



Impact Assessment in Climate Change Mitigation and Adaptation

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Abstract: Climate change poses significant risks to the global economy and requires a joint approach from the public and private sectors. Commercial banks have undertaken many initiatives to respond to risks associated with climate change, ranging from principles-based approaches (e.g. Climate Principles) to the development of due diligence frameworks (e.g. Carbon Principles). In project finance, banks rely on impact assessments using the Equator Principles to identify risks and impacts, particularly on two fronts: 1) a project's vulnerability to climate change and 2) a project's potential to increase the vulnerability of ecosystems and communities to climate change.

This presentation will:

- Provide an overview of various initiatives and frameworks used by commercial banks to address climate change risks,
- Present a case study of a project with climate change risks and impacts, and
- Pose questions for discussion:
 - How is a project's vulnerability to climate change screened prior to impact assessment (e.g. type of infrastructure, geographical location, etc)?
 - How is the degree of a project's climate change impact assessed?
 - What are appropriate monitoring and mitigation measures?

Summary: The presentation will focus on Equator Bank's approaches to climate change impact assessment including: how banks are addressing climate change from mitigation to adaptation, climate change and risk management from an Equator Principles perspective, and climate change risk in project finance.