

# Natural Catastrophes Insurance Cover

## Individual System Summary Updates

As of **October 2025**

<b>1</b>	<b>The name of the Cover</b>	<b>Consorcio de Compensación de Seguros (CCS)</b>
<b>2</b>	<b>Cover Purchase / Distribution Channels</b>	<i>Specific extraordinary risk cover clause is compulsorily attached to most damage property, life and personal injury and business interruption policies issued by private insurance companies.</i>
<b>3</b>	<b>Coverage</b> (incl. perils, sum insured & premium, etc.)	<ol style="list-style-type: none"> <li><i>Coverage includes damages to the insured properties (residential, commercial, industrial, motor and railway vehicles, infrastructures), life and personal injury and business interruption (when considered in the original policy) against the so-called extraordinary risks, namely: flood (coastal, riverine or flash-flood); tornados and strong winds –above 120 km/h–; earthquake, tsunami, volcanic eruption, meteorite falling, as well as human-made risks such as terrorism, rebellion, sedition, riot, civil commotion and damage caused by the armed forces and law enforcement agencies in peacetime. Personal injury caused by extraordinary risks occurring anywhere in the world is covered.</i></li> <li><i>The premium has the form of a surcharge applied to the policies that compulsorily have to include the cover against extraordinary risks. Surcharge rate is flat, computed as a percentage of the capital insured in the original policy and depends on the kind of exposure (i.e. 0.07 ‰ for housing, etc.).</i></li> <li><i>The sums insured are those in the original policy, with no upper (other than the sum insured) or lower limits for the compensation.</i></li> </ol>
<b>4</b>	<b>Claim Criteria / Loss Trigger</b>	<i>Compensation is automatic once the loss is caused by any of the previously established extraordinary risks (defined by law). No official declaration is required to trigger compensation. Only the case of strong wind losses requires an expert report from the Weather Service in order to demarcate the areas that have reached the threshold of 120 km/h.</i>
<b>5</b>	<b>Current Risk Assuming and Transferring Structure</b> (see following diagram)	<i>CCS endows an equalization reserve with the revenues (after taxes) coming from surcharges and investment returns. As the current level of this reserve is deemed enough (mainly to fulfill Solvency II requirements for the risks covered), CCS does not transfer risks to the reinsurance market currently (although there is no legal impediment to do so should circumstances suggest otherwise).</i>

6	<b>Recent Loss events</b>	<ul style="list-style-type: none"> <li>6 July 2023: Flood (Aragon, La Rioja and Navarre). €86.3 M; 3,329 claims.</li> <li>3-4 September 2023: Flood (Toledo and Madrid). €176.0 M; 20,234 claims.</li> <li>October 2023: Flood and windstorms Aline and Bernard (widespread). €108.9 M; 63,263 claims.</li> <li>November 2023: Windstorms Ciaran and Domingos (widespread). €18.9 M; 22,184 claims.</li> <li>October-November 2024: Flood and windstorm (widespread except for the Region of Valencia flood). €91.2 M; 7,737 claims.</li> <li>October-November 2024: Flood (Region of Valencia). €4.96 bn; 209,470 claims.</li> </ul>
7	<b>Latest take-up rate</b> (Penetration rate)	<p>By Dec 31, 2024 CCS covered 146.7 million policies (62.6 M from property damage; 61.2 M from personal injury and 18.8 M from business interruption).</p> <p>The take-up rate for residential properties is about 80%.</p>
8	<b>Current Accumulate reserves</b> (fund)	The current level of the equalization reserve for the Extraordinary Risk Scheme is around €7.1 bn ≈ \$8.3 bn.
9	<b>Website/ annual report Linkage</b>	<a href="#">Annual Report 2024 (in Spanish only).</a>
10	<b>Others</b>	<ul style="list-style-type: none"> <li><a href="#">Summary of the Activity 2024.</a></li> <li><a href="#">STATISTICS. Extraordinary Risks. Data Series 1971-2024.</a></li> <li><a href="#">Consortio de Compensación de Seguros. An Overview (summary of CCS's activities and functions).</a></li> <li><a href="#">Fact sheet on the extraordinary risk insurance.</a></li> </ul>

## Current Risk Assuming and Transferring structure (diagram)

### The Extraordinary Risk Coverage System

