

Request for proposals – Policy frameworks for long-term responsible investment

The PRI Association is inviting requests for proposals from individuals qualified and interested in writing a report on the policy frameworks for long-term responsible investment.

THE PRI INITIATIVE

The United Nations-supported Principles for Responsible Investment (PRI) Initiative is a global network representing 1200 asset owners, investment managers and service providers with total assets under management of \$34 trillion across 54 countries.

POLICY AND RESEARCH

In December 2013, the PRI established its Policy and Research work programme, focusing on overcoming the barriers to a sustainable financial system by encouraging long-term responsible investment. The work is supported by an eight person steering committee, representing large institutional investors across North America, Australia and Europe.

OBJECTIVES

The desired outcome of this current initiative will be a report for PRI signatories to engage with policy makers on the creation of enabling policy environments for long-term responsible investment. It will explore, through case studies, the tools that can be used by policy makers (e.g. formal regulation, mandatory and voluntary disclosure requirements, training materials) to encourage long-term responsible investment practice. It will also explore policy obstacles that may be inhibiting long-term responsible investment.

TIMELINE

The report – provisionally titled “The Case for Policy Engagement” – will be approximately 15 pages in length. We expect that the report will:

- Set out the opportunity for investors to engage in policy,
- Present some examples of investor engagement on policy, highlighting the outcomes achieved and lessons learned (see “potential case-studies”),
- Provide some practical guidance for investors on how they might approach public policy engagement,
- Provide some practical guidance for PRI and other collaborative initiatives on how they might organise and structure their work on policy.

Given that policy engagement may be a new activity for some investors, we will focus on demystifying policy engagement (e.g. explaining the similarities and differences between policy and corporate engagement) and proposing modest steps that can be taken by all investors.

Our expectation is that these deliverables will help overcome some of the barriers to investor engagement in policy, with stronger representation from institutional investors in policy engagements.

This in turn will act as a resource for policy makers to best harness the expertise of long-term responsible investors.

Potential case-studies:

We envisage that the report will include five short (500 – 600 word) case-studies. The PRI has not decided on which case studies it will present but potential candidates are:

Examples of regulation or stewardship codes that encourage or require ESG integration:

The Grenelle Laws (France)

The Code for Responsible Investing in South Africa

The Danish Financial Markets Act

Stewardship Codes (e.g. UK, Japan, Malaysia etc.)

Examples of policy obstacles that may be inhibiting long-term responsible investment:

Solvency II capital requirements or EMIR derivative regulation.

The successful consultant will be informed by 27 May 2014, and the report will commence immediately. The report should be completed by 18 July 2014.

Please indicate a detailed timeline in your response within the above timeframe. The PRI Secretariat will be available for a call with the selected consultant before the report commences and midway through the research period to discuss preliminary findings and clarify any questions about the project.

THE PRINCIPLES

This project will support PRI Principles 2 and 4.

Principle 2 suggests signatories should “participate in the development of policy, regulation, and standard setting (such as promoting and protecting shareholder rights)”. Principle 4 suggests signatories “support regulatory or policy developments that enable implementation of the Principles”.

CONSULTANT PROPOSALS

Proposals by consultants are requested by 23 May 2014 and should include:

- Price
- Envisioned turnaround time, bearing in mind the above timelines
- Related expertise/projects undertaken
- Brief biography of personnel carrying out the research

FURTHER INFORMATION AND SUBMISSIONS

For further information and to submit proposals please contact Will Martindale, Manager, Policy & Research, at +44 (0) 203 714 3159 or will.martindale@unpri.org. The deadline for submitting proposals is 17.00 BST 23 May 2014.