



UNDER THE COVER

NEWSLETTER | APRIL 2025 | AUTUMN



A message from our CEO

As we navigate the ongoing cyclone season, I want to take a moment to acknowledge the devastation caused by ex-Tropical Cyclone Alfred and the profound impact it has had on southeast Queensland and

northern New South Wales communities.

Our teams have been closely monitoring the situation, working with our partners across government agencies and the insurance industry, to discuss our support for impacted policyholders.

In this edition, we'll share the latest updates on the 2024-25 cyclone season so far, the completion of our terrorism retrocession program and some updates we have made to our website to explain the terrorism and cyclone pool.

In February, we launched our inaugural Reconciliation Action Plan which outlines practical actions to help drive the contribution to reconciliation within ARPC and in the communities in which we operate.

We will also be hosting our annual Cyclone Risk Insurance Seminar on 21 May in Sydney which will feature experts in cyclone risk insurance from government agencies and academia.

With the upcoming 2025 federal election, ARPC will be following the [Guidance on Caretaker Conventions](#) until the election period concludes.

We look forward to continuing our work to support insurers across the terrorism and cyclone pools.

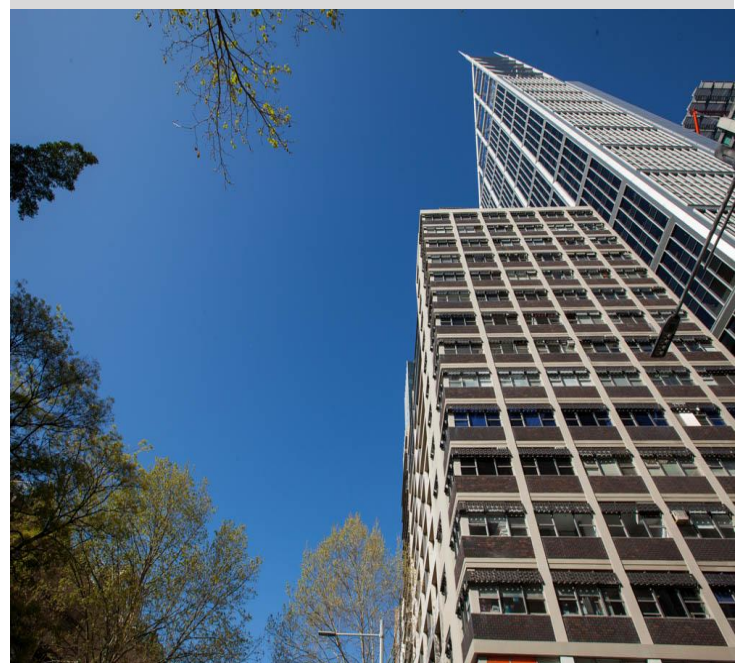
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Our support following ex-Tropical Cyclone Alfred

“While it will take some time to gain a clearer picture of the damage following ex-Tropical Cyclone Alfred, our teams remain ready to help insurers process claims and facilitate the recovery process.

“We understand that managing this situation is a significant task and we truly appreciate your efforts and dedication during this challenging time. We are available to support insurers with any cyclone pool reinsurance claim reimbursements.

“To help insurers earlier in the claims process, we emailed a list of impacted postcodes from ex-Tropical Cyclone Alfred to impacted insurers. Our teams are well prepared to manage any eligible reinsurance claims arising from this event and ready to assist insurers with submissions, including loss estimate reports, claims bordereaux and other payments, as required.

“As we assess the long term implications of this cyclone, we are committed to further strengthening our partnerships, refining our processes and ensuring we continue to be prepared for future events. If you require any support with queries or claims submissions, please contact claims.enquiries@arpc.gov.au.”

- Jason Flanagan, ARPC Chief Claims Officer

Update on 2024 - 25 Cyclone season

In the 2024 - 25 cyclone season, there have been nine tropical cyclones occurring in the Australian region with four declared as cyclone events under the TCI act (Sean, Zelia, Alfred and Dianne) impacting the Australian mainland and Island communities.

The following is a summary of the 2024-25 cyclone season:

Tropical Cyclone Sean

Event Start (AEST)	Event End (AEST)	Claims period end for Reinsurance
19/01/25 10:00 AM	22/01/25 5:00 PM	24/01/25 5:00 PM
Hours on risk	Preliminary loss estimates	
127	\$5.9 million	

Tropical Cyclone Zelia

Event Start (AEST)	Event End (AEST)	Claims period end for Reinsurance
12/02/25 4:00 AM	15/02/25 4:00 AM	17/02/25 4:00 AM
Hours on risk	Preliminary loss estimates	
120	\$18.8 million	

Tropical Cyclone Alfred

Event Start (AEST)	Event End (AEST)	Claims period end for Reinsurance
28/02/25 8:30 AM	08/03/25 6:00 AM	10/03/25 6:00 AM
Hours on risk	Preliminary loss estimates	
237.5	\$1.7 billion	

Tropical Cyclone Dianne

Event Start (AEST)	Event End (AEST)	Claims period end for Reinsurance
28/03/25 5:00 PM	29/03/25 10:00 AM	31/03/25 10:00 AM
Hours on risk	Preliminary loss estimates	
65	TBC	

ARPC launches inaugural Reconciliation Action Plan

We are proud to launch our inaugural Reconciliation Action Plan (RAP) to support Aboriginal and Torres Strait Islander peoples across industry and government.

ARPC's RAP (Nov 2024 – Jan 2026) has been endorsed by Reconciliation Australia and recognised as a Reflect RAP, which includes practical actions to help drive the contribution to reconciliation within ARPC and in the communities in which it operates.

[Read more](#)

2025 terrorism retrocession program

We have successfully finalised our retrocession program for the terrorism reinsurance pool for the 2025 calendar year. A smaller limit was purchased with an increased deductible to reflect ARPC's current view of risk for the portfolio, as well as ARPC's view of value for money in the risk transfer.

The retrocession, of \$2.15 billion, plus ARPC's net assets and the \$10 billion Commonwealth guarantee, provides approximately \$14 billion in pool capacity in response to a declared terrorism incident affecting commercial and other eligible property assets.

[Read more](#)

Q: Is joining ARPC's terrorism pool mandatory and what is its role in managing terrorism risks?

A: Joining the terrorism pool is optional for insurers. However, once an insurer registers a Reinsurance Agreement with ARPC, all eligible risks specified in the Terrorism and Cyclone Insurance Act and Regulations, 2003, must be ceded to ARPC. Insurers cannot selectively cede contracts. ARPC's role is to manage terrorism risks by providing reinsurance for eligible insurance contracts.

Submissions for cyclone and terrorism pool

Both cyclone and terrorism pool premium submissions are due by 30 April 2025 for the third quarter (1 January – 31 March) of the 2024-25 financial year. All cyclone and terrorism pool premium submissions, including nil submissions must be lodged by that date.

RISe has been decommissioned

ARPC's transition to the PACE Terrorism portal is complete, with the decommissioning of the RISe system on 31 March 2025.

The RISe platform has served ARPC well since the terrorism pool was established. However, in October 2024 we launched PACE Terrorism as a new platform to better support insurers in the terrorism pool.

We want to thank all of our terrorism insurers for supporting us through this transition. If you have any questions or require any additional information, please don't hesitate to reach out to the ARPC team at enquiries@arpc.gov.au.

Revised cyclone premium rates v3 – new PACE testing environment

We have set up temporary testing environment in PACE to assist insurers to test the revised cyclone pool premium rates effective 1 April 2025. This is particularly important for insurers that submit monthly reports and those with strata portfolios.

The testing environment will be consistent with the usual UAT environment but hold v3 rates and amendments. To avoid confusion with UAT, we have called this 'Pre-PROD'. If you have not received communications about the testing environment or would like additional support, please email enquiries@arpc.gov.au.

Update to Premium Determination Report

We have released an addendum to our **2024 Premium Determination Report**. The addendum outlines average cyclone pool premiums in various regions under both the previous (v2) and updated (v3) rates.

The addendum aims to provide clarity and assist policyholders in understanding the impact of the rate changes on average premiums.

For example, the average Home Buildings cyclone pool premium for Townsville is \$637 under the previous rates (v2), and this remains unchanged under the updated rates (v3).

[Read more](#)

ARPC issues Practice Guides for Short Term Rentals and SME

ARPC has published practice guides to assist insurers in complying with the Terrorism and Cyclone Insurance Act 2003 in relation to small business properties as well as short term rentals within residential strata developments. These guides are designed to support insurers in determining eligible policies to be ceded to the cyclone pool.

[Read more](#)

Commentary: Australia's cyclone pool - the journey so far, and what the data is telling us

Since 2023, ARPC has been a member of the World Forum of Catastrophe Programmes, an international platform for government created or government sponsored insurance schemes covering natural catastrophes.

ARPC engages with international members to exchange insights and experiences related to catastrophe risk management.

ARPC's Head of Public Affairs and Communications, Alexander Drake, shared some commentary in the autumn 2025 digital magazine of Spain's government insurance provider for catastrophic risk 'Consorcio de Compensación de Seguros'.

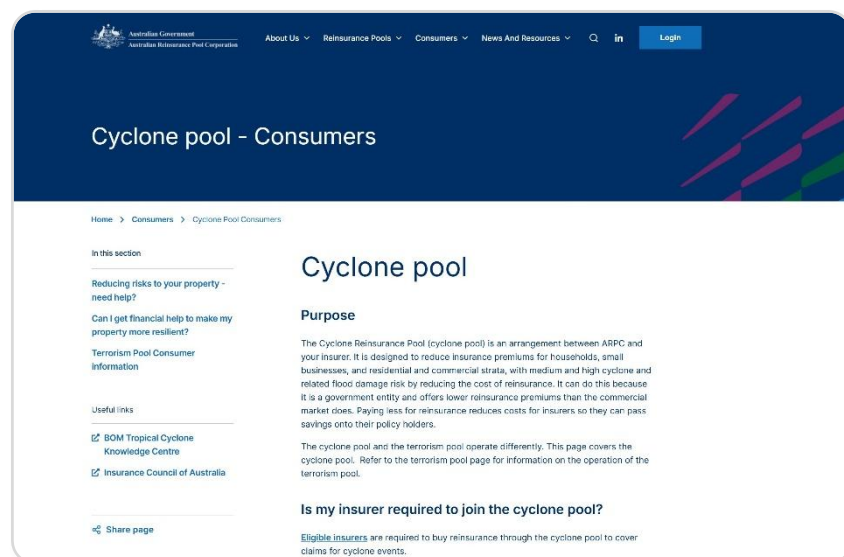
The article discusses the establishment and progress of Australia's cyclone pool, which aims to mitigate the financial impact of cyclones on affected communities and ensure the availability of affordable insurance. It highlights the journey so far, the data collected, and the impact on risk management and insurance in the region.

[Read more](#)

Updates to ARPC website

We have simplified the consumer content on our website that explains the cyclone pool and terrorism pool. We've revised this content to ensure it's clear and easy to understand, making it more accessible for consumers, policyholders, and the broader community.

[Read more](#)





Australian Government
Australian Reinsurance Pool Corporation

2025 Cyclone Risk Insurance Seminar

Wednesday, 21 May 2025

NSW Parliament House, Strangers' Room

SAVE THE DATE

ARPC invites you to attend our **2025 Cyclone Risk Insurance Seminar** on **Wednesday, 21 May** in **Sydney, NSW** at **Parliament House**

The event will feature experts in cyclone risk insurance from government agencies and academia.

Who could attend?

Insurance industry professionals including MGAs and insurance brokers, government representatives and academics who want to learn more about the cyclone pool and cyclone risk are encouraged to attend.

How can I attend?

Register your in-person or online attendance [here](#).