



International Actuarial Association
Association Actuarielle Internationale

NEWS RELEASE

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Actuaries continue to support commitments to address climate risks

Climate change will likely seriously affect the entire world. The degree and timing of forecasted changes in our climate involve a great deal of uncertainty, creating widespread concern about its recent and potential impacts under various plausible scenarios. Even if the most severe climate-related risk scenarios do not materialize, it can be expected that our society will nevertheless be impacted. A range of effects is now being actively considered by governments, policymakers, regulators, businesses, scientists, and many others.

As key architects of insurance, pension and social security systems, both public and private, actuaries have long played pivotal roles in managing the uncertainties of financial risk. With the growing global recognition of the importance of climate-related risks, it is natural that actuaries are involved in addressing the rapidly evolving requirements and expectations of all stakeholders.

As global leaders gather for COP26, the International Actuarial Association (IAA) is committed to ongoing support for the goals set forth by the conference through our many partnerships, notably with the UN Environmental Programme, UN Principles for Sustainable Insurance and the UN-convened Sustainable Insurance Forum (SIF).

In 2020, the IAA established a Climate Risk Task Force (CRTF) to:

- Coordinate and facilitate the interchange and communication of information within the profession globally, thus adding value to the individual contributions of our Full Member Associations;
- Consolidate global actuarial contributions to support the work of supranational organizations engaged in the enhancement of risk management efforts on both a macro (global) level and on a micro level such as internal risk management, financial reporting, and prudential regulation in this area, as well as to provide forum(s) for discussion;
- Stimulate research on actuarial approaches and methodologies to implement disclosures and relevant analyses for the Task Force on Climate-related Financial Disclosures;
- Help optimize adaptation and financing strategies by quantifying and facilitating the comparison of costs and benefits over long time horizons; and
- Identify and quantify mitigation strategies that can help manage risks.

Since its creation, the CRTF has produced three papers on this subject: [Importance of Climate-Related Risks for Actuaries](#); [Introduction to Climate-Related Scenarios](#); and, [Climate-Related Scenarios Applied to Insurers and Other Financial Institutions](#). The IAA is expecting to add several other papers to this list in the next year as it continues to explore topics such as the sustainable transition to a net zero global economy, and how actuaries can add value to these important discussions.

The IAA wishes to encourage all parties concerned with the challenges of climate risks, to actively involve local actuaries in their discussions and deliberations. Actuaries are not only risk management experts in the traditional financial services sectors, they are also a largely accessible and knowledgeable resource of expertise for emerging issues such as climate risks. Actuaries are part of a global profession working to ensure the public interest is served.

To learn more about the work of the IAA on this topic, contact the [Director of Technical Activities](#) at the IAA Secretariat.

Ce communiqué de nouvelles est aussi disponible [en français](#).

The IAA is the worldwide association of professional actuarial associations, representing approximately 75,000 actuaries in more than 115 countries, with six special interest Sections for individual actuaries. The IAA was founded in 1895 and exists to encourage the development of a global actuarial profession, acknowledged as technically competent and professionally reliable, which will ensure that the public interest is served. The IAA has 74 Full Member Associations and 28 Associate Member Associations.

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