



February 28, 2025

Deceptive Marketing Practices Directorate  
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Via email: [environmentalclaims-declarationsenvironnementales@cb-bc.gc.ca](mailto:environmentalclaims-declarationsenvironnementales@cb-bc.gc.ca)

**RE: Public Consultation on the Competition Bureau's Proposed Guidelines Concerning Environmental Claims**

On behalf of the 190,000 farm businesses represented through our membership, the Agricultural Carbon Alliance (ACA) respectfully shares these comments on the Competition Bureau's proposed guidelines for the new greenwashing provisions in the *Competition Act*.

ACA was established to ensure that Canadian farmers' sustainable practices are recognized through a policy environment that maintains their competitiveness, supports their livelihoods, and leverages their critical role as stewards of the land. We are a coalition of 16 national farm organizations committed to promoting meaningful and collaborative dialogue around carbon pricing and agri-environmental policy. Our membership encompasses major agriculture commodities, including grains, oilseeds, pulses, cattle, sheep, pork, fruit and vegetables, dairy, forage and grasslands, seed, ornamental plants and poultry. Collectively, we steward over 62 million hectares of land, or 7% of Canada's land mass, to feed, fuel, nourish and enrich Canadians and the world.

ACA understands that environmental claims can influence consumer decision-making and agrees claims should be truthful, clear and backed by data. However, the ACA continues to share concerns regarding the proposed greenwashing provisions, their recently released guidelines, and the extension of the private right to action to environmental claims, especially considering the political and economic uncertainty the country is faced with today. The guidance document continues to lack clarity and creates confusion around terms, especially "internationally recognized methodologies". In addition, the threat of unintended consequences resulting from a potential increase in frivolous lawsuits with the expansion of the private right to action is concerning and could quickly lead to greenhushing.

Having highlighted the vague and undefined nature of the greenwashing provisions in ACA's previous submission, the guidance documents continue to cause confusion. The amendments require businesses to prove claims based on "proper and adequate tests" and "internationally recognized methodologies" however, definitions outlined in the guidance documents do not provide

the clarity required, and in the case of “internationally recognized methodologies”, provoke even more unanswered questions.

#### *Internationally Recognized Methodology*

ACA is concerned with the lack of Canadian context and regionality referenced in this definition. Canadian-based research must be recognized especially regarding agriculture and the environment, as regionality is of the utmost importance. Across Canada there are diverse climates, ecosystems, soil types, environmental challenges, farming practices and more. This is why research and methodologies in agriculture must be tailored to specific regions, to ensure they are relevant and effectively address the needs of the area. Relying solely on methodologies recognized in two or more countries could limit or restrict using methodologies that are most applicable and appropriate to the environmental claims related to agriculture. That is not to say the Competition Bureau needs to be prescriptive on what methods can be used but instead should support the best available science and data without undue cost. Requiring a methodology to be recognized in two countries restricts the data that can be used and risks the agriculture sector being limited to inappropriate or inapplicable methodologies. Also, clarity regarding the term “recognized” is required as it is still unclear if peer-reviewed articles are appropriate. We must ensure the uncertainty around this definition is not putting Canadian industries at a competitive disadvantage.

#### *Adequate and Proper Tests*

ACA understands the flexible nature in defining proper and adequate tests and that it depends on the general impression that the representation conveys to consumers. However, in conjunction with the Private Right to Action, the lack of clarity on how to interpret this definition will lead to significant confusion and will discourage sectors from speaking about the environmental sustainability of their products. In addition, there is no mention of peer-reviewed articles in the guidance document and how they may be considered ‘adequate and proper’.

In addition, ACA is unsure around the requirements for third party verification and the extent of the verification, by whom and to what level. Additional clarity is needed. Finally, ACA highlights its concerns with ‘Principle 6: Environmental claims about the future should be supported by substantiation and a clear plan’. It appears that even if an organization has laid out the best of plans to achieve a future target, if the claim is viewed as misleading, the claim would be cause for concern. The road to sustainability is an evergreen process, as research is still ongoing and, in many instances, technologies or methods for carbon sequestration, or reduction in emissions may not be fully tested yet, and the required regulatory adaptation may still be underway. While it is important for companies, industry and government to be transparent about their environmental plans and commitments, plans like net-zero by 2050, for example, cannot be fine-tuned and may not be entirely fool-proof as new technologies and research emerge. A path to a future target can only be so clear, and the vague nature of this principle will likely disincentivize many from making forward looking environmental commitments.

ACA continues to be deeply concerned that the shift toward private access to the Competition Tribunal now including these greenwashing provisions will expose sectors to a variety of risks. The potential for an increase in frivolous lawsuits could strain resources within the Bureau and negatively impact business reputations. In addition, there appears to be no clarity to what level of

expertise is required of the Tribunal to interpret science-based claims as will be made under these greenwashing provisions. ACA continues to urge the Bureau to study the unintended consequences of the provisions and support the delay of the enactment of the expansion of the Private-Action provision until sufficient evidence can inform the Tribunal decisions. In addition, ACA is of the understanding that there will be no opportunity to comment on the guidance document in progress for the Tribunal regarding this provision, even though it is set to come into force as early as June. ACA believes more time is required for all involved parties to better understand the implications and seek clarity on this provision.

Overall, the guidance documents do not change the fact that the new provisions will have wide-reaching negative impacts on investment, innovation, adoption, and marketing. The ambiguity of the newly added greenwashing provisions and the current guidance documents undermines the industry's genuine efforts to advance sustainability, discourages sectors from making claims regarding the environmental benefits of their products or activities, and contributes to an uneven playing field by placing an additional burden on the industry that is not placed on other stakeholders such as the government and non-governmental organizations. This is because of the uncertainties and costs of defending against accusations of greenwashing. As a result, we could see industry hesitance to invest in innovation and sustainability or share the beneficial results of their research. The potential for a significant increase in costly legal fees due to frivolous claims could negatively impact Canada's reputation as a high-quality agricultural producer or decrease the frequency in which Canada speaks to the sustainability of the sector. This can put Canadian companies and sectors at a competitive disadvantage.

Finally, the ACA urges the Competition Bureau to consider the current political landscape and associated uncertainties. The Canadian agriculture sector needs to be as resilient as possible and not burdened with the potential unintended consequences that these amendments could have on the competitiveness of the agriculture sector. Even with the guidance documents, these provisions undermine genuine efforts to improve our industry standards by casting doubt on all sustainability claims. This will hurt Canada's reputation and competitiveness during an uncertain time in the world politics, especially when the industries are facing the significant threat of tariffs and trying to find new markets for their products.

Thank you for your consideration of this submission, and please do not hesitate to reach out should you have additional questions.

Our members include Canadian Canola Growers Association, Canadian Federation of Agriculture, Canadian Cattle Association, Grain Growers of Canada, Canadian Pork Council, Chicken Farmers of Canada, Turkey Farmers of Canada, Fruit and Vegetable Growers of Canada, Canadian Hatching Egg Producers, Canadian Forage and Grassland Association, National Sheep Network, National Cattle Feeders' Association, Canadian Seed Growers' Association, Mushrooms Canada, Canadian Nursery Landscape Association and Canadian Ornamental Horticulture Alliance.

Sincerely,

Original signed by

Original signed by

Dave Carey  
Co-Chair  
Agriculture Carbon Alliance

Scott Ross  
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