

For What It's Earth

Global ESG Headlines from Step toe

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Litigation

On June 22, 24 consumer associations across 19 countries led by BEUC, the European Consumer Organisation, filed a complaint to the European Commission and the network of consumer protection authorities (CPC) against 17 airline companies for greenwashing. The complaint alleges breach of EU unfair commercial practices rules, targeting claims related to, among others, CO2 offsets or neutralization claims, "sustainable", "responsible" and "green" claims in relation to air travel.



Regulation

The European Commission has published its proposal to revise the Waste Framework Directive to increase environmental sustainability of the textiles sector. The proposal, when adopted, will introduce mandatory Extended Producer Responsibility schemes for textiles in all EU Member States and introduce a producer register. The proposal further strengthens the rules on illegal export of textile waste to other countries. The proposal also tackles some of the issues with food waste.



Legislation

On June 29, the US Supreme Court issued its long-awaited decision on the constitutionality of race-based admissions programs in higher education. In a decision that split along ideological lines, the Court held that the admissions programs at Harvard University and the University of North Carolina violate the Equal Protection Clause of the Fourteenth Amendment and Title VI, and therefore are unconstitutional. *Students for Fair Admissions, Inc. v. President and Fellows of Harvard College and Students for Fair Admissions, Inc. v. University of North Carolina (UNC), et al. (together, SFFA)*. The ruling – while expected – denotes a sea change from decades of precedent regarding the consideration of race in higher education admissions.



Standards

An industry group formed at the request of the UK Financial Conduct Authority, the ESG Data and Ratings Working Group, has published a draft voluntary Code of Conduct (CoC) for ESG ratings and data providers for consultation. The CoC aims to improve the information available to investors about providers to enhance market integrity and facilitate the comparison of products/providers, thereby driving competition in the sector. The consultation closes on 5 October 2023.



Statement

On June 29, London's Grantham Research Institute on Climate Change and the Environment published a report highlighting the increasing number of lawsuits filed against corporations accused of greenwashing, as stakeholders demand greater transparency and accountability.

"One of the most significant groups of climate-washing cases to emerge in recent years have been cases challenging the truthfulness of corporate climate commitments, particularly where these are not backed up by adequate plans and policies."

Dr Joana Setzer and Kate Higham, authors of *Global Trends in Climate Change Litigation: 2023 Snapshot*, a report published by London's Grantham Research Institute on Climate Change and the Environment, June 29, 2023