

## Sylvassur, specialist insurance for private forest owners in France



**Sylvassur** is a forest insurance product introduced in 2013 on the initiative of the Fédération des Forestiers Privés de France, also known as FRANSYLVA. This federation, founded in 1945, brings together all the département private forest unions in France.

Its role is to represent forest owners before the public powers and to inform and advise its members on forestry regulations, taxation and management. FRANSYLVA was thus the driving force behind the specific insurance policy designed for forest owners to offer them protection against the loss of wood value in the event of damage in the forest.

Sylvassur explained by Nicolas du Boullay

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**ONLY 5% OF FRANCE'S PRIVATE FORESTS ARE CURRENTLY COVERED BY INSURANCE.**

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Given this fact, the French national federation of private forest owners turned its attention to the issue of damage in the forests and the resulting loss of wood value. This was certainly the source of a loss of revenue.

SYLVASSUR was introduced in 2013, on the initiative of one of the Federation's subsidiaries, Forestiers Privés de France Services (FPFS). The product is managed jointly by insurance brokers Verspieren (the largest family wealth brokerage in the country) and Lloyd's, the well-known British insurers, who were able to meet the specifications defined by a commission of forest owners at the outset.

It is an insurance product that offers a choice of policy: Fire+Storm or Fire only. Depending on the species, wood quality and their resources, forest owners can request their own personalized formula. In fact, you can insure your forest for a value of between €500/ha and €25,000/ha.

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SYLVASSUR can thus be adapted to the specific requirements and characteristics of the forest. For example, the forest insurance policy may only cover one plot, if its species are more sensitive or more valuable than on the rest of the estate. “An array of specific features can be taken into account,” emphasizes Nicolas du Boullay, head of sales at SYLVASSUR. “To provide the best possible response to forest owners' requirements, we call on a network of forest managers located all over France and who are fully familiar with their clients' forests.”

## Present all over the country



The SYLVASSUR forest insurance product benefits from a well-balanced geographic distribution, although some forest areas are especially attentive and keener to take out insurance cover.

FRANSYLVA is satisfied with the performance of SYLVASSUR since its introduction: “We have managed to reassure a high number of owners by providing personalized guarantees for their forest. The laws introduced to encourage forest insurance cover through tax incentives have also been effective. However, we hope that the ceilings will be revised. Here, I'm referring to the DEFI Insurance scheme which enables an income tax reduction of €4.56/hectare insured for the Storm risk.”

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There is now a new government and the discussion and proposals aimed at improving forestry law are going well. Since January 1<sup>st</sup>, 2017, owners are no longer entitled to public aid in the event of damage in their forest. New measures on forest insurance must be applied as a matter of urgency or, at the very least, we need to agree to the continuity of certain measures, particularly those related to taxation.

Private forest owners are keeping a keen eye on this issue via their unions and the Federation.

ForÃt Investissement, the forest property specialist, strongly recommends owners insure their forests for civil liability at the very least and, when they are involved in forest production, for the Storm and Fire risks. The cost of this kind of insurance is approximately â,-4 for a guarantee of â,-1,000.

Donâ€™t forget: if a third party suffers an accident in your forest or on the adjacent roadside, you are responsible for fallen trees and/or the damage they cause. You must have Civil Liability insurance at the very least!