IAA Releases Paper on Actuarial Considerations Around Climate-Related Risks on Social Security

The International Actuarial Association (IAA) is pleased to announce the publication of the paper Actuarial Considerations Around Climate-Related Risks on Social Security developed by the IAA’s Climate Risk Task Force in collaboration with the International Social Security Association (ISSA).

This paper is the seventh in a series, aimed at creating awareness and promoting actuarial approaches in climate-related risk management and reporting. The preceding six papers along with this paper are available on the IAA website PUBLICATIONS / PAPERS / Climate Issues.

Climate change presents a formidable challenge to social security systems worldwide. This paper explores the implications of climate-related risks on social security, focusing on actuarial perspectives.

Climate-related risks disrupt demographic, economic, and investment-related assumptions critical for social security analysis. Accurate projections require consideration of practical scenarios amidst uncertainties. Despite challenges, quantifying climate scenarios aids in understanding risks and informing decision-making. Improved data and scenario exploration enhance probabilistic support for economic and financial analyses.

The paper delves into the main climate-related risks that affect Social Security Programs, key assumption classes crucial for social security actuarial projections, and future uncertainties and opportunities. It offers practical insights and methods for integrating climate risk considerations and potential impacts on actuarial work for Social Security Programs.

The aim of this paper is to create awareness and assist actuaries (and others) in understanding the role actuaries can play in collaboration with social security professionals to design resilient programs. Enhancing qualitative and quantitative analysis is essential for developing climate-resilient systems.

The Climate Risk Task Force will host a webinar later in the year to present this paper. Information about the webinar will follow.

This activity advances the IAA’s mission and strategic objectives to provide key supranational institutions with actuarial expertise on issues of relevance in global forums and to promote the advancement of scientific knowledge and skills of the actuarial profession.

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 seven 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 73 Full Member Associations and 27 Associate Member Associations.