

# Brazil's big greenwash boom

A new study by a Brazilian research firm finds only 15% of consumer products' green claims are backed up by third-party certifications, and the number of such claims has decreased per item

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Greenwashing is rife in Brazil, where consumer goods companies are making more green claims than ever, according to a new study from Market Analysis, a Brazilian research firm.

The study - which follows a similar report conducted in 2010 - analyzed more than 2,300 products across six different categories including cleaning, cosmetics and electronics. In 2010, about 400 products made green claims. Five years later, that number has jumped to more than 2,300.

But while green claims have increased, they can't always be trusted. According to the report, only 15% of claims were backed up by third-party certifications. And this is despite the boom in ecolabels - there are now 41 green standards in Brazil, a 170% growth over the past five years.

However, the number of green claims per product has decreased, from 1.9 claims in 2010 to 1.3 in 2014.

Media coverage and advocacy around the issue of greenwashing - that is, false or misleading claims made by companies about the environmental benefits of their products - has increased in recent years, so customers have grown wary of products that carry too many environmental claims, said Fabián Echegaray, managing director of Market Analysis.

"Companies have realized that overt, explicit greenwashing implies higher risks than benefits," he said. "Exaggerating green claims is understood as likely to backfire, so one effect is lesser claims per product."

While Brazil's economy is suffering, the Latin American country is emerging as a leader in corporate sustainability. Brazilian companies are spending more on social and environmental initiatives than most other countries, including the UK and Canada. And a rising middle class in Brazil has led to more consumers caring about the environmental impact of the products they buy.

In a recent National Geographic survey, which analyzed 18 countries regarding their concern for the environment, Brazil ranked fourth. Brazilians were also most likely to buy green products, with 65% saying they would avoid buying environmentally "unfriendly" products, while 55% of Brazilians saying they were concerned about the

environment.

According to the study, toiletries and cosmetics accounted for the lion's share of products making green claims, with 710 touting green benefits. The house and gardening category came in second with 601 products, followed by cleaning agents, with 348. But cleaning products made the most green claims per product - 1.6 - compared to other categories.

To judge a company's claims, the study used a methodology developed by TerraChoice, a Canadian-based environmental marketing agency that was recently acquired by UL Environment, which promotes global safety and sustainability standards for products and services. A company is greenwashing if it commits one or more of seven "sins," which include vagueness, lying and hidden trade-offs.

Across the board, 82% of the products surveyed were guilty of at least one of these sins. Cleaning products were the "cleanest" when it came to their green claims - 31% were found not to be committing any of the sins. Meanwhile, only 11% of electronics, house, construction and gardening products made legitimate green claims.

Cleaning product manufacturers in Brazil tend to be more environmentally aware, Echegaray said.

Ypê, one of Brazil's largest cleaning products companies, has consistently appeared among the top-ranked social and environmentally minded companies in the country, according to Echegaray.

"The lower level of greenwashing in this category positively reflects the serious approach to sustainability by its top market player," Echegaray said.

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