



## The fight against the multiple forms of greenwashing: business motives, effects and cases

### What is greenwashing?

Greenwashing is a concept used to express the practice of falsifying or magnifying the green, ecological, sustainable credentials of a product, service, brand or company<sup>1</sup>. The main purpose of using this practice is advertising, capitalizing on public concern for the environment, without the need for the actions to be truly efficient for the cause<sup>2</sup>.

This practice has spread widely, and we find it in more and more sectors, from the textile sector to the energy sector, through electronics, food, finance, and a long etcetera<sup>1</sup>.

Greenwashing includes many different actions, from the use of certain colours, labels, or omitting information to create the impression that the product is sustainable<sup>1</sup>.

### Why do business use greenwashing?

Companies use greenwashing to implement policies in a capitalist context governed by neoliberal ideology, a theory that determines that deregulation and market freedom are crucial for a prosperous economy<sup>3</sup>. This means that profit is sought at any cost. Therefore, greenwashing is used as a tool to obtain more

profits. On the contrary, if companies were to dedicate real efforts to protecting the environment and the working class, it would imply changing their operating system and would directly lead to a loss of profits, investors, and therefore, it is equivalent to losing competitive advantage.

There are a number of reasons why companies use greenwashing:

1. Rewriting the narrative about what climate change and climate action mean, and redirecting the focus and responsibility to factors outside the company, such as customers themselves. An example of this practice by companies is the creation of products that venerate climate actions with slogans such as “Climate warriors”, which will bring them an increase in sales and profits, and will generate the idea that the company looks after these values, without necessarily being linked to their actions. Or, on the other hand, publishing information about daily activities of people that have a negative impact on the planet, to hold citizens accountable and hide information about the multinational



activities of companies that have a negative impact on the planet.

2. Offering a false sense of security: if companies manage to make society trust them, no one will get in the way of their actions. In this way, companies can avoid the creation of new policies that regulate their impacts on the planet.
3. To meet current standards of being green.

### **How big is the problem? Which effects does it have?**

The European Commission published a study in 2021, which states that 42% of green claims in the digital market were false, exaggerated, misleading, or could be classified as unfair trading practices<sup>4</sup>. In half of the cases analysed, the seller did not provide sufficient information to allow consumers to make their judgement; they included generic claims that gave consumers the impression that the product has no negative effects on the planet; and in 59% of cases the merchant did not offer access to the justification of the sustainable claim<sup>4</sup>. On the other hand, the YouGov survey from 2021 shows the results that 52% of UK consumers base their purchasing decisions on the green credentials of brands<sup>5</sup>. There is an ecological awareness that has motivated the population to invest in the ethical market. However, as the results of the European Commission study show, investment is not really made in the market with values and

ethics, due to the use of greenwashing. Since sustainable credentials have now been shown to be a competitive resource for companies, greenwashing has also become an unfair practice within business practices<sup>1</sup>.

The problems of greenwashing include the obstruction of the ecological transition, since consumers' energy is not allocated to truly sustainable practices<sup>2</sup>. Furthermore, this false sense of security, the belief that a change is taking place, which is not really happening, avoids political and social attention towards the activities of companies, avoiding the creation of regulations for business activities regarding their impact on the planet. As a result of this fact, companies have increased their practices that are harmful to the environment, such as excessive production of waste, dependence on synthetic products derived from fossil fuels<sup>1</sup>...

On the other hand, the practice of greenwashing entails a violation of consumer rights, since they are deceived or relevant information is hidden<sup>2</sup>.

### **Greenwashing cases**

This use of greenwashing can be found in all business sectors and in a wide variety of forms.

Mango, for example, includes a lined vest in its sustainable *Committed* range, as it uses



recycled polyester for its lining, however, this material represents a small percentage of the piece<sup>6</sup>.



Promoting this product as sustainable when its production continues to have a negative impact on the planet is deceiving the customer and promoting a false solution<sup>6</sup>. This is not the only example of an illegitimate practice by Mango, and we find other garments from its *Committed* collection such as a pair of wide-leg, double-waist trousers that are made of polyester, wool and elastane, and contain 31% sustainable viscose. However, this fact does not prevent the mix of materials from being impossible to recycle afterwards, and therefore from being a product that has negative effects on the planet<sup>6</sup>.



In the food sector, we find examples in both production and distribution companies.

In the case of Mercadona, the brand distributes disposable plastic utensils in packaging that contains a tree-lined planet and the word reusable, which suggests that it is a sustainable product, when it is a product made of polystyrene, a type of plastic that is almost impossible to recycle<sup>7</sup>. Likewise, Mercadona advertises itself as a company committed to the planet with measures such as the creation of a photovoltaic plant that reaches 100 MW of renewable energy throughout the chain<sup>8</sup>. Despite these measures, the company continues to use a quantity of non-renewable energy, and distributes products that have a negative impact on the planet, and uses misleading advertising at the expense of the planet.



Mercadona inaugura su mayor planta fotovoltaica y alcanza los 100 MW de energía renovable en toda la cadena

21 de junio de 2024



- ✓ Ubicada en el bloque logístico de Abrera (Barcelona), esta nueva instalación cuenta con 16.500 paneles solares, una potencia de 8 MW y una capacidad de generación de 9,5 GWh anuales, que evitarán la emisión de 1.270 toneladas de CO2 al año.
- ✓ Mercadona suma 100 MW instalados en cubierta (autoconsumo "on-site"). Esta potencia le permitirá generar el consumo anual energético equivalente a 40.000 viviendas y evitar la emisión de 16.000 toneladas de CO2 al año.

In the field of food production, we find many examples of greenwashing, one of them being found in the practices of Dairy Farmers of America. Being the third largest dairy company on a global scale and the largest in the United States of America, in 2022 they launched a campaign showing how the company can help the environment, and announcing that by 2050 they would achieve zero emissions<sup>9</sup>. Despite the positive impact of the campaign, it omitted information, paying a lot of attention to the use of renewable energy, the optimization of transport and production plants. But it does not express that its great impact (59% of emissions) is produced by the emission of methane, which comes from cow belching, and, therefore, this percentage cannot be reduced with the proposed measures<sup>9</sup>.

The company Procter & Gamble, producer of Fairy among others, also has examples of greenwashing, such as the use of beach cleaning campaigns<sup>10</sup>. While beach clean-ups

are helpful in raising awareness, the plastic crisis will never be eradicated if companies continue to produce plastic. According to Break Free From Plastics' 2021 report, Procter & Gamble is one of the top 10 companies contributing to plastic pollution, alongside The Coca-Cola Company, PepsiCo, Unilever, Nestlé, Mondelz International, Philip Morris International, Danone, Mars, Inc., and Colgate-Palmolive<sup>11</sup>.



Despite being some of the most polluting companies due to plastic production according to the 2021 Break Free From Plastics report, PepsiCo, Unilever, Nestlé, Mondelz International, and Mars created the UK Flexible Plastic Fund in March 2021 to recycle soft plastics<sup>12</sup>. This advertising strategy is another use of greenwashing, as companies seek to clear their name with a practice that does not abolish the great impact caused by their business activities.

We also find this commercial practice in the technology sector, a highly polluting sector. The electronics company HP participated in the NextWave initiative with its new HP Elite



Dragonfly product, announced as the first laptop with plastics rescued from the Ocean<sup>13</sup>. This statement, although true, is also misleading, as it implies that its production has been based on recycled plastics when only 5% of computer speakers contain this material<sup>13</sup>. Beyond the lack of information, we find the propagation of the idea that the use of recycled plastic will avoid the problem, when the only real solution is to stop using plastic. Also, the best way to recycle plastic bottles, the main bulk of recycled plastic from the sea, is by producing plastic bottles, so that we can continue recycling continuously.



### **Fight against greenwashing**

Greenwashing is currently a widespread practice and consumers are completely exposed to it, so the burden should not fall on the customer and states must ensure their protection. Regulations are needed that are consistent with the current context, the democracy of information, over-information and the difficult access to certain information. For this reason, on March 6, 2024, the new Directive (EU) 2024/825 of the European Parliament and of the Council of February 28, 2024, which modifies Directives 2005/29/EC

and 2011/83/EU, in reference to the empowerment of consumers for the ecological transition with improved protection against unfair practices and through better information<sup>14</sup>, was published in the Official Journal of the European Union.

This Directive contains obligations for companies, public commitments and offers mechanisms to guarantee their performance. Companies' obligations include: providing clear, relevant and reliable information, including on goods obsolescence, environmental claims, social characteristics and sustainability credentials; avoiding misleading practices such as advanced obsolescence planning; providing information on sustainable delivery options, after-sales and repair services; providing clear information on software updates and the effects on the operation of digital devices; and prohibiting the use of sustainability credentials that do not come from a certification system or have not been approved by public authorities<sup>14</sup>.

Among the public commitments, the promotion of the adoption of sustainable and transparent practices in the market is requested<sup>14</sup>.

Among the established mechanisms are: verification by third parties with environmental expertise and ensuring the availability of the information obtained from



the verifications for the consumer; and the existence of inspections and audits to verify the obligations by competent authorities with sanctions and corrective measures<sup>14</sup>.

Sanctions can vary from exclusion from bidding for public contracts, loss of income and fines of at least 4% of annual income<sup>14</sup>.

In 2022, the UN also took a stand against greenwashing and presented a report at COP27 to set limits on business activities regarding climate action<sup>15</sup>. This report offers ten recommendations:

1. Announce net-zero commitment<sup>16</sup>
2. Set zero-emissions targets<sup>16</sup>
3. Use offset credits after taking action to meet targets<sup>16</sup>
4. Create a transition plan and make it public<sup>16</sup>
5. Phase out fossil fuels and increase renewable energy<sup>16</sup>
6. Lobby governments to act against fossil fuels as well<sup>16</sup>
7. Avoid contributing to deforestation<sup>16</sup>
8. Increase transparency on progress and foster accountability<sup>16</sup>
9. Invest in just transitions, including with financial institutions and multinational companies<sup>16</sup>
10. Accelerate the path to regulation to avoid emissions<sup>16</sup>

Despite the UN's censorious attitude, this report presented at COP27, prepared by

experts from different member states, is not binding, and therefore it will be necessary to evaluate later whether the business sector has followed the recommendations.

## **Conclusions**

The creation of measures such as the new Directive (EU) 2024/825 seeks to guarantee consumers' right to information and prevent the use of greenwashing for commercial purposes. However, these measures do not have a direct impact on solving the real problem behind greenwashing, the need for climate action.

Real climate action involves a paradigm shift, calling for degrowth, building with local materials, agroecological farms, ecosocialism. All of these elements involve destroying the current operating system of companies, eliminating the system of obtaining quick profits established in it. In order to achieve this paradigm shift, it is necessary to modify the system of priorities of companies. In the neoliberal capitalist system, companies have economic benefits in first place, this priority should change, establishing people and the planet as the main priority.

The first step may be to create regulations to avoid the capitalization of the planet and sustainability, but it is necessary to continue working so that business activities really look after the planet and sustainability.



**Asociación para las  
Naciones Unidas  
en España**  
United Nations Association of Spain

**Berta Marí Pla**

Estudiante del máster de Derechos  
Humanos, Democracia y Globalización

**UOC**

---





### **Fuentes de referencia:**

- <sup>1</sup>Changing Markets. (n.d.). Greenwash Information. Greenwash. <https://greenwash.com/information/>
- <sup>2</sup>National Geographic. (n.d.). *Greenwashing: qué es, cómo es la nueva normativa europea y otras claves.* National Geographic. [https://www.nationalgeographic.com.es/medio-ambiente/greenwashing-que-es-como-se-esta-combatiendo-otras-claves-esta-practica\\_22526](https://www.nationalgeographic.com.es/medio-ambiente/greenwashing-que-es-como-se-esta-combatiendo-otras-claves-esta-practica_22526)
- <sup>3</sup>Our Changing Climate. (2022, febrer 11). *Why Companies Need to Greenwash.* Our Changing Climate. <https://www.youtube.com/watch?v=-xjZ54TFT2o&t=448s>
- <sup>4</sup>Comisión Europea. (n.d.). *Screening of websites for 'greenwashing': half of green claims lack evidence.* Comisión Europea. [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_21\\_269](https://ec.europa.eu/commission/presscorner/detail/en/ip_21_269)
- <sup>5</sup>Glenday, J. (2021, Juliol 21). *Half of UK shoppers influenced by brand eco credentials, claims sustainability survey.* The Drum. <https://web.archive.org/web/20220627075221/https://www.thedrum.com/news/2021/07/21/half-uk-shoppers-influenced-brand-eco-credentials-claims-sustainability-survey>
- <sup>6</sup>Changing Markets. (n.d.). *Mango Archives - Greenwash.* Greenwash. <https://greenwash.com/brands/mango/>
- <sup>7</sup>Changing Markets. (n.d.). *Mercadona Archives - Greenwash.* Greenwash. <https://greenwash.com/brands/mercadona/>
- <sup>8</sup>Mercadona. (2024, Juny 21). *Mercadona inaugura su mayor planta fotovoltaica - Mercadona.* Mercadona. <https://info.mercadona.es/es/cuidemos-el-planeta/nuestros-hechos/mercadona-inaugura-su-mayor-planta-fotovoltaica-y-alcanza-los-100-mw-de-energia-renovable-en-toda-la-cadena/news?idCategoriaSeleccionada=1470731340250>
- <sup>9</sup>Changing Markets. (n.d.). *Dairy Farmers of America (DFA) Archives - Greenwash.* Greenwash. <https://greenwash.com/brands/dairy-farmers-of-america-dfa/>
- <sup>10</sup>Changing Markets. (n.d.). *Fairy Archives - Greenwash.* Greenwash. <https://greenwash.com/brands/fairy/>
- <sup>11</sup>Brandaudit. (n.d.). *Report 2021. Break Free From Plastic.* <https://brandaudit.breakfreefromplastic.org/wp-content/uploads/2022/11/BRAND-AUDIT-REPORT-2021.pdf>
- <sup>12</sup>Changing Markets. (n.d.). *Flexible Plastic Fund Archives - Greenwash.* Greenwash. <https://greenwash.com/brands/flexible-plastic-fund/>
- <sup>13</sup>Changing Markets. (n.d.). *HP Archives - Greenwash.* Greenwash. <https://greenwash.com/brands/hp/>
- <sup>14</sup>BOE. (2024, febrer 28). *DIRECTIVA (UE) 2024/825 DEL PARLAMENTO EUROPEO Y DEL CONSEJO de 28 de febrero de 2024 por la que se modifican las Directivas 2005/29/CE y 2011/83/UE en lo que respecta al empoderamiento de los consumidores para la transición ecológica mediante una mejor pr.* Diario Oficial de la Unión Europea. <https://www.boe.es/doue/2024/825/L00001-00016.pdf>





**Asociación para las Naciones Unidas en España**  
United Nations Association of Spain

<sup>15</sup>Pacto Mundial. (n.d.). *Te contamos las claves sobre la nueva acción de la ONU contra el greenwashing - Pacto Mundial*. Pacto Mundial. Retrieved December 18, 2024, from <https://www.pactomundial.org/noticia/te-contamos-las-claves-sobre-la-nueva-accion-de-la-onu-contra-el-greenwashing/>

<sup>16</sup>United Nations' High-Level Expert Group on the Net Zero Emissions Commitments of NonState Entities. (2022). *Integrity Matters: Net Zero Commitments by Businesses, Financial Institutions, Cities and Regions*. ONU. [https://www.un.org/sites/un2.un.org/files/high-level\\_expert\\_group\\_n7b.pdf](https://www.un.org/sites/un2.un.org/files/high-level_expert_group_n7b.pdf)

**Publicado por:**



**Asociación para las Naciones Unidas en España**  
United Nations Association of Spain

**Con el apoyo de:**



**Generalitat de Catalunya**

ANUE no se hace responsable necesariamente de las opiniones de sus colaboradores

**Published by**



**Asociación para las**

**With the Support of**



**Generalitat**