# London start‑up moves beyond carbon to insure green‑credit finance risks



A London-headquartered carbon insurance start‑up has moved beyond its core carbon products and formally entered the green‑credit insurance market, unveiling a suite of coverages it says are designed to de‑risk capital earmarked for climate solutions. According to the company announcement on 18 August 2025 and reporting in the trade press, the expansion is pitched at buyers, lenders and project developers who need greater certainty to underwrite and scale decarbonisation projects.

The new offering, the firm says, covers a broad range of sustainable‑finance instruments: pre‑payment protection for transition projects that generate credits or clean power, buy‑to‑hold green and blue bonds, sustainability‑linked loans, letters of credit and repayment guarantees, and loans to corporates judged to be climate leaders. The company also highlighted that it will underwrite through Lloyd’s syndicate paper and combine market‑leading data analysis and AI‑led underwriting with sector specialists. In the firm’s announcement, its founder described the move as a “natural evolution” to meet demand for long‑tenor cover, while the newly appointed Head of Credit Underwriting—whose background includes roles at specialty underwriters and Lloyd’s markets—said clients seek “certainty…in both policy terms and carrier expertise.”

The rationale for product innovation is familiar across insurers and climate financiers: advance payments, forward purchases and long‑dated financing of nature‑based and engineered solutions carry delivery, natural‑hazard and political risks that deter private capital. Industry analysis published earlier this year argues that novel insurance structures—parametric covers, buffer pools, bespoke non‑delivery indemnities and other risk transfers—can make projects bankable and help attract long‑term capital into nature‑based solutions and other climate investments.

Larger incumbents and specialist reinsurers have already been active in this space. One major commercial insurer partnered with a climate‑tech buyer platform in 2024 to design a first‑of‑its‑kind product that insures multi‑year forward purchases of afforestation and reforestation credits, offering in‑kind replacement credits from a project buffer pool and financial compensation where necessary. That product was explicitly framed as a way to support five‑year forward contracts and to reduce non‑delivery exposures from weather, natural catastrophes and political events.

Brokers and advisory firms also set out the range of cover types that market participants need: pre‑payment non‑delivery indemnities, political‑risk protection, bank lender non‑payment insurance and post‑delivery cover for invalidation, non‑permanence and reversals. These established solutions are being adapted and repackaged to address the particularities of carbon and green‑credit markets, with the stated benefits of boosting lending capacity, protecting balance sheets and facilitating project finance.

The sector is also attracting specialist start‑ups and fresh capital. One Zurich‑based entrant closed a seven‑figure funding round in early 2024 to build capacity to underwrite carbon‑credit risks, emphasising in‑kind claim payments as a way to guarantee replacement credits. Such firms are positioning themselves as complementary to the wider insurance market by offering focused underwriting expertise and new claims constructs tailored to the integrity and permanence challenges of credits.

There are already practical examples of tailored underwriting being used to shore up buyer confidence. In mid‑2024 a brokered warranty and indemnity policy for carbon credits was placed on a forestry project in Ghana; the cover was cited as enabling the seller to charge a premium by assuring buyers of the credits’ legitimacy and delivery. That transaction has been referenced by insurers and buyers as proof that bespoke insurance can alter pricing and buyer behaviour in the voluntary market.

But insurers and market commentators caution that cover is not a panacea. Insurance can transfer many financial risks—natural catastrophe, political interference, counterparty non‑performance—but it does not erase the underlying integrity and reputational questions that have dogged parts of the voluntary carbon market. Industry analysis also stresses that markedly more capital will be required to meet nature‑based finance needs through 2030, and that insurance is one of several tools needed to mobilise private investment at scale.

For the new entrant, the test will be how quickly and credibly it can scale capacity, price long‑tenor risks, and work with developers, banks and corporate buyers to convert insured structures into financed projects. The firm says its aim is to unlock finance and replicate its carbon‑market traction across adjacent clean‑energy and green‑credit markets; whether that ambition translates into sustained underwriting appetite and measurable capital mobilisation will be closely watched by investors and project developers alike.

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## Reference Map:

* Paragraph 1 – [[1]](https://carbon-pulse.com/426653/), [[2]](https://carboninsurance.co/oka-expands-climate-risk-solutions-with-green-credit-insurance-offering/)
* Paragraph 2 – [[2]](https://carboninsurance.co/oka-expands-climate-risk-solutions-with-green-credit-insurance-offering/)
* Paragraph 3 – [[2]](https://carboninsurance.co/oka-expands-climate-risk-solutions-with-green-credit-insurance-offering/), [[5]](https://www.reuters.com/sustainability/how-insurance-innovation-could-unlock-billions-nature-based-climate-solutions-2025-01-13/)
* Paragraph 4 – [[3]](https://corporatesolutions.swissre.com/about-us/sustainability/first-of-its-kind-insurance-for-carbon-credit.html)
* Paragraph 5 – [[4]](https://www.wtwco.com/en-us/solutions/services/carbon-credit-insurance)
* Paragraph 6 – [[6]](https://www.eu-startups.com/2024/01/zurich-based-carbon-credit-insurer-carbonpool-secures-e11-2-million-to-underwrite-the-carbon-credit-markets/)
* Paragraph 7 – [[7]](https://www.reuters.com/sustainability/boards-policy-regulation/howden-creates-warranty-indemnity-policy-carbon-credits-2024-06-21/)
* Paragraph 8 – [[5]](https://www.reuters.com/sustainability/how-insurance-innovation-could-unlock-billions-nature-based-climate-solutions-2025-01-13/)
* Paragraph 9 – [[2]](https://carboninsurance.co/oka-expands-climate-risk-solutions-with-green-credit-insurance-offering/), [[5]](https://www.reuters.com/sustainability/how-insurance-innovation-could-unlock-billions-nature-based-climate-solutions-2025-01-13/)

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## Bibliography

1. <https://carbon-pulse.com/426653/> - Please view link - unable to able to access data
2. <https://carboninsurance.co/oka-expands-climate-risk-solutions-with-green-credit-insurance-offering/> - Oka, a London-based carbon insurance firm, announced on 18 August 2025 that it is expanding into the green credit insurance market with a suite of products to de-risk capital for climate solutions. The offering covers transition project pre-payments, buy-to-hold green and blue bonds, sustainability‑linked loans, letters of credit and loans to climate leaders. Oka operates via Lloyd’s syndicate 1922 and emphasises AI-led underwriting combined with specialist carbon-market expertise. The firm appointed James Morrell as Head of Credit Underwriting and highlighted its aim to unlock finance, scale decarbonisation projects and provide certainty for developers, lenders and investors, rapidly across global markets.
3. <https://corporatesolutions.swissre.com/about-us/sustainability/first-of-its-kind-insurance-for-carbon-credit.html> - Swiss Re Corporate Solutions describes a pioneering insurance for long‑term carbon credit forward purchases developed in partnership with goodcarbon. Launched in 2024, the product insures non‑delivery risk for afforestation, reforestation and revegetation credits with delivery terms of up to five years, offering in‑kind replacement credits from a buffer pool or financial compensation if required. The cover responds to natural catastrophes, weather events and certain political risks, aiming to de‑risk forward contracts and give buyers certainty of supply. Swiss Re says the product will mobilise private investment into nature‑based climate solutions by improving buyer confidence and supporting corporate net‑zero strategies effectively.
4. <https://www.wtwco.com/en-us/solutions/services/carbon-credit-insurance> - WTW outlines tailored insurance solutions for participants in carbon markets to manage risks associated with carbon credits. The page explains coverage options including non‑delivery indemnities for prepaid credits, political risk protection, lender non‑payment insurance for banks, and post‑delivery cover addressing invalidation, non‑permanence and reversal events. WTW highlights benefits such as enhanced stakeholder confidence, increased lending capacity, balance sheet protection and facilitation of project finance. The firm positions these products as tools to bolster market trust and support scaling of carbon removal and avoidance projects by reducing counterparty and delivery risks for buyers, sellers, developers and financial institutions globally across markets.
5. <https://www.reuters.com/sustainability/how-insurance-innovation-could-unlock-billions-nature-based-climate-solutions-2025-01-13/> - A Reuters feature examines how insurance innovation can unlock billions for nature‑based climate solutions by reducing the financial risks that currently deter private investment. The article highlights mechanisms such as parametric covers, buffer pools and bespoke products that protect against natural hazards, weather extremes and political risk. By transferring non‑delivery and catastrophe exposure, insurers can make projects bankable and attract long‑term capital. Reuters cites UN and market data on financing gaps and stresses the role of novel insurance structures in increasing investor confidence, enabling restoration and conservation efforts, and scaling nature‑based projects that contribute to carbon removal and biodiversity goals.
6. <https://www.eu-startups.com/2024/01/zurich-based-carbon-credit-insurer-carbonpool-secures-e11-2-million-to-underwrite-the-carbon-credit-markets/> - EU‑Startups reports that Zurich‑based startup CarbonPool closed a €11.2 million funding round in January 2024 to build capacity for insuring carbon credits. Founded by former Allianz executives, CarbonPool aims to become an insurer with a carbon credit balance sheet, offering in‑kind claim payments and products to underwrite project delivery risks. The article explains investor participation, strategic intent to restore trust in carbon markets and the need for robust underwriting amid market turbulence. CarbonPool’s model seeks to provide certainty for buyers and lenders by covering non‑delivery and quality risks, thereby facilitating increased private finance for credible carbon removal and avoidance projects.
7. <https://www.reuters.com/sustainability/boards-policy-regulation/howden-creates-warranty-indemnity-policy-carbon-credits-2024-06-21/> - Reuters reports that insurance broker Howden launched a warranty and indemnity policy tailored for carbon credits in June 2024 to strengthen buyer protection and market confidence. The policy insures against project‑level fraud, third‑party negligence and double counting, addressing quality concerns in voluntary carbon markets. Mere Plantations adopted the cover for 300,000 credits from a Ghana reforestation project, illustrating practical application. Howden’s initiative aims to reassure buyers and financiers by mitigating reputational and financial risks, potentially allowing developers to command higher prices while supporting scaling of credible offset projects and enhancing integrity across the evolving carbon credit ecosystem and market adoption.