

an increasing frequency and severity of extreme events, such as wildfires, storms and floods. They also show that the recovery of economic activity to «normal levels» following such events is a process that can last about two years in developed countries and up to eight years in less developed countries, not to mention that some may never be able to recover. Consequently, governments around the world are increasingly recognizing the socio-economic benefits of risk-sharing mechanisms such as insurance and are integrating risk management strategies and techniques into national development planning and budgeting.

In Portugal, we live in a similar reality, and, as a consequence of the very recent catastrophic events , a “train” of devastating storms (Kristin, Leonardo, Marta, Nils and Oriana) that affected our country over a three week period , from end of January to mid-February, the insurance sector has managed to start a dialogue with the Portuguese government and the regulatory authorities. The goal is to establish an effective public-

private partnership to develop a sustainable risk-sharing program with insurers to deal with natural catastrophes. Such program should also include a pillar addressing seismic risk, given the country’s significant exposure to this hazard.

The widespread ageing of populations - resulting from rising life expectancy and declining fertility rates, particularly in developed countries - is putting unprecedented pressure on public pensions and healthcare systems. Here, in both these areas, the insurance sector can play a central role by providing complementary pension products and innovative longevity solutions combining life, health and well-being coverages for different age groups.

In conclusion, the insurance industry plays a central role in building resilient societies from an economic and social point of view. It provides - financial protection for a broad and evolving range of risks driven by new technologies, climate change, and demographic shifts. While the main objective of the industry is to reduce existing protection gaps, it must also acknowledge that these challenges cannot be addressed alone. Sustained progress depends on coordinated public policies and enabling regulatory frameworks that foster innovation, risk mitigation, and equitable access to insurance.

