

## Implementation of the ECGT Directive New rules for corporate environmental communication

The Empowering Consumers for the Green Transition Directive (EU) 2024/825 (as follows: **ECGT Directive**) went into force on 26 March 2024. Following a resolution by the German *Bundestag*, the implementation act amending the Act against Unfair Competition (Gesetz gegen den Unlauteren Wettbewerb, UWG) was now also approved by the *Bundesrat* on 30 January 2026. With the ECGT Directive, legislators aim at providing consumers with more precise and reliable information regarding the sustainability of products in the future. The new legal provisions apply to **all companies that sell or advertise goods or services in the business-to-consumer (B2C) sector** and that provide information regarding sustainability or durability.

The adopted provisions will be **directly applicable in Germany from 27 September 2026 with immediate effect**, meaning that the new requirements must be complied with from this date onward.

### I. Overview on the most important changes

#### 1. Stricter rules for environmental claims and claims regarding offsetting

The central term “**environmental claim**” has been defined **very broadly in the new provisions**. It covers not only words and images, but also **graphic elements or symbols such as labels, trademark names, company names or product names**. Apart from classic advertising slogans, colours, visual worlds, backgrounds as well as trademark names, company names and product names may also be prohibited. In this respect, the following applies:

- **Environmental claims:**

- **Generic claims** such as “green”, “ecological” or “environmentally friendly” will no longer be permissible as long as a “**recognised excellent environmental performance**” cannot be demonstrated (e.g. if the product meets the requirements of top environmental performance in accordance with Union law, such as the criteria of an EU Ecolabel or

another state-recognised environmental labelling system in accordance with EN ISO 14024), see Art. 2(p), Annex I No. 4a UCP Directive as amended by Art. 1(1)(b), (4) ECGT Directive, No. 4a Annex to Sec. 3(3) UWG amended version (as of 27 September 2026).

- **Specified claims** remain permissible, i.e., precise claims clarified on the same medium, such as “100% of the energy used to manufacture this packaging come from renewable sources”, provided that these claims are **accurate and verifiable**, see aforementioned legal provisions.
- **Claims regarding future performance:** Environmental claims related to future environmental performance (e.g. “climate neutral by 2030”) require a **detailed and realistic implementation plan** that must be **made easily available and verifiable** to consumers and that is regularly verified by **independent third parties**, see Art. 6(2) UCP Directive as amended by Art. 1(2)(b) ECGT Directive, Sec. 5(3) no. 4 UWG amended version (as of 27 September 2026).
- **Claims regarding offsetting:** Claims establishing that a product has a neutral, reduced or positive impact on the environment solely on the basis of the offsetting of CO<sub>2</sub> emissions will be **prohibited per se** (example: “This product is climate neutral, as we offset any of the emissions generated during its manufacture.”), see Annex I No. 4c UCP Directive as amended by Art. 1(4) ECGT Directive, No. 4c Annex to Sec. 3(3) UWG amended version (as of 27 September 2026).

**Important:** Even environmental claims that are still permissible in principle must be **substantiated** by the company making the claim. Therefore, **reliable evidence** (e.g. data, calculations, test reports or documentation) should be kept readily available for every environmental claim.

## 2. Use of sustainability labels

The use of sustainability labels is only permitted if they:

1. are based on a **legally compliant certification system**,
2. or have been established by **government agencies** within the EU.

**Important: Self-created sustainability labels without external certification**, as they are still frequently in use to date, **will no longer be permissible in the future, even if they make factually accurate claims**, Annex I No. 2a UCP Directive as amended by Art. 1(4) ECGT Directive, Art. 1(1)(b)(q) ECGT Directive, No. 2 Annex to Sec. 3(3) UWG amended version (as of 27 September 2026), FAQ of the EU Commission, No. 8.



Labels established by  
government agencies

Self-created labels

Due to the broad interpretation of the term “label”, **own registered trademarks** or **simple graphic design elements** such as nature symbols (e.g. leaves or water droplets) in combination with sustainability claims may also be considered a regulated sustainability label, as far as they are seen by the average consumer as a tested standard, see FAQ of the EU Commission, No. 3 and 5.

### **3. Information obligations regarding updates, durability and reparability**

In order to strengthen consumer rights, the implementation of the ECGT Directive provides for an expansion of the information requirements prior to the conclusion of a contract:

- Regarding the minimum period for software updates;
- regarding the durability and reparability of products.

### **4. Consequences of and repercussions for violations**

Companies failing to comply with the provisions act **in violation of the Act against Unfair Competition** and can be targeted by their **competitors and consumer associations** by way of warning letters and/or can be made **subject to**, in particular, **injunctive relief** before the courts.

Furthermore, **fines or even criminal penalties** may be **imposed by public authorities**. The range for applicable sanctions has been expanded to include fines against

companies with high turnover of **up to 4% of annual turnover** to be imposed in the EU Member States.

## II. Open questions & current discussions

1. **Sale periods:** The German *Bundestag* has asked the Federal Government to advocate before the EU for a one-year sale period for products manufactured before 27 March 2026. The ECGT Directive does not provide for any such use-up or sale periods beyond 27 September 2026. The German *Bundesrat* had also initially opted for a longer sale period, yet has now incomprehensibly approved the implementation law without any such period. There is reason to assume, therefore, that companies will have to ensure that environmental claims and sustainability labels are legally compliant on already-existing products from this date onwards. The first competition associations have already announced their intention to pursue possible legal violations immediately. Practical accommodations to existing products can be made, for example, by sticking labels over existing ones or by providing additional information at the point of sale (e.g. on the shelf).
2. **Consumer tests:** It is still unclear, whether references to tests such as “Stiftung Warentest” or “ÖkoTest” fall within the strict rules for sustainability labels. This is because the Union legal term of “sustainability label” is interpreted broadly and can thus also cover (consumer) test labels, depending on their appearance. However, the German *Bundestag* takes a different view and assumes that recognised test labels shall not be covered and has asked the Federal Government to seek clarification with the European Commission in this regard.

## III. Checklist and recommendations for action

In light of the complex requirements for marketing processes and supply chain structures, we recommend an early evaluation of the need for action to ensure timely compliance with the new regulatory requirements. The following action items are particularly important in this regard:

- Review of environmental claims:** Seek advice when reviewing all environmental claims used as well as any logos and brands that may make a reference to the environment.
- Specification instead of generalisation:** Examine whether generic environmental claims ("environmentally friendly") are in fact backed up recognised excellent environmental performance or whether they should be amended using a specified claim.
- Certification of sustainability labels:** Examine, together with your specialized departments and legal advisors, whether the labels in use will meet the requirements of an independent certification scheme by September 2026; otherwise, these labels should be removed or replaced in due course.
- Implementation plans for climate targets:** Create robust implementation plans for future climate target-related claims and develop a corresponding transparent communication strategy.
- Processes for product information:** Develop suitable processes to provide information on updates, reparability and durability.

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Should you wish to have your current products and advertising measures as well as your trademark portfolio reviewed in light of the new provisions or to draft legally compliant amended communication and sustainability strategies, please do not hesitate to reach out to us.

## Your HRM point of contact



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