



Issue 42
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<http://www.unepfi.org/ebulletin>

“There's no doubt about the science. [...] The debate is over. [...] We see the threat posed by changes in our climate. And we know the time for action is now.”

- Arnold Schwarzenegger, Governor of California,
The Independent, 3 July 2005 -

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UNEP FI SECRETARIAT NEWS

1. UNEP FI Welcomes 2 New Members

EFG Eurobank Ergasias S.A., Greece

EFG Eurobank employs over 13,700 people in Greece and abroad, and offers banking products aimed at individuals, corporations and institutions, ranking second in the Greek banking market in terms of assets. The Bank has built up leading market positions, particularly in the high margin, high growth segments, the key focus of its activities.

Corporate Social Responsibility (CSR) constitutes a strategic goal for EFG Eurobank, underlying its long-term success and growth. The Bank's CSR programme aims at: i) respecting the rules and principles of corporate governance, ii) meeting the expectations of the stakeholders, and iii) continuous social contributions aligned with the Bank's growth. Furthermore, the Bank announced its official Environmental Policy in 2003.

For further information please visit: <http://www.eurobank.gr>
Contact: DStarogiannis@eurobank.gr

Medibank Private, Australia

Medibank Private is Australia's largest and only national private health insurer, with nearly three million members. It operates as a not-for-profit enterprise and was first established in 1976. Medibank Private respects the natural environment and its sensitively balanced ecosystems and is considerate of the detrimental impacts its activities can have on human welfare and a healthy environment. Medibank Private believes sound environmental practices to be a

fundamental feature of a good business performance and is therefore committed to actively contributing to reducing greenhouse emissions and other pollutants.

For further information please visit: <http://www.medibank.com.au>
Contact: tony_cook@medibank.com.au

2. UNEP FI Global Roundtable 2005 – Pre-Register Now

UN Headquarters, New York, USA, 25-26 October 2005

Pre-Register online by 1 September to secure the early bird rates and stay updated about Roundtable planning: <http://www.unepfi.org/events/2005/roundtable/register/>

Full registration, including session selection, will be available soon. Registration rates are available online at <http://www.unepfi.org/events/2005/roundtable/register/>

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

Sponsors

UNEP FI welcomes ABN AMRO, Bank of Tokyo Mitsubishi, CIBC, Citigroup, Deutsche Bank, IAG, and JP Morgan Chase, who have joined Bank of America, National Australia Bank and Westpac as official Roundtable Sponsors and Supporters. Deutsche Bank has been a sponsor of each UNEP FI Roundtable since the year 2000. CIBC and Citigroup have been dedicated members of UNEP FI since 1993 and 1997 respectively, while ABN AMRO, Bank of Tokyo Mitsubishi and JP Morgan Chases all joined the Initiative in 2004. IAG has been a UNEP FI signatory since 2003.

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

New Network Partners

Environmental Finance is a monthly magazine (<http://www.environmental-finance.com>) covering the impact of environmental issues on the lending, insurance, investment and trading decisions affecting industry. Leading industry specialists and an experienced team of journalists provide news and analysis on a range of environmental issues including weather risk management, renewable energy certificates, emissions markets and "green" investments.

FTSE Group (FTSE) is a world leader in the creation and management of indices. FTSE (<http://www.ftse.com>) indices are used extensively by investors worldwide for investment analysis, performance measurement, asset allocation, portfolio hedging and for creating a wide range of index tracking funds.

GreenMoney Journal encourages and promotes the awareness of socially & environmentally responsible business, investing and consumer resources in publications & online (<http://www.greenmoneyjournal.com>), most notably through the quarterly Journal itself.

Institutional Investor provides detailed coverage of the events, issues and people who impact the world of business and finance, with industry recognized research and ratings, award-winning editorial and exclusive interviews. InstitutionalInvestor.com (<http://www.institutionalinvestor.com>) is the gateway to all Institutional Investor publications, offering selected articles from over 40 market-leading products.

Sustainable Development International (SDI) is a global reference resource on sustainable development policy and CSR practice, for governmental, corporate, non-governmental and intergovernmental stakeholders, in print and online. For more information, please visit <http://www.sustdev.org>

Africa investor (Ai) supplies investors and policy makers with information on Africa's investment environment and sheds light on issues that inform investment decisions. Ai provides a quarterly magazine read by 20,000 decision-makers, a web-portal (<http://www.africa-investor.com>) giving access to African business information, and organizes the only pan-African investment awards.

NEWS FROM THE REGIONS

3. Africa

Bending the Arc Address to G8 Leaders on Attaining the Millennium Development Goals (MDG)

London, UK, 4 July 2005

Bending the Arc, the official platform of the United Nations and NEPAD for addressing G8 leaders on African development issues, in conjunction with the African Business Roundtable, brought together top-level representatives from Governments, businesses, Civil Society and multilateral agencies to discuss the role of business, partnerships and mechanisms for financing the MDGs in Africa. UNEP Executive Director Klaus Toepfer spoke at the 'Partnerships Count' Session, where examples of public-private partnerships were presented.

In an opening statement to the event UN Secretary General Kofi Annan said; *"Africa needs vibrant businesses. Through their investments, businesses create employment and opportunities. They also command an array of human, technical and organizational capacities that have direct applications in virtually all realms of development,"* He added, *"If business is of vital importance to the goals, it is also true that the goals have great value for business. Reducing poverty builds healthy and dynamic workforces. It creates purchasing power, boosts productivity and eases social tensions ... business can be part of the solution."*

For further information on the outcomes of Bending the Arc, please visit: <http://www.bendingthearc.com>

Autumn Edition of SDI Journal Focuses on Millennium Development Goals

To be circulated as of August, this edition of the Sustainable Development International Journal will feature a special focus on the Millennium Development Goals (MDG), including an article by UNEP Finance Initiative on the effect of private sector finance on the MDG. For more information, or to receive a copy, please visit <http://www.sustdev.org>

4. Asia-Pacific

Conference: Application of Microcredit in Australia

Melbourne, Australia, 9 –10 June 2005

Hosted by Australian community organisation Good Shepherd Youth and Family Service in conjunction with the National Australia Bank and Australia & New Zealand Banking Group, the conference was held in celebration of the UN Year of Microcredit and attracted over 130 attendees.

Solutions to help alleviate social exclusion were discussed, with presentations from the community sector, major banks and credit unions. For example, the No Interest Loans Scheme has been in operation in Australia for 25 years and provides credit to people for the purchase of white goods. Programs are also run by the National Australia Bank, Bendigo Bank, as well as the Traditional Credit Union, which specifically focuses on servicing the needs of indigenous Australians. All programs had a common theme of strengthening basic financial literacy skills and enhancing consumer access to products and services.

For further information, please contact: corinne_proske@national.com.au

Sustainability Rating of Korean Companies

The Korean weekly economic magazine *Economy21* recently issued a special edition on sustainability management in the industrial and financial sectors. This includes ratings conducted by UNEP FI partner Eco-Frontier, which has rated Korean companies according to Innovest's sustainability rating methodology. While many Korean companies appear to be as yet unfamiliar with responsible investment, interest in sustainability was shown to be increasing. It is expected that as Korean companies begin to adopt sustainable management practices, awareness of sustainability ratings will also increase. Eco-Frontier is planning to rate the construction, heavy industry and electric utility sectors, and will be creating a rating database of a 100 Korean companies.

For further information please contact: dwljm@ecofrontier.co.kr

Development Bank of Japan (DBJ) Releases Report on Environmentally Conscious Finance

This comprehensive report, "The New Trends of Environmentally Conscious Finance in Asia and the Pacific", shows that recent economic developments in Asia have raised interest in social welfare and the environment in the region, including the roles and responsibilities of the financial sector. For instance, since the exposure of high profile child labour abuse cases in Asian countries, the concept of corporate social responsibility has been seen to affect the whole supply chain. For the finance sector this has impacted lending decisions, including the adoption of the Equator Principles in project finance. The report also looks at growing trends in products and services that positively affect sustainability, such as socially responsible investments, microfinance and the financing of clean development mechanism projects.

Available online (Japanese only), at: <http://www.dbj.go.jp/singapore/english/PDF/s40-2japanese.pdf>

For further information, please contact: yamamoto@dbj.org.sg

Australia & New Zealand Banking Group (ANZ) Publishes Environment Charter

Developed over several months following broad consultations inside and outside the bank, ANZ's Environmental Charter goes beyond the pursuit of footprint issues, also providing some challenging commitments on the impact of its products and services, namely regarding the way these are used by clients.

For further information, please visit: <http://www.anz.com/aus/about/Environment>

5. Latin America

Latin American Task Force (LATF) Training on Social and Environmental Aspects of Credit Risk

Lima, Peru, 12-13 September 2005

Hosted by BBVA Banco Continental, this third LATF training workshop on environmental and social risk assessment will be held jointly by the LATF and the Latin American Business School INCAE, with the support of InWent. Local

partners include the Asociación Latinoamericana de Instituciones Financieras de Desarrollo – ALIDE (the Latin American Association of Development Financial Institutions) and the Peruvian Banking Association (ASBANC).

The workshop aims at assisting Peruvian financial institutions to identify and assess environmental and social risk in credit lending and investment and will be offered in two parts. A one-day intensive training workshop will be held on 12 September to provide staff in the risk and related departments with a methodology to identify, assess and manage social and environmental risk. On 13 September an Executive breakfast will be held for senior management and stakeholders from government and industry to assess the business case for social and environmental risk assessment and to discuss a sustainability agenda for the Peruvian financial sector.

Interested financial institutions in the region, please contact: la@unepfi.org

6. North America

Better Management Opens Free Online Training on Corporate Social Responsibility

With Corporate Social Responsibility (CSR) evolving into a strategic business management practice, understanding how to incorporate social, environmental and economic sustainability into the planning processes is becoming critical to an organization's success. Better Management, a leading business resource for visionary perspectives and management insights, is offering a free Learning Series entitled Corporate Social Responsibility: Aligning the Organization for Competitive Advantage.

The Learning Series, presented in part by Certified Management Accountants and The Balanced Scorecard Collaborative, focuses on actionable information and effective methodologies to help organizations develop successful CSR strategies. The three-part series includes business management articles, live and archived Webcasts, recommended books and e-learning courses. Part one of the series, Corporate Social Responsibility: An Introduction and Strategic Overview, is available now. Parts two and three will be released in July and August.

For further information, please contact: dcrawford@mpsc.com

7. Western Europe

HSBC Environmental Targets & Equator Principles Reporting Update

For the first time HSBC has announced 3-year environmental reduction targets relating to energy, waste, water and carbon dioxide impacts of its buildings around the world. For further information please visit:

<http://www.hsbc.com/environment>

HSBC has also published an update for 2004 on the implementation of the Equator Principles, including transactions completed and declined by category and type. For further information please visit:

<http://www.hsbc.com/equatorprinciples>

INVESTMENT

8. Socially Responsible Investment (SRI) News

Morgan Stanley and Oxford Analytica Research on Socially Responsible Investment

Morgan Stanley, together with consultants Oxford Analytica, is working to develop a research strategy for Socially Responsible Investment (SRI). A joint report, "Thoughts on SRI" has just been completed, based on the results of Oxford Analytica's survey of SRI asset managers and on reviews of current SRI research and studies. The research has led Morgan Stanley to believe that SRI will grow steadily in importance, and is likely to be incorporated increasingly into the mainstream, driven by regulation, institutional pressures and investor preferences.

Fonds de Réserve pour les Retraites (FRR) request for proposal for SRI investment management

Launched end of June, FRR's selection process is aimed at awarding a maximum of six SRI asset management mandates for a global amount of some 600 million euros, making this the largest tender of its kind. This is the third stage in the strategy FRR began to implement last year, the first two stages of which involved getting FRR managers to incorporate the ten principles of the UN's Global Compact into their analyses of European equities, and implementing an active policy for voting FRR proxies based on a set of publicly-disclosed guidelines.

The tender illustrates the underlying characteristics of the FRR's approach to the issue of SRI, which is both inclusive and multi-criteria focussed. It does not call for excluding certain economic sectors from the manager's investment universe, giving preference instead to investing in businesses that present the best combined financial and extra-financial profiles. Interested parties have until Thursday 25 August 2005 at 12:30 pm (French time) to submit their applications.

For further information, please visit: <http://www.fondsdereserve.fr> .

9. UK Environment Agency Appoints Two New Fund Managers

Morley Fund Management and Robeco were appointed to the Environment Agency's existing team of six to implement its new investment strategy and to manage £60 million or around 5% each of the Environment Agency's Active Pension Fund's assets in segregated multi-manager accounts. The Environment Agency's Active Pension Fund, with a market value of £1.1bn, is the twentieth largest fund in the Local Government Pension Scheme (LGPS).

For further information on the UK Environment Agency, please visit: <http://www.environment-agency.gov.uk>

10. 7th TBLI Conference

Frankfurt, Germany, 2-4 November 2005

The 7th edition of Brooklyn Bridge's TBLI Conference will cover a range of topics relating to socially and environmentally friendly investment, including: corporate governance, microfinance, alternative investments, fund performance, climate change, and the latest research on SRI. UNEP FI is a network sponsor of the event.

For further information, please visit: <http://www.tbli.org>

CLIMATE CHANGE

11. G8 Commitments on Climate Change

Gleneagles, UK, 6-8 July 2005

With climate change high on the agenda of the latest summit of G8 leaders, the final communiqué from the summit described climate change as a "serious long-term challenge", and further requests that we should "slow and, as science justifies, stop and then reverse" the growth of greenhouse gases. The document emphasizes dialogue, technological development and marketing as powerful means for addressing climate change. The communiqué also recognises that two billion people lack access to modern energy sources, and that increased access is needed in order to support the Millennium Development Goals.

For further information, please visit: <http://www.g8.gov.uk>

12. Environmental Finance Conference: Carbon Finance 2005

London, UK, 31 October – 1 November 2005

Carbon Finance 2005 will be focusing on the risks and opportunities associated with emissions markets, including, more specifically, discussions on buyer/seller expectations, future developments in Japan and the US, the Clean Development Mechanism, and expectations around COP11. UNEP FI is a Supporter of Carbon Finance 2005.

For further information, please visit: <http://www.environmental-finance.com/>

13. KLD Launches Global Climate 100sm Index

Developed by KLD Research & Analytics, Inc., an independent investment research and index provider, in partnership with the Global Energy Network Institute (GENI), a non-profit research and education organization (<http://www.geni.org>), this is the first global index focused on solutions to climate change. The Index was created in response to growing demand from institutions and individuals for investment strategies that address global warming and is made up of companies KLD expects will provide near-term solutions to global warming while offsetting the longer-term impacts of climate change through renewable energy, alternative fuels, clean technology and efficiency.

KLD's Global Climate 100 Index is designed for investors seeking specialized strategies to invest in these types of companies. The Index includes companies from a broad range of sectors - including oil, automotive, utilities, and financial services – it is thus more diversified than benchmarks for the renewable energy industry or the broader energy sector.

For further information, please visit: http://www.kld.com/resources/media_center.html

14. Joint NGO / FI Research on Climate Change

WWF and Allianz Group launch joint report Climate Change and the Financial Sector

Entitled "Climate Change and the Financial Sector: An Agenda for Action", the report identifies both risks and opportunities due to climate change for financial service providers in asset management, banking and insurance and provides 21 recommendations on how to act.

The report finds that with climate change policies increasingly being implemented (such as the European Emission Trading System) financial institutions (FIs) face risks in particular when doing business with corporate clients that do not have a proactive carbon management strategy.

Allianz board member and CEO Joachim Faber has announced that Allianz Group will address climate change at board level and will put it on a par with other business risks when taking decisions. The Group also called for a reliable, longer term policy framework leading to deep emissions cuts and pledged to grow investments in renewable energies by 300 to 500 million euros over the next five years. Allianz have further established an "Allianz Climate Core Group" to illustrate the strong commitment of the Group.

The report is available online at: <http://www.panda.org/epo>

Merrill Lynch and World Resources Institute Analyze Climate Change Investment Opportunities

A jointly-produced report connecting the dots between climate change and investment opportunities entitled *Energy Security & Climate Change: Investing in the Clean Car Revolution*, was released end of June and is the first such collaboration between a mainstream US investment bank and an environmental non-profit organisation.

The report breaks new ground by issuing actionable stock recommendations and is an example of the type of climate change research by mainstream financial institutions called for by the Investor Network on Climate Risk (INCR) in its ten-point "Call for Action" issued at the United Nations Summit in May.

Copies of the report can be obtained via the WRI website: <http://pubs.wri.org>

15. Carbon Disclosure Project Launch Events for Third Report

The latest Carbon Disclosure Project (CDP3), has attracted 155 signatory investors, with assets of more than \$21 trillion. 70% of the FT500 global corporations have provided the information requested in CDP3, up from 58% at this stage in CDP2. The CDP3 Report and all responses authorised for public disclosure will be made available on 14 September at: <http://www.cdproject.net>.

14 September, JPMorganChase, New York

Confirmed Speakers: Jim Rogers, Chairman of Cinergy, CEO Designate of Duke Energy and Comptroller Alan Hevesi, sole trustee of the \$120 billion New York State Common Retirement Fund.

27 September, London Stock Exchange, London

Confirmed speakers include Sir Christopher Bland, Chairman of BT.

Numbers are limited. If you would like to attend, please contact Daniel Turner: daniel@cdproject.net

SUSTAINABILITY REPORTING

16. Arthur D. Little Director's Guide for Corporate Responsibility Reporting

Developed in collaboration with Business in the Community, HBOS and Camelot, the Director's Guide introduces the key elements of Corporate Responsibility reporting, illustrating how it can be used to support business strategy and be used as a tool to enhance relationships with stakeholders.

For further information, please visit: <http://www.bitc.org.uk/resources/>
or: <http://www.adl.com/services/environmentrisk/sustainability.php>

17. KPMG Releases 2005 Survey of Corporate Responsibility Reporting

Released end of June, KPMG's 2005 International Survey of Corporate Responsibility Reporting (CSR) surveys the top 250 companies of the Fortune 500 (G250), and finds that there has been a substantial increase in the percentage of companies issuing standalone CSR reports, from 45 percent (112 companies) in 2002 to 52 percent (129 companies) in 2005 for G250 companies.

The report is available online at: <http://www.kpmg.com/news/index.asp?cid=1040>

18. Three New UNEP FI Signatory Sustainability Reports Available

AXA - Activity and Sustainable Development report

http://www.axa.com/lib/en/uploads/acr/group/AXA_Activity_Report_2004.pdf

The Co-operative Group - CSR Report

<http://www.co-op.co.uk/csr2004>

Dexia - Sustainable development 2004

<http://www.dexia.com/e/news/publications.php>

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