

# Editorial

Consortseguros Digital Magazine goes green in this 10<sup>th</sup> issue, of spring 2019, in order to approach, from multiple viewpoints, the matter of environmental liability and its insurability.

The occasion for this is the entry into force of the ministerial decree APM/1040/2017 of 23 October, implementing the compulsory financial guarantee for some specific economic activities with potentially high impacts to the environment. One of the ways to fulfil this requirement, foreseen in Act 26/2007 of Environmental Liability—the transposition in Spain of the European Directive 2004/35/CE—and in the legislative regulation RD 2090/2008 developing it, is to contract a specific insurance policy to cover the potential loss. It is a different cover to that of civil liability that, in case of business stoppage and in order to comply with the 30 year liability period established by Law, is complemented with an Environmental Damage Compensation Fund, managed by Consorcio de Compensación de Seguros (CCS). The latter is the reason behind this monographic issue of Consortseguros.

The in-depth article, signed by senior civil servants of the Ministry for the Ecological Transition, starting by the Director-General for Biodiversity and Environmental Quality, Mr. Javier Cachón de Mesa, puts in context the development of the concept of environmental liability and its implementing legislation, as well as the distribution of roles between the different actors involved and their coordination.

This subject is further expanded in the “Contributions” section, considered from the different perspectives of the stakeholders:

Mr. Juan Carlos López Porcel, President of the Spanish Association of Risk Management and Insurance (AGERS) describes, from the risk management viewpoint, how environmental risks are considered, as well as their specificities against other risks.

Mr. Antonio de la Torre Díez, Director of Insurance and Financial Risk, and other members of his team at Repsol describe, as participants of the Spanish Associated Risk Managers Initiative (IGREA), the challenges posed by the risk management and insurance of environmental risks for a big multinational from the hydrocarbon sector.

For 25 years now, Spain counts with a quite unique Pool to insure environmental risks, in which CCS also takes part. Mr. Santiago Martín Pérez, President; Mr. José Luis Heras Herraiz, CEO and Mr. Miguel Ángel de la Calle Urquijo, Technical Director, respectively, of the Spanish Pool for Environmental Risks, outline in their contribution the history of this Pool, identify the keys for its management and show the validity of this model.

Mr. Alfonso Urquijo Fernández de Córdoba, Deputy Director and Environmental Practice Leader Iberia at Willis Towers Watson, as well as member of the technical area of the Spanish Association of Insurance Brokers (ADECOSE), contributes with the vision of the insurance mediation sector and with his personal experience in the distribution of products to insure environmental liability.



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In the “News” section, Ms. Belén Soriano Clavero, Deputy Director for the Technical Area and Reinsurance, sheds light on the peculiarities of the new Environmental Damage Compensation Fund, its scope and financing.

Inside the “Reviews” section, Ms. Mercedes Asensio Ruiz, Senior Expert at the CCS Deputy Direction for Expertise highlights the role played by CCS in the assessment of the environmental damage caused by the hull fracture and later sinking of the tanker Prestige in 2002, creating a fuel-oil spill that affected heavily the northern Spanish coast.

And to finish, as usual, the review of case laws by Mr. José Antonio Badillo Arias, Regional Representative of the CCS in Madrid, reporting on a decision by the Court of Justice of the European Union relevant to determine the scope of environmental liability in the case of an Austrian hydroelectric power station.

We’d like to express our most sincere gratitude to all authors for their availability and contribution to this issue of Consorseguros magazine.