



3 November 2021

This week, the 26th UN Climate Change Conference of the Parties (COP26) is taking place in Glasgow. The conference aims to accelerate action towards the goals of the [Paris Agreement](#) and the UN Framework Convention on Climate Change.

Climate change is already having profound effects on the world's societies and economies but we can alter its future path if we start taking action now. The Central Bank of Ireland is committed to playing its part. In line with our role this includes ensuring that the financial system is resilient to the risks posed by climate change and is supporting the transition to a low-carbon world. The broad approach that the Central Bank is taking in this regard includes the following actions:

- creating and embedding a Climate Change Unit to focus on all our areas of work to tackle climate change across the Central Bank;
- broadening our understanding and analysis of the nature of macro-financial risks stemming from climate change and the necessary transition to a low-carbon economy including how linkages across the economic and financial system might amplify these risks;
- embedding climate change considerations into our supervisory and financial stability assessments;
- working with our domestic and international partners to ensure that green and sustainable financial products are defined appropriately and identifiable to investors;
- embedding sustainability in our own operations, including with respect to our investment activities, and;
- as a member of the Eurosystem, continuing to contribute to and implement shared Eurosystem initiatives and efforts to address climate change, including the [Eurosystem Action Plan on climate change](#) and the common [Eurosystem stance for disclosures in non-monetary policy investment portfolios](#).¹

Today, recognising the urgency of the challenge before us, and the ways in which climate change touches upon our mandate in protecting consumers and safeguarding financial stability, we affirm our commitment to redouble our efforts in taking action.

¹ The European Central Bank today publishes its pledge to contribute, within its remit, to decisive policy action to implement the Paris Agreement and mitigate the consequences of climate change.



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As a Plenary Member of the Network for Greening the Financial System (NGFS), the Central Bank recognises the need for international cooperation in tackling the climate challenge. To this end, the Central Bank endorses the [NGFS 'Glasgow Declaration'](#) made today on behalf of the coalition, and reaffirms our commitment to the purpose of the NGFS in sharing best practices and contributing to the development of environment and climate risk management in the financial sector and mobilising finance to support the transition toward a sustainable economy.