

CLIMATE POLICY RESEARCH

Climate Data Analytics – Applied Research Group

Global businesses are engaging with the financial risks associated with a changing climate. They are using the increasing power and accuracy of climate model data to inform their capital allocation, risk management and planning decisions. Insurance and actuarial analysts need new skills and capabilities in order to understand the sophisticated information that they will need to work with in the near future. Increasingly analysts and investors will need to be able to:

- Stress test the climate risk measures presented to them by the companies in their portfolio.
- Understand the mechanisms by which climate risks arise in different sectors.
- Develop new and valuable applications to assist in the analytics work.
- Be in a better position than their competitors to inform their clients of the risks and opportunities.

“Ask the right questions and understand the answers”.

What is the research group and what does it aim to do?

The group will consist of 10 – 12 students enrolled in MSc level research at the universities within the ARC Centre of Excellence for Climate System Science. (*Inter alia* UNSW, University of Melbourne, Monash). The students will be recruited from the staff of large Australian businesses across a range of sectors

such as banking, investment, insurance, mining, transport, property and energy. The enrolment will be for two years on a full time basis. (Part time options may be available but only at the Universities’ discretion). The objective of the research group is to equip the students (and consequently their employer) with the skills and capabilities required both to understand climate data and to drive innovation and product development from it.

“A cross sector research group focused on business applications”.

Why would we want to participate in a research group?

Businesses want to participate in the research group specifically to:

- Understand the underlying concepts and science on climate models and their relative strengths and weakness.
- Access and interrogate the extensive data sets that are the output of the climate projection models.
- Explore and develop valuable applications from the climate data for their companies working with students from other sectors in an open and innovative environment.
- Develop hard-edged analytics skills by working on some of the world’s most complex data sets.

“A fast track way to develop the skills you need now”.

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Who from my company should be selected to participate?

The student should be someone from the company who is able to meet these criteria:

- Sufficient academic background and technical ability to both understand the science and to work with large data sets.
- Working with the company long enough to have a solid understanding of the needs and opportunities that could be developed from climate data.
- Demonstrated aptitude to own the subject matter and drive the wider development in the capabilities in their company.

“A future leader in the company equipped with the right capabilities.”

How much does it cost?

An indicative budget is presented below.

Fee component	Fee provider	Fee / year	Total for two year MSc
MSc Enrolment fee payable to the University and assuming the student is an Australian or New Zealand citizen	Sponsoring business	Option 1: \$10,000 where the living expenses are funded by the employer	\$20,000
		Option 2: \$30,000 where the living expenses are not funded by the employer	\$60,000

MSc External supervision fee payable to Climate Policy Research Pty Ltd	Sponsoring business	\$30,000	\$60,000
Total for Option 1			\$80,000

“A very cost effective way to get the skills and capabilities”.

When will research commence?

The objective is to have students enrolled and the logistics finalized by 30 May 2015 in order to commence the research activity in July 2015.

Next steps

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