

Green Claims Guidance

How to make a good environmental claim

- CLEAR**
- ACCURATE**
- SUBSTANTIATED**

Building trust and confidence in environmental communications

February 2011

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Published by the Department for Environment, Food and Rural Affairs.

PB13453

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1. Introduction

Who should use this guidance?

This guidance is aimed at anyone producing, selling, marketing or advertising products or services in the UK and who:

- Currently makes environmental claims about their products, services or organisation;
- Is considering how to market their environmental attributes;
- Receives queries from customers about the environmental attributes of their products, services or organisation and is considering how to respond.

The guidance will also be useful for:

- Regulatory bodies that assess environmental claims; and,
- Non-profit organisations or consumers with an interest in environmental claims.

What is the purpose of this guidance?

The purpose of the guidance is to promote the use of clear, accurate and relevant environmental claims in marketing and advertising.

Good environmental claims that accurately convey the environmental attributes of products help consumers to make informed choices. Misleading, false, meaningless or unclear information can result in consumers losing confidence in environmental claims and labels in general, lead to unfair business competition and discourage companies from making truthful claims. So this guidance aims to:

- Support business in making robust environmental claims;
- Give firms confidence that their claims meet good practice standards in the domestic market, Europe and internationally;
- Improve the standard of environmental claims found in the domestic market; and
- Reduce unfair competition by minimising claims that may be unfair or misleading.

The guidance builds on the principles of Defra's original Green Claims Code (2000) as outlined in Annex 1 and replaces Defra's Green Claims Practical Guidance (2003). The guidance represents good business practice to be followed on a voluntary basis, and is not regulated or enforced by the Government.

What type of environmental claim does this guidance apply to?

This guidance applies to all forms of communication, marketing or advertising relating to the environmental attributes of products, services or organisations. This includes all types of statements, information, symbols and graphics on packaging, labelling, advertising, in all media (including websites) and made by any organisation.

It is mainly aimed at providing useful information for those making **self-declared claims** in environmental statements, graphics or imagery (i.e. made without independent third-party certification), but it also provides good practice for any type of claim including third party certification and labels.

1. Introduction

Why should businesses use this guidance?

By following best practice in this field and giving clear, straightforward information, a business can:

- Strengthen its reputation and credibility with consumers and other business partners;
- Demonstrate to regulators that it is working to meet or exceed legal requirements;
- Meet requirements that may be introduced in some overseas markets (especially those based on the international standard ISO 14021); and
- Enhance the appeal of its products.

Companies using this guidance should have greater confidence that their environmental claims are meaningful and consistent with existing standards, codes and guidance.

How does this guidance align with other standards, codes and guidance, internationally and in the UK?

In developing this guidance, we have sought to align it with the following standards, guidance and codes:

- The international standard on self-declared environmental claims ISO 14021;¹
- The UK Code of Non-Broadcast Advertising, Sales Promotion and Direct Marketing (CAP code) and Code of Broadcast Advertising (BCAP);²
- The European Commission Guidance for Making and Assessing Environmental Claims;³ and
- Guidelines on the EU Unfair Commercial Practices Directive.⁴

The intention is not to replace these standards, codes and guidance, but rather to provide helpful interpretative guidance on how they can be applied. Many countries use the international standard ISO 14021 on self-declared environmental claims as a basis to inform national codes and guidance. Defra's guidance has also drawn from ISO 14021 and in this respect aligns with international practice. For ease of reference, the guidance refers to the relevant provisions of ISO 14021 and the BCAP and CAP codes throughout the text.

Further guidance about environmental claims has also been developed within some particular sectors. You may want to enquire whether your sector has similar guidance (see Annex 3 for further information).

1 ISO 14021:1999 Environmental labels and declarations – Self-declared environmental claims (Type II environmental labelling)
<http://shop.bsigroup.com/en/ProductDetail/?pid=000000000030060360>

2 <http://bcap.org.uk/The-Codes.aspx>

3 http://ec.europa.eu/consumers/cons_safe/news/green/guidelines_en.pdf

4 http://ec.europa.eu/consumers/rights/docs/Guidance_UCP_Directive_en.pdf

1. Introduction

What is legally required?

All environmental claims about consumer products in the UK are subject to the fairness tests in the Consumer Protection from Unfair Trading Regulations 2008.⁵ Under these regulations, a commercial practice is unfair, and therefore prohibited, if it amounts to conduct towards consumers that is below a level which may be expected in accordance with honest market practice or good faith (i.e. misleading actions or omissions, aggressive behaviour and/or specific banned practices).⁶

In some sectors there are particular legislative requirements that environmental information must be provided on specific issues or products (for example EU an energy label with an energy efficiency rating and other energy information must be displayed on some energy-using products).

See Annex 2 for further information about some of the main legal requirements that affect environmental claims.

How are environmental claims enforced?

The Advertising Standards Authority (ASA) is the UK's independent self- and co-regulator of advertising across all media including television, internet, sales promotion and direct marketing. The ASA's role is to investigate complaints and proactively monitor adverts to ensure they are legal, decent, honest and truthful according to the advertising standards codes (CAP and BCAP). The CAP and BCAP codes include a section on environmental claims which complaints are assessed against.

The Consumer Protection from Unfair Trading Regulations, which apply to any activity connected with the promotion, sale or supply of a product, are enforced by the Office of Fair Trading (OFT) and local authority trading standards services and other bodies. In Northern Ireland, the lead enforcement authority is the Department of Enterprise, Trade and Investment.

Although this Defra guidance is not a guarantee against the risk of breaching the regulatory regimes, it should help businesses stay safely on the side of good practice.

See **Annex 2** for further information on enforcement of environmental claims.

Where can claims be reviewed before they are published?

The Committee of Advertising Practice provides pre-publication advice through its CopyAdvice service.⁷ UK TV advertisements can also be cleared through Clearcast⁸ and the Radio Advertising Clearance Centre.⁹ The Advertising Standards Authority also provides links to various resources from its website for preventing breaches of their codes.¹⁰ This guidance further outlines a checklist of questions to check your claims in Section 3.

5 <http://www.offt.gov.uk/business-advice/treating-customers-fairly/protection>

6 A key test in the regulations is whether the practice leads, or is likely to lead, an average consumer to make a different decision than they would have made otherwise.

7 www.copyadvice.org.uk

8 www.clearcast.co.uk

9 www.racc.co.uk

10 <http://www.asa.org.uk/Resource-Centre/Preventing-breaches.aspx>

1. Introduction

How should this guidance be used?

The core of this guidance sets out principles to inform the decision-making process when developing, checking or supporting robust environmental claims (Section 3). The guidance also provides additional information around the wider context of environmental claims, marketing and sustainability, labelling and legislative requirements, including illustrative examples throughout the text to highlight good and poor practice of the principles. The structure is as follows:

- **Section 2** provides an overview of environmental claims and marketing.
- **Section 3** outline the main principles for making a good environmental claim.
- **Section 4** provides additional information on voluntary labelling schemes.
- **Annex 1** outlines the principles of Defra's Green Claims Code (2000).
- **Annex 2** provides further information on mandatory legislative requirements.
- **Annex 3** provides links to further information and research on how to measure and communicate the environmental performance of products, services or organisations and sector specific guidance.
- **Annex 4** provides a detailed example about making a 'carbon neutral' claim.
- **Annex 5** provides a list of environmental terms defined in ISO 14021.



2. Environmental Claims and Marketing

What is an environmental claim?

An environmental or green claim is the communication of the environmental attributes of a product, service or organisation.

Claims can come in a variety of forms, for example: statements about environmental sustainability, corporate marketing campaigns and declarations about recyclability, energy and water efficiency, or labels on products. A claim may also include imagery such as landscapes and wildlife, or specially-developed symbols, pictures or labels.

Why are robust environmental claims important?

Most of our impact on the environment can be attributed to the products and services we use and consume. Meeting the UK's target to reduce carbon emissions by 80% by 2050 and addressing other environmental challenges like water scarcity and biodiversity requires continuous improvement and 'step change' to deliver products and services with significantly reduced impacts on the environment.

Marketing and advertising about the environment has an important role to play in this. Marketing can help to:

- Educate consumers about the environmental impacts of products and services;
- Enable consumers to make better informed choices – with a lower environmental impact; and
- Drive business competition to develop products with reduced impact and to build the reputation of brands.

But the true value of environmental claims and marketing rests on the assurance that the claims are both **credible** to consumers, and reflect a **genuine benefit** to the environment. False, misleading or confusing claims have the potential to undermine consumer confidence in green marketing or lead to unfair competition between businesses. So there are real benefits in establishing a good standard of practice across the market.

Wider marketing points to consider before making a claim

Consumers are regularly confronted by a wide range of claims and messages about the environment. The reactions of consumers to specific environmental claims are affected by wider considerations than the claim itself.¹¹ Consumers are influenced by their current understanding of environmental problems, by their habits and beliefs, by price and availability, as well as by their perceptions of a brand. On top of providing clear and robust environmental claims, there are many ways organisations can help to reduce confusion, promote better choices or improve the effectiveness of claims. This includes:

- Providing information to explain and raise awareness of environmental problems that are less well understood;
- Improving the prominence and visibility of products with good environmental qualities, for example by promoting them in displays or websites, with price discounts or loyalty rewards;

11 <http://www.consumerfocus.org.uk/assets/1/files/2009/06/Green-expectations-single-page.pdf>

2. Environmental Claims and Marketing

- Reducing the prominence or availability of products that may be more damaging to the environment (sometimes referred to as 'choice editing');
- Providing tips and information on the best way to use and dispose of products and packaging; and
- Using existing official or 'third-party' schemes to independently verify claims (Section 4 gives more information about independent labelling or third party declaration schemes).¹²

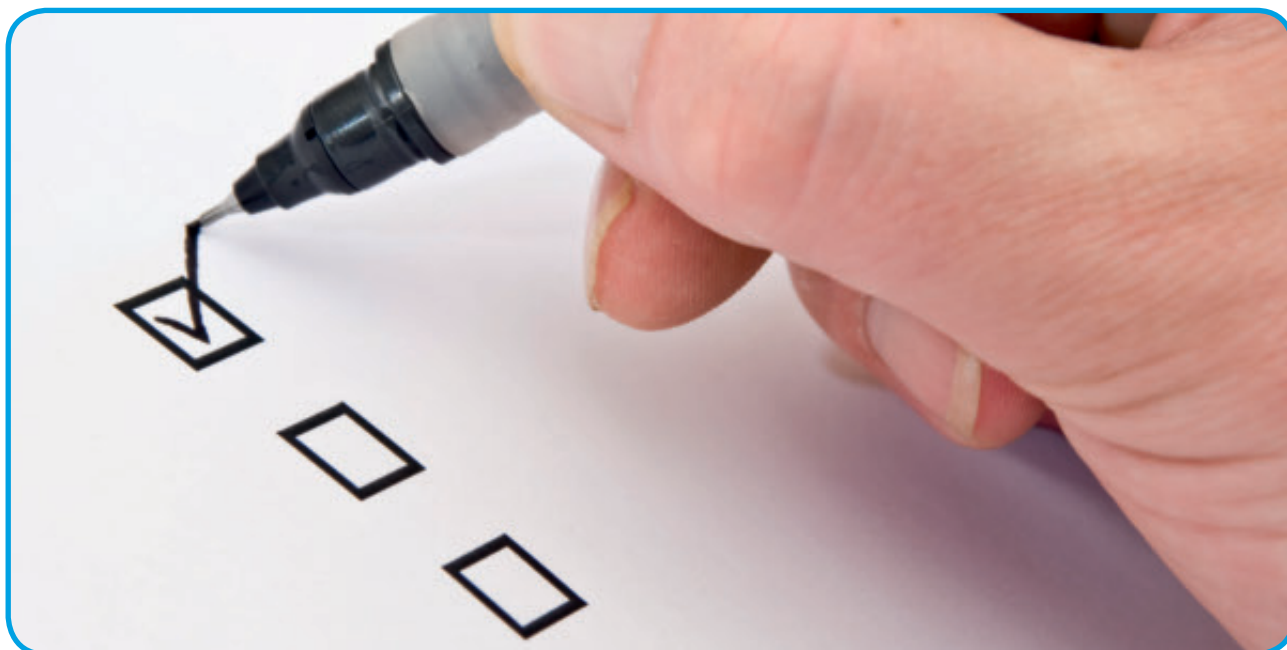
Reinforcing brand reputation and consumer confidence

Improving and communicating environmental performance can enhance consumer perceptions of brands. But research suggests that, to be credible to consumers, it is also important that individual claims or messages are consistent with the wider view of the brand and consumers' perception of the environmental challenges or practices associated with it.¹³

There are various ways to demonstrate and build confidence in the commitment of a brand to environmental improvement. For example, having an overall environmental strategy can help organisations to focus on the main environmental problems they should address. Developing **internal communications principles** in support of an overall environmental strategy can also be a useful way for businesses to understand and:

- Highlight the most significant messages to be communicated;
- Ensure that promotion of a product or service reflects a wider strategy; or
- Guard against giving messages that could undermine each other.

Then when communicating a specific environmental claim – Section 3 of this guidance outlines how to make them clear and credible.



¹² Research strongly suggests that consumers favour independent verification of the green claims made by businesses about their products. However, the level of confidence may vary between different third-party organisations or schemes

¹³ <http://www.consumerfocus.org.uk/assets/1/files/2009/06/Green-expectations-single-page.pdf>

3. HOW TO MAKE A GOOD ENVIRONMENTAL CLAIM

This section outlines the key principles to making a good environmental claim. The step-by-step diagram below includes a checklist of questions you can use to check you have covered the key elements of making a good environmental claim. Use the links within the diagram to point you towards the relevant section of the guidance for further detail.

STEP 1 (pages 10-16)

Check the content is relevant and reflects a genuine benefit

- Do you have a clear idea of the main **environmental impacts** of your product, service or organisation?
- Is the claim **relevant** to these environmental impacts, and/or your business and consumer interests?
- Does the claim convey **additional benefits** to what is already happening or is required?
- If performance is compared to others on the market, is the **comparison** fair and meaningful? Is the basis for comparison clear?

STEP 2 (pages 17-24)

Present the claim clearly and accurately

- Is the claim a **truthful and accurate** representation of the scale of the environmental benefit or what is likely to happen in practice?
- Are the **scope and boundaries** of the claim **clear**?
- Does it use **plain language** that is not vague or ambiguous, or jargon that may be misunderstood?
- Is the amount and type of **supporting information** clear and appropriate?
- Is all **imagery** (i.e. symbols, pictures or labels) relevant to the claim and not likely to be misinterpreted?

STEP 3 (page 25-29)

Check the claim can be readily substantiated

- Is the evidence to substantiate a claim clear and **robust**, or is there uncertainty? Has it been tested using **the most appropriate standard methods**?
- Can claims of **aspirations of future environmental performance** be substantiated by evidence and action?
- Can the information to **substantiate** a claim, if not already publicly available, be made available on reasonable request (e.g. enforcement authorities)?

Step 1 – Ensure the content is relevant and reflects a genuine benefit

Before establishing the content of a claim, it is important to consider the full environmental impact of your product, service or organisation to identify what type of claims are most relevant to make. Considering the full impact will help to clarify the extent to which you can 'claim' that your actions address or contribute to improving its wider environmental impact – or help to put in perspective how this might compare in the marketplace. Key questions to ask before establishing the content of a claim are:

- Have you considered the **full environmental impact** of your product, service or organisation?
- Does the claim address impacts that are **relevant** to the environmental impact of the product, service or organisation? Is it relevant to your core business and consumer interests?
- Does the claim genuinely convey any **additional benefits** or improvements to what is already happening or is required?
- If performance is compared to others on the market, is such a comparison **fair** and **meaningful**? Does the comparison have a clear basis?

Consider the full environmental impact

By considering the 'full environmental impact' we mean looking not just at a single process or environmental impact, but considering a range of environmental impacts across the whole business operation or product, and its supply chain. For example, best practice can involve:

- For a product or service, a process known as 'life-cycle assessment'¹⁴ (also see Annex 3);
- For an organisation, measuring and monitoring your performance against key environmental indicators (KPIs).¹⁵

You will not always need to conduct a full assessment of every aspect of your product, service or organisation to make a claim. But you should at least have a high-level understanding of where your main impacts are (i.e. whether they are in your day-to-day operations or supply chain or in a product's manufacture, distribution, use, disposal, etc). The high impact aspects of the product, service or organisation, or any action taken to reduce that impact, may then be the focus of more detailed analysis to support more specific claims.

How do other standards/codes address full (e.g. life-cycle) impacts?

UK advertising codes (CAP:11.4 and BCAP:9.5): "Environmental claims must be based on the full life cycle of the advertised product or service, unless the advertisement states otherwise, and must make clear the limits of the life cycle. If a general claim cannot be justified, a more limited claim about specific aspects of a product or service might be justifiable. Claims that are based on only part of an advertised product or service's life cycle must not mislead consumers about the product or service's total environmental impact."

International Standard (ISO 14021:5.7h) states that self-declared environmental claims "shall be true not only in relation to the final product but also shall take into consideration all relevant aspects of the product life cycle in order to identify the potential for one impact to be increased in the process of decreasing another."

¹⁴ A 'life-cycle assessment' of a product or service is when you assess the main environmental impacts that arise from all the processes that occur when making, distributing, using and disposing of a product i.e. from the extraction of raw materials, to the production, retail and distribution, use and maintenance, to end of life (e.g. disposal).

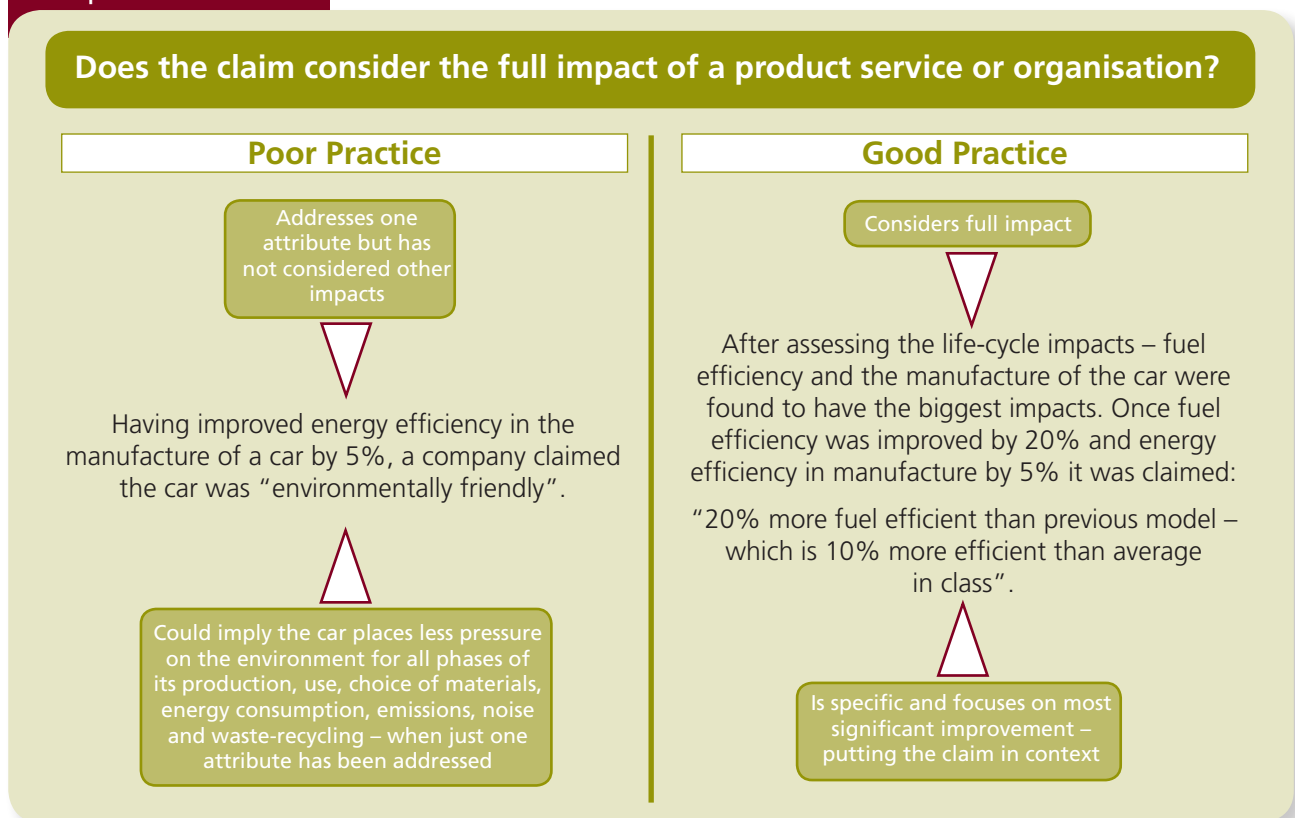
¹⁵ Corporate environmental reporting usually refers to measuring and calculating the environmental impact of a company's operations on an annual basis through environmental key performance indicators (a requirement for quoted companies under the Companies Act) – see Annex 3.

Step 1 – Ensure the content is relevant and reflects a genuine benefit

How can this be addressed?

- If you are intending to claim that your product or service has a beneficial environmental performance **overall**, carrying out a robust and documented assessment is important (e.g. a full life-cycle assessment for products or a corporate environmental assessment for organisations).
- If you are intending to make a claim about a **single environmental attribute** of your organisation or product (e.g. recycled content) but may not be able to conduct a full assessment, ensure your claim is specific to that attribute, and does not imply a wider overall benefit for the product.
- There are standards, guides¹⁶ and sectoral tools or research that may help you to carry out or streamline the assessment process (see also Annex 3).

Example:



16 Standards and guidance exist to provide consistency in assessing life cycle environmental impacts such as ISO 14040 and ISO 14044 or PAS 2050 (specifically for GHG emissions of goods and services). See Annex 3 for further information.

- ISO lifecycle standards http://www.iso.org/iso/catalogue_detail?csnumber=37456
- PAS 2050 Assessing the life cycle greenhouse gas emissions of goods and services

For guidance on corporate reporting see: <http://www2.defra.gov.uk/environment/economy/business-efficiency/reporting/>

Step 1 – Ensure the content is relevant and reflects a genuine benefit

Address environmental impacts that are relevant or material

Making a claim relevant is about ensuring it addresses the environmental aspects of most significance to the type of product, service or organisation, or consumer or business interests.¹⁷

How can this be addressed?

- Focus on the biggest impacts. When a claim is of small significance to the overall impact of a product, consider whether it's worth making the claim at all.
- Where a claim does not address the main impacts but is considered relevant to the interests of your business or consumers, ensure the claim does not imply a wider benefit to the environment overall.
- Ensure the claim is relevant to where impacts occur, the scale of the issue, and what is actually in your organisation's control.¹⁸ If most influence is outside the company's control, it is best to be open about this and advise others (e.g. consumers, suppliers) about the part they can play in reducing the impact within their control.

How does the international standard address relevancy?

International standard (ISO 14021:5.7) claims: "c) shall be relevant to that particular product, and used only in an appropriate context or setting; l) shall only relate to an environmental aspect that either exists or is likely to be realised, during the life of the product; r) shall be relevant to the area where the corresponding environmental impact occurs."

Example:

Does the claim focus on the most relevant, or important, environmental impacts?

Poor Practice

Not the most important environmental issue

On the basis that it offered locally sourced food, a hotel claimed it was "good for the environment".

However, the greenhouse gas emissions from its operations as a whole were significantly greater than those of its competitors.

Ignores one of the most relevant environmental issues

The hotel could provide focused marketing within its restaurant on locally sourced food (as this will be relevant to some customers). But it shouldn't imply it's good for the environment across its whole operations, based on this one aspect

Good Practice

Identifies most significant impacts

A hotel assessed the life-cycle impacts of its service and identified laundry as having the largest carbon and water impact in its operations.

The hotel then claimed:

"Over the past year, we have reduced the carbon emissions from operating our hotel by 20% by lowering washing temperatures, using energy efficient washing machines, and advising guests on the benefits of not laundering towels daily".

Specifies particular action taken

Encourages others to act, where action is beyond their control

¹⁷ Research has shown that claims that are not considered relevant (or may not be instinctively associated with the product or business activity) may be received with more caution by consumers

<http://www.consumerfocus.org.uk/assets/1/files/2009/06/Green-expectations-single-page.pdf>

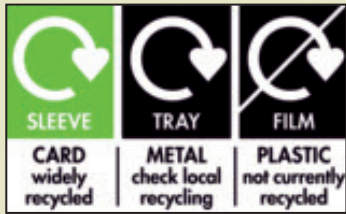
¹⁸ Note this does not exclude making environmental claims on imports where the benefits or issues may occur outside the UK (as these may be relevant to some UK stakeholders). However, claims should be clear about where the benefits are occurring so they don't imply the benefits are occurring in the UK if they are not.

Step 1 – Ensure the content is relevant and reflects a genuine benefit

- Ensure that the claim is relevant to UK infrastructure and consumers.

Example:

Is the claim relevant to UK infrastructure?

Poor Practice	Good Practice						
<p>A product sold widely in the UK claimed: “this product is recyclable”</p> <p>when most areas of the UK do not have the correct infrastructure to recycle it.</p> <div style="border: 1px solid #808000; background-color: #808000; color: white; padding: 5px; text-align: center; margin-top: 10px;">The term ‘recyclable’ should only be used when there is evidence that the right recycling infrastructure exists</div>	<p>Using the On-Pack Labelling Scheme to provide a recycling message:</p> <div style="text-align: center;"><table border="1" style="margin: 0 auto; border-collapse: collapse;"><tr><td style="text-align: center; padding: 2px;">SLEEVE</td><td style="text-align: center; padding: 2px;">TRAY</td><td style="text-align: center; padding: 2px;">FILM</td></tr><tr><td style="text-align: center; padding: 2px;">CARD widely recycled</td><td style="text-align: center; padding: 2px;">METAL check local recycling</td><td style="text-align: center; padding: 2px;">PLASTIC not currently recycled</td></tr></table></div> <div style="border: 1px solid #808000; background-color: #808000; color: white; padding: 5px; text-align: center; margin-top: 10px;">The On-Packlabelling Scheme is one example of good practice in this area as it considers disposal routes based on UK infrastructure and clearly illustrates which components of a product are recyclable: http://www.onpackrecyclinglabel.org.uk</div>	SLEEVE	TRAY	FILM	CARD widely recycled	METAL check local recycling	PLASTIC not currently recycled
SLEEVE	TRAY	FILM					
CARD widely recycled	METAL check local recycling	PLASTIC not currently recycled					

Ensure claims reflect an additional benefit to the environment

Make sure that a claim is used only in circumstances where there is a genuine additional environmental benefit or advantage, which is relevant and significant.

How can this be addressed?

- Ensure that, where a claim promotes an environmental improvement for one aspect of a product, this has not resulted in another important environmental burden or impact arising from the product (i.e. an undisclosed impact).
- A claim based on pre-existing but previously undisclosed aspects should be presented in a manner that does not imply a new environmental benefit based on recent modification.
- A claim should not be based on the absence of ingredients or features which have never, or have not for some time, been associated with the product category.
- A claim should not imply that a product is exceptional when all products in the market place share the same characteristic. Nor should it imply it is exceptional by suggesting others in the market have more harmful properties, or are likely to cause harm, if that is not true of most products sold for the same purpose or if the available evidence does not support those suggestions.

Step 1 – Ensure the content is relevant and reflects a genuine benefit

- Something which only reflects current compliance with the law (i.e. meets the minimum legal requirements) should not be claimed as an additional benefit. For example, if the law requires the disclosure of information, or if a statement is needed to educate consumers or encourage action by consumers, this should be presented in the context of the requirement – not claimed as an additional benefit.
- If a business claims it has achieved a legal requirement ahead of it coming into force, the claim should still be transparent about the longer term legal requirements it is aiming to meet (and discontinued once the legal requirement is in force).
- If a claim is about performance above the minimum legal requirement, it should be explicit about the additional benefit.

Example:

Does the claim reflect an additional benefit to the environment?

Poor Practice – trade-offs

Gives the impression of an overall reduction in greenhouse gas emissions



A claim that stated "10% reduced emissions of carbon dioxide" but did not mention the resultant increases in methane emissions (a potent greenhouse gas).



Whereas overall effect is likely to be a greater impact on greenhouse gas emissions

Poor Practice – minimum legal requirements

Marketing an electronic product as 'eco' on the basis that it complies with legal obligations for waste and electronic equipment (WEEE).



No additional benefit is provided to the environment over the minimum requirements

When companies are acting to reduce their impact under such schemes they should only make marketing claims about this if their action goes over and above the minimum requirements. All claims should be clear about the additional benefit they provide

Step 1 – Ensure the content is relevant and reflects a genuine benefit

How do other standards/codes address additional benefit?

UK Advertising codes (CAP:11.6-7 and BCAP:9.7-8)

“If a product or service has never had a demonstrably adverse effect on the environment, advertisements must not imply that the formulation has changed to improve the product or service in the way claimed. Advertisements may, however, claim that a product or service has always been designed in a way that omits an ingredient or process known to harm the environment.

Advertisements must not mislead consumers about the environmental benefit that a product or service offers; for example, by highlighting the absence of an environmentally damaging ingredient if that ingredient is not usually found in competing products or services by highlighting an environmental benefit that results from a legal obligation if competing products are subject to the same requirements.”

International standard (ISO14021:5.7) states that self-declared environmental claims:

“(j) shall not, either directly or by implication, suggest an environmental improvement which does not exist, nor shall it exaggerate the environmental aspect of the product to which the claim relates;

o) shall, if based on a pre-existing but previously undisclosed aspect, be presented in a manner that does not lead purchasers, potential purchasers and users of the product to believe that the claim is based on a recent product or process modification;

p) shall not be made where they are based on the absence of ingredients or features which have never been associated with the product category”

Ensure comparisons are fair and meaningful

Comparing environmental performance to others on the market can help to put into perspective the relative advantage of one claim over another, provide detail to back up claims, or help a consumer to relate to (or better understand) a claim. But if a comparative assertion of environmental superiority or improvement is made, extra care is needed to ensure it is clear, relevant, and accurate – so that it is fair to competitors and does not mislead consumers. All comparisons should have a clear and consistent basis.

How can this be addressed?

- Comparisons should be:
 - a) Quantified and calculated using the same units of measurement;
 - b) Based on the same functional unit; and
 - c) Calculated over an appropriate time (typically 12 months) (see 6.3.2 of ISO 14021).

How do other standards/codes address comparisons?

UK Advertising codes (CAP:11.3 and BCAP:9.4)

Absolute claims must be supported by a high level of substantiation. Comparative claims such as “greener” or “friendlier” can be justified, for example, if the advertised product provides a total environmental benefit over that of the marketer’s previous product or competitor products and the basis of the comparison is clear.

International Standard (ISO14021:5.7n) states that self-declared environmental claims “shall, if a comparative assertion of environmental superiority or improvement is made, be specific and make clear the basis for the comparison. In particular, the environmental claim shall be relevant in terms of how recently any improvement was made”.

[Bullet points 1, 2 and 5 are also adapted from 6.3.1, 6.3.2 of ISO14021]

Step 1 – Ensure the content is relevant and reflects a genuine benefit

- Make clear the basis for comparison, so that consumers understand the relative advantage. If you quantify the claim using either percentages or absolute values, use figures and values that are meaningful for consumers to understand.
- Ensure comparisons are relevant, i.e. made against a comparable product, process or service that serves the same function; is in the same category; and either currently, or was recently, in the same marketplace.
- Only make comparisons against the following:
 - The organisation’s own prior process or product;
 - Another organisation’s process or product;
 - An industry standard (see 6.3.1 of ISO 14021).
- Measure the comparison accurately using the most appropriate standards, methods and data.
- If a product performs well within its category, but not compared to other categories, competitors, or products serving the same function, make clear the basis for the claim and do not exaggerate its benefit overall.
- Avoid ‘implied comparisons’ (i.e. terms or phrases that may imply a product or organisation compares favourably to others on the market) if there is not specific comparative information to justify that a product is better than others.
- When making a ‘selective’ comparison against a specific product, process or service – ensure the claim is specific to that product/process and does not imply it is better than the wider market overall. The selected product/process should also be relevant e.g. an important product on the market.

Example:

Is the comparison fair, with a clear basis?

Poor Practice

Implies the car has less impact than most cars on the market

A large car is claimed to be “greener than its competitors”

on the basis that it has the lowest carbon emissions within its ‘large car’ category (but this is not stated on the claim).

Although emissions may be low compared to other large cars – overall emissions may be higher compared to other car categories. As the basis of comparison is not clear, this claim may mislead consumers

Good Practice

Specifies the specific relative improvement compared to similar vehicles

A company claimed: “The fuel consumption of this car emits 10% less carbon dioxide per mile than all others measured in the ‘large car’ category”.

Clearly identifies basis for comparison

As legally required, the claim additionally provides appropriate information on the fuel consumption and carbon dioxide emissions

The method for measuring fuel consumption/CO₂ is the same for all manufacturers making it a consistent basis for comparison

Step 2 – Present the claim clearly and accurately

Presenting claims in a way that is accurate, clear, specific and unambiguous will help consumers to understand the intended meaning. Important factors to consider are the amount and type of information you present, the overall impression the wording and images create, and how meaningful the claim is to consumers. You may be more at risk of misleading a consumer if the scope, language or imagery is unclear or ambiguous. On the other hand, providing excessive or complex information may make it difficult for consumers to understand.

When decisions have been taken about the content of the environmental claim, the following principles are the foundation for best practice on how to present it.

- Ensure claims are presented in a **truthful and accurate** way that would not mislead consumers.
- Be clear on the **scope** or boundaries to which the claim applies.
- Use plain language and information that is **specific** and **unambiguous**.
- Ensure the amount and type of **supporting information** is clear, helpful and appropriate.
- Ensure any **labels, symbols** or **pictures** are clear and relevant.

Ensure the claim is truthful and accurate

It might appear obvious that any environmental claim ought to be accurate and truthful, but this is not always easy to achieve. An environmental claim can be literally true, but still capable of being widely misunderstood or misinterpreted. Whilst a claim may be technically correct, it is important to look at the *overall impression* a claim creates and ensure it is not misleading.

How can this be addressed?

- Naturally, ensure all environmental claims do not contain false information about the product, service or others on the market.¹⁹
- Ensure that even if a claim is literally true, it would not be misinterpreted by consumers or be unlikely to happen in practice (e.g. it would be misleading to advertise a general rubbish bag as “compostable” if it would have to be separated from the waste it contained in order to compost completely).
- Ensure that claims do not omit significant information.
- Claims should be careful to accurately represent the scale of the benefit, and should not overstate the environmental benefits.
- Claims should not be restated using different terminology to imply multiple benefits for a single environmental change (e.g. “This paper is Non-Chlorine Bleached, Totally Chlorine Free and Elemental Chlorine Free” may imply three benefits rather than one).

How do other standards/codes address accuracy?

International Standard ISO 14021 (5.7) states that self-declared environmental claims:

“a) shall be accurate and not misleading;

g) shall be unlikely to result in misinterpretation;

j) shall not, either directly or by implication, suggest an environmental improvement which does not exist, nor shall it exaggerate the environmental aspect of the product to which the claim relates;

k) shall not be made if, despite the claim being literally true, it is likely to be misinterpreted by purchasers or is misleading through the omission of relevant facts”.

¹⁹ Claims that are materially inaccurate are a criminal offence under the Consumer Protection from Unfair Trading Regulations 2008.

Step 2 – Present the claim clearly and accurately

Example:

Is the claim literally true but likely to be misinterpreted?

Poor Practice

A claim of “now 50% more recycled content” may be misleading if previously it had 10% recycled content and had increased this to 15%.

This claim gives the misleading impression of a significantly increased content of recycled material – when it has only been increased by 5%

Good Practice

“We have increased the recycled content in our packaging by 25% – it was 40% and now it is 50%”.



Includes specific information to clearly identify the relative improvement

This claim describes more specifically (and accurately) the scale of the improvement achieved – so is less likely to mislead

Example:

Does the claim omit any significant information?

Poor Practice

When advertising its latest housing estate, a construction company claimed to have: “offset its carbon impact of the estate by tree planting”.

However, they omit to say that the trees were planted in a different area to the site and that it was a condition of the planning permission to replace the other trees which were initially removed.



Omits information that may be significant to the local residents (who may expect trees to be replaced locally)



No additional benefit beyond what was required

Good Practice

Includes significant information about planning requirement



A construction company clearly specifies the neighbouring area where they replanted trees as part of complying with their planning requirement.

On top of the requirement, they also claimed to: “plant a habitat corridor between the sites to encourage wildlife between the two areas”.



Clearly specifies the additional action taken

Step 2 – Present the claim clearly and accurately

The scope of claim should be clear

Some green claims concern improvements being made at an overall company level. Other claims may apply to just one or two products within a company's portfolio. To avoid confusion, a claim should be clear about the particular product, process, environmental impact, or business activity that it is referring to, so as not to imply a larger environmental benefit than there actually is.

How can this be addressed?

- For a single product or service it should be clear for an average consumer whether the claim covers the complete offering, only one of the components, or the packaging.²⁰

How does the international standard address the scope of a claim?

International Standard (ISO 14021:5.7) states that self-declared environmental claims:

“(d) shall be presented in a manner that clearly indicates whether the claim applies to the complete product, or only to a product component or packaging, or to an element of a service;

e) shall be specific as to the environmental aspect or environmental improvement which is claimed”.

Example:

Is the claim clear whether it refers to the whole product or just part of it?

Poor Practice

Could imply both the gas and electricity supply have a reduced environmental impact

A claim that states:
“We provide green energy”
when only the electricity component of the company's dual fuel product has been certified under the Green Energy Certification Scheme – not the gas.

The use of 'green' is vague and not used as defined under the certification scheme (see www.greenenergyscheme.org)

Good Practice

The claim clearly identifies the component of the supply that is certified

The electricity component of our dual fuel (i.e. gas and electricity) product is certified under the Green Energy Certification Scheme as a green tariff.

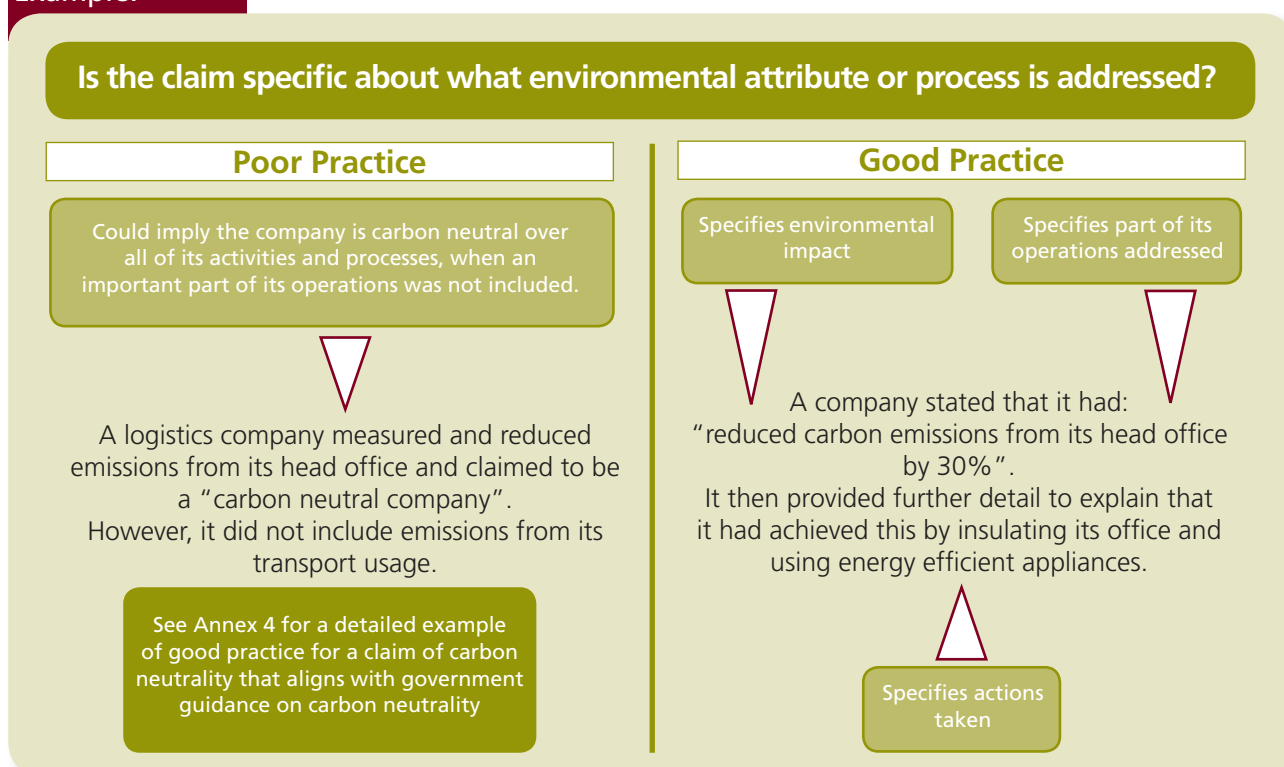
In this context the use of 'green' meets the requirements defined under the Green Energy Certification Scheme

²⁰ For example, the On-pack Recycling Label Scheme is one scheme to provide good practice for recycling in this area, as it clearly identifies which components of a product are recyclable based on the local infrastructure <http://www.onpackrecyclinglabel.org.uk/>

Step 2 – Present the claim clearly and accurately

- Be clear and specific about the particular environmental attribute or process that you have addressed.
- For multi-product claims, it should be clear whether the claim refers to all products within a company portfolio or only certain products.
- Ensure that any material identification symbol (i.e. that indicates the type of material the product or package is made from) isn't presented in a way which appears to make a claim.

Example:



Use plain language – specific and unambiguous

Research suggests that consumers want claims to be clear and easy to understand.²¹ Ambiguous or complex words and phrases that consumers may not be familiar with, have greater potential to be misinterpreted or discounted than claims put in plain language that are clear and specific.

How can this be addressed?

- Wherever possible use plain language and try to avoid the creation or use of new terms or phrases in relation to environmental performance where other wording will work just as well.²²
- Be specific about the actions taken rather than using broad overarching terms.

21 <http://www.consumerfocus.org.uk/assets/1/files/2009/06/Green-expectations-single-page.pdf>

22 See Defra research on consumer understanding of green terms <http://randd.defra.gov.uk/Default.aspx?Menu=Menu&Module=More&Location=None&Completed=0&ProjectID=1711>

Step 2 – Present the claim clearly and accurately

- Choose terms you consider are intuitive, clear and easy for consumers to understand.²³
- Avoid vague or ambiguous terms or phrases that have more potential to be misinterpreted.
 - Terms like ‘green’, ‘environmentally friendly’, ‘eco’ or ‘better for the environment’, used to claim superiority for a product or brand, are vague and undefined, so they too have the potential to mislead consumers.²⁴ The international standard ISO 14021 does not support their use and this guidance similarly recommends using specific and properly defined terms to describe environmental performance.
 - It is important to be aware of the much higher risk of challenge to marketing claims that use vague and undefined terms.
- The concepts involved in sustainability are highly complex. At this time there are no definitive methods for measuring full sustainability or confirming achievement of it (whether environmental, social and/or economic). Therefore, claims about a product or service being ‘sustainable’ or ‘environmentally sustainable’ should not be made.²⁵
- Take care using new and emerging terms when describing environmental concepts. If consumers are unfamiliar with a term, there is a risk they may not read it as intended or interpret it too literally (or even perceive it as ‘greenwash’). Business may occasionally identify a need to use such terms; but given the risk of misinterpretation it’s important that these are well researched with consumers.
- Ensure that words or phrases with established definitions, or used in the context of a specific environment scheme, are used in line with the definitions and criteria that underpins their use. For example, ISO 14021 has a list of defined terms (see Annex 5) and the Department of Energy and Climate Change (DECC) has published a definition of carbon neutrality.²⁶

How do other standards/codes address language?

UK Advertising Codes (CAP:11.2 and BCAP:9.3)

“The meaning of all terms used in marketing communications must be clear to consumers.”

International Standard ISO 14021

“5.3 An environmental claim that is vague or non-specific or which broadly implies that a product is environmentally beneficial or environmentally benign shall not be used. Therefore, environmental claims such as “environmentally safe”, “environmentally friendly”, “earth friendly”, “non-polluting”, “green”, “nature’s friend” and “ozone friendly” shall not be used.”

“5.5 The concepts involved in sustainability are highly complex and still under study. At this time there are no definitive methods for measuring sustainability or confirming its accomplishment. Therefore, no claim of achieving sustainability shall be made.”

23 For example, evidence suggests that ‘carbon negative’ in some contexts may be perceived by consumers as bad for the environment – rather than a good thing

24 Where these terms are used in the context of a reputable scheme, with specific criteria that underpin their use, this guidance does not apply.

25 Where ‘sustainable’ is used in the context of a reputable scheme, with specific criteria that underpin their use, this guidance does not apply. Use of the term should be used in accordance with the scheme.

26 http://www.decc.gov.uk/en/content/cms/what_we_do/lc_uk/neutral/neutrality.aspx

Step 2 – Present the claim clearly and accurately

Example:

Is the language used intuitive, clear and easy to understand?

Poor Practice

The meaning of 'plastics neutral' is not intuitive in this context



A detergent bottle made from plastic materials was labelled as "plastics neutral".

It would be clearer to a consumer if the specific achievement was explained instead

Good Practice

A detergent bottle labelled as "made of 100% recycled material".

This claim is clear about the specific environmental benefit

Use clear and appropriate supplementary or supporting information

Explanatory statements, or further information, may help consumers to determine the specific meaning of a claim. A lack of context, cues, or further detail about how to interpret a claim may leave consumers taking words in their most literal sense. But there is a judgement to be made about the amount, or levels, of information you provide – so as to provide supportive information without confusing the main message.

How can this be addressed?

- If it's necessary to explain terms or claims made in the main text, can this be avoided by using alternative terms, or making the claim more explicit?
- Consider *how much* information a consumer is likely to read on a product or advert. Consumers may not read large amounts of supplementary text, so key information (e.g. about the scope or significance of the claim) should be stated as clearly as possible within the main claim itself.

How do other standards/codes address supporting information?

UK Advertising Codes (CAP:11.1 and BCAP:9.2)

"The basis of environmental claims must be clear. Unqualified claims could mislead if they omit significant information."

International standard (ISO14021)

"5.6 Self-declared environmental claims shall be accompanied by an explanatory statement if the claim alone is likely to result in is understanding. An environmental claim shall only be made without an explanatory statement if it is valid in all foreseeable circumstances with no qualifications."

"5.7 (m) shall be presented in a manner that clearly indicates that the environmental claim and explanatory statement should be read together. The explanatory statement shall be of reasonable size and in reasonable proximity to the environmental claim it accompanies."

Step 2 – Present the claim clearly and accurately

- When using explanatory statements, or providing further detail, ensure that they are sufficiently clear, prominent, and straightforward – as well as consistent and complementary to the main text. (For example, research has found that consumers are sometimes wary of ‘small text’.²⁷)
- Links to further information on a website may be useful for those consumers who would like further detail.

Use imagery which is relevant

Environmental claims are made not only in words but also through the layout of the statements and the use of images (or symbols) such as forests, the earth or endangered animals. Images have the potential to mislead consumers, by implying a sweeping environmental benefit, so they should be used with great care.

How can this be addressed?

- Taken together the wording and imagery (or symbols) should comply with the core principles of this guidance (e.g. should be relevant, clear, accurate, and not misleading). The image should bear relevance to the product, business activity, or environmental impact concerned in the claim.
- Images should not imply an environmental benefit for a product if this cannot be justified.
- The imagery should convey a level of environmental performance that is proportionate to the wording of the environmental claim. Otherwise, businesses who have developed a green claim using a mix of words and imagery, may find that consumers find the claim misleading on the basis of the image.
- A logo²⁸ or symbol should not be created or presented in a manner that may imply it has been endorsed by another organisation when it has not. Misuse of a logo would breach the consumer protection regulations.
- Organisations must not use the names or logos of a government agency or other recognised organisation if a product or service has not met the relevant standards, criteria or received appropriate certification in compliance with legal requirements.

How does the international standard (ISO 14021) address imagery?

5.8.1 When a self-declared environmental claim is made, the use of a symbol is optional.

5.8.2 Symbols used to make an environmental claim should be simple, easily reproducible and capable of being positioned and sized to suit the product to which the symbol is likely to be applied.

5.8.3 Symbols used for one type of environmental claim should be easily distinguishable from other symbols, including symbols for other environmental claims.

5.8.4 A symbol used to express implementation of an environmental management system shall not be used in such a way that it could be misunderstood as an environmental symbol indicating the environmental aspects of a product.”

²⁷ <http://www.consumerfocus.org.uk/assets/1/files/2009/06/Green-expectations-single-page.pdf>

²⁸ A logo can include those that represent certain standards by third party organisations, or logos developed by companies themselves (i.e. that may have no verified meaning).

Step 2 – Present the claim clearly and accurately

Example:

Is the imagery relevant and not misleading?

Poor Practice

Vague about the level of improvement achieved



On a package of BBQ charcoal it stated “low emissions” and included an image such as:



The image of flowers being emitted from the coal may imply that the emissions from coal are not harmful to the environment, when they still contain pollutants. Even though they may have lower emissions the claim is not specific about how that is achieved.

Good Practice

Specific about the level of wind energy provided



“50% of our electricity supply is supplied by wind energy”.



Clear link between the image and the wording

Example:

Is the logo used correctly?

Poor Practice

Use of the green dot to provide a recycling message:



The Green Dot® denotes compliance with an authorised packaging recovery scheme in some other EU member states. The Green Dot should not be used as a recycling symbol or in association with any environmental claim. The Green Dot may be used on packaging in the UK where the product is also exported to these EU countries. In the UK, it should only be used in accordance with the Code of Practice www.valpak.co.uk/greendot.

Good Practice

The use of the Möbius loop with an explanatory statement:



“This cardboard box is widely recyclable in the UK”.

The Möbius loop is the correct symbol to denote recycling – but must be used correctly! The symbol should only be used on goods that are ‘recyclable’. Including explanatory statements can help to clarify their meaning.

The specific requirements governing the use of the Möbiusloop are outlined in more detail in ISO standard ISO7000, symbol no. 1135.

The On-pack Recycling Label also provides good practice in the area www.onpackrecyclinglabel.org.uk

Step 3 – Check the claim can be substantiated

Legally, any claim or information in advertising and marketing (whether it is environmental or not) must be fair and not misleading (see Section 1 and Annex 2). So you need to be confident that your claim is a true and accurate portrayal of your achievements. And further, that you have robust and/or scientifically accepted evidence to substantiate your claim if ever challenged.

This section outlines the core principles for ensuring that claims can be readily substantiated and provides guidance for substantiating claims relating to:

- **Achievement** of environmental performance; and,
- **Targets or aspirations** about environmental performance in the future.

This section also provides guidance about the levels of **access to information** that may be expected to justify a claim and best practice about providing information for consumers.

Claims about achieved environmental performance

A company should be able to adequately substantiate any environmental claim that it makes.

How can this be addressed?

- Ensure the evidence and assessments forming the basis of the claim is objective and of a kind that can be fully traced and referenced. You should consider the way a reasonable consumer would interpret your claim to ensure you can justify those interpretations with good evidence.
- A claim should not be presented as resting on something widely accepted if the balance of scientific evidence does not support that. Where significant uncertainty exists, it is advisable to acknowledge that, or alternatively not make the claim at all.
- When relying on scientific or other test data, care should be taken that the most appropriate standards, test methods, or latest guidance on best practice are used (see examples on page 27).

How do other standards/codes address substantiation?

UK Advertising codes (CAP:11.5 / BCAP:9.6)

“Marketers/advertisements must not suggest that their claims are universally accepted if a significant division of informed or scientific opinion exists.”

International standard (ISO 14021) states that self-declared environmental claims:

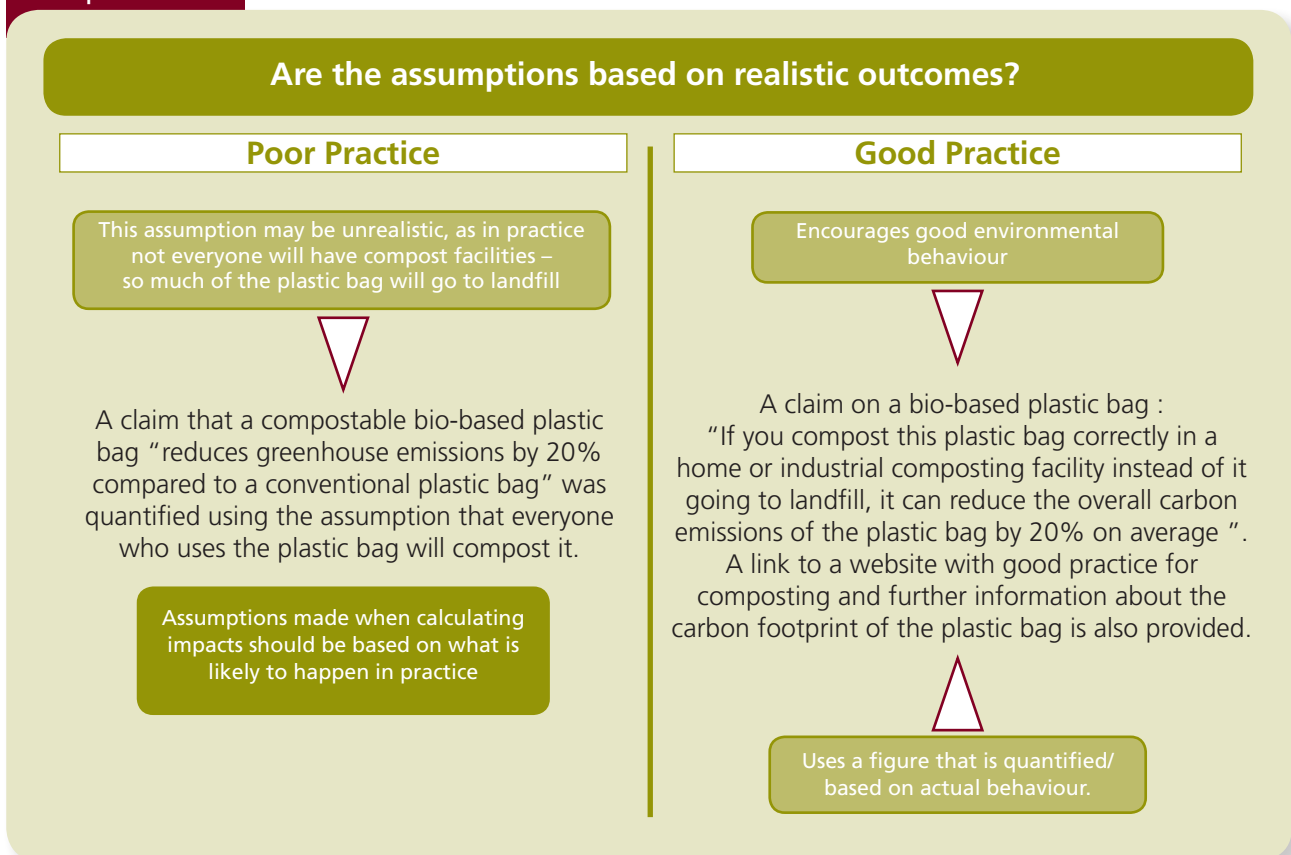
“5.7 (q) shall be reassessed and updated as necessary to reflect changes in technology, competitive products or other circumstances that could alter the accuracy of the claim”. And that:

“6.4 Methods for evaluation and claim verification shall follow, in order of preference, International Standards, recognised standards that have international acceptability (these may include regional or national standards) or industry or trade methods which have been subjected to peer review. If there are no methods already in existence, a claimant may develop a method, provided it meets the other requirements of clause 6 and is available for peer review”.

Step 3 – Check the claim can be substantiated

- Ensure the assumptions used in such assessments are reasonable and based on realistic outcomes. Figures used, for example, should not be chosen or presented in a way that makes them appear more favourable than they actually are.
- You may want to seek independent assurance of your claims, e.g. you can have your claim verified by a third party (see also Section 4 on labelling). Research suggests that consumers favour independent verification of environmental claims made about products.²⁹
- A claim may be relevant to a product initially but may become less relevant or meaningful over time. It's advisable to regularly review and update all claims to make sure they remain relevant and reflect changes such as new legislation or improvements in competing products.

Example:



29 What Assures Consumers on Climate Change. Consumers International and AccountAbility, 2007

Step 3 – Check the claim can be substantiated

What standards, test methods, or best practice guidance should I use to substantiate my claim?

There are many industry and third-party standards that can be used to support and verify environmental claims:

- Standards produced by recognised standards bodies (e.g. ISO, CEN, BSI);
- Criteria and verification methods developed by third-party organisations (e.g., multi-product ecolabels such as the EU Ecolabel Scheme, single sector endorsement schemes);
- Methods developed by industry sectors, particularly if they have been subjected to peer review.

Best practice material has also been produced in many areas, including:

- Defra/DECC – Guidance on how to measure and report corporate greenhouse gas emissions;
- BSI Publicly Available Specification PAS 2050 – Assessing the life-cycle greenhouse gas emissions of products and services;
- DECC guidance and definition of carbon neutrality;
- PAS 2060 – BSI specification for the demonstration of carbon neutrality;
- Ofgem’s Green Supply Guidelines on Domestic supply of Green tariffs. The Green Energy Supply Certification Scheme uses these guidelines for assessing whether a green tariff has a genuine environmental benefit as well as other requirements;
- VCA guidance on car advertising;
- Other industry standards/guidance including the Global Reporting Initiative and AA1000 Accountability Principles Standards.

Claims about aspirations for environmental performance in the future


Advertising or marketing an organisation’s future commitment can be a good way of outlining and communicating forward-looking organisational strategies or setting ambitious targets. But just as with a claim about a product or service’s environmental performance, ‘future claims’ need to have a firm basis in order to avoid misleading customers.

How can this be addressed?

- Future claims should be supported by publicly available plans or a strategy that provides details about the intended actions to achieve the target.
- Future claims should be monitored over time with reports on progress (e.g. annually) against clear indicators to benchmark performance.
- The scope of the claim should be achievable, realistic, feasible and relevant to overall corporate strategy or a product or service. It should be specific about actions that have, or will be, taken to achieve that claim.
- Companies should report on the progress they are making and third-party verification may be desirable.
- If you realise that a future aspiration is not going to be achieved, be transparent about that and explain why.

Step 3 – Check the claim can be substantiated

Example:

Can I substantiate an aspirational claim?	
Poor Practice	Good Practice
<p>Does not identify the scope of the emissions covered or the timescale to achieve carbon neutrality</p>  <p>Claiming that a milk product will become “carbon neutral”, without having measured its carbon emissions or having a plan in place.</p> <p>Is not supported by sufficient evidence for the company to know whether the claim is achievable</p>	<p>A claim that states “We aim that all our milk products will be accredited ‘carbon neutral’ by 2015.”</p> <p>This statement was backed up with a published report that identified the scope of products and emissions covered, reported an assessment of the carbon footprint of these products and identified specific actions to achieve carbon neutrality and how it would be accredited (see detailed example of a good practice example of carbon neutral in Annex 4).</p> <p>This claim provided sufficient evidence to demonstrate the claim was achievable</p>

Access to information

The information needed to substantiate a claim should be retained by the person making the claim, be transparent about the assumptions and approach taken, and be made available to those seeking reasonable justification of it.

How can this be addressed?

- Companies should be transparent in making relevant information available to back up a claim.
- For consumers wishing to find out further information about the basis of a claim, it can be helpful to link to further information on your website.

Step 3 – Check the claim can be substantiated

- If information to substantiate a claim includes confidential business information, the company should consider whether:
 - there would be adequate evidence to verify the claim if that confidential information was excluded or made anonymous;
 - they would be willing to supply that confidential information to regulatory or enforcement bodies in confidence.

If a company is not able to verify a claim without excluding the confidential information or disclosing the information following a reasonable request, it may need to consider whether it should be making the claim at all (see 6.5.1 of ISO 14021).
- At a minimum, the company should be prepared to provide all information to substantiate a claim to an enforcement or regulatory body.

How does the International Standard (ISO 14021) address access to information?

6.5.1 A self-declared environmental claim shall only be considered verifiable if such verification can be made without access to confidential business information. Claims shall not be made if they can only be verified by confidential business information.

6.5.2 The claimant may voluntarily release to the public the information necessary for verification of an environmental claim. If not, the information necessary to verify the claim shall be disclosed, upon request, at a reasonable cost (to cover administration), time and place, to any person seeking to verify the claim."

ISO 14021 (6.5.3) also outlines the minimum information that should be documented and retained (as summarised in the box 'what kind of information should I retain' below).

What kind of information should I retain?

The kind of information to be held for purposes of substantiation includes (following 6.5.3 of ISO 14021):

- Identification of the relevant standard or test method used;
- Documentary evidence;
- Test results, where these are necessary for claim verification;
- Contact details of any independent party doing the testing;
- If a claim involves a comparison with other products, then a description of the method used, the test results and any assumptions made;
- Documentary evidence, if verification of the claim cannot be made by testing the finished product;
- Evidence that the claim will continue to be accurate during the period over which the product is on the market and longer, depending on the life of the product.

LABELLING

4. Third party labelling or declaration schemes

In addition to self-declared environmental claims, there are a number of other ways to communicate product environmental information, for example through labelling or standardised declaration schemes. Using a reputable scheme with clear criteria can often be a simple and familiar way of demonstrating to consumers that you are meeting high environmental standards.

Deciding on the use of a label or scheme

Using a label or participating in a declaration scheme can say a lot about your company, and can enhance the appeal of your product – but there are a range of different schemes and some may be more robust or preferable to others. There can be considerable overlap between different schemes. Some labels will have a distinct main focus, while others reflect a range of environmental criteria (including those that are relevant to the life-cycle of a product or service e.g. EU Ecolabel).

It is worth considering whether a particular scheme is relevant to your product or organisation, its relative benefits to the environment, and how you want to use it – and perhaps discussing this with the organisation responsible for issuing the label or running the scheme. The principles throughout this guidance may help – in particular the guidance on relevance (page 11) – in ensuring an additional benefit to the environmental (page 13); and on the presentation of symbols (page 23).

The following principles constitute best practice for labelling schemes:

- Criteria development – there has been a wide and thorough consultation on the minimum criteria which should be met to achieve certification or a stamp of approval.
- Verification – there has been some form of independent auditing or third party verification of the scheme.
- Transparency – the process to assess whether a company or product meets the certification criteria is open and transparent.
- Label presentation – there are clear requirements on how any label is used, for example on product packaging or within advertising and marketing.
- Inspections – to make sure the requirements of certification and agreed improvements are being met.
- Available sanction – there is potential for certification to be withdrawn if conditions are not adhered to.

For further information about labelling schemes see:

- Defra's publication "Pitching Green"³⁰. This is an informal note for businesses and other organisations about choosing and using environmental labels and other credentials for products and services.
- ISEAL³¹ Alliance – the global association for social and environmental standards systems that sets codes of good practice to strengthen existing voluntary standard systems.

30 http://ecolabel.defra.gov.uk/pdfs/Pitching%20Green_Oct%2008.pdf

31 <http://www.isealliance.org>

4. Third party labelling or declaration schemes

- Global ecolabelling network³² – non-profit association of third-party, environmental labelling organisations to improve, promote, and develop “ecolabelling” of products and services.

What types of labelling schemes are there?

Labels can come in a number of forms:

- Government sponsored labels – such as the voluntary EU Ecolabel (the official Ecolabel scheme in Europe and the UK) and mandatory labels such as EU energy label for energy-using products.
- Other recognised labels where government-sponsored organisations establish a framework of compliance criteria (such as the Energy Savings Trust energy-saving logo for energy-efficient products or the Carbon Trust’s Carbon Reduction Label).
- Labels run by third-party organisations for products which have set criteria and verification rules (such as the Forest Stewardship Council and Marine Stewardship Council labels).
- Labels or schemes that signify a company has met particular standards for an industry (e.g. Ofgem Green Energy Supply Certification Scheme; A.I.S.E Charter for Sustainable Cleaning; EU Sustainable and Responsible Investment Transparency Code).
- Labels used by a company where another organisation endorses the product or validates the claim.



32 <http://www.globalecolabelling.net/>

ANNEXES

Annex 1: Green Claims Code (2000) – Principles

Defra's original Green Claims Code set out the following principles for making a good environmental claim:

A GREEN CLAIM SHOULD BE...

- **Truthful, accurate, and able to be substantiated.**
- **Relevant** to the product in question and the environmental issues connected with it.
- **Clear** about what environmental issue or aspect of the product the claim refers to.
- **Explicit about the meaning of any symbol** used in the claim – unless the symbol is required by law, or is backed up by regulations or standards, or is part of an independent certification scheme.
- **In plain language** and in line with standard definitions.

A GREEN CLAIM SHOULD NOT...

- **Be vague or ambiguous**, for instance by simply trying to give a good impression about general concern for the environment.
- **Imply that it commands universal acceptance** if there is actually some significant doubt or division of scientific opinion over the issue in question.
- **Imply more than it actually covers**, if the claim is only about limited aspects of a product or its production, or does not deal with a significant issue for that type of product.
- **Make comparisons**, unless the comparison is relevant, clear and specific.
- **Imply that a product or service is exceptional** if the claim is based on what is standard practice anyway.
- **Use language that exaggerates** the advantages of the environmental feature the claim refers to.
- **Imply that the product or service is endorsed** or certified by another organisation when it has not been.

Annex 2: Legislative Requirements

This guidance represents good practice to be followed on a voluntary basis, and is not regulated or enforced by the Government. It is intended to help organisations work successfully within existing regimes and legislation for responsible advertising and marketing. Some information about the regulatory context is outlined below. Although this guidance is not a guarantee against the risk of breaching the regulatory regimes, it should help businesses stay safely on the side of good practice.

In addition to voluntary, self-declared claims, there are some forms of environmental information which are subject to specific regulations (for example, EU energy labels which are mandatory for certain types of product). Some of the main examples of regulatory declarations are also set out below. Before considering whether to use environmental information in marketing, it is important to establish whether there are any specific laws or regulations that require particular forms of environmental information to be communicated. This does not stop you making additional self-declared environmental claims.

The Consumer Protection from Unfair Trading Regulations 2008 (CPRs)

The Consumer Protection from Unfair Trading Regulations 2008 (CPRs) transpose the EU Unfair Commercial Practices Directive (UCPD) into UK law. The Regulations prohibit traders in all sectors from engaging in unfair commercial practices with consumers. A commercial practice is any act, omission and other conduct by businesses directly connected to the promotion, sale or supply of a product to or from consumers. Most commercial practices covered by the CPRs will involve a direct relationship between business and consumers.

The CPRs set out rules that determine when commercial practices are unfair. These fall into three categories:

- (i) Commercial practices which contravene the requirements of professional diligence (honest market practice/good faith). It is envisaged that this will act as a safety-net to catch practices which do not come under the categories below.
- (ii) Commercial practices which are misleading (by action and omission) and aggressive practices.
- (iii) Certain specific commercial practices which are always considered to be unfair.

The first two categories of commercial practice which are caught by the prohibition are principles-based: they apply only if the effect of the trader's practice is likely to alter consumers' decisions in relation to products. The normal benchmark for assessing the likely effect of the practice is the "average consumer". By contrast, the third type of commercial practice caught by the prohibition is not principles-based, and are always considered unfair. The following practices, which are always considered unfair, may be particularly relevant in the context of this guidance:

- Claiming to be a signatory of a code of conduct when the trader is not;
- Displaying a trust mark, quality mark or equivalent without having obtained the necessary authorisation;

Annex 2: Legislative Requirements

- Claiming that a trader (including his commercial practices) or a product has been approved, endorsed or authorised by a public or private body when the trader, the commercial practices or the product have not; or making such a claim without complying with the terms of the approval, endorsement or authorisation;
- Presenting rights given to consumers in law as a distinctive feature of the trader's offer.

The European Commission has also produced guidelines on how it believes the EU Unfair Commercial Practices Directive will operate in practice.³³ In addition to general guidance on unfair practices, this includes guidance on making green claims. This outlines that traders must present their green claims in a specific, accurate and unambiguous manner, have scientific evidence to support their claims and be ready to provide it in an understandable way in the event a claim is challenged. The EU guidance has been taken into account in this updated Defra guidance.

For more information please see:

<http://www.offt.gov.uk/business-advice/treating-customers-fairly/protection;jsessionid=E3DC7CAF1CC713B2A76C1286DCCE612E>

Advice can also be obtained from local trading standards authorities:

http://www.direct.gov.uk/en/Environmentandgreenerliving/Greenerhomeandgarden/Greenerlabelsandclaims/DG_064421

The Business Protection from Misleading Marketing Regulations 2008

The Business Protection from Misleading Marketing Regulations 2008 (BPRs) prohibit misleading information given by traders to other traders. The BPRs also cover the conditions in which comparative advertising is permitted. Comparative advertising is advertising which identifies a competitor or the competitor's goods and services. For further information please see:

<http://www.offt.gov.uk/business-advice/treating-customers-fairly/advertising/business-protection>

The Sale and Supply of Goods to Consumers Regulations 2002

These regulations, as incorporated in the Sale of Goods Act 1979, supplement the principle that goods sold should be of satisfactory quality. For transactions between a business seller and a consumer purchaser, the 2002 Regulations would allow a court to examine marketing statements which the business has made about the product.

³³ http://ec.europa.eu/consumers/rights/docs/Guidance_UCP_Directive_en.pdf

Annex 2: Legislative Requirements

Mandatory labelling

European energy labels

Mandatory EU energy labels are currently required to be displayed on household electrical goods, e.g. refrigerators & freezers, washing machines, electric tumble-dryers, combined washer-dryers, dishwashers, household electric ovens, air conditioning units and lamps at the points of sale. They will soon cover other products including televisions, boilers and vacuum cleaners. They may in the future also cover energy related products which do not necessarily use energy but have an impact on energy consumption, like double glazing, insulation or shower heads.

Energy labels help to provide clear and easily recognisable information for consumers about the relative energy consumption and performance of domestic appliances. Information is displayed via a red (most efficient) to green (least efficient) label. These labels enable consumers to choose efficient appliances which use less energy and (where applicable) water when in use. They also encourage manufacturers to compete against each other on the environmental performance of their products. Over the last decade the EU Energy Label has been one of the most significant drivers in transforming the market for more energy efficient products.

For more information see:

<http://ww2.defra.gov.uk/environment/economy/products-consumers/green-claims-labels/>
or http://www.direct.gov.uk/en/Environmentandgreenerliving/Greenerhomeandgarden/Greenerlabelsandclaims/DG_064872.

The Passenger Car (Fuel Consumption and CO₂ Emissions Information) Regulations

These Regulations came into force in 2001 and implement an EU Directive which requires that car manufacturers and dealers provide clear information to consumers regarding fuel consumption and CO₂ emission characteristics of new cars at the point of sale. The Regulation also provides additional requirements about providing the same information in brochures and other promotional literature.

The Vehicle Certification Agency has produced best-practice guidance on this, as well as recommendations relating to outdoor advertising:

<http://www.vca.gov.uk/fcb/enforcement-on-adver.asp>.

Other sectors

Several sectors such as food and drink and pharmaceuticals are subject to legal requirements on information provision and labelling such as 'genetically modified' or hazardous chemicals.

Annex 2: Legislative Requirements

Enforcement bodies

Self-regulatory enforcement

The Advertising Standards Authority (ASA) independently regulates advertising across all media,³⁴ including TV, internet, sales promotions and direct marketing. Their role is to ensure adverts are legal, decent, honest and truthful by applying the Advertising Codes. They act on and investigate complaints as well as proactively monitoring and taking action against misleading, harmful or offensive advertisements, sales promotions and direct marketing. Should an advertiser refuse to comply with the ASA then they may be referred to the ASA's legal backstops: the Office of Fair Trading for misleading non-broadcast advertisements, and Ofcom for broadcasters.

The Committee of Advertising Practice (CAP) and the Broadcast Committee of Advertising Practice (BCAP) are the bodies that write and revise the Advertising Codes. The CAP and BCAP Advertising Codes and Defra's guidance should be used in conjunction with each other. Together they provide complementary advice for every stage in advertising planning and in marketing green product claims.

CAP (which writes the non-broadcast Advertising Code) provides pre-publication advice via its CopyAdvice service (www.copyadvice.org.uk) UK TV and radio ads are pre-cleared through Clearcast (www.clearcast.co.uk) and the Radio Advertising Clearance Centre (www.racc.co.uk) respectively. All three bodies will provide help or advice on how to get your green claims right.

The Advertising Standards Authority provides links to various resources from its website for preventing breaches of the codes see:

<http://www.asa.org.uk/Resource-Centre/Preventing-breaches.aspx>

Regulatory enforcement

The Consumer Protection from Unfair Trading Regulations are enforced by the Office of Fair Trading and local authority Trading Standards Services, either via criminal prosecution or civil injunctive action under Part 8 of the Enterprise Act. In addition, a number of sectoral and other bodies can take civil action only.

For more details on criminal and civil enforcement, see p.51 following of the joint BIS-OFT Guidance on the CPRs:

http://www.oft.gov.uk/shared_oft/business_leaflets/cpregs/oft1008.pdf.

The full list of enforcers for Part 8 of the Enterprise Act 2002 can be found on the BIS website:

<http://www.bis.gov.uk/policies/consumer-issues/enforcement-of-consumer-law/enterprise-act-part-8-enforcement-orders>

The Consumer Protection Regulations cover promotional claims some of which fall outside the ASA's remit including those on packaging, and in shop displays. Your local authority trading standards service, or your local authority, will be able to advise you, or direct you to relevant sources of information, on all the regulations mentioned in this section that are applicable to your particular business. You can contact them on www.tradingstandards.gov.uk, or via Consumer Direct on 08454 04 05 06.

³⁴ The ASA monitor print and press ads, posters, direct mail, television and radio ads, competitions, special offers, e-mail and text messages, banner ads and pop-ups, teleshopping, cinema commercials, promotions, some viral communications and some websites. The ASA do not cover packaging, shop windows, telephone calls, flyposting, classified ads, statutory / public notices, press releases, political ads (election campaigns)

Annex 3: Useful Resources

Sector specific guidance/tools on environmental claims

In 2003, Defra published sector specific guidance where research showed that further guidance may be useful:³⁵

- Guidance on “CFC Free” and other environmental claims and statements on **aerosols**
- Guidance on “Biodegradable” and other environmental claims in the **cleaning products** sector
- Guidance on “no added lead” and other environmental claims and statements in the **decorative coatings** sector
- Guidance on environmental claims on **growing media**
- Guidance on environmental claims on **greeting cards**

The Low Carbon Vehicle Partnership, Society for Motor Manufacturers and Traders and ISBA have also produced Best Practice Principles for Environmental claims in the **automotive sector**.³⁶

Tools and guidance for measuring environmental impacts

Best Practice Life Cycle Assessment Standards and Guidance

- There are established international standards for lifecycle assessment, see http://www.iso.org/iso/catalogue_detail?csnumber=37456.
- BSI have developed a methodology for assessing the life cycle greenhouse gas emissions of products and services:
<http://shop.bsigroup.com/en/Browse-by-Sector/Energy-Utilities/PAS-2050/>
- Within sectors, a range of guidance and methodologies have been developed. The international Environmental Product Declaration System provides Product Category Rules for different sectors to assist the comparison between products:
<http://www.environdec.com/pageld.asp?id=300>

Best Practice Guidance on Corporate Reporting

Corporate environmental reporting usually refers to measuring and calculating the environmental impact of a company's operations on an annual basis, through environmental key performance indicators:

Environmental key performance indicators (KPIs) are used to report performance to interested stakeholders, such as investors, and can cover a range of environmental factors such as greenhouse gas emissions, waste, water usage, resource efficiency and biodiversity. Reporting these indicators in the annual business review is a requirement for quoted companies under the Companies Act to the extent that it is material to the understanding of the development, performance or position of their business. The need to include environmental KPIs is explicitly noted in the Act.

For guidance on corporate reporting see:

<http://ww2.defra.gov.uk/environment/economy/business-efficiency/reporting/>

³⁵ <http://ww2.defra.gov.uk/environment/economy/products-consumers/green-claims-labels/>

³⁶ [http://www.lowcvp.org.uk/assets/reports/bestpractice1760-fp%20\(2\).pdf](http://www.lowcvp.org.uk/assets/reports/bestpractice1760-fp%20(2).pdf)

Annex 3: Useful Resources

Publicly available research and evidence on environmental impacts

There is a wide range of publicly available research and evidence relevant to understanding product impacts, for example:

- The collaborative website Seeds 4 Green (<http://seeds4green.open-green.net/>) (supported by Defra, EU Joint Research Centre, French Government (ADEME)), aims at gathering documents linked to environmental quality of products and services together and make them available on the web, in order to work on:
 - Life-cycle assessment studies
 - Environmental Product Declarations
 - Ecolabel criteria
 - Green purchase guides
- The European Commission's information hub on lifecycle-thinking-based data, tools and services: <http://lca.jrc.ec.europa.eu/lcainfohub/index.vm>
- The European Commission has carried out a number of evidence studies, notably the EIPRO study which gives a good overview of the contributions made by the main product groups to a basket of 8 environmental impacts, as well as more specific studies such as:
 - those to support the Ecodesign of Energy-using Products Directive (see http://ec.europa.eu/enterprise/eco_design/index_en.htm)
 - and to investigate the improvement potential in cars, buildings and meat and dairy products (see <http://ec.europa.eu/environment/ipp/identifying.htm>)
- The UNEP Sustainable Consumption and Production Branch <http://www.uneptie.org/scp/>.
- Defra's Sustainable Consumption and Production evidence team includes research on product impacts, including evidence on specific products (e.g. clothing, TV's, Fish, domestic lighting). Further information and project reports can be found at: <http://randd.defra.gov.uk/>.

Annex 4: Example of Good Practice on Carbon Neutrality

This example highlights a good example of a claim on carbon neutrality in accordance with guidance from the Department of Energy and Climate Change (DECC):

http://www.decc.gov.uk/en/content/cms/what_we_do/lc_uk/neutrality/neutrality.aspx

Calculation

An internet company selling out-of-print books wishes to be carbon neutral in 2009. It takes steps to quantify its emissions from its gas and electricity use (scope 1 and 2) at its head office. However the company chooses to go further and address its 'significant' scope 3 emissions. Using the criteria set out in the Government's 'Guidance on how to measure and report your greenhouse gas emissions' the company concludes that its significant scope 3 emissions include fuel used by the courier firm that the company has contracted to deliver the goods to their customers. The company therefore uses data from quarterly gas and electricity bills and works with the courier company to deliver data on fuel use. It then uses published Government conversion factors to calculate its annual footprint.

Reduction

The internet company then commits itself in a statement on Corporate Responsibility to a reduction of 25% in overall emissions. Following an assessment of the most cost effective actions to reduce emissions it decides to improve insulation in its buildings and joins a local CHP network to reduce electricity and gas consumption – this results in a 19% reduction in scope 1 and scope 2 emissions annually.

In addition, the amount of courier travel undertaken is reduced, through utilising an computer system to plan its deliveries more effectively. This increases the number of items per courier van used, and thereby reduces the overall number of vans needed. The company finds that this decreases costs and also results in a 6% reduction of CO₂e in scope 3 emissions.

Offsetting

Lastly the internet company decides to offset its remaining quantified gas and electricity usage (scopes 1 and 2) as well as its reduced courier travel (significant scope 3) using Kyoto-compliant credits. It purchases 6,000 Certified Emissions Reduction (CER) credits from CarbonOffsets Ltd, which has gained accreditation for the offsets under the Quality Assurance Scheme for carbon offsetting.³⁷ The offset provider has acquired the credits from the Cucaú bagasse cogeneration project (CBCP), which is listed on the CDM website at: <http://cdm.unfccc.int/Projects/DB/SGS-UKL1151532941.41>

Carbon Neutral claim

The internet company therefore claims that it is a carbon neutral company with respect to its scope 1, scope 2 and significant scope 3 emissions.

³⁷ Note there are different options for purchasing offsets see the full guidance for further information.

Annex 5: Defined Environmental Terms

The international standard ISO 14021:1999 “Environmental labels and declarations – Self Declared environmental claims” sets out definitions and criteria for use of the following terms in self-declared environmental claims. Please refer to ISO 14021 for further information.

- Compostable
- Degradable
- Designed for disassembly
- Extended life product
- Recovered energy
- Recyclable
- Recycled content
- Reduced energy consumption
- Reduced resource use
- Reduced water consumption
- Reusable and refillable
- Waste reduction

Terms that are likely to be defined in the update to ISO 14021 from 2011 include:

- Carbon footprint
- Carbon neutral
- Renewable
- Renewable energy

