

# COMMUNIQUÉ

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## Hazards Insurance Partnership (HIP) – Meeting 5

7 December 2023 – Virtual

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The Hazards Insurance Partnership (HIP) met for the fifth time on Thursday 7 December 2023.

- List of attendees – Attachment A
- Members endorsed the [Meeting Four Communiqué](#) prior to this meeting.

### **Member Updates**

National Emergency Management Agency (NEMA) Coordinator-General Brendan Moon AM (Chair) opened the meeting by providing an overview of the Higher Risk Weather Season. The Chair also gave an update on the timelines for round two of the Disaster Ready Fund (DRF).

The Insurance Council of Australia's (ICA) CEO Andrew Hall (Deputy Chair) provided an update on the insurer perspective of likely upcoming weather events. The Deputy Chair also noted the success of the ICA's advocacy in NSW abolishing the Emergency Services Levy.

The Department of the Prime Minister and Cabinet (PM&C) provided an update on the whole-of-government work addressing current cost of living pressures, of which a key aspect is the price of insurance premiums. PM&C noted that there were several reviews underway into aspects of emergency management, disaster resilience and funding, including the *Independent Review into Commonwealth Disaster Funding* and the *Independent Review of the Australian Climate Service*. PM&C also noted that the Australian Government has been working with states and territories on issues intersecting with insurance availability and affordability, such as land use planning.

The Treasury provided an update on their ongoing review of the standard cover regime and also standard definitions. The Treasury reflected on the lessons learnt from the Assistant Treasurer the Hon Stephen Jones MP's delegation with insurers to Europe to meet with reinsurers and reaffirmed the need to rapidly address hazard risk in Australia.

### **Australian Climate Service (ACS) / ICA Technical working group presentation**

The ICA provided an update on Phase One of the Bundaberg Flood Pilot (The Pilot). The Pilot seeks to understand relationships between flood hazard and risk, insurance coverage and affordability, and impacts of community mitigation projects on insurance and be used to inform nationwide flood risk mitigation initiatives. Members agreed to progress discussions on the path forward for bilateral data sharing agreements between government and industry.

### **Australian Prudential Regulation Authority (APRA) / ICA presentation on Climate Vulnerability Assessment**

Previous HIP meetings have identified the potential for further streamlining of Australian Government engagement with the insurance sector relating to climate and hazard risk. APRA and the ICA provided an update on the progress of the Climate Vulnerability Assessment, and how this might plug into future HIP work.

### **Deloitte flood insurance report**

The Deputy Chair provided an overview of the industry-commissioned report from Deloitte, '[The new benchmark for catastrophe preparedness in Australia](#)'. The Deputy Chair discussed the key themes from the report and spoke on how these themes would likely be further explored in the House of Representatives' Standing Committee on Economics' Inquiry into insurers' responses to 2022 major floods.

### **Next meeting**

The next meeting of the HIP will be held in early February 2024.

## Attachment A: Attendee List

Insurance Council of Australia (ICA)
Allianz
Insurance Australia Group (IAG)
QBE
Royal Automobile Club of Queensland (RACQ)
Suncorp
Ministerial offices: The Office of the Assistant Treasurer The Office of the Minister for Emergency Management
National Emergency Management Agency (NEMA)
Prime Minister and Cabinet (PM&C)
The Treasury
Australian Climate Service (ACS)
Australian Competition and Consumer Commission (ACCC)
Australian Prudential Regulatory Authority (APRA)
Australian Securities and Investment Commission (ASIC)

