GREENWASHING GUIDELINES, 2024: REDEFINING COMPLIANCE FOR ADVERTISERS IN INDIA

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ABSTRACT

A major advancement in the regulation of environmental marketing in India is the Central Consumer Protection Authority's Guidelines for Prevention and Regulation of Greenwashing or Misleading Environmental Claims, 2024. The Guidelines attempt to counter environmental claims made by companies and advertisements that are deceptive, ambiguous, inflated, or unsupported. They set standards for verifying environmental claims, making disclosures easily accessible, controlling implicit and comparative environmental claims, and guaranteeing that aspirational environmental statements are backed by practical measures. The Guidelines expand accountability throughout the advertising chain by applying broadly to manufacturers, service providers, traders, advertisers, advertising agencies, and endorsers. The main compliance requirements brought about by the Guidelines are examined in this article along with how they affect companies that make environmental claims. The definition and extent of environmental claims, the need for substantiation, disclosure requirements, comparison claims, certification and endorsement claims, and aspirational or futuristic environmental representations are all specifically examined. The relationship between the Guidelines and India's larger framework for consumer protection is also examined in this article. It contends that by moving away from generic sustainability-focused marketing and toward evidence-based environmental communication, the Guidelines would improve consumer protection, accountability, and openness.

Keywords: Greenwashing; Environmental Claims; Consumer Protection; CCPA; Misleading Advertisements; Sustainability

INTRODUCTION

If the packaging for your brand claims to be "eco-friendly," "green," or "sustainable," you might soon need to provide evidence or an explanation. On October 15, 2024, the Central Consumer Protection Authority (CCPA) released the *Guidelines for Prevention and Regulation of Greenwashing or Misleading Environmental Claims, 2024*, a set of regulations targeted at companies that use environmental language to disguise common products without providing evidence to support their claims.[1] A draft of the Guidelines was made available for public comment in February 2024, and before the wording was finalized, the CCPA solicited feedback from 27 stakeholders, including academic institutions, business associations, and consumer advocacy groups.[2] They apply to all environmental claims made in India in TV ads, product labels, websites, and social media, and they expand upon the CCPA's 2022 framework on deceptive advertisements.[3]

This is not a minor compliance footnote for companies in FMCG, fashion, electronics, real estate, and almost every consumer-facing industry. Industry observers have identified it as a major change in the way environmental marketing needs to be proven. It modifies the composition, evaluation, and proof of marketing copy.

What Counts as an "Environmental Claim"?

The Guidelines intentionally provide a broad definition of what constitutes an environmental claim. It is described as any representation that implies an eco-friendly or environmentally responsible quality about a product, either in its entirety or as a single component, about its manufacturing process, packaging, usage, or disposal, or about a service or any part of the process involved in providing that service.[4] This includes assertions that a product is more environmentally beneficial or has particular environmental advantages, that it has a neutral or positive impact on the environment or contributes to sustainability, or that it causes less harm than an earlier version of itself or a competing product.[5]

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[1] *Guidelines for Prevention and Regulation of Greenwashing or Misleading Environmental Claims*, 2024, F. No. CCPA/28/2023-CCPA (Reg.).

[2] Press Information Bureau, *Central Consumer Protection Authority Issues Guidelines for "Prevention and Regulation of Greenwashing and Misleading Environmental Claims"* (Oct. 15, 2024), https://www.pib.gov.in/PressReleaseIframePage.aspx?PRID=2064963&lang=2&reg=48.

[3] *Id.,* cl. 3.

[4] *Id.,* cl. 2(1)(e).

[5] *Id., cl. 2(1)(e), Explanation (i)–(iv).*

Additionally, the Guidelines carefully distinguish between an actionable claim and marketing puffery. Since it is not specific to any one product or service, a general "we believe in sustainability" line in a company's mission statement is not considered an environmental claim. However, the moment that statement becomes concrete for instance, by adding "and all our products are manufactured in a sustainable manner" it falls squarely within scope and needs to be supported like any other claim.[6] This distinction is important for the wording of investor-facing sustainability statements, annual reports, and company communications because language that might be innocuous in a mission statement can turn into a regulated claim the instant it is linked to a particular product line.

What Is "Greenwashing"?

According to the CCPA Guidelines, “greenwashing” refers to any deceptive or misleading practice that involves concealing, omitting, or hiding pertinent information by exaggerating, making vague, false, or unsupported environmental claims, or using deceptive words, symbols, or imagery that emphasize positive environmental aspects while downplaying or concealing harmful attributes.[7] However, the definition's reach is constrained. The use of generic colour schemes or images that do not constitute a deceptive practice, genuine hyperbole or puffery, and business mission statements that are not particular to any product or service are all clearly defined and will not be considered greenwashing on their own.[8]

The Guidelines' Clause 4 makes it clear who is responsible for what: no manufacturer, service provider, trader, advertiser, advertising agency, or endorser may make false environmental claims or engage in greenwashing.[9] This list is purposefully wide. If the underlying environmental claim turns out to be unsupported, advertising agencies and even individual endorsers who contribute their name or image to a campaign may also be held accountable because the obligation extends throughout the entire advertising chain rather than just the brand owner.

The Substantiation Requirement of the New Framework

This constitutes the Guidelines' operational core. It is not acceptable to use popular buzzwords

[6] *Id., cl. 2(1)(f), Illustration.*
[7] *Id.*, cl. 2(1)(f)(i)–(ii).
[8] *Id.*, cl. 2(1)(f), proviso.
[9] *Id.*, cl. 4.

like "clean," "green," "eco-friendly," "natural," "organic," "carbon-neutral," "cruelty-free," "sustainable," "regenerative," and others without sufficient qualifiers, readily available evidence, and appropriate disclosure.[10] Instead of being left as unexplained jargon, technical terminology like "Environmental Impact Assessment" must be described in language that is understandable to consumers.[11] Every assertion needs to be supported by independent research or third-party validation, if possible.[12]

A higher standard is applied to specific claims. Words like "compostable," "biodegradable," "non-toxic," "100% natural," "recyclable," "refillable," "renewable," "plastic-free," "net-zero," and "climate-positive" need to be backed up by reputable certification, trustworthy scientific proof, or verifiable internal statistics.[13]

Disclosures Must Be Real, Not Decorative

Clause 6 requires anybody making an environmental claim to include all relevant information in the advertisement or communication, either directly or by a URL, QR code, or other comparable digital means.[14] These disclosures must, however, continue to be readily available and not conflict with the environmental assertion they bolster.[15] Advertisers cannot selectively highlight positive results from a study while hiding negative ones when a claim is based on research.[16] Additionally, they must make it clear whether the claim covers the entire product or service or only a specific portion, procedure, packaging, stage of use, or disposal.[17]

Annexure 1 illustrates these requirements through practical examples. A shower curtain packaged in plastic cannot simply be labelled "recyclable" without clarifying whether the claim refers to the curtain or only the packaging.[18]

Comparative Claims Need Real Data

Under the Guidelines, comparative environmental statements like "greener than the

[10] *Id.*, cl. 5(a).
[11] *Id.*, cl. 5(b).
[12] *Id.*, cl. 5(c).
[13] *Id.*, cl. 6(5).
[14] *Id.*, cl. 6(1).
[15] *Id.*, cl. 6(6).
[16] *Id.*, cl. 6(2).
[17] *Id.*, cl. 6(3).
[18] *Id.*, Annexure 1, pt. 4, illus. 1.

competition" or "chemical-free cleaning" are closely examined. Since everything is formed of chemicals, the term "chemical-free" is factually incorrect, according to the Guidance Note, and such statements can mistakenly suggest that rival products are dangerous.[19] Therefore, rather than depending on ambiguous or general claims, any comparative environmental claim must be backed by reliable information and precisely identify the environmental characteristics being compared.[20]

Implied environmental claims made through images are similarly governed by the Guidelines. Advertisements that use phrases like "gentle on nature" or images of verdant landscapes may be considered "greenwashing" if they convey an unsubstantiated sense of environmental responsibility.[21] Similarly, claims of certification or endorsement such as phony energy-efficiency labels or unsubstantiated claims that a product is "certified organic" that are deceptive, untrue, or provided by unreputable organizations are forbidden.[22]

Regulating Aspirational and Futuristic Environmental Claims

Businesses that make long-term environmental commitments, like net-zero-by-2050 pledges or vows to become carbon-neutral or completely plastic-free by a certain date, cannot do so carelessly or as a matter of ambition alone. Clause 7 mandates that assertions that are aspirational or futuristic may only be made in situations where specific, workable plans outlining how such goals will be accomplished have previously been created.[23] Instead of using the promise as a stand-in for an unfinished strategy, this effectively demands businesses to have a documented, credible transition plan in place before making the public commitment.

The remainder of India's regulatory environment is not isolated from the Guidelines. The Guidelines apply in addition to, rather than in place of, other specific laws currently in effect that regulate environmental claims separately, or under rules or regulations made under such laws, with the exception that in cases where the provisions actually conflict, the more specific law will take precedence.[24] The Consumer Protection Act, 2019 provides the statutory framework for enforcement, and contraventions of the Guidelines are dealt with within the

[19] *Id.*, Annexure 1, pt. 3, illus. 1.
[20] *Id.*, cl. 6(4); Annexure 1, pt. 3, illus. 2.
[21] *Id.*, Annexure 1, pt. 5, illus. 1.
[22] *Id.*, Annexure 1, pt. 6, illus. 1–3.
[23] *Id.*, cl. 7.
[24] *Id.*, cl. 8.

broader framework governing misleading advertisements.[25] Practically speaking, secondary commentary on the Guidelines points out that this can result in the CCPA issuing cease-and-desist orders or corrective directives, imposing monetary penalties commensurate with the seriousness of the infraction, and mandating compensation for customers who were clearly misled by false or unsupported environmental claims.[26]

Conclusion

An important change in the regulation of environmental marketing in India was brought about by the CCPA's Guidelines for Prevention and Regulation of Greenwashing or Misleading Environmental Claims, 2024. By forcing advertisers to support environmental claims with reliable data, provide transparent disclosures, and refrain from making ambiguous, inflated, or deceptive statements, they go beyond general sustainability rhetoric. The Guidelines encourage more openness and customer trust by extending accountability to manufacturers, advertising, agencies, and endorsers. In the end, they increase consumer protection and promote ethical company practices by reiterating the idea that environmental statements must represent real sustainability measures rather than being merely marketing gimmicks.

[25] Consumer Protection Act, 2019, No. 35, Acts of Parliament, 2019 (India); *Guidelines for Prevention and Regulation of Greenwashing or Misleading Environmental Claims*, 2024, cl. 10.

[26] KPMG in India, *Guidelines to Regulate Greenwashing and Misleading Environmental Claims*, FirstNotes (Dec. 2024), https://kpmg.com/in/en/insights/2024/12/firstnotes-guidelines-to-regulate-greenwashing-and-misleading-environmental-claims.html