



Short Notes from Insurance Roundtable 1

Held on the 31st of March

Hosts

Organisation
WWF-Netherlands
James Hutton Institute
Expert in climate and nature-risk, insurance and sustainable finance
ICATALIST
Intern WWF; Student Wageningen University

Attendees

Organisation
CCR – Caisse Centrale de Réassurance
AXA Climate
Zurich Insurance Company
VIG – Vienna Insurance Group
GDV – Gesamtverband der Deutschen Versicherungswirtschaft – German Insurance Association
CCS – Consorcio de Compensación de Seguros
F&G – Forsikring & Pension - Insurance & Pension Denmark
Gruppo Unipol
VIG – Vienna Insurance Group

Agenda

Time	Content
10:00 – 10:10	Welcome and introductions
10:10 – 10:15	Presentation Merlin
10:15 – 10:30	Presentation case study on flooding and introduction topics for discussion
10:30 – 11:00	Breakout session 1 & 2
11:00 – 11:10	Debriefing breakout session 1 & 2
11:10 – 11:40	Breakout session 3 & 4
11:40 – 11:50	Debriefing breakout session 3 & 4
11:50 – 12:00	Conclusions and next steps

Meeting notes

The H2020 MERLIN roundtables aim to build a community of practice linking the economic sector representatives with MERLIN scientific and implementation partners. This report captures the main discussion points of the roundtable. A further briefing on the sector, reflecting on all sources of data, will follow in autumn 2022.

Discussed questions during the breakout sessions

1. Based on the flooding example, we are interested to hear about what role you can play, what risk reduction measures you can think of and what data you need, knowing that there is a 35% peak flood reduction in the example presented.
2. We do not know the actual effect of reduced damage using Nature-based Solutions (NbS), but we would like you to discuss how the insurance sector can help with realising and scaling up upstream NbS aimed at flood reduction.
3. Do you have examples on how NbS fit into your product already today (green roof), and if so, and does it affect the risk/premium?
4. What innovations are needed in your sector in order to incentivise NbS through your products and services?
5. What challenges and/or obstacles are there for implementing these innovations?

Main takeaways from the discussions

Climate change is increasing climate related risk exposure. This drives up premium prices, which may have a negative effect on the number of clients, potentially reducing income while payments for disaster recovery are growing.

The insurance industry is a very data driven industry. Data on climate hazards are used in order to calculate risks such as flood risks. This determines to what extent objects can be insured and also for what price. Currently insurance companies acquire the necessary data from external modelling companies. In these models, NbS are not being considered. An opportunity for mainstreaming NbS is to identify the type of data on NbS and their risk reduction potential with the aim to have them included in hazard models. There is a need for more good research on costs and benefits of NbS.

Role of the insurance industry

Participants agreed that NbS are promising for disaster risk reduction. There is a need to assess how the industry can actively participate in the creation of NbS - beyond solutions that can be incentivised through insurance products such as green roofs. Build back better generally is a theme for the industry. How can the industry help customers to actively implement this build back better? The role of the industry is also to help decision makers, either public or private, to understand the future risk and to find the best options to reduce this risk - and to assess how the residual risk can be insured. There are several innovative projects ongoing, which can serve as an example to mainstream NbS.

Next steps

Merlin project members will update the participants on important milestones and achievements from the project. The participants are invited to share any information and upcoming events which may be relevant. During the summer of 2022, Merlin will work on an NbS policy briefing for the insurance sector.

We would be interested to organise a meeting to make an inventory of the data needs for assessing the risk reduction potential of NbS, as well as discussing innovative insurance products.



MERLIN



Please let us know if you would like to participate in this follow up meeting so we can plan this session accordingly.

Please contact Elena Lopez Gunn [elopezgunn@icatalist.eu] and Anna.Berczi-Siket@wwf.hu or Kirsty.Blackstock@hutton.ac.uk for further information.



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