



Investor Group on  
Climate Change



Investor Network on  
CLIMATE RISK  
a project of Ceres



Principles for  
Responsible  
Investment

[insert date]

## LETTER FROM GLOBAL INVESTORS TO GOVERNMENTS OF THE G7 AND G20 NATIONS

**This letter is signed by [xx] investors representing more than US[xx] trillion in assets.**

As long-term institutional investors, we believe that the mitigation of climate change is essential for the safeguarding of our investments.

We have previously conveyed our strong support for the Paris Agreement [\[link\]](#) and we reiterate our call for governments to continue to support and fully implement the Agreement.

We urge all nations to stand by their commitments to the Agreement and to put in place policy measures to achieve their nationally-determined contributions (NDCs) with the utmost urgency. In addition, we ask governments to develop focused and targeted long-term climate and energy plans by which their NDCs become aligned with the Paris Agreement's goal of "holding the increase in the global average temperature to well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5 °C above pre-industrial levels."

The implementation of effective climate policy mechanisms and the regular monitoring of outcomes is vital for investors to make well-informed investment decisions that can also better support governments in delivering their national commitments and priorities.

To this end, we welcome the inclusion of climate change and the advancement of sustainable energy supply and energy efficiency as priority areas for the 2017 G20 Summit under the German Presidency. We also welcome the G20's goal to foster "a secure, economically efficient and greenhouse gas-neutral energy supply accessible to everyone<sup>1</sup>".

However, we are concerned that reference to climate change, climate finance and climate adaptation were omitted from the G20 Finance Ministers Communiqué in March 2017<sup>2</sup>. We urge government leaders to ensure that climate change is explicitly acknowledged at the G7 Summit on 25-26th May and the G20 Leaders Summit on 7-8th July. Investors believe it is vital that the governments of G7 and G20 nations continue to publicly express their commitment to support climate finance to both mitigate and adapt to the effects of climate change.

It is imperative that the public and private sectors work closely together to get the signaling and incentives right to shift the trillions of capital required across the global economy. This includes creating the policy frameworks to support investment in low carbon assets now and into the future, to evolve the financial frameworks required to improve the availability, reliability and comparability of climate-related information, and to ensure the utilisation of tools and metrics that effectively incorporate the risks and opportunities into financial assessments.

Investors are willing and ready to work with governments to facilitate the changes that are needed to improve the pricing of climate-related financial impacts, and to mobilise the capital flows that are required to underpin a strong and resilient financial system.

With that in mind, we call on global leaders to:

- **Continue to support and implement the Paris Agreement**, including the implementation of NDCs and 2050 climate plans to achieve the goals of that agreement.
- **Drive investment into the low carbon transition** through aligning climate-related policies, phasing out fossil fuel subsidies and including carbon pricing where appropriate.
- **Implement climate-related financial reporting frameworks**, including supporting the Financial Stability Board Task Force on Climate-related Financial Disclosures' recommendations.

We provide further detail on each of these three areas for action in the companion briefing paper entitled "*Governments urged to maintain momentum on climate change action*".

[insert signatory organisations ]

**This letter is signed by investors and co-ordinated by the following organisations:**

Asia Investor Group on Climate Change (**AIGCC**) is an initiative to create awareness among Asia's asset owners and financial institutions about the risks and opportunities associated with climate change and low carbon investing. AIGCC provides capacity for investors to share best practice and to collaborate on investment activity, credit analysis, risk management, engagement and policy. AIGCC represents the Asian investor perspective in the evolving global discussions on climate change and the transition to a greener economy. See: [www.aigcc.net](http://www.aigcc.net) and [@AIGCC\\_update](https://twitter.com/AIGCC_update)

**CDP**, formerly the Carbon Disclosure Project, is an international non-profit that drives companies and governments to reduce their greenhouse gas emissions, safeguard water resources and protect forests. CDP represents institutional investors with assets of US\$100 trillion, helping to leverage investor and buyer power to motivate companies to disclose and manage their environmental impacts; whilst also providing insights into corporate environmental performance for investors. Over 5,800 companies with some 60% of global market capitalisation disclosed environmental data through CDP in 2016 alongside 500 cities and 100 states and regions, making CDP's platform one of the richest sources of information globally on how companies and governments are driving environmental change. See: [www.cdp.net](http://www.cdp.net) and [@CDP](https://twitter.com/CDP)

**Ceres** is a non-profit organisation mobilising investors and businesses to take action on climate change, water scarcity and other sustainability challenges. Ceres coordinates the Investor Network on Climate Risk, a group of over 130 institutional investors managing more than \$15 trillion assets focused on addressing the risks and opportunities of climate change. Ceres also engages with 100-plus companies, many of them Fortune 500 firms, on sustainable business issues. See: [www.ceres.org](http://www.ceres.org) and [@CeresNews](https://twitter.com/CeresNews)

Institutional Investors Group on Climate Change (**IIGCC**) is a collaborative forum representing 137 organisations in 9 European countries who between them manage more than €18 trillion in assets. Its membership spans everything from belief-based funds to mainstream investors, from pension funds to fund managers and private equity houses. Its mission is to provide investors with a common voice to encourage public policies, investment practices and corporate behaviour which address long-term risks and opportunities associated with climate change. See: [www.iigcc.org](http://www.iigcc.org) & [@iigccnews](https://twitter.com/iigccnews)

The United Nations-supported Principles for Responsible Investment (**PRI**) is the world's leading initiative on responsible investment. The six Principles for Responsible Investment are a voluntary and aspirational set of investment principles for incorporating environmental, social and governance issues into investment practices. In implementing the principles, signatories contribute to developing a more sustainable global financial system. The principles have 1,700 signatories including asset See: [www.pri.org](http://www.pri.org) and [@PRI\\_News](https://twitter.com/PRI_News)

AIGCC, Ceres, IGCC, IIGCC collaborate regularly as members of the [Global Investor Coalition on Climate Change](#). All of the groups (along with UNEP FI) co-sponsor the [Investor Platform for Climate Actions](#).

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<sup>1</sup> G20 Germany 2017, "Priorities of the 2017 G20 Summit," December 2016:8.  
[https://www.g20.org/Content/DE/\\_Anlagen/G7\\_G20/2016-g20-praesidentschaftspapier-en.pdf;jsessionid=645F531E333BD2B1C28C35C58CBC3B3D.s6t2?\\_\\_blob=publicationFile&v=2](https://www.g20.org/Content/DE/_Anlagen/G7_G20/2016-g20-praesidentschaftspapier-en.pdf;jsessionid=645F531E333BD2B1C28C35C58CBC3B3D.s6t2?__blob=publicationFile&v=2)  
<sup>2</sup> <http://www.g20.utoronto.ca/2017/170318-finance-en.html>