Conclusions from ESG Europe 2010 Conference

ESG Europe 2010 was held in Amsterdam on October 12-13 and was attended by RepRisk sales representative Robert Klijn. Robert’s impression was that it was a fantastic event, with 250 delegates from 175 institutions participating. These included a good mix of brokers, consultants, ESG researchers, governmental organizations, institutional investors, NGOs and private banking teams.

Some conclusions Robert came away with:

1) The new trend is stakeholder engagement instead of shareholder engagement. Engagement is a better route than exclusion.

2) Several participants believe that the development of a universal set of KPIs is unrealistic, with new initiatives such as EFFAS not being well communicated and confusing the market.

3) Standardized reporting about ESG needs to be developed. GRI and the national accounting boards could do this. The current systems are not fit for this purpose.

4) There is still a great deal of work to be done in regard to the implementation of the report by UN Special Representative Ruggie on Business and Human Rights.

5) One speaker viewed regulation as the partial answer to capital market dysfunctionality. Giants funds are the solution as long-term investment is key (not trend following, like hedge funds).