

## For What It's Earth

Global ESG Headlines from Step toe

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### Litigation

On June 30, 2022, the US Supreme Court issued its [decision](#) in *West Virginia v. EPA*, No. 20-1530, curtailing the power of the EPA to regulate carbon emissions. In a 6-3 ruling, the Court concluded that the EPA does not have limitless authority to “force a nationwide transition away from the use of coal to generate electricity[.]” The decision deals a significant blow to the Agency’s attempt to limit carbon emissions through enforceable nationwide standards, and can open doors to more litigation probing the boundaries of the “major questions” doctrine.



### Regulation & Standards

The UN High-Level Expert Group on the Net-Zero Emissions Commitments of Non-State Entities [requested comment](#) from the public to help with developing clear and concrete standards for assessing net-zero emissions pledges, and measurements of transition and verification mechanisms, by businesses, investors, regions, cities, and other non-state actors. Such standards, if developed through an international process, could help to create a global level playing field that would provide more confidence to governments, investors, businesses, and consumers when assessing net-zero emissions pledges. Comments are due on August 31, 2022.



### International Trade

The Biden administration seeks [public comment](#) on its plan to “develop a focused trade strategy to combat forced labor”, with US federal agencies cooperating to develop the strategy that “will identify priorities and establish an action plan for utilizing existing and potential new trade tools to combat forced labor in traded goods and services.” This notice signals that the Administration may be looking to broaden its approach to combatting forced labor beyond the [Uyghur Forced Labor Prevention Act](#) to services, other products, and other exporting jurisdictions.



### Companies & Investors

Last week BHP [announced](#) the company’s new “nature positive” program in response to pressure on global miners from their shareholders and wider society to do more to mitigate their heavy environmental impact. BHP is hoping to lead the industry with aims to conserve or rehabilitate 30% of the land it owns or manages around the globe, equivalent to roughly the size of New Jersey, by 2030.



### Statement

The UK’s key financial watchdog (FCA) [indicated](#) last week that it is moving to regulate ESG ratings, echoing its French counterpart (AMF) which is also [advocating](#) the creation of an EU regulatory framework that lays down the obligations for providers of ESG data, ratings and related services.

***“We see a clear rationale for regulatory oversight of certain ESG data and rating providers – and for a globally consistent regulatory approach informed by the recommendations on ESG data and ratings developed by the International Organization of Securities Commission in 2021.”***

“ESG integration in UK capital markets”, UK Financial Services Authority, 2022, June 29