



**Canadian  
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British Columbia Financial Services Authority  
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**Subject: Natural Catastrophes and Climate-Related Risks: Managing Uncertainty and Building Resilience in the Financial Services Sector Discussion Paper**

The Canadian Institute of Actuaries (CIA) is pleased to offer our comments on the aforementioned discussion paper. We found many items that we were pleased to see, and we have some suggestions on other topics that you may want to consider.

We would like to applaud BCFSa's efforts to be proactive on natural catastrophes and climate-related risks (NCCRs). We appreciate the proportionate and holistic approach that was taken, considering the size, scale and complexity of the affected financial service providers. We are also glad to see that for the first pillar OSFI's guidelines B-9 and B-15 are being followed, and that disclosure within the second pillar is aligned with the Task Force on Climate-Related Financial Disclosures.

The actuarial profession has a particular appreciation for the value of data, and we agree with the focus placed on this topic, as well as the recognition of data challenges when it comes to assessing and measuring NCCRs. We support the comment that "BCFSa will ensure that data and information are aligned with national and international standards, so as not to put B.C. organizations at a competitive disadvantage." We would like to emphasize the importance of consistency across Canada and internationally when it comes to data, information and disclosures. We believe it will be important to collect data through an independent entity, in order to address confidentiality and competitive issues. We support the paper's call to ensure that financial services providers and consumers have access to the data and information needed to determine NCCR exposure.

We note that the inclusion of earthquake risk is unique when compared to other jurisdictions in Canada, due to British Columbia's geographic location. We suggest that earthquake risk be split out from climate risk in subsequent work, which may allow for better alignment with other regulators.

BCFSa is also unique in that its oversight includes the real estate market, which stands in contrast to other financial sector regulators. As such, we advise caution on the application of consumer protection measures since measures appropriate for the real estate sector and mortgage providers may differ from measures appropriate for insurers and the products they offer.

There are a couple of points where we feel clarification may be necessary. We would like to see more details on how BCFSa plans to apply the proportionate approach in general, and specifically for disclosures in relation to the second pillar. As well, we would like to understand

the general timeline for the release of BCFSA's NCCR guideline and when the public can expect further information on this.

The CIA appreciates the opportunity to provide feedback on these issues, and we would welcome further discussion with you throughout this process. We have a number of committees and initiatives that align with many of the topics discussed in this paper.

If you have any questions, please contact Chris Fievoli, FCIA, Actuary, Communications and Public Affairs, at 613-236-8196 ext. 119 or [chris.fievoli@cia-ica.ca](mailto:chris.fievoli@cia-ica.ca).

Sincerely,

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President, Canadian Institute of Actuaries



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