



Swiss Re awards a land reform project in Vietnam with «ReSource Award»

Contact:

Group Media Relations, Zurich
Telephone +41 43 285 7171

Corporate Communications, New York
Telephone +1 212 317 5640

Corporate Communications, Asia
Telephone +852 2582 3610

Swiss Reinsurance Company
Mythenquai 50/60
P.O. Box
CH-8022 Zurich

Telephone +41 43 285 2121
Fax +41 43 285 2999
www.swissre.com

Zurich, 5 April 2004: Swiss reinsurer Swiss Re presented its second ReSource Award for Sustainable Watershed Management on Monday. The award of USD 75,000 goes to a project in Vietnam. In her speech during the award ceremony at the Centre of Global Dialogue, Swiss Foreign Minister Micheline Calmy-Rey praised Swiss Re's collaboration with environmental organisations and governments.

Swiss Re's ReSource Award is designed to recognise projects that preserve the ecological, social and economic value of water resources. The global reinsurer supports water projects across the world and is committed to creating feasible and binding conditions to protect this vital resource. The sustainability award is worth USD 100,000 and conferred annually. Alongside the winning project from Vietnam, which received prize money of USD 75,000, the jury of international experts selected a runner-up project from China.

The winning project was submitted by the Vietnamese provincial government of Quang Nam in association with WWF Indochina. Working together, the two parties want to curtail the overexploitation of forests and rivers in this central Vietnamese province. The allocation of land rights by the state to the local population is at the centre of the project, which was launched in February 2004. This allocation of land thus delegates responsibility for the conservation of this vital natural resource to those directly affected. The land reform is accompanied by training, awareness-building and performance-related incentives to ensure that the local communities actually acquire the skills they need to manage their forests, land and water resources with due care.

The wide-ranging measures, which can now be implemented with the support of the ReSource Award, are urgently needed. Frequent natural catastrophes threaten to destroy the livelihood of the people who live on the banks of the Thu Bon River in Central Vietnam. Around one million people are affected by the consequences of overexploited forest areas. The deforestation leads to devastating floods, such as the

ones which hit the region in December 2003, as well as to seasonal droughts.

Praise from Foreign Minister Calmy-Rey

Foreign Minister Micheline Calmy-Rey praised the project's integral approach: "The land reform supported by Swiss Re encourages people to make their own contribution to improving their livelihood, while delegating more responsibility for the environment to those directly affected. This serves the interests both of the people concerned and the environment."

The inclusion of a broad section of the population in the management of their water resources increases the acceptance of the measures and indeed considerably improves the likelihood that the project will succeed.

The winning project requires considerable initiative on the part of the Vietnamese population. Peter Forstmoser, Chairman of the Board of Directors of Swiss Re, also encourages such commitment in the private sector: "A company can and should also play an active role in the community, just as we expect all good citizens to be. It is in a company's best interests to work for the benefit of the public at large. If it fails to do so, it cannot expect those around it to show understanding for its own needs. The ReSource Award is a Swiss Re initiative that seeks to find sustainable solutions, working in collaboration with all those affected."

Grass as a water reservoir

The runner-up project comes from China: in the Dabie mountains, the China Vetiver Network is running a campaign to promote the cultivation of so-called Vetiver grass, a fast-growing crop that slows down soil erosion and increases the soil's ability to retain water.

The population of this region is dependent on the availability of fertile soil and water. Today, farmers are in danger of losing their very livelihood. Worsening erosion of the soil and the reduction in its fertility as a result of inappropriate methods of cultivation are making their lives increasingly difficult. Population growth over the past few decades led to the expansion of cultivated areas and deforestation. Measures aimed at encouraging sustainable agricultural and forestry management and at training farmers in the cultivation of appropriate crops contribute towards improving these people's livelihood. Vetiver

grass slows down surface water flow and stabilises the soil, allowing it to retain more water. Erosion is reduced and crops can take root again.

Further information on the ReSource Award is available at www.swissre.com/resource.

Georg Fischer Foundation supports the ReSource Award Project with the launch of a new bicentennial foundation

Swiss Re draws on its network to seek funding for nominated projects from interested companies and organisations. The Swiss industrial group, Georg Fischer, marked the occasion of its bicentenary in 2002 by setting up the Community Benefit Foundation. It chose "Clean Water" as its watchword in recognition of its core business: the production and distribution of high-quality piping systems for the distribution of drinking water. Within the framework of the ReSource Award, the Georg Fischer Foundation is supporting one of the nominated projects from Tanzania dedicated to the rehabilitation and preservation of more than 38 sources in the Kilimanjaro region.

You can find more information about "Clean Water" at www.georgfischer.com

Notes to editors

Swiss Re

Swiss Re is one of the world's leading reinsurers and the world's largest life and health reinsurer. The company operates through more than 70 offices in over 30 countries. Swiss Re has been in the reinsurance business since its foundation in Zurich, Switzerland, in 1863. Through its three business groups Property & Casualty, Life & Health and Financial Services, Swiss Re offers a wide variety of products to manage capital and risk. Traditional reinsurance products, including a broad range of property and casualty as well as life and health covers and related services, are complemented by insurance-based corporate finance solutions and supplementary services for comprehensive risk management. Swiss Re is rated "AA" by Standard & Poor's, "Aa1" by Moody's and "A+" by A.M. Best.