



NEWSLETTER # 1 - 2025



Save the date: SFL Partner Day 2025!

Time: May 15th, 08:30-13:30 including lunch

Venue: KTH in Stockholm

Policymakers, companies and financial market actors are all impacted by the current geopolitical landscape marked by protectionism, heightened tensions and increased uncertainty. This is manifested in the new US Administration's declaration to once again pull out of the Paris Climate Accord, as well as the turbulence surrounding the European Union's sustainability regulations. The Omnibus proposal, expected to propose streamlining of the Taxonomy, CSRD, and CSDDD may in fact scale back and/or hinder progress on globally set sustainability targets, relating to climate goals, biodiversity and social issues.

The impact of the proposed changes on sustainable finance efforts is likely to be profound as sustainable investments rely heavily on robust regulatory frameworks to ensure transparency, mitigate risks, and prevent greenwashing. The EU's leadership in this area has been pivotal in setting global standards and the potential dilution of sustainability regulations could undermine investor confidence and slow the momentum towards integrating environmental, social, and governance criteria into financial decision-making. This would, in turn, risk significantly undermining global efforts to transition towards sustainable economies and societies.



In this SFL Partner Day, we explore what the new geopolitical environment and backsliding in EU sustainability regulations may mean for sustainable finance.

Save the date, detailed agenda to follow!

[Sign up for SFL Partner Day 2025 >](#)

Welcome to a joint Mistra FinBio and Sustainable Finance Lab seminar

Topic: Complementing Forest finance for carbon credits with biodiversity insurance and resilience value

Speaker: Hanna Fiegenbaum

Date: March 5, 2025

Time: 15.00-16.00

Location: <https://stockholmuniversity.zoom.us/j/65419927680> (No registration is required)

Organizers: [Mistra Finbio](#) and Sustainable Finance Lab

How can we refine siloed investment pathways and mechanisms to leverage nexus approaches to achieve the best outcomes for climate, nature, and people? Departing from a market-driven focus on valuing forests for their carbon storage and sequestration services, this presentation and subsequent discussion examine the question in the context of financing forest conservation and restoration for the issuance of carbon credits. Biodiversity and other ecosystem components are assigned a strategic and valuable role in meeting the specific requirements for de-risking investments in forestry and forest-related activities. While the focus on financing carbon avoidance, removal, and reduction remains due to the requirements of emission accounting practices in corporates and financial institutions, even within that narrow focus, other natural and social capital components can yield benefits and address costs that arise relative to a natural capital investment. This presentation draws on natural capital concepts developed in the ecological economics literature and seeks to ground them in ecologically sound relationships.

[Read more >](#)

Welcome to our new SFL postdoc, Sarah Philipson Isaac!

Sarah holds a PhD in Sociology from the University of Gothenburg, where she defended her dissertation, *Temporal Dispossession: The Politics of Asylum and the Remaking of Racial Capitalism in and*



Beyond the Borders of the Swedish Welfare State, in May 2024.

She joins the SFL project on research into the value chains of labour market exploitation, connecting migration policies, investments and labor market exploitation together with Lin Lerpold and Örjan Sjöberg.

New article: The ethical foundations of biodiversity metrics

Biodiversity loss is a critical concern in conservation, prompting governments and organizations worldwide to develop policies and strategies aimed at restoring ecosystems. However, conservation requires more than just reliable ecological metrics; it also demands a closer look at the philosophical values underlying them, writes Eliza Nobles, a Doctoral Candidate of Practical Philosophy in the Financial Ethics Research Group at University of Gothenburg. .

[Read the article >](#)



Newly published journal articles from SFL-affiliated researchers

[What could justify a prohibition on the luxury emissions of the very rich?](#) by Fausto Corvino in Politics, Philosophy & Economics, 2025. The article discusses whether, in addition to pricing emissions, we should prohibit a specific category of luxury emissions, those arising from goods and services that only the richest can afford.

[Deepening the Conversation on Systemic Sustainability Risks: A Social-Ecological Systems Approach](#) by Wassénus et al, in Journal of Business Ethics, 2024. Narrow views of systemic sustainability risks can result in ecological concerns being neglected, as well as giving rise to unequal distribution and exploitation of natural resources, creating

injustice. Given recent advancements in integrating justice with the safe space environmentally, as defined by the planetary boundaries, now is a critical moment for business ethics researchers to deepen the conversation on managing systemic sustainability risks to create a safe and just operating space. The authors argue that the social-ecological systems approach, that views humans as embedded in and dependent on the natural environment, provides a foundation for business ethics scholars to deepen the conversation.

[City-company collaboration towards aligned science-based target setting](#) by Crona et al, in Nature Sustainability, 2024. Cities and companies have great potential to reduce pressures on Earth system boundaries. Science-based target setting has emerged as a powerful tool to help achieve the potential, but its uptake has been limited. Moreover, cities and companies usually develop their targets separately, even though many are co-located. Focusing on the top 200 cities and 500 companies by greenhouse gas emissions, we analyse the current state and potential of adopting science-based targets for climate.

[Is It Morally Justifiable To Pass on Part of the Costs of Pivotal Climate Action to Future Generations?](#) by Fausto Corvino. Fausto Corvino addresses the question of whether the present generation should bear both the implementation responsibility and the economic costs of pivotal climate action alone. The latter question is particularly relevant because, as several authors have pointed out, the structure of global financial markets would allow the present generation to take full responsibility for implementing decisive climate measures while shifting some of the associated economic costs to future generations.

About us

Sustainable Finance Lab SWEDEN is a transdisciplinary research center established to transform financial markets and to enhance the sustainable development of society. Our aim is to deliver scientific insights that strengthen practice.

The SFL Consortium consists of KTH Royal Institute of Technology, University of Gothenburg, IVL Swedish Environmental Research Institute, Stockholm School of Economics, Luleå University of Technology, Stockholm Resilience Centre at Stockholm University, and Global Economic Dynamics and the Biosphere at the Royal Swedish Academy of Sciences.

E-mail: info@sustainablefinancelab.se | Website: www.sustainablefinancelab.se



[Unsubscribe](#) or [change your preferences](#).