

The ClimateSafe® Insurance Industry Consortium Project – Summary

- 1 **In Sum:** A global insurance consortium’s members, using policy restrictions, guide customer investment and patronage to ClimateSafe® practicing firms, protecting climate, and thus human food supply, economic health and the insurance industry.
- 2 **The Situation.** Suffering the climate crisis costs more than avoiding it, according to the groundbreaking 2006 Stern Review¹, and others subsequently². While climate crisis cost was projected to be at least 5% of World Gross Domestic Product in the Stern Review, avoidance only cost a projected 2% of WGDP.
- 3 **The Problem.** On our current global trajectory we incur, rather than avoid, climate crisis. Greenhouse gas emissions from human industry and agriculture increasingly heat our earth to an extent not experienced within hundreds of thousands of years. This threatens our climate, and thus our agricultural food supply.
- 4 **A Ramification.** Property and casualty insurance companies stand to lose substantial funds in claims³ which might destabilize the world economy⁴. Also lost may be premiums from deceased or impoverished clients. This is beyond the direct injury, suffering, starvation and death caused by the climate crisis and ensuing agricultural failures.
- 5 **The Standard Approach.** In this tragically inadequate current approach, scientists foresee and describe the climate crisis, then governments legislate that climate damage cease. Enforcement follows. But the legislation and enforcement steps have failed to occur.
- 6 **The Hypothesis.** More powerful than governments are active global business consortia.
- 7 **The Opportunity.** To avoid climate disaster, most might exclusively patronize, and only invest in, companies that avoid harming climate, to a degree that decisively alters climate crisis progression, saving lives, the economy and the insurance industry. But how could this be coordinated? Any one country or company attempting to solve the climate crisis faces financial ruin while failing to ensure a systemic planet-wide response.
- 8 **The Model.** – Previously known as Underwriters Laboratories, UL.com was started by fire safety engineer William H. Merrill, working with a consortium of the leading underwriters of the eighteen nineties⁵. UL reduced fire risk in then-frequently-burnt USA cities by establishing standards for electrical and other goods, using laboratory testing, certification and labeling. This exemplifies an insurance consortium, and models the action of an insurance consortium on climate.

¹ https://en.wikipedia.org/wiki/Stern_Review

² <https://www.drawdown.org/drawdown-framework/drawdown-review-2020>

³ <https://www.forbes.com/sites/energyinnovation/2019/05/22/the-global-insurance-industrys-6-billion-existential>

⁴ *Ibid.* citing <https://www.cisl.cam.ac.uk/business-action/sustainable-finance/climatewise/news/investors-and-lenders-need-better-tools-to-manage-climate-risk-to-homes-mortgages-and-assets-finds-new-research>.

⁵ <https://www.ul.com/about/download-engineering-progress-ebook>