

Table 1. Major strengths and weaknesses of insurance for arable crops identified through surveys conducted in Malaysia, Philippines and Vietnam.

Country	Strengths	Weaknesses	Opportunities	Threats
Japan*	<ul style="list-style-type: none"> •The government support for sugarcane to boost production and self-reliance •Sugarcane crop is key for Okinawa prefecture 	<ul style="list-style-type: none"> •Lack of knowledge about insurance by farmers •Decreased spirit of mutual support and increasing dissatisfaction for mutual-aid programmes, such as insurance •Increasing number of subsistence farmers and non-positive policy environment for agricultural in general 	<ul style="list-style-type: none"> •Increasing demand for sugarcane made in Okinawa both in and outside of Japan •Expansion of agricultural insurance subsidies for special promotion of Okinawa 	<ul style="list-style-type: none"> •Steady decline in the farming population •Trans-Pacific Strategic Economic Partnership Agreement may negatively impact the sugarcane industry in Japan
Malaysia	<ul style="list-style-type: none"> • Strong presence of private insurance industry (both national and international) • Long experience with insurance for industrial crops • Educated young next generation of farmers with favourable attitude towards crop insurance • Strong political will in risk mitigation • Matured paddy 	<ul style="list-style-type: none"> • Lack of experience with arable (mostly food) crop insurance • High subsidy costs to be borne by the government • Average paddy field size is 2 ha • High dependence on government subsidy leading to relief dependency 	<ul style="list-style-type: none"> • Government efforts to promote large-scaled farming will contribute towards a more cost-effective and viable crop insurance • High demand for insurance among paddy farmers • High confidence on the government's ability to implement crop insurance 	<ul style="list-style-type: none"> • Farmers are reluctant to move into large-scaled farming • Infrastructural development flaws • Various insect outbreaks may increase the potential losses • Lack of understanding of insurance concept among paddy farmers • Difficulty in managing claim

(Prabhakar et al., 2013)

Country	Strengths	Weaknesses	Opportunities	Threats
	<p>sector</p> <ul style="list-style-type: none"> • Well-structured government agencies in paddy production • Availability of good database on paddy farmers • Availability of remote sensing technology to allow for a more accurate loss assessment 			<p>eligibility due to restrictive social system</p> <ul style="list-style-type: none"> • Poor maintenance of irrigation systems
Vietnam	<ul style="list-style-type: none"> • High political will • Introduced law and guidelines on crop insurance • Strong and authoritative national and local governments 	<ul style="list-style-type: none"> • Lack of willingness among farmers for enrolment • Limited private sector presence in the farm financing sector • High subsidy costs to be borne by the government • Limited expertise and market penetration 	<ul style="list-style-type: none"> • Agricultural economy is one of the ways forward for the country's economic orientation • High farming population 	<ul style="list-style-type: none"> • Relief dependant farmers unwilling to pay insurance • Risk in agriculture is high in its frequency and severity • Agricultural production is still very small scale (household) and insurance buyers are dispersed • Lack of technical infrastructure for preventing and coping with epidemics in agriculture • High cost of loss assessment
Philippines	<ul style="list-style-type: none"> • Creation of institutions that address risk 	<ul style="list-style-type: none"> • Lack of policy and regulatory framework for 	<ul style="list-style-type: none"> • Growing interest on weather index based insurance products 	<ul style="list-style-type: none"> • Lack of willingness to design cost effective insurance products

(Prabhakar et al., 2013)

Country	Strengths	Weaknesses	Opportunities	Threats
	<p>transfer-CCC, PCIC</p> <ul style="list-style-type: none"> • Involvement of some private companies that actively promote WII and some LGUs in crop insurance • Rich presence of community based organisations, including those in microfinance • Several years of experience with crop insurance, as well as pilot implementation of WII • Agricultural asset insurance covering non-crop losses 	<p>micro-insurance</p> <ul style="list-style-type: none"> • High subsidy of insurance premiums by the government • Absence of a level-playing field for more private insurance companies to be involved in crop insurance since their premiums are taxed and not subsidised • Limited new product development • Limited market development and penetration • Lack of reliable risk data and technical experts especially at the local level 	<p>among private and public insurance agencies</p> <ul style="list-style-type: none"> • Growing realisation on the importance of crop insurance among farmers and agriculture supply chain • Newer projected threats from climate change studies especially related to typhoons • Greater emphasis has been given to insurance in the national policy framework for combating climate change 	<p>by private companies in absence of government subsidies</p> <ul style="list-style-type: none"> • Lack of appropriate tools and regulations to take into consideration the future climate change impacts into design of insurance products could diminish the effectiveness of these instruments in the long-run. • Heavy dependence on foreign insurers leading to under development of domestic strengths

* For Japan, the SWOT analysis was based on specific case study of sugarcane insurance in Okinawa prefecture while for other countries it is based on the overall policy environment for crop insurance in those countries.