

SCIENTIFIC CONFERENCE ON GREEN FINANCE AND
SUSTAINABLE DEVELOPMENT



Role of the central bank to mitigate the CO₂ emission

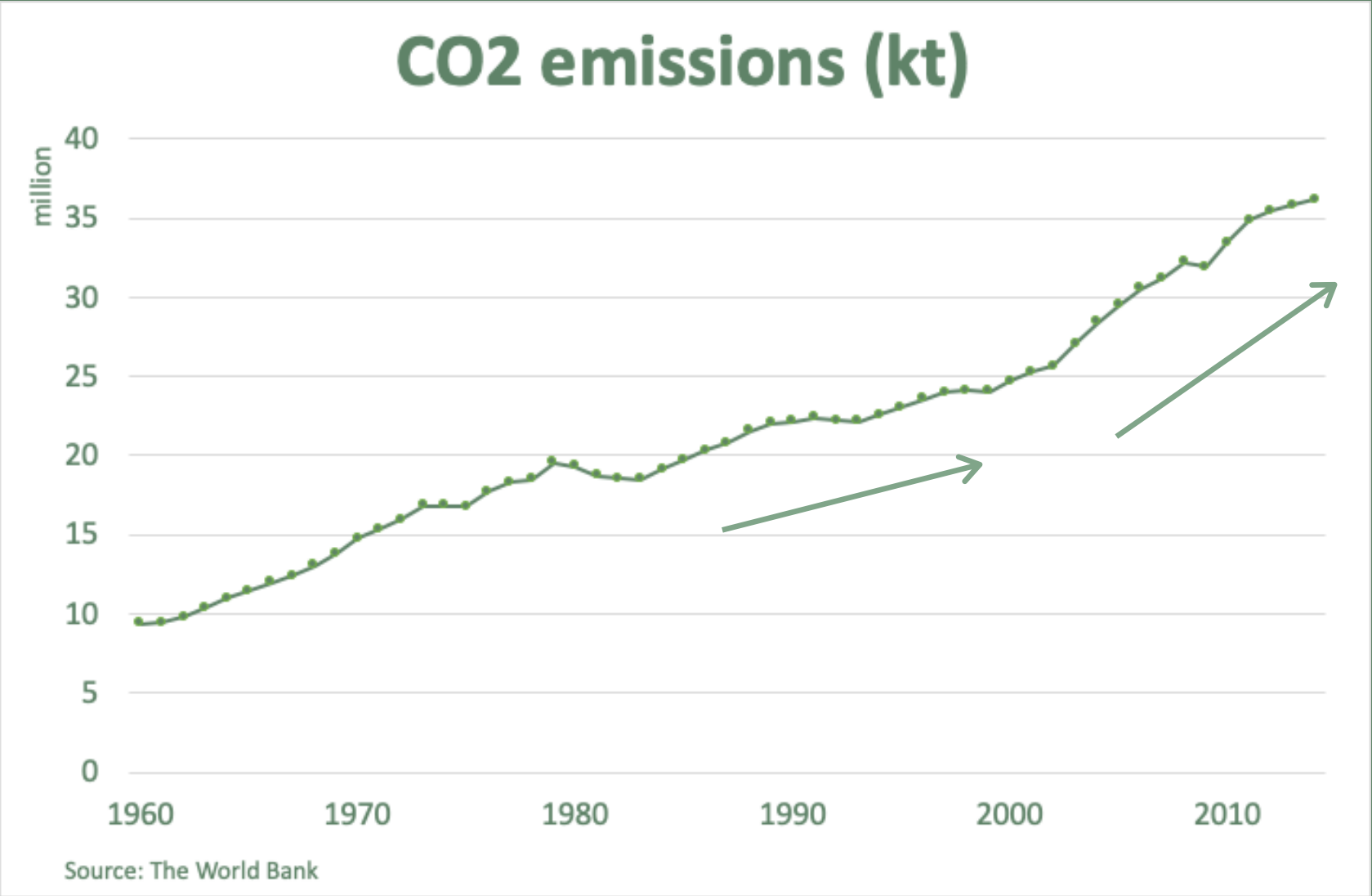
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Presentation Overview



- tendency of CO2 emission and climate change
 - climate related financial risks
- role and the mandate of the central bank
 - tools of a sustainable central bank

Tendency of CO2 emission



INCREASING CO2

CLIMATE CHANGE
AND INCREASED
RISK

IMPACT ON THE
ECONOMY

Climate related risks

PHYSICAL RISK

severe events
acute risk
chronic risk



refugee crisis
negative supply shock
increasing prices and inflation

TRANSITIONAL RISK

re-pricing of high-carbon
sectors' assets



loss for investors
unemployment

LIABILITY RISK

compensations for
damages



high claims for the losses

Changing role of central banks

financial crisis of 2007/2008:
imbalances in financial system
due to the lack of financial
stability objectives

1980s and 1990s:
price stability as sole target

price and financial stability:
sustainability objectives
supporting role for green finance

Central bank's tools and their mechanism

MACROPRUDENTIAL REGULATION

higher risk rating for high-carbon sector

DISCLOSURE REQUIREMENTS AND STRESS-TEST

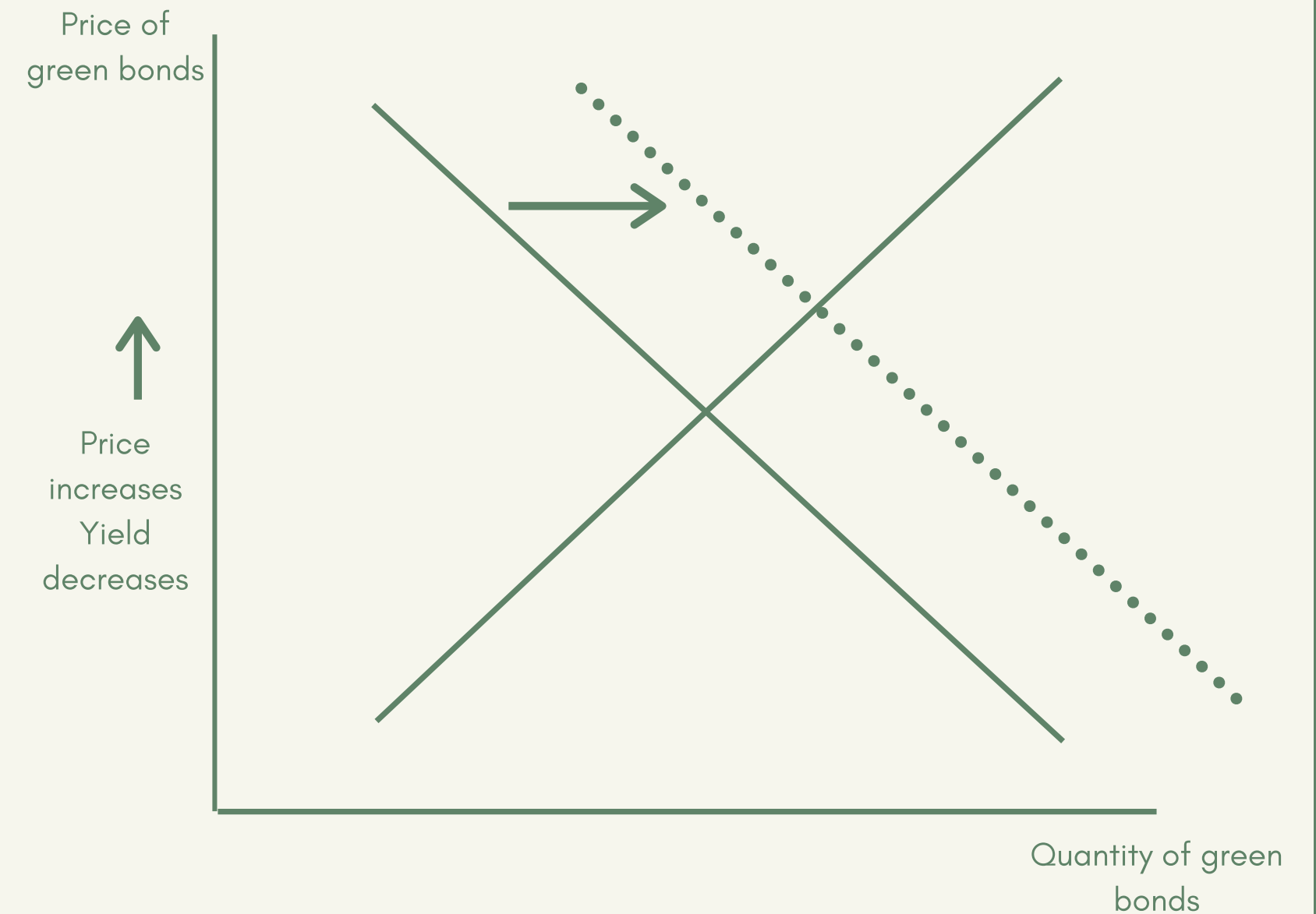
about climate impact

QUANTITATIVE EASING

purchasing green assets and reducing their yields

CAPITAL REQUIREMENTS

green differentiated requirements



Thank You For Your Attention!

Main sources for my research:

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