

UNEP FI

Central and Eastern European Task Force

Mark King, Chair



UNEP **Finance Initiative**
Innovative financing for sustainability



UNEP FI

- Global public-private partnership between UNEP and the private financial sector.
- 230 financial institutions have signed the UNEP statement to:
 - Develop and promote linkages between the environment.
 - Sustainability and financial performance.
 - Sustainable finance.



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CEE Task Force - Mission and Activities

- Aims :
 - Supporting and expanding sustainable finance practice in Central and Eastern Europe
- 2004/2005 the Task force will focus on the following areas:
 - Awareness raising for the opportunities of sustainable finance.
 - Environmental credit risk management.
 - Training and Capacity-building.



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CEE Task Force - Membership

- Financial sector institutions based in the region.
- NGOs and other interested stakeholders.
- Task Force activities are member driven.
- Assist banks in CEE to improve local environmental conditions for the broader community.



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Survey on Sustainable Finance in CEE

- Survey of 26 financial institutions in CEE (EU accession and non-EU countries)
- Aim:
 - gain understanding of the current status of sustainable finance in CEE financial sector;
 - what are the main drivers and barriers



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Survey on Sustainable Finance in CEE - Findings

- Majority consider sustainability is an important issue.
- Financial and non-financial issues – top three most relevant sustainability issues.
- 90% respondents engage in community development activities.
- 60% publish an environmental report.
- Micro credit is frequently offered sustainable finance product (42.2%).



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Survey on Sustainable Finance in CEE – Findings (2)

- Drivers: enhanced reputation (73.1%); social responsibility (61.5%).
- Barriers: difficulty to measure benefits(53.8%); lack of clear business case (46.2%).
- 95% respondents that implement sustainable finance practises experienced clear benefits.
- 38.5% provide at least one environmental financial product.
- 76.9% believe that in 5 years more emphasis will be on sustainability.



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EBRD's Charter

"... To promote in the full range of its activities, environmentally sound and sustainable development"



EBRD's 2003 Environmental Policy

- EBRD to conduct environmental due diligence on FIs.
- Ensure proper implementation of Mandate in FI projects.
- Monitoring of all FI projects.
- Environmental reporting.
- Disclosure and consultation requirements.



EBRD in 2003

- 27 countries of operation
- €3.7 billion commitments
- 119 new projects
- 72% projects in private sector
- 33% FI projects

