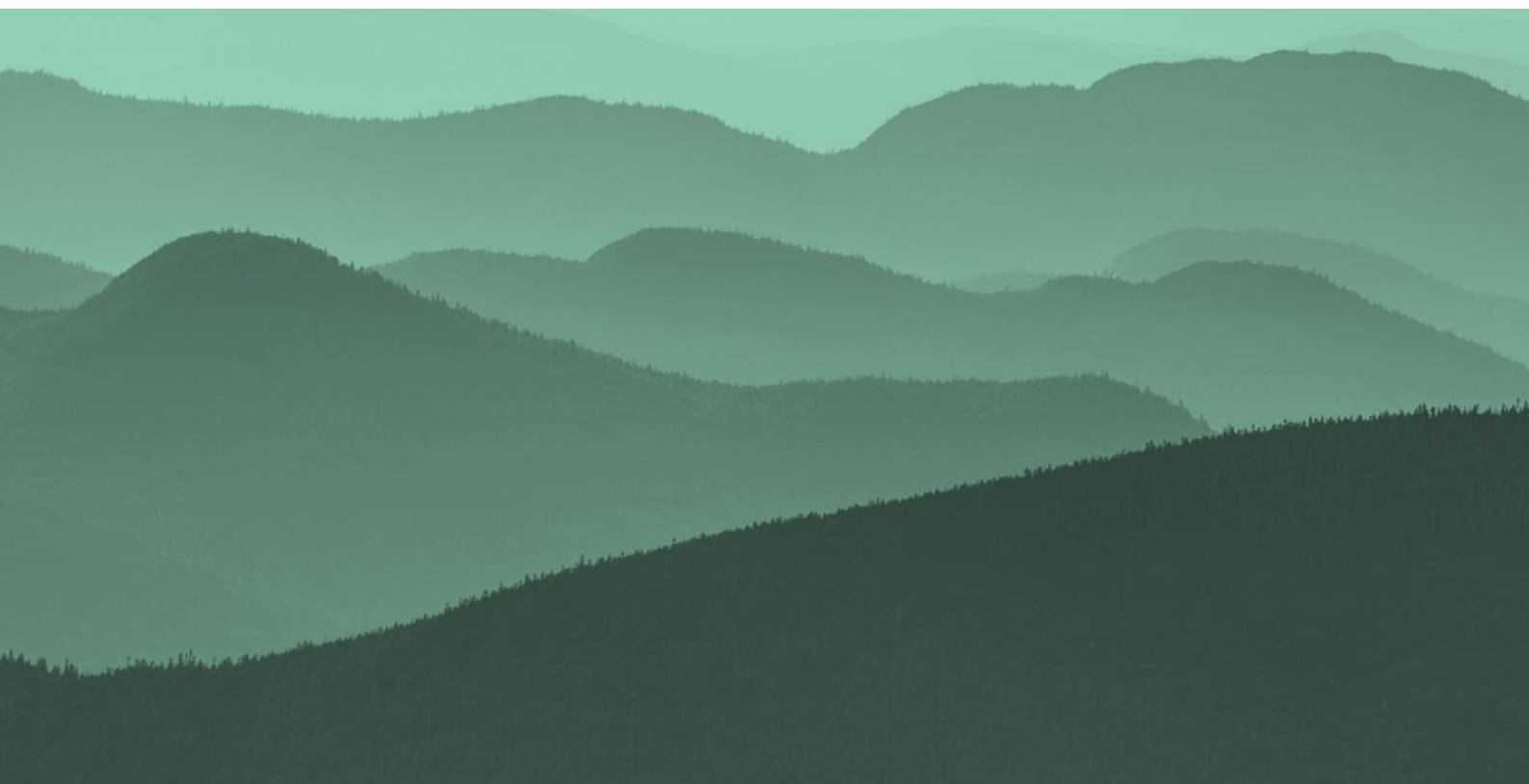


Assessing the Climate Resilience of Finance

From physical risk to resilience alignment

WORKSHOP

20 June 2024, 12:30-18:00 CET
18:00 CET: in-person networking cocktail
OECD Paris HQ and on Zoom



Workshop on Assessing the Climate Resilience of Finance

■ The challenge

There is an urgent need to adapt to growing climate change risks and mainstream climate resilience in all aspects of our economies and societies. Article 2.1c of the Paris Agreement acknowledges the critical role that finance plays in this context, by setting a goal to make finance consistent with climate-resilient development (as well as with a pathway towards low greenhouse gas emissions). In practice, alignment with resilience goals requires not only scaling up finance for adaptation solutions, but also embedding resilience considerations in all investment and financing decisions.

To track progress and inform policies to increase the climate resilience of finance flows and stocks, major conceptual and data gaps need to be filled. In this context, a range of stakeholders are developing data and metrics to assess physical climate risks to finance and underlying real-economy activities. At the same time, assessments of adaptation strategies and alignment with climate change resilience policy objectives and targets are still very limited.

■ The workshop

This workshop aims to facilitate knowledge sharing on existing best practices to analyse physical climate risks to the financial system, and on further steps needed towards assessing adaptation opportunities and resilience alignment in finance. To this end, the event will gather experts and practitioners across the following communities: climate policy makers, financial regulators and supervisors, investors and financial institutions, researchers, data and assessment methodology providers.

The workshop is hosted by the OECD Research Collaborative on Tracking Finance for Climate Action, based on funding provided by a range of OECD member countries.¹ It is part of a series of workshops related to assessing the consistency of finance with climate policy goals². The workshop is organised in collaboration with the Network on Greening the Financial System (NGFS) in the context of the work of its Expert Network on Data.

Contact

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For questions: Jolien.Noels@oecd.org and Raphael.Jachnik@oecd.org

¹ Research Collaborative events and substantive work to assess the consistency and alignment of finance with climate policy goals benefits from funding from Austria, Canada, the European Union, Italy, Norway, Switzerland, the United Kingdom, and the United States of America.

² See the previous [Workshop on Metrics for Climate Transition and Net-Zero GHGs in Finance - Supporting climate policy goals and avoiding greenwashing](#) that took place in February 2023.

Agenda

CHAIR **Yuval Laster**, Head of the Finance, Investment and Global Relations Division, OECD Environment Directorate

12:30 – 12:40 CET

Welcoming coffee

12:40 – 13:00 CET

Opening remarks

SPEAKER **Sabine Mauderer**, Chair, NGFS & Member of the Executive Board, Deutsche Bundesbank
Jo Tyndall, Director, OECD Environment Directorate

13:00 – 14:30 CET

SESSION 1: Approaches and best practices to identify physical climate risks to investments and finance

DESCRIPTION Identifying physical climate risks to finance and investments is the first required step to manage climate-related financial risks and increase resilience to climate change. This session will discuss the range of existing methodologies, metrics and data to identify physical climate risks in finance. To do so, the session will cover the different steps of a climate risk assessment, from identifying climate hazard domains, to measuring exposure and vulnerability of real-economy assets and entities, to assessing financial risks from climate change at the level of financial assets, portfolios, institutions, and centres. The session will allow to discuss strengths and limitations of existing and possible indicators, as well as consider potential ways forward for improved data and indicators to assess physical climate risks to investments and finance.

MODERATOR **Li Ming Ong**, Director Data Management and Statistics Department, Bank Negara Malaysia & Co-lead NGFS Expert Network on Data

PRESENTERS **Irene Heemskerk**, Head of the Climate Change Centre, European Central Bank
Boris Prah, Executive Director, Climate Risk Centre / ESG Research, MSCI

PANELLISTS **Gladys Santis**, Adaptation Officer, Chilean Ministry of Environment
Catherine Ansell, Executive Director, Climate Risk, JPMorgan
Sean Carmody, Executive Director, Insurance Division, Australian Prudential Regulation Authority

GUIDING QUESTIONS Which different data and metrics can the financial sector rely on to assess existing and future physical climate risks, and what are the (dis-)advantages of different options?
What data and methodological challenges remain to measure physical climate exposure and vulnerability to real-economy investments and financial assets for different hazards, and what are potential solutions to address these challenges?

14:30 – 15:45 CET

SESSION 2: Climate resilience policy goals and potential reference points for assessing the resilience alignment of finance

DESCRIPTION The Paris Agreement sets out clear temperature and emission goals for climate change mitigation, which has given rise to many net-zero targets, transition plans and alignment assessments in the private and financial sector, using global and sector-specific climate mitigation scenarios as reference points. For climate change adaptation, there is no globally agreed-upon goal, while policy objectives and targets at sectoral, national and subnational levels remain relatively partial and scattered. Against this backdrop, this session will discuss types and examples of climate change adaptation and resilience policy goals, targets and reference points relevant for resilience-related assessments in finance.

MODERATOR **Catherine Gamper**, Team Lead, Climate Change Adaptation, OECD Environment Directorate

PRESENTERS **Nicola Ranger**, Director, Resilient Planet Finance Lab and Group Leader, Resilience and Development, Environmental Change Institute, University of Oxford

Ammara Shariq, Climate Change Specialist, World Bank

PANELLISTS **Michai Robertson**, Senior Advisor for Finance to the Alliance of Small Islands States & Research Follow at the ODI

Anna Dimitrijevic, Deputy Head of Unit for Adaptation and Resilience to Climate Change, European Commission Directorate-General for Climate Action

Padraig Oliver, Programme Officer, Climate Finance Unit, United Nations Framework Convention on Climate Change Secretariat

GUIDING QUESTIONS How can climate change adaptation policies be used to assess progress by investors and financial institutions towards increasing resilience and contributing to climate resilient development goals, beyond sole physical risk management?

What are types and existing examples of climate change adaptation- and resilience-related public policy objectives, targets or thresholds that can be used as reference points to assess the resilience alignment of investments and financing?

15:45 – 16:15 CET

Break

16:15 – 17:45 CET

SESSION 3: Indicators of corporate and financial strategies to reduce climate risks and increase resilience

DESCRIPTION Companies, investors, and financial institutions can take a range of actions to reduce physical climate risks and increase the resilience in their activities and portfolios to climate change. This session will discuss typologies and examples of such actions, as well as data currently being collected on adaptation by these different actors. Based on this, the session will further highlight how such data and resulting indicators can contribute to informing assessments in finance of both financial risks and alignment with climate-resilient development.

MODERATOR **Jolien Noels**, Policy Analyst, Finance for Climate Action, OECD Environment Directorate

PRESENTERS **Joss Matthewman**, Senior Director of Climate Change Product Management & Strategy, Moody's

Clare Everett, Senior Global Policy Manager, Climate, CDP

PANELLISTS **Amine Benayad**, Global Lead for Climate & Sustainability in Financial Institutions, Boston Consulting Group

Mahesh Roy, Programme Director, Investor Practices, Institutional Investors Group on Climate Change

GUIDING QUESTIONS What data and indicators need to be developed to assess corporate and financial strategies to reduce climate risks and increase resilience?

What are the data and methodological challenges in developing indicators and assessments of adaptation actions and strategies by companies, investors, and financial institutions, and what are potential solutions to these challenges?

17:45 – 18:00 CET

CLOSING: Putting the pieces together and moving forward

SPEAKERS **Yann Marin**, Incoming Head of Secretariat, NGFS

Mathilde Mesnard, Deputy Director, OECD Environment Directorate

18:00 CET

Cocktail

Logistics

■ In-person participation

Arrival and registration procedures at the OECD

Location: [OECD Headquarters and Conference Centre](#), 2, rue André-Pascal, 75016 Paris

Prior registration for the workshop is required to attend the event in person at the OECD Conference Centre. Confirmed in-person participants have all received email confirmations from the OECD organisation team. Please note: You will not be granted access if you have been registered as Virtual participant as only confirmed 'In-person' registrations will receive a QR code for entry at the OECD conference centre.

On the day of the event:

- To collect your OECD entry badge upon arrival at the OECD Conference Centre, you will be asked to present an **identity card or passport** and a **copy of the email containing the QR code confirming your registration** for in-person participation in the workshop (which you will receive the day before the workshop).
- Badges will be delivered at the Welcome Desk. Please arrive at least **30 minutes** before the workshop starts to allow for access into the building. Participants should have lunch before the start of the workshop. For those wishing to do so on site, there is both a canteen (opening at 12:00) and cafeteria (opened from 8:30am) at the OECD conference centre ([see here](#)).
- For security reasons, you must wear your visitor's badge at all times.
- The workshop will be followed by a networking cocktail. For planning purpose, please inform the organisers in advance in case you are not able to attend the cocktail.

WiFi: Visitors can use a free WiFi service with no password required. Please connect to the network "HotspotOECD", open a browser page and accept the OECD terms of reference.

■ Virtual participation

Virtual participants will be able to join the workshop through the dedicated [Zoom link](#).

Participation & Engagement during the sessions

To facilitate an interactive and dynamic exchange during the conference, all virtual participants will be able to ask written questions in the Zoom chat.

Given the expected size of the virtual audience, all written questions and comments from participants will be moderated by the OECD team in real time. To ensure that the discussion is targeted and manageable, the OECD team will select and forward some of the questions and comments to the session moderator and, time allowing, may give the floor to a limited number of virtual participants.