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Regional

Kazakhstan Develops Legal Framework for Implementing Paris Agreement Article 6 Market Mechanisms

The draft law “On introducing amendments and additions to certain legislative acts of the Republic of Kazakhstan on ecology and improvement of individual sectors of the economy” amends several Codes and laws to modernize the environmental sector, develop climate regulation and carbon offsets, and improve waste management. At its plenary session, the Senate considered the bill in the second reading and returned it to the Mazhilis. Senators did not support the provision on accounting for results of projects based on Paris Agreement market mechanisms and proposed its revision to facilitate international climate finance.

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Uzbekistan and UNDP Launch Green Budget Tagging Methodology

UNDP and Uzbekistan's Ministry of Economy and Finance launched a two-day training programme on aligning public finance with the Sustainable Development Goals and green priorities, targeting officials from ministries, agencies, and the Legislative Chamber of the Oliy Majlis. National experts presented a Joint Green and SDG Budget Tagging Methodology piloted on the previous year's budget execution data. The programme marks a step toward institutionalizing performance-based green budgeting and strengthening the link between fiscal allocations and climate outcomes.

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Kyrgyz Republic Secures USD 50 Million in Climate Finance Through Energy Reforms and Paris Agreement Article 6 Mechanisms

The World Bank approved the Kyrgyz Republic Innovative Finance for Resilient and Sustainable Energy Transition Project (iFIRST), providing USD 50mln in results-based financing backed by the Transformative Carbon Asset Facility (TCAF). The project is the first climate and carbon finance operation in Kyrgyzstan under the Paris Agreement and the World Bank's second policy crediting programme globally. The project targets approximately four million tonnes of emissions reductions and will be implemented through 2031 by the Ministry of Energy of the Kyrgyz Republic.

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Kyrgyz Republic Approves National ESG Implementation Concept for 2026–2028

The Cabinet of Ministers of Kyrgyz Republic has approved the National ESG Implementation Concept for 2026–2028, establishing a framework for integrating environmental, social and governance (ESG) principles into public policy, business and the financial sector. The Concept provides for the development of national ESG standards, sustainable finance mechanisms and improved environmental and social risk management practices. It also aims to enhance the country's investment attractiveness, expand access to international climate and green finance, and accelerate the transition to a green economy.

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Global

China Releases New Energy Plan to Accelerate Green Transition by 2030

China has released a new energy development plan for 2026–2030, aiming to establish a clean, low-carbon, secure and efficient energy system by 2030. The plan targets 25% of total energy consumption from non-fossil sources, with wind and solar accounting for more than 50% of installed power capacity and non-fossil energy generating around half of the country's electricity by 2030. The roadmap also focuses on strengthening energy security, modernizing the power system and accelerating the country's green transition.

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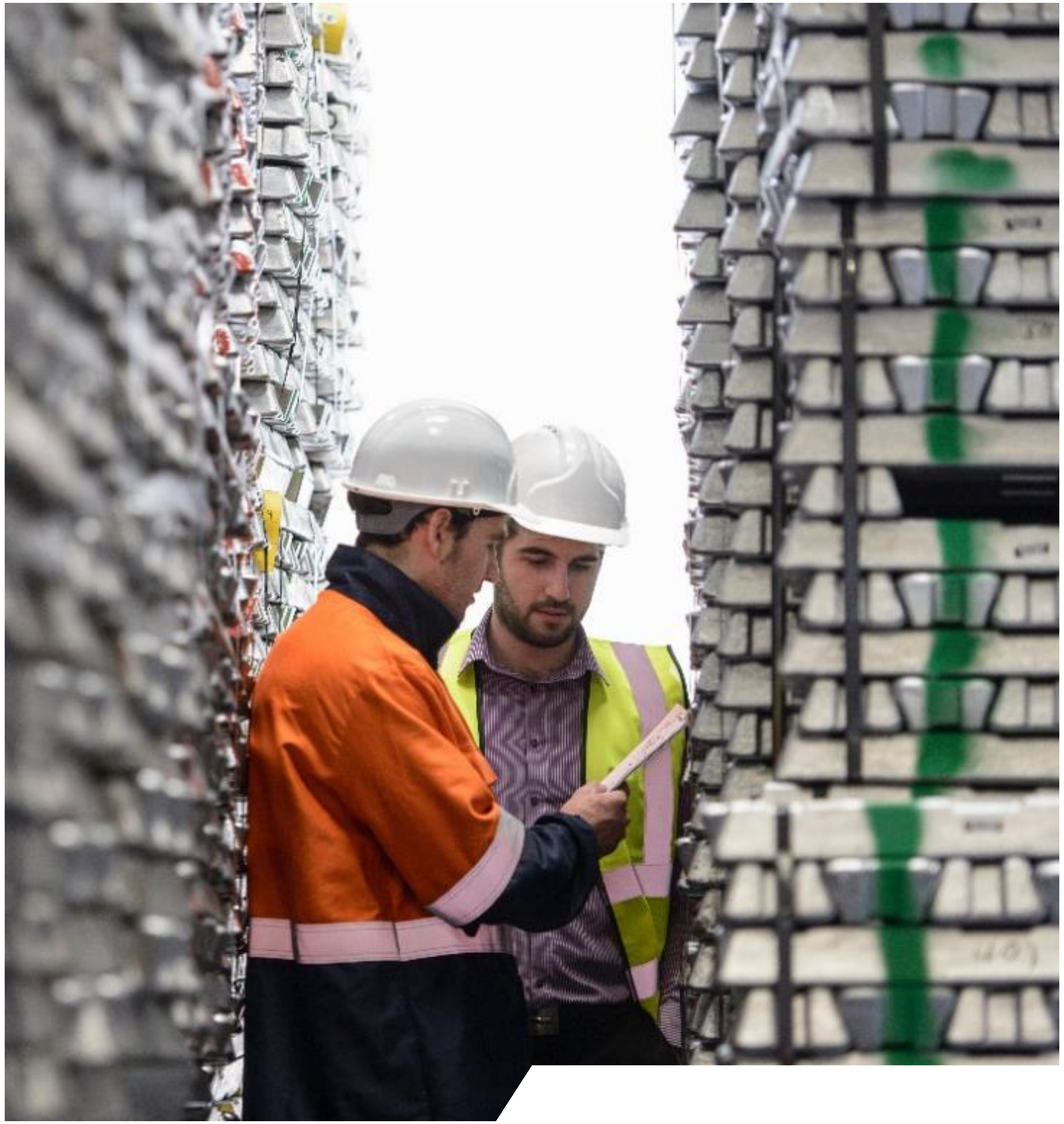
EU Council Backs CBAM Expansion to 180 Downstream Steel and Aluminium Products From 2028



The EU Council has backed extending the Carbon Border Adjustment Mechanism (CBAM) to 180 downstream steel and aluminium products, with implementation planned from 2028. The proposal also strengthens anti-circumvention measures, including the possible inclusion of certain steel and aluminium scrap. The European Parliament is expected to adopt its position later in 2026 before trilogue negotiations begin.

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EU Agrees SFDR General Approach, Mandating New Sustainable Finance Disclosure Categories

The EU Council has agreed its negotiating position on the revision of the Sustainable Finance Disclosure Regulation (SFDR), marking the next stage of the reform ahead of negotiations with the European Parliament. The Council endorsed the introduction of three product categories—Sustainable, Transition and ESG Basics—to enhance transparency, reduce greenwashing risks and simplify product selection for investors. Financial products classified as Sustainable or Transition will also be subject to additional disclosure requirements on Principal Adverse Impacts (PAIs), including the reporting of at least three indicators from the EU's prescribed list.

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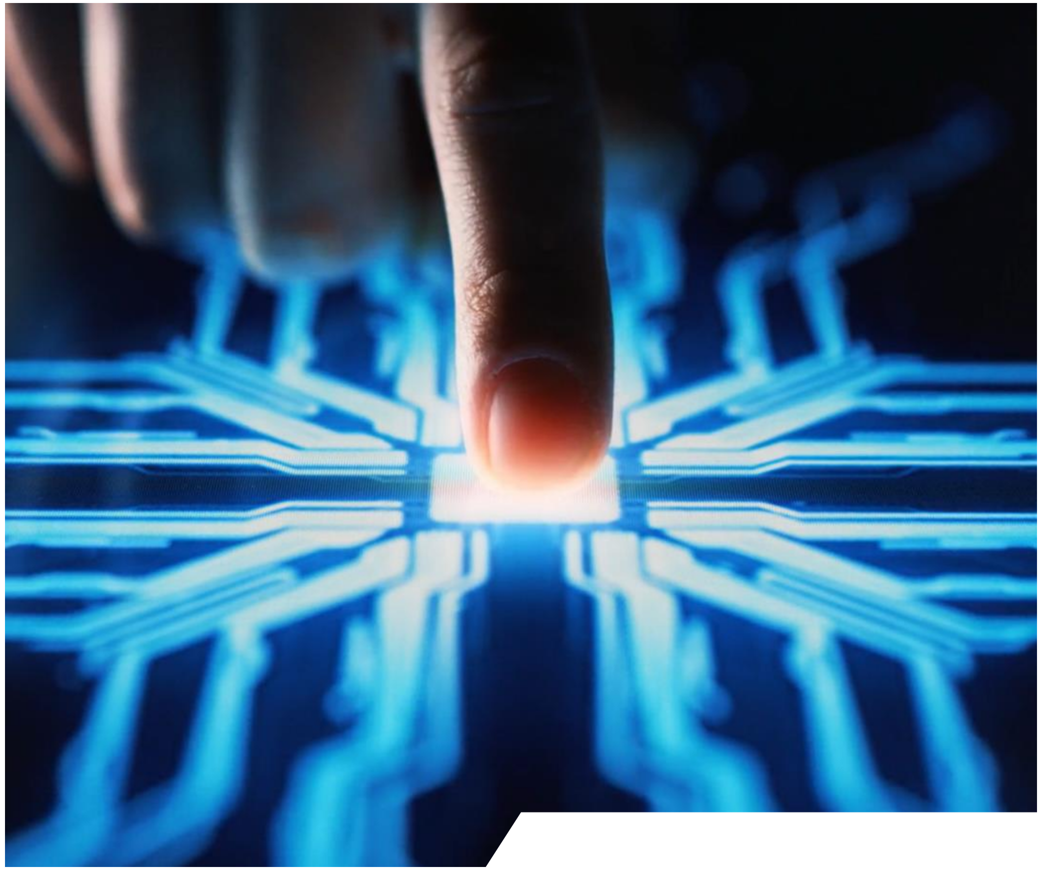
UN Launches AI Environmental Transparency Initiative



UN Secretary-General António Guterres has launched the AI Environmental Transparency Initiative, calling on major AI companies to publicly disclose the carbon, water and land footprints of their systems and commit to powering data centers with renewable energy by 2030. The initiative follows a UN University report highlighting the rapidly growing environmental impacts of AI infrastructure, including rising electricity demand and resource consumption. The proposal aims to improve transparency and accountability as AI deployment accelerates globally.

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World Bank Updates Climate Action Plan with Outcome-Based Approach

The World Bank has extended its Climate Change Action Plan while retiring its target to allocate 45% of financing to projects with climate co-benefits. Instead of tracking the share of climate finance, the Bank will shift its focus to measuring development outcomes, while continuing to monitor key climate indicators, including greenhouse gas emissions and climate resilience. The Bank reaffirmed that its climate work will remain driven by client countries' priorities and national climate commitments.

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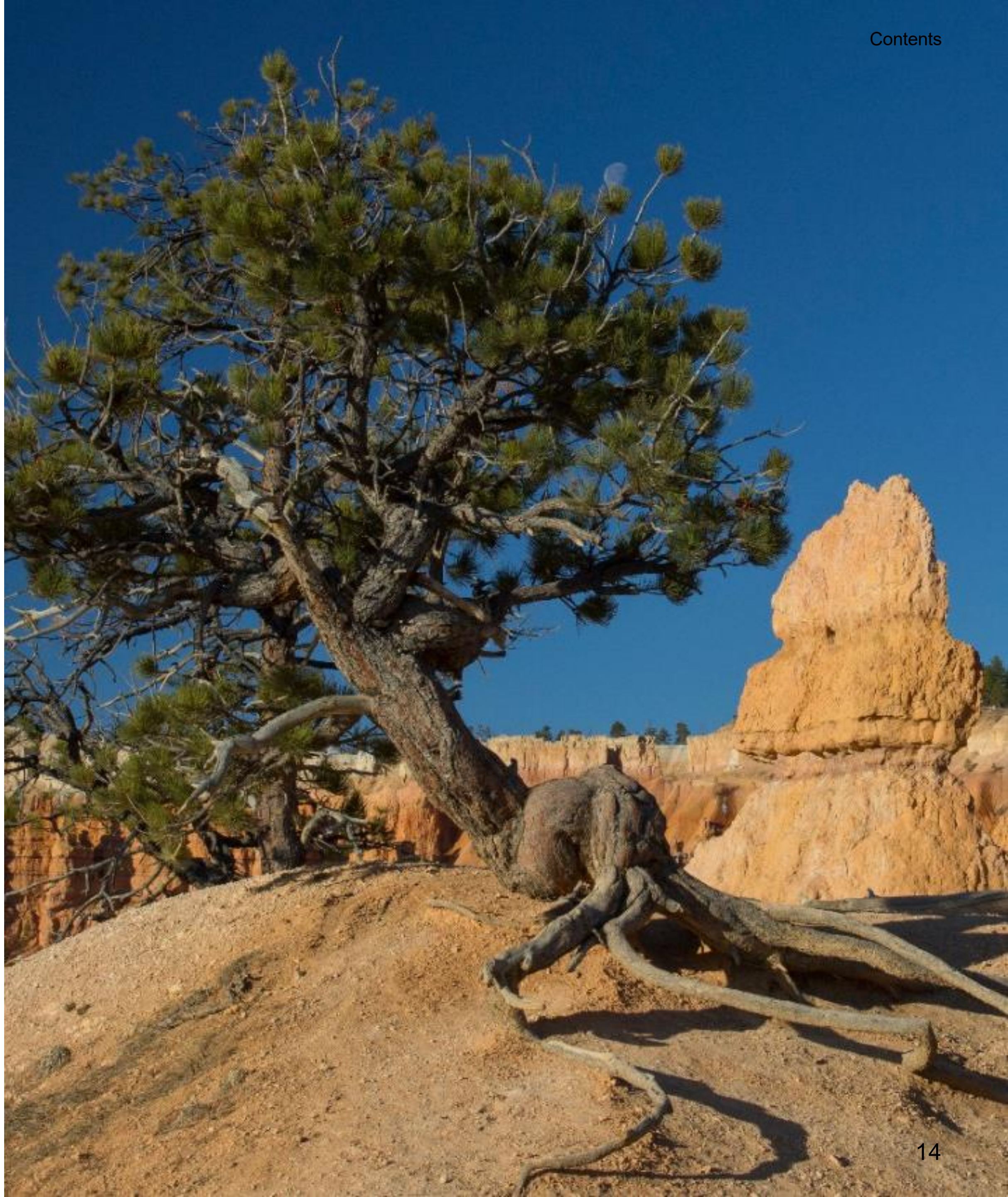

GRI Standards Used by Companies Representing 62% of Global Market Capitalization

The Global Reporting Initiative (GRI) published new research showing that the GRI Standards remain the most widely used sustainability reporting standards worldwide. The study analyzed almost 15,000 listed companies across 132 jurisdictions and found that GRI reporters account for 62% of global market capitalization. The research also shows that sustainability reporting is increasingly multi-framework, with many companies using GRI alongside ISSB, ESRS, TCFD, SASB, CDP and TNFD.

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SBTi Unveils Revised Net-Zero Standard to Strengthen Corporate Climate Action

The Science Based Targets initiative (SBTi) has released the Corporate Net-Zero Standard Version 2.0, introducing its most comprehensive framework for corporate climate target-setting to date. The updated standard strengthens accountability while providing greater flexibility for addressing value chain emissions, renewable electricity procurement and carbon removals, and will open for target validation in early 2027. The revision aims to help companies develop more credible and practical transition plans aligned with global net-zero goals.

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TNFD Publishes Practical Nature Guidance for Chief Financial Officers

The Taskforce on Nature-related Financial Disclosures (TNFD) and Accounting for Sustainability (A4S) have released Asking Better Questions on Nature for CFOs, a practical guide to help finance leaders integrate nature-related risks and opportunities into financial decision-making. The guide encourages CFOs to consider nature in areas such as risk management, capital allocation, valuation, financial planning and business strategy, while preparing for growing expectations from boards, investors and regulators.

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ESMA Assumes Direct Supervision Over EU Green Bond External Reviewers

ESMA assumed direct supervisory authority over external reviewers of European Green Bonds (EuGBs), following expiry of the 18-month transitional period under Regulation (EU) 2023/2631. Only ESMA-registered reviewers may now legally provide their services. Bonds reviewed by unregistered entities no longer fully comply with the regulation, exposing issuers to potential breach. ESMA developed 11 technical standards governing the registration and supervisory regime for external reviewers.

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UNFCCC SB64 Bonn Talks Close With Progress on Just Transition

The 64th session of the UNFCCC Subsidiary Bodies (SB64) concluded in Bonn, Germany, with progress on the Just Transition Work Programme and Paris Agreement transparency ahead of COP31. However, parties failed to agree on financing arrangements for the Global Goal on Adaptation (GGA), postponing key decisions to COP31. Delegates also discussed the future of the Mitigation Work Programme and implementation of Article 6.2 bilateral carbon trading mechanisms.

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UK Sets Out Deforestation Due Diligence Framework

DEFRA published a policy paper on the UK's approach to deforestation regulation, proposing mandatory due diligence for Great Britain businesses with annual turnover above GBP 1mln using forest risk commodities, including wood, cattle, cocoa, coffee, palm oil, rubber, and soy.

Businesses will be required to collect geolocation data confirming compliance with local laws, with requirements aligned to the EU Deforestation Regulation (EUDR) to minimize divergence.

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Australia ASIC Issues Early Observations on Mandatory Climate Reports

The Australian Securities and Investments Commission (ASIC) published early observations on the first sustainability reports lodged under the mandatory climate disclosure regime (AASB S2), noting that 259 reports had been filed for fiscal years ending December 2025. ASIC highlighted improvements in the quality and quantity of climate-related financial information compared to prior voluntary disclosures, while reminding entities that disclaimers inconsistent with statutory requirements are not permitted.

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Bank of England Publishes 2026 Climate Transition Plan Update

The Bank of England has published its 2026 Climate Transition Plan update, reporting progress toward its target of achieving net-zero greenhouse gas emissions from its physical operations by 2040. The update outlines progress against the Bank's decarbonization pathway, reflects evolving transition planning standards, and reaffirms its approach to managing climate-related risks through prudent governance and operational measures. The Bank also confirmed it will continue integrating climate considerations into its operations and risk management framework.

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The release was prepared by:

Anzhelika Mukhamadiyeva, Valentina Kalita, Arletta Isaeva

PwC contacts:

Natalya Lim
Strategy& Partner
Eurasia Advisory Leader
natalya.lim@pwc.com

Botagoz Ibrayeva
Manager
ESG Advisory Team
botagoz.ibrayeva@pwc.com

Please send your questions and enquiries to:

Anzhelika Mukhamadiyeva
Senior Associate
ESG Advisory Team
anzhelika.mukhamadiyeva@pwc.com

PwC Offices in Eurasia

Kazakhstan

Almaty
34, Al-Farabi Avenue

Astana
15/1, Kabanbay Batyr Avenue

Atyrau
55, Aiteke Bi Street
Tel: +7 (727) 330 3200

Azerbaijan

Baku
90A, Nizami Street
Tel: +994 12 497 2515

Mongolia

Ulaanbaatar
Sukhbaatar Square 2, SBD-8
Tel: +976 7000 9089

Uzbekistan

Tashkent
88A, Mustaqillik Avenue
Tel: +998 (71) 120 6101

Georgia

Tbilisi
12, Aleksidze Street
Tel: +995 (32) 25080 50