INTRODUCTION TO UNEP FI

The United Nations Environment Programme Finance Initiative exists to encourage systemic change in global finance to support a sustainable world. This world will be one that is low carbon, resource efficient and socially inclusive.

It does this by capitalising on its unique position as part of both the UN system and the finance sector. By providing a neutral, non-competitive space for stakeholders, it acts as a platform at the intersection between finance, science and policy.

Created in the context of the 1992 Rio Earth Summit, UNEP FI works to understand today’s environmental challenges, why they matter to finance, and how to actively participate in addressing them. The partnership now consists of a global network of over 200 banks, insurers and investors from over 50 countries.

Throughout its existence, UNEP FI has produced extensive research to fully understand the intersection between finance and the environment.

It has also produced cutting-edge practical tools and training to enable practitioners to undertake the fundamental changes required to transition to a green economy. The Initiative has further acted as a standard-setter, giving birth to both the Principles for Responsible Investment (PRI) and the Principles for Sustainable Insurance (PSI).

UNEP FI’s work also includes a strong focus on policy. It encourages national-level dialogues between finance practitioners, supervisors, regulators and policy-makers, and, at the international level, by promoting financial sector involvement in processes such as the global climate negotiations and the Sustainable Development Goals (SDGs).
Global Events & Meetings at a Glance

02/16
- Sustainable Real Estate Investment Framework Launch (Held in London, UK. Followed by 13 global launches)

05/16
- Environmental Risk and Sovereign Bonds - ERISC II launch (London, UK)
- UN Environment Assembly Symposium on Mobilizing Sustainable Investments (Nairobi, Kenya)

06/16
- Enhancing Financial Flows for Energy Efficiency in the Building Sector (Shenzhen China)

09/16
- Statement into Investor Obligations and Duties, Global Launch (Paris, France)

10/16
- Insuring for Sustainable Development (Munich, Germany)
- UNEP FI Global Roundtable and Annual General Meeting (Dubai, UAE)
- Habitat III - United Nations Conference on Housing and Sustainable Urban Development (Quito, Ecuador)

11/16
- UN Sustainable Stock Exchanges Global Dialogue (Singapore)
- 2016 Forum of the Standing Committee on Finance, UNFCCC (Manila, Philippines)
- Sustainable Investment Forum, (New York, USA)
- Climate Finance Day (Casablanca, Morocco)
- UN Climate Change Conference COP 22 (Marrakech, Morocco)
- Natural Capital – Let’s talk business (The Hague, Netherlands)

12/16
- 13th Meeting of the Conference of the Parties to the Convention on Biological Diversity (Cancun, Mexico)
- UNEP Sustainable Insurance Forum for Supervisors (San Francisco, USA)
- RI Americas (New York, USA)
REGIONAL EVENTS & MEETINGS AT A GLANCE

UNITED STATES
- August 2016: US Launch of Statement into Investor Obligations and Duties
- April 2016: Launch of Fiduciary Duty in the 21st Century: UK Roadmap
- July 2016: Environmental Finance - Forest Finance & Sustainability Conference 2016

UNITED KINGDOM
- March 2016: 3rd Geneva Summit: The Role of Finance in Promoting Sustainable Development
- April 2016: Launch of Fiduciary Duty in the 21st Century: UK Roadmap
- July 2016: Environmental Finance - Forest Finance & Sustainability Conference 2016

UNITED KINGDOM
- May 2016: Kick-off meeting of Mongolian Green Credit Fund Working Group

TURKEY
- May 2016: 4th Sustainable Finance Forum Turkey

INDIA
- July 2016: Launch of Fiduciary Duty in the 21st Century: Focus on Asia – Launch events in Shanghai and Hong Kong

CHINA
- April 2016 - Enhancing Financial Flows for Energy Efficiency in the Building Sector
- July 2016: Fiduciary Duty in the 21st Century: Focus on Asia – Launch events in Shanghai and Hong Kong

SINGAPORE
- September 2016: Launch of Fiduciary Duty in the 21st Century: Focus on Asia at PRI In Person

PHILIPPINES
- September 2016: Principles for Sustainable Insurance-Philippine Insurers & Reinsurers Association international event on climate and natural disaster risk management

ZAMBIA
- November 2016: Environmental and Social Risk Analysis Workshop
- October 2016: Environmental and Social Risk Analysis Workshop
- March 2016: 4th Sustainable Finance Forum Turkey

PARAGUAY
- September 2016: Introductory Training Workshop on Environmental and Social Risk Analysis

CHILE
- November 2016: Introductory Training Workshop on Environmental and Social Risk Analysis
- November 2016: Promoting Sustainable Finance in the Southern Cone

ONLINE TRAINING
- The online training complements the national and regional outreach activities. Started in 2006, UNEP FI and its partners have run over 120 courses, training over 3,126 professionals from the financial sector all over the world. In 2016, the multilingual Environmental and Social Risk Analysis course was offered four times in English and Spanish respectively and once in French. The annual Spanish Corporate Eco-efficiency in Financial Institutions course also took place. In 2016, further developments are planned with the extension of the ESRA training course for financial regulators. The Climate Change course has been upgraded this year and will be offered in 2017.

- UNEP FI event
- UNEP FI supported/contributed event
UNEP FI’s motto “Changing finance, financing change” encapsulates our mission: to drive the change to a sustainable world economy that is supported by a sustainable financial system.

**Changing finance:** promoting the integration of sustainability concerns into the mainstream financial system, as well as financial institutions’ global operations and governance.

**Financing change:** mobilizing the financial services industry to foster a more sustainable economy.

UNEP FI supports the development and take-up of sustainable finance expertise among financial institutions. At the same time, it acts as a neutral platform for members to engage with policy makers and financial regulators to reach our ultimate goal: to move beyond new financial products and services and to help enable a new sustainable finance system. To date, during 2016, UNEP FI has already made ground-breaking progress in the following areas: building expertise and enabling a sustainable finance system. We are also working towards measuring the impact of our initiatives, and we will expand this aspect of our work into 2017 and beyond.

- Research
- Awareness
- Capacity building
- Principles and standards
- Tools

- Economic Policy
- Financial Regulation
- National processes

- Paradigm/culture shift

- Enabling economic & financial policy
- Developing sustainable financial institutions
- Measuring impact
DEVELOPING SUSTAINABLE FINANCE MARKETS

An estimated $5-7 trillion a year until 2030 will be needed to realise the Sustainable Development Goals worldwide, including investments into infrastructure, clean energy, water and sanitation, and agriculture, but none of the current approaches seem to be able to reach the necessary scale.

TOWARDS AN IMPACT-BASED FINANCING PARADIGM

Part of the difficulty in filling the shortfall in finance is that the projects, entities and individuals looking for investment capital do not have the kind of risk/return profile that the mainstream market is seeking. The fundamental question is: can we make the “unbankable” (or the less bankable) attractive to mainstream investors? How do we connect business to those who urgently need financing?

In 2015, UNEP FI launched the Positive Impact Manifesto, in which its banking and investment membership proposed that sustainable development and the attainment of the Sustainable Development Goals is both a macroeconomic necessity and a business opportunity. The manifesto suggests that, to meet the challenge and take advantage of the opportunities presented by sustainable finance, a new financing paradigm is needed, based on a holistic approach to economic, social and environmental issues.

To deliver the aims of the Manifesto, UNEP FI established a Positive Impact Working Group and Roadmap in early 2016, whose initial goal is to address two key challenges: the lack of common definitions and the lack of business models for accelerating Positive Impact finance.

The Principles for Positive Impact Finance - which will be published in January 2017 - will deliver a common language for the market, guiding financial services providers in their efforts to increase their positive impact. The Positive Impact Incubator will allow new business models and financing approaches to be tested by financiers and corporates to improve the bankability of SDG-serving transactions. The first step in this process will be to undertake a closer analysis of the shortfall in funding the Sustainable Development Goals in a Grounding Paper to be produced in partnership with the World Business Council for Sustainable Development and to be published in early 2017.

ROADMAP TO FINANCING THE SDGS

MANIFESTO

Common vision

THE PRINCIPLES FOR POSITIVE IMPACT FINANCE

Common language and assessment framework

INCUBATOR

Proof in practice of innovative business / finance models

MARKETPLACE

For positive impact needs, solutions and finance
INSURANCE DEVELOPMENT GOALS

As risk managers, risk carriers and investors, the insurance industry has a triple role in promoting sustainable development. In 2015, the Principles for Sustainable Insurance (PSI) announced the creation of the Insurance Development Goals to help achieve the UN’s 2030 Sustainable Development Goals. In October 2016, at the PSI-Allianz international event, “Insuring for sustainable development: Making it happen” in Munich, the PSI firmed up its initiative to develop sustainable insurance underwriting guidelines across lines of business. This initiative is backed by the experience of PSI members in implementing environmental, social and governance (ESG) risk management frameworks in their core business activities, and by the PSI’s global study, led by Munich Re and the International Finance Corporation, on how ESG risks are addressed when underwriting surety bonds for infrastructure projects. These initiatives will be developed further by the PSI in 2017.

In June 2016, the International Labour Organization’s Impact Insurance Facility became a PSI supporting institution. As their first collaborative activity, the PSI and the Facility will be disseminating knowledge through a webinar series on topics critical to make inclusive insurance work. These topics include clients and impact metrics, distribution and technology, health, SMEs and value chains, and agriculture and climate risks. The PSI and the Facility will explore further collaborative opportunities to help build inclusive and sustainable insurance markets.

ENERGY EFFICIENCY FINANCING

Increasing energy efficiency is one of the most cost-effective ways for Europe to reach its climate objectives while enhancing its energy security. UNEP FI co-convened an 18-month dialogue with the European Commission, gathering over 100 experts and practitioners to discuss key challenges and solutions to scale up energy efficiency investment in buildings and throughout industry in the EU. In 2016, UNEP FI followed Phase II of the Energy Efficiency Financial Institutions Group (EEFIG) funded by the European Commission which focused on the de-risking of energy efficiency investments. An open-source data platform which lists European energy efficiency projects was launched in October 2016, with the aim of strengthening confidence of investors in this market. In parallel, the EEFIG group is working on the development of an underwriting framework for energy efficiency investing which will contribute to the standardization of energy efficiency financing processes and reduce transaction costs.

As a follow-up to the EEFIG report’s recommendations, UNEP FI joined the Advisory Committee of an innovative European initiative led by the European Mortgage Federation and European Covered Bond Council (EMF-ECBC), which aims to develop the energy efficiency market through the creation of an energy efficiency mortgage. The launch took place in October 2016 and further analytical work and consultations will be conducted in 2017.

UNEP FI will also join the Advisory Group of the Sustainable Energy Investment Forums initiated by the European Commission and aiming to organize national roundtables on how to finance energy efficiency in 15 European countries.

Buildings contribute 30% of annual greenhouse gas emissions and consume around 40% of the world’s energy
SUSTAINABLE REAL ESTATE INVESTMENT - IMPLEMENTING THE PARIS CLIMATE AGREEMENT: AN ACTION FRAMEWORK

The buildings sector has one of the highest carbon footprints – it currently contributes 30% of global annual greenhouse gas (GHG) emissions and consumes around 40% of the world’s energy. Following through on the commitments made in Paris means avoiding 77% in total CO2 emissions in the buildings sector by 2050 compared to today’s levels. To support real estate investors with this work, UNEP FI and its global partners (IGCC, IIGCC, Ceres INCR, PRI and the RICS) have come together to create clear signposts for action for real estate stakeholders. These easy to understand and apply actions and the accompanying framework distil all the available material published over the last five years, enabling real estate stakeholders to start taking action.

BUILDING SUSTAINABLE FINANCE EXPERTISE

Sustainable Stock Exchanges Initiative 2016 Report of Progress launched at the Sustainable Stock Exchanges Global Dialogue which took place in Singapore the biannual report summarizes developments since 2014. In addition, the report examines specific Sustainable Development Goal targets and highlights examples of good practice that exchanges can build upon as they work to contribute to the global effort in achieving the UN’s 2030 Agenda for a sustainable world.

Key statistics:
- 60 stock exchanges now partner with the Sustainable Stock Exchanges Initiative (SSEI)
- Market capitalization of over $55 trillion represented, and more than 70% of the listed equity market that has made a public commitment to advancing sustainability in their market.
- 12 stock exchanges now require ESG reporting as a listing rule
- 15 provide formal guidance on ESG reporting to issuers
- 23 additional SSE Partner Exchanges have committed to issue guidance as part of the SSE Campaign to close the ESG guidance gap
- 11 list green bonds
- 38 provide ESG indices
UNEP FI has been developing practical tools that address specific topics in Environmental and Social Governance integration. During 2016, our work continued on the following projects:

**STRESS TESTING LENDING PORTFOLIOS FOR ENVIRONMENTAL RISK**

The Natural Capital Declaration has partnered with the German Government’s Emerging Markets Dialogue on Green Finance, implemented by GIZ, on a project with several leading financial institutions to stress-test corporate lending portfolios for environmental risk. Specifically looking at drought scenarios, the project will develop an analytical framework that stress tests the economic impact of droughts on bank portfolios. Scenarios are being developed for four countries – Brazil, Mexico, China and the United States. The tool and methodology will be released in the beginning of 2017.

**AN OVERVIEW OF NATURAL CAPITAL DEPENDENCIES AND IMPACTS: THE FINANCE SECTOR SUPPLEMENT TO THE NATURAL CAPITAL PROTOCOL**

The Natural Capital Coalition recently launched the Natural Capital Protocol - a framework designed to help business managers make informed decisions in relation to the natural capital upon which their businesses rely. To enable financial institutions to apply this framework to their portfolios, the Natural Capital Declaration (NCD), the Dutch Association of Investors for Sustainable Development (VBDO), and the Coalition are working jointly to produce a Finance Sector Supplement which will:

- equip financial institutions with the most current knowledge and tools
- focus on portfolio impacts and dependencies
- inform risk appetite decisions at an industry and country level
- inform active ownership decision making and impact investing alongside product and service opportunities.

The work will be introduced at the Global Roundtable in October 2016 and will launch in September 2017.
RISK IN SOFT COMMODITY SUPPLY CHAINS

In October 2016, UNEP FI and the UN-REDD Programme (United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries) published a policy brief which explores the business case for removing deforestation from commodity production. This is one of the first examinations of the implications of continued deforestation on palm oil production and financing, and builds on a deforestation value at risk model developed by UNEP FI in 2015.

The UNEP FI team also supported the UN-REDD Programme in engaging the private sector in the REDD+ Programme. Studies scoping investment opportunities in the land use sector took place in Costa Rica and Cote d’Ivoire and workshops to present the findings of the work took place in March and April respectively.

Taking Out Deforestation From Commodity Supply Chains

UNEP FI’s Ecosystems team has been working on a Global Environment Facility Integrated Approach Pilot focused on Taking Out Deforestation From Commodity Supply Chains. As part of this project, UNEP FI will be working alongside the International Finance Corporation on the development of tools and methodologies that will allow financial institutions to better identify, manage and reduce deforestation risks associated with commodity production.
PUSHING THE BOUNDARIES OF SUSTAINABLE FINANCE WITH CUTTING-EDGE RESEARCH

The boundaries of sustainable finance are continuously expanding due to both natural and human changes in the operating environment of financial institutions. UNEP FI has repeatedly been the first to raise a new agenda in sustainable finance which later has become an industry standard. In 2016, the most cutting edge research put forward by UNEP FI has been as follows:

Advancing Environmental Risk Management: Mapping Natural Capital Impacts and Dependencies into Credit Risk

Financial institutions need robust data and methodologies to understand and quantify natural capital-related risks and opportunities. Building on the water-scarcity projects, a broader analysis of natural capital-related impacts and dependencies is now underway. The aim of this project is to support financial institutions in the process of embedding natural capital indicators within risk assessment methods and decision-making tools. The first phase will see the creation of a map of natural capital indicators covering both global data and with specific implementation in Colombia, Indonesia, Peru and South Africa. During the second phase, a methodology will be produced for describing the risk paths and quantifying the material natural capital-related risks based on the indicators collected in the first phase. The project launched in November 2015 with the release of a scoping study, and is planned for completion in July 2018.

Environmental Risk Integration in Sovereign Credit: Phase II – How Food Prices Link Environmental Constraints to Sovereign Credit Risk

This second phase of the sovereign credit risk analysis identifies and quantifies how environmental constraints and climate change can affect countries’ economic performance and - potentially - sovereign credit ratings. Phase I showed that environmental risks could be material but did not quantify them: Phase II focused on food prices to better quantify the potential risk national economies could face.
The behaviours of financial institutions are heavily influenced by economic policies and financial regulations. To that effect, UNEP FI has been supporting policy makers to adopt effective policies and engaging with financial regulators to integrate sustainability issues into regulatory objectives. In 2016, the highlights of UNEP FI’s policy and regulatory work include the following:

**Fiduciary Duty in the 21st Century**

In January 2016, the Principles for Responsible Investment (PRI), UNEP FI and The Generation Foundation launched a three-year project to clarify investors’ obligations and duties in relation to the incorporation of environmental, social and governance (ESG) issues in investment practice and decision-making. This follows the publication in September 2015 of Fiduciary Duty in the 21st Century by the PRI, UNEP FI, the UNEP Inquiry and the UN Global Compact.

**Investor Obligations and Duties in Six Asian Markets**

One component of the work is extending research into fiduciary duties to six Asian markets: China, Hong Kong, India, Malaysia, Singapore and South Korea.

Based on over 50 interviews with policy makers, investors and stakeholders, the report analyses investment practice and investor obligations and duties in the six markets. The report aims to bridge the needs of policy makers and investors to support the integration of ESG factors in the six markets.
SUSTAINABLE INSURANCE POLICY & REGULATION

A growing number of insurance regulators in different jurisdictions are addressing sustainability challenges—such as climate change adaptation and mitigation, disaster risk reduction, and access to insurance—through various approaches. To demonstrate their commitment to sustainable insurance, the insurance regulators of Brazil, California, Costa Rica, the Philippines, and Washington State have all signed the Principles for Sustainable Insurance (PSI).

To promote the aims of sustainable insurance, the PSI Secretariat spoke at the Annual Conference of the Latin American Association of Insurance Supervisors (Rio de Janeiro, April 2016), the Climate Risk Summit convened by the Washington State Office of the Insurance Commissioner and the University of Washington's Climate Impacts Group (Seattle, June 2016), and the Implementation Committee Meeting of the International Association of Insurance Supervisors (Budapest, June 2016). Furthermore, the Bank of England's Prudential Regulation Authority spoke about sustainability issues in the context of insurance policy, regulation and supervision at the PSI-Allianz international event (Munich, October 2016).

Building on their global consultation on insurance regulation and sustainable development that produced the global report, “Insurance 2030: Harnessing insurance for sustainable development”, the PSI and UN Environment’s Inquiry into the Design of a Sustainable Financial System are establishing the Sustainable Insurance Forum for Supervisors (SIF). The SIF is a practical arena to strengthen the ability of insurance regulators and supervisors to manage the sustainable development dimensions of their mandates through international cooperation. The inaugural meeting of the SIF will be held in San Francisco in December 2016 and will be hosted by the California Insurance Commissioner.

DEMYSTIFYING PRIVATE CLIMATE FINANCE

The adoption of the Paris Agreement at COP 21 in December last year was a landmark achievement, with 197 countries endorsing an ambitious climate change agreement, which importantly included global goals on adaptation. This raised the political profile of adaptation and climate resilience.

After the launch of Demystifying Private Climate Finance in 2015, UNEP FI will deliver the second instalment in the series, ‘Demystifying Private Adaptation Finance’ in November at the 22nd Conference of Parties of the UNFCCC in Marrakesh. This report addresses climate change adaptation and resilience, and the multi-billion dollar gap that exists between the public funds available for global adaptation and the investment required. The report calls for private finance to fill the gap, provides an economic assessment of the ‘barriers to adaptation finance’, and makes recommendations to policy makers and the Global Climate regime designed to stimulate both the demand and supply of finance for private adaptation and resilience activities.
SUPPORTING CLIMATE & DISASTER RESILIENCE

In February 2016, the Principles for Sustainable Insurance (PSI) collaborated with ICLEI—the global cities network—for an international webinar on risk reduction and risk transfer approaches at the local level, as part of ICLEI’s Resilient Cities series. The PSI also supported ICLEI’s Resilient Cities Congress in Bonn in May 2016.

To promote various PSI projects on cities, SMEs and infrastructure, the PSI Secretariat spoke at the 6th International Disaster and Risk Conference, “Integrative risk management: Towards resilient cities”, which was held in August 2016 in Davos.

On the global climate change agenda, the PSI Secretariat participated in the meetings of the UN Framework Convention on Climate Change (UNFCCC) in April and July 2016 in Bonn. This engagement led to the PSI’s contribution to the 2016 Annual Forum of the UNFCCC Standing Committee on Finance in September 2016 in Manila, which focused on financial instruments that address the risks of loss and damage, such as insurance, catastrophe and resilience bonds, contingency finance, forecast-based finance, and social protection mechanisms.

G20 ENERGY EFFICIENCY FINANCE TASK GROUP

G20 countries account for more than three quarters of global energy consumption and greenhouse gas emissions, and it is clear that increasing energy efficiency will be key to achieving the global climate goals.

UNEP FI has been a member of the Secretariat of the G20 Energy Efficiency Finance Task Group (EEFTG) since its inception in 2015 - the first time that UN Environment has participated in a G20 group. Co-chaired by France and Mexico, the EEFTG – which aims to enhance capital flows for energy efficiency investments – has 14 members and promotes the need for coherent long-term policy on energy efficiency investments, as well as coordinating a dialogue with the financial sector. Under the Chinese G20 Presidency, the topic of energy efficiency has gained increased attention with the adoption in June 2016 of a new long-term G20 energy efficiency strategy.

In parallel to these policy advances and since COP21, UNEP FI has:

- Led a mobilisation of financial institutions: investors managing USD 4000 billion of assets and 117 banks from over 40 countries have committed to work towards increasing their financing of energy efficiency.
- Organized a workshop in China on the sidelines of the G20 meetings in April 2016 which focused on the financing of energy efficiency in the building sector.

To complement aims of the UNFCCC Forum, the PSI and the Philippine Insurers & Reinsurers Association (PIRA) convened the international event, “Insuring climate and disaster resilience: Innovations and solutions for sustainable development” in Manila that same week. The PSI-PIRA market event, which was supported by the UNFCCC, covered the risk management value chain of the insurance business. This includes understanding risk through catastrophe risk modelling, adapting to climate change and reducing disaster risk, and developing climate and disaster risk transfer solutions at the micro, local, national and regional levels. Furthermore, the event provided a platform for the Executive Committee of the UNFCCC Warsaw International Mechanism for Loss and Damage and PSI to carry out a consultation with insurance experts on the establishment of the UNFCCC Clearinghouse for Risk Transfer.

Finally, in October 2016, the PSI supported a ground-breaking workshop with the city leadership of Dar es Salaam as part of the City Innovation Platform for African Infrastructure Risk & Resilience project led by Santam and ICLEI.
PRIVATE FINANCE COMES TOGETHER TO SUPPORT GOVERNMENTS ON SUSTAINABILITY

As significant shareholders of the world’s largest corporations, and as the largest pools of financial capital worldwide, institutional investors have a key role to play in catalysing the low-carbon economic transition. The Portfolio Decarbonization Coalition (PDC) is mobilizing a critical mass of investors to:

i. Understand and measure the risks and opportunities from climate change and the transition to a low-carbon economy and;

ii. Systematically align their portfolios, across sectors and asset classes, with the low-carbon economy, accelerating the transition while protecting their assets.

After its success at COP 21, where it smashed its $100bn decarbonization reaching $600bn, the focus of PDC in 2016 has been on consolidation.

The PDC is helping catalyse the development of tools and strategies that can be used by investors to decarbonise their portfolios, and to report on performance outcomes in a consistent, credible manner. PDC held a series of workshops and webinars in 2016 where members of the coalition presented their strategies and outcomes. PDC will be launching its annual progress report at Climate Finance Day in Casablanca, taking place just before COP 22.
The first global climate meeting focused on implementing the historic Paris Agreement will take place in Marrakech 7-14 November. Working at the interface between governments and the finance sector, UNEP FI will be continuing to take part in the intergovernmental climate process under the UNFCCC and will be participating in the following events at COP 22:

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
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<tr>
<td>4 November</td>
<td><strong>2016 Climate Finance Day</strong> supported by UNEP FI.</td>
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<tr>
<td>7 November</td>
<td><strong>Demystifying Private Adaptation Finance.</strong> UNEP FI side event in partnership with the German Federal Ministry for Economic Cooperation and Development, GIZ, and the Frankfurt School UNEP FI Collaborating Centre.</td>
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<tr>
<td>10 November</td>
<td><strong>How can international cooperation enhance energy efficiency investments?</strong> UNEP FI side event in partnership with the International Partnership for Energy Efficiency Cooperation</td>
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<tr>
<td>11 November</td>
<td><strong>Beyond Paris: Investor Actions to Manage Climate Risk and Seize Low-carbon Opportunities</strong> - UNEP FI side event in partnership with the Global Investor Coalition (GIC), PRI, CDP, and Carbon Tracker.</td>
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<tr>
<td>14 - 15 November</td>
<td><strong>The Sustainable Innovation Forum (SIF):</strong> including a UNEP FI-led plenary session on Financing Climate Action</td>
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<tr>
<td>15 November</td>
<td><strong>Scaling-up Financing for Energy Efficiency</strong> - UNEP FI side event in partnership with the International Partnership on Energy Efficiency Cooperation (IPEEC).</td>
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<td>15 November</td>
<td><strong>Mobilizing and Allocating Climate Finance: What Will it Take?</strong> Side event organized by UN Environment, the International Monetary Fund (IMF), and the World Bank.</td>
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<tr>
<td>16 November</td>
<td><strong>Fostering Green Capital Markets in the South</strong> – side event co-organized by the Moroccan Capital Markets Authority (AMMC), the Casablanca Stock Exchange, the Moroccan Central Depository (MAROCLEAR), the United Nations Sustainable Stock Exchanges Exchanges Initiative (SSEI).</td>
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Annual Overview 2015
The UNEP Inquiry into the Design of a Sustainable Financial System (the Inquiry) was established in January 2014 with a mandate to advance policy options that would improve the effectiveness of the financial system in supporting sustainable development. In September 2016, the Inquiry published its second annual progress report, The Financial System We Need: From Momentum to Transformation. With US$118 billion in green bonds now in issuance, a quiet revolution is happening amongst financial regulators, policy makers, governments and financial institutions, in the adoption of sustainable finance. The momentum is growing: at the last G20 summit it was announced that the G20 and the Financial Stability Board are exploring how the financial system can take greater account of environmental factors. UNEP FI contributed to the Inquiry report and will launch a joint report with the Inquiry at the Global Roundtable in Dubai, The Connecting Financial System and Sustainable Development: Market Leadership which will highlight how financial institutions are taking the lead on incorporating sustainable finance approaches into their daily business.

The information contained in this interim version of the 2016 overview covers the period up to October 2016. A full version of the 2016 overview will be available at the beginning of 2017.