

# LET'S SQUASH THE GREENWASH



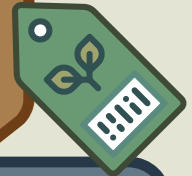
## What is greenwashing?

There is no legal definition, but greenwashing occurs when a claim is made that a product or service does more to protect the environment than it actually does. There is legislation to protect consumers and businesses from being misled in relation to green claims which trading standards can enforce. Trading standards can also advise businesses to help with compliance and educate consumers on how to avoid misleading green claims.

### PRODUCT OR SERVICE

'Green' claims on label, imagery, or slogans

Higher price tag for seller



### Businesses

The greenwashed products or services may then be passed on to unwitting businesses, sometimes for resale, taking advantage of the trust of the seller.

### The planet

Customers choosing greenwashed products over others that may be more sustainable can actually increase ecological harm

## Who can it affect?



### Businesses

Businesses wishing to protect the environment can also be misled, for example with claims that waste disposal is 'eco-friendly' when it is not. They may also purchase energy saving technology and can be misled in potential cost savings or as to how 'green' the technology actually is.

### Our planet

One component of a product may be 'green', for example, ingredients in a food product, but the packaging and transportation of the ingredients may actually harm the environment, with packaging not being recyclable or the ingredients leaving a large carbon footprint in transit. Consumers or businesses may choose a greenwashed product or service over another one which would actually be more beneficial for the environment overall.



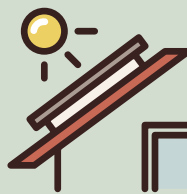
### Consumers

Greener products and services often have a higher price tag. A consumer may be misled by claims that a purchase will meet their personal ethical, health or environmental standards when it in fact does not. Consumers can be misled with imagery, vague or confusing statements, slogans or factual inaccuracies. Consumer detriment can range in severity, from smaller price increases when it comes to food products, to hundreds or thousands of pounds in the case of green energy systems in the home, to greener vehicles and eco-tourism.



## When green goes wrong

In the past, trading standards have seen misleading claims have serious consequences for consumers and businesses who made purchases to help protect the environment and save money on energy, for example, those who were misled and did not realise they no longer owned their roofs after signing up for solar panel installation. There have also been cases where false 'organic' labels applied to products have made hundreds of thousands of pounds for



unscrupulous traders. The level of profit that can be made from false claims can even attract organised crime groups. As we move towards net zero it will be increasingly important to ensure that there is a level playing field within the green economy.

A 2021 study, run by the International Consumer Protection Enforcement Network (ICPEN), and jointly led by the Competition and Markets Authority (CMA) found misleading tactics such as:

Vague claims and unclear language, including terms such as 'eco' or 'sustainable' or reference to 'natural products' without adequate explanation or evidence of the claims;

Own-brand eco logos and labels not associated with an accredited organisation;

Hiding or omitting certain information, such as a product's pollution levels, to appear more eco-friendly.

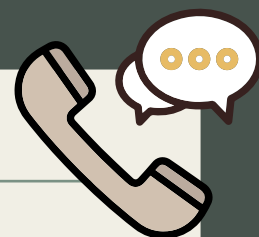
# 40%

Of firms' green claims could be misleading, according to the CMA co-ordinated ICPEN review

# 34%

Of consumers look for brands with strong sustainable credentials, a 2021 Deloitte study of 2,000 UK adults found

## Reporting



It is important that consumers or businesses contact trading standards via the relevant helpline if they are concerned about misleading green claims, so that these claims can be investigated and the appropriate action taken, whether that be advising the business or taking more formal action where necessary.

England: Citizens Advice Adviceline **0808 223 1133** or <https://www.citizensadvice.org.uk/>

Wales: Welsh language number **0808 223 1144** or <https://www.citizensadvice.org.uk/wales/>

Scotland: Consumer Advice Scot **0808 164 6000** or <http://www.consumeradvice.scot/>

Northern Ireland: Consumerline **0300 123 6262** or <https://www.nidirect.gov.uk/services/contact-consumerline-make-complaint-or-ask-advice>

The Competition and Markets Authority (CMA) can also take action on green claims and has produced a Green Claims Code for businesses and a Green Claims Code for Shoppers which can be found here <https://greenclaims.campaign.gov.uk/> The Advertising Standards Agency (ASA) can take action for misleading green claims that appear in adverts.

