EU Environmental Regulations
Risk or Opportunity for the Finance Sector?

Bucharest, 9 October 2007
Sustainability and Financial Implications for Insurance Industry

- Insurance has long-term horizon
- The organization of solidarity now and in the future on market principles
- Environment impacts:
  - Health
  - Climate
  - Economic Development
Climate and Romanian Insurance

- Increase in weather-related claims
- Rapid economic development
- Infrastructure lags
- Environmental protection in early stages of enforcement
Climate and Romanian Insurance

- Individual claims focus on restitution indemnities
- Acceleration of demand for business interruptions covers
- Wide range in terms and conditions for underwriting risks
What is Next?

- Public awareness increasing
- Financial losses burden public purse
- New legislation on mandatory household insurance for natural catastrophes
- Difficulty in measuring risks
Interamerican Romania and Environmental Regulations

• Member of Dutch-based Eureko Group (Achmea, UNEPFI signatory since 2001)
• Strong Corporate Social Responsibility Culture
• Emphasis on climate-related insurance issues and sustainability
Interamerican Romania and Environmental Regulations

- Long, long-term horizon
- Environmental factors part of underwriting and pricing processes
- Leading health insurance and medical services provider
- Continuous adherence to EBRD’s Environmental Policy since mid-2002
- Active participant in international developments
- Plans for insurance products to cover environment-related events & liabilities
Anticipating the Future

• Continue careful monitoring of environmental factors in portfolio
• Advocate industry-wide measures to mitigate risks and promote environmental factors in underwriting, conditions and pricing
• Manage financial impact of environmental risks
• Capture opportunities presented by new legislation on environmental topics