
Public Consultation on the Corporate Sustainability Reporting Directive

Input from the American Chamber of Commerce Ireland (AmCham) to the Department of Enterprise, Trade, and Employment.

March 2023

The American Chamber of Commerce Ireland

The Voice of US-Ireland Business

The American Chamber of Commerce Ireland (AmCham) is the collective voice of US companies in Ireland and the leading international business organisation supporting the Transatlantic business relationship. Our members are the Irish operations of all the major US companies in every sector present here, Irish companies with operations in the United States and organisations with close linkages to US-Ireland trade and investment.

AmCham welcomes the opportunity to respond to the Department of Enterprise, Trade, and Employment’s public consultation on the Corporate Sustainability Reporting Directive (CSRD).

Once transposed into domestic law, the CSRD will broaden the remit of companies that need to report on environmental, social and governance (ESG) and human rights matters according to the EU mandatory standards. The CSRD will place significant requirements upon relevant businesses and, as such, AmCham believes that ongoing engagement with business will be important in ensuring the implementation of the CSRD happens in an efficient manner for both policymakers and business.

Whilst the current consultation is limited to options only, AmCham looks forward to continued cooperation with the Department on various aspects of the CSRD, notably the finalisation of European Sustainability Reporting Standards.

Article 29a. – Consolidated Sustainability Reporting

AmCham believes it is crucial that companies are given the option to exclude commercially sensitive information from the sustainability reporting under certain circumstances. AmCham notes that there are a variety of reasons for which a company may have commercially sensitive information. As such, it would be important to take the opportunity to allow for commercially sensitive information to be excluded under certain circumstances to ensure that reporting requirements are not prejudicial to their commercial position. Further, it would be beneficial to ensure that businesses do not face commercial harm as a result of such sensitive information being available to competitors.

The adoption of this option will work towards ensuring the competitiveness of businesses is protected. It will further provide business with the certainty and security they require in protecting their commercial position.

AmCham recommends that this option is exercised by Ireland, and further notes that clarity surrounding the specific “certain circumstances” under which information can be excluded is clearly communicated to businesses to avoid misreporting.

Article 26a Assurance Standards for sustainability reporting

In terms of reporting standards, AmCham notes that certainty and clarity is key. In this regard, as a general principle, AmCham believes that there should be Europe-wide harmonisation when it comes to assurance standards. A unified approach simplifies

implementation for companies with operations across several jurisdictions, and supports transparency on an EU-wide basis.

Article 29 Quality Assurance Systems

AmCham supports the idea that persons carrying out quality assurance reviews on sustainability reporting may be allowed a transition period by exempting them from the requirement to have relevant experience in sustainability reporting or the assurance of same until the end of 2025. This transition period would be key in ensuring that talent within companies can be empowered with the necessary skills to ensure reporting is completely correctly, and to avoid misreporting.

Support for Businesses

The reporting that the CSRD requires will place a considerable administrative burden on businesses. It is therefore essential that Government provides support and guidance for businesses in preparing for, and meeting their sustainability reporting requirements. This is particularly important for listed SMEs, who need to start reporting in 2026, as they do not have the resources that larger businesses do. Whilst many SMEs will not fall within the remit of the CSRD, their place within the value chain means they will also need to be more mindful of ESG.

In this regard smaller companies need to be given a clear understanding of what the CSRD means for them, and how they can best prepare for the knock-on effect its implementation will have on their business.