





Fishing Vessel Insurance in Japan

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Fishermen's New Year Festival



Prayer for Safe
Voyage



Prayer for **Big**
Catch



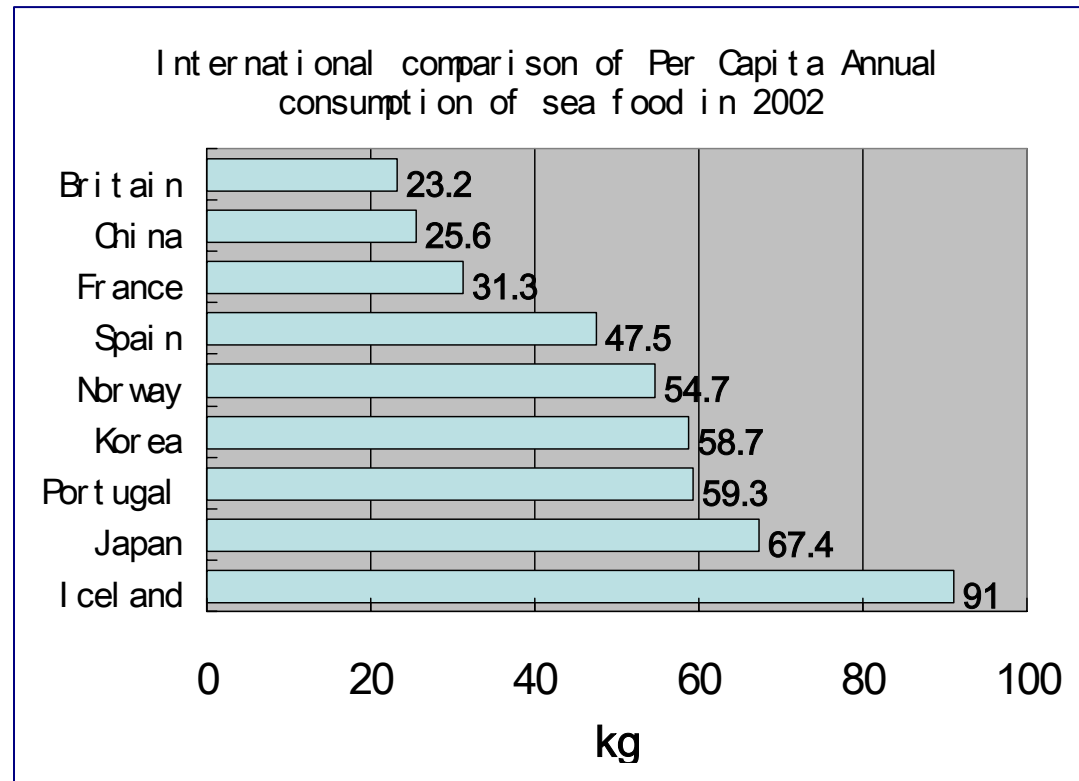
Photo by Mr. Shiromura

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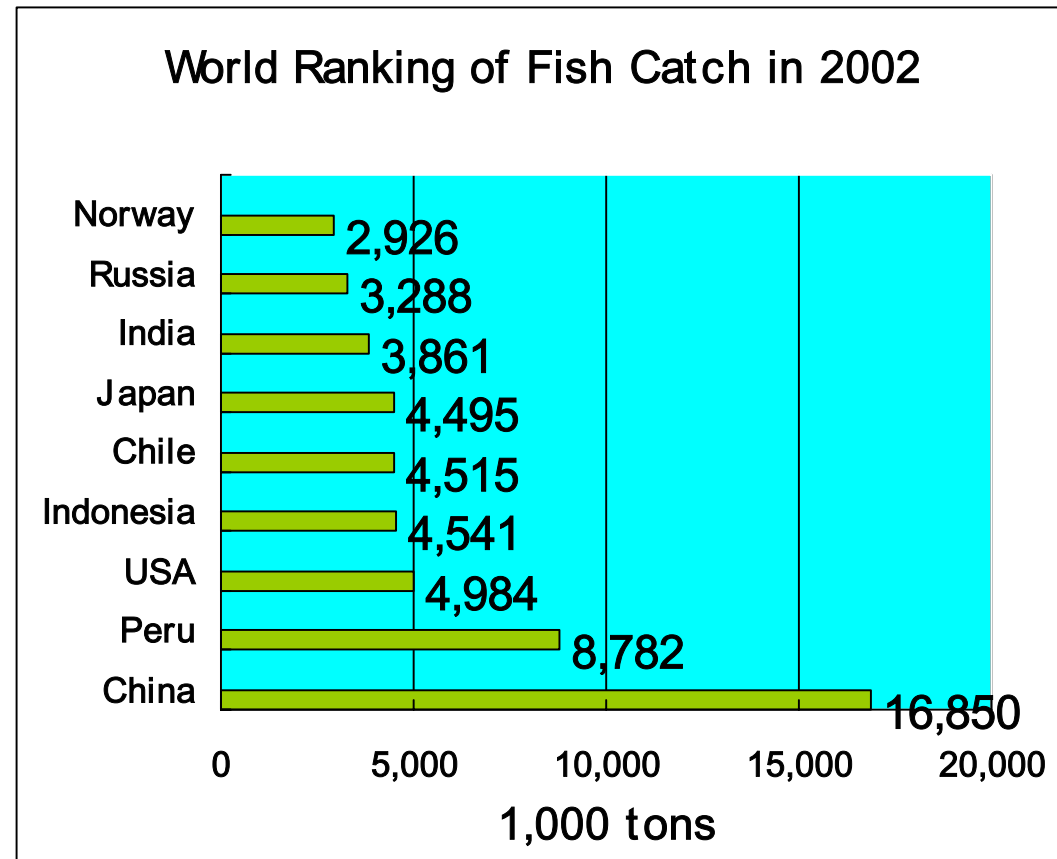
(1)Consumption of Sea Food

- Japan's consumption of marine products is one of the top countries in the world.



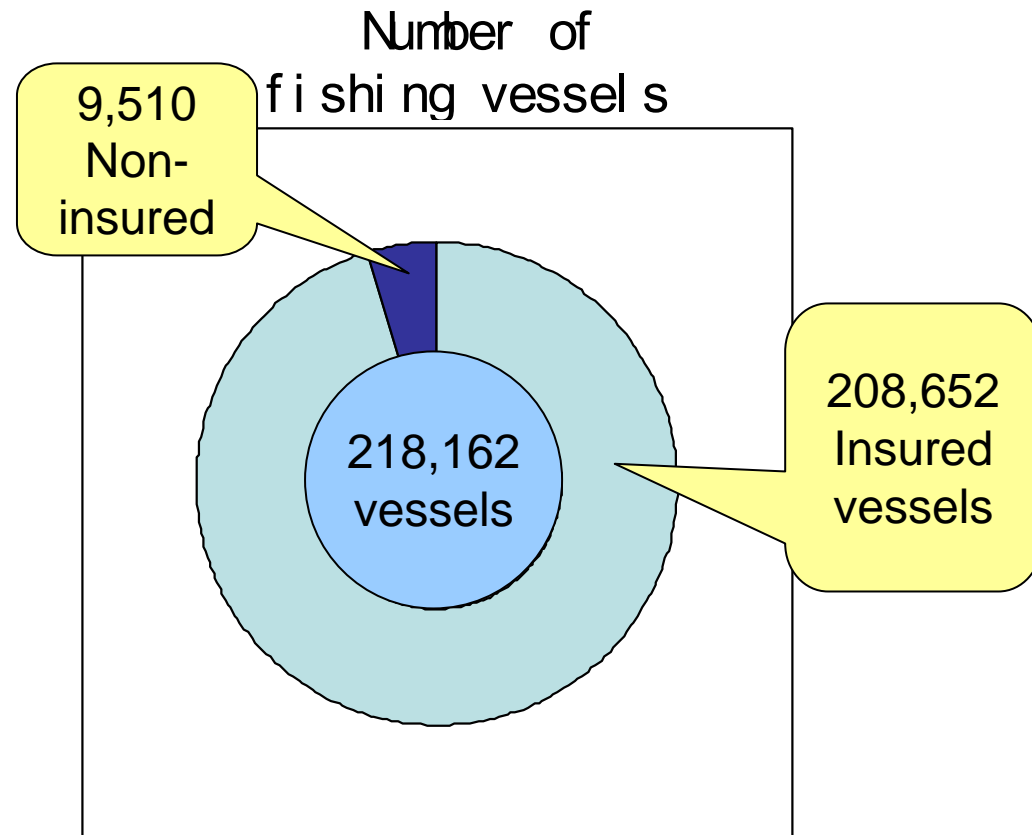
(2)Fishery production volume

- Japan ranked sixth in 2002 for fish catch (aqua cultural products excluded)



(3) Number of fishing vessels

- Almost all working registered fishing vessels are insured with the Fishing Vessel Insurance Association.

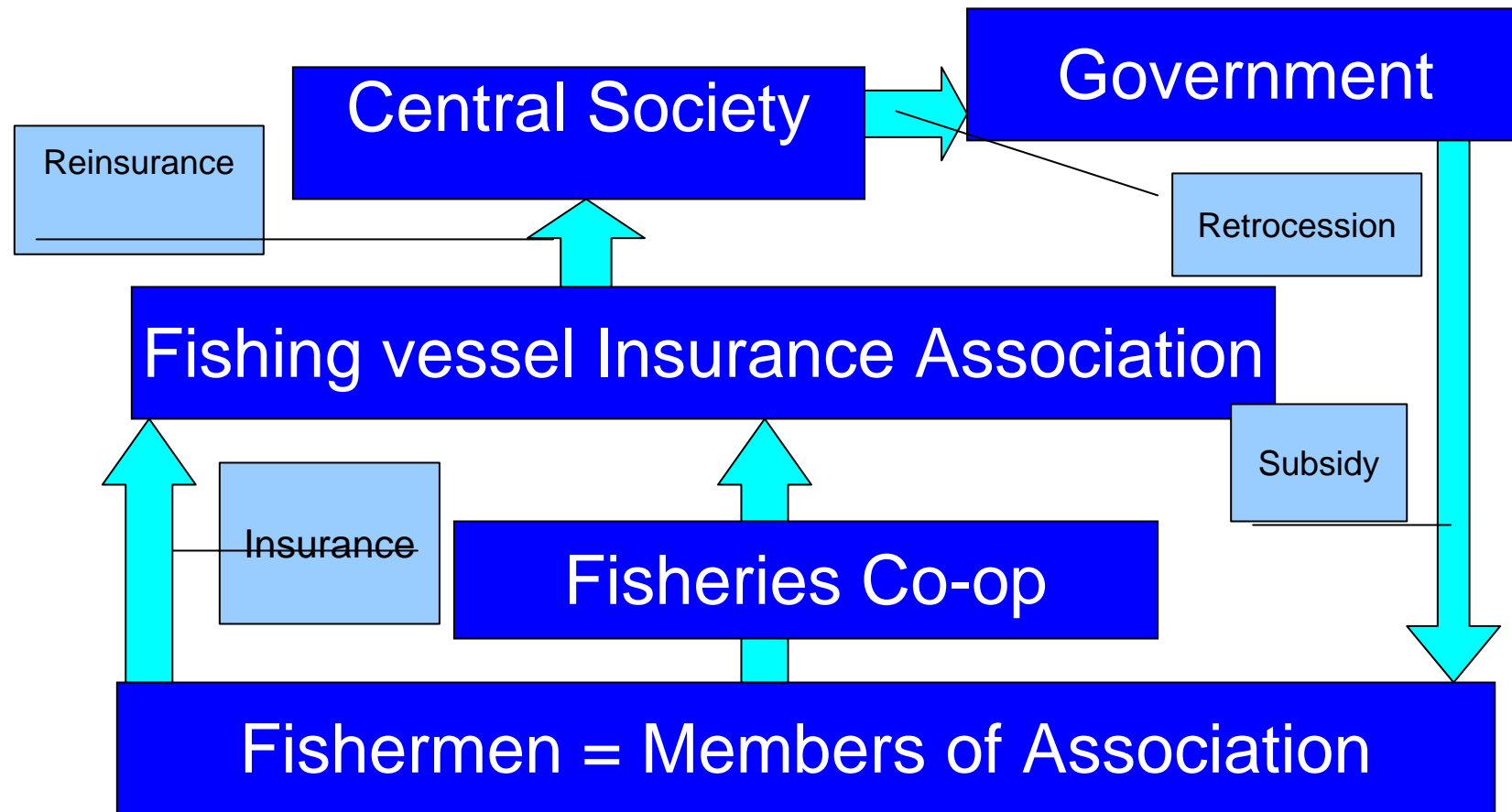




II What is the fishing vessel insurance ?

- (1) Structure of the Organization
- (2) Distinctive Feature of the Insurance
- (3) Reinsurance System
- (4) Function of the Government

(1) Structure of the Organization



(2) Distinctive Feature of the Insurance

- (A) The fishing vessel insurance is a non-profit protection system under the Fishing Vessel Damage etc., Compensation Act 1952.
- (B) The main purpose of this scheme is to contribute to stabilizing management for small and medium sized fisheries.
- (C) The association is a mutual insurance. Members are fishermen who have entered into insurance contract with the Association.
- (D) Not regulated by the Insurance Business Act 1939.

(3) Reinsurance system

- (A) The Central Society, which consists of 49 member associations, reinsures 90% of insurance liability of the member associations.
- (B) The Government reinsures the Central Society by stop of loss method



(4) Function of the Government

- Reinsurance to the Central Society
- Subsidies of the part of premium
- Tax exemption
- Approval to the Articles of the Association and the insurance stipulation including the insurance premium rate
- Supervision over the Association and the Central Society

III Current Status of the Fishing Vessel Insurance



- (1) Numerical outline of the fishing vessel insurance in 2005
- (2) Number of the insured vessels
- (3) Changes of insured vessels in the number and total gross tonnage
- (4) Changes in the number of claims incurred in comparison to the number of insured vessels
- (5) Changes in the premiums income and the claims paid

(1) Numerical outline of the Fishing Vessel Insurance in 2005

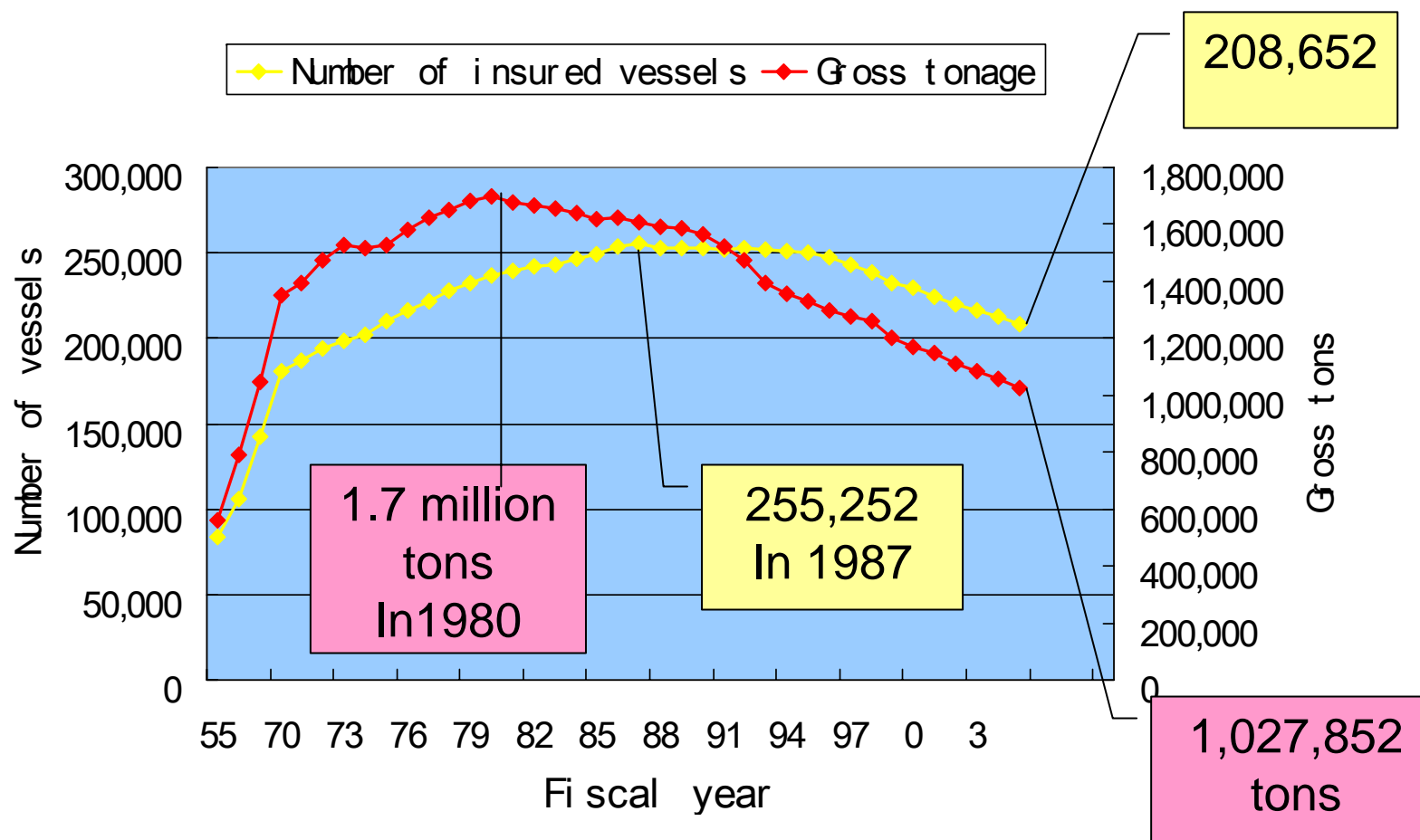
①Number of Associations	49
②Number of member fishermen	154,284
③Number of insurance contracts	208,652
④Total Gross Tonnage tons	1,027,852
⑤Net premium	Yen 18,115 million
⑥Number of claims	59,954
⑦Claims paid	Yen 17,413 million
⑧Incurred claims ratio in number (⑥/③)	28.7%
⑨Loss ratio (⑦/⑤)	96.1%

(2)Number of insured fishing vessels and claims

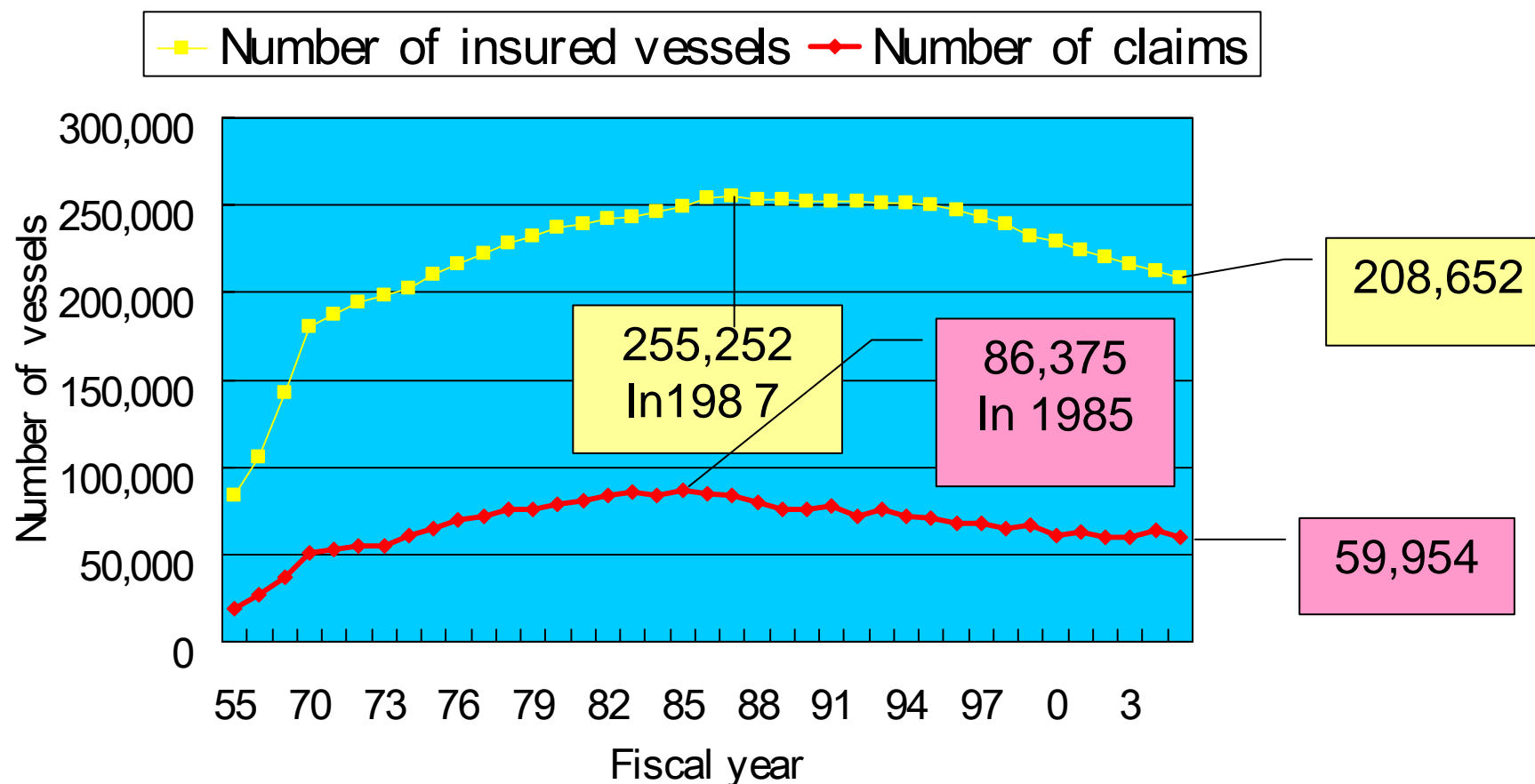


Tonnage	Vessels	Claims	Ratio
Less than 5 tons	181,604	44,708	24.6%
5-20 tons	25,220	14,427	57.2%
20-100 tons	626	374	59.7%
More than 100 tons	1,202	445	37.0%
Total	208,652	59,954	28.7%

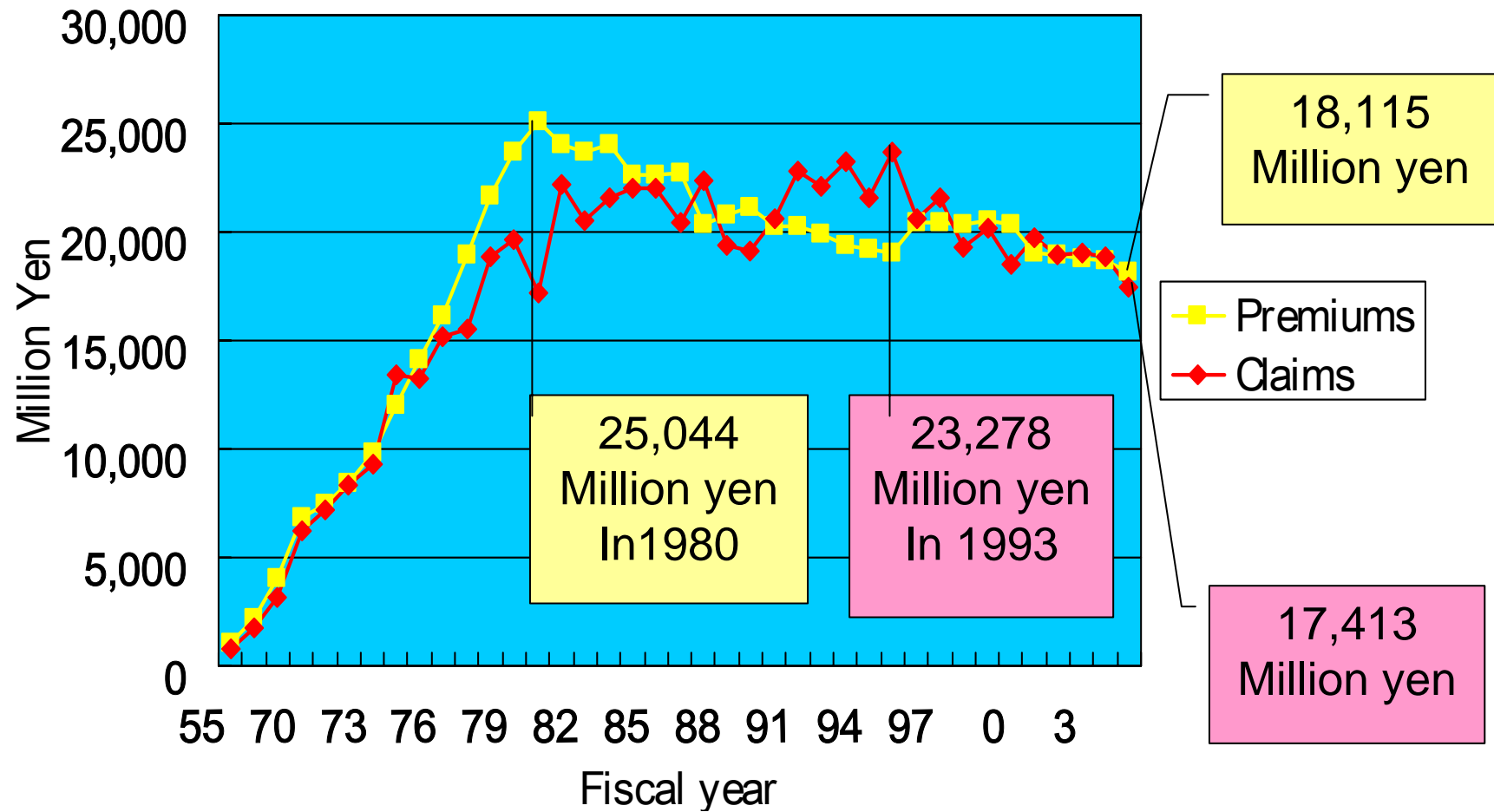
(3) Changes of the insured fishing vessels in the number and total gross tonnage



(4) Changes in the numbers of insured vessels and claims



(5) Changes in net premiums income and claims paid



IV Cause of Accidents and Loss Prevention



(1) The type of accidents ①

Fire

202 claims

929 million
yen in 2005



(1)The type of accidents ②

Stranding
505 claims
737 million
yen
in 2005



(1) The type of accidents ③

Salvage

3,643

claims

259 million
yen

in 2005

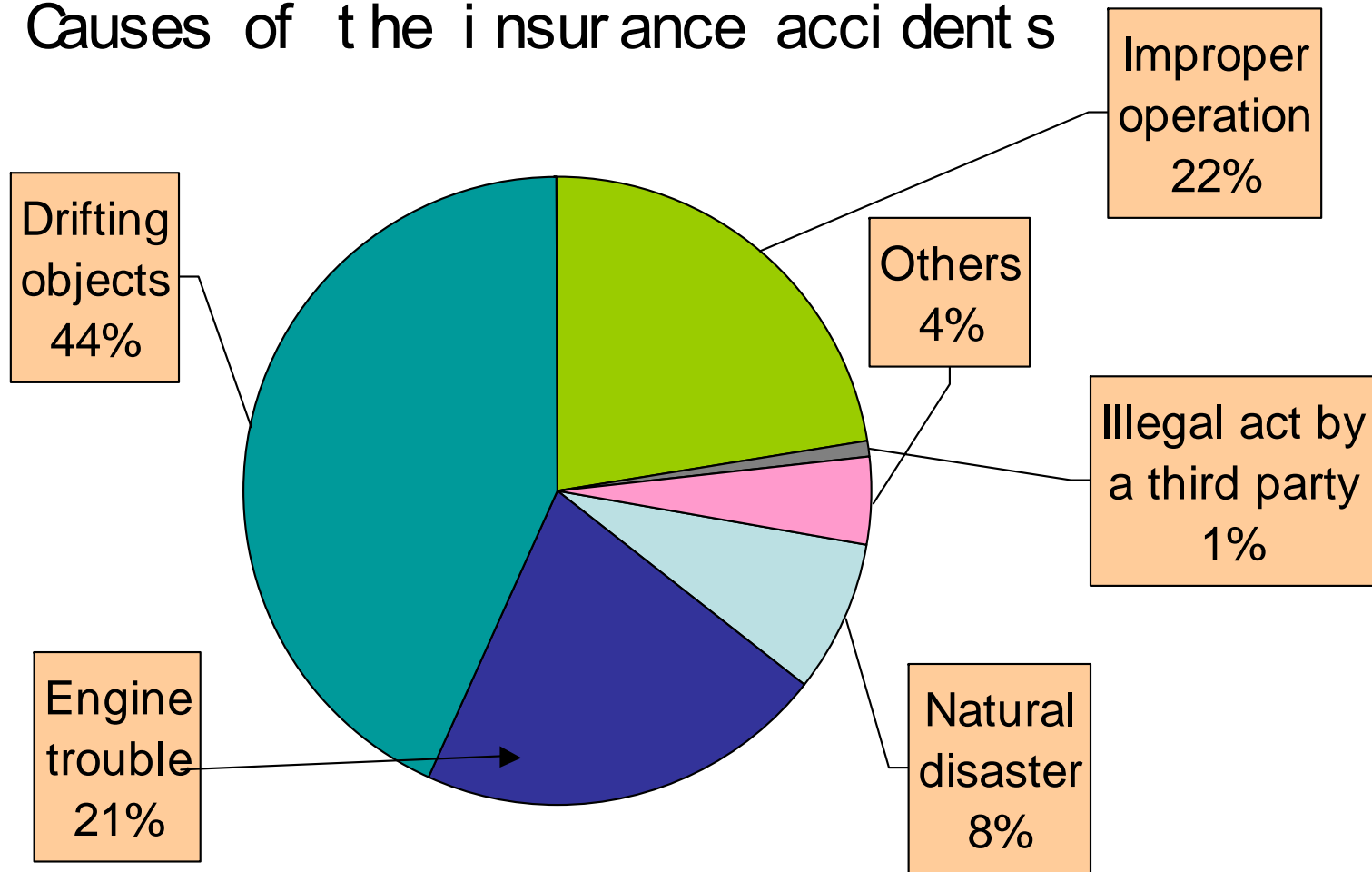


(1) The type of accidents④

Type of accidents	Number of claims
1 Damage to engines	23,374
2 Collision with drifting objects	17,639
3 Damage to hulls	5,018
4 Contact with the ground	4,815
5 Damage to facilities	3,093
6 Collision with other vessels	1,420
7 Incursion of sea water	815
8 Sinking	798
9 Stranding	505
10 Theft	458
11 Fire	202
Total	59,954 claims

(2)Causes of Accidents ①

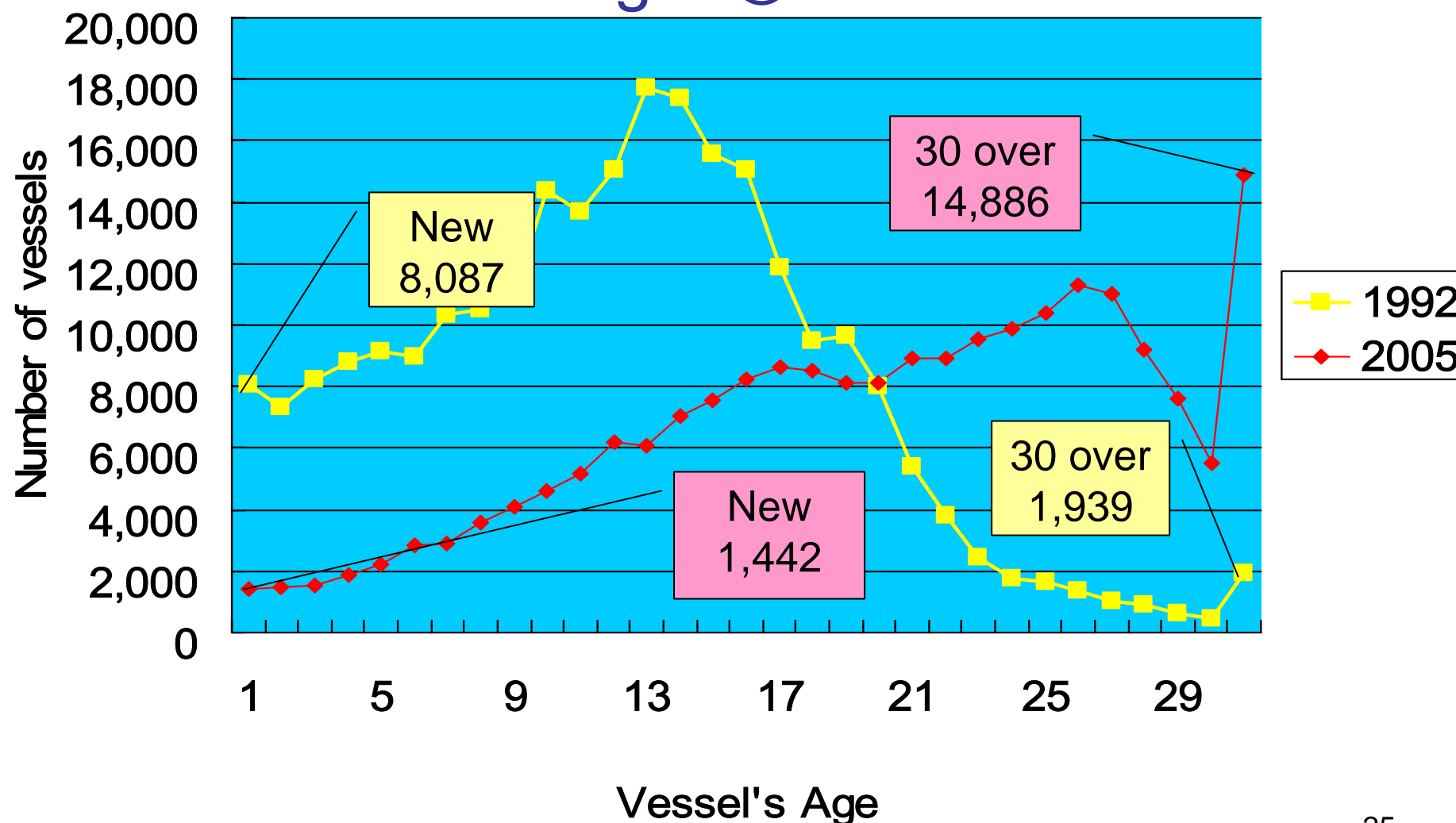
Causes of the insurance accidents



(2) Causes of Accidents ②

- 1 Natural disaster typhoon, tsunami,blast,drift
ice,fog,flood,thunder
- 2 Engine trouble etc,. failure in lubrication of oil
or cooling water, overload, leakage
- 3 Drifting objects collision with driftwoods or
plastics etc,.
- 4 Improper operation improper operation of the
vessel or the engine, lack of proper look-out
- 5 Tort or illegal act by a third party

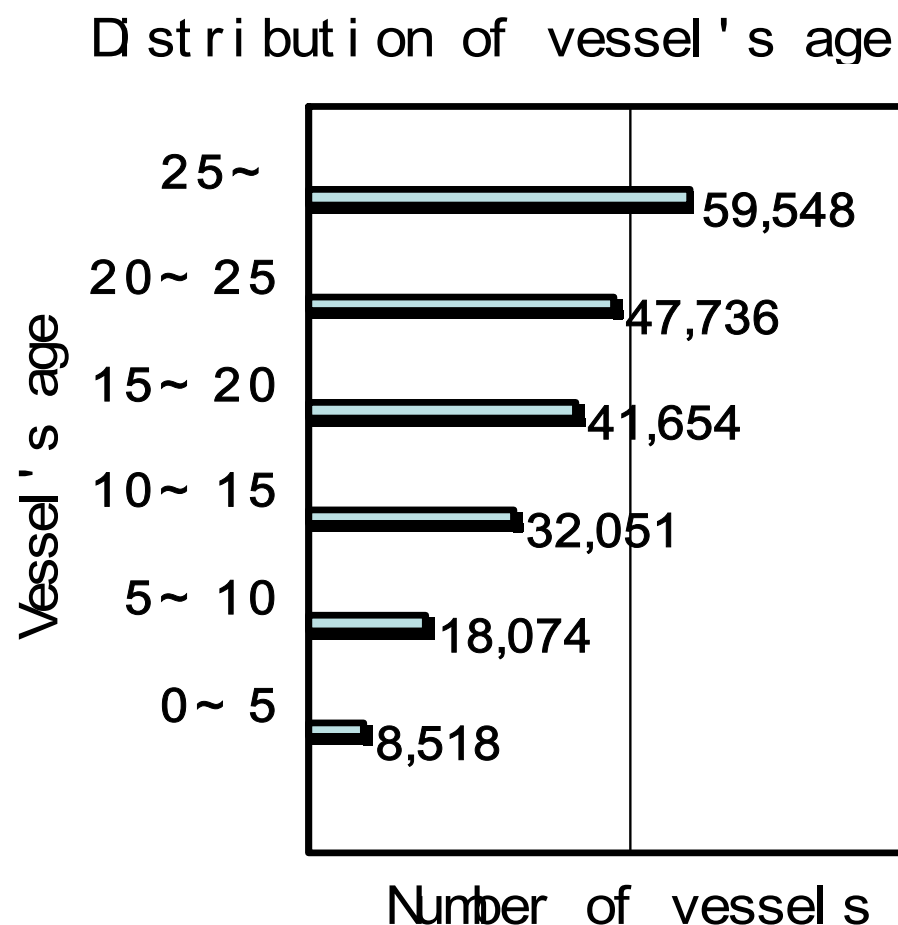
(3) Distribution of the fishing-vessel's age ①



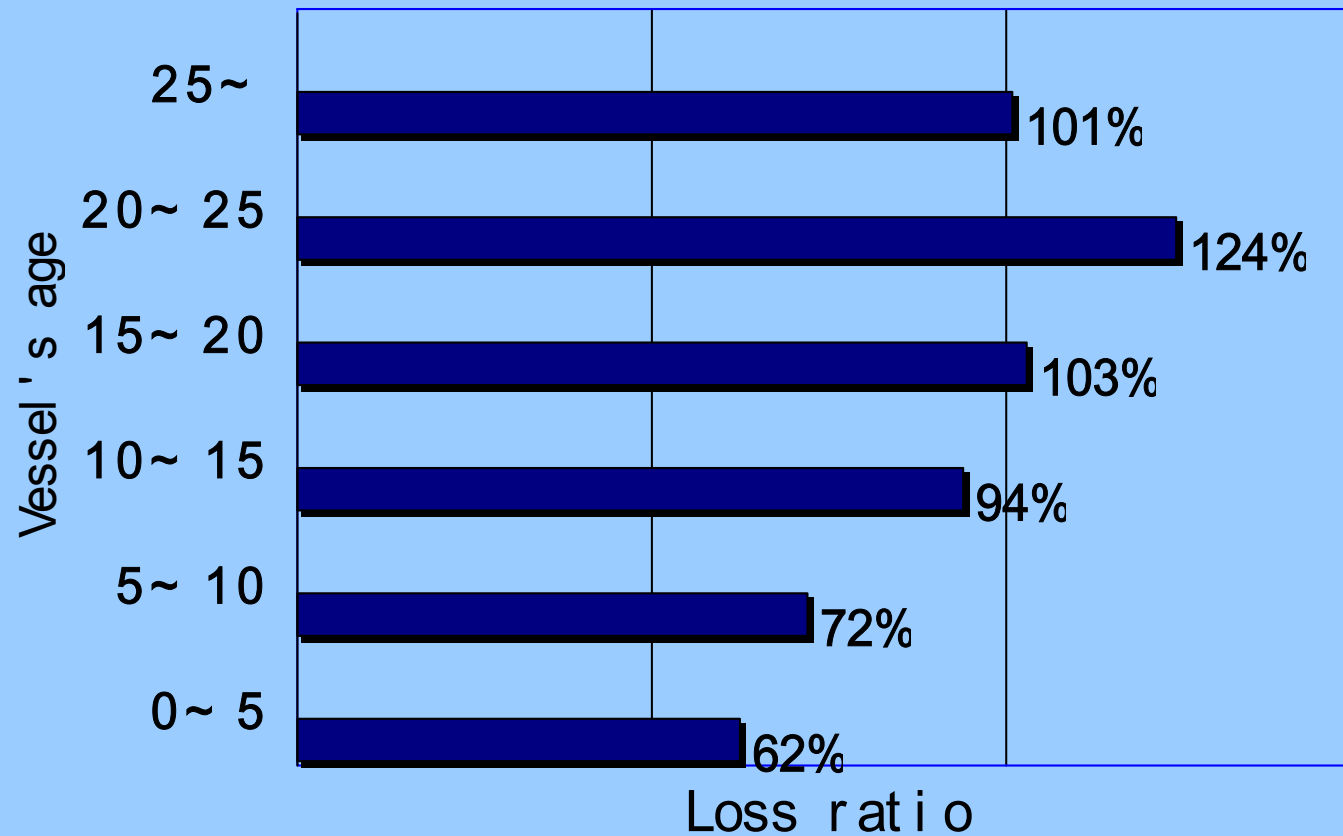
(3) Distribution of the fishing vessel's age ②

Percentage of vessel's age (2005)

25-	28.7%
20-25	23.0%
15-20	20.1%
10-15	15.4%
5-10	8.7%
0- 5	4.1%
Newly built vessels	
1,442	

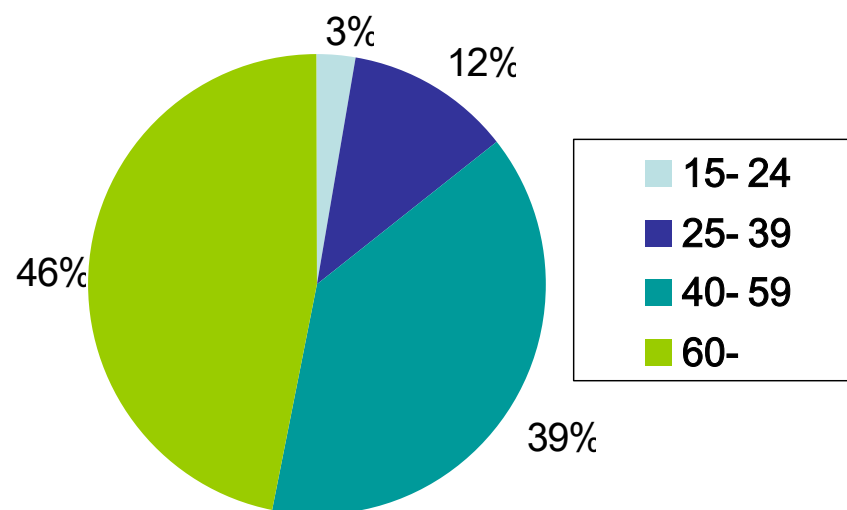


(4) Loss ratio from fishing vessel's age factor

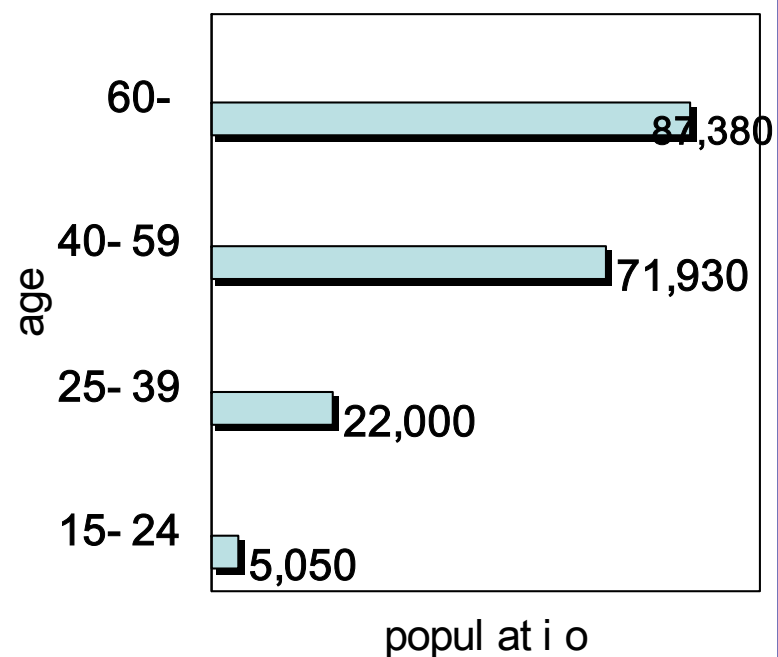


(5) Age distribution of fishermen

Fishermen's age ratio

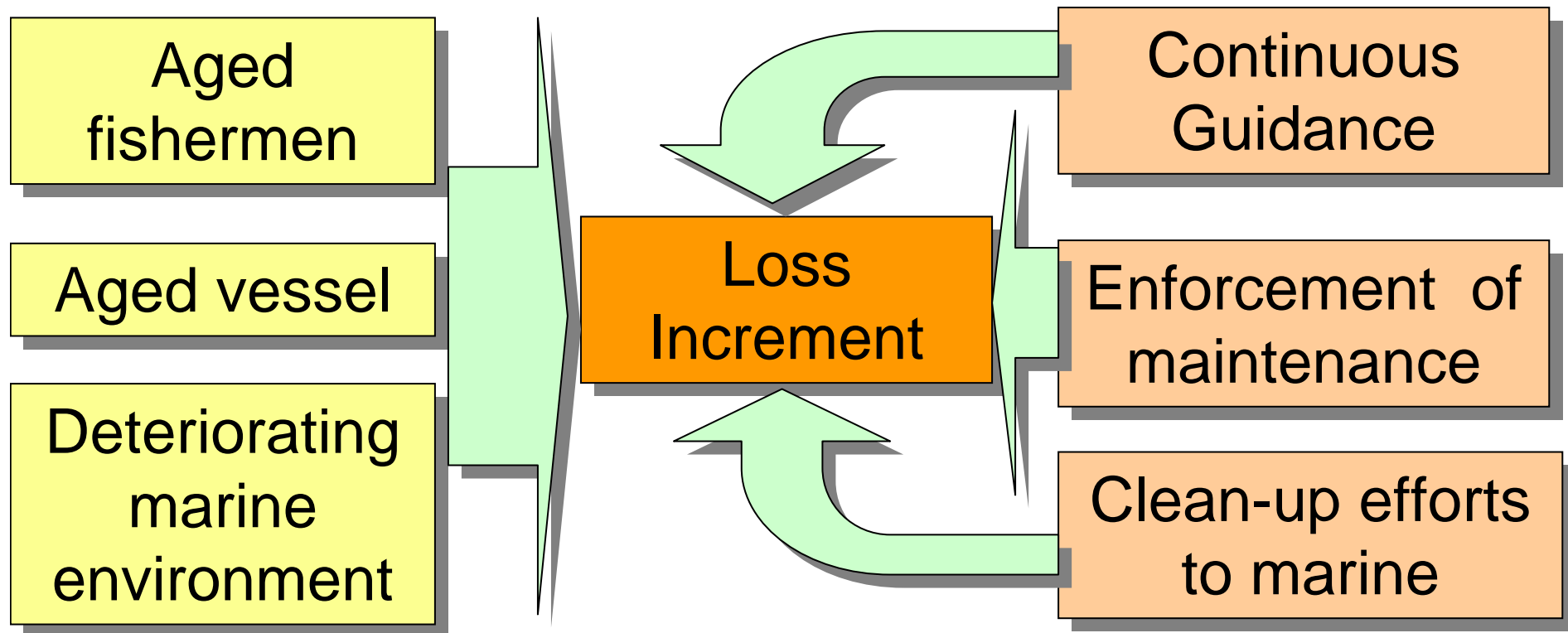


Age distribution of fishermen (male) in 2005



Loss prevention①

Main causes of accidents and prevention measures



Loss Prevention ②

Outboard Engine
Recommended

Providing Leaflets to
Fishermen



Precaution to
Engine Trouble

Preventive measures for
Fuel Tank Explosion

Loss Prevention③

Floating woods drifted into the harbor after the typhoon or the heavy rains.



Removing the driftwoods is one of the most important jobs for the fishermen to prevent an



Keys to Loss Prevention (No Miracle Remedies)



Daily Inspection

Adequate Operation

Observance of
Regulations



Safe Voyage



THE END

THANK YOU !

SEE YOU AGAIN.