

Step toe

For What It's Earth

Global ESG Headlines from Step toe

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Litigation

A US federal court judge [sentenced](#) the founder of Nikola Corp. to four years in prison for his conviction for making false and misleading statements about the company's production of zero-emission trucks. A jury found Trevor Milton guilty of securities and wire fraud in October 2022. Prosecutors alleged that Milton made false and misleading statements about "nearly all aspects of the business" as it pertained to developing electric and hydrogen-powered trucks.



Regulation

Regulation and increased oversight of voluntary carbon markets will likely remain a focus in 2024. Following the US Commodity Futures Trading Commission's [proposed](#) guidance regarding the listing of voluntary carbon credit derivatives on CFTC-regulated exchanges, issued in December 2023, the chair of the European Securities and Markets Authority (ESMA) [revealed](#) that regulatory oversight of the voluntary carbon markets might be something the next European Commission considers.



Standards

On December 18, 2023, the UK [announced](#) that it will implement a Carbon Border Adjustment Mechanism (CBAM) by 2027. The tax will apply to imported carbon-intensive products in the iron, steel, aluminum, fertilizer, hydrogen, glass, ceramics and cement industries. The precise list of products in scope will be the subject of consultation in 2024. The UK will assign a carbon price to the product as if it were produced domestically. The tax will be the difference, if any, between the carbon price assigned to the good in its country of origin and the UK price. The announcement comes as countries and companies work to address carbon emissions in hard to abate sectors.



Companies & Investors

On December 20, 2023, global bank ING [announced](#) that it is accelerating phasing out the financing of upstream oil and gas activities by 2040 and is setting a new target to triple financing for renewable power generation by 2025. The company said that the announcement builds on the progress made by world leaders at COP28, and stressed that the energy transition cannot happen overnight.



Statement

Last month, the UK government [announced](#) the publication of CCUS Vision, setting out its plan to establish the UK as a global leader in carbon capture, usage and storage (CCUS).

"Thanks to the UK's geology, skills and infrastructure, we are in a unique position to lead the way on carbon capture technologies . . . That is why we're making one of the biggest funding commitments in Europe on carbon capture that will cut emissions from our atmosphere, while unlocking investment, creating tens of thousands of jobs and growing the UK economy."

UK Energy Security Secretary Claire Coutinho, December 20, 2023