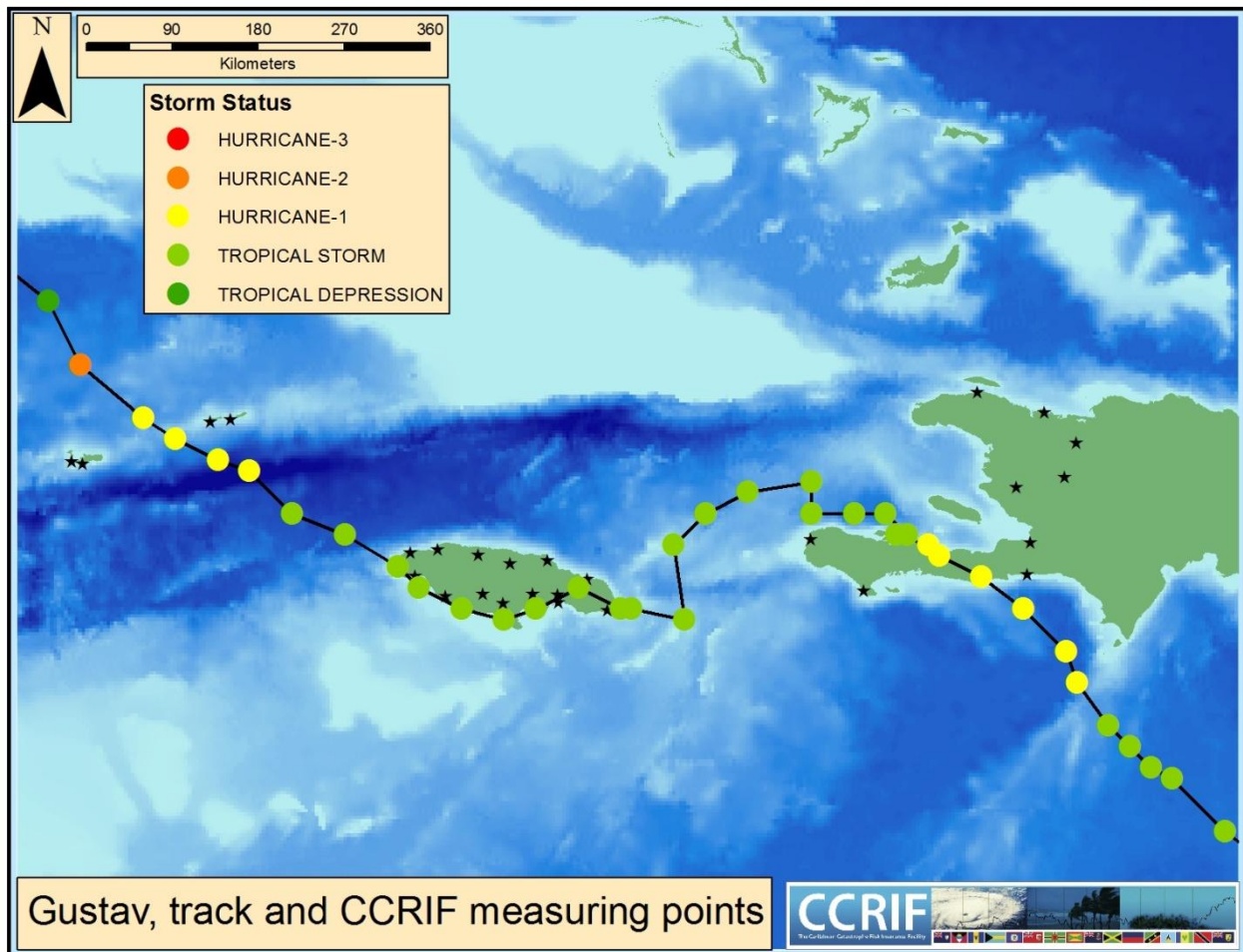


Tropical Storm/Hurricane Gustav, late-August 2008

EVENT BRIEFING, 5 September 2008

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Gustav became the 7th named system of the 2008 hurricane season on 25 August when it was positioned to the south of Hispaniola. The storm then took a winding track through the northern Caribbean (see map below) and on into the Gulf of Mexico, making its final landfall west of New Orleans.



Gustav made landfall along the western part of the south coast of Haiti on 26 August as a Category 1 hurricane. Its track took it across the southwest peninsula, then westwards to the north of the peninsula towards Jamaica at tropical storm intensity. Heavy rain was produced over southern Haiti, totalling almost 400 mm (over 15 inches) in the peak four days of rainfall.

Gustav then headed generally westwards, making a second landfall as a Tropical Storm at Jamaica's easternmost point on 28 August. The storm moved slightly south over Kingston and then tracked along the south coast of the island. Although winds were below hurricane force throughout its interaction with Jamaica, Gustav brought heavy rain, totalling 300 mm (almost 12 inches) or so in eastern Jamaica.

On leaving Jamaica, Gustav headed west-northwest, passing close just to the west of Little Cayman on 30 August as a Category 1 hurricane. Hurricane force winds were felt on both Little Cayman and Cayman Brac, which also received heavy rainfall.

As shown in the graphic above, Gustav passed close to the major economic and population centres in both Jamaica and Haiti. However, the relatively low wind speeds and small size of Gustav meant that wind-related losses estimated via the parametric formulae in the CCRIF policies were below the trigger threshold (representing the policy deductible) in both islands. For the Cayman Islands, loss generation is heavily weighted to Grand Cayman (where the vast majority of economic activity occurs), which received only minimal tropical storm force winds so that the policy did not trigger there either.

A technical annex attached to this report provides a summary of the calculations undertaken by the Facility Supervisor for Gustav in all three member countries.

CCRIF has noted the significant damage inflicted in, especially, Haiti and Jamaica from the heavy rains which accompanied Gustav. A member of staff from the Caribbean Institute for Meteorology and Hydrology (CIMH) travelled to Jamaica immediately after Gustav's passage to gather data on rainfall and flooding to assist that institution in completion of its pre-feasibility study for development of a parametric rainfall/flood policy for CCRIF. CCRIF is working as quickly as possible to meet requests from the participating countries to have a rainfall-triggered policy available by the start of the next hurricane season.

In the meantime, it is worthy of note that, due to the parametric nature of the CCRIF policies, the fact that rainfall-induced damage is not included in the hurricane loss model used by CCRIF means that the risk of rainfall damage is not included in the pricing of policies. This means that governments are not paying for rainfall-induced losses in their premiums. While clearly desirable, the addition of a rainfall trigger to policies will also increase the premium costs.
