

NY Attorney General Sues JBS Over Greenwashing

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Last year, a trade association challenged aspirational claims that JBS – the world’s largest producer of beef products – was making about its commitment “to be net zero by 2040.” NAD [determined](#) that although the company had taken steps that may be helpful towards achieving its goal, those steps weren’t enough to support the implied claim that JBS was currently implementing a plan that would achieve that goal. On appeal, NARB [agreed](#) with NAD’s decision.

Although JBS made some changes after the NARB decision, those changes weren’t enough for the trade association, who filed a compliance inquiry before the NARB. The changes also weren’t enough for the NARB, who recommended that JBS make additional modifications to the claims. And the changes weren’t enough for the NY Attorney General who, last week, filed a [lawsuit](#) alleging that JBS continues to mislead consumers, despite the NAD and NARB decisions.

The AG’s complaint alleges not only that JBS isn’t currently implementing a plan to achieve its goal, but – taking a stronger stance than both NAD and NARB – also that the goal simply isn’t feasible. For example, in 2021, JBS reported total global greenhouse gas emissions of over 71 million tons, not including Scope 3 emissions. The complaint alleges that “there are no proven agricultural practices to reduce its greenhouse gas emissions to net zero at the JBS Group’s current scale.”

With this lawsuit, the AG is asking the court to require JBS to cease its “Net Zero by 2040” campaign, conduct a third-party audit of its compliance with New York’s consumer protection statutes, and pay disgorgement of all ill-gotten gains earned by misleading the public about their business practices as well as penalties of at least \$5,000 per violation. The total number of violations will be determined at trial.

It’s too early to predict how this case will turn out, but there are a few key points worth noting for now. First, it’s clear that green claims – including aspirational claims about what companies plan to achieve in the future – are likely to continue to face challenges from all angles. Regulators, consumers, competitors, and industry groups are all watching. Second, companies should think twice about ignoring NAD recommendations. The consequences of doing that can prove to be very costly.