

Issue 41
June 2005
<http://www.unepfi.org/ebulletin>

“Members consistently tell us that the two things they want most from their superannuation fund are good investment performance and security of their savings. We believe that taking a truly long-term approach is the best way to deliver these requirements.”

- VicSuper Sustainability Report 2004 -

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UNEP FI SECRETARIAT NEWS

1. Global Roundtable 2005 – Pre-Register Now

New York, USA, 25-26 October 2005

With an ever-growing number of sponsors and partners on-board, the 2005 Global Roundtable is set to become UNEP FI's most high profile event yet. The Roundtable provisional agenda will be made available in the coming weeks.

Sign up now for pre-registration to secure early registration rates and stay updated about Roundtable planning: <http://www.unepfi.org/events/2005/roundtable/register/>

UNEP FI welcomes Bank of America and Westpac as official Roundtable Sponsors. Bank of America (<http://www.bankofamerica.com>) has been a member of the Initiative since 2001 and is a member of both the Asset Management Working Group and the North American Task Force. Westpac (<http://www.westpac.com.au>) was part of the group of 27 financial institutions which originally launched the Initiative in 1992 and is currently the chair of the UNEP FI Steering Committee. Further support to the Roundtable will be provided by National Australia Bank (<http://www.national.com.au/>), which joined UNEP FI in 2002 and is currently an active member of the Australian Outreach Programme.

Learn more about Roundtable sponsorship opportunities at:
<http://www.unepfi.org/events/2005/roundtable/sponsorship/>

UNEP FI further welcomes Euromoney, a leading journal of the global capital markets, providing news, information and in-depth analysis of the financial markets worldwide (<http://www.euromoney.com>) as its first official Media Partner.

GreenBiz, the information resource that brings environmental information, resources, and tools to the mainstream business community, has become the Global Roundtable's latest Network Partner (<http://greenbiz.com/>). Other network partners to date include Ethical Corporation (<http://www.ethicalcorp.com/>), a leading publisher and events producer on business ethics and corporate responsibility based in London.

For more information visit: <http://www.unepfi.org/roundtable/>
Contact: roundtable@unepfi.org

NEWS FROM THE REGIONS

2. Africa

African Task Force (ATF) Discusses Guidelines on Non-Financial Risk Management

Johannesburg, South Africa, 31 May 2005

Hosted by Nedbank, the meeting gathered both ATF members and representatives of the broader financial sector in South Africa. Participants focused on how a draft Statement of Commitment prepared by the project group could be developed into guidelines on non-financial risk management and corporate governance for the financial sector both in South Africa and pilot countries in sub-Saharan Africa. A status report will be presented at the UNEP FI Global Roundtable in October.

For more information, please write to Africa@unepfi.org

2nd Africa Investor Investment Awards - Call for Submissions

Building on their successful launch last year, the 2nd annual Africa Investor awards will be held on the 21st November in Johannesburg, South Africa. The achievements of the private sector across wide-ranging sectors and disciplines will be rewarded, and the work of governments and NGOs will also be celebrated. Awards will be handed out in 15 categories ranging from Best initiative in support of the Millennium Development Goals, to Sustainability Investing in Africa and Businesswoman of the year.

Last years winners included the Shell Foundation, Barclays Africa, Diageo Africa, Sir Richard Branson (Virgin) and Dr Mohammed Ibrahim (Celtel).

For more information, please visit: <http://magazine.africa-investor.com/awards.php>
Or contact Helen Stanley: hstanley@africapractice.com

3. Asia-Pacific

Survey of Sustainable Finance Practices Reveals need for Training

UNEP FI conducted a survey amongst the member institutions of the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP). The findings were presented at the 28th Annual Meeting of ADFIAP, held in Fiji from 10-13 May. Out of a sample of 19 ADFIAP members, including numerous small institutions, UNEP FI found that many already actively provide environmental products and services (e.g. environmental loans and microfinance) and undertake community developments (e.g. community investment and community outreach). Only a handful, however, had a sustainability management system or published sustainability reports.

Through this survey, the UNEP FI Asia Pacific Task Force Outreach Group has identified a need for and an interest in training on sustainability management and reporting practices. This kind of training will enable financial institutions in the region to take a strategic approach to sustainable financial practices and to communicate their achievements effectively.

The presentation made at the ADFIAP meeting will be available on the APTF website soon.

For more information please write to: ap@unepfi.org

Second Meeting of the Asia Pacific Task Force Outreach Group

Conference Call, 26 May 2005

Currently chaired by the Japan Bank for International Cooperation (JBIC), the Outreach Group accepted the nomination of the Association of Development Financing Institutions in Asia & the Pacific (ADFIAP) as Co-Chair of the Group. The Group also welcomed the participation of ASrIA as a new member.

For more information please write to: ap@unepfi.org

4. Central & Eastern Europe

Sustainability-Risks and Opportunities for Financial Institutions in South-East Europe

Zagreb, Croatia, 14 June 2005

Following the success of its first awareness-raising event in Poland in March 2005, the Central and Eastern European Task Force is holding a second such conference for South-Eastern European financial institutions in June. The event is being organised in close collaboration with the European Bank for Reconstruction and Development (EBRD), the Croatian Bank for Reconstruction and Development (HBOR) and the Regional Environmental Centre for Central and Eastern Europe.

The following topics will be addressed: environmental project financing, environmental risks in lending, environmental regulations affecting the financial service sector, environmental reporting and management, and specific environmental issues such as climate change. Speakers will include senior level representatives from the Croatian Ministry for Environmental Protection, Physical Planning and Construction, EBRD, Ericsson Nikola Tesla d.d., HBOR, and Raiffeisenbank Austria d.d..

For more information, please visit: <http://www.unepfi.org/events/2005/zagreb/>

5. Western Europe

First Western European Forum

Barcelona, Spain, 19 May 2005

Convened to build on previous events in the region such as the European Seminar Finance, Environment and Sustainable Development, held in Paris in January 2003, the aim of the forum was to provide European Signatories, which represent a key section of the Initiative's membership, with a renewed space to obtain and exchange information on sustainability issues specific to the finance and insurance sectors.

The forum brought together participants from a total of 12 European countries. A Conference Report is currently being prepared and will be made available soon on the UNEP FI website. A complete list of participants, the speakers' biographies and their presentations are available online at: <http://www.unepfi.org/events/2005/wef/>

For further information please write to: signatory@unepfi.org

Increasing Returns for Ethical & Sustainability Policies at The Co-operative Bank, UK

According to figures released in late May, 34 per cent of The Co-operative Bank's £132m profits can be attributed to the bank's ethical and sustainability policies.

Press release available online at: <http://www.co-operativebankpressoffice.co.uk>

HSBC Publishes Guidelines on Freshwater Project Finance

Published late May, HSBC's Freshwater Infrastructure Guideline was established to govern the bank's project finance activities in the freshwater infrastructure arena and responds to the increasing focus on freshwater by conservation agencies the world over. Press release available online at: http://www.hsbc.com/hsbc/news_room

INVESTMENT

6. Young Managers Team 2004 Project Results Available Now Online

The result of a successful partnership between World Business Council for Sustainable Development (WBCSD) and UNEP FI, *Generation lost: young financial analysts and environmental, social and governance (ESG) issues* assesses whether young analysts have an appetite for integrating ESG issues in their daily work. The executive summary is available now at: <http://www.unepfi.org/publications/investment/>. The full report will be available soon on the WBCSD and UNEP FI websites.

For further information please write to: investment@unepfi.org

7. Société Générale & CoreRatings Conduct Equity Research on SRI Impact

20 CoreRatings analysts and 90 SG Research equity analysts recently joined forces to analyse a total of 200 European companies. The resulting report "Pan-European Equity Research, SRI Impact on Valuations", concludes that SRI benchmarks are not yet widely used by asset management firms. A number of reasons (such as differing definitions of social responsibility, differing methodologies, and low returns in comparison with other indices) are identified as well as actions that might be taken in order to reverse the current trend.

Available online at: <http://www.sgresearch.socgen.com/research/SRI2005>

CLIMATE CHANGE

8. Conference - A Climate of Change: Companies, Carbon and the Bottom Line

London, UK, 25 May 2005

Organised by IR Magazine, the conference was convened in response to the growing number of UK interest groups (including sell-side and buy-side analysts, pension funds, equity portfolio managers, bond investors and direct investors) preoccupied with the bottom-line impact of environmental issues.

On this occasion UNEP FI presented its 2004 study "The Materiality of Environmental, Social and Corporate Governance Issues to Equity Pricing". Links were also drawn to the Principles for Responsible Investment, which will aim to identify crossover between material environmental and social issues and the long-term interests of beneficiaries.

For more information, please write to: investment@unepfi.org

9. EU Emissions Trading 2005: Competitive and Financial Implications

Brussels, 11-12 July 2005

Convened by Environmental Finance Publications, this conference will provide an invaluable update on the progress of the EU Emissions Trading Scheme (ETS) since its launch. Top-level specialists from a broad range of organisations will be providing an in-depth and up-to-the-minute examination of the EU ETS, as well as their first hand experience of trading in this new market. The specialists will:

- * Review the industry's first six months under the EU ETS
- * Examine why CO2 prices have doubled in six months and how CO2 costs are likely to affect power prices
- * Discuss how National Allocation Plans are likely to change in Phase Two
- * Identify new JI & CDM opportunities
- * Evaluate how the EU ETS is affecting industrial competitiveness
- * Outline the legal and verification risks

For further information or to register please visit: <http://www.environmental-finance.com/envfin/EUETS4web.pdf>

SUSTAINABILITY REPORTING

10. Launching Pilot Process for GRI Financial Services Sector Supplement

A piloting process of the GRI Financial Services Sector Supplement will commence in October 2005 and will be jointly implemented by UNEP FI and GRI. International financial institutions will be sought to pilot test the current set of performance indicators in the production of their sustainability reports.

Interested parties please write to: gri@unepfi.org

For more information please visit: www.unepfi.org/gri

11. Insight Investment Publishes Quarterly Corporate Governance/Responsibility Report

An update of Insight Investment's investor engagement on governance and corporate responsibility, the report is available at: www.insightinvestment.com/documents/responsibility/ir_bulletin_spring2005.pdf

Insight has engaged with a total of 62 companies on governance and corporate responsibility issues in Quarter 2 of 2005, representing 11% of clients' holdings by number. Highlights of the report include a response to the so-called 'governance backlash', an update on the Operating and Financial Review, and an analysis of the potential financial implications of the proposed EU Chemicals Regulation (REACH).

12. Cooperative Financial Services (CFS) and VicSuper Win Sustainability Reporting Awards

VicSuper

VicSuper's first sustainability report was awarded Joint Winner, Best First Time Reporter in the ACCA Australia and New Zealand Awards for Sustainability Reporting 2004. The VicSuper Sustainability Report 2004 '*What in the world has sustainability got to do with superannuation?*' was commended for its demonstration of the integration of sustainability into all aspects of the business. Compiled in accordance with the GRI Guidelines, the report is the first of its kind from a superannuation fund.

Available on line at: http://www.vicsuper.com.au/resources/documents/Sustainability_Report_20041.pdf

Cooperative Financial Services (CFS)

The CFS Sustainability Report 2003 won its third award when it was recently judged 'Best Sustainability Report' at the European Sustainability Reporting Awards. The CFS Report, which was rewarded for providing a comprehensive

performance account and for including an assurance statement and expert opinion statements, previously won awards at the UK and global levels.

Available on-line: <http://www.cfs.co.uk/sustainability2003>

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The **UNEP FI e-bulletin** is a monthly publication of the United Nations Environment Programme Finance Initiative.
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Division of Technology, Industry and Economics
Economics and Trade Branch
Finance Initiative Unit

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