



AT A GLANCE

Staying above water

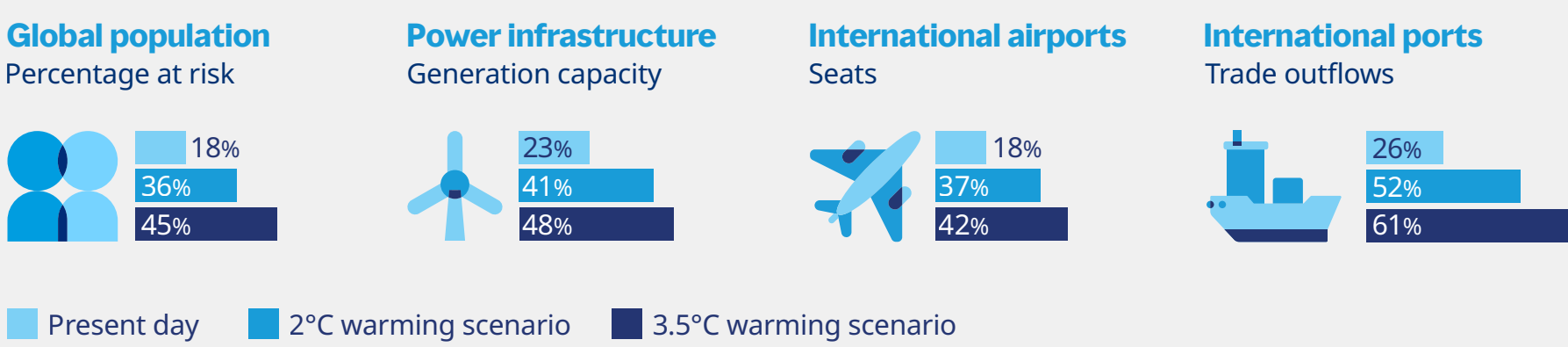
A systemic response to rising flood risk

Flood risk is growing at an alarming rate across the world, posing ever-more complex threats to society and the environment. Risks are exacerbated by the rising concentrations of people and assets in flood-prone areas, and by the interplay of flooding with climate change, nature loss and other natural catastrophes.

Climate change increases flood risk

The shares of the global population and infrastructure at risk of flooding are set to rise rapidly as climate change intensifies, as per estimates from the Marsh McLennan Flood Risk Index.

Population and infrastructure at risk at present and under 2°C and 3.5°C warming scenarios



To find out more details about how these warming scenario will impact specific countries, check out the report [here](#).

Envisioning the transformation

Three ways forward

Flood risk management is under strain, unable to cope with current levels of risk, let alone change risk trajectories globally. High-income and low-income countries must urgently find ways to cope, moving beyond unsustainable paradigms of protection, and balance responses to current crises with a longer-term focus on resilience.

The [report](#) presents a vision for each of the ways forward and discusses innovative strategies to show how solutions can be combined in new and systemic ways.

Three interdependent ways to transform flood risk management

Learning to live with floods
Build resilience to local-level low-intensity events through a portfolio of coordinated cross-society interventions

Building strategic protections
Implement large-scale systemic interventions to protect critical assets and ensure financial resilience

Preparing for relocation
Enable timely, equitable and financially sustainable resettlements from high-risk areas

Innovative strategies for systemic solutions

- Community involvement in promoting resilience literacy and risk ownership
- Innovative technologies linking early warning to early action
- Insurance solutions incentivizing resilience interventions
- Enhancing systemic urban protection by designing water-sensitive urban infrastructure
- Monetizing resilience through a new generation of financing instruments
- New regulatory and disclosure requirements spurring innovations in risk transfer
- Breaking the rebuilding cycle and enforcing forms of limited property ownership
- Balancing local-level relocations with tighter resilience requirements
- Promoting social welfare through equitable relocations

Mobilizing action

Steps must be taken now to mobilize different stakeholder actions. Critical enablers across governance, risk culture, land use and infrastructure, finance and insurance are essential for turning the flood resilience vision into reality.

Critical enablers to transform flood risk management

- Build a risk culture that balances fairness and individual responsibility**
- Transform land use and infrastructure planning**
- Mobilize financial capital for flood resilience**
- Shift to a resilience-focused insurance system**

Solutions and capabilities

Across the firm, Marsh McLennan can help clients navigate an increasingly dynamic and complex environment through four market-leading businesses.

Marsh	Provides data-driven risk advisory services and insurance solutions to commercial and consumer clients. Sample solutions include: Catastrophe and climate change modelling and advisory, traditional and parametric insurance solutions, ERM solutions program assessments, mass claims response solutions, property risk advisory, regulations review.
Guy Carpenter	Develops advanced risk, reinsurance and capital strategies that help clients grow profitably and pursue emerging opportunities. Sample solutions include: Catastrophe and climate change modelling and advisory, traditional and parametric re/insurance solutions, alternative capital solutions for ERM advisory, insurtech advisory, capital modelling design and implementation.
Mercer	Delivers advice and technology-driven solutions that help organizations redefine the world of work, reshape retirement and investment outcomes, and unlock health and well-being for a changing workforce. Sample solutions include: Staff management in times of crisis, life insurance solutions, wealth and asset management, investment advisory, investment portfolio modelling (exposure to physical risks).
Oliver Wyman	Serves as a critical strategic, economic and brand advisor to private sector and governmental clients. Sample solutions include: Strategic advisory on flood insurance, climate scenario financial modelling, review of risk governance/ERM frameworks, climate resilience advisory, sustainable finance design, climate reporting and disclosures advisory, public-private partnerships advisory.

To find out more about how we are accelerating impact for our clients contact us at contact@mmc.com