

## **MEDIA RELEASE**

29 June 2023

## CRA Calls for Legislation to End Industry Greenwashing and Improve Environmental Impact

Catholic Religious Australia (CRA) recently lodged a submission to the Federal Government addressing the Greenwashing tactics employed by Australian industries, that can mislead consumers attempting to consider a product's environmental impact.

In its submission, CRA expressed concern over the recent report from the Australian Competition and Consumer Commission (ACCC), in which it found many Australian brands were making unsubstantiated claims about their environmental credentials.

"The ability to rely on this information is an issue of trust for consumers," said CRA President, Peter Jones OSA, "and increasingly forms a basis of their decision-making".

"Consumers all over the world are now calling for legislation to ensure more transparent measurement and disclosure of information from companies regarding their Environmental, Social and Governance (ESG) performance," he said.

While Australia's key financial regulators and standard setters are producing guidance for disclosure of environmental and social risks and their management, a multitude of voluntary reporting methodologies are frustrating the robust benchmarking and comparability that would ensure market transparency and the elimination of Greenwashing.

"In our submission, CRA also highlighted how the current operations of the 'Fashion and Footwear' and 'Food and Drink' industries are inherently unsustainable. CRA called on these industries to better align their business goals and activities with ESG standards and principles," said Anne Walker, CRA National Executive Director.

Highlighting legislative options to protect consumers from Greenwashing in Australia, CRA urged the government to consider the suitability of overseas policies, such as the European Commission's suite of directives for creating a more circular and climate-neutral economy.

"We've proposed that the government not only legislate transparent and standardised ESG reporting to eliminate Greenwashing, but also require businesses to drastically improve their environmental and social impact. The Government Inquiry should examine the efforts of the European Commission to decouple economic growth from resource use, shifting towards more sustainable production and consumption," Anne concluded.

Read CRA's submission.