

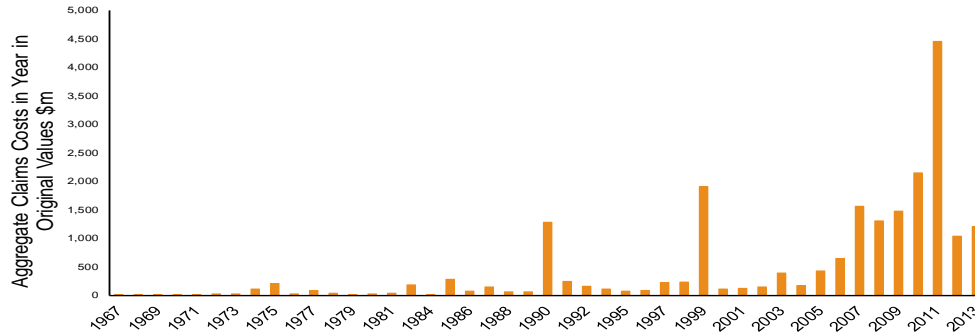
Impact of Climate Change on the Future of the Insurance Industry

Tim Andrews

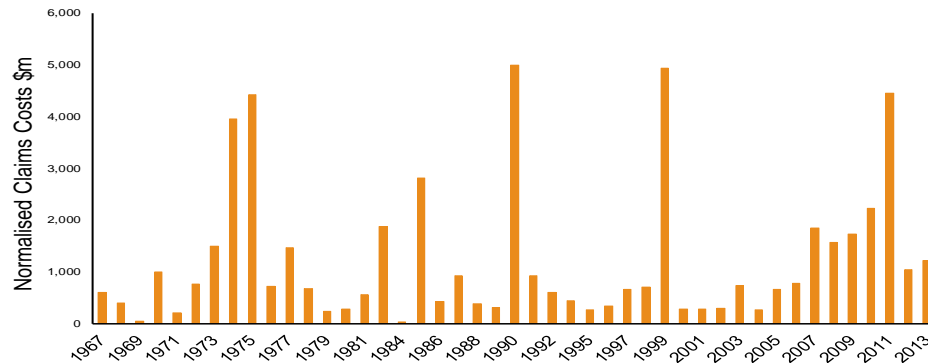
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Recent catastrophe experience



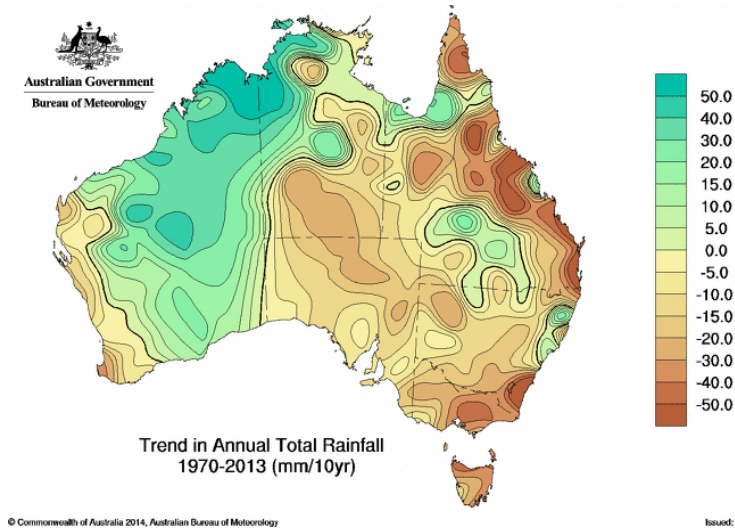
← Raw data



← Normalised

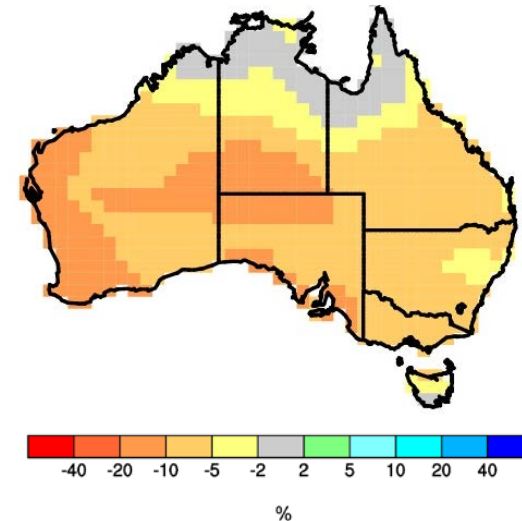
Impacts depend on area

- Rainfall trends have varied regionally
- This trend is expected to continue








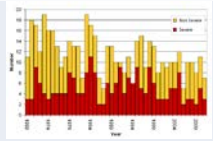












Source: Australian Bureau of Meteorology

Expected Annual Rainfall Change in 2070

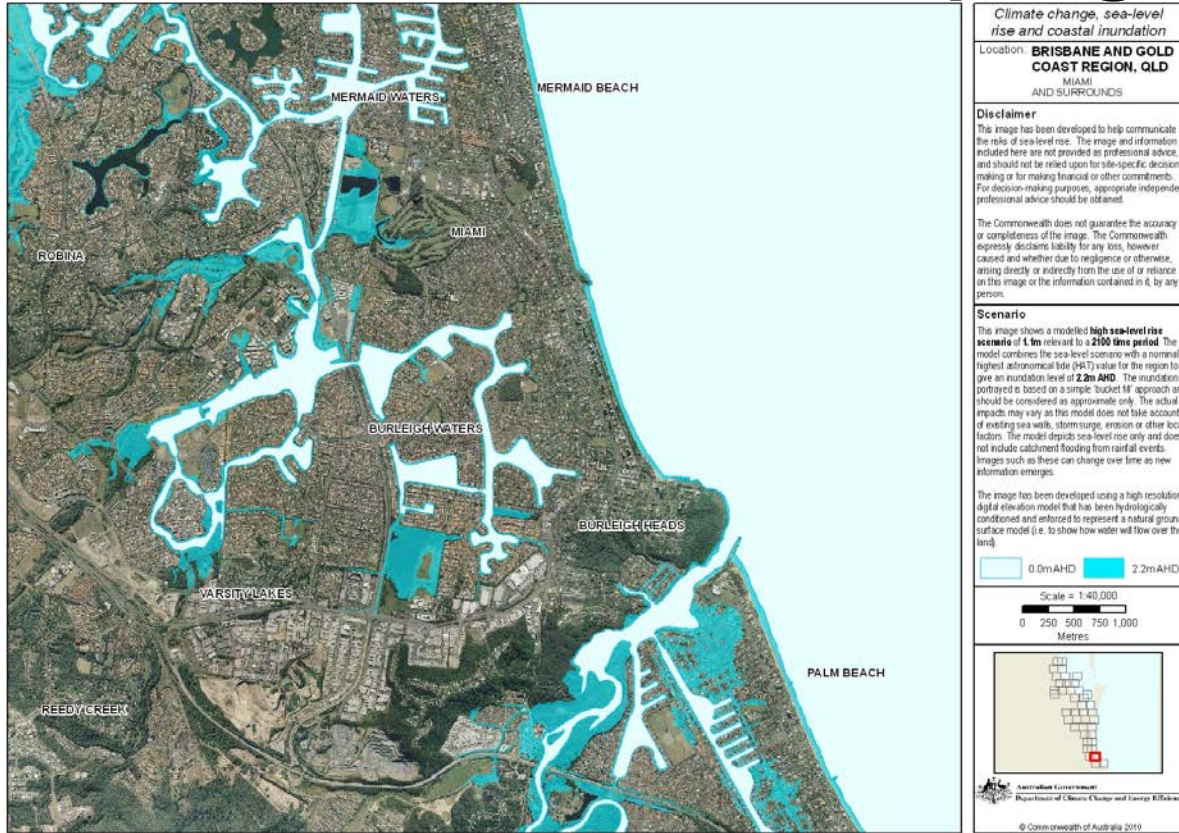


Source: Climate Change in Australia

The Future?

		Impact to Date	Future Impact
Bushfire		 FFDI shows 5% per decade increase in South. No impact in North.	 Trends to continue. Fire season to continue lengthening. Extremes worse.
Cyclone		  Source: BOM	  Fewer cyclones, but more severe. Shift southwards.
Flood		 Modest change. ENSO has been main driver of variations observed.	  Risk higher in the North. Less rain in South, but will it be heavier?
Storm Surge		 Modest in most locations.	 Severe. Living in many low lying locations near coast will become problematic.
Storm		 None.	 Not clear. May be lower in South, higher in North?

Actions of the sea – sleeping giant?



Role of the insurance industry

Insure
natural perils
risk

- Actions of the sea are problematic

Education

- Continued research of impacts and mitigation
- Both immediate and future
- Connection with various levels of government

Data

- Measure risk
- Where possible, make data available to community

Provide Price
Signal

- Highlight areas of high cost
- Encourage mitigation, and respond where undertaken

ICA – Property Resilience and Exposure Program (PREP) and Building Resilience Rating Tool (BRRT)



Resilience Rating Tool

Address Information	Location Map - Google Maps
1 Queensland	
2 Picnic Point Esplanade	
Maroochydore 4558	

House Design Information

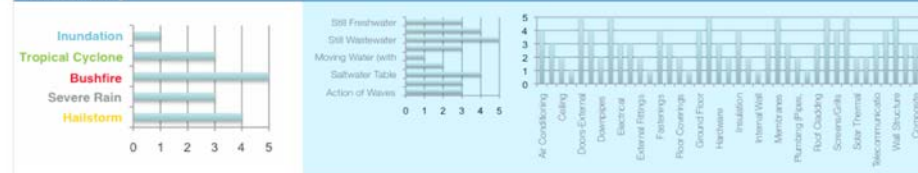
Select your choice(s) and click

Q

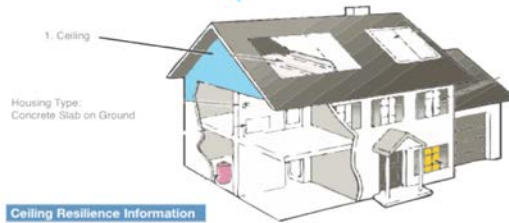
Building Element	Material Element
Air Conditioning	Electronics
Blinds/Curtains	Synthetics/Plastics
Ceiling	Composite (Steel, Concrete)
Chimney	Clay Bricks
Doors/External	Plywood (Waterproofed)

Choose All

Resilience Rating



3 Resilience Rating



Ceiling Resilience Information

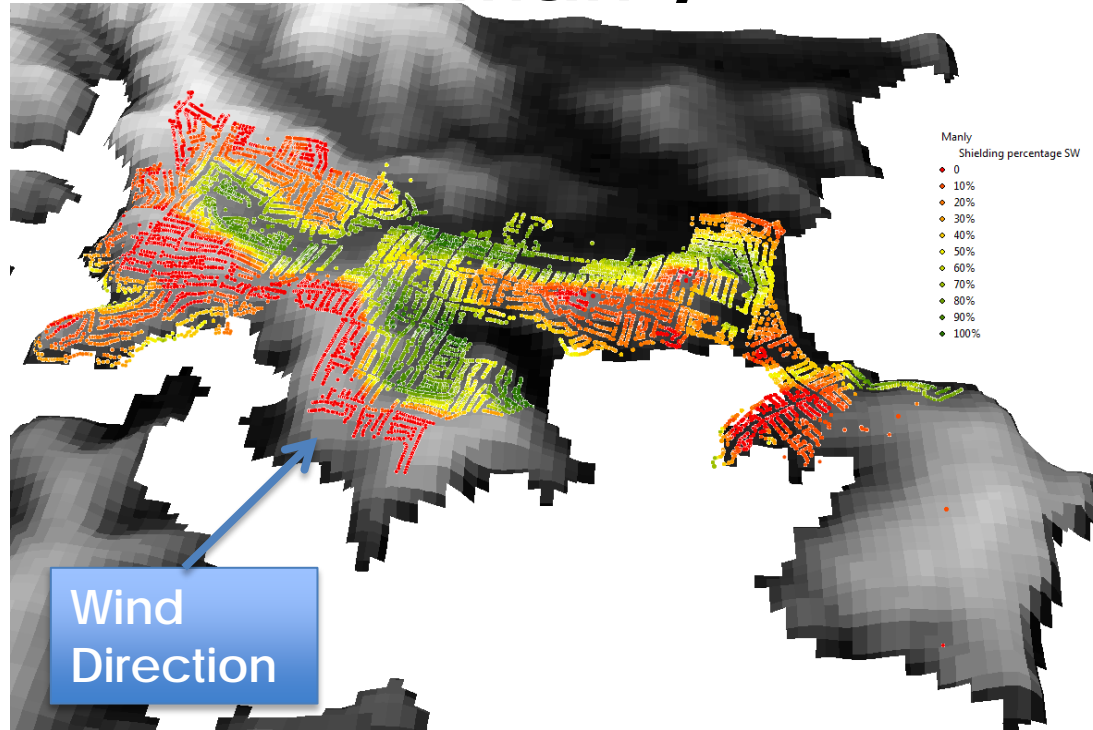
Material Guide

Information on the resilience of ceilings...

Hazard Amplifier



Wind Shielding (South West Direction) - Manly



Enterprise Risk Management Seminar



Capturing the Upside

19 November 2014 • Hilton Sydney



**Actuaries
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