



Online Document

Environmental Liability

Environmental Liability

While UK organisations have become better at preventing pollution through physical controls, there is still a tendency to overlook or underestimate less obvious forms of environmental damage.

Some organisations can discover too late that their environmental insurance cover within their policies may be very limited and not comprehensive enough and managers may not even be aware that they are personally liable for damage.

In addition, organisations may unknowingly assume environmental liabilities. Business transactions such as mergers and acquisitions can involve historical liabilities being passed from one party to another, for example.

Society is increasingly unwilling to tolerate harm to the environment, and those businesses that are perceived to be irresponsible can expect considerable censure from the media and public.

Critical questions you need to consider

- Does your organisation know where all of its environmental risks lie?
- Are you aware of the available insurance solutions that can close off historical liabilities in M&A transactions?
- Do you have adequate cover for the new EU Directive on Environmental Liability, which carries new responsibilities for remediation?
- Have you weighed the cost of your insurance cover with the potential financial liabilities that you face if you do not have adequate insurance protection?

Contact us for further information on our business insurance services