



# THE GREEN CLOCK

## *ESG MATTERS*

Tracking Policy, Innovation and  
Their Business Impact

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## Editor's Note

Dear Readers,

Welcome to the Fifth Edition Vol. 3 of our newsletter, The Green Clock: ESG Matters. As sustainability increasingly shapes global economic priorities, businesses and governments are recognising the importance of integrating ESG considerations into trade, investment and industrial development. From strengthening carbon markets and accelerating renewable energy investments to advancing biodiversity conservation and low-carbon industrial transitions, sustainability is becoming an essential driver of long-term resilience and competitiveness.

This edition explores the latest developments and emerging trends shaping the global sustainability landscape. We take a closer look at how countries and companies are advancing clean energy adoption, industrial decarbonisation and climate cooperation, while also examining the growing role of sustainable finance, biodiversity governance and responsible supply chains in supporting future-ready growth.

We hope you find this edition of our newsletter informative and inspiring as we journey towards a more sustainable and responsible future.

Warm regards,  
[Abhilasha Nayal]

## Trade Partnerships and Sustainability: Expanding Economic Cooperation in a Climate-Conscious World

As sustainability increasingly shapes global economic priorities, trade partnerships are evolving beyond traditional market access and tariff negotiations. Countries are now seeking frameworks that strengthen economic resilience while supporting clean technologies, sustainable supply chains and long-term development goals. Recent developments—including India’s trade engagements with Tanzania and Kenya, alongside the signing of the landmark India–New Zealand Free Trade Agreement (FTA)—reflect a broader shift toward deeper economic cooperation in an increasingly interconnected and sustainability-conscious global economy.

Trade agreements are becoming important enablers of sustainable growth, particularly as economies seek to diversify supply chains and strengthen resilience against geopolitical and climate-related disruptions. India’s Joint Trade Committee (JTC) meetings with Tanzania and Kenya focused on expanding cooperation across sectors, including agriculture, pharmaceuticals, digital technologies, manufacturing and investment. Strengthening trade relations with African economies also reflects growing interest in resilient value chains, food systems and market diversification, all of which are becoming increasingly relevant in the context of sustainable development.

The recently signed India–New Zealand Free Trade Agreement marks another significant step in advancing bilateral economic cooperation. The agreement is expected to improve market access, expand investment opportunities and deepen engagement across sectors, including food processing, services and technology. Beyond trade expansion, such agreements are increasingly viewed through the lens of sustainable production, standards alignment and responsible business practices, particularly as environmental and supply chain considerations gain prominence in international commerce.

Technology and digital integration are also becoming important pillars of modern trade relationships. Bilateral cooperation is increasingly extending into digital trade facilitation, logistics efficiency and innovation partnerships that can improve productivity while reducing inefficiencies across supply chains. Enhanced connectivity and regulatory coordination have the potential to support smoother trade flows and strengthen competitiveness in emerging sectors.

At the same time, trade expansion presents important considerations around sustainability and inclusivity. Increased economic activity may intensify pressure on natural resources, transport systems and emissions-intensive sectors if sustainability safeguards are not integrated into implementation. Balancing economic growth with responsible production, environmental standards, and equitable benefits across sectors remains an important challenge for policymakers and businesses alike.



For businesses and investors, expanding trade partnerships signal new opportunities for market access, investment and cross-border collaboration. However, the evolving global trade environment increasingly requires companies to align with changing sustainability expectations, supply chain transparency and regulatory standards. As ESG considerations become more integrated into global commerce, trade agreements are gradually evolving from purely economic instruments to broader platforms for resilient and sustainable growth.

## News from the World

### EU, China and Brazil Launch Coalition to Strengthen Global Carbon Markets

The European Union, China, and Brazil have launched a new international coalition aimed at strengthening carbon market frameworks and improving global carbon pricing standards. The initiative seeks to enhance cooperation on emissions trading systems, improve market credibility, and support more consistent approaches to carbon pricing across jurisdictions.

The coalition will focus on sharing technical expertise, improving transparency in carbon accounting, and promoting best practices for monitoring, reporting, and verification mechanisms. By aligning standards and governance approaches, participating countries aim to increase confidence in carbon markets and support more effective emissions reduction strategies.

Carbon pricing is increasingly viewed as a critical policy tool for incentivising industrial decarbonisation by placing a financial value on emissions. However, fragmented regulatory systems and inconsistent methodologies have limited market efficiency, creating a need for stronger international coordination and higher-integrity trading mechanisms.

For governments, investors, and industrial stakeholders, the coalition signals growing momentum toward harmonised carbon market governance and stronger emissions accountability. It also highlights the expanding role of international partnerships in shaping scalable climate finance mechanisms and accelerating global net-zero transitions.



### Boeing Secures Carbon Removal Credits to Address Aviation Emissions

Boeing has secured 20,000 tonnes of high-quality carbon removal credits as part of its strategy to address hard-to-abate emissions from the aviation sector. The initiative reflects growing efforts within the aerospace industry to complement operational decarbonisation measures with credible carbon removal solutions.

The agreement focuses on procuring durable, high-integrity carbon removal credits designed to permanently remove atmospheric carbon rather than relying on traditional emissions offsets. Such approaches are increasingly being adopted to manage residual emissions that remain difficult to eliminate through fuel efficiency improvements or technology upgrades alone.

Aviation remains one of the most challenging sectors to decarbonise due to limited alternatives to conventional jet fuel and long aircraft life cycles. Alongside sustainable aviation fuel (SAF) and efficiency improvements, carbon removal is emerging as an important pathway for mitigating emissions that cannot yet be fully avoided.



For aviation companies and climate stakeholders, the agreement signals growing corporate demand for credible carbon removal mechanisms to support net-zero commitments. It also highlights the expanding role of durable carbon removal markets in helping hard-to-abate industries strengthen long-term climate mitigation strategies.

### **Companies Sign Long-Term Wind Energy Deal to Reduce Industrial Emissions**

PepsiCo, Givaudan, Smurfit Westrock, and Statkraft have signed a 10-year wind power agreement aimed at reducing approximately 32,000 tonnes of CO<sub>2</sub> emissions annually. The collaboration reflects growing corporate efforts to secure long-term renewable electricity supplies and reduce operational carbon footprints through clean energy procurement.

The agreement will provide participating companies with access to renewable electricity generated from wind energy, helping to lower dependence on fossil fuel-based power sources. Long-term power purchase arrangements such as this are increasingly being used by businesses to stabilise energy costs while supporting the expansion of renewable energy infrastructure.

Corporate demand for renewable electricity has accelerated as companies seek to meet climate commitments and reduce Scope 2 emissions associated with purchased energy. Wind energy remains a key decarbonisation pathway due to its scalability, cost competitiveness, and ability to support emissions reductions across industrial and manufacturing operations.

The partnership also highlights the growing role of cross-sector collaboration in accelerating clean energy transitions. For businesses and energy developers, such agreements demonstrate how long-term renewable procurement models can support emissions reduction goals while strengthening investment confidence in low-carbon energy systems.



## Germany Launches €5 Billion Fund to Decarbonise Heavy Industry

Germany has launched a €5 billion or \$5.85 billion fund aimed at reducing emissions from heavy industries such as steel, cement, chemicals, and manufacturing. The initiative is designed to support industrial decarbonisation by accelerating the adoption of low-carbon technologies while maintaining industrial competitiveness during the energy transition.

The fund will provide financial support for projects focused on cleaner production methods, electrification, hydrogen integration, and carbon reduction technologies across emissions-intensive sectors. By helping offset high upfront transition costs, the programme aims to encourage industries to invest in long-term emissions reduction measures and modernise industrial operations.

Heavy industry remains one of the most difficult sectors to decarbonise due to high energy demand and process-related emissions. Public financing mechanisms are increasingly being used to bridge investment gaps and accelerate the deployment of technologies needed to meet national climate targets and industrial transformation goals.



For industrial stakeholders and investors, the initiative signals a stronger government commitment toward low-carbon industrial growth and regulatory preparedness. It also highlights the growing role of public-private investment models in scaling industrial decarbonisation and strengthening long-term economic resilience.

## EU Removes Leather from Deforestation Regulation Following Industry Concerns

The European Union has decided to remove leather from the scope of its deforestation regulation following pressure from industry stakeholders over compliance and traceability concerns. The move reflects ongoing efforts to balance environmental objectives with practical implementation challenges for businesses operating across global supply chains.

The decision means leather products will no longer be subject to the same due diligence requirements applied to commodities linked to deforestation risks, such as cattle, soy, palm oil, and timber. Industry groups had raised concerns regarding administrative burdens and difficulties in tracing leather supply chains under the regulation's existing framework.

The EU deforestation regulation was introduced to reduce the environmental impact of imported commodities associated with forest degradation and land-use change. However, implementation challenges and concerns over compliance costs have led policymakers to reassess how certain products are regulated within broader sustainability frameworks.

For businesses and supply chain stakeholders, the change highlights the increasing importance of regulatory adaptability in sustainability policy design. It also underscores the challenge of balancing environmental accountability with trade competitiveness and operational feasibility across global commodity markets.



### **Lightrock Launches \$500 Million Fund to Expand Energy Access in Emerging Markets**

Lightrock has launched a \$500 million investment fund aimed at expanding energy access across emerging markets, with a focus on supporting clean and affordable energy solutions. The initiative seeks to accelerate investments in energy infrastructure and technologies that improve electricity access while supporting sustainable economic development.

The fund will target businesses involved in distributed renewable energy, grid solutions, energy storage, and clean power technologies designed to serve underserved regions. By providing long-term capital, the initiative aims to help scale energy systems that improve reliability, affordability, and resilience in markets with limited access to electricity.

Access to reliable energy remains a major development challenge across many emerging economies, affecting industrial productivity, healthcare, education, and overall economic growth. Investments in decentralised and renewable energy systems are increasingly viewed as essential to addressing energy poverty while supporting climate and development goals.



For investors and development stakeholders, the fund signals growing confidence in clean energy opportunities across emerging markets. It also highlights the role of private capital in scaling inclusive energy infrastructure and supporting long-term economic and sustainability transitions.

## News from India

### Apple Expands Renewable Energy Investment in India

Apple has announced an investment of INR 100 crore to expand renewable energy capacity in India, reinforcing its efforts to support clean energy adoption across its operations and supply chain. The initiative aligns with the company's broader commitment to reducing emissions and increasing the use of renewable electricity in key manufacturing markets.

The investment will support the development of renewable energy projects aimed at increasing clean power availability for suppliers and operations linked to Apple's manufacturing ecosystem in India. By strengthening access to renewable electricity, the initiative is expected to help reduce dependence on fossil fuel-based energy and support supply chain decarbonisation.

India has emerged as a major manufacturing hub for global technology companies, increasing the importance of reliable and low-carbon energy infrastructure. Corporate investments in renewable energy are becoming a key strategy for reducing operational emissions while supporting national clean energy expansion goals.

For businesses and energy stakeholders, the move highlights the growing role of corporate capital in accelerating renewable energy deployment in emerging markets. It also underscores how multinational companies are increasingly integrating clean energy investments into long-term supply chain resilience and sustainability strategies.



### China and India Reduce Fossil Fuel Dependence as Renewables Gain Momentum

China and India reduced fossil fuel-based power generation in 2025, as renewable energy sources increasingly overtook coal in driving electricity capacity growth. The shift reflects accelerating investments in solar and wind energy, alongside broader efforts to strengthen energy security and reduce emissions from power generation.

Both countries have significantly expanded renewable energy installations, with solar and wind accounting for a growing share of new electricity generation capacity. Increased deployment of clean energy technologies has helped slow coal-based power expansion, supporting efforts to diversify energy systems while meeting rising electricity demand.

China and India remain among the world’s largest energy consumers, making their energy transition critical to global climate outcomes. Reducing dependence on fossil fuels while scaling renewable generation is increasingly viewed as essential for improving air quality, lowering emissions intensity, and reducing exposure to fuel price volatility.



For policymakers and energy stakeholders, the trend highlights the growing competitiveness of renewable energy in major emerging economies. It also signals a broader shift toward cleaner power systems that balance economic growth, energy demand, and long-term decarbonisation objectives.

### **MoEFCC and NBA Launch Five-Year Biodiversity Governance Project**

India’s Ministry of Environment, Forest and Climate Change (MoEFCC) and the National Biodiversity Authority (NBA) have launched a five-year project to strengthen grassroots biodiversity governance in Tamil Nadu and Meghalaya. The initiative aims to empower local communities and institutions by integrating biodiversity conservation into local development planning and financing mechanisms.

The project, titled *“Strengthening Institutional Capacities for Securing Biodiversity Conservation Commitments,”* is supported by the Government of India, the Global Environment Facility (GEF), and the United Nations Development Programme (UNDP) with a USD 4.88 million grant for 2025–2030. It will focus on ecologically significant landscapes, promoting biodiversity conservation through Gram Panchayat Development Plans (GPDPs) and strengthening institutional capacities at the local level.

The initiative comes at a time when biodiversity loss, ecosystem degradation, and climate pressures are intensifying the need for community-led conservation approaches. Strengthening local governance systems is increasingly viewed as essential to protecting ecosystems, improving resilience, and aligning conservation goals with sustainable rural development.

For policymakers and environmental stakeholders, the project highlights the growing emphasis on decentralised biodiversity governance and locally driven conservation models. It also signals stronger integration of ecological priorities into rural planning frameworks to support long-term environmental sustainability and community participation.



## India and South Korea Strengthen Climate Cooperation Through Sustainability Talks

India and South Korea are deepening bilateral cooperation on climate and sustainability through discussions aimed at strengthening collaboration in clean energy, low-carbon technologies, and sustainable development. The talks reflect growing interest in expanding partnerships to address climate challenges while supporting green industrial and economic growth.

The discussions focus on areas such as renewable energy, green hydrogen, sustainable manufacturing, and climate-resilient technologies. Both countries are also exploring opportunities to strengthen technology exchange, investment cooperation, and policy coordination to accelerate progress toward sustainability and emissions reduction goals.

As countries seek to balance economic growth with climate commitments, international partnerships are increasingly becoming essential for scaling clean technologies and strengthening energy transitions. Bilateral sustainability agreements also support knowledge sharing and create pathways for investment in emerging low-carbon sectors.



For policymakers and industry stakeholders, the discussions highlight the growing role of diplomatic cooperation in advancing climate action and sustainable economic partnerships. It also signals stronger momentum toward cross-border collaboration to support long-term decarbonisation and resilient development pathways.

## Upcoming International Climate Change Events (21 May– 21 June 2026)

- **London Climate Action Week 2026 (June 20–28):** Held in London, United Kingdom; one of Europe’s largest climate-focused events, bringing together governments, businesses, investors and civil society to discuss climate finance, decarbonisation, energy transition and policy solutions for net-zero pathways.
- **ESG & Sustainability Summit 2026 (24- 25 June):** Located in Mumbai, India; this summit convenes policymakers, industry leaders and sustainability professionals to discuss ESG integration, climate governance, responsible business practices and sustainability reporting across sectors.

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