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ESG NEWS YOU CAN USE

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Some Predictions for 2024

The Thomson Reuters Institute Issued six predictions for ESG this year, forecasting that it will become a fundamental aspect of corporate strategy in 2024. The predictions include that sustainability will become even more deeply embedded in companies' finances; biodiversity will move to the mainstream among sustainability issues; there will be an increased focus on supply chains (including minimizing environmental impact and prioritizing fair labor standards and the ethical sourcing of materials); and sustainability reporting will expand to include private firms due to Scope 3 rules (out of the EU and California) requiring companies to measure emissions across the supply chain.

In the private equity space, experts are predicting the outsourcing of routine ESG monitoring and reporting; increased scrutiny of ESG-related costs and their allocation; increased attention to the EU's Corporate Sustainability Reporting Directive; continued regulatory scrutiny of firms' prior ESG disclosures; and the continued politicization of ESG in the United States.

On the Fintech front, ESG-related predictions include a continued focus on sound data collection; increased consumer demand for sustainable and ethical financial services; and an increased focus on sustainability in the insurance industry.

Environment

The Biden administration has granted Louisiana regulators the authority to approve carbon capture projects, allowing the state to issue permits for wells storing carbon dioxide. The state has seen increased interest in carbon capture initiatives, with approximately 30 proposed projects (among the most of any state). While some environmental groups have expressed concerns regarding potential risks to residents and the state's oversight capabilities, the EPA asserts that the agreement includes safeguards to protect affected communities. Currently, North Dakota and Wyoming also have permitting authority, and other states – such as Texas, Arizona, and West Virginia – are interested in similar autonomy.

The Canadian government has launched a consultation on the creation of a Federal Plastics Registry, aiming to monitor the creation and distribution of all plastics in the country. The registry would require producers to submit annual reports regarding the quantity of types of plastic they generated, as well as how the plastics are used and discarded. This would include a broad range of plastic items, including single-use plastics, packaging, and electronics. The consultation remains open until February 13, 2024.

Regulation and Reporting

The Biden Administration has proposed strict regulations for hydrogen producers to qualify for clean hydrogen tax credits. Supported by the Inflation Reduction Act's Clean Hydrogen Production Credit, the rules would require the entire production process to be powered by new clean energy capacity, as well as for producers to certify that the energy used is matched by clean power production every hour. The proposal also outlines criteria for the use of energy attribute certificates (EACs) to demonstrate clean power usage. The new rules are open for a 60-day comment period.

Investing

[The World Bank has launched a \\$1.4 Billion CAD Bond for Sustainable Development that is set to mature in January 2029.](#) Managed by CIBC, RBC Capital Markets, National Bank Financial and TD Securities, the bonds will help finance sustainable development projects, activities, and programs in International Bank for Reconstruction and Development (IBRD) member countries. The 5-year benchmark transaction offers investors a semi-annual yield of 3.571%. The World Bank has now launched successful transactions in three different currencies: Australian, Canadian, and U.S. dollars.

[In a joint venture with Indian renewable energy developer Adani Green Energy Limited, France's TotalEnergies has made a \\$300 million investment for a 50% stake in a portfolio exceeding 1 GW of solar and wind projects.](#) The new JV holds a portfolio of 1,050 MW of solar and wind power projects in India. This collaboration follows India's increasing investments in renewable energy to achieve its climate goals by 2030 – including a 45% reduction in emissions and the generation of at least 50% of electric power from renewable sources.

Resources & Membership

Finpublica's **[membership portal](#)** is live. If you are interested in joining a community more than 250 finance leaders focused on sustainable finance and ways to implement initiatives inside their organizations and across the industry, we invite you to apply.

[Click here for a video replay of How to Make an Impact in Impact Investing, sponsored by Finpublica, The Impact Capital Forum, and Harvard Alumni in Impact.](#) Learn about the top questions impact investors should ask when assessing investments, impact opportunities in biotech, biodiversity, and underserved urban areas, the importance of blended finance and catalytic capital, and more. Speakers include: (1) **[Dr. Caroline Flammer](#)**, Professor of International and Public Affairs and of Climate at Columbia University; (2) **[Karyn Polak](#)**, Founder of Shift the Prism Advisory and the former General Counsel of Transamerica; and (3) **[Tami Kesselman](#)**, CEO of Next Gen Success LLC and President of Harvard Alumni in IMPACT.

In the most recent **[episode of Armchair ESG](#)**, Finpublica's **[Adam Wasserman](#)** sat down with **[Owl ESG's Rob Yates](#)** to discuss current trends in ESG and how Finpublica works to empower leaders to focus on sustainable finance from both a value and values perspective. Listen on either **[YouTube](#)** or **[Spotify](#)**.

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