Advancing Sustainability of Process Industries through Digital and Circular Water Use Innovations

AquaSPICE

WP8: Communication, Dissemination, Training and Social Awareness

AUDENCIA

The AquaSPICE project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 958396.

AquaSPICE

Advancing Sustainability of Process Industries through Digital and Circular Water Use Innovations

SUSTAINABLE FINANCE

Introduction to basic financing CONCEPTS

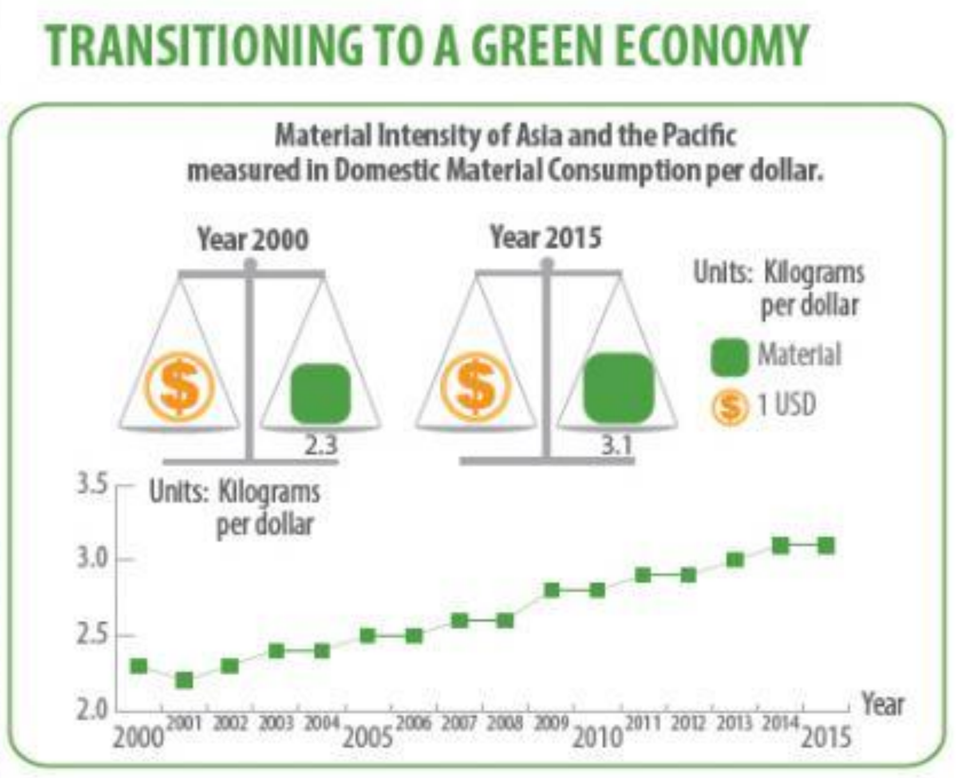
The AquaSPICE project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 958396.

A green economy is defined as **low carbon, resource efficient and socially inclusive**. In a green economy, growth in employment and income are driven by **public and private investment** into such economic activities, infrastructure and assets that allow reduced carbon emissions and pollution, enhanced energy and resource efficiency, and prevention of the loss of biodiversity and ecosystem services.

- Source: *United Nations Environment Programme*

HOW?

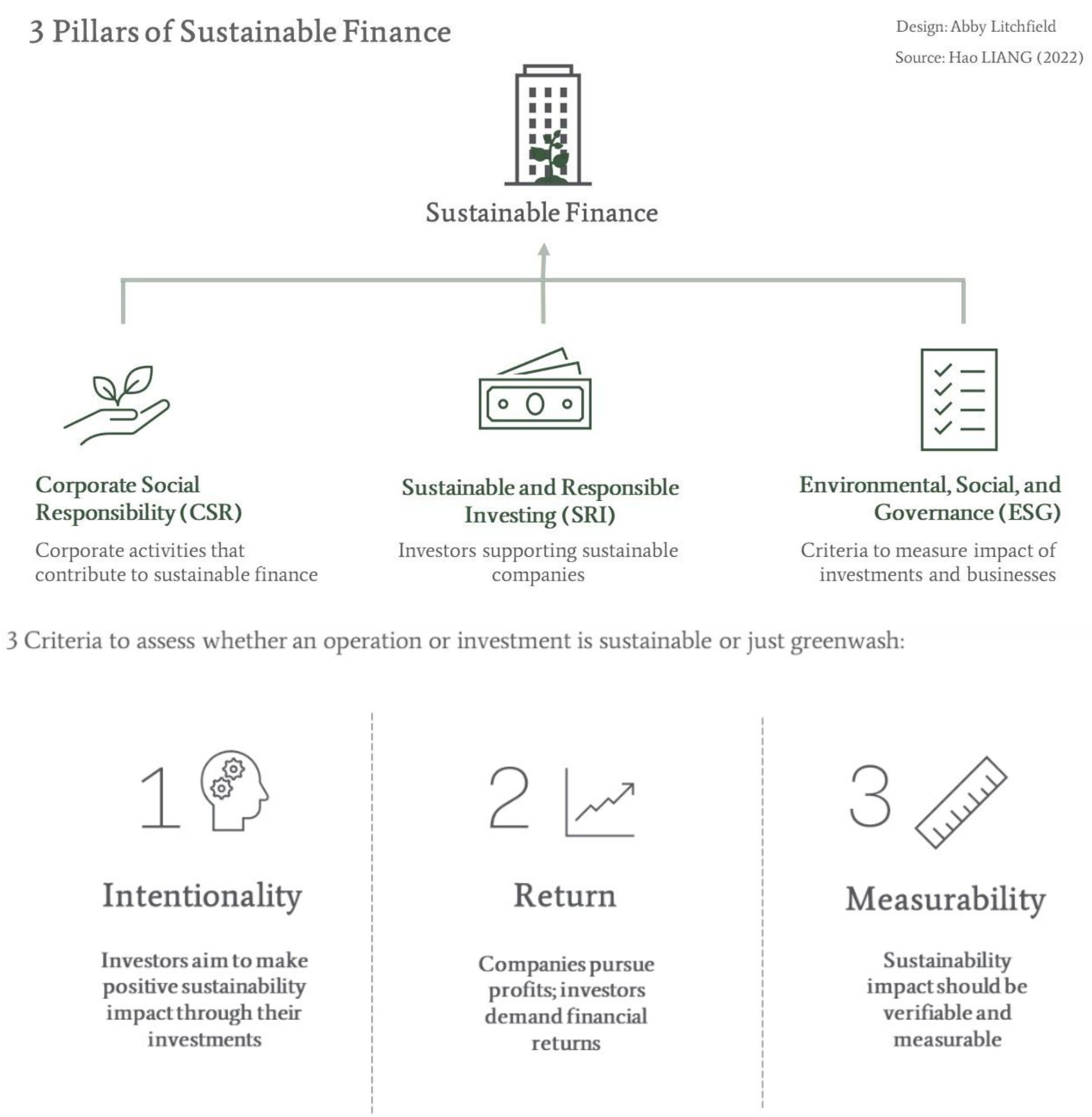
- ❑ **Targeted public expenditure**
- ❑ **Policy reforms**
- ❑ **Changes in taxation and regulation**



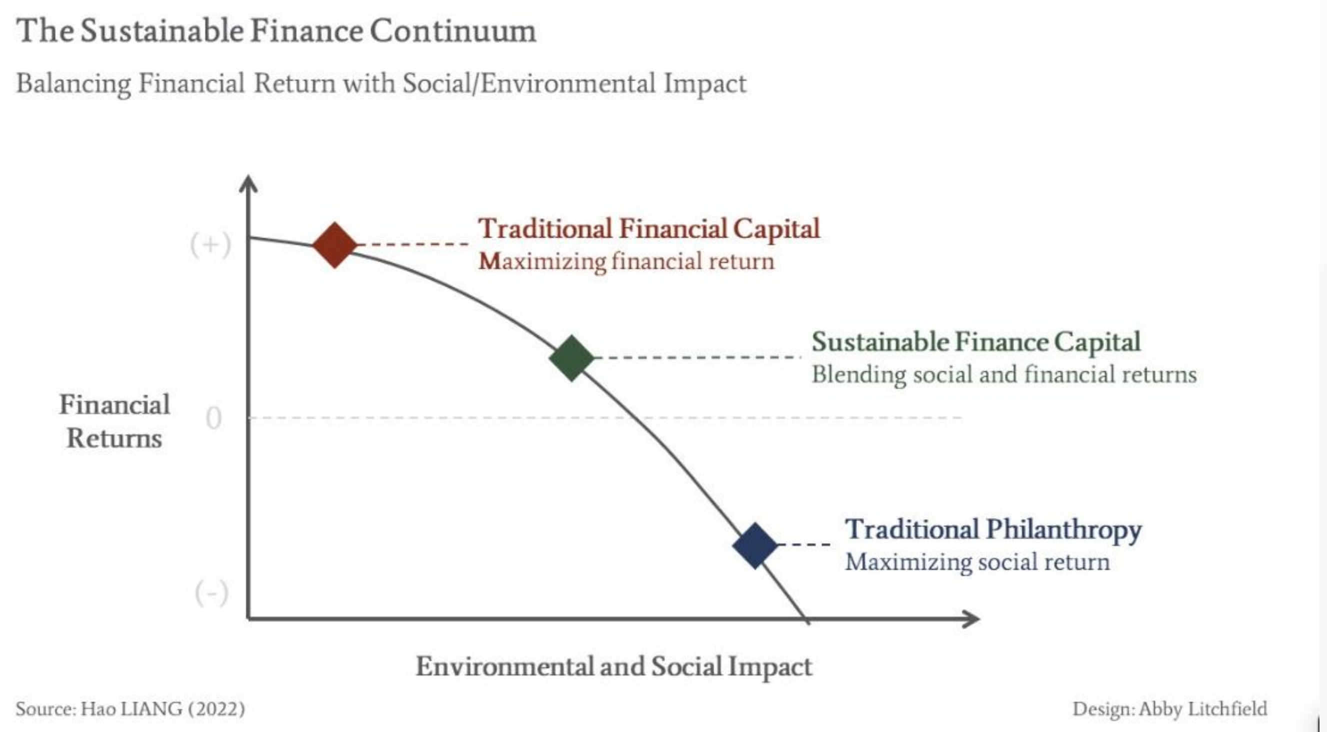
WHAT IS SUSTAInABLE FINANCE?

Video projection:https://youtu.be/m9AS6KT7a5Y

«Sustainable finance refers to the process of taking **environmental, social and governance (ESG) considerations** into account when making investment decisions in the financial sector, leading to more long-term investments in sustainable economic activities and projects.
- European Commission



- ✓ **Capital allocation** decides how best to distribute an organization's money. In sustainable finance, the goal is investing for long-term social and environmental sustainability.
- ✓ **Diversification** is the principle of spreading investments among different types of assets, to avoid losses. With sustainable finance, an investor may shift away from diversification for good reasons: for example, choosing not to invest in "sin stocks" like weapons or tobacco.
- ✓ **Value maximization** traditionally emphasizes financial value for shareholders. In sustainable finance, the goal is to also maximize the welfare of stakeholders – including the environment.



Liang, H., (2022) Sustainable Finance – Meaning and Examples in Business, Network for Business Sustainability, Available at: https://nbs.net/sustainable-finance-meaning-and-examples-in-business/

GREEN FINANCE

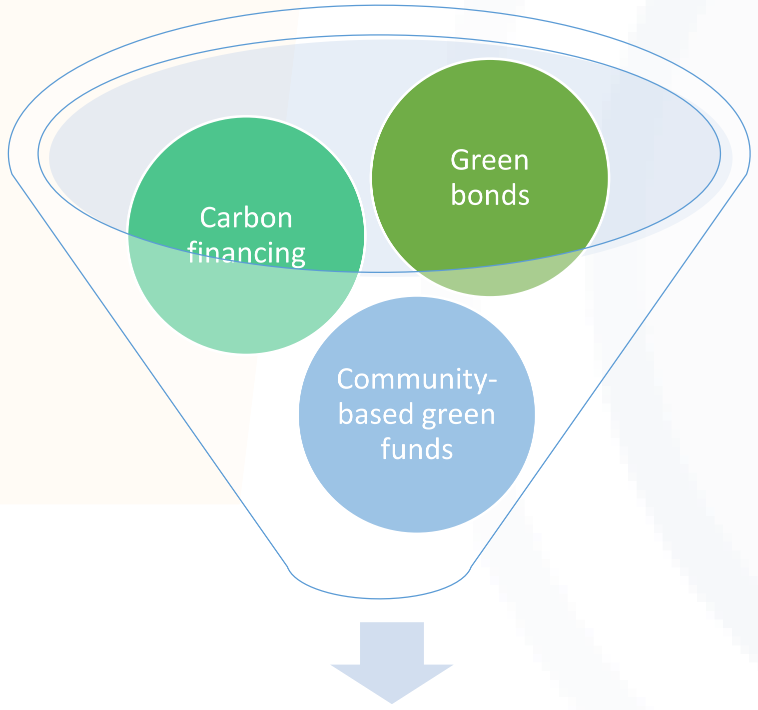
"Green finance is to increase the level of financial flows
(from banking, micro-credit, insurance and not-for-profit sectors to environmentally friendly development priorities"

United Nations Environmental Programme

UNEP

- Objectives of Green finance:

- Manage environmental risks
- Think about opportunities that have environmental impact
- Receive returns



Green economy

Why investing & why not?

Risks

Benefits

Green economy

Technological improvements

Energy storage

Weather dependency

Maturity Mismatch

Risks

FINANCIAL SYSTEM

Research & development

Invest in resources

Green financial policy frameworks

Green finance platform (knowledge gaps)

Green investments

(pension funds; insurance companies; etc)

WHY GOING GREEN?

- **Responsible investments:** investments that not only seek to make a financial return but also to a have a value taking into account social, environmental and government factors or a positive impact on the society and the environment in general.

- Terms by the European Sustainable and Responsible Investment Association:

Best in class: weighting of the best performing or most improved companies

Exclusion: companies, sectors, or countries from the permissible investment universe if involved in certain activities based on specific criteria

Sustainability themed:Sustainability themed investments inherently contribute to addressing social and/or environmental challenges such as climate change, eco-efficiency and health

Engagement & voting: Engagement activities and active ownership through voting of shares and engagement with companies

Impact investing: Impact Investments are investments made into companies, organisations and funds with the intention to generate social and environmental impact alongside a financial return

ESG integration: Environmental, Social and Governance creates positive or negative impact

Norms based screening: Screening of investments according to their compliance with international standards and norms (UN Agreement)

WHAT IS Sustainable development & responsible investments

ESG integration: Environmental, Social and Governance creates positive or negative impact

HOW A COMPANY OPERATES

WIND ENERGY

Impact investing: Impact Investments are investments made into companies, organisations and funds with the intention to generate social and environmental impact alongside a financial return

WHAT A COMPANY IS OR DOES IN THE WORLD

TOBACCO COMPANY

Ey 2021 global private equity survey

WHAT COMPANIES DO CARE ABOUT?

What are your top strategic priorities aside from asset growth

31% Over $15b

35% $2.5b-$1.5b-

34% Under $2.5b

Respondent profile/ Assets management

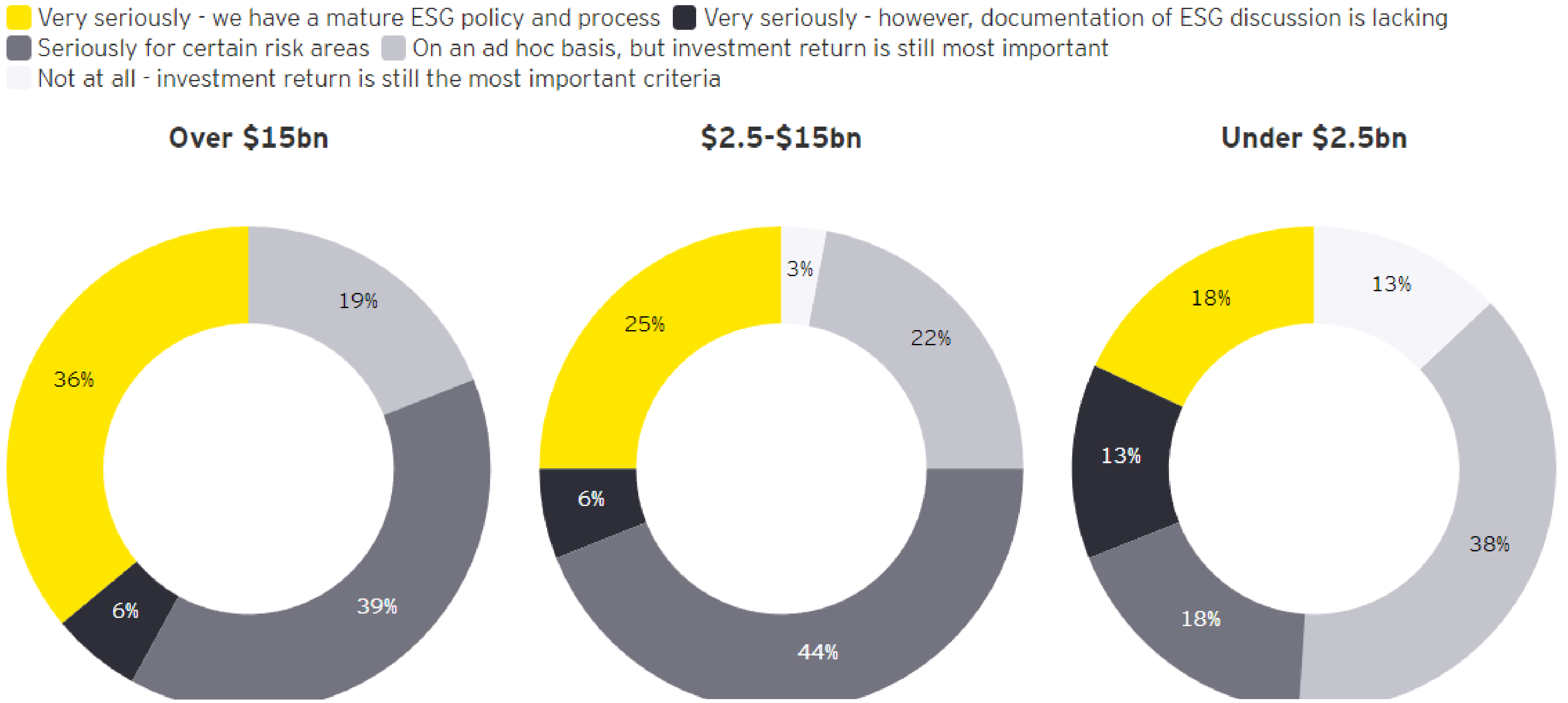
107
FIRMS SURVEYED GLOBALLY

54
INVESTORS

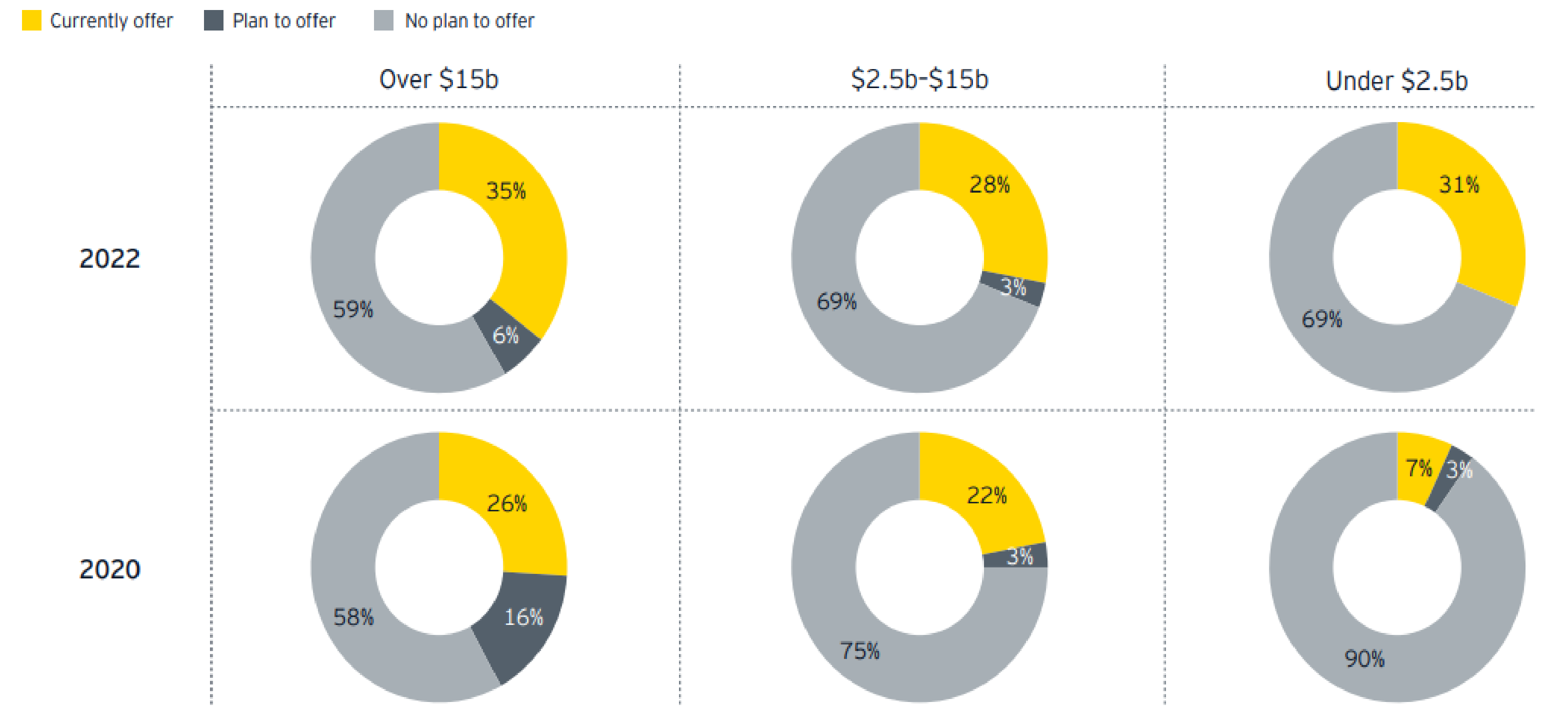
Ey 2021 global private equity survey

ESG risks in decision-making

How seriously are ESG risks and opportunities contemplated in the investment decision-making process

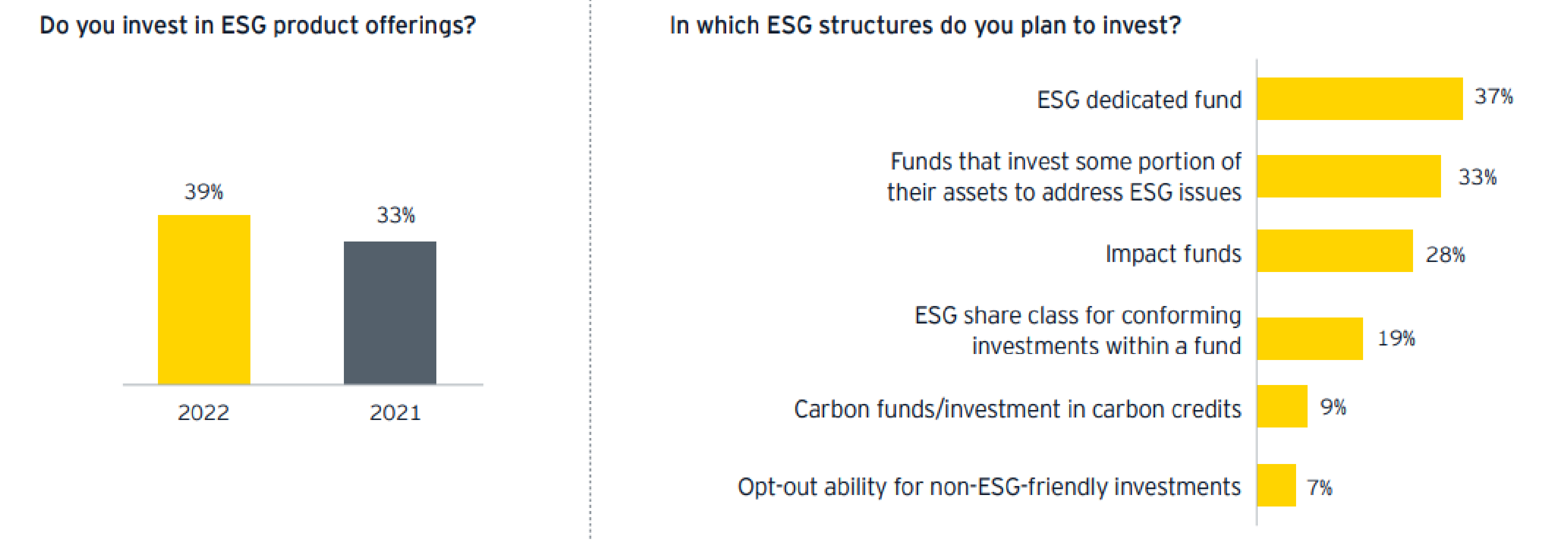


What percentage of managers are offering ESG products to investors?*



*Question not asked in 2021

How do investors see ESG investing?

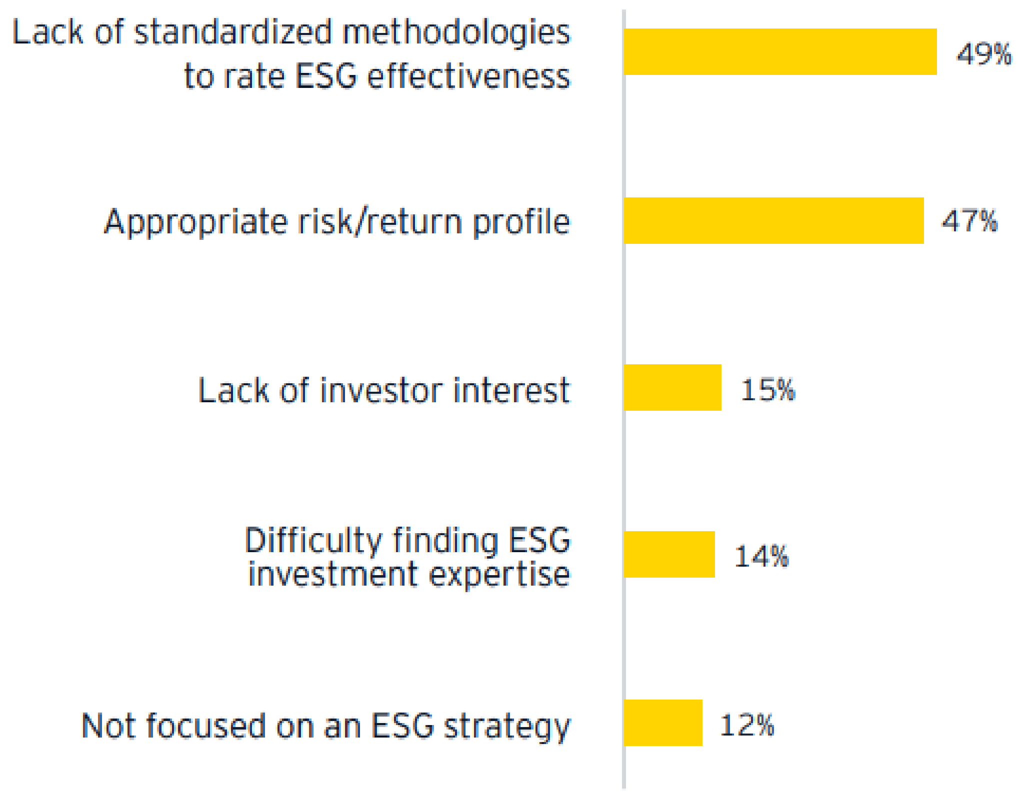


Increased offer in ESG products and more “responsible” investments on side.

Ey 2021 global private equity survey

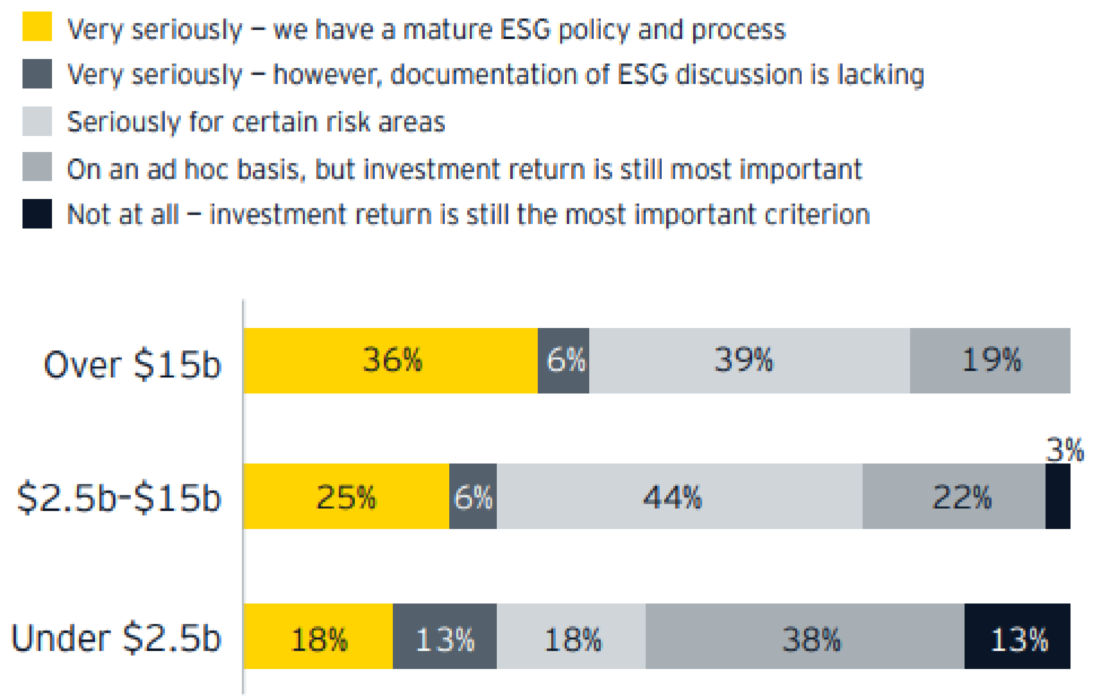
The 2022 survey indicates that the majority of fund managers still have yet to develop an ESG offering as they wait for greater clarity on how to measure its effectiveness as an investment vehicle

What obstacles are you encountering in launching ESG funds?



Overall, 42% of the largest fund managers say they consider ESG issues either seriously or very seriously in their decision-making process, while a further 39% say they consider these issues seriously in certain risk areas. Smaller managers report a reduced focus on ESG risks and opportunities in their decision-making process. Investors are looking for managers to invest in line with their ESG policies and procedures, while also returning capital that outperforms certain benchmarks

How seriously are ESG risks and opportunities contemplated in the investment decision-making process?



Case study: carbon infrastructure partners

- **Carbon Infrastructure Partners is a private equity firm targeting risk-adjusted returns across the carbon life cycle, from hydrocarbon-based energy production through to carbon capture utilization and storage (CCS).** Investing in business models that can be utilised to generate nearly zero-emission electricity, transportation fuels and voluntary carbon offsets.

GEOLOGIC STORAGE

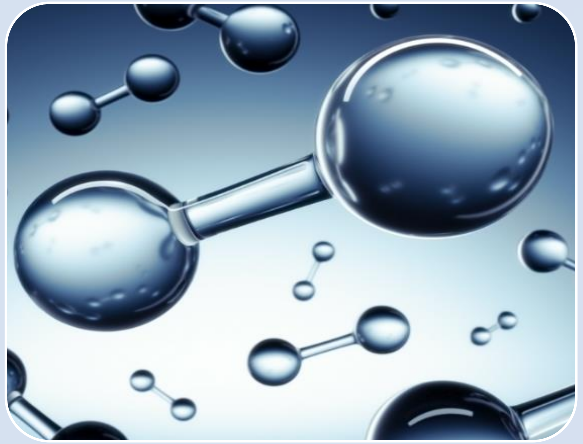
The process of injecting CO_2 captured from industrial processes into the sub-surface of the earth.

EOR CO2 STORAGE

Acquiring certified pore space for CO_2 storage and carrying out enhanced oil recovery

CLEAN POWER FIRM POWER

Capturing carbon from natural gas power generation and storing CO2 in a nearby geologic storage site.



CLEAN FIRM HYDROGEN

Combining geologic storage sites with hydrogen production.

DIRECT AIR CAPTURE

A process of capturing CO2 directly from the air to generate verified carbon-offsets.

CASE STUDY 2: Circulate capital ocean fund

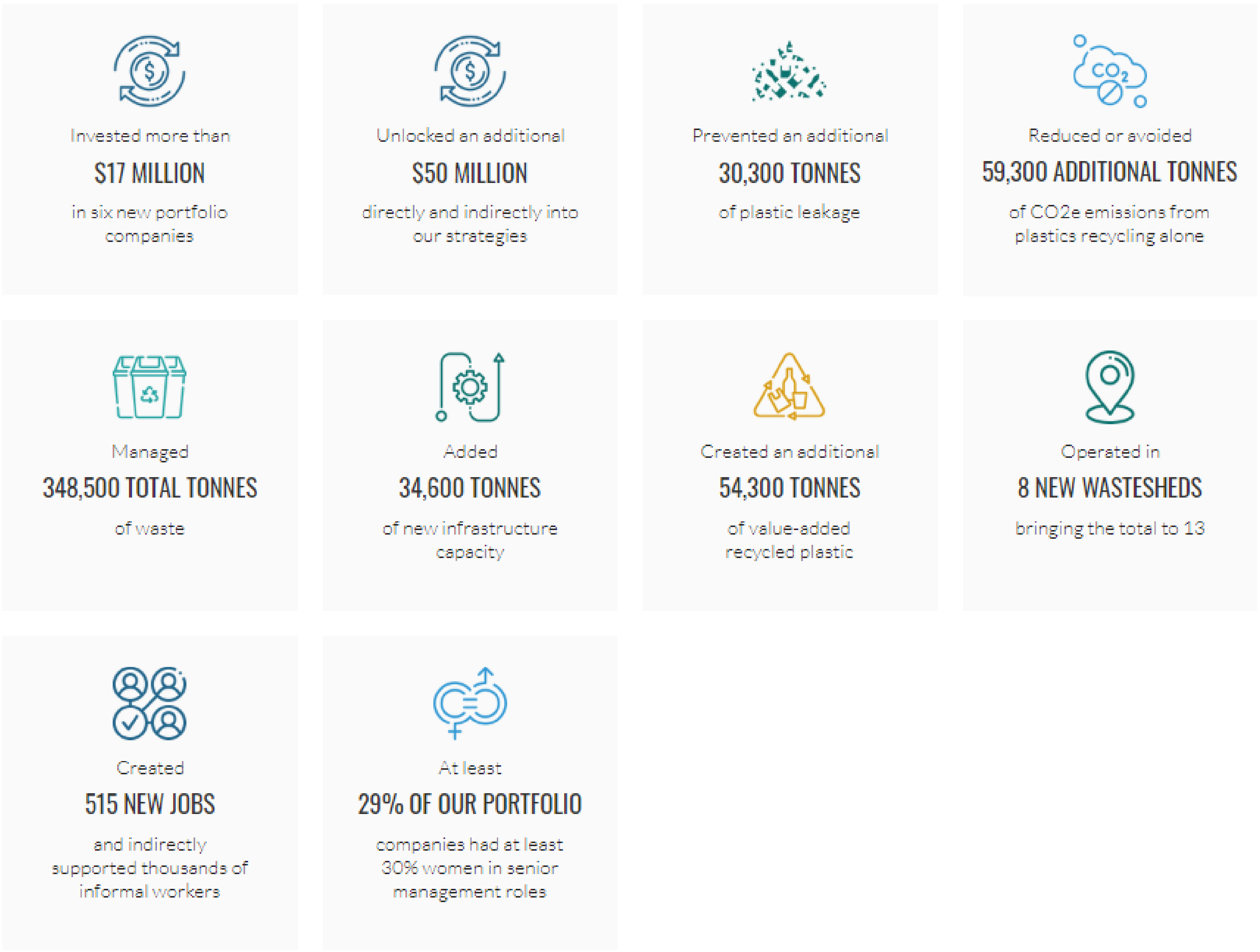
Circulate Capital is an emerging market investment management firm that finances innovations, companies, and infrastructure that scale solutions to the plastic waste and climate change crises. Circulate Capital committed to funding start-ups and SMEs developing waste management and recycling solutions that prevent ocean plastic and advance the circular economy in South and Southeast Asia.

Success stories:

2019- US$106M Circulate Capital Ocean Fund (CCOF)

in Singapore backed by PepsiCo, Procter & Gamble, Dow, Danone, CHANEL, Unilever, The Coca-Cola Company, and Chevron Phillips Chemical, to provide investment capital to scale local innovative companies or projects that divert waste from the environment and into the recycling value chain in South and Southeast Asian countries.

2020, the Fund invested US$40M to seven companies in India and Indonesia



Case study 3: Kohlberg KRAVIS ROBERTS (KKR)

Global Impact Fund for an economy

Climate Action Strategy is the latest chapter in KKR's long history of working with portfolio companies to understand and manage their environmental performance. We see climate as a global challenge that requires solutions at all levels, and we are thinking about how we invest, where we invest, and what we do to drive value creation.

KKR CLIMATE ACTION STRATEGY

INTEGRATING
climate considerations in our investment process

INVESTING
in the energy transition, including investing in and partnering with companies that address critical climate change challenges as well as responsible investments in conventional energy companies to support a sustainable transition to a clean energy future

ENGAGING
with portfolio companies on climate-related issues

In 2008 launched the Green Portfolio Program Fund (now known as the KKR Green Solutions Platform) was launched in collaboration with the Environmental Defense Fund to support operational improvements, including energy efficiency and GHG emissions reductions that also drove business benefits. KKR invests in a diverse range of energy sources, including renewable energy, such as wind and solar power generation, as well as conventional energy

Success Stories:

J$25+ bn total equity committed to climate and environmental sustainability35 investments including $14+ bn34 committed into renewable assets, such as solar and wind, with total capacity over 26 GW

8th largest owner of solar assets in operation and under construction in the United States

AquaSPICE

Advancing Sustainability of Process Industries through Digital and Circular Water Use Innovations

VENTURE CAPITAL & GREEN INVESTMENTS

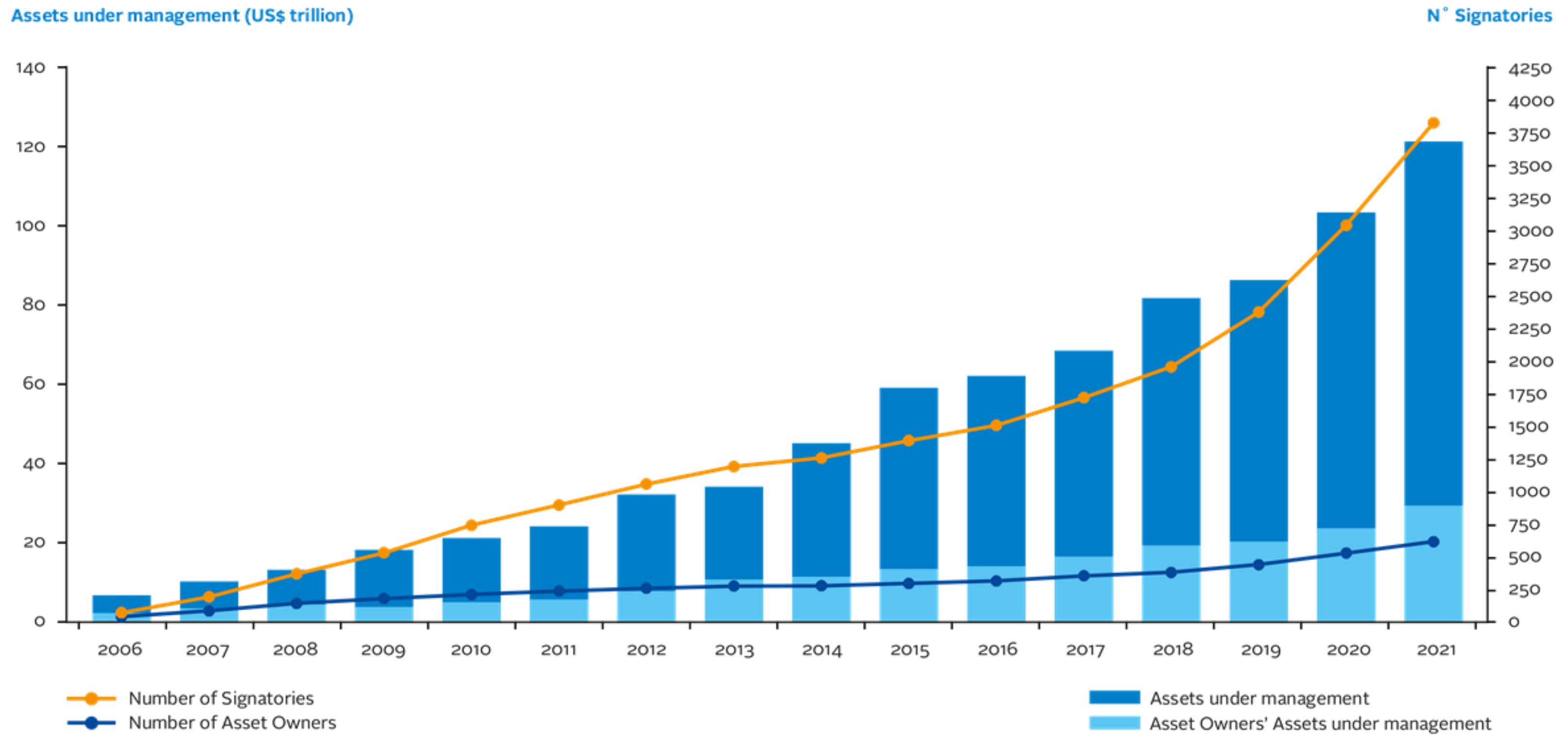
The AquaSPICE project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 958396.

Principles of responsible investment

- The PRI is the world's leading proponent of responsible investment. It works:

• to understand the investment implications of environmental, social and governance (ESG) factors;

• to support its international network of investor signatories in incorporating these factors into their investment and ownership decisions.

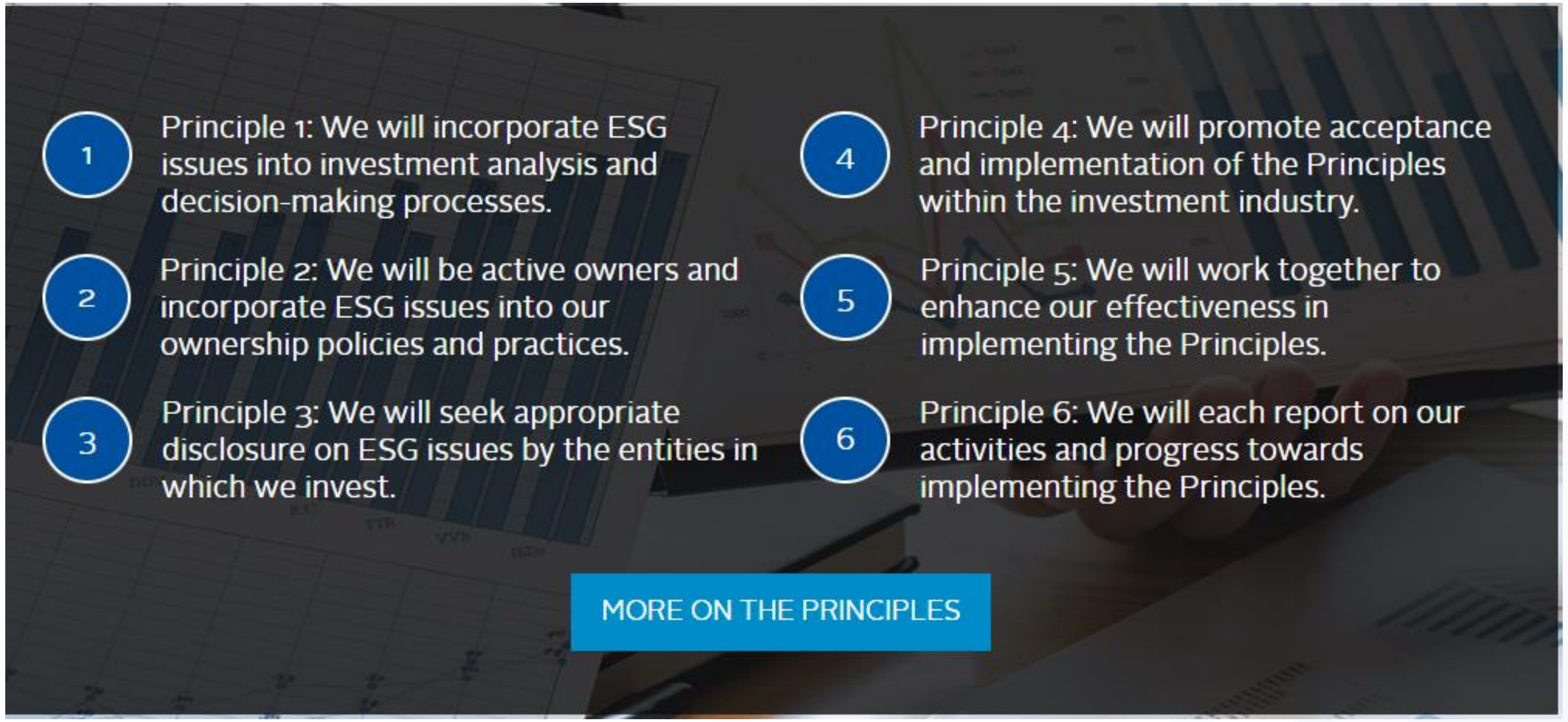


- The PRI acts in the long-term interests:

- of its signatories;
- of the financial markets and economies in which they operate;
- and ultimately of the environment and society as a whole.

- The PRI is truly independent. It encourages investors to use responsible investment to enhance returns and better manage risks, but does not operate for its own profit; it engages with global policymakers but is not associated with any government; it is supported by, but not part of, the United Nations.

Principles of responsible investment



Source: PRI website

Blueprint for responsible investment:
https://www.unpri.org/download?ac=5330

Implementing the six principles

Investors' possible actions

Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.

- Address ESG issues in investment policy statements.
- Support development of ESG-related tools, metrics, and analyses.
- Assess the capabilities of internal investment managers to incorporate ESG issues.
- Assess the capabilities of external investment managers to incorporate ESG issues.
- Ask investment service providers (such as financial analysts, consultants, brokers, research firms, or rating companies) to integrate ESG factors into evolving research and analysis.
- Encourage academic and other research on this theme.
- Advocate ESG training for investment professionals.

Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices

- Develop and disclose an active ownership policy consistent with the Principles.
- Exercise voting rights or monitor compliance with voting policy (if outsourced).
- Develop an engagement capability (either directly or through outsourcing).
- Participate in the development of policy, regulation, and standard setting (such as promoting and protecting shareholder rights).
- File shareholder resolutions consistent with long-term ESG considerations.
- Engage with companies on ESG issues.
- Participate in collaborative engagement initiatives.
- Ask investment managers to undertake and report on ESG-related engagement.

Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.

- Ask for standardised reporting on ESG issues (using tools such as the Global Reporting Initiative).
- Ask for ESG issues to be integrated within annual financial reports.
- Ask for information from companies regarding adoption of/adherence to relevant norms, standards, codes of conduct or international initiatives (such as the UN Global Compact).
- Support shareholder initiatives and resolutions promoting ESG disclosure.

Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.

- Include Principles-related requirements in requests for proposals (RFPs).
- Align investment mandates, monitoring procedures, performance indicators and incentive structures accordingly (for example, ensure investment management processes reflect long-term time horizons when appropriate).
- Communicate ESG expectations to investment service providers.
- Revisit relationships with service providers that fail to meet ESG expectations.
- Support the development of tools for benchmarking ESG integration.
- Support regulatory or policy developments that enable implementation of the Principles.

Principle 5: We will work together to enhance our effectiveness in implementing the Principles.

- Support/participate in networks and information platforms to share tools, pool resources, and make use of investor reporting as a source of learning.
- Collectively address relevant emerging issues.
- Develop or support appropriate collaborative initiatives.

Principle 6: We will each report on our activities and progress towards implementing the Principles.

- Disclose how ESG issues are integrated within investment practices.
- Disclose active ownership activities (voting, engagement, and/or policy dialogue).
- Disclose what is required from service providers in relation to the Principles.
- Communicate with beneficiaries about ESG issues and the Principles.
- Report on progress and/or achievements relating to the Principles using a comply-or-explain approach.
- Seek to determine the impact of the Principles.
- Make use of reporting to raise awareness among a broader group of stakeholders

WHAT INVESTORS SHOULD DO?

1. Develop an Investor Climate Action Plan & demonstrate progress

- This includes setting strong science-based net zero commitments with near-term accountability; engaging in stewardship and policy engagement to ensure impacts in the real economy impact; and integrating systemic risks of deforestation and just transition throughout their climate strategy.

2. Commit to net zero and join the Race to Zero (and GFANZ) via one of the following net zero alliances

- UN-Convened Net Zero Asset Owner Alliance
- Net Zero Asset Managers initiative
- Net Zero Investment Consultants Initiative
- Net Zero Financial Service Providers Alliance

3. Sign the Global Investor Statement of the Climate Crisis & engage in policy discussions

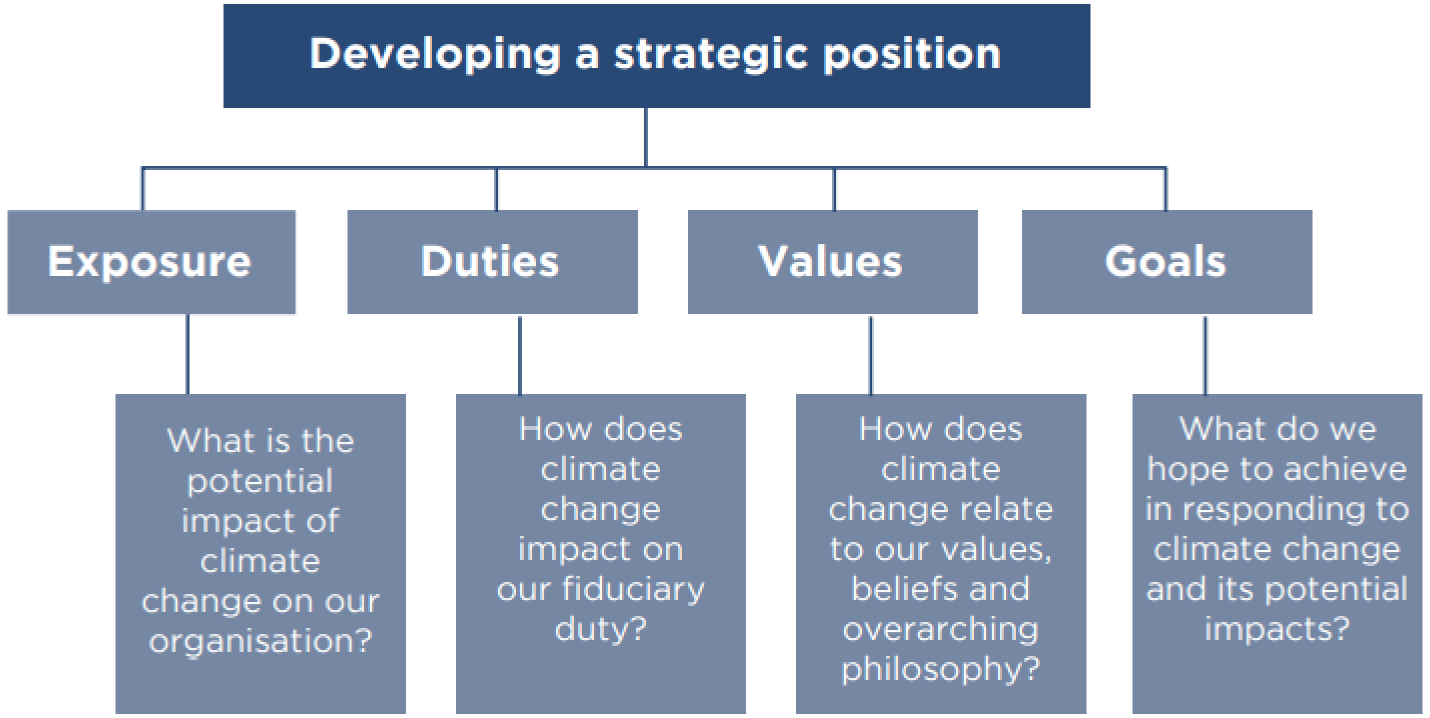
- An enabling policy environment is key to achieve net zero goals.
- Sign the Global Investor Statement to Governments on the Climate Crisis.

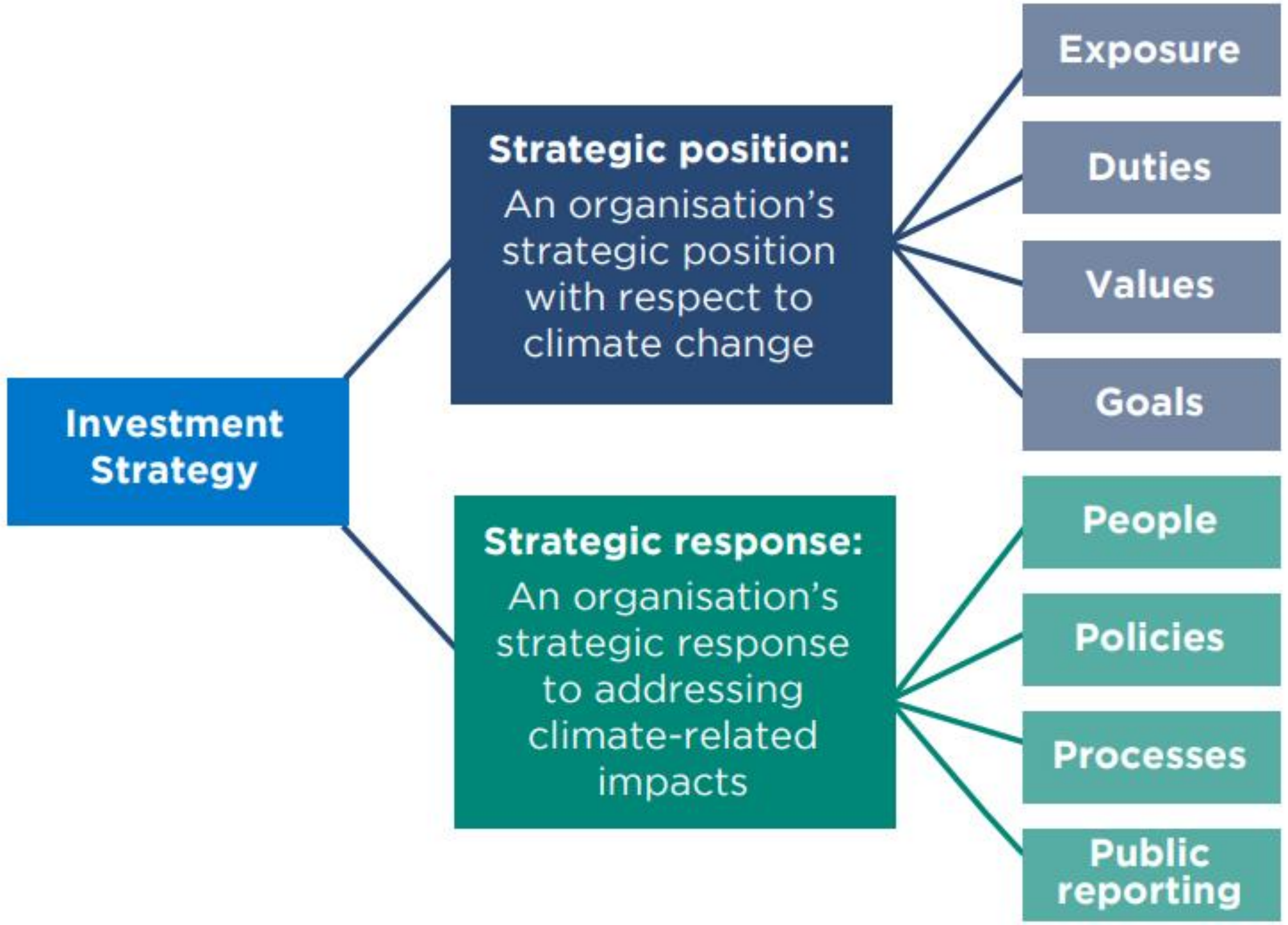
4. Get familiar with guidance and collaboration opportunities

- The Legal Framework for Impact (LFI) also shows where and how investors can already act, and pinpoints areas for reforms that need to be presented to policymakers

DEVELOPING A STRATEGIC POSITION ON CLIMATE CHANGE

How to incorporate climate change in investment strategy





Source: AIGCC (2017), Integrating Climate Change into Investment Strategy: A Guide for Investors, AIGCC

CASE STUDIES

French Public Sector Pension Fund (ERAFP)

The Fund has a general position statement on climate change published on its website. It does not have a climate-specific policy, although climate change is mentioned as part of its board approved SRI charter that assigns major importance to the need to limit GHG emissions.
https://www.rafp.fr/en/article/combating-climate-change

Among the various focus areas decided on, ERAFP has undertaken to:
•develop shareholder dialogue with thirty or so of the companies with the highest GHG emissions in its portfolio, in order to promote the energy transition in accordance with the targets of the Paris Agreement. This commitment will be implemented directly or through collaborative initiatives (Climate Action 100+), as well as via the Scheme's asset managers;

•reduce its carbon intensity (in tonnes of CO_2 equivalent per thousand euros invested) by 25% between 2019 and 2024 for scopes 1 and 2 of its listed equity and corporate **bond** portfolios;

•ensure that its non-residential real estate portfolio* is aligned with a 1.5°C target scenario, as defined in the Carbon Risk Real Estate Monitor (CRREM).

ERAFR impact monitoring and transition strategy:

- ERAFP is involved in the work being done by the Institutional Investors Group on Climate Change (IIGCC) and in the Climate Action 100+ initiative;
- joined the Net-Zero Asset Owner Alliance (AOA), it made a firm decision to align its SRI strategy with the Paris Agreement and achieve carbon neutrality by 2050;
- ERAFP has used a series of indicators in recent years to measure the impact of its investments on climate change, including carbon intensity, alignment with temperature scenarios, exposure to fossil fuels and the energy mix in the power generation sector. ERAFP is committed to publishing and monitoring its performance with respect to these indicators over time;
- ERAFP has published a measurement of its portfolio's carbon footprint since 2014. The scope of assets included in its carbon footprint measurement has increased since 2014 and now includes all the Scheme's asset portfolios;
- the temperature assessment for ERAFP’s portfolio; Temperature assessments are conducted on ERAFP’s portfolio of listed companies, as well as on individual business sectors;
- the portfolio's energy mix is compared annually with the International Energy Agency (IEA) 2°C scenario for the sovereign and listed companies portfolios;
- ERAFP also publishes the percentage of assets in its aggregate portfolio covered by science-based targets (SBT);

RAFP (2022) Sustainability Report: https://www.rafp.fr/sites/default/files/2022-09/RAFP_2021_Sustainability_Report.pdf

Source: the Investor Agenda, Available at:
a new target to reduce absolute Scope 1 and emissions by 50% by 2030

CASE STUDIES

AustralianSuper (Australia) Investor Climate Action Plan

TARGET!!! To reduce absolute Scope 1 and emissions by 50% by 2030

AustralianSuper manages more than A$260 billion in members' retirement savings on behalf of more than 2.6 million members (as at 31 December, 2021). One in 10 working Australians is a member of AustralianSuper, the nation's largest superannuation fund. AustralianSuper's purpose is to help members achieve their best financial position in retirement. The Fund actively stewards its capital and uses its influence to create long-term value and has a long-standing position of embedding ESG considerations into its investment decision making to meet this aim. AustralianSuper is a founder, global steering committee member and previous Chair of Climate Action 100+ AustralianSuper is the co-lead investor on Rio Tinto and lead investor on Qantas and has been successful engaging with both companies to ensure their climate change strategies are aligned to CA100+ objectives.

Source: the Investor Agenda, Available at:
a new target to reduce absolute Scope 1 and emissions by 50% by 2030

AustralianSuper's corporate engagement program is a key pillar in their net zero 2050 transition strategy. Since making their net zero commitment in November 2020, AustralianSuper has:

- Embedded the Climate Action 100+ Net Zero benchmark into their climate change assessment framework and asset owner plans, which inform their investment and stewardship activities.
- Extended carbon footprinting measurement across Australian and international equity, property and infrastructure portfolios, identified largest contributors to emissions in their investment portfolio and commenced forward-looking net zero trajectory modelling.
- Developed asset owner plans and engagement strategies for all companies in their internal Australian equities portfolio, which includes assessment of climate change management and net zero business strategies. During 2021, they held 86 engagement meetings with companies in their internal Australian equities portfolio and discussed climate change in 44% of these engagements.
- Advocated for improved consistency and transparency of company climate change reporting through the adoption of 'Say on Climate' advisory votes.
- Continued key leadership roles in collaborative initiatives such as Climate Action 100+, including a rotation as global chair, and the Australian Industry Energy ETI.
- Joined the board of the Institutional Investor Group on Climate Change (IIGC) and coauthored the co-authored the 'Building Resilience to a Changing Climate: Investor Expectations of Companies on Physical Climate Risks and Opportunities' report
- Engaged with all listed equity managers on their alignment and transition to Net Zero 2050 and TCFD disclosures

CASE STUDIES

Capital + SAFI (Bolivia) Investor Climate Action Plan

Capital + SAFI is a Bolivian asset manager committed to prioritizing ESG and sustainability goals through its operations and investments inspired by its purpose of investing for better lives. As a leader in Bolivia and Latin America, Capital + SAFI has established a Net Zero Roadmap alongside its annual Sustainability Report to publicize its commitment and provide a clear path to achieving the goals it has set. When it comes to climate, Capital + SAFI has stated it has a responsibility as an active manager to take investment action, work with groups within the investment ecosystem, and push others on the ladder of ambition.

Source: the Investor Agenda, Available at:
a new target to reduce absolute Scope 1 and emissions by 50% by 2030

Capital + SAFI has identified three focus areas for investment funds based on the UN's Sustainable Development Goals (SDGs): sustainable agriculture, financial inclusion, and climate change and energy transition. As the first Bolivian company to become a signatory of the UN PRI, the asset manager has prioritized sustainability and impact in its investments to ensure a healthy economy.

- The first of these funds, the Multi Impact Fund (which is in the process of approval by the Bolivian regulator), not only seeks to generate financial returns at a market rate, but also has the purpose of generating a positive environmental and social impact, specifically in the achievement of 12 out of the 17 SDGs of the United Nations.
- For its development, Capital + SAFI worked as part of a group within the United Nations Development Program's (UNDP) SDG Impact Standards initiative to provide input into key aspects of the standard's infrastructure.
- Capital + SAFI became a signatory of the Net Zero Asset Managers Initiative in January 2022, committing to setting a net zero target to collectively achieve net zero emissions by 2050.

CASE STUDIES

Allianz (Germany) Investor Climate Action Plan

Allianz is a strong advocate of the 2015 Paris Agreement and is committed to decarbonizing its proprietary investment portfolio to netzero emissions by 2050. As one of the world's largest insurers and institutional investors, Allianz is exposed to existential risks due to unabated climate change. It aims to manage climateconsidering climate r related risks and opportunities by systematically elevant criteria in its insurance and investment business. Understanding that the shift towards a lowcarbon economy can only be achieved collectively, Allianz has joined forces with other asset owners as part of the U.N. convened Net Alliance (AOA)

Source: the Investor Agenda, Available at:
a new target to reduce absolute Scope 1 and emissions by 50% by 2030

To set tangible targets, Allianz recognized that **measuring the carbon footprint of its investment portfolio was the first step.** Following this analysis, it reviewed the availability and limitations of standards and market practices. As a result, Allianz realized that targets could be meaningful set for its listed corporate portfolio and real estate assets. Allianz also ***expanded its traditional investment criteria to ensure that it would also review its equities and corporate bonds portfolio for their 1.5 degree pathway compatibility with the aim for an overall greenhouse gas emission reduction of 25% by 2025***. Greenhouse gas emissions from Allianz's real estate portfolio will also be aligned with a *sciencebased 1.5degree pathway by 2025.* Allianz has set int targets focusing on two of the highest emitting sectors: Utilities and Oil & Gas.

	Target
Utilities	Allianz has committed to complementing its coal phase-out commitment by gradually increasing its exposures in renewables and following at least the necessary annual growth rate of 5.85 percent as proposed by the International Renewable Energy Agency (IRENA).
Oil & Gas	Allianz has decided to support the commitment set out by the Oil and Gas Climate Initiative (OGCI) to limit the upstream intensity for Scope 1 and 2 emissions of O&G companies to less than 20 kg CO2e/barrel and aligning our O&G exposure on average listed equity and corporate bonds portfolio level to this intensity level. Allianz committed to engaging with O&G companies to set net-zero 2050 targets on Scope 1 and 2 emissions. By 2025, it aims for at least 50% of its AuM in Oil and Gas

AquaSPICE

Advancing Sustainability of Process Industries through Digital and Circular Water Use Innovations

GREEN TRANSITION PATHWAYS & FRAMEWORKS

The AquaSPICE project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 958396.

Social and financial investing

Table 1. The spectrum of social and financial investing

	Philanthropy		Social Impact Investing		Sustainable and Responsible Investing[8]	Conventional financial investing
	Traditional Philanthropy	Venture Philanthropy	Social Investing	Impact investment	ESG investing	Fully commercial investment
Focus	Address societal challenges through the provision of grants	Address societal challenges with venture investment approaches	Investment with a focus on social and/or environmental outcome and some expected financial return	Investment with an intent to have a measurable environmental and/or social return	Enhance long-term value by using ESG factors to mitigate risks and identify growth opportunities.	Limited or no regard for environmental, social or governance practices
			Use of ESG metrics and methodologies			
Return Expectation	Social return only	Social return focused	Social return and sub-market financial return	Social return and adequate financial market rate	Financial market return focused on long-term value	Financial market return only
	Social impact	←→	Social and financial		←→	Financial returns

Source: stylised adaptation from OECD (2019), "Social Impact Investment, the Impact Imperative for Sustainable Development," based on earlier versions from various organisations; for illustrative purposes only.

Environmental factors	Social factors	Governance factors
Natural resource use	Workforce	Board independence
Carbon emissions	Human rights	Board diversity
Energy efficiency	Diversity	Shareholder rights
Pollution/waste	Supply chain	Management compensation
Environmental opportunities		Corporate ethics

Source: ESG Rating providers, OECD, selected themes for illustration.

Index providers-ESG criteria

Table 3. ESG criteria - major index providers

Pillar	Thomson Reuters	MSCI	Bloomberg
Environmental	Resource Use	Climate Change	Carbon Emissions
	Emissions	Natural resources	Climate change effects
	Innovation	Pollution & waste	Pollution
		Environmental opportunities	Waste disposal
			Renewable energy
			Resource depletion
Social	Workforce	Human capital	Supply chain
	Human Rights	Product liability	Discrimination
	Community	Stakeholder opposition	Political contributions
	Product Responsibility	Social opportunities	Diversity
			Human rights
			Community relations
Governance	Management	Corporate governance	Cumulative voting
	Shareholders	Corporate behaviour	Executive compensation
	CSR strategy		Shareholders' rights
			Takeover defence
			Staggered boards
			ependent directors
Key metrics and subme			>120

Source: Refinitiv, MSCI, Bloomberg, FTSE; OECD assessment.

Impact frameworks

ESG Arbiters

UN Sustainable Development Goals	Sustainability Accounting Standards (SASB)	Global Reporting Initiative (GRI)	Bursa Sustainability Reporting Guidelines
Future Fit Benchmark	FTSE ESG Rating Model	Value-Based Intermediation	Social and Human Capital Protocol
Task Force on Climate-Related Financial Disclosures (TCFD)	Principles of Responsible Investment (PRI)	Measurement Framework for Equality and Human Rights	Integrated Reporting

Impact frameworks

ESG Arbiters

- Greenhouse Gas Protocol
- Sustainable Finance Disclosure Regulation (SFDR)
- Corporate Sustainability Reporting Directive (CSRD)
- Sustainable Accounting Standards Board (SASB)
- Impact Measurement Project

Advancing Sustainability of Process Industries through Digital and Circular Water Use Innovations

RESPONDING TO CLIMATE CHANGE

The AquaSPICE project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 958396.

PROGRAMMES & PROJECTS

Ecosystem-based adaptation

- Enhancing Regional Climate Change Adaptation in the Mediterranean Marine and Coastal Areas:
- The Mediterranean Sea region is suffering from the impacts of climate change on its coasts, worsened by rapid urbanization and high rates of deforestation and ecosystem degradation. A project is strengthening the capacities of countries in the region to implement ecosystem-based adaptation, and to access international climate financing with a view to influencing wider development processes.
- Funding Authority: Mediterranean Action Plan of the UN Environment Programme (UNEP/MAP)
- Partners: Priority Actions Programme/Regional Activity Centre (PAP/RAC); Plan Bleu; Global Water Partnership Mediterranean (GWP-MED); Secretariat of State to the Minister for Energy, Mines and Sustainable Development (Morocco); Ministry of Sustainable Development and Tourism (Montenegro)

The strategy of using nature as a defence against climate impacts is called called ecosystem-based adaptation (EbA) – in essence, look after nature and it will look after you.

Further readings: https://www.unep.org/news-and-stories/story/six-ways-nature-can-protect-us-climate-change

Video projection: https://youtu.be/fhDuqvRk6LY

Microfinance for ecosystem-based adaptation

Since its creation in the late 20th century, microfinance has been viewed as a tool for combating poverty. The concept that gave rise to the microfinance industry was the idea that the provision of small loans to populations with limited resources could help them to raise their socioeconomic level and overcome poverty.

- The Microfinance for Ecosystem-based Adaptation (MEbA) project seeks to provide vulnerable rural and peri-urban populations with access to microfinance products and services that allow them to invest in activities that improve their income, increase their climate resilience and allow them to sustainably use ecosystems and their services.
- We focus on developing solutions for Microfinance Institutions (MFIs) and their clients to increase their capacity to manage climate information and risks, while promoting ecosystem-based adaptation options (EbA).
- This project is funded by Germany's Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU) and is implemented by the United Nations Environment Programme (UNEP) in six Latin American countries and two African countries.

Video projection:
https://p.dw.com/p/1ITcY

MEBA microfinance for ecosystem-based adaptation

VIDEO Resources

- Regreening San Salvador to fight climate change:
- https://youtu.be/dwPyt1CX6tU

RESOURCES

- EY(2022) 2022 Global Private Equity Survey, Available at: https://www.ey.com/en_gl/private-equity/will-seeing-what-lies-beyond-bring-new-opportunities-into-focus
- Seville, D., Holmes, J., Murphy, M., (2020), Green bonds and beyond: sustainable finance in the capital markets, TORYS, Available at: https://www.torys.com/our-latest-thinking/publications/2021/03/green-bonds-and-beyond-sustainable-finance-in-the-capital-markets
- Robinson, D., (2021) Problems Brought on By Climate Change and the Solutions, earth.org [website], Available at: https://earth.org/climate-change-problems-and-solutions/, Accessed at: 14/10/2022
- Liang, H., (2022) Sustainable Finance – Meaning and Examples in Business, Network for Business Sustainability, Available at: https://nbs.net/sustainable-finance-meaning-and-examples-in-business/
- RAFP (2022) Sustainability Report: https://www.rafp.fr/sites/default/files/2022-09/RAFP_2021_Sustainability_Report.pdf
- Asia Investor Group on Climate Change (AIGCC), Integrating Climate Change into Investment Strategy: A Guide for Investors, Available at: https://www.aigcc.net/wp-content/uploads/2020/07/AIGCC-CC-Guide-Design-Final.pdf
- The Investors Agenda (2021), Investor Climate Action Plans (Icapss) Expectations Ladder, Available at: https://theinvestoragenda.org/wp-content/uploads/2021/05/expectations-ladder.pdf
- The Investors Agenda (2022), Case Studies, Available at: https://theinvestoragenda.org/casestudies/
- Boffo, R., and R. Patalano (2020), “ESG Investing: Practices, Progress and Challenges”, OECD Paris, www.oecd.org/finance/ESGInvestingPracticesProgressandCh allenges.pdf