



**Irene Monasterolo** is Professor of Climate Finance at EDHEC Business School and EDHEC-Risk Climate Impact Institute (ERCII) in Nice (FR).

Irene's research has contributed to understand the role of finance in the low-carbon transition, and the implications of climate change on investment decisions and on financial stability.

On the one hand, in 2017, Irene published the climate stress test of the financial system in *Nature Climate Change*. The climate stress test introduced the first framework to translate climate scenarios into adjustment in firms' performance, adjustment in financial valuation of contracts, and adjustments in risk metrics (e.g. climate VaR). It also includes the Climate Policy Relevant Sectors (CPRS), a science-based classification of assets into classes of climate transition risk. This methodology have been applied by several financial supervisors and institutions in the European Union, including the European Central Bank (ECB), the European Banking Authority (EBA), the European Insurance and Occupational Pension Authority (EIOPA), the European Securities and Markets Authority (ESMA), and in non-European countries (e.g. Swiss National Bank, Banco de Mexico, the World Bank (WB)).

On the other hand, Irene's research has investigated under which conditions green finance policies can foster the low-carbon transition while mitigating trade-offs on financial instability and inequality. In this regard, Irene co-developed the EIRIN model, which has been applied by the WB to the assessment of compound climate and COVID-19 risks, and by the ECB to assess the double materiality of climate risks in the euro area economy and banking sector.

Irene's research is currently focusing on the development of (i) asset-level transition and physical risk assessment; (ii) enhanced climate scenarios for climate stress test; (iii) greenness and greenwashing measures to inform portfolio rebalancing strategies.

Irene's research has been published in top and high-ranked journals in the field, including [Science](#), [Nature Climate Change](#), and [Journal of Banking and Finance](#), and non-academic outlets e.g. [Brookings](#), Project Syndicate, and [UN PRI](#). She is editorial board member of [Ecological Economics](#) Journal, and she has served as guest editor for Journal of Financial Stability's special issue on "[Climate risk and financial stability](#)". Her research has been [highly cited](#) and covered by main newspapers (e.g. [Le Monde](#)).

Irene has co-authored several reports with financial supervisors and institutions, including chapters in the EIOPA (2019) and the Austrian National Bank (2020)'s Financial Stability Reports, the World Bank working paper series, the Network For Greening the Financial System (NGFS 2020)'s handbook and the G20 T20 Task force (2020).

She has been invited to deliver invited talks at prestigious international financial institutions, including the San Francisco FED, the International Monetary Fund, the ECB, the Bundesbank, the WB, and at leading universities, e.g. Stanford University and Oxford University, and international events (e.g. UNFCCC COP conferences). She is part of the scientific committee of the annual [CREDIT conference](#), and co-leader of the research area Environment-Economy Interactions of the EAEPE.

Irene has been involved either as Project Leader or Project Partner in leading European projects on sustainable finance. Irene is co-founder of [CLIMAFIN](#).