

# Lloyd's City Risk Index 2015-2025

Analysing the economic exposure from 18 threats over ten years from 2015

Understand the risks: [www.lloyds.com](http://www.lloyds.com)

## Taipei, Taiwan

Average GDP growth rate: 3.84%

Average annual GDP: \$400.54bn\*

Total GDP@Risk: \$181.20bn

Share of Average annual GDP: 45.24%

### GDP@Risk ranking

Global: 1 Regional: 1 National: 1

### GDP@Risk by threat type

Threat	GDP@Risk	Share of Total GDP@Risk
Wind storm	\$81.14bn	44.78%
Earthquake	\$29.69bn	16.38%
Market crash	\$28.58bn	15.77%
Flood	\$10.75bn	5.94%
Oil price shock	\$7.76bn	4.28%
Human pandemic	\$7.10bn	3.92%
Volcano	\$7.03bn	3.88%
Cyber attack	\$5.14bn	2.84%
Power outage	\$1.24bn	0.68%
Drought	\$0.78bn	0.43%
Solar storm	\$0.61bn	0.34%
Plant epidemic	\$0.58bn	0.32%
Nuclear accident	\$0.57bn	0.31%
Sovereign default	\$0.22bn	0.12%
Freeze	\$0.00bn	0.00%
Heatwave	\$0.00bn	0.00%
Terrorism	\$0.00bn	0.00%
Tsunami	\$0.00bn	0.00%

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### Insight

Taipei has the highest Total GDP@Risk, with almost half of its Average annual GDP exposed. Its combined potential losses from Natural threats are the biggest globally, accounting for more than three-quarters of its overall exposure. Wind storm (1<sup>st</sup>) dominates, with typhoons a regular occurrence - Typhoon Morakot dumped 2.5m of rain on Taiwan in 2009, killing at least 40 people. One of the main impacts of typhoons is severe flooding, and accordingly the city has the Index's 7<sup>th</sup> highest GDP@Risk from Flood.

Taipei also has the 3<sup>rd</sup> highest exposure to Volcano risk. Taiwan has nine volcanoes, including the Tatun group situated just 15km north of the city. Where there is volcanic activity, there is also Earthquake risk, and Taipei features the 4<sup>th</sup> highest potential losses from this threat type.

Despite its sizeable economic vulnerabilities to Natural shocks, Taiwan's Manmade threats are still the 4<sup>th</sup> highest globally. Indeed, its GDP@Risk from Market crash is the largest in the Index. Taiwan is a small but open economy that relies on trade for its prosperity; exports accounted for 73% of its GDP in 2012, with high-tech products representing about 40% of exports - more than other Asian exporters such as Japan and South Korea.

Oil price shock (10<sup>th</sup>) and Cyber attack (11<sup>th</sup>) contribute the majority of Taipei's other Manmade threats, a pattern seen in many developed nation cities. Although the risk is relatively small, Taipei still has the 5<sup>th</sup> highest economic exposure to Nuclear accident. Taiwan, which is just 394km long, has six nuclear power stations. Plans to build two more near Taipei have been suspended (as of 2015).

### Sources:

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