

### Integrated coastal hazard risk reduction and management – a closer look at the dynamic damage cost methodology in COHERENT

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DK: Urd (Dec. 2016): ? Gorm (Nov. 2015); ? Bodil (Dec. 2013): ca. 1.6 bill. DKK. Allan (Oct. 2013): ca. 2.6 bill. DKK

Katrina (2005): ~700 bill DKK

Xaver (Bodil): 12 bill DKK (total)

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Urgency

#### DTU **Partners** GTS Governmental Research institute Miljø- og Fødevareministeriet Danmarks Kystdirektoratet Meteorologiske Institut Styrelsen for Dataforsyning og Research institute University Effektivisering (International) (Lead) Helmholtz-Zentrum Geesthacht Centre for Materials and Coastal Research Private enterprises Municipalities Smith Aabenraa Kommune **SKIVE**KOMMUNE Ringkøbing-Skjern Kommune ENVIRONMENT SOLUTIONS

# **Major Components**

- New approach for estimating the most severe storm-surge events and costs
- Integrated modelling of coastal systems, land-use and inland hydrology
- Dynamic damage cost curves
- Updating of warning system, hazard development and optimal management
- Behavioral experiments and studies linking research, local governance and risk management







## **Outputs**



#### The COHERENT platform will include:

- Statistical and probabilistic climate scenarios, interactive land-use and hydrological modelling, GIS risk maps linked to local data systems
- Dynamic damage curve estimation tool linked to GIS map and sector-specific loss tables
- A framework to link climate adaptation with a wider set of data and tools on damage costs, coping capacity, emergency operational planning, technologies, civil-society engagement and learning

#### Case studies:

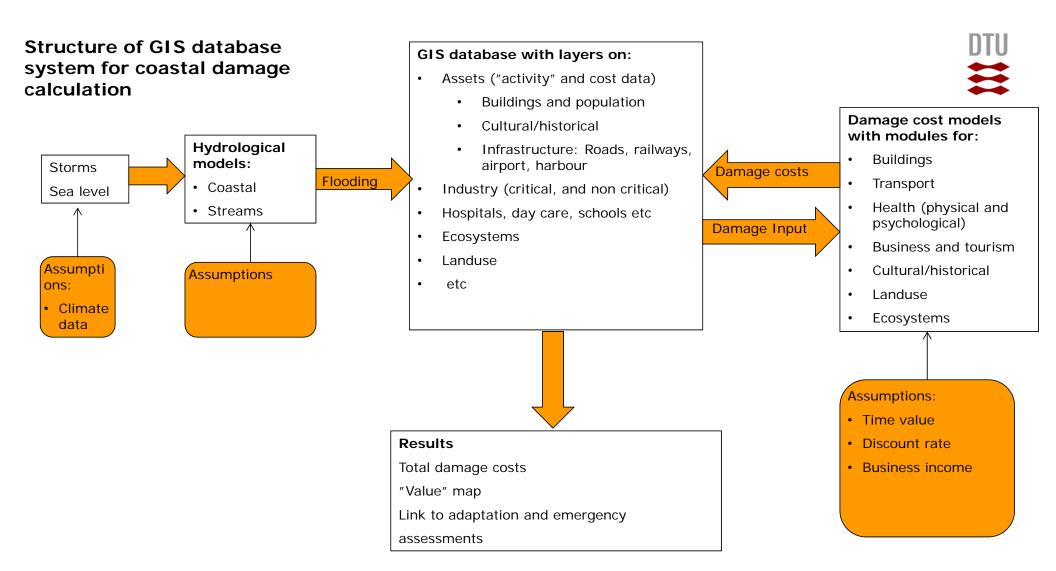
- Skive, including adjacent land (Limfjorden): Interactions between flooding from the fjord/sea, the Karup stream, and urban development
- Aabenraa (Western Baltic Sea/Belt location): Storm surge risks, interactions with upstream water flows, city development, coping strategies and hazard management
- Ringkøbing-Skjern (North Sea/fjord location): Protection of the fjord with an eroding barrier currently maintained by sand nourishment, nature, tourism, emergency response
- Emden (Germany/North Sea/high tide/harbour location): Results of an ongoing national German project focusing on human dimensions

#### **Methodological Challenges**

- Flooding probabilities
- Integrated costal- and backwater flooding
- Welfare economic basis:
  - Aggregation of damages across buildings, industry, health, nature etc
  - What happens if some values cannot be substituted (Weitzman versus Nordhaus)
  - Risk aversion
- Is the damage function getting steeper with higher impacts (Concave or convex for different impact areas)
- The dynamic damage cost curve





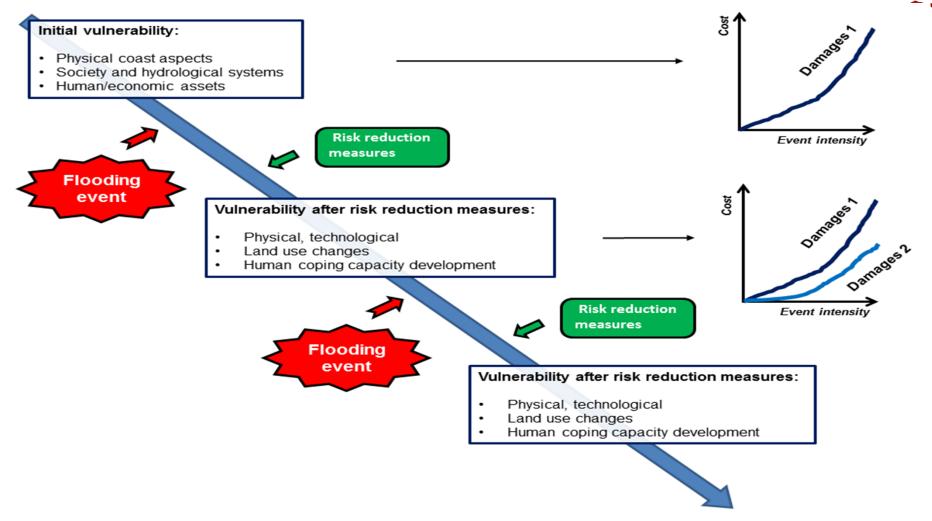


### State of the Art and Beyond

- Damage cost curves based on insurance or other event data:
  - Static picture, city development, governance, and economics purely represented
  - Simplified damage cost concepts with a strong focus on reconstruction of buildings and roads
- Beyond:
  - Traffic, health, emergency, property markets, production and other business
  - City planning perspectives and decision module sustainable development indicators
  - Welfare function confronted with international research in Integrated Assessment Models

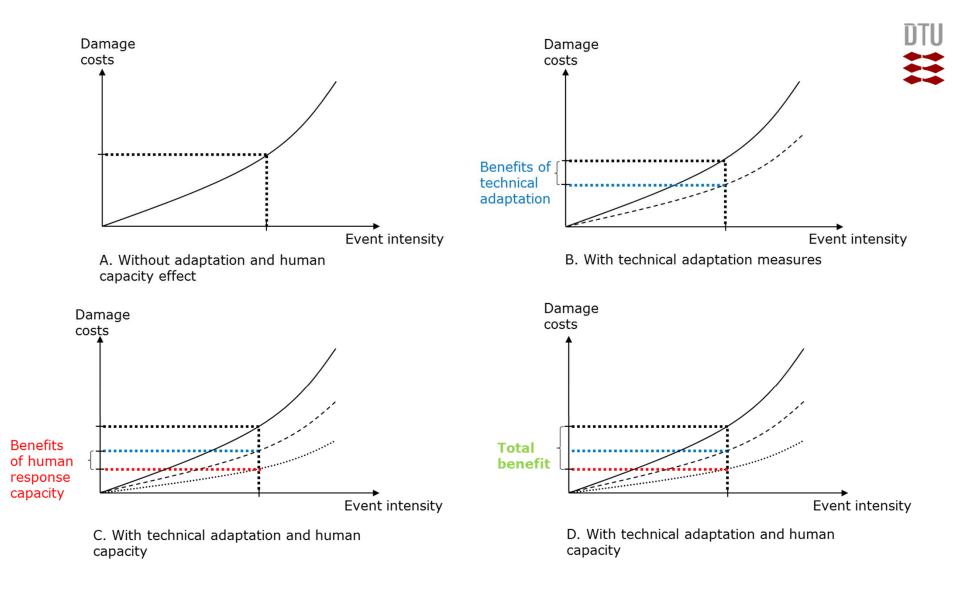


#### **Dynamic Damage Cost Curves**



### **Dynamic Damage Cost Elements**

- Damage costs with similar physical exposure can change over time due to:
  - Physical adaptation measures
  - Effective emergency response
  - Societal and human response capacity
- Societal and human response capacity:
  - Knowledge
  - Networks (social capital)
  - Governance
  - Access to finance
  - Etc.
- Efforts to measure response capacity:
  - Work with local focus groups
  - Economic experiments testing risk preferences
  - Compare damages costs for different locations
  - Assess effectiveness of emergency response, incl. international litterature



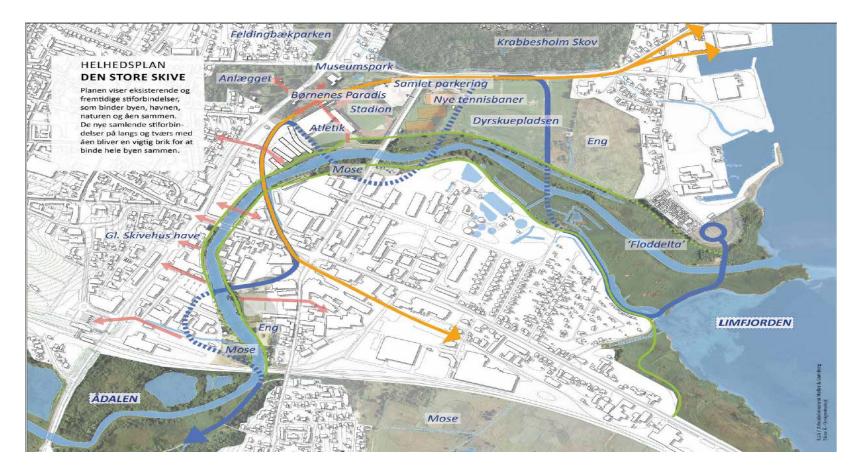
#### **Adaptive Response Experiment**

**Individual Decisions** Risk Adaptation Random Period information decision event payoff **Group Decisions** Individual decision OR Random Group Group Period event vote risk payoff Group adaptation Source: Phd student Catharina Wolf von Bülow

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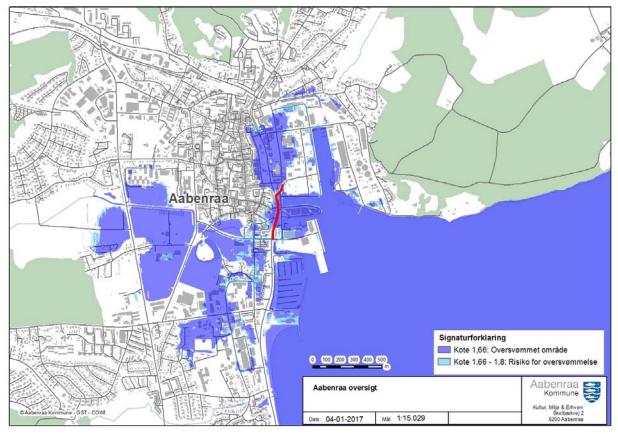
#### Skive City Development and Coastal Protection

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#### **Aabenraa – Coastal Flooding and Backwater**







#### Conclusions



- Coastal damage risk assessment requires integrated inter-disciplinary modelling
- Many open research questions including:
  - Flooding probabilities
  - Damage costs
  - Human dimensions
  - Detailed bottom up studies offers interesting results
- Aggregate IAM damage costs are challenged
- Risks can probably be reduced significantly by comprehensive coping measures

