

The Risks in Fire Insurance and the Causes of Fires in Indonesia

Nabila Wulan Tresna¹, Enrico Febrian Eriansa², Fathur Rahman Dwinanda³,
Sely Sakinah Rahmat⁴

^{1,2,3,4} Padjadjaran University, Jl. Raya Bandung-Sumedang KM.2, Sumedang, Jawa Barat, 45363

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Abstract

This article discusses Natural Disaster Insurance, especially fire. The purpose of this article is to find out what insurance is in general, fire insurance, what risks are covered and not covered, and the causes of fire. The research method used is qualitative and the power collection technique uses data from news. Risks that are borne include fires whose fires originate from internal or external fires, explosions of steam boilers, gas, gunpowder, and other explosives, lightning strikes, and aircraft crashes. For risks that are not covered such as theft after an event covered by the policy, incidents caused by war, nuclear reactions, and intentional.

□ Address Correspondence:

E-mail : enrico19001@mail.unpad.ac.id

INTRODUCTION

Climate change in recent years is showing direct consequences. Seasons that change from schedule and frequency usually escalates causing havoc here and there. For example, flooding was quite high in several cities in Indonesia a few weeks ago, forest fires due to extreme heat in parts of Australia, erosions and many more. As inhabitants of this earth, we should be more concerned about the environment and the sustainability of all living things on earth. Together we protect this land, don't be greedy and don't worry about the environment. Indonesia is not immune from the threat of natural disasters. Indonesia is located in the ring of fire area, making it vulnerable to disasters such as volcanic eruptions and earthquakes. The rainfall is quite high and some areas are in the lowlands, making some areas in Indonesia also prone to flooding. However, Indonesia's geographical location also offers advantages, because Indonesia is a country that is very rich in resources. We are the only ones who want or don't want to protect Indonesia's nature. Given these facts, disaster is very likely to occur suddenly. For this we should already have protection or protection so that the losses incurred are not too large.

The most well-known protection for residents is life or health insurance. Insurance is an agreement between the insurance company (the insurer) and the policy holder (the insured) whereby the insured pays a premium to cover the risk of damage, legal liability to third parties that may be suffered by the insured, receives payment because the insured dies or lives with a fixed amount of benefits and/or based on the results of fund management. property insurance. Property insurance is included in the type of general insurance. There are actually two types of property insurance, namely fire insurance and property insurance. The properties mentioned in this insurance are non-commercial buildings such as: offices, houses, hospitals, schools and various other real estate buildings. What we want to discuss now is home insurance. How important is it that the house is insured? A house is one of the most important needs. For us, home is a place where we take refuge, a place where we find

ourselves, and a place where we can return home. If the house is damaged, of course it is very uncomfortable, not to mention the repair costs that you have to spend are definitely not small. Property insurance, like other types of insurance, protects your property. Property insurance reduces damage in the event of damage to the home. The causes of the damage suffered vary, the exception is expressly stated in the all-risk property/industrial all-risk insurance. In other words, a comprehensive property policy covers all risks as long as they are not excluded. Therefore, the All Risks Ownership Policy is known as the "Unknown Risk" policy. Some examples of risks included in the exclusion are those caused by terrorism, war, nuclear weapons and malicious intent on the part of the insured or other persons known to the insured. The amount of premium to be paid by the insured depends not only on the price insured but also on the level of risk of the prospective insured.

THEORETICAL FRAMEWORK

Risk is an event that if it occurs will cause disruption or failure to achieve the goals to be achieved. To deal with these risks, insurance has a fairly important role because basically insurance can help in minimizing the occurrence of losses, especially in terms of financial losses so that insurance will provide a sense of security for the community. One of the protections or insurance protection that can be enjoyed by the public against the risks faced by individuals, families and businesses is fire protection. Fire insurance aims to compensate for losses caused by fire or anything that cannot be predicted according to the contents of the policy and its attachments. There needs to be an explanation made by the insurer to the insured regarding the contents of the agreement contained in the policy, especially for the problem of the object of coverage so that when a claim occurs there is no misunderstanding between the two parties.

According to Dessy Danarti (2011: 6) Insurance or in Dutch "verzekering" means coverage. There are two parties involved in insurance, namely the party who is able to bear or guarantee that the

other party will receive compensation for a loss, which he or she may suffer as a result of an event that is not necessarily going to happen or at first it cannot be determined when it will occur.

Insurance has actually been around for thousands of years, even since the year Before Christ (BC) where there is a concept of a contract agreement that is similar to today's insurance. In addition, there is an ancient Indian book, the Rig Veda in Sanskrit which mentions the history of Yoga Kshema which means insurance. The history mentioned above is proof that humans are always thinking about and preparing for their future life.

Insurance is a way to reduce the risks inherent in the economy by combining a number of insurance units that may be exposed to the same or almost the same risk, in sufficient or larger amounts, so that the probability of loss can be predicted and if a predicted loss occurs. then the burden will be shared proportionally by all parties in the combined coverage.

In general, the definition of fire insurance is a form of insurance that provides coverage for loss or damage caused by a fire that afflicts the object of coverage, the object of coverage covered includes residential buildings, shop houses, warehouses, factories, office buildings, household furniture, hotels, etc.

As for the meaning of fire insurance from article 290 of the KUHD. Article 290 of the KUHD explains the causes of fires and the dangers that occur as a result of fires that are the responsibility of the insurer. Based on Article 290 of the KUHD, fire insurance is a type of insurance that covers and guarantees loss, damage or loss caused by a fire that occurs due to own fire or fire from outside, such as being careless when using fire, bad air, robbers and so on that can cause damage to the fire. cause a fire.

According to Wahyu Prihantoro, there are three types of fire insurance when viewed from the point of view of objects guaranteed by fire insurance, namely:

1. Building or scaffolding
2. The merchandise inside
3. The building or scaffolding and the merchandise in it

Apart from the point of view of the object being guaranteed, fire insurance also has several types when viewed from the point of view of the cause, including:

1. Lightning, own fire, carelessness and miscellaneous accidents
2. Mistakes or bad intentions from own servants, neighbors, enemies, robbers
3. Other causes under any name, in any way the fire can occur, intentional or unintentional, ordinary or extraordinary without exception.

METHOD

Data Types and Sources

In this article, the author uses qualitative data, namely data that explains a phenomenon based on things that generally cannot be calculated. Because quality generally cannot be described in terms of numbers, this qualitative data is generally presented using descriptive explanations.

Data collection technique

Data collection is a phenomenon of part or all of the population that is used as a supporter in this study. The data collection technique that will be used in this research is news.

RESULTS AND DISCUSSIONS

Types of risks in fire insurance

As previously explained, risk is an event that is not expected if it causes loss, damage or loss. Therefore insurance has an important role to protect the assets we have. But not all risks can be borne by the insurance company, depending on whether the damage, loss or loss was done intentionally or not. The following types of risks exist in fire insurance:

1. Risk Borne

This means that the insurance company will cover all losses from the insured. In insurance, a fire policy covers loss or damage to property covered by the principal risks, including:

- a. Fire originating from borne property (own fire) or fire originating from outside, robbers,

enemies and others that can cause fires without being known beforehand;

- b. Blasting of steam boilers, gas boilers, gunpowder, and all kinds of explosions except those carried out by nuclear power;
- c. Lightning strikes and other things, although they do not cause fires, they still cause damage and losses;
- d. Aircraft crash, which is a physical collision between the aircraft and or goods falling from the aircraft, although it does not cause a fire, it still causes damage to the building or building and the property in it.

However, the insurer may not pay compensation from the fire insurance if the insurer can prove that the fire, loss or damage was a deliberate act or intentional omission by the insured.

2. Excluded Risk

This means that the insurance company will not compensate for the losses suffered by the insured for one reason or another, usually caused by:

- a. Fire or explosion from self-inflicted fire or short-circuit or arising from the nature of the item itself, unless expressly warranted by a special extension.
- b. Theft and or loss during and after the occurrence of events covered by the policy.
- c. War fires, raids, actions of foreign enemies, warlike activities, civil wars and more
- d. Nuclear reactions, radioactive contamination or contamination.
- e. Deliberate, business interruption, forest, bush, peat fires.

The Main Cause

1. Lightning

Lightning is a common cause of fires. Usually, lightning strikes are very influential during the dry season. Lightning sometimes causes fires in areas that are rough and not easily accessible.

2. Broken Cable

This damaged cable is caused by the peeling layer due to frequent bites by mice or the cable being

coiled continuously. To avoid an electrical short, it can be done routine checks on the condition of the cable.

3. Cigarette

Fires caused by cigarettes are one of the fires carried out by humans. Cigarette butts that are thrown carelessly can make a fire start in an instant.

4. Flammable Liquid

Flammable liquids include gasoline, kerosene, perfume, and liquid mosquito repellent. These samples should not be placed in a place that is prone to heat, because it can cause fires easily. The thing that can be done to avoid this fire is not to put the liquids in a dry and hot place.

5. Drought

Drought can be said to be the main cause of fires. The slight friction of dried leaves can cause a very large fire and consume an entire field or forest. To avoid the dryness, it can be done with regular care and watering.

6. Volcanic Eruption

A volcanic-type volcano that erupts and releases very hot lava and just touching a tree while descending from the mountain can easily cause a forest fire or anything it touches. The cause of this fire is indeed very difficult to control because it is the influence of nature and occurs naturally.

7. Logging

This massive logging is done by random people. Automatic logging machines that spark fires can start fires instantly, especially during the dry season. It is better if someone wants to do logging, ask for the official letter. If not, report the person directly to the authorities.

8. Land Clearing

One example of land clearing that is ripe is land clearing for oil palm plantations. These fires have had a major impact on the people living in the area around the cleared land. This land clearing can cause health problems for the

people around. The government should intervene immediately to end this incident.

9. Electric Plugs

Unattended or left unattended power plugs can cause electrical shorts and fires. This is caused by the heat generated by the electric current, then the heat is trapped in one place, and finally a fire occurs. To avoid this, there should be no water around the plug and if it is not in use, it should be removed.

10. Kitchen Problems

The causes of fires caused by kitchen problems are not only stove or gas explosions, but many things such as stove burning and cooking utensils getting very hot that are not supervised. It's best when cooking, don't be careless, leave the kitchen, and don't watch the fire start.

CONCLUSION

Fire Insurance is a form of insurance that provides coverage for loss or damage caused by a fire that afflicts the object of coverage, the object of coverage referred to among others is the construction of residential houses, shop houses, warehouses, factories, office buildings, household furniture, hotels, and so on.

Fires can be caused by 10 events and almost all of them have solutions that we can all do to avoid the sefire.

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