Global Asia
Insurance Partnership

Building risk resilience

Narrowing Asia's protection gaps

Session 2a - Insurance in a changing climate – Industry developments and policy and regulatory challenges

24 May 2023

Who are we?

A **tripartite** partnership between the insurance industry, regulators and academia.

Anchor Partners

Supporting Partners

Regulators

Australia
Brunei
Chinese Taipei
India
Japan
Philippines
Singapore
Sri Lanka
Thailand
Vietnam

Academic Partner

International Bodies

Insurance associations and professional bodies

Global Asia Insurance Partnership

Our Goal and Pillars

Vision

Asia is recognised as the global leader in resilience and sustainable long-term growth

Living Lab	Policy Think Tank	Talent Development
Undertake analytical research into emerging and accelerating risks, identify protection gaps and incubate innovative solutions to address these gaps.	Engage policymakers, supervisors and industry on key policy issues, emerging risks and new developments facing the sector and relevant sectoral developments.	Grow and nurture the pipeline of skilled insurance talent, support upskilling of existing professionals on emerging and accelerating risks.

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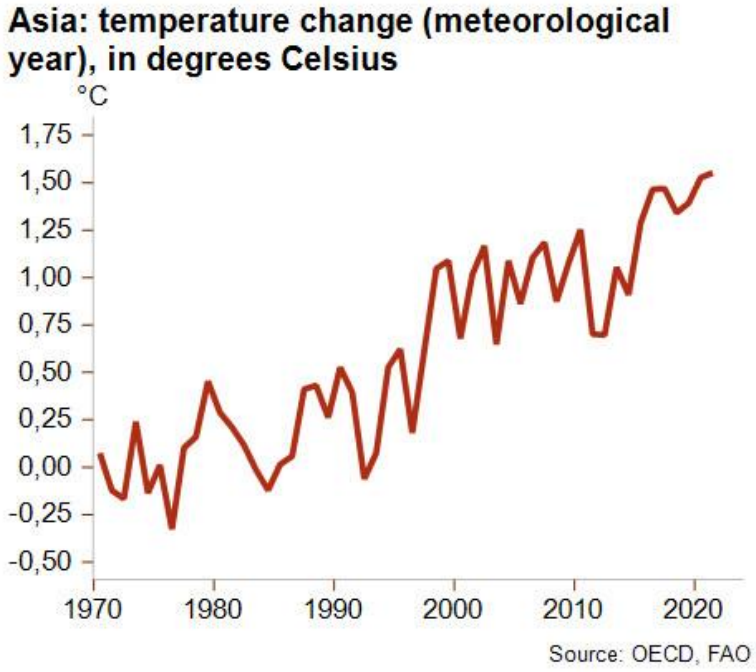
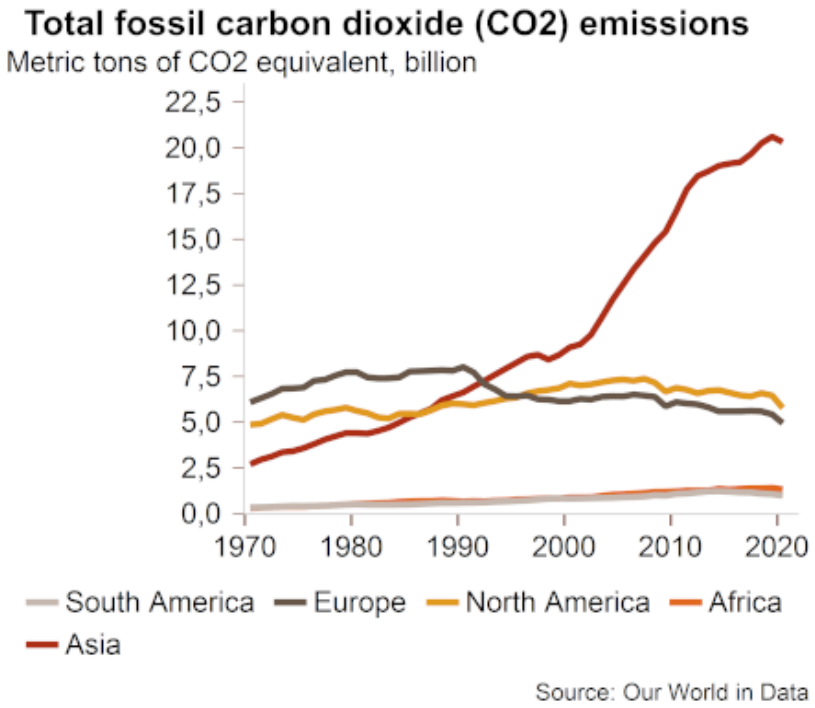
Climate Risks in Asia

Asia's vulnerability is significant

Temperature and emissions continue to increase





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Climate Risk and the Protection Gap

- Situate within the total protection gap in Asia - estimated at over **1 trillion USD**
- In 2021 – Asia saw $72 billion in disaster / climate losses. **Insurance only covered 9%.** (Average is 38%)
- This magnitude of **Asia's protection gap is a systemic threat** to long term growth

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What needs to be done / What is GAIP doing?

Strengthening "Risk Literacy"

Asia Focused Online Risk Database – Collaboration with ADBI - develop online platform for policy makers, insurers, and other stakeholders to better integrate risks into policy design and decision-making

Papers

- Published – Paper on Protection Gap, first in series on Public – Private collaboration
- Forthcoming - With FSI- climate risk from a product design, underwriting and pricing perspective

Analytic Research – deepening understanding of risks – vulnerability in SE Asia's Urban Centers to sea level

Encouraging investment in prevention, mitigation and adaptation

Policy Dialogues

- 28 April - Event with AMRO and INSPIRE on how financial system can address climate risk in Asia
- 8 June – Executive Roundtable on de-risking and scaling up blended finance in insurance sector

Strengthening insurance penetration

Case Study Challenge – Open to university and pre-university students - innovation for vulnerable groups

Innovation in risk management and risk finance

Support innovation and uptake - Disaster Risk Finance providers (eg SEADRIF) to support uptake / solutioning

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