Catastrophes such as extreme floods, fires, earthquakes, and cyber attacks have a damaging effect on the society and cause significant losses. Such losses will only increase in the coming years as global temperatures rise and the nature of threats evolves. This has significant consequences on catastrophe risks and, ultimately, for the insurance industry, EU citizens and businesses.  

In its capacity as a centre of excellence for catastrophe modelling and data, EIOPA is providing European supervisors and insurers with expertise, studies, tools and data to enable them to effectively assess, monitor and supervise these catastrophe risks. Moreover, the centre of excellence allows national and European public authorities to gain a common understanding of catastrophe risks, take preventive measures and address the insurance protection gap. Lastly, it improves public awareness of risks related to catastrophes.

There is a significant insurance protection gap in the EU. Only a quarter of the natural catastrophe losses was insured in Europe in the past. The protection gap is therefore significant, and it is expected to widen. We need to address the insurance protection gap in the EU to protect citizens and to facilitate the transition to a more sustainable and resilient economy. The insurance sector and supervisors need access to the right data and models to be able to monitor and assess the risks and vulnerabilities related to natural catastrophes. Equally, public authorities and citizens need data to be able to understand where and how to take prevention measures.

---

**Recent natural Catastrophes**

- In the first half of 2023, worldwide losses reached US$ 110bn, surpassing the 10-year average. Of this US$ 43 billion was insured losses, marking a significant increase compared to previous years.

- In 2023 wildfires have raged across much of Western Europe and the Mediterranean.

- Floods had a serious impact in the first half of 2023 in Europe: overall losses came to roughly US$ 10bn (€9bn). However, only US$ 1.1bn (€1bn) of these losses were insured.

---

**Insurance Protection Gap**

Uninsured nat cat losses from 1980 to 2022

*Source: Munich re - Earthquakes, thunderstorms, floods: Natural disaster figures for the first half of 2023*

Focus Areas of the Centre of Excellence

**Our Ambition:**

- **Raise awareness about catastrophe risk**
- **Bring an EU-wide perspective to catastrophe risk**
- **Facilitate knowledge sharing**
- **Enable open access to insurance data related to catastrophes**
- **Foster better catastrophe risk assessment, adaptation measures and innovation**

**How We Achieve This:**

- By organising public events and providing tools to enhance risk awareness and understanding of prevention measures
- By collecting EU-wide information and by providing advice
- By sharing expertise with supervisors and by facilitating exchange between supervisors and model providers
- By facilitating access to more and better data
- By promoting easy-to-use open-source models

Knowledge sharing, data and modelling expertise contribute to addressing the catastrophe insurance protection gaps.

**Current Initiatives Related to Catastrophe Modelling and Data:**

- Dashboard on insurance protection gap for natural catastrophes
- Open-source tools for the modelling and management of climate change risks
- Data hub for natural catastrophes
- Application guidance on climate change materiality assessments and climate change scenarios in ORSA
- Discussion paper on physical climate change risks
- Methodological paper on potential inclusion of climate change in the Nat Cat standard formula
- Staff Paper on Policy options to reduce the climate insurance protection gap
- Trainings and events for knowledge sharing

Visit the dedicated webpage: [https://www.eiopa.europa.eu](https://www.eiopa.europa.eu)

© EIOPA, 2023

Reproduction is authorised provided the source is acknowledged. For any use or reproduction of photos or other material that is not under the copyright of EIOPA, permission must be sought directly from the copyright holders.