

Letter sent to European Commission President Von der Leyen, Executive Vice-President Fitto, Executive Vice-President Ribera, Executive Vice-President Séjourné, Commissioner Albuquerque, Commissioner Hoekstra, Director-General Paulina Dejmek Hack, Director-General Kurt Vandenbergh.

Joint Letter I Targeting ambitious action to address the insurance protection gap and avoid a European insurability crisis

Brussels, 22 October 2026

Dear President Von der Leyen,

We are writing to you in response to your State of the Union speech, which highlighted the growing impacts of extreme weather events across Europe, ahead of the publication of the European Climate Resilience and Risk Management Integrated Framework and Climate Insurance Alliance.

As you rightly pointed out in your speech, the cost of these events, in terms of physical, economic, or financial damage, as well as lives lost, is unacceptable. Climate change is already leading to a future where extreme weather events are more frequent and more destructive, and we agree that action is urgently needed to prepare and adapt to this new reality. At the same time, efforts to strengthen resilience should be accompanied by relentless mitigation efforts to stop the situation from deteriorating too far, too fast, to the point where adaptation can no longer keep pace and the economic and societal consequences become unaffordable and unmanageable.

We are very concerned by a widely reported [publication](#) from insurance industry insiders on 14 October 2026. They raise concerns that there is not proper awareness of the risk levels they are seeing. In some cases, the insiders say that the risks are being significantly downplayed by the industry itself to maximise short-term business opportunities. This clearly shows that market actors are not treating the situation with the urgency and gravity it demands, and that market-based solutions alone will not be sufficient to address the insurance protection gap and tackle the rising extreme weather events. The information from senior industry insiders rather indicates that the industry is planning for a gradual withdrawal, leaving businesses and households fully exposed. This raises serious concerns about financial stability and about the viability of an economy in which insurance is increasingly unavailable or unaffordable, with repercussions well beyond the insurance sector.

The time to act is now. For this reason, we urge you to consider raising the ambition of the Integrated Framework and the Climate Insurance Alliance. Together, if done right, they can help close the insurance protection gap in a way that expands coverage for European citizens and businesses against natural hazards, whilst driving prevention, adaptation and mitigation. This can reduce future losses and strengthen long-term resilience.

As three of the civil society organisations that your services invited to a roundtable on the insurance protection gap this September, Finance Watch, ShareAction and the WWF would like to share with you four key recommendations to help raise this ambition:

- Designating basic natural hazard insurance as a service of general economic interest in the Integrated Framework;
- Introducing a review clause requiring the Commission to periodically assess the effectiveness of the measures in the Framework in reducing insurance protection gaps, and to propose further action where necessary;
- Setting the composition of the Climate Insurance Alliance so that it includes civil society, affected communities, local authorities and other key stakeholders alongside insurers and supervisors;
- Attributing a mandate to the Climate Insurance Alliance to adopt, within a fixed deadline, a concrete work plan covering both short-term, market-based solutions and public-private insurance schemes, as well as a set of underpinning key principles including prevention, adaptation, mitigation and the fair sharing of costs among all stakeholders.

At the heart of our proposals lies the idea of creating fair, mutually beneficial relationships with insurers, culminating in public-private insurance schemes with ambitious terms enabling true resilience and adequate burden-sharing. These schemes can help widen access to long-lasting, affordable and comprehensive coverage for people and businesses while strengthening scale and financial strength of insurers. They can also ease the sharply increasing, unbudgeted public spending that currently fills the protection gap, and complement market-based solutions such as parametric insurance and catastrophe bonds, which can be valuable but work best when anchored in a broader risk-sharing framework. Together with clearer information for policyholders on what is covered, these solutions offer the most durable path to resilience.

Against this backdrop, we would like to request a meeting with you to present and discuss these important proposals.

We also remain ready to support the work of your services and the co-legislators to deliver on the elements of the Integrated Framework and the Climate Insurance Alliance that were presented at the September roundtable and since then.

Yours sincerely,

Isabelle Buscke, Secretary General Finance Watch

Catherine Howarth, CEO ShareAction

Ester Asin, Director WWF EU

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More detailed policy recommendations can be found below:

Finance Watch report: "[Confronting the insurability crisis: A new framework for natural hazard insurance](#)".

ShareAction briefing: "[Insuring Disaster 2026 -What policymakers can do to make EU insurers resilient and climate-aligned](#)".

WWF policy briefings "[Reducing Europe's insurance protection gap for extreme weather events and supporting the transition](#)" and "[Reducing Europe's insurance protection gap for extreme weather events](#)".