



First Swiss Re RE-Source Award: Winning project awarded USD 70,000 to safeguard water resources in Guatemala; further awards for innovative projects in Nepal and Brazil

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Zurich, 17 March 2003 – At the first RE-Source Award ceremony held in Rüslikon, near Zurich, Swiss Re conferred prizes to three projects designed to promote sustainable watershed management. The winning project from Guatemala received prize money of USD 70,000 for its proposed method of preserving water resources in *Sierra de las Minas*. Water projects in Nepal and Brazil were each awarded prize money of USD 15,000. A total of 105 projects were entered for the competition.

At the first RE-Source Award ceremony a total prize money of USD 100 000 is being made available to innovative projects in the area of sustainable watershed management. A total of 105 projects from around the world were entered for the competition between its launch in April 2002 and the closing date at the end of August 2002. The entries were judged by a jury of international water experts from NGOs and government organisations as well as sustainability experts.

The award's first prize was given to a working partnership between the local Guatemalan foundation *Defensores de la Naturaleza* and WWF Central America. The prize money of USD 70,000 will go to financing efforts to stabilise the water resources in *Sierra de las Minas*. *Sierra de las Minas* is a biosphere reserve stretching over 240 000 hectares and rising up to just over 3000 metres above sea level. As home to more than 2000 different types of plants and 800 species of birds, the reserve's biodiversity is under enormous pressure. Deforestation and an expanding population are major threats to the local natural resources. The result is decreasing water availability and deteriorating water quality downstream.

According to Steve Gretzinger, from *WWF Central America*: "The local population takes the availability of clean water for granted. While most understand the importance of the forest for ensuring water supplies, there has not been a concrete mechanism for helping them protect the supply. The project can help to reverse this negative trend." Oscar Nuñez, Executive Director of *Defensores de la Naturaleza*, and a partner in the project adds: "Thanks to the support we are receiving from the

RE-Source Award, we will be able to construct a financing mechanism that will help preserve the fragile water resources. Intensive downstream water users, in particular industry, pay a contribution used to fund conservation measures and activities undertaken by their upstream neighbours."

Additional awards to Nepal and Brazil

Given the large number of innovative projects entered for the competition, the jury decided to award two runner-up prizes of USD 15,000 each to projects from Nepal and Brazil. The project from Nepal is located in the Galaundu Pokhare watershed, 100 km from Kathmandu. Its aim is to reduce soil erosion and river-sediment loads. The application of agroforestry technologies is intended to improve the quality and availability of water. The Brazilian project aims to preserve the existing water resources in the Piracicaba river basin near São Paulo by means of awareness campaigns. In addition to drama plays dealing with water consumption, measures will include environmental education (planting tree nurseries involving young people and students), protecting water springs, and reducing waste.

According to Thomas Streiff, who is responsible for sustainability projects at Swiss Re and is also a member of the RE-Source Award jury, the three projects were selected because they fulfilled best the judging criteria of sustainability, transferability, innovation, involvement of local community and regional institutions, risk awareness, impact and financial structure. "The large number of projects submitted testifies to the fact that there is a great need for financing innovative water projects. There is no shortage of sustainable projects, whether in Guatemala, Nepal or Brazil. Swiss Re launched the RE-Source Award to support the implementation of even more projects promoting the sustainable use of water resources. These types of project benefit not only the local population, but ultimately all those people for whom drinking water is becoming a scarce commodity."

Swiss Re already sponsors a variety of water projects in Brazil, Haiti, the Alps and the US. With the Award Swiss Re is contributing to further watershed management projects, from the planning and evaluation stages through to implementation. The award is designed to encourage projects that foster awareness of the ecological, social and economic significance of water resources.

The award ceremony on 17 March 2003 was accompanied by a panel discussion on the subject of water. Kristalina Georgieva, Director of Environment at the World Bank, Claude Martin, Director of WWF International, Bertrand Piccard, Captain of the Breitling Orbiter 3 and the first man to circumnavigate the globe non-stop in a balloon, and Gian-Reto Plattner, Speaker of the Swiss Council of States, debated the topic: "To whom does water belong".

The RE-Source Award is recognised and supported by an international group of patrons, including Walter Anderau, Member of Swiss Re's Executive Board; Viktor Dukhovny, Director, Interstate Coordination Water Commission of Central Asia; Chedli Fezzani, Executive Secretary, The Sahara and Sahel Observatory (OSS); Walter Fust, Director General, Swiss Agency for Development and Cooperation; Jonathan Lash, President, World Resources Institute (WRI); Claude Martin, Director, WWF International; Prince Sadruddin Aga Khan, President, Alp Action; Achim Steiner, Director General, IUCN - The World Conservation Union; and Alexander Zehnder, Director, Swiss Federal Institute for Environmental Science and Technology (EAWAG).

Water has always been a key factor for the insurance industry: as the cause of losses through flooding or as a trigger for landslides and mudslides. Modern risk analysis is clear on one issue: in the future, water will gain pivotal importance. Ever-decreasing global water resources are becoming increasingly polluted. For more details about Swiss Re and its commitment to water, visit www.swissre.com. Further information on the International RE-Source Award for Sustainable Watershed Management is available from www.swissre.com/resource. The competition for the 2003 "International RE-Source Award" is now running; the closing date for entries is 31 August 2003.

Free download of pictures under www.photopress.ch/021.html.

Notes for editors:

Swiss Re is one of the world's leading reinsurers with over 70 offices in more than 30 countries. For 2001, Swiss Re reported a net loss of CHF 1 65 million, largely due to the 11 September event. In the 2001 financial year, gross premium volume amounted to CHF 28.5 billion. At the end of June 2002, Swiss Re's shareholders' equity amounted to CHF 18.3 billion and the total balance sheet stood at CHF 168 billion. Swiss Re is rated "AA+" by Standard & Poor's, "Aa1" by Moody's and "A++" by A.M. Best.