



MEDIA RELEASE

Bank of Mauritius and World Bank hold workshop on Climate Related Financial Risks for banking institutions

17 April 2024

The Bank of Mauritius and the World Bank organized a workshop on Climate Related Financial Risks for banking institutions on Tuesday 16 April 2024. The event, which brought together CEOs of banks and financial institutions as well as sustainability professionals, provided a valuable platform for collaboration between the Bank of Mauritius, the World Bank, and banking industry stakeholders in an endeavour to address climate-related financial risks and promote sustainable finance in Mauritius.

The workshop focused on the crucial role of the financial sector in mobilizing capital for green and low carbon investments, as well as managing climate risks. All attendees actively participated in the workshop, which served as a platform to share international best practices and the latest developments in climate risk management. Key issues of immediate and strategic concern for Mauritius were raised, such as addressing data gaps, green finance and climate risk management, climate lending, and developing the demand side.

“This event has provided us with an opportunity to share how the World Bank has been supporting the development of climate-responsive financial sectors,” said Brinda Dabysing, Senior Financial Sector Specialist, World Bank. *“As regards Mauritius, we believe that the journey has to start with a comprehensive capacity-building program for public institutions as well as for the private sector. We must look at climate-related and environmental risks as new green finance opportunities: the financial sector will have an important role to play in mobilizing a significant part of the \$6.5 billion that the country has estimated as its climate finance needs for the next 6 years.”*

The World Bank Group (WBG) emphasized its commitment to supporting countries in their transition towards low-carbon and resilient economies. The WBG's Climate Change Action Plan 2021-2025 focuses on integrating climate and development, prioritizing key systems transitions, and providing financing to support these transitions.

“We are delighted to continue our longstanding collaboration with the Bank of Mauritius as it pursues its climate actions,” said Krishnamurti Damodaran, Senior Financial Sector Specialist, World Bank. *“The World Bank has been providing support to the central bank for the past 5 years through technical assistance to build a stronger supervisory regime more responsive to risks. On the green agenda, the World Bank can deepen its engagement in a wide range of areas: conducting climate risk assessments; supporting central banks and financial regulators in integrating climate-related considerations into supervisory and regulatory frameworks and developing climate-responsive capital market instruments.”*

Speaking at the event, Bank of Mauritius Second Deputy Governor Hemlata Sadhna Sewraj-Gopal, underlined that *“Climate-related financial risks have the potential to affect the safety and soundness of banks through physical and transition risks, and hence the financial stability of the economy. It is for that reason that the Bank of Mauritius has launched its Climate Change Centre in October 2021 to support the financial sector’s climate agenda. The workshop has enabled all participants to benefit from insights and unique perspectives that will help stakeholders elaborate the most relevant strategies to face climate and sustainability-related challenges.”*