



EUROPEAN CENTRAL BANK

EUROSYSTEM

ECB and climate change roadmap

ICMA European Repo and
Collateral Council

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The views expressed are my own and do not necessarily coincide with those of the European Central Bank



Relevance of climate change for monetary policy



Climate change and the green transition **impact** macroeconomic indicators such as **inflation**, growth and employment, financial stability, and the **transmission of monetary policy**



Climate change affects the value and risk profile of assets on Eurosystem balance sheet, thereby leading to **greater climate-related financial risk**



Eurosystem roadmap

First milestone: Paving the way with reliable data

- We will gather data needed for climate change risk analyses
- We will adapt our models and make them fit for climate change

Second milestone: Knowledge is the driving force

- We will make disclosure of climate risks a priority
- We will check our own exposure to climate risks
- We will check firms' and banks' exposures to climate risks
- We will review how credit ratings reflect climate risks

Third milestone: Action based on reliable data and best knowledge

- We will include climate risks into our collateral framework
- We will make our asset purchases greener

Eurosystem action plan

**Statistical
data**

**Macroeconomy
and monetary
policy
transmission**

**Disclosure
requirements**

**Risk
assessment
capabilities**

**Corporate
sector asset
purchases**

**Collateral
framework**



**Thank you
and
have a great
meeting!**
