



# United Nations Environment Programme

برنامج الأمم المتحدة للبيئة • 联合国环境规划署  
PROGRAMME DES NATIONS UNIES POUR L'ENVIRONNEMENT • PROGRAMA DE LAS NACIONES UNIDAS PARA EL MEDIO AMBIENTE  
ПРОГРАММА ОРГАНИЗАЦИИ ОБЪЕДИНЕННЫХ НАЦИЙ ПО ОКРУЖАЮЩЕЙ СРЕДЕ

## Finance Initiative

Innovative financing for sustainability

---

# PRESS RELEASE

## UNEP launches new Sustainable Finance Initiative in Central and Eastern Europe

### *New survey reveals slow take-up of environmental issues by banking industry*

**BUDAPEST/GENEVA, 27 September 2004** – The rapidly expanding finance sector in Central and Eastern European is slowly waking-up to the need to incorporate sustainability issues into their business practice, according to a new report prepared for the United Nations Environment Programme Finance Initiative (UNEP FI).

The *Central and Eastern Europe Sustainable Finance Report* says almost 80 per cent of banks in the region believe that sustainability issues will become more important for the finance sector in the next five years.

However, the report, based on a survey of 26 major banks and other financial institutions across the region says the majority of companies still fail, in practice, to recognise the business case behind implementing sustainable finance practices.

The new UNEP report (available at <http://www.unepfi.org/ceetf/>) was prepared for the UNEP FI Central and Eastern European Task Force, a new initiative being launched today in Budapest, Hungary.

The Task Force, which aims to support and expand sustainable finance practice across the region, will help companies navigate increasingly stringent environmental legislation as well as develop strategies for assessing environmental credit risk. Like other UNEP FI regional task forces it will also allow participants to share best practices regarding sustainable finance issues.

“The issue of “sustainable finance” is critical. Yet few, if any, indigenous banks in the region have begun to tackle the complex nexus between finance, the environment and broader social welfare. These factors are, however, becoming more and more closely intertwined with business success. Financial institutions cannot avoid these new realities for long”, says Peter Holtzer, CEO of the Fund Management of Hungary’s largest bank OTP.

“UNEP FI is the largest and oldest public private partnership between the UN and the financial sector. As chair of this initiative I firmly believe in the important role that financial institutions play to develop and ensure environmental and social performance. Particularly Central and Eastern Europe needs these partnerships to tackle the severe environmental problems it faces”, says Michael Hölz, Chair of UNEP FI and Global Head Corporate Citizenship and Sustainable Development, Deutsche Bank Group.

In a region where countries continue to struggle with the legacy of environmental mismanagement they inherited from former communist regimes high investments are required in energy efficient technologies and environmental infrastructure,” said Monique Barbut, Director of UNEP’s Division of Technology, Industry and Economics. “Improved local environmental conditions will also offer development opportunities for the region’s businesses, economies and civil society,” she said.

The new UNEP FI Task Force consists of a core group of financial institutions and associate members, such as non-governmental organisations, intergovernmental organisations or academics.

The following companies and organisations are currently involved in Task Force activities:

Bank Austria Creditanstalt  
Bank PKO SA  
European Bank for Reconstruction and Development (CEETF Chair)  
Emporiki Bank (CEETF Co-Chair)  
Encouragement Bank AD  
HVB Group  
Komerčni Banka  
Raiffeisen Zentralbank Austria AG  
Regional Environmental Centre for Central and Eastern Europe  
Vertis Environmental Finance

\*\*\*\*\*

Information about UNEP FI is available at: <http://www.unepfi.org>

For more information please contact: Paul Clements-Hunt, Head UNEP Finance Initiative,  
Mobile: 41-79-349-54-86, E-Mail: [paul.clements-hunt@unep.ch](mailto:paul.clements-hunt@unep.ch)

Robert Bisset, UNEP Spokesperson in Europe, on Tel: 33 1 4437 7613, Mobile: 33 6 2272 5842,  
E-mail: [robert.bisset@unep.fr](mailto:robert.bisset@unep.fr)

**UNEP News Release Paris 2004/XX**