



Insurance Council
of Australia

Consultation on a Redrafted General Insurance Code of Practice

June 2026

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Introduction

The Insurance Council of Australia (Insurance Council) is seeking feedback on a redrafted General Insurance Code of Practice ('GICOP') as part of our regular review process.

The Insurance Council is undertaking a targeted consultation approach, focused on stakeholders who are directly affected by the redrafted Code, and best placed to assess its consumer impacts, enforceability and operational workability. Following this consultation, the redrafted GICOP will be submitted to the Australian Securities and Investments Commission (ASIC) for approval to promote regulatory confidence and further enhance consumer trust.

Background

The GICOP is an industry owned code which was last updated in 2020. The [current version](#) introduced clearer processes, expanded provisions for vulnerability, and strengthened commitments relating to complaints handling and financial hardship.

Since its commencement, the 2020 Code has played an important role in setting service and conduct standards for insurers.

Independent review of the GICOP

An [independent review](#) of the GICOP was conducted between 2023 and 2024 to assess its effectiveness in meeting consumer expectations and regulatory standards. The review considered stakeholder submissions, consumer experiences, and industry practices, and resulted in a comprehensive set of recommendations aimed at improving clarity, enforceability, and consumer outcomes.

Parliamentary Flood Inquiry

The House of Representatives Standing Committee on Economics [Inquiry into insurers' responses to 2022 major floods claims](#) examined insurer responses to recent major flood events and identified issues affecting consumer outcomes. The Inquiry recommended that the GICOP be strengthened to improve consumer protections in disaster contexts and enhance claims handling practices.

Approach to redrafted GICOP

The industry published an Action Plan in March 2025 setting out its response to the recommendations for changes to the GICOP, and other changes proposed for the sector. This response provided a transparent roadmap for an updated GICOP. The intent for the redrafted GICOP is a consumer-centric redrafted Code, uplifting consumer protections and written in easy-to-understand language.

The development of the redrafted GICOP by industry began in 2025 and has involved extensive engagement across the industry and deep, targeted consultation with external stakeholders.

This has included multiple rounds of consultation with Code subscribers and targeted engagement with consumer advocates, the General Insurance Code Governance Committee, and the Australian Financial Complaints Authority. This has allowed industry to test proposals, respond to feedback as drafting progressed, and ensure that the redrafted GICOP is informed by a broad range of perspectives. The redrafted GICOP reflects one of the most developed industry-led approaches when compared globally.

Key Changes

The below table summarises the most significant changes from the current GICOP, to the redrafted GICOP.

This is not an exhaustive list, and we encourage stakeholders to review the redrafted GICOP, together with the accompanying documents listed below.

Proposed change	Rationale
Contractually enforceable	<p>The redrafted Code will be contractually enforceable in consumer contracts (except for the Principles and Section 10 on Enforcement). This responds to a key stakeholder ask and reflects the industry's commitment to strengthening consumer protections by providing consumers with additional avenues for enforcement.</p> <p>The redrafted Code will now be enforced through:</p> <ul style="list-style-type: none"> • Contractual rights: Code subscribers will embed the Code in customer contracts. • Independent oversight: the General Insurance Code Governance Committee (CGC) will monitor compliance with the Code and apply sanctions, where appropriate. • Dispute resolution: consumers can take complaints to the Australian Financial Complaints Authority (AFCA).
Updated Principles	<p>Updated Principles underpin the Code which are customer-centric, operational and outcomes-focused across key areas including claims handling, disaster response, vulnerability support and the responsible use of technology.</p>
Honest, efficient and fair	<p>Paragraph 21 of the current Code has been included in the principles, aligning its language with the Corporations Act.</p>
Definition of 'vulnerability' and Extra Care	<p>New definition of Vulnerability adopts a circumstances-based approach. It focuses on situations that may limit a customer's ability to access or use general insurance products or services, or make financial decisions, and recognises that vulnerability can be dynamic and change over time.</p> <p>New definition of Extra Care to clearly articulate the additional support or flexibility that may be provided to customers experiencing Vulnerability.</p>
Updated definition of 'wholesale insurance'	<p>Clarified definition of Wholesale Insurance which expressly identifies the types of policies a Small Business can hold that are covered.</p>
New commitments	<p>New and expanded commitments including:</p> <ul style="list-style-type: none"> • New automatic acceptance of home and motor claims after 12 months where no decision has been made, subject to defined exceptions. • Expanded definition of 'Urgent Financial Need' to explicitly include essential needs. • Broadened definition of family violence to include family and domestic violence, including financial abuse and coercion. • Strengthened and expanded Code provisions to include key principles from the Insurance Council's Guide to helping customers affected by family violence and Guide on Mental Health. Industry

	<p>anticipates replacing these Guides with the proposed Code's new contractually enforceable obligations.</p> <ul style="list-style-type: none"> • Enhanced expectations regarding trauma-informed claims handling. • Strengthened requirements for primary points of contact and cash settlements; and • New obligations for insurers and External Experts to comply with the ICA's Expert Report Best Practice Standard.
Code review process	Review of the Code to take place at least every five years (instead of every three years). This timeframe is intended to provide sufficient opportunity for industry to assess the impact of the new Code and to account for the ASIC approval processes.
Drafting updates	<ul style="list-style-type: none"> • Redrafting of several key elements to reflect the Code's contractually enforceable nature and improve clarity and transparency for consumers. • Re-ordering sections to align with how customers engage with insurers. • A plain English review was supported by a leading consumer advocate to enhance accessibility and understanding. • Capitalisation of defined terms throughout the Code to improve consistency and assist navigation.
New vulnerability guidance	A new 'Extra care for general insurance customers experiencing vulnerability' guidance will accompany the Code. The guide was drafted with valuable support from Catherine Fitzpatrick (CEO & Founder – Flequity Ventures) and incorporates global best practice standards in addition to stakeholder insights, including consumer lived experience.
Minimised legislative or regulatory duplication	Removal of some provisions where they are duplicative of other legislative or regulatory obligations to avoid the risk of consumer confusion. Duplication has been retained where it provides helpful consumer clarity.
Complaints changes	Revised and streamlined complaints section to reduce consumer confusion now this is duplicated within ASIC's Regulatory Guide 271 Internal Dispute Resolution (RG 271).
Clarification on the role of the CGC	Simplified provisions on the role and powers of the General Insurance Code Governance Committee.

We anticipate a 24-month transition period to allow insurers sufficient time to transition to contractual enforceability within their Product Disclosure Statements (PDSs), implement the Code's changes, update systems, manage existing consumer policies and annual renewals. From commencement, the new GICOP will apply to all policies and claims.

Consultation documents

Stakeholders are invited to comment on the redrafted GICOP.

- Attachment 1: Redrafted General Insurance Code of Practice

In making a submission, stakeholders should have regard to the following accompanying documents.

- Attachment 2: Comparison of current code and redrafted code provisions
- Attachment 3: Redrafted General Insurance Code Governance Committee Charter
- Attachment 4: Guide on Extra care for general insurance customers experiencing vulnerability.

Consultation Period

The consultation will run from:

24 June to 21 July 2026

Consultation Guide

Stakeholders are invited to comment on the redrafted GICOP by contacting the Insurance Council at codeofpractice2026@insurancecouncil.com.au.

We invite submissions to give consideration to the following areas:

- The contractually enforceable nature of the redrafted Code
- The consumer protections in the redrafted Code
- Protections for customers experiencing vulnerability
- The clarity and accessibility of the redrafted Code's language
- The applicability of the redrafted Code in the future
- Any further recommendations.

Submissions

Use of AI in responses

Stakeholders are asked to let us know if and/or where AI has been used to generate your response. This helps us to maintain the integrity and quality of the consultation process.

Privacy and confidentiality notice

If you provide a submission, we will collect your email address and any personal information you include in your submission (including your name and contact details that you might provide). We will use this information to acknowledge receipt of your submission, consider your feedback as part of the consultation on the General Insurance Code of Practice, and manage the consultation process. If you prefer not to identify yourself, you may use a pseudonym and a non-identifiable email address. Your submission may be provided to ASIC as part of the Code approval process and may be published on our website (including any personal information you choose to include in your submission, but not your email address). However, if you mark your submission as "Confidential", we will not publish it on our website. For more information about how we handle personal information, including how to contact us, please see our [Privacy Policy](#).



Next Steps

Following the closure of the consultation, the Insurance Council will undertake further engagement with key stakeholders and vulnerable communities prior to submitting the redrafted Code to ASIC for approval.

Further Questions

If you have any questions related to the consultation, please contact the Insurance Council at codeofpractice2026@insurancecouncil.com.au.



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