

Fact Sheet

European Union Consumer Directive and Greenwashing - What You Need to Know

A Changing Global Landscape

Global scrutiny of environmental marketing claims is increasing rapidly, driven by rising greenwashing concerns and stronger regulatory enforcement. Consumers are increasingly challenged to navigate a growing number of environmental labels and claims, many of which lack credibility or consistency.

Many environmental claims are unreliable, leading to low consumer trust and the potential for misleading impressions of a company's true environmental impact ("greenwashing").

Governments worldwide are cracking down on greenwashing – misleading or unsubstantiated environmental claims. Broad or vague terms like "green", "eco-friendly" and "sustainable" are now considered misleading unless they are clearly defined, evidence-based and independently verified through a third-party audit.

The EU is introducing new legislation on green claims – the *Empowering Consumers for the Green Transition Directive*, which strengthens rules around environmental marketing claims to ensure they are accurate, transparent and verifiable. The Directive forms part of a broader EU regulatory framework on green claims and consumer protection and legislation comes into effect on 27 September 2026.

While Australian businesses are not directly regulated by EU law, the impact on our sector is significant. Any tourism business marketing to European consumers, including via global booking platforms, will need to meet these requirements. This means operators must be able to demonstrate that their sustainability claims are credible, verified and aligned with recognised standards.

Ecotourism Australia is a founding member of the Tourism Sustainability Certification Alliance (TSCA), a global coalition of leading sustainable tourism certification bodies working together to align minimum certification criteria, audit processes and assurance standards across the sector. Through this alliance, certification aligned with TSCA provides a practical and credible pathway for meeting these requirements.

TSCA members, including Ecotourism Australia, provide certification programs aligned with emerging global regulatory expectations, enabling tourism operators to adopt rigorous, evidence-based standards that are independently verified through third-party audit. Through TSCA, these programs deliver a globally consistent approach to certification, helping operators meet the level of scrutiny required by regulations such as the EU Directive while strengthening credibility and access to international markets.

The EU Empowering Consumers for the Green Transition Directive requires:

- Clear, specific sustainability claims
- Evidence to support all environmental messaging
- Independent verification where claims are made

Australian businesses are affected if they:

- Market to European travellers
- Sell via global booking or distribution platforms
- Use sustainability messaging in marketing or communications

What Is Greenwashing?

Greenwashing includes:

- Using vague terms like *“eco”*, *“green”*, *“sustainable”* without proof
- Highlighting one positive action while ignoring broader impacts
- Making claims that cannot be verified
- Using labels or certifications that are not credible or independently verified

This creates legal, reputational and commercial risk.

What Is Greenhushing?

Greenhushing is an emerging risk alongside greenwashing, where businesses deliberately under-communicate or avoid promoting their genuine sustainability efforts for fear of regulatory scrutiny or being accused of misleading claims.

While caution is understandable in the context of tighter rules such as the EU Consumer Directive, greenhushing can reduce transparency, limit consumer awareness and disadvantage businesses that are making real, measurable progress. The Directive does not discourage sustainability communication – it requires that claims are clear, specific, evidence-based and independently verifiable.

For tourism operators, this reinforces the value of credible certification like Ecotourism Australia’s program, which provides a trusted framework to confidently communicate sustainability achievements without risk, ensuring claims are both compliant and meaningful to consumers.

Why this matters to the tourism industry

- Increased scrutiny from regulators and platforms
- Greater consumer expectation for transparency and proof
- Risk of restricted market access or reputational damage
- Operators and Destinations certified with Ecotourism Australia should actively promote their certification and avoid “greenhushing” legitimate sustainability achievements!

How certification protects (and supports!) your business

Ecotourism Australia certification (ECO Certification and Sustainable Tourism Certification) provides:

- Independently verified claims
- Structured, evidence-based assessment
- Alignment with global best practice standards
- Confidence when communicating sustainability

Ecotourism Australia is already prepared – so our certified operators are too!

We have been proactively aligning with global developments, including:

- Engagement with international initiatives like the Tourism Sustainability Certifications Alliance (TSCA) to ensure sustainability certification remains accessible and affordable for the tourism industry
- Engagement with the EU and relevant countries through the TSCA continues to position our certification standard globally
- Preparing for independent accreditation pathways for the Ecotourism Australia standard
- Ensuring our operators are ahead of regulatory change, not reacting to it

What You Should Do Now

- Avoid vague sustainability claims
- Ensure all claims are supported by robust evidence
- Use recognised, credible certification to support your messaging
- Actively promote your certification and the standards it represents.

Certification is your strongest defence against greenwashing – and your safest pathway to global market readiness.