



# THE ISCM NEWSLETTER

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## A Review of Worldwide Exposure to Costal Flooding

A recent report by OECD reviewed the world wide port cities with high exposure and vulnerability to costal flooding. In this report, current and future exposure is estimated. The analysis is focused on the exposure in terms of population and economic asset susceptible to surge induced flooding. The exposure here is defined as the total insurable value, which will be larger than the insured values, especially in developing countries. North America, Asia and Europe are the top three exposed continents. If we take into account of take-up rate, Europe comes as the second. China, United States, India, Japan and Netherlands are the top five exposed countries.

If we assume no flood defense failure up to the designed protection standard, the top three cities with the largest residual risk is New York, New Orleans and Tokyo. However, this assumption is questionable. For an example, it is recognized that the standard of defence in New Orleans is lower than 200 years. In addition, the rising sea level and subsistence can reduce the actual protection of the flood defence. Growing exposure in developing countries can change our view in the future. A noticeable point is that the flood protection is influenced by economical, political and cultural. New York, despite having the largest GDP and assets among the cities listed here, is only protected to a 1 in 100 year flood.

This document only reviewed the exposure of costal flooding. An interesting question will be a similar study for flash flood and river flood, and an eventually an assessment to risks in all types of floods, given the fact that out of the top ten worldwide insured losses in 2007, five were due to flood losses.

City	Current Exposure		Approx Protection Standard	Annual Average Risk (Residual Risk)	
	Pop ('000)	Assets (USD Bn)		Pop 000/yr	Assets (USD Bn/yr)
London	397	60	1:1,000	0.3	0.06
Shanghai	2,353	73	1:1,000	2	0.07
Osaka	1,373	216	1:300	4.6	0.7
New York	1,540	320	1:100	15	3.2
Tokyo	1,110	174	1:1,000	1	0.174
Amsterdam	839	128	1:10,000	0.08	0.013
Rotterdam	752	115	1:10,000	0.08	0.011
New Orleans	1,124	234	1:200	5.1	1.2

This table summarizes the findings from the conducted city review.

## Reinsurance Association of America's Catastrophe Modeling Seminar, February 19-21, 2008, Tampa, Florida

The conference is a premier forum for insurer/reinsurer and related industry attendees to explore the state of the art in catastrophe modeling technology; to learn how various catastrophe scenarios are modeled; to understand the issues associated with modeling; to hear about the impact of modeling on the industry; and to discuss the future of catastrophe modeling. The seminar is a unique opportunity to interact with the leading cat modelers, insurers, reinsurers, government agencies and academia for a comprehensive and unbiased look at catastrophe modeling in the U.S., Europe, Latin America, and Asia.

In addition to the seminar program, the Sasaki Institute will host two short courses on water at the coastline and inland water. There is an additional registration fee for the Sasaki program.

Click [here](#) for additional information and to register for the 2008 Cat Modeling Seminar. ISCM members are eligible to register at the Association Partner rate of \$1,450.

## ISCM Annual Meeting Keynote Speaker: Author Chris Mooney



The ISCM is pleased to announce the keynote speaker at their annual meeting on Tuesday, February 19, 2008, 3:30pm. The meeting will be held in conjunction with the RAA CAT Modeling Conference at the Grand Hyatt Tampa Bay Hotel.

Chris Mooney is a U.S. journalist who focuses on science in politics. He is the Washington D.C. correspondent for Seed, a senior correspondent for The American Prospect, and an occasional contributor to many other scientific and news magazines. Additionally, he maintains a weblog, "The Intersection", and gives public lectures. He is author of The Republican War on Science (2005). His second book, Storm World: Hurricanes, Politics, and the Battle Over Global Warming has been released in 2007. Wikipedia: [Chris Mooney](#)

## Have You Validated Your ISCM ID?

Members of the ISCM are able to access the "Members Only" area on the ISCM website, but only if you have validated your ID. As of the publication of this newsletter, there are 405 members of the ISCM, but only 247 have validate their ID. Here is what you are missing out if you have not validated your ID:

**News** - Information on ISCM Events and Publications, Industry News and Events, along with information on other "Members Only" section of the site.

**Research** - Member and ISCM Event publications and presentations.

**Blogs** - Information posted by the ISCM.

**Forums** - Member initiated discussion forums on all areas relating to CAT Modeling. Have a question on a subject, post it here and see what type of feedback your ISCM colleagues can provide.

**Members** - This section allows you to search for contact information for other ISCM Members.

**Events** - Information for ISCM, RAA and other Industry Conferences and meetings. Get up to the minute information for all of these events.

**Committees** - A listing of ISCM Committees and their members. Want to contribute to an ISCM Committee? Contact any member of that committee to get involved.

If you have missed out on the validation period for your ID (usually within 72 hours after you joined the ISCM), please send an e-mail to Nicholas DiMuzio at: [info@catmanagers.org](mailto:info@catmanagers.org). Please include your name, company and e-mail address in order to verify you membership.