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Product & Consumer Protection

Mid-year Review 2025

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Welcome

Product & Consumer Protection Mid-year Review 2025

In the six months since the publication of our 2024 Annual Review, there have been several significant developments in the EU products and consumer protection law space. We review some of the key developments during the year and look ahead to future reform for the remainder of 2025.

In this Review, we will consider a number of key issues including:

- An important recent decision of the CJEU interpreting what constitutes a 'producer' under the EU Product Liability Directive
- An examination of the obligations for importers, distributors and manufacturers under the EU's new Packaging Regulation
- An assessment of the EU's now-shelved AI Liability Directive and where things go from here
- The first Representative Action before the Irish Courts

We discuss these issues and much more, and hope you enjoy this latest edition of our Product & Consumer Protection Mid-year Review for 2025.

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The Product Supplier as a "Producer" Under the EU Product Liability Directive

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The CJEU has delivered an important decision interpreting the definition of "producer" under the EU Product Liability Directive 85/374/EEC (the PLD), which increases the potential liability exposure for product suppliers as part of product liability claims.

The case: Ford Italia

A consumer, ZP, purchased a Ford vehicle from Stracciari, an Italian Ford dealer. The vehicle was produced by Ford WAG, a German entity, and supplied to Stracciari by Ford Italia, an Italian entity that distributes Ford WAG's vehicles in Italy. After the vehicle's airbags failed during an accident, ZP brought an action against both Stracciari and Ford Italia seeking compensation for injuries caused by the defective airbags. Ford Italia contended that it was merely a supplier and, therefore, should not be held liable as a 'producer' under the PLD. The case eventually reached the Italian Supreme Court of Cassation, which sought clarification from the CJEU on the scope of the term 'producer' under Article 3(1) of the PLD.

The main question before the CJEU was whether a supplier or distributor, like Ford Italia, could be considered a 'producer' even if it had not physically placed its branding on the product, but where the supplier's name closely resembled the name or trademark of the manufacturer.

The decision

The definition of 'producer' in the PLD includes not only the manufacturer of a physical product, but also anyone who presents themselves as a producer by placing their name, trademark, or other distinguishing feature on the product. The CJEU held that this definition does not require any active steps on the part of a supplier, meaning that a supplier can be considered a 'producer' under Article 3(1) of the PLD if:

- The supplier's name, or a distinctive element of it, matches or resembles the manufacturer's name or trademark, and
- That name or trademark appears on the product.

In such circumstances, the supplier effectively uses the similarity between its own name and the name on the product to bolster its credibility to consumers and give the impression that the supplier is responsible for the product. The key consideration, therefore, is not who physically placed the name on the product, but rather the impression that the presence of the name on the product creates among consumers. The CJEU emphasised that the PLD aims to protect consumers, and that to decide otherwise could enable suppliers to insulate themselves from liability.

The Revised Product Liability Directive

The EU adopted a revised Product Liability Directive (the Revised PLD) in late 2024. Although the Ford Italia case relates to the definition of 'producer' under the previous version of the PLD, the decision remains important for several reasons:

- Member States have until December 2026 to transpose the Revised PLD into their national legislation. However, this decision remains important for cases brought under national legislation that transposed the PLD, which remains in force until then.
- The wording of the relevant provision of the PLD that was interpreted in the Ford Italia case has been replicated in the Revised PLD, with Article 4 (10) of the Revised PLD defining the 'manufacturer' of a product as anyone who "*has a product designed or manufactured, or who, by putting their name, trademark, or other distinguishing features on that product, presents themselves as its manufacturer*." This decision may therefore retain precedential value when interpreting the Revised PLD. Given that the Revised PLD has been updated to adopt terms and concepts used in EU product safety legislation (such as the legal 'manufacturer' of a product, as opposed to 'producer'), this decision may also be applied in the context of interpreting EU product safety legislation as well.
- The scope of the Revised PLD includes software within its scope. The Ford Italia decision could therefore have important implications for companies that serve as intermediaries or suppliers of software who share similar branding and/or company names or trademarks to that of the underlying software developer.

Conclusion

The CJEU's decision in Ford Italia extends the scope of liability for defective products to include some suppliers and distributors. Entities involved in the supply and distribution of products should be aware of this new risk and should evaluate their naming and branding practices accordingly.

Member States have until December 2026 to transpose the Revised PLD into their national legislation.

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Obligations for Importers, Distributors and Manufacturers Under the New EU Packaging Regulation

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The EU recently signed off on new rules to reduce packaging waste and to make packaging more sustainable. This article examines how the new rules will impact importers, distributors and manufacturers, and how they should start preparing for the changes.

The Packaging and Packaging Waste Regulation came into force on 11 February 2025. The measures will apply on a phased basis, commencing from 12 August 2026. This gives entities some time to get to grips with their new obligations and make any necessary changes to their packaging and supply chains.

The Regulation has a broad scope. It applies to all packaging, regardless of the material used, and to all packaging waste.

It imposes requirements for the entire life cycle of packaging, from manufacture to use to disposal. In addition, the Regulation imposes obligations on multiple different operators in that packaging life cycle.

The core objectives of the Regulation include:

- Reducing packaging waste
- Introducing enhanced recyclability and reusability requirements, and
- Reducing substances of concern in packaging, especially in food packaging

Who are 'manufacturers'?

The Regulation broadly defines a 'manufacturer' as any entity that:

- Manufactures packaging or packaged products, or
- Has packaging or packaged products designed or manufactured on its behalf or under its own name or trademark (irrespective of whether the name or trademark is visible on the packaging)

Key obligations

Articles 5 to 12 of the Regulation set out an extensive suite of obligations that manufacturers must comply with. Importers and distributors must verify conformity when placing packaging or packaged products onto the EU market. The key obligations relate to:

- Use of substances of concern
- Recyclability
- Minimum recycled content
- Use of biobased feedstock
- Compostability
- Minimisation of packaging volume
- Reusability,
- Labelling

These obligations come into effect on a phased basis, with different targets and requirements applicable from different dates. The general obligation on entities to ensure that packaging conforms with the Regulation applies from 12 August 2026. However, the need to verify compliance with specific requirements will align with the date on which the requirement itself comes into effect. This means importers, distributors and manufacturers will need to be aware of the phasing requirements to ensure that the packaging is compliant.

Who are the ‘importers’ and ‘distributors’?

The Regulation imposes certain obligations on importers and distributors. Broadly speaking, the Regulation defines these entities as follows:

- *Importers:* EU-established entities that place packaging from a third country on the market for the first time, whether the packaging is empty or with a product
- *Distributors*: Any entities in the supply chain that are making packaging available on the EU market by supplying packaging, whether empty or with a product, for distribution, consumption or use

Restriction on importers and distributors placing non-conforming packaging on the market

Importers and distributors do not manufacture the packaging themselves. However, they are prohibited from placing packaging on the market which does not conform with the Regulation. This means that, in order to comply with their own obligations, importers and distributors must also check that manufacturers have complied with their obligations.

Articles 18(2) and 19(2) of the Regulation set out some specific elements of compliance that importers and distributors must verify from 12 August 2026. Broadly speaking, importers are subject to more extensive verification requirements than distributors, as they are further upstream in the supply chain.

In general terms, where an importer or distributor has reason to believe that packaging is not in conformity with Articles 5 to 12 of the Regulation, they shall not place the packaging on the market until it has been brought into conformity.

In circumstances where the non-compliant packaging has already been placed on the market, the importer or distributor must take the necessary corrective measures. This could include the recall of the packaging.

Other obligations on ‘economic operators’ and ‘producers’

Importers, distributors and manufacturers also fall into the broader category of ‘economic operators’ under the Regulation. They might also be a ‘producer’ under the Regulation, depending on their location within or outside the EU, and their position in the supply chain.

Producers and economic operators need to comply with additional obligations, depending on the type of packaging they sell or supply. Some of the key obligations include the following:

- Importers, distributors or manufacturers who fill grouped packaging, transport packaging or e-commerce packaging must ensure that the maximum empty space ratio is 50%
- Certain packaging formats are prohibited from 1 January 2030. The prohibited packaging formats include single-use plastic packaging for certain items. This includes packaging for less than 1.5kg pre-packed fresh fruit and vegetables
- Importers, distributors or manufacturers who are making reusable packaging available in the territory of a Member State for the first time must ensure that a system is in place for the re-use of that packaging.

In general terms, where an importer or distributor has reason to believe that packaging is not in conformity with Articles 5 to 12 of the Regulation, they shall not place the packaging on the market until it has been brought into conformity.

- Importers, distributors or manufacturers that use certain types of transport packaging, such as foldable boxes and pallets, must ensure that at least 40% of such packaging in total is reusable packaging within a re-use system, from 1 January 2030.
- Producers will have extended producer responsibility (EPR) obligations for the packaging, including packaging of packaged products, that they make available for the first time in a Member State or that they unpack without being end users. National legislation will be required to establish a framework for the registration and payment contributions to comply with EPR obligations.

How should importers, distributors and manufacturers prepare for compliance?

As a first step, all entities established within or selling into the EU should check how they are categorised under the Regulation. Are you an importer, a distributor, or a manufacturer? This classification has a huge impact on the scope of the obligations, so it is important to get it right from the outset.

The next step requires a review of the obligations that are applicable to your entity, including the dates that each will come into effect.

You will then be able to assess what changes might be required to your operations to enable compliance, and how long you have to put these changes into effect.

However, it is not only the obligations on your entity that are relevant. Obligations throughout your supply chain may also be relevant, as importers and distributors need to be satisfied that their manufacturers are conforming with the Regulation. The next step therefore involves a review of your supply chain, to ensure that participants in the supply chain have the necessary plans and procedures in place to manage their own compliance.

Conclusion

As the new measures come into force, importers, distributors and manufacturers will be required to comply with their obligations under the Regulation, or face penalties for non-compliance. The penalties, which will include fines, are due to be set out in supplemental regulations devised by each Member State.

The Regulation is long, detailed and complex. Many of the obligations seem far away now, but a lot of preparation is likely to be required to ensure that you are compliance ready.

03

AI Liability

From the AI Liability Directive to the current framework

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After much contention and lengthy delays, the European Commission has put the AI Liability Directive (AILD) on the chopping block.

On 11 February, the Commission announced the withdrawal of the AILD from its 2025 work programme, citing *"no foreseeable agreement" and stating that it will "assess whether another proposal should be tabled or another type of approach should be chosen"*.

In this article, we outline the story of the AILD, from how it started, to how we got here and where we go to from here.

Background

The AILD was proposed in September 2022. While certain existing legislation covers some of the risks of AI (such as GDPR for use of data, and the Product Liability Directive), there was a concern that those laws did not adequately address liability for AI-specific issues. The introduction of a specific AI Liability Directive was designed to address such gaps, and provide clear guidance and a single framework.

In particular, it was designed to revise 'traditional' fault-based liability rules by harmonising certain procedural aspects of AI liability across EU Member States.

The goal was to make it easier for claimants to bring claims by harmonising aspects of the notoriously fragmented Member State rules. This was proposed to be done by, for example, injecting the same terms and definitions used in the AI Act, as well as similar tools to the Product Liability Directive (PLD), like disclosure of evidence and rebuttable presumptions, into national fault-based rules.

Key features of the AILD

- **Scope:** The scope was broad and allowed claims to be brought against any person for fault that influenced the AI system, which caused the damage, not just the manufacturer.
- **Damage:** The AILD applied to any type of damage covered under national law, including resulting from discrimination or breach of fundamental rights like privacy, which could in some cases go even broader than the expanded concept of damage under the Revised PLD.
- **Disclosure of evidence**: The courts would have the power, upon request of a (potential) claimant, to order providers of AI systems to disclose or preserve relevant evidence at their disposal about a specific AI system that is suspected of having caused damage.
- **Rebuttable presumptions**: The AILD had a presumption of fault where the defendant fails to comply with an order by a court to disclose or preserve evidence.

There was also a presumption of causal link between the fault of the defendant and the output produced by the AI system where certain conditions are met.

Criticism

The AILD as proposed proved highly contentious. Those against the proposal argued that existing frameworks are sufficient. In particular, they argue that the vast range of *ex ante* EU law sufficiently protects and ensures the safety of AI on the EU market. There was a concern that another law would add additional complexity, and it would be an overreach to add another piece of legislation to the mix.

An assessment by the European Parliament's research unit published in September 2024 recommended a different approach. It suggested replacing the PLD and AILD with a revised product liability regulation and an AI liability regulation, reframed as a software regulation. The assessment is part of a wider, long-running narrative around the lack of clarity on the added value of the AILD, and its overlap with the PLD.

Why was the AILD dropped?

The delay in progress can be attributed to a tacit agreement between co-legislators to put the AILD on hold while they worked on the AI Act. The intent was to ensure full consistency with the AI Act and product safety legislation.

However, the decision to drop the AILD was, ultimately, sudden and mostly political. The move follows pressure from EU digital chief Henna Virkkunen and was part of a more general impetus to reduce and simplify the AI regulatory framework. When work resumed on the AILD once the AI Act text was finalised, legislators faced pushback. A French-led coalition of countries questioned whether the AILD was needed and viewed it as overly complex. In addition, internal opposition within the European institutions created significant hurdles to progress on the Directive. Ultimately, the Commission's motivation appears to have been largely maintaining economic competitiveness, particularly in light of the Draghi report and the ambition to ensure the EU remains competitive. No doubt its drive to simplify technology laws plays into this decision also.

Current status

Recently the International Association of Privacy Professionals (IAPP) held its AI Governance Global Europe 2025 conference in Dublin. Kai Zenner, Head of Office, Digital Policy Adviser for Axel Voss, Member of the European Parliament, led the session on AI liability. He is an advocate for the AILD and wants to see it back on the EU legislative books. While he is confident this is possible from a technical legislative perspective, he is less so when taking into account the current political climate and the low appetite of the Commission to push for this law.

Current framework

In the absence of AI-specific liability rules, certain challenges, especially for claimants, are likely to remain in the AI sector. In particular, claimants must rely on the existing legal frameworks in place for non-contractual liability, which are diverse across the EU. For example:

- **Duty of care** - in the context of AI where there are various actors, it may be difficult to establish which party owes the other party a duty of care
- **Agentic AI and autonomy -** it may be difficult to establish at what point a user is at fault versus the provider/deployer
- **Causation** - given the long and complex value chain, particularly in the case of multi-agent systems, it may be difficult to establish causation
- **Open source** - the liability of open-source providers is a complex and open point
- **Unpredictability** - the unpredictability of AI means that it may be difficult to establish that the harm was reasonably foreseeable
- **Harms** - it may be difficult to measure and substantiate that the harms derive specifically from the AI

It is suggested that in the absence of a single legal framework for establishing fault-based claims, it is possible that market participants will need to rely on cyber insurance. In addition, it is likely that liability will continue to be pushed downstream, thus prejudicing smaller companies. Unless and until there is an about turn on policy here, market participants will need to carefully consider their potential liability and how this can be managed effectively in contracts with service providers and end users.

What happens next?

Dropping the AILD will broadly be welcomed as a positive for AI providers. Without it, it could be more challenging for claimants to bring actions in damages against AI providers because they will not, for example, be able to rely on the pro-claimant presumptions. A potential downside is the AILD was supposed to bring some uniformity to the process for making fault-based claims in the EU for actions in damages against AI providers. The patchwork of Member State laws is notoriously challenging to navigate. That continued lack of uniformity may also impact the defense side, but on balance it being shelved is better for providers.

A softening of EU regulation / enforcement?

Finally, with one less AI law, is this a sign of the EU evolving its position on regulation and enforcement? It is difficult to make any definitive calls at this early stage. It is possible to read that narrative into Ursula von der Leyen's speech at the AI Action Summit where she said: *"And safety is in the interest of business. At the same time, I know, we have to make it easier, we have to cut red tape. And we will."*

Only time will tell though.

Key takeaway

Given that there's no likely imminent legislative development in this area, market participants should carefully consider their potential liability, whether it is in the context of their own use of AI or the sale and distribution of AI and how they can manage and mitigate risk through their contracts with suppliers, service providers, customers, and end users. For providers of AI models and systems, clear transparency will also be key. For deployers, monitoring the deployment of AI will be essential.

> *The patchwork of Member State laws is notoriously challenging to navigate.*

04

TOP 5

EU and Irish Guidance Documents

01

European Commission Q&A about the GPSR

02

European Commission Communication on "A comprehensive EU toolbox for safe and sustainable e-commerce"

03

European Commission Guidelines on prohibited artificial intelligence practices established by Regulation (EU) 2024/1689 (AI Act)

04

European Commission Guidelines on the definition of an artificial intelligence system established by AI Act

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The CCPC: The Consumer Rights Act 2022. A Guide for Traders: Consumer Remedies in Sale of Goods Contracts

05

Ireland's First Representative Action

A milestone development for national collective redress system

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The Irish Council for Civil Liberties launched the country's first ever Representative Action on 26 May 2025, marking a key milestone in the development of Ireland's system for collective redress.

This development follows the transposition of the EU's Representative Actions Directive into Irish law, which has introduced a new framework for collective consumer redress in Ireland.

Background

Directive (EU) 2020/1828 on representative actions for the protection of the collective interests of consumers (Representative Actions Directive) entered into force in December 2020. It signifies an important development in consumer law across the EU. This is because it empowers approved bodies to bring Representative Actions on behalf of the collective interests of consumers, seeking injunctive relief and/or redress for trader infringements of specified Union law.

This is a significant reform, especially for companies operating in multiple Member States. It is particularly impactful in jurisdictions such as Ireland, where there was previously no collective litigation framework and where options for collective, class, or group actions have traditionally been limited, costly, and time-consuming.

The Directive seeks to harmonise the framework for collective actions brought on behalf of EU consumers, ensuring a more consistent and accessible mechanism across the Member States. At the same time, the Directive incorporates safeguards to discourage unfounded or frivolous claims against traders.

Under the Representative Actions Directive, designated Qualified Entities can bring proceedings before Member State Courts on behalf of groups of consumers alleging infringements of their rights by traders. These proceedings can be brought based on an alleged infringement that occurred domestically, or in another EU Member State. A Qualified Entity may seek injunctive relief to stop or prevent a practice that infringes applicable EU law, and/or pursue redress measures. Depending on the applicable national law, redress measures can include:

- Compensation
- Repair
- Replacement
- Price reduction
- Reimbursement, or
- Contract termination

The Directive requires each Member State to implement at least one procedural mechanism that allows Qualified Entities to bring representative actions for both injunctive and redress measures. In addition, each Member State must establish effective procedures for collective redress for both domestic and cross-border infringements.

Notably, the Representative Actions Directive has broad application, extending beyond general consumer protection to areas such as data protection, financial services, energy, and telecommunications. For the product and consumer sectors, these include:

- The General Product Safety Regulation
- The Sale of Goods Directive
- The General Data Protection Regulation
- The Directive on Liability for Defective Products
- The Medical Devices Regulation, and
- The Directive on Medicinal Products for Human Use

Implementation in Ireland

In Ireland, the Representative Actions Directive was transposed into Irish law by the Representative Actions for the Protection of the Collective Interests of Consumers Act 2023, which came into force in April 2024.

The Schedule to the 2023 Act specifies the legislation under which consumers can seek redress through representative actions. This legislation spans data protection, financial services, package holidays, energy, medical devices, and general consumer protection legislation.

For a Representative Action to proceed in Ireland, it must be deemed admissible under section 19 of the 2023 Act. This will occur only when the Court is satisfied that the applicant in the action is a Qualified Entity.

To qualify for designation as a Qualified Entity to bring cross-border representative actions, the entity must comply with a range of specified criteria. The designation criteria include that:

- It is non-profit making in character
- Its statutory purpose clearly reflects a legitimate interest in safeguarding consumer rights, and
- It can demonstrate at least 12 months of actual public activity in protecting consumer interests prior to applying for designation as a Qualified Entity

Member States have discretion to determine the criteria they use to designate Qualified Entities for the purpose of bringing domestic representative actions. Ireland has decided to apply the same designation criteria for Qualified Entities engaged in domestic and cross-border Representative Actions.

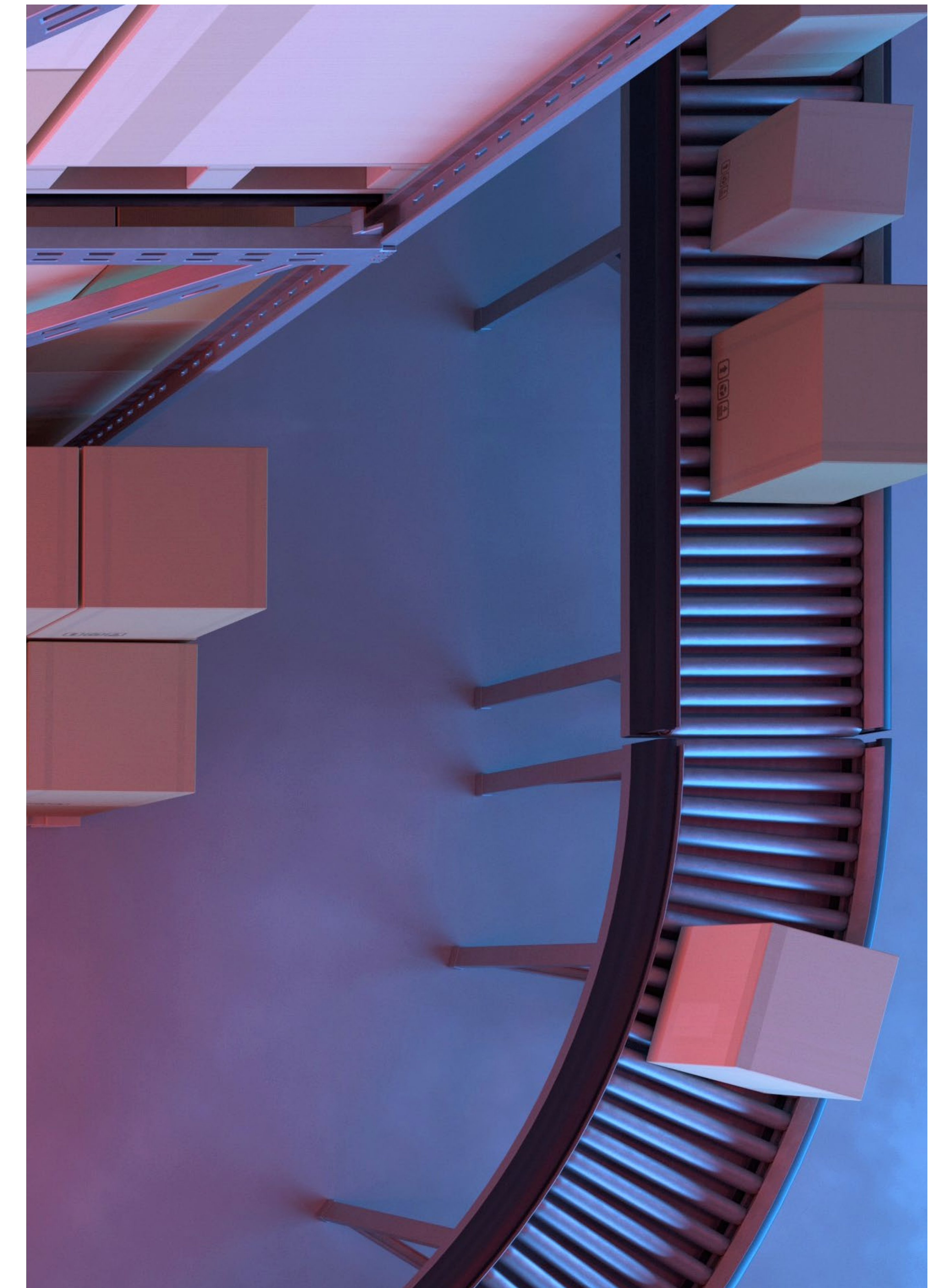
To date, only two organisations have been admitted to the Register of Qualified Entities in Ireland:

- The Irish Council of Civil Liberties (ICCL), and
- NOYB, the European Center for Digital Rights

Case

The ICCL launched proceedings in the High Court against Microsoft in May 2025 under the 2023 Act for an alleged data breach. The ICCL contends that the real-time bidding (RTB) system used by Microsoft to deliver targeted advertisements to online consumers is incompatible with the GDPR.

The RTB system determines the advertisements displayed to a consumer by broadcasting the user's private information to many companies. Those companies can then bid in real-time for the opportunity to have their advertisements shown to that user. The information provided to these companies includes information about the user's relationship, work, and financial status. In the ICCL's Report on the scale of RTB data broadcasts in the US and Europe, it estimates that the RTB system tracks and shares what people view online, along with their real-world location, 197 billion times each day in Europe.



The ICCL argues that the RTB system lacks the technical measures needed to control what happens to this data after it is broadcast. It says that this, in effect, poses a key issue for data safety and exposes consumers to potential malicious profiling and discrimination. The ICCL further argues that this is particularly the case where typically each bid request sees the collection of large volumes of user data without any effective restrictions on how this information is stored or disclosed to third parties.

The proceedings are brought on behalf of all affected Irish consumers, which includes users of Windows, Microsoft Office products, Xbox and Windows web browser, Edge. As a first step, the Irish High Court has deemed the case admissible as a Representative Action. This allows the ICCL to serve proceedings on Microsoft. As Microsoft's European Headquarters are based in Ireland, it is anticipated that the outcome of this litigation will have significant and far-reaching consequences across the EU and EEA.

Conclusion

The transposition of the Representative Actions Directive into Irish law and the initiation of a first Representative Action before the Irish Courts mark significant developments in consumer protection law in Ireland. As the first Representative Action in Ireland, these proceedings will help determine how our domestic mechanisms for collective redress will operate in practice. The outcome of these proceedings will likely offer valuable insights into, among other things, how the Irish Courts will interpret the role of Qualified Entities in future actions, as well as the scope of relief available to consumers. As a result, the ongoing proceedings will have far-reaching implications for both consumers and businesses alike.

The transposition of the Representative Actions Directive into Irish law and the initiation of a first Representative Action before the Irish Courts mark significant developments in consumer protection law in Ireland.

06

Environmental Claims in EU Regulators' Spotlight

Coca-Cola case signals stricter green claim scrutiny

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A recent coordinated action by EU consumer protection authorities highlights a growing focus on environmental claims. The action, carried out through the Consumer Protection Cooperation (CPC) Network, demonstrates the increasing scrutiny of such claims in marketing campaigns and on products. We consider some key points from the CPC Network's most recent action against Coca-Cola. We also look ahead to the Empowering Consumers for the Green Transition Directive[1] (Green Transition Directive) and the Green Claims Directive proposal[2], which is working its way through the EU legislative process.

Coca-Cola action

The coordinated action arose as a result of complaints submitted by the European Consumer Organisation (BEUC) against a number of beverage companies. The complaints concerned certain claims on the packaging of their plastic bottles. It was alleged that the claims were misleading and were in breach of the Unfair Commercial Practices Directive (UCPD)[3].

Following dialogue with Coca-Cola about its environmental claims, Coca-Cola gave voluntary commitments to the CPC Network to:

- Replace claims on bottle labels such as "*I am a bottle made from 100% recycled plastic*", with separate disclaimer in different fonts: "*bottle, not label and cap*", with more clear statements such as "*This bottle, excluding label and cap, is made from 100% recycled plastic*"
- Replace claims on bottle labels such as "*Recycle me again*" with "*Recycle me*", to encourage disposal of empty bottles in a manner which makes it clearer to consumers that that there is not a closed loop in the recycling process
- Ensure that the overall impression of the label and the marketing is not misleading consumers about environmental benefits of the packaging, for instance by combining them with other green claims or symbols
- Ensure that digital marketing campaigns on Coca-Cola's websites and social media channels reflect the content of these commitments

This represents a significant development. BEUC had alleged that these environmental claims breached the UCPD, even before the Green Transition Directive takes effect and the Green Claims Directive proposal is finalised.

Looking ahead – the Green Transition Directive and the Green Claims Directive proposal

The Green Transition Directive came into force in March 2024 and must be transposed by Member States before 27 March 2026. The aim of the Green Transition Directive is to ensure consumers are better informed about products. For example, it will prohibit vague environmental claims.

1. Directive 2024/825 amending Directives 2005/29/EC and 2011/83/EU as regards empowering consumers for the green transition through better protection against unfair practices and through better information
2. 2023/0085 (COD) Proposal for a Directive on substantiation and communication of explicit environmental claims
3. Directive 2005/29/EC concerning fair business-to-consumer commercial practices in internal market (recast)

This will mean that companies will no longer be able to declare that their products are 'green' or 'environmentally friendly' if they cannot substantiate those claims. It will also prohibit the display of sustainability labels which are not based on a certification scheme, or on a scheme established by a public authority.

To achieve this, the Green Transition Directive will amend the UCPD to explicitly prohibit misleading / false environmental claims about products. It will also ban those relating to the durability and/or repairability of goods. Member States have until 27 March 2026 to transpose the Green Transition Directive into national law, and are required to apply the new rules from 27 September 2026.

The European Commission published the proposal for the Green Claims Directive on substantiation and communication of explicit environmental claims back in March 2023. The purpose of this proposed Directive is to regulate environmental claims made by traders, and to set out a procedure for establishing environmental labelling schemes. Read our previous update on the Green Claims Directive.

The proposal was under discussion between the European Parliament and the Council, but in June 2025 the proposal was deferred, and it is unclear whether it will be progressed or abandoned by the EU.

Conclusion

The action by the CPC Network against Coca-Cola demonstrates that companies should assess whether they need to make changes to their environmental claims to avoid regulatory scrutiny, even before misleading/false environmental claims are expressly prohibited by the Green Transition Directive and the proposed Green Claims Directive. Given the increased prominence being afforded to environmental issues, the CPC Network's action demonstrates that it expects companies to ensure that:

- Claims are clear and unambiguous
- Claims are clear as to the extent of the claim. Disclaimers / qualifications on the claim should also form part of the claim, and
- Claims are substantiated

"The Green Transition Directive will amend the UCPD to explicitly prohibit misleading / false environmental claims about products.

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CPD on Demand: Product Liability in Life Sciences - Recent Reforms

CPD on Demand: In-House Counsel Masterclass - Recent Developments in IP

CPD on Demand: Staying Ahead of Cyber Threats for 2025

CPD on Demand: Mastering Product Claims in the EU

Publications

Product & Consumer Protection Annual Review 2024

Copyright and Design Rights in Furniture

Vouchers and Discounts for Medicinal Products

The Product Supplier as a "Producer" Under the EU Product Liability Directive

MASON HAYES & CURRAN

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ABOUT US

Mason Hayes & Curran is a business law firm with 124 partners and offices in Dublin, London, New York and San Francisco.

Our legal services are grounded in deep expertise and informed by practical experience. We tailor our advice to our clients' business and strategic objectives, giving them clear recommendations.

This allows clients to make good, informed decisions and to anticipate and successfully navigate even the most complex matters.

Our service is award-winning and innovative.

This approach is how we make a valuable and practical contribution to each client's objectives.

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