

ISSN: 2582-6433



INTERNATIONAL JOURNAL FOR LEGAL RESEARCH AND ANALYSIS

Open Access, Refereed Journal Multi Disciplinary
Peer Reviewed 6th Edition

VOLUME 2 ISSUE 7

www.ijlra.com

DISCLAIMER

No part of this publication may be reproduced or copied in any form by any means without prior written permission of Managing Editor of IJLRA. The views expressed in this publication are purely personal opinions of the authors and do not reflect the views of the Editorial Team of IJLRA.

Though every effort has been made to ensure that the information in Volume 2 Issue 7 is accurate and appropriately cited/referenced, neither the Editorial Board nor IJLRA shall be held liable or responsible in any manner whatsoever for any consequences for any action taken by anyone on the basis of information in the Journal.

Copyright © International Journal for Legal Research & Analysis



IJLRA

EDITORIAL TEAM

EDITORS

Megha Middha



Megha Middha, Assistant Professor of Law in Mody University of Science and Technology, Lakshmangarh, Sikar

Megha Middha, is working as an Assistant Professor of Law in Mody University of Science and Technology, Lakshmangarh, Sikar (Rajasthan). She has an experience in the teaching of almost 3 years. She has completed her graduation in BBA LL.B (H) from Amity University, Rajasthan (Gold Medalist) and did her post-graduation (LL.M in Business Laws) from NLSIU, Bengaluru. Currently, she is enrolled in a Ph.D. course in the Department of Law at Mohanlal Sukhadia University, Udaipur (Rajasthan). She wishes to excel in academics and research and contribute as much as she can to society. Through her interactions with the students, she tries to inculcate a sense of deep thinking power in her students and enlighten and guide them to the fact how they can bring a change to the society

Dr. Samrat Datta

Dr. Samrat Datta Seedling School of Law and Governance, Jaipur National University, Jaipur. Dr. Samrat Datta is currently associated with Seedling School of Law and Governance, Jaipur National University, Jaipur. Dr. Datta has completed his graduation i.e., B.A.LL.B. from Law College Dehradun, Hemvati Nandan Bahuguna Garhwal University, Srinagar, Uttarakhand. He is an alumnus of KIIT University, Bhubaneswar where he pursued his post-graduation (LL.M.) in Criminal Law and subsequently completed his Ph.D. in Police Law and Information Technology from the Pacific Academy of Higher Education and Research University, Udaipur in 2020. His area of interest and research is Criminal and Police Law. Dr. Datta has a teaching experience of 7 years in various law schools across North India and has held administrative positions like Academic Coordinator, Centre Superintendent for Examinations, Deputy Controller of Examinations, Member of the Proctorial Board



Dr. Namita Jain



Head & Associate Professor

School of Law, JECRC University, Jaipur Ph.D. (Commercial Law) LL.M., UGC -NET Post Graduation Diploma in Taxation law and Practice, Bachelor of Commerce.

Teaching Experience: 12 years, AWARDS AND RECOGNITION of Dr. Namita Jain are - ICF Global Excellence Award 2020 in the category of educationalist by I Can Foundation, India. India Women Empowerment Award in the category of "Emerging Excellence in Academics by Prime Time & Utkrisht Bharat Foundation, New Delhi.(2020). Conferred in FL Book of Top 21 Record Holders in the category of education by Fashion Lifestyle Magazine, New Delhi. (2020). Certificate of Appreciation for organizing and managing the Professional Development Training Program on IPR in Collaboration with Trade Innovations Services, Jaipur on March 14th, 2019

Mrs.S.Kalpana

Assistant professor of Law

Mrs.S.Kalpana, presently Assistant professor of Law, VelTech Rangarajan Dr. Sagunthala R & D Institute of Science and Technology, Avadi. Formerly Assistant professor of Law, Vels University in the year 2019 to 2020, Worked as Guest Faculty, Chennai Dr. Ambedkar Law College, Pudupakkam. Published one book. Published 8 Articles in various reputed Law Journals. Conducted 1 Moot court competition and participated in nearly 80 National and International seminars and webinars conducted on various subjects of Law. Did ML in Criminal Law and Criminal Justice Administration. 10 paper presentations in various National and International seminars. Attended more than 10 FDP programs. Ph.D. in Law pursuing.



Avinash Kumar



Avinash Kumar has completed his Ph.D. in International Investment Law from the Dept. of Law & Governance, Central University of South Bihar. His research work is on "International Investment Agreement and State's right to regulate Foreign Investment." He qualified UGC-NET and has been selected for the prestigious ICSSR Doctoral Fellowship. He is an alumnus of the Faculty of Law, University of Delhi. Formerly he has been elected as Students Union President of Law Centre-1, University of Delhi. Moreover, he completed his LL.M. from the University of Delhi (2014-16), dissertation on "Cross-border Merger & Acquisition"; LL.B. from the University of Delhi (2011-14), and B.A. (Hons.) from Maharaja Agrasen College, University of Delhi. He has also obtained P.G. Diploma in IPR from the Indian Society of International Law, New Delhi. He has qualified UGC - NET examination and has been awarded ICSSR - Doctoral Fellowship. He has published six-plus articles and presented 9 plus papers in national and international seminars/conferences. He participated in several workshops on research methodology and teaching and learning.

ABOUT US

INTERNATIONAL JOURNAL FOR LEGAL RESEARCH & ANALYSIS ISSN 2582-6433 is an Online Journal is Monthly, Peer Review, Academic Journal, Published online, that seeks to provide an interactive platform for the publication of Short Articles, Long Articles, Book Review, Case Comments, Research Papers, Essay in the field of Law & Multidisciplinary issue. Our aim is to upgrade the level of interaction and discourse about contemporary issues of law. We are eager to become a highly cited academic publication, through quality contributions from students, academics, professionals from the industry, the bar and the bench. INTERNATIONAL JOURNAL FOR LEGAL RESEARCH & ANALYSIS ISSN 2582-6433 welcomes contributions from all legal branches, as long as the work is original, unpublished and is in consonance with the submission guidelines.

CORPORATE AWARENESS AND **GREENMARKETING: AN** **ANALYSIS**

AUTHORED BY: PRAGYA RANI (20113080)

CO-AUTHOR: SHOILY CHAKRABORTY (20113053)

CHRIST (DEEMED TO BE) UNIVERSITY PUNE, LAVASA CAMPUS

ABSTRACT

Environmental law is a steadily growing area of study and research. As the earth's condition degrades due to overexploitation and development, legal expertise in this field continues to take precedence in modern society. This paper will be dealing with the corporate aspect of environmental law. It focuses on understanding the liability of companies and their contribution in both deterioration of and the maintenance of the planet as a result of their actions. It goes into environmentally sound manufacturing processes and the ethical procedures the companies are subjected to in terms of preservation and regeneration of the environment by international instruments. The paper would be looking into the concept of '*green marketing*' which is an emerging aspect, recognized and accepted globally by environmentally conscious and responsible corporations. It would also delve into the concept of '*corporate social responsibility*.' This concept holds companies accountable for their environmentally harmful activities and imposes responsibility on them to rectify and compensate for their actions. Finally, the paper focuses on various *international conventions* that highlights the stated concern, inspiring certain *multinational corporations* which have stepped up and taken measures to address environmental damage done and have made moves to be more environmentally sound.

INTRODUCTION

Technology and development have been a boon to mankind. The industrial revolution brought with itself the advent of mechanised factories and the betterment of humans. Production efficiency increased and people enjoyed the luxury of manufactured products. Over the years, as a result, there has been use of natural resources. This has turned into overexploitation somewhere down the line. Humans continued to take from earth without actually giving back. Pollution and filth steadily increased. Human actions continued to be the cause of deterioration. As the years have gone by, corporations have utilised natural resources and have refused to take measures to ensure that the status quo in terms of environmental sanctity remains intact. Corporations have discharged untreated effluent into rivers for decades and released smoke and other pollutants into the atmosphere with screening. Pollutants and garbage have been released by corporations and their manufacturing outlets into the soil as well, leading to soil pollution. The actions of industries have had a monumental damaging effect on that planet with little to no repercussions for a long time. But various countries have acknowledged the issue of environmental degradation and have, through various instruments, tried to hold the corporations responsible for their activities. Now, many big corporations have adopted ways of being environmentally friendly and are manufacturing products while taking steps to save the planet. They have been undertaking measures to give back to the planet at least some of what is taken from it and attempt to reverse the damage done. They accept the liability imposed on them through the concepts of Extended Social Responsibility (ESR) and Corporate Social Responsibility (CSR) and have delved into 'Green Marketing'. Many companies, such as Starbucks, The Body Shop and IKEA have adopted the policy of increased transparency and have included the steps by them on their websites. Such corporations have inculcated the values of sustainable development in the conduction of their business activities. Valuing the environment is a duty that all corporations need to understand and address to the best of their abilities.

What is green marketing?

Environmental concerns are more important than ever. We worry and consider how we may be nicer to the earth as a result of the primary dangers, which include air pollution, plastic in the oceans, global warming, and food waste. Millions of people have started buying socially conscious products despite their greater price in support of environmental health.

Recognizing the trend, businesses are adopting a marketing approach that engages these consumers, speaks to their sense of social responsibility, and subsequently affects their purchasing

decisions. Although there are many different kinds of marketing, this tactic is referred to as green marketing.

Green marketing, for instance, is used by companies who tout their support for environmental protection organisations, highlight their ecologically friendly manufacturing practices, or otherwise sell their goods as environmentally friendly.¹

Green marketing is the practice of promoting the advantages that a product or service has for the environment in order to sell it. Consumers can recognize these products by phrases like "organic," "eco-friendly," "recyclable," or "sustainable," and some refer to it as eco-marketing or environmental marketing.

Environmentally safe or Green?

Products that are eco-friendly do not hurt the environment. In addition to not harming the environment, green products also minimize carbon footprint, reduce resource exploitation, may be recycled and reused, and maintain ecological equilibrium. For e.g. Tissue sheets are products that are safe for the environment because they can be recycled easily and, if not, they are at least biodegradable, unlike plastic.

But handkerchiefs are environment friendly products since in addition to being biodegradable and safe for the environment, they also do not consume up natural resources.²

Corporate Social Responsibility (CSR)

The term "corporate social responsibility," or just "CSR," became widely used in the late 1960s and early 1970s. Depending on the business and industry, it is a wide notion that can take many different shapes. Businesses can help society while building their brands through CSR initiatives, charity, and volunteer work. A business must be responsible to itself and its shareholders before it can be socially conscious. CSR-focused businesses frequently develop their operations to the point where they can support the community. As a result, multinational

¹ Lion Shridhan, 'The Biggest Challenges To 'Green Marketing' & How to Do It Right'

Forbes (Sep 7, 2022)

² Shweta Bapat, 'The Green Marketing'

India CSR (April 30, 2018)

corporations frequently employ CSR as a strategy. After all, a company has a greater need to establish the bar for moral conduct among its peers, rivals, and industry the more well-known and prosperous it becomes.

India is the first country in the world to make corporate social responsibility (CSR) mandatory, following an amendment to the Companies Act, 2013 in April 2014. As part of any CSR compliance, businesses are allowed to put their revenues toward causes including hunger, poverty, gender equality, and education.

Since the introduction of the CSR clause in 2014, corporate India has greatly boosted its CSR investment. Companies contributed US\$1 billion to CSR activities in 2018, which is a 47 percent increase over the amount they did in 2014–15, according to a survey. Listed firms in India invested INR 100 billion (US\$1.4 billion) in a range of initiatives, including healthcare, education, and environmental preservation. CSR contributions to the Prime Minister's Relief Fund also increased by 139 percent in the previous year.

CSR holds the corporations accountable and confers accountability on them. It promotes transparency for the activities of the corporations and the negative impact those activities have in the environment. Owing to the current degradation of the environment there have been increasing pressure on them to be more environmentally friendly. They have taken up measures to be minimise the damage. This, many corporations have turned towards 'green marketing' to comply with the regulations places due to the growing consciousness in the environmental front.

Hunger, poverty, and healthcare got the next highest amounts of financing (25 percent), followed by environmental sustainability (12 percent), rural development, and education (38% of the total) (11 percent). Programs like athletics, the armed forces, technology incubators, and eliminating disparities received very little funding.³

Challenges of Green Marketing:

1. Green products require renewable and recyclable materials, which is costly.

The materials required to carry out green marketing are generally very costly. The cost of production is high. From procuring raw materials to shipping the final product, almost all steps

³ Dezan Shira & Associates, 'Corporate Social Responsibility in India'

of the manufacturing and production process of eco-friendly products cost more than traditional products. Sustainable materials cost more to grow and manufacture because reputable third-party certifications, such as organic or fair trade, are not cheap. Additionally, organic materials are more expensive to grow, partly due to the use of alternative means of pest control, instead of using chemicals

2. Problems of deceptive advertising and false claims.

A common form of false advertising involves deceptive or misleading product descriptions, particularly claims that a product has certain features or benefits that it does not, or that it is of a higher quality than it actually is. For example, use of misleading terms, such as “organic,” “natural,” or “light”. This makes a consumer believe that he is living up to the spirits of environmentalism but in real, he is been deceived.⁴

3. Majority of the people are not aware of green products and their uses.

Shifting to green products or even choosing them on a small scale is a very long-term goal to meet. This is because in order to make people invest in something, one has to make them know of its benefits or uses. Therefore, awareness comes before expansion of any product. This makes an idea or an initiative, take longer than it should to be implemented, no matter however genuine it might be.

CASE STUDIES

IKEA

Ikea, a furniture company, has pledged to achieve climate neutrality by 2030. This indicates that Ikea will not only achieve net-zero carbon emissions but will also actively remove carbon dioxide from the atmosphere. After making significant investments in wind farms and solar panels all over the world, they have introduced a line of products for "sustainable living at home," according to Tutt. "They can position themselves as having green energy and sustainability at the core of their products by fusing these two things."

India Briefing (23 March, 2020)

⁴ Desirée Schmuck, Jörg Matthes & Brigitte Naderer, 'Misleading Consumers with Green Advertising? An Affect-Reason-Involvement Account of Greenwashing Effects in environmental Advertising' (2018) 47(2) *Journal of Advertising*

SOLHETTA, IKEA's newest generation of LED bulbs, are cheaper and, on average, 35% more energy

efficient than other LED bulbs, inspiring and enabling customers to save energy and money.

Ikea is also enabling users to conserve water by creating a water-recycling shower system and more water-efficient taps.

Replacing virgin fossil-based polyester with recycled, IKEA has strived towards reducing the climate footprint from polyester by around 45%.

IKEA is obtaining 56% renewable and 17% recycled resources in our ongoing effort to get only renewable or recycled materials by 2030. It has also been establishing a new objective and supporting initiatives to eliminate all plastics from consumer packaging by 2028.

The company has been establishing a new, forest-friendly strategy for 2030 with the intention of enhancing biodiversity, promoting sustainable livelihoods, and reducing climate change.⁵

THE BODY SHOP

The Body Shop is one company that has fought to outlaw animal experimentation since 1989, according to Debt Bombshell's head of marketing Scott McKinney.⁶

The Body Shop aims to:

- Reduce their greenhouse gas emissions to net zero by 2030.
- Foster collective efforts towards zero Amazon deforestation by 2025.
- Help create Science Based Targets for Biodiversity to enforce the Nagoya Protocol on Access and Benefit Sharing.

Their new stores aim to use sustainable materials throughout, produced in factories that demonstrate ethical and environmental standards:⁷

- No virgin plastic (and less plastic overall).

⁵ IKEA, 'IKEA Sustainability Report' (Financial Year 2021)

⁶ Lisa Smith, '8 Ways to Master Green Marketing' (Word Stream, 20 May, 2022)

<<https://www.wordstream.com/blog/ws/2022/04/28/green-marketing>> accessed 21 November 2022

⁷ The Body Shop, '2021 Sustainability Report' (2021)

- Materials and fixings that can be broken down at the end of their life.
- FSC-certified or recycled wood.
- FSC-certified paper/card and water-based inks.

STARBUCKS

The brand's goals for energy conservation have been ambitious. The company has high expectations for energy conservation. In the recent years, they have finished setting up Energy Management Systems in almost 4,000 stores. Energy management systems optimize heating and cooling while enabling the identification of additional areas for cost-cutting.

Starbucks' ongoing efforts to green stores:

- Conserving energy by allowing air-conditioned stores to reach 24°C instead of 22°C on warmdays
- Saving water by using high-blast nozzles to clean jugs instead of running water
- Installing low-flow valves throughout the store
- Installing cabinetry made from 90% post-industrial material (where available), with no added formaldehyde
- Improving lighting efficiency
- Using recycled flooring tiles
- Using wood products that are Forest Stewardship Council-certified (where available)
- Using paints with lower amounts of volatile organic chemicals

The achievement of two interconnected initiatives —developing recyclable cup solutions and drastically boosting the consumers' use of reusable cups—is necessary to reduce the environmental effect of its cups.

Many consumers are taking steps to lessen their own environmental footprint at the same time as the company is. Starbucks gives the customers who use their own reusable mugs or tumblers for their beverages, a 10-cent refund in the US and Canada to assist them in assisting the business. Customers who are still inside a store can ask to have their drinks supplied in ceramic mugs. Saving paper cups helps maintain the health of our forests.

International Perspective

STOCKHOLM CONFERENCE

The summit in Stockholm marked a turning point in environmental law. Its Declaration widely acknowledges global challenges and ultimately produces 26 principles as well as some structures to tie all the nations together in order to address these environmental issues. The meeting made history by addressing environmental concerns on a worldwide scale. The Stockholm Declaration highlighted the need for countries to adopt programmes using a combination of science and technology in order to reduce pollution of the air, land, and water as well as the effects of human activity on the environment. The Stockholm Declaration's principal goals were to safeguard the globe from the environmental ills that were destroying it, to protect natural resources, to reduce pollution, and to protect against a number of other environmental problems. In other words, we may say that the major goal was to conserve the environment. The Stockholm Declaration, from 1972, even had the slogan "Only One Earth." In addition to announcing 26 principles, the Stockholm Declaration of 1972 also included a number of recommendations.⁸ It was the first conference to focus on international environmental law. Despite not having any legal force, the declaration was still significant because it represents a significant advancement in environmental issues.

ICC FRAMEWORK

High standards of corporate ethics are promoted by the International Chamber of Commerce (ICC) through the creation and dissemination of regulations and guidelines on ethical marketing and advertising communications. Consolidated ICC Code of Advertising and Marketing Communication Practice (Code), which was released in 2006, is one of ICC's historic accomplishments. The Code gives customers confidence that businesses adhering to the Code may be relied upon to offer accurate advertising by encouraging self-regulation in the business sector in line with the highest ethical and legal standards. The Code includes a distinct section on environmental claims and lays out broad guidelines that apply to all marketing materials. Any sort of marketing message disseminated by the media, typically in exchange for money or other valuable consideration, is referred to in the Code as "advertisement" or "advertising." It includes a wide warning to advertisers to steer clear of or

⁸ Conferences on Environment and sustainable development

<<https://www.un.org/en/conferences/environment>> accessed 19 November 2022

properly qualify general promises of environmental advantage, which has long been the tenet of advertising advice. Avoid making broad environmental assertions that can be challenging to back up with reliable scientific evidence.

Numerous businesses have implemented "sustainability" initiatives or named corporate officers to concentrate on enhancing environmental sustainability. Some "sustainable" programmes will also cover social responsibility issues including workplace safety, environmental compliance, fair labour standards, and more.

Any form of claim that makes explicit or implicit mention of the environmental or ecological aspects of the creation, packing, distribution, use/consumption, or disposal of items is referred to as "green" or "environmental."⁹

THE ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT (OECD)

The Organization for Economic Cooperation and Development (OECD) released a Declaration on Green Growth in 2009 that urged the creation of a comprehensive Green Growth Strategy with the goals of ensuring economic recovery and sustainable economic growth. The Committee on Consumer Policy (CCP) committed to assist this project by looking into how to improve the information provided to consumers so that they may make more informed decisions. In April 2010, it organised a session titled "Empowering and protecting consumers while enhancing the value and effectiveness of environmental claims."¹⁰ Representatives of the government, business, and civil society gathered at the summit to discuss ways to handle problems with greater value and efficacy.

Consumers are indicating a growing desire to buy ecologically friendly products and services, according to polls in OECD nations. However, according to some polls, consumers frequently misunderstand the significance and validity of self-declared environmental claims, particularly those that are ambiguous or unsupported. Consumers are increasingly of the opinion that businesses "green wash" their image and act in an environmentally responsible manner in order

⁹ ICC Commission on Marketing and Advertising, 'ICC Document No. 240-46/665' (July, 2011)

¹⁰ 'Environmental Claims Findings and Conclusions of the OECD Committee on Consumer Policy' (2010) (DSTI/CP(2010)16/FINAL)

to boost profits and charge more.

For businesses to understand how their marketing rules and regulations relate to environmental claims, several OECD nations have created guides. The ISO standards on Type II self-declared environmental claims are clarified in several of the guidelines, and it is emphasised that these statements should be pertinent, understandable, accurate, proven, comparable, verifiable, and not deceptive.

For organisations creating Environmental Marketing Claim Guides, the International Consumer Protection and Enforcement Network (ICPEN) has drafted best practices, including requirements that these claims be:

- i) written in understandable terms;
- ii) precise, truthful, and genuine; and
- iii) established or verified, as appropriate. Governments should make it clearer to consumers what each form of environmental label means, including those that are required, and what terminology related to the environment mean in general.

Some nations mandate labelling for fuel efficiency, carbon emissions, and energy efficiency for particular products, appliances, and services. These labels are frequently dependent on carrying out particular testing involving energy use.

THE INTERNATIONAL LABOUR ORGANIZATION (ILO)

According to the International Labour Organization (ILO), CSR is a strategy used by businesses to take into account how their actions affect society and to uphold their principles and values in both their internal techniques and processes and in their interactions with other players.¹¹ Activities that are seen as going above and beyond what is required by law are referred to as CSR and are a voluntary, enterprise-driven initiative.

The ILO's two primary sources of information on CSR are:

- Fundamental Rights and Principles at Work: The ILO Declaration: As a result, governments are now

¹¹ International Labour Organisation, 'Corporate Social Responsibility(CSR)'

<https://www.ilo.org/empent/Informationresources/WCMS_101253/lang--en/index.htm> accessed 20 November, 2022

required to put the ILO's core labour standards into practice.

- The MNE Declaration, or Tripartite Declaration of Principles Concerning Multinational Enterprises & Social Policy This is an enterprise behaviour guide for governmental entities, ILO members, and businesses.

Since labour standards and social action are essential components of CSR and these are the ILO's primary areas of expertise, they can play a significant role in CSR. The majority of CSR activities, including codes of conduct, make reference to the ILO-developed worldwide labour standards that serve as their foundation. Governments are required to enact laws to carry out ILO Conventions once they have been ratified at the national level. The ILO Conventions' guiding principles are not mandatory for businesses, but they can serve as a model for how they should behave.

CONCLUSION

It requires patience and determination, but green marketing is, above all, an investment in the longevity of a brand. Environmental sustainability will continue to be a hot-topic issue, with more corporations developing and promoting green products and more consumers rejecting brands that aren't eco-friendly.

Green marketing, much like other ESG initiatives, comes with unique challenges, including advertising environmental sustainability without set standards, navigating the newness of green marketing, and balancing customer desires with product design. Though green marketing may seem intimidating, these challenges ultimately offer businesses opportunities to innovate their marketing strategies and product offerings and connect with customers in new and meaningful ways.¹²

Green product development involves more than just making environmentally friendly items; it also entails changing society, including customers, producers, and the larger economic framework in which they interact. By broadening and extending the definition of "green," relevant actors will have an economic motivation to seek the development of green products, and mainstream green will be achieved by taking use of market forces that support this process.¹³

¹² Shridhan (n 1)

¹³ Chaudhary, Bhuvnender & Tripathi, Saurabh & Monga, Nikhil. (2011). GREEN MARKETING AND CSR. International Journal of Research in Finance and Marketing. 1. 82-99.