


Chapter 8

Green Insurance: A Catalyst for Sustainable Development

Shyam Sunder Agrawal

 <https://orcid.org/0009-0004-3648-0584>

Lovely Professional University, India

Balamurugan Balusamy

Shiv Nadar University, India

Gopal Rathinam

University of Buraimi, Al Buraimi, Oman

ABSTRACT

This chapter explores the role of green insurance in sustainable development goals – SDG1, SDG3, and SDG11 for which a conceptual framework was developed. The purpose of this chapter is to explore the challenges and opportunities in the green insurance market, the chapter has identified a gap through a literature review regarding geographical disparity, market penetration, sustainability impact, the role of climate change, etc. A qualitative approach has been used in this chapter i.e. PRISMA for systematic literature review from 2010 to 2025. Findings showed that insurers should focus on geographical disparities among nations, green insurance strengthens resilience to climate change, and innovation in green insurance products. The implications to industry, academicians, policymakers, and global suggest that the green deal allowed homeowners to access financial support and reduce poverty.

DOI: 10.4018/979-8-3373-1882-0.ch008

1. INTRODUCTION

1.1 Background of the Study

Today, every nation around the world is focusing on sustainability, and insurance plays an important role in financial inclusion (Goda, 2022). Financial inclusion means that businesses and individuals should have access to affordable financial products and services as per their needs. Insurance is also a financial product, so it contributes to financial inclusion, and it promotes the development of the country (Chen et al., 2024). The Indian government recently increased the FDI limit in the insurance sector from 74% to 100%, this will attract more capital in the long term, and insurance companies expand their reach in the country (Eling, 2024). The Insurance Regulatory Development Authority of India (IRDAI) chairman has given the slogan 'Insurance for All' because still needs to cover a large population who are uninsured so IRDAI has the target to achieve this by 2047. Insurance mitigates risk or manages the risk, of individuals and businesses (Desalegn, 2024).

Generally, there are two types of insurance i.e. life and non-life insurance. Green Insurance is also a type of insurance that protects the environment and considers climate change, we also call this eco-friendly insurance (Hu et al., 2023). As people are considering eco-friendly practices because they know the impact of climate change, as a result, insurers are more focused on innovative and environment-friendly practices to encourage sustainable development. Green insurance is the combination of two words 'Green' and 'Insurance', Green means related to the environment, and climate whereas Insurance protects individuals and businesses (Jørgensen et al., 2020).

According to the Intergovernmental Panel on Climate Change (IPCC) surveys, humans are involved in the emission of greenhouse gases like Carbon Dioxide that affect the environment and climate system. Climate change can be a good business opportunity for insurance companies to provide eco-friendly products and services to industries as well as individuals (Osborn et al., 2015).

1.2 Role of Green Insurance Towards SDGs

Green Insurance contributes towards sustainable development goals, here we are considering three SDG goals - SDG-1(No Poverty), SDG-3(Good Health and Well-Being), and SDG-11(Reduce Inequality).

32 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage: www.igi-global.com/chapter/green-insurance/386281

Related Content

The Impact of Utilizing a Large High-Resolution Display on the Analytical Process for Visual Histories

Haeyong Chung, Andrey Esakiaand Eric Ragan (2020). *International Journal of Data Analytics* (pp. 67-88).

www.irma-international.org/article/the-impact-of-utilizing-a-large-high-resolution-display-on-the-analytical-process-for-visual-histories/258922

Prediction of Heart Disease Using Random Forest and Rough Set Based Feature Selection

Indu Yekkalaand Sunanda Dixit (2018). *International Journal of Big Data and Analytics in Healthcare* (pp. 1-12).

www.irma-international.org/article/prediction-of-heart-disease-using-random-forest-and-rough-set-based-feature-selection/209737

A Detailed Study on Security Concerns of VANET and Cognitive Radio VANETs

M. Manikandakumar, Sri Subarnaa D. K.and Monica Grace R. (2019). *Cognitive Social Mining Applications in Data Analytics and Forensics* (pp. 252-264).

www.irma-international.org/chapter/a-detailed-study-on-security-concerns-of-vanet-and-cognitive-radio-vanets/218401

Usage and Analysis of Big Data in E-Health Domain

Sushruta Mishra, Hrudaya Kumar Tripathy, Brojo Kishore Mishraand Soumya Sahoo (2022). *Research Anthology on Big Data Analytics, Architectures, and Applications* (pp. 417-430).

www.irma-international.org/chapter/usage-and-analysis-of-big-data-in-e-health-domain/290994

Comprehensive Analysis of State-of-the-Art CAD Tools and Techniques for Chronic Kidney Disease (CKD)

Mynapati Lakshmi Prasudha, Rakesh Kasumollaand Deepak Sukheja (2021). *International Journal of Big Data and Analytics in Healthcare* (pp. 1-12).

www.irma-international.org/article/comprehensive-analysis-of-state-of-the-art-cad-tools-and-techniques-for-chronic-kidney-disease-ckd/287605