

# Agricultural Insurance Program

Agri-Food Business

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**Key words** agricultural insurance, crop insurance, livestock insurance, revenue insurance, safety-net, risk management

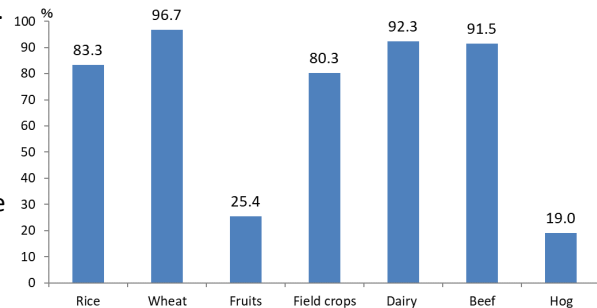
## Summary

### Backgrounds

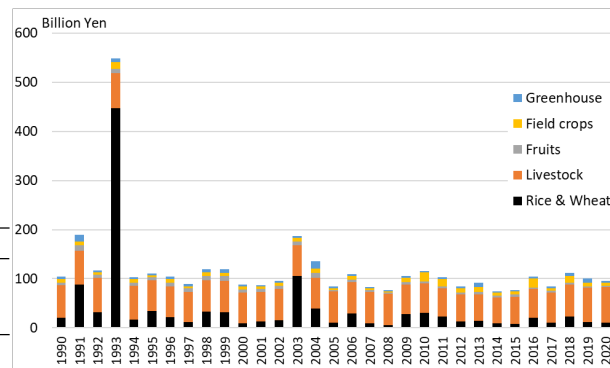
- In Japan, the Agricultural Insurance Scheme was established in 1947.
- The insurance products are delivered by semi-public farmers' mutual relief organizations, not private insurance companies.
- The Central Government gives supports such as premium subsidy (about 50%), A&O cost subsidy, public reinsurance, etc..
- The Crop Insurance program basically provides multiple-peril-type coverage against all possible natural risks that could cause a decrease in yields. The Livestock Insurance program covers animal losses by death as well as expenses for treating diseases and injuries.

### The outline of Revenue Insurance program

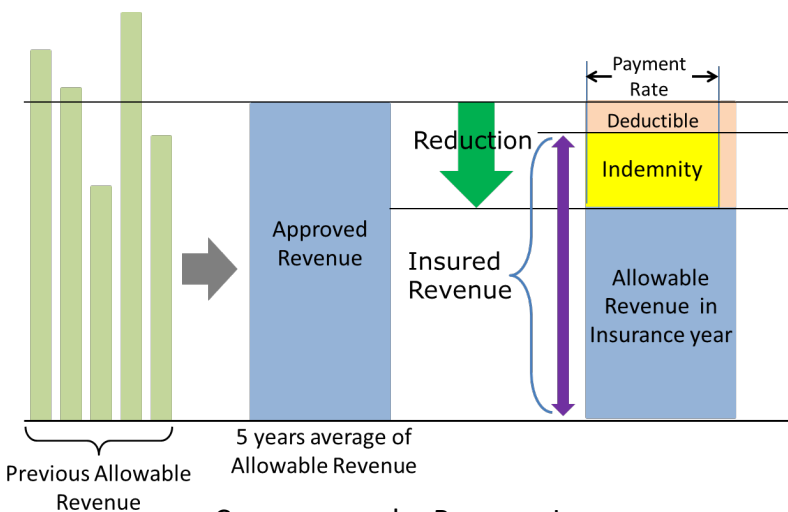
- The Revenue Insurance (RI) program was created in 2017 and RI policies have been underwritten since 2019.
- RI covers loss of revenue from all crops and livestock, excluding beef cattle, hog and eggs, under one insurance policy.
- The amount of farm revenue protected under RI is generally based on the insured's 5 consecutive years of farm tax history.



Penetration rate (2020)



Indemnities (1990-2020)



Coverage under Revenue Insurance



### Selling point

We contributed to the development of Japanese Revenue Insurance program and are doing research on the new Margin-type product .