

Master of Science in Sustainability Management

Business and Climate Change: Law, Policy and Practice

Mondays 6:10pm-8:00pm

Number of credits: 3

Core Area: Public Policy

Instructors: **Brooke Guven,**
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Response Policy: The best way to communicate with Brooke and Paul is by email at the above email addresses at any time. If you have the same email or question directed to both Brooke and Paul, please include both of us on the same email. We will typically respond within 12 hours. We are also able to set up phone or in-person appointments.

Course Overview

This course will provide students with an understanding of the ways and extent to which climate change law and policy is relevant to businesses, as well as the role of sustainability professionals in practical implementation. The course is divided into several core topics, including: (i) an overview of international and U.S. climate change policy and law, including the Paris Agreement, the Inflation Reduction Act and energy transition policy support, and human rights/environmental justice; (ii) market-led, voluntary initiatives such as the Task Force on Climate-related Financial Disclosures (TCFD), and related developments including the mainstreaming of ESG investing, sustainable finance, and the proliferation of corporate net zero goals; (iii) corporate governance, shareholder activism, and the emergence of mandatory regulation on climate disclosures, such as the E.U.'s Taxonomy Regulation and the U.S. Securities & Exchange Commission's proposed climate disclosure rule; (iv) carbon pricing,

carbon markets, and “offsets”; (v) greenhouse gas emissions accounting and data challenges; and (vi) climate-related litigation and enforcement actions against corporations and financial institutions in the U.S. and other key markets, including “greenwashing” litigation and “anti-energy company boycott” measures by several U.S. states.

The course is open to all students; no prior knowledge of the U.S. or international legal systems is assumed or required to take this course. The course includes pre-class reading and problem solving. Class time will combine lectures on, and student participation in class discussions of, legal and policy developments.

Learning Objectives

The aim of the course is to teach students the essentials of climate change law and policy as it relates to business and sustainability management. Students will apply an international and comparative lens to view and critique U.S. developments in the context of the far-reaching market and regulatory developments taking place in the E.U. and elsewhere around the world. Students should understand the role of sustainability professionals in managing the climate-related risks and opportunities facing their companies. Students should understand how, in the absence of comprehensive federal climate change legislation or mandatory regulation such as cap and trade, action on climate change by businesses in the U.S. has been heavily influenced by voluntary, market-led initiatives but legal/regulatory and reputational risks are increasing. Students should also understand how certain U.S. states are implementing policies and legislation which may challenge private action on climate change and the energy transition, the ramifications of these laws and regulations for business, and the ways in which sustainability professionals can navigate such complexities and risk. Further, students should understand the interplay of various policy drivers in shaping the law, an understanding that is transferable to any area of sustainability practice. Students will evaluate climate change risks and opportunities through case studies on corporate supply chain due diligence, climate investing as an avenue for value-creation, and practical tips on how to avoid greenwashing.

Readings

The principle texts for this course are: (1) Karl S. Coplan, Shelby D. Green, Katrina Fischer Kuh, Smita Narula, Elisabeth Haub, Karl R. Rábago, Radina Valova, *Climate Change Law: An Introduction*, Elgar (2021); and (2) Bruce Usher, *Investing in the Era of Climate Change*, Columbia Univ. Press (2022)

We will also use materials that will be available online, in the library, emailed to you or made available in hard copy form. Given the rapid developments taking place in this field, the

Syllabus will likely be revised during the course of the semester to reflect the inclusion of additional material or the deletion of certain materials.

Assignments and Assessments

Each student will write four memos of two pages (further details on the requirements for the format and timing of the memos will be provided.) All the assignments will be individual; there will be no group/team assignments.

The final grade for the course will be determined as follows:

- Assignments 80%
- Class participation 20%

Grading

The final grade will be calculated as described below:

FINAL GRADING SCALE

Grade	Percentage
A+	98–100 %
A	93–97.9 %
A-	90–92.9 %
B+	87–89.9 %
B	83–86.9 %
B-	80–82.9 %
C+	77–79.9 %
C	73–76.9 %
C-	70–72.9 %
D	60–69.9 %
F	59.9% and below

Assignment/Assessment	% Weight	Individual or Group/Team Grade
Assignment 1	20%	Individual

Assignment 2	20%	Individual
Assignment 3	20%	Individual
Assignment 4	20%	Individual
Participation	20%	Individual

Course Schedule/Course Calendar

Topics and Syllabus subject to revision as the course progresses:

Date	Topics and Activities	Readings (including hyperlinks) (due on this day)
1/23	International climate change law and policy	<p>Coplan et al., Chapter 1, pp. 5-22</p> <p><u>Intergovernmental Panel on Climate Change, “Summary for Policymakers of IPCC Special Report on Global Warming of 1.5°C approved by governments” (October 2018), pp. 6-26</u></p> <p>Working Group III Contribution to the IPCC Sixth Assessment Report (AR6), <u>Summary for Policymakers</u> (April 2022), pp. 4-21, 27-63.</p> <p><u>M. Carney, “Breaking the Tragedy of the Horizon – climate change and financial stability”, Bank of England (September 2015)</u></p> <p><u>UN Race to Zero Campaign</u></p> <p><u>Report from the UN High-Level Expert Group on the Net Zero Emissions Commitments on Non-State Entities, “Integrity Matters: Net Zero Commitments by Businesses, Financial Institutions, Cities and Regions” (2022), pp. 6-14</u></p> <p>Review generally:</p> <p><u>The Paris Agreement</u></p> <p><u>UN Sustainable Development Goals</u></p> <p><u>Addis Ababa Action Agenda</u></p>
1/30	Net-zero and the energy transition	Coplan et al., Chapters 2, 3, pp. 23-71

		<p><u>International Energy Agency, Net Zero by 2050: A Roadmap for the Global Energy Sector (2021), pp. 13-27</u></p> <p><u>Fankhauser S, Smith S, Allen M, Axelsson K, Hale T, Hepburn C, Kendall J, Khosla R, Lezaun J, Mitchell-Larson E, Obersteiner M, Rajamani L, Rickaby R, Seddon N and Wetzer T, “The Meaning of Net Zero and How to Get It Right” (2021) 12 <i>Nature Climate Change</i> 15 (identifying “seven attributes of net zero”)</u></p> <p><u>The Major Questions Doctrine Reigns Supreme in <i>West Virginia v. Environmental Protection Agency</i> — Implications for Climate Policy and Impact Investing. Kirkland Alert (July 2022)</u></p> <p><u>Michael B. Gerrard, “The climate war is not yet lost. The ruling against the EPA is less of a setback than it seems” <i>LA Times</i> (June 2022)</u></p> <p><u>J. Larsen et al., “A Turning Point for US Climate Progress: Assessing the Climate and Clean Energy Provisions in the Inflation Reduction Act”, Rhodium Group (August 2022)</u></p> <p>Optional:</p> <p><u><i>West Virginia v. Environmental Protection Agency</i>, U.S. Supreme Court Decision (June 2022), Opinion of the Court (Chief Justice Roberts); Dissenting Opinion of Justice Kagan</u></p>
2/6	Human rights and the “just transition”	<p>Coplan et al., Chapter 6, pp. 135-169</p> <p>O. De Schutter, <u>Report on the “just transition” in the economic recovery: eradicating poverty within planetary boundaries (2020)</u></p> <p>N. Bainton et al., <u>The energy-extractives nexus and the just transition (2021)</u></p> <p>J. Nayar, <u>Not So “Green” Technology: The Complicated Legacy of Rare Earth Mining (2021)</u></p> <p>D. Baymann-Pauly, <u>Why Cobalt Mining in the DRC Needs Urgent Attention (2020)</u></p> <p>Review Generally:</p> <p><u>United Nations Guiding Principles on Business and Human Rights</u></p>

2/13	The rise of sustainable finance, ESG investing, and climate impact investing	<p>Reading: B. Usher, <i>Investing in the Era of Climate Change</i>, Columbia Univ. Press (2022), Chapters 10-14</p> <p>T. Roncalli, Handbook of Sustainable Finance, pp. 1-13, 17-27</p> <p>GIIN, Sizing the Impact Investing Market 2022 (2022)</p> <p>HBS Case Study: Goldman Sachs – Making an Imprint in Impact Investing</p> <p>Podcasts: Smarter Markets Podcast: Financing the Energy Transition</p> <p>Exchanges at GS Podcast: Is Sustainable Finance the Next Big Commercial Opportunity</p>
2/20	Operationalizing net zero: greenhouse gas accounting and data quality	<p>Persefoni, Climate Disclosure: Starter Guide (2022)</p> <p>Robert S. Kaplan and Karthik Ramanna, “We Need Better Carbon Accounting. Here’s How to Get There”, Harvard Business Review (2022)</p> <p>World Resources Institute, Greenhouse Protocol Corporate Accounting and Reporting Standard, pp. 2-47</p> <p>Partnership for Carbon Accounting Financials (PCAF), The Global GHG Accounting and Reporting Standard for the Financial Industry (2022), pp.7-42</p> <p>Background reading on SEC’s proposed climate disclosure rule and GHG emissions reporting requirements (to be covered in 3/6 class): “SEC Proposes New Climate Disclosure Requirements”, Kirkland Alert (2022)</p>
2/27	Voluntary corporate climate commitments and greenwashing risk	<p>Report from the UN High-Level Expert Group on the Net Zero Emissions Commitments on Non-State Entities, “Integrity Matters: Net Zero Commitments by Businesses, Financial Institutions, Cities and Regions” (2022) pp.11-37</p> <p>Science Based Targets initiative (SBTi), Corporate Net Zero Standard (2021) pp.4-30</p> <p>Task Force on Climate-related Financial Disclosures (TCFD): 2022 Status Report, pp.2-6, 9-29</p>

		<p>TCFD, What’s New in 2021: Overview of 2021 Progress, Status Report, and Updated Guidance</p> <p>Client Earth v. Washington Gas Light Co., Complaint (DC Superior Court) (2022)</p> <p>Mighty Earth files complaint with SEC against JBS over sustainability-linked bonds (2023)</p>
3/6	Climate-related corporate and financial regulation	<p>Coplan et al., Chapter 7, pp. 170-173, 186-189</p> <p>Armour J, Enriques L and Wetzler T, “Mandatory Corporate Climate Disclosures: Now, But How?” (2022) 2021 Columbia Business Law Review 1085</p> <p>SEC proposed rule, The Enhancement and Standardization of Climate-Related Disclosures for Investors (and related materials) (2022)</p> <p>SEC proposed rule, Enhanced Disclosures by Certain Investment Advisers and Investment Companies about Environmental, Social, and Governance Investment Practices (and related materials) (2022)</p> <p>Securities & Exchange Commission, Order against Goldman Sachs Asset Management, L.P. (November 2022)</p> <p>J.P.Morgan Asset Management, EU SFDR Explained: A guide to the EU Sustainable Finance Disclosure Regulation for investors (2022)</p> <p>K. Stehl et al., EU Corporate Sustainability Reporting Directive – What Do Companies Need to Know (2022)</p>
3/20	Corporate governance: Board oversight, directors’ duties, and shareholder activism	<p>UN PRI, Fiduciary Duty in the 21st Century (2015)</p> <p>M. Lipton, “ESG, Stakeholder Governance, and the Duty of the Corporation”, Harvard Law School Forum on Corporate Governance (2022)</p> <p>Engine No. 1, Reenergize Exxon Campaign (2021)</p> <p>Engine No. 1, ExxonMobil: One Year Later. (2022)</p> <p>MyFloridaCFO, Notice related to Florida Treasury’s Blackrock Divestment (2022)</p>

3/27	Carbon pricing, carbon markets, and “offsets”	<p>Kirkland Alert Release of Draft Carbon Credit Principles Underscores Importance of Integrity to Voluntary Carbon Market Ambitions”, Kirkland Alert (August 2022)Links to an external site.</p> <p>World Economic Forum, The Voluntary Carbon Market: Climate Finance at an Inflection PointLinks to an external site.(January 2023)</p> <p>TSVCM, Final Report, pp.1-25 Task Force on Scaling the Voluntary Carbon Market (TCVCM), Final Report (2021)Links to an external site.</p> <p>ICVCM, new hyperlink: https://icvcm.org/wp-content/uploads/2022/07/ICVCM-Public-Consultation-FINAL-Part-1.pdfLinks to an external site.</p> <p>VCMi Voluntary Carbon Markets Integrity Initiative (VCMi), Draft Claims Code of Practice (2022)Links to an external site.</p> <p>We Mean Business, Corporate Minds on Climate ActionLinks to an external site. (January 2023), pp.5-7</p>
4/3	Climate-related litigation and enforcement	<p>Coplan et al., Chapter 5, pp. 109-134</p> <p>Grantham Research Institute on Climate Change, “Global trends in climate change litigation: 2022 snapshot” (2022)</p> <p>Milieudefensie v. Royal Dutch Shell, District Court Judgment (Netherlands) (2021)</p>
4/10	Corporate value chains; supply chain diligence	<p>OECD Guidelines for Multinational Enterprises</p> <p>Equator Principles (and related Resources, including “Guidance Note: On Climate Change Risk Assessment)</p> <p>U.S. Department of Homeland Security, Uygher Forced Labor Prevention Act (2021)</p> <p>E.U. Corporate Sustainability Due Diligence Directive (2022)</p> <p>Harvard Law Review, Doe I v. Nestle, S.A. (2020)</p>
4/17	Climate investing as an avenue for value-creation; blended finance	<p>B. Usher, Chapter 2</p> <p>Blended Finance Taskforce</p>

		ECOSOC, <u>2022 Financing for Sustainable Development Report</u> <u>Addis Ababa Action Agenda</u>
4/24	Avoiding greenwashing: practical tips	<u>Report from the UN High-Level Expert Group on the Net Zero Emissions Commitments on Non-State Entities, “Integrity Matters: Net Zero Commitments by Businesses, Financial Institutions, Cities and Regions” (2022)</u> U.S. Securities & Exchange Commission, Proposed Climate Disclosure Rule (2022)
5/1	Epilogue: Business and climate change and the role of sustainability professionals	

Course Policies

Participation and Attendance

Each student is expected to be punctual, attend each class, and to prepare conscientiously and contribute to the class discussion. This means providing thoughtful commentary, engaging analysis, and/or posing relevant questions. It also means summarizing and discussing legal cases, legislation, regulations, voluntary frameworks and standards, and case studies. Lively discussions are expected. It is expected that each student come to class with an open mind and a willingness to entertain all different perspectives.

If you have not done the reading and/or are unable to participate, please notify Brooke and Paul before class begins. You will be excused from that day’s participation requirements. However, if you repeatedly fail to do the reading, you will not receive credit for attending class. Students are encouraged to voluntarily participate. However, students may also be called on and asked to participate without volunteering.

Late work

There will be no credit granted to any written assignment that is not submitted on the due date noted in the course syllabus without advance notice and permission from the instructor.

Citation & Submission

All written assignments must use standard citation format (e.g., MLA, APA, Chicago), cite sources, and be submitted to the course website (not via email).

School and University Policies and Resources

Copyright Policy

Please note—Due to copyright restrictions, online access to this material is limited to instructors and students currently registered for this course. Please be advised that by clicking the link to the electronic materials in this course, you have read and accept the following:

The copyright law of the United States (Title 17, United States Code) governs the making of photocopies or other reproductions of copyrighted materials. Under certain conditions specified in the law, libraries and archives are authorized to furnish a photocopy or other reproduction. One of these specified conditions is that the photocopy or reproduction is not to be "used for any purpose other than private study, scholarship, or research." If a user makes a request for, or later uses, a photocopy or reproduction for purposes in excess of "fair use," that user may be liable for copyright infringement.

Academic Integrity

Columbia University expects its students to act with honesty and propriety at all times and to respect the rights of others. It is fundamental University policy that academic dishonesty in any guise or personal conduct of any sort that disrupts the life of the University or denigrates or endangers members of the University community is unacceptable and will be dealt with severely. It is essential to the academic integrity and vitality of this community that individuals do their own work and properly acknowledge the circumstances, ideas, sources, and assistance upon which that work is based. Academic honesty in class assignments and exams is expected of all students at all times.

SPS holds each member of its community responsible for understanding and abiding by the SPS Academic Integrity and Community Standards posted at <https://sps.columbia.edu/students/student-support/academic-integrity-community-standards>. You are required to read these standards within the first few days of class. Ignorance of the School's policy concerning academic dishonesty shall not be a defense in any disciplinary proceedings.

Diversity Statement

It is our intent that students from all diverse backgrounds and perspectives be well-served by this course, that students' learning needs be addressed both in and out of class, and that the diversity that the students bring to this class be viewed as a resource, strength and benefit. It is our intent

to present materials and activities that are respectful of diversity: gender identity, sexuality, disability, age, socioeconomic status, ethnicity, race, nationality, religion, and culture.

Accessibility

Columbia is committed to providing equal access to qualified students with documented disabilities. A student's disability status and reasonable accommodations are individually determined based upon disability documentation and related information gathered through the intake process. For more information regarding this service, please visit the University's Health Services website: <https://health.columbia.edu/content/disability-services>.

Class Recordings

All or portions of the class may be recorded at the discretion of the Instructor to support your learning. At any point, the Instructor has the right to discontinue the recording if it is deemed to be obstructive to the learning process.

If the recording is posted, it is confidential and it is prohibited to share the recording outside of the class.

SPS Academic Resources

The Division of Student Affairs provides students with academic counseling and support services such as online tutoring and career coaching: <https://sps.columbia.edu/students/student-support/student-support-resources>.

Columbia University Information Technology

Columbia University Information Technology (CUIT) provides Columbia University students, faculty and staff with central computing and communications services. Students, faculty and staff may access University-provided and discounted software downloads.

Columbia University Library

Columbia's extensive library system ranks in the top five academic libraries in the nation, with many of its services and resources available online.

The Writing Center

The Writing Center provides writing support to undergraduate and graduate students through one-on-one consultations and workshops. They provide support at every stage of your writing, from brainstorming to final drafts. If you would like writing support, please visit the following site to learn about services offered and steps for scheduling an appointment. This resource is open to Columbia graduate students at no additional charge. Visit <http://www.college.columbia.edu/core/uwp/writing-center>.

Career Design Lab

The Career Design Lab supports current students and alumni with individualized career coaching including career assessment, resume & cover letter writing, agile internship job search strategy, personal branding, interview skills, career transitions, salary negotiations, and much more. Wherever you are in your career journey, the Career Design Lab team is here to support you. Link to <https://careerdesignlab.sps.columbia.edu/>

Netiquette

[Only applies to courses using online platforms]

Online sessions in this course will be offered through Zoom, accessible through Canvas. A reliable Internet connection and functioning webcam and microphone are required. It is your responsibility to resolve any known technical issues prior to class. Your webcam should remain turned on for the duration of each class, and you should expect to be present the entire time. Avoid distractions and maintain professional etiquette.

Please note: Instructors may use Canvas or Zoom analytics in evaluating your online participation.

More guidance can be found at: https://jolt.merlot.org/vol6no1/mintu-wimsatt_0310.htm

Netiquette is a way of defining professionalism for collaborations and communication that take place in online environments. Here are some Student Guidelines for this class:

- Avoid using offensive language or language that is not appropriate for a professional setting.
- Do not criticize or mock someone's abilities or skills.
- Communicate in a way that is clear, accurate and easy for others to understand.
- Balance collegiality with academic honesty.
- Keep an open-mind and be willing to express your opinion.
- Reflect on your statements and how they might impact others.
- Do not hesitate to ask for feedback.
- When in doubt, always check with your instructor for clarification.