



# Sustainable Finance

Market Performance - Selected Markets for the Week Ended March 26, 2010					Selected Rates (Institutional)	
Market	Dec 31, 2009	Mar 26, 2010	YTD Change	YTD % Change	Description	Price/Rate Mar 26, 2010
S&P TSX	11,746.11	11,957.37	211.26	1.80%	CDN/USF	1.0285
Dow Jones	10,428.05	10,850.36	422.31	4.05%	CDN/EURO	1.3780
S&P 500	1,115.10	1,166.59	51.49	4.62%	CDN/CHF	0.9646
Nasdaq	2,269.15	2,395.13	125.98	5.55%	CDN/YEN	0.0111
Nikkei 225	10,546.44	10,996.37	449.93	4.27%	Total CPI -Canada TTM (02/10)	1.60%
FTSE 100	5,412.88	5,703.02	290.14	5.36%	Total CPI - USA TTM (02/10)	2.10%
Dax	5,957.43	6,120.05	162.62	2.73%	Total CPI - Euro TTM (02/10)	0.90%
Hang Seng	21,872.50	21,053.11	-819.39	-3.75%	GOC 1 Yr T-Bill	0.87%
Shanghai	3,277.14	3,059.72	-217.43	-6.63%	GOC 5 Year	2.86%
DJSI World TR	1,286.40	1,288.03	1.63	0.13%	GOC 10 Year	3.54%
DJSI North America TR	120.14	126.13	5.99	4.99%	GOC 30 Year	4.08%
Jantzi Social Index TR	173.67	180.21	6.54	3.77%	Gold USF/Oz	1,104.44
FTSE 4Good Global 100	4,256.14	4,236.22	-19.92	-0.47%	Oil USF/BBL WTI Cushing Spot	80.00

## Week in Review

Is it me or have you noticed a disturbing trend lately. The article below regarding the possible destruction of a lake in BC is what I am talking about.

I am also speaking of the recent failure of the Copenhagen talks regarding climate change.

What I have noticed is that in general the dedication of politicians to the issue of climate and environment has taken a back seat to the economic realities that face the world right now in spite of the fact the two are in-

tricately linked.

Remember 2007 and 2008 up until the financial meltdown? Every second article and news spot had to do with climate change and the environment.

But politicians being the ADD group that they are and never lacking the ability to shift gears to the hot topic that is current and seemingly of great concern to the general population, have all but abandoned the very topic that is central to humanity's continued tolerable existence on the planet.

Had this been a scientifically proven case where humanity was threatened with definite extinction or severe consequences in 20 years if they continued their current environmental degradation and climate changing emissions there would be no question. The world would have risen to the occasion as they did with the Ozone Issue and eventually would prevail.

But the threat is so distant and uncertain. While the journalists would have us all believe that there is a

balanced view the reality is the majority of scientists agree about climate change and in fact have grave concerns about the understatement of the potential consequences.

Setting aside climate change, as the politicians have, of greater importance in the near term is that of the environment.

As the world approaches 7.0 billion people, its greatest population of humans ever, concern for the environment is slowly being eroded by events that, if left unchecked, are going

to have dire consequences in the very near term.

Think about this. Until the year 1990 there really were only two major concentrations of well off middle class humans consuming at the western level. North America and Europe. Of course there were also isolated pockets in the Middle East, some Asian countries, and Russia.

In 2010 there are easily 5 major concentrations. North America, Europe, South America, China, and India. And behind these concentrations there

are at least two more on the horizon.

They all want the western standard of living. Unfortunately while this may present some excellent economic growth prospects it also presents perhaps the greatest environmental challenge the world has ever faced.

And yet this has all been put aside to a great extent in the name of getting economies back on track.

It is my firmly held belief that by solving the environmental issues this planet now

faces we can solve not only the economic issues but also the climate change issues.

As in nature they are all interconnected. They all affect the other. But if we take care of the environmental issues, as the environment is the source of all that we are, then we take care of every other issue.

Can you imagine a world without waste? Or do you prefer the Five Great Oceanic Gyres to grow?

We need to get our priorities straight.

## Group fights to save B.C. lake on World Water Day

As countries observed World Water Day on Monday, a Canadian group focused on saving a British Columbia fish-bearing lake and nearby creek from destruction.

At a public hearing in Williams Lake, the Ottawa-based Council of Canadians urged a federal review panel to reject a proposed mining project about 200 kilometres southwest of Williams Lake. The hearing was packed by about 300 people.

The proposal is by Vancouver-based Taseko Mines, which says it must destroy a lake and a creek in order to

mine a copper-gold deposit.

Taseko says the lake is right beside the deposit and it is not realistic to have the mine and preserve the lake.

Taseko has offered to compensate for the loss of the lake by building an artificial one elsewhere.

But the CAC argues that destroying Fish Lake through the dumping of toxic waste will kill about 85,000 trout, causing a food shortage for first nations.

The group fears the tainted water will also affect salmon because the toxins will contaminate the Taseko

River, which connects through a tributary to the Fraser River.

Meera Karunanathan, a spokeswoman for the CAC, said the Tsilhqot'in people in the area live, on average, on less than \$10,000 a year.

"Their well-being is contingent on the ability to fish, pick berries and hunt in the area. The proposed destruction of [Fish Lake] and the surrounding area will drive many in these communities to abject poverty," she said.

She said many environmental groups are concerned about a section of the federal Fisheries Act that

allows mining companies to dump their waste into lakes by redefining them as "tailing impoundment areas."

Meanwhile, an environmental group in Newfoundland said it will mount a legal challenge of that section of the Act. Ken Kavanagh, spokesman for the new Pond Alliance for the Protection of Canadian Waters, said the challenge is aimed at protecting Sandy Pond near Long Harbour, NL, which has already been approved for use as a dump site for the toxic waste of a nickel mining project by Vale Inco, a Toronto-based Brazilian-owned company.

International World Water Day, held annually on March 22, is an initiative that began after a 1992 United Nations conference on environment and development in Rio de Janeiro.

It's aimed at highlighting how worldwide water quality is declining because of human activity. An increased number of people and industries are factors that contribute to the deterioration of water quality.

The Vancouver Sun March 23, 2010  
By Tiffany Crawford

*"When the well is dry, we know the worth of water."*

*Benjamin Franklin*

March 26, 2010 Volume 2 Issue 12

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## Selected News Articles

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### China sends emergency food to drought-stricken provinces

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Temperatures and rainfall reach worst levels since 1950s, affecting 18m people and 11m livestock in southern regions

China has sent 1.4m tonnes of emergency grain supplies to drought-stricken southern provinces that are struggling to cope with the worst drought in decades, the local media reported today.

Authorities say well digging and other relief efforts may also need to be wid-

ened as the normally lush and humid region undergoes a dry spell that threatens wildlife, crop production and hydropower generation.

The drought has left 18 million people and 11m livestock in Yunnan, Guangxi, Sichuan and Chongqing without adequate water, according to the ministry of civil affairs.

As Yunnan is home to several of Asia's biggest rivers, including the Yangtze, Mekong and Salween,

the downstream impact of a prolonged drought is of concern to almost a billion people.

The economic damage is already estimated at 24bn yuan (about £2.4bn) and with more than 7m hectares of farmland affected, including China's biggest horticulture base, the amount could rapidly grow unless there is rain.

Thousands of water trucks have been sent to the affected area, but in the Himalayan

foothills, residents of at least one remote village are having to walk more than 20 kilometres each day to get water.

The authorities have blamed changing weather patterns that have curtailed the rainy season. According to Chen Zhenlin, the spokesman for China's meteorological administration, the average daily temperature in Yunnan over the past six months has been two degrees higher than normal, while the province has had only

half the rainfall of an ordinary year. Both are at levels not experienced since the 1950s.

Environmental activists said the government had worsened the problem by encouraging the widespread clearing of forest for rubber and eucalyptus plantations, which are far less capable of conserving water than the original trees. "This has caused significant water and soil erosion and intensified the drought in these regions," said Yu

Xiaogang, director of Green Watershed, a local NGO. "We need to review this issue and come up with solutions, otherwise we would face more serious drought problems in the future."

Villagers in Nongtai, a remote corner of Guangxi region, are having to walk six hours a day through the mountains to fetch water for their families, according to the Global Times. Most of them are over 60 years old because all the young and middle-aged

adults in the community have left to do migrant work in cities.

With the drought spreading, the government has spent 2.6bn yuan on emergency measures. According to People's Daily, authorities have dispatched tens of thousands of water trucks and strengthened irrigation systems over an area of a million hectares.

Guardian UK  
March 25, 2010  
By Jonathan Watts

*“Fundamentally, sustainable development is a notion of discipline. It means humanity must ensure that meeting present needs does not compromise the ability of future generations to meet their needs.”*

*Gro Harlem Brundtland*

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### B.C. Liberals introduce tree-planting act to fight climate change

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The B.C. government has introduced legislation that says an equal area of trees will be planted as is cleared from forest land for other uses.

Forests and Range Minister Pat Bell said Monday the Zero Net Deforestation Act will help B.C. reduce greenhouse gas emissions and fight climate change because the replanted forests will absorb and store carbon.

The act is part of the B.C. government's plan to reduce greenhouse gas emissions by 33 per cent by 2020, and defines deforestation as the permanent loss of trees from a given area.

Bell said the government hopes the newly created forest land will be equal or greater to what's been lost within five years.

"British Columbia is committed to achieving zero net defores-

tation by 2015 to help reduce greenhouse gas emissions," he said in a statement.

The province said timber harvesting is not considered deforestation because it is already managed sustainably.

Michael Rosen, president of the non-profit group Tree Canada, said the B.C. government should be commended for introducing the policy.

"I don't know of an-

other government in Canada who has tried to address this as an issue," he said.

Rosen said deforestation is not one of the major contributors to climate change in B.C., but it does play a role.

"This is the first step, to acknowledge that there's a problem and to work out a policy whereby you try to limit this type of activity," Rosen said, referring to examples such as housing

or highway development.

"It's to do with urbanization and restricting urbanization and that sort of stuff. That's a dilemma that provincial and municipal governments have been wrestling with for a long time." Valerie Langer, a spokeswoman for non-profit group ForestEthics, said the legislation is a good step, but much more needs to be done.

"It's good to have a

Zero Net Deforestation Act but it's not even close to addressing the big forest carbon emissions piece, which is from logging," she said. "The next thing that ForestEthics looks forward to is a coherent provincial policy for reducing carbon emissions from forestry and logging."

The B.C. government first committed to zero net deforestation in its 2008 throne speech.

The province plans to meet with communities, First Nations and other stakeholders over the coming months to discuss how best to implement the deforestation policy.

The Canadian Press  
March 23, 2010

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### Critics Seek to Halt Ethiopian Hydro Project

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Several environmental and human rights groups have joined forces in drafting a petition decrying Ethiopia's Gibe III hydroelectric dam project, which they say has the potential to destroy the livelihoods of 500,000 people in Ethiopia and Kenya.

The planned Gibe III dam is expected to generate 1,800 megawatts of electricity from the Omo River, which flows from the south of Ethiopia into Lake

Turkana in Kenya.

"The lower Omo region has great biodiversity, but the grasslands are very fragile in this semi-arid environment," said a spokeswoman for one of the groups, Survival International, who asked not to be named for fear of reprisals from Ethiopian authorities. "This would all be threatened by the lack of the natural, slow flood and by the lowering of the river level."

A lack of rich silt and water would also mean that local tribes could longer plant sorghum and corn in the flood retreat, the spokeswoman added. "The river and its natural flood are a lifeline in an area where rains can and do fail, and where tribes live close to the margins already," she said.

Although the nearly 800-foot high dam — the tallest in Africa — is already partly complete, the petitioners are focusing

on Western donors in an attempt to halt continued financing of the project.

Construction costs of \$1.7 billion project have been financed by the Ethiopian government and Exim Bank of China. The African Development Bank, the European Investment Bank, the World Bank and the Italian government have also been approached by Ethiopian officials to help with financing.

Ethiopia has suffered

frequent blackouts and power shortages over recent years and is in need of increased electrical supply, though opponents say the project is oversized and exceeds the country's domestic needs.

Surplus would presumably be exported to neighboring countries like Kenya and Sudan.

The Ethiopian government, however, has said the project would be a boon for the developing na-

tion.

"The advantages for the whole country, the local communities around, even for our neighboring countries — including Kenya — so much more outweigh the small problems that will be caused on an immediate basis but are not long-lasting," said Tewolde Gebre Egziabher, head of Ethiopia's Environmental Protection Authority, in an interview with BBC News. The four groups join-

ing Survival International in the petition include the Counter Balance Coalition, which seeks reform of the European Investment Bank; the Friends of Lake Turkana; the Campaign for the Reform of the World Bank, and International Rivers.

Green Inc  
March 25, 2010  
By Pete Browne

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