

Earthquake Risk Transfer for Nepal

Overview

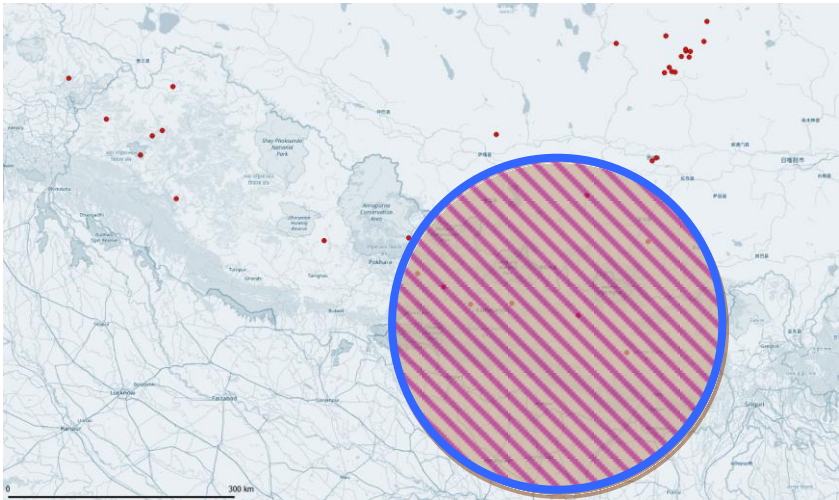


Figure 49. Hashed circles represent Nepal undercover regions in late 2019.

The April 2015 Nepal earthquake killed nearly 9,000 people and injured nearly 22,000. It occurred at 11:56 Nepal Standard Time on 25 April 2015, with a magnitude of 7.8Mw or 8.1Ms and a maximum Mercalli Intensity of VIII (Severe). Its epicenter was east of the Gorkha District at Barpak, Gorkha, and its hypocenter was at a depth of approximately 8.2 km (5.1 mi). It was the worst natural disaster to strike Nepal since the 1934 Nepal–Bihar earthquake.

The earthquake triggered an avalanche on Mount Everest, killing 21, making 25 April 2015 the deadliest day on the mountain in history. The earthquake triggered another huge avalanche in the Langtang valley, where 250 people were reported missing.

Earling has covered the capital from the summer of 2018. Since then several earthquakes that hit the regions followed by



earthquake preparedness alerts, which have been issued by Earling from hours until days before.

EPA Effect on Nepal Estimated Maximum Loss

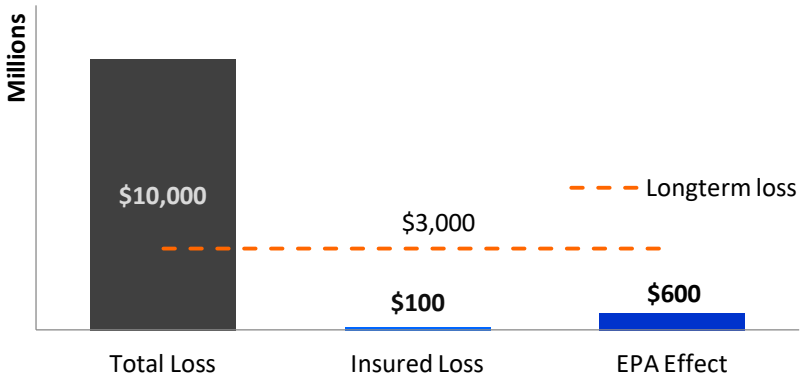


Figure 50. 2015 Nepal earthquake before and after issuing EPA without First Notice for insurances (Aon Benfield, 2015).

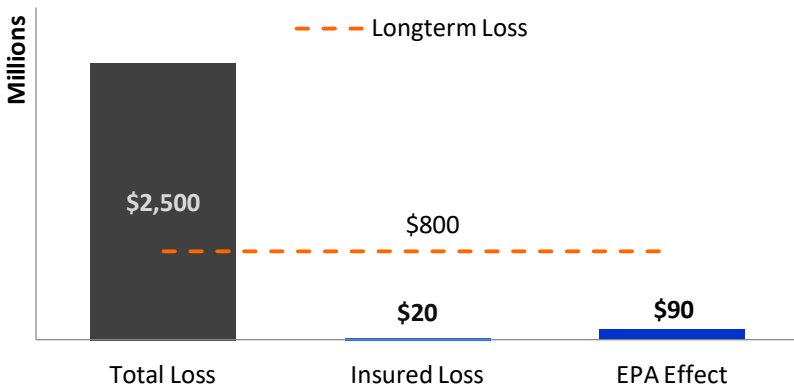


Figure 51. EPA effect in the Nepal September 2011 earthquake (Aon Benfield, 2015) (Daniell & Vervaeck, 2012).



EPA Effect on Insurance Penetration Rate

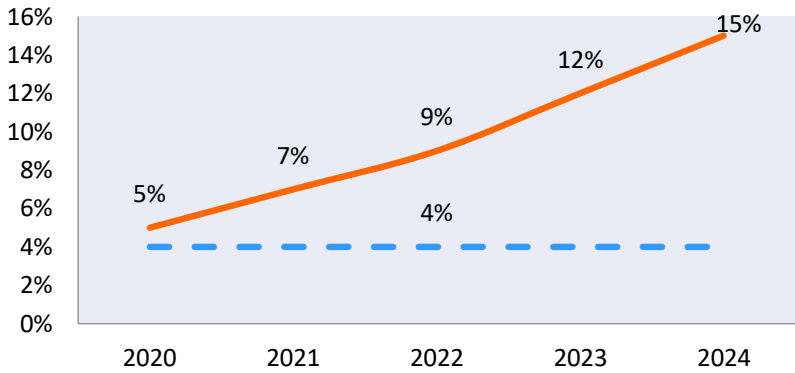


Figure 52. EPA effect on the Nepal earthquake insurance penetration rate.

EPA Effect on Probable Maximum Loss

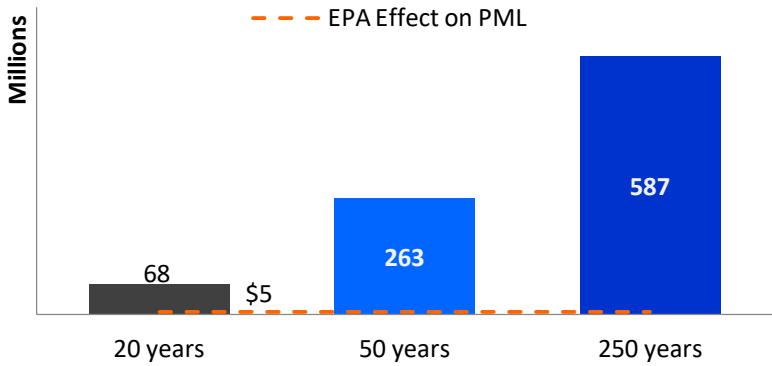


Figure 53. Probable Maximum Loss - Mean return period in years. Nepal earthquake Average Annual Loss is \$29.5 million (Nepal Disaster & Risk Profile, 2014).



Nepal recent major earthquakes

Date	Place	Magnitude
25 April 2015	Gorkha/India/Tibet	7.8
12 May 2015	Nepal/China/India/Bangladesh	7.3
18 September 2011	Sikkim, India	6.9

