

Proposed amendments to Canada's greenwashing rules

January 20, 2026

[Bill C-15 - An Act to implement certain provisions of the budget tabled in Parliament on November 4, 2025](#) (Bill) was introduced for first reading in the House of Commons on November 18, 2025. The Bill follows the federal government's 2025 Budget, which [proposed significant amendments](#) to Canada's greenwashing provisions under the Competition Act.

The Bill proposes two key changes to the Competition Act's greenwashing framework:

- **Removal of the “internationally recognized methodology” requirement** from the business-activity greenwashing provision (paragraph 74.01(1)(b.2)). Under the proposed amendment, environmental representations about a business or **business activity would instead need to be** “based on adequate and proper substantiation, the proof of which lies on the person making the representation.”
- **Elimination of private rights of action** under the revised business-activity greenwashing provision. Private parties would, however, still be able to bring applications under the product-specific greenwashing provision (paragraph 74.01(1)(b.1)) and the general deceptive marketing practices provision (paragraph 74.01(1)(a)).

These proposed amendments follow recent changes to the Competition Act that **expanded the Commissioner of Competition's authority to take enforcement action** against misleading environmental benefits claims. Under the current framework, environmental benefit claims relating to products must be supported by adequate and proper testing, while claims about a business or business activity must be based on adequate and proper substantiation in accordance with internationally recognized methodology.

The federal government has acknowledged that the existing provisions have created investment uncertainty and, in some cases, have caused businesses to delay or scale back environmental initiatives. For businesses in and outside of Canada, these rules also have practical implications for how products and services are marketed to customers in Canada.

While the rules continue to evolve, businesses should remain vigilant. Environmental benefits claims should be accurate, specific, and supported by reliable evidence to comply with current legal requirements and to prepare for any changes that may result from the Bill. Businesses may also wish to review how environmental benefits claims are presented across their marketing channels and ensure that those claims are appropriately supported by information provided by manufacturers or third-party suppliers.

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