The role of insurance in «Build Back Better»

How can insurance loss data increase resilience

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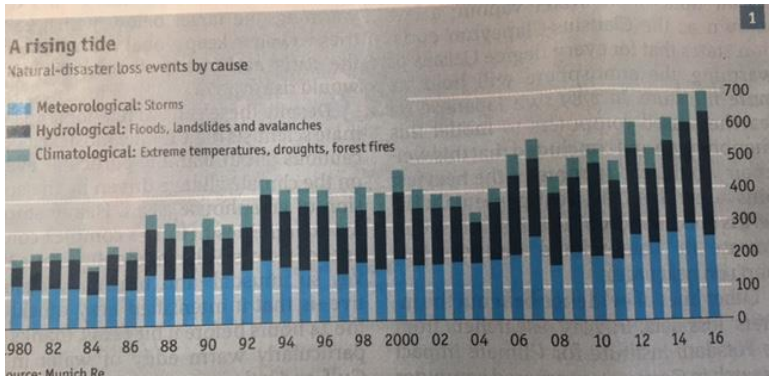
Association for the norwegian banks and insurance companies



"hits faster"

"we need better statistics" (loss data)

"engineers and political taskmasters do not embrace the scientist, but cling to old data, poor data or no data at all"

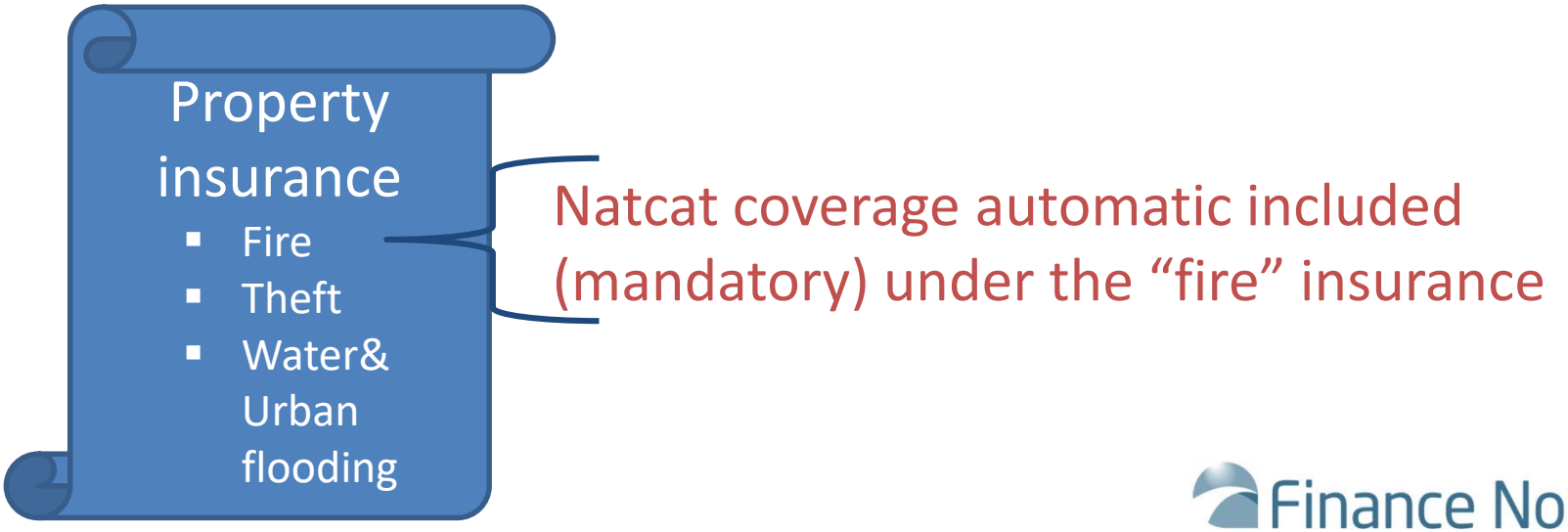
Norwegian insurance system

I. Similar to France - NatCat = solidarity, flat premium

II. Difference is urban flooding:

- Does not consider that NatCat is risk based + strict liability for municipalities

- Both covers are included in property insurance =100 % penetration
- All municipalities (incl. industry + home owners) are covered by property insurance



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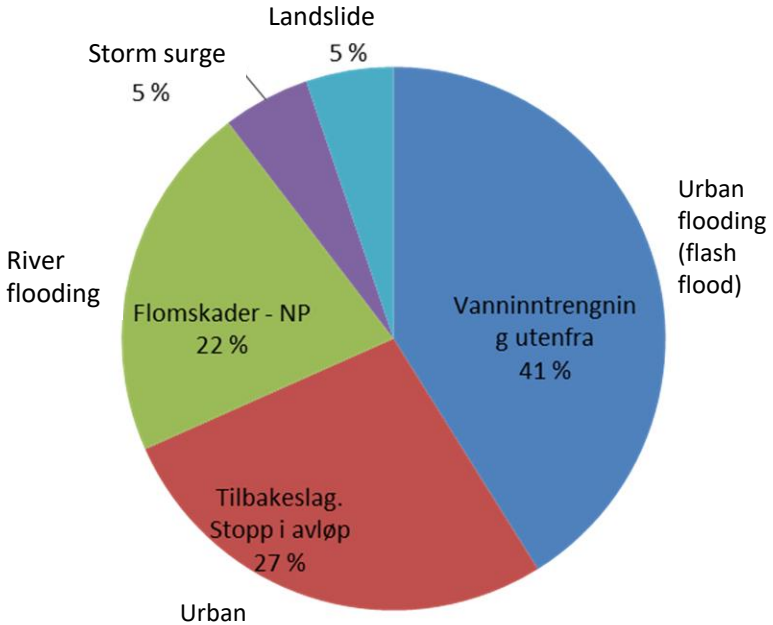
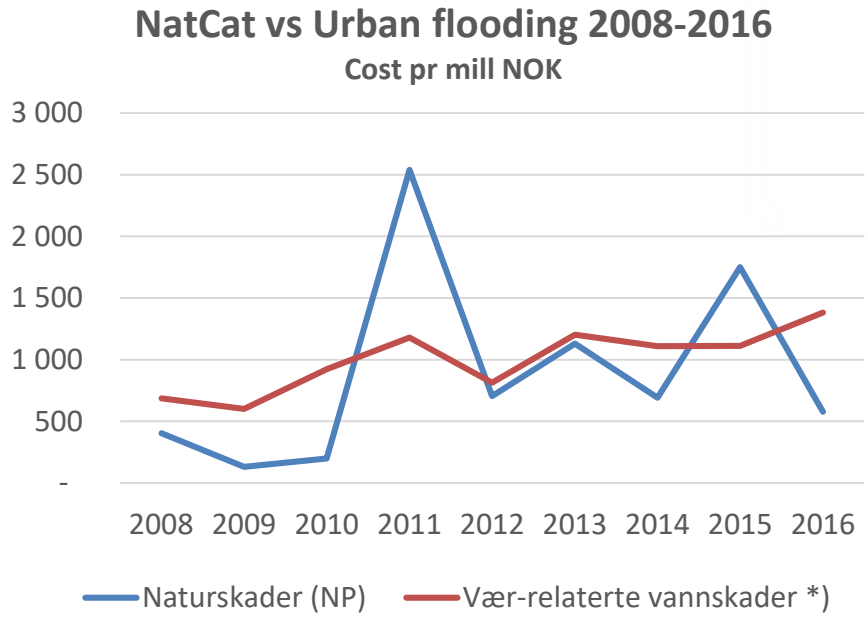
Urban flooding cost more then all the natcat-losses

Insurance pay outs 2008 - 2016



Blue+red
= Urban
flooding



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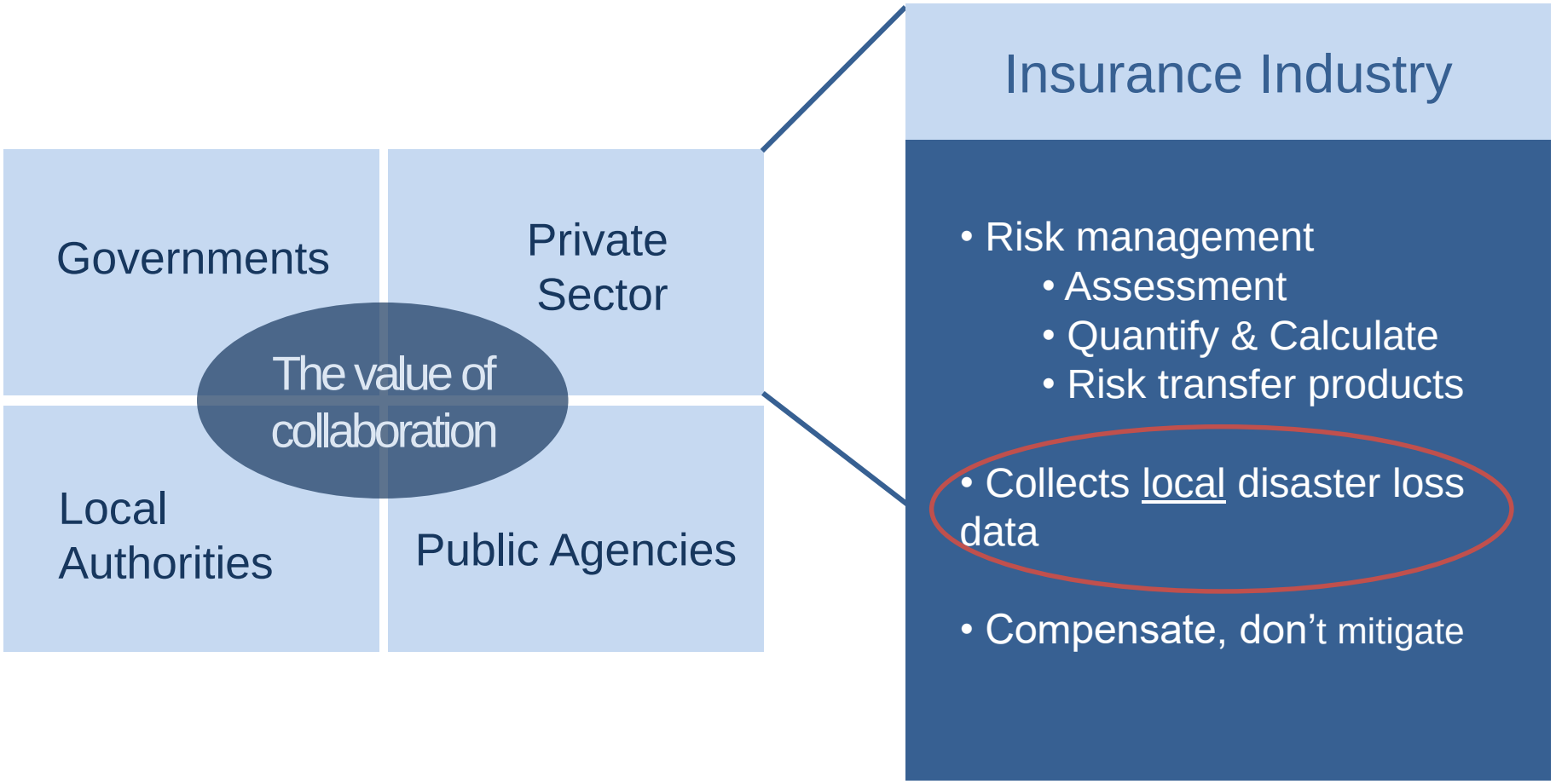
Holistic risk picture:
You need collaboration cross sectors



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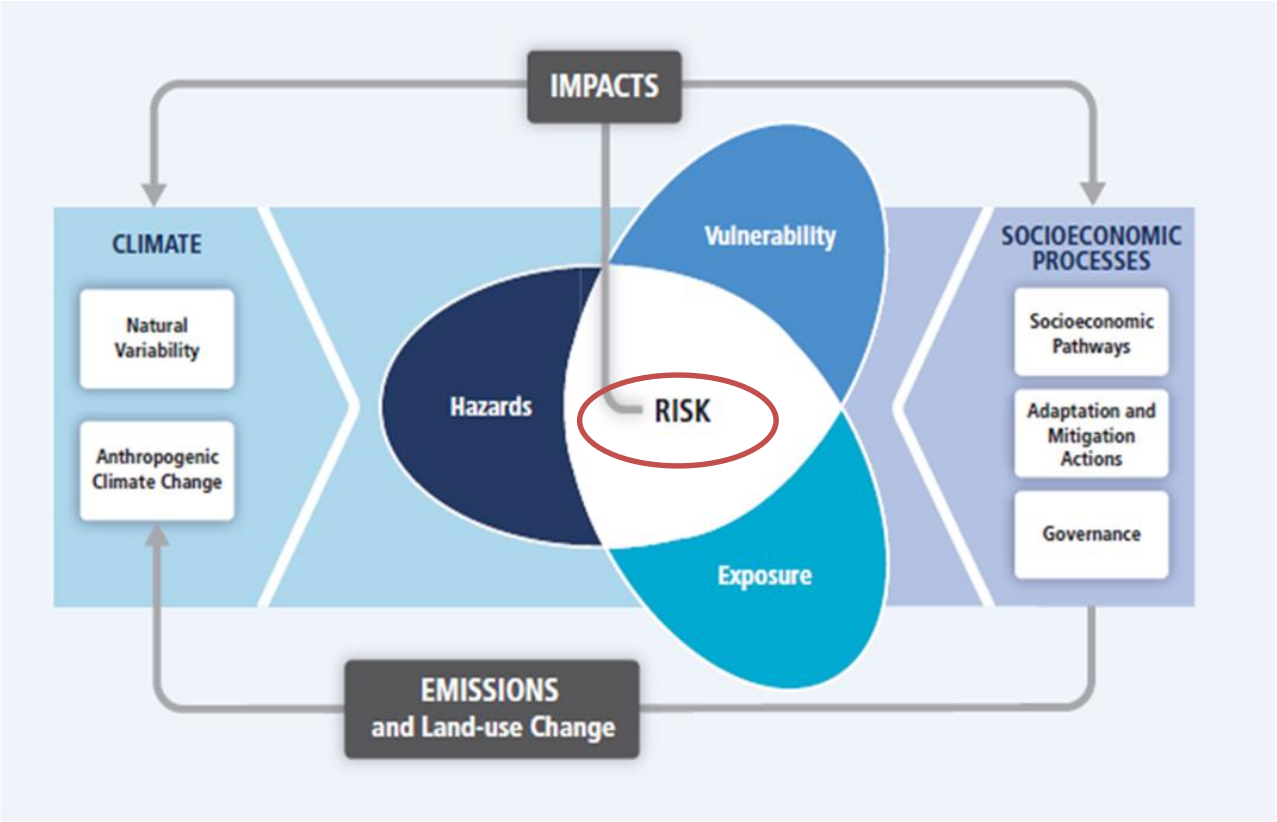
Insurance loss data help authorities (mitigators) understand risk



Source: IPCC

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Best practice - examples:

Three private – public projects supporting “Build Back Better”

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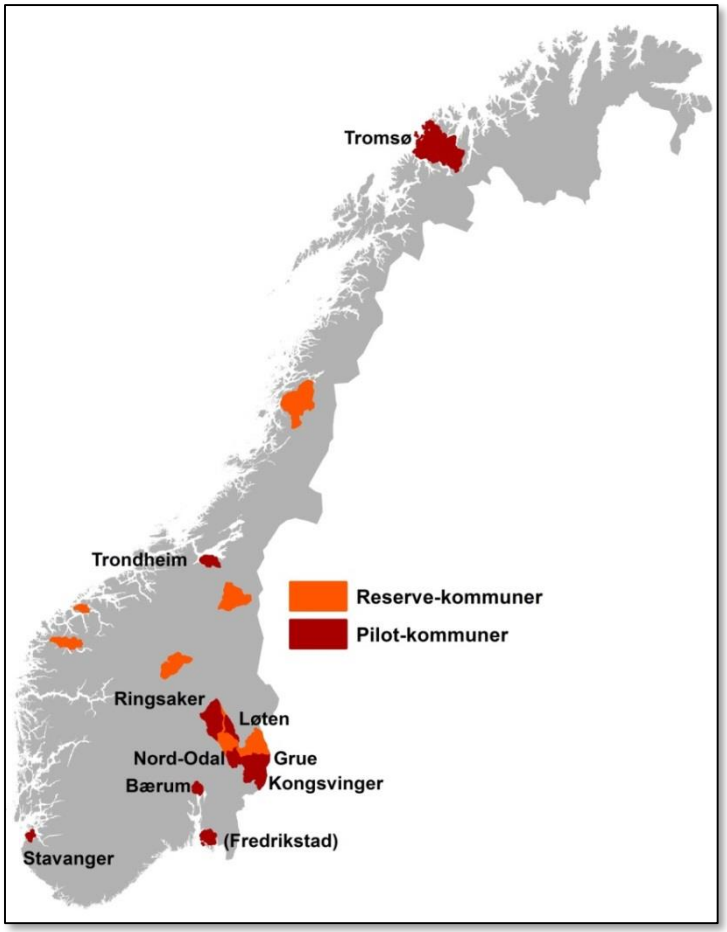
Ex 1. Sharing local insurance loss data to strengthen resilience

- Built on dialog and feed-back from municipalities
- Stakeholders:
  - Finance Norway, ten pilot municipalities and researcher inst. + university
- Reference group: national agencies. Metrological inst., Fed of municipalities
- Project period: Sept 2013 to Feb 2015



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Sharing local insurance loss data to strengthen resilience

Main goals

- Understand how local insurance loss data can help climate-resilient work
- Strengthen municipalities' knowledge base
- Secure and preserve an insurance system
  - Avoid increasing number of damages
  - Avoid higher premiums, more differentiated premiums (urban flooding)
  - Avoid withdrawal from coverage / Preserve access to insurance

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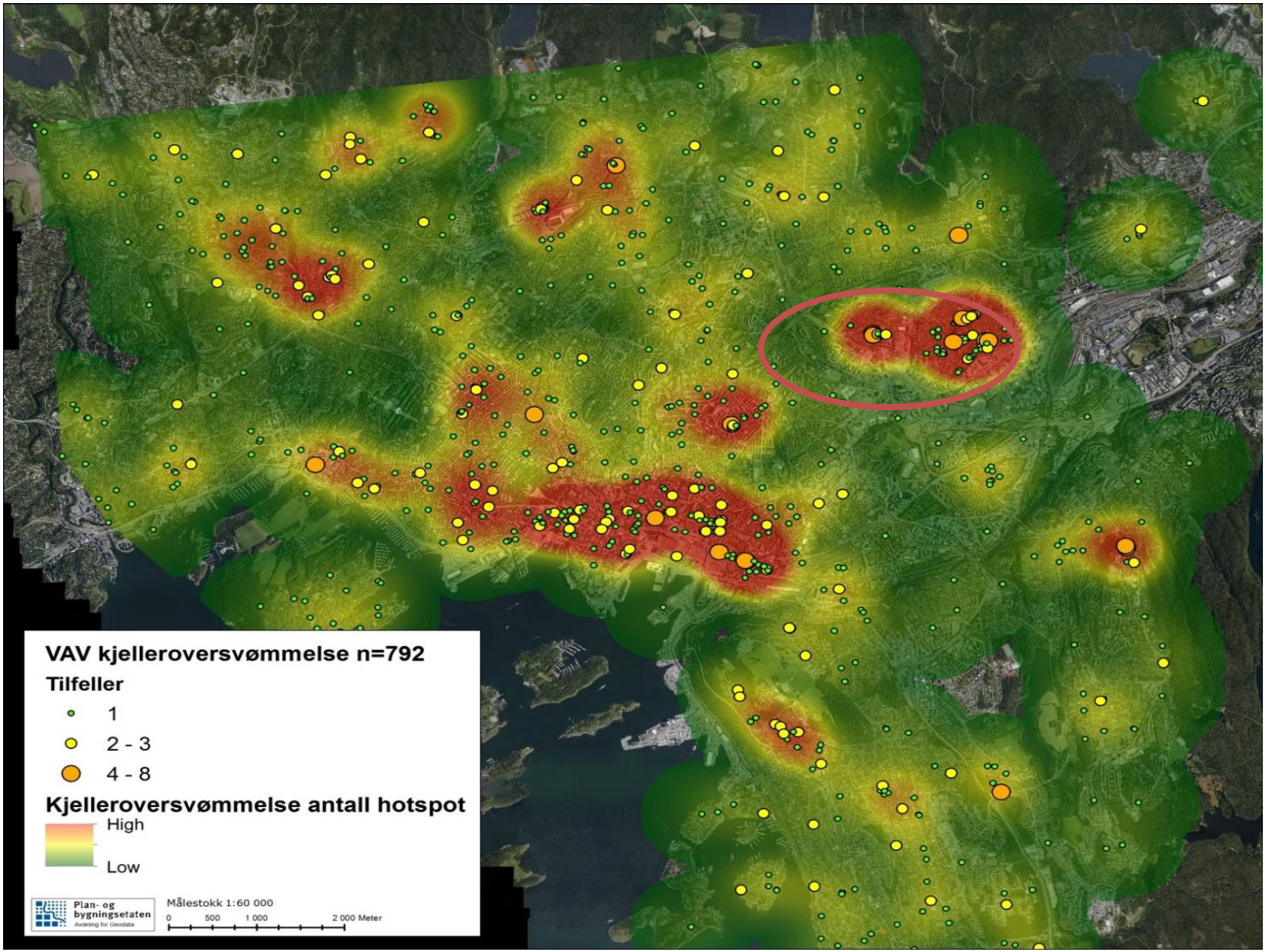
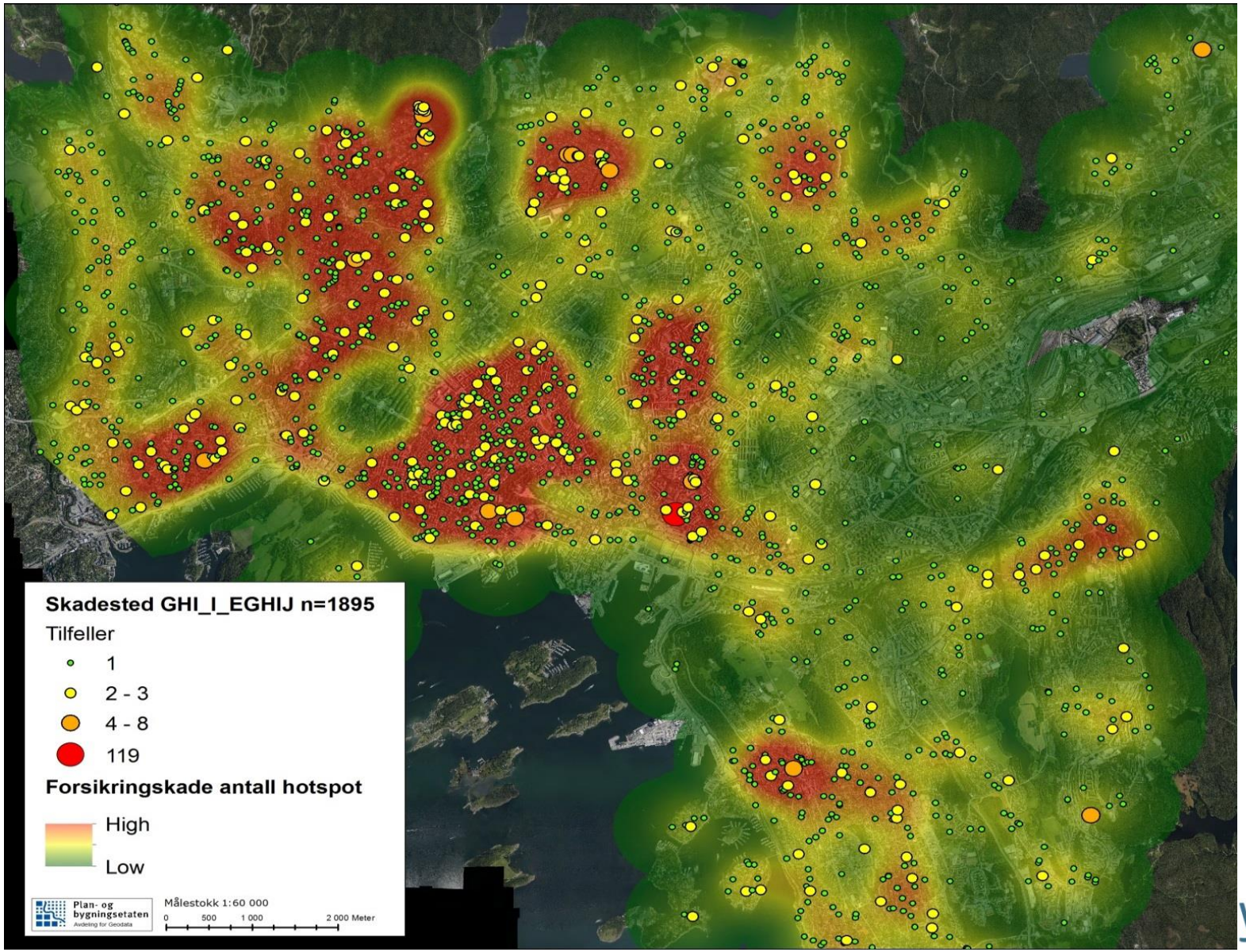
Risk and vulnerability: Oslo city's own loss data



10 years of insurance loss data



Main conclusion

The municipalities got:

- New insights into risks previously unknown
- Improved understanding
  - cost of claims
  - what is at risk and
  - Where the vulnerable areas are
- This gives improved knowledge for
  - prioritizing management
  - maintenance & rehabilitation
  - reinvestment

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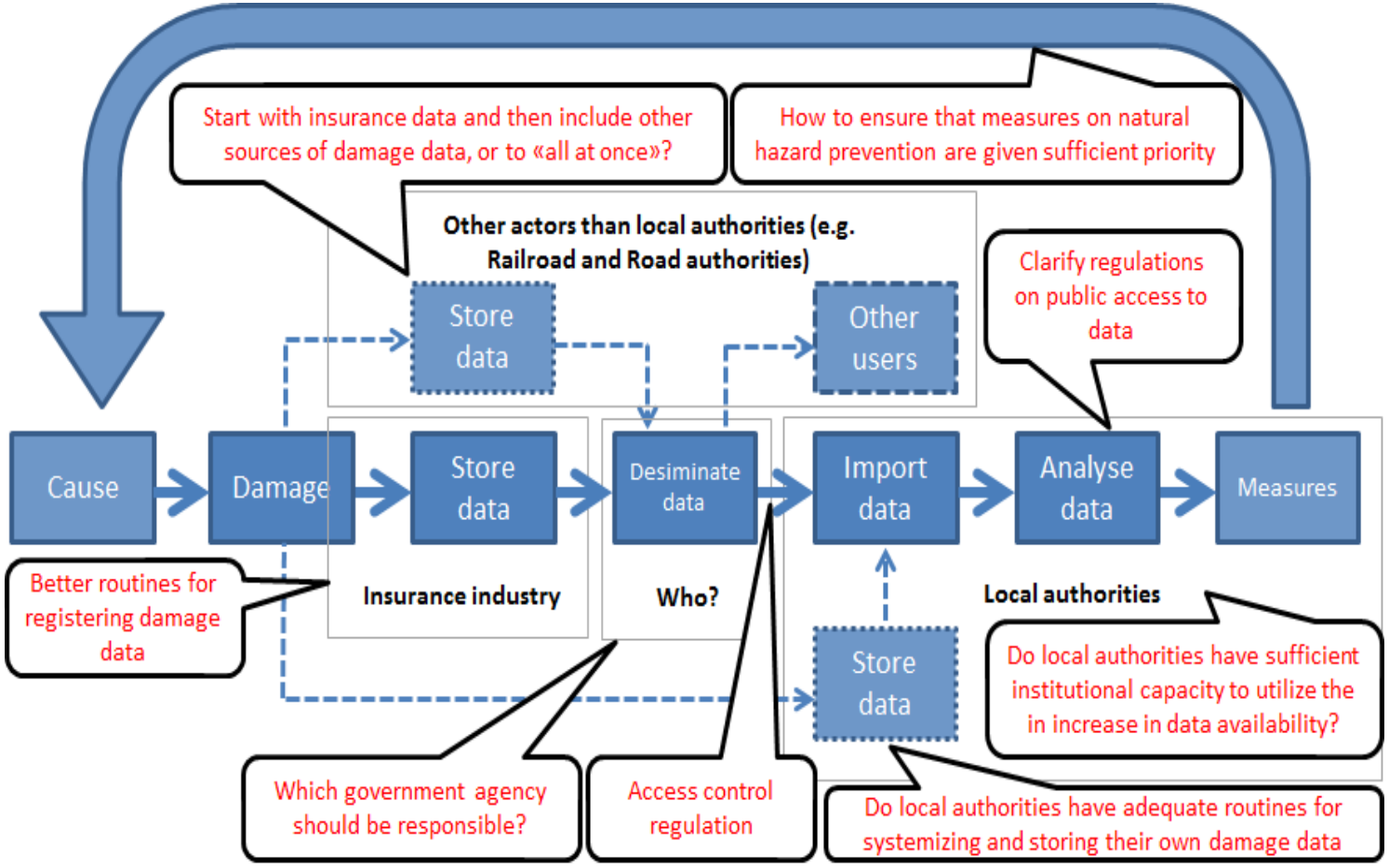
From pilot to a permanent tool



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Ex 2:

Insurance loss adjusters collect Disaster Risk Management (DRM) Data for National agency for flood and landslide

Valid for national risk understanding and DRM:

1. calibrate flood models
2. better prioritizing of local flood maps

Building no.	*ID or type of building*
Water level	*cm +/- relative to ground floor level*
Basement?	*yes/no*
Erosion, under-mining of building?	*yes/no*
Mass deposition outside of the building?	*yes/no - thickness*
Damage due to floating objects etc. hitting the building?	*yes/no*
Supplementary information	

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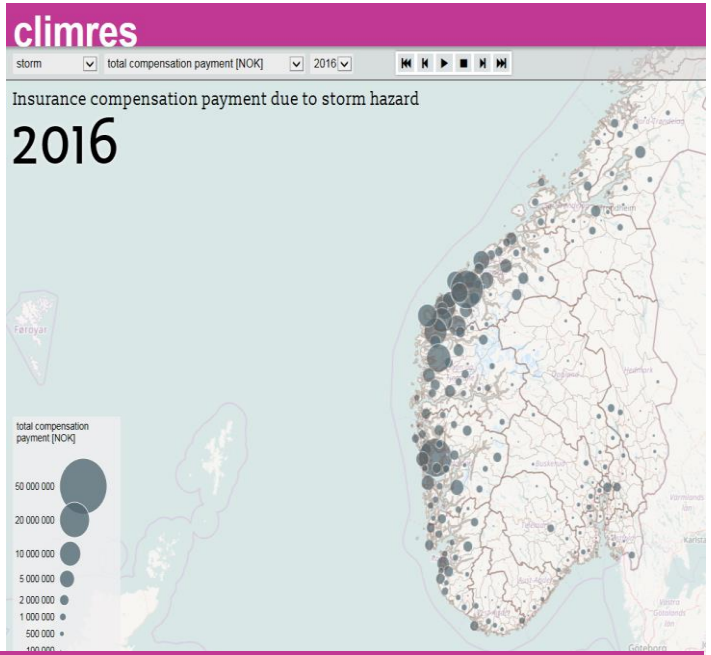
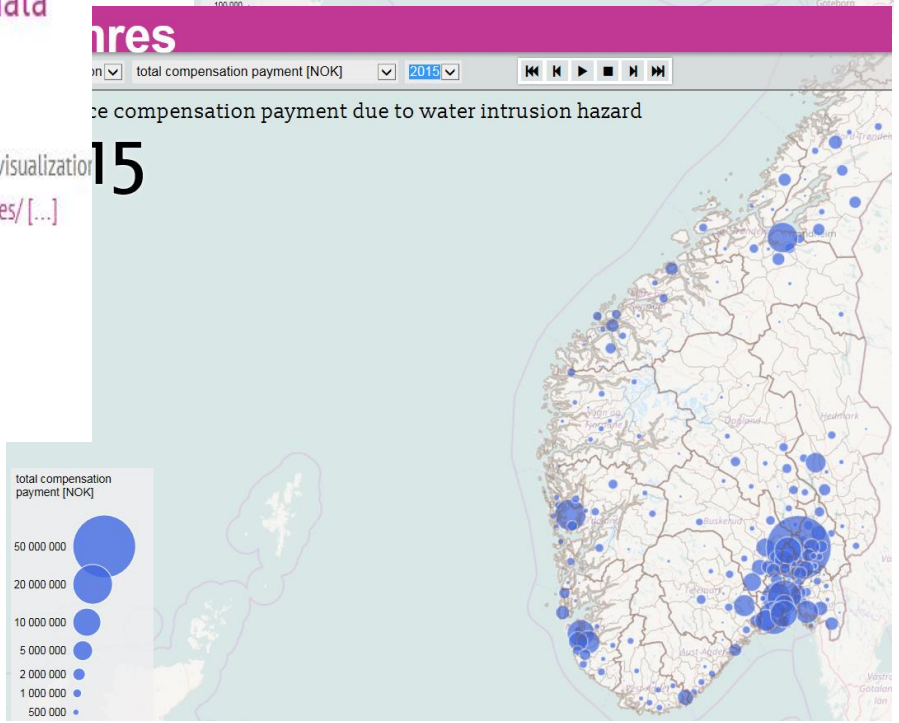
Ex 3

Awareness of cost – payouts per municipality per year?



ClimRes geovisualization tool – 'data display' added to the tool-box

A new "data display" tool has been added to the set of geovisualizatio tools. Access the tool here: http://setebos.svt.ntnu.no/climres/ [...]



http://www.climres.no/

http://setebos.svt.ntnu.no/climres/

France = you can do the same!

- The by far most usefull « tool » for local and national decision makers
- Important exampels in the work of EU and international level (Sendai / SFDRR)
- EU + EU Commission should - and are – share and promoting these good practices to all national markets

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