

ESG ACCORD

●●● YOUR COMPLIANCE, ESG & SUSTAINABILITY IN ACCORD

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Newsletter 21st September 2021

Hello from ESG Accord

What's new with us? Well, we've been preparing an update to our compliance framework which we will be releasing soon! Stay tuned. Advisers who have purchased our framework; we will be in touch directly with you.

Head over to IFA Magazine for our first article of 12 - Sustainable Finance: It's a compliance thing (it's not just about ESG)

<https://ifamagazine.com/article/home-or-office-ifam-101-september-2021/>

Lee had a great day over in Bath last week filming with Novia for an ESG/Sustainable Finance film for the London Institute of Banking and Finance. We will share when it is released!

And... we have a number of exciting webinars, events and press items in the pipeline!

News updates;

Peers voted in favour of an amendment to the Environment Bill that would commit the government to reduce levels of fine particulate matter (PM2.5) to within World Health Organization (WHO) guidelines by 2030 at the latest.

UK legal limits for PM2.5 are currently twice as high as what the WHO recommends

The UK Government is thought to be aiming for the Bill to reach Royal Assent before COP26 in Glasgow starts at the beginning of November.

https://www.clientearth.org/latest/press-office/press/clean-air-win-in-the-house-of-lords-a-rebuke-for-government-lawyers/?utm_source=linkedin&utm_medium=social&utm_campaign=clean-air

Tech advances making impact investing much more measurable against SDGs 3, 7 and 11

– The UN Environment Programme (UNEP), in collaboration with IQAir, a Swiss air quality technology company, has developed the first real-time air pollution exposure calculator.

The calculator, developed with support from the UN Sustainable Development Solutions Network (UNSDSN) and the Frontier Technologies Hub, combines global governmental, crowd-sourced and satellite-derived air quality data with population data and applies artificial intelligence to calculate – every one hour – country population exposure to air pollution, specifically to the fine particulate matter (PM2.5) that is largely responsible for deaths and illnesses linked to air pollution.

<https://www.unep.org/news-and-stories/press-release/new-real-time-air-pollution-exposure-calculator-boosts-quality-air>

Food retailers and green groups criticise 'watered down' UK environment bill

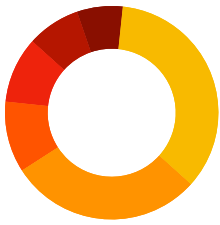
The House of Lords fails to amend legislation to limit products linked to deforestation in food supply chains, meaning the law only addresses deforestation defined as illegal under the local laws applied in the producing countries (such as Indonesia or Brazil) which are reducing their environmental protection to allow 'legal' deforestation/land use changes)

<https://on.ft.com/39cZGlo>

FE Investments, Podcast Episode 2: Why every fund manager must now incorporate ESG

In episode 2 of the aptly titled Another Adviser Podcast with FE Investments, Rob Gleeson, CFA is joined by colleague Nimisha Sodha as they discuss ESG and the responsible investment movement from an adviser perspective.

<https://soundcloud.com/user-511561721/adviser-podcast-episode-2-esgtheory-v2>



How investors are refining SDGs to measure impact
Asset owners and managers are becoming more proactive in assessing positive and negative impact in respect of the UN's Sustainable Development Goals. But some experts feel they can go further.

<https://capitalmonitor.ai/strategy/impact/how-investors-are-refining-sdgs-and-measuring-impact/>

Article by Diane-Laure Arjaliès in the FT - Backing biodiversity to save ourselves. How can we encourage investors to tackle the next big environmental crisis?

“ Only innovative financial instruments designed in an interdisciplinary and collaborative fashion will effectively channel capital towards protecting ecosystems.”

<https://amp.ft.com/content/d29231ca-3bdc-4bd1-a477-5504c772259a>

A crucial change is needed to improve corporate governance in Japan

The divergence between the UK and Japan is clearly reflected in their stewardship codes. In the UK, the code proactively requires that “signatories, where necessary, participate in collaborative engagement to influence issuers

In contrast, the most recent version of Japan's Stewardship Code weakly states that “depending on the need, it is possible that collective engagement may be beneficial”

<https://on.ft.com/3lsnOYq>

Policy smog is holding back UK net zero progress

Of course, it is tempting for business to wait for the perfect, future-proof technology. And for the government to want to craft the ideal policies to get us to net zero.

In reality, when it comes to climate change, less perfect but more immediate should be where it's at.

<https://on.ft.com/3hvpkMW>

China uses anti-fraud app to track access to overseas financial news sites

Chinese police are using a new anti-fraud app installed on more than 200m mobile phones to identify and question people who have viewed overseas financial news sites, according to individuals summoned by the authorities.

<https://on.ft.com/3z8DGc0>

‘No rule of law’: investors divided over Chinese markets

If you do not know if a company is being run for profits or for the government... the Chinese green transition is a huge opportunity, how will funds report with transparency?

No rule of law’: investors divided over Chinese markets

Regulatory stings scare off some managers but other hunt for opportunities in vast economy

Electric vehicles, rare earths and semiconductors also plug in to China's transition to a green economy and desire to strengthen its domestic supply chain

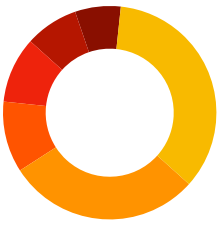
<https://on.ft.com/38V7vIB>

The Investment Association (IA) has warned of misleading disclosures, mis-pricing of assets and mis-allocation of capital if the Financial Conduct Authority's (FCA) proposals on climate-related disclosures are not amended, while rejecting the need for a new UK green bond standard.

https://www.investmentweek.co.uk/news/4037006/ia-warns-problematic-gaps-response-fca-tcfd-proposals?utm_medium=email&utm_content=%0A%20%20%20%20%20%20%20%20IA%20warns%20of%20problematic%20data%20gaps%20in%20response%20to%20FCA%20TCFD%20proposals%20%0A%20%20%20%20%20%20&utm_campaign=IW%20Daily%2007&utm_source=IW%20New%20Newsletters&utm_term=ESG%20ACCORD%20LTD&uid=b736e7645fc9bae9b3ff2af50d41c5f1

Overview of Biodiversity and Circular Economy

<https://emf.org/topics/biodiversity/overview>



Interesting read - behaviour / willingness to change, how to approach change

Planes, Homes and Automobiles: The Role of Behaviour Change in Delivering Net Zero (Tony Blair Institute for Behaviour Change)

<https://institute.global/sites/default/files/articles/Planes-Homes-and-Automobiles-The-Role-of-Behaviour-Change-in-Delivering-Net-Zero.pdf>

Boris Johnson will meet pension and insurance bosses in Downing Street next month to thrash out plans to channel billions of pounds of retirement funds into 'green' projects.

[https://www.thisismoney.co.uk/money/markets/article-9958177/Prime-Minister-hosts-summit-thrash-green-pensions-plan.html?](https://www.thisismoney.co.uk/money/markets/article-9958177/Prime-Minister-hosts-summit-thrash-green-pensions-plan.html?utm_medium=email&utm_campaign=govuk-notifications)

Ahead of the UK hosting the COP26 climate conference in November, the UK announced action to help drive India's green growth, including a \$1.2bn package of public and private investment in green projects and renewable energy.

https://www.gov.uk/government/news/eleventh-uk-india-economic-and-financial-dialogue-sees-agreements-on-tackling-climate-change-and-boosting-investment?utm_medium=email&utm_campaign=govuk-notifications

The government will issue its first green bond in just over two weeks to help to pay for the transition to net zero carbon emissions and deepen the markets for environmentally sustainable investments.

[https://www.thetimes.co.uk/article/debt-office-set-to-issue-green-bonds-fx9jllzb0?](https://www.thetimes.co.uk/article/debt-office-set-to-issue-green-bonds-fx9jllzb0?utm_medium=email&utm_campaign=govuk-notifications)

Brussels is to issue its first Covid-19 green bond as part of its efforts to become the world's biggest issuer of sustainable debt.

[https://www.ft.com/content/13493c52-47c1-465c-8d33-d5c3358df7ae?](https://www.ft.com/content/13493c52-47c1-465c-8d33-d5c3358df7ae?utm_medium=email&utm_campaign=govuk-notifications)

Newsletter within a newsletter! Keep up to date with TNFD, link to the TNFD newsletters

<https://tnfd.info/newsletters/>

FT opinion piece with an easy to read overview of the Canadian carbon-tax-and-dividend policy

(For deeper detail on this and the myths and hindrances to climate policy progress - The Citizen's Guide to Climate Success by Mark Jaccard)

<https://www.ft.com/content/25f0d270-f528-4789-b390-37ad7f9d091b>

UNEP Research reveals location and intensity of global threats to biodiversity. Steps forward with this report for metrics and indicators for NRRFs (nature related financial risks). Indicators for biodiversity properties are complicated in the multiplicity of risks, there are multiple drivers and at present no clear reductions pathway (like for emissions and climate).

"The world is facing a global nature crisis, yet information about the location and intensity of the threats responsible for biodiversity loss remains limited. Information on the spatial intensity of threats and how they affect species on the ground is critically important to improving and targeting conservation responses. This study presents both a first attempt to map this information and a research track to improve our understanding of how threats to biodiversity vary across the world."

<https://www.unep-wcmc.org/news/research-reveals-location-and-intensity-of-global-threats-to-biodiversity>

Has UK plc become too big to prosecute, UK plc should not be above the law

<https://on.ft.com/38ODSCN>

NatWest is the first bank known to have committed to stopping lending to major oil and gas producers that lack credible transition plans by 2022. Oil and gas accounts for just 0.7% of the bank's loan book, but the move sends a strong signal both to the energy sector and NatWest's peers.

<https://capitalmonitor.ai/institution/banks/natwest-readies-carbon-budget-to-shape-lending-strategy/>

We'd love to hear from you! Please get in touch via admin@esgaccord.co.uk if you have any topics or questions you'd like covered in our newsletter.