

[Bill C-59](#), passed in June 2024, introduced major changes to the Competition Act targeting deceptive marketing practices – especially greenwashing. These changes directly affect how digital advertisers create and substantiate environmental claims in ads.

Impacts on Digital Advertising

- **Green Claims Must Be Proven:** Ads claiming environmental benefits must be backed by proper testing and claims about business practices (e.g., “net zero by 2030”) must be substantiated using internationally recognized methods.
- **Reverse Onus:** The burden of proof is on advertisers to show that their claims are valid if challenged.
- **Private Enforcement:** Began in June 2025 – Environmental groups, NGOs, and individuals can challenge misleading ads directly before the **Competition Tribunal** if they meet a public interest test.
- **Steep Penalties:** Up to \$10 million or 3% of global revenue for misleading claims.
- **Collaboration Can Help:** Legal and sustainability experts can be involved before launching campaigns to ensure compliance. Internal review processes are also essential to avoiding risk.

What You Can Do

- Audit all green claims in current and future campaigns.
- Establish internal sign-off processes involving legal and sustainability teams.
- Avoid environmental promises and terminology unless backed by data.
- Monitor evolving federal guidance and evolving regulations.

Bill C-59 brings a notable shift to how environmental claims are handled in digital advertising. These claims now require credible evidence and careful alignment with legal standards. By ensuring messaging reflects compliance, advertisers can reinforce consumer trust and responsible practices.

If you would like to discuss this further or any other topics, please reach out to us at policy@iabcanada.com.

Sources for Further Reading:

[BD&P Law Firm - Bill C-59 Enacted: New Laws Targeting Greenwashing](#)

[BLG – False advertising and greenwashing: Bill C-59 changes to Competition Act](#)

[Blue Rock Law – The Battle Over Greenwashing – A Critical Examination of Bill C-59](#)

[Canada Climate Law Initiative – Bill C-59 and Freedom of Expression: A Legal Deep Dive into the Competition Act Amendments and the Constitutional Challenge](#)