

Inputs provided by: United Nations Environment Programme Finance Initiative

1. General description of mandates and objective(s) of your organization / associated network with institutional structure

The United Nations Environment Programme Finance Initiative (UNEP FI) is a global partnership between UNEP and over 220 banks, insurers and investors to understand environmental, social and governance issues in the context of financial performance and sustainable development. Through a work programme spanning research, principles and frameworks, best practices, policy engagement, capacity building and events, UNEP FI carries out its mission to identify, promote and realise the adoption of best sustainability practice at all levels of financial institution operations. UNEP FI's motto, "Changing finance, financing change", reflects a vision of a sustainable world economy supported by a sustainable financial system.

See the UNEP FI website: www.unepfi.org

(Please provide information on organizational mandates and objective(s) of the organization / associated network with organizational/institutional structure, as explicitly and/or implicitly relevant to addressing loss and damage associated with climate change impacts, including extreme weather events and slow onset events. Please feel free to expand the boxes as needed throughout the template.)

2. Relevant operational framework(s)

The UNEP FI Principles for Sustainable Insurance (PSI) Initiative is the largest collaborative initiative between the United Nations and the insurance industry, aimed at propelling environmental, social and economic sustainability.

The Principles were launched in Rio de Janeiro in June 2012 to support the aims of the UN Conference on Sustainable Development (Rio+20). They have catalysed a pioneering initiative that seeks to enable the global insurance industry to better understand, prevent and reduce environmental, social and governance risks, and better manage opportunities to provide quality and reliable risk protection. Examples of key issues include climate change and extreme weather events, disaster risk reduction, environmental degradation, insurance access and affordability, ageing populations, emerging health risks, good governance and ethical business practices.

Some 60 leading insurers, insurance market bodies and international organisations have already embraced the landmark Principles. Insurers that have signed the Principles collectively represent more than 10% of world premium volume and USD 5 trillion in assets.

According to UN Secretary-General Ban Ki-moon, "The Principles for Sustainable Insurance provide a global roadmap to develop and expand the innovative risk management and insurance solutions that we need to promote renewable energy, clean water, food security, sustainable cities and disaster-resilient communities. With world premium volume of more than USD 4 trillion and global assets under management of more than USD 24 trillion, insurers that embed sustainability in their business operations can catalyze the kinds of financial and investment flows and long-term perspectives needed for sustainable development. The United Nations looks forward to working with all sectors of society towards the global embrace of this important new

initiative as we shape the future we want.”

See the PSI Initiative website: www.unepfi.org/psi

(Please provide information on the relevant operational framework(s) (e.g. programming principles, resource allocation strategies, coordination mechanism for operations at different levels etc.) within your organization/associated network as relevant to implementing work related to risk management for loss and management associated with climate change impacts)

3. Focus areas of risk management for loss and damage associated with climate change impacts

The global strategy and work programme of the UNEP FI Principles for Sustainable Insurance (PSI) Initiative will be presented and deliberated at the 2nd Annual General Meeting of the PSI Initiative, which will be held in Beijing in November 2013.

However, based on available information (see also item 7 below: “key activities/outputs to date”), UNEP FI work on climate change adaptation would span a number of the work areas and undertakings identified by COP Decision 3/CP.18 to enhance action on addressing loss and damage, including items (e), (f) and (g).

(Please provide information on the areas of work in relation to the items included in decision 3/CP.18 as listed in the introductory note as well as any additional focus areas, that your organization/associated network has been mandated to address. These could include relevant institutional policy statements/operational guidance documents etc. Please provide web links where further details can be found.)

4. Geographic coverage

Global

5. Key stakeholders

Insurance industry stakeholders including:

- Clients and business partners of insurance companies
- Governments, regulators and other policymakers
- Intergovernmental and non-governmental organisations
- Business and industry associations
- Academia and the scientific community
- Media

6. Implementation modality / delivery mechanisms

- Research and education
- Policy engagement
- Collecting and sharing good practices

Please provide information related to the technical, financial and institutional support mechanism

Please provide information related to reporting, if any

7. Key activities / outputs to date

Examples of key activities and outputs relevant to the UNFCCC loss and damage work programme include:

1. Building a critical mass of PSI signatory companies and PSI supporting institutions worldwide, comprising the global insurance industry network of the UNEP FI Principles for Sustainable Insurance Initiative
2. Ongoing project involving UNEP FI members across insurance, banking and investment, the Sustainable Business Institute, the World Meteorological Organization, national meteorological offices and climate service centres to advance adaptation through climate information services
3. Ongoing project to produce a report capturing the results of a global survey of the insurance industry on how governments and the insurance industry can improve the climate resilience of vulnerable communities
4. Ongoing project to update the “Global insurance industry statement on adapting to climate change in developing countries” produced in 2010 by ClimateWise, the Munich Climate Insurance Initiative, The Geneva Association and UNEP FI
5. Ongoing engagement with the UN International Strategy for Disaster Reduction on the role of the insurance industry in disaster risk reduction, including climate change adaptation, as well as on the development of the post-2015 international framework for disaster risk reduction
6. Ongoing engagement with the UNFCCC Long-Term Finance Work Programme
7. Ongoing engagement with PSI signatory companies on proposed initiatives related to disaster resilience, safer communities and microinsurance
8. Ongoing engagement with the Partnership for Environment & Disaster Risk Reduction on the role of the insurance industry in ecosystem-based adaptation

8. Any additional information and contact details

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