

Alexander Stafford MP
Member of Parliament for Rother Valley



HOUSE OF COMMONS
LONDON SW1A 0AA



The Rt Hon Jeremy Hunt MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ

17 November 2023

Dear Chancellor,

Ahead of next week's Autumn Statement, in which I am sure you will set out a robust plan to strengthen the UK's economy, continue to cut inflation, and bring more growth, I write to you to implore you to take this opportunity to cement the UK as the home of Environmental, Social, and Governance investing.

As you will know, and as the Chairman of the All-Party Parliamentary Group on Environmental, Social, and Governance, I have been hosting regular discussions with Ministerial and Parliamentary colleagues, prominent external stakeholders, and businesses large and small to best understand how the UK can benefit from the global rise in interest around ESG investing. I was able to outline some of the ESG developments in a recent debate in the House, at which I was most grateful for the answers provided by your colleague, the Exchequer Secretary to the Treasury. I would also like to take this opportunity to set out what you might consider doing, in the forthcoming Autumn Statement and beyond, to capture the UK's ESG potential and unleash the full force of the private sector's financial firepower.

To that end, HM Treasury must radically accelerate the planned UK Green Taxonomy. You will remember that the original timeline, as set out in the Greening Finance Roadmap, envisaged us having nearly completed the necessary consultation and legislation by this point. Sadly, in reality, we are still waiting for the consultation promised to begin this Autumn. I must urge you, if we are to stay ahead of the game and in front of international competition, to begin this consultation without delay. Not only will our taxonomy, which I am sure will surpass the EU's failed attempt, provide a concrete foundation for ESG investing by eradicating greenwashing. It will also work with other measures as we look to use private investment to finance our green transition. This year's update to the Green Finance Strategy succinctly outlines why we need to align markets and private firms with our overall climate and environmental goals – and I was, of course, pleased to see the re-affirmation of the plans to develop our Green Taxonomy contained in that document – which will be impossible without this step.

It is clear to me, and so many colleague across the House, that we risk losing the race for ESG. The longer we delay, the less the UK will be able to live up to its potential as the home for ESG investing. I would also, therefore, like to extend a standing invitation to meet with me, and with the APPG, to discuss the future of UK ESG at your earliest convenience. Finally, may I say that I wholeheartedly agreed with the three golden rules you set out in your Manion House Speech earlier this year. Most significantly I stand behind your third golden rule that decisions must strengthen the UK's "competitive position as a leading financial centre able to fund, through the wealth it creates, our precious public services". I believe there can be no better step towards ensuring our financial future than harnessing ESG's potential, and I look forward to continuing to support you and the Prime Minister in this endeavour.

Yours ever,

Alexander Stafford MP
Member of Parliament for Rother Valley

39 Laughton Road, Dinnington, South Yorkshire, S25 2PN

www.alexanderstafford.org.uk

01909 494952

alexander.stafford.mp@parliament.uk

[Fb/AlexStafford4RotherValley](https://www.facebook.com/AlexStafford4RotherValley)

Twitter: [Alex_Stafford](https://twitter.com/Alex_Stafford)