



GREENWASHING : ENVIRONMENT

NEWS : India Introduces New Guidelines to Combat Greenwashing and Misleading Environmental Claims

WHAT'S IN THE NEWS ?

The Indian government, aiming to curb misleading environmental claims by companies, introduced new guidelines mandating businesses to back their green claims with scientific evidence. Issued by the Central Consumer Protection Authority (CCPA), these regulations target deceptive environmental advertising, enhancing consumer protection and curbing false claims.

Greenwashing:

- Refers to companies, organizations, or even countries making false or exaggerated claims about their products or services being environmentally friendly.
- A common example is the Volkswagen emissions scandal, where false claims were made about vehicle emissions.
- Greenwashing is prevalent across sectors, including companies like Shell and Coca-Cola, as well as carbon offset programs and countries' forest carbon claims.
- The UN is pushing for stricter regulations, particularly regarding net-zero commitments, to curb such deceptive practices.

CCPA's Guidelines on Greenwashing:

- Greenwashing is defined as deceptive practices that either exaggerate or hide relevant environmental information in advertisements.
- Companies are allowed to use puffery (general marketing exaggeration), but specific claims like "eco-friendly" or "carbon-neutral" must be backed by verifiable evidence, certifications, or proper disclosures.

CCPA (Central Consumer Protection Authority):

- Established under the Consumer Protection Act (CPA) 2019 to protect consumer rights and prevent unfair trade practices.



- Operates under the Ministry of Consumer Affairs, Food, and Public Distribution.



Greenwashing protesters outside COP26 venue in Glasgow in 2021. *The NYT*

SIX PRINCIPLES FOR TRUSTWORTHY ENVIRONMENTAL CLAIMS

- **Truthfulness & accuracy:** Environmental claims should be based on verifiable information through certificates from authorities or internal empirical evidence.
- **Clarity & unambiguity:** Generic terms like 'green' and 'clean' should not be used without mentioning adequate and accurate data. Easy-to-understand language should be used.
- **Fair & meaningful comparisons:** Claims that compare one product to another must be based on verifiable and relevant data. What specific aspects of the product are being compared should be disclosed.
- **Make absolute & relevant claims:** If a claim is about a specific part or feature of a product, a disclosure is needed.
- **Imagery should not give the wrong impression:** Visual elements without providing relevant details or context on the packaging cannot be used.
- **No misleading endorsement:** Claims suggesting endorsements from non-existent, non-official, or untrustworthy authorities cannot be used.

- Section 21 of the CPA Act gives the CCPA the power to penalize false or misleading advertisements with fines (up to Rs. 10 lakh) and imprisonment (up to 2 years).
- It promotes transparency in advertising, boosts consumer trust by deterring false claims, and ensures fair competition based on product merit.

Source : <https://www.newindianexpress.com/nation/2024/Oct/16/government-issues-guidelines-to-prevent-greenwashing-misleading-environmental-claims>