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Competition Bureau issues final guidelines regarding environmental claims

From: [Competition Bureau Canada](#)

News release

June 5, 2025 – GATINEAU (Québec), Competition Bureau

Today, the Competition Bureau released its [final guidelines](#) on environmental claims following two rounds of public consultations conducted throughout the past year.

The guidelines were designed to help businesses ensure compliance with the *Competition Act* when making environmental claims. This includes the [new greenwashing provisions](#) added to the Act through a series of amendments that became law on June 20, 2024.

The guidelines do not prescribe when or how businesses can make environmental claims. Companies are free to make any environmental claims they wish, as long as they are not false or misleading, and have been adequately and properly tested or substantiated where required.

After carefully considering all of the over 400 submissions, the Bureau finalized its guidelines. A backgrounder with more information on the Bureau's consultations is available on [our website](#).

The Bureau sincerely thanks everyone who took part in the public consultations and encourages businesses to carefully review the guidelines before making any environmental claims.

Quick facts

- The *Competition Act* contains two new provisions that explicitly target greenwashing. They require that:
 - certain claims about the environmental benefits of a product be based on adequate and proper testing.
 - certain claims about the environmental benefits of a business or business activity be based on adequate and proper substantiation in accordance with an internationally recognized methodology.
- The Bureau has taken enforcement action in two environmental claims cases under the deceptive marketing practices provisions of the *Competition Act* over the past few years: [Keurig](#) and [Volkswagen](#).
- Under the civil deceptive marketing provisions, for corporations, the penalty for a first-time violation is up to the greater of:
 - \$10 million (\$15 million for each subsequent violation); and
 - three times the value of the benefit derived from the deceptive conduct, or, if that amount cannot be reasonably determined, 3% of the corporation's annual worldwide gross revenue.
- The Bureau issued a [consumer alert](#) in 2022 to raise awareness and reporting of greenwashing.

- The Bureau strongly encourages anyone who suspects that a company or individual is making deceptive marketing claims to report it by using our [online form](#).

Related products

- [Final guidelines: Environmental claims and the Competition Act](#)
- [Backgrounder: Consultation process on environmental claims and the Competition Act](#)
- [Deceptive Marketing Practices Digest: Environmental claims and the Competition Act](#)

Associated links

- [Implementing changes to the Competition Act](#)
- [Guide to the June 2024 amendments to the Competition Act](#)
- [Environmental claims and greenwashing](#)

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