LEGAL AMENITY LAW JOURNAL – ISSN 3107-9148

Volume II Issue I January – February 2026

Greenwashing Is the New Black: Should There Be Stricter Penalties for Misleading Fashion Ads?

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INTRODUCTION

The fashion industry has a new favorite color, that is green. Not on the runway, but in its marketing. From "Conscious Collections" to "Responsible Edit" lines and airy promises of "eco-friendly fabrics," nearly every brand insists it's helping to save the planet. But behind this flood of green imagery lies a harsher truth that many of these claims don't add up. The marketing looks progressive; the supply chains often don't. This growing practice, known as Greenwashing, has turned environmental responsibility into a style statement, allowing brands to sell the idea of ethics without changing the substance of production.

Greenwashing isn't just a public-relations issue anymore, it's a legal one. Around the world, watchdogs and courts are beginning to ask how far fashion companies can go in claiming sustainability without crossing lines into false or misleading advertising. Words like "eco," "conscious," and "climate friendly" might sound harmless, but when they lack concrete proof such as measurable emissions data, verified sourcing, or lifecycle impact assessments; they can deceive consumers and undercut brands that invest in doing things right. What looks like a race toward responsibility can end up being a race toward reputational cover.

The crackdown has already begun. In the United Kingdom, the Competition and Markets Authority (CMA) has investigated fast-fashion giants such as ASOS, Boohoo, and George at Asda for vague environmental claims. The European Union's *Directive 2024/825* and upcoming *Green Claims Directive* will soon make unverified eco-labels illegal, demanding scientific backing for every sustainability statement. Even India has joined the effort: through its consumer-protection laws and the Central Consumer Protection Authority's 2024 guidelines, regulators are signaling that "green" can no longer be a marketing color, it must be a commitment backed by evidence.

This article explores how the fashion industry reached this turning point and why stricter legal penalties are essential to hold brands accountable. It looks at high-profile greenwashing cases, traces the rise of global regulations, and explains why tougher enforcement is not

about punishing creativity but protecting integrity. In fashion's next era, proof will matter more than packaging because sustainability cannot remain a marketing aesthetic; it must become a business ethic.

ANALYSIS OF GREENWASHING TRENDS IN FASHION

Greenwashing in fashion has moved from isolated incidents to a global pattern that cuts across price points, platforms, and jurisdictions. Whether it is a fast-fashion giant, a premium sportswear label, or a "conscious" lifestyle brand, the basic tactic is the same: use sustainability language and imagery to sell products without matching the rhetoric with verifiable, system-level change. Regulators, courts, activists, and even some industry leaders are now treating these practices as a legal and ethical problem rather than a mere PR misstep[1].

ASOS, Boohoo & Asda: The CMA Investigation

In 2022, the UK's Competition and Markets Authority (CMA) launched a high-profile investigation into ASOS, Boohoo, and George at Asda, targeting allegedly misleading environmental marketing in their fashion ranges[2]. Concerns? Vague, unsubstantiated terms such as "eco," ambiguous criteria for "sustainable" collections, and a heavy reliance on nature

themed imagery that implied environmental friendliness without technical evidence. By 2024, all three companies signed legally binding undertakings committing to clearer standards: explicit percentage disclosure of recycled fibers, transparent product criteria, and restricted use of green visuals unless substantiated[3].

This case set a precedent: regulators were no longer "nudging" brands they were defining the boundaries of lawful sustainability messaging.

H&M's "Conscious Collection" Lawsuit

H&M's 2022 lawsuit in New York revealed how consumer perception can be manipulated even without explicit false claims. Allegations cantered on H&M's use of environmental "scorecards," suggesting superior sustainability despite investigations showing some

[1] *https://carbontrail.net/blog/greenwashing-in-the-fashion-industry/*
[2] *Competition and Markets Authority, "Fashion Greenwashing Investigation," GOV.UK.*
[3] *Competition and Markets Authority, "Tailored Guide for Fashion Brands," GOV.UK*

"green" garments consumed *more* resources than standard items[4]. Quartz and Inverse both reported discrepancies between marketing claims and verifiable environmental impact[5]. Although the lawsuit was dismissed on technical grounds, it highlighted how ambiguity rather than outright lies has become the greenwashing weapon of choice.

Transport Emissions: The Invisible Reality of Fast Fashion

Surface-level material claims often mask deeper environmental problems. In 2025, Reuters reported that Inditex (parent company of Zara) saw a significant rise in transport emissions, largely due to increased reliance on air freight[6]. Even if garments use recycled polyester, the climate footprint balloons when production and logistics occur at an industrial scale. Sustainability cannot be meaningfully examined unless the entire supply chain is considered an area where fashion brands often remain silent.

Sportswear and Lifestyle brands: "sustainable" collections

Nike has faced class-action litigation in the United States over its "Sustainability Collection," with plaintiffs alleging that products marketed as sustainable were not as environmentally beneficial as implied and that recycled materials were overstated or framed as more environmentally friendly than they are[7].

Like the H&M "Conscious Collection" lawsuit, these Nike cases highlight a second-generation form of greenwashing: instead of outright lies, companies rely on technical terms, selective statistics, and broad promises such as "Move to Zero" that are difficult for consumers to verify.

Courts have sometimes dismissed such claims on pleading or evidentiary grounds, but even unsuccessful suits send a warning that "sustainable" labelling is now being tested against legal standards of truthfulness and substantiation[8].

Commentary from influential voices

Commentators from fashion industry have been blunt about the risks of Greenwashing:

[4] *The Fashion Law, "H&M Sued Over Misleading Sustainability Marketing."*
[5] *Inverse, "H&M Sustainability Marketing Is Misleading."*
[6] *Reuters, "Zara Owner Inditex's Transport Emissions Jump."*
[7] *https://www.classaction.org/blog/nike-hit-with-class-action-over-greenwashed-sustainability-claims*
[8] *https://www.climatecasechart.com/collections/ellis-v-nike-usa-inc-_828fdb*

a) Stella McCartney has repeatedly warned that sustainability must not become "a one-off trend, "arguing that genuine ethical fashion requires redesigning materials, supply chains, and business incentives rather than simply adding an eco-capsule to an existing model[9].

b) Patagonia's leadership has emphasised that "young people can see through greenwashing," calling for less slogan-driven marketing and more transparent reporting of both progress and failures. The brand's own impact reports openly acknowledge rising emissions and missed targets, modelling a different kind of communication where environmental claims are carefully limited and backed by data[10].

Together these voices show a growing consensus that the real problem is not just misleading language but an economic model that tried to reconcile endless growth with "green" branding

REGULATORY LANDSCAPE: THE GLOBAL CRACKDOWN

EU Directive 2024/825

The EU remains the most developed laboratory for anti-greenwashing rules, with measures that directly shape how fashion brands can talk about sustainability

The European Union's 2024 Directive on empowering consumers for the green transition introduced sweeping prohibitions on generic, unverifiable environmental claims such as "climate-neutral" or "eco-friendly" unless supported by scientific evidence[11]. The legislation also targets durability and reparability claims, integrating product-lifecycle principles into consumer protection law, and entering full force from 2026[12].

The proposed Green Claims Directive goes further by requiring prior, independent verification of all explicit environmental claims and setting common EU-wide criteria for labels and logos, which would heavily constrain self-created "green" logos used by fashion marketing.

The Green Claims Directive (Proposed)

The EU's proposed Green Claims Directive is even more ambitious. It mandates third-party

[9] *https://thesustainablemag.com/fashion/stella-mccartney-sustainable-fashion/*
[10] *https://thesustainableagency.com/blog/is-patagonia-greenwashing/*
[11] *Council of the European Union, "Directive 2024/825," Consilium.*
[12] *European Commission, DG Energy, "New EU Rules Enter into Force."*

verification for any environmental claim and requires robust lifecycle-based evidence before marketing materials can feature "green" labels or symbols[13]. This is poised to become one of the strictest anti-greenwashing frameworks globally.

Europe in practice: France, Italy, Norway

European regulators have tested these principles through concrete actions against fashion and ultra-fast-fashion brands.

In **France**, the consumer enforcement body DGCCRF fined Shein €40 million for deceptive discounts and unsupported environmental claims, finding that the company could not substantiate its narrative about emissions reductions and environmental responsibility. The DGCCRF has also conducted sector-wide sweeps, reporting that around one in four businesses inspected breached rules on environmental claims.[14]

In **Italy** the competition authority AGCM imposed a €1 million fine on Shein for greenwashing linked to its "evolushein by design" line, holding that claims about circular design and recyclability were vague, exaggerated and inconsistent with the actual fibre mix and available recycling infrastructure[15].

In **Norway**, the Consumer Authority concluded that H&M's promotion of its "Conscious" collection breached Norwegian marketing law because the brand used terms like "sustainable" without providing accessible, concrete information about what made the garments more sustainable. This decision is often cited as an early example of a regulator condemning not outright falsehoods but insufficiently clear sustainability marketing[16].

Taken together, these actions show EU-area regulators moving towards a model where green claims must be specific, measurable and easily understandable to avoid being classified as misleading.

United States and UK: guidance and enforcement

In the United States, the Federal Trade Commission's Green Guides; general guidance on environmental marketing—are under review for the first time in more than a decade, with

[13] *Council of the European Union, "Green Claims Directive: Council Position."*
[14] *https://www.hausfeld.com/en-gb/news/clothing-giant-lululemon-hit-with-french-complaint-over greenwashing*
[15] *https://barbour-ehs.com/news/italy-fast-fashion-fined-1-million-over-greenwashing*
[16] *https://hypebeast.com/2019/8/h-m-conscious-collection-greenwashing-sustainability-norwegian-consumer authority*

fashion-related greenwashing a key driver. The updated Guides are expected to clarify how terms like "recyclable," "compostable," and "carbon neutral" may be used, and they will likely inform litigation such as class actions against Nike over allegedly "greenwashed" collections[17].

In the United Kingdom, the Competition and Markets Authority has followed its investigation into ASOS, Boohoo and George at Asda with detailed guidance on environmental claims, signalling that vague "green" branding and unsubstantiated capsule-collection claims can trigger enforcement. The Advertising Standards Authority has likewise upheld complaints where brands relied on selective data or omitted relevant lifecycle impacts[18].

These developments do not yet mirror the EU's pre-clearance model, but they create an interpretive framework that courts and regulators can use to label sustainability claims as deceptive or unfair.

India and emerging markets

India is beginning to build its own anti-greenwashing architecture, which will matter greatly for fashion supply chains and retail markets.

In 2024, the Central Consumer Protection Authority (CCPA) issued Guidelines for Prevention and Regulation of Greenwashing or Misleading Environmental Claims, requiring that environmental claims be specific, capable of verification, and supported by accessible evidence and warning against vague, exaggerated or future-oriented promises without credible transition plans[19].

These guidelines sit alongside the Consumer Protection Act, 2019 and rules on misleading advertisements, giving Indian authorities a toolkit to act against unsubstantiated "ecofriendly" or "sustainable" fashion marketing in both offline and e-commerce settings[20].

For a global industry that sources heavily from India while selling into stricter Western markets, this signals that greenwashing risks no longer confined to "consumer countries" alone.

[17] https://www.ftc.gov/news-events/topics/truth-advertising/green-guides
[18] https://www.fashiondive.com/news/europe-ftc-updating-green-guides-sustainable-greenwashing/698396/
[19] https://prsindia.org/files/parliamentry-announcement/2024-03-21/Draft_Guidelines.pdf
[20] https://www.lawrbit.com/article/guidelines-for-prevention-regulation-of-greenwashing-or-misleading environmental-claims-2024/

Overall Pattern

Across jurisdictions, several trends define the current crackdown.

Regulators are shifting from soft guidelines to binding rules that require substantiation, specificity, and often independent verification of environmental claims[21].

Enforcement authorities now back these rules with meaningful sanctions, including multi-million-euro fines and court-supervised undertakings, signalling that greenwashing is economically risky rather than cost-free branding.

Precedent cases—from Shein in France and Italy to H&M in Norway and class actions against sportswear brands in the US—are gradually defining what counts as misleading in the context of sustainability, providing a template that can readily be applied to fashion marketing worldwide.

Global Legal Trends

The Library of Congress reported a worldwide uptick in environmental-claims enforcement, acknowledging greenwashing's growing threat to consumer rights and market integrity[22]. Regulators now understand that sustainability claims operate not merely as marketing, but as a form of persuasive economic signalling one that must be policed to protect both consumers and competitors.

WHY STRICTER PENALTIES ARE NECESSARY

Harm to consumers and public trust

Greenwashing exploits consumers who are willing to pay more or change habits for sustainability, but who are misled by vague or exaggerated claims. Empirical studies show that when consumers detect greenwashing, brand trust, willingness to pay, and loyalty all drop, and cynicism spills over to all environmental claims, even honest ones. This erosion of trust undermines the very idea of ethical consumption and weakens public support for environmental policies because people suspect hypocrisy across sectors.

[21] *https://www.pib.gov.in/PressReleasePage.aspx?PRID=2064963&reg=3&lang=2*
[22] *Library of Congress, "Directive to Protect Consumers from Greenwashing."*

Environmental and systemic damage

Greenwashing delays real climate and environmental action by creating the illusion of progress where there is little or none. Courts in the KLM "Fly Responsibly" cases, for example, found that claims suggesting flying was becoming sustainable, or that biofuels and tree-planting could meaningfully neutralize emissions, painted an overly optimistic picture and were therefore misleading. Similar concerns appear in complaints against Lululemon's "Be Planet" campaign, which allegedly implied that products and actions "restore a healthy planet" despite rising emissions. In fashion, this kind of messaging allows high-volume, fossil-fuel-dependent models to continue while consumers believe they are supporting low-impact alternatives.

WHY PENALTIES MUST BE STRONGER

Stricter penalties play several key roles:

a) **Deterrence:** - Multi-million-euro fines against Shein in France and Italy show that regulators are beginning to price deception into business decisions, rather than treating misleading claims as a minor compliance issue. Stronger sanctions—fines proportionate to turnover, repeat-offender multipliers, and orders to publish corrective statements—make it rational for companies to invest in compliance and real sustainability rather than cheap marketing.

b) **Signalling and Norm -Setting:** - Landmark rulings such as the Amsterdam court's decisions against KLM send a signal beyond aviation; they clarify that vague, future-oriented "Paris-aligned" or "carbon neutral "claims without credible pathways are unlawful, setting a benchmark for fashion and other sectors.

c) **Restoring trust:** - When regulators impose visible penalties and require changes to marketing and reporting, they demonstrate that environmental claims are not mere puffery but legal commitments, which can gradually rebuild consumer confidence in verified labels and certifications.

d) **From Creative branding to legal responsibility:** - Stricter penalties for greenwashing are essential because the current landscape leaves consumers, the environment, and responsible businesses exposed. Today's buyers often pay a premium for sustainability, and misleading claims exploit their intentions while eroding trust in ethical consumption.

Beyond consumer protection, environmental integrity is at stake: eco-labels mean nothing if they mask the industry's entrenched problems wasteful production cycles, opaque supply chains, and carbon-heavy logistics. Weak enforcement also distorts the competitive field. Brands that genuinely invest in traceability, ethical labour, and circular processes are placed at an unfair disadvantage when competitors use superficial marketing to signal sustainability they have not earned.

Finally, without consistent global standards, compliance remains voluntary and fragmented, allowing companies to tailor their claims to the weakest regulatory environment. Strong, harmonized penalties ensure sustainability moves out of the realm of creative branding and into the domain of verifiable legal responsibility.

REFLECTION & PERSONAL OPINION

The phrase "greenwashing is the new black" resonates deeply because it captures fashion's peculiar ability to transform almost anything even deception into a trend. In my view, the most troubling aspect of greenwashing is not just the dishonesty, but the lost opportunity. At a time when the planet needs aggressive reductions in waste, water usage, and emissions, fashion has chosen to invest more in *appearing* sustainable than *becoming* sustainable.

Regulators have been slow to act, but the tide is turning. The CMA's crackdown and the EU's sweeping directives demonstrate that governments finally recognize the economic and environmental stakes. Yet regulation alone cannot solve the problem. Greenwashing thrives because the industry is structurally incompatible with sustainability: fast fashion depends on overproduction, cheap materials, and rapid consumption cycles. No amount of recycled polyester will change that.

What we need is twofold: (1) harsh legal penalties to deter misleading claims, and (2) cultural shifts within companies, where sustainability is embedded in design, production, and logistics, not just advertising. Until brands invest seriously in lifecycle transparency, renewable energy, circular business models, and slower production cycles, greenwashing will remain the industry's most profitable illusion.

In the end, stricter laws are necessary not to punish fashion, but to save it from its own contradictions. Sustainability cannot remain a marketing aesthetic it must become a business ethic.

CONCLUSION

Greenwashing has become fashion's easiest accessory not out of malice, but because “sustainable" sells like nothing else. In an industry powered by glossy stories and rapid trends, environmental claims too often come from marketing teams rather than supply chain data or emissions reports. Consumers pay premiums for "eco" labels and "conscious” collections, only to find the reality falls short; vague promises without the proof to back them up. When trust erodes like this, it doesn't just hurt one brand; it makes people skeptical of *all* green claims, slowing real progress across the board.

Regulators worldwide are rewriting the rules, turning soft warnings into hard consequences. The EU's Directive 2024/825 now bans generic "eco-friendly" or "climate-neutral" labels unless backed by science, while the proposed Green Claims Directive demands third-party verification for every claim. France hit Shein with a €40 million fine for deceptive practices including unsupported environmental boasts, and Italy followed with €1 million more for Vague recyclability promises on its "evolushein" line. The UK's CMA forced ASOS, Boohoo, and George at Asda into binding undertakings to clean up their "green" marketing, while Norway called out H&M's "Conscious" collection for lacking clear criteria. Even India’s CCPA 2024 guidelines make it clear: no more misleading "planet-friendly" ads without evidence.

These aren't isolated slaps on the wrist—they're a global signal. Australia's ACCC and ASIC are running internet sweeps that flag fashion as a greenwashing hotspot, while US class actions against Nike's "Move to Zero" and Lululemon's "Be Planet" test whether selective stats and feel-good slogans hold up in court. Judgements of courts establish that they won't tolerate overly optimistic climate narratives without credible pathways. Sustainability talk is no longer creative branding, it's a legal promise that demands specifics, or brands pay the price.

Laws alone won't fix fast fashion's core contradictions like overproduction, hidden transport emissions, and throwaway cycles but they can force a reckoning. Stricter fines make greenwashing risky instead of rewarding, levelling the field for brands that invest in traceability, circular design, and actual impact data. Without them, deceivers undercut

the honest players, delay environmental action, and breed consumer cynicism that hurts everyone.

The choice for fashion is straightforward: embrace transparency with lifecycle reports, third party audits, and honest metrics or watch vague claims crumble under fines, lawsuits, and backlash. Brands that adapt will build trust that lasts; those that don't will fade. Greenwashing's era as fashion's "new black" is fading fast. Authenticity is the real trendsetter now, and proof that is cold, hard, verifiable is its signature accessory.