact of the private home that the consumer could be assumed to have was not taken into account. Furthermore, the Danish Consumer Ombudsman emphasised that stays at hotels versus private homes was not a relevant comparison, as these did not meet the same needs.³⁸

Practice	In a preliminary notice, the Danish Consumer Ombudsman stated that it
	would be legal among other things to use the claims "500 ml still water in
	a plant-based carton" and "97 per cent plant-based, with no aluminium
	foil" in the marketing initiative of water in a drinking water carton, if the
	trader could document that the carton actually consisted of 97 per cent
	plant-based material. ³⁹
	plant-based material. ³⁹

Practice	Twenty-two companies marketed wood-burning stoves, firewood and
	wood chips with claims about environmental friendliness and CO ₂ neutral-
	ity, including "environmentally friendly", "environmentally correct", "good
	for the environment", "fire with a good conscience", "environmentally gentle"

³⁷ Case <u>24/05255</u>

³⁸ Case <u>24/06919</u>

³⁹ Preliminary notice in case <u>23/04166</u>

and " $CO_2$  neutral". Wood fired in wood-burning stoves and boilers emits particles and a number of polluting substances that are harmful to the environment, and the use of wood-burning stoves and boilers is, according to the Danish Environmental Protection Agency, the largest source of particle pollution in Denmark. The Danish Consumer Ombudsman assessed that marketing claims about wood-burning stoves and wood firing being environmentally friendly or similar could give the consumers a false impression of the environmental impact of wood firing. The marketing initiative was therefore misleading.⁴⁰

Practice A trader marketed bags with, among other things, the label "A greener choice" with a green background and a leaf. The label was intended to highlight bags that had a particular environmental benefit. The Danish Consumer Ombudsman assessed that the label was a general claim that could give the consumer the impression that products bearing the label were significantly less harmful to the environment than equivalent products. The trader had set two requirements, one of which had to be met in order for the product to be marketed under the label. The requirements were that the product should be made either entirely or partly from recycled or organic materials. In the view of the Danish Consumer Ombudsman, however, the fulfilment of one of these requirements could not in itself justify the products being marketed as "A greener choice", as the requirements did not ensure that the products were significantly less harmful to the environment than equivalent products. The use of the label in marketing initiative was therefore misleading.⁴¹

**Practice** A petrol company marketed a petrol product in a TV commercial showing a car covered in grass. The car was refuelled with the petrol product and then it drove away with a trail of flowers behind it, followed by the slogan: *"5 per cent less CO₂. Same price – better for the environment"*. The Danish Consumer Ombudsman stated that effects such as flowers, grass, green colours and similar would undoubtedly give the consumer the impression that this was a product that was not harmful to the environment. Therefore, such instruments may not be used in marketing initiatives if an environmental benefit cannot be documented on a safe and correct basis. The trader could not document such an environmental benefit, based on a life cycle assessment, and the marketing initiative was therefore misleading.⁴²

#### 6.1.1 Labelling schemes

» If a product is labelled under an *official* labelling scheme where the criteria have been developed on the basis of a life cycle assessment, e.g. the "Nordic Swan Ecolabel" or the "EU Ecolabel", the product may normally be marketed as "less environmentally harmful", "more

⁴⁰ Case <u>22/02957 et al.</u>

⁴¹ Case <u>21/11609</u>

⁴² Case <u>08/02992</u>

environmentally friendly", "<u>more</u> gentle on the environment", "<u>better</u> for the environment" or similar, without the trader itself having made a life cycle assessment, etc. There is no requirement for a life cycle assessment, because – before products can be certified with the Nordic Swan Ecolabel or the EU Ecolabel – a life cycle assessment of the product group must always be performed, whereby the market level is also evaluated.⁴³

» The stated claims may also be used if all criteria for obtaining one of the labels are fulfilled for the product and the trader can document this via a recognised independent expert.

Practice	In a preliminary notice, the Danish Consumer Ombudsman stated that it would be legal to use the claim <i>"a more environmentally friendly choice of floor paint"</i> in the marketing initiative of paint certified with the EU Eco-label and the Indoor Climate Label, and the claim <i>"certified wooden floor-ing"</i> in the marketing initiative of wooden floors that were FSC-certified and Nordic Swan Ecolabelled. ⁴⁴
Practice	Twenty-two companies marketed wood-burning stoves, firewood and wood chips with claims concerning environmental friendliness, among other things, and a number of the marketed wood-burning stoves were Nordic Swan Ecolabelled. But even if they were, environmentally harmful particles were still emitted. In the view of the Danish Consumer Ombudsman, it would be legal to use relative environmental claims, such as <i>"less environmentally harmful wood-burning stove"</i> and <i>"less environmentally harmful wood firing"</i> , in the marketing initiative of Nordic Swan Ecolabelled wood-burning stoves. However, this requires that consumers understand that comparison is thereby made with non-Nordic Swan Ecolabelled wood-burning stoves. The marketing initiative must not be likely to give consumers the impression that wood-burning in a Nordic Swan Ecolabelled wood-burning stove is less harmful to the environment than it is. In this case, weight was given to the fact that, according to the Danish Environmental Protection Agency, wood firing is the greatest source of particle pollution in Denmark. ⁴⁵

» If the trader uses its own labelling scheme in marketing initiatives, it is important for the legality of its use in marketing initiatives that an effective and independent body is established to verify that the products, etc. in question that are labelled, meet the requirements of the scheme. It is also important that the label does not give the consumer the impression of greater climate or environmental benefits than applicable under the label's criteria.

⁴³ The requirements for the labelling schemes are revised on an ongoing basis to ensure that the Nordic Swan Ecolabel and the EU Ecolabel represent the least harmful products in the area and set standards that are higher than ordinary legislation. For products and services where the official labelling scheme has set climate requirements, the product may be called "less climate-impact" or "reduced climate impact" or similar.

⁴⁴ Preliminary notice in case <u>22/03829</u>

⁴⁵ Case <u>22/02957 et al.</u>



From 27	As from 27 September 2026, the following concerning <b>sustainability la-</b>
September	bels will be subject to Annex 1 of the Marketing Practices Act, which lists
2026	forms of marketing initiatives that are always considered misleading:
	"2a. Displaying a sustainability label that is not based on a certification scheme or not established by public authorities." ⁴⁶

Read more about the amendment in the appendix.

In a preliminary notice, the Danish Consumer Ombudsman stated that Practice members of an industry association could lawfully use the industry association's own labelling scheme for vacation homes in marketing initiatives if an effective and independent body was established to verify that the vacation homes met the scheme's requirements for energy improvement measures; and if the consumers received various supplementary information about the scheme. The requirements for the labelling scheme were developed by an external consultant and finally verified by a third party, both of whom were impartial and specialists in energy renovation and improvement. The Danish Consumer Ombudsman's assessment was based on the assumption that even the vacation homes that met the requirements for the lowest level of the scheme had qualitative advantages over other similar vacation homes. It was also emphasised that the requirements under the scheme were objective and focused on the most important aspects of energy consumption, which made the requirements relevant. The industry association subsequently requested a new preliminary notice. The Danish Consumer Ombudsman stated that the legality of using a single label with the colours for the three levels of the scheme required the label to include information that the label concerned energy improvement measures. The consumer should thus not be given a false impression of the conditions concerning the labelled vacation homes. It was not sufficient for the consumer to be informed of the content of the label via a mouseover effect, as the information had to be given at the same time as the label was displayed.47

Read more about the various requirements for the use of labelling schemes in marketing initiatives in <u>Chapter 10 of the Guidance from the Danish Consumer Ombudsman on the use of envi-</u> <u>ronmental and ethical claims, etc., in marketing.</u>

#### 6.2 General climate or environmental claims with an explanation

» If a trader – in direct relation to the general claim – discloses the specific climate or environmental benefit that explains the general claim, the trader does not need to be able to document the accuracy of the marketing initiative based on a full life cycle assessment.

⁴⁶ <u>Directive (EU) 2024/825 of the European Parliament and of the Council of 28 February 2024</u> also known as "Empowering consumers for the green transition" (ECGT).

⁴⁷ Preliminary notices in cases <u>23/10378 and 24/07842</u>

» It must be ensured that the explanation is read together with the general part of the claim.

Practice	In a preliminary notice, the Danish Consumer Ombudsman stated that if a general environmental claim, e.g. "environmentally aware", "thinking about the environment", "focus on the environment" or similar, is marked with an "*", and the explanation of the claim appears further down on the website on which the general claim appears, it will not be a general environmental claim with an explanation. This is because the explanatory text is not displayed in direct proximity to the claim and because the separation means that it is not certain that the consumer will read the explanation. An environmental claim such as "environmentally aware" or similar marked with an "*" will therefore constitute two types of environmental claims if the "*" is not displayed in direct proximity to the general claim: A general environmental claims without an explanation, and also the explanation itself, which
	is a specific environmental claim. ⁴⁸

**Practice** A candle manufacturer marketed its candles, which were produced from plant-based raw materials, with the claims "*Cleaner combustion – less soot*" and "*Better for you and the indoor climate*". The candle manufacturer had tested the soot emissions from the candles measured in relation to other candles, which the candle manufacturer presented as documentation for the claims. However, the test was not sufficient documentation, *because* too few of the competitors' candles were tested, *because* the test should have been carried out several times, and *because* the test did not show a significant difference in soot emissions compared to the other candles. The marketing initiative was therefore misleading.⁴⁹

#### Requirements

- » The trader must be able to document the accuracy of the climate or environmental benefit that justifies (explains) the general environmental claim.
- » The claims must normally be supported by statements or studies by independent experts.
- » The use of a general climate or environmental claim sends a strong signal to consumers that the product has significant positive climate/environmental characteristics and that it is better for the climate/environment than its competitors. Even if the accuracy of the climate or environmental benefit can be documented, the Danish Consumer Ombudsman therefore makes **four additional requirements**:
- 1. The climate or environmental benefit of the product must be one of the product's most significant climate or environmental benefits and must be significant for the impact on the climate or the environment.

This means that it will not be legal to use claims such as "environmentally friendly" if a packaging change only results in the removal of a marginal amount of toxins or climate emissions.

⁴⁸ Preliminary notice in case 23/07613

⁴⁹ Case <u>18/04490</u>



2. The climate or environmental benefit of the product may not have arisen from activities that in themselves are harmful to the climate/environment.



Example	"Pressure-impregnated wood is environmentally friendly because it does not need to be painted or varnished – since it does not rot."
	However, the reason it does not rot is that the pressure-impregnated wood contains toxins that can spread in nature over time. Even though pressure-impregnated wood can be said to have an environmental bene- fit because it does not need to be painted or varnished, it cannot be de- scribed as environmentally friendly because the benefit is partly equal- ised by the way it is produced.

**3.** The climate or environmental benefit of the product may not be significantly reduced by harmful climate/environmental aspects of the product.

This means, for example, that as a general rule it will not be legal to use claims such as "environmentally friendly" for products belonging to particularly polluting sectors.⁵⁰



⁵⁰ <u>Guidance on the interpretation and application of Directive 2005/29/EC of the European Parliament and of the Council con-</u> cerning unfair business-to-consumer commercial practices in the internal market (2021/C 526/01) item 4.1.1.3.

Practice	A plug-in hybrid car was marketed as environmentally friendly <i>"without limiting the range"</i> , which could mislead the consumer about the car's en-
	vironmental properties. The plug-in hybrid car could drive 50 km on elec-
	tricity, after which it automatically switched to petrol, and from cradle to
	grave the car also had significant negative impacts on the environment. The
	environmental benefit of the vehicle was thereby significantly reduced by
	environmentally harmful aspects of the vehicle. ⁵¹

4. The climate or environmental benefit of the product must not be customary for equivalent products.

How this requirement can be fulfilled is described in more detail in <u>Chapter 7.2 of the Guid-ance from the Danish Consumer Ombudsman on the use of environmental and ethical claims, etc. in marketing.</u> It could be misleading, for example, if a product is referred to as "environmentally friendly" due to a specific environmental benefit, when the competing products in the market have the same environmental benefit.



Practice	A drinking bottle was marketed as being environmentally friendly, among
	other things with reference to being "free of BPA". The Danish Consumer
	Ombudsman's assessment was that the marketing initiative could give the
	consumer the impression that the drinking bottle strained the environ-
	ment significantly less than equivalent products. Since many other drink-
	ing bottles on the market were also BPA-free, the drinking bottle could not
	be marketed as "environmentally friendly" without misleading the con-
	sumer. ⁵²

Practice	The marketing initiative of a petrol product with the claim "Refuel greener
	- New 95 with lower CO ₂ emissions" against a green background with green
	leaves could give the consumer the impression that the petrol product was
	less harmful to the environment than competitors' petrol products. The
	marketing initiative was misleading because the same petrol product was
	also offered by competitors. ⁵³

<u>Read more in Chapter 7.2 of Guidance from the Danish Consumer Ombudsman on the use of</u> <u>environmental and ethical claims, etc., in marketing.</u>

⁵¹ Case <u>20/10674</u>

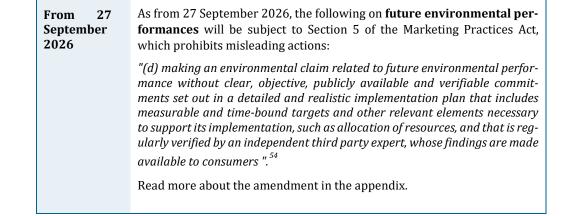
⁵² Case <u>22/07849</u>

⁵³ Case <u>20/09287</u>

### Section 7 **Use of claims concerning reduced greenhouse gas emissions**

Examples of marketing claims concerning reduced greenhouse gas emissions are "climate neutral", "net zero emissions", "30 per cent  $CO_2$  reduction", etc.

» If a trader markets itself as *aiming to reduce its CO₂ emissions*, the trader must have a plan for reducing its greenhouse gas emissions through reduction measures in production or in the enterprise, which must be verified by an independent body, and the enterprise must have greenhouse gas accounts for its emissions today and the expected emissions in the future.



Practice	In a preliminary notice, the Danish Consumer Ombudsman stated that it would be misleading to use a claim on the packaging that the trader in question would like to make an extra effort for the climate, because the claim could give the consumers the impression that the trader was seeking to reduce its CO ₂ emissions, for which the enterprise did not have a verified plan, just as the CO ₂ reduction was not immediately imminent. It would also be misleading to use a green label in the marketing initiative that included the words <i>"measured and certified"</i> with reference to the product's CO ₂ footprint. The label could give the consumers a more positive impression of the product's climate impact than there was a basis for. The Danish Consumer Ombudsman emphasised that the label – in particular through the text and the green colour – could give the consum-
	ers the impression that the product in question had special climate ben- efits compared to other products. It was natural to assume that the word
	"certified" meant that with the label, $CO_2$ reduction measures had been taken or would be taken in the near future, as it was not explicitly stated



⁵⁴ <u>Directive (EU) 2024/825 of the European Parliament and of the Council of 28 February 2024</u>, also known as "Empowering consumers for the green transition" (ECGT).

that it was only the measurement – and not the  $CO_2$  footprint – that had been certified. Since the trader did not have a plan for  $CO_2$  reduction or was not otherwise obliged to do so by the label, it would be misleading to use the label in marketing initiatives.⁵⁵

» If a trader markets itself with claims that the trader or the use/consumption of a product *emits less CO₂ than before* – e.g. "We have reduced our CO₂ emissions by 30 per cent" – the trader must be able to document the reduction in emissions. The reduction must not lie far back in time, and the accuracy of the claim will be enhanced if it is stated in which period of time the reduction has taken place.

<b>Practice</b> An insurance company marketed one of its suppliers' CO ₂ savings with the claim "In parts of the country, you can also choose [name of car repair shop], which emits up to 95 per cent less CO ₂ * and the repair only takes two hours." After the claim, the text "*You can read more here" appeared with a link to further information about the said CO ₂ savings. The Danish Consumer Ombudsman's view was that the claims did not meet the require ments for environmental claims to, among other things, be clear, true specific and not misleading. In the Danish Consumer Ombudsman's as sessment, the claims could give the consumer the impression that the CO savings applied to all of the car repair shop's services and activities, and that the comparison included other similar workshops, which the insurance company had not documented. The insurance company had only documented that the car repair shop in question achieved a CO ₂ saving when spray painting was carried out in a specific type of spray booth. The use of "up to" presupposes that the claim is accurate and relevant. Thi means that if an "up to" CO ₂ saving is marketed, the saving must be achieved in a representative share of the areas and aspects to which the CO ₂ saving refers. Regarding the use of "*" as a reference to more detailed information about an environmental claim the Danish Consumer Om budsman stated that it is not sufficient if the more detailed information is, for example, only "a click away". The information must be directly linked to the environmental claim. The marketing initiative was there fore misleading. ⁵⁶
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**Practice** In a preliminary notice, the Danish Consumer Ombudsman stated that it would be legal to among other things use the claim *"A 17.7 per cent lower climate impact compared to typical 100 per cent recycled plastic bottles used in Denmark"* in the marketing initiative of water in a drinking water carton made from 97 per cent plant-based material, as the enterprise could document a CO₂ reduction of 18 per cent compared to bottles made from 100 per cent recycled PET.⁵⁷

⁵⁵ Preliminary notices in cases <u>22/11573 and 23/02143</u>

⁵⁶ Case <u>23/07222</u>

⁵⁷ Preliminary notice in case <u>23/04166</u>

Practice	A trader that sold bus trips marketed itself with $CO_2$ reduction claims and climate claims. The rear of the buses stated "This bus emits up to 90 per cent less $CO_2$ " and "Fuelled with fossil-free diesel". The buses were also promoted in an advertising video showing a bus shedding green flower-like clouds and the text "Travel with a good climate conscience". The trader's documentation showed that the buses used biodiesel and that the $CO_2$ reduction was at least 90 per cent compared to the production of diesel. By using discarded fats as fuel in the buses instead of fossil diesel, an equivalent amount of fossil diesel was not burned in the operating phase. However, the buses still emitted a considerable amount of $CO_2$ while driving. The claims could give the consumers the impression that while driving the buses emitted up to 90 per cent less $CO_2$ than if the buses used fossil fuel, which was incorrect and therefore misleading. The flower-like clouds and the accompanying claim "Travel with a clear climate conscience" could give the consumers the impression that the buses emitted almost no $CO_2$ while driving. As the buses emitted a significant amount of $CO_2$ while driving, the marketing initiative was misleading. ⁵⁸
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Practice	In the marketing initiative of a soft drink bottle partly made of plant ma- terial, it was stated that initial studies showed that the bottle significantly
	<i>reduced</i> the CO ₂ footprint of the packaging. However, the soft drinks man-
	ufacturer had not calculated the bottle's CO ₂ footprint. Therefore, the
	claim was misleading. Two assessments of the CO ₂ footprint, conducted
	by two professors, did not constitute such a calculation. ⁵⁹

» If a trader uses marketing claims to indicate that the trader does not emit greenhouse gases at all", e.g. "CO2 neutral", the calculation of the total greenhouse gas emissions from the product, activity or enterprise that is marketed must show zero greenhouse gas emissions.⁶⁰

Practice	A number of traders marketed the burning of wood and wood briquettes in wood-burning stoves as "CO ₂ neutral". When wood is burned, the re- lease of the CO ₂ which has been absorbed by the wood during its lifetime takes place immediately, which forces the CO ₂ emissions that would oth- erwise have taken place much more slowly if the wood had continued to grow in the forest and had decomposed over many years. As global warming occurs continuously, according to the Danish Energy Agency the climate is affected by the temporary shift of the CO ₂ pool from forest to atmosphere. The fact that biomass incineration is designated as "CO ₂ - neutral" in the EU countries' greenhouse gas emission statements is due to the EU and UN accounting rules, according to which CO ₂ emissions are technically included where the wood is felled – and not where it is
	burned. The Danish Consumer Ombudsman assessed that the use of claims about $CO_2$ neutrality in marketing initiatives was likely to give the

⁵⁸ Case <u>21/05959</u> ⁵⁹ Case <u>12/00396</u>

⁶⁰ The calculations must include the six greenhouse gases covered by the Kyoto Protocol and must be based on scientifically recognised calculation methods.

consumer the false impression that no  $CO_2$  at all is emitted from wood combustion, or at least that wood combustion has a less harmful effect on the *climate* than it actually has. The claim was also likely to give the impression that wood combustion is less *environmentally* harmful than it is. The " $CO_2$  neutral" claim could thus mislead consumers about both the climate and environmental impacts of wood combustion.⁶¹ See section 6.1. for information on the environmental aspect of the cases.

Practice	An electric car was marketed with the claim "a CO ₂ neutral alternative to
	the petrol car". The car manufacturer had not made a calculation of the
	total greenhouse gas emissions from the car over its entire life cycle,
	where the total emissions should be zero. It was and would not be possi-
	ble to document that the total emissions were zero. The claim was there-
	fore misleading. ⁶²

<u>Read more in Chapter 7.3 of Guidance from the Danish Consumer Ombudsman on the use of</u> <u>environmental and ethical claims, etc., in marketing.</u>

#### 7.1 Climate compensation

Products are increasingly marketed as  $CO_2$  neutral,  $CO_2$  compensated and similar because the trader has provided financial support by purchasing carbon credits in projects that absorb  $CO_2$  from the atmosphere, or in projects whereby  $CO_2$  emissions are avoided.

The trader that uses climate compensation projects in marketing initiatives must be able to **document** that the claimed amount of  $CO_2$  has been bound/avoided. It is **not sufficient to prove the probability** of the climate effect. In practice, it has proved difficult to document the climate effect of the projects.

» The documentation of CO₂ compensation through climate projects presupposes that a number of recognised problems with these projects have been taken into account, including: That the CO₂ compensation would not have taken place without the project (additionality), that the project's climate effect is permanent (permanence), that the climate effect takes place concurrently with or immediately after the emission (concurrency), and that the project does not result in emissions elsewhere so that there is an actual climate effect (leakage).

Practice	Two electricity retailers marketed electricity products with the claim
	that CO ₂ emissions from the customers' annual electricity consumption
	were compensated. The retailers submitted documentation for the pur-
	chase of carbon credits in a number of climate compensating projects
	abroad involving new kitchen stoves, solar panels, wind turbines, biogas
	and methane utilisation. The Danish Consumer Ombudsman assessed
	that the documentation solely demonstrated a <i>probability</i> that the pro-
	jects had such a climate impact that they could compensate the CO ₂ emis-
	sions from the customers' annual electricity consumption. Among other
	things, it was not sufficiently documented that the climate effect of the

⁶¹ Case <u>22/02967 et al.</u>

⁶² Case <u>12/00351</u>

individual projects would not have taken place without the projects (lack of additionality). Due to the inadequate documentation, the documentation requirement in Section 13 of the Marketing Practices Act was not met. The Danish Consumer Ombudsman referred to the Danish Supreme Court's judgement in U 2015.2565 H, according to which it is not sufficient to meet the documentation requirement that the accuracy of the factual claim is only demonstrated to be probable. The marketing initiative could therefore mislead consumers about the climate effect of the electricity products.⁶³

**Practice** A petrol station offered its customers the option of compensating the CO₂ emissions from their fuel consumption by paying extra for the fuel they filled up with. The compensation consisted of the trader providing support for forest conservation projects abroad, where deforestation of forest areas was prevented. The marketing initiative used claims such as *"Just sign up and all fuel purchased with [the fuel card] will automatically* 

⁶³ Cases <u>24/05551</u> and <u>24/05552</u>

⁶⁴ Cases <u>20/09269</u> and <u>20/09270</u>. In its assessment, the Danish Consumer Ombudsman referred to the Swedish Patent and Market Court's ruling of 2 February 2023 in PMT 17372-21, where the court adopted a similar interpretation on the use of climate neutrality and climate compensation in marketing initiatives. In this case, the business enterprise had used climate compensation as documentation for the "net zero carbon footprint" claim on the packaging of organic dairy products. On the side of the products, the business enterprise had elaborated on the claim and, among other things, referred to how the products' CO₂ emissions were compensated because the business enterprise purchased climate credits from both afforestation and forest conservation projects, which were certified by Plan Vivo and Gold Standard. On calculating the products' CO₂ emissions, the business enterprise used the Global Warming Potential measurement with a time period of 100 years (GWP100). The Danish Patent and Market Court found that the consumer cannot be expected to understand that the promised climate effect of climate compensation will only be achieved after 100 years. The consumer must understand the claim to mean that the product does not affect the climate at all, or at least that the climate footprint has already been fully compensated.

be CO2 compensated as from your next invoice". The Danish Consumer Ombudsman assessed that the marketing initiative could give the consumer the impression that the CO₂ emissions from their fuel consumption were neutralised as a consequence of the trader's investments in forest conservation projects. The Danish Consumer Ombudsman requested the trader to submit documentation demonstrating that, without the funding from the projects, the forests included in the forest conservation projects would have been felled. The documentation contained descriptions of probable mechanisms, as the documentation was based on assumptions that there was a correlation between a number of factors that had previously led to felling in the forest areas, and that felling would continue without the support. The Danish Consumer Ombudsman therefore assessed that the trader had not documented that future deforestation of the forest areas would actually take place if the areas were not covered by the forest conservation projects. The Danish Consumer Ombudsman referred to that it is not sufficient to meet the documentation requirement in Section 13 of the Marketing Practices Act if the accuracy of the factual claim is only demonstrated to be probable. The marketing initiative could therefore mislead consumers about the climate effect of the CO₂ compensation for their fuel consumption.⁶⁵

The marketing initiative of a product as CO₂ neutral, CO₂ compensated, etc. is misleading if the consumer gets a false impression of the *product's* climate impact.

- » Even if it is possible to document the climate impact of the compensatory projects, it would therefore, in the view of the Danish Consumer Ombudsman, be essential for the consumers to know that the neutrality or compensation of a product is due to the purchase of climate credits, which is an activity that takes place outside the value chain of the marketed product.
- » This information must be given at the same time as the information on CO₂ neutrality, CO₂ compensation, etc.

To avoid misleading consumers, the Danish Consumer Ombudsman recommends that traders describe what they do.

- » If a trader buys credits in climate projects, this is what the trader must state in its marketing initiative but without promising the consumers that the CO₂ emissions of a product or activity will thereby be *compensated* or *neutralised*.
- » Such a claim about supporting the projects could be, for example, "For each [product] sold, we support [e.g. planting new trees] through [climate project], whereby [number of kg/tonnes] of CO₂ is absorbed over the next 20 years".

Read more on the Danish Consumer Ombudsman's website about <u>the common Nordic position</u> <u>on climate claims based on compensation schemes</u>.

⁶⁵ Case <u>20/10822</u>. The Danish Consumer Ombudsman referred to the Supreme Court's judgement in U 2015.2565 H, where the Supreme Court did not find it sufficient to satisfy the documentation requirement to verify the accuracy of information.



From 27 September 2026	As from 27 September 2026, the following concerning <b>climate claims based on climate compensation</b> will be subject to Annex 1 of the Market- ing Practices Act, which lists forms of marketing initiatives that are always considered misleading:
	"4c. Claiming, based on the offsetting of greenhouse gas emissions, that a product has a neutral, reduced or positive impact on the environment in terms of greenhouse gas emissions." ⁶⁶

Read more about the amendment in the appendix.

⁶⁶ <u>Directive (EU) 2024/825 of the European Parliament and of the Council of 28 February 2024</u>, also known as "Empowering consumers for the green transition" (ECGT).

# Section 8 **Use of sustainability claims**

Sustainable development refers to a development that meets the needs of the present without compromising the ability of future generations to meet their own needs.⁶⁷

On this basis, the documentation of sustainability claims must be based on a life cycle assessment which shows that the trader does not impair the ability of future generations to meet their needs.

In addition to environmental factors, social and economic factors must also be taken into account.

It is very difficult to call a product, etc. sustainable without it being misleading. The Danish Consumer Ombudsman therefore recommends that traders do not use sustainability claims in their marketing initiatives.

<b>Practice</b> A kitchen series was marketed with a number of environmental and sustainability claims, including "sustainable kitchen", "with an environmental and sustainability claims, including "sustainable kitchen", "with an environmental and sustainability without compromising on quality and design" and "the green surface is 100 per cent recycled plastic foil. This makes [] a green, environmental and sustainable choice from the inside out". The sustainability claims were likely to give the consumers the impression that the kitchen series was made from sustainable materials and therefore did not consume the Earth's resources. The fact that parts of the kitchen series were made of wood from responsible forestry did not mean that the kitchen series as a whole was sustainable, because the wood had subsequently undergone processing and because the kitchen series also consisted of other materials. The environmental claims were likely to give the impression that the kitchen series had a significantly lower environmental impact than equivalent kitchen models, which the trader could not document to be correct. ⁶⁸	n- a- ce n- il- ne id e- ne e- n- ve n-
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Practice	A retailer marketed its products with claims such as "sustainable toys"
	and "popular sustainable brands" on its website and justified this by the
	toys being made of wood, chemical-free, organic and/or certified. The
	Danish Consumer Ombudsman stated that the fact that the toys were, ac-
	cording to the trader's information, made of wood, were chemical-free,

⁶⁷ See the Brundtland Commission's report on environment and development from 1987.

⁶⁸ Case <u>22/04124</u>

organic and/or certified could not justify the toys being marketed as sustainable.  $^{\rm 69}$ 

PracticeAn online platform marketed its products with claims as "sustainable<br/>styles" and "our new sustainable brand" on its website, justifying this with<br/>the fact that the clothes were made from 100 per cent organic cotton, 50<br/>per cent recycled polyester and Lenzing viscose. The Danish Consumer<br/>Ombudsman stated that these measures could not justify the clothing be-<br/>ing marketed as sustainable.⁷⁰

**Practice** An online platform marketed itself with claims about sustainability and climate compensation. The online platform was informed by the Consumer Protection Cooperation (CPC) network that the network considered the claims to be misleading and contrary to Article 6(1)(b) and Article 7(2) of the UCP Directive. The online platform pledged to remove misleading sustainability icons and claims from its website and in the future to use specific claims about, for example, the percentage of organic content and recycled material in its products. The CPC network accepted the commitments on condition that the online platform's marketing initiative could be documented and related to aspects that were significant for the products' environmental impact.⁷¹

Practice	Two online platforms had actively contributed to promoting the sale of
Thethe	products that companies selling clothes through the platforms had des-
	ignated as sustainable. The sustainability claims were used both in the
	titles and in the descriptions of the clothes. The Danish Consumer Om-
	budsman asked the two platforms to document the sustainability claims.
	However, it was not possible for the platforms to provide documentation
	from the companies selling via the platforms. The two platforms there-
	fore did not meet the documentation requirement in Section 13 of the
	Marketing Practices Act, and the sustainability claims were likely to mis-
	lead the consumers. See section 3 regarding the Danish Consumer Om-
	budsman's assessment of the online platforms' liability. ⁷²

A trader may market itself with the claim that the enterprise *strives* for sustainability, or similar claims.

» However, this requires that the trader has a specific plan for how it will achieve sustainability, which must be verified by an independent body. The plan must entail that the product,

⁶⁹ Case <u>22/03857</u>

⁷⁰ Case <u>21/05850</u>

⁷¹ Case <u>21/12593</u>

⁷² Cases <u>21/05846</u> and <u>21/05847</u>

etc. is continuously improved/developed so that the burden is gradually reduced, which must be measurable. Implementation of the plan must be initiated or immediately imminent.

A trader may market itself as taking sustainability measures or similar claims.

» This requires that the trader discloses which specific measures it has taken. The measures must significantly promote sustainability. These can be a number of initiatives that create significant improvements in areas such as biodiversity, climate, pollution, recycling, reuse or material choices, which consume significantly less of the Earth's resources.

A trader can describe its sustainability work under a tab on its website. The tab can legally be called "Sustainability" or similar if the tab contains descriptions of how the trader strives for sustainability, or descriptions of the trader's sustainability measures.

Practice	A trader marketed itself with claims such as " <i>We build sustainably</i> " and " <i>We are climate neutral</i> ". The marketing initiative was aimed at other traders.
	The trader submitted documentation that it had taken a number of measures with a focus on climate, environment and sustainability. The Danish Consumer Ombudsman had no comments on the documentation of the measures, but assessed that the measures could not justify the claims used by the trader in its marketing initiative.
	The marketing initiative was therefore in breach of the documentation requirement in Section 13 of the Marketing Practices Act and the prohibition on misleading between traders in Section 20 of the Marketing Practices Act.
	The Danish Consumer Ombudsman emphasised that the building and construction industry has a high CO ₂ e load and a high consumption of natural resources, that a large number of undesirable substances are used in building materials, and that construction affects the environment in a number of other aspects, including depletion of non-renewable energy resources, global warming, indoor climate, drawing on water resources, ozone depletion, acidification, eutrophication and photochemical ozone formation. Furthermore, the Danish Consumer Ombudsman emphasised that at the time of marketing initiative, equivalent construction projects with a lower CO ₂ e impact than the construction projects marketed by the trader were constructed. ⁷³

## 8.1 Special regulation regarding sustainability

Traders are increasingly subject to special regulations regarding sustainability, including regulation regarding sustainability reporting⁷⁴ and product and industry specific regulation.

» The trader's sustainability reporting can be *repeated* or *linked to* under a tab on the website called "sustainability" or similar, where the trader's sustainability measures are described. If

⁷³ Case <u>22/03488</u>

⁷⁴ The term "sustainability reporting" in these recommendations concerns all special regulations regarding sustainability within the financial area, such as the Corporate Sustainability Reporting Directive (CSRD), the Disclosure Regulation (SFDR) and the Taxonomy Regulation (TR).

the trader in the tab only repeats the statutory sustainability reporting (and thus does not describe its sustainability measures), the tab can be called "Sustainability reporting", "CSR", "ESG" or similar.

» If excerpts from the trader's sustainability reporting are used *independently* in marketing initiatives, the trader must be aware that this will be subject to both the Marketing Practices Act and good practice rules in the financial area.

Example Corporate Sustaina- bility Re- porting Di- rective (CSRD)	An example of special regulation regarding sustainability is the Corporate Sustainability Reporting Directive (CSRD) ⁷⁵ , which aims to strengthen the quality of sustainability information and the reporting framework to make it relevant, credible, comparable and usable for accounting users, investors, etc. CSRD contains requirements for companies ⁷⁶ to report on their sustainability work. Traders must report according to special standards (ESRS), so that traders in all EU countries report on sustainability in the same way ⁷⁷ .
	» For example, it would be covered by the Marketing Practices Act if a trader uses information about CO ₂ emissions from its sustainability reporting and on its website writes "We have reduced our CO ₂ emissions". The overall impression, the type of product, the other products on the market, etc. will be of importance when assessing whether the claim is misleading. This claim is very generally phrased, and the consumer could therefore quickly get a misleading impression of the CO ₂ benefit of the marketed product, etc. In this case, the claim will because of this already be misleading. It would, for example, also be misleading to use the claim if most of the equivalent companies in the market had achieved the same CO ₂ reduction.

- » Compliance with special regulations cannot automatically constitute documentation that a product, etc. is marketed as "sustainable". This is because, for example, the rules on traders' sustainability reporting do not concern how the enterprise uses the information from the reporting in *marketing initiatives*.⁷⁸ Thus, the Marketing Practices Act applies in parallel with special regulation.
- » If there are discrepancies between the Marketing Practices Act and a special act regarding marketing initiatives, the Marketing Practices Act will be waived.⁷⁹

⁷⁵ Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) no. 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU as regards corporate sustainability reporting.

⁷⁶ The companies covered by the CSRD are all large companies, as well as all listed companies (except listed micro companies). Certain third country companies are also covered by the CSRD.

⁷⁷ ESRS stands for "European Sustainability Reporting Standards", which are standards adopted by the European Commission. The standards apply directly in all EU member states. A distinction is made between cross-disciplinary standards, which are mandatory for all traders, and subject-specific standards, which must be reported according to whether an enterprise has assessed the subject materially through a dual materiality assessment.

⁷⁸ However, it should be noted that according to Article 13 of the Disclosure Regulation (SFDR) marketing communications must not contradict the information disclosed under SFDR.

⁷⁹ If there are discrepancies between two statutory rules, it follows from the lex specialis principle that a statutory rule in a special regulation will in principle take precedence over a statutory rule of a more general nature. As regards marketing initiatives, this also follows from Article 3(4) of Directive 2005/29/EC of the European Parliament and of the Council of 11 May 2005 concerning unfair business-to-consumer commercial practices in the internal market and amending Council Directive 84/450/EEC and

Example The Disclo- sure Regu- lation (SFDR)	Another example of special regulation regarding sustainability is the Dis- closure Regulation (SFDR) ⁸⁰ , which aims to improve and create greater transparency regarding sustainability information in the financial ser- vices sector. SFDR contains requirements for financial market partici- pants and financial advisers regarding sustainability-related disclosures concerning the financial products they offer or advise on (e.g. a fund or a pension product).
	When a financial product is marketed as a product that has sustainable investments as its objective, a set of information shall be provided under Article 9 of SFDR. In addition, the product may only concern "sustainable investments". ⁸¹ .
	In the opinion of the Danish Consumer Ombudsman, marketing a <i>finan- cial product</i> that meets the requirements in Article 9 of SFDR as "sustain- able" would not violate the Marketing Practices Act. However, financial products that only partly include "sustainable investments" cannot le- gally be marketed as "sustainable".
	» For example, it would be in accordance with the Marketing Practices Act to use the "sustainable pension product" claim for a <i>pension product</i> if <i>all</i> of the product's investments are "sustainable" within the meaning of SFDR.
	» If a <i>provider</i> of financial products uses the "sustainable provider" etc. claim in its marketing initiative, this will not be covered by SFDR be- cause the claim does not concern a specific financial product. On the other hand, the claim will be subject to the Marketing Practices Act, and the trader must therefore have documentation of the accuracy of the sustainability claim for it to be legally used in marketing initiatives. See more about the documentation requirements in section 8.

Example Taxonomy Regulation (TR)	A third example of special regulation on sustainability is the Taxonomy Regulation (TR) ⁸² , which aims to create a common classification of what can be considered environmentally sustainable economic activities in order to promote sustainable investments. An environmentally sustainable economic activity is defined on the basis of a number of criteria, all of which must be met.
	TR lists six environmental objectives to which an economic activity can contribute significantly to in order to be classified as environmentally sustainable. In addition, the economic activity must not significantly

Directives 97/7/EC, 98/27/EC and 2002/65/EC of the European Parliament and of the Council, and Regulation (EC) no. 2006/2004 of the European Parliament and of the Council, and the judgement of the Court of Justice of the European Union in Case C-632/16.

⁸⁰ Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.

⁸¹ According to Article 2(17) of SFDR, a "sustainable investment" is an investment in an economic activity or company that measurably contributes to an environmental or social objective, provided that such investments do not significantly harm any environmental or social objective and that the investments are only in companies that follow good governance practices.

⁸² Regulation (EU) 2020/882 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.

harm any of the listed environmental objectives and must at the same time comply with minimum safeguards for human and labour rights. To this end, a number of technical screening criteria have been established for the individual economic activities, which must be met. TR also sets documentation requirements.

If an economic activity is environmentally sustainable according to TR, in the opinion of the Danish Consumer Ombudsman, marketing an *economic activity* as environmentally sustainable would not in itself be in violation of the Marketing Practices Act. However, a *product/asset* that is the result of an environmentally sustainable economic activity under TR will not necessarily be environmentally sustainable, and marketing the product/asset as such will be misleading.

» For example, a pension company marketing the *construction* of a new building as "environmentally sustainable" would be in accordance with the Marketing Practices Act if this *economic activity* (the construction) meets the criteria in TR.

However, a company that markets an economic activity (e.g. the construction of the building) as "environmentally sustainable" must be particularly aware that the marketing initiative does not give the consumers the impression that it is the final product/asset (e.g. the building) that is environmentally sustainable.

The company must also be aware that marketing initiatives may be misleading, in violation of the Marketing Practices Act, according to an *overall assessment*, e.g. if effects in the form of a green colour and/or illustrations have been used, even if the company makes it clear that it is the economic activity (and not the final product) that is marketed as "environmentally sustainable".

» It would be in conflict with the Marketing Practices Act to market the *final product/asset*, e.g. a *building*, as "environmentally sustainable" if the enterprise does not have documentation for this. See more about the documentation requirements in section 8. This also applies even if the criteria for environmental sustainability in TR are complied with, e.g. regarding the construction of the building, as TR solely relates to the specific economic activity.

# Section 9 The trader's environmental profile (branding)

» If a trader wants to brand itself using climate or environmental claims, for example by using slogans, mottos, visions, claims as part of a trader name or product name, images, symbols, colours, etc., it must be possible to document these claims in order for them not to be misleading.

Example	If a trader calls itself "The Green Cleaning Patrol", in its marketing initia-
-	tives it must comply with the requirements for general environmental
	claims without an explanation. See section 6.1.

» The use of claims concerning objectives and visions requires that the trader has specific action plans to achieve the objective and that the action plans have been initiated or are immediately imminent and measurable.

<b>D</b>	<u>An alastrisita untailar markatada unun kan af alastrisita una dusta amana</u>
Practice	An electricity retailer marketed a number of electricity products, among
	other things with the aim of removing 1,000,000 tonnes of CO ₂ from the
	Earth's atmosphere each year. The Danish Consumer Ombudsman re-
	quested documentation from the retailer that the retailer had an initiated
	or imminent and measurable action plan for the aim. As documentation,
	the retailer presented growth plans that contained information about
	which European markets the retailer wanted to enter in 2022-2032.
	However, the growth plans did not contain information about how this
	would be achieved. The Danish Consumer Ombudsman assessed that the
	growth plans did not constitute an imminent and measurable action plan
	for the aim of removing 1,000,000 tonnes of CO ₂ each year, and the claim
	was thus misleading. ⁸³

#### Requirements

- » Traders must comply with the requirements described in these Recommendations, depending on the type of claim. For example, if a trader uses a sustainability claim in its company name, the requirements for this described in section 8 must be complied with.
- » Be aware of how the trader is marketed from an overall environmental perspective. It could be misleading if highlighting an initiative gives the trader a better environmental/climate profile than what is substantiated.

Practice	A soft drink bottle made partly from plant material was marketed with
	the claim "The bottle of the future is made from 100 per cent renewable
	resources. Our new bottle – with plant-based material and recycled plastic
	- is a first step on the way." However, no more than 15 per cent of the

⁸³ Case <u>24/05551</u>

bottle's total material was plant-based, and it was stated on the soft drinks producer's website that it was not possible to make this type of bottle solely from plant material. The soft drinks producer was also unable to provide documentation that this was an achievable goal in the immediate future. The claim was therefore misleading. The bottle's name "PlantBottle" was also problematic since the plant material accounted for a maximum of 15 per cent of the bottle's total material.⁸⁴

Practice	A taxi company marketed itself with a claim that the company was "at the
	forefront when it comes to seeking new solutions to reduce $CO_2$ emissions".
	Among other things, the company referred to a four-year-old environ-
	mental strategy of which the objectives were not met, . The company also
	referred to how they had prepared green gas accounts and that the com-
	pany's taxi drivers were trained in "environmentally correct" driving
	practices. With regard to the green gas accounts, this only showed the
	company's impact on the environment, but not that the company did an-
	ything good for the environment. Regarding the training of drivers in
	driving practices, other taxi companies had also (long before) sent their
	drivers on such a course. Overall, there were insufficient grounds for the
	company to market itself with the claim in question without this being
	misleading. ⁸⁵

<u>Read more in Chapter 9 of Guidance from the Danish Consumer Ombudsman on the use of environmental and ethical claims, etc., in marketing.</u>

⁸⁴ Case <u>12/00396</u>

⁸⁵ Case <u>12/03091</u>

# Section 10 Inquiries to the Danish Consumer Ombudsman

## 10.1 Complaints to the Danish Consumer Ombudsman

If consumers, traders or other parties wish to **complain** about misleading marketing initiatives with climate, environmental or sustainability claims, the complaint can be submitted via the Danish <u>Consumer Ombudsman's complaint form</u>.

## **10.2 Preliminary notice**

It is also possible to get the Danish Consumer Ombudsman's assessment of whether a **specific** and **not yet implemented** marketing initiative will be legal under the Marketing Practices Act. See more about preliminary notices in section 2.1.

# Section 11 The Danish Consumer Ombudsman's examples of illegal and legal marketing initiatives

The Danish Consumer Ombudsman has drawn up the following examples of marketing initiatives that, *in the view of the Danish Consumer Ombudsman*, will be illegal and legal, respectively, under the Marketing Practices Act. These are illustrative, fictive examples based on some of the issues that the Danish Consumer Ombudsman sees in practice.

It must be emphasised that the examples are supplemented with specific, more detailed preconditions, which are crucial for the Danish Consumer Ombudsman's assessment. The claims may be used in other ways and in other contexts in marketing initiatives to be either illegal or legal.

In general, all claims used in marketing initiatives must be **correct and precise, relevant and balanced and clearly worded**, so that consumers immediately understand them and are not misled. See more in section 2 and in <u>Chapter 6.1 of the Guidance from the Danish Consumer</u> <u>Ombudsman on the use of environmental and ethical claims, etc., in marketing.</u>

### Example 1: Marketing a CO₂ reduction

The measures the trader has taken to minimise its climate impact are to use energy from renewable energy sources and to only use recycled plastic in the production of the toothbrush, which results in a  $CO_2$  reduction of 20 per cent over the entire life cycle of the toothbrush, compared to the emissions of the previous year. At the time of marketing initiative, few toothbrush manufacturers have taken measures that have resulted in an equivalent  $CO_2$  reduction.

#### Figure 11.1 Example 1 – The marketing is misleading



The marketing initiative shown in Figure 11.1 is **misleading and thereby illegal** because the claim is generally phrased. To be able to use the "climate-friendly" claim, which is a general claim without an explanation, the trader must be able to document – based on a life cycle assessment – that the product has a *significantly* lower climate impact than equivalent products. See section 6.1. of the Recommendations and <u>Chapter 7.1 of the Guidance from the Danish Consumer Ombudsman on the use of environmental and ethical claims, etc., in marketing.</u>



Figure 11.2 Example 2 - The marketing initiative is not misleading

The Danish Consumer Ombudsman's assessment is that the marketing initiative shown in Figure 11.2 **is not misleading and is thereby legal**, because the claim is specific, precise, factual and neutrally worded. It is crucial for legality that few toothbrush manufacturers have taken measures resulting in an equivalent  $CO_2$  reduction, as it is not relevant to market climate and environmental benefits that are common for similar products.

### Example 2: Marketing of products without and with an official label

The measures the trader has taken to minimise its environmental impact are, in the illegal example, production adjustments that have resulted in a  $CO_2$  reduction of 5 per cent. In the legal example, the trader has been awarded the Nordic Swan Ecolabel and the EU Ecolabel (official ecolabels).

#### Figure 11.3 The marketing initiative is misleading



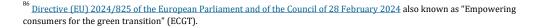
The marketing initiative shown in Figure 11.3 is **misleading and thereby illegal** because the claim is generally phrased. To be able to use the "less environmentally harmful" claim, which is a general claim without explanation, the trader must be able to document – based on a life cycle assessment – that the product is *significantly* less environmentally harmful than similar products. See section 6.1. in the Recommendations and <u>Chapter 7.1 of the Guidance from the Danish</u> <u>Consumer Ombudsman on the use of environmental and ethical claims, etc., in marketing</u>. A CO₂ reduction of 5 per cent does not meet the criterion on significance.

## Figure 11.4 The marketing initiative is not misleading



The Danish Consumer Ombudsman's view is that marketing a product that has one or more official labels with a relative environmental claim, e.g. "less environmentally harmful" or "more environmentally friendly", **is not misleading and thereby legal**. This is because a life cycle assessment of the product group is always made, whereby the market level is also evaluated, before products can be certified with the Nordic Swan Ecolabel or EU Ecolabel. See section 6.1.1. of the Recommendations and <u>Chapter 10.2 of the Guidance from the Danish Consumer Ombudsman on the use of environmental and ethical claims, etc., in marketing.</u>

From 27 September 2026	As from 27 September 2026, the following concerning <b>generic environ-</b> <b>mental claims</b> will be subject to Annex 1 of the Marketing Practices Act, which lists forms of marketing initiatives that are always considered mis- leading:
	"4a. Making a generic environmental claim for which the trader is not able to demonstrate recognised excellent
	environmental performance relevant to the claim"
	In Article 2(1), "recognised excellent environmental performance" is de- fined as: "[] environmental performance compliant with Regulation (EC) No 66/2010 of the European Parliament and of the Council (*) or with na- tional or regional EN ISO 14024 type I ecolabelling schemes officially recog- nised in the Member States, or top environmental performance in accordance with other applicable Union law "; ⁸⁶
	Read more about the amendment in the appendix.

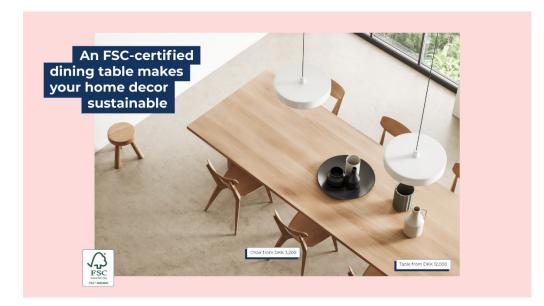




## Example 3: Marketing of products under a private, generally recognised labelling or certification scheme

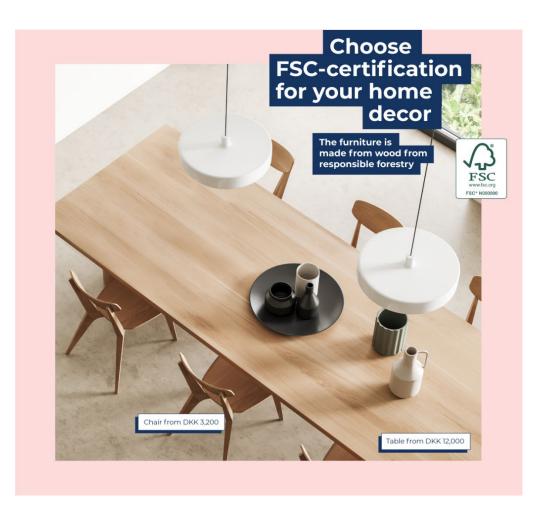
The measures the trader has taken to minimise its environmental impact are that the furniture is FSC-certified.

## Figure 11.5 The marketing initiative is misleading



The marketing initiative shown in Figure 11.5 is **misleading and thereby illegal** because a certification (or other measures related to the climate, the environment or sustainability) does not result in the wooden furniture being sustainable.

## Figure 11.6 The marketing initiative is not misleading



The Danish Consumer Ombudsman assesses that the marketing initiative shown in Figure 11.6 **is not misleading and is thereby legal** because the wooden furniture is certified under a private, generally recognised certification scheme, and the claim is specific, precise, factual and neutrally worded, based on the content of the certification scheme. See <u>Chapter 10.3 of the Guidance from the Danish Consumer Ombudsman on the use of environmental and ethical claims, etc., in marketing.</u>

## Example 4: Marketing initiatives with general environmental claims versus specific claims

The measures the trader has taken to minimise its climate impact are to exclusively use electric cars in its car-pooling scheme. At the time of the marketing initiative, few car-pooling schemes offered electric vehicles only.

#### Figure 11.7 The marketing initiative is misleading



The marketing initiative shown in Figure 11.7 is **misleading and thereby illegal**. The measures the trader has taken relate to the energy source the car uses (i.e. a *climate* aspect) – and not to the car's other *environmental* impact. To be able to use the "environmentally friendly" claim, which is a general claim without an explanation, the trader must be able to document – based on a life cycle assessment – that the product has a *significantly* lower environmental impact than similar products. See section 6.1. of the Recommendations and <u>Chapter 7.1 of the Guidance from the Danish Consumer Ombudsman on the use of environmental and ethical claims, etc., in marketing.</u>



Figure 11.8 The marketing initiative is not misleading

The Danish Consumer Ombudsman assesses that the marketing initiative shown in Figure 11.8 **is not misleading and is thereby legal** because the claim is specific, precise, factual and neutrally worded. It is crucial for legality that only few car-pooling schemes offer electric cars solely, as it is not relevant to market climate and environmental benefits that are common for similar products.

### Example 5: Marketing the climate benefits of packaging

The initiative the trader has taken to minimise its climate impact is to only use recycled plastic for packaging, which results in a  $CO_2$  reduction of 50 per cent for packaging compared to the previous year's emissions. Packaging accounts for 50 per cent of the entire product's (i.e. including the curry's)  $CO_2$  emissions from a life cycle perspective, which is why it is relevant to highlight this. At the time of marketing initiative, few curry producers had taken measures resulting in an equivalent  $CO_2$  reduction for the packaging.

Figure 11.9 The marketing initiative is misleading



The marketing initiative shown in Figure 11.9 is **misleading and is thereby illegal** because the claim is generally phrased so that the consumer can be misled to believe that there has been a  $CO_2$  reduction for the entire product – and not just for the packaging.



## Figure 11.10 The marketing initiative is not misleading

The Danish Consumer Ombudsman assesses that the marketing initiative shown in Figure 11.10 **is not misleading and is thereby legal** because the claim is specific, precise, factual and neutrally worded, so that it is clear to the consumer that the  $CO_2$  reduction relates to the packaging and the extent of the reduction this entails for the entire product life cycle. It is crucial for legality that few curry producers have taken measures resulting in an equivalent  $CO_2$  reduction, as it is not relevant to market climate or environmental benefits that are common for similar products. It is also crucial that the  $CO_2$  reduction does not constitute a minimal part of the entire product's  $CO_2$  emissions from a life cycle perspective.



From 27 September 2026	As from 27 September 2026, the following <b>claims about the entire prod- uct/trader, when the benefit only relates to aspects thereof</b> , will be subject to Annex 1 of the Marketing Practices Act, which lists forms of mar- keting initiatives that are always considered misleading:
	"4b. Making an environmental claim about the entire product or the trader's entire business when it concerns only a certain aspect of the product or a spe- cific activity of the trader's business." ⁸⁷ Read more about the amendment in the appendix.

⁸⁷ <u>Directive (EU) 2024/825 of the European Parliament and of the Council of 28 February 2024</u> also known as "Empowering consumers for the green transition" (ECGT).

## Example 6: Marketing initiatives with sustainability claims versus specific claims

The trader's measures to minimise its environmental impact are that all of its clothes are made from 100 per cent organic cotton.

## Figure 11.11 The marketing initiative is misleading



The marketing initiative shown in Figure 11.11 is **misleading and is thereby illegal** because the fact that the clothes are made from 100 per cent organic cotton does not mean that they are sustainable. See section 8 of the Recommendations.





The Danish Consumer Ombudsman assesses that the marketing initiative shown in Figure 11.12 **is not misleading and is thereby legal** because the claim is specific, precise, factual and neutrally worded. See section 5. of the Recommendations.

## Example 7: Marketing initiatives with climate compensation claims

The trader has taken measures to minimise its climate impact by supporting an afforestation project whereby new trees are planted that absorb  $CO_2$  over the 20-year project period.

## Figure 11.13 The marketing initiative is misleading



The marketing initiative shown in Figure 11.13 is **misleading and is thereby illegal** because the trader's support for an afforestation project does not constitute documentation that the *bed* is  $CO_2$  neutral. This is due, among other things, to the lack of *concurrency* between the  $CO_2$  emissions from the production of the bed and the trees'  $CO_2$  absorption, which takes place over 20 years, as well as the question of whether the  $CO_2$  effect of the afforestation project is additional, i.e. whether the trees would have been planted without the project. Moreover, the consumers are not informed that the  $CO_2$  neutrality is due to compensation, and the consumers can therefore get the impression that the bed has climate-related benefits, which is not the case. In addition, effects have been used that affect the consumers' overall impression of the marketing initiative. See sections 4. and 7.1. of the Recommendations.

## Figure 11.14 The marketing initiative is not misleading



The Danish Consumer Ombudsman assesses that the marketing initiative shown in Figure 11.14 **is not misleading and is thereby legal** because the claim is specific, precise, factual and otherwise balanced. The claim thereby does not give the consumer the impression of greater climate benefits than the trader can document through its support for the afforestation project. It is decisive that the consumer does not get the impression that the product is CO₂ compensated 1:1, and that the product is CO₂ neutral or similar. Legality presupposes (as with all other factual claims used in marketing initiatives) that the accuracy of the CO₂ effect can be *documented*. In this connection, traders must be aware that it is not sufficient to show the accuracy to be *probable*. See section 7.1. of the Recommendations.



From 27<br/>September<br/>2026As from 27 September 2026, the following concerning climate claims<br/>based on climate compensation will be subject to Annex 1 of the Market-<br/>ing Practices Act, which lists forms of marketing initiatives that are always<br/>considered misleading:<br/>"4c. Claiming, based on the offsetting of greenhouse gas emissions, that a<br/>product has a neutral, reduced or positive impact on the environment in<br/>terms of greenhouse gas emissions." 88<br/>Read more about the amendment in the appendix.

⁸⁸ <u>Directive (EU) 2024/825 of the European Parliament and of the Council of 28 February 2024</u> also known as "Empowering consumers for the green transition" (ECGT).

## Section 12 Appendix – Unfair Commercial Practices Directive

On 28 February 2024 an amendment of the Directive on Unfair Commercial Practices was adopted, which is the EU Directive that the Danish Marketing Practices Act implements.⁸⁹

The amendment of the Directive means, among other things, that Annex 1 of the Directive, which lists forms of marketing initiatives that are always considered misleading⁹⁰, has been expanded with a number of marketing initiatives about climate and environment. In addition, several forms of marketing initiatives have been added to the section prohibiting misleading actions.

The amendments will become part of the Danish Marketing Practices Act from **27 September 2026**. This means:

- » The added forms of marketing initiatives in Annex 1 of the Directive are **in all circumstances considered misleading and thereby illegal**.
- » The added forms of marketing initiatives in the list of misleading actions in the Directive are illegal if the marketing initiative is likely to cause the consumer to make a decision that they would not otherwise have taken.

Traders must be aware that marketing initiatives can be misleading and thus illegal even if it is not covered by Annex 1 of the Directive, **because the general misleading provisions still ap-ply**.⁹¹

Below is a detailed overview of the amendments to the Directive.

## 12.1 Added to Annex 1 with forms of marketing initiatives that are always considered misleading

### Sustainability labels

"2a. Displaying a sustainability label that is not based on a certification scheme or not established by public authorities."

⁸⁹ <u>Directive (EU) 2024/825 of the European Parliament and of the Council of 28 February 2024</u> also known as "Empowering consumers for the green transition" (ECGT).

⁹⁰ Therefore, Annex 1 is also called the "black list".

⁹¹ This follows from recital (2) of the preamble: "As already laid down in Directive 2005/29/EC, it should still be possible to consider that a commercial practice is unfair on the basis of Articles 5 to 9 of that Directive, even though that particular practice is not listed as an unfair commercial practice in Annex I to Directive 2005/29/EC."

In article (2)(1) "sustainability label" and "certification scheme" are defined:

"(q) "sustainability label" means any voluntary trust mark, quality mark or equivalent, either public or private, that aims to set apart and promote a product, a process or a business by reference to its environmental or social characteristics, or both, and excludes any mandatory label required under Union or national law;"

"(r) "certification scheme" means a third-party verification scheme that certifies that a product, process or business complies with certain requirements, that allows for the use of a corresponding sustainability label, and the terms of which, including its requirements, are publicly available and meet the following criteria:

- (i) the scheme is open under transparent, fair, and non-discriminatory terms to all traders willing and able to comply with the scheme's requirements;
- (ii) the scheme's requirements are developed by the scheme owner in consultation with relevant experts and stakeholders;
- (iii) the scheme sets out procedures for dealing with non-compliance with the scheme's requirements and provides for the withdrawal or suspension of the use of the sustainability label by the trader in case of non-compliance with the scheme's requirements; and
- (iv) the monitoring of a trader's compliance with the scheme's requirements is subject to an objective procedure and is carried out by a third party whose competence and independence from both the scheme owner and the trader are based on international, Union or national standards and procedures;"

The addition to the Annex is based on the following recitals:

"(7) Sustainability labels can relate to many characteristics of a product, process or business, and it is essential to ensure their transparency and credibility. Therefore, the displaying of sustainability labels which are not based on a certification scheme, or which have not been established by public authorities should be prohibited by including such practices in the list in Annex I to Directive 2005/29/EC. Before displaying a sustainability label, the trader should ensure that, according to the publicly available terms of the certification scheme, it meets minimum conditions of transparency and credibility, including the existence of objective monitoring of compliance with the requirements of the scheme. Such monitoring should be carried out by a third party whose competence and independence from both the scheme owner and the trader are ensured based on international, Union or national standards and procedures, for example by demonstrating compliance with relevant international standards, such as ISO 17065 'Conformity assessment – Requirements for bodies certifying products, processes and services' or through the mechanisms provided for in Regulation (EC) No 765/2008 of the European Parliament and of the Council. The displaying of sustainability labels remains possible without a certification scheme when such labels are established by a public authority, or where additional forms of expression and presentation of food are used in accordance with Article 35 of Regulation (EU) No 1169/2011 of the European Parliament and of the Council.

Examples of sustainability labels established by public authorities are logos awarded when complying with the requirements of Regulations (EC) No 1221/2009 or (EC) No 66/2010 of the European Parliament and of the Council. Some certification marks, as defined in Article 27 of Directive (EU) 2015/2436 of the European Parliament and of the Council, can also operate as sustainability labels if they promote a product, process or business with reference, for example, to its environmental or social characteristics or both. The trader should be able to display such certification marks only if they are established by public authorities or based on a certification scheme. That rule complements Annex I, point (4), to Directive 2005/29/EC, which prohibits the making of a claim that a trader, the commercial practices of a trader or a product have been approved, endorsed or authorised by a public or private body when that is not the case, or the making of such a claim without complying with the terms of the approval, endorsement or authorisation. Voluntary market-based standards and voluntary public standards for green and sustainable bonds do not primarily target retail investors and are subject to specific laws. For those reasons, those standards should not be considered to be sustainability labels under this Directive. It is important that public authorities, as far as possible and in compliance with Union

law, promote measures to facilitate access to sustainability labels for small and medium-sized enterprises."

"(8) In cases where the displaying of a sustainability label involves a commercial communication that suggests or creates the impression that a product has a positive or zero impact on the environment, or is less damaging to the environment than competing products, that sustainability label should also be considered as constituting an environmental claim."

#### **Generic environmental claims**

"4a. Making a generic environmental claim for which the trader is not able to demonstrate recognised excellent environmental performance relevant to the claim."

In article (2)(1) "environmental claim", "generic environmental claim" and "recognised excellent environmental performance" are defined:

"(o) "environmental claim" means any message or representation which is not mandatory under Union or national law, in any form, including text, pictorial, graphic or symbolic representation, such as labels, brand names, company names or product names, in the context of a commercial communication, and which states or implies that a product, product category, brand or trader has a positive or zero impact on the environment or is less damaging to the environment than other products, product categories, brands or traders, or has improved its impact over time;"

"(p) "generic environmental claim" means any environmental claim made in written or oral form, including through audiovisual media, that is not included on a sustainability label and where the specification of the claim is not provided in clear and prominent terms on the same medium;"

"(s) "recognised excellent environmental performance" means environmental performance compliant with Regulation (EC) No 66/2010 of the European Parliament and of the Council (*) or with national or regional EN ISO 14024 type I ecolabelling schemes officially recognised in the Member States, or top environmental performance in accordance with other applicable Union law;"

The addition to the Annex is based on the following recitals:

"(9) Annex I to Directive 2005/29/EC should also be amended to prohibit the making of a generic environmental claim without recognised excellent environmental performance which is relevant to the claim. Examples of generic environmental claims include 'environmentally friendly', 'eco-friendly', 'green', 'nature's friend', 'ecological', 'environmentally correct', 'climate friendly', 'gentle on the environment', 'carbon friendly', 'energy efficient', 'biodegradable', 'biobased' or similar statements that suggest or create the impression of excellent environmental performance. Such generic environmental claims should be prohibited when recognised excellent environmental performance cannot be demonstrated. Whenever the specification of the environmental claim is provided in clear and prominent terms on the same medium, such as the same advertising spot, the product's packaging or online selling interface, the environmental claim is not considered to be a generic environmental claim. For example, the claim 'climatefriendly packaging' would be a generic claim, whilst claiming that '100 % of energy used to produce this packaging comes from renewable sources' would be a specific claim, which would not fall under this prohibition, without prejudice to other provisions of Directive 2005/29/EC remaining applicable to those specific claims. Furthermore, a claim made in written form or orally combined with implicit claims such as colours or images could constitute a generic environmental claim."

"(10) Recognised excellent environmental performance can be demonstrated by compliance with Regulation (EC) No 66/2010 or with officially recognised EN ISO 14024 ecolabelling schemes in the Member States, or by corresponding to top environmental performance for a specific environmental characteristic in accordance with other applicable Union laws, such as class A in accordance with Regulation (EU) 2017/1369 of the European Parliament and of the Council. The recognised excellent environmental performance in question should be relevant to the entire claim. For example, a generic environmental claim such as 'energy efficient' could be made based on recognised excellent environmental performance in accordance with Regulation (EU) 2017/1369. By contrast, a generic environmental claim such as 'biodegradable' could not be made based on recognised excellent environmental performance in accordance with Regulation (EC) No 66/2010, insofar as there are no requirements for biodegradability in the specific EU Ecolabel criteria related to the product in question. Similarly, a trader should not make a generic claim such as 'conscious', 'sustainable' or 'responsible' based exclusively on recognised excellent environmental performance to accurate in addition to environmental performance, because such claims relate to other characteristics in addition to environmental characteristics, such as social characteristics."

#### Claims about the entire product/trader when the benefit only relates to aspects thereof

"4b. Making an environmental claim about the entire product or the trader's entire business when it concerns only a certain aspect of the product or a specific activity of the trader's business."

The addition to the Annex is based on the following recital:

"(11) Another misleading commercial practice, which should be prohibited in all circumstances and thus added to the list in Annex I to Directive 2005/29/EC, is making an environmental claim about the entire product or the trader's entire business when it actually concerns only a certain aspect of the product or a specific, unrepresentative activity of the trader's business. That ban would apply, for example, when a product is marketed as 'made with recycled material' giving the impression that the entire product is made of recycled material, when in fact only the packaging is made of recycled material, or when a trader gives the impression that it is only using renewable energy sources when in fact several of the trader's business facilities still use fossil fuels. Accordingly, the ban should not prevent a trader from making environmental claims about its entire business, provided that those claims are accurate and verifiable and that they do not overstate the environmental benefit, such as would be the case in the second of those examples, if that trader were to report a decrease in the use of fossil fuels for its business as a whole."

### Climate claims based on climate compensation

"4c. Claiming, based on the offsetting of greenhouse gas emissions, that a product has a neutral, reduced or positive impact on the environment in terms of greenhouse gas emissions."

The addition to the Annex is based on the following recital:

"(12) It is particularly important to prohibit the making of claims, based on the offsetting of greenhouse gas emissions, that a product, either a good or service has a neutral, reduced, or positive impact on the environment in terms of greenhouse gas emissions. Such claims should be prohibited in all circumstances and added to the list in Annex I to Directive 2005/29/EC as they mislead consumers by making them believe that such claims relate to the product itself or to the supply and production of that product, or as they give the false impression to consumers that the consumption of that product does not have an environmental impact. Examples of such claims are 'climate neutral', 'CO2 neutral certified', 'carbon positive', 'climate net zero', 'climate compensated', 'reduced climate impact' and 'limited CO2 footprint'. Such claims should only be allowed when they are based on the actual lifecycle impact of the product in question, and not based on the offsetting of greenhouse gas emissions outside the product's value chain, as the former and the latter are not equivalent. Such a prohibition should not prevent companies from advertising their investments in environmental initiatives, including carbon credit projects, as

long as they provide such information in a way that is not misleading and that complies with the requirements laid down in Union law."

#### Requirements imposed by law presented as benefits

"10a. Presenting requirements imposed by law on all products within the relevant product category on the Union market as a distinctive feature of the trader's offer."

The addition to the Annex is based on the following recital:

"(15) Presenting requirements that are imposed by law on all products within the relevant product category on the Union market, including imported products, as a distinctive feature of the trader's offer, should be prohibited in all circumstances and thus added to the list in Annex I to Directive 2005/29/EC. This prohibition should apply, for example, where a trader advertises a given product as not including a specific chemical substance when that substance is already forbidden by law for all products within that product category in the Union. Conversely, the prohibition should not cover commercial practices promoting traders' or products' compliance with legal requirements that only apply to some products but not to other competing products of the same category on the Union market, such as products of non-Union origin. It could be the case that certain products in the same product category are not required to comply with those requirements. For example, as regards fish products produced sustainably in accordance with Union law, it would be allowed to promote the sustainability characteristics of those products that comply with Union legal requirements, if fish products of third country origin offered on the Union market are not required to comply with those Union legal requirements."

#### 12.2 Added to Section 5 of the Marketing Practices Act with misleading actions

#### **Future environmental performances**

"(d) making an environmental claim related to future environmental performance without clear, objective, publicly available and verifiable commitments set out in a detailed and realistic implementation plan that includes measurable and time-bound targets and other relevant elements necessary to support its implementation, such as allocation of resources, and that is regularly verified by an independent third party expert, whose findings are made available to consumers;"

The addition to the section on misleading actions is based on the following recital:

"(4) Environmental claims, in particular climate-related claims, increasingly relate to future performance in the form of a transition to carbon or climate neutrality, or a similar objective, by a certain date. Through such claims, traders create the impression that consumers contribute to a low-carbon economy by purchasing their products. To ensure the fairness and credibility of such claims, Article 6(2) of Directive 2005/29/EC should be amended to prohibit such claims, following a case-by-case assessment, where they are not supported by clear, objective, publicly available and verifiable commitments and targets given by the trader and set out in a detailed and realistic implementation plan that shows how those commitments and targets will be achieved and that allocates resources to that end. That implementation plan should include all the relevant elements necessary to fulfil the commitments, such as budgetary resources and technological developments, where appropriate and in accordance with Union law. Such claims should also be verified by a third party expert, who should be independent from the trader, free from any conflicts of interest, with experience and competence in environmental issues and who should be able to monitor the progress of the trader regularly with regard to the commitments and targets, including the milestones for achieving them. Traders should ensure that the regular findings of the third party expert are available to consumers."

#### **Irrelevant benefits**

"(e) advertising benefits to consumers that are irrelevant and do not result from any feature of the product or business."

The addition to the section on misleading actions is based on the following recital:

"(5) Another potentially misleading commercial practice to be added to the specific practices referred to in Article 6(2) of Directive 2005/29/EC is advertising benefits to consumers that are irrelevant and not directly related to any feature of that specific product or business and which could mislead consumers into believing that they are more beneficial to consumers, the environment or society than other products or traders' businesses of the same type, for example, claiming that a particular brand of bottled water is gluten-free or claiming that paper sheets do not contain plastic."