

# U.S. Department of the Treasury Launches New Effort on Climate-Related Financial Risks in the Insurance Sector

August 31, 2021

WASHINGTON – Today, the U.S. Department of the Treasury has announced that the Federal Insurance Office (FIO), in response to President Biden’s May 2021 executive order on climate change, is requesting information and soliciting public comment on the insurance sector and climate-related financial risks.

FIO’s efforts will focus on three initial climate-related priorities: (1) assessing climate-related issues or gaps in the supervision and regulation of insurers, including their potential impacts on U.S. financial stability; (2) assessing the potential for major disruptions of private insurance coverage in U.S. markets that are particularly vulnerable to climate change impacts, as well as facilitating mitigation and resilience for disasters; and (3) increasing FIO’s engagement on climate-related issues and leveraging the insurance sector’s ability to help achieve climate-related goals. The responses to the request for information will help inform FIO’s assessment of the implications of climate-related financial risks for the insurance sector. It also will help FIO better understand the need for and current availability of high-quality, reliable, and consistent data related to these issues.

“Over the past 30 years, the incidence of natural disasters has dramatically increased and the actual and future potential cost to the economy has skyrocketed. We are now in a situation where climate change is an existential risk to our future economy and way of life,” Treasury Secretary Janet L. Yellen said. “Today’s filing in the Federal Register is an important step towards assessing climate-related financial risk in the insurance sector. Ensuring that consumers have adequate information, and that the insurance industry is appropriately assessing climate-related financial risk is essential as we work to address the climate crisis.”

Comments must be received within 75 days of the request for information’s publication in the Federal Register.

The Federal Register notice is available [here](#). For more information on the Federal Insurance Office, see [here](#).

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