

ESG Digest News: November 2024

Tenet presents a selection of recent sustainability news

International scope

1. COP 29 outcomes:

- Article 6 of the Paris Agreement: the parties agreed on guidelines for carbon trades between countries ([Article 6.2](#)), carbon crediting provisions among entities ([Article 6.4](#)), and platform and capacity building for non-market approaches ([Article 6.8](#)).

Due to the rules agreed and capacity developed, by 2050 the annual volume of accountable markets could reach USD1 trillion. Such markets could also reduce the cost of implementing countries' NDCs by USD250 billion per year.

- New USD300 billion collective quantified finance goal agreed (financing from all sources) by 2035.

Developing countries and NGOs acknowledge that the goal is not ambitious, as they need far more resources to effectively combat the climate crisis.

COP 29 achieved tangible results, for example on the operationalisation of carbon markets (Article 6 of the Paris Agreement). However, important decisions were either postponed (the planned transition away from fossil fuels, tripling the installed capacity of renewable energy sources) or resulted in a funding decrease (New Collective Quantified Finance Goal).

- ### 2.
- IFRS update: the ISSB held a meeting on 20-21 November in Beijing, China on biodiversity, ecosystems and ecosystems services and a project on human capital. The ISSB continues to extend standard-setting



The IFRS ISSB is developing a comprehensive system of standards that is planned to be introduced worldwide. The UK, Brazil, Singapore, Costa Rica, Sri Lanka, Nigeria, and Turkey have already signalled their intention to adopt it. Corporates will be required to disclose sustainability-related risks and opportunities, as well as mitigation and adaptation plans and targets.

- ### 3.
- The ICAO has stipulated additional CORSIA phase 1 criteria.



Some carbon project types will not be eligible for CORSIA phase 1, including credits from renewable energy generated from facilities with a maximum output capacity of greater than 15MW.

- ### 4.
- The IAASB released New International Sustainability Reporting Assurance Standard ISSA 5000 International Standard on Sustainability Assurance



ISSA 5000 aims to bring clarity to sustainability reporting, thereby helping organisations substantiate their ESG claims with reliable, verified data.

- ### 5.
- The European Council adopted a new regulation on environmental, social, and governance (ESG) rating activities. Investors and other stakeholders will now have access to more reliable and comparable information about ESG rating objectives (what they assess) and methodologies (how they assess them):



ESG ratings were lacking in terms of transparency in applied methodologies and clarity on what a rating represents. The main consequence expected from the above adoption is a rise in sustainable investment through greater transparency and reduced greenwashing.

- ### 6.
- ISO Publishes New Standard ISO 37125:2024 to Enhance ESG Measurement for Cities



The new standard will provide uniform criteria for sustainable cities that allow investors and other stakeholders to compare and analyse solutions, with a view to achieving better results.

GCC scope

1. NDC were updated by the UAE to cut GHG emissions by 47% from 2029 to 2035 (the previous NDC level was a 40% reduction by 2030).



The UAE has set an ambitious target for reducing GHG emissions. The country is actively diversifying its assets and making advances in strategic development. Sectoral emission reduction targets will require massive capital expenditure for high-emitting companies (building, waste etc.) to comply with the new goal.

2. RVCMC (Saudi Arabia's Regional Voluntary Carbon Market Company) launched the third round of a tender to channel funding into climate projects (two rounds of voluntary carbon credit tenders were previously held, in Riyadh and Nairobi, Kenya) offering 2.5 million in certified carbon credits at COP29.



Carbon project trading growth for aviation, oil&gas, and other sectors in the region.

2. Speaking at the **ADIPEC** energy industry conference in Abu Dhabi, Suhail Al Mazrouei, Minister of Energy and Infrastructure, stated that the UAE plans to invest up to AED200 billion to meet sustainable energy demand over the next six years. Energy and utilities and oil & gas are targeted industries to "diversify the UAE's energy mix and increase reliance on clean energy sources" Al Mazrouei stated



Opportunities for heavy GHG emitting sectors to reduce carbon intensity, as well as for renewable energy sources, nuclear, and other carbon reduction measures.

4. By signing an MoU, Saudi oil giant **Aramco** and **Riyadh Air** have paved the way for a potential collaboration in such areas as low-carbon fuel supply and sustainability (31 October).



Becoming mandatory for international flights in 2027, CORSIA requirements will lead to a review of decarbonisation policies and new measures from airline companies.

5. **Reloved** has launched its innovative **marketplace** in the UAE, offering a platform for buying and **selling preloved items**. Reloved makes second-hand shopping more accessible to a wide variety of people, with categories such as baby and children, women, men, pets, and home.



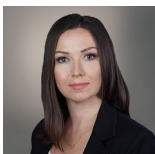
Circular economy measures are gaining momentum in the region. Interest in the topic is being shown not only in top-down terms, but also from a bottom-up perspective as well.

6. The Environment Society of Oman (ESO), in collaboration with the company National Finance and the Ministry of Higher Education, Research and Innovation (MoHERI), launched a pioneering initiative aimed at promoting sustainability and achieving zero-neutrality in higher education institutions across the Sultanate of Oman: [The Environment Society of Oman launches initiative to promote sustainability.](#)

Oman is preparing its future leaders to be innovative and sustainability-inclusive and is seeking to promote a culture of sustainability among students.

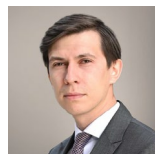
Contacts:

info@tenetcons.com



Daria Goryachkina
Associate Director
Head of ESG

E: dgoryachkina@tenetcons.com



Vyacheslav Zavgorodniy
Associate Director
Consulting

E: vzavgorodniy@tenetcons.com

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2024 Tenet Consulting. All rights reserved.

SW Tenet is a member of the SWI network <https://sw.international/>