“We are entering a new era in which environmental concerns are integrated fully into economic market regulation”

- Achim Steiner, Executive Director, United Nations Environment Programme (UNEP) -

HIGHLIGHT
Changing Landscapes: Towards a Sustainable Economy in Asia

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HIGHLIGHT
***Prime Minister, Republic of Korea, Seung-Soo Han, to address the plenary of the Joint Session***

"Changing Landscapes: Towards a Sustainable Economy in Asia Dialogue on Sustainable Finance, Responsible Investment and Corporate Citizenship – today and tomorrow"
17-18 June 2008, Seoul, Republic of Korea

This special event will be the first jointly hosted conference by the United Nations' three leading sustainability driven organizations: Principles for Responsible Investment (PRI), UNEP Finance Initiative and UN Global Compact. The conference will offer a unique platform for dialogue between financiers, investors and businesses
on the latest issues in the field of sustainable finance, responsible investment and corporate citizenship at special joint afternoon sessions and an exclusive Gala dinner on 17 June. Over 600 participants from South Korea and abroad are expected to attend, including leaders in the field of business, politics, academia and civil society. The special joint breakout sessions held between the organizations will examine in greater detail environmental, social and governance (ESG) factors across the business activities of financial institutions, institutional investors and corporations.

UNEP FI, in association with its partner in Korea, Eco-Frontier, will be hosting the ‘UNEP FI Conference on Sustainable Finance’ during the morning of the 17th and all day on the 18th of June. This event will run in parallel with the PRI and UN Global Compact events. The UNEP FI event will be examining the latest trends and issues in sustainable finance and responsible investment.

For further information & registrations, please visit: http://www.changinglandscapes.org

UNEP FI SUSTAINABILITY BEAT

1. UNEP FI Welcomes 2 New Signatories

Oceanic Bank International, Nigeria
Oceanic Bank International, a sixteen year old commercial bank, is one of the largest banks in Nigeria. It is a private limited liability company with 100% equity ownership by Nigerian citizens. Oceanic Bank’s customer portfolio includes corporate organizations, high net-worth individuals, the federal Government and some state governments.

For further information, please visit: http://www.oceanicbanknigeria.com

Zenith Bank, Nigeria
Zenith Bank is one of the leading financial services providers in Nigeria with business presence in Nigeria, Ghana, South Africa and the United Kingdom (UK). The company offers a broad range of financial services and products to consumers, corporate organizations and governments. Zenith Bank provides services including commercial and corporate banking services, investment banking/corporate finance advisory services, stock brokerage, asset management, insurance and pension custodianship.

For further information, please visit: http://www.zenithbank.com

2. WHAT UNEP FI SIGNATORIES ARE DOING...

***BBVA Applies UN Principles for Responsible Investment to its Employee Pension Plan

***Vancity Becomes First North American based Financial Institution

***CIBC Migrates Office Paper Supply to Stock Certified by the Forest Stewardship Council (FSC)
http://www.cibc.com (Press Centre)

***Merrill Lynch Launches Merrill Lynch Green & Golda Carbon Offset Service
http://www.icfi.com

***Société Générale Index Launches SGI Global Carbon Index in Collaboration with Centre Info

TOOLS & TRAINING FOR SUSTAINABLE FINANCE IMPLEMENTATION

3. Environmental & Social Risk Analysis (ESRA) E-Learning Programme

***In English
26 May-13 June 2008 (Asia Pacific)
16 June-4 July 2008 (Central and Eastern Europe)
21 July, 2008-8 August 2008 (Africa)

***In Spanish (Latin America)
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. Initially developed in Spanish in 2006 by the UNEP FI Latin American Regional Task Force, with the support of Bank of America, the English-language edition of the course has been produced thanks to the help of FMO, the Dutch Development Bank.

Contact us to find out about our new course offering options.

For further information & applications, please visit: http://www.unepfi.org/training/index.html

4. E-learning Course on Climate Change
2-27 June 2008
Push your environmental skills ahead of the curve with UNEP FI’s E-Learning Course on “Climate Change: Risks and Opportunities for the Finance Sector”.

For further information, please visit: http://www.unitar.org/unepfi/

5. WWF One Planet Leaders
One Planet Leaders is a sustainability training programme from WWF that enables business managers and senior executives to explore, challenge and apply the latest thinking on sustainable business practice.

The programme is delivered through intensive workshops plus flexible learning across a three-month period. It does not replace existing company commitments to sustainability but rather broadens options and equips business leaders to implement commitments effectively and strategically.

For further information, please visit: http://www.panda.org/business/training

SPREADING SUSTAINABLE FINANCE ACROSS THE GLOBE

6. Africa
***UNEP FI West Africa Roundtable
21-22 May 2008, Lagos, Nigeria
Organised by UNEP FI’s African Task Force (ATF), the West African Roundtable on “Sustainable Finance: Opportunities and Challenges” is kindly supported by Citigroup and will welcome over 50 financial sector, government and NGO delegates from the region. Roundtable discussions will focus on concepts of sustainable finance and will enable delegates to deepen their understanding of actions the finance sector can take.

The results of a UNEP FI study on the barriers and drivers to commercial microfinance in Africa will be released, along with reports and case studies on innovative financing and risk mitigation mechanisms for sustainable small and medium enterprises (SMEs). Workshop topics will also address environmental and social governance (ESG) in credit risk policies as well as investment in climate change issues.

It is hoped that the discussions will provide a fruitful platform for financial institutions in West Africa so they can embrace their role in sustainable development.

For further information, please visit: http://www.unepfi.org/events/2008/lagos/index.html

***Ai Nigeria Infrastructure Investor Projects Summit
16-17 June 2008, Abuja, Nigeria
The Africa Investor (Ai) Nigeria Infrastructure investor Projects Summit is a forum to facilitate project implementation and match project developers and sponsors with investors. The 2007 Summit brought together hundreds of decision makers from Africa’s institutional investment community to engage project sponsors, consider specific investment projects and review the investment climate with government leaders and regulators. The 2008 Nigeria Summit will seek to make its mark on the global infrastructure arena.

For further information, please visit: http://www.africa-investor.com/event.asp?id=117

7. Asia Pacific

***ADFIAP wins International Award for its "Greening" Project
The Association of Development Financing Institutions in Asia and the Pacific (ADFIAP), a UNEP FI partner, has received the prestigious "Associations Make A Better World Award" from Washington, D.C.-based American Society of Association Executives (ASAE) & the Center for Association Leadership for its "Environment Governance Standards (EGS) for Development Financing Institutions (DFIs)" project. The Associations Make A Better World Awards are presented annually to recognize the valuable contributions made by associations around the world.

For more information, please visit: http://www.adfiap.org/

***RIAA’s 6th International Responsible Investment Conference
24-25 September 2008, Melbourne, Australia

The Australasian responsible investment industry is on the brink of massive growth and transformation. Considering this potential, does the industry have the products, the asset allocation models, the training infrastructure, the government policies and the international networks to meet the ever-growing demand from consumers?

Organised in association with UNEP Finance Initiative, Responsible Investment Association Australasia's 6th International Conference will deliver thought leadership from all corners of the globe and a smorgasbord of challenging and fresh ideas, covering land-based investment, clean technology, and investing responsibly in emerging nations.

For further information, please visit: http://www.responsibleinvestment.org

***TBLI Conference Asia 2008
29-30 May 2008 - Bangkok, Thailand

Among the issues to be covered this year: ESG and public equity, clean tech private equity, biofuels, water, project finance, green real-estate investment, faith-consistent investing, alternative investments, and many more.

For further information and registrations, please visit: http://tbliconference.com

8. Latin America

***UNEP FI Latin American Task Force (LATF) to Launch Online Eco-efficiency Course
Together with the Ecobanking Project, UNEP FI's LATF is currently working on the production of a new online training course on corporate eco-efficiency for financial institutions. The aim of this project is to provide relevant FI staff with the knowledge and skills to implement policies and mechanisms that will allow their institutions to reduce their environmental footprint while promoting a sustainability corporate culture and also reducing costs internally. The course is due for piloting in September.

9. North America

***UNEP FI's North American Task Force (NATF) Initiates Research on Sustainability Indices
The NATF has initiated a new piece of research, this time analysing a variety of corporate sustainability indices, specifically looking at the value and business case of the major indices. The research report will be launched in the fall, a follow-up workshop will be held in early October.

***Carbon Finance North America 2008
4-6 June 2008, New York
Join a leading panel of carbon market experts to debate the policy issues, financial mechanisms and strategies surrounding carbon markets and carbon trading in North America. PLUS network and do business with the key players and decision makers in the US carbon markets.


***Financial Services Going Green
2-3 June 2008, New York

This event is designed especially for banks and other financial institutions asking, Going green: What does it really mean in practice? Where do I start? How do I make my budget work most effectively? UNEPFI Signatories save $300 (Promo Code: UNEPFI)
10. Western Europe

EU Emissions Trading 2008
7-8 July 2008, Brussels
In just two years, the EU ETS has grown into a €28 billion market. Attend this conference for a unique insight into what market insiders expect to happen to prices and trading activity and to network with people who know what's happening in the industry and are willing to share their knowledge.


INVESTMENT

11. Addressing the ESG Inefficiency of Capital Markets: Be Part of It!
Eastern Europe, Japan, Malaysia, South Africa, Switzerland, UK, USA

UNEP FI and the World Business Council for Sustainable Development (WBCSD) are jointly bridging the ESG communication gap at the company-investor interface by bringing together investors with investees. Despite the recent surge of CSR reporting, SRI activities and more holistic investment analysis, the corporate valuation mechanisms of capital markets appear to remain stubbornly indifferent when it comes to the sustainability-related success or failure of listed companies. Are capital market makers still not convinced of the financial relevance of these issues or do they simply lack the company information and instruments needed to act ESG-inclusively?

Following a pilot gathering in London and – with the participation of over 40 UNEP FI and WBCSD member companies – a scale-up workshop in Montreux, further actions will now be undertaken across the globe in an all-out ESG movement.

Two key objectives are pursued: "going mainstream", i.e. moving from the responsible investment and corporate social responsibility communities engaged so far to the involvement of 'mainstream' players; and "moving beyond the OECD", i.e. the promotion of a geographic scale-up, covering both the traditional financial centres such as London, New York and Tokyo, and the financial hubs of the emerging economies – Vienna (for Central & Eastern Europe), Johannesburg, Kuala Lumpur, Beijing and Sao Paulo.

Calendar:
- 11 July 2008: Wall-Street Pilot Workshop, New York, US, kindly hosted by Clearbridge Advisors, Legg Mason
- End July: South East Asian Pilot Workshop, Kuala Lumpur, Malaysia
- End October: European Mainstream Workshop at UNEP FI's AGM, Geneva, Switzerland
- November: Japanese Pilot Workshop, Tokyo, Japan
- November: African Pilot Workshop at the WBCSD's CEO Council meeting, Johannesburg, South Africa

For further information, or to get involved, please visit: http://www.unepfi.org/events/2008/london/index.html

12. UNEP FI CEO Briefing on Responsible Property Investment Now Available in French

The first publication of the UNEP FI Property Working Group, the CEO Briefing on "Responsible Property Investment - What the leaders are doing" has now been translated into French. The CEO Briefing presents a collection of responsible investing strategies that help investors, asset managers and property managers improve the ESG performance of their property portfolios without diluting financial returns. Translation was kindly supported by the Property Working Group's Co-Chair Caisse des Dépôts et Consignations.

For further information, please visit: http://www.unepfi.org/publications/property/index.html

13. PRI workshop in Germany

4 June 2008, Frankfurt, Germany

UNEP FI, KfW, the German SRI Forum and the German Association for Environmental Management in Banks, Savings Banks and Insurance companies (VfU) are offering a workshop on the implementation of the UN Principles for Responsible Investment (PRI). The seminar will be held on 4 June in Frankfurt and will be kindly hosted by KfW. The event follows on from an earlier seminar held in February 2007, which has triggered great interest in further discussing questions related to the PRI in Germany.
INSURANCE

14. Answering the Call for Microinsurance and Innovative Insurance Solutions
7 May 2008, Milan, Italy

The scale of the human and environmental disasters that struck Myanmar and China recently underscore the urgent need to address natural catastrophe risks more effectively. The vast majority of the world’s population, particularly those in developing countries, remains uninsured. UNEP FI’s Insurance Working Group concretized its ongoing study on innovative insurance solutions at a meeting in Milan in early May. This follows up on last year’s inaugural report, “Insuring for Sustainability”, which identified the global sustainability issues for the insurance industry and featured best practice case studies. The new study will link and establish the business case for microinsurance, natural catastrophe insurance and risk financing solutions, and assess their collective impact on sustainable development. It is slated to be launched at the Microinsurance Conference 2008 in Cartagena, Colombia this November.

The meeting was hosted by the XL Group and attended by representatives from Achmea, Allianz, American International Group, AXA, HSBC Insurance Brokers, Munich Re, Munich Re Foundation and UNEP FI.

For more information, please visit: http://www.unepfi.org/work_streams/insurance

Biodiversity & Ecosystem Services

15. Integrating Biodiversity into Investment Decisions - UNEP FI Side-event at CBD COP9
29 May 2008, Bonn, Germany

UNEP Finance Initiative and Fauna & Flora International will jointly convene a side-event at the 9th Conference of Parties (COP9) of the UN Convention on Biological Diversity (CBD). An expert panel consisting of policy-makers, representatives from the finance sector, and leading environmental NGOs will review the progress made by the finance sector since COP 8. Key areas for discussion will include UNEP FI’s CEO briefing which sets out the business case for financial institutions to address biodiversity and ecosystem services in their financial products and the Natural Value Initiative (NVI) which aims to create a tool for the finance sector to evaluate biodiversity and ecosystem services-related investment risks and opportunities in the food, beverage and tobacco sectors.

Please contact the UNEP FI Secretariat if you wish to attend the side-event as you will need to be pre-registered.

For further information, please visit: http://www.unepfi.org/biodiversity

Water & Finance

Climate change may be the biggest single environmental challenge of the coming decades, but it is becoming increasingly apparent that its effects on business will mostly manifest themselves via water. Circumstances of too little, too much or inadequate timing and quality of supply will expose businesses as well as their financiers and owners to considerable stress throughout the next decades, be it in Canada, the Mediterranean Basin, Bangladesh or Australia.

Given the great importance of water issues to the global financial community and the wide range of water-related projects UNEP FI is currently undertaking, its Water & Finance Workstream (WFWS) has started to recruit new UNEP FI Signatories interested in issues around water. Should your institution be interested in becoming engaged in the WFWS and/or one of its projects, please be in touch with the UNEP FI Secretariat in Geneva (contact details on the website).

For further information and contact details, please visit: http://www.unepfi.org/work_streams/water/index.html

17. Bringing the Universal Owner Rationale to Life – All you Need is Water
The Universal Ownership rationale claims that globally invested portfolios should significantly emphasize ESG issues, the reason being that, even though ESG aspects may be negligible for many industries as they only manifest themselves via externalities (that per definition do not affect the company causing them), within a large portfolio of investments, the externalities of some investments will most likely harm the financial well-being of others.
These thoughts apply very much to water as a resource that flows from one company to the other as well as from one sector to the other. For instance: a pension fund may be (indirectly) invested in an agribusiness operation "upstream" and in a water bottling operation further "downstream". Therefore, if it doesn't ensure that the agribusiness operation is not polluting the aquifer that the water bottling facility depends on, it will sooner or later be exposed to considerable financial stress. On the other hand, investors may be able to enhance, via investments, the water supply infrastructure in a given, water-stressed area, enabling local water-consuming companies in its portfolio to grow faster.

With strong support from its Water & Finance Workstream (WFWS) members, Insight Investment (UK) and VicSuper (Australia), UNEP FI will seek to bring the Universal Owner Rationale out of the academic niche where it was originally developed and into the global water context via a series of workshops and an ensuing study. If you are a universal owner or if you cater services to one, come and join us.

Calendar:
- First Half of July: London Workshop hosted by Insight Investment (confirmed)
- Second Half of July: Melbourne Workshop hosted by VicSuper (to be confirmed)
- Mid August: Stockholm Workshop hosted by World Water Week 2008 (confirmed)

For further information and contact details, please visit: http://www.unepfi.org/work_streams/water/index.html

SUSTAINABILITY REPORTING

18. Five New UNEP FI Signatory Sustainability Reports

BBVA Corporate Responsibility Report 2007
http://www.bbva.com/TLBB/tlbb/jsp/ing/resreco/respco/index.jsp

DnB NOR 3rd Corporate Social Responsibility Report

ING Corporate Responsibility Report 2007
http://www.ing.com/group/showdoc.jsp?docid=075241_EN&menopt=ins

Lloyds Corporate Responsibility Report 2007
http://www.lloydstsb.com/about_ltsb/corporate_responsibility.asp

ScotiaBank 2007 Corporate Social Responsibility Report
http://www.scotiabank.com/cda/content/0,1608,CID12041_LIDen,00.html

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