



November 1, 2021

William Bestani
Desk Officer
Office of Information and Regulatory Affairs
Office of Management and Budget
Washington, D.C. 20530

Subject: Emergency PRA Clearance Request, Climate Change Range of Practice

Dear Mr. Bestani:

The Office of the Comptroller of the Currency (OCC) hereby requests approval for its Climate Change Range of Practice Initiative pursuant to the Office of Management and Budget's (OMB) Paperwork Reduction Act (PRA) emergency processing procedures at 5 C.F.R. § 1320.13.

The OCC is planning to conduct a climate risk range of practice among large banks with the purpose of developing an understanding of climate risk management practices as it pertains to climate-related financial risk. Climate risks can have a material impact on the financial system by damaging property, impeding business activity, shifting the values of assets, and affecting incomes. Banks are exposed to both physical risks and transition risks presented by climate change which may impact the safety and soundness of supervised institutions. Given the potential significance of these risks, the OCC is requesting emergency clearance for this range of practice to assist with understanding banks' current and planned approaches to climate-related financial risks and whether any supervisory clarifications or enhancements are warranted.

The OCC is planning to collect the information through the range of practice to understand the financial risks and ensure the establishment of sound risk management frameworks to measure, monitor, and control risks presented by climate change. The agency understands that some banks are working to incorporate climate-related financial risks into their existing risk management frameworks and business strategies. The OCC recognizes that banks' exposure to climate-related financial risks and their climate risk management practices may vary substantially based on institutions' size, complexity of operations, geographic footprint, business model, and risk profile. The range of practice will not result in an adequacy assessment as to the banks' current climate risk management program.

The range of practice will:

- inform the need for clarification or development of necessary supervisory expectations
- start to establish baseline supervisory knowledge

- help identify challenges and gaps in risk management frameworks
- inform the agency on plans to evolve current practices

The OCC has determined that: (1) the collection of information within the scope of this request is needed prior to the expiration of time periods established under 5 C.F.R. § 1320.12; (2) this collection of information is essential to the mission of the OCC; and (3) the OCC cannot reasonably comply with the normal clearance procedures because an unanticipated event has occurred and the use of normal clearance procedures is reasonably likely to prevent or disrupt the collection of information.

This information collection may not be cleared through 5 C.F.R. § 1320.11, which covers only collections of information contained in proposed rules. As noted in 5 C.F.R. § 1320.5(c)(1), the OCC must clear the collection under 5 C.F.R. § 1320.10, which relates to information collections not contained in proposed rules or current rules. There is insufficient time to obtain clearance under 5 C.F.R. § 1320.10 as the collection is needed immediately. Therefore, the OCC is requesting emergency clearance.

Sincerely,

Patrick T. Tierney

Patrick T. Tierney

Assistant Director, Bank Advisory

Office of the Comptroller of the Currency