



February 28, 2025

Deceptive Marketing Practices Directorate
Competition Bureau
50 Victoria Street
Gatineau, Quebec
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Via email: environmentalclaims-declarationsenvironnementales@cb-bc.gc.ca

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

On behalf of The Canadian Cattle Association (CCA) and the National Cattle Feeders' Association (NCFA), we appreciate the opportunity to provide input on the Competition Bureau's proposed guidelines concerning environmental claims and greenwashing in the *Competition Act*.

Together, we are committed to advancing the sustainability of Canada's beef sector while ensuring that our members remain competitive in both domestic and international markets. Beef producers from coast to coast to coast play a crucial role in maintaining grasslands, sequestering carbon, supporting biodiversity and producing high quality protein in an environmentally sustainable way. We support policies that recognize these contributions while allowing producers to transparently communicate their sustainability efforts without undue regulatory or legal risks.

We all agree that environmental claims must be truthful, clear, and substantiated, and we support efforts to ensure transparency in the marketplace. However, as was highlighted in our previous submission, we remain concerned with the proposed greenwashing provisions, private right to action, and the new corresponding guidance document. There continues to be a concerning lack of clarity in the guidance document, and much of the information supplied remains open to interpretation, which could lead to severe unintended consequences including, but not limited to, a chilling effect on investment, innovation, adoption, and marketing.

Additionally, the expansion of the private right of action to include environmental claims greatly increases the risk of frivolous lawsuits that could harm reputations and discourage valid sustainability claims due to fear of legal repercussions. This risk won't be eliminated until clear guidance is established, which cannot be done without stakeholder input.

The new proposed guidelines try to rectify the meaning of "internationally recognized methodologies" and "proper and adequate substantiation", however, these definitions outlined do not provide the clarity needed, and in some cases, provoke additional unanswered questions.



Internationally Recognized Methodologies

The new definition provided fails to account for the unique environmental and agricultural context of Canada. Sustainability practices in beef production can vary significantly based on regional climate, soil, water, and ecosystem characteristics. 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 exclude the best-available science tailored to Canadian conditions. It is essential that methodologies reflect the Canadian environmental and agricultural context, rather than defaulting to foreign standards that may not align with local conditions. That is not to say the Competition Bureau should prescribe certain methods. Rather, it should allow for science-based evidence that reflects the best available data without imposing undue cost.

In addition, the guidance document refers to third party verification. While the Act does not expressly require third party verification, it does require internationally recognized methodologies which often require third party verification. As previously mentioned, the definition of “internationally recognized methodologies” does not provide the clarity needed, and now this point about third party verification provokes additional unanswered questions such as: Who verifies the third-party verification? Who pays for third party verification? To what level of rigor is the third-party verifier subject to?

Proper and Adequate Substantiation

We acknowledge the need for rigorous substantiation of environmental claims. However, the broad and flexible definition of "proper and adequate substantiation" could lead to inconsistent interpretations and legal uncertainty. The guidance document does not clarify whether peer-reviewed research would be considered sufficient evidence for environmental claims. In conjunction with the Private Right to Action provision, the lack of clarity on how to interpret this definition will lead to significant confusion and could discourage sectors from speaking about the environmental sustainability of their products. Given the increasing importance of sustainability in the marketplace, we must avoid a scenario where producers are disincentivized from highlighting their environmental efforts due to unclear regulatory expectations.

Consumers are increasingly seeking transparency in food production. This encourages farmers and ranchers to share more information about their practices, seek verification, and, in some cases, sell their products at a premium. However, the lack of clarity in substantiation requirements—coupled with the risk of private legal action—may discourage producers from making legitimate environmental claims. As a result, while



consumers could theoretically support more sustainable practices through their purchasing choices, the regulatory and financial hurdles make it unlikely that this kind of consumer-driven environmental benefit will grow significantly.

Under "Principle 6: Environmental claims about the future should be supported by substantiation and a clear plan", the guidelines suggest that claims could be deemed misleading if they are not entirely certain. Sustainability is an evolving field, with continuous advancements in research, technology, and best practices. Forward looking and progressive strategies inherently involve projections based on the best available data. The Bureau must recognize that while long-term environmental goals require substantiation, they also require adaptive strategies that evolve with new information.

CCA and NCFA urge the Competition Bureau to delay the implementation of the private right of action expansion until its potential consequences are thoroughly examined and can properly inform the Tribunal. If further guidance concerning the Private Right to Action provision is under development, we would strongly encourage greater consultation with the agricultural sector to ensure that the provisions do not create unintended barriers to sustainability leadership.

Overall, much greater clarity, particularly in defining acceptable methodologies and substantiation requirements, is essential for ensuring compliance without stifling legitimate environmental claims. Uncertainty surrounding the greenwashing provisions and guidance documents discourages industries from communicating legitimate environmental benefits, undermining both sustainability efforts and consumer trust. This could undermine Canada's reputation as a high-quality beef producer and put our industry at a competitive disadvantage.

Thank you for your consideration. We welcome further discussion to ensure that the efforts of Canadian beef producers are recognized and supported through fair, transparent, and practical regulatory guidance.

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