businesscompanion
trading standards law explained

Introduction

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Why net zero?

Customers of today, tomorrow and into the future are looking for environmentally friendly products and services. Like many business owners, you may be wondering how you can transition into a net zero business, but still keep within the law.

Consumer behaviour is changing. In a 2021 YouGov poll, 57% of UK consumers said they would pay more for sustainable products.

Younger consumers are especially concerned about the environment, with 69% of Generation Z consumers (those born after 2000) willing to pay more for sustainable products.

Net zero, sustainable, eco-design, carbon neutral: what does it all mean?

These terms are often used interchangeably, and in the mind of the consumer they will simply mean 'better for the environment'. However, they are not umbrella terms, and you should familiarise yourself with their definitions to avoid making any misleading or incorrect claims.

These definitions are not terms of art or statutory definitions; their use in this guidance does not mean that their use in environmental claims will comply with consumer protection law.

Net zero is defined by the United Nations as "cutting greenhouse gas emissions to as close to zero as possible, with any remaining emissions re-absorbed from the atmosphere, by oceans and forests for instance". The UK has committed to reach net zero by 2050.

Carbon neutrality is defined by the European Parliament as "having a balance between emitting carbon and absorbing carbon from the atmosphere in … soil, forests and oceans".

Carbon offsetting usually involves a business calculating the amount of carbon emitted and then 'offsetting' the same amount through activities such as planting trees.

Carbon footprint refers to the total amount of greenhouse gases (including carbon dioxide and methane) that are generated by a business.

Ecodesign products are those items that are designed or redesigned to avoid harming the environment

and to enable them to be repaired easily.

Sustainability is defined by the United Nations as "meeting the needs of the present without compromising the ability of future generations to meet their own needs".

> **A note on using green claims and statements**
> "Broader, more general or absolute claims are much more likely to be inaccurate and to mislead. Terms like 'green', 'sustainable' or 'eco-friendly,' especially if used without explanation, are likely to be seen as suggesting that a product, service, process, brand or business as a whole has a positive environmental impact, or at least no adverse impact. Unless a business can prove that, it risks falling short of its legal obligations."
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> Source: Competition and Markets Authority (CMA), 'Green Claims Code'

Businesses can make claims about their commitment to green issues / net zero, but any such claims must be evidence-based.

> Net zero and your business

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