

## New legislative proposal adopted to combat greenwashing in Belgium

### **Stricter regulations to ensure transparency and accountability in sustainability claims**

In a significant step forward against greenwashing, a new Belgian legislative proposal introduces three additional measures to strengthen existing EU regulations. These measures aim to further enhance transparency and accountability in corporate sustainability claims, ensuring that companies provide honest, accurate, and verifiable information.



### **New measures to combat greenwashing**

Greenwashing, a term no longer unknown to many these days, refers to the practice whereby companies falsely refer to good practices benefiting the environment and climate in their marketing materials or communications, essentially constituting misleading advertisement.

A survey conducted by the European commission in 2020 showed that greenwashing is a cross-sectoral issue that needs to be addressed urgently, as it appeared that more than half investigated environmental claims provided vague, misleading or

unsubstantiated information about the environmental characteristics of products and about 40% of the claims were unsubstantiated.

Therefore, on 16 September 2024, a legislative proposal was introduced to amend the Economic Law Code to combat greenwashing. This proposal envisages three measures to complement the actions being prepared at European level, namely:



**1**  
**Greenwashing would automatically be considered a misleading commercial practice, making it easier to impose sanctions**



**2**  
**Sanctions would become stricter**



**3**  
**The use of the claim 'carbon neutral' would have to be properly substantiated**

If greenwashing is recognised as an unfair commercial practice today, it can already be punished with a criminal fine of €26 to €10,000. With surcharges added, that amount may be up to 80,000 euros, or up to 4% of turnover, if the turnover corresponds to a higher amount.

To do so, however, it should be proven that such greenwashing is indeed an unfair commercial practice. That proof is not always easy to provide. This proposal addresses that problem by providing that greenwashing will always be considered an unfair commercial practice.

The authors of the proposal also want to deliver tougher penalties against companies that deliberately mislead about their environmental and climate intentions. The proposal increases the maximum amount of the fine to 400,000 euros (50,000 euros without passing on the surcharges), or 6% of annual turnover.

**1**  
***Greenwashing to be considered an unfair commercial practice in all cases***

**2**  
***More severe penalties***

Given that this is a very tempting selling point today, the carbon neutrality claim, as well as any other statement of similar scope, used as a selling point, should be made available with a certificate of conformity meeting strict conditions.

3

*Monitoring the  
use of the carbon  
neutrality claim*

## Key additions to EU regulations

The European Commission has also prepared two proposals to combat misleading environmental claims:



The first proposal from March 2022 aims to detect advertising that makes claims 'regarding future environmental performance, without clear, objective and verifiable commitments and targets, and without an independent monitoring system'.



The second proposal dates from a year later and specifically includes an obligation for companies to include specific substantiated assessments with their environmental claims and labels.

At the same time, individual member states within the European Union have also been legislating to implement national measures to counter the greenwashing phenomenon. France has done so in particular, and Belgium would thus follow suit.

It now remains to be seen whether any amendments will be made to the proposal and what the outcome of the final vote will be. Our legal team will keep you updated.

## Contacts

Catherine Wailly  
Partner  
[catherine.wailly@forvismazars.com](mailto:catherine.wailly@forvismazars.com)

Ella Naert  
Manager  
[ella.naert@forvismazars.com](mailto:ella.naert@forvismazars.com)

Forvis Mazars Group SC is an independent member of Forvis Mazars Global, a leading professional services network. Operating as an internationally integrated partnership in over 100 countries and territories, Forvis Mazars Group specialises in audit, tax and advisory services. The partnership draws on the expertise and cultural understanding of over 35,000 professionals across the globe to assist clients of all sizes at every stage in their development. Forvis Mazars in Belgium is part of the Forvis Mazars Group SC. Visit [forvismazars.com](https://forvismazars.com) to learn more.

[forvismazars.com/be](https://forvismazars.com/be)