

Achievements

- Active participation at UNFCCC Conferences of the Parties (COPs). The CCWG is moving towards greater cooperation with the UNFCCC Secretariat, ensuring the financial sector perspective is integrated into the broader intergovernmental negotiations.
- Production of a series of business-relevant opinion papers providing insight into the risks and opportunities of climate change from a financial institution perspective.
- Sustainable Energy Finance Initiative (SEFI) launched in October 2003. A partnership between UNEP FI, UNEP Energy and the Basel Agency for Sustainable Energy (BASE), aiming to provide financiers with the tools, support and networks to drive financial innovation that improves environmental performance of the energy mix.
- Release of 2002 Landmark Study, "Climate Change and the Financial Services Industry", highlighting the need for long-term, market-based frameworks to foster financial sector participation. Stating: 'The Kyoto Protocol is an important step but does not go nearly far enough'.
- Collaboration with the Carbon Disclosure Project (CDP) bringing about a transformation in the quality of data available to investors on the corporate implications of climate change.

For more information on the UNEP FI Climate Change Working Group:
<http://unepfi.net/cc>

"Swiss Re is fully aware of the great challenges arising from global climate change. We not only seek to be at the forefront of creating and working on developing a marketplace for sustainable assets through our Greenhouse Gas Risk Solutions team, but clearly believe that we should operate and manage our own operations according to the highest sustainability criteria."

John Coomber Chief Executive Officer
Swiss Re

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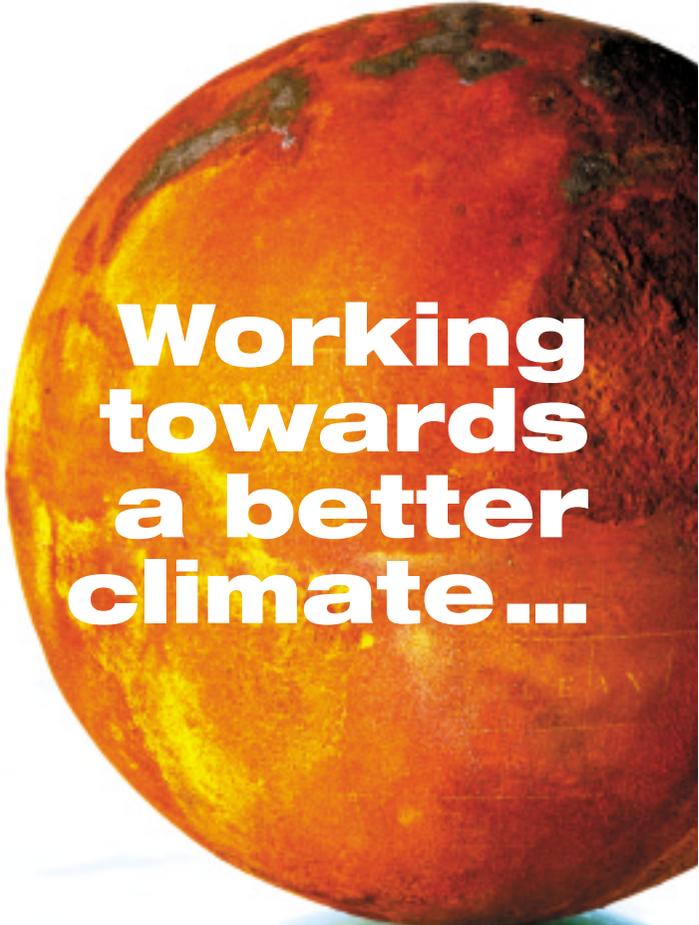
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A document of the UNEP FI Climate Change Working Group



**Working
towards
a better
climate...**

"Worldwide economic losses due to natural disasters appear to be doubling every 10 years and, on current trends, annual losses will reach almost \$150 billion in the next decade."

UNEP FI 2002 Study

UNEP FI Climate Change Working Group

The United Nations Environment Programme Finance Initiative (UNEP FI) is a unique global partnership between UNEP, financial institutions, insurance and re-insurance companies and fund managers. Based in Geneva, Switzerland, UNEP FI has over 260 member institutions worldwide.

UNEP FI has been engaged in climate change issues since 1994. The main objective of the Climate Change Working Group (CCWG) is to engage the financial sector on the risks and opportunities climate change presents and to enable it to play a key role in delivering market solutions that mitigate its effects.

The group aims to

- identify and communicate the financial sector's role in mitigation and adaptation to climate change;
- raise awareness of the global and regional challenges of climate change, not only within the sector but also across all industries;
- position the financial sector as a credible and proactive partner by catalysing concrete actions within the institutions; and
- provide input to the United Nations Framework Convention on Climate Change (UNFCCC) process through support of the Kyoto Protocol flexible mechanisms – International Emissions Trading, Joint Implementation (JI) and the Clean Development Mechanism (CDM).

"I have come to realise clearly that if insurers do not take effective action soon, they will face enormous financial burdens from climate change. Climate and environmental protection has acquired strategic importance. They are increasingly becoming a 'business case' and not just 'nice to have'."

Stefan Heyd Board Member, Environmental Issues
Munich Re

Providing Expertise...

 Abbey recognises its responsibility in considering environmental issues associated with its business activities, and manages environmental risk as part of its wider risk management processes, including assessment of how the company responds to climate change.

 Citigroup has a longstanding commitment to conducting business in an environmentally and socially responsible manner that is consistent with the goal of being a good corporate citizen. Most recently, Citigroup was one of the lead banks that developed the Equator Principles – a voluntary set of guidelines for managing social and environmental issues related to the financing of development projects. Other cutting edge environmental policies include tracking the usage of energy, water and recycled waste in over 10,000 buildings globally.

 Dresdner Bank Dresdner Bank has been part of the Allianz Group as the international centre for banking since 2001. Protection of the climate and the environment present important business opportunities for Dresdner Bank and also help enhance the company's overall risk management. The Corporate Sustainability Unit is responsible for the development of Dresdner's activities in this field.

 Founded nearly half a century ago by the leading Russian insurance company, Ingosstrakh, Garant has built up a successful reputation in credit and political risk insurance, guaranteeing clients against non-payment of trade risks. Garant is well aware of the challenges of modern society and has a strategic alliance with GSDP Global Sustainable Development Project offering financial solutions for climate-related risks and sustainable development, particularly in emerging markets.

 Over the past 30 years, through the work of its Geo Risks Research Department, Munich Re has continuously observed changes and trends in the environment including those occurring in the atmosphere. Munich Re has successfully drawn the attention of the insurance industry, its clients, and the interested public around the world to the

important topic of climate change by providing risk assessments as well as in-depth statistical analysis. Today, Munich Re is working on solutions to best support the Kyoto process.

 SAM is a pure-play asset management firm focused on sustainable investing. The investment process integrates climate change considerations as part of the fundamental analysis and stock selection criteria. SAM also has dedicated investment funds that address the challenges of climate change, offering solutions to the carbon challenge through both public and private equities. The Dow Jones Sustainability Index, for which SAM conducts research, also puts significant weight on management competence in addressing climate change issues.

 Swiss Re Swiss Re values the natural and social environment and promotes related issues through its activities and interaction with stakeholders. The company's environmental expertise, founded in the traditional lines of business, is now expanding into more contemporary areas of alternative risk transfer. Swiss Re's Greenhouse Gas Risk Solutions team construct state of the art solutions for risk transfer of carbon-related liabilities and carbon mitigation.

Advisors

Andlug Consulting

Dr. Andrew Dlugolecki is a strategic consultant on climate change and the financial sector. He has 30 years experience in the field, including past assignments with the Intergovernmental Panel on Climate Change (IPCC), UNEP FI and the World Bank.

Climate Solutions Consultancy

Dr. Julian E. Salt has 12 years of climate change-related experience tracking the UNFCCC negotiations, including past assignments with UNEP FI, Sandia Lab and Abbey.

Policy Consultant

Kirsty Hamilton, formerly of Greenpeace International, has 12 years experience in the UNFCCC intergovernmental process and climate change debate.