

The EU **Empowering Consumers Directive**

for strengthening consumer protection

The **EmpCo Directive (EU) 2024/825** – aimed at **empowering consumers for the green transition** – is intended to protect consumers from misleading sustainability claims. Starting September 27, 2026, companies will only be allowed to make claims about environmental or sustainability aspects of their products if these claims are supported by verifiable evidence and are presented in a clear and transparent manner. **We have summarized what this means for you in this Information Sheet.**

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Will it still be permissible to label products with the EMICODE® in the future?

In collaboration with external experts, the GEV has thoroughly examined the requirements of the EmpCo Directive and the planned revision of the Act against Unfair Competition (UWG). Based on the current legal situation, the EMICODE® rules and regulations have been revised and further developed. The goal was to further improve the objectivity and reliability of the environmental claims associated with the EMICODE® seal.

In the GEV's assessment, the updated system of the EMICODE® seal complies with the current requirements of both the UWG and the EmpCo Directive, provided that the respective product has obtained a valid EMICODE® license based on the updated EMICODE® regulations. The GEV will closely monitor further developments in legislation and case law and will continue to adapt the system as needed.

The GEV takes the view that the current certification system also meets the requirements set forth in § 2, par. (2), point (6) of the Act against Unfair Competition (UWG), as amended, for environmental labeling systems. These include, in particular:

- a) Participation is open to all companies under transparent, fair and non-discriminatory conditions.
- b) The criteria are developed in consultation with independent experts and relevant stakeholders.
- c) There are clear procedures handling non-compliance (violations), including the suspension or revocation of the right to use the label.
- d) Compliance with the requirements is monitored by independent third parties based on objective criteria and in accordance with international standards and established procedures.

From the GEV's perspective, there are currently no concerns about labeling products with the EMICODE® seal, provided that the predefined conditions, in particular successful product testing and a valid trademark license, are met.

- It is important to note that it is allowed to use the EMICODE® seal for advertising purposes.
- This also includes the classification "very low emission" designated for EMICODE® classes EC 1 and EC 1^{PLUS}.
- However, the seal does not authorize generic environmental claims such as "environmentally friendly" or comparable statements, unless these are verifiably correct and can be substantiated by EMICODE® testing.
- It is permissible to explain which characteristics and tests are associated with the EMICODE® certification.
- By contrast, generic and more far-reaching environmental claims that go beyond the factual content of the seal are not permitted.

If there are doubts in individual cases regarding the permissibility of planned advertising claims, the GEV recommends seeking legal advice prior to publication.



FAQs on the EmpCo Directive

Sustainability aspects play an important role in companies' communication with consumers. Purchasing decisions that consumers make based on the information provided by companies help ensure that sustainable products establish themselves in the market. However, informed purchase decisions can only be made if the companies' environmental claims about products and their sustainability labels are reliable.

Accordingly, the goal of Directive (EU) 2024/825, the so-called "EmpCo Directive" (Empowering Consumers Directive), is to protect consumers from unfair practices and to promote sustainable consumption patterns through better information.

The Directive has been transposed into national law through an amendment to the UWG. The European Commission has meanwhile compiled a list of [FAQs](#) on the EmpCo Directive, which is also known as ECGT Directive (Directive on Empowering Consumers for the Green Transition). These FAQs contain comprehensive guidance on the application of the new rules.

There is no case law yet regarding the new provisions of the UWG (Act Against Unfair Competition). The information provided in this Information Sheet therefore only reflects the opinion of the author or the association. It is intended for guidance purposes only and cannot replace legal advice in individual cases.

1. When do the new rules take effect?

The new rules must be applied in Germany starting September 27, 2026. As of that date, the relevant information must be provided in a clear and comprehensible manner in accordance with the new rules. Commercial practices that are considered to be misleading are prohibited.

2. Extension of the "blacklist"

Commercial practices targeting or reaching consumers are deemed unfair if they are not in compliance with the requirements of professional diligence and are likely to significantly influence the economic behavior of consumers (section 3 (2) UWG).

Pursuant to section 3 (3) of the Unfair Competition Act, certain practices listed in the Annex to section 3 (3)

of the amended version of the UWG (the so-called "blacklist") are generally prohibited. It is therefore not necessary to prove that the practice in question has a negative effect.

With the transposition of the EmpCo Directive into national law, these restrictions are being extended.

The blacklist includes **commercial practices** that are always illegal and **prohibited in dealings with consumers**. They are explained below. The prohibitions do not apply if the products in question do not reach consumers, i.e., if the products are not intended for consumers and cannot reach them.

It should be noted, however, that **misleading commercial practices** directed at other market participants are also unfair. In particular, claims regarding environmental characteristics or circularity aspects such as durability, reparability or recyclability may also be regarded as misleading.

3. Who the prohibitions apply to – Companies' responsibilities

The legal prohibitions generally apply to those parties who make use of the environmental claim or (eco)label. Infringements may result in fines, written warning notices as well as lawsuits seeking elimination and injunctive relief filed by competitors and trade associations (section 8 UWG).

Before making an environmental claim or using a sustainability label in dealings with consumers, it is therefore the entrepreneur's responsibility to ensure that the environmental claim is verifiably correct or that the sustainability label used, resp. the certification scheme underlying the label, meet the minimum requirements for transparency and credibility.

Whether and to what extent an entrepreneur may rely on information provided by third parties or by the holder of a label is likely to be determined on a case-by-case basis and dependent on the specific circumstances. However, the entrepreneur is not obliged to verify in detail whether the (certification) scheme owner actually complies with each and every legal requirement.

4. Prohibited practices and due diligence obligations

The following commercial practices have been added to the blacklist and are therefore prohibited in all circumstances unless they meet the legal requirements:

- Display of sustainability labels
- Making generic environmental claims
- Claims on environmental impacts based on offsetting greenhouse gas emissions
- Claims regarding future environmental performance, including time-bound targets.

In brief: Environmental claims must always be true. They must not be misleading and must be

- explained in clear and prominent terms on the same medium,
- based on a recognized excellent environmental performance, or
- supported by a sustainability label.

Unless they have been established by a government agency, sustainability labels may only be displayed if they are based on a certification scheme.

Claims regarding environmental impacts based on offsetting greenhouse gas emissions are now permitted only in exceptional cases.

Claims regarding future environmental performance may only be made on the basis of a detailed and realistic implementation plan that includes measurable and time-bound targets as well as clear, objective, publicly available and verifiable commitments.

In addition, it should also be noted that the advertising of "benefits" to consumers is considered to be misleading if these benefits are irrelevant because the

characteristics apply to virtually all comparable products.

The entrepreneur must ensure that the legal requirements are complied with in each case.

5. What are "environmental claims"?

An environmental claim is

- any message or representation made in the context of a commercial communication such as advertising or sales,
- including representations made through text, images, graphic elements or symbols such as labels, brand names, company names or product names,
- which is not mandatory under Union or national law and
- which states or implies
 - a) that a product, product category, brand or trader has a positive or zero impact on the environment or is less damaging to the environment than other products, product categories, brands or traders, or
 - b) that a product, product category, brand or trader has improved its impact on the environment over time.

Example: Corporate sustainability reporting or disclosures required under the Corporate Sustainability Reporting Directive (CSRD) typically do not fall within the scope of the ECGT Directive, as these reports are often mandatory and (solely) addressed to investors rather than consumers.

6. What is a "generic environmental claim"?

A generic environmental claim means

- any environmental claim made in written or oral form, including through audio-visual media,
- that is not included on a sustainability label and
- where the specification of the environmental claim is not provided in clear and prominent terms on the same medium.

Examples of generic environmental claims include "*environmentally friendly, green, good for the environment, sustainable, eco-friendly, resource-efficient, energy-efficient, ...*".

As a rule, these are short, catchy statements that, taken on their own, have no factual content that can be verified using objective criteria, and from which it is not immediately clear

- which environmental aspect is involved,
- to which stage of a product's lifecycle they refer, or
- how the claimed effect is to be achieved in concrete terms.

Brands, company names or company logos may also contain environmental terms.

7. When are generic environmental claims permitted or prohibited?

Generic environmental claims made to consumers that cannot be substantiated are prohibited under all circumstances.¹ In practice, the types of evidence permitted by law are limited.

Generic environmental claims are prohibited if

- a) the trader is not able to demonstrate any recognized excellent environmental performance which is relevant to the claim, or
- b) the trader makes a false statement regarding the scope of an environmental claim. This is the case when an environmental claim is made about the entire product or the trader's entire business, although the claim actually concerns only a certain aspect of the product or a specific activity of the trader's business, or
- c) claims regarding environmental impacts are made based on the offsetting of greenhouse gas emissions, suggesting that a product has a neutral, reduced or positive impact on the environment in terms of greenhouse gas emissions.

Please note: Generic environmental claims displayed on a sustainability label are generally permissible if they are linked to a specific ecological characteristic. However, drawing the line can be difficult in individual cases, so legal advice should be sought in case of doubt.

8. What is a “recognized excellent environmental performance”?

A recognized excellent environmental performance is consistent with

- a) Regulation (EC) No. 66/2010, which sets out requirements for the EU Ecolabel, or with

- b) national or regional environmental labeling schemes in accordance with DIN EN ISO 14024 type I, June 2018 edition, which are officially recognized in the Member States of the European Union, or
- c) the requirement that the product achieves top environmental performance under other applicable Union law (e.g. in accordance with Directive 2018/2001, Renewable Energy Directive).

Specific environmental claims such as “100 % of the energy used to produce this packaging comes from so-called renewable sources”, are permissible – provided they are not misleading and are (demonstrably) true.

9. What are “sustainability labels”?

Sustainability label means

- any voluntary trust mark, quality mark or equivalent, either public or private,
- that aims to set apart and promote a product, process or business activity to consumers by reference to its environmental or social characteristics or both (these may also include images or symbols),
- excluding any mandatory labeling required under Union law or the law of a Member State of the European Union.

In principle, the label must highlight specific “environmental or social characteristics”, which distinguishes it from a generic environmental claim. The claim may also refer to business activities.

Sustainability labels may only be used if they meet certain requirements. They must either

- be established by public authorities (e.g. official EU Ecolabel) or
- be based on a certification scheme.

10. What is a “certification scheme” as defined by the UWG?

A “certification scheme” is

- a third-party verification system
- that certifies that a product, process or business complies with certain requirements,
- that allows for the use of a corresponding sustainability label and
- the terms of which, including its requirements, are publicly available and
- meet the following criteria:

¹ The same generally applies to misleading environmental claims (Sections 5, 5a UWG).

- a) The scheme is open under transparent, fair and non-discriminatory terms to all traders willing and able to comply with the scheme's requirements.
- b) The scheme's requirements are developed by the scheme owner in consultation with relevant experts and stakeholders.
- c) The scheme establishes procedures for dealing with non-compliance with the scheme's requirements. It provides for the withdrawal or suspension of the trader's use of the sustainability label in case of non-compliance with the scheme's requirements.
- d) Monitoring of a trader's compliance with the scheme's requirements is subject to an objective procedure and is carried out by a third party whose competence and independence from both the scheme owner and the trader are based on international, Union or national standards and procedures ("three-party relationship").

It is recommended to obtain confirmation from the holder of a sustainability label that the underlying certification scheme meets all legal requirements effective as of September 27.

11. Is it permissible to make claims about the offsetting of greenhouse gas emissions?

Claims regarding climate neutrality are usually unclear in terms of their scope and reach. Such a claim may refer either to the reduction of greenhouse gas emissions in the production process, or it may be understood as merely offsetting these emissions. The claims are therefore often misleading and have also been deemed misleading by courts in the past. Henceforth, claims such as "*climate-neutral, certified CO₂-neutral, carbon-positive, climate-friendly, reduced carbon footprint*" etc. are generally **prohibited**.

Consequently, product advertising is prohibited if it makes a claim based on the offsetting of greenhouse gas emissions and suggests that a product has a neutral, reduced or positive impact on the environment with regard to greenhouse gas emissions.

Other claims are only permitted if they

- are based on an actual lifecycle impact (improvement) of the product in question and
- do not refer to the offsetting of greenhouse gas emissions outside the product's value chain and

- are described in clear and prominent terms on the medium used so that, in principle, a specific environmental claim is made.

An assessment "over the entire lifecycle" means taking into account not only production but also use and disposal of the product. The positive effect (e.g. "stores more CO₂ than the product emits over its lifecycle") must be verifiable through proper lifecycle analyses.

Exceptions are offset claims that are based on an EU legal act and, to that extent, demonstrate a "recognized excellent environmental performance".

Previous case law should be taken into account (German Federal Court of Justice "Katjes-Urteil" – judgment of June 27, 2024, I ZR 98/23).

12. Are claims regarding future environmental performance permissible?

Claims regarding **future environmental performance** are announcements that a specific environmental goal (e.g. "climate neutrality") will be achieved by a certain date.

The prerequisites for such a claim are that

- it consists of clear, objective, publicly available and verifiable commitments set out in a detailed and realistic implementation plan that
- includes measurable and time-bound targets as well as other relevant elements necessary to support its implementation, such as the allocation of resources, and
- that it is regularly reviewed by an independent external expert, whose findings are made available to consumers. Although the expert does not need to be certified or accredited, he or she must be competent in the relevant field (environmental audit) and free from any conflicts of interest. The frequency of such regular reviews should be 1 to 2 times per year. The results can also be made available to consumers via a QR code.

In summary, the announcement must be clear, unambiguous and verifiable, which requires a detailed and realistic implementation plan with measurable and time-bound targets, information on the allocation of resources, and regular audits carried out by an independent and competent expert, the results of which must be made available to consumers.