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Over 280 global investors (managing more than $17 trillion in assets) urge G7 to stand by Paris Agreement and drive its swift implementation

282 long-term institutional investors representing more than USD 17 trillion in assets have written to G7 heads of state urging governments to stand by their commitments to the Paris Agreement at their upcoming Summit in Taormina, Italy on May 26-7.

Underscoring the urgency of action by G7 nations to implement the global climate pact and deliver their emissions reduction commitments (nationally-determined contributions), investors call on G7 leaders to:

- Reiterate their support for and commitment to implement the Paris Agreement, including the delivery of their own Nationally Determined Contributions in full.
- Bring forward focused and targeted long-term climate and energy plans that will ensure their future actions align with commitments under the pact to keep global average temperature rise to well below 2°C above pre-industrial levels and preferably to 1.5 °C.
- Drive investment into the low carbon transition through aligning climate-related policies, phasing out fossil fuel subsidies and introducing carbon pricing where appropriate.
- Implement climate-related financial reporting frameworks, including supporting the Financial Stability Board Task Force on Climate-related Financial Disclosures’ recommendations.

“Investors are sending a powerful signal today that climate change action must be an urgent priority in the G20 countries, especially the United States, whose commitment is in question,” said Mindy Lubber, CEO and President of the sustainability non-profit organization Ceres, which directs the Ceres Investor Network on Climate Risk and Sustainability. “Global investors are eager to open their wallets to a low-carbon future, but it won’t happen without clear, stable policy signals from countries worldwide - in particular, the US government whose waffling on the Paris Climate Agreement is hugely troubling.”

Stephanie Pfeifer, CEO of the Institutional Investors Group on Climate Change (IIGCC) in Europe added, “Investors recognise the global transition to a low-carbon, clean energy economy is now firmly underway and they want to make well-informed decisions that help Paris Agreement signatories deliver their national commitments. Regardless of what the US administration does, it’s vital that every signatory across the G7 and G20 adopts policies that drive better disclosure of climate risk, curb fossil fuel subsidies and put in place strong pricing signals sufficient to catalyse the significant private sector investment in low carbon solutions.”
Emma Herd, CEO of the Investor Group on Climate Change (IGCC) in Australia said: “Maintaining policy commitments which drive strong growth in low carbon investment is key to tackling climate change. While the private sector can provide the investment required to build a secure, affordable and low emissions global energy system, we urge the G7 to set strong policy signals which provide the investment certainty needed to drive trillions of dollars into new clean energy investment opportunities.”

Paul Simpson, CEO of CDP added: “The G7 must move swiftly to put in place the frameworks required to improve the availability, reliability and comparability of climate-related information, and to ensure carbon pricing signals which will drive the incorporation of climate risks and opportunities into financial assessments. That is why investors are calling on G7 leaders to prioritise rulemaking by national financial regulators to require disclosure of ‘material’ climate risks in line with the forthcoming recommendations of the Financial Stability Board’s Task Force on Climate-related Financial Disclosure (TCFD).”

“With the US threatening to pull out of the Paris Climate Agreement next week, now is the time for investors to make their voices heard by encouraging governments to stand firm on their commitment to the Paris Agreement,” said Fiona Reynolds, managing director of the PRI. “Investors worldwide have come to understand the material financial risks around climate change. Certainly, at the PRI, our members have noted climate risks as their number one ESG concern.”

ENDS

Notes for Editors

As of 22 May 2017 a total of 282 investors with over $17 trillion in assets under management had signed the letter.

The letter remains open for endorsement by more investors until 30 June 2017. For more information visit the Investor Platform for Climate Actions latest news pages http://investorsonclimatechange.org/news/

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This letter is signed by investors and co-ordinated by the following organisations:

Asia Investor Group on Climate Change (AIGCC) is an initiative to create awareness among Asia’s asset owners and financial institutions about the risks and opportunities associated with climate change and low carbon investing. AIGCC provides capacity for investors to share best practice and to collaborate on investment activity, credit analysis, risk management, engagement and policy. AIGCC represents the Asian investor perspective in the evolving global discussions on climate change and the transition to a greener economy. See www.aigcc.net and @AIGCC_Update.

CDP, formerly the Carbon Disclosure Project, is an international non-profit that drives companies and governments to reduce their greenhouse gas emissions, safeguard water resources and protect forests. CDP represents institutional investors with trillions in assets, helping to leverage investor and buyer power to motivate companies to disclose and manage their environmental impacts; whilst also providing insights into corporate environmental performance for investors. Over 5,800 companies with some 60% of global market capitalisation disclosed environmental data through CDP in 2016 alongside 500 cities and 100 states and regions, making CDP’s platform one of the richest sources of information globally on how companies and governments are driving environmental change. Please visit www.cdp.net or follow us @CDP to find out more.

Ceres is a sustainability non-profit organization working with the most influential investors and companies in North America to build leadership and drive solutions throughout the economy. Through powerful networks and advocacy, Ceres tackles the world’s biggest sustainability challenges, including climate change, water scarcity and pollution, and human rights abuses. The Ceres Investor Network on Climate Risk and Sustainability, comprising investors with trillions in assets, advances leading investment practices, corporate engagement strategies and policy solutions to build an equitable, sustainable global economy and planet. For more information, visit www.ceres.org and follow @CeresNews.

Investor Group on Climate Change (IGCC) is a collaboration of Australian and New Zealand institutional investors and advisors focusing on the impact that climate change has on the financial value of investments. IGCC aims to encourage government policies and investment practices that address the risks and opportunities of climate change. For more information, visit www.igcc.org.au and @IGCC_Update.

Institutional Investors Group on Climate Change (IIGCC) is a collaborative forum for organisations in 9 European countries who manage trillions in assets. Its membership spans everything from belief-based funds to mainstream investors, from pension funds to fund managers and private equity houses. Its mission is to provide investors with a common voice to encourage public policies, investment practices and corporate behaviour which address long/term risks and opportunities associated with climate change. For more information, visit www.iigcc.org & @iigccnews.

The United Nations-supported Principles for Responsible Investment (PRI) is the world’s leading initiative on responsible investment. The six Principles for Responsible Investment are a voluntary and aspirational set of investment principles for
incorporating environmental, social and governance issues into investment practices. In implementing the principles, signatories contribute to developing a more sustainable global financial system. The principles have signatories including asset owners, investment managers and service providers from over 50 countries including the G20, For more information, visit www.unpri.org and @PRI_News.

AIGCC, IGCC, IIGCC and INCR collaborate regularly as members of the Global Investor Coalition on Climate Change. All of the groups (along with UNEP FI) co/ sponsor the Investor Platform for Climate Action.