

## **BUSINESSES NEED GOOD LEGISLATION IN THE EU: THE CURRENT GREEN CLAIMS DIRECTIVE MISSES THE MARK**

2 July 2025

As companies that are taking sustainability seriously, we are in favour of rules to tackle greenwashing. In today's global challenges, companies need good legislation that is workable, predictable and harmonised for all parties. **In its current form, the Green Claims Directive does not meet those objectives. It fails to solve the many shortcomings we have been raising for *all* companies, not only microenterprises. It will discourage companies from communicating legitimate sustainability efforts (*greenhushing*), diverting critical resources from sustainability innovation to compliance.** This undermines the EU's competitiveness and simplification agenda and goals of fostering consumer information. **Given the current context, we urge policymakers to oppose the proposal in its current form.**

Our associations are strongly committed to advancing innovation on the sustainability of products, services and production processes. **Communicating these achievements is vital to empower consumers, incentivise businesses to innovate and enable them to remain competitive** in an evolving global market. Both are essential drivers of the green transition.

**We have been calling for a proportionate and clear framework on green claims from its outset**, in a way to guarantee access to trustworthy information to consumers while levelling the playing field for companies and safeguarding businesses' competitiveness and incentive to invest. We have also provided concrete, constructive input to address the shortcomings and make the text workable and implementable.

**Amid today's global economic pressure, companies need good, proportionate EU legislation - and EU policymakers should strive for nothing less.** Rules must be clear, implementable and enforceable, equally across the EU, without imposing unnecessary burden or complexity on companies committed to sustainability. **As it stands, the Green Claims Directive falls short of this objective, and we do not support its adoption in its current form.**

Regrettably, despite EU co-legislators' efforts to streamline it, the **Green Claims Directive remains unclear, complex, impractical and insufficiently harmonised.** We still have strong concerns on the text, which continues to propose disproportionate and unclear and bureaucratic substantiation and pre-approval rules, an impractical and unpredictable "simplified procedure", inadequate transition periods and overlaps with other EU legislation, among other issues. If the current proposal is adopted, these deficiencies would negatively impact our industry in Europe and would need to be solved through an Omnibus, adding further uncertainty, with a severe impact on businesses' ability to invest in sustainability.

We are open and welcome necessary discussions about how to **ensure the correct and harmonised application of the recently adopted Directive on Empowering Consumers for the Green Transition, which sets out measures to protect consumers from misleading or false green claims.** Set to apply in 2026, it establishes requirements for environmental claims, including the obligation that they must not be based on false or deceiving information.

We stand ready to support EU policymakers by sharing our expertise on this important matter, as we have done all along the legislative process to date.

**Signatories:**



AIM, European Brands Association



A.I.S.E., International Association for Soaps, Detergents and Maintenance Products



CEPE, The European Council of the Paint, Printing Ink, and Artist's Colours Industry



Cosmetics Europe



ECTAA – European Travel Agents' and Tour Operators' Association



EDANA, Voice of the Nonwovens industry



EUROPEN – The Organisation for Packaging and the Environment



European Community of Consumer Co-operatives



FESI, Federation of the European Sporting Goods Industry



HOTREC – the European Association of Hotels, Restaurants and Cafés



Independent Retail Europe



NATRUE, the International Natural and Organic Cosmetic Association



RURALTOUR – The European Federation of Rural Tourism



TIE, Toy Industries of Europe



WFA, World Federation of Advertisers