



EU Directive 2024/825

EMPowering COsumers for the Green Transition Directive (ECGT or EMPCO)

ClimeCo Certified Product Programs *Certified. Third-Party Verified. EU ECGT Compliant.*

ClimeCo's Certified Product Programs require that each participating company (referenced as "trader" in the EU ECGT Directive) submit an ISO14067-compliant cradle-to-grave Life Cycle Assessment to determine the Product Carbon Footprint (PCFs) of each product to be registered. Participating companies must commit to making ongoing and continual Product Carbon Footprint reductions for each registered product through direct supply chain emissions reductions. These PCFs and their ongoing reductions must be documented and submitted to ClimeCo for review and confirmation on an annual basis, with evidence of achieved PCF reductions reviewed and approved by ClimeCo at least bi-annually.

For participating companies selling or marketing any ClimeCo Certified registered products to consumers in the EU, ECGT requires an additional verification by an independent third-party auditor of the trader's ongoing compliance with ClimeCo Certified Product Programs.

ClimeCo Certified Product Programs are ECGT/EMPCO compliant certification schemes.

Our Commitment to ECGT Compliance

The ClimeCo Certified Product Programs are credible product certification schemes globally available to manufacturers and sellers of products around the world. The ClimeCo team is committed to providing participating companies with resources to support global compliance. Businesses selling or operating within the EU should be aware of the [Empowering Consumers for the Green Transition \(ECGT\) Directive](#), which enters into enforcement on September 27, 2026. The information below ensures that the terms of ClimeCo's Certified Product Program schemes are transparent and publicly available, as required by and in compliance with ECGT. This information also will support participating companies to ensure their compliance with ECGT.

The content of this communication is for general information purposes only. ClimeCo is not a law firm or legal services provider, and this communication is not intended to be legal guidance or advice. Consult qualified legal counsel if you have questions about the applicability of, or compliance with, the laws referenced herein.



To ensure the highest standards of integrity and transparency in accordance with EU Directive 2024/825, ClimeCo has engaged BSI Group as its approved independent verification body for ECGT compliance. BSI is an ISO/IEC 17065 accredited certification body that is able to provide the objective, third-party monitoring of participating companies seeking ECGT compliant documentation to demonstrate their compliance with ClimeCo's Certified Product Program standards and requirements, as now required by ECGT.

What is the ECGT Directive and what is required of companies to comply?

[The Empowering Consumers for the Green Transition \(ECGT\) Directive](#) is an EU law designed to “contribute to the proper functioning of the internal market, based on a high level of consumer protection and environmental protection, and to make progress in the green transition.” Further, ECGT states that “it is essential that consumers can make informed purchasing decisions and thus contribute to more sustainable consumption patterns. That implies that traders have a responsibility to provide clear, relevant and reliable information”.

By September 27, 2026, any company marketing or selling products or services to EU consumers—regardless of where the company is headquartered—must comply with strict new rules regarding sustainability labels and environmental claims.

The new [Directive on Empowering Consumers for the Green Transition \(Directive \(EU\) 2024/825, ECGT Directive\)](#) amends two existing consumer directives: [the Unfair Commercial Practices Directive \(Directive 2005/29/EC, UCPD\)](#) and the [Consumer Rights Directive \(Directive 2011/83/EU, CRD\)](#).

As a result of ECGT compliance requirements, companies selling consumer products in the EU must provide clear information at the point of sale or before product purchase, covering various product qualities, characteristics and performance elements to help consumers compare products and choose based on verified facts.

How ClimeCo Certified Product Programs (ClimeCo Programs) are Compliant with Key ECGT requirements:

According to ECGT's Article 1: Amendments to Directive 2005/29/EC Section 1b, the following elements are added to Directive 2005/29/EC:

SUSTAINABILITY LABEL

(q) “sustainability label” means any voluntary trust mark, quality mark or equivalent, either public or private, that aims to set apart and promote a product, a process or a business by reference to its environmental or social characteristics, or both, and excludes any mandatory label required under Union or national law.



Ban on Unverified Labels: According to ECGT Article 1(4), the directive bans displaying any sustainability label that is not based on a certification scheme and verified by an independent third-party expert or established by a public authority.

→ **The ClimeCo Certified Product logo is a sustainability label that is based on an ECGT-compliant third-party certification scheme.**

CERTIFICATION SCHEME

(r) "certification scheme" means a third-party verification scheme 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:

(i), the scheme is open under transparent, fair, and non-discriminatory terms to all traders willing and able to comply with the scheme's requirements;

→ ***The ClimeCo Certified Product Programs are open to any product manufacturer and/or seller willing and able to comply with the Programs' publicly available requirements.***

(ii), the scheme's requirements are developed by the scheme owner in consultation with relevant experts and stakeholders;

→ ***ClimeCo's Certified Product Program Protocols and requirements are developed by ClimeCo staff in consultation with various relevant industry experts, standards organizations, product life-cycle assessment (LCA) and "product carbon footprint" consultancies, greenhouse gas experts, and supply chain professionals as stated on page 1 of the program protocols.***

(iii), the scheme sets out procedures for dealing with non-compliance with the scheme's requirements and provides for the withdrawal or suspension of the use of the sustainability label by the trader in case of non-compliance with the scheme's requirements.

→ ***ClimeCo's Certified Product Program Protocols and requirements clearly outline the requirements for program compliance and the consequence for non-compliance including immediate product decertification and withdrawal of the use of any and all ClimeCo Certified Product logos, labeling and program descriptions.***

(iv), the 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.

→ ***In order for participating companies seeking to use or make reference to their products as ClimeCo Certified on any product marketing or sales within the EU, those participating companies each must seek and obtain verification as to current compliance with all requirements of ClimeCo Certified Product Programs from a qualified independent third-party product certification scheme expert. Such verification evidence must be submitted to ClimeCo in order for the participating company to be eligible to use the ClimeCo Certified Product Program and any program logos within the EU.***



ClimeCo LLC has engaged BSI as its approved independent verification body. BSI is a globally respected, ISO/IEC 17065 accredited certification body able to provide the objective, third-party monitoring of participating companies' compliance with ClimeCo's product certification standards and program requirements.

Guidance for Businesses Impacted by ECGT Directive

What ECGT means for "traders" (companies selling or marketing to consumers in the EU):

Third-Party Certification Auditing is Required: Under the new Directive, all sustainability labels must be based on a certification scheme that is monitored by an independent third party. ClimeCo provides the ECGT-compliant certification scheme and has engaged BSI, an ISO/IEC 17065 accredited certification body, that is available to provide objective, third-party auditing and monitoring of our participating companies' compliance with our certification standards. Participating companies that sell in the EU marketplaces must opt-in for third-party auditing in ClimeCo's Program Portal.

Any company participating in the ClimeCo Certified Product Programs that chooses to select their own independent third-party verifier to conduct the ECGT compliance audit must ensure and document that the third-party verifier is:

- Legally independent from the participating company
- ISO 17065 accredited
- Experienced in conducting audits of emission reduction measures and supporting documentation
- Versed in the trader audit requirements of the EU ECGT
- Versed in ClimeCo's Certified Product Program schemes
- Vetted and approved by ClimeCo beforehand

Proper ClimeCo Certified Product Program description and logo usage: Participating companies must use the correct ClimeCo Certified Product logo and program description. Effective September 27, 2026, participating companies selling or marketing to consumers in the EU must use the updated ClimeCo logos in accordance with the updated Program Marketing Guidelines for participating companies selling or marketing to EU consumers. These logos ensure ECGT compliance by 1) providing a URL/QR code that links directly to a webpage, which outlines for consumers and regulatory bodies how the ClimeCo Certified Product Program certification scheme is ECGT compliant, and 2) these updated logos clearly identify that a business or product line has in fact fulfilled ClimeCo Certified Product Program requirements.

ClimeCo currently is revising the logos and program descriptions, as well as creating unique registered product identification numbers and product webpages that will display the required product certification information.

These new logos, program descriptions and product ID pages will be provided in an updated Program Marketing Guidelines document.



It is the participating company's responsibility to completely and correctly implement ClimeCo Certified Product Program Marketing Guidelines for program descriptions and logo usage in order to be compliant.

Here are some key ECGT requirements to consider:

Once updated and released, the ClimeCo Certified Product Program logos will uphold the highest standard for global compliance and will be the only logo that should be used on packaging, marketing materials and at point of sale within the EU.

Effective September 27, 2026, companies participating in the ClimeCo Certified Product Programs may only use the updated program descriptions and logos once their submitted documentation of third-party audit and verification of program compliance has been reviewed and approved by ClimeCo.

Ban on Generic Claims: In ECGT Section 9, the EU now prohibits broad, non-specific environmental claims—such as 'environmentally friendly', 'eco-friendly', 'environmentally correct', 'climate friendly', 'gentle on the environment', 'carbon friendly'—on products or in marketing unless the business can prove the product meets the highest possible environmental standards recognized by the government. Because these terms are often too vague to be verified, ClimeCo's program marketing guidelines will require participating companies to avoid using any of the EU prohibited product promotional terms. ClimeCo's program marketing guidelines will provide alternative terms that companies can use that meet the ECGT guidelines on clarity, specificity, and transparency.

Specific Ban on Any Environmental Claims based on Voluntary Carbon Offsets: Of particular importance to participating companies with products registered into the ClimeCo Certified Product Program that involves the purchase of voluntary carbon credits, [ECGT Section 12](#) contains very strict prohibition of any and all environmental product claims citing the use and/or reliance upon voluntary carbon credits:

- (12) *It is particularly important to prohibit the making of claims, based on the offsetting of greenhouse gas emissions, that a product, either a good or service has a neutral, reduced, or positive impact on the environment in terms of greenhouse gas emissions. Such claims should be prohibited in all circumstances and added to the list in Annex I to Directive 2005/29/EC as they mislead consumers by making them believe that such claims relate to the product itself or to the supply and production of that product, or as they give the false impression to consumers that the consumption of that product does not have an environmental impact. Examples of such claims are 'climate neutral', 'CO2 neutral certified', 'carbon positive', 'climate net zero', 'climate compensated', 'reduced climate impact' and 'limited CO2 footprint'. Such claims should only be allowed when they are based on the actual lifecycle impact of the product in question, and not based on the offsetting of greenhouse gas emissions outside the product's value chain, as the former and the latter are not equivalent. Such a prohibition should not prevent companies from advertising their investments in environmental initiatives, including carbon credit projects, as long as they provide such information in a way that is not misleading and that complies with the requirements laid down in Union law.*



Participating companies must ensure strict compliance with ClimeCo's Certified Product Program Marketing Guidelines in this regard. Participating companies must focus only on the program's requirements for direct supply chain emissions reductions that reduce registered Products' Carbon Footprint values in any environmental product claims. Participating companies may make mention of support to voluntary carbon offset projects, but those statements must not be associated with any direct product environmental or sustainability claims.

Best Practices on Environmental or Sustainability Claims

Avoid Prohibited Claims: Do not use vague, sweeping terms without separate, detailed and verifiable evidence. These are often generic and are explicitly prohibited under the ECGT Directive.

Focus on Action and Specificity: When communicating your commitment, be precise. Always use language that highlights the verified financial action and its destination:

✓ **USE:** "This product is ClimeCo Certified, which confirms an ongoing commitment to continual reductions in the product's carbon footprint, as verified by an independent third party."

✗ **PROHIBITED:** "This product is ClimeCo Certified, which confirms ongoing commitment to continual reductions in the product's carbon footprint and decarbonization through carbon offsets."

Key takeaways from the European Commission ECGT Q&A:

The Commission clarifies that the Directive applies to all commercial practices in the EU market as of September 27, 2026. This means that products already on shelves are technically subject to the rules, regardless of when they were printed. The Q&A explicitly states that traders have "practical options to ensure compliance," such as using stickers to cover old claims or adding supplementary information at the point of sale (e.g., a shelf-talker or a QR code correction). See [Question 18 in the European Commission Q&A](#). B2B vs. B2C: The Q&A confirms that the Directive is strictly limited to Business-to-Consumer (B2C) practices. If you are strictly B2B (selling to other businesses), you have significantly more flexibility, as these rules do not apply to B2B communications. [See Question 1 in the linked European Commission Q&A](#).

High Stakes: Under the ECGT, the Member business (the "trader") is legally responsible for its claims. Misleading claims can result in substantial penalties, including fines of at least 4% of annual turnover in relevant EU Member States. Participating companies in ClimeCo Certified Product Program should review the ECGT Directive and consult their legal counsel regarding regulations that affect their business.

Please stay tuned for additional information and updates from the ClimeCo Certified Product Programs Team.

