

## PRI MAY HELP ALIGN CREDIT RATING AGENCIES WITH INVESTORS ON ESG

Principles for Responsible Investment (PRI) launches a survey to gauge interest for ESG in credit ratings

The PRI launched a survey for investors this week to align credit rating agencies and ESG. The purpose of the survey is to investigate how fixed income investors are using ESG analysis and to understand interest in ESG being integrated into credit ratings. Link to the survey [HERE](#)

“We often hear requests from our signatories to engage the credit raters,” says PRI Managing

Director Fiona Reynolds. “Obviously it’s up to the rating agencies to work out how to value and weight material ESG criteria – some already are – but we believe investors want them to be more systematic and transparent about this.” The survey closes on May 5. [Read more](#) (*subscription required*).

This follows work the PRI did last month on ESG in fixed income. In a series of roundtables hosted by [Lloyds](#), [Sustainalytics](#) and the PRI, fixed income issuers and investors discussed the growth of ESG in the market. Read the summary [HERE](#)

## THE POPE ENGAGES IN THE CLIMATE CHANGE DISCUSSION

Pope Francis brings together scientists, government officials, and religious leaders to discuss climate change

Pope Francis convened leaders in the scientific, government, and religious communities on Tuesday to discuss the Catholic Church’s response to climate change. Pope Francis is considered the only pope in history to be [active on the topic of climate change](#).

It is anticipated that the [resulting “papal encyclical” document](#)—which will be released

in June —will raise awareness of climate change “with a special focus on the most vulnerable” and “to elevate the debate on the moral dimensions of protecting the environment”. It also seeks to build “a global movement across all religions for sustainable development.” It is the first of its kind to be dedicated to the [environment](#).

Ban Ki-Moon, United Nations Secretary-General, has said that “climate change is a defining issue of our time... It is a moral issue, it is an issue of social justice, human rights and fundamental ethics.”

### THIS WEEK IN NUMBERS

13,500

protesters marched in Berlin to protest against a proposed levy on Germany’s oldest power stations.

90

The maximum number of lightweight plastic bags that may be consumed per citizen of each EU country by the end of 2019. It should be 40 by the end of 2025.

68

billion Yuan (USD 11bn) is the expected cost to Chinese refiners to improve gasoline and diesel quality by 2017.

48

km per year is the rate at which the Sahara desert is estimated to be expanding southwards.

7.8

billions of metric tons was the record output from global coal in 2013.

1

percent of trees in Amazonian forests account for 50% of carbon storage and productivity.

## UK COURTS: CONSIDER ECONOMIC IMPACT OF POLLUTION

The U.K.'s next government is being ordered by the nation's Supreme Court to put [air pollution](#) at the top of its agenda after the courts sided with environmental groups. The government will need to take immediate steps to comply with European Union rules by the end of this

year. A group of [environmental lawyers](#) started legal action after the UK breached EU limits for nitrogen dioxide. London and other European cities have struggled to bring down nitrogen dioxide levels in part because NO2-emitting diesel is often favored over gasoline.

## G20 TO CONSIDER CARBON BUBBLE

The G20 countries are believed to be launching a joint [investigation](#) into the financial risks posed by the carbon bubble. The G20 is said to be working with the Financial Stability Board (FSB) to "convene a public-private inquiry into the fallout faced by the financial sector as climate rules become much stricter".

World leaders are increasingly concerned about "stranded assets" that would not be able to be burned within emissions limits. Cooperating countries include the U.S., China, India and Russia. The results are expected in July.

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### UPDATE: SMOG IN CHINA

Seeking to cut smog pollution, China is working to reduce its dependence on coal. One way the world's biggest energy consumer plans on doing that is by adding nuclear reactors at record pace.

China may begin operations at up to eight reactors this year, according to Zhao Chengkun, the vice chairman of the China Nuclear Energy Association, citing an estimate by the National Energy Administration. "This is quite a spree," Zhao said in a April 24 interview in Beijing. "I don't remember such a pace in history."

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## STAY TUNED...

Scientists are saying that [climate conditions](#) this year are meeting or exceeding levels associated with an El Niño weather event. The [Australian Bureau of Meteorology](#) recently said that Pacific Ocean temperatures now exceed El Niño thresholds. El Niño can cause more than average rainfall in South America and drought in parts of Australia and Asia.

### BELIEVE IT OR NOT

Cameras in 84 locations are capturing wildlife in the Chernobyl Exclusion Zone. In the first four months of 2015 over 10,00 images of animals have been captured.

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