

An aerial photograph of a dam structure, likely the IJkdijk in the Netherlands. The dam is a long, straight concrete barrier with a road on top. To the right of the dam, the water is extremely turbulent, with large, white-capped waves crashing against the structure, illustrating the power of natural forces. The water to the left of the dam is calmer and darker green.

Climate risk & natural catastrophes

Closing the Protection Gap

Olaf Sleijpen – Director of Insurance Supervision
Luxembourg – November 9th, 2018

DeNederlandscheBank

EUROSYSTEEM

The Dutch Central Bank embeds sustainability in her core tasks, with a focus on sustainable finance and climate related risks



Sustainable finance

- Host of the **National Platform for Sustainable Finance**
- Founding member of the **Network for Greening the Financial System (NGFS)**
- **Report** on sustainable investment in the Dutch pension sector

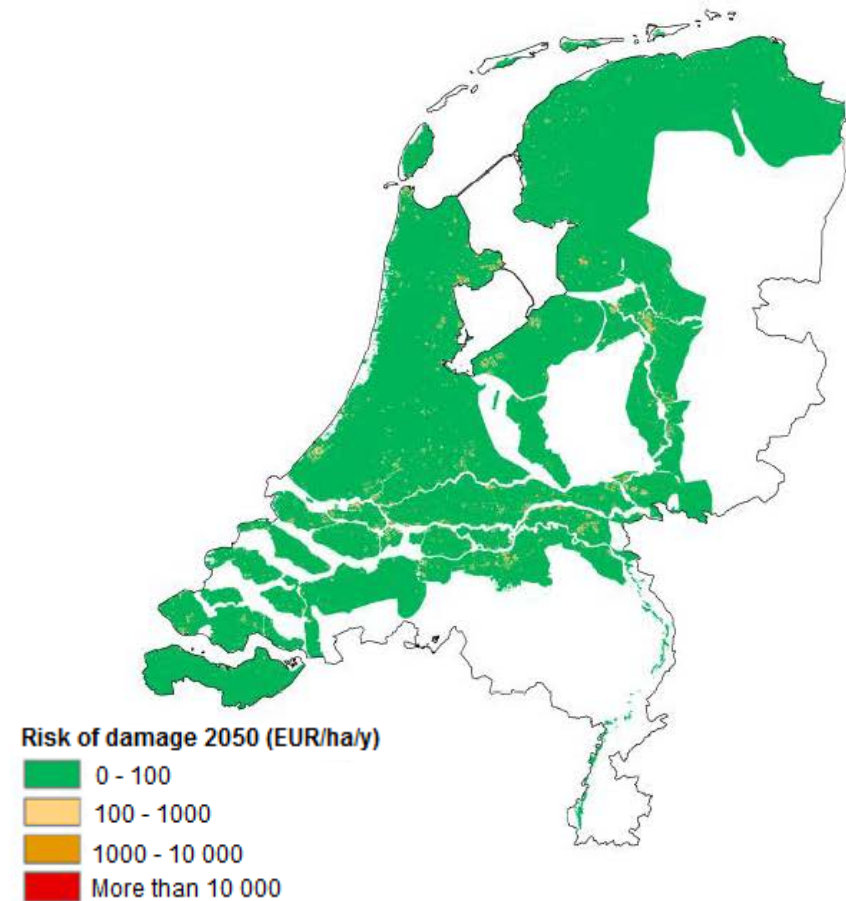
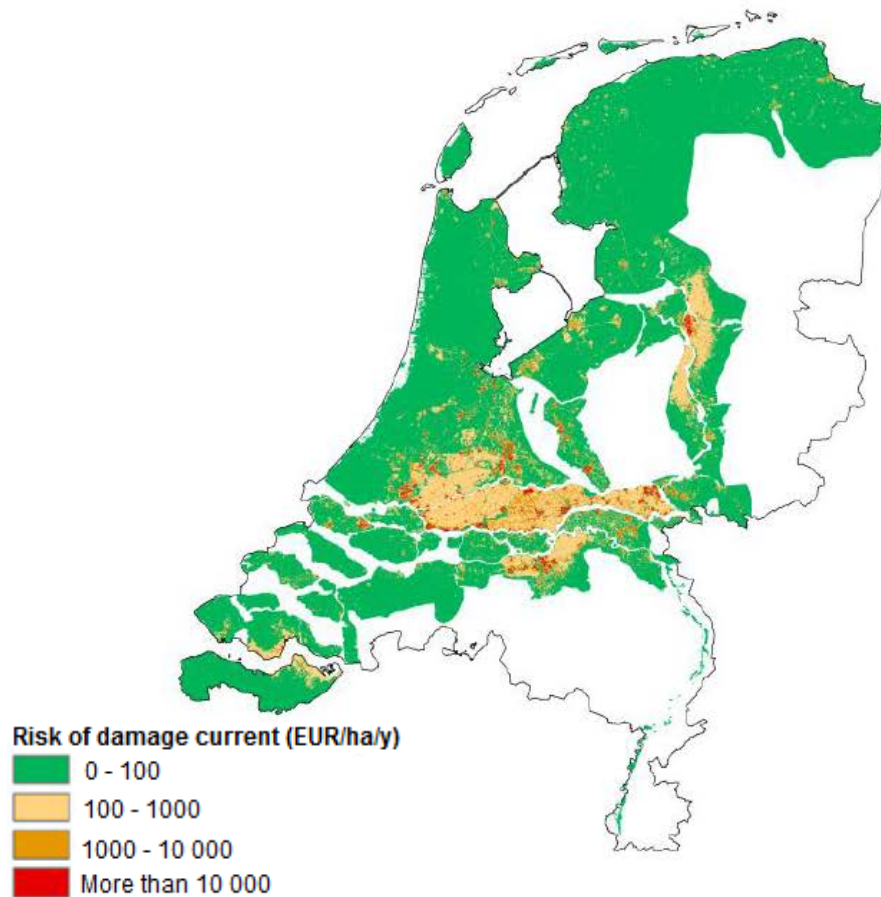
DNB works to achieve **financial stability** and thereby contributes to **sustainable prosperity**



Climate-related risks

- **'Waterproof' Report** on climate-related financial risks in the Dutch financial sector
- Development and application of **climate-related stress tests**
- Embed climate-related risks more firmly into our **supervisory approach**

In the Netherlands, flood risk is typically uninsured – the government plays a major role by providing a public safety net



Towards flood risk insurance? – A few considerations

- DNB welcomes and supports initiatives to develop this market
- Coverage structures are conceivable in many shapes and sizes
 - Need for public – private cooperation
 - Using the international reinsurance capacity
- DNB assesses from a prudential supervisory perspective



Thank you for your attention – Any questions?

