

Welcoming Comments

Speakers: Mrs. Funmi Ade-Ajayi, COO of Citibank Nigeria
Mr. Paul Clements-Hunt, Head of UNEP FI
Mr. Ben Akabueze, Honorable Commissioner for Economic Planning and Budget at the Lagos State Government
Mr. Richard Knight, CEO of Standard Chartered Bank Nigeria

Mrs. Funmi Ade-Ajayi, COO of Citibank Nigeria referred to Citi's commitment towards the environment and social development: being an international financial institution with subsidiaries all around the globe, Citi is conscious of its high level of responsibility to promote sustainable finance practices; supporting the UNEP FI African Task Force (ATF) from its foundation is a sign of the bank's commitment, shared by all its subsidiaries. "Citigroup takes special pride in also being one of the ten founding signatories of the Equator Principles, a voluntary set of guidelines developed by the banks for managing social and environmental issues related specifically to the financing of development projects, based on policies and guidelines by the World Bank and IFC. Signatories to the EP agree to lend only to those projects where the borrower is able to provide evidence of compliance with sound environmental standards and is committed to developing their projects in a socially responsible manner."

Mrs. Ade-Ajayi underlined how the size, importance and solidity of Nigerian (and in general, West African) financial institutions (FIs) is increasingly growing in the African and world scenario. It is clear that FIs will be called to play a critical role in economic development and in long term sustainability. Nigerian FIs will need to prepare and educate themselves to take up this role.

Mr. Paul Clements-Hunt, Head of UNEP FI, welcomed all participants to the Roundtable, which he sees as a great celebration for the enlargement of the UNEP FI family. UNEP FI which started in 1992, is the oldest and largest partnership between the public and the private sector, and it represents a quiet revolution which has sustainable finance and responsible investment as its outcomes.

The last years in the financial sector have seen a shift beyond risk and towards opportunities: an exemplary case is that of the pension industry, which now accounts for more than 13 trillion USD. As wealth is being passed from one generation to the next, more attention to sustainability issues is demanded: this shifting pushes us towards a very simple choice, which is that of a clean, green future. In addition to this, FIs should also consider the growth opportunities embedded in the sector (for example, the exploding business of carbon finance).

To make the change possible however, sustainable finance must be a real concept rather than a marketing tool, and it must be internalised by FIs and incorporated in their way of thinking and of conducting business. Mr. Clements-Hunt concluded by reinforcing UNEP FI's commitment to support and promote FIs engaged in sustainable finance in West Africa, and in the continent as a whole.

Mr. Ben Akabueze, Honorable Commissioner for Economic Planning and Budget at the Lagos State Government, stated that it is the responsibility of the Government to improve the life quality of its citizens through infrastructures and services; the real challenge of this task however is to conduct it on a sustainable basis, evaluating the long term impact of projects and programmes. The Lagos State government requires mandatory assessment for all the projects it realises or finances; the fact that so many representatives of the financial sector participated in the Roundtable was seen by Mr. Akabueze as a positive sign that the private sector is more attentive towards the environmental and social impact of their activities, and he expressed his hopes that this commitment will prevent environmentally destructive and mortal accidents (such as the one which occurred in Lagos in May 2008) to happen again.

Mr. Akabueze expressed the urgency to work consciously towards poverty reduction in Nigeria, by setting an economic policy that supports sustainable development and growth through infrastructures development and renewal, and through the provision of services to those in need. The Lagos State Microfinance Initiative, with a target of 25 billion Naira, is working towards the migration out of poverty for all those people who do not normally have access to financial services.

Mr. Richard Knight, CEO of Standard Chartered Bank Nigeria, underlined how the lending activity of banks has the potential to impact communities, economies and the environment positively or negatively,. The way FIs choose to manage this potential will most likely also impact their reputation. Standard Chartered has chosen to achieve sustainability by using their core skills and services to shape transactions into a more sustainable structure.

By consulting key stakeholders, Standard Chartered has identified the seven priorities, which now constitute the FIs approach to achieve the double objective of impacting the world positively in the long run and of continuing to be high performing. The seven pillars cover the areas of sustainable finance, protecting the environment, community investment, access to financial services, ensuring satisfaction to employees, tackling financial crime and responsible selling and marketing. The pillars are supported by realistic points of action, and backed by concrete successes already achieved.

Standard Chartered has committed to deliver on this agenda by significantly impacting sustainability in Africa, not only through traditional philanthropy, but also by looking at how the bank's core business can contribute to address the continent's challenges, and to create real change. Mr. Knight concluded his speech with the wish that more allies will join in the drive for positive change.