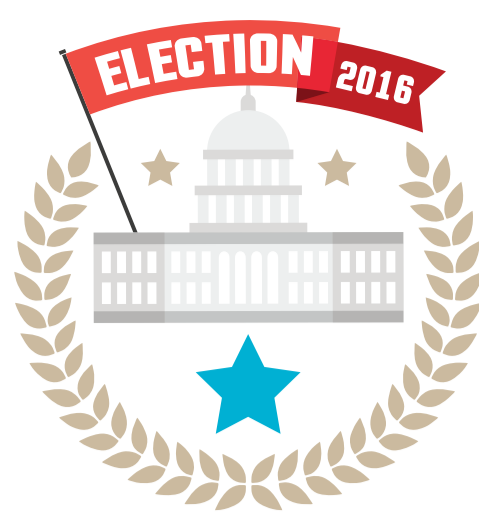


UNITED STATES ELECTION 2016: EVALUATING RISK



The 2016 US presidential and congressional elections present potential change for businesses and organisations. Here are three risk areas to monitor in the coming months.

CYBER RISK

From cyber-attacks to leaked private information, the election campaign raised complex questions.



POTENTIAL RISKS:

- 1) Determining the legitimacy of breached and leaked information.
- 2) Changing expectations of privacy.
- 3) Shifting international laws.



HOW TO PREPARE:

Organisations should review their ability to authenticate digital information, including emails. They should regularly review relevant privacy issues, and adapt as needed. They should also stay abreast of changes in international privacy and related laws and work with risk advisers and counsel to make appropriate changes in order to comply.



55.9% of UK organisations have either bought, are in the process of buying, or have sought quotations for cyber cover.

—UK Cyber Risk Survey Report: 2016

TRADE POLICY

US trade policy was a key issue in the 2016 campaign.



POTENTIAL RISKS: Increased US trade barriers could spur a similar response in other countries. Sanctions or tariffs can affect business contracts, potentially resulting in the cancellation of import/export licences. Governments also have the authority to force US corporations to divest shares in certain foreign enterprises.



HOW TO PREPARE: Assess your political risk and trade credit risk, and your insurance options. The need to do so is heightened if you operate in or are considering operating in countries seen as likely to be impacted by the new administration.

Closely monitor trade policy developments to identify countries that may be affected.



The US has implemented **“PROTECTIONIST” MEASURES** against other countries over

1,000 times since Nov. 2008

more than any other G20 member

—20th Global Trade Alert Report

REGULATION

The impact of regulations was a critical issue in the 2016 elections.



POTENTIAL RISKS: Any change in regulations requires affected companies to adapt, especially if significant measures were previously implemented to comply. Energy, environmental — including climate change — and financial regulations are among the key areas that could be affected.



HOW TO PREPARE: Organisations should first ensure they maintain current regulatory compliance processes as any reforms will take time to implement. Stay informed of developments in Congress and regulatory bodies and discuss them within your organisation. Be prepared to revise processes and provide training.



Federal regulation is estimated to cost more than US\$2 trillion annually

—National Association of Manufacturers