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NEWS & EVENTS

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Traub Lieberman Partners with Aspen Re to Publish White Paper on Impact of Climate Change on the (Re)insurance Market

Related Attorneys:

Traub Lieberman Straus & Shrewsberry LLP Senior Counsel Adam D. Krauss has just published a new white paper in conjunction with Aspen Re on climate change and its impact on the (re)insurance market.

In the piece, titled “Climate Change and the (Re)insurance Implications,” Krauss takes a comprehensive look at the issues surrounding climate change, including the science, data, litigation, cost and examples of international and national action and insurance implications.

The costs of climate change are increasing and are substantial. 2017 was the costliest year on record for natural catastrophic events, with $344 billion in global economic loss, of which 97% was due to weather-related events. Insured loss estimates from natural catastrophes totaled $140 billion in 2017. While the loss estimates in 2018 improved somewhat to $80 billion, those losses still remained significantly higher than the long-term average.

This dramatic shift to higher losses has implications for the (re)insurance industry, especially those transacting commercial general liability, D&O and property business. Krauss has taken the time to closely examine those implications, while also taking a look at how alternative capital is playing a more prominent role in risk management

“The issue of Climate Change is increasingly permeating virtually every topic of discussion and we do not believe the concern is going to dissipate anytime soon,” said Krauss, a Senior Counsel in the firm’s New York office. “Our goal was to undertake a comprehensive examination of Climate Change, with particular focus on the downstream consequences to the insurance industry. Accordingly, we believe this paper is unique and we trust it will provide a valuable resource for all readers seeking to command an understanding of this important, active and evolving subject.”

The white paper notes that the need for this analysis has never been greater, since climate change is not only about the liability side of the balance sheet. (Re)insurers, as investors, need to appraise existing investment strategy including fossil fuel and renewable energy companies to help mitigate the projected impact of climate change.

“We look forward to continuing this critical dialogue,” added Krauss, “ and welcome the opportunity to assist the insurance industry in all matters of risk surrounding Climate Change.”

To learn more about “Climate Change and the (Re)insurance Implications,” download the full white paper here.

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