Three Takeaways: Tensions in the Renewable Energy and Environmental Markets

McDermott Will & Emery

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McDermott recently hosted Jonathan Burnston, Managing Partner of the energy sector financial services firm Karbone, for a discussion of recent developments affecting environmental, social and governance (ESG) investing, renewable energy and carbon offsets.

Three takeaways from this week’s webinar below:

1. Interest in ESG investing is unlikely to fade. ESG indices have performed relatively well in the COVID-19 environment and the concerns that motivate ESG investing are not going away.

2. ESG investing is different from reducing emissions or pursuing carbon neutrality. Positive returns from ESG investments do not themselves reduce emissions or mitigate the impacts of climate change.

3. Corporate interest in becoming “carbon neutral” is also likely to continue. Due to recent economic disruptions, there may be some delays in achieving some previously announced commitments. However, the pressures and concerns that have motivated the
interest in carbon neutrality remain powerful forces.

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