



IMarEST Emerging Marine Trends

Issue 7 - Environmental insurance

Could insuring fragile ecosystems be the answer to their protection?

Wouldn't it be great if we could insure against the problems and potential damages that have been discussed in this article? Well, innovative new strategies could do just that, insuring our fragile marine habitats to provide payments that can fund further conservation efforts.

A new type of insurance to protect coral reefs was announced at the 2018 World Ocean Summit in Mexico. It allows for insurance to be bought for sensitive ecosystems based on their exceptional benefits to local communities and economies, on their contributions towards tourism, fishing and for their protection of property against storm waves.

The product is designed not only to help the conservation and swift restoration of reefs after damage by major hurricanes but also to support the economic resilience of a region. Ecosystems such as coral reefs can reduce 26% of economic losses caused by hurricanes and storms by protecting the shore in this way.

The Mesoamerican Reef lying on the coast of Mexico, Belize, Honduras and Guatemala, is the longest barrier reef in the Western Hemisphere and is the second largest in the world after the Great Barrier Reef. It is home to some of the world's most important and unique coral reefs, mangrove forests, marine mammals and fish species. It attracts visitors from the Riviera Maya in Mexico, an important tourism hub attracting 10m people every year and generating USD\$10m for the economy. These new environmental insurance schemes are being trialled by The Coastal Zone Management Trust - a team formed of the Mexican government, insurers, hotel managers, and The Nature Conservancy, an environmental conservation organisation.

The Trust is [piloting insurance policies for the reef](#) so that if damage occurs, insurance payments can be put towards restoring it and the surrounding beaches, including replacing lost species to the reef. Funds for the Trust and the subsequent insurance premiums will be collected from tourism taxes, amongst other government sources. This will be in conjunction with the Trust providing a suite of other benefits that will also strengthen the economic



resilience of the region and will encourage the permanent conservation and restoration of the reef.

This multi-stakeholder model could ultimately be applied to support other regions and ecosystems and by refining and developing these insurance policies, we could see this novel environmental protection method become more widespread globally.

How can you help?

As the prospect of environmental insurance is a very new concept, you may think that it might be hard to engage with. However, by engaging with the issues discussed in the IMarEST emerging marine trends series, you can still get involved in protecting coral reefs and other marine ecosystems.

We have collated the full list of ways you can help with issues relating to plastics, aquaculture, mesopelagic fishing, climate change affecting Antarctic ice, melting Arctic permafrost and sunscreens entering the marine environment into one comprehensive 'how you can help guide'.

Please download and read the full list of tips and resources on how to get involved in conserving the oceans. Try and incorporate as many as you can into your day-to-day life and share it with as many people as you can! If we all do our part, we can have a significant impact on helping to mitigate any potential consequences of these emerging trends.

