THE EUROPEAN UNION AND *GREENWASHING*

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1. Introduction

Green*washing* is a communication and commercial practice whereby organisations project a distorted or misleading image of their environmental credentials. This is achieved through various strategies: exaggerating achievements, concealing negative impacts, presenting products or services as environmentally friendly when they are not, or using certifications that lack external validation. This behaviour not only undermines the trust of consumers and investors, but also distorts competitive conditions in the markets and delays the transition towards truly sustainable economies (European Commission, 2021). In response to this growing problem, the European Union (EU) has strengthened its regulatory framework in recent years, adopting a package of measures aimed at harmonising environmental claims and providing Member States with effective tools for monitoring and enforcement.

2. Main forms of *greenwashing*

The phenomenon of *greenwashing* manifests itself through a range of practices that have been categorised by the European Commission (2021, 2024) into various analytical categories. The first form is linguistic vagueness, which involves the use of terms such as 'natural', 'ecological' or 'green' that lack a precise and objective definition, making it easy for them to be used opportunistically without consumers being able to verify their accuracy. The second is selective concealment, which involves highlighting a positive environmental attribute whilst glossing over other, more significant negative ones; for example, promoting the recycling of packaging without mentioning the carbon footprint generated during the manufacturing process. The third form is the creation of false certifications or labels, often self-awarded without external verification by accredited bodies. Furthermore, we encounter irrelevance: that is, statements that are true but inconsequential because they refer to aspects already required by current regulations, and therefore add no value to the information already available. And finally, and increasingly common in corporate discourse, we encounter misleading offsetting, which consists of declaring climate neutrality based exclusively on the purchase of carbon credits, without

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implementing actual emissions reductions within the organisation's value chain (European Commission, 2024).

3. Scope of the problem and economic and social consequences

The scale of the problem has been quantified in various empirical studies, the results of which demonstrate a systemic scope. The European Commission's analysis (2021), published in January 2021, examined 150 environmental claims and found that 53.3 per cent contained ambiguous, misleading or unsubstantiated information, and that 40 per cent lacked any scientific evidence to support them. The sectors with the highest incidence were found to be textiles, with 68 per cent of claims being misleading, followed by cosmetics, with 61 per cent.

A more recent study by the *Consumer Protection Cooperation Network* ([1]), based on an analysis of 344 websites, found that in 57.5 per cent of cases environmental claims lacked sufficient evidence to assess their accuracy, and that 37 per cent of the labels displayed used vague and general terms such as 'eco-friendly' or 'sustainable' without verifiable evidence (European Commission, 2024; Council of the European Union, 2023). The sectors most closely examined were textiles, cosmetics and household appliances (Euractiv, 2021). These figures highlight that greenwashing is not a marginal phenomenon, but a widespread practice that cuts across multiple economic sectors and communication channels.

Furthermore, the consequences of *greenwashing* are numerous and far-reaching, affecting both economic actors and the ecological transition process as a whole. Firstly, it erodes consumer confidence in environmental claims as a whole, even those that are true, leading to widespread scepticism and discouraging responsible consumption (Council of the European Union, 2023). Secondly, it creates unfair competition, as companies engaging in this practice gain competitive advantages in terms of image, positioning and market share, without bearing the actual costs of sustainability.

Thirdly, it diverts investment resources towards products that appear to be environmentally friendly but have no real positive impact, hindering the funding of genuinely transformative initiatives. Studies by the European Commission (2021) and the Council of the European Union (2023) agree that the lack of transparency and credibility of environmental labels constitutes a significant barrier to the development of green markets in the EU.

4. The EU's response to the challenge of *greenwashing*

[1] See the Consumer Protection Cooperation Network portal at: https://commission.europa.eu/topics/consumers/consumer-rights-and-complaints/enforcement-consumer-protection/consumer-protection-cooperation-network_en

The European regulatory response has taken the form of two main initiatives, albeit with very different outcomes. Directive (EU) 2024/825 on empowering consumers for the green transition, also known as *the Green Transition Directive*, amends consumer law to expressly include *greenwashing* as an unfair commercial practice in all circumstances. This regulation prohibits generic claims without evidence, climate neutrality based solely on offsetting, and uncertified sustainability labels (European Parliament and Council, 2024; Estudios de Deusto, 2026). It is due to come into force on 27 September 2026, and Member States must transpose it by 27 March 2026.

By contrast, the proposed *Green Claims Directive*, presented in March 2023, has been put on hold. In June 2025, the European Commission announced its intention to withdraw the proposal, citing concerns about administrative complexity and excessive bureaucratic burdens. Although it was subsequently clarified that the withdrawal was not formal and that the directive had not been definitively shelved, the trilogue negotiations were suspended and the legislative process is currently at a standstill, with no clear prospect of it being revived. The European Parliament had adopted its position at first reading in March 2024, and the European Council its position in June 2024, but opposition from political groups such as the European People's Party, which considered the proposal excessively complex and burdensome for businesses, has brought the process to a standstill.

Thus, the deadlock over the *Green Claims Directive* highlights the current political tensions within the EU between climate ambition and administrative simplification. In the meantime, Directive (EU) 2024/825 remains the current regulatory framework, establishing a common minimum threshold against *greenwashing*. The effectiveness of this framework will depend on rigorous and consistent transposition by Member States, as well as on sufficient resources being allocated to the supervisory authorities. In Spain, for example, transposition is being carried out through the Sustainable Consumption Act, the draft of which was approved by the Council of Ministers in July 2025 and is currently going through the parliamentary process.

At the same time, active collaboration is needed with digital platforms where misleading advertising is rife, particularly in the aviation sector (Kaupa, 2023). All in all, it is possible that the revival of the *Green Claims Directive*, perhaps in a revised version, could strike a balance between consumer protection and the reduction of administrative burdens.

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