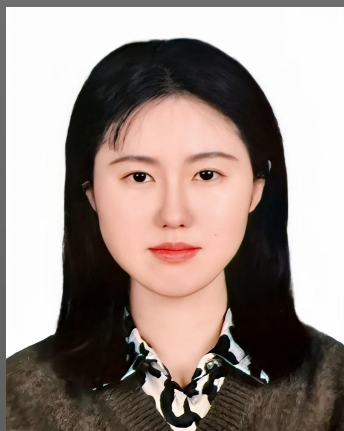


XVIII Congreso Internacional ALASA 2025



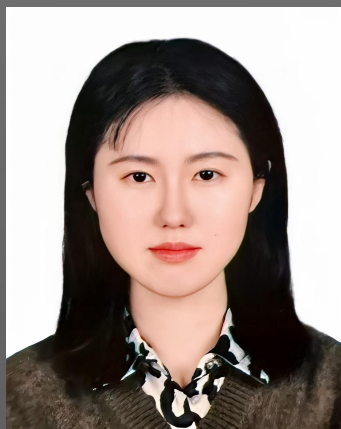


Ming Zhu

Postdoctor
China Pacific
Property Insurance
Co., Ltd.
China

International Agro- insurance best practice in China

International Experiences on Agricultural Insurance



Ming Zhu

Postdoctor
CPPIC, China

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Speaker Introduction

- **Professional Experiences**

China Pacific Insurance (Group) Co., Ltd. (2023 -)

Postdoctoral research in agricultural insurance

Location: Shanghai, China

- **Educational Background**

- China Agricultural University

Doctor of Management

- Johns Hopkins University (2016 - 2018)

Master of Science

- **Publications**

- Zhu M., Song J.G. The impact of firm-level catastrophe reserves on agricultural insurance underwriting risk[J]. *Insurance Studies*, 2024,(06):81-90.
- Zhu M., Yang R. H. The impact of reinsurance on agricultural insurance underwriting risks[J]. *Rural Economy*, 2023,(03):69-77.

CPPIC: China Pacific Property & Casualty Company



China Pacific Property Insurance Co., Ltd.(CPPIC) achieved original insurance premium income of **201.243 billion yuan** in 2024, a year-on-year increase of 6.8%. The company's total assets and net assets were 213.36 billion yuan and 54.909 billion yuan, respectively, achieving a net profit of **6.575 billion yuan**.

China Pacific Property Insurance underwrites various types of insurance, including **motor vehicle insurance, property insurance, liability insurance, agricultural insurance, surety insurance, accident insurance, and short-term health insurance.**

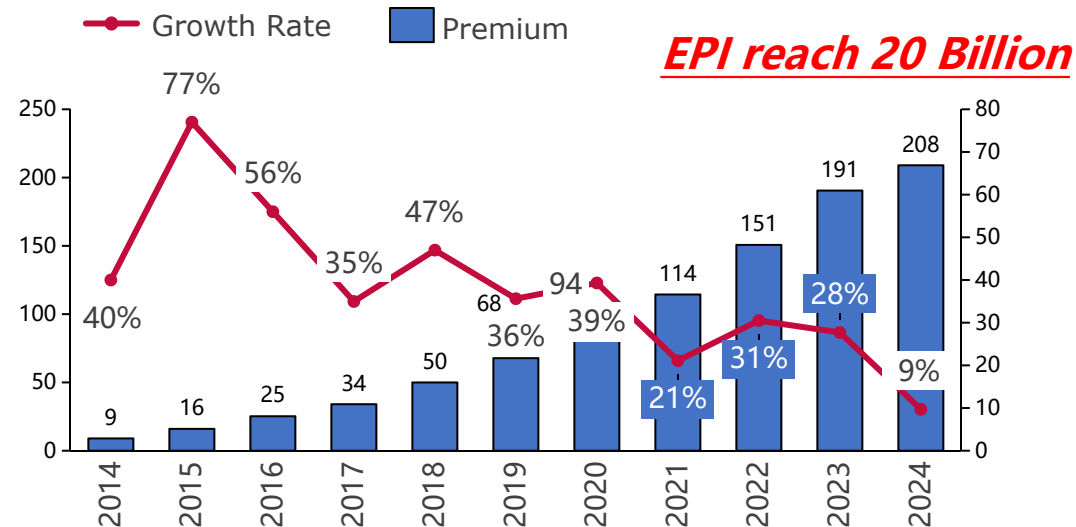


杭州2022年亚运会官方合作伙伴
Official Prestige Partner of Asian Games Hangzhou 2022

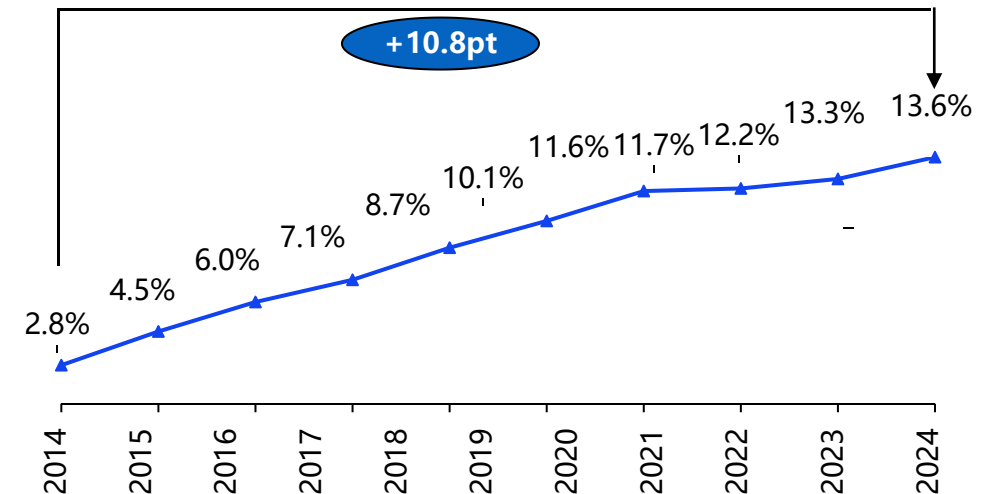
Agro insurance achievement of key operating indicators of CPPIC

- Achieved sustained and rapid development since 2004.
- Agricultural insurance premium has grown at an average annual compound rate of 46%.
- The market share has steadily increased by 10.8pt.

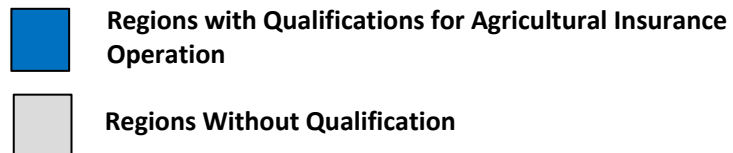
Compound Premium Growth 40%



Market Share +10.8pt



Full coverage of agro insurance service area in China



Full Coverage of Government subsidized Agricultural Insurance Business Qualifications

31
provinces/municipalities/auto
nomous regions

41 Branches

Coverage Area

Full Coverage beyond Hong
Kong, Macau, and Taiwan

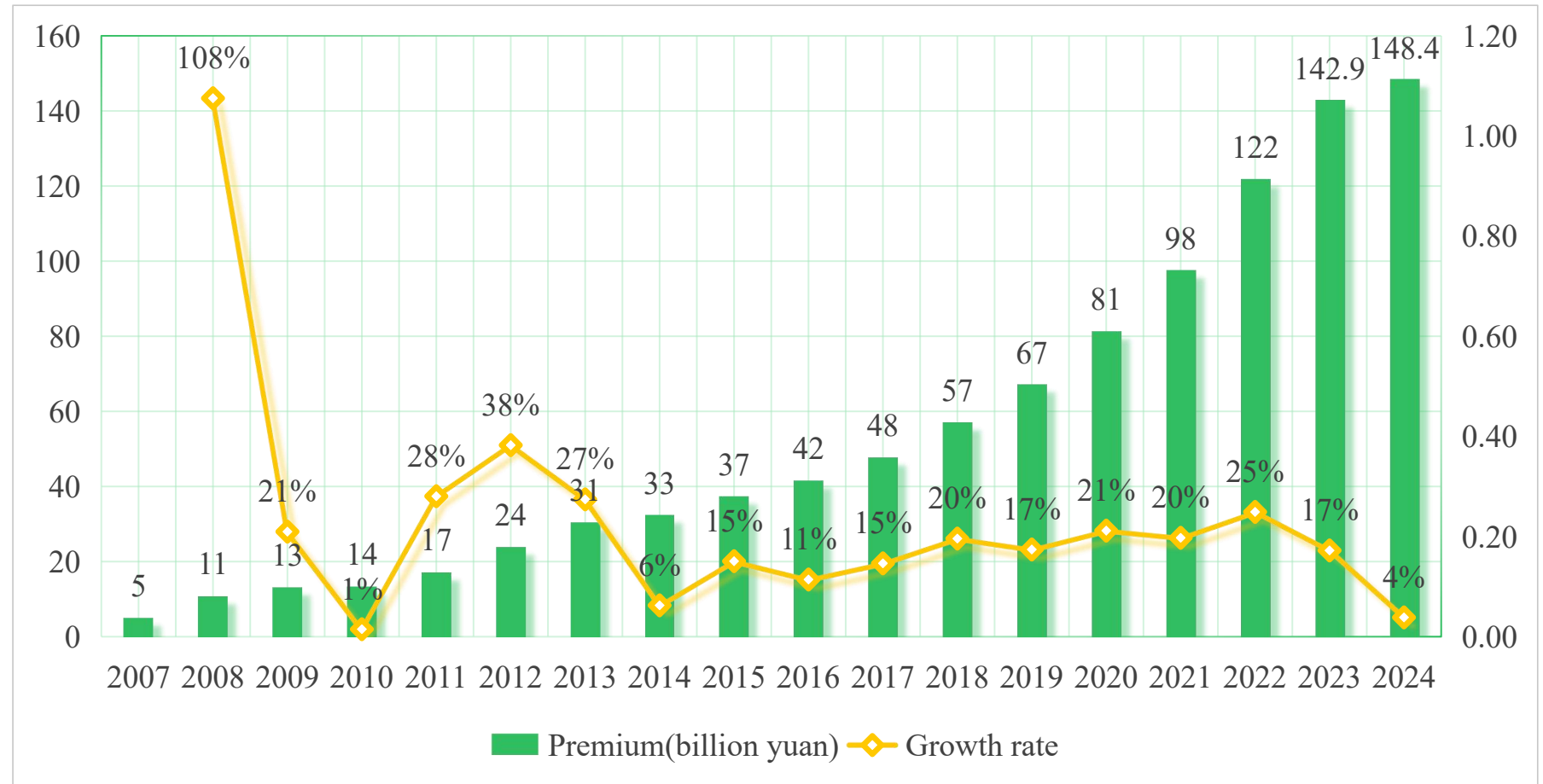
Key international exchange activities

- **AIAG collabration**
 - Mr. Song become the first asian board member in 2021
 - Attend AIAG congress and seminar
 - Knowledge sharing and practice exchange
- **Taian Agricultural Risk Management Forum**
 - Co-organized annually
 - Invited numbers of international guests to attend and deliver speeches on-site



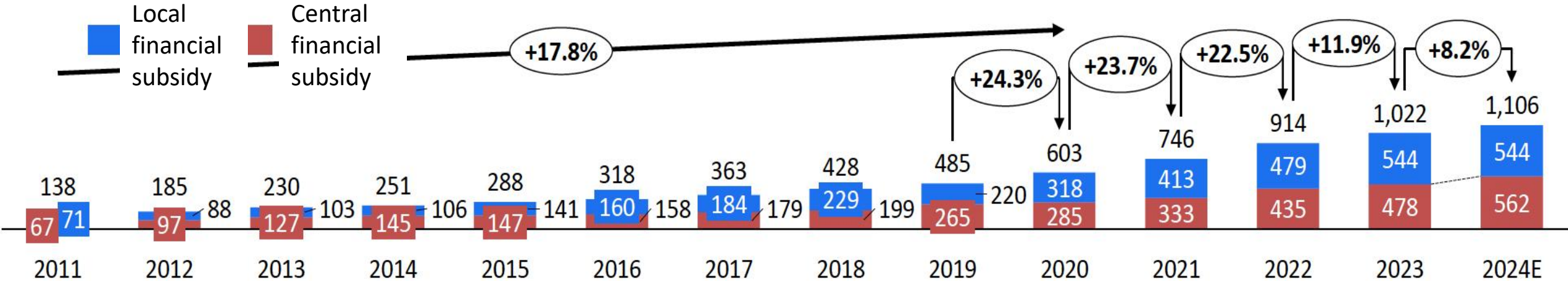
General market development and trend

Overview of China's agro insurance development



Trends in agro insurance - financial subsidies

- Since 2007, the central financial administration has implemented a policy of subsidizing agricultural insurance premiums.
- The amount of financial subsidies has been increasing year by year, and policy support has been growing continuously.



Trends in agro insurance - local specialty agricultural products

CPPIC currently has 2,891 agricultural insurance products in effect, covering more than 250 varieties.



- **Full-cost and income insurance policies**
 - Major crops: wheat, rice, corn
 - Soybeans
- **Increase financial support for local specialty agricultural products**
 - 2024: arranged 6.8 billion yuan of award and subsidy funds to support the development of insurance for more than 500 specialty agricultural products

Balco Field

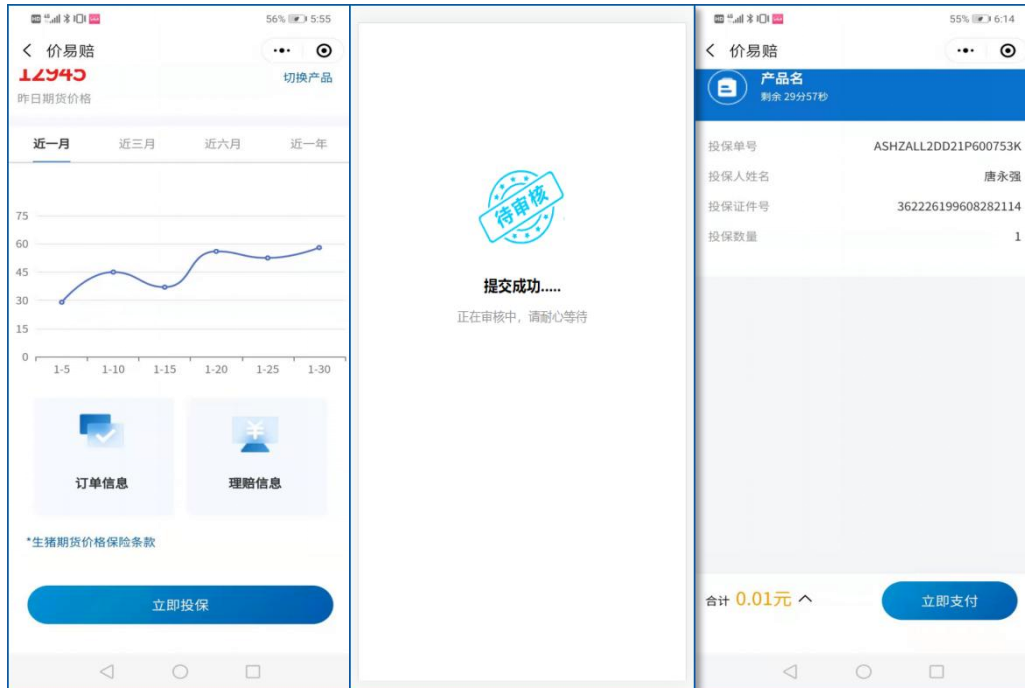
Achievements on tropical crops - Guangxi sugarcane project

- Price index insurance
- Form: “Insurance + futures”
- The first innovation to provide price insurance coverage for bulk agricultural products
- UN award: The world's best case for poverty reduction
- Database: Chinese and foreign cases of poverty reduction

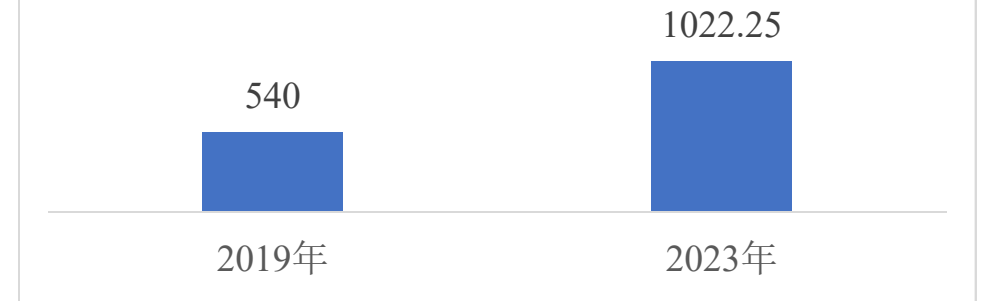


Achievements - Hainan's "Agri-e-Chain" technology applications

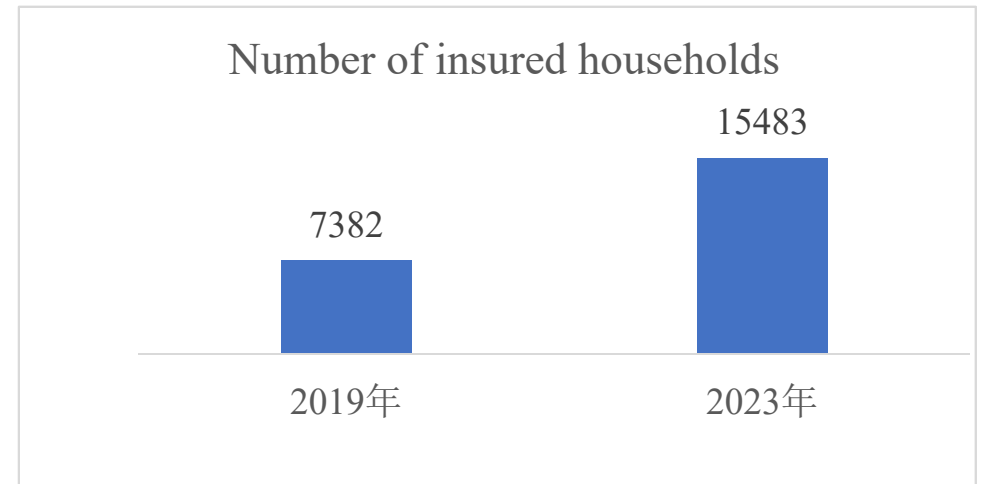
- "Agri-e-Chain" rubber price insurance management system
- Design of payout structure: based on actual daily yields and spreads



Premium scale
(ten thousand yuan)

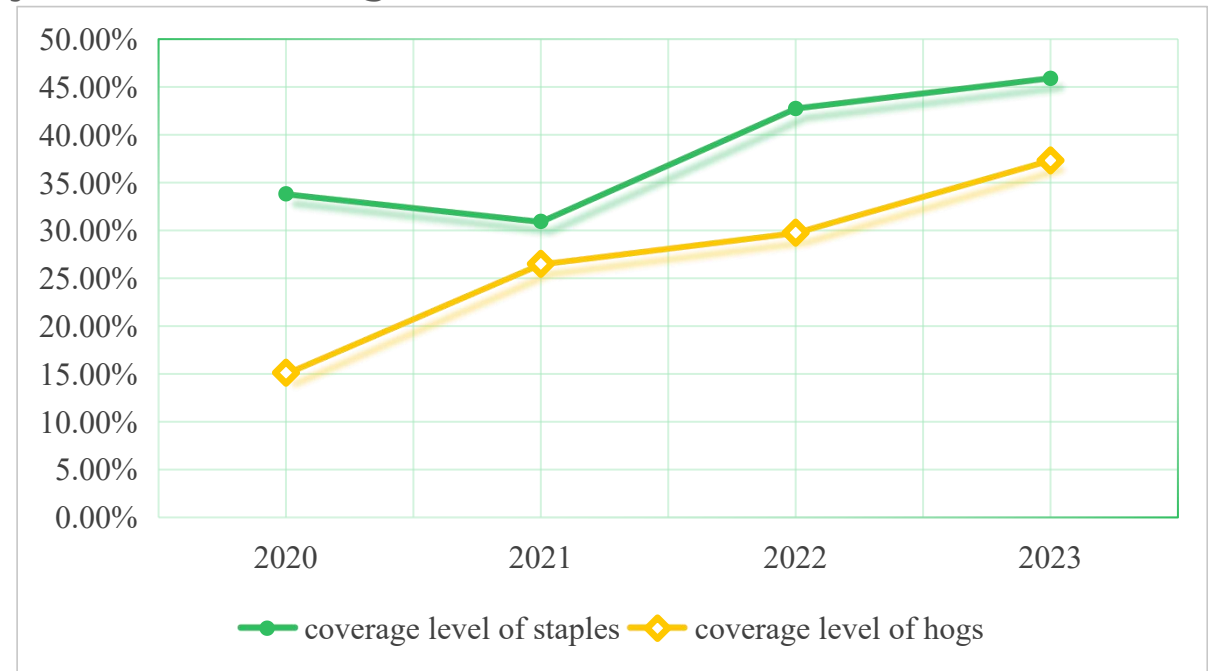
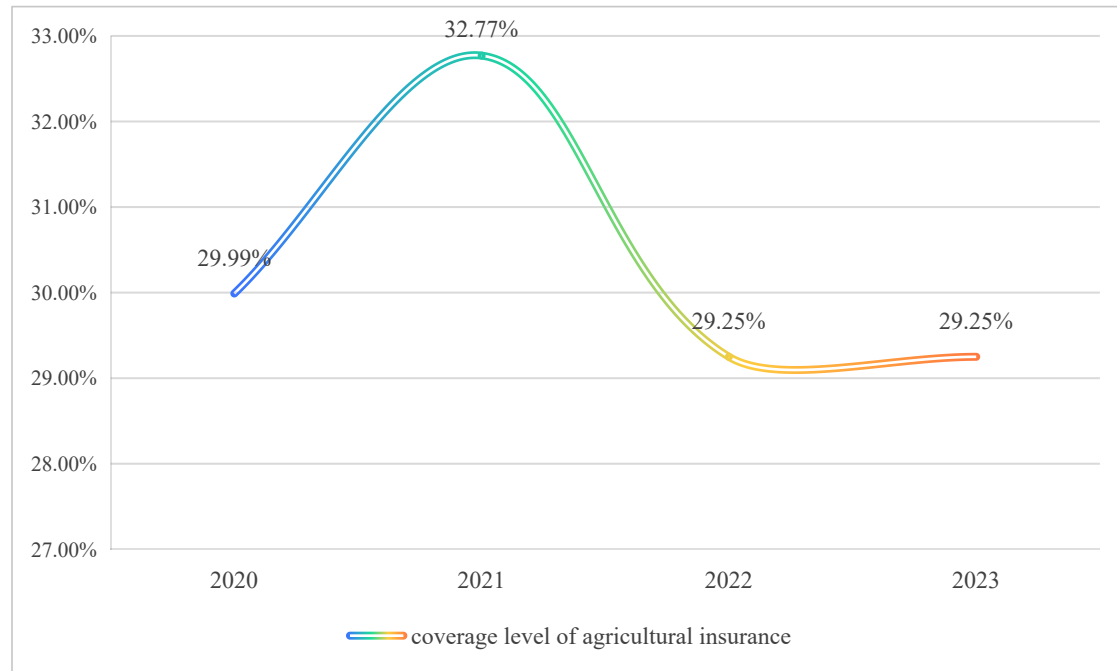


Number of insured households



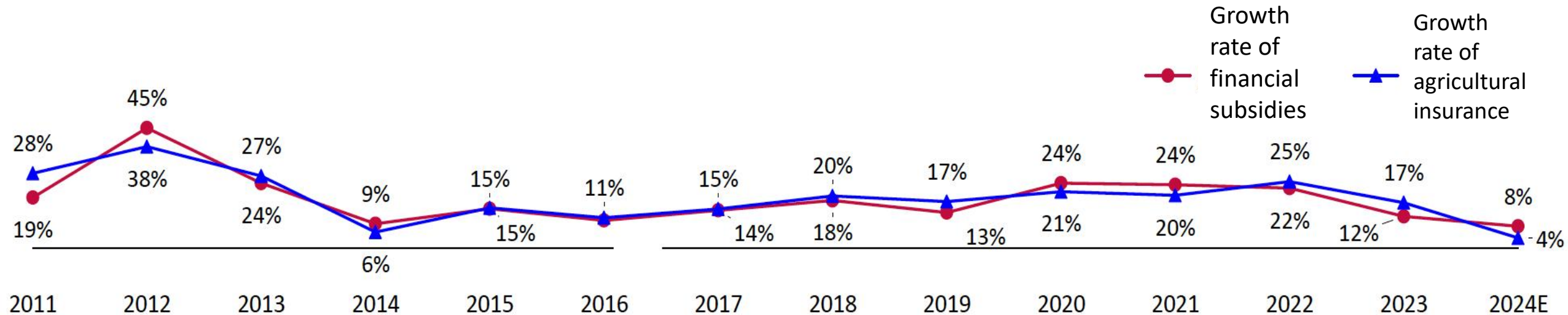
Major challenges - Limited coverage and low penetration rates

- China's agricultural insurance coverage level is around 30%.
- Penetration rates of corn, rice and wheat reached 86.1%, 80.6%, 92.2%.
- Penetration rates of soybeans and hogs were above 50%.



Major challenges - Heavy financial burden on local governments

- In recent years, local governments, especially grass-root governments, faced tight financial budget constraints.
- The problem of overburdened subsidy funds become more prominent.



Conclusions and future outlook

Double Precision

- Precise underwriting
- Precise claims
- Standards
- Technology-enabled advancement:
 - scientific applications
 - information platform
 - intensity of investment

Full coverage of income insurance

- Major crops:
(wheat, rice, corn)
 - full cost insurance
 - income insurance
- Soybeans:
 - full cost insurance
 - income insurance
 - **realize full national coverage by 2026**

Thank you!
¡Gracias!

