



FINPUBLICA

ESG NEWS YOU CAN USE

August 20, 2023



Environmental

[A Montana judge ruled in favor of young environmental activists who argued that the state violated their constitutional right to a clean environment by permitting fossil fuel development without considering its climate impact.](#) The judge found the state's policy of evaluating fossil fuel permits without assessing greenhouse gas emissions unconstitutional.

[OceanWell and Las Virgenes Municipal Water District \(LVMWD\) are partnering for California's first Blue Water farm, utilizing OceanWell's advanced technology to produce safe drinking water sourced from the deep ocean.](#) The project aims to address water scarcity and reliability concerns, while minimizing environmental impacts through submerged filtration technology.

Regulation and Reporting

[The European Commission has introduced reporting rules for importers participating in the Carbon Border Adjustment Mechanism \(CBAM\),](#) a carbon tax on imported goods designed to align the carbon costs paid by European manufacturers with those outside the EU. Starting in October, companies must begin gathering data on the carbon emissions associated with imported products and commence reporting starting January 2024. CBAM's primary objective is to prevent "carbon leakage" by ensuring that emissions-intensive industries do not relocate production to regions with weaker environmental regulations. The newly implemented guidelines mandate that importers disclose embedded emissions details, including origin, production facility information, direct and indirect emissions, and more.

[The Securities Industry and Financial Markets Association \(SIFMA\) has filed a lawsuit challenging Missouri's Securities Division's new rule](#) requiring financial firms to obtain client signatures on state-scripted documents before providing advice incorporating social or nonfinancial objectives. The rules require advisors and clients to acknowledge that such objectives will result in investment advice not solely focused on maximizing financial returns; firms to send written scripts to their clients annually; and that advisors obtain new signatures for their clients on the scripts every three years. SIFMA argues that these rules (not required by any other state) are impermissibly vague, subjective and over-reaching; ignore the fiduciary duties already owed by investment advisors to act in their clients' best interests; and frustrate federal securities laws' goal of promoting regulatory consistency.

Investing

[The U.S. Department of Energy has chosen two Direct Air Capture \(DAC\) facility projects \(which directly extract CO2 from the atmosphere\) to receive grants of up to \\$1.2 billion from the Office of Clean Energy Demonstrations \(OCED\).](#) The awards, to 1PointFive (Occidental's carbon capture platform) and carbon removal company Climeworks, mark the largest-ever investment in engineered carbon removal with each project capable of capturing 250 times more CO2 than today's largest DAC facility. While carbon capture and storage (CCS) technology is currently at an early stage and limited

scale, CCS is expected to play a significant role in achieving climate goals by, over the coming decades, removing billions of tons of CO2 annually.

[Global green bond issuance soared to a new high of \\$314 billion in the first half of the year, with the finance sector leading the way and governments playing a larger role](#). The Asia-Pacific region experienced record issuance of \$140 billion, driven by Japan and Hong Kong, while North America saw a 20% decline due to drops in social and sustainability-linked bonds. Europe remained the largest issuing region, accounting for \$244 billion. We believe the increase in green bond issuance reflects a growing trend toward sustainable investment and financing for climate-related projects.

Resources & Membership

Check out the Finpublica website for the latest summaries of ESG regulation around the globe. Recently added include our updated paper on **[U.S. Regulation](#)**, along with discussions of ESG regulation in **[Australia](#)**, **[New Zealand](#)**, and the **[United Arab Emirates](#)**.

Thanks to the efforts of Finpublica's fabulous interns, we invite you to follow Finpublica on your favorite social medial platforms, including **[Linkedin](#)**, **[Instagram](#)**, **[X \(formerly Twitter\)](#)**, **[Threads](#)**, and **[TikTok](#)**.

[You can watch \(or rewatch\) Finpublica and The ESG Exchange's panel on Fulfilling Fiduciary Experts While Embracing ESG by clicking here](#). Our global panel of experts, including Delaware State Treasurer Colleen Davis, Columbia Business School Professor Shiva Rajgopal, Paul Lee (Head of Stewardship at Redington), and Fiona Darroch (Director of Law at Protimos), explored fiduciary duties across jurisdictions and how ESG investing is consistent with (and in some cases even required by) those duties.

Finpublica's **[membership portal](#)** is live. If you are interested in joining a community more than 200 finance leaders focused on sustainable finance and ways to implement initiatives inside their organizations and across the industry, we invite you to apply.

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