

Environmental and Green Claims Guidance



October 2021



The Cosmetic Toiletry and Perfumery Association (CTPA) is the trade association for the UK cosmetic and personal care industry.

The Association's role is to advise manufacturers, distributors and suppliers about the strict legal framework for cosmetics, to represent industry views to UK government, and external stakeholders and help promote information to the media on issues relating to the safety of cosmetic products. The CTPA acts as the voice of the UK industry and provides the most up-to-date interpretation of, and guidance on, regulatory matters affecting cosmetic products in the United Kingdom and internationally.

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Why join the CTPA?

CTPA membership gives companies access to experienced regulatory, scientific and technical staff to help them market safe, effective products that provide a wide range of consumer choice both in the UK and overseas.

Membership provides companies with peace of mind with easy access to:

- up-to-date legislative references;
- guidance on compliance;
- confidential one-to-one advice;
- advice on best practice;
- advance knowledge of upcoming changes;
- global updates on key issues;
- media and consumer information; and
- 24/7 online resources accessible worldwide.

Key Considerations

- Environmental claims for cosmetic products must follow the same requirements as all other cosmetic
 claims, including Article 20 of both the UK and EU Cosmetic Products Regulation, the Common Criteria
 for Cosmetic Claims Regulation (which is still applicable in the UK) and the EU Unfair Commercial
 Practices Directive as implemented in the UK with the Consumer Protection from Unfair Trading
 Regulations 2008.
- Claims that are too broad and vague should be avoided. It is important to consider the understanding
 of the averagely well-informed consumer, and whether it is possible to adequately substantiate the
 claim
- According to available guidance documents and recommendations from the EU Commission, the Advertising Standards Authority (ASA) and the UK Department for the Environment, Food and Rural Affairs (Defra), environmental claims should meet the below requirements.
 - Reflect a verifiable environmental benefit over the full product lifecycle; or companies should be transparent about which area of the supply chain the environmental benefit is related to.
 - Consumers must not be misled and should instead be educated on the topic, to be allowed to make an informed decision. Relevant information to the consumer should not be omitted.
 - o Environmental claims should be accurate and based on sound science.
 - o Companies should avoid making exaggerated claims that are difficult to prove, such as 'environmentally friendly', 'fully biodegradable', or similar.
 - The claimed environmental benefit should not cause or contribute to another environmental problem.
- In 2015, the EU Commission conducted a consumer market study on environmental claims for non-food
 products (including cosmetic products), which showed that consumers found it difficult to understand
 which products are truly environmentally friendly. The study also analysed claims on the market, which
 were found to use vague terms and did not meet the requirements of accuracy and clarity.
- In December 2019, the European Commission launched and presented to the European Parliament the European Green Deal, highlighting that sustainability will be mainstreamed in all EU policies. The document also contains a specific reference to environmental and green claims, as the aim of the EU Commission is to reduce the risk of 'greenwashing'.
- In September 2021, the UK Competition and Markets Authority (CMA) published its Green Claims Code, to help businesses understand how to comply with consumer protection law when making environmental claims. The CMA also conducted a literature review of various market studies to understand what are the issues with environmental claims, and how these affect consumer perception.
- Please read the full guidance for more information on the legal framework for environmental claims, the EU and UK approaches and related guidelines. This guidance document also provides detailed insights on specific claims that are seen across the cosmetics industry.

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Introduction

Claims Legal Framework

All claims for cosmetic products, including environmental claims, must comply with both the cosmetic specific and horizontal legal requirements.

As per Article 20 of both the <u>UK</u> and <u>EU</u> Cosmetic Products Regulations(CPR), "in the labelling, making available on the market and advertising of cosmetic products, text, names, trademarks, pictures and figurative or other signs shall not be used to imply that these products have characteristics or function that they do not have". Furthermore, cosmetic claims must comply with <u>Regulation 655/2013</u> highlighting the Common Criteria for Cosmetic Claims; this Regulation continues to apply in the UK.

Therefore, all claims made for cosmetic products, regardless of where they appear (e.g. on pack, online, on social media posts, on advertorials, on influencers posts, etc.) or the format (text, images, symbols, etc.), must comply with Article 20 of the CPR **and** the Common Criteria for Cosmetic Claims.

The Responsible Person placing cosmetic products on the market is responsible for any claims made, including their wording and has the burden of proof for the appropriate claim substantiation. It is important to consider that the competent authorities and/or Self-Regulatory Organisations (SROs) can inspect and will potentially challenge the substantiation held by the Responsible Person.

The <u>Unfair Commercial Practices Directive</u> (UCPD) is the EU horizontal legislation that covers claims across different sectors, and addresses commercial practices directly related to influencing consumers' transactional decisions in relation to products, in order to protect consumers from the consequences of unfair commercial practices. The EU Commission has published specific <u>guidance</u> on the implementation and application of this Directive with reference to environmental claims specifically. In the UK, the UCPD is implemented as the <u>Consumer Protection from Unfair Trading Regulations 2008</u>. More detail of the regulatory framework for cosmetic claims can be found in the <u>CTPA Claims Reference Zone</u> (for members only), on the <u>CTPA Guide to Advertising Claims</u> and on the <u>CTPA Confidence in Cosmetic Claims booklet</u>.

Considering the Consumer's Understanding

There are many types of environmental claims that cover different aspects of a cosmetic product's lifecycle. For example, referring to the product packaging, or formulation, or ingredients, or manufacturing process and their impact on the environment.

For any such claims, it is important to avoid ambiguity and to present a clear and specific meaning. When assessing a claim, the understanding of the averagely well-informed consumer has to be considered against the intended message. Consumers are becoming more aware of the environment, and the overall impact of industry, and can be influenced by unreliable information shared through media channels, including social media. It is important therefore to avoid vague claims that are generally very difficult to substantiate, especially considering the complexity of the science behind environmental claims.

When trying to assess environmental claims, the following points should be taken into consideration:

- What is the intended meaning of the claim?
- What would the consumer understand from with the claim?
- Can the claim be robustly supported to demonstrate the message that is meant to be conveyed and therefore the message understood by consumers?

Critically, such claims shall not imply an environmental benefit that the product does not have, nor exaggerate the environmental benefit of the product.

In October 2020, CTPA held a consumer research group on environmental messaging for cosmetic products; the research was run by VisionOne, in partnership with Teneo, CTPA's former public affairs agency. Amongst other objectives, the research provided insight into how sustainability and environmental matters are currently understood and perceived by consumers, and whether it is a driver or barrier to purchase. The research explored the following topics specifically: packaging waste, microplastics, wet wipes, recyclability and palm oil.

The research involved four online focus groups with different demographics, including parents with small or older children, university students, and young working adults; within each group there was also a good distinction in the level of interest towards sustainability and environmental matters.

The below bullet points summarise the key findings of the research; more details are provided after the summary.

- There appeared to be a lot of confusion among consumers within the group on sustainability and environmental messaging, largely created by reported conflicting evidence and information. All participants felt there was a need for a simplified and streamlined system for indicating the sustainability of products and packaging.
- Consumers would like to see products and brand packaging with more clear and less ambiguous information. Even well-known logos are confusing, and their meaning is even less understandable.
- Consumers would like to have very clear communication on packaging, even if that simply refers to a pack not being recyclable, in order to make an informed decision when buying the product.
- Sustainability is seen as a collective issue: language and ideas that suggest a collective effort and collaboration (and social pressure) are appealing.
- Consumers would like to see more information about sustainability and how the cosmetics industry is addressing this issue, by seeing more detailed facts, figures, achievements, goals and timeframes.
- Facts and information alone, however, are unlikely to make a real difference in people's behaviour; the challenge to ensure behaviour change is making them care.
- While the groups seemed to have an overall understanding of plastic packaging and its environmental impact. Some topics like microplastics and plastic microbeads can be too technical, and the consumer seems to be less familiar with these topics.
- When unfamiliar with topics, consumers showed a tendency to make decisions on a dichotomy basis, deciding if something is good or bad, for example, without a full understanding if this is true or accurate.
- Icons and logos can be confusing, words are trusted and more informative. Even negative messages are received more positively than saying nothing at all.
- Knowledge gaps must be filled in a way that people can relate to, so that the topic can be properly understood.

Sustainability

Consumers associate the topic of sustainability with pollution, global warming, the Earth's finite resources and its habitat/environment, and people and animal welfare. In order to work towards sustainability, packaging and packaging waste should be reduced and this can be achieved by changing people's behaviour, but also their choices at the time of purchase.

However, whilst recognising that sustainability is a collective responsibility, consumers seem to take less ownership of the matter when it comes to individual responsibilities (doing little things in everyday life to become more sustainable). The research suggested that industry should lead a change in consumer behaviour through products and communication that help them make more sustainable choices. Communication should focus on engaging consumers into action.

Communication about a company's sustainable plans or initiatives should also provide consumers with statistics and figures, plans of action, targets and timeframes. Consumers feel that this type of information makes industry credible and trusted, reflecting the consumer's value and aspirations.

Packaging Waste

Consumers believe that packaging can sometimes be excessive and the role of packaging is not always clearly understood. In

general, those items that can be recycled, refilled, or repurposed are deemed as sustainable. Consumers feel the cosmetics industry could do more towards sustainability, in particular with reducing excessive packaging or finding initiatives around re-usability, refilling and take-back schemes.

Participants also recognised that if the industry works to make recycling, refilling or take--back schemes normalised, more people would likely become involved, especially if the initiative is clearly explained with facts/targets/instruction/reasons/benefits for doing it.

Microplastics

Overall, consumers were very unfamiliar with the topic of microplastics, with confusion around the meaning of the term but also around its environmental impact. The research showed a clear need to explain or re-define the microplastics issue, to ensure consumers are properly aware and motivated. Consumer education is therefore a possible solution to addressing this topic, in particular regarding what microplastics mean to them and what they need to do about it.

Wet Wipes

Wet wipes are widely used by consumers, despite awareness of their environmental impact. Most were aware that disposing incorrectly or flushing wet wipes down the drains can have damaging effects to the environment; the confusion was around the understanding of terms like 'flushable' and 'biodegradable'. Consumers were keen to understand why a wipe is flushable, why a wipe is biodegradable and what it degrades into; some consumers are also concerned about the sustainability of the packaging containing wipes.

Consumers recognised that, in this matter, they had a greater responsibility with their own behaviour, especially in regard to the disposal of wipes. Communication that is more personal and relevant to people's lives may help driving a behavioural change.

Recyclability

Recycling seems to have become normal and everyday behaviour for most consumers. However, it is challenging for consumers to make the right choices: it is difficult to understand what is recyclable and what is not; there may not always be an option available to recycle; logos are confusing and unclear (even showing the same logo in different colours); different brands use different logos, delivering an inconsistent message.

Consumers clearly expressed the need for communication on recyclability to be clear, consistent and specific in order to encourage a change in behaviour.

Palm Oil

Most consumers are mostly unaware of what palm oil is or why it is an issue, but their assumptions are centred around the causing of damage to the environment (i.e. deforestation) and the wildlife. The general attitude manifested was to refrain from purchasing or using products that contain palm oil, but without investigating the reasoning any further. Most thought that coconut oil is the best alternative, with only a few participants recognising sustainable palm oil as a more environmentally friendly option, due to replanting of palm trees. Palm oil related symbols on packaging are virtually unknown.

Consumer education is certainly needed on this topic, not only in order to gain consumer interest and engagement on sustainable palm oil, but also to avoid the spread of misinformation. This would also reduce the need to replace palm oil with other possibly non-sustainable alternatives.

Members can access more information in the recording of this CTPA webinar.

CTPA Advice

In addition to encouraging companies to follow CTPA advice in the section of this guidance 'How to Approach Specific Claims', CTPA is calling all companies to comply with the vertical and horizontal requirements for environmental claims for cosmetic products.

In line with this, the cosmetics industry should also take into account the messaging that is reaching consumers, and take the following into consideration.

- Educate the consumer on environmental matters, including how the cosmetics industry is having an impact on the environment but also how it is working towards minimising it.
- Use clear, simple and direct messages so that the consumer understands and knows what has to be done from their side as individuals.
- Be transparent and honest in your messaging to the consumer, in order to allow them to make an informed choice.
- The cosmetics industry needs to be trusted and seen as credible to consumers, but also to regulators and authorities. As a responsible industry, we cannot feed into the misinformation and conflicting messaging.

EU Approach

Consumer Research

In 2015 the EU Commission conducted a <u>consumer market study</u> on environmental claims for non-food products (including cosmetic products).

The EU Commission defines environmental claims or green claims as claims suggesting, or otherwise creating, the impression that a product is environmentally-friendly, or is less damaging to the environment than other such products. For consumers to be able to make informed choices, environmental claims must be clear, accurate and reliable, in accordance with the UCPD and other relevant legislation depending on product type.

The market study proposes some interesting findings, especially in the consumer understanding of environmental claims. For example:

- 50% of consumers involved in this study looked for products with environmental information;
- 56% of consumers preferred buying a product containing environmental information vs a product that did not:
- 61% of consumers stated that they found it difficult to understand which products are truly environmentally friendly;
- 44% of consumers indicated that they did not trust environmental claims.

The study also analysed a sample of claims against the requirements under the UCPD to determine whether consumers are provided with clear, accurate and reliable information in relation to environmental claims in non-food products. Overall, the assessment pointed to possible non-compliance with EU legal requirements, as many of the analysed claims used vague terms and did not meet the requirements of accuracy and clarity. In addition, some claims seemed to contain untruthful statements.

The EU Commission suggested a range of recommendations as part of the study with the aim of assisting and encouraging consumers to be able to make sustainable purchasing choices. One of the recommendations that is relevant for industry is to promote consumer education and provide awareness campaigns where possible, in addition to legal initiatives.

According to the study, implicit environmental claims (related to images and colours) were more widely used than explicit statements (in text or logos), with claims about the biodegradability of the product and the sources of raw materials being more frequent. Although awareness varied significantly from claim to claim, some logos/indications were completely unfamiliar to the majority of consumers. In addition, most consumers had a low or incorrect understanding of the meaning and characteristics of green claims, even when they were familiar with them. Their trust in the different claims and the importance they attributed to claims across different products also varied considerably.

Guidelines

The EU Commission set up a Multi-stakeholder Dialogue on Environmental Claims which published a <u>report</u> and <u>guidance</u> on compliance criteria for environmental claims.

The guidance states that, in order not to be misleading, environmental claims should reflect a verifiable environmental benefit or improvement over the **full product's life cycle** (including its supply chain) and this should be communicated in a precise manner to consumers, clarifying which aspects the claims refer to and being meaningful for the market into which the product is sold. Environmental claims should therefore be presented in a clear and accurate manner, avoiding making ambiguous and broad claims, to ensure consumers are not misled about the intended meaning, and are thus able to make informed purchasing choices. As for substantiation, the guidance advises that it should be based on robust, independent, verifiable and generally recognised evidence taking into account the latest scientific findings and methods.

Finally, the guidance also set out key principles to further improve the transparency of environmental claims to consumers beyond the legal requirements.

Of further interest, the above-mentioned report from the EU Commission Multi-stakeholder Dialogue on Environmental Claims contains reference to best practices and guidance documents on the topic from other EU Member States.

Section 5.2 of the report also includes practical advice for designing environmental claims:

- before making an environmental claim, a company should ensure that it is sufficiently substantiated and verifiable by third parties;
- an environmental claim should be reliable, meaning that information should be factual, unbiased and up-to-date;
- the environmental claim must be relevant to the consumer and for the product and must not be
 overstating the benefits, so that the consumer can make an informed choice without being misled. The
 report also suggests that where information is conveyed by means of logos or pictograms, these should
 be accompanied by programmes to educate consumers as to their meaning in order to ensure that
 consumers properly understand them;
- the environmental claim should be transparent and be disclosed in such a way as to provide intended
 users with all the elements necessary to take a decision and to enable them to assess its robustness and
 reliability;
- the environmental claim should be clear and precise, including all information available on the environmental impacts of the product throughout its life cycle.

The report also highlights that environmental claims are difficult to enforce by competent authorities, owing to the ambiguous meaning they have and the lack of consistency of testing methodologies and interpretation across EU Member States. The EU Commission Multi-stakeholder Dialogue on Environmental Claims has therefore also committed to promote a coherent and coordinated enforcement approach.

Third Party Certifications

There are many third-party certifications related to the environmental aspects of a cosmetic product. In general, third-party certifications are issued by independent organisations and are used as proof of adherence to a standard of safety, quality, or performance. These organisations are commonly run as business organisations and require a commercial agreement. These certifications do not constitute a legal

requirement or obligation in the EU and UK with respect to cosmetic products. Therefore, applying for these schemes for cosmetic products is purely a company decision, it is important to consider the impact of making any claims related to any of the scheme's requirements (such as the exclusion of certain ingredients -e.g. 'free from' claims-, not legally recognised biodegradability criteria, or the impression that the product is better or safer than a product without that certification). Possession of a third-party certification does not enable contravention of the legal requirements of the CPR, for example with regards to claims.

CTPA cannot comment on the adherence and use of commercial/private logos and schemes, irrespective of their philosophy and placement on marketing materials. It must also be made clear that, while certifications are voluntary, compliance with the CPR and all other laws applicable to claims is a legal obligation.

EU Green Deal

In December 2019, the European Commission launched and presented to the European Parliament the <u>European Green Deal</u>, with the view to becoming the world's first climate-neutral continent by 2050. The EU Green Deal contains a package of measures that should enable European citizens and businesses to benefit from sustainable green transition.

Following from this, it is clear that sustainability will be mainstreamed in all EU policies. The document also contains a specific reference to environmental and green claims, as the aim of the EU Commission is to reduce the risk of 'greenwashing'.

The EU Green Deal quotes that "Companies making 'green claims' should substantiate these against a standard methodology to assess their impact on the environment. The Commission will step up its regulatory and non-regulatory efforts to tackle false green claims. Digitalisation can also help improve the availability of information on the characteristics of products sold in the EU". This suggests that the Commission may be looking at specific measures to ensure that environmental claims are substantiated and to take enforcement actions against misleading claims.

It is clear that the EU Green Deal will permeate all aspects of European decision-making in the future and companies will need to pay close attention to the way in which they prioritise their own actions on sustainable production, innovation and consumer information if stricter regulation in this area is not to follow.

Guidance from the French Conseil National de la Consommation

In March 2020, the French Conseil National de la Consommation, in association with the French Ministry of Economy and Finance published <u>guidance</u> for professionals and consumers on environmental claims. The purpose of this document is to provide both professionals and consumers with a better understanding of environmental claims, in order to allow the latter to make a more informed choice on this matter and to ensure they are provided with more consistent messages.

The guidance covers various environmental claims, such as 'organic and 'natural', 'biodegradable', 'compostable', 'eco-friendly', 'recyclable', 'renewable', 'responsible', and more. Please note that the guidance is only available in French.

The French Government also published French Circular Economy targeting reduction of waste. The text also addresses consumer communication, the law states that claims such as 'biodegradable', 'environmentally friendly' or any other equivalent statements are prohibited. These terms will be applicable as of 1 January 2022. This text is also available in French.

UK Approach

CAP Code and Guidance

In respect to environmental and green claims in general there are no specific guidelines or regulations for green claims on cosmetic products in the UK, although members may find useful to refer to the Committee of Advertising Practice (CAP) guide on the Advertising Standards Authority (ASA) positions on environmental claims.

The ASA has also created a checklist of key principles for advertisers who are thinking of making environmental claims; below are those relevant for the cosmetic sector and more information can be found in this ASA <u>article</u>.

Hold appropriate claim substantiation. Furthermore, the CAP Code makes clear that absolute claims (like 'green' or 'environmentally friendly'), or comparative claims (like 'greener' or 'friendlier'), or any claim stating that a product has no environmental impact should be supported by a high level of substantiation.

• Be careful with recycling claims. When claiming that a product is recyclable, substantiation must be in place. In particular, claims should be clear if only part of a product is recyclable. More information can be found here.

The ASA has also published interesting and useful rulings that can help companies make relevant considerations.

- Ruling on plastic biodegradability: broad claims that do not explain to consumers about the environment in which the material degrades, the time needed to achieve biodegradation and the degree to which the material is biodegradable, would be considered misleading. Before making such a claim, companies should also consider if the material biodegrades in normal disposal of waste and the timeframe in which the material degrades (which should be significantly faster than conventional plastic equivalents). Furthermore, the testing carried out to demonstrate the biodegradability of the material should be relevant for the conditions in which the material would be disposed of (e.g. exposure to accelerated weathering without a clear rationale as to why this data can be extrapolated to real world environments would not be acceptable).
- <u>Ruling</u> on environmental impact of a product: from this ruling we can understand that it is important to be transparent on all features of a product, without omitting relevant information that helps the consumer make an informed decision. Also, when assessing the environmental impact of a product, it is important to consider the full life cycle of the product.
- <u>Ruling</u> on the impact of organic products to the environment: it should not be implied that organic
 products are sustainable, unless relevant substantiation is available to demonstrate that processes for
 organic products have an overall positive impact on the environment, taking into account the full life
 cycle of the product.
- Ruling on broad claims on the environmental impact of a product: in the advert, the claim compared the lower environmental impact of plant products vs animal products. When making these claims, it is important to have substantiation to demonstrate how the product has a low environmental impact across its full life cycle; if also making a comparative claim, it is important that the comparison is relevant and that the difference in results is significantly lower.

Guidance from Defra

The Department for the Environment, Food and Rural Affairs (Defra) also published a <u>Green Claims Code</u>. Its purpose is to promote the use of clear, accurate and relevant environmental claims in advertising and marketing.

In particular, environmental claims must not be misleading and accurately represent the scale of the environmental benefit the product provides; the use of specific measurements or standards are suggested by the guidance, for example, the International Standards Organisation (ISO), European Committee for Standardisation (CEN), British Standards Institute (BSI). The importance of transparency to the consumer is also re-iterated, especially on whether the benefit refers to the full product's lifecycle or just one area of the business.

CMA Green Claims Code

On 2 November 2020, the Competition and Markets Authority (CMA) issued an investigation for environmental claims across different sectors, including cosmetics and beauty products, to assess whether environmental and green claims are compliant with the consumer protection laws or are misleading consumers. The report from the investigation can be accessed here.

On 20 September 2021, the CMA then published its <u>Green Claims Code</u>, which aims to help businesses understand how to comply with their existing obligations under consumer protection law when making environmental claims. The CMA Green Claims Code is the result of an extensive research and resulting <u>public consultation</u> carried out throughout the first half of 2021.

The Code outlines six principles, in accordance with consumer protection law, which companies must comply with when making environmental claims:

- claims must be truthful and accurate;
- claims must be clear and unambiguous;
- claims must not omit or hide important relevant information;
- comparisons must be fair and meaningful;
- claims must consider the full life cycle of the product or service;
- claims must be substantiated.

The Code explains in detail what each principle means, whilst providing examples and key questions that companies should take into consideration for their environmental claims. More information and help can also be found on the CMA green claims campaign website.

The CMA will be enforcing the Code, in collaboration with the ASA and Trading Standards.

How to Approach Specific Claims

'Ocean Friendly' Claims

The claim 'ocean friendly' is very broad and ambiguous, meaning that it is likely to mislead the consumer, and such a claim is also very difficult to substantiate.

Consumer perception is likely to be that the product has no impact on the ocean and its life. Consumers are likely to understand this claim in the context of high-profile ingredients including plastic microbeads or sunscreens. Plastic microbeads have already been banned from rinse-off products in the UK, therefore all rinse-off cosmetics must not contain these materials by law. A claim related to plastic microbeads on a rinse-off product would therefore be in breach of the Legal Compliance Common Criterion, as it states something that is already required by law. Currently, there has been no regulatory action on leave-on products, however, any such claims should be assessed based on the information above.

Consumers may also relate this claim to the use of sunscreens in cosmetic products. Whilst certain regions of the world have introduced a ban on the use of certain sunscreens, these have been based on a limited body of scientific research from which concrete conclusions cannot be drawn. A tangible benefit to coral health will only be brought about by addressing the proven major causes of coral bleaching, I.e. climate change, overfishing and pollution.

'Environmentally Friendly' Claims

The same considerations and principles explained in the previous section about 'ocean friendly' claims apply in this context too. This claim is also very broad and vague, making it difficult for consumers to understand and difficult to be substantiated.

Claims Referring to Packaging Recycling/Biodegradability

Any claim related to packaging recyclability, biodegradability, etc. also needs to be substantiated with robust data and needs to take into consideration the consumer understanding.

In respect to recyclability, if a claim refers to the whole packaging with the inclusion of different components and materials, then the recyclability of each component should be taken into account. Claim substantiation should demonstrate that every packaging component is recyclable. It is also advisable to provide the consumer with the relevant information to recycling the empty packaging correctly. Packaging suppliers can help identify which materials are being used in the packaging and therefore understand which symbol is applicable. An additional consideration is to ensure that the materials used for the packaging components are able to be recycled in all areas of the UK, and/or in the other countries where the product is to be sold.

Where claims may refer to the packaging being made with recycled plastics, or containing a specific amount of recycled plastics (such as Post Consumers Recycled plastic – PCR), they must meet all the claims legal requirements for cosmetic claims and must be substantiated with robust evidence. Careful consideration should be given to the variability in supply and the methodology used to obtain plastic packaging made with PCR, especially if a specific PCR content is stated.

'Biodegradable Packaging' Claims

As for biodegradability of packaging, similar considerations as the formulation biodegradability apply. The whole packaging degradation process, including the environmental impact of the final substances into which the packaging degrades should be taken into account (e.g. what the packaging degrades into and whether the smaller plastics are actually better for the environment or not). An ASA <u>ruling</u> on biodegradability of plastic bags is of interest in the context of biodegradable packaging. The ASA upheld a complaint on biodegradable claims for dog waste bags: the term 'biodegradable' is too broad and doesn't explain to consumers about the environment required for the material to degrade, the time needed to achieve biodegradation and the degree to which the material is biodegradable. Such a claim is considered misleading to consumers without providing the understanding of the conditions under which the material will be able to biodegrade (is the material biodegradable in normal disposal of waste?), or the timeframe in which the material degrades (which should be significantly faster than conventional plastic equivalents). Where testing to demonstrate the biodegradability of the material is done under exposure to accelerated weathering, a clear rationale as to why this data could be extrapolated to real world environments must form part of the substantiation.

In the absence of definite regulations or standards with regards to compostability claims, the use of such claims should pay due regard to the likely interpretation by the averagely well-informed consumer, in addition to substantiating the claim with the required support.

'Biodegradable Formula' Claims

When the claim refers to the formula being biodegradable and when vague or non-specific claims are made, the average consumer may understand that the whole formula is biodegradable. The biodegradation potential of all raw materials needs to be considered. if making such a claim, it is important to ensure that consumers are not given the impression that a product is wholly biodegradable when, under real-life conditions, it is not.

Generally, you would be expected to hold adequate and reliable substantiation on the biodegradability of the finished product and also to assess whether the data available could satisfy an environmentally-concerned consumer. If relying on data provided by raw material suppliers, it is worth checking if the raw materials and the tests carried out are relevant to the product and its intended end-of-life in the marine environment.

Another point that should be considered is also how long it takes for the product/ingredient(s) to biodegrade and if it could be deemed acceptable by an environmentally concerned consumer, especially if the product takes years/decades or more for example.

There are various existing test methods to determine biodegradability. For example, biodegradability screening tests (OECD 301, 310 306) which use indirect methods to evaluate mineralisation (carbon dioxide, CO2, evolution or oxygen, O2, consumption). The Classification, Labelling and Packaging (CLP) Regulation section 4.1.2.9 also covers biodegradability and relevant testing.

One last consideration on this point is that the <u>UK legislation</u> (concerning rinse-off products only) does not include any exemption for biodegradable materials. In the Government's response to the public consultation, it is stated that "there are currently no agreed standards for biodegradability in the marine environment. Although certain items are marketed as compostable or biodegradable, these frequently require specific conditions such as the application of heat or UV light. The conditions deep in the ocean are considerably different. Many plastic items break into smaller pieces in the marine environment but do not break down completely into harmless constituents. No materials have been proven to adequately biodegrade in the open marine environment. We therefore do not consider it appropriate to include an exemption on this basis."

Claims on Microplastics and Plastic Microbeads (e.g. 'microplastics free')

Claims related to microplastics, depending on how 'microplastic' is defined, can contravene the Fairness criterion by denigrating safe and legally-used ingredients. As different jurisdictions are using different definitions of 'microplastic' for their separate regulatory activities, this adds an additional layer of complexity to the justification and defence of such claims.

CTPA, Cosmetics Europe and the wider global cosmetics industry do not consider that the REACH Restriction proposal on the use of microplastics in the EU is based on sound science. Comprehensive technical and socioeconomic data for the European cosmetics industry was submitted to ECHA during the development of the Restriction dossier on microplastics in 2018. The industry position is that any potential approach must contribute to the overall objectives of addressing the extremely important plastic litter issue, be based on risk and scientific evidence, and fully take into account the complexity of the environmental fate of cosmetic products, specifically leave-on products and the availability of alternatives. Such an approach should also be weighed against the socio-economic costs for the cosmetics industry and consumer choice and deliver a real benefit for the environment. However, the Restriction proposal, published in January 2019, does not meet these objectives and will have a disproportionate impact on the cosmetics industry with no measurable benefit to the marine environment.

If the claim refers to solid plastic microbeads in rinse-off product, plastic microbeads have already been banned from rinse-off cosmetic products in the UK. Therefore all rinse-off cosmetics must not contain plastic microbeads by law. If companies are making this claim on a rinse-off product, then the claim would be in breach of the Legal Compliance common criterion as it states something that is already required by law. Whilst currently there is no legal restriction relating to leave-on products, any claim made should be assessed based on the information above.

Claims Related to Palm Oil

Palm oil and palm kernel oil are natural oils extracted from the fruit of the Elaeis Guineensis (palm) plant. Whilst palm oil and its derivatives have indeed become important ingredients in cosmetic and personal care products due to the trend towards natural ingredients, in terms of global production volumes our use is very small.

In fact, data from the Roundtable on Sustainable Palm Oil (RSPO) suggests that 2% of the world's palm oil and palm kernel oil production is used in cosmetics and 3% in personal care and home care products.

CTPA is very aware of the concerns being raised about the global environmental impact of the use of palm oil, palm kernel oil and any ingredients derived from these materials. CTPA therefore encourages all actors of the cosmetics supply chain, whether members of CTPA or not, to consider the long-term sustainability of their sources of supply as well as the sustainability of their products throughout their life cycle as best practice.

Palm oil, if properly produced, is a very sustainable vegetable oil; we understand that palm uses significantly less land and produces more oil than any other crop-based alternatives.

Therefore, demonising palm oil might not be the solution as it takes away the incentive to produce sustainably, as well as pushing users to less sustainable alternatives, to the detriment of the environment, economy and wider communities involved. In general terms, sustainable palm oil is currently considered the best alternative to palm oil.

CTPA's consumer website, www.thefactsabout.co.uk provides comprehensive information to the media and consumers on the laws governing cosmetic products in the UK/EU as well as in-depth advice on specific product types as well as commonly-used ingredients and terms, including Palm Oil and RSPO. Cosmetics Europe's report on Environmental Sustainability and key facts provide useful additional background information.

Claims related to palm oil (e.g. 'free from palm oil') may be denigrating to this ingredients and other products. Also, as for all other 'free from' claims, it should be considered whether there is a real consumer benefit related to the absence of an ingredient or the claim is made to denigrate such ingredient. The cosmetics industry is reminded that it is a small user of palm oil and, as explained above, there is also the option to responsibly source palm oil. If deciding to make such a claim, then it will also be important to hold substantiation that no derivatives of palm oil or palm kernel oil are used in the product.

If communicating the use of ingredients from sustainable sources, then the message should be transparent about the way ingredients are sourced, rather than claim their absence in the products. The claim 'free from palm oil' doesn't automatically mean that these ingredients are sourced in a sustainable way and would therefore be misleading; whereas if it is claimed to sustainably source the ingredients and more information on the company website is also given for example, then the consumer is not misled.

Claims Related to Flushability of Wet Wipes

Nonwoven cosmetic products such as wipes, sheet masks and cleansing pads should not be flushed down the toilet where there are serious consequences for the wastewater systems and the environment. This should be clearly communicated to the consumer.

The only exception may be moist toilet wipes or other personal hygiene products that have been specifically designed and tested to satisfy recognised flushability standards.

Edana, the leading global association and voice of the nonwovens and related industries, issued specific <u>guidance</u> on how to assess the flushability of disposable non-woven products.

The UK Water Industry also published guidance, specifically applicable to the UK, highlighting a testing methodology to assess the flushability of such products.

Claims Related to Clean Beauty

Clean beauty is a claim which may be seen as associated with environmental claims.

The term 'clean beauty' is not clearly defined, however most attributed meanings seem to be around products not containing any 'nasty ingredients', or 'toxic ingredients', or 'chemical free' products.

At CTPA, we understand this claim feeds into the misinformation and scaremongering about cosmetics and their ingredients. In the EU and UK, no cosmetic products contain nasty or toxic ingredients as there is a strict regulation managing and, if needed, banning ingredients that are not considered safe; furthermore, all cosmetic products must be safe.

CTPA hence does not support the use of 'clean beauty' claims and encourages the cosmetics industry to be more responsible in reviewing and embracing trends coming from outside of the EU/UK. CTPA also asks companies to counteract this information and educate the consumer on the truths of chemicals, cosmetic ingredients and products.

Ultimately, everyone should be aware that it's impossible to have a world free from chemicals: water is a chemical, or even human beings are made of chemicals.

Useful Resources

- CTPA Claims Reference Zone
- CTPA Guide to Advertising Claims
- CTPA Confidence in Cosmetic Claims booklet.
- EU Commission <u>guidance</u> on the implementation and application of the Unfair Commercial Practices Directive, with reference to environmental claims
- EU Commission Multi-stakeholder Dialogue on Environmental Claims report and guidance
- CAP guide on the ASA position on environmental claims and further advice on key considerations
- Department for the Environment, Food and Rural Affairs (Defra) Green Claims Code
- CMA Green Claims Code

