

## Virtual outreach on supervisory and regulatory approaches to climate-related risks

Thursday 19 May, 13:00 – 15:30 CEST

### Annotated agenda

*The virtual meeting will be held using Cisco Webex (web-based video call). Information on technical details will be circulated separately. Times for each agenda item are indicative.*

### Background

On 29 April 2022, the Financial Stability Board (FSB) published an interim report on supervisory and regulatory approaches to climate-related risks to assist supervisory and regulatory authorities in developing their approaches to monitor, manage and mitigate risks arising from climate change and to promote consistent approaches across sectors and jurisdictions. A more consistent global approach to addressing climate-related risks will help to better assess and mitigate financial vulnerabilities and to reduce the risk of harmful market fragmentation. The FSB invites comments on the consultative interim report from stakeholders by 30 June 2022 on (i) supervisory and regulatory reporting and collection of climate-related data from financial institutions; (ii) the incorporation of systemic risks into supervisory and regulatory approaches; and (iii) early considerations on other macroprudential tools and policies on climate-related risks.

The virtual outreach event will take place on 19 May, during the two-month consultation period ending on 30 June. Feedback received during this event, together with any written responses submitted as part of the consultation, will provide input into the final report due for publication in October.

The objective of the outreach event on 19 May is twofold: first, it aims to inform the industry about the consultation report and second, it aims to gather perspectives from a variety of stakeholders on the topics covered in the report.

### 1. Introduction and welcome remarks (13:00-13:05)

- Jamey Hubbs (Office of the Superintendent of Financial Institutions (OSFI)) and Laurent Clerc (Autorité de contrôle prudentiel et de résolution (ACPR)), Co-Chairs of the FSB Working Group on Climate Risk (WGCR) to introduce the objective of the outreach session and provide an overview of the FSB interim report

## 2. Session 1: Supervisory and regulatory reporting and collection of data from financial institutions (13:05-13:45)

*Moderator:* Jamey Hubbs, WGCR Co-Chair

*Public sector speakers:*

- James Rowe (Bank of England) to present the key points and recommendations from the FSB interim report
- Pilar Gutierrez (European Banking Authority) and Luis Otavio Vissotto (Banco Central do Brasil) to present featured examples from the interim report

*Industry panel session:*

- Sonja Gibbs (Institute of International Finance), Alberto Postigo (Moody's Investors Service) and Edo Schets (Bloomberg)

**Issues for discussion:**

- What are financial institutions' approaches to identify and measure climate-related risks? In terms of measurement, how are financial institutions quantifying their exposures and impacts of climate-related risks?
- What climate-related data, including metrics, are considered important to collect, measure and report periodically (internally, externally)?
- How can financial institutions increase the reliability of climate-related data?

## 3. Session 2: Incorporating systemic risks into supervisory and regulatory approaches (13:45-14:25)

*Moderator:* Laurent Clerc, WGCR Co-Chair

*Public sector speakers:*

- Benjamin Dennis (Federal Reserve Board) to present the key points and recommendations from the FSB interim report
- Rie Asakura (Japan Financial Services Agency), Stephane Tardif (OSFI) and Laurent Clerc (ACPR) to present featured examples from the interim report

*Industry panel session:*

- Raf Hussain (HSBC), John Scott (Zurich Insurance Group) and Maryam Golnaraghi (The Geneva Association)

**Issues for discussion:**

- What sources of systemic risks arising from climate change have financial institutions identified as having potential material financial impact?
- How have financial institutions incorporated, or plan to incorporate, systemic risks into their risk management practices, including through the use of scenario analysis and stress tests?

**4. Session 3: Early considerations on other macroprudential tools and policies (14:25-15:05)**

*Moderator:* Jamey Hubbs

*Public sector speakers:*

- Carmelo Salleo (European Central Bank (ECB)) to present the key points from the FSB interim report
- Michael Wedow (ECB) and Chris Faint (Bank of England) to present featured examples from the interim report

*Industry panel session:*

- Paola D’Orazio (Ruhr-Universität Bochum), Pierre Monnin (Council on Economic Policies) and Robert Patalano (Organisation for Economic Cooperation and Development)

**Issues for discussion:**

- Perspectives on whether microprudential tools sufficiently address the cross-sectorial, global and systemic dimensions of climate related risks
- Perspectives on macroprudential tools and policies, and whether they can be used to complement microprudential measures. What further research and analysis should be undertaken?

**5. Q&A session (15:05-15:25)**

*Moderator:* Laurent Clerc

- Questions from participants on the FSB interim report

**6. Wrap up and closing remarks (15:25-15:30)**

- Jamey Hubbs and Laurent Clerc’s concluding remarks