

# BANKTRACK

**ERIC USHER**

HEAD OF UNEP FINANCE INITIATIVE

GENÈVE

SWITZERLAND

**SUBJECT:** CIVIL SOCIETY REQUEST TO IMPROVE THE TRANSPARENCY OF PRB PROCEEDINGS

14 AUGUST 2020

Dear Mr. Usher,

It's been nearly a year since several of us met with you in New York following the launch of the Principles for Responsible Banking (PRBs). Ahead of the one-year anniversary of the PRBs on September 22nd, we are now writing to you to discuss a number of issues that we raised during our conversation last year which have still not been addressed.

During last year's launch of the PRBs, we felt obliged to publicly [voice our concerns](#) over whether the initiative would be effective in bringing genuine change to the banking sector. While we remain of the opinion that the implementation timeframe for the Principles does not align with the urgency needed to effectively respond to the ongoing climate crisis, we do welcome recent steps by UNEP-FI to incentivise effective implementation - such as by developing a [Portfolio Impact Analysis Tool for Banks](#), installing a [civil society advisory board](#), and making it possible for banks to be [delisted](#) if they fail to implement the Principles.

With a strong increase in [banks](#) now signing up to the initiative, we consider it of the utmost importance that the initiative is governed and managed in full transparency, with UNEP-FI providing all information necessary to allow external stakeholders to scrutinise the commitments and activities of each participating bank. However, we are concerned that the information currently published on the website of the PRBs falls short of what is required.

Firstly, there seems to be confusion on the precise number of PRB signatory banks. Since the launch of the PRBs last year, UNEP-FI has presented the logos of signatory banks on this [web page](#). While we count 169 logos on the web page, UNEP-FI [communicates](#) that there are now 180+ signatory banks. Further, a list of logos can often be an unclear way of presenting the list of PRB signatories, for example when logos are unfamiliar. It is essential that a clear, complete list of signatory banks be published and maintained on the PRB web page.

Other crucial information is also missing from UNEP-FI's web page, such as the dates on which every bank signed up to the PRBs; a contact person for each bank; links to each bank's web page on PRB reporting; and information on which banks have left the initiative. This means that civil society organisations and other stakeholders cannot effectively engage with and monitor individual banks on their commitments as PRB banks. We raised this concern during our meeting in September 2019 and were informed that the website would soon contain further details on each bank. However, we have yet to see this happen.

One of our main concerns is that the webpage does not state the dates of when each bank signed the PRBs. New banks which sign the PRBs have a different implementation timeline compared to the founding banks. Without knowing the signing date of these banks, one cannot know when banks are due to start reporting on their progress in implementing the [three key steps](#), or when they should have fully implemented the Principles.



In addition, it is currently unclear from the web page whether banks have left the initiative. For example, last year FirstRand was listed as a [founding bank](#); however its logo has since been removed from the web page, leaving it unclear whether FirstRand has left the initiative or not.

We therefore urgently request that, before the first anniversary date of the PRBs, UNEP-FI improves the transparency on the proceedings of the PRBs on its web page, by:

1. Publishing a clear list of each bank that has signed the PRBs, rather than (only) a list of logos;
2. Listing the dates on which each bank signed the PRBs, accompanied by their own deadlines for reporting and implementation;
3. Providing a contact person for each PRB bank, so that stakeholders can engage with each bank on PRB-related issues;
4. Providing a link to the web page where each PRB bank will upload its reporting related to the PRBs, so that stakeholders can easily find more information on PRB banks' progress;
5. Listing any banks that leave or are delisted from the initiative; and,
6. In due time, providing an assessment of the quality of the reporting and implementation progress per PRB bank.

Implementing these measures will ensure a greater level of transparency which we believe will contribute to the effective implementation of the Principles.

As mentioned above, we were pleased to learn that UNEP-FI intends to create a [civil society advisory board](#) to help maintain the ambition of and advise on the implementation of the PRBs. We look forward to learning about the details of the selection process for this body. Regardless of which organisations will eventually be represented on this board, we look forward to continuing our engagement with UNEP-FI on the Principles.

We would welcome an opportunity to discuss these matters further and kindly request to schedule a call with the Secretariat of UNEP-FI during the first two weeks of September (with a preference for September 8-11). Of particular interest is UNEP-FI's expectations on bank reporting, the delisting mechanism and the Portfolio Impact Analysis Tool.

We look forward to hearing from you. You can reach us through Daisy Termorshuizen, coordinator PRB campaign, at [daisy@banktrack.org](mailto:daisy@banktrack.org).

Sincerely,

Johan Frijns, Director, BankTrack, and;

Moira Birss, Climate & Finance Director, Amazon Watch

Natalie Bugalski, Legal and Policy Director, Inclusive Development International

Ben Cushing, Senior Campaign Representative Financial Advocacy, Sierra Club

Carla Fredericks, Director, First Peoples Worldwide

Tom B.K. Goldtooth, Executive Director, Indigenous Environmental Network

Hana Heineken, Responsible Finance Senior Campaigner, Rainforest Action Network (RAN)



Katharine Lu, Senior Sustainable Finance Manager, Friends of the Earth US

Osprey Orielle Lake, Founder and Executive Director, Women's Earth and Climate Action Network (WECAN)

Chinwike Okereke, Founder and Chief Executive Director, African Law Foundation (AFRILAW)

Eri Watanabe, Japan Campaigner, 350.org

