

**Monique Barbut, Director UNEP DTIE**  
**European Launch of Principles for Responsible Investment**  
**Palais Brongniart Auditorium**  
**Place de la Bourse**  
**Paris 2 May, 2006**

Your excellencies, honoured guests, ladies and gentlemen - - - the European launch today of the Principles for Responsible Investment brings an historic alignment of key goals of the United Nations and those of the world of investment.

The commitment embodied in the Principles and now supported by some of the world's largest asset owners and asset managers is a clear signal to business and global capital markets.

By the end of today's celebration in Paris and building on those in the New York last week, more than USD 4 Trillion of capital will support these Principles.

The United Nations Environment Programme warmly welcomes those signatory organisations here today that are taking a position of such leadership. In doing so and by signing the Principles you will promote the adoption of best practice approaches to environmental, social and governance considerations in investment activity.

The United Nations Environment Programme Finance Initiative - a partnership between UNEP and some 160 financial institutions worldwide - along with our partner the United Nations Global Compact have worked with institutional investors and global thought leaders for

more than two-years to bring the Principles to fruition. UNEP believes this is a landmark development which holds great promise of change. I recall the important words of United Nations Secretary General Kofi Annan at the New York Stock Exchange when he launched the Principles last week saying:

"Today it is increasingly clear that UN objectives - peace, security, development - go hand-in-hand with prosperity and growing markets. If societies fail, so will markets."

We are rightly proud at the United Nations that our own institutions pension fund - - with its USD 31 billion in assets - - has signed the Principles. As Secretary General Annan noted, it is important for all institutions involved to practice what we preach and to take our commitment as seriously as I know all gathered here today will.

The Principles are a powerful signal to the markets. The Principles confirm that the integration of environmental, social and corporate governance considerations is now an essential part of good business.

In fact, the Principles provides a blueprint for what is fast becoming the only way to do business in the globalizing markets of the 21<sup>st</sup> Century.

The Principles embody an approach to business which is already understood by investors and companies which wish to build and protect assets for the long-term.

Many of the leading asset owner and asset management institutions that espouse the PRI ethos are with us here today in Paris and they should be warmly congratulated for their early support of the Principles.

Our new, wired world - - where the flow of information is instantaneous - - has accelerated the "death of distance". As a result, integrity, reputation, accountability and transparency have become the new currencies of the world of commerce, corporations and capital markets.

The United Nations Environment Programme recognises the fact that when more than USD 4 Trillion of capital - - more than the global hedge fund and private equity industries combined - - commits itself to a voluntary standard like the PRI an important shift in understanding is taking place.

This collective shift in understanding by the world's largest institutional investors is a precursor for a change in the broader world of investment and business.

The Principles - as they become embedded in the consciousness, the actions and the vision of our markets - - will change the nature of business in the real world. Let me be clear - the Principles will change - - amongst other things:

- How mining companies approach projects in sensitive areas where our cherished biodiversity and great natural wealth is stored.
- How consumer goods giants ensure the integrity of their supply chains in terms of human rights and child labour issues.
- How worldwide energy, chemical, cement and iron and steel plants manage their emissions to prevent further devastation of our global climate.

As you are all aware, it would have been possible to pick from many more examples where business and investment face fundamental environmental, social and corporate governance challenges as well as opportunities.

The success of the Principles - - ultimately - - will be judged by the changes they bring about over time in the way investors and businesses act in the real world.

On a day of celebration such as this, we must remain aware of the responsibilities the Principles bring us all and of the need to ensure the Principles contribute to flourishing markets that support vibrant, healthy societies.

In closing, let me thank and congratulate Caisse des depots for hosting this important event. The United Nations Environment Programme is honoured to have been part of the genesis of the Principles for Responsible Investment and we greatly look forward to working with our partners in the institutional investment and asset management worlds in the months and years ahead.