Greenwashing

HOW TO SPOT IT AND TAKE ACTION



CQDE

WHAT IS GREENWASHING?

> *Greenwashing can be defined as "any communication that misleads people into adopting overly positive beliefs about an organization's environmental performance, practices, or products."*

(*Montgomery, Lyon et Bard (2024)*)

In other words, greenwashing is environmentally misleading communication, which may cover the products a company sells, the services it offers, or its practices more generally – for example, its carbon footprint. Greenwashing can be intentional or unintentional and may relate to climate, biodiversity, or pollution. In short, it covers everything related to the environment!

94%

of consumers believe it is the responsibility of brands to create products that do not harm the planet

Deloitte, 2023

What are the impacts of greenwashing?

- It prevents consumers from making informed, environmentally responsible choices, which slows down the ecological transition.
- It undermines competition by putting companies that take legitimate steps to reduce their environmental impact at a disadvantage.
- It erodes public trust in environmental labelling.

THE THREE MAIN CATEGORIES OF GREENWASHING

False claims

Claims which are based on erroneous or inaccurate information.



* BREAKS AFTER THREE USES AND IS NOT BIODEGRADABLE ANYWHERE IN CANADA

Misleading claims

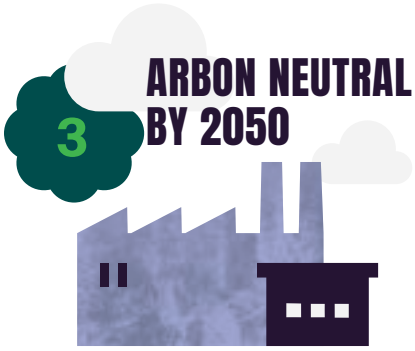
While not necessarily false, they give an impression that does not reflect reality.



* IT'S TRUE THAT IT'S CFC-FREE, BUT THE CLAIM FAILS TO MENTION THAT CFCS HAVE BEEN BANNED IN CANADA SINCE 1996

Speculative claims

These are not supported by sufficient and appropriate evidence, regardless of whether the claims are true or false.



* SOURCE : TRUST US

49%

of consumers in Canada have doubts about the authenticity of companies' environmental claims.

Deloitte, 2023



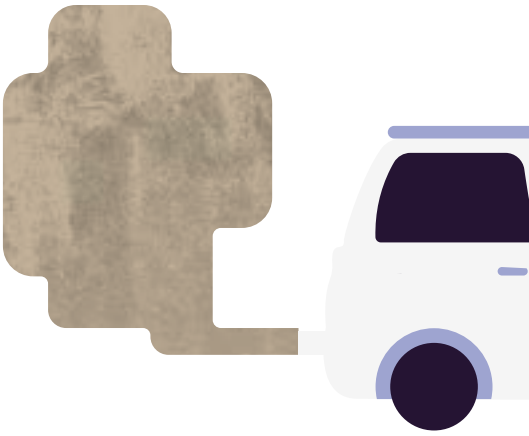
Examples of greenwashing penalized in Canada

"Recyclable" coffee capsules

In 2022, the Canadian Competition Bureau (CCB) and Keurig Canada Inc. (Keurig) reached a consent order under the Consumer Protection Act regarding Keurig's claims about the recyclability of its coffee capsules. According to the CCB, Keurig had given the general impression that its polypropylene capsules could be placed in recycling bins across Canada, even though this type of plastic was not widely accepted by municipal recycling programs outside of British Columbia and Québec. Under the consent order, Keurig agreed to pay a $3 million penalty and contribute $800,000 to a Canadian environmental charity. In addition, Keurig committed to implementing a compliance program, publishing corrective notices, and clarifying, when necessary, that its capsules are only "recyclable in some places" or that they may "not be recyclable in your region."[1]

« Dieselgate »

In 2016 and 2018, the CCB entered into two consent agreements (agreements reached with companies to avoid litigation) with distributors of Volkswagen, Audi, and Porsche vehicles regarding claims about the environmental performance and efficiency of these vehicles. Under the terms of the agreements, the companies were required to pay an administrative monetary penalty of $17.5 million and cease making these claims.[2] The companies' conduct also resulted in the payment of $2.4 billion in damages as part of class-action settlements and fines totaling $196.5 million under Canadian environmental laws.[3]





FEWER THAN 40%

of consumers in Québec believe that claims regarding environmentally-friendly food production practices are trustworthy.

De Marcellis-Warin, Peigner et Gleize, 2023

CANADIAN AND QUÉBEC LAW ON GREENWASHING

At the federal level

The *Competition Act* (CA)protects consumers by prohibiting representations regarding a product or a commercial interest which are false or misleading on a material point, as well as, since 2024, by specifically regulating representations regarding the environmental benefits of a product, a business activity, or a business itself.

At the provincial level in Québec

The *Consumer Protection Act* (CPA) protects the public by prohibiting certain deceptive commercial practices, including the provision of false or misleading information to a consumer. This law is administered by the *Office de protection du consommateur* (OPC).

1. Competition Tribunal (2022), *"Keurig Canada Inc. – Registered Consent Agreement»*
2. Registered Consent Agreement, Commissioner of Competition v. Volkswagen Group Canada Inc. and Audi Canada Inc., *Doc. CT-2016-017*. See also Registered Consent Agreement, Commissioner of Competition v. Volkswagen Group Canada Inc., Audi Canada Inc., and Porsche Cars Canada Ltd., *Doc. CT-2018-003*.
3. Environment and Climate Change Canada (2020), *"Volkswagen Aktiengesellschaft ordered to pay $196.5 million fine after pleading guilty to 60 charges for offences under federal environmental legislation»*.

MAIN LEGAL TOOL

FILE A COMPLAINT

If in doubt, report it!

> *It's simple: step-by-step instructions are available in our fact sheet Greenwashing - How to file a complaint*

It's risk-free: once the report is submitted, the enforcement agency handles the rest. Even if the agency does not find that greenwashing has occurred, there are no costs or other consequences for the complainant.

Other possible actions

- Ask questions and stay informed
  - *"Le Décodeur" app* – Protégez-Vous (French language only)
  - *Eco-label Directory* – Government of Québec (French language only)
  - Review companies' claims for Red Flags - *see the checklist*
- Contact the company directly to share your concerns or questions.
- Talk about it – with family, friends, at work, and on social media.
- Reach out to your provincial or federal representative.

SOME USEFUL LINKS

Fact Sheet:
Greenwashing - how to file a complaint

"Our Actions" - Greenwashing
(French language only)

Our Obiterre page:
What Is Greenwashing?
(French language only)

Ad Standards

Eco-label Directory
Government of Québec,
(French language only)

"Le Décodeur" app
Protégez-Vous
(French language only)

If you found this guide helpful, please let us know by emailing → *ecoblanchiment@cqde.org*

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