PRESS RELEASE
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Hurricane Irma:
insurers support the reconstruction of the overseas territories

On 6 September 2017, Hurricane Irma devastated the islands of Saint-Martin and Saint-Barthélémy, causing several deaths and resulting in 25,600 claims with an estimated total cost of 1.9 billion Euros. This natural event is the most expensive in the history of insurance in overseas France.

Insurers and loss adjusters mobilised as soon as this disaster, unprecedented in the French Antilles, occurred. They reinforced their teams, simplified their claims payment procedures and worked in close cooperation with all the stakeholders: the State, the local authorities in Saint-Martin and Saint-Barthélémy, chambers of commerce, co-ownership property managers, etc.

One year after the passage of the hurricane, claims have been paid in full or in part for 95% of the damage, with insurers so far paying out 1.26 billion Euros, 67% of the estimated total cost.

Settling claims for damage to homes is a complex process. Some owners in co-ownership properties have abandoned their properties, thus complicating the management associations’ task of coordinating the rebuilding work. Excluding claims for co-ownership properties, the level of claims paid for all damage caused by Irma stands at 73% of the estimated total cost.

This figure is 91% for hotels, which will support the restarting of tourism. The pace of reconstruction has been accelerated by opening up the contracts for this work to tradespeople from outside the islands.

Claims paid for damage to vehicles amount to 83% of the estimated total cost.

The consequences of climate disruption in the Antilles and in the overseas territories more generally call for in-depth reflection. The FFA, with the French central reinsurance fund, the Caisse Centrale de Réassurance, is launching a study that will deal specifically with this subject. Adapting natural risk prevention measures and building regulations to meet local situations will be analysed as part of this study.

According to Bernard Spitz, President of the FFA: “The severe weather events that are affecting our country with increasing frequency highlight the need to modernise the system for compensation of natural disasters. Insurers and the Government are working to implement, in the near future, a series of proposals that will make it possible to strengthen preventive measures and provide better support to populations dealing with the consequences of adverse weather events.”

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