



IFC AND IFRS FOUNDATION ANNOUNCE PARTNERSHIP TO IMPROVE SUSTAINABILITY REPORTING IN EMERGING MARKETS

The International Finance Corporation (IFC), a member of the World Bank Group, and the IFRS Foundation have signed a Memorandum of Understanding agreeing their strategic partnership to strengthen sustainable capital markets by improving sustainability and climate reporting in emerging markets and developing economies (EMDEs). The collaboration was announced during London's Climate Action Week.

The IFRS Foundation's International Sustainability Standards Board (ISSB) issued two inaugural Standards in June 2023 with the objective of delivering global consistency and comparability of sustainability-related financial disclosures for capital markets. Jurisdictions making up around 55% of global gross domestic product (GDP) are already taking steps towards using these Standards.

The partnership will focus on implementing programmes to promote and build capacity for the consistent application of the IFRS Sustainability Disclosure Standards across EMDEs. This includes developing toolkits and research publications as well as conducting training programmes to encourage sustainability reporting. Further, the partnership outlines plans to provide technical assistance and tailored support to help jurisdictions adopt and implement these Standards effectively, building on IFC's successful initiatives already in Bangladesh and Jordan.

Source: <https://www.ifrs.org/news-and-events/news/2024/06/ifc-ifrs-foundation-announce-partnership-sustainability-reporting-emerging-markets/>

CANADA RELEASES NEW CORPORATE GREENWASHING REGULATION INTO LAW

Canada's federal government has amended the Competition Act to tackle "greenwashing," targeting unverified or exaggerated environmental claims by businesses. The changes, effective June 20, pose new challenges and risks for companies, requiring immediate action to ensure compliance.

New Greenwashing Provisions:

- **Product Benefit Claims:** Any environmental claims about a product must be backed by "adequate and proper" testing, with the burden of proof on the claimant. This includes statements about resource use and emissions savings. *Example:* Claims about a product's reduced emissions must be tested under controlled circumstances, reflecting real-world usage to eliminate external variables and subjectivity.
- **Business Activity Claims:** Statements about a business's environmental impact must be substantiated according to internationally recognized methodologies, a term not

yet defined by regulatory bodies. *Example:* A company's goals regarding carbon neutrality or emission reductions must be substantiated with recognized best practices.

These provisions demand businesses to conduct rigorous testing and use established methodologies for environmental claims, shifting the proof burden to the companies. Given the significant volume of greenwashing complaints, penalties for greenwashing under the new amendments are also severe.

Source: <https://esgnews.com/canada-releases-new-corporate-greenwashing-regulation-into-law/>

ISO TO LAUNCH FIRST INTERNATIONAL STANDARD ON NET ZERO AT COP30 IN 2025

ISO, the International Organization for Standardization, is developing its first international standard on net zero to provide clarity and robust requirements for the global net zero transition. Expected to launch at COP30 in November 2025, this standard will enable independently verified climate action, accelerating progress toward sustainability.

Thousands of experts from over 170 countries will collaborate through national standards bodies, incorporating the latest climate science. A public consultation will open later in 2025 to ensure comprehensive global input.

This new standard evolves from the ISO Net Zero Guidelines introduced at COP27, which aimed to help organizations create credible net zero strategies. The forthcoming standard will offer robust guidance and requirements, enhancing public confidence and guarding against greenwashing by verifying the credibility of net zero claims.

Source: <https://www.iso.org/contents/news/2024/06/netzero-standard-underway.html>

HONG KONG INTRODUCED GREEN AND SUSTAINABLE FINTECH PROOF-OF-CONCEPT (POC) FUNDING SUPPORT SCHEME

The newly launched Green and Sustainable FinTech PoC Funding Support Scheme provides early-stage funding for high potential Green FinTech solutions. The Scheme aims to promote the research and development (R&D) and commercial adoption of innovative Green FinTech solutions across five key areas, including:

1. Green & Digital Finance and Investment;
2. ESG (Environmental, Social and Governance) Disclosure, Compliance & Regulatory Reporting;
3. Carbon Trading, Analytics and Technology;
4. ESG Data, Intelligence and Analytics; and
5. ESG/Climate Risk Modelling & Assessment.

Each approved project is entitled to funding up to HK\$150,000. The application deadline is 20th September 2024.

The applicant must be a technology company or research institute registered and having commenced business in Hong Kong and conducts substantive Green and Sustainable FinTech or mainstream technology innovation activities. To further implement green and low-carbon practices, the Scheme will plant 10 trees for each approved project applicant, with 600 trees expected to be planted throughout the initiative.

Source: [https://www.cyberport.hk/files/667f071844c01523514167/\[Press%20Release\]%20Green%20and%20Sustainable%20FinTech%20Proof-of-Concept%20Funding.pdf](https://www.cyberport.hk/files/667f071844c01523514167/[Press%20Release]%20Green%20and%20Sustainable%20FinTech%20Proof-of-Concept%20Funding.pdf)