

Zenkyoren's approaches and challenge for Local Community "*Resilience*"

Zenkyoren
Makoto Sato

What is Zenkyoren?

Initiation of “Zenkyoren”



Father of Zenkyoren: **Toyohiko Kagawa**

Established under the philosophy of Mutual Aid
“One for all, all for one”

Y1948: Launched **Kyosai business** in
Hokkaido(Northern island)

Y1951: Established **Zenkyoren** in order to
expand JA Kyosai business nationwide



Role of Zenkyoren

Community-based services in collaboration with JA throughout Japan

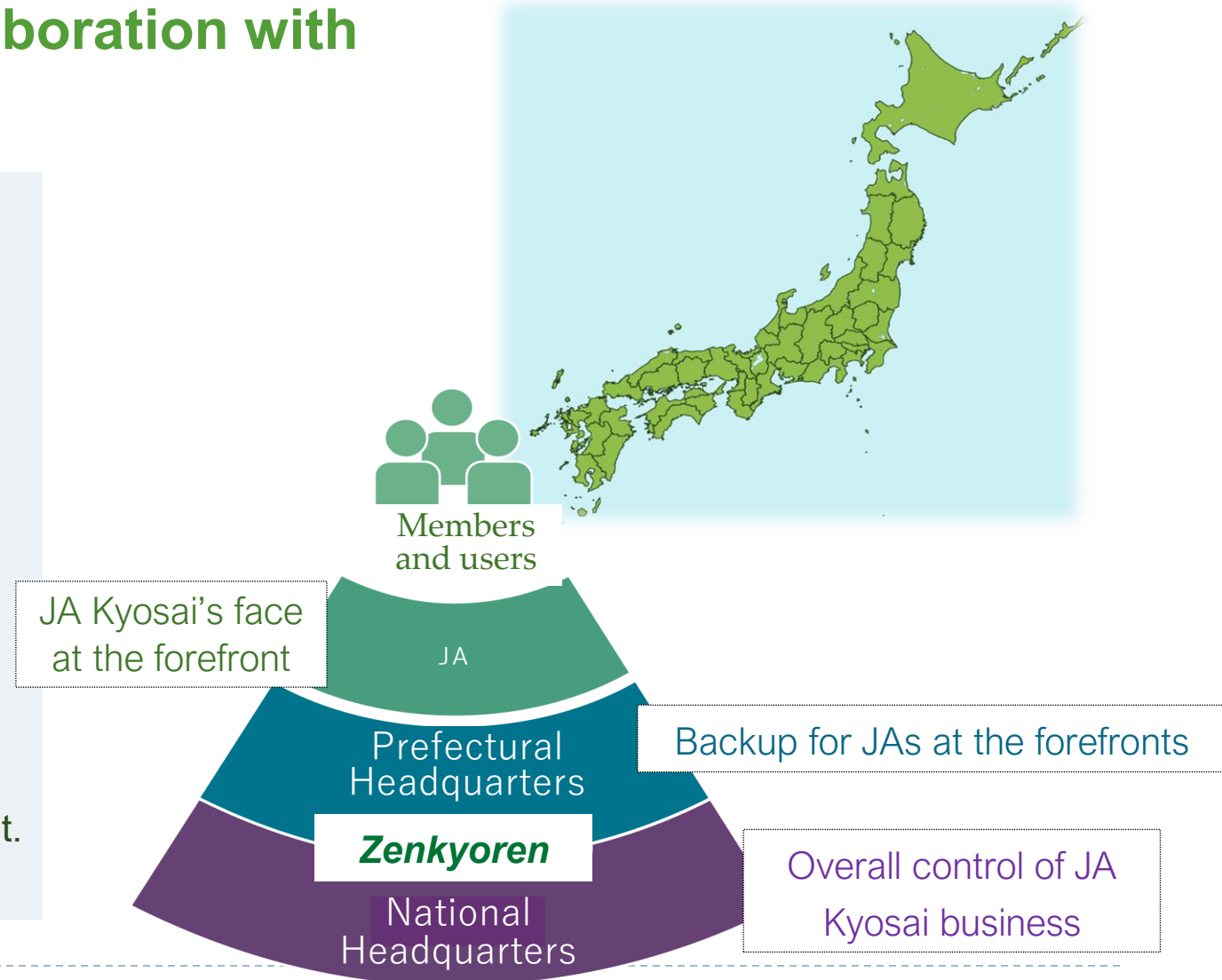
【JA】

There are 506 JAs at the local level nationwide, which conduct comprehensive businesses such as marketing and supply for farmers, credit and insurance for livelihood of members and users.

【Zenkyoren】

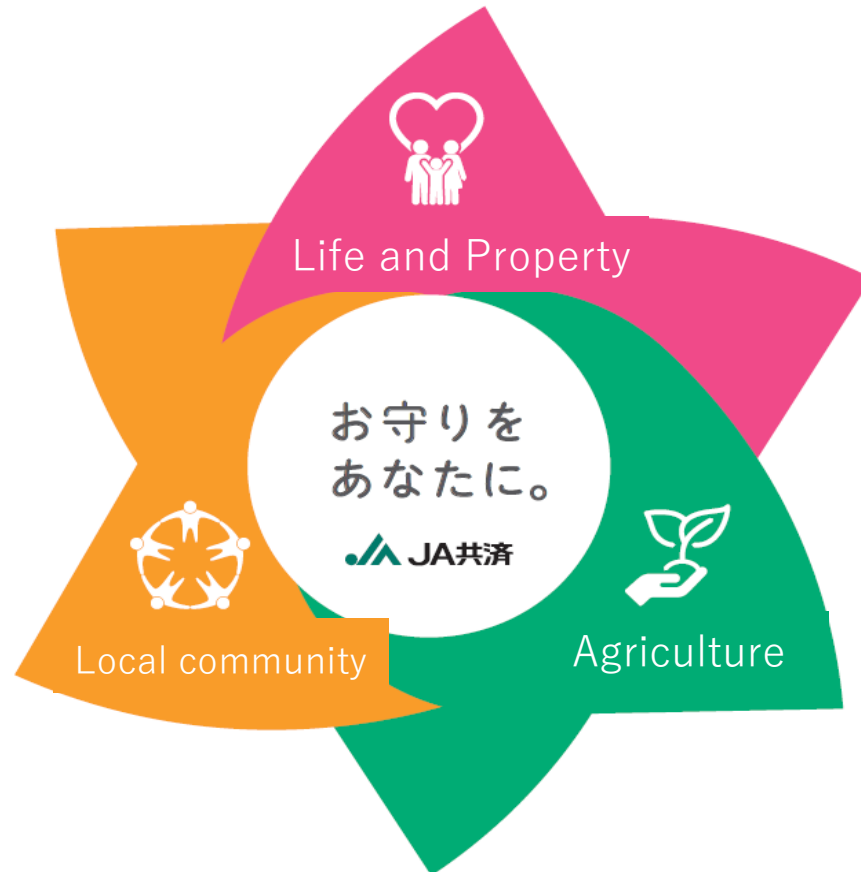
Zenkyoren comprises 47 prefectural headquarters and national headquarters, and conducts insurance business together with JAs.

Zenkyoren mainly engages planning, product development, asset management, and risk management.



Outline of Zenkyoren

Spread our charm (= Cooperative insurance) to protect *Life and Property, Agriculture and Local community*



Policies in force (end of FY2023)

LIFE

No. of policies	21.7 mil
Sum insured	JPY 79,438 bil

HOME

No. of policies	9.0 mil
Sum insured	JPY 137,527 bil

VEHICLE

No. of automobile insurance	8.1 mil
No. of automobile liability insurance	6.5 mil

Claims paid for natural disasters

Most significant payments since 1995

@USD/JPY145

- ① Jan. 1995: **The Great Hanshin earthquake**
101,535 claims, JPY 118.8 bil / USD 8.2 mil
- ② Sep. 2004: **Typhoon Songda (No.18)**
284,564 claims, JPY 108.3 bil / USD 7.5 mil
- ③ Mar. 2011: **The Great East Japan earthquake (Tohoku EQ)**
684,820 claims, JPY 937.6 bil / USD 64.7 mil
- ④ Apr. 2016: **The Kumamoto earthquake**
94,223 claims, JPY 148.7 bil / USD 10.3 mil
- ⑤ Sep. 2018: **Typhoon Jebi (No.21)**
231,461 claims, JPY 117.3 bil / USD 8.1 mil
- ⑥ Oct. 2019: **Typhoon Hagibis(No.19)**
83,661 claims, JPY 101.4 bil / USD 7.0 mil
- ⑦ Feb. 2021: **Off the coast of Fukushima prefecture earthquake**
133,145 claims, JPY 109.8 bil / USD 7.6 mil



Building Endowment Insurance Payment

Insurance	Coverage for fire and natural disasters	
No. of policies	9.09	million JPY
Sum insured	137.52	trillion JPY



Payment at the Tohoku Earthquake (2011)		
	<i>Zenkyoren</i>	Non-life insurance company total
No. of Claims	684,867 claims	826,335 claims
Payments	937.7 billion JPY	1,289.6 billion JPY



Current Zenkyoren's initiatives for Local Community "Resilience"

1. Improving 'resilience' is an important issue for local communities.
2. Members can demand on-site support immediately after the disaster, early restoration of daily life and early resumption of farming activities are required.
3. Promotion of disaster prevention initiatives based on past disaster experiences.



Current Zenkyoren's initiatives for Local Community "Resilience"

1

On-site support

Material support



Livelihood support



Current Zenkyoren's initiatives for Local Community "Resilience"

2

Early Restoration & Early Resumption

Recovery support



Sales support



Current Zenkyoren's initiatives for Local Community "Resilience"

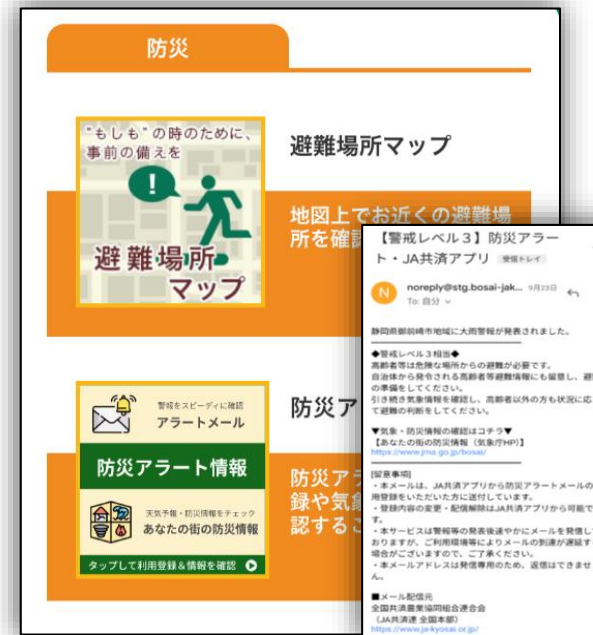
3

Prevention & Mitigation

Awareness-raising Activities for Disaster



Preparedness for Disaster



Noto Peninsula Earthquake (Occurred on 1st January 2024)

Maximum Disaster-stricken Area: Tip of Noto Peninsula (Ishikawa Pref.)





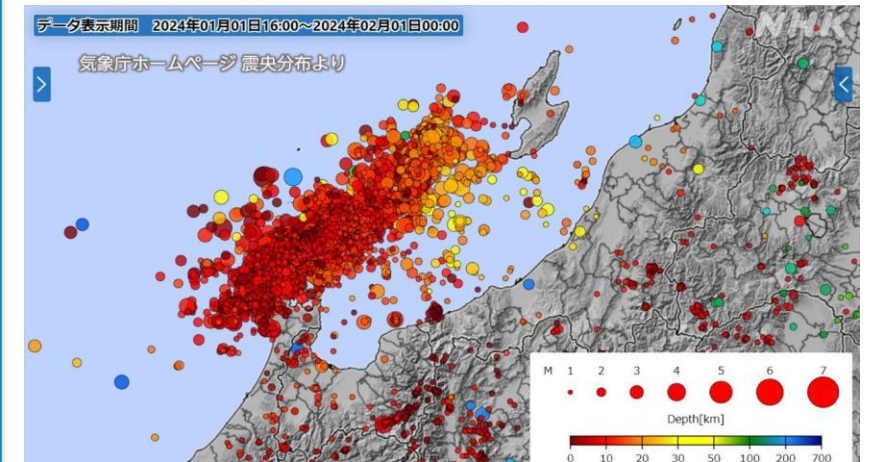
Noto Peninsula Earthquake (Occurred on 1st January 2024)

Overview

Around 4:10 p.m. on January 1, 2024, an earthquake occurred with the epicenter set at the Noto region of Ishikawa Prefecture.

The hypocenter was 16 kilometers deep with magnitude 7.6 and the maximum seismic intensity was 7. Many lives were lost due to the collapse of houses and landslides. There were heavy damages centered on the Noto Peninsulain in Ishikawa Prefecture in particular.

It was the first time for Ishikawa Prefecture to observe a seismic intensity of 7 in the history of its remaining record.



Noto Peninsula Earthquake (Occurred on 1st January 2024)

Overview

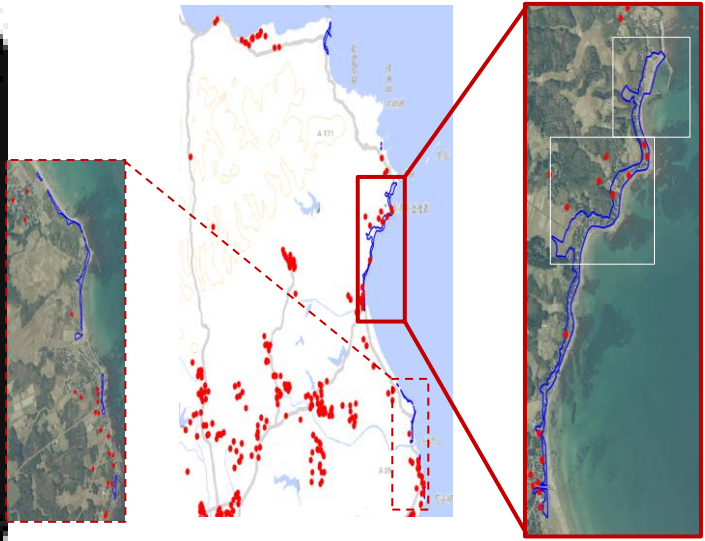
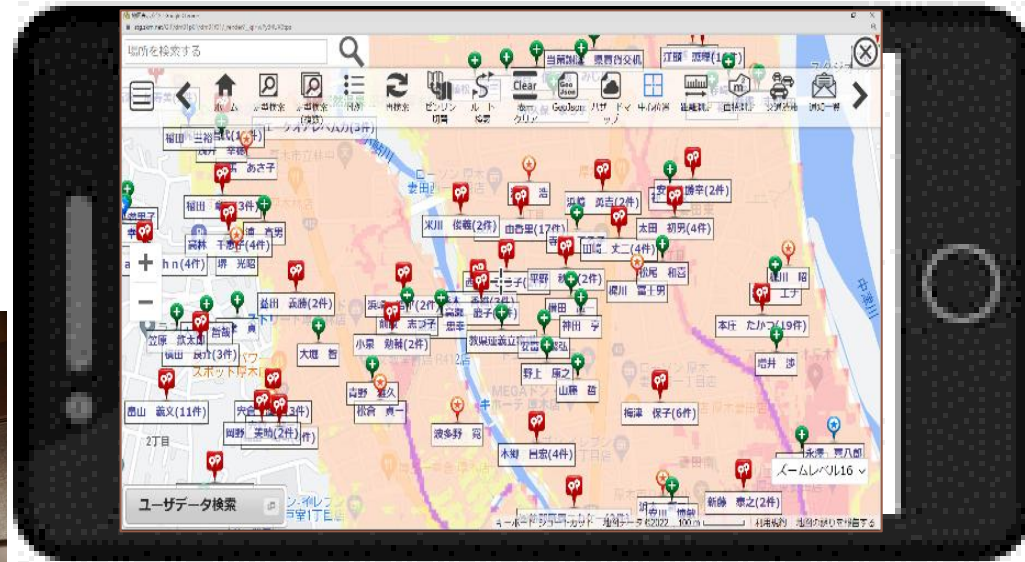
Fire extinguishing was delayed due to water outage in addition to tsunami risks when many buildings were collapsed.

There was a large-scale fire occurred in Wajima City. According to the survey of an expert, the incidence of fires was higher than that of the Great East Japan Earthquake.

In Suzu City, the ground was uplifted over an approximately four kilometers's length and a 2 meters tall's cliff appeared in some areas.



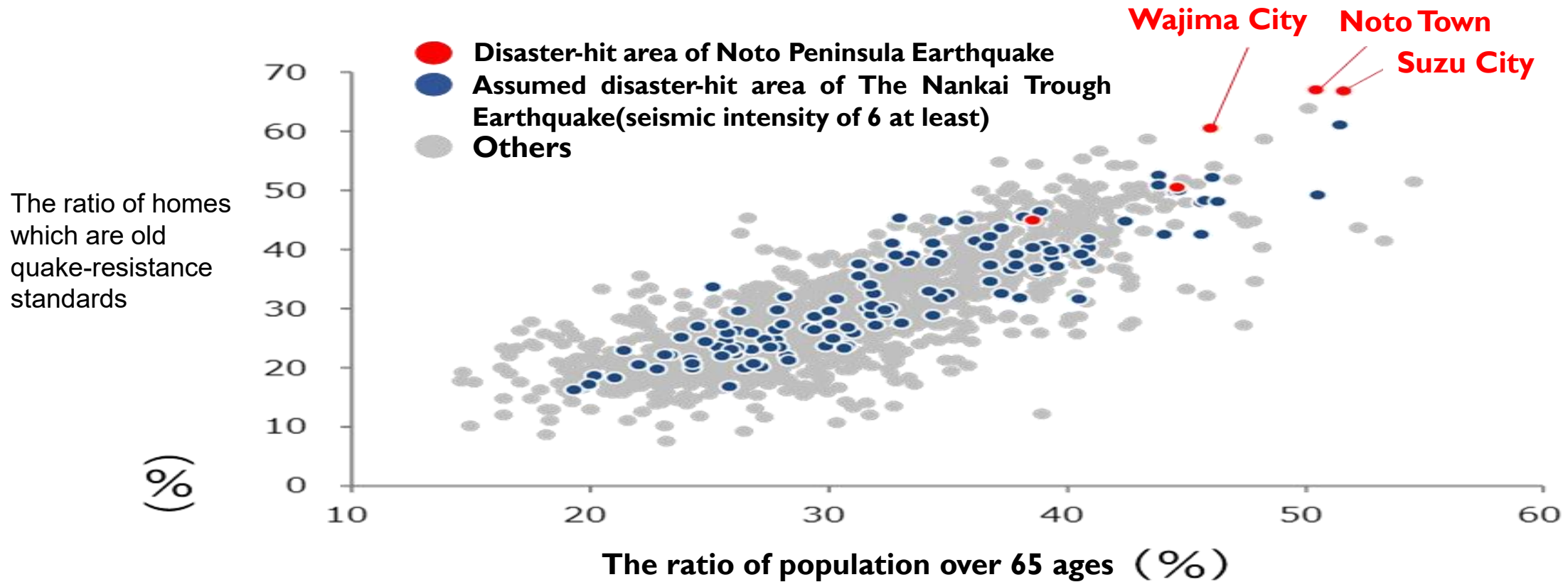
Noto Peninsula Earthquake (Occurred on 1st January 2024)



Payment at Noto Peninsula Earthquake (2024)			
	Zenkyoren		Non-life insurance company total
No. of claims	122,982	claims	103,439 claims
Payments	151.7	billion JPY	91.0 billion JPY

New issues caused by Noto Peninsula Earthquake

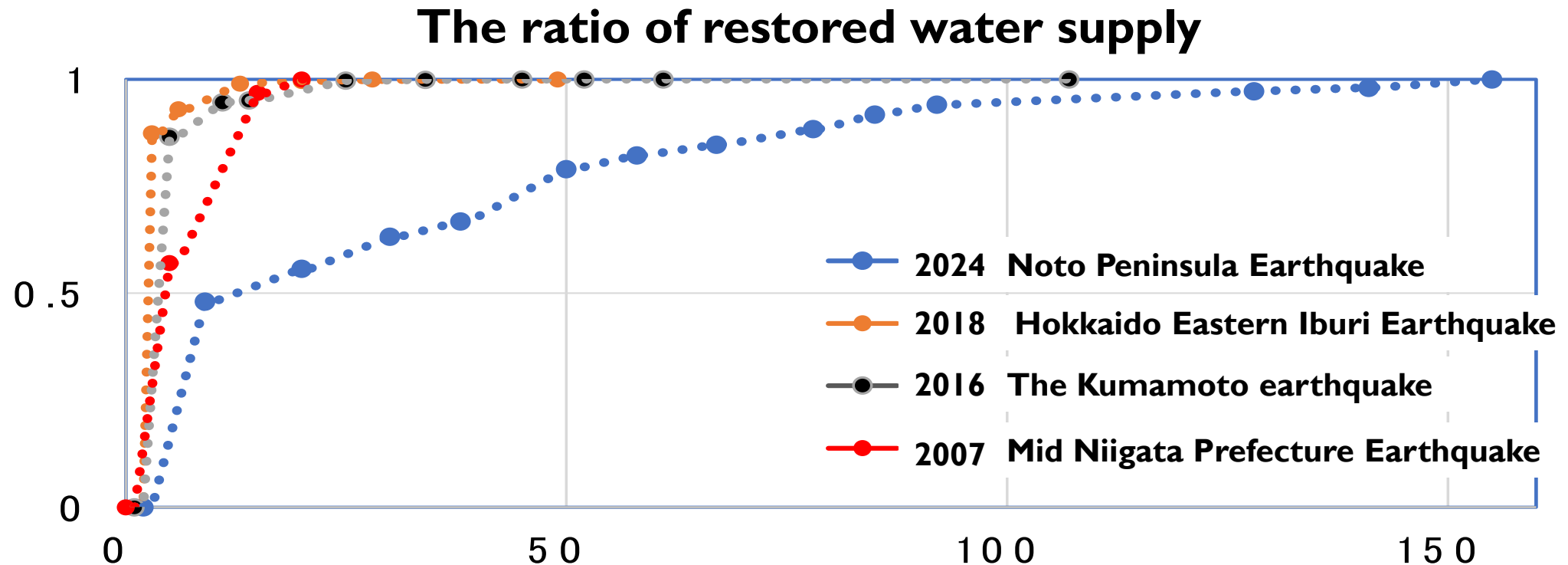
Low rate of earthquake-proof



According to Mitsubishi Research Institute, Inc.

New issues caused by Noto Peninsula Earthquake

Delay of recovery



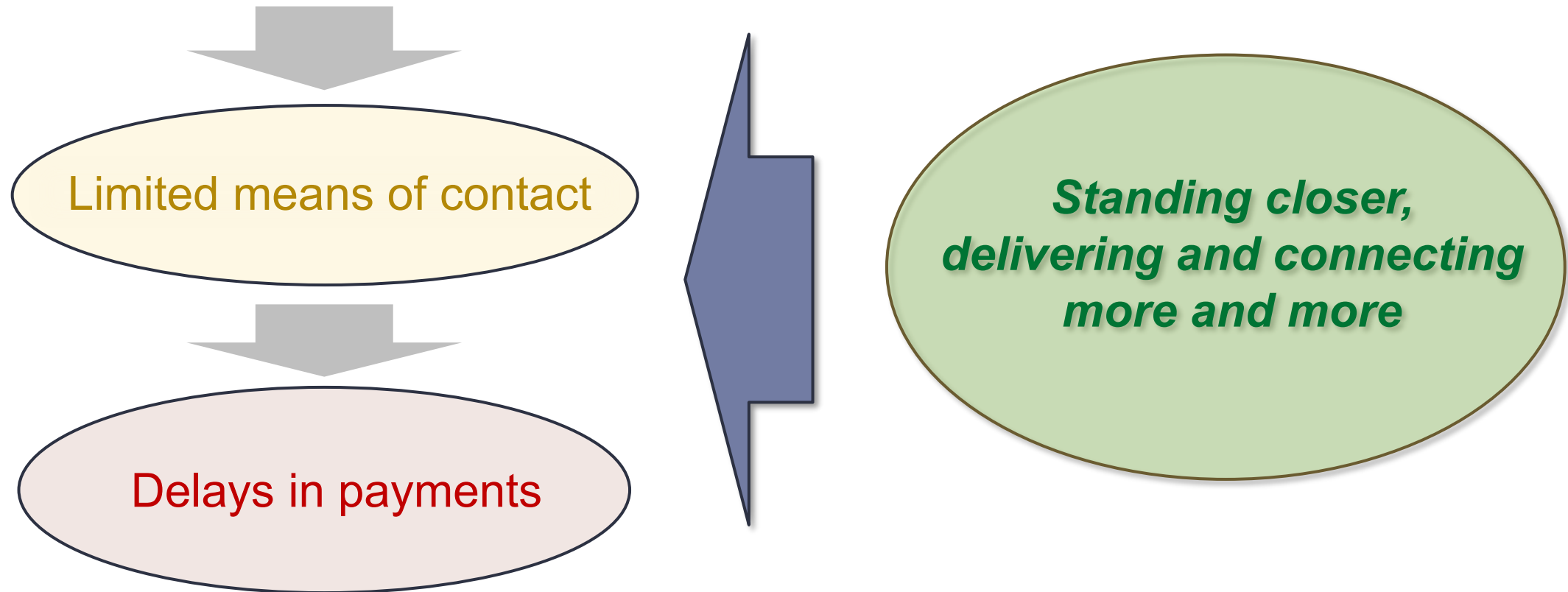
According to Mitsubishi Research Institute, Inc.

New issues caused by Noto Peninsula Earthquake

Weakened resilience of local communities due to aging society

■ Delay of rebuilding houses

■ Prolongation of evacuation life



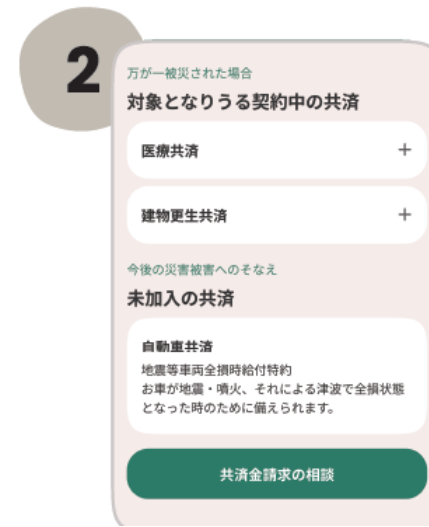
Towards strengthening for Local Community “Resilience”

Strengthening the function of App

“Standing” more closer to members and users,
“Delivering” more comprehensive security



Confirming contracts



Defining the contracts



Familiar system for consultation

Towards strengthening for Local Community “Resilience”

Pursuit of new partnership

Cooperatives

Government

Insurance
companies

“Connecting” more with agriculture and local communities broadly and deeply

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Cooperation for awareness-raising activities

- Holding seminars and events
- Guidance to evacuation centres
- Cooperation for preparing disaster hazard maps

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Cooperation for prompt payment

- Early establishment of business structures
- Recommendation of claims to affected residents
- Cooperation for damage verification and assessment

Collaboration with ICMIF

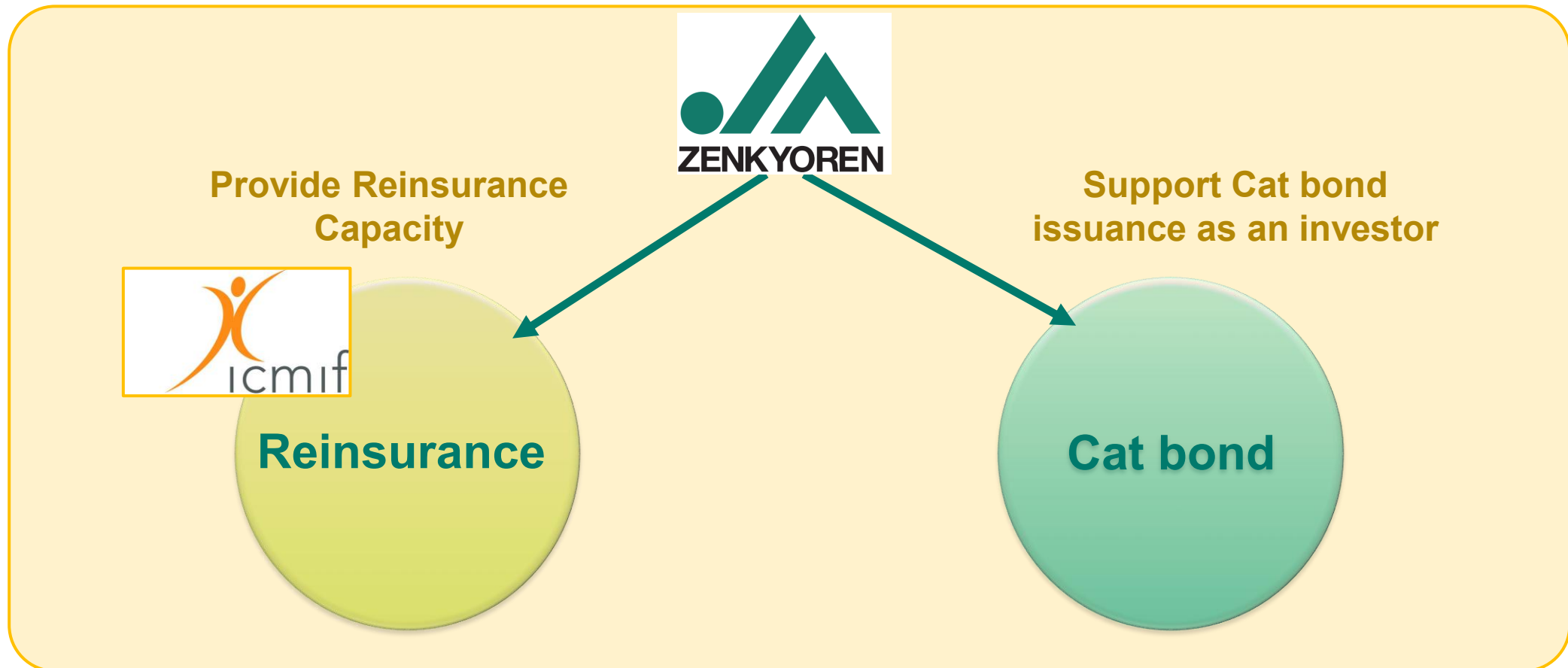
Following ICMIF's centenary year back in 2022 and entering the International Year of Cooperatives (IYC) in 2025, we launched a project to consider the best way to expand collaboration with ICMIF members and strengthen partnerships among the cooperative sector globally

As one option, we are considering contributions to the ICMIF members by providing capacity through mainly Inward Reinsurance



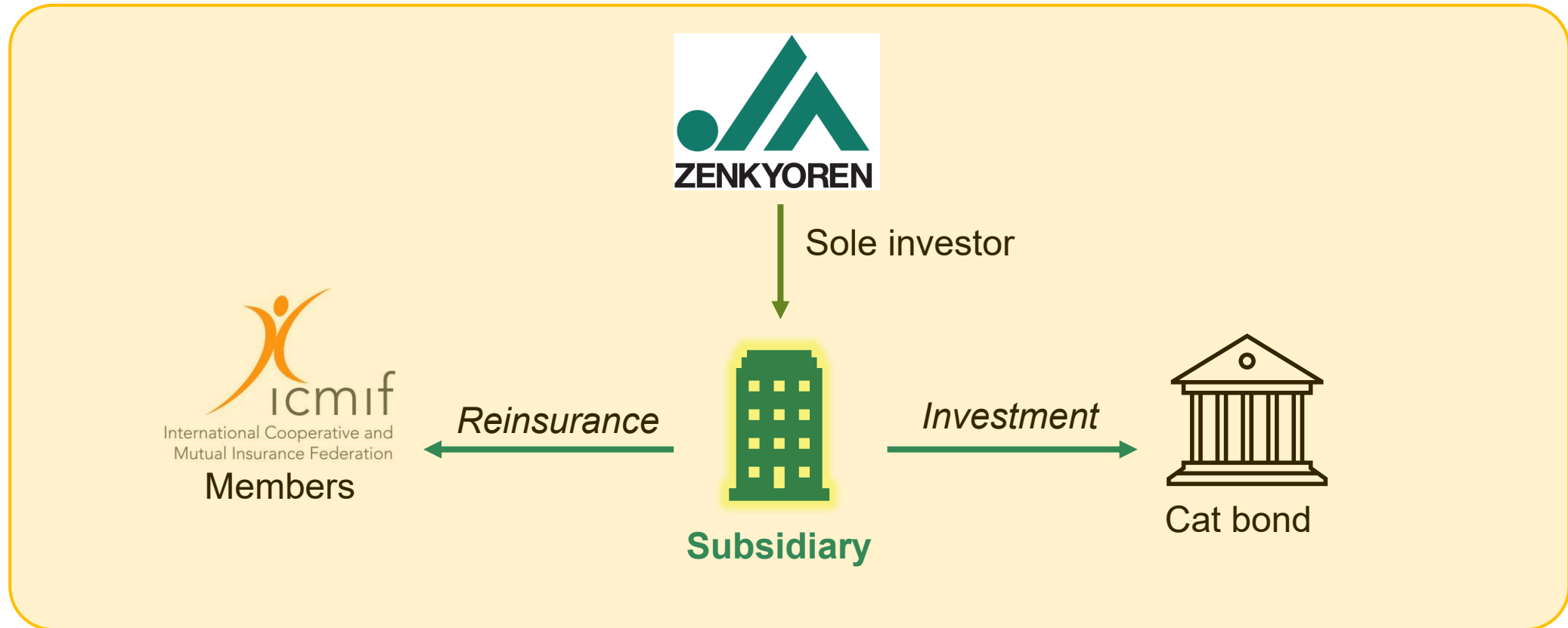
Potential Concept to Support ICMIF Members

Set up an Inward Reinsurance / Cat Bond Investment vehicle to support ICMIF members



Structure Concept

- Potential launch of Inward **Reinsurance** / **Cat Bond** investment vehicle
- Domicile and license / fronting structure are under discussion



Thank you

