

Vancity's Response to 'From Flood Risk to Resilience: An Intentions Paper'

As Canada's largest community-based credit union, serving over 560,000 member-owners, Vancity uses the tools of finance and our community relationships to expand economic opportunity, improve the wellbeing of our members, and make our communities better. As we've seen from the floods, fires, droughts, and heat in BC over the last few years, there are massive costs - both economic and personal - to the climate breakdown, and it is a significant threat to British Columbians' long-term financial well-being. On top of this, people and businesses are facing higher costs and economic uncertainties that are making them more vulnerable to shocks like extreme weather events. Vancity's purpose is to support the financial resilience of the people, businesses, and communities we serve, and that's why we're addressing the climate crisis in a way that puts people first and ensures everyone can transition to a clean and fair future.

In addition to supporting our members and communities, financial institutions (FIs) have a critical role in mitigating and adapting to the climate crisis by factoring climate risks and social impacts into the assessment of loan and investment decisions. Floods and other extreme weather events also present risks and costs to financial institutions and as a result, to BC's and Canada's financial system. The financial services industry engages in activities that span all sectors of the economy, making FIs particularly vulnerable to both physical and transition related risks. Because climate-related risks are inextricably linked with financial risks - including credit, market, and underwriting risks - it's key that action is taken to mitigate and adapt to floods and other extreme weather to minimize the impacts of these events on the financial systemⁱ. However, one of the greatest barriers to managing climate risk in FIs and the broader financial system is the inadequate availability and quality of climate-related data.



During the floods in 2021, Vancity staff called members in affected areas to check-in and offer help.

Vancity also matched donations from members and the public, and more than \$295,000 was deployed through the Vancity Humanitarian Fund to the Canadian Red Cross and to First Nations and community organizations.

A renewed, comprehensive and fair approach to flood management in BC is urgently needed to protect British Columbians and our financial system, and Vancity welcomes the opportunity to provide recommendations to help make our province more resilient and prepared.

Vancity is overall very supportive of the proposed framework in the Intentions Paper and encourages Government to move forward with implementation as soon as possible, while recognizing that climate preparedness and emergency response is an ongoing process that will continue to evolve over time with community feedback and lessons learned.

Summary of Recommendations for Government

- Provincial flood maps should be:
 - o Led by the Government of BC, alongside Indigenous knowledge keepers
 - o Updated frequently, along with the underlying data and models
 - o Publicly accessible
- Focus on equitable *access to* and *outcomes from* flood-related programs, using an equity-based lens to identify and address the barriers that can prevent people from understanding and actioning solutions
- Government flood programs should:
 - o focus on meeting basic (food, lodging, etc.) and financial needs, as access to cash or credit can be a challenge for displaced people
 - o minimize reliance on reimbursement models
 - o be easy for people to access, available both in-person and online, with a 'one-stop shop' approach
 - o help people and organizations to understand all of the supports available and to apply to programs they're eligible for
 - o be designed to serve people with more complicated or precarious situations (unhoused, unbanked, etc.)
 - o be designed to ensure inequality isn't worsened post-flood
 - o offer appropriate wrap-around supports (translation, transportation, medical and mental health services, childcare, etc.)
- Strengthen the baseline financial and social resilience of individuals and communities to reduce vulnerability to floods and other emergencies
- Take steps to keep flood insurance affordable and available
- Prioritize economically vulnerable individuals, businesses, and communities - and those set to experience the greatest losses - for public investment in protective infrastructure and resources for adaptation
- Include mitigation of emissions and adaptation to all forms of extreme weather when 'building back better'
- Support First Nations and other Indigenous peoples to engage in the Government of BC's emergency planning processes, and to develop their own planning processes
- Work with First Nations to address land loss and degradation associated with flooding

- Include performance indicators, metrics, and targets related to financial (in)equality and resilience in the Flood Strategy
- Look to financial institutions - credit unions in particular - as a partner in climate preparedness and resilience

Thank you

As a financial co-operative we know we are stronger when we work together, and Vancity is a committed partner to the Government of BC in developing and delivering resilience strategies for our province. As BC moves forward with the Flood Strategy, we encourage Government to look to us as a collaborator in climate preparedness and resilience.

Thank you again for this opportunity to provide feedback, and please let us know if you have any questions or would like to discuss further.

About Vancity

Vancity is a values-based financial co-operative serving the needs of its more than 560,000 member-owners and their communities, with offices and branches located in Metro Vancouver, the Fraser Valley, Victoria, Squamish and Alert Bay, within the unceded territories of the Coast Salish and Kwakwaka'wakw people. With \$33 billion in assets plus assets under administration, Vancity is Canada's largest community credit union.

ⁱ <https://www.bankofcanada.ca/wp-content/uploads/2021/11/BoC-OSFI-Using-Scenario-Analysis-to-Assess-Climate-Transition-Risk.pdf>