

A joint investigation by the European authorities revealed issues with green advertisements

4 February 2021, Budapest – The Hungarian Competition Authority (GVH) also participated in the joint investigation organised by the European Commission and the Consumer Protection Cooperation Network (CPC) consisting of the authorities of the Member States. This joint action uncovered numerous issues.

In October and November 2020, the joint investigation held by the Consumer Protection Cooperation Network - CPC, which brings together of the authorities of the Member States, reviewed advertising claims made in e-commerce websites about the environmentally friendly and sustainable qualities of products and services. During the joint action (a so-called sweep), the authorities investigated claims concerning the environmental properties of a total of 344 products and services sold online within various sectors (e.g. textile products, cosmetics, household devices) in order to assess their reliability and clarity. The European Commission, which coordinated the sweep, has recently <u>published its summary</u> of the results of the investigation.

Based on the findings, the majority of the advertisements (59%) did not provide evidence to support their claims in a manner that is easily accessible to the consumers. Thirty-seven per cent of the advertisements used misleading claims to imply that the activity of the undertaking does not negatively impact the environment or it has a positive impact only. In addition, the investigation found 7 advertisements, which made false claims regarding the support or approval of some environmental certification organisation.

Looking at the claims as a whole, it can be said that 42% of them can be assumed to be untrue or misleading. As a positive aspect, we can highlight that the language used to convey the claims was clear in 76% of the cases.

Simultaneously with the European sweep, the ICPEN (International Consumer Protection and Enforcement Network), which brings together the consumer protection organisations of 65 countries, also conducted its own investigation with an identical aim, which detected similar trends.

The GVH has <u>already warned consumers of such misleading advertisements</u> and published its so-called <u>'Green Marketing' Notice</u> in December last year, which assists undertakings in developing appropriate advertising practices regarding the environmentally friendly and sustainable nature of their products and services.

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