

OFFICE OF CONSUMER PROTECTION

What is “greenwashing”

July 18, 2019

...and how to avoid it

False Environmental and Natural Claims

Consumer demand for environmentally sound products has recently grown, as a result, companies in various industries have attempted to capitalize on this trend. However, do the claims of “caring about the environment” or putting a green leaf on a product really mean the products are environmentally sound? The practice of conveying a false impression that a company or its products are more environmentally sound than they really are, is called “greenwashing.” Companies do this through packaging or marketing their products in a manner that makes them *seem* environmentally conscious or clean when they really are no different than their competitors. As a result, companies *falsely* claiming to be “environmentally friendly” are successfully misleading consumers into buying their products; often at inflated prices.



Luckily, these companies are often not as discreet as you might think. There are several indicators of greenwashing that consumers should look out for.



Ensuring Integrity in our Marketplace



If you have any questions or concerns about any consumer transaction, or would like to mediate a dispute for free, please contact the Office of Consumer Protection.

100 Maryland Avenue
Suite 330
Rockville, MD 20850
Main: 240.777.3636
Tip Line: 240.777.3681
Fax: 240.777.3768
MC311

You can also file a complaint online by clicking [HERE](#)



- *Hidden trade-offs* – Often, specific environmental issues will be emphasized at the expense of another (potentially more concerning) issue. For instance, a company may heavily emphasize the fact that their water bottles are biodegradable, while simultaneously excluding the fact that those water bottles were produced in a factory that uses rivers to dispose of toxic waste.
- *Lack of proof* – Claims are not backed up by evidence or third-party certification. However, even if a company provides any proof, it is important to check its source. If the evidence comes from the company itself, it may be biased or unreliable.
- *Vagueness or Puffery* – Claims may be lacking in specificity or phrased in a way that seems meaningless. Watch out for labels that contain words such “eco-friendly” and “sustainable,” but no explanation of what is meant by those words and how/why they relate to the product.
- *False Certification* – Some companies may even go as far as to create false certifications or labels to mislead consumers. Fortunately, These can be verified through websites such as the [Ecolabel Index](#).
- *Irrelevant claims or information* – Meaning, unrelated environmental issues to the product are emphasized. For example, saying a product is free of a substance that has been banned by law or would never be in the product in the first place.
- *Fibbing* –Using claims that are just false.



Verifying a Marketer’s Claims

If a consumer wants to verify if a company’s claims are legitimate, they should do the following:

1. *Examine the claim* – Is the company certified by a *legitimate* third-party organization? Is their claim even logical or plausible? If it sounds too good to be true – it probably is.
2. *Look for proof* - Is there empirical evidence (statistics, scientific studies, etc.) to back up their claims? Also examine where the evidence comes from. Is it a neutral source an industry trade association?
3. *Check for consistency* – Is the company advertising itself as “eco-friendly” in other countries? Are they still doing what they claim months/years after their advertisements?
4. *Follow the money* – What organizations does this company support? Who are they donating their money to?

Greenwashing regarding specific industries

However, it is also important to be aware of how greenwashing may affect specific categories of goods.

❖ Cleaning products

Consumers should watch out for products labeled as Natural, Eco Friendly, Green, are terms people presume to be healthier or cleaner; but it is not always the case. Dangerous chemicals such arsenic and mercury are natural; hence, the label may technically be true yet misleading. The term “natural” is not defined while the term “organic” is regulated. There are no government standards for “natural” home cleaning products. Moreover, If the cleaning product contains any certification labels, make sure that they are

legitimate. You can use the [Ecolabel Index](#), the largest global directory of certified ecolabels which includes a description of each label provider, to verify the certification source. Those who are particularly environmentally conscious should look for products with labels from [Green Seal](#) or [Safer Choice](#). These labels are provided by the non-profit Green Seal and the U.S. Environmental Protection Agency (EPA) respectively, which review each ingredient in the product prior to granting usage of the label.



Finally, the [Natural Products Association](#) is expanding its private seal and standards to include household cleaning products.

❖ Food products

Greenwashing is very widespread in the food industry, especially, since many food products come labeled with terms that many consumers—and regulators--can't define. There are three terms that are frequently used by marketers: non-GMO, organic, and natural.

Non-GMO

If a product is labeled as “non-GMO,” it has not been genetically modified and/or does not contain any genetically modified organisms. GMO’s (genetically modified organisms) are created in laboratories by scientists using a variety of genetic modification/engineering techniques. Regardless of which side of the debate the consumer lands on, if a Non-GMO

product is what is desired, looking for the “butterfly” seal is the best approach.



Note, “non-GMO” claims could be made about food that [cannot be genetically modified](#) (e.g., salt or water) or products for which genetic modification would be [irrelevant](#) (e.g., kitty litter).

Organic

Products that are labeled as “organic,” have been produced by methods that comply with the standards of organic farming. According to the [U.S. Department of Agriculture \(USDA\)](#) organic producers “rely on natural substances and physical, mechanical, or biologically based farming methods to the fullest extent possible”. The USDA has a [certification program](#) that verifies if a product is truly organic, and all approved products are awarded a certification label.



Moreover, what is organic can vary by product:

- *Produce* – All organic produce must be grown in soil that had no prohibited substances prior to three years of harvest. Such substances include most

synthetic fertilizers and pesticides. ([The National List](#) contains all approved and prohibited substances)

- *Meat* – Animals must be raised in living conditions accommodating to their natural behaviors (ability to graze, free roam, etc.), fed 100% organic feed and forage, and not administered any hormones or antibiotics.
- *Processed/multi-ingredient foods* – USDA [organic standards](#) specify additional considerations. Artificial preservatives, colors, or flavors are prohibited in organically processed foods and all ingredients are required to be organic (with some minor exceptions such as enzymes in yogurt).
- All organic food must be handled and grown *without* the usage of GMO's.

It is illegal to label a product as organic unless it has been approved by the USDA (see [Organic Regulations](#)), however, that may not deter some manufacturers from slipping the term “organic” in the company or product trade name. Consumers should always look for an USDA label.

Natural or All Natural or Naturally Derived

As for the term “natural,” there is no strict definition. In 2016, the [U.S Food and Drug Administration \(FDA\)](#) asked the public to [provide comments and information](#) on the use of this word on food products.



However, no formal legal definition of this word has been established and the FDA has not

considered if products with the term “natural” have any discernible nutritional or health benefits over their non-natural counterparts. Therefore, consumers should not assume that a product provides any health benefits just because the label says it is “natural” or “naturally derived.” Many common compounds and preservatives, at one point, were sourced from nature. These ingredients, while derived from nature, may nevertheless be a dozen steps removed and entirely lab-made.



If a consumer is looking for a reputable “naturally grown” certification and label, they should look to “[Certified Naturally Grown](#)” which requires farmers to produce food without the use of any synthetic pesticides, fertilizers, or genetically modified organisms. Currently there are about 750 certified farms nationwide.

❖ Cosmetics

Unfortunately, greenwashing is also widespread in the cosmetics industry. The FDA does not have the legal authority for “pre-market approval of cosmetic product labeling,” leaving the responsibility of properly labeling a product up to the manufacturer. Of course, there are certain [labeling requirements](#) that products must abide by. However, according to the [Environmental Working Group](#) “Lax federal regulations mean that claims like “natural,” “nontoxic,” “plant-based” and “free of” have no legal basis in the personal care industry.” Although mislabeling a product is illegal, the lack of government regulation in the cosmetic industry still leaves ample room for misrepresentation. This is particularly concerning given that a lot of the products we

use on our skin can end up inside of our bodies. In fact, one dermatologist went so far as to [advise consumers](#) that natural products aren't meaningfully different from their "unnatural" counterparts.

For those who want to buy "greener" cosmetics, EWG has a "[Skin Deep®](#)" seal for products deemed "less-hazardous" and the "[EWG Verified™](#)" seal on products that do not contain any ingredients on its unacceptable or restricted lists.



❖ Lawn Service

For consumers interested in maintaining an [organic lawn](#) or garden, it is important to pay close attention to the products or services they employ. Yet again, one should look out for any signs of greenwashing. For example, claims of "natural" landscaping may only mean that the landscaper will use plants natural to the climate and *not* that pesticides and herbicides are avoided.

Ensure any pesticides used by you or your lawn care company are certified under the [OMRI label](#). The Maryland Department of Agriculture (DEP) has a [guides](#) on hiring a lawn care provider.

Additionally, become familiar with [Maryland Fertilizer law](#) and [guidelines](#) can help Maryland residents protect the Chesapeake Bay.



❖ Local Green Businesses

In Montgomery County, interested consumers can expand on their green-sense by favoring businesses which have been recognized by the County's [Green Business Certification Program](#).



Through this program, the County recognizes businesses that embed sustainability into their day-to-day operations and are certified through one of 11 third party standards. To date, approximately 80 Certified Green Businesses are listed in the [Green Business Directory](#). Whether you're looking for auto repair or landscaping or yoga, the website allows consumers to choose local merchants based on their ecological footprint.

In conclusion, those who are seeking to be environmentally conscious should be aware of the widespread usage of greenwashing, and how to spot and avoid the scams.

