

GIAJ Chairman's Statement

(Translation/Executive summary)

Mar. 16, 2023

Giichi Shirakawa, Chairman of the GIAJ, released the following statement on March 16:

1. Introduction

In late January, an intense cold wave hit the Japanese archipelago. Heavy snowfall and freezing temperatures caused damage in many areas. Melting snow could also cause avalanches and floods, which lead to various forms of damage.

The major earthquakes in Turkey and Syria in February have revealed the enormous threat that earthquakes and other natural disasters bring. Under these circumstances, disaster prevention and reduction efforts, as well as the function and importance of insurance have been reaffirmed worldwide.

Amidst continuing global instability, including security concerns, rising prices, and financial market volatility, the GIAJ aims to contribute to the development of the general insurance industry and society by supporting people's daily lives and economic activities.

2. Specific measures for realizing major initiatives

(1) Climate change and natural disasters

a. Measures for disaster prevention and reduction

The GIAJ held a workshop on local disaster risks for elementary, junior high, and high school teachers on March 7.

At each branch, we also conducted the following activities to disseminate hazard maps responding to local risks:

- Tohoku Branch: Disaster prevention seminar in January (this year) in response to the heavy rain disaster that hit the northern Tohoku region last summer.
- Hokuriku Branch: Signed an agreement in January with Ishikawa Prefecture and the Ishikawa Prefectural Independent Insurance Agents of Japan to cooperate in raising awareness of general insurance in preparation for disasters, etc.

We will continue to promote the active involvement of our member companies in disaster prevention and mitigation activities.

b. Countermeasures against unscrupulous home repairers who try to gain profit unfairly by taking advantage of natural disasters

Each branch took measures such as preparing leaflets, disseminating related information in cooperation with local governments and the police, and conducting educational activities in cooperation with consumer affairs centers.

In areas with heavy snowfall, we also distributed promotional giveaway file folders (marked with an alert message) to call attention to unscrupulous home repairers

<Cooperation with the Independent Insurance Agents of Japan>

In areas where the Disaster Relief Act was applied following Typhoons No. 14 (Nandamol) and No. 15 (Talas) in 2022, and in areas where heavy snowfall and other damage occurred due to the cold wave in late January, agents sent out e-mails to policyholders to call for attention.

A questionnaire survey was conducted among agents in the affected areas to determine the actual status of contact points between customers and home repairers, methods of informing customers, and other efforts.

<Cooperation with the National Association of Shinkin Banks>

We informed Shinkin banks (cooperative regional financial institutions mainly for SMEs and local residents) about the problem of unscrupulous home repairers and the measures being taken in cooperation with the GIAJ.

Articles and flyers were publicized in the Shinkin Bank magazine to alert readers to the problem.

For general consumers, the GIAJ posted digital advertisements related to unscrupulous home repairers on the websites of each related organization.

c. Responses to issues related to climate change and sustainability

In February of this year, the 5th Climate Change Study Session was held online under the theme of Natural Capital and Biodiversity. The lecture was given by Mr. Masami Hasegawa, Secretary General of Keidanren (Japan Business Federation) Committee on Nature Conservation and Director of the Environment and Energy Policy Bureau of Keidanren.

The study session included a lecture on the results of the 15th Conference of the Parties to the Convention on Biological Diversity (CBD COP15), future trends, and areas where general insurance companies can play an active role in the biodiversity field.

(2) Digital transformation (DX)

a. Acceleration of the harmonization and standardization of business procedures

The GIAJ has been focusing on the stable operation of the "Insurance Premium Deduction Certificate Issuance Service" system, by improving convenience, expanding the number of insurance companies that support the service, and promoting the use of electronic data for

insurance premium deduction certificates in the year-end adjustment and tax return procedures.

(As a result, the number of cases in which electronic data was obtained through this system increased to approximately 250,000 as of the end of February (approx. 3.4 times that of the previous year).)

b. Countermeasures against emerging risks

The GIAJ created a video regarding the actual risks faced by SMEs and their insurance preparedness, which was broadcast on TV and posted on the GIAJ's special website, "Insurance for SMEs".

In addition, the GIAJ exchanged opinions with the Organization for Small & Medium Enterprises and Regional Innovation, the Small & Medium Enterprise Agency, and other government agencies on the results of a survey on SME business risk awareness.

Each GIAJ branch continuously conducts educational activities for SMEs in cooperation with local METI (Ministry of Economy, Trade and Industry) bureaus and related organizations.

In February, the Kanto, Chugoku, Shikoku, Kyushu, and Tohoku branches held seminars related to the dissemination of insurance to SMEs and the advantages of obtaining certification for the Business Continuity Enhancement Plan, in cooperation with local METI bureaus and related organizations.

(3) Other major ongoing efforts

The GIAJ also undertook the following initiatives:

a. Improvement in general insurance literacy among the younger generation

- A survey on general insurance literacy education targeting teachers of home economics and civics
- Provision of the "Sonpo (General Insurance) Journal", a general insurance educational magazine for teachers, to high schools and boards of education nationwide
- The release of educational material for high school students entitled: TRY to a Bright Future!

b. Measures to improve the insurance business environment

- Submission of opinions to public consultations by the International Association of Insurance Supervisors (IAIS) on the draft "Issues Paper on Insurance Sector Operational Resilience" and the draft "Review of the Individual Insurer Monitoring (IIM) Assessment Methodology"

c. Strengthening support for emerging markets

- The exchange of information and opinions with public and private insurance industry representatives from ASEAN countries
- ISJ (Insurance School (Non-Life) of Japan) Overseas Seminar for Lao general insurance industry professionals and insurance regulatory authorities, etc.

d. Efforts to improve the quality of insurance solicitation

- Initiatives to expand the number of "general insurance total planners", such as encouraging participation in the General Insurance College Course in cooperation with prefectural agent associations and member companies, etc.

e. CALI public relations activities

- Public relations activities for Compulsory Automobile Liability Insurance (CALI) featuring actor Sari Ito and mascot character "CALI Sticker-kun", etc.

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