

# ESG Digest News: for January and February 2025

Tenet presents a selection of recent sustainability news

## International scope

1. Climate-related risk management disclosure regulations came into force in a number of regions:

- a. [The European Banking Authority \(EBA\) published its final Guidelines on managing ESG risks.](#)

The EBA will ask banks to disclose information on climate risks and their plans to address those risks. Regulations of this type are anticipated in other regions, which will lead to additional disclosure rules for banks and financial institutions.

- b. [The Amman Stock Exchange announced mandatory climate-related disclosures in line with ISSB standards](#)

The Amman Stock Exchange (ASE) published the Climate-related Disclosures Regulatory Framework, which requires entities listed in the ASE20 index (the most active and reliable companies in terms of market capitalisation) to apply climate-related requirements in IFRS S1 and IFRS S2 from 1 January 2027. ISSB IFRS S1/2 continues to expand globally, including in the Middle East region.

2. The [EU Commission proposed](#) an omnibus package of measures to simplify the EU's business environment. The package includes amendments to the Corporate Sustainability Reporting Directive (CSRD), the Corporate Sustainability Due Diligence Directive (CSDDD), the Carbon Adjustment Mechanism (CBAM), and the InvestEU Regulation.

- a) **CSRD and CSDDD amendments: All companies with up to 1,000 employees and a 50 million EUR turnover will**

fall outside the scope of the CSRD (previously, 80% of the full scope). The value-chain cap for ESRS disclosure will exclude undertakings with fewer than 1,000 employees from excessive sustainability information requests. Sector-specific requirements for ESRS are proposed to be eliminated. The option of moving from a requirement for limited assurance to a requirement for reasonable assurance will be removed. It is proposed to delay, from July 2027 to July 2028, the CSDDD application date for the first wave of companies. The proposals will also limit an entity's due diligence obligations to direct (tier 1) business partners only.

- b) **Postponed application of all CSRD reporting requirements**

It is proposed to postpone reporting requirements for wave 2 (all other large undertakings, which must report for the first time in 2026) and wave 3 (SMEs with securities listed on EU-regulated markets, which must report in 2027) companies by two years.

- c) **Amendments for Taxonomy Disclosures and the Taxonomy Climate**

Taxonomy reporting will be voluntary for large undertakings with a net turnover of under EUR 450 million.

- d) **Regulation proposal amending the CBAM Regulation**

The Commission proposes to simplify CBAM for small CBAM importers, mostly SMEs and individuals: the new de minimis exemption would apply to importers below an annual cumulative mass threshold of 50 tonnes.

## International scope

3. The [TNFD \(Taskforce on Nature-related Financial Disclosure\)](#) published additional sector guidance for the following sectors:
  - 1) engineering, construction, and real estate,
  - 2) beverages,
  - 3) construction materials, and
  - 4) apparel, accessories, and footwear.

The TNFD helps businesses understand and manage their dependencies vis-à-vis biodiversity and natural resources. To disclose in line with TNFD is a way for a company to respect such natural resource dependencies and risk mitigations.

4. On 20 January 2025, shortly after his inauguration, [President Donald Trump](#) signed an executive order to withdraw the US for the second time from the Paris Agreement.

**The US withdrawal from the Paris Agreement will have far-reaching consequences, including weakening global efforts to combat climate change and creating economic uncertainties.**

## GCC scope

5. [The Gulf Organisation for Research & Development \(GORD\)](#) — a subsidiary of the GCC's Qatari Diar Real Estate Investment Company, created its first unified Sustainable Construction Code for the region

The Sustainable Construction Code serves as a vital intergovernmental tool and seeks to widely promote sustainable practices.

6. [Aldar Properties](#) closed \$2.45 bln sustainability-linked revolving credit facility.

The credit facility is six times larger than any other single bank financing the company has undertaken in its recent history. This facility is linked to sustainability-linked KPIs, showcasing Aldar's firm commitment to measurable ESG targets and responsible business practices. This case demonstrates that sustainability is no longer considered a sponsorship activity but is of commercial value, along with society and environment-related considerations.

7. [Etihad Rail](#) introduced carbon emission reduction certificates.

The certificates are projected to reduce CO2 emissions from road transport by 21% annually by 2050, and remove 8.2 million tonnes of CO2 per year. The UAE is thus making very substantial efforts as part of its commitment to achieving Net Zero.

8. [Italy, Albania, and the UAE](#) signed a EUR 1 billion deal to build a subsea energy interconnection across the Adriatic Sea, from Italy's southern

region of Puglia to the Albanian port of Vlore.

**The UAE is thus investing in energy security projects overseas, promoting sustainable development, and accelerating the transition to clean energy.**

9. [Abu Dhabi Maritime, part of AD Ports Group](#), introduced MARSDNA, a groundbreaking tool designed to advance ESG goals in the maritime sector.

The maritime sector, like many others, is embracing the international sustainability agenda through the IMO (International Maritime Organization) and EU ETS2 by extending emissions trading to include overseas shipments.

10. [The Asian Infrastructure Investment Bank \(headquartered in Beijing\) and Saudi Arabia](#) signed a joint declaration of intent to advance sustainable infrastructure investments across the region.

**Saudi Arabia is committed to a sustainable and interconnected regional economy by attracting international investors to MENA economies.**

11. Emirates Water and Electricity Company (EWEC) and Burjeel Holdings entered into a strategic partnership to power 22 of Burjeel's healthcare facilities in Abu Dhabi with clean energy, verified through the provision of Clean Energy Certificates (CECs).

**The agreement reflects the growing commitment of the healthcare industry to reduce its carbon footprint, and aligns with the UAE Net Zero 2050 Strategy.**

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