

JOHANNESBURG SUMMIT 2002 



# Environmental Management and Reporting: Guidance for UNEP FI Signatories

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on behalf of the UNEP FI Environmental Management and Reporting  
Working Group (EMRwg)

*August 29 2002, Johannesburg*

# Who are the EMRwg members?

- Aviva (UK)
- Barclays (UK)
- Westpac (Australia)
- Citigroup (USA)
- Fleet Boston (USA)
- Development Bank of Southern Africa (South Africa)
- Croatian Bank for Reconstruction and Development (Croatia)
- IFC
- Standard Chartered (UK)
- Storebrand (Norway)
- Deutsche Bank (Germany)
- Gerling (Germany)
- Credit Suisse (Switzerland)
- UBS (Switzerland)
- Peoples Insurance Company of China (China)
- Bank of China (China)
- Life Insurance Company of India (India)
- Lloyds TSB (UK)



- PwC are the Project Managers P W C

# What are UNEP Finance Initiatives?

- The United Nations Environment Programme (UNEP) was established in 1972
- UNEP began work with the financial sector (FS) in 1991. The UNEP Statement by Banks on the Environment and Sustainable Development was launched in 1992
- A similar statement was launched with the Insurance Sector in 1995
- UNEP Finance Initiatives (UNEP FI) is a public-private partnership between UNEP and the FS, established in 1992, with the aim of improving, through knowledge sharing, learning and guidance, levels of sustainability management and performance for the global FS.
- UNEP FI works with 290 financial institutions including commercial banks, investment banks, insurance and re-insurance companies, fund managers, multilateral development banks, venture capital funds to develop and promote the linkages between the environment and financial performance.
- UNEP FIs mission is to “*identify, promote, and realise the adoption of best environmental and sustainability practice at all levels of financial institution operations*”.
- Further information can be found at [www.unepfi.net](http://www.unepfi.net)

# Objectives of the EMRwg project

- Share knowledge in the FS sector
- Increase engagement in EM&R in the FS sector
- Encourage continual improvement in EMR
- Build on initiatives already undertaken to provide an ‘umbrella’ of good practice EMR guidance
- Provide a practical tool-kit through which UNEP FI signatories can improve EMR
- Enable UNEP FI to understand levels of environmental management and reporting in the signatory organisations
- Strengthen and consolidate UNEP FIs position as the leading EMR Initiative for the FS sector

# What is the content of the Project?

- The EMRwg is currently developing:
  - Guidelines on Environmental Management and Reporting for UNEP FI signatories and for the global financial community (“**the Guidelines**”);
  - an Environmental Management Checklist against which UNEP FI can better understand levels of EMR throughout its signatory organisations. In time, this will form part of an annual confirmation of levels of environmental management and reporting (“**the EMC**”). In 2002, UNEP FI is moving to an annual reporting requirement for member companies and will use key EMC headings to frame the reporting template; and
  - guidance on the minimum level of environmental report content for UNEP FI signatories, supported by good practice guidance (“**the Report Content Guidance**”).

# What has the Project been based on?

- Built on FORGE 1 Guidance on Environmental Management and Reporting ([www.bba.org.uk](http://www.bba.org.uk), [www.abi.org.uk](http://www.abi.org.uk))
- Drawing on other sector specific guidance and environmental management and reporting guidance:
  - EPI (Environmental Performance Indicators)  
[www.epifinance.com](http://www.epifinance.com)
  - ISO14001 (International EMS Accreditation scheme)  
[www.iso.ch](http://www.iso.ch)
  - EMAS (International EMS Accreditation Scheme, originated in Europe)  
[http://europa.eu.int/comm/environment/emas/index\\_en.htm](http://europa.eu.int/comm/environment/emas/index_en.htm)
  - GRI (Global Reporting Initiative)  
[www.globalreporting.org](http://www.globalreporting.org)
  - Swiss Bankers Association 'Environmental Management in Financial Institutions'  
[www.unepfi.net](http://www.unepfi.net)

# How will the guidelines and supporting work be positioned in the market?

- The Guidelines will form the key document through which signatories can develop EMR. They are being developed with due regard for all existing initiatives (e.g. FORGE, EPI, ISO 14001, EMAS).
- The EMC is being developed for UNEP FI and signatory use. It is not planned that information gathered from the EMC will be made public by UNEP FI.
- The Reporting Guidance is being developed as FS sector specific. The Global Reporting Initiative (GRI) has agreed a memorandum of understanding with UNEP FI. The position of the Reporting Guidance with regard to the GRI is currently being discussed. It is hoped that the Guidance will become the sector specific supplement to the GRI when finalised.

# The 3 components

- The Guidelines
- The EMC
- The Report Content Guidance

# The Guidelines

- Simple to use front end document detailing the key steps to developed and integrating environmental management and reporting
- Supported by a practical step by step guidance document on how to implement each step of an EMR system
- Clear business activity specific tips on managing environmental risks in each sector of primary business activity (e.g. asset management, corporate recovery, reinsurance etc)
- Supported by case studies

# The EMC

- Assessment questionnaire designed to interrogate the status of EMR in each signatory organisation
- Covering Policy and Targets, Governance, EMS, and Communication
- In time the EMC will become the minimum entry level for those organisations wishing to join UNEP FI and become a signatory
- Designed to identify and differentiate levels of performance thereby encouraging continual improvement in EMR throughout the signatories
- Can be used by signatories as a benchmarking tool to understand how they are positioned with regard to good practice

# The Report Content Guidance

- Clear practical guidance detailing the minimum reporting requirements for UNEP FI signatories and best practice reporting tips for the wider sector
- Covers Introduction, Policy, Governance, EMS and Performance
- It is hoped that the Report Content Guidance will become the sector specific guidance for the GRI.
- Supported by case studies

# Stakeholder Consultation

- Preliminary Consultation to be held in late September 2002
- Series of regional workshops in the following regions: Africa, Europe (central and western), North America, Asia (central and Far East), South America and Australasia.
- Representatives from both the FS and non FS
- Drawing on UNEP FI experience in conducting stakeholder consultation programmes with a broad range of civil society and NGO representatives, and UNEP FI stakeholders as well as other FS and non-FS stakeholders
- Plans for further stakeholder consultation being discussed with GRI.

# Next Steps

- Finalisation of the guidelines and supporting toolkits by the UNEP EMRwg for consultation by early-mid September 2002
- Preliminary stakeholder consultation commencing late September 2002 – October 2002 (specific dates to be finalised)
- Project to be completed by end December 2002 and ready for launch early 2003.

• Further information on the Project can be found at:

[www.unepfi.net](http://www.unepfi.net)

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