

Green claims in focus: Packaging

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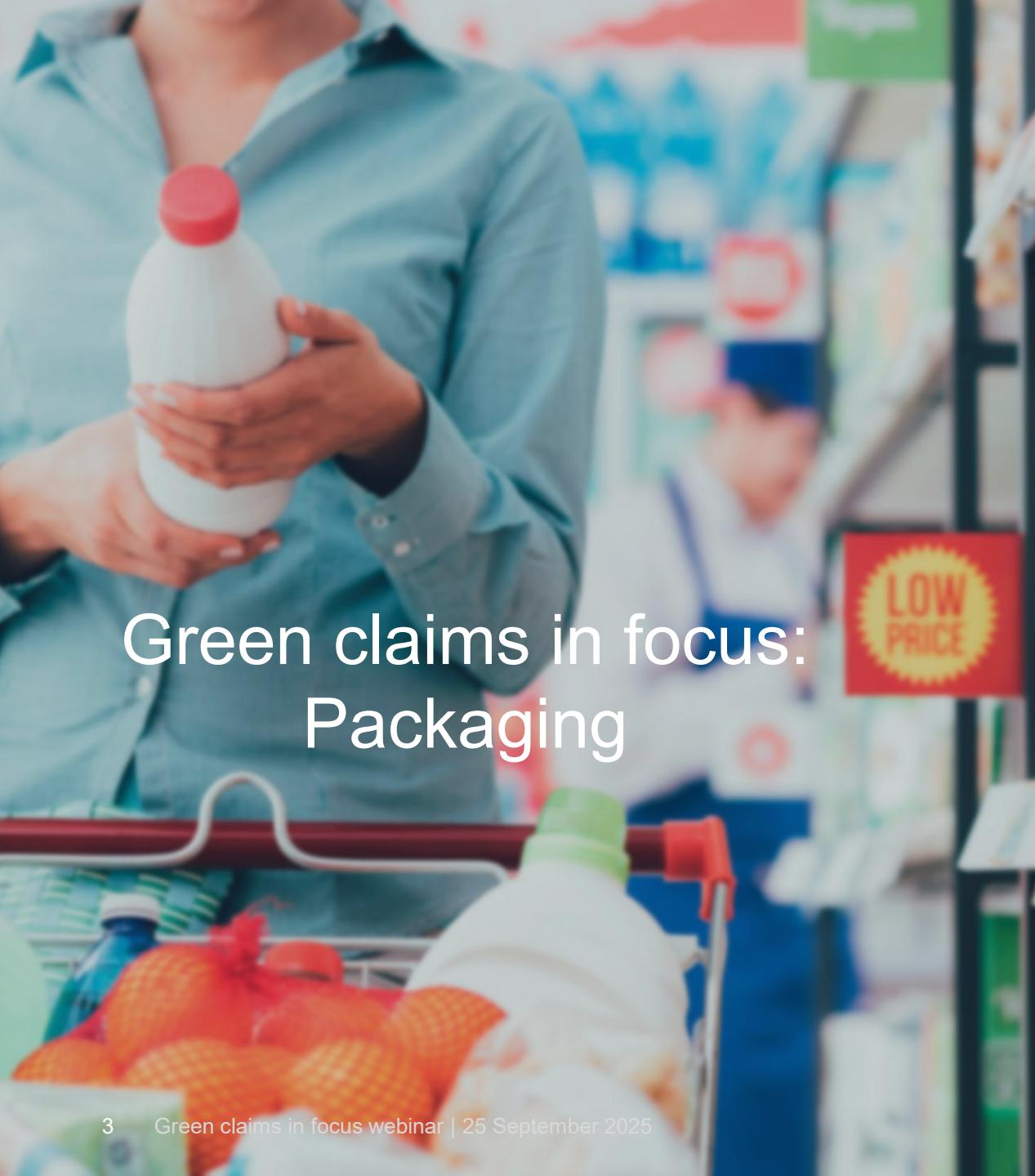


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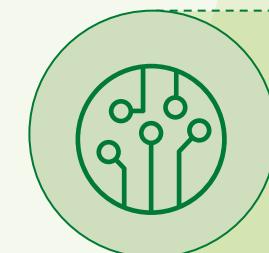
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Green claims in focus: Packaging



I. Introduction



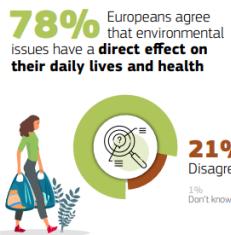
II. Regulatory approach, enforcement trends



III. Steps to clarify the legal framework

Green claims – A hot topic

PERCEIVED IMPACT OF ENVIRONMENTAL MATTERS AND HOW TO TACKLE THEM

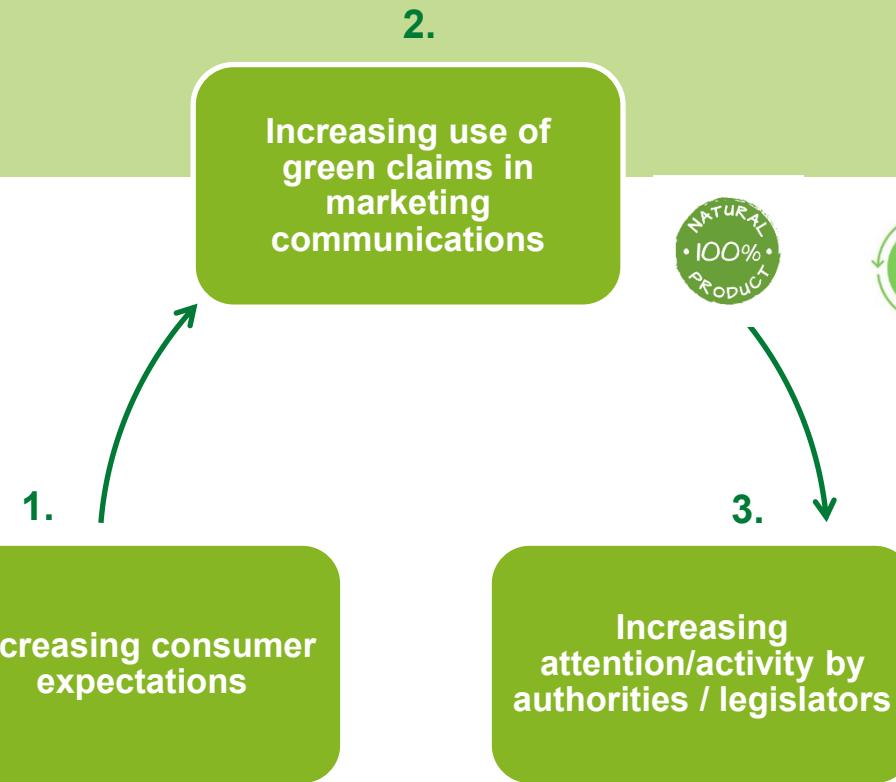


Source: EU Commission, Special Eurobarometer 550, 2024

84% agree that EU environmental legislation is **necessary to protect the environment** in their country



80% think that the EU should **help non-EU countries** to improve environmental standards



News
Oil major slapped with €5m fine for greenwashing palm oil diesel

Italian oil giant Eni has been slapped with a €5 million fine over its greenwashing of palm-oil based diesel as 'green'. The company ran a major marketing campaign that deceived consumers by claiming its 'Eni Diesel+' has a positive impact on the environment, Italy's advertising watchdog ruled this week.

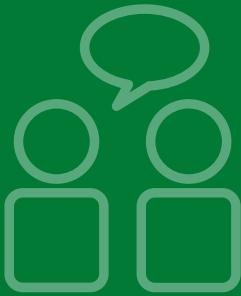
CRIME | GERMANY

Germany: Deutsche Bank raided in 'greenwashing' probe

05/31/2022

Investigators carried out searches at Deutsche Bank and its subsidiary DWS as part of an investigation into investment fraud.

Green communication vs greenwashing



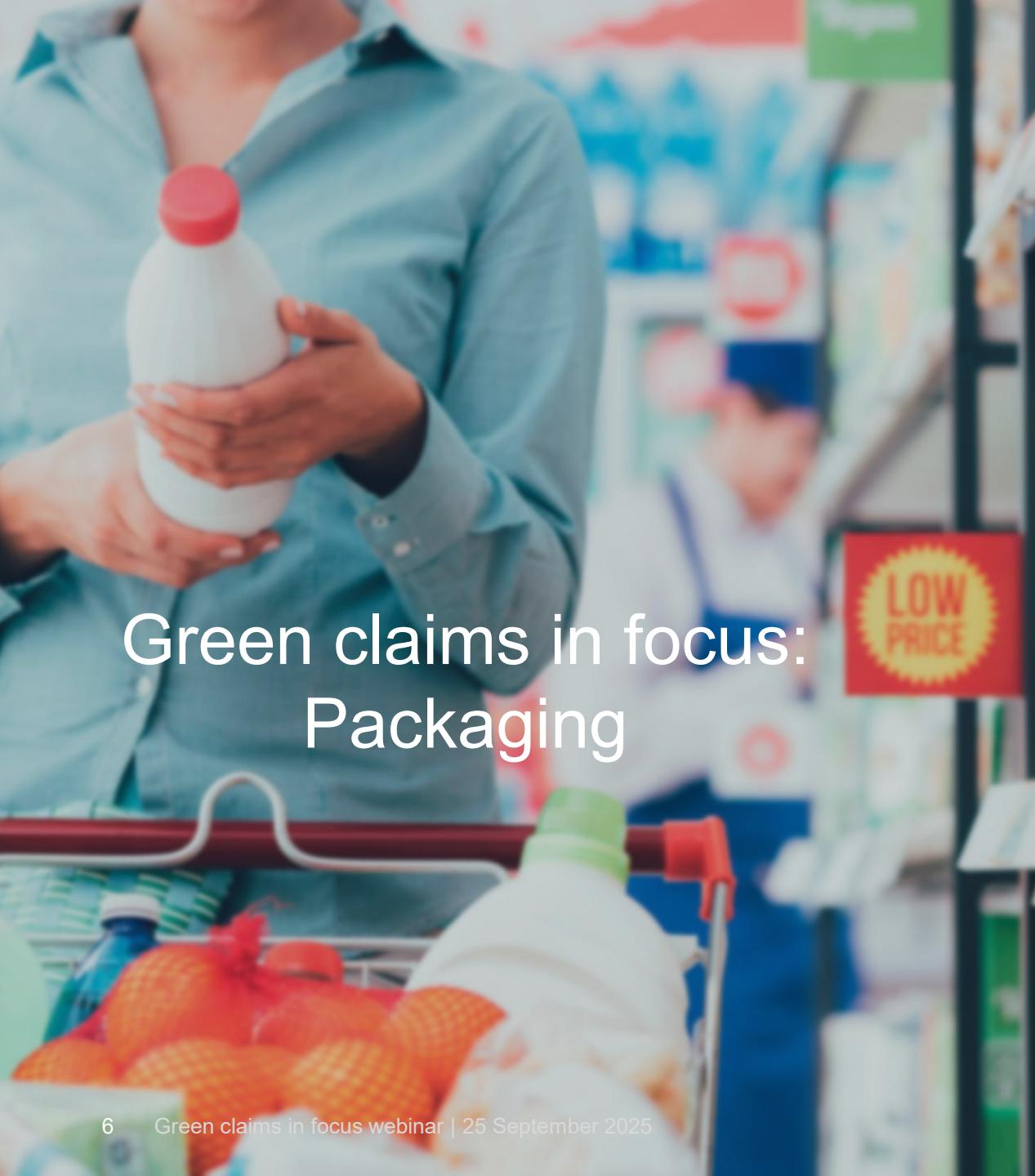
Green communication:

Communication implying that a product, service, or business **has a positive environmental impact or is less harmful** compared to competing alternatives

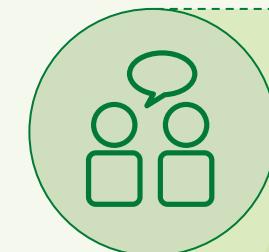


Greenwashing:

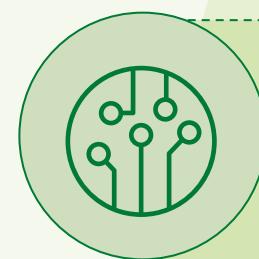
*“the act or practice of making a product, policy, activity, etc. **appear to be more environmentally friendly or less environmentally damaging than it really is**” (Merriam-Webster)*



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General expectations – on the basis of soft law guidance



Not all that glitters is green: GVH helps advertise products lawfully

17 December 2020, Budapest – The Hungarian Competition Authority (GVH) has published its so-called "Green Marketing" notice, which assists undertakings in developing appropriate advertising practices regarding the environmentally friendly and sustainable nature of their products and services.

Use clear and specific wording:

- Statements that are too general or broadly worded may be difficult to interpret or may be misleading;
- Green claims should therefore be **as specific as possible** (e.g. such benefits might arise due to ingredients, packaging, manufacturing, or shipping etc.)

Use understandable language:

- Green claims should be worded **in language that is easy for consumers to understand**;
- Consumers may not necessarily understand scientific terminology/jargon, so its use may be confusing

Use factual and accurate statements, do not exaggerate:

- Green claims should be **true and accurate** and should **not be exaggerated**, either explicitly or implicitly (e.g., through packaging design or other visual appearance);
- Any negative impacts on the environment shall not be concealed

Ensure that claims are verifiable and can be substantiated:

- Green claims should be properly **substantiated with evidence** (e.g., research, studies, test results, etc.);
- The evidence should be available before the communication is published

What does this mean for packaging?

Packaging Type	Potential Green Claims	Challenges
Glass	“Infinitely recyclable”; “made from recycled glass”; “lower carbon footprint”	High energy in production; heavy transport; recycling contamination
Metal (Aluminum, Steel, Tin)	“100% recyclable”; “contains recycled content”; “lightweight for transport”	Mining impacts; energy-intensive; regional recycling gaps
Flexible (Films, Pouches)	“Reduced material use”; “lightweight”; “resealable for less waste”	Hard to recycle; limited collection, litter and pollution concerns
Bio-based	“Renewable/plant-based”; “compostable”	Land use for crops; industrial vs. home compostability; unclear lifecycle
Reusable	“Designed for multiple uses”; “returnable”; “refillable”	Return logistics; consumer participation; cleaning & safety
Edible	“Zero waste”; “fully consumable”	Food safety and quality; shelf life; consumer acceptance
Innovative Materials	“Biodegradable”; “compostable”; “made from waste”	Scalability; regulatory approval; consumer education
Composite	“Optimized for protection & sustainability”	Difficult separation, limited infrastructure



How to indicate Environmental Claims



Ecological / Eco-friendly:

Only if the product's overall environmental impact is significantly reduced and this can be demonstrated with scientific evidence. Specify which aspect is ecological (e.g., "packaging made from recycled materials").



Organic:

The claim must refer to compliance with recognized organic standards (e.g., EU Regulation for organic products). Indicate the certifying body and the scope (e.g., "organic cotton certified by [name of body]").



Compostable:

Only use if the product or packaging can be composted in standard industrial composting facilities. Indicate the conditions and any certifications (e.g., "compostable according to EN 13432").



Biodegradable:

Specify the timeframe and conditions under which biodegradation occurs. Avoid generic claims; provide details (e.g., "biodegradable within 6 months in industrial composting").



Recyclable:

Use only if the product or packaging can be recycled through existing collection systems. Indicate which parts are recyclable and in which contexts (e.g., "bottle recyclable in plastic collection").



Eco-sustainable:

Avoid generic use. Specify the criteria or certifications that justify the claim (e.g., "eco-sustainable production process certified by [name of body]").

The approach of regulators – Fact-finding exercises

» In recent years, several competition authorities have conducted **comprehensive investigations** into green claims (e.g., CPC, Netherlands, UK)

» **E.g., market analyses, sweeps** – usually conclude with a study summarising the results

» The aim is to map and understand practices and trends, not to sanction potentially unlawful conducts

» Specific **risk** for undertakings: **Individual investigations** may be launched **based on the findings**



- » Scanning websites (even hundreds of them)
- » Informal inquiries or even formal RFIs
- » Market research, perceptions



- » Food
- » Clothing, fashion
- » Household chemicals, cosmetics
- » Household appliances
- » Energy

Example 1 – The CPC Network's sweep (2021)

Scope

- EU-wide screening of company websites (e.g., garments, cosmetics, household products)
- Focus: environmental claims to detect potential greenwashing

Findings

- **344 seemingly dubious claims** examined:
 - **>50%** – The trader did not provide sufficient information for consumers to assess the claim's accuracy
 - **37%** – Used vague/general terms (e.g., “eco-friendly”, “sustainable”), which aimed to convey the unsubstantiated impression that a product had no negative impact on the environment
 - **59%** – Provided no accessible evidence
- Overall, in **42% of cases** authorities had reason to believe that the claim may be false or misleading under the UCPD

Follow-up / Developments

- The sweep confirmed widespread risk of greenwashing
- Findings fed into EU initiatives on consumer protection in the green transition

Example 2 – Hungarian green market analysis (2024)

As part of a sweep, the HCA **reviewed the communications of 60 domestic websites**, on the basis of which it identified the following main problem areas:

- » Use of **vague statements** (e.g., “green” or “environmentally friendly”) **without evidence**, or explanation only available on a parent company’s website, in English
- » Claims based on **unverifiable factors** (e.g., “by purchasing this product, you support our environmental goals”)
- » **General environmental policy statements**, without product-specific claims;
- » Use of **trust marks without** clear (Hungarian) **information on the certifier or criteria**;
- » **Comparative claims** (e.g., “more sustainable”) without showing to what extent or compared to what

Recommendations for businesses:

- Assess environmental impact across the product’s life cycle – **life-cycle analysis!**
- Focus on developments with the greatest positive effect, highlight actions that significantly reduce environmental impact – **many companies base green claims on packaging, even though its environmental impact is often minor compared to raw material production or processing**
- Ensure claims, logos and labels are verifiable and accessible
- Avoid vague or overly general statements (e.g., **renewable packaging** or environmentally friendly product)

Recommendations for the legislator:

- Create a state-regulated, **multi-level sustainability labelling system** (e.g., colour codes):
 - Base certification on full life-cycle analysis, using both generic databases and company data – it is unfavourable if only one aspect (e.g., packaging, transport) is highlighted)
 - Publish methodology and data sources for transparency
- Link consumer education campaigns to the certification and labeling system

Italian market analysis



IAP Guidelines

- Article 12: strict standards for environmental claims
- Environmental benefits must be based on truthful, relevant, and scientifically verifiable data.
- Claims must clearly specify which aspect of the product or activity the environmental benefit refers to; generic or ambiguous claims are not allowed.
- The guidelines aim to prevent “greenwashing” and ensure that only companies with real, proven environmental achievements can communicate them to consumers

2025 AGCM Report

- Need for transparency and accuracy in environmental communications.
- Recent decisions underline the importance of providing consumers with clear, truthful, and verifiable information about companies' environmental efforts, especially regarding greenhouse gas emissions and sustainability initiatives.
- *“It is crucial that claiming environmental features is substantiated by truthful and relevant data, and that consumers are fully enabled to understand their meaning”*

Specific enforcement actions – Increasing scrutiny



Regulators are showing an **increasing activity in scrutinising green claims**:

B2C

In relation to businesses and consumers

- Misleading consumers
- Comparative advertising

B2B

Relationships between businesses

- Misleading business partners

Overview of some examples

Continued
on the next
slides

Deutsche Bank case – Germany:

- A German consumer group has filed a lawsuit against Deutsche Bank's asset management company;
- Consumers claimed that Deutsche Bank made **misleading claims about its investment fund specialising in green investments** (e.g., "claiming 0% investment in the coal sector", while the fund could invest in companies linked to the sector);
- Public prosecutors imposed an **EUR 25 million fine**

H&M and Decathlon cases – Netherlands:

- The Dutch NCA initiated proceedings against H&M and Decathlon for their misleading green claims
- The companies ultimately agreed to **spend €500,000 on sustainability goals in exchange for not being sanctioned**

The relevance of packaging

– Substantial share in the economy, corresponding scrutiny

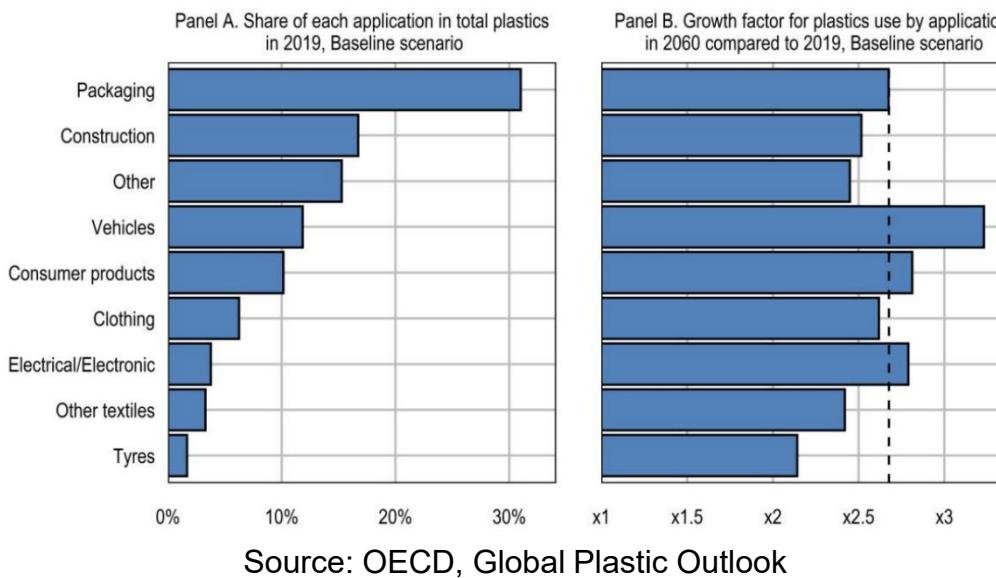
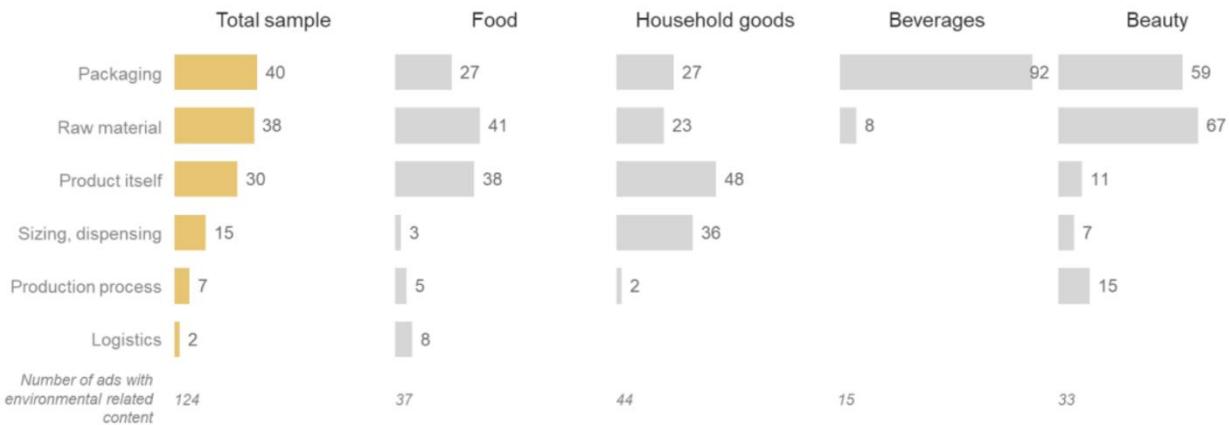


Figure 2. Breakdown of environmental sustainability advertisements by which part of the product the sustainability claim was connected to (%)



Source: European Commission

Source: HCA's market analysis (2024), Kantar Media

Important cases of green claims and packaging

CPC case (under the lead of the Swedish and Hungarian authorities) concerning green claims of major water bottlers – initiated following a complaint by BEUC

Investigated claims		
“100 recycled”	“100 recyclable”	“Bottle-to-bottle recycling”
<ul style="list-style-type: none">Only the bottle is made fully from recycled plastic (the cap and the label are not)Pre-consumer plastic is incorporated into the bottlers (e.g., offcuts, scraps)	<ul style="list-style-type: none">The packaging is not being recycled at a 100% rate in practice (not even the bottles)Caps are not recycled into caps	<ul style="list-style-type: none">Circular imagery suggests that plastic bottles can be recycled in infinite loop, without environmental impact



Similar Hungarian investigations
In 2024, the HCA initiated three investigations into allegedly unfounded green claims (“recycled” and “recyclable”) on the labels of mineral water and soft drink bottles, e.g.,: <ul style="list-style-type: none">“100% recycled”“100% recyclable”“Join the cycle”“Bottle to bottle, 50% rePET”The procedures are currently pending

Further enforcement actions on green packaging claims

United Kingdom (2025)

- Lavazza's ads implied **coffee pods** were home-compostable, but they were **only industrially compostable**
- The authority found that consumers would reasonably **expect home composting** from the wording and context of the ad
- Ads banned in current form, Lavazza must **clarify correct disposal method** in future advertising
- Part of wider authority effort to **enforce accuracy in compostable / green claims** in consumer marketing

United Kingdom (2022)

- Pepsi Lipton's poster claimed "**100% Recycled**" but only clarified in very small print that **the cap and label were excluded**
- The authority found the **overall impression was misleading** because consumers would assume the entire bottle, including the cap and label, was recycled
- The complaint was upheld, and the ad was ruled in breach of the applicable regulation, with instructions **not to repeat the claim unless fully accurate**

Canada (2022)

- Keurig fined **\$3M** for misleading recyclability claims on **single-use K-Cup pods** – claims implied pods were widely recyclable, which was not true outside select provinces
- The **additional settlement** included \$85K for investigation costs, \$800K **donation to environmental charity**, corrective measures, and updated compliance program

Enforcement of Green Claims in Italy: AGCM vs IAP

	AGCM (Italian Competition Authority)	IAP (Institute of Advertising Self-Regulation)
Nature	Independent public authority	Private self-regulatory body
Legal framework	Consumer Code, EU rules on unfair practices	Self-Regulatory Code of Advertising (Art. 12)
Scope of intervention	Consumer protection, repression of unfair commercial practices, administrative sanctions	Oversight of advertising correctness, including environmental claims
Powers	Fines up to € 10 million, moral suasion	Moral suasion, publication of decisions (no monetary fines)
Procedure	Ex officio or upon consumer/competitor complaint	Upon complaint or ex officio, decisions by the Jury

Relevant 2024 and 2025 AGCM cases

SHEIN

- “EvoluSHEIN” line
- “circular system design” “recyclability”, “use of green fibres” + ambitious climate targets (e.g., “reduce emissions by 25% by 2030”)
- Claims found false, confusing, or exaggerated, lacking transparency and verifiability.

➤ 1 MLN

GLS Group

- “Climate Protect” initiative, suggesting significant environmental benefits and carbon neutrality for logistics services
- Claims found ambiguous, not clear, specific, or verifiable.
- 8 MLN

San Benedetto

- Carbon neutral”, “zero impact”
- Claims found not substantiated and misleading
- No monetary fine; the company was required to remove the misleading claims following AGCM’s moral suasion.

Giorgio Armani S.p.A.

- Sustainability statements in the Code of Ethics and on the Armani Values website.
- Statements found untruthful, unclear and misleading
- 3.5 MLN

Relevant 2024 IAP cases



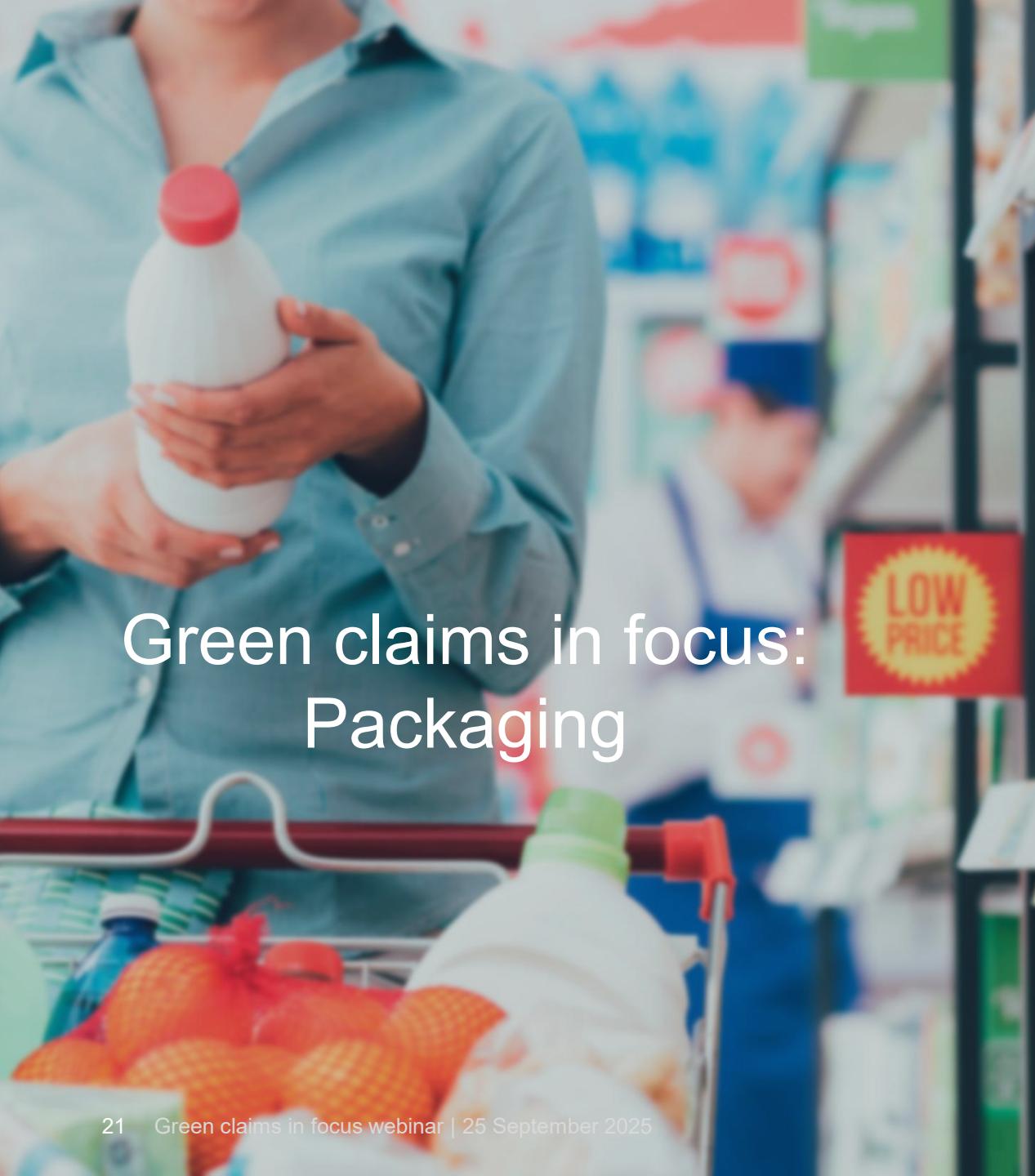
Centrale Del Latte Di Roma S.p.a

“all... the sustainability you are looking for”

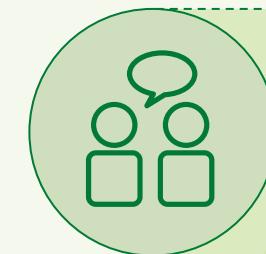
Deolab S.r.l.

“I'm green. The new sustainable laundry fragrance, for fragrant garments that fully respect the environment”

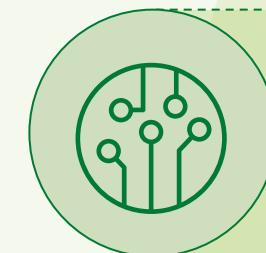
The messages do not make it clear in any way which aspect of the product or activity advertised provides the environmental benefit claimed which, therefore, remains entirely generic and, as such, inadmissible.



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Upcoming Developments in EU Legislation: Part I

Green claims are being
regulated at EU level



- Amendment of the UCP Directive
- New Green Claims Directive (?)

**Amendment of
the UCP
Directive**

The classification of specific greenwashing claims as “**blacklisted**” **unfair practices**, including:

- Displaying a sustainability label that is not based on a certification scheme or not established by public authorities
- Making a generic environmental claim for which the trader is not able to demonstrate recognised excellent environmental performance relevant to the claim
- Making an environmental claim about the entire product or the trader’s entire business when it concerns only a certain aspect of the product or a specific activity of the trader’s business

» Directive published: February 2024

» Deadline for implementation: March 2026

» Start date of application of implemented provisions:
September 2026

Upcoming Developments in EU Legislation: Part II

A lost chance for harmonisation?

Green Claims Directive	<p>Specific legislation – harmonisation of green claims legislation:</p> <ul style="list-style-type: none">• Fundamental methodological criteria for substantiating green claims• Standards for the communication of environmental claims• Requirements for environmental labeling• Certification of environmental claims by accredited certification bodies designated by Member States
	<ul style="list-style-type: none">• The Commission published a draft directive in March 2023• The Council adopted its general approach in June 2024• The Commission announced its intention to withdraw the proposal in June 2025• Following this announcement, negotiations were suspended



The future of the Green Claims Directive is now uncertain – it could be delayed, reworked, or even abandoned

Takeaways and outlook

Rising consumer interest and demand for green/sustainable solutions

Intensified regulatory activity, including guidelines and market studies

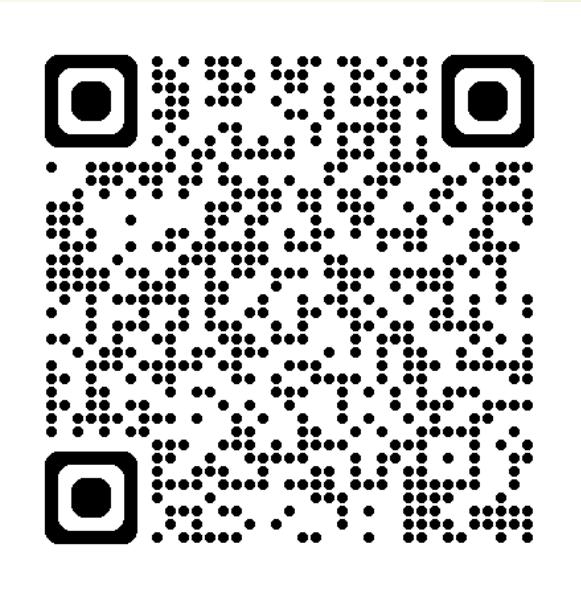
Increasing number of enforcement actions – sanctions may be more moderate at first but increasing strictness is expected

The **amendment of the UCP Directive** could mark a **turning point**, setting clearer and stricter requirements – the **withdrawal/postponement of the Green Claims Directive** may be a **lost chance of full harmonisation?**

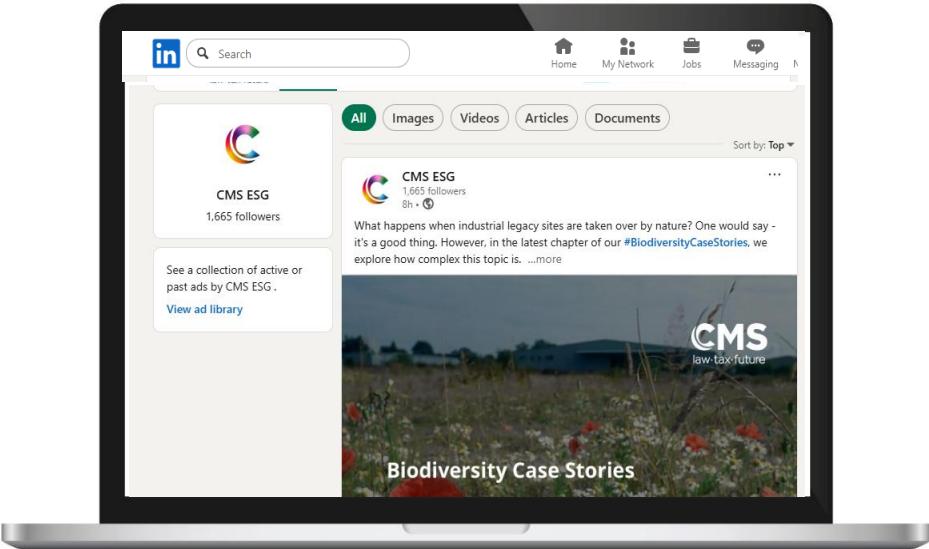
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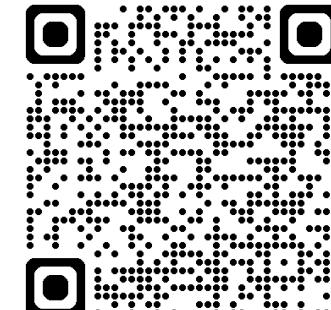
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