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Finance Leaders For The Public Good

## ESG NEWS YOU CAN USE

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### *Environmental*

Pursuant to new rules released with Governor Kathy Hochul's 2024 Budget, [\*\*New York will phase out fossil fuels in buildings between 2026 and 2029\*\*](#), with few exceptions. This will make New York the first state to ban the use of gas stoves and heating. Currently, buildings account for more than 30% of New York's greenhouse gas emissions.

[\*\*The California Air Resources Board \(CARB\) approved a new set of rules including one to ban the sale of diesel trucks by 2036\*\*](#), supporting California's goal to reach carbon neutrality by 2045. If approved by the federal government, the rules in California would create the strictest practices related to truck emissions in the country.

## Social

Global investment firm [Energy Impact Partners completed fundraising at \\$112 million for its new Elevate Future Fund I LP](#), a fund focused on accelerating the clean energy transition with a focus on diverse founders. The fund invests in areas including supply decarbonization, tech enabled infrastructure, electrification, reliability and resilience, and intelligent demand.

## Regulation/Reporting

[Australian Securities & Investments Commission \(ASIC\) issued a \\$13,000 infringement notice to superannuation fund promoter Future Super for alleged greenwashing](#) in a 2019 Facebook post. ASIC stated that the post, which read “naysayers don’t join together and move nearly \$400 million out of fossil fuels,” overinflated the fund’s positive environmental impact because it had no basis for saying that those monies had previously been invested in fossil fuels. Future Super deleted the post in October 2022 and self-reported to ASIC.

[Florida Governor Ron DeSantis signed anti-ESG legislation](#) prioritizing financial returns for state funds and state pensions, preventing the issuance of green bonds, and eliminating ESG considerations in state contracts. Notably however, the legislation does not prevent state funds from considering ESG factors, so long as they are based on financial interests. See “Some Good News” below. Nor does the bill prevent the funding of environmental projects through bonds – so long as they are not labeled “green.”

## Investing

[A group of investors representing \\$10 trillion in AUM issues a statement urging grocery and consumer good companies to reduce their use of plastic packaging](#). The 185 investors, coordinated by the Dutch Association of Investors for Sustainable Development, stated that plastics’ emissions, pollution, and collection cost society approximately \$350 billion a year.

Global alternative asset and private equity investor [KKR invested \\$800 million in renewable energy deals](#), including \$550 million of solar energy loans from SunPower and \$250 million in India-based industrial decarbonization platform Serentica. The firm has deployed over \$15 billion in equity globally to invest in renewable assets since 2011.

[Mitsubishi Corp. announced the launch of the Marunouchi Climate Tech Growth Fund](#) which will invest and commercialize developing climate tech-related startups. At its first close, funding has reached \$400 million, though they have plans to reach up to \$1 billion.

## ***Some Good News***

**Florida's invested \$200 million in a green energy fund, the same week Governor DeSantis signed anti-ESG legislation.** Florida's investment in Blackstone's Green Private Credit Fund III shows the importance of focusing on the value proposition provided by ESG investments, as Florida's legislation still permits the consideration of ESG factors so long as they are pecuniary. This investment demonstrates that concentrating on ways that ESG can reduce risk and increase returns can help depoliticize the issue.

## ***Finpublica Resources & Membership***

Check out the Finpublica website's **Policies, Guides, & Disclosures**, for examples of ESG policies, how-to guides, and disclosures. Just added -- several sample **TCFD-aligned climate reports**.

Finpublica's **membership portal** is live. If you are interested in joining a community of more than 140 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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