

# ASCOR Progress Note

July 2024



## ASCOR project partners

The Assessing Sovereign Climate-related Opportunities and Risks (ASCOR) project is led by asset owners, asset managers and investor networks. ASCOR is co-chaired by Adam Matthews at the Church of England Pensions Board and Victoria Barron. Esther Law at Amundi Asset Management and Claudia Gollmeier at Colchester Global Investors are currently serving as acting co-chairs. The project is supported by Chronos Sustainability.

The ASCOR Steering Committee is composed of the Asia Investor Group on Climate Change (AIGCC), the UN-convened Net-Zero Asset Owner Alliance (AOA), Ceres, the Investor Group on Climate Change (IGCC), the Institutional Investors Group on Climate Change (IIGCC) and Principles for Responsible Investment (PRI). The ASCOR Advisory Committee includes Aktia Bank, Allspring Global Investments, Amundi Asset Management, Colchester Global Investors, Franklin Templeton, MFS Investment Management and Ninety One. For more information, visit [www.ascorproject.org/](http://www.ascorproject.org/).

## ASCOR project academic partner

ASCOR's academic partner is the [Transition Pathway Initiative Centre](#) (TPI Centre), part of the Grantham Research Institute on Climate Change and the Environment, which is based at the London School of Economics and Political Science.

## Authors

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# ASCOR project

Assessing Sovereign Climate-related Opportunities and Risks (ASCOR) is a project led by asset owners, asset managers and investor networks to develop a publicly available and independent tool that assesses countries on climate change. The ASCOR tool was designed as a framework of indicators to enable transparent country assessments that present the progress made by governments on managing the low-carbon transition and the impacts of climate change. ASCOR aims to inform, support and facilitate investors' decision-making on sovereign bonds and enable a more explicit consideration of climate change.

In 2023, following a public consultation, the Transition Pathway Initiative Centre (TPI Centre) published a [methodology note](#) describing the ASCOR framework and launched the [ASCOR tool](#) including the first assessments of 25 countries. The launch of the tool was followed by an inaugural [webinar](#) in early 2024.

This progress note announces the countries that will be assessed in 2024 alongside the associated sovereign index coverage, and provides an outline of the ASCOR project's timeline of activities in 2024.

## Expansion of country coverage

The ASCOR tool will expand to cover 70 countries in 2024 (see Figure 1 and Table 1). The initial 25 countries were selected in 2023 to represent a range of geographical regions, income groups, climate risk levels and policymaking systems with the aim of testing the ASCOR framework for wide applicability. The expansion adds 45 further countries based on their weights in the main sovereign bond indices (see Table 2). The expanded universe covers more than 85% of global greenhouse gas emissions and 90% of global GDP (in current international US\$, adjusted for purchasing power parity).

Figure 1. Map of countries assessed in the ASCOR tool in 2023 and 2024

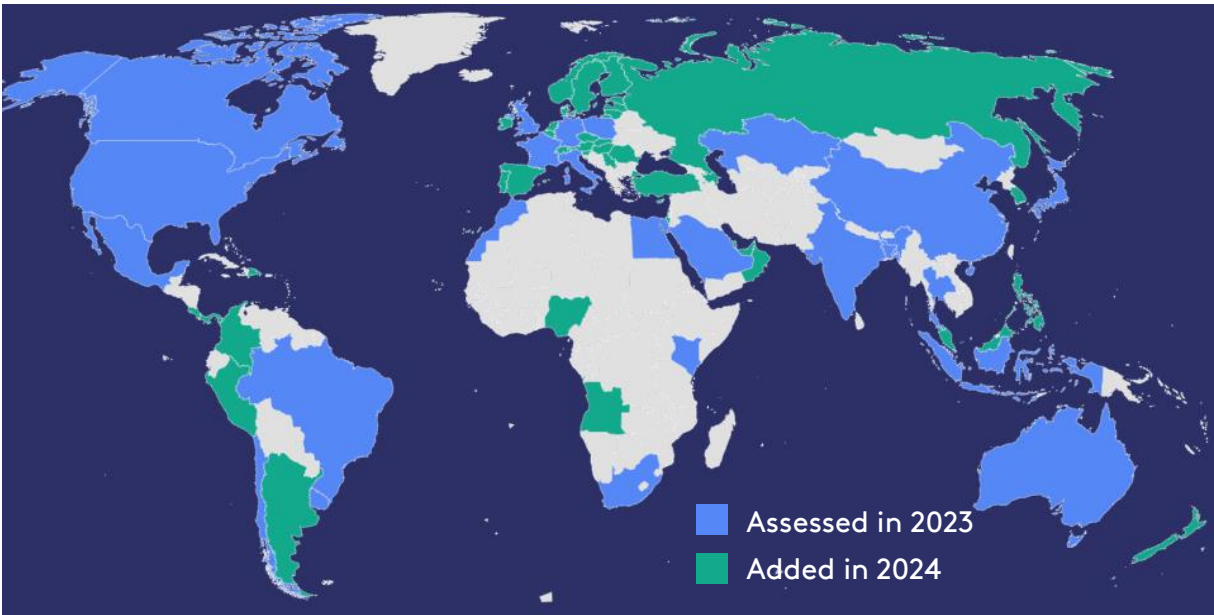


Table 1. List of countries assessed in 2023 (blue) and added in 2024 (green)

Australia	Chile	India	Kenya	South Africa
Bangladesh	China	Indonesia	Mexico	Thailand
Barbados	Egypt	Italy	Morocco	United Kingdom
Brazil	France	Japan	Poland	United States
Canada	Germany	Kazakhstan	Saudi Arabia	Uruguay
Angola	Czechia	Latvia	Oman	Singapore
Argentina	Denmark	Lithuania	Panama	Slovak Republic
Austria	Dominican Republic	Luxembourg	Peru	Slovenia
Azerbaijan	Estonia	Malaysia	Philippines	Republic of Korea
Bahrain	Finland	Malta	Portugal	Spain
Belgium	Hong Kong	Netherlands	Qatar	Sweden
Colombia	Hungary	New Zealand	Romania	Switzerland
Costa Rica	Ireland	Nigeria	Russian Federation	Türkiye
Cyprus	Israel	Norway	Serbia	United Arab Emirates

Table 2. Sovereign index coverage of the ASCOR country universe in 2023 and 2024

Sovereign index coverage <sup>1</sup>	2023: 25 countries	2024: 70 countries
FTSE World Government Bond Index (WGBI)	90%	100%
Bloomberg Global Treasury Index	85%	100%
JP Morgan Government Bond Index-Emerging Markets (GBI-EM) Global Diversified	65%	100%
JP Morgan Emerging Markets Bond Index (EMBI)	40%	85%
FTSE Frontier Emerging Markets Government Bond Index	45%	70%

<sup>1</sup> Estimated based on country weights in December 2023.



## 2024 activities

The larger universe of 70 countries is currently in its assessment cycle and a feedback period will be held with government representatives to ensure the accuracy of the results. Assessment data will be published on the [ASCOR tool](#) in Q4 2024, including an update of the assessments of the first 25 sovereign bond issuers. The data will be accompanied by an analytical report outlining key insights and trends.



Through June to August 2024, regional roundtables with investors and issuers are being held as part of the ASCOR project’s outreach activities. This roundtable series is being undertaken in collaboration with ASCOR Advisory Committee members and local networks in order to build further awareness of the ASCOR tool and its supporting methodology. The aim is to create a forum for knowledge- and practice-sharing in assessing sovereign bond investments with a climate lens and to deepen financial market participants’ understanding of government strategies for transitioning to a low-carbon economy.

**Table 3. ASCOR roundtables**

Region	Host organisation(s)
Africa and Middle East	Ninety One
Asia	Colchester Global Investors and Principles for Responsible Investment (PRI)
Europe	Amundi Asset Management and Institutional Investors Group on Climate Change (IIGCC)
Latin America	PRI
North America	Ceres
Oceania	Investor Group on Climate Change (IGCC) and PRI

A public [webinar](#) on the use cases of ASCOR was held on 2 July 2024. These outreach activities are conducted to facilitate the feedback progress with the issuers, gain insights for a potential iteration of the ASCOR framework, and shape efforts by investors towards collaborative sovereign engagement.

The tool will broaden to over 100 issuers in its next iterations after 2024 (thus covering all countries in the major government bond indices). Country assessments will be updated annually and be accompanied by annual analytical reports that will provide insights for the investor and policy community.

**Stay updated on the ASCOR project:**  
[www.ascorproject.org](http://www.ascorproject.org)

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