

# Why French insurtech Descartes Underwriting chose London for its global expansion

*Where a centuries-old insurance industry and a thriving tech sector meets, Descartes found the ideal location to develop its revolutionary insurance offering.*

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The UK insurance industry manages investments of around £1.8T, which is equivalent to around 25% of the UK's total net worth. The country's reputation is such that many insurance, underwriting, and reinsurance firms will use the UK as a bridge to extend their reach globally.

A stone's throw from London's Liverpool Street station, behind the bustling Leadenhall Market, sits a futuristic and eye-catching monument to rival Paris' Pompidou Centre. That building is Lloyd's of London, home to the globally renowned insurance syndicate that has been doing business globally for over 300 years. Lloyd's has no doubt played a pivotal role in building London and the UK into one of the epicentres of the global insurance industry.

One such firm is Descartes Underwriting. The French insurance player has established itself as a market leader in corporate insurance against climate and emerging risks worldwide. In light of the intensifying threats that the climate crisis poses, Descartes has sought to build an insurance offering that can meet the magnitude and urgency of these threats, unlocking new possibilities thanks to a highly technological, data-driven approach.

With clear demand for their offering, and a desire to develop their business worldwide, there was one clear route—setting up in London.

## London's insurance market maturity and a culture of innovation

In the short time since launching in 2019, Descartes has quickly gained traction for its revolutionary approach to insurance, helping equip clients against climate and emerging risks. They already have over 400 corporate and public sector clients across more than 65 countries.

Prior to 2021 their European business was largely based out of their headquarters in Paris. London, just a few hundred miles north, presented a huge business opportunity for tapping into the global insurance industry. They had been active in dealing with the London international market, but until that point had lacked a physical presence in the UK capital. It wasn't enough just to be doing business there. "Expanding to the UK brings your global reach to another level. Having a local presence here makes a difference," explains Marie-Anne Faigy, Chief of Staff at Descartes.

The sheer volume of global companies based in London was astounding. "All of the top insurance and reinsurance players in the world are highly active in London and have specialised teams on the ground, covering most of the corporates and public entities globally. The reach and capacity of the London market remain unmatched," says Matthew James, Commercial Director for UK & Ireland at Descartes.

The move to London has not only strengthened Descartes' relationships with international companies: they have found great traction with domestic UK businesses, such as a water utility company who they've partnered with to cover their assets during severely cold weather.

The UK's technology ecosystem also presented a huge opportunity to Descartes. Their product requires far more sophisticated and nuanced tools than traditional insurance, leveraging AI (including computer vision and machine learning) and real-time monitoring from satellite imagery and IoT to offer better risk insights and accuracy.

“Expanding to the London international market was a natural progression for Descartes: this is where we can make the best use of our technical capabilities, by finding solutions to cover the most complex risks,” adds Alessandro Girelli, Underwriting Manager for Descartes' London hub.



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## in France?

For Descartes, coming to the UK has achieved far more than just introducing the company to the international insurance market. London's dense network of insurers and brokers, and the fast-paced working environment, has exposed the business and its business developers and underwriters to a new level of expertise.

"We bring our expertise, but we also benefit from the thriving insurance environment in London", Alessandro says. "Having a physical presence here enables us to have a more direct connection with the market, with frequent in person meetings with key operators in the City, all within a few blocks of Lloyd's."

Besides, Matthew observes how, in London, clients look for more complex types of cover for a much larger range of risks and perils. This was particularly true for clients in regions that were becoming much more adversely impacted by climate change and extreme weather.

One example is the Descartes London team's work with a number of African governments, through African Risk Capacity Group (ARC) and the World Bank. From extreme droughts to cyclones and flooding, they've seen a pressing need from these governments to provide protection and resilience for their populations.

On a more practical note, Descartes were able to work closely with specialised and local partners, including the UK government, in ensuring they could become operational quickly.

"After opening our UK hub, we wanted to transfer some underwriters who had excellent technical understanding of our products and of the way the company operates," Marie-Anne explains.

On both of these fronts, Descartes received tremendous help from the British Embassy in Paris. “They played a key role in our local successes,” Marie-Anne adds.

As global threats grow, so does the need for increasingly complex and sophisticated financial protection. In the UK, the overlap of an insurance industry and a thriving technology sector provides the perfect platform for insurance businesses like Descartes providing this protection.

The Commercial Department of the British Embassy in Paris provides support to French companies wishing to set up in the UK. Click [here](#) to find out more.



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