



**FINPUBLICA**  
Finance Leaders For The Public Good

## ESG NEWS YOU CAN USE

July 2, 2023



### *Regulation and Reporting*

**The International Sustainability Standards Board (ISSB) has launched its first two finalized standards:** S1 General Requirements for Disclosure of Sustainability-related Financial Information, and S2 Climate-related Disclosures. Building upon previous reporting standards, these aim to provide a global baseline of sustainability disclosures that focus on the needs of investors and financial markets. The release of these standards marks the larger effort to standardize global ESG reporting.

**The UK's Financial Conduct Authority (FCA) has expressed concerns about the sustainability-linked loan (SLL) market, citing potential risks to market integrity and greenwashing.** The FCA highlighted concerns regarding weak incentives in sustainability-related terms, low-ambition sustainability targets, and potential conflicts of interest among banks. While the FCA does not directly regulate the SLL market, it intends to monitor it closely and consider further measures to support the development of a robust transition finance ecosystem.

## *Environment*

**The governments of the UK and France have launched the UK-French Global Biodiversity Credits Roadmap, an initiative aimed at expanding the market for biodiversity credits.** Like carbon credits, biodiversity credits allow companies to invest in projects that contribute to nature recovery and receive credits based on their environmental impact. The roadmap includes plans to enhance governance mechanisms, monitoring regimes, and income distribution for biodiversity credit funding, with the aim of mobilizing private sector financing for conservation and restoration efforts.

**The World Economic Forum released a roadmap for China to develop its market for green hydrogen.** The report highlights the challenges faced by China's green hydrogen industry and proposes 35 enabling measures to overcome these challenges by 2030. The report states that with the right policies and collaborations, China has the potential to leverage green hydrogen technologies to transform its industrial system and achieve its carbon neutrality goals.

## *Governance*

**The practice of paying for ESG performance has surged in the past year,** according to a global CEO survey conducted by the IBM Institute for Business Value (IBV) in collaboration with Oxford Economics. Roughly half of the CEOs surveyed reported that their compensation is now tied to sustainability goals, a significant increase from 15% the previous year.

## *Investing*

[The Department of Energy's Loan Programs Office \(LPO\) actively supports carbon management projects in the United States.](#) The LPO aims to assist in developing and deploying carbon capture, utilization, and storage technologies to achieve energy transition goals. Its financing programs provide access to debt capital for innovative carbon management projects and the construction of shared CO2 transport infrastructure. As of May 2023, the LPO has received loan applications totaling \$12.7 billion for carbon management sector-based projects. Learn more by clicking [here](#).

[The Church Commissioners and the Church of England Pensions Board have independently announced their divestment from fossil fuels](#) as part of the Church of England's strategy to invest in climate solutions and disengage from companies not aligned with the Paris Agreement.

## *Some Good News*

[Brookfield Properties, one of the largest commercial landlords in the United States, has announced that it will move to power all of its U.S. offices with zero-emissions electricity.](#) Approximately 65% of its 70 million square feet of office space will move to zero-emissions electricity by 2024, with the remainder transitioning in the following two years.

## *Opportunities, Resources & Membership*

Please join Finpublica and The ESG Exchange for [a virtual discussion on Fulfilling Fiduciary Experts While Embracing ESG.](#) We will be exploring fiduciary duties across jurisdictions and how ESG investing is consistent with (and in some cases even required by) those duties. Our global expert panelists include 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). [You can register for the July 20, 2023 \(10 am ET\) webinar by clicking here.](#)

Check out the Finpublica website's compilation of free [how-to-guides for integrating ESG](#) in your institution.

Finpublica's [membership portal](#) is live. If you are interested in joining a community of more than 180 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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