



UNDER THE COVER

NEWSLETTER | November 2025 | SPRING



A message from our CEO

As we move through the 2025–26 cyclone season, I want to acknowledge the recent impact of Severe Tropical Cyclone Fina, which crossed the Top End of the Northern Territory, just north of Darwin as a Category 3 system

after briefly intensifying to Category 4. Communities in the Kimberley region and parts of the Northern Territory experienced significant disruption, with clean-up efforts underway and insurers activating major event response operations.

Events like this reinforce the importance of preparation. Severe weather can strike quickly, so now is the time for households, businesses, and insurers to review their plans, strengthen resilience measures, and ensure coverage is in place for the season ahead. ARPC remains ready to support insurers with claims through the Cyclone Reinsurance Pool as recovery progresses.

This edition highlights key developments, including the continued success of the cyclone pool in delivering premium relief, with reductions of up to 37% in high-risk areas.

Other updates include enhancements to our PACE portal security, the release of our 2025–29 Corporate Plan and Financial Outlook Report, and insights into how ARPC is working with industry and government to strengthen Australia's insurance landscape.

Thank you for your ongoing support as we work together to protect Australians from the impacts of cyclones and terrorism. I encourage you to explore the resources in this newsletter and stay engaged as we continue building a safer, more resilient future.

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2025-26 cyclone season: What you need to know

The official tropical cyclone season runs from 1 November 2025 to 30 April 2026, and ARPC is here to support insurers throughout this period.

Helping with Claims Assessment

To streamline claims management, ARPC provides guidance notes for each declared cyclone event. These notes help insurers identify eligible cyclone losses under section 8C of the Terrorism and Cyclone Insurance Act 2003 (TCI Act) for inclusion in notification reports.

We welcome your feedback on these notes to ensure alignment on impacted addresses and eligible losses.

Understanding coverage

The cyclone pool covers cyclone and cyclone-related flood damage during a Declared Cyclone Event, as defined in the TCI Act.

The Bureau of Meteorology monitors cyclone activity and advises ARPC when a cyclone begins, ends, or re-intensifies. Once notified, ARPC issues a formal declaration within 24 hours, published on our [Declarations page](#).

Australians urged to prepare as cyclone season begins

Cyclone season has arrived, and ARPC is encouraging households and businesses across Northern Australia to prepare early and strengthen their resilience against severe weather.

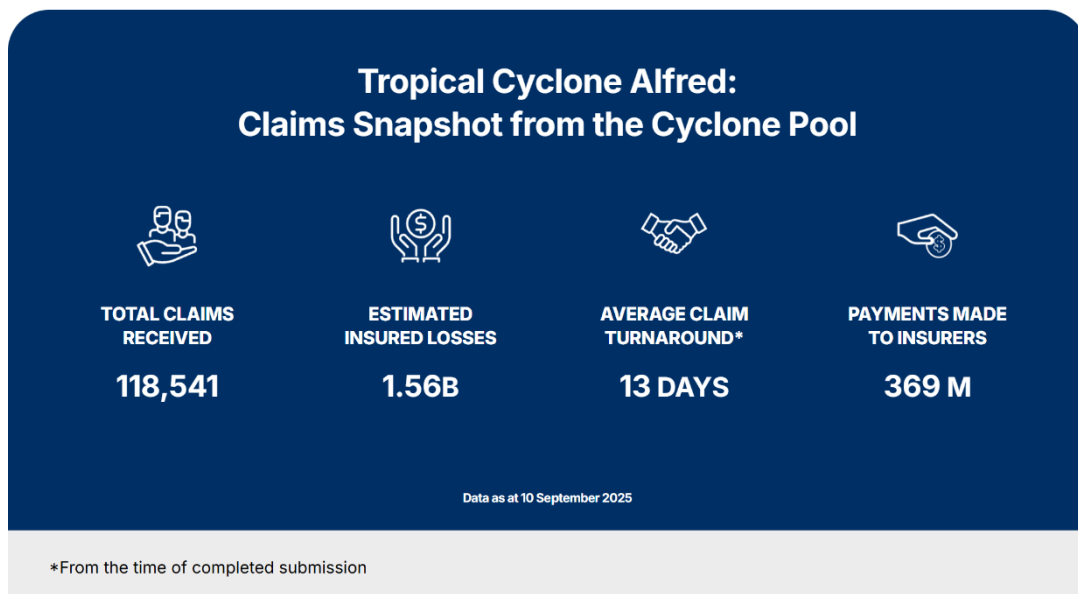
Last season was a stark reminder of how quickly conditions can change, with Tropical Cyclone Alfred causing widespread wind damage, heavy rainfall, coastal erosion, and power outages across South-East Queensland and Northern New South Wales. The physical and emotional toll of such events can be significant—but early preparation can make all the difference.

Your Cyclone Season Checklist

- Inspect and secure your roof and gutters
- Remove or tie down loose outdoor items
- Prepare an emergency kit with essentials (water, food, medications, torch, batteries)
- Review your insurance cover and ensure it includes cyclone and flood protection
- Identify safe evacuation routes and share plans with family or staff
- Back up important documents and store them safely

Read more

Update on Tropical Cyclone Alfred



Australian Government updates terrorism insurance framework with new legislation

The Australian Government has passed the [Criminal Code Amendment \(State Sponsors of Terrorism\) Bill 2025](#), which amends the *TCI Act*. The amendment aligns the definition of a terrorist act with the *Crimes Act 1914*, ensuring that coverage under the *TCI Act* extends to state-sponsored terrorism.

The passage of the legislation reflects the Government's recognition of the evolving threat environment and ensures that the terrorism reinsurance scheme administered by ARPC remains aligned with national security objectives.

Read more



Q: Can insurers or co-insurers be liable to pay for eligible terrorism losses even if they do not have a Reinsurance Agreement with ARPC? How does the lead co-insurer's Reinsurance Agreement affect other co-insurers?

A: Yes. Under the Terrorism and Cyclone Insurance Act 2003, all insurers including co-insurers are required to pay eligible claims arising from a Declared Terrorism Incident (DTI), even if they do not have a Reinsurance Agreement with ARPC. Once a DTI is declared by the responsible Minister, all terrorism exclusion clauses in Eligible Insurance Contracts cease to have effect. This means that each insurer, including co-insurers, must pay their share of any eligible insured losses to their policyholders regardless of whether they hold ARPC reinsurance cover.

It's important to note that ARPC provides reinsurance, not primary insurance cover. A lead co-insurer's Reinsurance Agreement with ARPC does not extend terrorism reinsurance protection to other co-insurers on the same policy. Each insurer must have its own Reinsurance Agreement with ARPC to access the Pool's reinsurance protection for terrorism losses.

Submissions for cyclone and terrorism pool

Cyclone and terrorism pool premium submissions are due by 30 January 2026 for the second quarter (1 October – 31 December) of the 2025-26 financial year. All cyclone and terrorism pool premium submissions, including nil submissions must be lodged by that date.

If you have any questions, please contact enquiries@arpc.gov.au or call 02 8223 6777.



Recent ARPC Publications

ARPC 2024-25 Annual Report

We have published our Annual Report for the 2024-25 financial year, highlighting a year of resilience and performance despite an above-average cyclone season. The report details key achievements, including the successful operation of the terrorism and cyclone pools, onboarding all mandated insurers to the cyclone pool, and delivering measurable premium reductions in high-risk areas.

Despite the significant impact of Tropical Cyclone Alfred, ARPC maintained strong financial resilience, writing \$1.1 billion in gross premiums and holding \$772 million in net assets. The report also outlines strategic priorities and progress against the Corporate Plan.

[Read more](#)

ARPC 2025 Financial Outlook Report

The report provides insights into the cyclone pool’s recent performance and future projections.

Despite Tropical Cyclone Alfred being the most significant event to date, the outlook remains consistent with expectations, reinforcing ARPC’s long-term cost-neutral objective.

[Read more](#)

ARPC 2025-29 Corporate Plan

Our 2025-29 Corporate Plan outlines our strategic priorities to deliver affordable reinsurance and support greater resilience to terrorism and cyclone risks in Australia.

ARPC’s priorities over the next four years are:

- Deliver efficient, effective, and sustainable reinsurance to insurers.
- Build and share data, analytics, and insights to support understanding of terrorism and cyclone risk.
- Within our functions and powers, support risk mitigation initiatives to put downward pressure on cyclone premiums and support a disaster-resilient Australia.
- Continue to build capability and a customer and risk focused culture to drive ongoing improvements in performance.

[Read more](#)

ARPC releases quarterly statistics

ARPC has released its quarterly cyclone pool statistics for the June 2025 quarter. The report draws on data generated by the cyclone pool, which operates Australia wide, but targets support to cyclone-prone areas.

Cyclone Reinsurance Pool Statistics as at June 2025



3.2M buildings covered



\$644M in annual premiums (Home, Strata & SME)



Claims value to date - total net incurred of \$1.12B



\$8.2M in annual home mitigation discounts

[Read more](#)

Multi-Factor Authentication for PACE

We have enhanced the security of the PACE terrorism and cyclone portals by introducing Multi-Factor Authentication (MFA). This added layer of protection helps safeguard insurer and ARPC data from unauthorised access and aligns with best-practice standards for secure digital environments.

We appreciate the support and cooperation of insurers during this transition, as technical enhancements like these rely on customer support.

If you have any questions about MFA for PACE, please contact us at enquiries@arpc.gov.au.

ARPC publishes Cyclone Pool Premium Rates

ARPC has released revised cyclone pool premium rates (v4.0), which take effect from 1 April 2026.

As part of the 2025 Pricing Review, ARPC reviewed premium rates by cyclone risk level. Current premium rates still achieve overall adequacy while also delivering the most benefit to medium and high risk properties, as intended by the legislation.

SME premium discounts have been introduced for qualifying mitigation activities such as roof upgrades, installation of permanent window protection and strengthening external doors,

[Read more](#)

Cyclone Pool continues to deliver premium relief and insurance access

We have published the latest premium assessment report for the cyclone pool, using insurer quote data to evaluate how the cyclone pool is delivering on its legislative objectives.

Since the introduction of the cyclone pool, average Home insurance premiums in the highest cyclone risk bands have fallen by 37 per cent. Insurer quote success rates have also improved significantly - from 66 per cent before the pool to 84 per cent in April 2025. Medium-risk areas have similarly benefited, seeing consistent premium reductions and improved access to quotes.

[Read more](#)



Recent news and events

ARPC at LGAQ Annual Conference – Gold Coast

We attended the Local Government Association of Queensland (LGAQ) Annual Conference on the Gold Coast in October, engaging with councils and stakeholders on cyclone risk and resilience. At our booth, we had conversations with delegates from across the state about the cyclone pool and how it's helping to support resilience and affordability in cyclone-prone regions.



Sydney Stakeholder Event – October 2025

We hosted our annual stakeholder event in Sydney, bringing together insurers, reinsurers, and government representatives. Thank you to all who joined us for an informative and collaborative evening.

CEO Interview with InsuranceERM

Our Chief Executive, Dr Christopher Wallace, spoke with InsuranceERM about the role of the cyclone pool in reducing premiums and improving access to cover in northern Australia.

[Read more](#)

Welcoming SASRIA to our office

We were delighted to welcome representatives from SASRIA, South Africa's state-owned special risks insurer, for a learning and knowledge exchange visit in October. The discussions focused on global best practices in terrorism and catastrophe risk management, strengthening international collaboration.



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