Environmental Claims

Summary of the Green Guides

General Environmental Benefit Claims

- Marketers should not make broad, unqualified general environmental benefit claims like 'green' or 'eco-friendly.' Broad claims are difficult to substantiate, if not impossible.
- Marketers should qualify general claims with specific environmental benefits. Qualifications for any claim should be clear, prominent, and specific.
 - When a marketer qualifies a general claim with a specific benefit, consumers understand the benefit to be significant. As a result, marketers shouldn't highlight small or unimportant benefits.
 - If a qualified general claim conveys that a product has an overall environmental benefit because of a specific attribute, marketers should analyze the trade-offs resulting from the attribute to prove the claim.

Claiming "Green, made with recycled content" may be deceptive if the environmental costs of using recycled content outweigh the environmental benefits of using it.

Carbon Offsets

- Marketers should have competent and reliable scientific evidence to support carbon offset claims. They should use appropriate accounting methods to ensure they measure emission reductions properly and don't sell them more than once.
- Marketers should disclose whether the offset purchase pays for emission reductions that won't occur for at least two years.
- Marketers should not advertise a carbon offset if the law already requires the activity that is the basis of the offset.

Certifications and Seals of Approval

- Certifications and seals may be endorsements. According to the FTC's Endorsement Guides:
 - Marketers should disclose any material connections to the certifying organization. A material connection is one that could affect the credibility of the endorsement.
 - Marketers shouldn't use environmental certifications or seals that don't clearly convey the basis for the certification, because the seals or certifications are likely to convey general environmental benefits.
 - To prevent deception, marketers using seals or certifications that don't convey the basis for the certification should identify, clearly and prominently, specific environmental benefits.

- Marketers can qualify certifications based on attributes that are too numerous to disclose by saying, "Virtually all products impact the environment. For details on which attributes we evaluated, go to [a website that discusses this product]." The marketer should make sure that the website provides the referenced information, and that the information is truthful and accurate
- A marketer with a third-party certification still must substantiate all express and implied claims.

Compostable

- Marketers who claim a product is compostable need competent and reliable scientific
 evidence that all materials in the product or package will break down into or become
 part of usable compost safely and in about the same time as the materials with which it
 is composted.
- Marketers should qualify compostable claims if the product can't be composted at home safely or in a timely way. Marketers also should qualify a claim that a product can be composted in a municipal or institutional facility if the facilities aren't available to a substantial majority of consumers.

Degradable

- Marketers may make an unqualified degradable claim only if they can prove that the "entire product or package will completely break down and return to nature within a reasonably short period of time after customary disposal." The "reasonably short period of time" for complete decomposition of solid waste products? One year.
 - Items destined for landfills, incinerators, or recycling facilities will not degrade within a year, so unqualified biodegradable claims for them shouldn't be made.

Free-of

- Marketers can make a free-of claim for a product that contains some amount of a substance if:
 - 1. the product doesn't have more than trace amounts or background levels of the substance;
 - 2. the amount of substance present doesn't cause harm that consumers typically associate with the substance; and
 - 3. the substance wasn't added to the product intentionally
- It would be deceptive to claim that a product is "free-of" a substance if it is free of one substance but includes another that poses a similar environmental risk.
- If a product doesn't contain a substance, it may be deceptive to claim the product is "free-of" that substance if it never has been associated with that product category.

Non-Toxic

• Marketers who claim that their product is non-toxic need competent and reliable scientific evidence that the product is safe for both people <u>and</u> the environment.

Ozone-Safe and Ozone-Friendly

• It is deceptive to misrepresent that a product is ozone-friendly or safe for the ozone layer or atmosphere.

Recyclable

- Marketers should qualify recyclable claims when recycling facilities are not available to at least 60 percent of the consumers or communities where a product is sold.
- The lower the level of access to appropriate facilities, the more a marketer should emphasize the limited availability of recycling for the product.

If recycling facilities for a product are not available to at least 60 percent of consumers or communities, a marketer can state, "This product may not be recyclable in your area." If recycling facilities for a product are available to only a few consumers, a marketer should use stronger qualifying language: "This product is recyclable only in the few communities that have appropriate recycling programs."

Recycled Content

- Marketers should make recycled content claims only for materials that have been recovered or diverted from the waste stream during the manufacturing process or after consumer use.
- Marketers should qualify claims for products or packages made partly from recycled material for example, "Made from 30% recycled material."
- Marketers whose products contain used, reconditioned, or re-manufactured components should qualify their recycled content claims clearly and prominently to avoid deception about the components.

Refillable

Marketers shouldn't make unqualified refillable claims unless they provide a way to refill
the package. For example, they can provide a system to collect and refill the package or sell
a product consumers can use to refill the original package.

Made with Renewable Energy

- Marketers shouldn't make unqualified renewable energy claims based on energy derived from fossil fuels unless they purchase renewable energy certificates (RECs) to match the energy use.
- Unqualified renewable energy claims may imply that a product is made with recycled content or renewable materials. One way to minimize the risk of misunderstanding is to specify the source of renewable energy clearly and prominently (say, 'wind' or 'solar energy').
- Marketers should not make an unqualified "made with renewable energy" claim unless all, or virtually all, the significant manufacturing processes involved in making the product or package are powered with renewable energy or non-renewable energy, matched by RECs.
- Marketers who generate renewable energy say, by using solar panels but sell RECs for all the renewable energy they generate shouldn't claim they "use" renewable energy. Using the term "hosting" would be deceptive in this circumstance.

Made with Renewable Materials

- Unqualified claims about renewable material may imply that a product is recyclable, made with recycled content, or biodegradable. One way to minimize that risk is to identify the material used clearly and prominently, and explain why it is renewable.
- Marketers should qualify renewable materials claims unless an item is made entirely with renewable materials, except for minor and incidental components.

"Our flooring is made from 100% bamboo, which grows at the same rate, or faster, than we use it."

"This package is made from 50% plant-based renewable materials. Because we turn fast-growing plants into bio-plastics, only half of our product is made from petroleum-based materials."

Source Reduction

• Marketers should qualify a claim that a product or package is lower in weight, volume, or toxicity clearly and prominently to avoid deception about the amount of reduction and the basis for comparison. For example, rather than saying the product generates "10 percent less waste," the marketer could say the product generates "10 percent less waste than our previous product."

To view the complete Green Guides, information for business, and legal resources related to environmental marketing, go to business.ftc.gov.