



UNEP **Finance Initiative**
Innovative financing for sustainability



Financing **change.** Changing **finance.**

UNEP FI Global Roundtable

Cape Town, South Africa

22 - 23 October 2009

Cape Town International Convention Centre



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Financing **change.** Changing **finance.**

Foreword **Achim Steiner**



Coming just six weeks ahead of the landmark United Nations climate change conference in Copenhagen, UNEP Finance Initiative's 2009 Global Roundtable in South Africa, "Financing change. Changing finance." comes at a critical point in time.

The voices of African finance, as well as the continent's vibrant business community need every opportunity to be heard in the global climate change debate. Africa is the most vulnerable continent in terms of climate change, but one with inordinate opportunities if nations can Seal a credible Deal in December.

This event in Cape Town, convened with UNEP's 180 financial institution partners from around the world, is an appropriate platform for the views and opinions of the African and global financial community to be crystallized ahead of the UN meeting in Denmark.

We are delighted that the Government of the Republic of South Africa and co-hosts, such as the Banking Association of South Africa, are supporting this UNEP FI event.

UNEP's Green Economy Initiative will form an important part of the Cape Town discussions as will the challenges and opportunities the financial service companies and capital markets face in making that much needed transition - via commercial, industrial and trading activities - to a global green economy based on a low carbon, clean energy, resource efficient foundation.

The world is facing threats but also transformational choices - the right ones may lead to an exciting period of innovation, renewal and productive growth for all involved in finance and business wherever they are in the world.

In closing, I would like to wish all participants a fruitful meeting in Cape Town.

Yours sincerely

A handwritten signature in black ink, which appears to read "Achim Steiner". The signature is fluid and cursive.

Achim Steiner

Executive Director

United Nations Environment Programme



Foreword **Rob Tacon**



On behalf of the member institutions backing this unique partnership between the United Nations Environment Programme (UNEP) and more than 180 financial services companies from around the world, I would like to welcome you to Cape Town for our 2009 UNEP FI Global Roundtable.

This year's event is of particular significance as we bring UNEP FI's Annual General Meeting and flagship event to Africa for the first time, having circled the globe in recent years: Frankfurt (2000); Rio de Janeiro (2002); Tokyo (2003); United Nations Headquarters (2005); and, most recently, Melbourne (2007). We are thrilled that UNEP FI's event is the culmination of Cape Town Green Week.

UNEP FI, dating back to 1992 which makes us the oldest and largest partnership between the UN and the worlds of banking, insurance and investment, is thrilled to be co-hosting this agenda-setting event with the Banking Association of South Africa (BASA) and our many generous sponsors, supporters and partners.

We are delighted also to be welcoming so many international participants from all corners of the Earth. It is quite fitting then that, some seven years after the world's governments came to Johannesburg for the 2002 World Summit for Sustainable Development (WSSD), UNEP FI will explore the current reality of sustainable finance and responsible investment with such a rich mix of private sector, governmental and civil society representatives from so many nations.

Naturally, we will be looking ahead to consider the challenging course that must be steered during the next six weeks as we contemplate the pivotal importance of the historic UN Climate Change Summit that meets in Copenhagen, Denmark, in December. Beyond the Copenhagen gathering, finance and capital market actors must also fully understand the crucial work that lies ahead for them in coming decades as we seek to transition globally to a low carbon economy based on the goal of a sustainable development that balances "people, planet and profit" ethos.

Africa, with its immense natural assets, wondrous beauty and, at times, unrealized promise, is a wonderful place for UNEP FI to gather as we consider the theme of "Financing change. Changing finance." in the context of sustainable development.

As Chairman of UNEP FI my commitment towards this Global Roundtable has been to ensure that it is much, much more than another "talking shop" and, with your help, we will achieve that stated goal and, once again, UNEP FI will reset the agenda for the sustainable finance and responsible investment community worldwide.

Yours sincerely

Rob Tacon
Chairman
United Nations Environment Programme
Finance Initiative



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Programme



Wednesday 21 October

- 17:00 onwards **Registration opens**
- 18:45 **Welcome reception**

Day 1 Thursday 22 October

- 07:30 onwards **Registration opens**
- 09:00 - 09:10 **Opening ceremony**
- 09:10 - 10:10 **Opening plenary**
The new sustainable finance - Getting serious
- 10:15 - 11:15 **Second plenary**
Finance, investment and business - Making it happen
- 11:15 - 11:40 **Break**
- 11:40 - 13:00

Workshop 1 Copenhagen and beyond - The role of finance in climate change	Workshop 2 Insuring sustainable markets of the future	Workshop 3 Resource rich markets - Balancing natural assets	Workshop 4 Eco-legislation - Catalyzing green markets in South Africa
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- 13:00 - 14:20 **Lunch**
- 14:20 - 15:35

Open Debate Series I			
Workshop 5 The regulation reflex - Sustainable finance in an era of "big government"	Workshop 6 "A handful of water" - The mercurial asset	Workshop 7 Financing environmental infrastructure	Special workshop Review and update of IFC Social and Environmental Standards
- 15:35 - 16:00 **Break**
- 16:00 - 17:20

Workshop 8 From GRI reporting to indices - The next generation for financial markets	Workshop 9 Access to finance - Micro solutions, macro opportunities	Workshop 10 The FI challenge - Sustainability in the supply chain	Workshop 11 African agro-industry in an era of environmental change
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- 18:30 **Pre-dinner reception**
- 19:45 **Conference dinner**

Day 2 Friday 23 October

- 07:30 onwards **Registration opens**
- 09:00 - 10:00 **Third plenary**
Responsible Investment - Elusive, illusion or its time has come?
- 10:10 - 11:10 **Fourth plenary**
UNEP's Green Economy Initiative - The markets remade
- 11:10 - 11:30 **Break**
- 11:30 - 12:50

Workshop 12 The banking challenge - Balance sheets, reputations and trust	Workshop 13 Africa and the CDM - Finding the lost treasure	Workshop 14 The new fiduciary and sustainable assets	Workshop 15 Banking on private investment for the cleantech revolution
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- 12:50 - 14:10 **Lunch**
- 14:10 - 15:25

Open Debate Series II			
Workshop 16 King III and the governance challenge - Putting a premium on corporate responsibility	Workshop 17 The problem with ecosystems - Valuing the priceless	Workshop 18 Post crisis - A forensic future for finance	Special workshop Managing environmental and social risk in project finance transactions
- 15:25 - 15:40 **Break**
- 15:40 - 17:00

Workshop 19 Public-private hybrids for a low carbon future	Workshop 20 Rethinking finance - Human rights and ethics	Workshop 21 Sound assets - Valuation for an era of responsibility	Workshop 22 Sustainability and global property portfolios
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- 17:00 - 17:15 **Closing plenary "The butterfly effect" - Changing finance**

Schedule **Day 1**

The new sustainable finance - Getting serious

Opening plenary | 22 October | **09:10 - 10:10**

With governments and private sector shoring up the financial system the need to reflect on traditional financing models is being widely recognized by the financial community. The financial crisis in 2008-9 holds many lessons and has underscored the vital role that sustainable finance can play in making markets more crisis resistant. Through consideration for the environment and social issues sustainable finance connects real markets, fosters market efficiency and by doing so reduces the likelihood of climate change crisis.

Will the greening of financial risks and rewards recalibrate finance, through less dependency on carbon and enhanced management of climate change risk, and foster the sustainability agenda in the near future? What is the role of sustainable finance agents in facilitating the convergence towards an international over-arching global agreement on climate change at the UN Climate Change Summit in December 2009. What direction for sustainable finance? What next?

Speakers

- H.E. Pravin Gordhan - Minister of Finance of the Republic of South Africa
- Achim Steiner - Executive Director - UNEP (video)
- Peter Blom - Chief Executive Officer - Triodos Bank Group
- Takejiro Sueyoshi - Member of the Council on the Global Warming Issue, Japanese Cabinet of Prime Minister Yukio Hatoyama
- Terry Tamminen - Architect of Governor Arnold Schwarzenegger's "Green Revolution" (video)

Finance, investment and business - Making it happen

Plenary 2 | 22 October | **10:15 - 11:15**

Much of the gap between finance and business sectors over the past years was characterized by a dysfunctional finance-investment pattern. The global financial crisis proved that an unsustainable finance sector and a business sector beset by short-termism are too much to afford.

Despite the recent global economic downturn environmentally and socially responsible investments have been reported to perform well, proving that a closed finance gap to responsible investment is key to sustainable economic growth. Therefore, enhancing finance and business community engagement in sustainability issues is essential to drive long-term stability.

In this plenary the interactions between finance, investment and business sectors will be explored from a sustainability angle. As well, sustainability goals will be discussed from sectoral and regional perspectives.

Speakers

- H.E. Elizabeth Dipuo Peters - Minister of Energy of the Republic of South Africa
- Tom Boardman - Chief Executive Officer - Nedbank Group
- Michael Hoelz - Global Head, Sustainable Development - Deutsche Bank
- Renjie Li - President - Industrial Bank, China

Copenhagen and beyond - The role of finance in climate change

Workshop 1 | 22 October | **11:40 - 13:00**

After the credit crunch and sub-prime, finance and insurance know they cannot afford another truly systemic shock; climate change cannot be left unchecked and needs to be addressed. UNEP FI and partners have developed clear ideas on what financial institutions need from the landmark decisions at the upcoming climate conference in Copenhagen ("COP 15") and beyond to live up to their roles and responsibilities. This session will facilitate - just six weeks before this historic conference - a final discussion between climate change government negotiators and finance practitioners on what the international climate change regime post-Kyoto should best look like.

Setting-the-scene presentation

Launch of *The materiality of climate change - How finance copes with the ticking clock.*

- Gianluca Manca - Head of Sustainability and Global Non-Profit Business - Eurizon Capital

Speakers

- Peter Hoeppe - Head of Geo Risks Research / Corporate Climate Centre - Munich Re
- Yulanda Chung - Head of Sustainable Business, Group Sustainability - Standard Chartered Bank
- Preeti Bhandari - Coordinator of the Financial Cooperation Unit - UNFCCC
- Representative of the South African Delegation to the UNFCCC

Moderator

- Nick Robins - Head of Climate Change Centre - HSBC Bank

Insuring sustainable markets of the future

Workshop 2 | 22 October | 11:40 - 13:00

Insurance is one of the largest industries in the global economy. Given their unique combination of roles as risk managers, risk carriers and institutional investors, insurance companies have immense capacity to manage sustainability risks and opportunities. In 2009, the UNEP FI Insurance Working Group, conducted a pioneering global survey on the understanding and integration of environmental, social and governance (ESG) factors in insurance underwriting and product development. The nature and scope of this survey made it the first of its kind.

The comprehensive survey covered a wide spectrum of ESG factors, including:

- Environmental - climate change, biodiversity loss and ecosystem degradation, water management, pollution.
- Social - financial inclusion (microinsurance), human rights, emerging manmade health risks, ageing populations.
- Governance - regulations, disclosure, ethics and principles, alignment of interests.

The key findings of this ground-breaking report will be deliberated in this session, which will offer profound insights on the dynamics of ESG factors and risk underwriting and insurance product development, the state of play of sustainable insurance across markets, insurance industry challenges and potential solutions, and the many insurance opportunities that remain largely untapped. This session is open to all stakeholders who have an interest in the insurance industry and sustainability.

Launch of *The global state of sustainable insurance - Understanding and integrating ESG factors in insurance*.

Speakers

- Catherine Boiteux-Pelletier - Group Head, Sustainable Development - AXA, and Chair - UNEP FI Insurance Working Group
- Rosemarie Bonelli - Senior Vice President - Chartis International
- Anthony Kennaway - Director, Head of Communications - The Geneva Association
- Vanessa Otto-Mentz - Head, Strategy Unit - Santam
- Andreas Spiegel - Vice President, Risk Management - Swiss Re
- Andrew Torrance - Chief Executive Officer - Allianz Insurance

Moderator

- Tony Cabot - Director, Global Programs, Continental Europe and Asia - XL Insurance

Resource rich markets - Balancing natural assets

Workshop 3 | 22 October | 11:40 - 13:00

Biodiversity and ecosystem services, our natural capital, are the life support systems that address the most fundamental human needs. The Millennium Ecosystem Assessment, a United Nations (UN) review of the range of natural or ecosystem services on which we rely showed that over 60% of these services are degraded or in decline, posing a strategic threat (as well as a potential competitive advantage) to companies. This is increasingly being recognized by the finance sector and within the companies in which they invest.

This session will discuss the business case for financial sector engagement in addressing issues related to biodiversity and ecosystem services, and especially focus on the opportunities in the sustainable use of ecosystem services:

- Benefits to the finance sector from engaging in biodiversity-related risks and opportunities.
- Commercial opportunities of biodiversity / ecosystem conservation for the private sector.
- Innovative investments in biodiversity and ecosystem services.

Launch of *The natural value initiative*, by Arthur Eijs.

Speakers

- Arthur Eijs - Biodiversity Coordinator - VROM (Dutch Ministry for Environment)
- Zoe Cullen - Programme Manager, Conservation Partnerships - Fauna and Flora International
- Kerry ten Kate - Director, Business and Biodiversity Offsets Programme - Forest Trends
- Peter Ford - Member of the Board of Directors and the Sustainable Development Committee - mecu

Moderator

- Saliem Fakir - Head, Living Planet Unit - WWF South Africa

Schedule **Day 1**

Eco-legislation - Catalyzing green markets in South Africa

Workshop 4 | 22 October | **11:40 - 13:00**

Recent years have seen considerable growth in the scope and implementation of environmental legislation in a number of jurisdictions, including the EU, Japan, China as well as in many developing economies. Compliance with environmental legislation can realize a material reduction in the environmental impacts of commercial operations, yielding potentially significant public benefit. Conversely, failure to address the liabilities associated with such legislation can represent a very real risk to the viability of affected businesses.

South Africa's *National Environmental Management Waste Act* includes far-reaching provisions for the identification and remediation of contaminated land, with potentially retrospective application addressing historically polluted sites. Implementation of these provisions may affect the value of land and the potential liabilities associated with remediating contaminated sites should be fully understood by those buying, selling and relying upon the value of these assets.

What are the implications of the contaminated land provisions in the Waste Act for banks, their clients and advisers?

Speakers

- Paulo Branco - Head of Environmental Risk - Absa
- Carl Haycock - Managing Director - WSP Environment and Energy (Africa)
- Terry Winstanley - Director, National Practice Head: Environmental - Cliffe Dekker Hofmeyr

Moderator

- Chris Bray - Head of Environmental Risk Management - Barclays

Open Debate Series I

The regulation reflex - Sustainable finance in an era of "big government"

Workshop 5 | 22 October | **14.20 - 15.35**

In the wake of the financial crisis and general economic downturn much has been said of an expected regulation reflex. Crisis or no crisis, whether from central banks or environment ministries, whether directly applicable to financial institutions or to corporations, government regulation remains a key driver in the sustainable finance agenda. Ultimately where does corporate citizenship end and where does government policy and regulation start? This session will look at some of the fine print in this debate, including:

- Regulatory frameworks vs regulatory incentives: striking the balance.
- Geographical variation: what are the differences in the stakeholder "division of labour" in different parts of the world?

Speakers

- Takejiro Sueyoshi - Member of the Council on the Global Warming Issue, Japanese Cabinet of Prime Minister Yukio Hatoyama
- Christopher Wells - Manager, Environmental Risk - Santander
- Siobhan Cleary - Head of Strategy - Johannesburg Stock Exchange
- Otti Bisang - Environmental Advisor - Credit Suisse
- Cas Coovadia - Managing Director - The Banking Association of South Africa

Moderator

- Nicholas Smith - Managing Director - Smith, Ndlovu and Summers Attorneys



Open Debate Series I

"A handful of water" -

The mercurial asset

Workshop 6 | 22 October | **14:20 - 15:35**

As climate change becomes centre-stage, the forecast that climate change, coupled with population and economic growth, will manifest itself largely through freshwater scarcity still remains below the surface of public and private awareness. Businesses around the world are being and will progressively be confronted with serious water-related bottlenecks. This applies to agribusiness in the Australian Murray Darling Basin as it does to power generation in Mediterranean countries, as it does to the high-tech industry in Silicon Valley. Corporate water management and freshwater availability will increasingly be at the heart of business performance, across sectors and geographies. This session will shed light onto the latest trends, approaches, concepts and tools that financial institutions can use - as part of their due diligence, stock picking and engagement activities - to identify the "best" and the "worst", the "winners" and "losers", "buys" or "sells" that will emerge as a result of this overarching macro trend.

Launch of the first issue of the *UNEP FI Chief liquidity series - Agribusiness*, launched by Peter Vos.

Speakers

- Peter Vos - Senior Water Manager - Rabobank
- Stuart Orr - Freshwater Manager - WWF
- Ndileka Mohapi - Director: Department of Water Affairs - Republic of South Africa
- Sasja Beslik - Director ESG Analysis - Nordea Asset Management

Moderator

- Alex Barrett - Head of Client Research - Standard Chartered Bank

Open Debate Series I

Financing environmental infrastructure

Workshop 7 | 22 October | **14:20 - 15:35**

In the impending Green Economy context, governments, development banks and private sector financial services providers are increasingly going to be called upon to collaborate in order to finance the set-up of environmental infrastructure. What challenges lie ahead and how will this materialize?

- Crossing the line: what guarantees and incentives could the government implement for the private financial sector to jump into the game?
- How does the greater (and terribly expensive) good translate into business?
- The new age for structured finance?

Speakers

- Won Hee Lee - Head of Financial Strategy Division - Eco-Frontier, South Korea
- Richenda Connell - Chief Technology Officer and Co-founder - Acclimatise
- Andreas Spiegel - Vice President, Risk Management - Swiss Re
- Andre Fourie - Chief Executive Officer - National Business Initiative

Moderator

- William Frater - Independent Consultant

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Schedule **Day 1**

Review and update of IFC Social and Environmental Standards

Special workshop | 22 October | **14:20 - 15:35**

IFC, a member of the World Bank Group, has started a review and update of its standards on social and environmental sustainability and its disclosure policy. The Policy and Performance Standards on Social and Environmental Sustainability and the Policy on Disclosure of Information came into effect on April 30, 2006. The review and update process will ensure that the standards and policy reflect lessons learned from the last three years of implementation as well as evolutions in the global environment. It also will give stakeholders the opportunity to provide their advice, comments, and guidance. The process should take about 18 months, leading to updated versions by January 2011.

This session will engage delegates in an interactive dialogue with IFC staff on the scope of the review process.

From GRI reporting to indices - The next generation for financial markets

Workshop 8 | 22 October | **16:00 - 17:20**

The session, *From GRI Reporting to Indices*, will cover the perspectives of both financial institutions as reporters as well as users of environmental, social, and governance (ESG) reports/indicators by capital markets. The session picks up from an earlier UNEP FI workshop entitled "*Assessing the Value of Sustainability Indices and Disclosure Initiatives*" (2 October 2008, Boston, USA) to revisit the discussion of financial institutions as reporters and why non-financial disclosure matters, what the drivers for disclosure are, which different user groups need to be targeted for ESG information, and what the future trends in disclosure and reporting will be. At the same time, it is in the interest of all reporters that this information is used by the capital markets. Yet it is difficult to state that there is one harmonised ESG reporting standard currently used by capital markets. Should mandatory reporting be introduced by the stock exchanges to force standardisation? Has the new interpretation of fiduciary responsibility placed pressure on asset managers to understand and integrate ESG information? The session explores these questions and others to discuss how this part of the ESG reporting has evolved so far and what challenges it faces.

Speakers

- Michelle Joubert - Head of Investor Relations - Johannesburg Stock Exchange
- Paul Hilton - Director, Advanced Equities Research - Calvert Group
- Marion Swoboda - Senior Equity Analyst - SAM
- Sean Gilbert - Director, Technical Development - Global Reporting Initiative

Moderator

- Richard Pearl - Vice President and Corporate Social Responsibility Manager - State Street Corporation

Access to finance - Micro solutions, macro opportunities

Workshop 9 | 22 October | **16:00 - 17:20**

Banking the "unbanked" and insuring the "uninsurable" will be a complex challenge for both the public and private sectors in coming decades. As part of this, "access to finance" is a fundamental brake for many billions of people looking to lift themselves out of poverty. Microfinance, amongst other approaches, is a powerful tool that can extend rights to the same financial services system to everyone, no matter how poor. As the world is recognizing that poverty, environment, and financial systems are complex and interlinked - bankers, investors, fund managers, venture capitalists, and development finance institutions globally are jumping on the bandwagon and investing more in microfinance, and other such innovative mechanisms, empowering people through greater access to financial services. In a world where financial turmoil can leave the vulnerable even more vulnerable, the underlying question is how we can help the poor to develop and maintain productive livelihoods through microfinance and evolving innovative approaches.

Speakers

- Rev. Ross Collins - Vicar of Saint Mary's Church, Barnes - Anglican Communion
- Gerhard Coetzee - Head Microenterprise Finance Unit - Absa
- Anton van Elteren - Senior Environmental Specialist - FMO

Moderator

- Paul Clements-Hunt - Head - UNEP FI

Schedule **Day 1**

The FI challenge - Sustainability in the supply chain

Workshop 10 | 22 October | **16:00 - 17:20**

In recent years many companies, especially in the finance sector, have committed to improving the management of their environmental and social impacts. As a significant proportion of a company's impact is embedded in the supply chain, it has become imperative for these companies to begin to manage and influence their suppliers to reduce their own impacts. This session will look into why management of sustainability issues is important to the sector, with panelists from various sectors engaging in an open discussion around the emerging environmental/social issues facing organizations in relation to their supply chains, as well as opportunities and issues around industry standardization. A particular focus of the session will also deal with the extent to which various organizations are aware of and dealing with their supply chains, for example the business impacts and risks to performance and company value, as well as the solutions they are implementing in response to emerging low-carbon economies.

Speakers

- Sean Silvey - Head of Environmental Sustainability - ANZ Bank
- Justin Smith - Manager: The Good Business Journey - Woolworths (SA)
- Mark Eadie - Executive Director, Environmental and Social Risk Management Team - JP Morgan
- Jacques du Toit - Head: Sustainable Livelihoods and Greening Programmes - City of Cape Town

Moderator

- Sue Howells - Head of Global Operations - Carbon Disclosure Project

African agro-industry in an era of environmental change

Workshop 11 | 22 October | **16:00 - 17:20**

The growing global population, with its increasing need for energy and food, presents a challenge for the planet. With global population set to rise to over 9 billion by 2050 and global incomes expected to increase, the agricultural sector faces great challenges to feed this growth. When the impact of climate change and greenhouse gas emissions is taken into account, this becomes even more of a pressing issue in a carbon-constrained world. The move to increase production of biofuels to reduce fossil fuel emissions and agriculture's large use of water, further add to the challenge.

This session will discuss how the ever-increasing demand for agriculture, particularly in the African continent, could be met in a sustainable manner:

- What policies and practices will encourage sustainable agriculture and ensure food security in Africa?
- How can innovative investments in agriculture be stimulated to improve productivity, social and environmental outcomes?
- Are there opportunities to maximize Africa's role in the biofuel industry in an environmentally and socially responsible way?

Speakers

- Nathan Leibel - Global Technical Advisor, Value Chains - UNDP
- Bouwe Taveme - Head Sustainable Development - Rabobank
- Hans Balyamujura - Regional Manager - ABSA Agribusiness

Moderator

- Francis Steyn - LandCare Manager - Department of Agriculture, Western Cape, South Africa



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- Voted the Most Trusted Green Company in the Ask Afrika Trust Barometer Awards 2009.

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Responsible investment - Elusive, illusion or its time has come?

Plenary 3 | 23 October | **09:00 - 10:00**

With the financial crisis spreading across the financial industry and other major sectors in the economy many have argued that the ongoing financial crisis may not have been so deep or so protracted if institutional investors had been collectively willing to challenge the financial institutions that were at the heart of creating the systemic risk. Internalization of environmental, social and governance (ESG) issues in investment decisions and ownership practices not only requires a longer-term perspective but also accentuates the necessity for better risk management of portfolios which in turn allow better evaluation of opportunities that offer sustainable profits and foster sustainable economic growth.

In this plenary, the integration of ESG issues and the related legal and fiduciary implications for institutional investors, professional investment advisors and service providers will be discussed in depth. Does institutional investors' responsible ownership need to be strengthened? What was the approach of responsible investors in weathering the crisis? Is responsible investment gaining ground? What are the impacts for long-term investors? What are the biggest challenges to long-term financial sustainability?

Speakers

- Matthew Kiernan - Co-Head of the Sustainability Solutions Group - Riskmetrics
- John Oliphant - Head of Investments and Actuarial - Government Employees Pension Fund
- Corli le Roux - Legal Counsel / Head of SRI Index - Johannesburg Stock Exchange
- Tessa Tennant - Executive Chair - The ICE Organization

Moderator

- Paul Clements-Hunt - Head - UNEP FI

UNEP's green economy initiative - The markets remade

Plenary 4 | 23 October | **10:10 - 11:10**

The triple impact and the continuing reverberations of the food, fuel, and financial crises have demonstrated a strong interdependency between the economy, environment, and human well-being.

The Cost of Policy Inaction report undertaken in 2008 to support the TEEB study shows that the global monetary cost of policy inaction in 2050 from the cumulative loss of land-based biodiversity and ecosystems will amount to USD 14 trillion annually. Yet the environment continues to receive marginal attention in economic policy-making. The "green component" of the global fiscal stimulus packages put together by various governments for 2009/10 amounts to a mere USD 2.8 trillion.

The Green Economy Initiative (GEI), launched by UNEP, aims to mobilize and re-focus the global economy towards investments in clean technologies and "natural" infrastructure such as forests and soils as the best bet for real growth, combat climate change and trigger an employment boom in the 21st century. This session aims to provide an overview of GEI and provide a different view on how the right public and private sector funding mix can accelerate the transition towards a green economy.

Speakers

- Pavan Sukhdev - Study Leader, The Economics of Ecosystems and Biodiversity (TEEB) and Project Leader, Green Economy Initiative - UNEP
- Jonathan Maxwell - Chief Executive Officer - Sustainable Development Capital LLP
- Udo Steffens - President and Chairman of the Board - Frankfurt School of Finance and Management
- Andrew Torrance - Chief Executive Officer - Allianz Insurance

Moderator

- Richard Pearl - Vice President and Corporate Social Responsibility Manager - State Street Corporation



The banking challenge - Balance sheets, reputations and trust

Workshop 12 | 23 October | 11:30 - 12:50

Sustainability for banks continues to be a balancing act between squaring the books and building up a trustworthy reputation. Risk management continues to be a key element in the equation. How are environmental and social risk management strategies evolving over time to get the balance right?

This session aims at highlighting the key role that environmental and social risk management plays when it comes to implementing sustainability in the banking business. Leading figures from both public and private, developed and developing country, banking institutions, will provide insights on the difference that ESRM can make in making sustainable banking a reality, and the importance of making this a mainstream practice. Stakeholder and shareholder perspectives will also be provided.

Speakers

- Jing Guo - China Policy Director, China for a Global Shift - WWF China
- Christopher Wells - Manager, Environmental Risk - Santander
- Chris Bray - Head of Environmental Risk Management - Barclays
- Nigel Beck - Environmental Manager, Standard Bank
- David Couldridge - Analyst - Element Investment Managers

Moderator

- Peter-Martin Thimme - Head of Sustainable Development / Environment, First Vice President - DEG

Africa and the CDM - Finding the lost treasure

Workshop 13 | 23 October | 11:30 - 12:50

For the past 12 years, the Clean Development Mechanism (CDM) has been successfully utilized to attract environmentally sound investment into emerging markets and developing countries. However, it has encountered unique difficulties when placed within the African context; while climate change mitigation projects under CDM have thrived in some parts of the world, Africa, especially its sub-Saharan regions, has only seen marginal carbon credit generation and finance attraction. Building on the UNEP FI project looking at the African CDM, this workshop will examine the combination of financial, institutional, physical and political constraints the CDM has encountered in these regions. It will then seek to offer solutions to these challenges, and ultimately, aim to demonstrate the tremendous possibilities of CDM investment (as well as other potential UNFCCC mitigation mechanisms, such as NAMAs) in sub-Saharan Africa - both in terms of much needed revenue generation as well as climate change mitigation.

Setting-the-scene presentation

Catalyzing the CDM in Africa - The Nairobi framework

- Preety Bhandari - Coordinator of the Financial Cooperation Unit - UNFCCC

Soft launch of *Success stories and drivers of the clean development mechanism (CDM) in sub-Saharan Africa*.

Speakers

- Victor Nkom - Nigerian Designated National Authority
- Konrad Reuss - Managing Director and Head of the South African office - Standard and Poor's
- Glenn Hodes - Senior Energy Economist - UNEP Risoe Center
- Henk Sa - Director, Southern Africa - EcoSecurities
- Paul Griffin - Carbon Credit Originator - Nedbank

Moderator

- Nikolaus Schultze - Director Carbon Finance - First Climate



Schedule **Day 2**

The new fiduciary and sustainable assets

Workshop 14 | 23 October | **11:30 - 12:50**

The single most effective document for promoting the integration of environmental, social and governance (ESG) issues into institutional investment has arguably been the report. "A legal framework for the integration of environmental, social and governance issues into institutional investment" (the "Freshfields Report"), produced in 2005 for the UNEP FI Asset Management Working Group (AMWG) by the international law firm, Freshfields Bruckhaus Deringer. This session is based on the findings of the 2009 AMWG sequel report, "Fiduciary responsibility - Legal and practical aspects of integrating environmental, social and governance issues into institutional investment". The report, termed "Fiduciary II", provides a legal roadmap for fiduciaries looking for concrete steps to operationalize their commitment to responsible investment.

Key questions that will be addressed in this session are:

- What is the state of the art on fiduciary duty and ESG issues?
- How can asset owners best operationalize the integration of ESG issues into their mandates?
- What are best practices being developed by asset managers and investment consultants on ESG integration? What are their duties to their principals with respect to ESG issues?
- What are the specific failures, misalignments and conflicts of interest within the system, and how can they be addressed?

Launch of *Fiduciary responsibility - Legal and practical aspects of integrating ESG issues into institutional investment*.

Speakers

- Dr James Gifford - Executive Director - Principles for Responsible Investment
- Paul Hilton CFA - Director, Advanced Equities Research - Calvert Investments
- Wanjiru Kirima - Chairperson - Principal Officers' Association of South Africa, and Principal Officer - Shell and SAPREF Pension Funds
- Maemili Ramataboe - Principal Officer - Government Employees Pension Fund of South Africa

Moderator

- Mary Jane McQuillen - Director and Portfolio Manager, Socially Aware Investment - ClearBridge Advisors

Banking on private investment for the cleantech revolution

Workshop 15 | 23 October | **11:30 - 12:50**

Clean technologies are expected to be the next engine for economic growth, as the world faces challenges from high and volatile energy prices, climate change impacts, resource shortages and environmental security threats. What should we do to better facilitate the financing of this cleantech revolution?

This session aims to look at the current drivers and barriers in cleantech investment in both developed and developing markets, and how private investors are using innovative financing to overcome these barriers, to accelerate the formulation, funding, adoption and wide spread implementation of clean technologies. It will also look at the role the private investors can play to help achieve higher social goals, such as environmental sustainability and job creation, in this next wave of technological innovation.

Speakers

- David Grylls - Director - Infrastructure Fund - Actis
- James Stacey - Partner - Earth Capital Partners LLP
- Christopher Clarke - Executive Director - Inspired Evolution Investment Management
- Mark Drewell - Investment Director and Co-Founder - 3 Laws Capital
- Cecilia Bjerborn - Programme Officer - Environment and Social Development Department, IFC

Moderator

- John Wiebe - President and Chief Executive Officer - The GLOBE Foundation

Open Debate Series II King III and the governance challenge - Putting a premium on corporate responsibility

Workshop 16 | 23 October | **14:10 - 15:25**

September 2009 the third generation of corporate governance direction in South Africa was launched, known as the "King Report on Governance for South Africa" and the "King Code of Governance Principles" (King III). Workshop 16 will give a brief introduction to the King III and the key changes it implies, in comparison to King I and II. The panel discussions will aim to illustrate how King III can be technically applied on CG reporting and what implications its application will involve.

The King III report points out sustainability as a key aspect for debate and changes: “Sustainability is the primary moral and economic imperative of the 21st century. It is one of the most important sources of both opportunities and risks for businesses.” (IoD, 2009). The King III code implies a shift where sustainability and environmental aspects of business are fully integrated into corporate governance. How will this improve the sustainability aspects of corporate governance in South Africa? This panel will also draw on Swedish experience of integrating sustainability into corporate governance.

Speakers

- Saliem Fakir - Head Living Planet Unit - WWF SA
- Jenny Johansson - Head of Environmental Affairs - Swedbank AB
- Jo-Ann Pohl - Chief Financial Officer, Teba Bank Limited
- Madeleine Ronquest - Head of Environmental, Health and Safety Management - FirstRand Banking Group Corporate Centre

Moderator

- Ewald Müller - Senior Executive, SAICA Standards

Open Debate Series II

The problem with ecosystems - Valuing the priceless

Workshop 17 | 23 October | **14:10 - 15:25**

Biodiversity and ecosystem services are commonly undervalued by modern economies, which are good at producing what people pay for, but not as good at preserving what is priceless. It is becoming increasingly clear that the finance sector can play an important role in helping to identify and broadcast the challenges to business operations, as well as support the development of financial structures that can help deliver genuinely sustainable development of the world's natural resources.

This session will discuss “The Economics of Ecosystems and Biodiversity (TEEB)” study, which seeks to understand the true economic costs of biodiversity loss and ecosystem degradation and aims to demonstrate that economics can be a powerful instrument in biodiversity policy, and will recommend how future financial architecture may be constructed with regard to biodiversity and ecosystem services:

- The need to quantify the economic value of ecosystem services.
- Tools developed to enable the private sector to understand and manage impacts on ecosystem services.
- Policy activity to date with a focus on TEEB.
- Gaps and implications for the private sector.

Speakers

- Pavan Sukhdev - Study Leader, The Economics of Ecosystems and Biodiversity (TEEB) and Project Leader, Green Economy Initiative - UNEP
- Tracey Cumming - National Stewardship Policy Advisor - South African National Biodiversity Institute
- Marc Hempel - Chief Executive Officer - Re-Invest Partners
- Steven Ripley - Senior Manager - Forest Footprint Disclosure
- Funmi Tsewinor - Head, Strategic Operations - Nigerian Conservation Foundation

Moderator

- William Frater - Independent Consultant

Open Debate Series II

Post crisis - A forensic future for finance

Workshop 18 | 23 October | **14:10 - 15:25**

For the post-crisis financial era, how can we re-build an all-inclusive structure that will withstand the test of time and benefit all people? The redesign of the global financial architecture poses a window of opportunity for sustainable finance, while reinforcing national legislation and regulation. So, where does this leave the state of sustainable finance? Are financial institutions moving fast enough on developing new, green, social services and products or are they lagging behind in this post-crisis world?

Speakers

- Anthony Kennaway - Director, Head of Communications - The Geneva Association (International Association for the Study of Insurance Economics)
- Tessa Tennant - Executive Chair - The ICE Organization
- Matthew Kiernan - Co-Head of the Sustainability Solutions Group - Riskmetrics
- Sebastian Fritz-Morgenthal - Chief Operating Officer - Connective Capital / Frankfurt School of Finance and Management

Moderator

- Allan Greenblo - Editorial Director - Today's Trustee Publishing (Pty) Ltd

Schedule **Day 2**

Managing environmental and social risk in project finance transactions

Special workshop | 23 October | **14:10 - 15:25**

The Equator Principles (EP) provide Financial Institutions with a globally recognized benchmark for managing environmental and social risk in project financing. This is achieved by integrating the IFC Performance Standards and the World Bank Group EHS Guidelines into existing lending practices.

The session will draw from Standard Bank's recent experience of implementing the Equator Principles and Environmental Resources Management experience of undertaking EP compliant Environmental and Social Impact Assessments (ESIA) for major infrastructure projects in Africa. This session will focus on addressing the following questions:

- What are the challenges of implementing the Equator Principles?
- Will adopting the Equator Principles facilitate sustainable banking?
- How are environmental and social risks addressed in project financing?

Speakers

- Nigel Beck - Environmental Manager - Standard Bank
- Stuart Heather-Clark - Partner - Environmental Resources Management
- Justin Pooley - Senior Specialist: Environment and Social Development Department - IFC
- Gideon Serfontein - General Manager, Credit Risk Management - Absa

Public-private hybrids for a low carbon future

Workshop 19 | 23 October | **15:40 - 17:00**

Private investment for greenhouse gas abatement remains critical for the success of any global climate change mitigation strategy. But greenhouse gas abatement investments are risky, burdensome and can only be shouldered jointly by private and public partners. This workshop will examine the public support mechanisms needed to mobilize the largest capital pools on the planet - institutional investors and their service providers - to seize investment opportunities in all climate change mitigation areas. In particular, an entire spectrum of players ranging from donor governments, infrastructure financiers, institutional investors, and developing country power generators will be featured. Building on the public mechanisms work undertaken by UNEP FI and its partners, the discussion will provide, just six weeks ahead of the landmark COP15, a final platform to formulate what type of public support will best enable the mobilization of private funds at the needed scale.

Launch of *Public finance mechanisms to scale up private sector investment in climate solutions*, launched by Claire Boasson - Special Adviser Energy and Climate - UNEP DTIE - Energy Branch.

Speakers

- Mandy Rambharos - Head of Sustainability - Eskom
- Christopher Clarke - Executive Director - Inspired Evolution Investment Management
- Ole Beier Sorensen - Chief of Department, Analysis and Strategy / Research and Strategy - ATP
- Giedre Kaminskaite-Salters - Senior Private Sector Development Advisor - Department for International Development, UK

Moderator

- Peter Willis - Director of Cambridge Programme for Sustainability Leadership's Southern African office

Rethinking finance - Human rights and ethics

Workshop 20 | 23 October | **15:40 - 17:00**

Businesses have recently been realizing their role in protecting and promoting human rights. So, what is the role of the finance sector in the business and human rights agenda? Financial institutions can play a pivotal role in all economies in the protection and promotion of human rights. This session will address and explore:

- Whether, in the wake of the financial crisis of 2007-2009, the human rights agenda has progressed; and how global financial markets can be reshaped to protect and promote human rights.
- The key human rights issues in African markets and the role of financial institutions in addressing these.
- How financial institutions can be innovative in protecting and promoting human rights.
- The extent to which financial institutions are responsible for human rights issues in their supply chains, i.e. in the provision of financial services, including in conflict zones.

Speakers

- Philippa Birtwell - Head of Public Policy Research - Barclays
- Driekie Havenga - Senior Manager, Corporate Accountability and Ethics - Nedbank
- Mary Jane McQuillen - Director and Portfolio Manager, Socially Aware Investment - ClearBridge Advisors
- Daniel Malan - Senior Lecturer, Business Ethics; Corporate Governance - University of Stellenbosch Business School

Moderator

- Sally Britton - Director - Sally Britton Consulting

Sound assets - Valuation for an era of responsibility

Workshop 21 | 23 October | **15:40 - 17:00**

Despite the surge in CSR reporting; environmental, social and governance (ESG) analysis; and responsible investment activities in recent years, the corporate valuation processes and mechanisms of capital markets still appear inefficient in capturing the ESG performance of traded companies.

To address this market inefficiency, in 2008, the UNEP FI Asset Management Working Group, in partnership with the World Business Council for Sustainable Development, held a series of six workshops in Africa, Asia, Europe and North America that convened investors and companies to collectively address process and communication barriers, to formulate a common understanding of the financial materiality of ESG factors, and to facilitate the integration of ESG factors into investment and corporate decision-making.

A field guide, titled *“Translating ESG into sustainable value”* based on the key findings of the 2008 workshops will be launched at this session. It provides practical guidance to companies and investors on how they can change their fundamental business and investment philosophy and practices going forward by addressing the why, what and how of communicating corporate ESG performance.

The session will road-test the field guide and advance the global dialogue that seeks to embed and capture ESG factors in capital market valuation processes and mechanisms.

Soft launch of *Translating ESG into sustainable value*.

Speakers

- Malcolm Gray - Senior Portfolio Manager - Investec Asset Management
- Wanjiru Kirima - Chairperson - Principal Officers' Association of South Africa, and Principal Officer - Shell and SAPREF Pension Funds
- Gianluca Manca - Head of Sustainability and Global Non-Profit Business - Eurizon Capital, and Co-Chair - UNEP FI Asset Management Working Group

Moderator

- Andre Fourie - Chief Executive Officer - National Business Initiative

Sustainability and global property portfolios

Workshop 22 | 23 October | **15:40 - 17:00**

Property investing is a multi-trillion dollar worldwide industry that can have profound positive or negative effects on environmental, social and cultural goals. The built environment produces around 40 percent of the global greenhouse gas emissions; how should the trillions of dollars be invested so that the real estate industry will contribute its share to the overall global reductions of GHG emissions of 50 percent by 2050?

Responsible property investments (RPI) will play a major part in all future efforts to achieve more sustainable buildings. This session is going to highlight the business opportunities and examine the business case for sustainable property investments. The workshop will draw attention to the approach to RPI in South Africa. For the real estate and building industry to achieve ambitious targets on reductions of greenhouse gas emissions, there is a need for a global shift towards responsible global property portfolios and buildings. What is the status in the industry on this global shift and is the community currently creating new mechanisms for responsible finance? These are all topics and questions this session will delve into and offer best practice examples for.

Do not miss this opportunity to learn more about what investors are thinking and doing on the way towards more sustainable global property portfolios. All participants at the GB Convention are invited to join this session at no extra cost.

Speakers

- Niall Enright - Technical Director of the Energy and Climate Change Group - Environmental Resources Management (ERM)
- Samuel Ogbu - Chief Executive Officer - Liberty Group Properties
- Niclas Svenningsen - Head - Sustainable United Nations (SUN)
- Blaise Desbordes - Head of Department for Sustainable Development - Caisse des Dépôts

Moderator

- Paul McNamara - Director, Head of Research PRUPIM - Prudential





Bringing the clean technology revolution to rural Africa

Barclays is funding a four-year programme with the charity SolarAid to make solar power accessible to rural communities in Kenya. This uses an innovative micro-franchising model to empower rural clean energy entrepreneurs. Small-scale solar can provide access to clean and reliable energy, generate income and improve health and safety.

A new generation of green buildings

The new Absa Capital building in Johannesburg is one of the greenest buildings in Africa. High-efficiency lighting, rainwater harvesting and other design features reduce its impact on the environment.

These are just two examples of our activity. From creating new investment products, leading in carbon emissions trading and financing renewable energy, Barclays Climate Action Programme runs across our business lines and global footprint.

2009 UNEP FI Global Roundtable social events

The Global Roundtable social events provide an excellent opportunity to network, discuss new ideas and challenges and tap into UNEP FI's vibrant global networks. The Roundtable social events are not to be missed!

All social events will take place at the Cape Town International Conference Centre and are available to all delegates to the 2009 Global Roundtable.

Dress | Business Casual or National Dress

Welcome reception - Wednesday 21 October

The 2009 Global Roundtable officially kicks off with a welcome reception which is jointly hosted by UNEP FI, UNEP African Carbon Asset Development Facility (ACAD) and Africa Investor. All delegates are invited to this cocktail function, which offers a great opportunity to meet fellow delegates and also interact with Africa Investor CEO Forum 2009 delegates. Registrations to the 2009 Global Roundtable will be open at this time.

Venue | Jasminum Restaurant, Ground Floor, CTICC

Time | 18:45

UNEP FI in association with Africa Investor



Pre-dinner reception - Thursday 22 October

The evening's proceedings will incorporate some of the week's highlight activities and entertainment from the Cape Town Green Week's *Consider Us* campaign.

An opportunity to meet the Global Roundtable delegates in a more casual cocktail style event. Catch up and discuss the day's workshops and ideas.

Venue | Strelitzia Conservatory Restaurant

Time | 18:30

Key speaker | Gideon Serfontein - General Manager, Credit Risk Management - Absa

Sponsored by Barclays and Absa



Conference dinner and awards ceremony - Thursday 22 October

Enjoy a unique evening with fellow delegates, overlooking Cape Town's city centre, on what will be the highlight night of Cape Town Green Week. Arno Carstens and Theo Crous, a duo from South Africa's premier band will perform their newest song, live alongside The Tygerberg Children's Choir as part of Cape Town Green Week's *Consider Us* campaign. This specially written new song is part of a message to be delivered direct to the world leaders when they meet in Copenhagen, Denmark, this Christmas on behalf of the children of South Africa and the *Consider Us* campaign. The Conference Dinner will also host the "Africa Investor Investment & Business Leaders Awards 2009".

Venue | Ballroom East

Time | 19:45

Key speaker | Ebenezer Essoka - Chief Executive Officer, South Africa - Standard Chartered Bank

Sponsored by Standard Chartered Bank



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Launches

“The global state of sustainable insurance - Understanding and integrating environmental, social and governance factors in insurance”



In 2009, the UNEP FI Insurance Working Group, comprising the world's leading insurers, together with renowned academic institutions in Europe and North America, conducted a pioneering global survey on the understanding and integration of environmental, social and governance (ESG) factors in insurance underwriting and product development. The nature and scope of this survey made it the first of its kind, covering a wide spectrum of ESG factors: climate change, biodiversity loss & ecosystem degradation, water management, pollution, financial inclusion, human rights, emerging manmade health risks, ageing populations, regulations, disclosure, ethics & principles, and alignment of interests. The survey obtained respondents from 60 territories with over 3,800 years of cumulative insurance experience. The key findings and recommendations are in this report - with forewords from the

UNEP Executive Director and HRH The Prince of Wales - the centrepiece report of the 2009 UNEP FI Global Roundtable. **(Launched in Workshop 2.)**

“The natural value initiative”



The Natural Value Initiative (NVI) is a toolkit to enable investors to evaluate biodiversity impacts and ecosystem services dependency within the food, beverage and tobacco (FBT) sectors, which are especially dependent on the ecosystem services provided by biodiversity. UNEP Finance Initiative, international environmental NGO Fauna and Flora International, and the Brazilian business school FGV collaborated on this initiative which aims to raise awareness of the links between biodiversity, investment value and the finance sector. The Ecosystem Services Benchmark guidance document and the public report *“Linking Shareholder and Natural Value”* containing results of the analysis will be launched at the UNEP FI Roundtable.

(Launched in Workshop 3.)

“Chief liquidity series - Issue 1: Agribusiness”

The water scarcity challenge is widespread and of a global magnitude, but the exact nature of water pressures, regulatory frameworks, and suitable responses vary across regions and sectors; therefore, addressing the challenge requires focused attention locally. Building on the generic Water-related Risk Management Guidelines developed by UNEP Finance Initiative in 2007, the Chief Liquidity Series will provide concrete guidance at the local level - each Issue looking at a specific sector across a set of particularly exposed geographies. As such, they aim to close a gap often found in financial institutions between ambitious environmental policies at the group level but lacking awareness and know-how in daily interactions with clients and investees. This first issue sheds light on the water challenges faced by agribusiness actors in Australia, India, South Africa, Brazil and the Mediterranean Basin and provides guidance on the questions financial institutions should ask to better handle the water challenges in these and similar regions themselves. **(Launched in Workshop 6.)**

Soft launch: “Success stories and drivers of the clean development mechanism (CDM) in sub-Saharan Africa”



Despite high expectations, the Kyoto Protocol's Clean Development Mechanism has so far underperformed in mobilizing financial resources for low-carbon projects in sub-Saharan Africa. Through the compilation of case studies on successful projects, this study aims to display that despite adverse circumstances, CDM project development and the mobilization of (commercial) carbon finance are possible and beneficial to all stakeholders involved. This indicative evidence base shall encourage local authorities, project developers and finance providers to more systematically exploit the environmental and financial potentials offered by the CDM in Africa. **(Launched in Workshop 13.)**

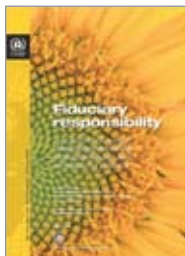
“The materiality of climate change - How finance copes with the ticking clock”



The third iteration of the UNEP FI Asset Management Working Group's ground-breaking *“Materiality Series”* exclusively tackles climate change. The report provides a comprehensive review of key financial analyst and academic research on climate change issues such as carbon intensive sectors, carbon capture and storage, energy efficiency, adaptation and supply chains in order to accelerate the integration of climate change risks and opportunities into fundamental financial analysis and practice.

(Launched in Workshop 1.)

“Fiduciary responsibility - Legal and practical aspects of integrating environmental, social and governance issues into institutional investment”



The UNEP FI Asset Management Working Group is launching the much-awaited sequel to its landmark 2005 report, *A Legal Framework for the Integration of Environmental, Social and Governance Issues into Institutional Investment* (“*The Freshfields Report*”), which, until now, has arguably been the single most effective document for promoting the integration of ESG issues into institutional investment. The Freshfields Report explored the complex relationship between ESG issues and fiduciary duty in nine major capital market jurisdictions and arrived at the conclusion that “*integrating ESG considerations into an investment analysis so as to more reliably predict financial performance is clearly permissible and is arguably required in all jurisdictions*”. The 2009 sequel, *Fiduciary Responsibility - Legal and practical aspects of integrating environmental, social and governance issues into institutional investment* (“*Fiduciary II*”), takes off from where the Freshfields Report left by bringing ESG issues

to point of contract and providing a legal roadmap for fiduciaries looking for concrete steps to operationalize their commitment to responsible investment. **(Launched in Workshop 14.)**

Launch: “Public finance mechanisms to scale up private sector investment in climate solutions”

The successful mobilization of private investment for greenhouse gas abatement and adaptation, especially into developing countries, will be one of the critical conditions for the success of any global climate change strategy. In the recent past, carbon markets have played an important role in doing so, but, given their limited breadth and depth, they are unlikely to channel private finance at the needed scale in coming years. Public Finance Mechanisms (PFMs) have the potential to leverage large quantities of private through relatively small fractions of public investment, at scales beyond the carbon markets. This report provides an evidence base of what design features have made such mechanisms work successfully in the past and makes suggestions on how - with which design elements as well as through which institutional frameworks and mechanisms at the international level - PFMs could best be deployed to leverage private investment at scale towards the creation of a low-carbon economy. **(Launched in Workshop 19.)**

Soft launch: “Translating ESG into sustainable value”



Despite the surge in corporate social responsibility reporting; environmental, social and governance (ESG) analysis; and responsible investment activities in recent years, the corporate valuation processes and mechanisms of capital markets still appear indifferent and inefficient with respect to capturing the performance of traded companies on ESG factors. Essentially this means that companies are consistently over- or undervalued which leads to misallocations of capital as well untapped financial potentials. Given the complexity of this systemic problem, the key questions are: can practitioners on both sides of the divide - investors on the one hand and investee companies on the other - do something about it? And what concrete steps can advanced asset managers and investor relations departments undertake to achieve better investment choices and higher 'sustainability-enhanced' shareholder value? Building on a series of investor-investee workshops around the world, this report provides real answers as well as

a practical roadmap of what investors and investee companies can start doing. **(Launched in Workshop 21.)**

“Financing a global deal on climate change - Green paper”



This study focuses on the priorities identified by UNEP FI to mobilize the skills and resources of the banking, investment and insurance sectors behind an effective, efficient and equitable global deal on climate change at COP15 in Copenhagen.

“Investor statement on climate change”



The world's capital markets speak up on the urgent need for a real deal on climate change: launched by a panel including Lord Stern on 16 September and backed by 184 institutions responsible for the fiduciary management of USD 13 trillion of assets under management, this Statement calls for a strong and credible deal aimed at mobilizing private investment into mitigation and adaptation at the needed scale.



We'll still need the earth
after you're done with it

The one voice that's missing from the climate change
debate belongs to the generation with the most to lose.

At www.considerus.org our children will have the
opportunity to remind political and business
leaders exactly what it is they're committing to.

Your contribution to this campaign can help
ensure our children don't inherit a catastrophe
in which they had absolutely no say.

Go to www.considerus.org for information.



20 words to save our world

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