Ensuring reliable sustainability claims for EU consumers: the need for a regulatory approach that allows for product component and whole-of-product claims

28 February 2023

As an organisation that has been working on the subject of credible and effective sustainability standards for the last 20 years, ISEAL strongly believes that claims in the marketplace should be clear, relevant, and substantiated. We support more stringent regulation to ensure this, enabling consumers to make sustainable purchasing decisions. However, I am writing you to convey our concerns about the direction of the EU process to develop directives addressing sustainability and environmental claims and labels.

ISEAL convenes organisations that are using market-based approaches like voluntary sustainability standards to drive positive sustainability impacts. The ISEAL Codes of Good Practice are a globally recognised framework defining credible and effective practices for sustainability standards and certification schemes. Some of the best known and widely used ISEAL Code Compliant organisations include Fairtrade International, Forest Stewardship Council, Rainforest Alliance, and Marine Stewardship Council.

We have seen a worrying trend in the development of the Green Claims Directive whereby claims substantiation could be restricted to a narrow set of methods related to lifecycle analysis (LCA) and product environmental footprints (PEF), despite these methods not necessarily reflecting all the types of information that matter to consumers. Similar restrictions have also been introduced during the deliberations on related legislative initiatives, i.e., the empowering consumers directive and sustainable product regulation. In this context, we want to make it very clear that if LCA or PEF methodologies are the only allowed approach to substantiating claims, it will effectively ban some of the most established and widely trusted sustainability labels from the EU marketplace.

We urge policymakers to ensure that the EU legal framework continues to allow for claims substantiated by credible and robust sustainability standards that focus on the actual production and supply chain conditions of a product’s key components. They incentivize environmental and social improvements along the supply chain, and enable consumers to access this type of information about a product.
While LCA or PEF methods have an important role to play in assessing and understanding whole-of-product impacts, they are not the only measure of sustainability. We are concerned these methods lack the ability to directly incentivize and address sustainability improvements in the supply chain and to communicate about those improvements. This is the critical role that sustainability standards systems have been playing in the market.

We support the Commission’s efforts to tackle greenwashing and introduce a level playing field. At the same time we believe that removing the ability to communicate to consumers about supply chain and sourcing conditions through credible and robust labelling schemes will not empower them to make better choices, nor will this advance the green transition that the EU wishes to achieve.

We are calling for a legal framework that allows for product component claims as well as product life cycle claims, requiring substantiation methods for both types of claims. This framework needs to be informed by adequate stakeholder consultation.

We are available to answer any further questions at your convenience.

With kind regards,

Karin Kreider, ISEAL Executive Director