

CADWALADER
CLIMATE
Connecting Climate Change and the Law



UK'S CMA Expands Investigation of Greenwashing

February 3, 2023



By Joel Mitnick
Partner | Antitrust

The UK's Competition Markets Authority (CMA) issued a [press release](#) on January 26, 2023 announcing a potentially wide ranging investigation into the “accuracy of ‘green’ claims made about household essentials – such as food, drink, and toiletries – to make sure shoppers are not being misled.”

The investigation will focus on a range of products known as “fast moving consumer goods (FMCG)” that are used by consumers on a daily basis, such as food, toiletries, cleaning products and others. The CMA characterized the investigations as “an expansion of ongoing work by [CMA] into ‘greenwashing,’ which seeks to get to the bottom of whether products and services that claim to be green or eco-friendly are being marketed to shoppers accurately.”

Sarah Cardell, CMA's Chief Executive, said: “Our work to date has shown there could be greenwashing going on in this sector, and we'll be scrutinising companies big and small to see whether their environmental claims stack up. Now is a good time for businesses to review their practices and make sure they're operating within the law.”

Taking the Temperature: Hard on the heels of announcing its support for bona fide competitor collaborations aimed at attaining net zero carbon emissions, the CMA announces it is doubling down on policing greenwashing claims. Taken together, the actions speak loudly that the enforcement agency plans to take action to police marketing practices that promote products as eco-friendly. This development follows the UK's Serious Fraud Office [indicating](#) its focus on tackling green investment fraud. In the U.S., the Federal Trade Commission also recently [announced](#) an investigation of greenwashing claims, which also follows similar activity in other jurisdictions, including multiple greenwashing-related fines [issued](#) by the Australian Securities and Investments Commission and three European regulators [launching](#) a joint call for evidence on greenwashing.