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From:	General Secretariat of the Council
To:	Delegations
No. prev. doc.:	10940/24
No. Cion doc.:	7777/23 - COM(2023) 166 final
Subject:	Proposal for a Directive of the European Parliament and of the Council on substantiation and communication of explicit environmental claims (Green Claims Directive) – General approach = Statement

Delegations will find in the Annex a statement from Latvia regarding the General Approach on the Directive of the European Parliament and of the Council on substantiation and communication of explicit environmental claims (Green Claims Directive). The statement will be entered into the minutes of the Council (Environment) meeting on 17 June 2024.

Statement from Latvia**regarding proposal for a Directive of the European Parliament and of the Council on substantiation and communication of explicit environmental claims (hereinafter “Directive”)**

Latvia supports the main objectives of the Directive to increase the level of environmental protection and contribute to accelerating the green transition towards a circular, clean and climate neutral economy in the EU.

At the same time, we believe that the measures adopted to achieve these objectives should offer sufficient added value and be practical and effective. Articles 11, 12, 15 and 17 still raise concerns because they impose unnecessary additional administrative and financial burden on the market surveillance authorities as well as the traders, while applying overly detailed conditions for monitoring, handling complaints and imposing penalties.

Latvia is particularly concerned about the administrative burden and costs that the Directive creates for entrepreneurs, especially small and medium-sized enterprises (hereinafter - SMEs) and micro-enterprises, as well as the proposed strict rules regarding penalties. We believe that separate settings for one niche creates uncertainty and is unnecessary.

Firstly, the proposed new conditions and requirements will increase the burden on traders during the implementation process as there are so many new requirements with the certification and verification processes that will take a lot of time, therefore delaying the transfer of information to consumers. Latvia believes that proportionality must be achieved to prevent market overregulation.

We believe that the detailed presentation and list of duties, climate-related claims and schemes in the proposal will not add value but will create a significant administrative burden for competent authorities. While everyone agrees that reduction of administrative burdens is crucial for maintaining the competitiveness of European business, this proposal unfortunately goes in opposite direction of the European Commission’s target to reduce reporting by 25%.

Secondly, in Latvia's view, Commission's role should be strengthened in providing support measures set out in the Directive to SMEs and micro-enterprises. Many new obligations are already imposed on Member States by this Directive (additional administrative burden on the market surveillance authorities determining detailed conditions for supervision, handling of complaints and application of penalties, ensuring that traders are fulfilling all requirements, assessments needed to prove their climate-claims, etc.)

In addition, we maintain our reservations about the penalty system set out in Article 17. We do not believe such measures are necessary, as similar rules are already established in the Unfair Commercial Practices Directive (hereinafter - UCPD) and are sufficient in this context. The proposed penalties in this Directive could negatively impact the application of the UCPD as a horizontal consumer protection tool.

In light of the above Latvia abstains from the vote.
