

Ag Guard and Floodbase partner to develop parametric Flood Insurance Programs for AU & NZ

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Floodbase has announced a partnership with Ag Guard to develop and distribute parametric flood insurance programs across Australia and New Zealand.

New Zealand has weathered multiple catastrophic flood events over the last decade, including their worst storm this century, 2023's Cyclone Gabrielle. Flooding in 2021 on both the North and South Islands resulted in evacuations, states of emergency, and agricultural instability, requiring the [Ministry of Agriculture](#) to provide debt relief to devastated farmers. The increasing frequency and magnitude of flooding is driving record P&C loss ratios and the need for innovative insurance solutions. New Zealand's remote terrain results in prohibitively long and expensive claims adjustment, making it difficult to structure profitable indemnity flood insurance schemes. Without government intervention or a new approach to flood insurance, economic loss will continue to wreak havoc across the region.

Floodbase and Ag Guard are partnering to help close the ANZ flood insurance gap through jointly-developed parametric flood insurance programs designed to cover [ag risk](#). Unlike indemnity insurance, parametric insurance allows for flexible structures and rapid payouts without lengthy claims adjustments. The programs, launching in 2024, will offer region-specific pricing with payouts that trigger automatically when the magnitude of flooding exceeds predetermined thresholds. This solution will enable reliable, large-area cover, providing both farmers and governments protection against agricultural risk and flood-induced

economic loss.

"Floodbase provided us the flood data and expertise we needed to design the country-wide parametric programs launching early next year. Our offering will enable New Zealand farmers to purchase flood covers that were previously unavailable, drastically reducing the risk of insolvency and agricultural instability. We couldn't be more excited about the opportunity to complement indemnity insurance, help close the flood insurance gap, and bring comparable programs to Australia," said Alex Cohn, Co-owner and Managing Director of Ag Guard.

The combination of Ag Guard's region-specific specialization and distribution network with Floodbase's unmatched flood data and expertise will significantly mitigate the impact of flooding, insure previously uninsurable flood risk, and foster resilience across the ANZ region.