

# The value of being sustainable

**“Marketing and value added effects of different eco-labelling schemes”**

A project funded by the  
**Norwegians Seafood Research Fund (FHF)**

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WEFTA, 2-11 October 2013, Tromsø

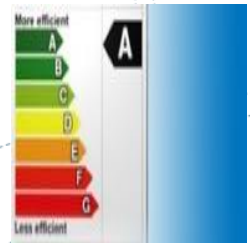
# Sustainability certification necessary and valuable! or not?

- Sustainability certification or eco-labelling is a strategy to prove that environmental concerns are being incorporated into the value chain
- Certification providers used by the Norwegian industry:
  - The Marine Stewardship Council (MSC)
  - Friend of the Sea (FOS)
  - Krav





reducing with the Carbon Trust



# What is the value of sustainability certification?

## Benefits

- Price premium
- Market access
- Differentiation
- Reputational concerns
- Some claim increased value for all actors in the value-chain

## Costs

- Necessary audits
- Administration
- Traceability arrangements
- Use of consumer facing logo



# The value of being sustainable 1



- Early adopters gained significant price premium
- Demand from buyers and competition from MSC certified products
- More actors within a particular fishery get certified
- The profit is gone
- But the cost is still there



# The value of being sustainable 2

- No one claim/admit to pay more or charge more for certified fish
- Documented price premium on some MSC certified products in UK supermarkets.
- No information about how price premiums are shared in the value chain
- If everybody is paying for market access to the same market with the same products one can claim that the value-adding is gone but the cost is still there



# Do MSC- certification add value for the Norwegian fishing industry?



- MSC certification has a certain cost but unknown value
- Many markets/buyers are requiring certification





# Two challenges

- there is no option to withdraw unless everybody else is doing the same
- you still need a way to document sustainability in many markets

