



17 August 2021

TO: ALL GENERAL AND LIFE INSURERS

INCREASED TRANSPARENCY OF GENERAL INSURANCE & LIFE INSURANCE DATA

In 2020, APRA released a consultation proposing to determine general insurance (GI) class of business and life insurance (LI) product group data – that is submitted to APRA - to be non-confidential¹. APRA also proposed to begin publishing explanations from individual insurers in relation to material revisions to, or large movements in, their data, including whether or not APRA requested the revision.

This letter outlines APRA's decisions on these proposals including its response to the submissions received during the consultation².

Proposal 1: Determine class of business and product group data to be non-confidential

APRA will implement the proposal to determine class of business and product group data to be non-confidential.

By publishing more of the data that APRA collects, APRA aims to promote greater transparency in the LI and GI industry in line with APRA's prudential objectives³. In turn, this will support competition, contestability and efficiency in the financial system and facilitate innovative uses of data. Additional benefits include:

- 1. Informing the public:** publishing more of the data APRA collects will generate greater consumer understanding and more informed public discussion of insurance-related issues; and informed decision-making for all users of the GI and LI statistical publications⁴.
- 2. Influencing by comparison:** promote better practices through comparability and peer review, facilitating analysis and understanding of observed trends and maintaining confidence in the Australian financial system.
- 3. Driving accountability:** encourage insurers to act with discipline and encourage better, more efficient market behaviour.

¹ <https://www.apra.gov.au/apra-commences-consultation-on-increased-transparency-of-general-insurance-and-life-insurance-data>

² APRA received 9 submissions from interested parties in response to the proposals in the discussion paper. Of these submissions, 3 are available at: <https://www.apra.gov.au/confidentiality-of-general-insurance-and-life-insurance-data>. The other 6 submissions were marked as confidential

³ <https://www.apra.gov.au/apras-objectives>

⁴ This initiative also aligns with the Australian Government Public Data Policy Statement. See: <https://pmc.gov.au/public-data/public-data-policy>

Submissions were generally supportive of the intent of APRA's initiative, albeit there were some concerns raised.

A number of respondents raised concerns about APRA publishing or otherwise disclosing class of business/ product group data for individual insurers. APRA **will not** be publishing insurer level data from reporting forms beyond that already published. Should APRA plan in the future to expand the publication of insurer level data to include class of business / product group data for specific entities, APRA will formally need to consult on any such proposals at that time with industry.

APRA's determination will only impact APRA's existing publications of *aggregate* industry data.⁵ In practice it will result in APRA reporting a very limited number of data items which were previously masked in these publications. All reporting items impacted are outlined in Appendix A of this letter.

APRA has strict procedures and processes in place when considering requests to release data and will continue to respect any potential commercial concerns relating to the data collected from insurers.

Proposal 2: Publishing explanations from individual insurers

Respondents were generally concerned that this may result in the release of commercially sensitive information at an insurer level. In response to these concerns, APRA has decided **not** to proceed with this proposal.

Additional feedback

APRA sought feedback on the question of how long data items should remain confidential to avoid market sensitive disclosures. Given limited feedback, APRA will not be making a determination on this point at this time, but may decide to consult again on this issue in the future.

Next steps

APRA will release the first of the impacted publications, the *Quarterly General Insurance Performance Statistics* and *Quarterly Life Insurance Performance Statistics* for the September 2021 reference period, on 25 November 2021.

Yours sincerely,

Alison Bliss
General Manager
Data Analytics and Insights

⁵ Specifically, *Quarterly General Insurance Performance Statistics*, *Quarterly Life Insurance Performance Statistics*, and *General Insurance Claims Development Statistics*. The proposals relate to current and historical data in these publications.

Appendix A – Impacted reporting forms

General Insurance – Level 1 Insurers

Reporting Form	Current data deemed non-confidential (1)	Determination of non-confidential data
GRF_115_0: Outstanding Claims Liabilities - Insurance Risk Charge	Were actuarial services used to complete this return (Yes/No) Section 3: Total direct business - All data items Total reinsurance business - All data items Adjustments to OCL Insurance Risk Charge as approved by APRA – Total OCL insurance risk charge Total - All data items	All data items, excluding 'Adjustments and exclusions to prudential requirements for the OCL Insurance Risk Charge'
GRF_115_1: Premiums Liabilities - Insurance Risk Charge	Were actuarial services used to complete this return (Yes/No) Section 3A: GPS 320 Total Total direct business - All data items Total reinsurance business - All data items Adjustments to PL Insurance Risk Charge as approved by APRA – Total PL insurance risk charge Total - All data items Section 3B: AASB 1023 Total Total direct business - All data items Total reinsurance business - All data items Total - All data items Other items description Section 3C: Total premiums liabilities surplus / deficit Total direct business – premiums liabilities surplus/deficit Total reinsurance business– premiums liabilities surplus/deficit Total deferred reinsurance expenses for future business not yet written Total premiums liabilities surplus/deficit	All data items, excluding 'Adjustments and exclusions to prudential requirements for the PL Insurance Risk Charge'
GRF_310_1_L: Premium Revenue and Reinsurance Expense (L)	Section 3: Total direct business - All data items Total reinsurance business - All data items Total - All data items Of which is from/with: Parent entity - All data items Of which is from/with: Controlled entities/ Controlled entities of the parent - All data items Of which is from/with: Associates/Joint ventures - All data items Of which is from/with: Other related entities - All data items	All data items

Reporting Form	Current data deemed non-confidential (1)	Determination of non-confidential data
GRF_310_2_L: Claims Expense and Reinsurance Recoveries (L)	Section 3: Total direct business - All data items Total reinsurance business - All data items Total - All data items Of which is from/with: Parent entity - All data items Of which is from/with: Controlled entities/ Controlled entities of the parent - All data items Of which is from/with: Associates/Joint ventures - All data items Of which is from/with: Other related entities - All data items	All data items
GRF_310_3_L: Details of Income and Expenses	1. Investment income – All data items 2. Operating income – All data items 3. Operating expenses – All data items 4. Underwriting expenses and Acquisition costs Section 3: Total direct business - All data items Total reinsurance business - All data items Total – All data items	All data items
GRF_410_0_L: Movement in Outstanding Claims Liabilities	Section 3: Total direct business - All data items Total reinsurance business - All data items Total – All data items	All data items
GRF_420_0_L: Premium Revenue by State and Territory of Australia (L)	None	All data items
GRF_430_0_L: Claims Expense by State and Territory of Australia (L)	None	All data items
GRF_440_0_L: Claims Development Table (L)	Section 3: Total direct business - All data items Total reinsurance business - All data items Total – All data items	All data items

(1) Australian Prudential Regulation Authority (confidentiality) determination No. 11 of 2015

General Insurance – Level 2 Groups

Reporting Form	Current data deemed non-confidential (1)	Determination of non-confidential data
<p>GRF_115_0A_G: Outstanding Claims Liabilities - Insurance Risk Charge - Australia by Class of Business (G)</p>	<p>Were actuarial services used to complete this return (Yes/No) Section 2: Direct business (International) - All data items Section 4: Reinsurance business (International) - All data items Section 5: Total Total direct Australian business - All data items Total direct International business - All data items Total reinsurance Australian business - All data items Total reinsurance International business - All data items Group adjustments – All data Adjustments to OCL Insurance Risk Charge as approved by APRA Total - All data items OCL surplus / (deficit)</p>	<p>All data items, excluding 'Adjustments to OCL Insurance Risk Charge'</p>
<p>GRF_115_1A_G: Premiums Liabilities - Insurance Risk Charge - Australia by Class of Business (G)</p>	<p>Were actuarial services used to complete this return (Yes/No) Basis of preparation</p> <p>PART A: PREMIUMS LIABILITIES - GPS 320 BASIS Section 2: Direct business (International) - All data items Section 4: Reinsurance business (International) - All data items Section 5: Total Total direct Australian business - All data items Total direct International business - All data items Total reinsurance Australian business - All data items Total reinsurance International business - All data items Total premiums liabilities - GPS 320 basis – All data items</p> <p>PART B: PREMIUMS LIABILITIES - AASB BASIS Section 7: Direct business (International) - All data items Section 9: Reinsurance business (International) - All data items Section 10: Total Total direct Australian business - All data items Total direct International business - All data items Total reinsurance Australian business - All data items Total reinsurance International business - All data items Total premiums liabilities - AASB basis – All data items</p>	<p>All data items, excluding 'Adjustments to PL Insurance Risk Charge'</p>

Reporting Form	Current data deemed non-confidential (1)	Determination of non-confidential data
	<p>PART C: ADDITIONAL POLICIES RISK CHARGE Section 12: Direct business (International) - Net written premium for material business that incepts in the next reporting period – All data items Section 14: Reinsurance business (International) - Net written premium for material business that incepts in the next reporting period – All data items</p> <p>PART D: TOTAL PREMIUMS LIABILITIES Section 15: Total Total Australian direct business - All data items Total Australian reinsurance business - All data items Total International direct business - All data items Total International reinsurance business - All data items Group adjustments Adjustments to PL Insurance Risk Charge as approved by APRA Total - All data items PL surplus / (deficit) – All data items</p>	

(1) Australian Prudential Regulation Authority (confidentiality) determination No. 11 of 2015

Life Insurance

Reporting Form	Current data deemed non-confidential (2)	Determination of non-confidential data
LRF_200_0: Capital Adequacy Supplementary Information	Section 2: Insurance risk charge (i) 3. Total impact of stress margins – all data items Section 3: Variable annuities – all data items	All data items
LRF_330_0: Summary of Revenue and Expenses	(i) Totals by class of business – all data items	All data items
LRF_400_0: Statement of Policy Liabilities	(i) 2. Totals by class of business and basis – all data items	All data items
LRF_420_0: Assets Backing Policy Liabilities	(i) 3. Totals by class of business – all data items	All data items
LRF_430_0: Sources of Profit	(i) 2. Totals by class of business and profit allocation – all data items	All data items

(2) Australian Prudential Regulation Authority (confidentiality) determination No. 12 of 2015