Insurance Council of Australia

ICNZ Insurance Council of New Zealand
Te Kāhui Inihua o Aotearoa

## Resilient Insurance Markets Initiative

Memorandum of Understanding (MoU) | The Insurance Council of Australia and Insurance Council of New Zealand

### Purpose

The world is in an era of risk that is unprecedented in our time. Inflation and financial system volatility, geopolitical instability, supply chain vulnerability, political fragmentation, the impact of extreme weather and natural disasters, population growth, biodiversity loss, the impact of AI and cyber attacks, and the threat of pandemics all pose risks to the security and stability of our communities, businesses and economies.

Insurance has a critical role to play as a shock absorber for our region, helping individuals, communities and businesses reduce risk in the markets they serve and recover from the unexpected.

The Insurance Council of Australia (ICA) and the Insurance Council of New Zealand (ICNZ) are establishing a Trans-Tasman Memorandum of Understanding (TTMoU) to ensure both countries remain resilient and can respond to the risks ahead, and communities have trust and confidence in the insurance industry.

Together our peak bodies represent personal and business insurance providers across Australia and New Zealand, and our members have combined annual Gross Written Premium (GWP) of approximately $98.7 billion NZD or $82.3 billion AUD.

Australia and New Zealand are the beneficiaries of mature and competitive insurance markets, but we shoulder some of the world's highest per capita losses from extreme weather events and disasters, and those costs are climbing every decade.

Our insurance markets are also navigating an increasingly complex regulatory environment and mounting regulatory burden, but we share robust policy, financial and political systems that enable us to collaborate on solutions together.

This MoU formalises the partnership of our peak bodies across markets, so that we can better coordinate to build a stronger, sustainable and more resilient region.

### Objectives

The Resilient Insurance Market Initiative will focus on:

- Sharing insights on effective public-private risk reduction measures across our respective industry and government partnerships, including through both the Australian and New Zealand hazards insurance partnerships
- Coordinating advocacy and accelerate effective solutions that build more resilient communities, businesses, and economies
- Supporting the streamlining and alignment of regulatory frameworks across jurisdictions where appropriate, enhancing productivity, supporting consumer protections and strengthening local economies

- Sharing insights and best practice approaches to tackling the emerging risks shaping our region

**Engagement**
This MoU will be supported by regular bi-lateral engagement between ICA and ICNZ, joint policy and advocacy coordination where relevant, and ongoing knowledge sharing.

**Non-Binding Nature**
This MoU is not legally binding and does not create enforceable obligations.

**Signatories**
This MoU is agreed by:

**The Insurance Council of Australia (ICA)**
**The Insurance Council of New Zealand (ICNZ)**