



# Commission and national consumer protection authorities starts action against 20 airlines for misleading greenwashing practices

Brussels, 30 April 2024

Following an alert from the European Consumer Organisation (BEUC), the European Commission and EU consumer authorities (Network of Consumer Protection Cooperation - CPC - Authorities) sent letters to 20 airlines identifying several types of potentially misleading green claims and inviting them to bring their practices in line with EU consumer law within 30 days.

The CPC network, led by the Belgian Directorate General for Economic Inspection, the Netherlands Authority for Consumers and Markets, the Norwegian Consumer Authority and the Spanish Directorate General of Consumer Affairs, focused on **claims made by airlines that the CO2 emissions caused by a flight could be offset** by climate projects or through the use of sustainable fuels, to which the consumers could contribute by paying additional fees. The authorities are concerned that the identified practices can be considered as misleading actions/omissions, prohibited under Articles 5, 6 and 7 of the <u>Unfair Commercial Practices Directive</u>. On their part, the airlines are yet to clarify whether such claims can be substantiated based on sound scientific evidence.

## Key elements of the action:

The European Commission and the CPC network, have identified several types of potentially misleading practices by 20 airlines, such as:

- creating the incorrect impression that paying an additional fee to finance climate projects with less environmental impact or to support the use of alternative aviation fuels can reduce or fully counterbalance the CO2 emissions;
- using the term "sustainable aviation fuels" (SAF) without clearly justifying the environmental impact of such fuels;
- using the terms "green", "sustainable" or "responsible" in an absolute way or use other implicit green claims;
- claiming that the airline is moving towards net-zero greenhouse gas emissions (GHG) or any future environmental performance, without clear and verifiable commitments, targets and an independent monitoring system;
- presenting consumers with a "calculator" for the CO2 emissions of a specific flight, without providing sufficient scientific proof on whether such calculation is reliable and without the information on the elements used for such calculation;
- presenting consumers with a comparison of flights regarding their CO2 emissions, without providing sufficient and accurate information on the elements the comparison is based on.

### Next steps

The European Commission and CPC authorities invited the companies to provide a response within 30 days, outlining their proposed measures to address the concerns arising from their environmental marketing claims under EU consumer law. After receiving replies from the companies, the European Commission will organise meetings with the CPC network and the airlines, to discuss the solutions proposed by the companies. Furthermore, the Commission will monitor the implementation of the agreed-upon changes. If the airlines involved do not take the necessary steps to solve concerns raised in the letter, CPC authorities can decide to take further enforcement actions, including sanctions.

This action aims to ensure alignment of the commercial practices across the air travel sector with EU consumer legislation, by establishing the necessary substantiation and of communication of voluntary environmental claims.

### Background

The <u>Consumer Protection Cooperation (CPC)</u> is a network of authorities responsible for the enforcement of EU consumer protection laws. Under the <u>Consumer Protection Cooperation</u> <u>Regulation</u>, and with the coordination of the European Commission, they can take action to address cross-border issues at EU level. Moreover, within the same framework, consumer associations such as BEUC can post alerts about emerging market threats and their information is then directly accessible by enforcement authorities. The investigation was triggered by an alert of BEUC.

With the <u>European Green Deal</u>, the European Commission published in 2019 its strategic action plan to boost the use of more sustainable resources, by moving to a circular economy, to restore biodiversity and reduce pollution. Furthermore, with the <u>New Consumer Agenda</u>, the green transition has been set as a priority, together with the need to better equip consumers with clear and reliable information on the environmental impact of a product or a service. It also requires to better protect consumers against misleading climate-related claims, a practice often referred to as "greenwashing".

Articles 5, 6 and 7 of the <u>Directive concerning unfair business-to-consumer commercial practices in</u> <u>the internal market</u> prohibit unfair commercial practices in the form of misleading actions and omissions. The European Commission's <u>Guidance Notice on the interpretation and application of the</u> <u>UCPD</u> provides specific information about the environmental claims to be considered misleading.

A concrete step to enhance consumer protection against misleading green claims can also be found in the <u>Directive on empowering consumers for the green transition</u>, which explicitly bans claims, based on the offsetting of greenhouse gas emissions, that a product has a neutral, reduced or positive impact on the environment in terms of greenhouse gas emissions and it also defines the requirements to be respected by a trader while using claims on future environmental performance of a product.

Furthermore, the European Commission's <u>Proposal for a Directive on substantiation and</u> <u>communication of explicit environmental claims (Green Claims Directive)</u>, proposed by the Commission in March 2023, provides that Member States shall ensure that traders carry out an assessment to substantiate explicit environmental claims. As regards offsetting claims in particular, traders should be transparent about what part of that claim concerns their own operations, and what part relies on buying offsets.

## **For More Information**

More information on the <u>consumer enforcement actions</u>

Unfair commercial practices directive

Consumer Protection Cooperation Network

More information on sustainable consumption actions

IP/24/2322

#### Quotes:

"If we want responsible consumers, we need to provide them with accurate information. More and more travelers care about their environmental footprint and choose products and services with better environmental performance. They deserve accurate and scientific answers, not vague or falseclaims. The Commission is fully committed to empowering consumers in the green transition and fighting greenwashing. We expect airlines, as well as any other industry operator, to make a responsible use of environmental claims."

Věra Jourová, Vice-President for Values and Transparency - 30/04/2024

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