Southeast Asia Disaster Risk Insurance Facility

PROTECT THE GREATEST HOME OF ALL:

OUR COUNTRIES

SEADRIF is a regional platform to provide ASEAN countries with financial solutions and technical advice to increase their financial resilience to climate and disaster risks.
Featuring the Experience of Indonesia and the Philippines
Summer Special

Facilitator: Benedikt Signer

Speakers:
Encep Sudarwan, Director of State Assets, Ministry of Finance, Indonesia
Rosalia de Leon, National Treasurer, Bureau of Treasury, The Philippines
Objectives of the factsheets and webinar

- **Why** should governments develop a financial protection strategy for public assets?
- **When** can insurance be a good option for the financial protection of public assets?
- **Who** are the key stakeholders (both external and internal) that play roles in each stage of the insurance development process?
- **What** are the most important step-by-step considerations involved in the development of a strategy for public asset insurance?

**INTENDED OUTCOME:**
Government officials to develop strong understanding of the steps required to design, develop, deliver and operate effective financial protection of public assets, particularly through risk transfer and insurance.
Structure of Webinars

- 90-minute webinar for each factsheet
- Different guest speakers
- Please share questions via Q&A function
- Live polls: Please participate
- Poll results will be included in final outputs
Overview of the Knowledge Series

**FACTSHEETS 7 and 8**
- Roles and responsibilities for the government officials within an internal insurance program, the associated stakeholders, including auditing, compliance and governance, supervisory.
- Multi year aspects such as renewals and re-assessment of exposures.
- Review of procurement considerations
- Dealing with claims management
- Incorporating innovations and technologies

**FACTSHEETS 5 and 6**
- Roles and options available to construction of cost-effective insurance, including common insurance structures and case studies, their pros and cons against considerations of budgets, risk appetites, and government priorities
- Introduction of pooling and mutualization of large scale public assets insurance programs
- Insurance/reinsurance concepts of retention, deductible and exclusion

**FACTSHEETS 1 and 2**
- Development of an implementation roadmap for a public asset financial protection program
- How governments can agree objectives and build consensus around priorities
- How to develop internal governance and oversight functions, and ownership at each level of the insurance program
- How risks are allocated across asset owners and operators

**FACTSHEETS 3 and 4**
- The importance and development of Public Assets Registries, and associated Enterprise Asset Management systems.
- How to assess and quantify asset exposure, sources of data, requirements for insurance transactions
- Introductions to the use of catastrophe analytics, burning cost / technical and market rates, tariff structures, risk based pricing methods, and underwriting.
Perspectives from The Philippines

Rosalia De Leon
National Treasurer
Bureau of the Treasury, The Philippines
According to the World Risk Report, from 2011 to 2018, the Philippines has consistently been in the top three countries with very high risk. In 2019, the Philippines moved down the rank to nine, although was still the highest ranking Asian country.

Annually, an average of 20 typhoons traverse the country mainly hitting the Eastern Seaboard.

Being located along the Pacific Ring of Fire also subjects the country to multiple earthquake events and volcanic activity.
From 2010 to 2018, damages averaged PhP 46B. Cost of reconstruction, repair, and rehabilitation would be at least 1.5x of this.

Spike in damages in 2013 was due to Typhoon Haiyan
PHILIPPINE RISK LAYERING FRAMEWORK

Emergency Funding

Catastrophe Bonds
Nationwide
Budget Support

Parametric Insurance
25 LGUs, DepEd
Post-Disaster

Contingent Financing

Disaster Funds
(Quick Response Fund, National and Local Disaster Risk Reduction and Management Funds)

Transfer

Retention

Reconstructing
PHILIPPINE RISK LAYERING FRAMEWORK

Emergency Funding

Catastrophe Bonds
Nationwide Budget Support

Parametric Insurance
25 LGUs, DepEd Post-Disaster

Contingent Financing

Disaster Funds
(Quick Response Fund, National and Local Disaster Risk Reduction and Management Funds)

**Indemnity Insurance**
DepEd Schools, DPWH Roads and Bridges Reconstruction

Reconstructing
### OVERVIEW

- Legal Framework: Administrative Order no. 4 (until November 2019)
- Mandate: Formulate necessary policies, rules, and regulations to ensure that key government properties/assets/insurable interests are comprehensively and adequately insured
- Chair: Department of Finance, through the Bureau of the Treasury
- Members: Department of Budget and Management, Office of the President, Insurance Commission, and the Government Service Insurance System

### IDENTIFIED STRATEGICALLY IMPORTANT ASSETS

- Roads, Bridges, Schools, Hospitals, Health Centers, Dams, Irrigation Facilities, Welfare Centers

### MAIN RECOMMENDATION

- Indemnity Insurance program for Strategically Important Assets – Roads, Bridges, Schools, Hospitals, Health Centers, Dams, Irrigation Facilities, Welfare Centers
- Development of a National Asset Registry to be housed in the Bureau of the Treasury
## ROAD TO CREATING A NATIONAL INDEMNITY INSURANCE PROGRAM

### STEP 2: ESTABLISHMENT OF ASSET REGISTRY (ONGOING)

<table>
<thead>
<tr>
<th>OVERVIEW</th>
<th>RATIONALE</th>
<th>CHALLENGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Registry of Strategically Important Assets</td>
<td>✓ An indemnity insurance program would require asset information such as its location, replacement cost, condition, risk mitigating features, and the like.</td>
<td>✓ Availability and Quality of Data</td>
</tr>
<tr>
<td>✓ Current Asset Information: Geographical, Financial, Legal, Insurance, and Asset Specific information</td>
<td>✓ Provides more granular information for the program to reduce basis risk</td>
<td>✓ Coordination with agencies and their regional/provincial offices</td>
</tr>
</tbody>
</table>

### GETTING THE DATA

- **Base:** Excel template for minimum insurance data (sourced from the Insurance Commission)
- **Consultations:** with agency and key stakeholders on additional technical data to be put
- **Coordination:** with agency in filling up data fields
## National Asset Registry System

### Data Fields: Common Data Specifications

<table>
<thead>
<tr>
<th>General Information</th>
<th>National Asset Number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Organization/Agency Code</td>
</tr>
<tr>
<td></td>
<td>Asset Name/ Type</td>
</tr>
<tr>
<td></td>
<td>Property Number</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Location Information</th>
<th>Region, Municipality, City</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PSGC Code</td>
</tr>
<tr>
<td></td>
<td>Latitude</td>
</tr>
<tr>
<td></td>
<td>Longitude</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Legal / Ownership Information</th>
<th>Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mode of Acquisition/ Conveyance</td>
</tr>
<tr>
<td></td>
<td>Conveyance Information</td>
</tr>
<tr>
<td></td>
<td>Acquisition/ Conveyance Date</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial Information</th>
<th>Book Value, Accumulated Depreciation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Asset Life, Number of years used</td>
</tr>
<tr>
<td></td>
<td>Sound Value/ Assessed Value/ Appraised Value</td>
</tr>
<tr>
<td></td>
<td>Mode of Disposal/ Disposal Date</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Insurance Information</th>
<th>Sum Insurable (if not insured)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Insurance Details (Amount insured, Coverage, Type of Policy, Amount Insured, Premium, and Deductible)</td>
</tr>
</tbody>
</table>
### National Asset Registry System

**Data Fields:** Asset Specific

#### ROAD Technical Specifications: General technical specifications

<table>
<thead>
<tr>
<th>Functional Classification</th>
<th>Total Road length</th>
<th>Length per Surface Type</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Concrete</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Directional Flow of traffic</th>
<th>Number of Lanes</th>
<th>Year of Construction</th>
<th>Pavement Type</th>
<th>Surface Type</th>
<th>Terrain Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hazard Risk</td>
<td>Hazard Threat</td>
<td>Condition</td>
<td>Remarks</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### BRIDGE Technical Specifications: General technical specifications

<table>
<thead>
<tr>
<th>General Bridge Type</th>
<th>Bridge type of construction</th>
<th>Year of Construction</th>
<th>Condition</th>
<th>Load Limit</th>
<th>No. of Lanes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carriageway Width (meters)</td>
<td>Terrain Crossed</td>
<td>Overall Width (meters)</td>
<td>Overall Length (meters)</td>
<td>Maximum Bridge Height (meters)</td>
<td>Length of Span (meters)</td>
</tr>
<tr>
<td>Hazard Risk</td>
<td>Hazard Threat</td>
<td>Deck Materials</td>
<td>Deck Wearing Surface</td>
<td>Deck Drainage</td>
<td>Pier Type</td>
</tr>
<tr>
<td>Pier Material</td>
<td>Pier Foundation Type</td>
<td>Main Member Material</td>
<td>Slope protection</td>
<td>Abutment Type</td>
<td>Abutment Foundation Type</td>
</tr>
<tr>
<td>Abutment Material</td>
<td>Remarks</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### National Asset Registry System

**Data Fields:**

- **Asset Specific**

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#### SCHOOL Technical Specifications

<table>
<thead>
<tr>
<th>General technical specifications:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>School Classification</td>
<td>Occupancy</td>
</tr>
<tr>
<td>Total Floor Area (m²)</td>
<td>Building footprint Area</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Materials:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Walls</td>
<td>Mezzanines</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Mitigation Measures:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of fire extinguishers</td>
<td>Number of sprinklers</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Status of use: (area in m²)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative office</td>
<td>Academic classroom</td>
</tr>
<tr>
<td>Laboratories</td>
<td>Library</td>
</tr>
</tbody>
</table>
**ROAD TO CREATING A NATIONAL INDEMNITY INSURANCE PROGRAM**

### STEP 3: BUDGET REQUEST

<table>
<thead>
<tr>
<th>RATIONALE</th>
<th>BUDGET GIVEN</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ National Government Program</td>
<td>✓ PhP 2B in 2019 and PhP 2B in 2020</td>
</tr>
</tbody>
</table>

#### APPROACH

1. **Request Letter to the Development Budget Coordinating Committee (DBCC)**
2. **Presentation to the DBCC**
3. **Inclusion to the National Expenditure Plan (NEP)**
4. **Submission to the President for Final Approval**
5. **Congress Hearing/Deliberation of the Government Appropriations Act (GAA)**
6. **Budget approved**

To release the budget, however, a Joint Memorandum Circular must be issued by the Department of Finance, Department of Budget and Management, and the State Insurer (GSIS).
## STEP 4: MARKET RESEARCH

### RATIONALE

- ✓ Understand the market
- ✓ Know the options
- ✓ Look at international cases – sovereign, government, multinational, private

### WHO DID WE APPROACH

- ✓ International Development Partner – World Bank
- ✓ Top International Brokers

### PRESENTATION REQUIREMENTS

- ✓ Market Analysis
- ✓ Structure Options – with pros and cons and rationale
- ✓ Terms Sheet with indicative multiples and comparative analysis
- ✓ Execution Timetable
- ✓ Activities to be undertaken
- ✓ Company profile – including capitalization and capacity
- ✓ Past transactions of the company
Engagement of an International Broker. The broker shall help in structuring the arrangement and placement of the account in the international re/insurance market.

Transfer of Risk to the International Market. The local market may not be able to absorb 100% of the risk. If the risk were not transferred to the international market, a major event may debilitate the local market.

Securing of a Reinsurance Panel. This would help tighten the pricing and diversify the portfolio.

Engagement of an External Loss Adjuster. For the timely and judicious settlement of claims. The external adjuster would concentrate their efforts on these assets, and not the entire portfolio of the State Insurer.
ROAD TO CREATING A NATIONAL INDEMNITY INSURANCE PROGRAM

STEP 5 AND BEYOND: PARTNERING WITH THE STATE INSURER

**BASIS**

✓ Republic Act 656: All government assets to be insured by the state insurer – the Government Service Insurance System (GSIS)

**PROCESS FLOW**

1. BTr to engage GSIS for the Indemnity Insurance Program
2. GSIS, in consultation with BTr, to Bid for a Broker
3. A Broker is selected
4. Coverage
5. Reinsurance Panel Secured
6. Reinsurance program structured
## CHALLENGES

### DATA CONSTRAINTS

<table>
<thead>
<tr>
<th>CHALLENGES</th>
<th>SOLUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Most agencies record only the book value of their assets</td>
<td>✓ Constant coordination with the agency in refining available data</td>
</tr>
<tr>
<td>✓ Agencies do not have a centralized inventory</td>
<td>✓ Coordination with the Department of Public Works and Highways for the standardized cost of building an asset (specified per asset type/location)</td>
</tr>
</tbody>
</table>

### LOCAL MARKET CAPACITY

<table>
<thead>
<tr>
<th>CHALLENGES</th>
<th>SOLUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Lack of financial capacity</td>
<td>✓ Setting of minimum requirements for the reinsurers to be chosen</td>
</tr>
<tr>
<td>✓ Limited experience with a National Program</td>
<td>✓ Broker to help advise, structure, and secure necessary reinsurance support</td>
</tr>
</tbody>
</table>

### COUNTERPARTY CONSTRAINT

<table>
<thead>
<tr>
<th>CHALLENGES</th>
<th>SOLUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ RA 656: All government assets must be insured with the Government Service Insurance System</td>
<td>✓ Working with the Government Service Insurance System on a process flow for the National Indemnity Insurance Program</td>
</tr>
<tr>
<td>✓ Additional layer of cost for the program</td>
<td>✓ Program would make use of a broker to help structure and secure reinsurance</td>
</tr>
</tbody>
</table>

### LEGAL FRAMEWORK

<table>
<thead>
<tr>
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<th>SOLUTION</th>
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<tr>
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<td>✓ Broker to help advise, structure, and secure necessary reinsurance support</td>
<td>✓ Program would make use of a broker to help structure and secure reinsurance</td>
</tr>
</tbody>
</table>
**CHALLENGES**

- **LEGAL FRAMEWORK**
  - Republic Act 9184: All government procurement shall comply with the provisions of RA 9184

- **SOLUTION**
  - Request for modifications of the bidding documents from the Government Procurement and Policy Board (GPPB)
  - Result: GPPB Resolution 10-2020
  - Modifications: alternate eligibility documents, revised technical and financial proposal requirements

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**CHALLENGES**

- Stringent requirements
- Difficult for interested international parties to apply
- Provisions of RA 9184 not tailored to the process of selecting a reinsurance broker
Lessons Learned

- CAPACITY BUILDING
- INSURANCE ≠ INVESTMENT
- RETAIN VS. TRANSFER
- ADAPT
- EFFORT
- TIME
INDONESIA’s steps in designing and implementing insurance for public assets

ENCEP SUDARWAN
Director of State Assets
Directorate General of State Assets Management – Ministry of Finance - Republic of Indonesia
INDONESIA’s Vulnerability to Disasters

- Ranked 37th out of 180 high risk disaster countries (TheWorldRiskIndex2019)
- Have at least 10 catastrophic risks
- Located in the ring of fire area
- Almost all cities are in the red and yellow zones

1. Flood
2. Flash Flood
3. Extreme Weather
4. Extreme Wave & Abrasion
5. Earthquake
6. Land & Forest Fire
7. Drought
8. Volcanic Eruptions
9. Landslide
10. Tsunami
Known Active Fault Lines in **INDONESIA**

2010 National Earthquake Hazard Map: 81 Active fault lines
2017 National Earthquake Hazard Map: 295 Active fault lines

Source: MAIPARK, 2018
Distribution of **Earthquake & Tsunami Events**

51,855 earthquakes with magnitude (Mw) greater than 4.5 between 1907 to 2016

Source: Irsyam, 2017

The height of tsunami run-up from observing past events

Source: Latief, 2000
Distribution of Flood & Landslide Events

Peta Persebaran Kejadian Banjir dan Banjir Bandang Merusak

Peta Persebaran Kejadian Longsor Merusak

Jumlah kejadian bencana: 7686 kejadian
Rentan waktu kejadian: 1892 - 2016

Scale: 1:20,408,545.16
Distribution of Land Fire Events & WorldRiskIndex 2019 Overview

Source: WorldRiskIndex 2019
DISASTERS IN INDONESIA 2020

Until 23rd August 2020 at 03.00 PM, recorded the number of disaster events as much as 1,866 events. The predominant natural disasters are floods, followed by tornadoes and landslides. Natural disasters affected and displaced 3,816,000 people, while 290 people died and disappeared, and 412 were injured. Besides natural disasters, on April 13, 2020 the government determined the spread of Covid-19 as a non-natural National Disaster.

DISASTER ACCURANCE IN 2020
Period 1st January - 23rd August 2020

1,866

NUMBER OF EVENTS PER TYPE OF DISASTER IN 2020

BENCANA ALAM
EARTHQUAKE 12
VOLCANO ERUPTION 4
FOREST AND LAND FIRES 216
DROUGHT 16
FLOODS 722
LANDSLIDE 363
TORNADO 508
TIDE AND ABRASION 24

BENCANA NON ALAM
EPIDEMIA COVID-19 1

IMPACT OF DISASTERS PERIOD 1ST JANUARY - 23RD AUGUST 2020

265 PEOPLE DEATH
25 PEOPLE DISAPPEAR
3,816,000 PEOPLE SUFFER & DISPLACED
412 PEOPLE INJURED

DAMAGE CAUSED NATURAL DISASTER IN 2020

DAMAGED HOUSES
TOTAL 29,766
18,960 SISTEMED, 10,806 LOST

DAMAGED INFRASTRUCTURE
TOTAL 1,315
126 DAMAGED, 637 RESTORED

DAMAGED FACILITIES
TOTAL 554
124 DAMAGED, 637 RESTORED

DISASTER IMPACT NON NATURAL THE COVID-19

153,535 CONFIRMED COVID-19
6,680 DEATH CAS
107,500 NEGATIVES CASES
Three Big Natural Disasters

3 (three) characters of Natural Disaster:
1. Earth Quake with serial shock at Lombok
2. Earth Quake with 2 sub risks (tsunami, liquefaction) at Palu - Donggala
3. Tsunami caused by rupture of some body part of Mount Anak Karkatau at Sunda Strait

Three Big Natural Disasters with high destructive impacts during second semester 2018
It tells that our knowledge is limited for the risks at our fences

Source: Maipark, 2020
Disaster Financing: Before DRFI Strategy

EMERGENCY
Contingency Fund for Natural Disasters
On-Call Fund
Rehabilitation and Reconstruction Fund

POST-DISASTER
Regular Budget Allocation/Re-allocation
Line Ministries
Sub National Government

Ministry of Finance
The National Agency for Disaster Management

Source: BKF MoF, 2018
Financing Gap

ANNUAL AVERAGE ECONOMIC LOSS DUE TO DISASTERS (2000-2016)*

- Earthquake: IDR 7,56 Trillion
- Wildfire: IDR 5,32 Trillion
- Flood: IDR 4,64 Trillion
- Tsunami: IDR 2,71 Trillion
- Landslide: IDR 1,29 Trillion
- Volcanic Eruption: IDR 1,25 Trillion
- Extreme Weather: IDR 0,05 Trillion
- Storm Surges: IDR 0,02 Trillion
- Drought: IDR 0,01 Trillion

GAP
IDR 19,75 Trillion (78%)

Source: BKF MoF, 2018
Disaster Risk Scenario

The Potential Losses caused by Multi Hazard

In IDR Trillion

Source: SIMAN, 2020
INDONESIA’s Experience
State Assets Insurance Policy Phase I (2016)

Ministry of Finance Decree PMK Number 247/PMK.06/2016
regarding State Asset Insurance

This regulation should be implemented in 2018. However, there are some shortcomings that must be improved.
Ministry of Finance Decree PMK Number 97/PMK.06/2019 regarding State Asset Insurance

**RESULTS**

**Insurance Procurement**
Implemented only at the ministry, not at the government office unit. With the umbrella contract procurement method.

**Provider: Insurance Consortium**
All insurance companies in Indonesia joined in one insurance consortium. And choose one company as a policy issuer.

**Object: Building**
Which has an impact on public services and governance tasks. Especially office buildings, education buildings and hospitals

**Premium: One Rate**
Tariff of 1.961 per mil for all types of perils in all regions of Indonesia

**Product: State Asset Insurance (ABMN)**
State asset insurance is Property All Risk (PAR) with expansion of guarantees including earthquakes, volcanoes, tsunamis, floods, typhoons, landslides and risks of sabotage and terrorism
INDONESIA’s Experience
State Assets Insurance Policy Phase II (2019)

Ministry of Finance Decree PMK Number 97/PMK.06/2019 regarding State Asset Insurance

RESULTS

State Assets Insurance Process

Mechanism For Replacing Asset Losses
**INDONESIA’s Experience**

State Assets Insurance Policy Phase II (2019)

**Ministry of Finance Decree PMK Number 97/PMK.06/2019**

regarding State Asset Insurance

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- **Inventory** of all fixed assets including buildings and infrastructure, so that the data presented is up to date and the data quality has been validated.

- **Revaluate** all fixed assets including buildings and infrastructure, so that the value of the assets presented is the latest value and can be used for insurance.

- **Develop Applications** to support the implementation of state asset insurance

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**STANDARD ACCOUNT CHART: ACCOUNT FOR FINANCING AND CLAIM REVENUE**

- **Insurance Premium Costs**: part of the standard account chart for recording insurance premium payment costs

- **Insurance Claim Income**: part of the standard account chart for recording income from insurance claims

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**IMPLEMENTATION OF STATE ASSET INSURANCE (2019 - NOW)**

- **2019**: State asset insurance is implemented only at the Ministry of Finance (1,360 assets)

- **2020**: State asset insurance is being implemented at 10 ministries, including the Ministry of Finance (4,643 assets can be insured)

- **2021**: State asset insurance will be implemented in all ministries/agencies
### Indonesia's Experience

#### Types of Buildings That Can Be Insured

<table>
<thead>
<tr>
<th>Types</th>
<th>Amount</th>
<th>Asset Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>State-Owned House/Mess/Dormitory</td>
<td>245,178</td>
<td>89,3</td>
</tr>
<tr>
<td>Office</td>
<td>58,038</td>
<td>128,4</td>
</tr>
<tr>
<td>Other Workplaces</td>
<td>57,129</td>
<td>31,1</td>
</tr>
<tr>
<td>Education Building</td>
<td>38,193</td>
<td>41,6</td>
</tr>
<tr>
<td>Fence Building</td>
<td>22,606</td>
<td>7,3</td>
</tr>
<tr>
<td>Guardhouse</td>
<td>17,347</td>
<td>1,5</td>
</tr>
<tr>
<td>Parking/Garden/Jogging Area</td>
<td>16,977</td>
<td>12,3</td>
</tr>
<tr>
<td>Warehouse</td>
<td>14,229</td>
<td>6,1</td>
</tr>
<tr>
<td>Laboratory</td>
<td>7,091</td>
<td>9,6</td>
</tr>
<tr>
<td>Health Building</td>
<td>5,549</td>
<td>17,6</td>
</tr>
<tr>
<td>Other Buildings</td>
<td>18,102</td>
<td>27,1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>500,439</td>
<td><strong>371,9</strong></td>
</tr>
</tbody>
</table>

Source: SIMAN, 2020

#### Pilot Scheme of State Asset Insurance

- **58.038 units, with a value of 128,4 T** (Office Building)
- **5.549 units, with a value of 17,6 T** (Health Building)
- **38.193 units, with a value of 41,6 T** (Education Building)

Source: SIMAN, 2020
Flood in Jakarta (01/01/2020):
1) Cibinong Tax Office
2) South Bekasi Tax Office
3) Nort Bekasi Tax Office
4) Cibitung Tax Office
5) Laboratory at the Goods Testing & Identification Center, Customs

Total Claims: 345,46 million

Flood in Jakarta (23-25/02/2020) at Customs Education and Training Center

Total Claims: 242,89 million
# State-Asset Insurance (ABMN)

Comparison of several standard policies with PSABMN

<table>
<thead>
<tr>
<th>Coverage</th>
<th>PSAKI</th>
<th>PAR</th>
<th>PSABMN</th>
</tr>
</thead>
<tbody>
<tr>
<td>FLEXAS</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Strike, Riot &amp; Civil Commotion</td>
<td>X</td>
<td>X</td>
<td>✔</td>
</tr>
<tr>
<td>Terrorism &amp; Sabotage</td>
<td>X</td>
<td>X</td>
<td>✔</td>
</tr>
<tr>
<td>Water Damage</td>
<td>X</td>
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</tr>
<tr>
<td>Flood</td>
<td>X</td>
<td>✔</td>
<td>✔</td>
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<tr>
<td>Typhoon, Windstorm etc</td>
<td>X</td>
<td>✔</td>
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</tr>
<tr>
<td>Land slide</td>
<td>X</td>
<td>✔</td>
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<tr>
<td>Earthquake</td>
<td>X</td>
<td>X</td>
<td>✔</td>
</tr>
<tr>
<td>Tsunami</td>
<td>X</td>
<td>X</td>
<td>✔</td>
</tr>
<tr>
<td>Volcanic Eruption</td>
<td>X</td>
<td>X</td>
<td>✔</td>
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<tr>
<td>Other Perils as not excluded</td>
<td>X</td>
<td>✔</td>
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</table>
The Indonesian General Insurance Association (AAUI) on July 7, 2019 formed a Konsorsium Barang Milik Negara (Consortium of State Property Insurance / KABMN) consisting of 52 General Insurance Companies and 6 Reinsurance Companies. This consortium has a total capacity of Rp1.39 trillion.

All companies that are members of the KABMN have fulfilled the requirements by the Ministry of Finance, having a minimum of Rp150 billion as own capital, having a minimum RBC of 120% and a minimum liquidity ratio of 100%.

In the KABMN, there are two parties in this Consortium that have their respective functions, namely the administrator and policy issuer. The task of the administrator is the party that manages all matters relating to the internal administration of the Consortium both technical and non technical. While the policy issuer functions to take care of the administration of policy and claims issuance with the insured.
INDONESIA’s Next Step
State Assets Insurance Policy Phase III

ACCELERATING THE IMPLEMENTATION
Conduct campaigns in various forms, such as workshops and online training.

EXPANDING COVERAGE
Not only buildings, but the insurance of state assets will be extended to infrastructure and vehicles.

STRENGTHENING INFORMATION SYSTEMS
The development of information systems is not only to help insure state assets but also for analytical data.

IMPLEMENTING POOLING FUND
The insurance of state assets is one of the mechanisms developed in Indonesia, we also use other mechanisms in the DRFI concept.
Contact Us

Directorate of State Assets
Directorate General of State Assets Management - Ministry of Finance

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THANK YOU
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We are going to corruption-free zone
Panel Questions and Answers

USE THE Q&A FUNCTION
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• Survey to get your feedback for continuous improvement
• Opportunities to interact with guest speakers in smaller group setting
• Training Participation Certificate by the World Bank

PLEASE FILL IN THE SURVEY IN THE INVITE DEADLINE TOMORROW!
## Future webinar schedule

<table>
<thead>
<tr>
<th>Topic</th>
<th>Tentative webinar date</th>
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</thead>
<tbody>
<tr>
<td>Summer Special 2: Effective stakeholder engagement</td>
<td>03-Sep</td>
</tr>
<tr>
<td>Developing and leveraging domestic and international markets</td>
<td>17-Sep</td>
</tr>
<tr>
<td>Pooling and mutual options for public assets insurance</td>
<td>01-Oct</td>
</tr>
<tr>
<td>Managing insurance programs</td>
<td>14-Oct</td>
</tr>
<tr>
<td>Innovation and the future for public assets insurance</td>
<td>05-Nov</td>
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