



Strikes, Riots and Civil Commotion

The global rise of Social Unrests

March 2026

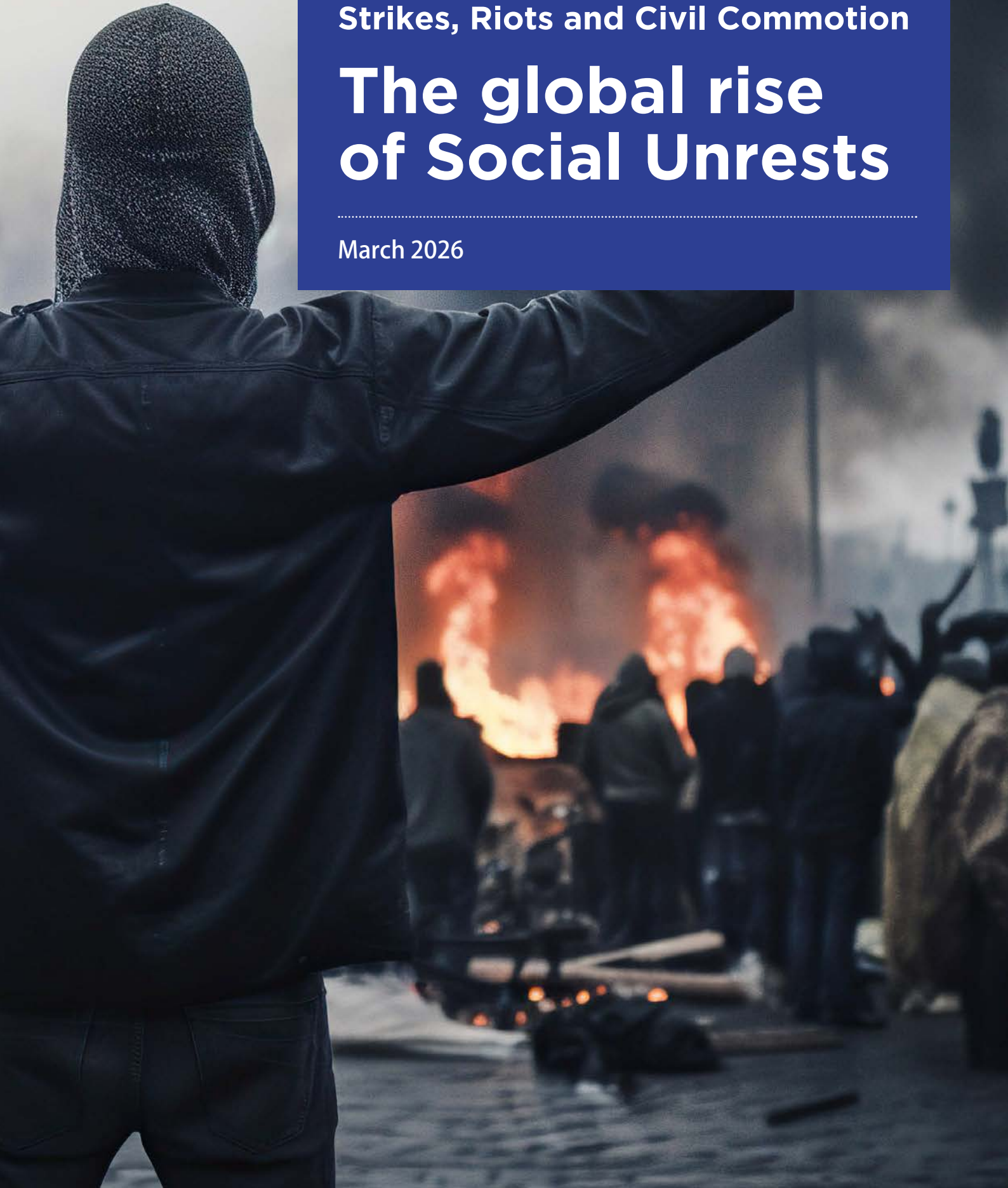


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Executive summary

Strikes, Riots, and Civil Commotion (SRCC) have emerged as increasingly frequent and severe global phenomena, driven by a complex interplay of socio-economic, political, and environmental factors. This paper provides an analysis of SRCC events, their implications for the insurance industry, and evolving risk management practices.

Our key insights are:



Defining SRCC: SRCC encompasses organised labour strikes, spontaneous riots, and prolonged civil disturbances. Unlike terrorism, SRCC events are typically decentralised and rooted in social grievances rather than ideological extremism.



Global Trends and Country-Specific Risks: SRCC events vary widely across geographies. Case studies from France, South Africa, the United States, Latin America, and Hong Kong illustrate how local governance, inequality, and political instability shape risk exposure.



Insurance Industry Impact: The increase in both the number and magnitude of losses from SRCC events has been significant recently.



Risk Drivers: The paper identifies key SRCC drivers including social media amplification, resource scarcity, supply chain fragility, pandemics, migration pressures, mental health deterioration, critical infrastructure failures and cyber activities. These interconnected risks amplify the likelihood and impact of social unrest.



Evolving Risk Management: Insurers are integrating SRCC into enterprise risk frameworks through scenario planning, external intelligence, and cross-functional collaboration. Data quality remains a critical challenge with emphasis on geolocation and claims encoding.



Exposure Management: Adequate risk selection and exposure management requires granular analysis of vulnerable sectors and geographies. Accumulation controls and country risk maps are helpful tools for managing SRCC-related risks.



Risk Modelling: While predictive models for SRCC are still nascent, scenario-based approaches and expert judgment are vital. Comparison with terrorism risk underscores the need for tailored methodologies.



Risk Mitigation strategies include coverage limitations, dynamic pricing, and potential expansion of state-backed reinsurance pools.

Conclusions

The global landscape of Strikes, Riots, and Civil Commotion (SRCC) has undergone a significant increase recently. Once considered a relatively minor insurance exposure, single SRCC events have been observed - driven by a convergence of socio-economic pressures, political instability, environmental stressors and amplified by the role of social media.

For the insurance and reinsurance industries, this is a challenge where traditional approaches to risk assessment, pricing, and underwriting are no longer sufficient to capture the dynamic nature of SRCC exposures. The unpredictability of events, coupled with rising insured losses and accumulation risks, demands a more proactive, data-driven, and scenario-based approach to risk management.

As SRCC risks continue to rise across both traditionally volatile and previously stable regions, insurers must adapt by integrating SRCC into enterprise risk frameworks, refining underwriting practices, and investing in predictive analytics. The industry may need to engage with policymakers and regulators to explore new mechanisms for risk sharing and loss mitigation.

2. Framing SRCC and its Relevance for the Insurance Industry

Strikes, riots, and civil commotion (SRCC) have long been recognised as significant social phenomena, both shaped by and shaping political landscapes and economic stability across the globe. As geopolitical uncertainties and climate challenges intensify, the frequency and severity of SRCC events have surged, posing new challenges for businesses, insurers, and policymakers.

In this introduction, we explore the definitions of SRCC, examine what distinguishes SRCC from terrorism, and consider what country-specific variations there are to demonstrate its growing relevance for the insurance industry.

2.1 Defining SRCC

SRCC is broadly categorised into three distinct forms of social unrest:

Strikes – Organised work stoppages led by labour unions or employees advocating for improved wages, working conditions, or broader social change.

Riots – Spontaneous, often violent collective disturbances triggered by political instability, economic distress, or social grievances.

Civil commotion – Sustained disturbances involving large groups, less co-ordinated than strikes but more prolonged than riots.

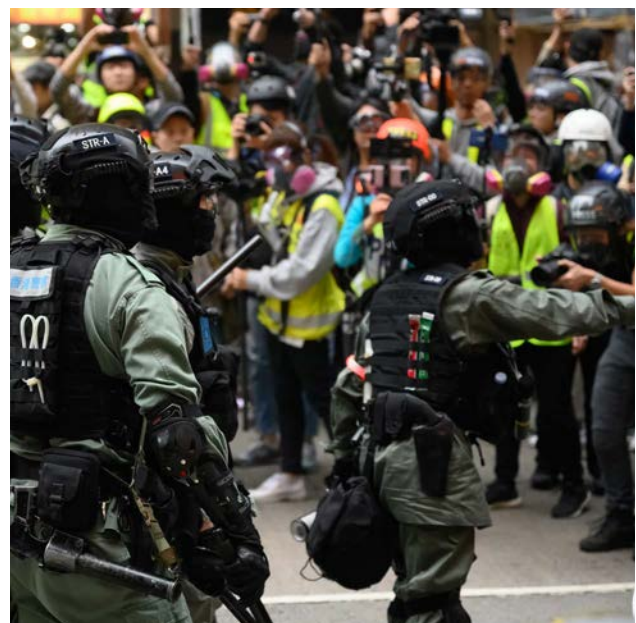
(Re-)insurance companies and industry bodies provide varying definitions of SRCC, shaping how insurers assess and manage these risks. Companies highlight the growing frequency and severity of SRCC events, noting their impact on global insurance losses (cf. Swiss Re 2024). Such events are typically regarded as spontaneous and localised occurrences. The underlying factors contributing to this phenomenon are rooted in social and economic grievances. The pertinence of SRCC coverage is predicated on the mitigation of financial losses and the preservation of stability during periods of civil unrest.

We identify SRCC as a top political risk for businesses, emphasising the unpredictability of these incidents compared to other perils like natural disasters. These definitions influence underwriting practices, policy exclusions, and claims assessments.

Definitions of SRCC differ across industries and legal frameworks, reflecting various interpretations of its scope and impact. Insurance bodies often emphasise the financial and operational risks associated with SRCC, framing it primarily in terms of coverage for property damage, business interruption, and liability exposure. Legal frameworks, on the other hand, may focus on SRCC's role in public order and governance, distinguishing it from organised crime or political movements. This divergence in interpretation gives rise to several challenges in the adjudication of claims, most notably in cross-border contexts where there may be a conflict between legal and regulatory standards. In the context of escalating global unrest characterised by interconnectedness and digital mobilisation, insurers are under increasing pressure to refine their definitions and risk models to maintain responsiveness to evolving threats.

For example, the Dictionary of International Trade defines SRCC as loss/damage directly caused by strikers, locked-out workers, persons' participation in labour disturbances, and riots of various kinds.

Some analyses (Verisk Maplecroft, PartnerRe, 2024, or Chubb, 2008) define SRCC regarding underlying socio-economic drivers, highlighting inequality, political instability, and systemic grievances as root causes of unrest.



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All these references share common themes and typical dynamics that shape the risk assessment approaches; they also come with challenges to anticipate and measure SRCC risks. These challenges are addressed in the next sections in this paper.

A key distinction between SRCC and terrorism lies in intent and organisation. Terrorism is defined by deliberate acts of violence aimed at instilling fear, influencing policies, or disrupting governance. Terrorist acts are typically premeditated, strategically planned, and executed by organised groups or individuals with a clear political or religious agenda. In contrast, SRCC events, while disruptive, are often spontaneous or rooted in labour and social movements rather than ideological extremism. A strict definition of terrorism is typically included within insurance policies.

The nature and frequency of SRCC events vary significantly across countries due to differences in governance, economic conditions, and social structures. The different nature of SRCC events within different countries is illustrated below with recent examples for selected countries.

France - Historically known for its strong labour movements, France experiences frequent strikes and protests, often organised by unions. The 2023 riots following pension reform proposals exemplify how economic policies can trigger widespread civil unrest. The estimated insured losses amounted to EUR 730m (Source: Swiss Re, 2024).



DEEP-DIVE 2023 riots in France, an annus horribilis

In 2023, France was shaken by two major waves of civil unrest that exposed deep societal fractures and reignited debates about justice, equality, and national identity.

I. Pension Reform Protests (January–April 2023)

The year began with widespread protests, president Emmanuel Macron's controversial pension reform, which raised the retirement age from 62 to 64. The move, pushed through without a parliamentary vote, was seen by many as undemocratic and unfair. Strikes paralysed transportation, education, and public services, while clashes between protesters and police. Insurable losses remained marginal.

II. The Nahel Merzouk Riots (June–July 2023)

On June 27, 17-year-old Nahel Merzouk was fatally shot by police during a traffic stop in Nanterre, a suburb of Paris. Video footage contradicted initial police claims, showing an officer threatening Nahel before firing as he attempted to drive away. The incident sparked a wave of riots across France, reminiscent of the George Floyd protests in the United States.

Over the following week, cities including Paris, Marseille, Toulouse, and Lille saw intense unrest. More than 3,300 people were arrested and over 5,600 vehicles were burned. From an insurance perspective, the financial impact was substantial. According to France Assureurs, the insured losses resulting from the unrest amounted to approximately EUR 782 million, with most claims related to property damage and business interruption (Source: France Assureurs, 2023).

III. Broader Social Tensions

While Nahel's death was the immediate trigger, a Senate report later revealed that fewer than 10% of rioters were directly motivated by the incident. The unrest reflected deeper issues: systemic racism, police violence, and youth disillusionment in marginalised communities.

IV. October 7 and Renewed Tensions

Although not directly linked to the summer riots, the events of October 7—when Hamas launched a surprise attack on Israel—had ripple effects in France. The conflict heightened domestic tensions, especially in communities already feeling marginalised. France saw a rise in antisemitic incidents and increased security concerns, adding another layer of complexity to an already volatile social landscape.

V. Conclusion

The Nahel Merzouk riots illustrate how a seemingly isolated incident can rapidly escalate into nationwide civil unrest with significant financial consequences. Moreover, the thematically distinct waves of unrest, though different in origin, collectively contributed to an explosive social climate. Economic grievances and democratic discontent merged with issues of racial injustice and police violence, creating a volatile mix. These overlapping tensions suggest that France's challenges are not episodic but systemic, requiring sustained attention to avoid future flare-ups.



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South Africa – SRCC events in South Africa are often linked to racial and political tensions in a context of high socio-economic inequality and corruption. The 2021 riots were triggered by the imprisonment of former President Zuma. The estimated insured losses exceeded USD 2.5bn.

United States – Similar to South Africa, SRCC events in the U.S. have often been linked to racial and political tensions. The Black Lives Matter protests in 2020 resulted in significant property damage and business interruptions, highlighting the role of social movements in shaping SRCC risks. The estimated insured losses exceeded USD 2bn (Source: Swiss Re, 2024).

Latin America – Economic instability and political unrest contribute to frequent civil commotion. Countries like Chile and Colombia have seen large-scale protests driven by dissatisfaction with governance, inequality, and economic policies. The estimated insured losses amounted to lower than USD 150m for the 2021 riots in Columbia, USD 3-4bn for the 2019 riots in Chile and USD 167m for the 2019 riots in Bolivia.

Hong Kong – The 2019 pro-democracy protests demonstrated how SRCC can escalate into prolonged civil commotion, affecting businesses, infrastructure and financial markets. They led to estimated insured losses of USD 100m.

DEEP-DIVE New Caledonia Civil Unrest (2024)

Between May and December 2024, New Caledonia, a French overseas territory in the Pacific, experienced a severe outbreak of civil unrest triggered by a proposed constitutional amendment aimed at expanding voting rights to non-indigenous residents. The reform was perceived by many as undermining the political representation of the indigenous Kanak population, renewed long-standing tensions over autonomy and independence. The unrest escalated into widespread riots, looting, arson, and violent clashes with security forces, resulting in 14 deaths, over 2,000 arrests, and €3 billion in economic damage, including the destruction of 900 businesses, 200 homes, and 600 vehicles (Source: PMN).

From an insurance perspective, the event marked a turning point in SRCC risk assessment for the region, when considering its population's size. Estimated insured losses exceeded EUR 1 billion, with Allianz reporting EUR 260 million in damages and Generali assuming EUR 50 million in liabilities (Source: Allianz, 2025). QBE and Allianz each faced net exposures of over USD 215 million, according to industry reports. So, while the insurable losses can be compared in size with other events, they are remarkable for such a small territory.

Most claims, 96% of the total cost, were related to damage to business property, with 68% attributed to business interruption losses. Out of 3,470 claims reported by late November, 1,600 involved industrial or commercial establishments, and 900 were destroyed (Source: Allianz, 2025).

The scale and surprise of the event led Swiss Re and other industry leaders to call for improved modelling and pricing of SRCC coverage, warning that geopolitical instability is increasingly leading to large, unexpected claims. The New Caledonia riots now rank among the costliest SRCC events globally (Source: Verisk Maplecroft).

This case highlights the evolving nature of SRCC risk, especially in regions previously considered as low risk. It underscores the importance of dynamic geopolitical risk assessment and the need for insurers to adapt underwriting strategies to account for socio-political volatility. The unrest in New Caledonia clearly shows that political reforms, if perceived as unfair or exclusionary, can quickly escalate into widespread unrest with serious economic and insurance relevant consequences.

Further examples of SRCC events are provided in Appendix 1.

2.2 Key Considerations for the Insurance Industry

SRCC events of the past decade present several challenges for the industry. We have identified the following three key considerations:

Key consideration 1

Modelling SRCC risk is challenging despite increasing observable losses reported by (re-)insurance players

The frequency and severity of SRCC events have increased, driven by geopolitical uncertainties, economic inequalities, and social movements fuelled by the rise of populist and anti-establishment movements. As SRCC events evolve in scale and impact, businesses and insurers are faced with particularly complex risk events to model.

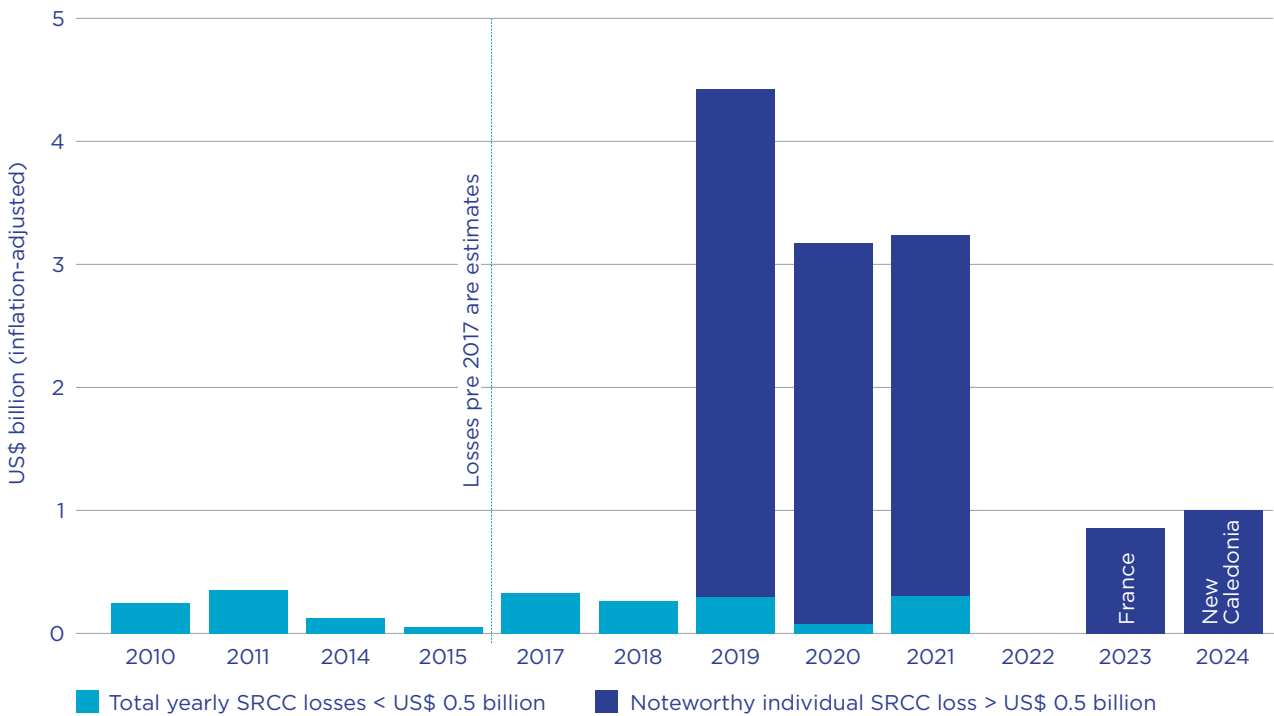
In the last 20 years, the number of SRCC events has increased significantly, leading to more claims globally and, in individual cases, to more extreme losses (Swiss Re, 2014).

In an April 2023 article, Howden (April, 2023) compared insured losses from SRCC in certain hot spot territories to major natural disasters', reflecting on the combination of heightened threat environment translating into specific events in Chile, the United States, South Africa and Peru.

The significant increase in insurance losses from SRCC related events since 2019 compared to the period before is well illustrated by the following Howden Re data reported in The Insurer in October 2024:

FIGURE 1: Civil unrest insured losses in real terms from 2010-2024 split by individual noteworthy losses greater than \$500mn

Source: Howden Re

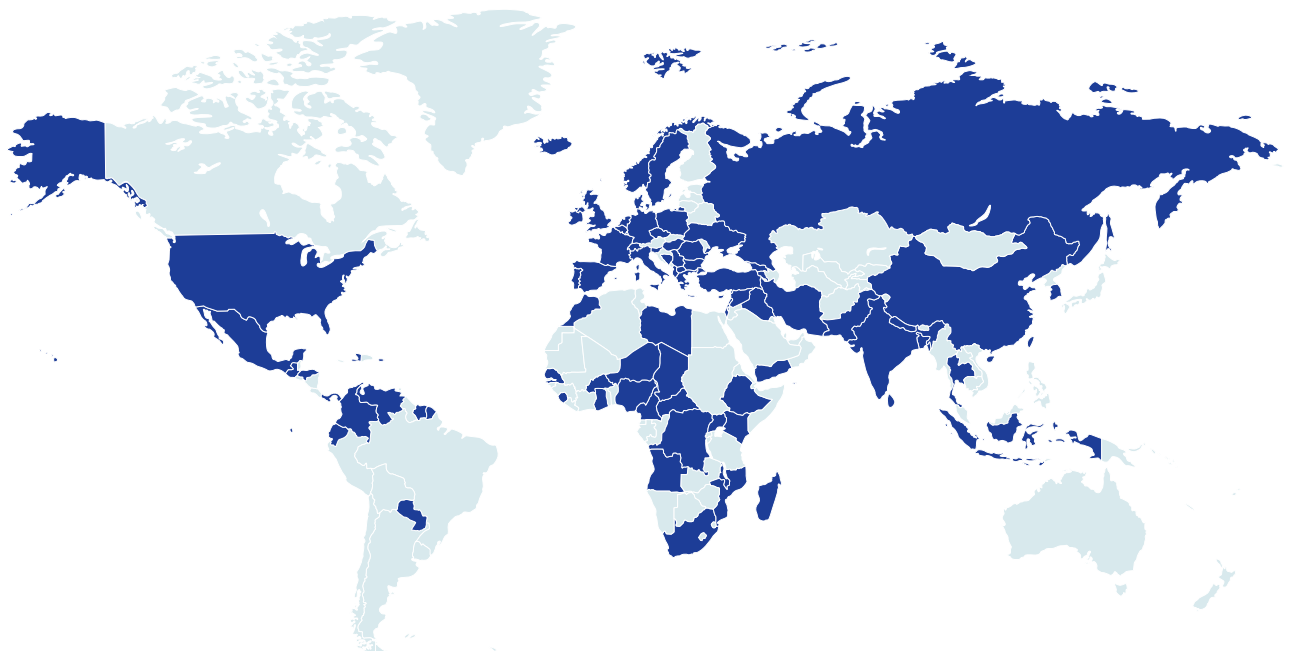




Independent of the insurance industry, the Carnegie Endowment’s Global Protest Tracker recorded over 155 significant anti-government protests in the last twelve months (to 1 May 2025) in more than 70 countries. This compares with 31 cases they reported in 2017 (when they started to make the data publicly available). The tracker established that protests are generally motivated by political reasons, often complemented by economic or other motives such as corruption, COVID or gender-related issues. Of course, not all protests lead to an SRCC event. Over the 877 events recorded since 2017, the tracker reported violence in about 20% of the cases.

These different data points indicate the increasing volatility of SRCC events; they also unveil the difficulty of predicting where and when unrest may escalate into insurable events. Traditional risk models, which heavily rely on historical frequency and severity, are being challenged by the dynamic and often sudden nature of modern SRCC events. For (re-)insurers, this necessitates the integration of real-time data analytics, geopolitical intelligence, and scenario-based stress testing into underwriting and portfolio management practices. Failure to adapt could result in under-pricing of risk, unexpected loss spikes, and reputational damage after disputed claims.

FIGURE 2: Countries that had new protests in 2023



Note: Countries that had protests related to the Israel-Hamas war but did not experience other significant anti-government demonstrations in 2023 are not shown. For more on this methodology, see the Global Protest Tracker.

Key consideration 2

SRCC risk affects various sectors, leading to substantial financial and operational risks

Property Damage and Business Interruption

Riots and civil commotion often result in vandalism, arson, theft, burglary, and destruction of commercial properties. Claims for damaged assets, lost revenue, and rebuilding costs create significant financial exposure for insurers.

Supply Chain and Logistics Disruptions

SRCC events can halt transportation networks, disrupt trade routes, and delay production cycles—leading to ripple effects across global supply chains. Insurers providing trade credit, cargo, and business interruption policies face heightened risks.

Casualty and Liability Risks

Businesses affected by SRCC may face liability claims due to injuries, wrongful arrests, or employee harm. Insurers providing general liability coverage must consider the legal implications of unrest-related incidents.

Political Risk Insurance

SRCC is often classified under broader political risk insurance products that cover losses arising from instability, regime changes, and government-imposed restrictions. Companies operating in volatile regions require tailored risk transfer mechanisms.

Insurance Policy Interpretation and Claims Challenges

Definitions of SRCC vary across jurisdictions and policy wordings, creating complexities in claims settlements. Insurers must ensure clarity in policy language to avoid disputes over exclusions and coverage applicability.

Key consideration 3

Dynamic and interconnected risk factors shape SRCC exposure

Geopolitical Uncertainty

Rising political tensions in various regions contribute to unpredictable SRCC risks, affecting investment and insurance underwriting strategies.

Climate Change as a Risk Multiplier

Environmental stressors exacerbate social unrest, especially in regions where climate-induced migration or resource scarcity fuel tensions.

Technological Disruption

Social media is increasing the pace and scale of disruption and reducing the ability of insurers to predict SRCC events. International SRCC events

also need to be considered, as the spread via social media does not only work locally.

Demographic and Urban Pressures

A young population and rapid urbanisation increase the likelihood and impact of civil unrest in densely populated areas. This increases accumulation risks for insurers, especially when unrest affects commercial or critical infrastructure areas.

Economic polarisation

Increasing inequality and rising costs of living can trigger civil unrest, leading to property damage and business interruption losses.

Over the past decade, SRCC risks have escalated because of geopolitical instability, economic polarisation, climate-related stressors, and the rapid spread of information via social media. Technology enables mass mobilisation, amplifying unrest and increasing unpredictability. The frequency and intensity of strikes, riots and civil commotion events are no longer limited to territories which have traditionally been deemed politically unstable, rather risks are escalating across all regions. The following chapter will delve deeper into those considerations, including the role of technology—particularly social platforms—in powering SRCC events and shaping future good risk management practices.



3. Risk Drivers for SRCC events

SRCC is not an isolated risk. It is notable how other risks act as drivers for SRCC events and how these risks are interconnected. Some of the most significant are listed and analysed in this chapter.

3.1 Social Media

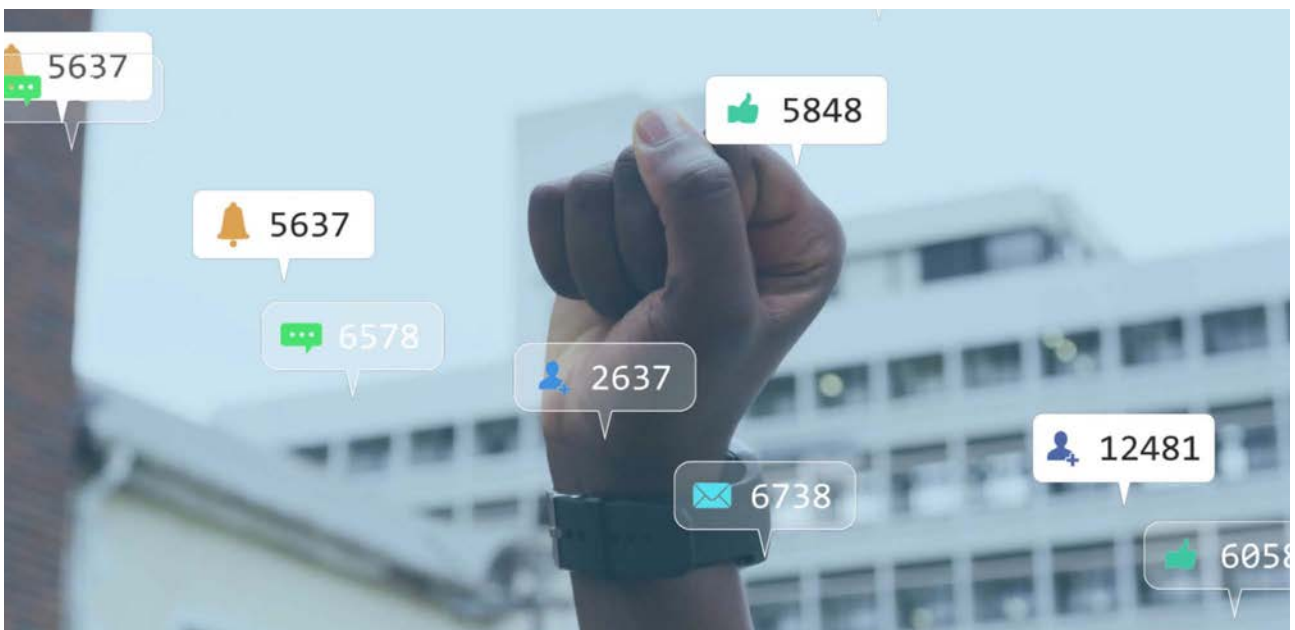
Social media has significantly changed the political landscape by providing a platform for individuals and groups to express their political views, engage in political discussions, and participate in political movements. Social media increases the visibility of existing problems and can influence political opinions, as users are exposed to a variety of ideas and opinions, especially in the attention economy, where content that attracts more attention is seen and shared more widely. It has allowed individuals, political parties and interest groups to engage with the public directly, bypassing traditional media channels.

The “Arab Spring” of 2011, demonstrated the power of social media to influence people in political movements. The movement was triggered by the food price crisis in North Africa, where the price hike had far-reaching effects and led to unrest beyond the local region because of social media. Protesters used social media effectively to disseminate information about the uprising and motivate them to fight for their rights and freedom. This aligns with social movement theory explaining how groups of people with shared beliefs can come together to push for political change.

Biases within social media need to be considered. Algorithms on social media platforms facilitate the spread of disinformation, create echo chambers (an environment where a person only encounters beliefs or opinions that align with their own, so their existing views are reinforced, and alternative ideas are not considered) and sow radicalism. The exclusive use of social media as news sources can also weaken trust in government and the media in general, so it is important that news is truthful to maintain trust in democratic systems. Social media poses the danger of misinformation (e.g. US elections, Covid-19 and vaccinations) that can be considered real news as they are no longer countered by social media providers. Here too, AI and deepfake play an extremely worrying role, as fake news can be posted and commented on by many people, which can even reinforce the confirmation bias. The intention of such disinformation activities is usually to shake confidence in state institutions and official action to initiate counteracting activities.

Overall, social media has both positive and negative impacts on the political landscape, and it will continue to shape politics in the years to come. In the context of SRCC events, it can be stated that they each require a trigger or ignition point. Social media then act as an amplifier.

(Sources: Calderaro, 2018, and Meral & Meral, 2017)



DEEP-DIVE**Black Lives Matter (2020)**

The Black Lives Matter (BLM) protests, which surged globally in 2020 following the murder of George Floyd by Minneapolis police, marked one of the most significant social movements of the 21st century. Originating in 2013 as a hashtag (#BlackLivesMatter) after the acquittal of George Zimmerman in the killing of Trayvon Martin, the movement gained unprecedented momentum through social media platforms like Twitter, Facebook, and Instagram. These platforms played a pivotal role in amplifying marginalised voices, sharing real-time footage of police brutality, and organizing mass protests across over 20 countries. Social media enabled decentralised mobilisation, allowing millions to engage, share, and support the cause, often bypassing traditional media narratives.

While many demonstrations were peaceful, some cities experienced significant unrest, including looting and property damage. The insurance industry reported losses of over USD 2 billion, making the BLM-related unrest the costliest period of civil disorder in U.S. insurance history, surpassing even the 1992 Los Angeles riots following the Rodney King verdict.

These losses were concentrated in urban centres, with large retailers bearing a disproportionate share of the damage.

In summary, the BLM protests highlight the power of social media to drive global awareness and action, while also revealing the complex economic and societal costs of civil unrest.

3.2 Resource Scarcity

The demand for water, food and energy continues to grow for various reasons: a growing global population, ongoing urbanisation, rising incomes, increased desire to spend those incomes on energy and water intensive goods/varying diets, international trade, and climate change. The water, energy and food security nexus lies central to sustainable, economic and environmental development and protection. The three sectors are necessary for the benefit of human well-being, poverty reduction and sustainable development. The above-mentioned unrest of the "Arab Spring" shows the foremost importance of a secure supply of essential goods for the stability of societies.

Scarcity in land, water and labour has led to the global rice crisis, which is aggravated by rising temperatures because of climate change. India, one of the largest exporters of rice, had to roll back its agriculture reform to avoid social unrest and enacted a temporary export ban in 2023. Protectionism of that kind leads to higher prices and increases the social pressure in countries importing rice. The Philippines, a leading rice producer and the world's largest importer, is already feeling the strain. In February 2025, the government declared a food security emergency in response to skyrocketing domestic rice prices. The crisis in the Philippines reflects the general challenges in rice cultivation throughout Southeast Asia. The region is under economic, political, and climatic pressure. As a result, the global rice shortage exceeded several million tonnes in 2023, driving up prices. Rising prices have heightened fears of a food

crisis, threatening to deepen poverty, hunger, and malnutrition. Therefore, the Southeast Asia's rice crisis is seen as a ticking time bomb with the risk of social unrest throughout the region.

3.3 Supply Chain Disruptions

A succession of disruptions to world trade have put the reorganisation of international supply chains high on the political agenda. These difficulties began with the trade war between the USA and China, deepened with the Covid-19 pandemic and climaxed after the start of Ukraine war which caused an instant disruption to energy markets and the supply chain of food and certain raw materials. In the first two weeks after the Russia-Ukraine war started in 2022, the prices of oil, coal and gas rose dramatically.

As a result of these past events, several governments have reviewed their dependence on global supply chains and have taken political actions to align supply chain resilience and security with national security priorities. Hence, the European Union launched the European Chips Act in 2023 to strengthen its semiconductor ecosystem, reduce external dependencies, and double its global market share in chip production by 2030. This recalibration of trade and commercial relationships aims to diversify supply chains by relocating operations at home (re-shoring), closer to main destination markets (near-shoring) or with allies (friend-shoring) and is likely to be a growing direction of travel for both governments and businesses.

Disruptions to the supply chain are already noticeable in the short term, particularly when it comes to the availability of everyday goods (supermarket items). As already explained in the resource management section, SRCC events can occur very quickly if bottlenecks and shortages. Conversely, SRCC events often lead almost immediately to supply chain disruptions. Large-scale strikes that block transport routes are just one example.

3.4 Pandemics

The health sector is particularly vulnerable to disruptions or failures in global supply chains. If medical supply fails, lives will be in danger because of missing pharmaceuticals or surgical procedures that cannot be done without specific medical devices. One of the first major problems that arose during the Covid-19 pandemic was the restriction on the export of medical supplies and medicines imposed by some governments, followed by a massive shortage of medicines and medical equipment in almost all countries. Protective devices like gloves, mouth protection, respirator masks, protective clothing and disinfection material quickly became a scarce commodity.

During the Covid-19 pandemic, there were protests and riots in many countries against government measures (e.g. lockdowns) and actions by anti-vaccination campaigners against public vaccination recommendations. Ultimately, protests in China led to the lifting of strict government "Zero Covid" restrictions. In contrast, countries with comparatively relaxed Covid rules (e.g. Sweden) saw hardly any public protests.

(Source: Anwer, Khan, Naeem, & Tiwari, 2022)

3.5 Migration

Anti-immigration sentiment has become a key issue for right-wing parties in Western countries. They use the migration issue for their political purposes and put it at the top of the political agenda. This not only helps them to electoral success in many countries in the Western world, but also secures support for other political goals, which often are anti-democratic and represent a radical departure from the established principles of Western politics since the Second World War. Radical forces of right-wing extremist parties also openly call for violence and political upheaval to enforce their convictions. In the case of acts of violence by migrants, the resulting mood can also be a catalyst for SRCC events at any time.

3.6 Mental health

Mental health is influenced by a broad range of risk factors and determinants and for many there may be a complex mixture of these. Looking at social determinants, they cover a wide range of external circumstances: socio-economic (unemployment, lack of financial stability, poverty, etc.), socio-environmental (homelessness, family circumstances, violence, work environment, cultural expectations, etc.), socio-demographic (age, gender, race, etc.) and lifestyle factors (work, diet, lack of sleep, etc.). All factors are influenced by the political environment to which the individual is exposed.

Current wars and international conflicts are increasingly being waged online, and some of the collateral damage includes harming mental well-being. State actors have at times used social media campaigns to increase tension within countries. One recent example is paying online influencers to discredit the Covid-19 vaccines of certain countries. Such polarising political and social discourse provokes feelings of negativity and helplessness in populations that are oblivious to being manipulated.



The fragmentation of long-standing alliances through disinformation campaigns and ongoing global geopolitical tensions also generates the impression that co-operation is no longer valued and international alliances have weakened. A feeling of "everyone has to fight for themselves" is likely to contribute to elevating stress levels in the concerned populations. This mix of various negative external influences can promote the willingness of individuals to follow SRCC calls and actively take part in related activities.

3.7 Critical infrastructure failure

Critical infrastructure includes the assets, systems, facilities, networks and other elements that society relies upon to maintain national security, economic vitality and public health and safety. Transportation, commerce, clean water and electricity all rely on these vital systems.

Immediately after the failure of power grids, an increase in criminal activities such as robbery or looting has often been observed in affected regions. This also applies after the failure of critical infrastructure following natural disasters (e.g. earthquakes). With the ongoing failure of critical infrastructure, the risk of social unrest will increase over time, which can ultimately work as an additional overarching multiplier towards all other infrastructure failures as well.

The Russia-Ukraine war is a good example of an unexpected event with a major impact on critical infrastructure. The war not only destroyed many cities and large parts of the Ukrainian infrastructure but also demonstrated the vulnerability of international infrastructure and supply chains. It exposed the need to preserve and support critical energy infrastructure, from power plants and power grids to oil and gas pipelines, as the 'toolbox' of hybrid warfare tactics grows. While we have not seen material internal political violence events within Ukraine as a result, we note the potential for political violence due to infrastructure failure. A new phenomenon in the distribution of energy in Europe, especially gas, is its use as a means of extortion. In addition, severe disruptions within any critical infrastructure system can spread and extend quickly to other critical infrastructures, as a series of direct and domino effects may be observed potentially leading to a snowball effect.

Further considerations on the risks associated with critical infrastructure disruption is contained in a November 2023 publication by the CRO Forum (*Breaking Point: Critical Infrastructure Disrupted*).

3.8 Cyber Activities

Another device of driving political forces for raising controversy within a country or between states, pushing through political targets to gathering governmental power are cyber activities. Beginning in the twentieth century, the rise of technology—and, more specifically, computer-controlled systems—has seen a new form of criminal activity that has often combined destruction of property with financial crime, propaganda, economic warfare and possibly physical harm to innocent human lives.

Cyber activity for political purposes is relatively young in its evolution and has been associated with individuals, political (sometimes as terrorist) groups and state actors / countries, which in particular, could escalate into a cyber war, even within a society. Cyber activity allows political forces to conduct their operations with little or no risk to themselves of getting detected as illegal. It also provides political forces an opportunity to disrupt or destroy networks and computers. The result is interruption of key government or business-related activities. A further aim is to gather information about the opposing political side or another country. This type of activity, particularly intelligence-related operations, is not as visibly damaging as other forms of terrorist attacks, but its impact can be weakening and destructive with similar consequences as already described in the previous sections.

Further considerations are contained in a March 2023 publication by the CRO Forum (*Ransomware Threats, Countermeasures and Trends within the Insurance Industry*).



4. Evolving Risk Management Practices

4.1 Risk Identification and Measurement

Strikes, riots, and civil commotion (SRCC) risks have become more frequent, widespread, and complex recently. With rising geopolitical tensions and socio-economic stressors across the globe, insurers and reinsurers are increasingly exposed to political violence events that fall outside the traditional definitions of terrorism. While SRCC risks were historically under-represented in formal risk frameworks, this is starting to change. Many insurers are now actively working to integrate these exposures into their enterprise risk management (ERM) systems. This section takes stock of how the industry currently identifies and measures SRCC risks, and some of the key challenges it faces along the way.



Risk Identification

Integration into Risk Taxonomies

SRCC is gaining recognition as a distinct emerging risk—often overlapping with property, geopolitical, and operational categories. A key part of the identification process involves differentiating SRCC from terrorism or other forms of organised violence, with an emphasis on its decentralised, spontaneous nature.

Use of External Risk Intelligence

Many insurers are making greater use of political risk intelligence platforms, like Verisk Maplecroft or AON (2021). Crisis Management solutions to highlight regions with a higher likelihood of unrest. These tools often draw on socio-political indicators such as inequality levels, governance quality, or civil liberties rankings.

Cross-Functional Collaboration and Emerging Trends

Risk identification has become more collaborative, drawing on insights from underwriting, claims, and risk teams. For example, claims teams may flag early signs of losses linked to protests, while underwriters might observe shifts in client profiles or locations that suggest increased exposure particularly in sectors like infrastructure, energy, or retail. Trends such as the mobilising effect of social media are also gaining attention as potential triggers or amplifiers of unrest.

Scenario Planning and Expert Judgment

Due to limited historical data and the unpredictable nature of SRCC events, qualitative tools remain crucial. Expert panels, geopolitical scenario workshops and horizon-scanning exercises help identify possible flashpoints—often informed by recent real-world examples like the Black Lives Matter protests in the US or unrest in South Africa and New Caledonia.



Risk Measurement

Scenario-Based Quantification

Without robust actuarial data, scenario analysis remains the primary method for quantifying SRCC exposure. These scenarios typically model severe but plausible events in major cities or economic centres, assessing likely losses from property damage, business interruption, and liability. Scenario definitions are often based on historical events with adjustments made for location and duration.

Exposure Monitoring and Accumulation Controls

A key part of risk measurement is tracking the Total Insured Value (TIV) across high-risk regions. This helps identify concentrations of exposure, informs underwriting limits and reinsurance decisions.

Data Quality and Claims Encoding

A persistent issue is the lack of detailed historical claims data which is specific to civil unrest. In many cases, losses have been grouped under generic property damage which makes it harder to analyse trends. Insurers are increasingly encouraging more precise claims encoding to enhance measurement in the future.

Use of External Risk Scores and Models

While vendor models specifically tailored to SRCC are still in early stages, many insurers use country-level risk scores or risk mappings to gauge relative exposure. These tools aren't predictive in a statistical sense but they do help refine underwriting approaches and shape risk appetite.

Alignment with Risk Appetite Frameworks

More insurers are now benchmarking their SRCC exposure against internal thresholds. For instance, some may cap their exposure in certain geographies

to a set percentage of their TIV or rather develop sector-specific underwriting guidelines. These practices feed into the broader decisions about capital allocation and risk tolerance.

Internal Model Governance

Where SRCC is included in internal modelling, even if only through scenarios—governance matters. Insurers are expected to document assumptions, validate methodologies, and link back to their ORSA processes. Transparency and consistency are essential for credibility, both internally and with supervisors.

4.2 Data Supporting the Risk Assessment

The uncertainty regarding the frequency, severity, and geographical distribution of potential SRCC events presents significant challenges to the (re-) insurance industry. Without reliable data, risk assessment remains difficult—which complicates the development of effective risk mitigation strategies. To close these information gaps, the collection of comprehensive and meaningful data is crucial as it enables precise risk analysis. This empowers (re-) insurers to strategically adjust their underwriting and better respond to future SRCC events, thereby optimally protecting both their customers and their own business.

For effective modelling of SRCC risks, a comprehensive dataset is required that allows for accurate assessment and prediction of potential risks. The following types of data are particularly important:

Historical Data:

- Records of past SRCC events, including dates, locations and severity.
- Historical loss data related to SRCC incidents.
- Economic impacts of previous events.



Geospatial Data:

- Geographic Information Systems (GIS) data to map areas vulnerable to SRCC events.
- Population density and demographic data of affected regions.

Political and Social Data:

- Indices of political stability and indicators of social unrest.
- Data on government policies and responses to SRCC events.
- Analysis of public opinion from social media and news sources.

Economic Data:

- Economic indicators such as GDP, unemployment rates, and inflation.
- Business activity and industrial presence in regions vulnerable to SRCC.

(Re-)Insurance Data:

- Details on (re-)insurance coverage and policy conditions related to SRCC.
- Claims history and payout records for SRCC-related incidents.

Security and Police Data:

- Information on local police capabilities and response times.
- Security measures and infrastructure to mitigate SRCC risks.

Weather and Environmental Data:

- Weather conditions that could influence the likelihood or severity of SRCC events.
- Environmental factors that may exacerbate social tensions.

Event-Specific Data:

- Real-time data during ongoing events, such as crowd size, movement patterns and escalation reports.

The systematic collection and analysis of these data enable the development of a comprehensive risk model that helps predict potential SRCC events, assess their impacts, and formulate effective risk management strategies. By employing advanced analytical techniques, including machine learning and artificial intelligence, the accuracy and reliability of risk models can be significantly enhanced. The quality of data plays a critical role in ensuring accurate and reliable analysis, especially in scenarios like SRCC—where precise data is essential for assessing risks and making informed decisions.

Claims handlers are crucial for customer satisfaction and are trained to take customers’ concerns seriously, ensuring they feel supported and not abandoned.

Satisfied customers are essential for (re-)insurers as they form the foundation for long-term business relationships. Simultaneously, we must learn from the claims arising within the (re-)insurance portfolio. This enables the identification of rising risks, derivation of pricing measures, and targeted risk selection to remain profitable even amid growing accumulation risks.

To achieve this, claims handlers must be trained to code, classify and accurately record claims in the claims system. Awareness of the importance of recorded data is vital, as these data are crucial for analyses, portfolio adjustments, and underwriting measures. A standardised data collection should also be extended to Man-Made CAT coverages such as fire, terrorism, SRCC and PV to ensure comprehensive risk and claims management. Ensuring data completeness is important as information that is not captured cannot be considered in accumulation analysis.

Example: Sprinkler Damages

In the assessment of damages related to SRCC events, sprinkler damages are often not recorded as direct SRCC damages. For instance, during the demonstrations associated with the Black Lives Matter movements, significant property damage occurred. Although sprinkler systems are activated in many buildings, causing substantial water damage, these are not always classified as SRCC damages. Nevertheless, the damages caused by sprinklers are considerable and pose a significant financial burden for many affected businesses.

In addition to accurate coding of claims, precise localisation is crucial for SRCC-related damages. If geocoding is not performed at the location level, the results of automated accumulation assessments using Geographic Information System tools are unreliable.

Floor-specific information required

It is beneficial not only to record information about the entire insured building in the data but also to include the distribution of insurance sums for each floor. The number of floors alone is not very helpful in an SRCC scenario, as such events primarily affect the lower floors, which typically have higher insurance sums because of the presence of businesses. This is particularly common in major cities. Detailed recording of floor-specific data can therefore be critical for more precise risk analysis and claims assessment.

4.3 Exposure Management and Accumulation Control

As unrest can spread quickly and widely—partly because of the power of social media—economic and (re-)insured losses from such activities can be substantial. Patterns of protests and violence over the past 10 years have shown that certain industries and uses are significantly more vulnerable to the full spectrum of political violence risks (targets such as government buildings, transportation infrastructure, retail stores, and distribution centres for essential goods). Sometimes targets can be specific, but often businesses fall victim to their location and presence.

Buildings and businesses most at risk can vary depending on the type of incident but often include:

- **Governmental, municipal, military or police buildings and infrastructure.**
- **Transportation infrastructure and hubs.**
- **Retail stores**, especially those with high-value assets; pharmacies; and those that are foreign-owned or represent globalisation and/or the economic interests of a former colonial power.
- **Private businesses**, including those that are foreign-owned or seen as supporters of an unpopular government.
- **Critical assets**, such as gas stations or those of high value.
- **Distribution centres** for essential goods and assets.
- **Tourism and hospitality establishments**, especially in countries deemed inadvisable for unnecessary travel by international governments.
- **Supply chains** - disruptions could lead to resource nationalism as governments attempt to secure vital goods for their own countries.

For (re-)insurers, it is crucial to carefully examine where and what is currently insured to ensure that all potential risks are covered. It is important not to take on more risks than necessary, as this can lead to excessive burden. Understanding the most vulnerable locations is still in the developmental stage. However, initial analyses suggest that areas with higher social inequality tend to be more at risk. These regions may be more susceptible to events such as Strikes, Riots, and Civil Commotion (SRCC) because of economic and social tensions. A targeted investigation of these relationships is necessary to develop informed risk assessments and preventive measures.

Accumulation controls are a vital component of risk management in the (re-)insurance industry, particularly in managing large risks and preventing excessive losses because of the concentration of risks. Accumulation controls aim to ensure that (re-)insurers do not accumulate too many risks in a specific geographical area or concerning a particular type of risk. The goal is to limit potential losses that could arise from a single large event such as SRCC.

(Re-)insurers should therefore monitor the geographical distribution of their policies—ensuring not too many SRCC-vulnerable policies are concentrated in one region—and the types of accumulated risks (such as the concentration of risks in certain industries or types of insurance products) that apply during SRCC events. By setting limits on the maximum coverage for SRCC events that (re-)insurers provide in a specific area or for a specific risk category, the financial exposure to large losses is limited. Additionally, reinsurance contracts can help spread risks and mitigate the impact of major losses.

Eliminating country risks from the overall exposure is a dynamic endeavour that must be continuously adjusted. A combination of different indicators can help identify higher location risks and implement targeted measures. The analysis should not only focus on specific cities but rather on the entire continent or territory to obtain a comprehensive picture of the risk situation. It is essential to review all locations, for example, considering all of France rather than just Paris.

A Country risk map can provide an initial indication of potentially more vulnerable countries and regions concerning SRCC events, and it can be used to consciously manage growth in certain locations, regions or countries.

The risks associated with Strikes, Riots, and Civil Commotion (SRCC) are sometimes not fully recognised, with their impacts often underestimated or perceived as distant and irrelevant. This can challenge the effective analysis of these risks. For instance, when an SRCC event is concentrated in a single city, it may not be perceived as a significant risk by (re-)insurers, resulting in a lack of responsive action. Conversely, when multiple cities are affected, there is a tendency to believe that such events are unlikely to occur simultaneously across several locations. Therefore, it is crucial to emphasize the need for a more thorough examination of the underwriting process and to ensure that SRCC considerations are integrated into the annual processes of (re-)insurers.

The clarity of wording and the scope of coverage are crucial when it comes to SRCC. A precise definition of SRCC is necessary to avoid any misunderstandings and to ensure that all parties involved correctly understand the risks and coverage. It is important to distinguish between silent coverage and explicit extensions, exclusions and limitations to ensure transparency.

Improved risk intelligence is required for better risk assessment and adequate pricing in underwriting. This includes the collection of exposure data, including the location and usage of insured objects. Additionally, we must monitor current socio-political developments and the loss history of SRCC events to make informed decisions. Adequate premium allocation for politically motivated losses is also important to ensure the financial stability of (re-)insurers.

Risk awareness must be continuously increased to ensure that all parties understand potential threats and can act accordingly. This requires training and information exchange to promote a comprehensive understanding of SRCC risk. A better understanding of SRCC could lead to adjustments in insurance terms and coverage, and differentiation between various locations and pricing. It is important not to focus solely on individual locations, as SRCC events can occur simultaneously in multiple locations. Factors such as radius, the possibility of unrest, government areas, and the likelihood of SRCC in certain neighbourhoods should also be considered.



4.4 Risk Modelling

The Use and Limitation of Country Risk Maps

While key infrastructures are frequently the main targets, the risk extends far beyond them. Cyber tools empower state proxies to execute a wide range of sophisticated operations that are difficult to detect. Contributing factors such as high inflation, wealth inequality, food and fuel prices, climate concerns, and worries about civil rights or perceived threats to democracy have not eased. Following the "super election year" of 2024 globally, further changes after the elections or political shifts by governments will continue to be triggers that could cause protests and tensions in many countries worldwide in the coming year, and economic difficulties resulting from mutual tariff wars.

Country risk maps are tools that provide insights into the various risks associated with different countries. Creating a risk map for SRCC events is possible, but the spread of such events can occur anywhere via social media, making prediction difficult. Often, there is no direct correlation between known risk factors and actual events and there may not be sufficient data available to conduct precise analyses. Nevertheless, an approximation of where SRCC events could potentially occur can be helpful in taking preventive measures.

All these factors can be incorporated into a Country risk map, providing an initial indication of potentially more vulnerable countries and regions concerning SRCC events. These maps are already established and modelled by vendors—offering a comprehensive overview of factors such as

political stability, economic conditions, regulatory environments, and social factors. Vendors use a variety of data sources and analytical techniques to create these maps, which help businesses and investors assess their potential risks and opportunities in different regions.

With the help of this Country risk map, (re-) insurance growth can be consciously managed by visualizing risks, allowing organisations to make informed decisions about entering new markets, managing existing operations, and developing strategies to mitigate potential challenges. This proactive approach serves as an early indicator to respond promptly to potential threats, ensuring that risks are kept in check.

Currently, there is no real model that can reliably predict locations for potential SRCC events. Models developed by providers are often still in their early stages and need further refinement to enable more accurate predictions.

Previous assumptions that were based on past events may prove inaccurate as social and political conditions have changed over time. To better assess future risks, various predictors should be considered, such as the cost-of-living crises, government corruption, the prevalence of weapons and upcoming elections. These factors can provide valuable insights into where and when unrest might occur.

It is important to recognise that all regions differ (Asia, Latin America, the Middle East, etc.), meaning that risk assessments and models need to be adapted accordingly to account for specific cultural and political contexts.



Modelling Example:

The following consideration may define the key regions and areas to be covered by a SRCC model, thereby enabling the identification and quantification of critical accumulation within an organisation’s own operations:

- **Regional (Re-)Insurance market presence:**
Identify global exposure footprint and regions of high own (re-)insurance market presence/ concentration.
- **Regional SRCC risk:**
Identify regions of high SRCC risk. Model to assess the risk of damage and disruption to businesses caused by SRCC events in response to social, economic or political factors.
- **Site-specific loss potential:**
Analyse for site-specific loss potential and stress testing.

The following aspects are important for the implementation within a modelling framework:

- Data completeness including location data,
- Accumulation scenarios supplemented by expert knowledge / real disaster scenarios,
- Credible assessment of scenario probabilities.



Relation to Terror Models

When comparing hotspots and larger areas (SRCC), it becomes clear that assessing risks regarding time and space presents a complex challenge. Hotspots are specific, geographically limited zones that exhibit an increased risk for certain events, whereas SRCC events, because of their larger areas, have a broader and often diversified risk distribution.

Terrorism and SRCC represent two distinct risk scenarios, each bringing specific characteristics and challenges to the insurance industry.

Differences	Terrorist Attacks	SRCC
Cause and Motivation	Are targeted, often politically motivated attacks carried out by groups or individuals to spread fear and unrest or achieve specific political goals.	Usually arise from social unrest, strikes, or uprisings, often resulting from economic or political tensions within a society. They are less targeted and can originate from a broad mass of people.
Targets	Often target symbolic or strategically important places, such as government buildings, public facilities, or large gatherings of people.	Typically affect urban areas and can include a variety of building types, including shops, public facilities, and residential areas.
Scale and Duration	Usually localised with limited geographical scope, although their impacts can be far-reaching.	Can extend over larger areas and last for longer periods, as they are often part of broader social movements.
Insurance Coverages	Insurances often offer specific coverages for terrorism risks, requiring separate policies or clauses within existing policies.	SRCC risks are often included in general property insurance, with special clauses or extensions potentially required for particularly vulnerable areas.
Structural Impacts	Structural damages from terrorist attacks can be significant, especially when explosives or other destructive means are used.	SRCC events often cause damage due to vandalism or looting, typically affecting the lower floors of buildings, particularly in urban areas.



A crucial point is that not all types of building and land use are equally affected. Some structures are more resilient to certain risks, such as terrorist attacks, while others, like residential or commercial buildings, may be more vulnerable. The (re-)insurance industry must therefore develop differentiated approaches to account for the varying impacts on different building types and their specific risks.

Especially when assessing risks in hotspots, we must analyse the specific characteristics and vulnerabilities of the structures located there. This requires precise data analysis and a deep understanding of local conditions to make informed decisions and develop effective risk mitigation strategies.

4.5 Risk Mitigation

Each insurer and reinsurer has its own risk appetites and preferences, but with the fast-changing environment of SRCC, evidenced by the increased number of protests resulting in more claims over the past two decades, some may for different reasons wish to limit their exposure to SRCC whilst continue to offer some level of protection to policy holders. In this situation there are many options open such as those set out below.

Consideration of Cover and Exposure

As part of the underwriting process a detailed assessment of the coverage is important. This incorporates the assessment of retentions for physical damage as well as business interruption with a good alignment of interest and incentives for risk mitigation.

Re-/insurance companies should also investigate their portfolios with respect to concentration in vulnerable regions and sectors. This is particularly relevant for events that spread over a longer period considering that 23% of significant protests have lasted more than 3 months (Source: Carnegie Endowment for International Peace).

Finally, companies may consider instruments for crisis and event intervention including support for policyholders.

Consideration of State Liability

History of terrorism pools

State-sponsored (re-)insurance pools have played an important role in recent decades, especially after the terrorist attacks on 11 September 2001, in covering loss events resulting from terrorism or other use of intentional violence and fear to achieve political or ideological claims. Examples include Pool Re, set up in 1993 by the insurance industry in co-operation with the UK Government after the IRA bombing of the Baltic Exchange in 1992, Extremus, a German specialist insurer founded in 2002 on the initiative of the German government, the German Insurance Association and the Federation of German Industry given the extent of the losses caused by the terrorist attacks on 11 September 2001, and the Australian Reinsurance Pool Corporation's (ARPC) Terrorism Pool, established in 2003, again following the terrorist attacks on 11 September 2001 and the withdrawal of terrorism cover by insurers, which enables Australian insurers to reinsure eligible terrorism losses by entering into a reinsurance agreement with ARPC. What all these pools have in common is that they are backed by state guarantees, although the nature of these guarantees varies from country to country.

Extension of pools to SRCC

It is not only the current wars and conflicts in the world that will present the insurance and reinsurance industries with further major challenges in the future but also the growing frequency and severity of SRCC events that have already been observed in many countries over a longer period. Accordingly, there could also be an increased need for pool structures for such risks in the future, especially with a focus on the accumulation of losses over a certain period within a city or country. That such solutions already exist is demonstrated by the example of Sasria, a South African state-owned

insurance company that covers losses caused by special risks such as politically motivated malicious acts, riots, strikes, terrorism and public disturbances. Unsurprisingly, Sasria was largely affected by the South African riots in 2021.

A further example would be the UK who established a scheme to provide financial relief to individuals and businesses affected by riots. It is designed to compensate victims for property damage, destruction, or theft resulting from civil disturbances. The scheme is governed by the Riot Compensation Act 2016, which replaced the Riot (Damages) Act 1886, modernising the framework for claims and ensuring more comprehensive coverage. Under the scheme, compensation can be claimed by individuals and businesses whose uninsured or inadequately insured property has been damaged during a riot, or insurance companies that have paid out claims for riot-related damages and seek reimbursement from the government. Claims must be submitted to the local policing body responsible for the area where the riot occurred. The scheme covers costs related to property repair, replacement, and business interruption, subject to specific eligibility criteria and claim limits (GBP 1m per location for property damage, destruction, or theft). The scheme is funded by local police authorities, meaning that the financial burden falls on the police forces responsible for maintaining order in the affected areas.

The formation of further state-subsidised pools or an expansion of existing pools for extreme scenarios could be a point of discussion for the future.

France's Planned SRCC (Strike, Riot, Civil Commotion) Pool

Over the past decade, France has experienced a series of significant riots that have imposed substantial financial burdens on insurers, including the Yellow Vest protests, urban riots in 2023, and civil unrest in New Caledonia. The financial impact has been particularly acute in overseas territories where insurance coverage is limited to a small number of providers. In response to these escalating risks, some insurers have begun withdrawing riot coverage in overseas territories such as New Caledonia, Guadeloupe, and Martinique, as this coverage is not mandated by the Insurance Code and is increasingly viewed as uninsurable. To ensure continued riot coverage throughout all French territories, the French Treasury has initiated discussions with the insurance industry to establish a public-private partnership focused on riot risk management, like the existing natural disaster regime.

This framework would require insurers to include mandatory riot coverage in all property contracts, while benefiting from a highly mutualised compensation system. The proposed multi-tier compensation structure would provide protection for insurers through state guarantees and reinsurance support for major claims.

The cornerstone of this initiative is a government-imposed surcharge on all Property & Casualty insurance premiums. This surcharge would fund a mutual reinsurance pool managed by CCR (Caisse Centrale de Réassurance), which would compensate insurers affected by riots through a four-tier scheme backed by the French state. This protective mechanism would be particularly advantageous for insurers operating in riot-prone regions, especially in overseas territories. The proposal is expected to be incorporated into the 2026 finance bill and implemented by 2027, although numerous details remain under discussion.

As the example of France is frequently mentioned in this document, we must note the existence of the FGTI (Fonds de Garantie des Victimes des actes de Terrorisme et d'autres Infractions), a compensation fund established in 1986 in France to indemnify bodily injuries (but not property damage) suffered by victims of terrorism.

Improving Infrastructure Protection

Vulnerable buildings and businesses require enhanced protection, especially in periods of increased exposure as indicated, for example, by relevant social media posts. Measures can be implemented by owners and operators but also by public services. When business operators receive early warnings about scheduled or proposed protests, they can close their business in time, implement specific protective measures, e.g. for large windows, and avoid any provocation of protesters. Authorities may also publish guidance for business and property owners and operators (CISA).

An adequate presence of public services such as police and firefighters in combination with appropriate escalation strategies may also support non-violent gatherings and protests.

Finally, there is responsibility of political actors providing an environment for safe protests and demonstrations.

Appendix 1

Examples of recent events

Event	Indicators of political stability or solidity of public governance*	Conditions leading to SRCC event	Trigger/catalyst	Insured loss estimated	Other impacts
United States of America riots 2024	#132/163, orange zone Trend: slight negative	Polarised communities (university campuses), decreasing culture of dialogue, echoes of wars in Near East	Israeli response to terrorist attack of 7 October 2023	Not yet known	Adverse federal government policies
South Korea riot 2024	#46/163, light green zone Trend: positive	Political issues, low approval ratings for administration, corruption	Martial law declaration, followed by impeachment procedure against then President Yoon Suk Yeol	Not yet known	Still unfolding
France riot 2023	#86/163, yellow zone Trend: strong negative	Socio-economic inequality, racial discrimination, political uncertainty (against background of social security reform), echoes of wars in Near East	Fatal shooting of Nahel Merzouk by two police officers in Nanterre, a suburb of Paris	EUR 782m	NA
Peru 2022/2023	#99/163, yellow zone Trend: slight positive	Socio-economic inequality, corruption, political instability	Impeachment of then President Pedro Castillo (after tentative to suspend congress)	Not available	Economic impact of USD 1bn
South Africa riot 2021	#127/163, orange zone Trend: slight positive	Socio-economic inequality, corruption, high unemployment	Imprisonment of former President Zuma	USD 2.5bn, mainly covered by state-owned SASRIA	Sizeable additional uninsured losses of about USD 600m
United States 2020	#132/163, orange zone Trend: slight negative	Socio-economic inequalities, racial discrimination	Murder of George Floyd in Minneapolis	> USD 2.5bn, about double the losses after LA riots in 1992	NA
Chile 2019	#64/163, yellow zone Trend: strong negative	Economic inequality	Student protests rising metro fares	USD 3-4bn, mostly property coverage	<ul style="list-style-type: none"> • Reputation loss at country level • Removal of SRCC from standard property cover
Hong Kong demonstration 2019	#88/163, yellow zone Trend: stable	Anti-government activism against transitional integration of HK to Mainland China	Introduction of bill designed to permit the extraditions of suspected criminals to Mainland China	USD 80m	Temporary dip in GDP growth/ tourism

**(Source: Global Peace Index), #/163 corresponds to the 2024 score compared to 163 countries in scope. Trend represents change to previous year.

List of Resources

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Public institutions and research institutes:

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- Institute for Economics and Peace: [Global Peace Index 2024](#)
- IMF - working papers: [Reported Social Unrest Index: September 2024 Update](#)
- Dictionary of International Trade: [What is Strikes, Riots and Civil Commotion Clause \(SRCC\)? Definition and meaning](#)
- Verisk Maplecroft: [Global SRCC Predictive Scores](#)
- PMN: [New Caledonia tourism recovery is slow but steady after civil unrest](#)
- CISA, [www.cisa.gov/sites/default/files/publications/protecting_infrastructure_during_public_demonstrations_508.pdf](#)

Insurance industry sources:

- Swiss Re (March 12, 2024): [Strikes, Riots and Civil Commotion: Exploring solutions to proactively manage heightening risk](#)
- Allianz (April, 2025): [Political violence and civil unrest trends 2025](#)
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- PartnerRe (October 7, 2024): [Closing the Gap: Addressing future challenges of SRCC protection](#)
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- Howden (April, 2023): [A World of Trouble](#)
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