

# EU Consultation: Environmental performance of products & businesses – substantiating claims

European Association of Chemical Distributors (Fecc)

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# **Contact:**

The European Association of Chemical Distributors (Fecc) supports the principle of environmental impact information on products being clear, transparent, and comparable, and that such information can help consumers to make more sustainable choices. Fecc also support opportunities for the circular and green economy and welcomes the Environmental Performance of products & businesses – substantiating claims initiative, in response to the need to have a single European-wide framework aligned with the requirements of the new Corporate Sustainability Reporting Directive (CSRD) and acknowledges the need to reduce corporate greenwashing by setting standards on the provision of reliable environmental information for companies in Europe.

Considering this, Fecc welcomes the opportunity to provide feedback on the open EU public consultation on "Environmental Performance of products & businesses – substantiating claims" and would like to draw attention to some points of relevance for the chemical distribution industry.

### 1. Harmonization of rules across the EU.

For this, definition of critical elements is needed, such as legal requirements, including exact steps of the verification process and documents to be provided for the substantiation and communication of environmental claims. Additionally, as stated in the proposal, there will be a possibility to exclude microenterprises from the requirements on substantiation and linked rules on communication to avoid disproportionate impacts on the smallest traders. However, while fully understanding supportive measures for small and micro enterprises, the quality of the communication and the substantiation of green claims should be the same. Compared with the CLP classification, the classification and labeling rules in CLP are the same independently of company size.

### 2. Realistic transition period to application of the Directive.

The period of transposition of the Directive into Member States' national legislation is said to be 18 months after its entry into force, while the new rules and administrative provisions are expected to take place 24 months after the Directive enters into force. This would result in 6 months for Member States to accredit verifiers capable of verifying a substantial number of claims, labelling schemes and certification requests submitted by traders. As this is too short for the extensive administrative process, it can result in delayed verification procedures. Hence, Fecc supports the extension of the transition period for 30 months from the date of entry into force.

### 3. Review of the PEF methodology.

The Transition Pathway for the Chemical Industry document outlines the utilization of circular feedstock, such as feedstocks coming from recycled waste, biomass and carbon capture. The PEF methodology robustness could be further enhanced by supporting such utilization. Additionally, Fecc would like to point out the need of a clear pathway, in which specification of the approach and timeline for addressing methodology adjustments are pursued, as well as the involvement of relevant experts, such as the Technical Advisory Board. This would ensure stakeholder involvement.

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## 4. Comprehensive assessment of potential hazardous substances in products.

Article 21(3)b of the proposal stipulates that the Commission will assess this Directive within five years from the date of transposition to consider a ban on environmental claims for products containing hazardous substances, except where the use is essential to society, according to the Commission criteria. This evaluation should encompass a comprehensive assessment on the substance role within the product and its overall safety, considering that a big part of all substances placed on the market qualify for some form of intrinsic hazard as defined in the Classification, Labelling and Packaging (CLP) Regulation. **Provided safe use can be demonstrated**, green claims should be allowed when a product contains substances that fall within the definition of hazardous.

# 5. Clarification on precision of requirements.

From the production process, any chemical will have a CO2 emission (carbon footprint). As distributors, the chemical is purchased from the producer, which may inform about the CO2 emission cradle to their outbound gate. The distributors' customer, however, requests information on CO2 emissions at their inbound gate. Therefore, the distributors would need to obtain or calculate CO2 emission for the transportation. For longer transport, it may be complicated to map out the precise number of kilometers. It would be appreciated if clarification is provided on the precision of this calculation. It is acknowledged that CO2 emission from transport is the lower part, while emission from the production process is in general the larger part. Nevertheless, when CO2 emission data probably may become a competition parameter, fairness and standardization on the calculation for the transport may also play a role.

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