

CCPA/28/2023-CCPA

Central Consumer Protection Authority

In exercise of the powers conferred by sub-clause (1) of sub-section (2) of section 18 of the Consumer Protection Act 2019 (35 of 2019), it is proposed to issue Guidelines for Prevention and Regulation of Greenwashing.

2. The Department of Consumer Affairs (DoCA) constituted a committee of stakeholders for consultation on "Greenwashing" on vide OM dated 2nd November, 2023. The committee comprise with NLUs, law firms, Government and Voluntary Consumer Organizations (VCO's) and all the major industry associations.

3. Three meetings of the committee were held to finalizing the **Draft Guidelines for Prevention and Regulation of Greenwashing**. The last meeting was held on 10th January 2024 wherein draft of proposed guidelines was discussed with the committee members. The **Draft Guidelines for Prevention and Regulation of Greenwashing** have been framed after detailed deliberations with all committee members and now being put up for public consultation. Proposed Guidelines shall be issued under section 18 (2) (1) of the Consumer Protection Act 2019.

4. The Central Authority seeks views/comments/suggestions of the public on the proposed Guidelines and views/comments/suggestions on the proposed Guidelines may be sent within 30 days (by 21th March 2024) by email to com-ccpa@gov.in. Draft Guidelines for Prevention and Regulation of Greenwashing are attached as Annexure-A.



Anupam Mishra
Commissioner

Central Consumer Protection Authority
Krishi Bhawan, New Delhi
Tel No. 011-23386666

CENTRAL CONSUMER PROTECTION AUTHORITY

NOTIFICATION

F. No.-CCPA/28/2023-CCPA – (Reg). — In exercise of the powers conferred by Section 18 of the Consumer Protection Act, 2019 (35 of 2019), the Central Consumer Protection Authority hereby issues the following guidelines for the Prevention and Regulation of Greenwashing namely:-

1. Short title and commencement — (a) These guidelines may be called the Guidelines for the Prevention and Regulation of Greenwashing, 2024.

(b) It shall come into force on the date of its publication in the Official Gazette.

2. Definitions - (1) In these guidelines, unless the context otherwise requires,-

a. “Act” means the Consumer Protection Act, 2019 (35 of 2019);

b. “Advertisement” shall have the same meaning as defined under the Act.

c. “Advertiser” shall have the same meaning as defined under the Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022;

d. “Advertising agency” shall have the same meaning as defined under the Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022;

e. "Greenwashing" means-

(i) any deceptive or misleading practice, which includes concealing, omitting, or hiding relevant information, by exaggerating, making vague, false, or unsubstantiated environmental claims.

(ii) use of misleading words, symbols, or imagery, placing emphasis on positive environmental aspects while downplaying or concealing harmful attributes.

but shall not include (i) use of obvious hyperboles, puffery, or (ii) the use of generic colour schemes or pictures; either not amounting to any deceptive or misleading practice.

f. “Environmental claims’ means: any representation, in any form, regarding:

(i) a good (either in its entirety or as a component), the manufacturing process, packaging, the manner of use of the good, or its disposal;

(ii) a service (or any portion thereof) or the process involved in providing the service, Suggesting environmentally friendly attributes.

Explanation - It may include, but not limited to:

(i) having a neutral or positive impact on the environment or contributing to sustainability;

(ii) causing less harm to the environment compared to a previous version of the same product or service;

(iii) causing less harm to the environment than competing goods or services;

(iv) being more beneficial to the environment or possessing specific environmental advantages;

all aimed at conveying a sense of environmental responsibility or eco-friendliness associated with the good or service."

g. “Service Provider” shall have the same meaning as defined under Guideline 2(1)(g) of the Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022;

(2) All words and expressions used herein, defined in the Act, shall have the same meaning as respectively assigned to them in the Act, unless explicitly defined herein.

3. Application — These guidelines shall apply to —

a. all advertisements regardless of form, format or medium;

b. a service provider, product seller, advertiser, or an advertising agency or endorser whose service is availed for the advertisement of such goods or services

4. **Non-Applicability** — These guidelines shall not apply to any advertisements or communication that is not specific to any product or service, unless the advertisement or communication directly or indirectly links to any product or service.

To Illustrate: A Company in its Mission Statement makes a statement that “its growth will be based on sustainability principles”. For the purpose of these guidelines this will not be treated as environmental claim.

However, if the Company further makes a statement that “and all its products are manufactured in sustainable manner”, then such an environmental claim will be examined for greenwashing.

5. **Prohibition against engaging in greenwashing** — No person to whom these guidelines apply shall engage in greenwashing.

6. **Substantiation of Environmental Claims** — All advertisement making Environmental claims shall comply with following obligations:-

(a) Generic terms such as 'clean', 'green', 'eco-friendly', 'eco-consciousness', 'good for the planet', 'minimal impact', 'cruelty-free', 'carbon – neutral' and similar assertions shall not be used without adequate qualifiers and substantiation and adequate disclosure as provided under clause (9) of the guideline.

(b) While using technical terms like Environmental Impact Assessment (EIA), Greenhouse Gas Emissions, Ecological Footprint, one shall use consumer friendly language and explain the meaning or implications of technical terms.

(c) All environmental claims shall be backed by verifiable evidence.

7. **Adequate disclosures** —

(a) All environmental claims shall be accurate and disclose all material information either in the relevant advertisement or communication or by inserting a QR Code, URL (or any such technology or digital medium), which will be linked to relevant information.

(b) While making disclosures in relation to environmental claims, data from research shall not be cherry picked to highlight only favorable observations while obscuring others that are unfavorable.

(c) Any person making an environment related claim should specify whether it refers to the good (as a whole as part), manufacturing process, packaging,

manner of use of the good or its disposal; or service (or part thereof) or the process of rendering the service.

(d) Comparative environmental claims that compare one product or service to another must be based on verifiable and relevant data that is disclosed to the consumers. Comparative claims must disclose exactly what aspects are being compared.

(e) Specific environmental claims such as Carbon Offsets, carbon neutral, Compostable, Degradable, Free-of, Sustainability claims, Non-Toxic, 100% Natural, Ozone-Safe and Ozone-Friendly, Recyclable, Refillable, Renewable, and similar assertions must be supported by disclosure about credible certification, reliable scientific evidence, or independent third-party verification.

(f) The disclosures made in relation to the environmental claims shall:-

- (i) be easily accessible to the consumer.
- (ii) not contradict the relevant environmental claim.

8. Other Claims — Aspirational or futuristic environmental claims may be made only when clear and actionable plans has been developed detailing how those objectives will be achieved.

9. Guidelines not in derogation of other laws — Where greenwashing is regulated under any other specific law for the time being in force or the rules or regulations made thereunder, the provisions contained in these guidelines shall be in addition to and not in derogation of, such regulation in other laws, except where provisions of the other specific laws being in conflict with these guidelines, the specific law shall prevail.

10. Interpretation — In case of any ambiguity or dispute in interpretation of these guidelines, the decision of the Central Authority shall be final.

11. Contravention of guidelines — The provisions of the Act shall apply to any contravention of these guidelines.

GUIDANCE NOTE

The Guidelines for Prevention and Regulation of Greenwashing, 2024 have been issued by the Central Consumer Protection Authority.

In furtherance of the said Guidelines, this Guidance Note is issued to provide help and guidance the industry to enable them to comply with the Guidelines.

Guidance for making environmental claims

The following should be kept in mind while making environmental claims —

1. Truthfulness and accuracy — Environmental claims must be truthful and accurate. They must be based on verifiable information by means of certificates by statutory authorities, certificates by credible authorities or internal verifiable evidence.

Illustration 1: “Our packaging is made from 100% recycled materials.” Without verifiable evidence or certification, this claim might be misleading.

Illustration 2: “Energy-efficient technology for a greener tomorrow!” Without providing specific data or comparisons, this claim may lack substance.

2. Clarity and unambiguity — With respect to Clause 6 of the Guidelines, further guidance is provided below.

Illustration 1: “Go green with our product!” The claim is unclear and ambiguous, as it doesn’t specify what does the word ‘green’ convey or how the product is environmentally friendly. Hence case adequate qualifiers and substantiation should be provided.

Illustration 2: “Harnessing the power of sustainable technology!” In relation to such a claim, specific details about how the technology is sustainable should be disclosed.

Illustration 3: “Made with minimal impact on the environment!” Without specifying what “minimal impact” means, this claim may downplay or ignore certain environmental concerns associated with the product.

3. **Fair and meaningful comparisons** — With respect to Clause 9 (d) of the Guidelines, further guidance is provided below.

Illustration 1: “Our energy-efficient light bulbs outperform all others!” The claim lacks context and does not specify which bulbs are being compared. For fair and meaningful comparisons, the company should compare its bulbs to others with similar characteristics and intended uses.

Illustration 2: “Chemical-free cleaning for a safer environment!” This claim may mislead consumers by implying that other cleaning products are unsafe.

Illustration 3: “Our product is greener than the competition!” Without providing specific details about which environmental attributes being compared, this claim can be misleading.

4. **Claims should be absolute and relevant** — If a claim pertains to a specific feature, part or stage then the fact that the claim relates only to relevant feature, part or stage should be fully disclosed that is relevant for such product.

Illustration 1: “A packaged product is labelled with an unqualified claim, “recyclable.” It is unclear from the type of product and other context whether the claim refers to the product or its package.”

Illustration 2: “A product in a multi-component package, such as a paperboard box in a shrink-wrapped plastic cover, indicates that it has recycled packaging. The paperboard box is made entirely of recycled material, but the plastic cover is not it may be misleading. The accurate claim could be paperboard box-recycled packaging”.

Illustration 3:- “A marketer advertises on the bottle of its Hand wash as “biodegradable” without qualification. The advertisement shall make clear that only the Hand wash, and not the bottle, is biodegradable.”

5. **Use of imagery without substantive changes** — Any form of visual environmental claim attempting to manipulate the consumer into believing that a product or service is environmental responsibility or eco-friendliness, without providing relevant details or context.

Illustration 1: A detergent advertisement showcases a family happily playing in an open grass ground, with the tagline, "Gentle on Clothes, Gentle on Nature." Without directly stating environmental friendliness, the imagery implies a connection between the product and a more eco-conscious lifestyle.

6. Endorsement by environmental organizations or experts or other endorsers— Claims suggesting endorsements, certifications, or seals of approval that (i) are non-existent, (ii) are intentionally misleading, or (iii) originate from non-official bodies and lack recognition from credible authorities then it is misleading; shall not be made.

Illustration 1: "Recommended by leading environmental experts!" This claim implies an endorsement by environmental organizations. This may violate the Guidelines, if there is no backing as specified above.

Illustration 2:- Labelling a product as "certified organic" without proper certification from recognized organic certifying bodies, creating a false advertisement.

Illustration 3:- An electronic product affixing counterfeit energy efficiency labels on appliances to give the impression that they meet certain standards when, in reality, they do not have.