



The European Green Deal

Impacts on sustainability reporting and green claims in the seafood sector

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What can you expect from today?



European Green Deal overview

Relevance to MSC and partners

Deep dive

- 1. How is the EU aiming to tackle greenwashing (regulate green claims)**
- 2. EU Corporate Sustainability Reporting in the seafood sector**

MSC alignment with emerging EU directives

Support tools for partners

Next steps

Q&A

What's the European Green Deal



- EU's vision for climate neutrality by 2050
- Promotes circular economy
- Transition to a greener economy and sustainable food systems
- Restore and protect biodiversity
- Investment in sustainable activities

4 focus areas for MSC



What does it mean for us



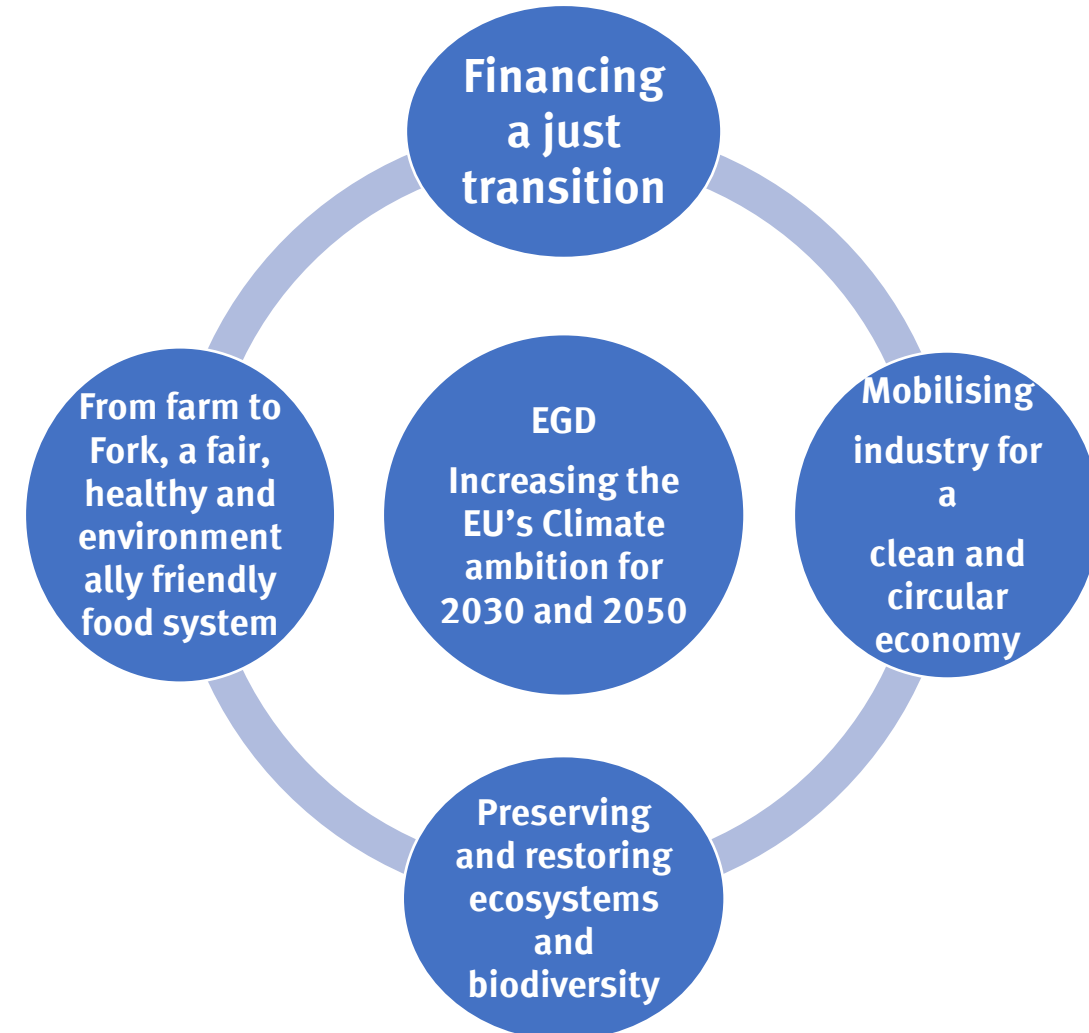
EU single largest seafood market in the world

EGD will impact all MSC/partner operations in EU and international supply chains

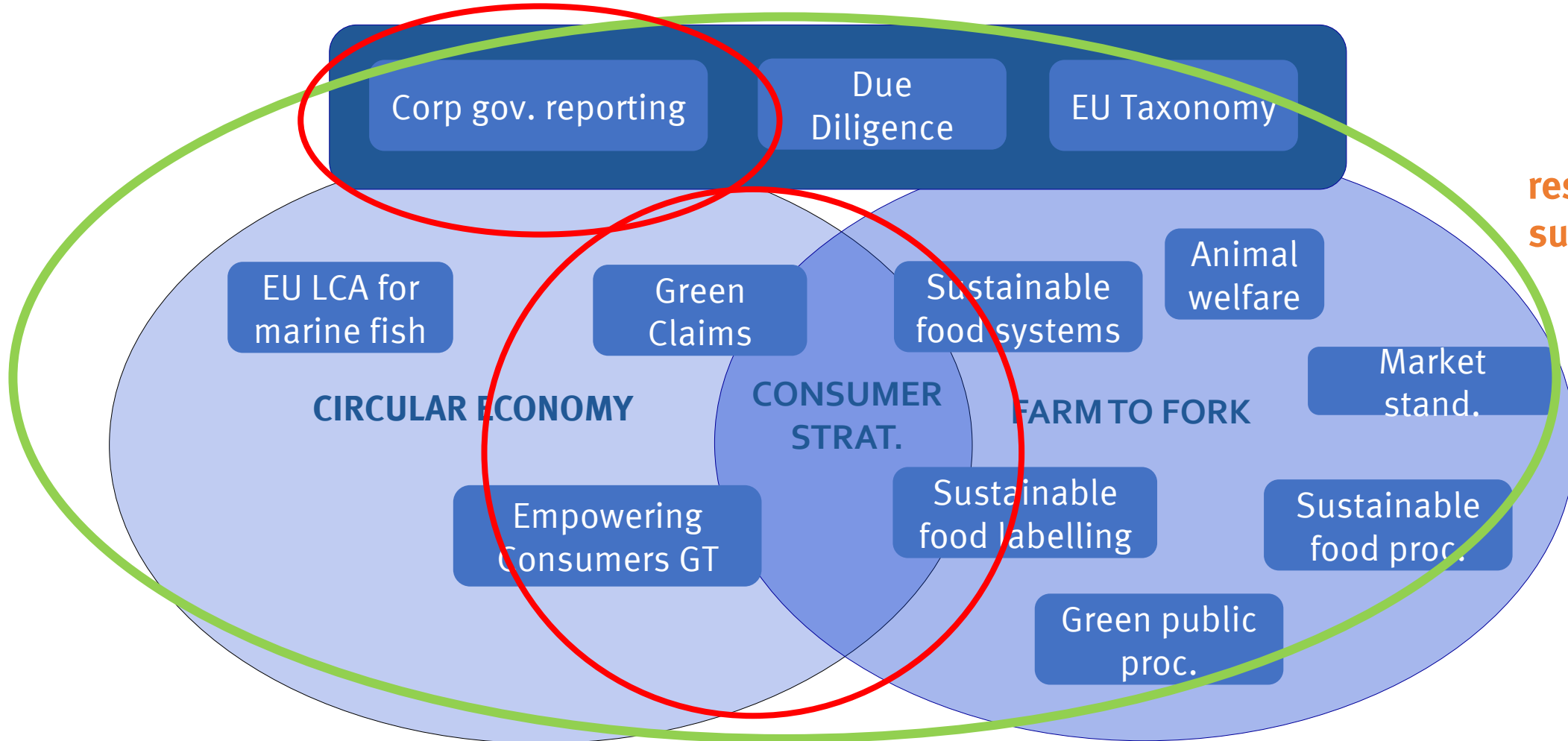
Why are we investing in this?

1. Remain at **forefront of policy development**
2. **Safeguard/strengthen MSC's value proposition & support partners** to meet **sustainability obligations**
3. Ensure MSC's **programme aligns** with emerging EU policies & **ecolabel remains relevant**

4 focus areas for MSC



EGD: Complex policy landscape



Common thread: Corporate responsibility, sustainability, ethical business practices

MSC's opportunity to engage, influence shape EU policy in line with our objectives, mission and vision

Sustainable fish supply chains



.... A legitimate priority of EU consumer and F2F strategy

- For 25 years MSC programme addresses sustainability throughout supply chain; connecting fish companies, processors, retailers, traders and consumers
- MSC promotes sustainability “From Ocean to Plate”



MSC's is a tool for delivering sustainable fish supply chains



Deep Dive

EU's regulatory framework
for tackling green washing

Greenwashing is a problem for EU Consumers



- Impact assessment and consumer surveys (2021)
- 230 labels on EU market (proliferation)

53% 

of green claims on products and services make **vague, misleading, or unfounded information**



40%

of claims have **no supporting evidence**



40%

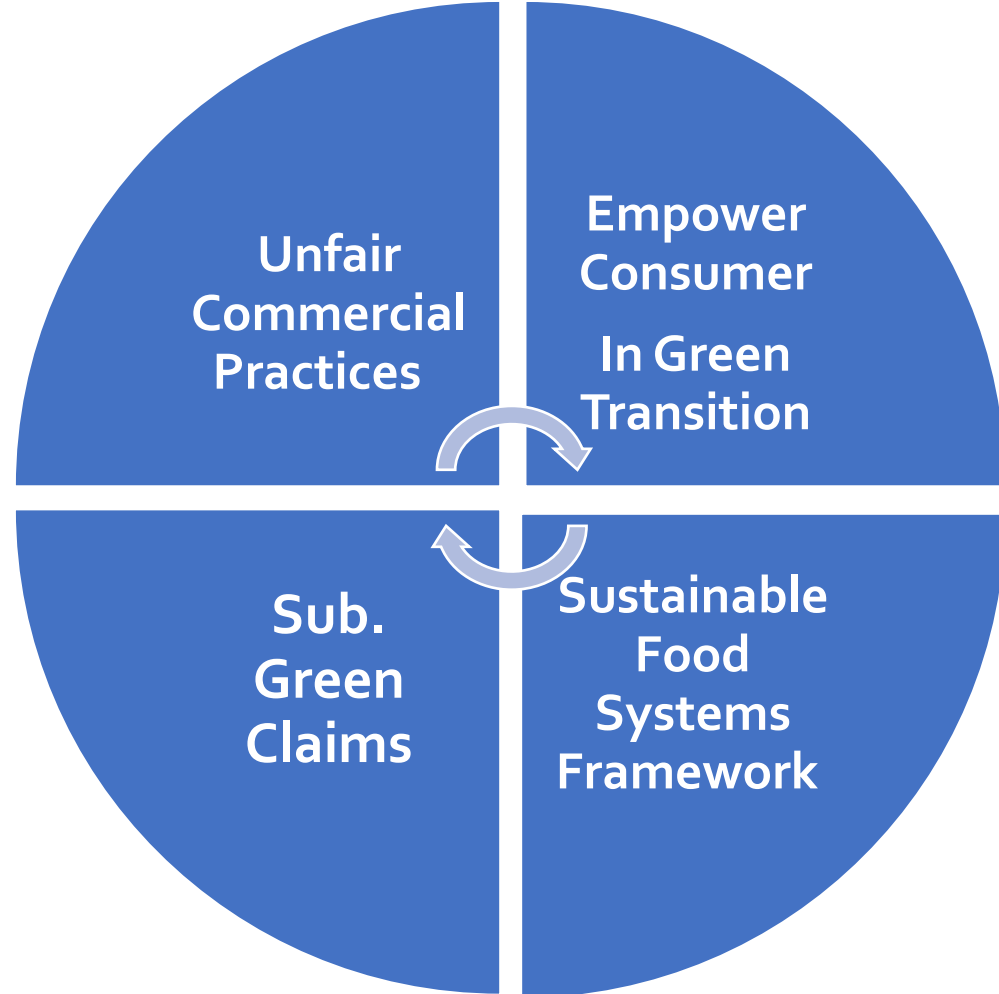
Consumer trust in green claims is **extremely low (1.6/4)**

Many consumers do not distinguish **between labels governed by third party certification schemes and those based on “self-certifications”**

How will the EU tackle greenwashing?



What you can't do



Expanding list of unfair commercial practices and providing clarity on who can make claims

If you want to make a env claim, how do you substantiate and register it?

Framework regulation, principles and definitions of sustainability

Empowering consumers



Timeline: Adopted (April 2024, 24 months for transposition)

Scope: All B2C claims and sustainability logos (env and social)



- ✓ **Ban generic claims** (eco, natural, carbon offsetting etc.)
- ✓ A ban of generic environmental claims where the **excellent environmental performance** cannot be demonstrated
- ✓ Ban sustainability labels **not based on certification schemes** or public scheme
- ✓ Certification schemes **must include third party verification**
- ✓ Strict criteria for monitoring of compliance (process is independent from owner and trader)

This will weed out all unreliable, unsubstantiated claims, tackles unfair competition and remove unreliable logos/schemes from the market



Green Claims



Timeline:

In negotiation between EU Council, Parliament and Commission
Adoption Q1 2025 (24 months transposition)

Aim

Tackle proliferation, unsubstantiated claims

Promote **minimum requirements for schemes** (aligned with ISEAL credibility principles)

Improve legal certainty regarding env schemes, claims, labels (definitions)

Scope:

Voluntary environmental claims and labels and **explicit claims...**about the **environmental impacts, aspects or performance of product, service** or the trader itself in B2C commercial practices

Recap



Safeguards for partners

- ✓ **MSC meets definitions and min. requirements for certification schemes**
- ✓ In wild capture seafood assurance space, MSC is currently the **only ISEAL accredited third party scheme** to meet all draft requirements

Next steps

- MSC's EU team is working with ISEAL coalition to ensure ISEAL credibility principles guide EU's minimum requirements for schemes
- Register programme and claims
- Secure registration for all MSC license holders
- Webinar in Q1 2025 to update partners





Sustainability reporting

Reporting on Environmental, Social and Governance criteria

What is sustainability reporting



- Reporting on relevant Environmental, Social and Governance criteria (sustainability reporting)
- Disclosure of non-financial information (communication tool)
- Highlights risks/opportunities
- Investors/stakeholders use reports to compare sustainability of companies

Relevance

MSC as a tool for reporting, a tool for measuring/demonstrating impacts (driving change on the water and throughout supply chain)



Mandatory ESG Reporting

35 nations and regions representing 56% of the global GDP are rolling out mandatory ESG reporting



EU Legislative framework



Seafood brands,
retailers and
other partners
will need to
publish
sustainability
reports by 2025

EU taxonomy
(July 2020)
draft Technical
Screening
Criteria for
fisheries

Corporate
Sustainability
Reporting
Directive
(CSRD, 2022)

European
Sustainability
Reporting
Standards
(ESRS, 2023)

Corporate
Sustainability
Due Diligence
Directive
(CSDDD, expected
in 2024)

MSC standard as
a tool for
sustainability
reporting

CSRD

- Enter into force in 2023, phase in from 2024-2028
- Requires large companies, listed SMEs to disclose NFI
- Double materiality
 - oblige companies to report both on their **impacts** on people and the environment, and on how social and environmental issues create **financial risks** and opportunities for the company
- Put together the sustainability impact and the financial impact
- Companies will identify sustainability topics which are of highest relevance
- Companies will report using ESRS (external verification of information (audits by CBs))
- Disclosure on more than 1000 datapoints
- MSC provides assurance for Fisheries and Supply Chain data
 - KPI will serve as performance improvement measurement and reporting

→ Partners can extract data from MSC reports to complete ESRS reports. MSC developing a tool to facilitate this extraction

Group	Number	Subject
Cross-cutting	ESRS 1	General Requirements
Cross-cutting	ESRS 2	General Disclosures
Environment	ESRS E1	Climate
Environment	ESRS E2	Pollution
Environment	ESRS E3	Water and marine resources
Environment	ESRS E4	Biodiversity and ecosystems
Environment	ESRS E5	Resource use and circular economy
Social	ESRS S1	Own workforce
Social	ESRS S2	Workers in the value chain
Social	ESRS S3	Affected communities
Social	ESRS S4	Consumers and end users
Governance	ESRS G1	Business conduct

European Sustainability Reporting Standards



Two mandatory Standards

ESRS 1: general reporting requirements

ESRS 2: general disclosures on their ESG reporting.

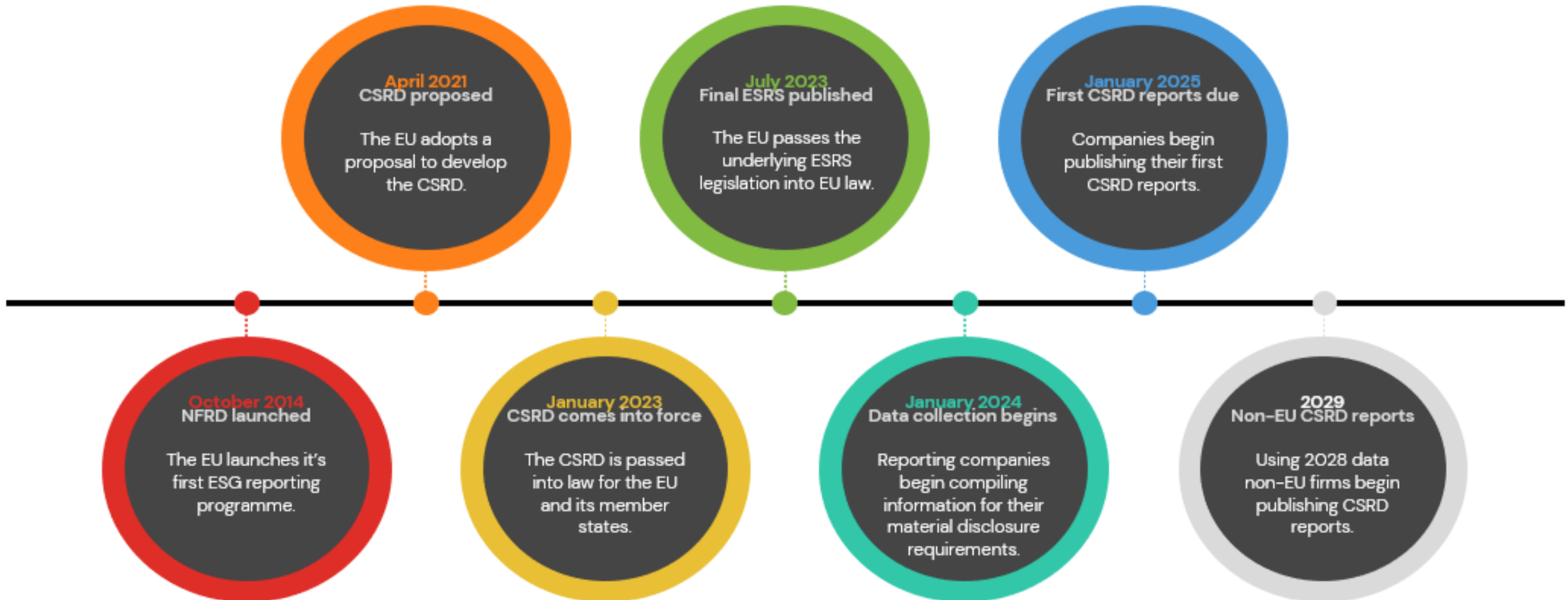
Cross-cutting				
ESRS 1 General requirements			ESRS 2 General disclosures	
Environmental				
ESRS E1 Climate change	ESRS E2 Pollution	ESRS E3 Water and marine resources	ESRS E4 Biodiversity and ecosystems	ESRS E5 Resource use and circular economy
Social				
ESRS S1 Own workforce	ESRS S2 Workers in the value chain	ESRS S3 Affected communities	ESRS S4 Consumers and end users	
Governance				
ESRS G1 Business conduct				

Standards overlap summary

- % of requirements aligned to the MSC Fisheries standard per principle¹
- ESRS 4 is most aligned – biodiversity & ecosystems
- Analysis highlights which ESRS are material for partners therefore within reporting scope of CSRD.
- If reporting against all 3 standards (FSR, CoC, Labour eligibility), partners will be able to meet evidence requirements (credible, verifiable) data for their sustainability statement under CSRD
- Evidence requirements has overlaps with general, and number ESG points.

	ESRS 1	ESRS 2	E1	E2	E3	E4	E5	S1	S2	S3	S4	G1
	General principles	General disclosures	Climate change	Pollution	Water and marine resources	Biodiversity and ecosystems	Resource use and circular economy	Own workforce	Workers in the value chain	Affected communities	Consumers and end-users	Business conduct
Sustainability of exploited fish stocks	0.0%	1.3%	0.0%	0.0%	0.0%	7.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Maintenance of the ecosystem on which the fishery depends	0.0%	3.3%	0.0%	1.5%	0.0%	17.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Effective and responsible management <small>1. In some cases, a CSRD requirement may occur more than once within the data if it satisfies more than one principle.</small>	0.0%	2.6%	0.0%	0.0%	0.0%	4.2%	0.0%	0.5%	0.0%	0.0%	0.0%	0.0%
Total	0.0%	7.2%	0.0%	1.5%	0.0%	29.2%	0.0%	0.5%	0.0%	0.0%	0.0%	0.0%

Timeline CSRD-ESRS



MSC certification helps to future proof your business!



- ✓ Our programme and label meets emerging EU requirements for making credible claims in the EU market and provides assurance that fish comes from a healthy stock (overlap/alignment with CSRD, DD, Claims)
- ✓ Credible 3rd party assurance to support ESG evidence requirements
- ✓ MSC can facilitate and support, via its independent 3rd party certification programme, companies, Units of certification (UoCs) and those purchasing MSC labelled products to fulfil their corporate sustainability obligations (mandatory, voluntary/aspirational) based on best internationally recognised best practice
- ✓ Being MSC certified for a high proportion of seafood turnover can increase your preparedness (time, capacity, regulatory requirements... cost-savings)
- ✓ → MSC benchmark and reporting tool to support partners (coming soon)





THANK YOU