



# Legal Protection for Eco-Friendly Product Consumer Losses Due to the Practice of Greenwashing

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## Abstract

This research refers in connection to the high tendency of demand for green products which has led some business actors that carry out covert promotions to deceive green consumers through false claims of being environmentally friendly where the implementation is contrary to Law Number 8 of 1999 about Consumer Protection in Indonesia and strategic policies regarding realized by the Government of Indonesia through the RPJMN 2005-2025 about Sustainable Consumption and Production (SCP). This article will discuss legal protection arrangements for eco-friendly product consumers and identify the losses and responsibilities of business actors who have carried out greenwashing practices toward green consumers based on doctrinal research (normative juridical) with a statutory and conceptual approach. The purpose of this article is to find out the norms of legal protection for green consumers and increase awareness about the practice of greenwashing. The findings showed the losses experienced by green consumers as a result of greenwashing are material and immaterial costs, while the existence of green consumers is protected by environmental protection and management law, consumer protection law, and eco-label policy.

**Keywords:** Consumer Protection; Greenwashing; Sustainable Consumption and Production

## A. Introduction

Sustainable national development realized by the Government of Indonesia through the RPJMN 2005-2025 by including strategic policies on sustainable production and consumption which have an impact on increasing public consumption of green products and shifting consumption patterns towards green consumer behavior. Start with the implementation of the achievement of Sustainable Development Goals (SDGs) through Presidential Regulation of the Republic of Indonesia No. 59/2017, the government established and issued a policy for the inclusion of eco-labels on products that were verified as green products carrying out the development of a green industry which plays a role in the procurement of environmentally

friendly products and services, as well as programs management of factory waste and production waste.<sup>1</sup> This strategic program has begun to form a new market segmentation, namely, the green market (green marketing) marked by the emergence of 152 industries as business actors who are committed to carrying out sustainable production in Indonesia.<sup>2</sup> This program gradually made 58% of Indonesian consumers have implemented green consumer behavior in their consumption patterns as a form of consumer awareness of contribution to protecting the surrounding environment through the implementation of green consumption activities.<sup>3</sup>

The high tendency towards a demand for green products has made many business actors use various ways to carry out covert promotions through the use of irrelevant statements in marketing their products with eco-friendly claims as one of the market strategies to increase product sales value or known as the practice of greenwashing.<sup>4</sup> The practice of greenwashing behavior includes issuing advertisements/promotions by making environmentally friendly claims that are irrelevant to the reality of the production and benefits of products produced by business actors, including symbols/images in products to show that the product is environmentally friendly but benefits are not environmentally sound, carrying out campaigns counterfeit to convince consumers that using these products can support environmental sustainability, as well as making various forms of environmentally friendly claims by business actors without any evidence.<sup>5</sup> Based on several actions in the practice of greenwashing can cause harm to green consumers who basically have natural rights as stated in Law No. 8/1999 concerning Consumers Protection in Indonesia such as the right to freedom in choosing products according to the use and utilization offered by business actors, the right to information obtained by consumers, and the right of consumers to get a good and healthy environment.

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<sup>1</sup> Etheldreda E. L. T. Wongkar and Prilia Kartika Apsari, *Telaah Kebijakan Sustainable Consumption and Production (SCP) dalam Merespons Fenomena Greenwashing di Indonesia pada Era E-Commerce* (Jakarta: Indonesian Center for Environmental Law, 2021), 77.

<sup>2</sup> Ade Miranti Karunia, "Baru 152 Perusahaan Terapkan Industri Hijau, Menperin: Kalau Tidak, Mereka Ketinggalan Kereta," Kompas, April 8, 2022, <https://money.kompas.com/read/2022/04/06/121000126/baru-152-perusahaan-terapkan-industri-hijau-menperin-kalau-tidak-mereka>.

<sup>3</sup> Sekar Langit Nariswari, "Survei: Konsumen Indonesia Makin Peduli Produk Ramah Lingkungan," Kompas, September 20, 2022, <https://lifestyle.kompas.com/read/2022/09/20/184205220/survei-konsumen-indonesia-makin-peduli-produk-ramah-lingkungan?page=all>.

<sup>4</sup> Wongkar and Apsari, *Telaah Kebijakan Sustainable Consumption and Production (SCP) dalam Merespons Fenomena Greenwashing di Indonesia pada Era E-Commerce*, 14.

<sup>5</sup> "Ciri- Ciri Greenwashing," Zerowaste, accessed October 11, 2022, <https://zerowaste.id/zero-waste-lifestyle/ciri-ciri-greenwashing/>.

Violation of these natural rights certainly causes losses to green consumers due to the consumption of goods/services from the false claims that are environmentally friendly.

This research aims to answer the legal position of consumer protection as a form of legal certainty and justice for consumers to balance the growth dynamic of national consumption-production development in Indonesia and also the losses caused by the practice of greenwashing by discussing three following issues: 1) The related regulations regarding legal protection for eco-friendly product consumers that losses due to the practice of greenwashing; 2) The form of losses experienced by consumers due to the practice of greenwashing by buying green products; 3) The form of responsibility for business actors who have carried out the practice of greenwashing toward green consumers. This research uses doctrinal research (normative juridical) by applying the alignment of legal concepts, legal principles, and existing legal issues with the regulations. This research systematically explains the rule of law in several specific fields including the development of the rule of law in the future with the aim of finding coherence of legal certainty in laws and regulations.<sup>6</sup> The research approach uses a statutory and conceptual approach by using primary legal in the form of a related collection of written rules and secondary legal materials in the form of books, journals, related articles, and scientific writing.

## **B. Discussion**

### **B. 1. Legal Protection Arrangements for Eco-Friendly Product Consumers That Losses Due to The Practice of Greenwashing**

Referring to Isnaeni's opinion on legal protection in civil aspects, basically, the form of legal protection that can be applied to consumers of environmentally friendly products is included in external legal protection. The concept of external legal protection was created by the government which formed legal protection authorities by making some regulations proportionally to protect weak parties as early as possible from injustice, arbitrariness, and losses incurred by the interests of other parties.<sup>7</sup> The categorization of external legal protection for green consumers is a consequence of the inequality of position between consumers and business actors in the act of false claims of environmentally friendly which results in the

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<sup>6</sup> Dyah Octorina Susanti and A'an Effendi, *Penelitian Hukum (Legal Research)* (Jakarta: Sinar Grafika, 2014), 11.

<sup>7</sup> Moch. Isnaeni, *Pengantar Hukum Jaminan Kebendaan* (Surabaya: Revka Petra Media, 2016), 159-163.

inflexibility of consumers of environmentally friendly products in drafting and agreeing on rights and obligations arising from business actors. Therefore, the consumer needs for environmentally friendly products as part of the development of consumer types based on the emergence of market segmentation in pro-environmental relations to environmental issues tends to be perverted. The mentioned condition encourages the need for the ruler to formulate regulations of legal norms that are born as a means of legal protection in accordance with the ideals of external legal protection, that is, protecting the interests of the weak proportionately, especially for the legal protection of green consumers and the prohibition of greenwashing practices that are not explicitly regulated in Law No. 8/1999 concerning Consumer Protection Law. However, consumer protection materials in the environmental sector are listed in the general explanation section of the Consumer Protection Law.

As written in the Consumer Protection Law, consumer protection by the environmental sector is based on Article 6 of Law No. 23/1997 concerning Environmental Management Law which reads: "Everyone is obliged to maintain the preservation of environmental functions and prevent and overcome environmental pollution and destruction". Environmental Management Law was repealed by Law No. 32/2009 concerning Environmental Protection and Management Law and the basic content of consumer protection in the environmental sector was then mechanically regulated based on Law No. 32/2009.

Both the Environmental Management Law and the Environmental Protection and Management Law contain two points of basic consumer rights in the concept of '*panca hak konsumen*' initiated by *Yayasan Lembaga Konsumen Indonesia* (YLKI). Two out of five points of basic consumer rights are: 1) The right to information obtained by consumers and 2) the right of consumers to get a good and healthy living environment.<sup>8</sup> The concept of consumer basic rights in both laws is listed in the norm on the following table:

<b>Environmental Management Law (Law No. 23/1997)</b>	<b>Environmental Protection and Management Law (Law No. 32/2009)</b>
<b>Article 5 section (2):</b> "Everyone has the right to environmental information relating to the role and management of the environment".	<b>Article 65:</b> "Everyone has the right to environmental education, access to information, access to participation, and access to justice in fulfilling the right to a good and healthy environment."

**Table 1. Consumer Basic Rights on Law No. 23/1997 and Law No. 32/2009**

<sup>8</sup> Celina Tri Siwi Kristiyanti, *Hukum Perlindungan Konsumen* (Jakarta: Sinar Grafika, 2008), 50.

Those two regulations textually place the word of ‘consumer’ within the words of ‘everyone’ whose legal relationship with business actors is based on elements of environmental management. Therefore in Law No. 32/2009 clarifies the aspect of ‘management of the environment’ based on Article 5 section (2) Law No. 23/1997 in more detail by placing the sentence of ‘the right to environmental education, access to information, access to participation, and access to justice in fulfilling the right to a good and healthy environment’ on Article 65 Law No. 32/2009. However, the comparison of the two regulations also adds several consequence points in role and management of the environment.

The consequence of the consumer basic rights norms makes the forming of laws and regulations complete the balance of these by regulating policies related to the obligations of business actors through Law No. 32/2009 by several points:<sup>9</sup>

- a. Provide information related to environmental protection and management in a correct, accurate, open, and timely manner;
- b. Maintaining the sustainability of environmental functions; and
- c. Comply with the provisions regarding environmental quality standards and/or standard criteria for environmental damage.

In addition, Law No. 32/2009 also regulates the prohibition of business actors from carrying out business activities involving environmental management through:<sup>10</sup>

- a. Prohibition in carrying out actions that result in environmental pollution and/or damage;
- b. Prohibition of disposing of waste in environmental media; and
- c. Prohibition in providing information that is false, misleading, omitting information, damaging information, and providing inaccurate information related to environmental management in business activities.

Based on the law for consumer protection, Law No. 8/1999 concerning Consumer Protection has an important role as a legal umbrella (umbrella act) for consumer protection in Indonesia.<sup>11</sup> Furthermore, the Consumer Protection law proportionally contains rules that balance the position of green consumers with the business actors. This condition the law actually has the legitimacy to clarify the position of consumer rights for environmentally

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<sup>9</sup> Article 68 letter a, b, and c *Law Number 32 Year 2009 concerning The Environmental Protection and Management*.

<sup>10</sup> Article 69 section (1) *Law Number 32 Year 2009 concerning The Environmental Protection and Management*.

<sup>11</sup> Kristiyanti, *Hukum Perlindungan Konsumen*, 52.

friendly products as well as obligations and prohibitions for business actors regarding environmental management through business activities that have the potential to cause greenwashing practices. To discuss this issue, it is necessary to know in advance how the greenwashing concept that is developing in society is compatible with the content of the norms contained in the consumer protection law.

The term greenwashing is also known as eco-bleaching, green makeup, and green image washing which has a similar meaning to the phrase process for carrying out deception in environmentally friendly products.<sup>12</sup> According to Terra Choice Environmental Marketing, "Greenwashing is an act of misleading consumers carried out by business actors regarding false claims that are environmentally friendly in practice, performance, and positive promotion of products produced by business actors."<sup>13</sup> Based on Consumer Protection law can be analyzed that the misleading act in greenwashing concept is contrary to the concept of good faith that must be carried out by business actors listed in Article 7 letter b.

Through the development of research on false claims of being environmentally friendly, some literature then tends to use Terra Choice's opinion in defining forms of greenwashing as a whole. Terra Choice argues that there are six forms of greenwashing or six sins of greenwashing that develop in society, namely, the sin of hidden trade-off, the sin of no proof, the sin of vague environmental claim, the sin of an irrelevant environmental claim, the sin of the lesser of two evils, and the sin of fibbing.<sup>14</sup> The six sins also violate several provisions of the Consumer Protection Law (Law No. 8/1999) as listed in the following table:<sup>15</sup>

<b>Forms of Greenwashing</b>	<b>Definition</b>	<b>Violated Article</b>
The Sin of Hidden Trade-Off	Type of business activity by making claims on environmental management of the production process of goods and/or services, but in its implementation it ignores environmental issues.	Article 8 section (1) letter a, d, e, dan f.

<sup>12</sup> Sergio Braga Junior, et al., "Greenwashing Effect, Attitudes, and Beliefs in Green Consumption," *RAUSP Management Journal* 32, no. 2 (2020): 228, <http://dx.doi.org/10.1108/RAUSP-08-2018-0070>.

<sup>13</sup> Sebastião Vieira de Freitas Netto, et al., "Concepts and Forms of Greenwashing: A Systematic Review," *Environmental Sciences Europe* 32, no. 1 (2020): 6, <https://doi.org/10.1186/s12302-020-0300-3>.

<sup>14</sup> Wongkar and Apsari, *Telaah Kebijakan Sustainable Consumption and Production (SCP) dalam Merespons Fenomena Greenwashing di Indonesia pada Era E-Commerce*, 14.

<sup>15</sup> Junior, et al., "Greenwashing Effect, Attitudes, and Beliefs in Green Consumption," 8-9.



The sin of no proof	Type of business activity by making environmentally friendly claims on products produced without clear evidence.	Article 8 section (1) letter a, d, e, f, and Article 9 section (1) letter b, j, and k.
The Sin of Vague Environmental Claim	Type of business activities by making environmentally friendly claims with information that tends to cause confusion for consumers relating to advertisements, promotions, and information that does not specifically state the environmentally friendly aspects of the product.	Article 9 section (1) letter c and Article 10 letter b and c.
The Sin of An Irrelevant Environmental Claim	Business activity with environmentally friendly claims that are irrelevant to environmental facts relating to the actions of business actors in promoting environmentally friendly claims using hyperbolic sentences.	Article 9 section (1) letter j.
The Lesser of Two Evils	Type of business activity by making environmentally friendly claims by comparing the weaknesses of one with green products.	Article 9 section (1) letter i.
The Sin of Fibbing	Business activity by making false environmental claims that can be defined as false information.	Article 9 section (1) letter c dan Article 10 letter b and c.

**Table 2. The Form of Greenwashing and Violated Article by the Consumer Protection Law**



The implementation of legal protection for eco-friendly product consumers can also be realized through the principle of *caveat emptor* and *caveat venditor* which is carried out by both green consumers and business actors by taking into account the procurement system of goods and services that are environmentally friendly. One of them is through the eco-label policy as a logo whose copyright is owned by the Ministry of Environment which states that a certain product has fulfilled environmental aspects including the acquisition of raw materials or natural resources, the production process, distribution, use and/or disposal of the rest of a product.<sup>16</sup> The existence of an eco-label policy in Indonesia is a hope to realize certainty and protection for consumers of environmentally friendly products against greenwashing practices

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<sup>16</sup> Article 1 number 1 *The Regulation of the Minister of Environment Number 2 Year 2014 concerning the Embedding of the Eco-label.*

that have the potential to occur in business activities, although in practice eco-labels are still proactive and voluntary.

Eco-labeling in Indonesia can be carried out through two schemes, namely, a certification scheme or a verification scheme in accordance with the Regulation of the Minister of Environment Republic of Indonesia Number 2 of 2014 concerning the Embedding of the Eco-label. The difference between the two schemes can be seen in the following table.

<b>Criteria</b>	<b>Certification Scheme</b>	<b>Verification Scheme</b>
Name of Label	Logo Ekolabel Indonesia (type 1 Ecolabel based on ISO)	Logo Ekolabel Swadepklarasi Indonesia (type 2 Ecolabel based on ISO)
Shape of Label	 <p>Figure 1. Label of Ekolabel Indonesia from <a href="http://www.sucofindo.co.id">www.sucofindo.co.id</a></p>	 <p>Figure 2. Label of Ekolabel Deklarasi Indonesia from <a href="http://www.sucofindo.co.id">www.sucofindo.co.id</a></p>
Claim Principle	Logo Ekolabel Indonesia is basically used to indicate environmentally friendly products as a whole of the product based on the Indonesian National Standard (SNI).	Logo Ekolabel Swadepklarasi Indonesia is basically used to indicate a product's environmentally friendly claims specifically either in the form of components or packaging.
Responsible Intitution	The institution consists named Lembaga Sertifikasi Ekolabel (LSE) accredited by Komite Akreditasi Nasional (KAN).	The institution consists named Lembaga Verifikasi Ekolabel (LVE) integrated by the Minister of Environment of the Republic Indonesia.

**Table 3. The difference between the Eco-labelling scheme in Indonesia**

## **B. 2. The Form of Losses Experienced by Consumers Due To The Practice of Greenwashing by Buying Green Product**

The form of consumer losses due to greenwashing practices basically arises from violations committed by business actors against the subjective rights of consumers and the



obligations of business actors which are regulated through statutory rules.<sup>17</sup> In the research to determine the losses experienced by consumers due to the emergence of greenwashing practices can be identified when green consumers purchase environmentally friendly products on the basis of several variables including environmental knowledge, environmental attitude, recycling behavior, and support for pro-environmental political policies.<sup>18</sup> Through these variables, a conclusion can be drawn that the higher the consumer has knowledge and information related to products and product functions towards their role in environmental sustainability, the higher the consumer's buying interest in making purchases of these products. Based on the considerations made by green consumers in purchasing products, greenwashing practices provide losses in the form of inappropriate use of products due to false claims that are environmentally friendly which will be felt by consumers.

The losses of an inefficient product due to the practice of greenwashing that consumers have violated the consumer right to choose goods according to the value and conditions agreed upon based on clear and honest information from business actors.<sup>19</sup> The losses of an inefficient due to the practice of greenwashing also violate the obligations of business actors in guaranteeing the quality of traded goods in accordance with applicable quality standards<sup>20</sup>. In addition, based on the eco-label policy, the loss of products that are not suitable for use due to the practice of greenwashing on products that have received eco-labels can be categorized as abuse of the obligation to use environmentally friendly labels according to their use.<sup>21</sup>

The existence of an efficient product due to the practice of greenwashing causes material loss and immaterial loss. Material losses are caused by costs incurred if consumers are not in accordance with the exchange rate and condition of the goods promised. It is mean that big or small the costs that consumers incur for using the green product are in vain. Material losses can potentially develop if the inaccuracy in using the product causes physical harm to the consumer himself. The obligation to compensate for costs incurred by consumers must be carried out by business actors as is the norm in Article 7 letters f and g of the UUPK. Unlawful

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<sup>17</sup> Abdul Halim Baraktullah, *Framework Sistem Hukum Perlindungan Hukum bagi Konsumen di Indonesia* (Bandung: Nusamedia, 2017), 3-4.

<sup>18</sup> Kristiana Sri Utami, "Green Consumers Behavior: Perilaku Konsumen dalam Pembelian Produk Ramah Lingkungan," *Jurnal Maksipreneur* 9, no. 2 (2020): 212-214, <http://dx.doi.org/10.30588/jmp.v9i2.499>.

<sup>19</sup> Article 4 letter b and c *Law Number 8 Year 1999 concerning Consumer Protection*.

<sup>20</sup> Article 7 letter d *Law Number 8 Year 1999 concerning Consumer Protection*.

<sup>21</sup> Article 11 *The Regulation of the Minister of Environment Number 2 Year 2014 concerning the Embedding of the Eco-label*.

acts committed by business actors from the practice of greenwashing also cause immaterial harm to consumers by reducing the enjoyment of using and utilizing products as a result of consuming products that do not comply with the quality and guarantee (not appropriate) as regulated by laws and regulations (disturbances/hinder causing immaterial loss).<sup>22</sup>

### **B. 3. The Form of Responsibility for Business Actors Who Have Carried Out The Practice of Greenwashing Toward Green Consumers**

The responsibility of business actors arises when consumers feel disadvantaged by defects in a product. In cases of greenwashing, business actors who produce goods cannot be separated from responsibility for losses suffered by consumers unless it can be proven otherwise by the business actors. This is related to the concept of product defects caused by the practice of greenwashing which can be categorized into the category of manufacturing defects, where a product can be said to be defective if the product as a whole falls below the standard expected by consumers.<sup>23</sup> A product can be said to be defective if the product that is being traded cannot fulfill its manufacturing purpose either due to intentionality or due to negligence in the production or distribution process, or does not meet the standard/quality/safety expected by consumers so that it threatens people and their property when used.<sup>24</sup> Product defects according to Az. Nasution divides the form of product defects into:<sup>25</sup>

- a. A product can be said to be defective if the product as a whole is below the standard expected by consumers (product/manufacturing defects);
- b. A product is said to be defective if it endangers the consumer both materially and mentally and to the consumer's health (design defect); And
- c. Products can also be said to be defective if they are not equipped with specific warnings or instructions for use (warning defects/industrial defects).

In addition, in Article 1504 of the Civil Code, it is stated that the terminology for defective products which is the responsibility of the seller is a product with hidden defects. The product

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<sup>22</sup> Putu Mita Apsari Dewi et al., "Perbuatan Melawan Hukum yang Dilakukan Oleh Produsen dan Biro Iklan Terhadap Iklan yang Menyesatkan Masyarakat," *Jurnal Kertha Semaya* 2, no. 4 (2014): 9, <https://ojs.unud.ac.id/index.php/kerthasemaya/article/view/38221>.

<sup>23</sup> Article 7 letter f and g *Law Number 8 Year 1999 concerning Consumer Protection*.

<sup>24</sup> Abuyazid Bustomi, "Tanggung Jawab Pelaku Usaha Terhadap Kerugian Konsumen," *Jurnal Solusi* 16, no. 2 (2018): 159, <https://doi.org/10.36546/solusi.v16i2.125>.

<sup>25</sup> Baraktullah, *Framework Sistem Hukum Perlindungan Hukum bagi Konsumen di Indonesia*, 73.

that is meant hidden defects is a defect in the product that makes the product unable to be used according to its intended purpose.<sup>26</sup>

Green consumers are completely harmed by environmentally friendly claims promised by business actors through greenwashing practices. The responsibility of business actors for losses received by consumers due to the consumption of products with false claims of being environmentally friendly appears as a form of legal competence due to the acceptance of products that are not in accordance with what is offered as understood from a defective product in general or according to product/manufacturing defect theory. In addition, the practice of greenwashing as a form of deception of products with false claims of being environmentally friendly also fulfills an element of hidden defects under Article 1504 of the Civil Code. Therefore, business actors have a responsibility to compensate for losses caused by products with false environmentally friendly claims.

The form of business actor's responsibility due to trade in products with false claims of being environmentally friendly can be reviewed in several rules in the following table.

<b>No.</b>	<b>Related Rules</b>	<b>Form of Compensation</b>
1.	Article 1507 of the Civil Code	The responsibility of business actors due to hidden defects can be in the form of returning part of the assets (money) owned by the buyer.
2.	Article 1508 of the Civil Code	In this case, the business actor intentionally commits deception with false claims of being environmentally friendly and must be responsible for returning all assets along with losses and interest to consumers.
3.	Article 19 section (2) Law No. 8/1999 concerning Consumer Protection	Compensation is in the form of a refund or replacement of products that are equivalent in value and can be in the form of compensation in accordance with applicable laws and regulations.

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<sup>26</sup> Bustomi, "Tanggung Jawab Pelaku Usaha Terhadap Kerugian Konsumen," 59.

4.	Article 60 Law No. 8/1999 concerning Consumer Protection	Business actors who violate Article 19 paragraphs (2) and (3) have the opportunity to be given administrative sanctions by <i>Badan Penyelesaian Sengketa Konsumen (BPSK)</i> . Administrative sanctions business actors in the form of determining a maximum compensation of Rp. 200,000,000 (two hundred million rupiah).
5.	Article 62 Law No. 8/1999 concerning Consumer Protection	Violations of Articles 8, Article 9, Article 10 are subject to criminal sanctions for a maximum of 5 (five) years or a maximum fine of Rp. 2,000,000,000 (two billion rupiah).
6.	Article 11 section (1) Regulation of the Minister of Environment Republic of Indonesia No. 2/2014 concerning the Embedding of the Eco-label	Business actors who violate the inclusion of the Ecolabel will be subject to sanctions to revoke the inclusion of the Ecolabel.
7.	Article 11 section (2) Regulation of the Minister of Environment Republic of Indonesia Number 2 /2014 concerning the Embedding of the Eco-label	if the misuse is proven true, the business actor will be subject to sanctions as stated in the Copyright Law (Law No. 28/2014) for the use of eco-labels without permission.

**Table 4. Form of Business Actor's Responsibility Due to Trade in Products with False Claims**

The compensation rules as the responsibility of business actors listed in the Consumer Protection Law can basically be enforced with two principles, namely, if the business actor is indeed deemed guilty then there is no need to prove his guilt (fault liability), however, it does not rule out the possibility that if the business actor's mistake is proven, then use the principle of inverted proof (presumption of liability) as long as the business actor cannot prove himself innocent.<sup>27</sup> Therefore, the actions of business actors in greenwashing practices occur in various forms and platforms, it is not absolutely that business actors can be asked for compensation. This happens as long as the business actors can prove that the products produced and traded do not contain false claims of being environmentally friendly.

<sup>27</sup> Baraktullah, *Framework Sistem Hukum Perlindungan Hukum bagi Konsumen di Indonesia*, 95.

In addition, it does not rule out the possibility that claims for compensation can be carried out absolutely within the norms of consumer protection. As the concept of liability for business actors in the Environmental Protection and Management Law itself uses the principle of absolute responsibility with an element of guilt that does not need to be proven by the plaintiff as an effort to obtain compensation.<sup>28</sup> The concept of absolute responsibility is in line with the ideals of the Environmental Protection and Management Law to prevent and/or exacerbate natural damage arising from the actions of irresponsible business actors.<sup>29</sup> This is in line with the urgency of the Sustainable Consumption and Production (SCP) policy which cannot be separated from the basic rights of green consumers as it intersects with the obligation to protect and manage the environment by business actors.

### **C. Conclusion**

Legal protection for consumers of environmentally friendly products in Indonesia is regulated through the Environmental Management Law which was later amended to become the Environmental Protection and Management Law and implicitly through the Consumer Protection Law, as well as the prohibition on greenwashing practices which are still generally regulated in Articles 8, Article 9 and Article 10 of the Consumer Protection Law. Along with the development of greenwashing practices in society and the national development model, the government should need to renew the existence of Law No. 8/1999 concerning Consumer Protection as the main legal umbrella in consumer protection law in Indonesia by adopting norms related to the right to a good and healthy environment for consumers as the concept of '*panca hak konsumen*' which was coined by YLKI. In addition, the government must change the principles of the Eco-label Logo policy, which was initially proactive and voluntary, to become mandatory for all business actors who apply environmentally friendly claims for their products. Through eco-labeling policies which are mandatory for all business actors, it is hoped that consumers can avoid material and immaterial losses. For business actors, the eco-label policy can become a standard for producing and trading the products they produce according to product guarantees, so that mass environmental pollution can be avoided. For law enforcers in tackling the practice of greenwashing in proving the responsibility of business actors, it is

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<sup>28</sup> Article 88 *Law Number 32 Year 2009 concerning The Environmental Protection and Management*.

<sup>29</sup> Emi Puasa Handayani et al., "Liability Without Fault dalam Penyelesaian Sengketa Lingkungan Hidup di Indonesia," *Jurnal Hukum Acara Perdata* 4, no. 2 (2018): 3, <https://doi.org/10.36914/jhaper.v4i2.74>.

necessary to apply the principle of absolute liability so that business actors can provide compensation arising from consumer losses so that false environmentally friendly claims do not spread quickly and cause mass greater losses.

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