



# CENTRALE BANK

CURAÇAO & SINT MAARTEN

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# CLIMATE CHANGE RISKS - GRADUAL THEN SUDDEN

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First Session of the Curaçao  
Climate Change Platform

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# CONTENT

- Climate Change Risk
- Risk Management in the Financial Sector
- Climate Change and Central Banks
- Strategic Agenda CBCS

# CLIMATE CHANGE RISK (1)



Rise in Sea Level



Extreme Weather Events



Supply Chains



Extreme Heat & Agriculture



Tourism

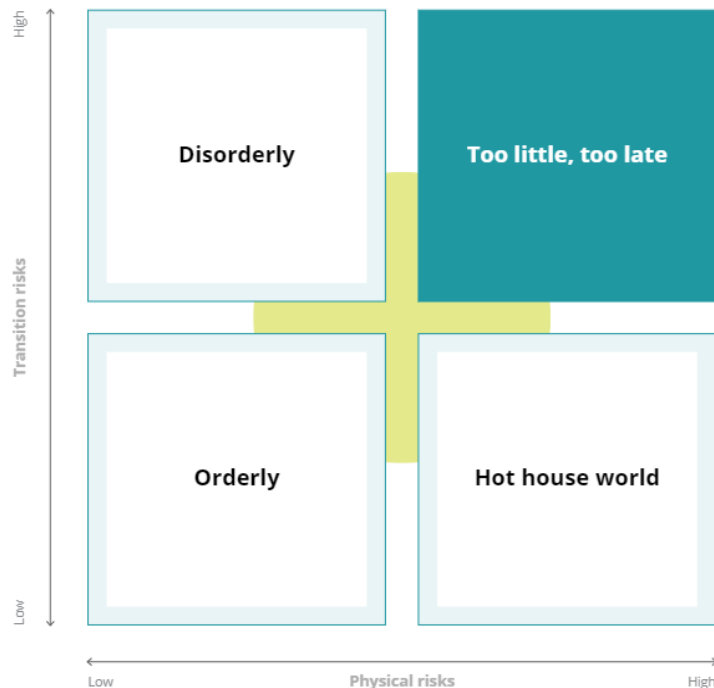
# CLIMATE CHANGE RISK (2)

**Orderly** scenarios assume climate policies are introduced early and become gradually more stringent.

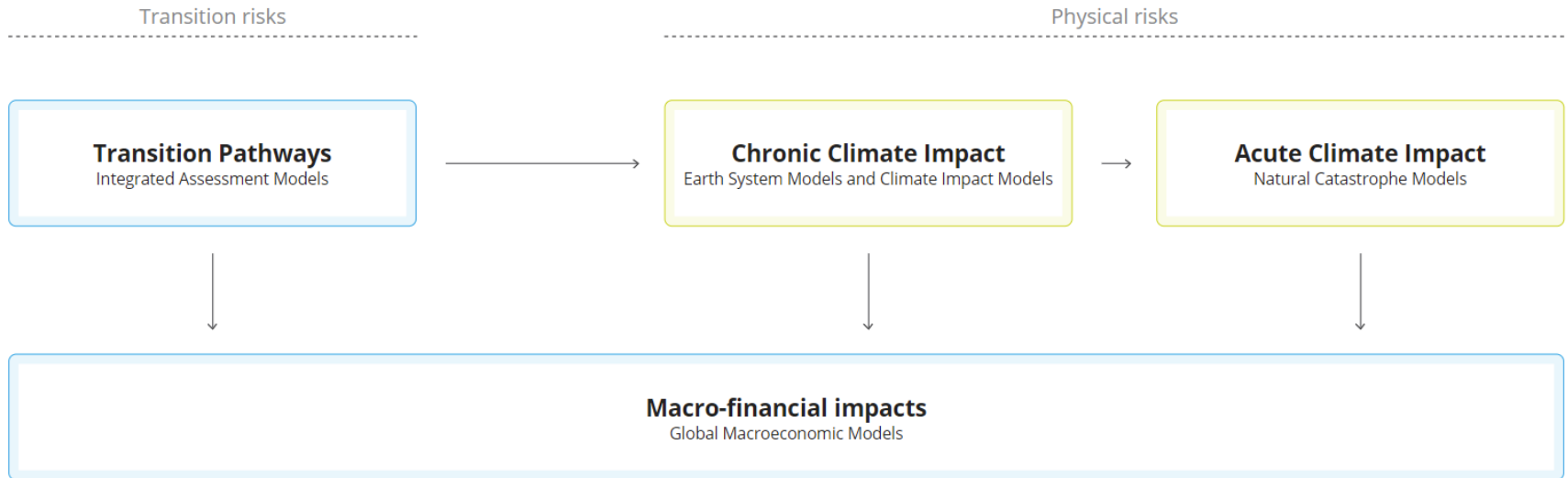
**Disorderly** scenarios explore higher transition risk due to policies being delayed or divergent across countries and sectors.

**Hot house world** scenarios assume that some climate policies are implemented in some jurisdictions, but global efforts are insufficient to halt significant global warming.

**Too little, too late** it is possible that a late transition would fail to contain physical risks.

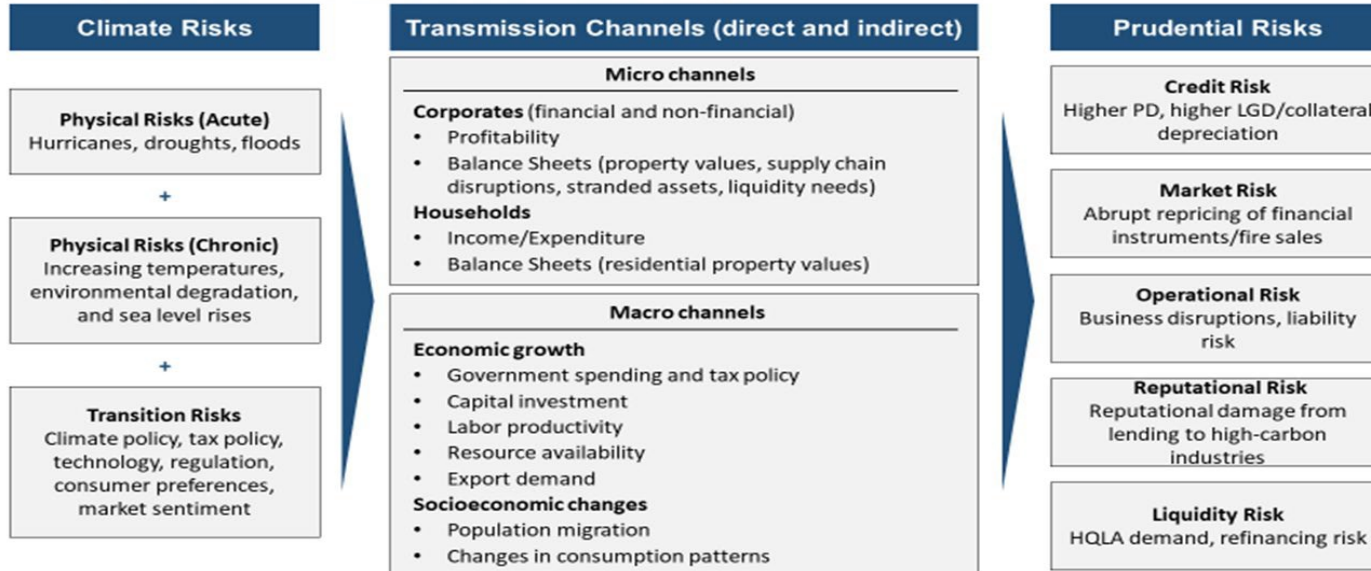


# RISK MANAGEMENT IN THE FINANCIAL SECTOR (1)



# CLIMATE CHANGE RISK IN INSURANCE, PENSION FUNDS AND BANKING INDUSTRY

## Microprudential Implications of Climate Change



# STRATEGIC AGENDA CBCS

1. Seek collaboration and dialogue– hence our enthusiasm for this Platform;
2. Do research on climate risks specific for Curacao and Sint Maarten;
3. Assess the impact on the financial sector and
4. Adjust our supervisory approach.



**THANK YOU FOR LISTENING**



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