

# NATURE RESTORATION & CONSERVATION INSURANCE

*Bridging the “gap” between the need and the desire to finance ecological restoration projects*

As a global insurance company, SCOR strives to optimise its impact on nature and people by contributing to the welfare, resilience, and sustainable development of society. This approach is underpinned by SCOR’s Raison d’Etre – combining the Art and Science of Risk to protect societies. SCOR is committed to the preservation of nature (and biodiversity). To improve resilience and to support the transition to a better tomorrow, SCOR has implemented the **NatReCo Initiative** to offer clients pro-active innovative (re)insurance solutions supporting nature-positive projects that address societal challenges like climate change, food and water security and sustainable agriculture.



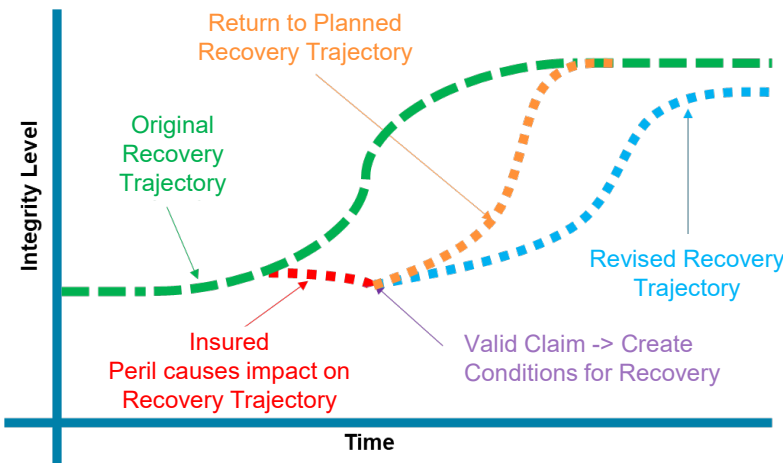
## ECOLOGICAL RESTORATION INSURANCE SOLUTION

Many ecosystems are rapidly declining and even at risk of collapse due to drivers such as climate change, adverse changes in land and sea use, pollution, and the unsustainable exploitation of natural resource. There is now a greater understanding of the importance of ecosystem integrity and resilience and a greater awareness that ecological restoration requires more financing. However, factors like the inherent unpredictability of ecosystems and the drivers that impact them means that there can be some reluctance in this regard.

### MEETING THE GLOBAL CHALLENGES OF DECLINING ECOSYSTEMS

- **Public Health & Societal:** Not having the (full) benefits of the ecosystem services (e.g. which provide food, fuel, medicines, or provide clean water & air and climate regulation) can adversely impact public health and societies.
- **Economic:** Declining ecosystems can have a material impact on the future stability and growth of industries such as agriculture, fishery and aquaculture, food, beverages and tobacco, construction, forestry, water, and energy.
- **Financial Assets:** Declining ecosystems can cause asset value deterioration to financial assets.
- **Government Regulations:** Growing awareness of declining ecosystems has led to more regulations putting pressure on businesses to address nature-related obligations and remediate damage to avoid possible fines and reputational damage.
- **Social License to Operate:** Increased expectations of customers and investors for companies to reduce greenhouse gas emissions, and report and address nature-related risks to maintain their social license to operate.

### GETTING THE PROJECT BACK ON TRACK



The Ecological Restoration Insurance Solution is a scalable and impact assessment-based solution which covers the **financial costs of creating the conditions needed to return an ecosystem to its planned (or revised) recovery trajectory** if it is impacted by a predefined insured peril. In short, it will help the project get back on track and provide a **greater prospect of project completion**.

At present, this Solution **does not cover the outcome or output of the restoration project** but focuses on what SCOR considers to be the main asset for ecological restoration, the ecosystem (and its biodiversity).

**CONTACT**

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**THE PRODUCTS – RESTORE & MANAGE**



The **Restore product** insures the phase of the ecological restoration project which focuses on the implementation of the conditions for recovery in line with the project plan.



The **Manage product** insures the on-going management phase of a project which focuses on maintaining and improving the conditions for recovery which have been implemented. This allows the ecosystem integrity level to continue to increase which in turn lowers the vulnerability level.

**PRODUCT PRINCIPAL FEATURES**

- **Standards-Based Approach:** developed by SCOR in collaboration with SER to rate the 'quality' of a project so that SCOR only insures projects which advance ecological restoration and commit to integrity and transparency.
- **Expert Assessment:** SCOR's loss adjustors will be assisted by Certified Ecological Restoration Practitioners who will provide technical expertise to assess the impact of an insured event and the quantum of a valid claim.
- **Dedicated Claim Utilization:** to ensure the advancement of ecological restoration and support the wider environmental community, some or all of the claim payment must be utilized for an ecological restoration project.

**COVERAGE HIGHLIGHTS**

- Cover provided on a 'loss occurring and reported' basis.
- Direct insurance product written on SCOR Syndicate paper.
- Insurance bound for risks located Worldwide and for insureds domiciled Worldwide.
- In-Scope Biomes (terrestrial):
  - Boreal Forest
  - Desert
  - Grassland
  - Rainforest
  - Savanna
  - Shrubland
  - Temperate Forest
  - Tundra
  - Wetland
  - Woodland
- Aggregate Event Insured Limit of up to €10m per risk (equivalent amount in other currencies).
- Minimum deductible of €10k per claim (equivalent amount in other currencies).
- Policy term of up to 5 years.
- Possible perils within scope (pick & mix, to be agreed on a case-by-case basis):
  - Aircraft
  - Explosion
  - Hail Damage
  - Lack of Precipitation
  - Malicious Damage
  - Cold Wave
  - Fire
  - Heat Wave
  - Landslide
  - Rockslide
  - Earthquake
  - Flood
  - Impact
  - Lightning
  - Storm

**SCOR'S PARTNERS**

**SCOR's own internal experts are supported by a group of highly experienced advisers**

- **Keith Wheeler**, Chairperson of the Lead Advisory Group, and Chair Emeritus, International Union for Conservation of Nature, Commission on Education and Communication
- **Aline Bsaibes**, Climate Smart Agriculture Expert & Entrepreneur
- **George Gann**, International Policy Lead at SER
- **Dennis Grossman**, Senior Conservation Scientist
- **John Gulliver**, former Senior Partner of an international law firm
- **Nik Lopoukhine**, Chair Emeritus, International Union for Conservation of Nature, World Commission on Protected Areas
- **Mark Schaefer**, former CEO of NatureServe, a spinoff of The Nature Conservancy
- **Bethanie Walder**, Executive Director of SER

**Technical expertise is provided by SER**

The Society for Ecological Restoration, an international non-profit organisation, has a dynamic global network of 5,000+ members in 100+ countries. SER foster the exchange of knowledge and expertise among ecological restoration practitioners and scientists from diverse disciplines and backgrounds.

