

Latest Developments in Governance, Stewardship and Sustainability

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Australia embarks on its environmental restoration journey through the creation of the first Biodiversity Certificates Scheme (BCS) ever

At the end of August 2022, the Australian Federal Government announced the creation of the Biodiversity Certificates Scheme (BCS) as a step towards restoring Australia's environment through giving landholders who succeed in restoring or managing local habitat tradeable biodiversity certificates that could then be sold to other parties [[Prime Minister, Minister for the Environment and Water's media release on 26 August, 2022](#) and [The Guardian 2022](#)]. The market for biodiversity credits (and that of carbon credits) will be regulated by the Clean Energy Regulator (CER) [[Herbert Smith Freehills LLP 2022](#)]. Introducing biodiversity credits or biocredits as incentives in order to tackle biodiversity loss and promote biodiversity conservation. This is supported by the existing Australian Biodiversity Credit Exchange that provides eligible landholders with access to funding "*to protect, manage and restore areas of native vegetation on their land in order to generate biodiversity credits*" [[Government of South Australia- Department for Environment and Water](#)].



Will the energy-producing status of some U.S. states destabilize their relations with large financial companies and funds? The recent case of Texas

The ESG-aligned investment policies and statements of some financial institutions have cost them potential opportunities to do business with the state of Texas and its state pension funds [[Texas Is Leading The Fight Against ESG Investing](#)]. Texas, a state known for its large oil and natural gas production, issued on August 24, two lists mentioning 10 companies and 350 investment funds, as it deemed their investment policies to be boycotting fossil fuels [[CNBC](#)]. Blackrock, UBS, BNP Paribas, Credit Suisse Group, and funds managed by Goldman Sachs and JP Morgan are among the names "blacklisted". These lists are causing controversy and debate over whether they are justified or politicized and arbitrary.



New ESG rules in India aiming at eliminating corporate greenwashing

These rules are environmentally focused, imposing a reporting requirement on companies. This requirement is to submit detailed emissions data as of next year and provide data on over 120 metrics from the last 2 years [[Business Times](#)]. The newly compiled/submitted data would help in addressing and resolving the issue of greenwashing.