



CAT UPDATE NO.4

FLOODING

THAILAND

Thursday

27 October 2011

Crawford & Company's Thailand-based adjusting team has been augmented by a number of Global Technical Services specialists as the business responds to a deluge of claims from this escalating disaster.

With Bangkok expected to completely give way to rising water levels over the coming days and the country's industrial region Ayutthaya to the North of the city largely submerged, Crawford's adjusters continued with efforts to help customers, many of whom have been left in almost complete isolation caused by the worst floods in over 50 years.

"This is a hugely significant event and we're taking every possible step to reach policyholders and to maintain communication with insurers both locally and across international markets," explained Richard Martin, CEO Asia Pacific at Crawford & Company.

"Ayutthaya is responsible for major manufacturing on a global scale, a great deal of which has been forced to close. The agricultural regions to the north of Bangkok have been severely affected, as have the lives of many thousands of people in more than 30 provinces of Thailand," continued Richard, "however, as at 26 October Crawford's office in Bangkok remained fully manned despite the fact that several of our team have already been forced to wade through water both to leave their homes in flood-hit areas and to meet clients face to face."

"Obviously in some situations this has been rendered impossible but we have ensured that brokers and insurers are fully appraised for when the water eventually drains away."

As yet there are few signs of improvement with central and southern Bangkok expecting further flooding over the coming 48-72 hours.

Last weekend Prime Minister Yingluck Shinawatra ordered the opening of all Bangkok's flood gates, meaning the city of Bangkok itself faced an inevitable deluge, save for a network of 2.5m flood walls at strategic points. The government's decision was made in an attempt to ease flooding north of the Capital and make use of Bangkok's 1500+ canals and waterways which drain the regions waters into the Gulf.

"Obviously this could have a serious impact on personal and commercial property in the centre of Bangkok as we have already witnessed north of the city. According to the Disaster Warning Centre at Rangsit University, more than 50% of the city could be under at least 21-50cm of water and many areas close to the rivers and on low-lying points, considerably deeper," said Richard. "Don Mueang airport suspended all flights on 25 October and since then hospitals and prisons have been evacuated as the expectation is that the city will flood."

A further high tide in the Gulf is expected from 28-30 October which could exacerbate the problem if the flood waters have not dispersed or if there is more rain.

Losses to the Thai economy have already been estimated at around US\$4bn according to a statement by the Bank of Thailand's governor on 14 October with manufacturing, electronics and agriculture expected to experience a large portion of those costs.

We are still operating from our Bangkok office at this stage although a 5 day holiday is in place, with potential flooding expected. We have deployed adjusters to various locations outside Bangkok and we deployed administration personnel to our Phuket office as a precaution. If the flooding spreads to the location of our Bangkok office we will continue to maintain our operation but ensure the safety of our employees.

We can be reached as normal via our usual contact details.

If you have any claims which require our attention, please contact any of the personnel below or through **CAT@crawco.co.th** or **Dedicated 24-Hour Hotline +66 86 061 0404**

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