



# Earth



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Source: *Internet*

## Typhoon Risk in Vietnam

East Asia falls in the Northwestern Pacific Basin (from the dateline to Asia including the South China Sea) that is the most active tropical cyclone basin on earth. It experiences almost one third of tropical cyclones occurring in the world annually. Data between 1981 and 2010, presented in Table 1 below, shows number of events occurred in each basin.

### Number of storms by basin:

Basin	Tropical Storm or stronger (greater than 17 m/s sustained winds)			Hurricane/Typhoon/Severe Tropical Cyclone (greater than 33 m/s sustained winds)		
	Most	Least	Average	Most	Least	Average
Atlantic*	28	4	12.1	15	2	6.4
NE/Central Pacific**	28	8	16.6	16	3	8.9
<b>North Western Pacific</b>	<b>39</b>	<b>14</b>	<b>26</b>	<b>26</b>	<b>5</b>	<b>16.5</b>
N Indian	10	2	4.8	5	0	1.5
SW Indian	14	4	9.3	8	1	5
Aus SE Indian	16	3	7.5	8	1	3.6
Aus SW Pacific	20	4	9.9	12	1	5.2
<b>Globally</b>	<b>102</b>	<b>69</b>	<b>86</b>	<b>59</b>	<b>34</b>	<b>46.9</b>

Located in the tropical monsoon area in South East Asia, Vietnam is one of the most hazard prone areas in the Asia Pacific region. Due to its topography, the country is susceptible to typhoons, floods, drought, sea- water intrusion, landslides, forest-fires, and occasional earthquakes. Among these, typhoons and floods are most frequent and most severe. An estimated 59 % of its total area and 71 % population are vulnerable to cyclone and floods. The storm season lasts from May to December with storms hitting northern part of country in May and June and central and southern regions from July to December.

Since 1959, the country has experienced 67 events of different intensities. Due to high population density in the coastal areas and low-lying deltas, the disasters affect life and property severely. Increased economic activities and haphazard development into marginally suitable areas viz. floodplains, coastal swamps, and drainage channels are enhancing vulnerability.





Damaged High Tension Pole During Typhoon Doksuri 2017 | Source: *saigoneer.com*



Damaged home next to a broken pole and cables in Ky Anh town during typhoon Doksuri 2017  
Source: *saigoneer.com*



### General Insurance Market in Vietnam

In 2016, the Non-life insurance market premium increased to US\$ 1.58 billion experiencing growth rate of 14.04% with 29 operating companies. GDP of country in 2016 was around US\$ 204 billion and insurance penetration - ratio of premium to GDP of country - was around 0.77 %. Due to low income, it is difficult for people to afford insurance. This results in no or low insured losses despite huge economic losses eventually putting pressure on government.

### Loss Caused By Typhoons

A study by Ilan Noy and Tam Bang Vu of University of Hawaii suggests that more lethal disasters, in terms of lives lost and affected, result in lower output growth but more costly disasters in terms of loss of property and business seem to boost the economy in short-run and create conditions to increase insurance penetration.



Damaged House During Typhoon Doksuri 2017 | Source: *saigoneer.com*



Flooding During Typhoon Doksuri 2017 | Source: *saigoneer.com*

Table 2 shows loss causing events in Vietnam since year 2000

Event Name	Impacted	Event Duration	Original Economic Loss (million US\$)	Original Insured Loss (million US\$)
Tropical Depression 23W	Vietnam, Philippines, South China, Laos, and Thailand	10/7/2017 - 10/10/2017	411 (Vietnam)	Awaited
Doksuri	Vietnam, Philippines, Hainan (South China), and Laos	9/10/2017 - 9/16/2017	741( Vietnam 720 million, Philippines 5 million, Hainan 9 million, and Laos 7 million)	Awaited
Pakhar (Jolina)	South China, Philippines, Vietnam	8/24/2017 - 8/28/2017	50 million (South China)	Awaited
Sonca	Thailand, Cambodia, Vietnam	7/21/2017 - 7/29/2017	306 (Thailand 300 million, Vietnam 6 million)	Awaited
Talas	Vietnam, South China, Laos, Thailand, Myanmar	7/14/2017 - 7/16/2017	72.6 (Vietnam 71 Million)	Awaited
Tropical Depression	Vietnam, Cambodia, Thailand	11/3/2016 - 11/6/2016	48	NA
Aere (Julian)	Vietnam	10/13/2016 - 10/15/2016	100	NA
Rai	Vietnam, Thailand, Laos, Cambodia	9/11/2016 - 9/13/2016	37.3 (Vietnam)	NA
Dianmu	China, Vietnam	8/18/2016 - 8/22/2016	270	NA
Nida	Philippines, China, Vietnam	7/31/2016 - 8/3/2016	150	NA
Mirinae	Vietnam, South China, Laos, Thailand,	7/25/2016 - 7/28/2016	345 (Vietnam 289, Hainan (South China 56)	
Vamco	Vietnam, Cambodia, Thailand	9/14/2015 - 9/19/2015	150	NA
Kalamegi	China, Hong Kong, Philippines, Vietnam	9/10/2014 - 9/16/2014	Less than 3,000	NA
Rammasun	China, Philippines, Vietnam	7/15/2014 - 7/21/2014	5,150	250
Haiyan	China, Palau, Philippines, Taiwan, Vietnam	11/8/2013 - 11/10/2013	10,000	700
Nari	Philippines, Vietnam	10/11/2013 - 10/17/2013	151	NA
Wutip	Vietnam	9/30/2013 - 10/2/2013	237	NA
Son-tinh	China, Philippines, Vietnam	10/24/2012 - 10/29/2012	225	NA
Kai-Tak	China, Philippines, Vietnam	8/15/2012 - 8/18/2012	275	NA

Source: B & Company, Government of Vietnam, Munich Re, Relief Web, Swiss Re

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