

Climate Risk Management: The Latest Information

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Recently, federal regulatory agency leaders have taken steps towards understanding the financial risks associated with climate risk.

The Federal Reserve Board announced the creation of two committees tasked with identifying the micro and macro prudential risks of climate risk and developing a program to mitigate these risks. Treasury Secretary Janet Yellen stated on multiple occasions that climate risk management will constitute a major area of focus for the Financial Stability Oversight Council. Both the Federal Housing Finance Agency and the Securities and Exchange Commission released requests for input on the climate risks associated with the housing sector and purpose of climate risk disclosures, respectively. While still in the information gathering stage, the federal agencies clearly plan to make climate risk management a top priority for this administration.

Following the recent actions of federal regulatory agencies and inquiries from various members following the CSBS Legislative Fly-In panel with Sarah Bloom Raskin, CSBS thought it prudent to gather the latest information and data related to climate risk management.

The following reports, guidance, and speeches serve as a primer for understanding actions taken by a wide array of stakeholders in the financial services sector.

- [2020 Core Logic Climate Change Catastrophe Report](#)
- [Moody's Analytics: An Empirical Assessment of the Financial Impacts of Climate-related Hazard Events](#)

- [The Federal Reserve Board's Financial Stability Report: The Implications of Climate Change for Financial Stability](#)
- [Federal Reserve Bank of San Francisco Economic Letter: Climate Change is a Source of Financial Risk](#)
- [Governor Lael Brainard Speech on Financial Stability Implications of Climate Change from CERES 2021 Conference](#)
- [New York Department of Financial Services Industry Guidance to Regulated Financial Institutions](#)

If you have any questions about the above material or seek further information on current state and federal actions towards understanding climate risk management, please contact Camille Polson, Senior Analyst of Policy Development at cpolson@csbs.org.