

## CENTRAL CONSUMER PROTECTION AUTHORITY

**F. No. CCPA/28/2023-CCPA (Reg).** — The Guidelines for Prevention and Regulation of Greenwashing or Misleading Environmental Claims, 2024 are in furtherance to the Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022.

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

**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) “environmental claims” means any representation in any form regarding:

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

(ii) any service (or any portion thereof) or the process involved in providing the service:-

Suggesting environmentally friendly attributes aimed to convey a sense of environmental responsibility or eco-friendliness.

Explanation:- It may include claims for, 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;

(f.) “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, or (iii) a company mission statement that is not specific 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 an environmental claim.

However, if the Company further adds to the above-stated statement “and all its products are manufactured in sustainable manner”, then such an environmental claim will be examined for greenwashing.

(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) Words and expressions used in the guidelines, but not defined herein, but defined under the Act shall have the same meaning as respectively assigned to them in the Act.

**3. Application** — These guidelines shall apply to —

- a. all Environmental Claims;
- b. a manufacturer, service provider or trader whose goods, product or service is the subject of an advertisement, or to an advertising agency or endorser whose service is availed for the advertisement of such goods, product or service.

**4. Prohibition against engaging in greenwashing or misleading environmental claims** — No person to whom these guidelines apply shall engage in greenwashing and misleading environmental claims.

**5. Substantiation of environmental claims** — All advertisements making environmental claims shall comply with the following obligations:-

(a) Generic terms such as 'clean', 'green', 'eco-friendly', 'eco-consciousness', 'good for the planet', 'minimal impact', 'cruelty-free', 'carbon – neutral', 'natural', 'organic', 'pure', sustainable, regenerative or other similar claims shall not be used without adequate, accurate and accessible qualifiers and substantiation and adequate disclosure as provided under clause (6) 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 supported by accessible verifiable evidence based on independent studies or third-party certifications.

Explanation:- Further clarifications as per Guidance Note in **Annexure 1**

**6. Adequate disclosures** —(1) Any person making an environmental claim shall disclose all material information in the relevant advertisement or communications, or either by inserting a QR Code or URL (or any such technology or digital medium) in order to disclose detailed material information in the relevant advertisement or communication.

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

(3) Any person making an environmental claim should specify whether it refers to the goods (as a whole or as part thereof), manufacturing process, packaging, manner of use of the goods or its disposal; or service (as a whole or as part thereof) or the process of rendering the service in the relevant advertisement or communication.

(4) Comparative environmental claims that compare one product or service to another must be based on verifiable and relevant data. Comparative claims must disclose exactly what specific aspects are being compared. Refer to examples in Annexure 1.

(5) Specific environmental claims such as Compostable, Degradable, free-of, Sustainability claims, Non-Toxic, 100% Natural, Recyclable, Refillable, Renewable, plastic-free, plastic-positive, climate-positive, net-zero, and similar claims must be supported by disclosure about credible certification, reliable scientific evidence, internal verifiable evidence, certificates from statutory or independent third-party verification.

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

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

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

8. **Guidelines not in derogation of other laws** — Where environmental claims 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.

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

10. **Contravention of guidelines** — The provisions of the Act shall sustain in case of any contravention to the provisions of these guidelines.



NIDHI KHARE, Chief Commissioner

## Annexure-1

### GUIDANCE NOTE

The Guidelines for Prevention and Regulation of Greenwashing/ Misleading Environmental Claims, 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 will be misleading.

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

- 2. Clarity and unambiguity** — With respect to Clause 5 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 will downplay or ignore certain environmental concerns associated with the product.

- 3. Fair and meaningful comparisons** — With respect to Clause 6 (4) of the Guidelines, further guidance is provided below.

Illustration 1: “Chemical-free cleaning for a safer environment!” As the term Chemical-free in itself is vague as nothing is chemical-free, this claim will mislead consumers by implying that other cleaning products are unsafe.

Illustration 2: “Our product is greener than the competition!” Without providing specific details about which environmental attributes being compared, this claim will 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 disclose that is relevant for such product.

Illustration 1: A plastic package containing a new shower curtain is labelled “recyclable.” It is not clear whether the package or the shower curtain is recyclable.

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 will 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 makes clear that only the Hand wash, and not the bottle, is biodegradable.”

**5. Use of imagery without substantive claims** — Any form of visual environmental claim attempting to manipulate the consumer into believing that a product or service is environmentally responsible or eco-friendly, 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; the same shall not be made.

Illustration 1: “Recommended by leading environmental experts!” This claim implies an endorsement by environmental organizations. This will 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.



