



Issue 3, Summer Edition 03

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1. IMPORTANT DATES

- **October 8, 2003** UNEP FI Annual General Meeting
- **October 20 – 21, 2003** UNEP FI Global Roundtable: Tokyo, Japan

2. WORKING GROUPS

ASSET MANAGEMENT

Chaired by Mr. Carlos Joly, Storebrand & Mr. Vincent Zeller, Groupama

Specific Actions:

Project 1. Materiality of key environmental and social criteria:

- two group conference calls.
- all analyst details received.
- requests mailed to all analysts.
- tracking of responses begun.

Project 2. Emerging Markets:

- three part proposal drafted (baseline study, youth network, policy recommendations).
- meeting with IFC to discuss funding.
- further research underway.

Other Actions:

- Member only website built.
- AMWG Tokyo workshops planned.
- Currently recruiting in South Korea, China, and Brazil.

CLIMATE CHANGE

Chaired by Mr. Thomas Loster, Munich Re

The CCWG Secretariat attended the United Nations Framework Convention on Climate Change (UNFCCC) Eighteenth Session of the Subsidiary Bodies (SB 18) which was held at the Maritim Hotel, Bonn, Germany. Approximately 1,300 participants representing 137 country member parties, 107 observer organisations (including UNEP FI) and 6 media outlets were in attendance for the two-week event. The purpose of these mid-term COP meetings was to allow delegates to continue negotiations carried over from COP 8 in New Delhi and prepare for the Kyoto Protocol's 'imminent' entry into force.

This important event provided yet another opportunity for UNEP FI to further establish itself as an integral component of the global climate change negotiations. The UNEP FI Secretariat met with key members of the UNFCCC to develop a future game plan on how the UNEP FI CCWG could most effectively embed itself in the overall process.

The CCWG assembled in Munich, Germany, on the 23rd of July for the group's second meeting of 2003. The event was hosted by Munich Re with the perennial aim of assessing the work achieved thus far in 2003 and to define the next steps in the implementation of future activities. Specifically, the CCWG reviewed its awareness raising campaign in the financial services sector, which was launched at the last CCWG meeting with the aim of inspiring individual financial companies to engage in climate change. The group also discussed furthering its collaboration with the Asset Management Working Group (AMWG). In terms of upcoming events for the group, the Tokyo Roundtable and the UNFCCC COP 9 were discussed in detail. A CCWG action plan for each event to be devised in the coming months.

Ongoing collaboration with the Carbon Disclosure Project (CDP) has yielded significant results. A recent joint letter sent by UNEP FI and the Institutional Investors Group on Climate Change (IIGCC) sent to European non-respondents of the 2002 CDP questionnaire resulted in extremely positive feedback. Many companies who received the letter (not just financial institutions) responded with promises to complete the questionnaire and submit them to the CDP Secretariat in London. During each stage of the collaboration effort, the Chair of the CCWG has been consulted accordingly. The group looks forward to continued cooperation with the CDP as it moves ahead with the implementation of the 2003 questionnaire.

For more information on the CDP: <http://www.cdproject.net/>

ENVIRONMENTAL MANAGEMENT, REPORTING AND INDICATORS

Following the developments of the EMRI project in June, we have received a good response from our signatories regarding involvement in one or more of the two work streams within the Environmental Management, Reporting and Indicators (EMRI) programme. The preferred size of the co-convened Global Reporting Initiative (GRI) - UNEP FI environmental performance indicators (EPI) working group is between 16 - 20 people maximum, split 50% - 50% financial institutions and non-financial stakeholders. The group, to the extent possible, has to be balanced and geographically to reflect global diversity and we are working hard with the GRI towards this end. Currently we have more financial institutions interested than there are places for the core working group.

With regard to this we are exploring various potential solutions such as regional sub-groups and a secondary observer group to assist the core group, and will contact interested parties on the outcome shortly. For the environmental management and reporting work stream, similar restrictions do not apply as the work stream takes the form of a consultative forum. The EMRI process as a whole will begin with a series of meetings to initiate both work streams on September 15-17, 2003 in Geneva (September 15 for the EMR work stream and September 16-17 for the UNEP FI-GRI indicators working group).

3. REGIONAL TASK FORCES

AFRICA

Chaired by Mr. Cas Coovadia, Banking Council of South Africa

The ATF held a successful conference call on Tuesday June 24th, to receive feedback from ATF Co-Chair, Mr. Sean de Cleene, on Sustainable Banking in Africa Report case studies, and to discuss how ATF members may become involved in the development of the report.

Mr. de Cleene informed the group that the format of the case studies (in S.Africa, Botswana, Kenya, Nigeria, and Senegal) would be broadly structured to cover the following two matters:

- (a) Sustainability within the banking sector – establishing the status of the integration of environmental and social concerns into financial operations etc.
- (b) “Emerging” banking sector – the consideration of broadening the traditional portfolio of the banking sector to increase access to finance for the underprivileged majority in many of the African countries incorporated into the report. This may include greater access to savings and credit through micro-finance programmes, new technologies and access to credit for SMEs and SMMEs.

ATF members have begun to become actively involved in the progression for the report, through commitments to submit additional case studies and to integrate their financial networks etc.

The initiation for the Kenyan case study was very well received by representatives of the UNEP Head Office in Nairobi, where a formal launch of the report may be planned to take place, joined by the UNEP Executive Director, later this year. This will be in the aftermath of the launch of the first final draft of the report at the UNEP FI Roundtable in Tokyo.

In more recent news, a new membership website has been developed to allow ATF members to receive information on ATF activities and fellow members in a secure manner.

NORTH AMERICA

Chaired by Ms. Helen Sahi, FleetBoston

Specific actions:

- Presented to the Joint Public Advisory Committee of the NAFTA CEC.
- Achieved support from the CEC and NAFTA governments for the work of the NATF.
- Received an offer from the Mexican Government to host a meeting Q3 2004.
- Released a report on the disclosure of environmental information in financial statements.

- Developed new mission statement
- Launched member only website
- Currently planning 2004 work programme.

The North American Task Force (NATF) Annual General Meeting will be held on September 25, 2003.

OTHER PARTNERS

UNEP FI has been assisting ASrIA and Eco21 & EcoFrontier in relation to an SRI event in Seoul scheduled for June 17-18, 2003.

4. ADDITIONAL ISSUES

MULTISTAKEHOLDER/ COMMUNICATIONS

The Secretariat is in contact with several NGOs to coordinate the NGO community's input to the Tokyo Roundtable. In collaboration with the GRI, the UNEP FI secretariat is recruiting non-financial stakeholders group for the joint work stream on Environmental Management, Reporting and Indicators. The secretariat is also working in partnership with the International Institute for Sustainable Development (IISD) in conducting the research for the project "Investing in Stability - Conflict Risk, Markets and the Bottom-Line".

FINANCE AND CONFLICT

With the funding of the German environment ministry, the UNEP FI secretariat and IISD are conducting desk research and telephone interviews to develop a background paper on conflict and the related risks and opportunities for financial institutions, which will be discussed at an expert workshop in London on September 5. Subsequently the results will be presented at an international conference on Business and Peace in Loccum, Germany, October 2-3, 2003 and at the UNEP FI Tokyo Roundtable. Individuals or institutions that are interested in this project, please contact mareike.hussels@unep.ch for more information.

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GLOBAL COMPACT CONVENES NEW YORK INVESTMENT FORUM

On 7 August the Global Compact Office, in partnership with UNEP Finance Initiatives, convened a forum in New York City on the topic of "Regulatory Trends and Voluntary Initiatives" in the context of corporate governance and corporate responsibility. The forum, which was held at the NASDAQ MarketSite and included approximately 35 individuals drawn largely from the investment community,

explored the complementary nature of regulatory structures and voluntary initiatives that promote corporate responsibility, such as the Global Compact.

Alan G. Hevesi, the New York State Comptroller, delivered the keynote presentation in which he encouraged the Global Compact in advancing universal principles and good corporate citizenship. Mr. Hevesi, the sole trustee of a public pension fund valued at over \$100 billion, is a leading advocate of corporate governance reform.

UNEP FI ANNUAL GENERAL MEETING (AGM) IN OCTOBER

The UNEP FI AGM will be taken place in Geneva, Switzerland, on October 8, 2003. Invitation letters and background papers are currently being dispatched to all signatories. If you need further information on the AGM please do not hesitate to contact kiki.lawal@unep.ch.

UNEP FI AGM, October 8, 2003; Geneva, Switzerland

Time: 10.00hrs – 16.30hrs
Venue: "Romanian Room"
United Nations Offices
Palais des Nations
Avenue de la Paix 8-14
CH-1211 Geneva 10,
Switzerland

The UNEP FI Secretariat is in the process of updating its contacts with all of its signatories and is systematically contacting them to bring the information up to date prior to the AGM. They are also taking the opportunity to follow up on financial contributions for the UNEP FI work programme for 2003.

ANNUAL ROUNDTABLE

<http://www.unepfi.net/tokyo>

The Secretariat is currently finalizing speakers and agenda matters for the Roundtable. We are very fortunate to have secured a number of high profile speakers for the event, and are excited to have a large number of our Signatories represented as speakers. Full details of the Roundtable agenda, confirmed speakers, and session descriptions, are available online at:

<http://www.unepfi.net/agenda/>

An online registration facility is available on the website at <http://www.unepfi.net/tokyo/register>. Full travel information, including special rates on accommodation and flights have been made available to participants.

We would also like to welcome National Australia Bank as a new Roundtable Sponsor, and recognise the UN Global Compact for its support of the event. The Secretariat continues to work towards securing final international sponsors to meet our budget targets. If your company is interested in becoming a sponsor of this flagship event for the Initiatives, please contact Philip Moss (philip.moss@unep.ch)

We are looking forward to receiving your registration and invite you to advertise this UNEP FI flagship event within your respective networks.

FINANCIAL ISSUES

<http://www.unepfi.net/fii/accounts>.

The UNEP FI Secretariat would like to bring to your attention the "UNEP Finance Initiatives Quarterly Financial Reports Relating to the Bank Accounts Held by the FII & III Associations: 2003 Q2 Report". This contains the 'Signatory Contributions', 'Profit & Loss Statement' and 'Balance Sheet' for the second quarter.

Members can access the site by going to <http://www.unepfi.net/fii/accounts>

SECRETARIAT CONTACT WITH SIGNATORIES

Distribution of "Thank You" note and "Receipts" for funds received to date in 2003 from FII & III signatories. Ongoing consultation with the Global Compact in relation to UNEP FI chairing of the GC Working Group on Finance. There is now a proposed workshop between UNEP FI and the Global Compact scheduled for September with various stakeholders.

END.

The **UNEP FI Signatory Bulletin** is a monthly publication of the United Nations Environment Programme Finance Initiatives.

United Nations Environment Programme

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