



Before (Prevention)

Semi-voluntary private bundled indemnity insurance

- **State** - allocates *fund dedicated to preventive measures* (~40 million Swedish kronor/year)
Government Financing Swedish Environmental Institutes

Public-private partnership
for implementing
protective measures



- **Municipalities** - responsible for *water services, dimensioning, maintenance of the pipes*



- **Individuals** - *voluntary subscription to insurance contract*; natural catastrophe insurance coverage is a **mortgage requirement for individuals and professionals** *risk-based premium* (based on risk exposure and structural measures)
~€1.300/year/one family building



Private insurance
companies



can choose to
be reinsured by Private reinsurers



Event occurrence



**list of perils, natural hazards' definition and thresholds are fixed by the policy*

After (Recovery)



- **No State compensations**
- **Municipalities** - strict **liability** if responsibility is established: *have to compensate damage*

- **Private insurance companies** → compensation based on the policy
risk reduction incentive based on deductibles



reinsure insurers in
accordance with the policy



Private reinsurers

policyholder

time