

Commercial lines (buildings & contents insurance):
SMEs with an insured amount below € 1.701.541 (1 January 2021)¹

Peril ²	Compulsory cover	Standard cover	Optional/ additional cover	Market penetration
Windstorm	✓			89%
Hailstorm	✓			89%
Lightning — direct hit			✓	89%
Lightning — surge			✓	89%
River flooding	✓			89%
Overflow of stagnant waters	✓			89%
Torrential rain	✓			89%
Storm surge	✓			89%
Earthquake	✓			89%
Snow pressure	✓			89%
Avalanche				
Frost			✓	89%
Landslide	✓			89%
Subsidence	✓			89%
Collapsing sinkhole	✓			89%
Volcanic eruption				
Meteor strike			✓	89%
Tsunami	✓			

Commercial lines (buildings & contents insurance):
SMEs with an insured amount above € 1.701.541

Peril	Compulsory cover	Standard cover	Optional/ additional cover	Market penetration
Windstorm			✓	Generally covered
Hailstorm			✓	Generally covered
Lightning — direct hit			✓	Generally covered
Lightning — surge			✓	Generally covered
River flooding			✓	Depending on exposure
Overflow of stagnant waters			✓	Depending on exposure
Torrential rain			✓	Depending on exposure
Storm surge			✓	Generally covered
Earthquake			✓	Depending on exposure
Snow pressure			✓	Generally covered
Avalanche				
Frost			✓	Generally covered
Landslide			✓	Depending on exposure
Subsidence			✓	Depending on exposure
Collapsing sinkhole			✓	Depending on exposure
Volcanic eruption				
Meteor strike			✓	Generally covered
Tsunami			✓	Depending on exposure

¹ Based on a 2017 survey by GfK Significant.

² Cover for lightning is optional, but damage caused by lightning is in practice always insured. Avalanches and volcanic eruptions do not occur in Belgium.

Individual lines (buildings & contents insurance)

Peril	Compulsory cover	Standard cover	Optional/ additional cover	Market penetration
Windstorm	✓			89%
Hailstorm	✓			89%
Lightning — direct hit			✓	89%
Lightning — surge			✓	89%
River flooding	✓			89%
Overflow of stagnant waters	✓			89%
Torrential rain	✓			89%
Storm surge	✓			89%
Earthquake	✓			89%
Snow pressure	✓			89%
Avalanche				
Frost			✓	89%
Landslide	✓			89%
Subsidence	✓			89%
Collapsing sinkhole	✓			89%
Volcanic eruption				
Meteor strike			✓	89%
Tsunami	✓			89%

Tariffs, deductibles and risk prevention	<p>In commercial lines, it is compulsory to include certain perils, identified as “basic risks”, in fire insurance policies (as per the Royal Decree of 24 December 1992, regulating insurance for fire and other risks). For companies with an insured amount higher than €1 475 462, however, the coverage is not compulsory and basic risks are thus not automatically covered.</p> <p>In individual lines, it is mandatory to include cover for natcat perils in fire insurance policies. In the case of natcat risks not included in the standard cover because the risk is deemed too great, the Tariferingsbureau Natuurrampen/Le Bureau de Tarification Catastrophes Naturelles provides cover and compensation.</p> <p>For standard cover, the tariff is determined by the insurer (both premium and deductible), based on a risk analysis that takes account of prevention measures. For properties for which cover is not available on the market or only available at excessively high prices due to the risk exposure, the Bureau sets the terms for calculating the maximum tariff (premiums and deductibles) in the case of flooding, landslides, subsidence and earthquakes. The premiums and claims related to these risks are distributed among all insurers operating in Belgium in the area of basic risk fire insurance.</p>
Sales, underwriting and claims processes	Fire insurance policies are sold either directly by insurers or by intermediaries.
State intervention	For floods, landslides, subsidence and earthquakes, legislation sets a limit on the compensation, calculated by event and insurer. Beyond these limits, or for losses related to natcats that are not covered by insurers, there is some public intervention in the form of a national calamities fund. The extent of state intervention depends on the region (Walloon Region, Flemish region or Brussels Region).