

Workshop on Climate change risk and credit assessment

21 October 2022

Centro Convegni "Carlo Azeglio Ciampi", Via Nazionale 191, Rome

FINAL PROGRAMME

8.30 9.00 Registration and coffee (test of Webex connection)

9.00 9.15 Welcome address - Paolo Angelini (Deputy Governor, Bank of Italy)

9.15 11.00 **Session 1: Scenario analysis and simulation for Climate Change Risk (CCR)**
Chair: Stefano Battiston (University of Zurich)

Integrated risk analytics for credit risk assessment - A. Caro Rincon, J. Licari, O. Loiseau-Aslanidi, M. Nekvinda, **G. Ordóñez** (Moody's Analytics)

Modelling effects of carbon taxation on corporate ratings in the German power market - **D. Schober, A. Silberbach** (Deutsche Bundesbank)

Assessing credit risk sensitivity to climate and energy shocks - **S. Di Virgilio**, I. Faiella, A. Mistretta, S. Narizzano (Bank of Italy)

Assessing transition risks: comparing quantitative measures for Austrian non-financial IFRS companies - P. Landendinger, **S. Löschenbrand**, M. Mayer, **F. Resch**, S. Wukovits (Oesterreichische Nationalbank)

General discussion

11.00 11.15 Coffee break

11.15 12.45 **Session 2: ESG principles, CCR and credit ratings**
Chair: Antonio Scalia (Bank of Italy)

ESG adjusted credit rating: the indirect approach - **M. Billio, A. Giacomelli** (University of Venice)

A climate credit risk model: a structural approach - **S. Battiston** (University of Zurich), A. Mandel, I. Monasterolo, A. Roncoroni

Impact of ESG Criteria on Default Detection - **M. Caicedo** (Banque de France)

General discussion

12.45 14.00 Lunch

14.00 15.30 **Session 3: CCR regulation and bank lending**

Chair: Monica Billio (University of Venice)

"There is no planet B", but for banks "There are countries B to Z" - **E. Benincasa**, G. Kabaş, S. Ongena (Swiss Finance Institute)

Climate change and credit risk: the effect of carbon taxes on Italian banks' business loan default rates - **M.A. Aiello**, C. Angelico (Bank of Italy)

Are green loans less risky? Micro-evidence from an European emerging economy - F. Dragu, F. Neagu, **A. Stamate**, L. Tatarici (National Bank of Romania)

General discussion

15.30 15.45 Coffee break

15.45 17.15 **Session 4: Asset management and CCR**

Chair: Filippo Giovannelli (Bank of Italy)

Climate scenario analysis for central banks - **M. Bonetti**, D. Broeders, M. Schlooz, V. Streichert (De Nederlandsche Bank)

A modelling framework for projections of equity portfolio returns under climate transition scenarios - L. Prosperi, **L. Zanin** (Prometeia)

Climate default swap: Disentangling the exposure to carbon risk through CDS - A. Blasberg, L. Kiesel, **L. Taschini** (London School of Economics)

General discussion

17.15 17.30

Concluding remarks - Luigi Cannari (Director General for Markets and payment systems, Bank of Italy)

The Workshop will be held in hybrid format. Each presentation will last 20 minutes.

A reception and dinner for invited participants will be held on 20 October.

For information please write to: ClimateRiskWorkshop@bancaditalia.it

Organizing committee: Antonio Scalia, Filippo Giovannelli, Alessandra Iannamorelli, Flora Pontecorvo.