



**MINISTRY OF INDUSTRY, BUSINESS
AND FINANCIAL AFFAIRS**

Vice President, Ms. Věra Jourova
Commissioner, Mr. Didier Reynders
European Commission
Rue de la Loi 200
1049 Brussels
Belgium

11 February 2021

Dear Vice President Jourova and dear Commissioner Reynders,

In order to speed up the green transition and reach the climate and environmental targets set by the EU, it is key that both consumers and traders contribute.

Today's consumers are increasingly focused on buying more sustainably and often willing to pay more for products they perceive as green and climate-friendly. Hence, competition among traders to deliver more sustainable solutions for consumers has the potential to become an important vehicle in the efforts to improve our climate and environment through the market for sustainable solutions. Unfortunately, we have seen that this competition has led some traders to market their products as more environmentally friendly or more sustainable than they are. This is greenwashing.

The sweep on greenwashing from January 2021 conducted by the Commission and national consumer authorities shows that in 42 pct. of the investigated cases, claims of products being sustainable were exaggerated, false or deceptive, and could potentially qualify as unfair commercial practice¹. This results in an uneven playing field and weakens consumer confidence in green marketing in general².

The scope of the Unfair Commercial Practices Directive (UCPD) enables national enforcement authorities to take action against unfair commercial practices harming consumers. However, it is only possible for the enforcement authorities to act on a case-by-case assessment that includes highly complicated documentation. This affects the processing time of individual cases and reduces the number of cases, which the authorities resourcefully are able to investigate, thereby leaving greenwashing unsanctioned in some cases. Thus, it is difficult for the authorities to address the challenges with greenwashing in an effective way to the detriment of consumers and compliant businesses.

¹ https://ec.europa.eu/commission/presscorner/detail/en/ip_21_269

² Chen, Y. S., & Chang, C. H. (2013). Greenwash and green trust: The mediation effects of green consumer confusion and green perceived risk. *Journal of Business Ethics*, 114(3), 489-500.

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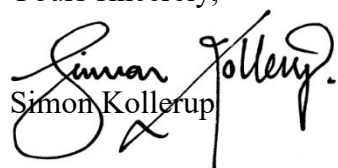
Furthermore, an increasing number of businesses make use of private and voluntary standards, climate credits and compensation schemes. Although the businesses' focus on climate compensation should be acknowledged, it simultaneously becomes increasingly difficult for consumers to navigate the landscape of green marketing given the many different standards that are applied diversely across Member States.

More should be done to fight greenwashing and support more sustainable consumer choices through reliable information about the contribution of products and services to a greener economy. Robust and effective enforcement should have key priority. This importance has also been underlined by the Council Conclusions on the New Consumer Agenda³.

To exploit the full potential of green marketing as a key enabler to facilitate a green recovery from the COVID-19 pandemic and the transition to a circular economy and climate-neutrality, your upcoming proposal on empowering consumers for the green transition plays a crucial role.

Solutions must be found on EU level. I appreciate your efforts on this very important agenda and look forward to work with you in order to reach ambitious solutions.

Yours sincerely,


Simon Kollerup

³ <https://data.consilium.europa.eu/doc/document/ST-6364-2021-INIT/en/pdf>