



CURRENT AFFAIRS



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GREENWASHING

This article covers "Daily Current Affairs" and the topic details "Greenwashing". The topic "Greenwashing" has relevance in the Environment section of the UPSC CSE exam.

Relevance:

For Prelims:

What is Greenwashing?

For Mains:

GS 3: Environment

Negative impacts of greenwashing?

Challenges in tackling Greenwashing?

Way forward?

Why in the news?

The International Sustainability Standards Board (ISSB) plans to introduce new norms that will establish globally uniform sustainability and climate standards for companies starting in 2024. These norms aim to provide a consistent framework for companies to follow worldwide, ensuring greater transparency and accountability in their environmental practices. By implementing these standards, the ISSB seeks to address the current challenges of greenwashing, promote sustainable business practices, and facilitate a more comprehensive and reliable assessment of companies' environmental impact.

What is Greenwashing?

Greenwashing refers to the deceptive or misleading practices of companies or organizations that claim to be environmentally friendly or sustainable when, in reality, they are not. Here are some key facts about greenwashing:

- **Prevalence:** Greenwashing is a widespread issue across various industries, including fashion, beauty, food, energy, and transportation. Many companies use greenwashing tactics to appeal to environmentally conscious consumers and enhance their brand image.
- **Misleading Labels:** Greenwashing often involves the use of misleading labels or certifications that give the impression of eco-friendliness. These labels may be vague, unregulated, or self-created by the company, making it challenging for consumers to discern genuine environmentally friendly products or services.
- **Empty or Exaggerated Claims:** Greenwashing can involve making empty or exaggerated claims about a company's environmental initiatives or the sustainability of its products. This could include statements like "all-natural," "eco-friendly," or "100% sustainable" without providing substantial evidence to support these claims.

- **Tokenism:** Some companies engage in tokenistic gestures or small, insignificant changes to portray themselves as environmentally conscious. For example, a company may promote a single eco-friendly product while the majority of its offerings remain environmentally harmful.
- **Irrelevant or Distracting Information:** Greenwashing can involve highlighting minor environmental attributes of a product or service while neglecting more significant environmental impacts. This tactic diverts attention away from the company's overall negative environmental practices.

Negative impacts of greenwashing?

- **Misleading Consumers:** Greenwashing deceives consumers into believing that products or services are more environmentally friendly than they actually are. This misleads consumers who genuinely want to make sustainable choices and can undermine their efforts to support genuinely eco-friendly companies or products.
- **Undermining Trust:** Greenwashing erodes trust between companies and consumers. When companies engage in deceptive practices, it can damage their reputation and make consumers skeptical about sustainability claims in general. This lack of trust can hinder genuine sustainability efforts and discourage consumers from supporting truly environmentally responsible businesses.
- **Impeding Progress:** Greenwashing can slow down progress towards a more sustainable future by diverting attention and resources away from genuine sustainability initiatives. When companies focus on marketing and promoting a false image of sustainability instead of implementing substantive changes, it hampers the overall efforts to address pressing environmental challenges.
- **Lack of Accountability:** Greenwashing allows companies to avoid accountability for their environmental impact. By creating an illusion of sustainability without taking meaningful action, companies can sidestep responsibility for their negative environmental practices or lack of progress towards sustainability goals.
- **Overconsumption and Waste:** Greenwashing can contribute to overconsumption and wasteful practices. When companies promote products as "green" or "eco-friendly" without significant environmental benefits, it can lead to increased consumption of these products without a genuine reduction in environmental impact. This can further strain natural resources and contribute to waste generation.
- **Dilution of Standards:** Greenwashing can undermine efforts to establish clear standards and regulations for sustainable practices. By misusing or misrepresenting existing certifications or labels, companies can dilute the significance of these standards and create confusion among consumers. This makes it more difficult to differentiate between genuinely sustainable products and those that are falsely labeled as such.
- **Environmental Harm:** Greenwashing can perpetuate environmentally harmful practices by giving companies the appearance of sustainability without making substantive changes to their operations. This can include practices such as excessive resource consumption, pollution, deforestation, or contribution to climate change. These activities continue to harm the environment while misleading consumers about the true impact of the company's operations.

Challenges in tackling Greenwashing?

- **Lack of Regulatory Framework:** One of the primary challenges is the absence of comprehensive and standardized regulations specifically targeting greenwashing. Without clear guidelines and enforcement mechanisms, it becomes difficult to hold companies accountable for their deceptive sustainability claims.
- **Ambiguity in Terminology:** The lack of standardized terminology and definitions related to sustainability and environmental claims creates confusion. Terms like "natural," "green," or "eco-

friendly” can be interpreted differently by different companies and consumers, leading to inconsistent and misleading claims.

- **Limited Enforcement and Penalties:** Even in cases where greenwashing is identified, the enforcement of penalties can be inadequate or inconsistent. Regulatory bodies may have limited resources or face challenges in proving deceptive intent, resulting in lenient consequences for companies engaging in greenwashing practices.
- **Complexity of Supply Chains:** Many products have complex supply chains, making it challenging to track and verify environmental claims accurately. Companies may make sustainability claims based on a single aspect of their product or supply chain while neglecting the overall environmental impact.
- **Lack of Transparency:** Greenwashing thrives in environments where companies are not required to disclose comprehensive information about their environmental practices. The absence of transparency makes it difficult for consumers and watchdog organizations to assess the validity of sustainability claims.
- **Limited Consumer Awareness:** Many consumers may not be aware of greenwashing or how to identify deceptive sustainability claims. Lack of knowledge and information can make it easier for companies to manipulate consumer perceptions and continue engaging in greenwashing practices.
- **Influence of Marketing and Advertising:** Companies often use sophisticated marketing techniques to promote their green initiatives, making it challenging for consumers to differentiate between genuine sustainability efforts and greenwashing. Companies with significant marketing budgets may have an advantage in shaping consumer perceptions.
- **Time and Resource Constraints:** Identifying and exposing greenwashing practices requires significant time, resources, and expertise. Consumer advocacy groups, NGOs, and regulatory bodies may face limitations in terms of manpower, funding, or access to data, making it difficult to thoroughly investigate and address every instance of greenwashing.
- **International Coordination:** Greenwashing is a global issue, and coordination among different countries and regulatory bodies is essential. Harmonizing regulations, sharing best practices, and collaborating on enforcement can be challenging due to differing priorities, legal frameworks, and resource availability across jurisdictions.
- **Evolving Nature of Greenwashing:** Greenwashing tactics can evolve and adapt over time, making it difficult to keep up with new deceptive practices. As companies become more aware of consumer demand for sustainability, they may employ subtler methods of greenwashing that are harder to detect and address.

Way forward?

- **Strengthen Regulations:** Governments and regulatory bodies should establish clear and enforceable regulations specifically targeting greenwashing practices.
- **Enhance Transparency and Disclosure:** Companies should be encouraged to provide transparent and comprehensive information about their environmental practices, supply chains, and sustainability initiatives.
- **Establish Independent Verification and Certification:** Third-party verification and certification bodies should be supported and promoted to provide independent assessments of companies' sustainability claims.
- **Educate and Empower Consumers:** Consumer awareness campaigns and educational initiatives should be undertaken to enhance understanding of greenwashing tactics and help consumers make informed choices.
- **Foster Collaboration and Knowledge Sharing:** Collaboration among governments, regulatory bodies, industry associations, and NGOs is crucial in tackling greenwashing effectively.

- **Encourage Industry Self-Regulation:** Industry associations and business groups should take an active role in self-regulation and setting higher sustainability standards.
- **Invest in Research and Development:** Continued research and development efforts are necessary to drive innovation and develop more sustainable practices and technologies.

Source:

<https://economictimes.indiatimes.com/news/international/world-news/new-carbon-accounting-rules-for-cos-target-greenwashing/articleshow/101288390.cms?from=mdr>

Q.1 Which of the following best describes the term “greenwashing”?

- (a) The act of environmentally conscious individuals engaging in activism for environmental causes.
- (b) The process of enhancing the natural beauty of a landscape through sustainable practices.
- (c) Deceptive or misleading practices by companies or organizations that claim to be environmentally friendly or sustainable.
- (d) The act of recycling and reusing waste materials to reduce environmental impact.

Answer: (c)

Q.2 Which of the following statements regarding greenwashing is/are correct?

1. Greenwashing refers to the deceptive or misleading practices of companies or organizations that claim to be environmentally friendly or sustainable when, in reality, they are not.
 2. Greenwashing primarily occurs in the fashion and beauty industries, while other industries are relatively immune to such practices.
- (a) 1 only
 - (b) 2 only
 - (c) Both 1 and 2
 - (d) None of the above

Answer: (a)

Q.3 Greenwashing has emerged as a major challenge in the promotion of sustainable practices. Discuss the concept of greenwashing, its impact on various stakeholders, and the measures that can be taken to effectively address this issue.

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