

For What It's Earth

Global ESG Headlines from Step toe

May 24, 2023 – Issue 24

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Legislation

The UK is considering subsidies for clean energy sectors such as battery production, hydrogen, carbon capture, usage and storage in response to the US Inflation Reduction Act, despite having previously indicated opposition to subsidization. A full update is expected in the Autumn, with Chancellor Hunt stating that the government's objective is to provide "maximum possible support" to these strategically important sectors for the UK.



Standards

G7 finance leaders have set a year-end deadline for launching a new scheme to diversify global supply chains in a draft [communiqué](#). The partnership for resilient and inclusive supply chain enhancement scheme, which is to be launched in collaboration with the World Bank, aims to support low- and middle-income countries in playing larger roles in the supply chains of clean energy products.



Regulation

The Federal Energy Regulatory Commission (FERC) has authority to approve certain utility mergers and acquisitions under Section 203 of the Federal Power Act. Under that authority, it has granted "blanket authorizations" to investment management companies to acquire in their investment funds up to 20% of the voting shares of public utilities across their family of funds. But several Republican attorneys general recently [filed](#) a motion to undo those authorizations and stymie ESG investing. The motion could significantly impact investment managers and the utilities they invest in. See our prior coverage [here](#).



Companies & Investors

The world's biggest sovereign investor, Norway's oil fund, is a leading investor voice on ESG. The fund has filed several shareholder proposals on climate with US companies within its investment portfolio. After the success of this trial, which saw half of the companies adopt commitments on climate, the fund intends to make increased use of this tool to communicate proposals on areas spanning ESG to companies, particularly in the US.



Statement

This month, [speaking](#) at the Beyond Growth Conference organized by the European Parliament, European Commission President Ursula von der Leyen emphasized that sustainable economic growth for future generations cannot be achieved with a reliance on fossil fuels.

"... A growth model centered on fossil fuels is simply obsolete. This assessment has been confirmed, time and again. The recent IPCC report is just the latest reminder that we need to decarbonize our economies as quickly as possible."

European Commission President Ursula von der Leyen, Beyond Growth Conference, May 15, 2023