

July 2024

WP4: Transformation

Short Report of the 3rd Insurance Sector Roundtable

The H2020 MERLIN roundtables aim to build a community of practice linking the economic sector representatives with MERLIN scientific and implementation partners. The third Insurance Roundtable was held on 21 May 2024. This report captures the main discussion points of the event - the findings will contribute to the Insurance sector strategy and value chain analysis.

Agenda

A total of 18 people were present at the roundtable, including representatives of insurance companies or associations, universities and research centres, the MERLIN project and case study leaders.

Time	Content
10:00 - 10:10	Welcome + introductions
10:10 - 10:20	Presentation MERLIN
10:20 - 10:40	Feedback on value chain map
10:40 - 11:05	Strategy presentation and discussion
11:05 - 11:10	Preparation for breakout rooms
11:10 - 12:10	Breakout rooms
12:10 - 12:25	Debrief
12:25 - 12:30	Conclusions + wrap up

Themes discussed

During the first part of the online roundtable, a short plenary talk was given about the **MERLIN project** and the concept of NbS. More concretely, the aim of the project as well as a short description was given, along with an illustration of the case study measures and their location throughout Europe. A brief description of our work package, the work done and in progress was also given, in order for participants to understand the wider context of the current work.

The rest of the event was divided in two parts.

First, we had a **plenary discussion about the value chain map** that is being developed in MERLIN based on other sources, as well as the sectoral strategy for NbS uptake that is also in progress in MERLIN. In this session, an online tool was used to gather the participants' feedback on both topics to be covered, in an interactive and anonymous way, although we welcomed and encouraged oral comments. The comments received were very useful and helped in further shaping both pieces of work.

In particular, participants raised questions about the labelling of some actors along the value chain, such as the reason for naming end-users in various ways (namely *customers* and *policyholders*). It was explained that in this map customers are seen as a reflection of the demand from society for certain products or services and were thus included in the research and development stage, whereas a policyholder is seen as an end-user once the commercial relationship is established, therefore included in the utilisation phase.

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Moreover, participants raised the need to include a third end-user category in the utilisation phase, namely *beneficiaries*, due to the fact that in some instances the policyholder and beneficiary can differ for a single policy (for example in the case of the policyholder being a company and the beneficiary its employees). These points have now been reflected upon in the associated document.

The part of the **plenary session about the sectoral strategy** was more geared towards validating that participants agreed on the focus of the strategy and its associated vision: By 2030, the European insurance sector promotes the use of freshwater large scale Nature-based Solutions as water-related disaster risk reduction measures. The seven individual actions that constitute this strategy were also explained, which include the need to develop new non-life insurance products and services that would consider the use of nature-based solutions (NbS) as disaster risk reduction measures. A proposed timeline for the implementation of each action was proposed from 2025 to 2030.

The strategy was considered by participants as ambitious due to the tight deadline of some actions, and the discussion led to the understanding that some countries are more advanced than others in implementing the first action, namely data sharing, therefore challenging the compliance of all member states to the set deadlines.

Overall, the feedback was positive and the comments received helped to understand the doubts the sector has to be able to reflect on them and integrate these thoughts in the final document.

The second part of the event was a discussion in two **smaller breakout rooms**, where each group looked into detail at a selection of actions taken from the **strategy**, in order to gather further insights, doubts or key aspects to take into consideration when finalising the draft strategy. This exercise was very useful for example to hear individual thoughts about the aspects participants believe are crucial to take into account when designing in detail the descriptions of the proposed actions. For example, regarding the action about the creation of standards to help insurers understand the impact of NbS on risk reduction, a key aspect for participants was that it does not duplicate initiatives already in place such as the EU Taxonomy which includes a list of environmentally sustainable activities, but rather align or complement them. Moreover, we were able to gather insights into key actors who should be involved in the actions' development and implementation, or listen to doubts the sector had about their capacity to take on a specific role.

In terms of next steps, participants will be sent the final draft sectoral strategy for comments before its publication in order to allow them to raise any doubts or questions so we can integrate their views in the final version.

Next steps

If you wish to receive further information or make a comment, please contact avionloisel@icatalist.eu or elopezgunn@icatalist.eu for insurance related queries, or Anna.Berczi-siket@wwf.hu or Kirsty.Blackstock@hutton.ac.uk for more general MERLIN information.

