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" We cannot underestimate the influence of financial services and the potential impact of the world's most powerful private institutions on delivering a more intelligent management of the environment and its nature-based assets"

**- Achim Steiner, Executive Director, United Nations Environment Programme –**

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#### **HIGHLIGHTS**

## **1. Breakthrough on Climate Change Reached in Bali**

All 187 countries that met in Bali at the COP (Conference of Parties) 13 of the UNFCCC (United Nations Framework Convention on Climate Change) agreed to launch negotiations towards a crucial and strengthened international climate change deal. This decision includes a clear agenda for the key issues to be negotiated up to 2009 including action for adapting to the negative consequences of climate change, ways to reduce greenhouse gas emissions, ways to widely deploy climate-friendly technologies and financing both adaptation and mitigation measures. However, although all countries including the USA have made a commitment to make deep cuts in greenhouse gas emissions, no clear goals or timetables have been set for emissions reductions.

The concluding negotiations in 2009 will ensure that the new deal can enter into force by 2013, following the expiry of the first phase of the Kyoto Protocol.

For more information on the UNFCCC and the decisions made, please visit: <http://unfccc.int>  
Contact: [secretariat@unfccc.int](mailto:secretariat@unfccc.int)

## **2. UNEP FI Steering Committee Gets New Chair**

Rob Tacon of Standard Chartered has been elected as Chair of the UNEP Finance Initiative for the next two year period. The Secretariat and members of the Initiative offer our congratulations to Rob.

Contact: [info@unepfi.org](mailto:info@unepfi.org)

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## **UNEP FI SUSTAINABILITY BEAT**

### **3. Things UNEP FI Signatories are Doing...**

\* VicSuper wins Australian Sustainable Super Fund Award

UNEP FI Signatory VicSuper was awarded the Inaugural Sustainable Super Fund of the Year at the Australian Sustainability Awards for integrating ESG factors into its investment process, awarding sustainable investment mandates, public support for sustainability and the degree to which it had demonstrated environmental and social responsibility in its own operations.

For more information, please visit: <http://www.vicsuper.com.au/www/html/1724-vicsuper-announced-as-sustainable-super-fund-of-the-year.asp?intSiteID=1>

\* Barclay's Unveils First Global Carbon Credit Index

Barclays Capital has launched the first index to track the performance of carbon credits issued through major greenhouse gas emissions trading schemes.

For more information, please visit: [http://www.greenbiz.com/news/news\\_third.cfm?NewsID=36376](http://www.greenbiz.com/news/news_third.cfm?NewsID=36376)

## **TOOLS & TRAINING FOR SUSTAINABLE FINANCE IMPLEMENTATION**

### **4. E-Learning Programme on Environmental & Social Risk Analysis (ESRA) 2008**

\*In English

Africa: 4 – 23 February  
Central & Eastern Europe: 10– 29 March

\* In Spanish (Latin America)  
Quarter One: 11th – 29th February  
Quarter Two: 12th – 30th May  
Quarter Three: 11th – 29th August

Quarter Four: 3rd – 21st November

This programme is a product of the United Nations Environment Programme Finance Initiative (UNEP FI), Capacity Building International (InWent), and the INCAE Business School, with the support of the Ecobanking Project. Please note these dates are tentative and will be confirmed in the near future.

For further information & applications, please visit: <http://www.unepfi.org/training/index.html>  
Contact: [risk-training@unepfi.org](mailto:risk-training@unepfi.org)

## **SPREADING SUSTAINABLE FINANCE ACROSS THE GLOBE**

### **5. Emerging Opportunities in Carbon Markets 17-18 January 2008, Miami, USA**

UK Trade & Investment Miami and Environmental Finance Publications are hosting this highly topical conference. Attend to hear leading industry and government specialists address the ways in which current emissions trading systems are creating business opportunities, fostering technology developments and influencing global finance. PLUS join in stimulating panel discussions, and have numerous opportunities to network with other participants throughout the conference.

For further information and registrations, please visit: <http://www.environmental-finance.com/conferences/2007/Miami08/intro.htm> Contact: [info@environmental-finance.com](mailto:info@environmental-finance.com)

### **6. Biodiversity Finance 27-28 March 2008, New York, USA**

Endorsed by UNEP Finance Initiative and the Secretariat of the Convention on Biological Diversity, this two-day conference will explore all the issues relating to the developing area of biodiversity finance. Speakers will be a balance of industry experts; financial institutions' and early adopter best practice case studies. Day one of the conference will introduce the biodiversity finance challenge and corporate biodiversity considerations and day two will focus more closely on the financial service sector and biodiversity.

Against the backdrop of climate change the environment is now fully on the agenda of large corporations and financial institutions alike. These considerations now go far beyond carbon markets and emissions trading. For banks and investors, biodiversity needs to be viewed from both from the risk mitigation angle (reputational and performance exposure) and the opportunity angle.

For more information, please visit:  
[http://www.greenpowerconferences.com/carbonmarkets/biodiversity\\_ny2008.html](http://www.greenpowerconferences.com/carbonmarkets/biodiversity_ny2008.html)  
Contact: [info@greenpowerconferences.com](mailto:info@greenpowerconferences.com)

### **7. Summit of the Americas 2008 – Financing Natural Resources & Sustainable Development 1-3 April 2008, Puerto Vallarta, Mexico**

Hosted by Global Investment Conferences, the Summit is an all-professional, by-invitation-only mining investment conference. Financial Institutions including Banco Real/ABN Amro, Citi, HSBC, WestLB and Standard Chartered, will be presenting on how they integrate environmental, social and governance (ESG) factors into decision making. Featured Guest Speakers include Ruben Chavez, Director, Credit Portfolio Management, HSBC/Mexico and Co-Chair, Latin American Task Force, UNEP Finance Initiative.

For further information, please visit: <http://www.gicevents.com>

## INVESTMENT

\*Asset Management

### **8. Looking Back, Looking Ahead 17 December 2007, Paris, France**

The UNEP FI Asset Management Working Group (AMWG) held its second strategic planning meeting on 17 December in Paris. The meeting was hosted by HSBC Investments and was a time for the AMWG to review its stellar year and define its work programme for 2008 and beyond.

This has been the most productive year of the AMWG since its inception in 2003, with three landmark reports encompassing private banking ("*Unlocking Value: The scope for environmental, social and governance issues in private banking*"), pension funds ("*Responsible Investment in Focus: How leading public pension funds are meeting the challenge*"), and responsible investment performance ("*Demystifying Responsible Investment Performance: A review of key academic and broker research on ESG factors*"). These projects, which included partnerships with the UK Social Investment Forum and Mercer Investment Consulting, are aimed to advance the integration of environmental, social and governance (ESG) factors into investment analysis and decision-making. It builds on the cutting edge research work undertaken earlier by the AMWG on the materiality of ESG factors and the fiduciary duty of institutional investors. The AMWG also participated in key events across the globe, from Australia, Japan and Thailand, to Brazil, the United States, France, Switzerland and the United Kingdom.

In 2007, the AMWG welcomed Pax World Management Corp., Nikko Asset Management and AIG Investments, bringing its membership to 17 thought-leading institutions representing approximately USD 3 trillion in assets under management.

For more information about the UNEP FI Asset Management Working Group, please visit: [http://www.unepfi.org/work\\_streams/investment/amwg/index.html](http://www.unepfi.org/work_streams/investment/amwg/index.html)

Contact: [investment@unepfi.org](mailto:investment@unepfi.org)

\*Principles for Responsible Investment in Emerging Markets

### **9. PRI Project Update**

The Emerging Markets (EM) Project of the UN facilitated Principles for Responsible Investment (PRI) now counts 49 PRI signatories from 7 different EM countries, representing US \$278 billion in assets under management [AUM]. The EM Project has been particularly active in the South Africa following the 2 October launch of the "State of Responsible Investment" survey at the JSE. Since the event, 9 new South African PRI signatories have joined the initiative. The EM Project also launched its inaugural monthly EM call on 20 December, covering current investment within and into emerging markets. PRI signatories with direct exposure to EM investment were invited to give advice, updates on regional developments, and act as a sounding board for the EM Project.

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

Contact: [pri@unepfi.org](mailto:pri@unepfi.org)

## INSURANCE

### **10. A Year to Remember and Set to Fly Higher 3 December 2007, Paris, France**

The UNEP FI Insurance Working Group (IWG) held its second strategic planning meeting on 3 December in Paris. The meeting was hosted by AXA and was a time for the IWG to define its work programme for 2008, during which two ground-breaking projects establishing the business

case for sustainable insurance will be launched. In January 2008, the IWG will be in London to meet with leading academics to achieve a holistic view of sustainability and insurance.

Established in 2006, 2007 was a milestone for the IWG with the launch of its inaugural report at the Insurance Day Summit in London last May. The report, *"Insuring for Sustainability: Why and how the leaders are doing it"*, identifies the major global sustainability issues for this generation of insurers and highlights cases of best practice by the world's leading insurers. It is the first of its kind and has been acclaimed worldwide. The IWG also participated in key events in Australia, Bulgaria, Indonesia, France, Germany, Romania, Switzerland, and the United Kingdom.

In 2007, the IWG welcomed Swiss Re, the world's largest reinsurer, Lloyd's of London, the world's leading specialist insurance market, and The Co-operators Group, one of the top insurers in Canada, bringing its membership to 17 leading insurers from 14 countries.

For more information about the UNEP FI Insurance Working Group, please visit:  
[http://www.unepfi.org/work\\_streams/insurance/index.html](http://www.unepfi.org/work_streams/insurance/index.html)

Contact: [insurance@unepfi.org](mailto:insurance@unepfi.org)

### **11. New Report by Ceres on Insurer Responses to Climate Change**

"From Risk to Opportunity 2007: Insurer Responses to Climate Change" is the latest iteration of this report from Ceres and focuses on the significant progress made by insurers to develop new products and services that can help investors, entrepreneurs and consumers deal with the changes provoked by global warming.

To view the report, please visit: [www.ceres.org/pub/docs/Risk-to-Opportunity-2007.pdf](http://www.ceres.org/pub/docs/Risk-to-Opportunity-2007.pdf)

## **CLIMATE CHANGE**

### **12. UNEP FI Seminar on Climate Change for Indonesian Financial Services 6 December 2007, Bali, Indonesia**

Jointly organised by UNEP Finance Initiative and the Ministry of Environment, Republic of Indonesia, the seminar on "Climate Change as a Business Opportunity" focused on the role of financial institutions on mitigation and adaptation of climate change. Topics presented and discussed included carbon markets in Asia, financing of energy efficiency, environmental and social risks in lending, and environmental reporting and management in financial institutions. Around 70 participants attended the seminar, including the Central Bank of Indonesia, local financial institutions in Indonesia as well as UNEP FI Signatories in the region. Speakers at the seminar included Erna Witoelar – Special UN Ambassador for the Millennium Development Goals (MDGs), Josef Leitman – World Bank Indonesia, Samuel Tumiwa – Asian Development Bank, as well as representatives from leading international financial institutions. Paul Clements-Hunt and Susan Steinhagen represented and presented on UNEP FI at the seminar.

Contact: [ap-outreach@unepfi.org](mailto:ap-outreach@unepfi.org)

### **13. UNEP FI Launches Carbon Crunch CEO Briefing at COP 13 11 December 2007, Bali, Indonesia**

UNEP FI's [Climate Change Working Group](#) has launched its latest publication "[Carbon Crunch: Meeting the Cost](#)" at the Kyoto negotiations in Bali. Presented at an official side event, the briefing analyses the most recent studies on the economics and cost of climate change, and the investment required for mitigation and adaptation. It highlights the crucial role played by the finance sector due to its influence in directing investment and financial flows, and reviews what leading financial institutions are already doing to address the climate problem, and what should be done to extend and deepen those actions across the entire sector. The briefing also

emphasises the crucial role of the policy making community in setting up the regulatory frameworks that will provide the necessary long-term investment horizons, and pave the way for further large-scale investment towards a low carbon economy.

To view the report, please visit:

[http://www.unepfi.org/fileadmin/documents/CEObriefing\\_carbon\\_crunch.pdf](http://www.unepfi.org/fileadmin/documents/CEObriefing_carbon_crunch.pdf)

Contact: [climate@unepfi.org](mailto:climate@unepfi.org)

#### **14. Call for Participation: Carbon Disclosure Project 2008**

Now in its sixth cycle, the Carbon Disclosure Project (CDP) will be writing to the largest 2,800 companies in the world on 1st February. The CDP would like to invite investors to participate in the CDP6 information request. The service is free of charge and participants will have access to all responses received, including those not authorised to be made publicly available.

Participation should be confirmed no later than Friday, 18 January 2008.

Contact: [info@cdproject.net](mailto:info@cdproject.net).

### **BIODIVERSITY**

#### **15. Bloom or Bust: New UNEP FI Report & CEO Briefing**

Launched on 25 October 2007 at UNEP FI's Global Roundtable in Melbourne, this report and CEO Briefing is UNEP FI's first ever publication on biodiversity & ecosystem services. The report and CEO Briefing are a primer for financial institutions that wish to manage biodiversity and ecosystem service risks more effectively and also to understand how opportunities for financial products and services that support sustainable use of biodiversity & ecosystem services can be developed.

To view the report, please visit:

[http://www.unepfi.org/fileadmin/documents/CEOBriefing\\_biodiversity\\_01.pdf](http://www.unepfi.org/fileadmin/documents/CEOBriefing_biodiversity_01.pdf)

Contact: [biodiversity@unepfi.org](mailto:biodiversity@unepfi.org)

### **HUMAN RIGHTS**

#### **16. Corporate Accountability and Human Rights List Serve**

The Center for Human Rights and Environment (CEDHA) in Argentina has launched a Corporate Accountability and Human Rights List Serve (to function primarily in Spanish) with a view to promote exchanges of information regarding corporate behaviour and its impacts on human rights.

To join the group, please visit: [http://ar.groups.yahoo.com/search?query=rse\\_y\\_derechoshumanos](http://ar.groups.yahoo.com/search?query=rse_y_derechoshumanos)

Contact: [cedha@cedha.org.ar](mailto:cedha@cedha.org.ar)

### **SUSTAINABILITY MANAGEMENT & REPORTING**

#### **17. GRI & UNEP FI Sector Supplement Remains Open for Public Comment**

Since 2006, UNEP Finance Initiative and the Global Reporting Initiative (GRI) have jointly coordinated a working group to pilot and review the draft versions of the GRI Financial Services Sector Supplement (Environmental and Social Performance).

The revised Supplement including these changes is available for public comment until 10 January, 2008. The UNEP FI - GRI working group welcomes your feedback.

The new Supplement and the response form are available for download at:  
[http://www.unepfi.org/work\\_streams/reporting/gri/](http://www.unepfi.org/work_streams/reporting/gri/)

## **18. GRI Readers' Choice Awards and Survey**

Since 1 October the GRI Readers' Choice Awards and Survey is giving all sustainability report users worldwide a voice on the current state of sustainability reporting. Readers will have the opportunity to evaluate a minimum of two sustainability reports from 2006 and contribute to deciding which reports should deserve recognition in the GRI Readers' Choice Awards.

In conjunction with the Awards, KPMG and SustainAbility, the leading global sustainability reporting trend monitors, will conduct an online survey about sustainability report readers needs and preferences.

Both the Global Readers' Choice Awards and the Survey results will be presented during 'The Amsterdam Global Conference on Sustainability and Transparency', which will be held from 7 to 9 May 2008. All readers who evaluate a minimum of two reports will qualify for the prize draw to win one of six all-expenses-paid trips to the conference.

For further information and registrations please visit: <http://www.awards.globalreporting.org>

## **19. Two New UNEP FI Signatory Sustainability Reports**

Vic Super 2007 Sustainability Report  
<http://www.sustainabilityreport.vicsuper.com.au>

Insight Investment Quarterly Report Summary of Voting Recommendations and Governance & Corporate Responsibility  
[www.insightinvestment.com/responsibility/publications/publications\\_and\\_reporting.asp](http://www.insightinvestment.com/responsibility/publications/publications_and_reporting.asp).

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