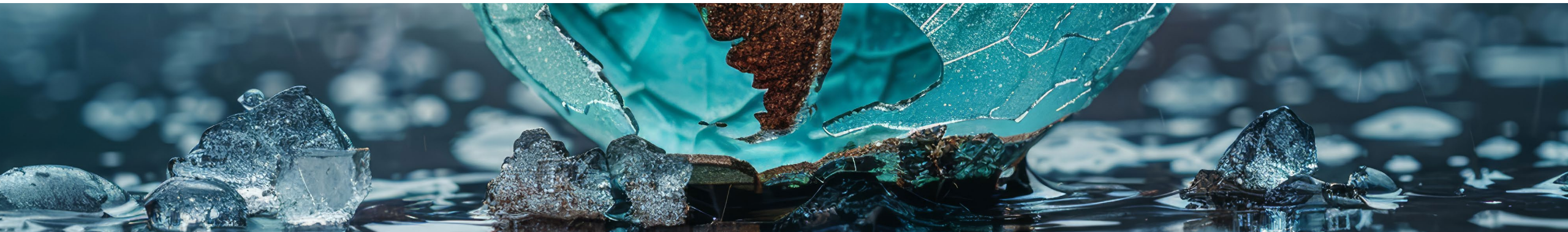


Political risk report 2025

February 2025

A business of Marsh McLennan

Contents



Executive summary

Today's heightened geopolitical risk environment — characterized by volatility, uncertainty, and a widening range of possible outcomes — has become a more significant driver of operational and strategic risks to trade, finance, and investment than in prior periods.

Recognizing this shift is propelling organizations to evolve their risk management strategies as they prepare for challenges and opportunities that may arise in the latter half of the 2020s.

To adapt, organizations should reassess the geopolitical assumptions that guide their risk management decisions and investment strategies. Many long-standing assumptions — such as the stability and security of trade flows, particularly between the US, China, and other major trade partners, and the reliability of supply chains from specific regions, such as Southeast Asia — are increasingly in flux. In areas where confidence is lacking, leaders may benefit from new methods to understand the risk environment and inform their decisions.

This report shows that certain geopolitical assumptions may no longer hold true and suggests frameworks or methods to take their place across three key areas:

1. The reshaping of global trade. Businesses with long investment horizons, complex supply chains, or key supplier dependencies will likely continue to be tested by shifting global trade dynamics. This report identifies three factors that can enhance understanding of supply chain risks at the business and board level, aiding risk management strategies and investment decisions.

2. Geopolitical risks creating operational challenges. Organizations may encounter operational difficulties exacerbated by their exposure to political risks, including conflict, volatile supply chains, and proliferating investment regulations. The report examines these risks and explores methods to strengthen resilience.

3. Energy transition opportunities, politics, and compliance obligations. The report notes two major climate regulations — the European Union's Carbon Border Adjustment Mechanism and the Deforestation Regulation — and the political forces shaping their development. It also considers methods to reduce risks in expanding carbon credit markets and debt-for-nature swaps.

The risks outlined here are not exhaustive. However, leaders that use this report to improve their ability to comprehend, assess, and where appropriate, mitigate operational and strategic risks to their business will likely be better positioned to identify opportunities where others may only see ambiguity.

Marsh, with specialist expertise across insurance and risk management solutions, can support organizations throughout this journey, helping them thrive in what is likely to remain a challenging geopolitical landscape for some time. The final section of this report — Solutions — provides an initial guide on the tools that may help to manage each risk.

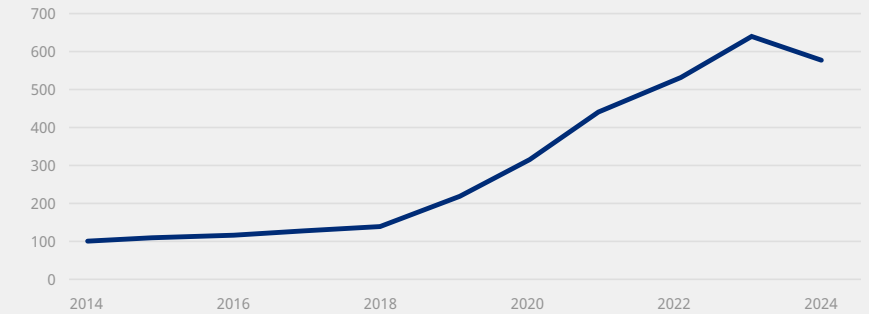
Enhancing awareness of the impacts of shifting trade flows

Global trade flows have continually evolved in the post-war era, yet the past five years have seen that evolution trending toward more disruption and protectionism, not less.

As government interventions in trade have increased fourfold since 2018 (see Figure 1), a recent [US Federal Reserve](#) study shows that concerns about protectionism have heightened uncertainty among many organizations and in some cases deterred investment. In particular, the study found that organizations with greater uncertainty about trade policy direction, as measured by the [Trade Policy Uncertainty Index](#), reported worse financial performance than their more confident counterparts.

These findings suggest that businesses that understand current trading opportunities and have a clear framework for assessing future trade flow developments will likely continue to be better positioned to invest and operate with confidence.

01| Global trade interventions by year



Source: Global Trade Alert

Note: Data in figure 1 is indexed to 2014, where the number of interventions in 2014 = 100.



THE NEW GLOBAL TRADE ARCHITECTURE

Despite current challenges, international trade has shown resilience amid recent disruptions and continues to contribute roughly the same proportion to global GDP as it did a decade ago. However, the landscape of trade has indisputably been changed by increased trade interventions and conflict-induced disruptions.

These shifts over the past five years have resulted in the emergence of what the International Monetary Fund (IMF) refers to as “connectors” — countries or blocs that serve as mid-stations or passthroughs between previously direct bilateral trading partners such as the US and China.

However, organizations that trade with connector countries to circumvent existing or anticipated trade controls — or that have suppliers doing the same — may still be prone to trade policy induced disruption in the months and years ahead. This is because, in a scenario of greater decoupling between major trading partners, governments may also impose trade barriers on goods from connectors, especially those that include components from the originally targeted country.

Thus, as companies develop solutions to restructure their supply chains and increase resilience, leaders should recognize that using connectors will not always represent true diversification. Furthermore, companies should be aware of other risks associated with reordering supply chains, including the implications on cybersecurity. Developing supplier relationships and operations in a new country can increase exposure to supply chain cyberattacks, which have risen by [300% since 2020](#).

A key question for business leaders wanting to improve their understanding of how trade flows may evolve is whether the current connector model will be sustained or if greater fragmentation between geopolitical blocs is likely to develop. To assist with this assessment, following are three factors that can provide insight.



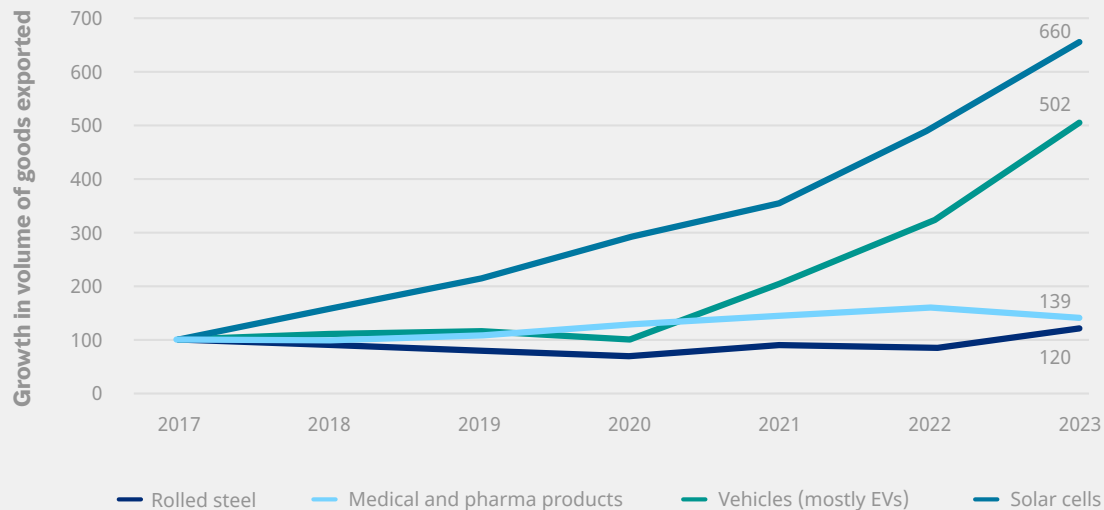
Evidence of rapidly shifting trade flows is visible worldwide. For example, since 2022, exports from the United Arab Emirates (UAE) to Russia have tripled, and European Union hydrocarbon imports from India have increased by 260%. Meanwhile, trade to and from the Association of Southeast Asian Nations (ASEAN) has grown by 50%, or US\$800 billion, in the same timeframe.



I. Assess China's commitment to its current trade strategy

Soaring export volumes of certain goods (see Figure 2) contributed to China becoming the main target of new or expanded trade barriers in 2024. Countries including Thailand, Mexico, Brazil, Canada, India, Vietnam, and Japan imposed or announced restrictions on Chinese steel imports, while the EU, US, Türkiye, and South Africa restricted imports of electric vehicles (EVs) and/or solar cells.

02| China's export growth relative to 2017 (volume)



Source: National Bureau of Statistics China, Ember, Marsh analysis

Notes: Data in figure 2 is indexed to 2017, where the number of interventions in 2017 = 100.

While steel exports "only" grew 30% in relative terms between 2022 and 2023, the volume of growth is significant, given that China produces more than half of the world's steel.

In an era in which protectionism has regained legitimacy as an economic strategy, China's intention to continue growing exports in this manner may not be greater than the determination of some other governments to defend domestic industries that they believe are worth protecting. Therefore, if China maintains or increases its manufacturing dominance in politically sensitive sectors, such as green technology, electronics, and steel, then further protectionist trade barriers would be likely in the years ahead. In response, China may impose its own targeted tariffs or use asymmetric policy tools (see countervailing measures on page 11).

Additional tariffs on Chinese exports could also lead to more goods initially being diverted through connector countries, potentially resulting in trade barriers against these connectors. For example, in 2024, India imposed tariffs on certain steel imports from Vietnam, intended in part to disrupt transshipments from China. Companies from countries with politically sensitive or large domestic industries in sectors where China dominates may be most affected by the interplay of these factors. This includes countries such as Germany, Mexico, and South Korea.

Alternative scenarios besides China's sustained rapid export growth in key sectors include:

- Chinese companies may increase investment in destination markets, bypassing tariffs and providing money and jobs to the regions where their products are sold.

- China's government may stimulate domestic consumption, reducing the volume of goods exported to potentially unreceptive trade partners.

Both scenarios present opportunities and risks for affected businesses. Increased Chinese investment in markets such as the EU and Morocco could create demand for raw materials, construction, and supplier inputs. However, these investments and related inputs may face shifting local content requirements for components and [technology transfer](#) regulations, and Chinese companies could continue to encounter [pressure from Beijing](#) to avoid excessive offshoring of jobs and investment.

[Potential political opposition](#) to consumer stimulus within the Chinese Communist Party may limit the likelihood of the second scenario. Further, the Chinese government attributes the country's export growth to the competitiveness of its firms against foreign companies rather than being the result of state support. Therefore, if the government undertakes any significant efforts to boost domestic consumption, they are unlikely to be directly motivated by a desire to reduce trade imbalances.

Through supply chain mapping, scenario analysis, and a clear understanding of China's trade policy objectives, companies can assess the potential impacts of China's trade strategy on global trade dynamics and their own supply chain risks. Sectors that rely on critical minerals, raw materials, and dual-use technologies, as well as high-tech hardware and software products, are most likely to be exposed. Therefore, close monitoring of trade strategies in these areas is especially warranted.

ii. Understand underlying US trade policy objectives

To understand how US trade actions may affect an organization's investment strategy or supply chains, business leaders should first analyze the drivers behind the overall trade policy rather than attempt to assess each policy in isolation. This can help to predict the likelihood and permanence of specific trade actions and may also help to reduce the number of actions businesses need to model. Possible objectives of US trade policies include:

1. Using tariffs to re-shore manufacturing jobs or investment or generate revenue.
2. Leveraging tariffs for concessions on a range of trade and/or non-trade issues.

Although various country and sector-specific trade policies were announced during the initial phase of the new administration, the two objectives will likely remain, for the most part, mutually exclusive. To pursue the first objective of re-shoring a meaningful level of investment and employment, trade barriers against targeted sectors would likely need to be permanent. This permanence could limit the use of those barriers as negotiating tools. For instance, if the US were to agree to lift a recently imposed or threatened tariff in exchange for a concession on immigration, it might undermine the incentive for companies to return investment to the US. Any trade policy action designed to generate revenue or facilitate tax cuts would also likely need to be permanent.

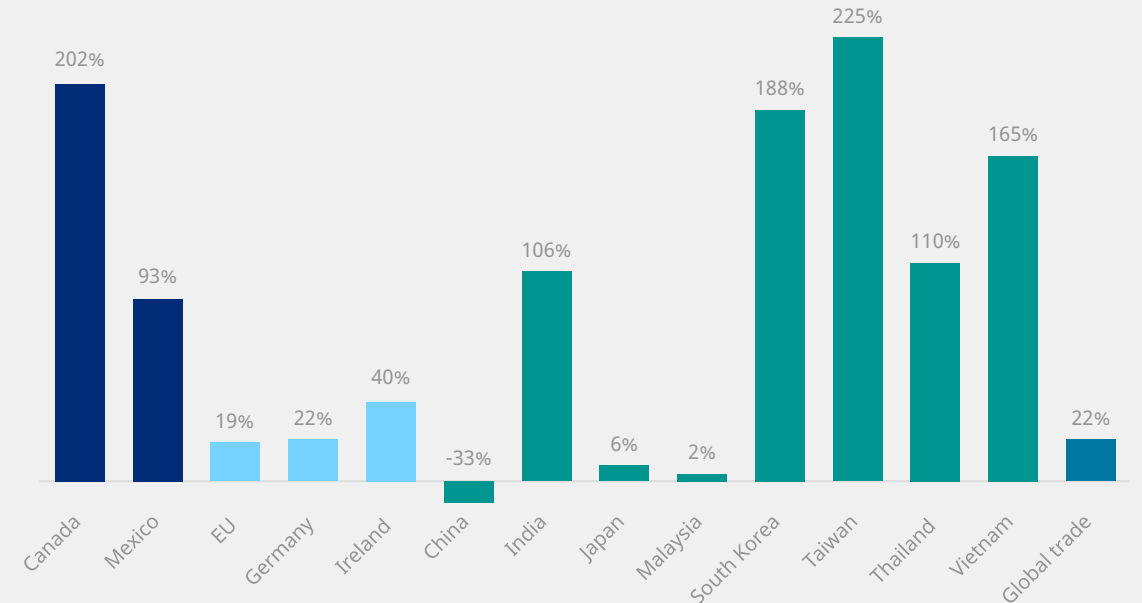
Additionally, to seriously pursue the second objective, the US would need to maintain substantial, long-term tariffs on major trade partners and connector countries where trade deficits have increased since 2018 (see Figure 3). This approach could lead to significant economic disruption, particularly in specific sectors. Businesses may then face greater fragmentation of existing trade flows, requiring major revisions to their supply chains and investment plans.

If the second objective serves as the underlying strategy, and tariffs are used to negotiate concessions on a range of trade and non-trade issues, the current connector architecture of trade may be more sustainable. However, businesses should still consider the willingness of foreign governments to negotiate on issues raised by the US. This can help to predict how quickly agreements might be reached and how long-lasting any trade barriers may be (see Solutions).

Shifts in US trade policy may encourage businesses to prioritize risk assessments for their investments or supplier dependencies located in:

- Countries with large or rapidly growing trade deficits with the US.
- Countries or blocs that are unwilling or unable to make the requested or expected concessions (see Figure 4).

03| Growth in US bilateral trade deficit, 2018-2023



Source: US Bureau of Economic Analysis, World Trade Organization, Marsh analysis

Note: Figure includes the 10 largest countries (plus the EU) by bilateral goods trade deficit in billions of US\$, ASEAN members Malaysia and Thailand, and the 11th largest bilateral goods trade deficit partner, India. For context, growth in global goods trade as a share of global GDP over the same period is shown at the far right.

iii. Consider the extent to which the current connector model will be sustained

In a period of heightened anxiety among businesses regarding tensions between countries, the ability of connectors to maintain their newfound significance in the global trade architecture may prove crucial for preventing further fragmentation between geopolitical blocs.

On the one hand, connector countries have limited control over outcomes. As outlined earlier, China’s export and domestic policies, along with the US’s trade objectives, will heavily influence whether the current trade structure can be sustained or if further changes are on the horizon.

However, connector countries are not powerless. They can continue to benefit from the current trade architecture by improving their infrastructure, enhancing regulations, and increasing labor efficiency and productivity. Indeed, some countries are already setting themselves apart within the current system, while others may find it harder to adapt to both the present and potential future trade landscapes (see Figure 4).

04| Connector model

Potential challenges ahead

Hungary	Hungary could struggle to balance the government’s pro-US rhetoric with the economy’s increasing dependence on Chinese investment.
Mexico	An early push by the new US administration to renegotiate the United States–Mexico–Canada Agreement (USMCA) prior to the scheduled 2026 review may strain Mexico’s relations with the US. Investors are also concerned over recent judicial and regulatory reforms.
South Korea	Security dependence on the US, plus recent rapid growth of the country’s trade surplus, may put pressure on South Korea to make concessions.
Vietnam	As one of the largest recipients of Chinese foreign direct investment and imports in recent years, Vietnam may be among the first connectors to face more trade barriers if further fragmentation occurs.

Well-positioned

Chile	Relative political stability and its large lithium and copper reserves are likely to remain significant stabilizing factors for Chile’s economy, though recent critical mineral policy changes do raise some concerns.
Malaysia	Malaysia’s limited growth in its bilateral trade surplus with the US sets it apart from other ASEAN countries, particularly Vietnam.
Morocco	Both the US and EU have political incentives, unrelated to existing free trade agreements, that may encourage them to grant leeway in the scale of foreign green-tech investment taking place in Morocco.
Türkiye	Türkiye is geopolitically well-situated and has improving economic fundamentals, though its institutional independence remains uncertain.



SIGNALS TO WATCH

As businesses seek to assess how global trade may continue to evolve, the three factors discussed can serve as valuable signposts for informing geopolitical risk management decisions. However, as there is no crystal ball to predict future challenges and opportunities, organizations should consider likely outcomes and allocate resources accordingly to prepare for potential implications and mitigate associated risks. For example:

- Connector countries may maintain or expand their roles as links between trading partners. Investing in these countries may not provide additional diversification and certain risks such as supply chain cyber exposure may increase, so risk transfer solutions may still be appropriate (see Solutions). However, the potential for significant structural trade changes would be limited.
- Trade tensions may continue to escalate, with government policies targeting connector countries to restrict alternative investment and trading pathways.

“ Greater trade fragmentation may increase the risk of conflict, as a less interconnected world offers fewer disincentives or constraints to conflict. ”

As businesses navigate the complexities of trade policies and geopolitical uncertainties, consider the following questions when developing a supply chain restructuring strategy:



If trade policies and structures evolve, does your organization have the necessary visibility into its supply chain to understand the implications of various scenarios?



What strategies are in place to evaluate key risk scenarios, including the potential impacts of climate change on assets and logistic routes?



As you restructure supply chains, how can your organization avoid unintended secondary consequences, such as concentrating assets in fewer physical locations or increasing exposure to political flashpoints?

For all organizations, particularly the 65% of businesses with at least one single-point-of-failure in their supply chain, addressing these questions will require ongoing monitoring of trade policies, improved supply chain visibility, and real-time insights. Advanced risk management tools, such as Marsh McLennan's [Sentrisk](#), can support strategic decision-making and contribute to greater resiliency.



Mitigating the influence of geopolitics on operational risks

As the global trade architecture continues to evolve, geopolitical risks are also expected to exacerbate operational risk management challenges for organizations. In particular, the implications of weaker systemic constraints and a less predictable global environment on shock-sensitive public and private finances, conflict, and countervailing regulations are factors to consider.

THE GROWING ROLE OF POLITICAL LEADERS IN SHAPING OUTCOMES

Conflicts are occurring nearly [twice as frequently](#) as they did in 2005, and the number of international sanctions has [increased by 370% since 2017](#).

Two drivers of the recent surge in conflict and other difficult-to-predict events are the declining adherence among countries to international norms and the widespread fracturing of cooperation, which has previously helped to deter or resolve disputes. According to [The Global Risks Report 2025](#), long-term geopolitical risk projections signal greater challenges ahead as mechanisms for collaboration face ongoing pressure. This breakdown in systemic constraints can also encourage political leaders to act according to their personal incentives and fears, with less regard for a structured response from the international community.

Therefore, while scenario planning remains an important method to enhance organizational preparedness

for current or future geopolitical events, adapting scenarios to reflect a less structured or constrained global environment is essential. Organizations should still consider developing scenarios that account for various geopolitical outcomes, such as increased protectionism or regional conflicts, while also accounting for the beliefs, policies, and motivations of political leaders (see Figure 5). Neglecting to consider the motivations of individual leaders could overlook a critical factor that increasingly influences foreign policy and business risk outcomes.

In such an environment, it is essential for companies, especially those with international supply chains and footprints, to develop geopolitical risk management programs that include scenario planning that is adapted to their unique exposure profile (see Solutions).

05| Adapting scenario planning to a new reality

Structure

- International norms
- Institutions (e.g., UN)
- Macro-conditions
- Alliances

Individuals (leaders)

- Value system
- Experiences
- Perceived incentives
- Beliefs and fears

Scenarios that overlook the role of leaders may:

- Incorrectly assume the rationality of decisions
- Overvalue the significance of structural factors in shaping outcomes in the current system



THE POTENTIAL IMPLICATIONS OF RECORD PUBLIC DEBT LEVELS

Several factors will likely affect the stability of public and private finances in the years ahead. According to the [IMF](#), global public debt surpassed US\$100 trillion at the end of 2024, and S&P [predicts](#) an increase in sovereign defaults over the next decade. Meanwhile, [others](#) forecast business insolvencies to continue rising this year before stabilizing at elevated levels due to low demand and tight financial conditions.

Given this context, many governments face pressure to implement fiscal consolidation, through lower government spending, higher taxes, or both. However, such consolidation may negatively impact business investment and sentiment. For instance, in 2024, taxation was cited as the [primary concern](#) for UK businesses after the government announced fiscal consolidation measures. Conversely, a lack of fiscal consolidation policies in some countries could undermine debt sustainability. As of early 2025, the spread between French and German government bonds, for example, remained near its highest level in a decade as the French Parliament struggled to shrink a 6.1% budget deficit. These situations may heighten the risk of government intervention in areas such as taxes, contracts, and regulation (see Solutions).

Brazil is another country that exemplifies this challenge (see Figure 6). Despite relatively strong economic growth of above 3% in 2024, the currency fell more than 20% against the dollar in the same year as investors grew increasingly skeptical of the government’s commitment to sustainable fiscal policies.

In a global environment characterized by high debt and relatively low growth, which is sensitive to geopolitical shocks, a country risk model is a valuable tool for businesses seeking to understand which countries face the greatest risk of default, currency controls, or other interventions (see Figure 6). For example, Kenya’s World Risk Review score for strikes, riots, and civil commotion deteriorated by more than 15% in the year and a half preceding the outbreak of widespread unrest in June 2024, providing organizations an advance signal that the country’s security situation was potentially worsening.

06| Country risk data: World Risk Review

Country	Security environment			Trading environment			Investment environment		
	Strikes, riots, and civil commotion	Terrorism	War and civil war	Country economic risk	Currency inconvertibility and transfer risk	Sovereign credit risk	Expropriation	Contractual agreement repudiation	Legal and regulatory risk
Bangladesh	7.5	5.7	4.5	5.6	6.1	6.5	5.1	6	6.3
Bosnia & Herzegovina	4.7	3.8	3.8	5.1	4.7	5.6	4.4	4.6	4.9
Brazil	5.4	3.7	2.8	4.3	4.1	4.8	3.7	4.8	5.1
France	5.6	4.2	2.7	3.9	1.5	2.3	2.5	3.1	3.4
Hungary	3.5	1.9	2.1	4	2.8	4.4	3.2	3.4	3.7
Kenya	6.6	6.3	4.1	5.4	5.8	6.9	4.2	5.3	5.3



For each risk, countries are scored on a 0.1–10 scale. Risk escalates linearly as numbers increase.
Source: Marsh, information current as of January 2025

COUNTERVAILING MEASURES MAY PROLIFERATE

Organizations are already grappling with an [exponential increase](#) in the number of sanctions, rules, and regulations with which they must comply. They may soon face the added complexity of countervailing regulations, where governments use regulations to target specific foreign businesses during bilateral disputes.

Regulatory frameworks or laws that allow for restrictions or legal action against entities deemed threats to national interests or security are not new, but until recently, these regulations were typically applied narrowly.

However, as trade tensions remain elevated, governments have begun to use these measures more broadly, especially as asymmetric countermeasures in response to another country's trade actions. As a result, some organizations may face direct impacts, such as [anti-monopoly investigations](#) or being added to China's "unreliable entity list," which could lead to sanctions or trade bans.

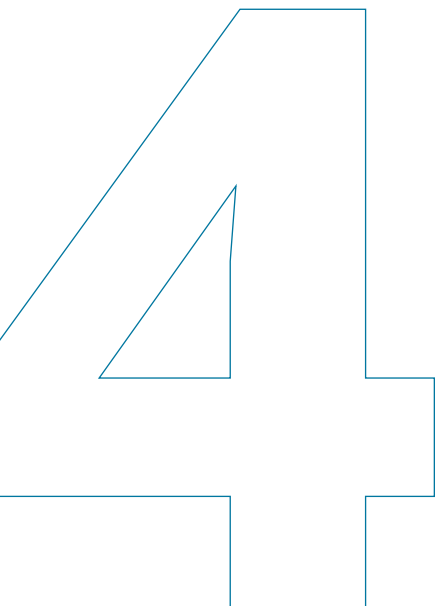
To improve visibility of this risk, organizations should track the countervailing regulations affecting other businesses from their country of origin and within the same sector. They should also monitor the overall status of relations between their country and those they operate in. In areas of concern, supply chain diversification may be warranted.

Political pitfalls of optionality

One way businesses are managing today's uncertain geopolitical environment and volatile commodity markets is with optionality: The ability to rapidly pivot to pre-prepared alternative plans in response to changing conditions. However, optionality as a risk management strategy may also exacerbate political risks in certain circumstances.

For example, exploring a range of extractive projects can provide a business with the flexibility to allocate future funding according to shifting market conditions. However, in countries where governments prioritize extraction regardless of the licensee's interpretation of market dynamics, this strategy could increase the risk of forced contract renegotiations or license cancellations. In the most-high risk countries, risk transfer solutions may be a more viable option to help protect investors (see Solutions).





Managing political risks to the energy transition

In 2025, shifting market and political dynamics present both energy transition challenges and opportunities.

MITIGATING RISKS FOR CARBON CREDITS AND DEBT-FOR-NATURE SWAPS

Global carbon credit markets took a major step forward at COP29, where leaders agreed on international standards for CCMs to be traded under UN supervision. With 90% of the world's economies committed to net-zero targets, this agreement is expected to solidify CCMs as an essential tool for mitigating climate change and financing the energy transition.

Debt-for-nature swaps (DFNSs) have also gained traction as a means for heavily indebted countries to reduce their debt burdens, while investing the savings in climate resilience and nature protection. The signing of a deal worth over US\$1 billion in 2024, along with interest from several other governments for similar agreements, underscores the growing opportunities for investors and governments.

However, challenges remain in both CCMs and DFNSs regarding political risk and the potential for non-delivery. For example, if a project tied to carbon credits or a debt-for-nature swap is not completed by the seller due to conflict-induced disruption or misappropriation of funds, among many other possible causes, the purchaser could incur significant losses. Furthermore, despite progress at COP29, organizations purchasing carbon credits may still face future regulatory changes that could invalidate previously purchased credits. Other political risks associated with certain carbon credit projects, including confiscation or forced abandonment, could also affect an investment.

Organizations obligated to purchase carbon credits, purchasing voluntarily, or investing in DFNSs, may want to consider insurance tools to mitigate and transfer risk, which can provide greater confidence that exposures are being managed and allow investments to proceed (see Solutions).

PREPAREDNESS AMID A CHANGING CLIMATE REGULATION LANDSCAPE

Increased climate compliance obligations, especially those originating from new EU regulations, may present operational risk challenges for organizations.

Regulations will increasingly require importers to track emissions and sourcing, or face penalties for misreporting. In this context, the EU's [Carbon Border Adjustment Mechanism](#) (CBAM) will target carbon-intensive imports, while the [Deforestation Regulation](#) (EUDR) will prohibit the import of goods linked to deforestation.

The uncertainty surrounding the implementation timeline and permanence of climate regulations present additional risks beyond the potentially high cost and complexity of maintaining compliance. For example, the EUDR's full implementation was postponed until the end of 2025 with little warning after an intense lobbying effort.

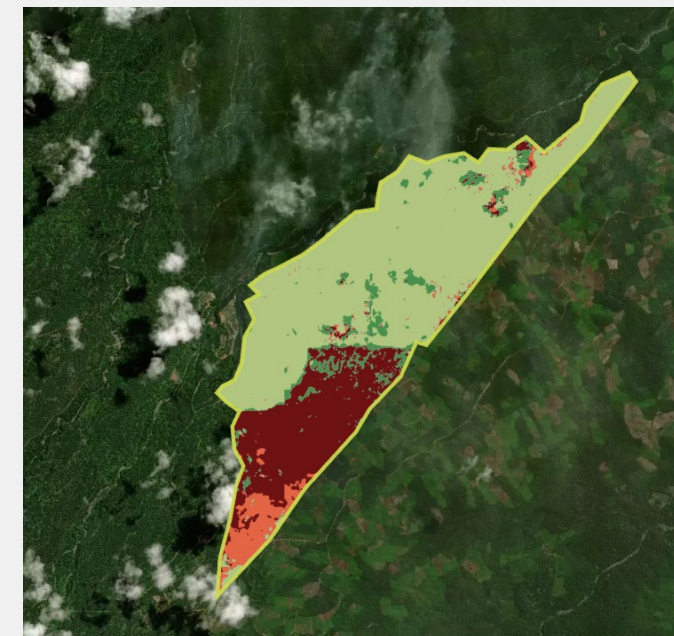
However, many businesses have already invested in reporting technologies or adjusted supply chains to ensure compliance, and last minute changes may disrupt some operations or cause financial loss. Meanwhile, CBAM, which is set to take effect in 2026, faces similar lobbying pressure to pare back or delay the regulation, particularly from developing countries with carbon-heavy energy mixes that would be most significantly impacted.

To navigate compliance obligations and uncertainties surrounding the implementation and permanence of these regulations, organizations may benefit from adopting robust monitoring capabilities and developing an awareness of evolving political sentiments (see Solutions).



Under the EUDR, geospatial analysis (see Figure 7) may be an important compliance tool for businesses to identify and monitor high-risk areas and suppliers.

07| Geospatial analysis of deforestation



Source: Kayrros for Marsh McLennan



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SOLUTIONS

Risk	Overview	Impacted sectors	Key Marsh offerings
Shifting global trade flows	The global trade architecture is changing, and businesses need to understand the implications of this shift to be best positioned for growth.	Organizations with long investment horizons and supply chains or key supplier dependencies, including energy, manufacturing, and infrastructure.	- Contract frustration insurance - Risk advisory - Trade credit insurance - Cyber insurance - Sentrisk
A breakdown in systemic constraints and less predictable leaders	While scenario planning is vital, most organizations tend to simply forecast “rational” outcomes based on structural factors and do not fully consider the impact of individual leaders.	Organizations in sectors that are most at risk or exposed to unpredictable geopolitical developments, including energy, mining, marine, and aviation.	- Political risk insurance - War and strikes risk insurance - World Risk Review - Strategic risk consulting
Implications of record public debt levels	Worldwide public debt and business insolvency rates are likely to remain elevated in 2025. This fragile structure is not well-equipped to absorb any potential geopolitical shocks.	Organizations with strained balance sheets or exposure to high debt or deficit countries or counterparties may be most at risk. This includes the construction, infrastructure, hospitality, and transport sectors.	- Structured credit insurance - Trade credit insurance - Surety - World Risk Review
Expanding use of countervailing measures	Export controls or trade bans are increasingly being imposed on specific companies in response to trade policies of other governments, potentially imperilling supply chains.	Multinational organizations in potentially politically sensitive sectors, such as manufacturing, textiles, high-tech, automotive, critical minerals, and defense.	- Contract frustration insurance - Sentrisk - Strategic risk consulting
Optionality	While optionality has become a key strategy for managing unstable geopolitical conditions and commodity markets, the approach can also exacerbate political risks.	Sectors exposed to geopolitical shocks and commodity market dynamics, such as energy, mining, and finance.	- Business interruption insurance - Contract frustration insurance - Political risk insurance - World Risk Review
Political risks to carbon credits and debt-for-nature swaps	In 2024, carbon credit markets (CCMs) and debt-for-nature swaps (DFNSs) gained legitimacy. Yet, non-delivery remains a core risk for buyers.	Companies buying carbon credits in a compliance (e.g., CORSIA, ETS) or voluntary market, or investors in DFNSs.	- Carbon credit-specific insurance - Non-delivery insurance - Political risk insurance
Climate policy and regulatory obligations	Meeting compliance obligations can be complex and costly. As political priorities shift, new uncertainties may surround the implementation timeline and permanence of climate regulations.	Organizations trading soft commodities (e.g., coffee, beef, palm oil), as well as energy, industrial manufacturing, and construction sectors.	- Enterprise risk management advisory - Risk advisory - Sentrisk

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