

The Road to Reform of Agricultural Insurance Legislation in China

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Abstract: Agricultural development has a major impact on social stability and progress. At present, the agricultural industry has a high risk, resulting in a slow development of the agricultural insurance industry. Faced with this situation, China's agricultural insurance legislation needs innovation and change, Scientifically construct internal and external norms of agricultural insurance law, In order to protect the healthy development of the agricultural insurance industry.

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Since 2004, China's agricultural and rural work documents have paid great attention to agricultural insurance, and believe that agricultural insurance will have a huge impact on the development of China's agricultural industry. The Third Plenary Session of the 18th CPC Central Committee adopted the "Decision of the Central Committee of the Communist Party of China on Comprehensively Deepening the Reform of Some Major Issues", clearly stated the requirements for the improvement and reform of the agricultural insurance system.

1. Value change: Striving for an organic combination of fairness and efficiency

All along, the value orientation of China's agricultural insurance legislation is biased towards fair value, and the government's intervention to ensure the agricultural insurance relationship has a fair nature. However, with the further development of China's agriculture, agricultural insurance legislation should not only focus on fairness, but also strive to combine fairness and efficiency to curb adverse selection and unfair competition in agricultural insurance. First, the highest principles of agricultural insurance legislation are clarified. The legislation of agricultural insurance should be combined with government regulation and market regulation. The government regulation is mainly to ensure the fairness of agricultural insurance legislation. Through the intervention of state enforcement, the fairness of agricultural insurance can be realized, and the hidden unfairness can be adjusted and channeled. The purpose of regulation is to ensure the high efficiency of agricultural insurance legislation and to encourage the innovation and development of agricultural insurance with the market as a lever.

Second, establish a combination of voluntary insurance and compulsory insurance. Voluntary insurance is allowed Farmers choose insurance

according to their own wishes and choose suitable insurance projects. However, the state should optimize the format clauses of voluntary insurance and use free insurance to improve the efficiency of agricultural insurance. In view of the weak awareness of farmers' insurance in some areas, the participation rate of voluntary insurance is too low, which is not conducive to resisting the huge agricultural production risks, and the voluntary insurance will generate a higher loss rate. The state should stipulate mandatory purchase of some agricultural insurance. To ensure that the agricultural development process has the most basic risk resilience and achieve the fairness of agricultural development.

Third, Clarify the composition of risk reserve in agricultural insurance. The agricultural insurance risk reserve should be composed of a risk preparation fund, a reinsurance fund and a catastrophe insurance fund. The agricultural insurance reserve is classified, some of the reserves are used to guarantee the relevant claims after the insurance is generated, and the other parts are used for investment in the corresponding fields, which ensures that the agricultural risks can have sufficient reserves to pay when the agricultural risks occur. Ensure that agricultural insurance itself is profitable and enhances risk resilience.

2. The legislative goal of agricultural insurance

The legislative goal of agricultural insurance should be advanced from natural risk management to rural welfare, and the insurance model should be transformed into a multi-channel, multi-subject, multi-operational composite model. The risk management objectives of agricultural insurance legislation are unquestionable. The purpose and original intention of its establishment is to improve the ability of agricultural production to withstand risks. In view of the lack of self-resistance risk in the vast rural areas of China, when major disasters occur, it will not

only cause damage to agricultural development, but even have a huge impact on the basic life of farmers. The primary goal of agricultural insurance legislation is to provide effective protection for agricultural production and farmers' lives, and to help farmers tide over the risks. At this time, agricultural insurance is concerned with ensuring production and ensuring costs, so that agricultural production can maintain basic food and clothing in the face of huge disasters, and can recover the investment cost in agricultural production. However, with the rapid development of China's agriculture, agricultural development in some areas of China has entered a new stage. The legislative goal of agricultural insurance should also be advanced to increase the level of farmers and rural welfare, so that agricultural insurance becomes an important welfare policy for farmers and rural areas. The department provides corresponding insurance services for agricultural production free of charge. After adjusting the target, agricultural insurance is no longer focused on production and cost, but on ensuring prices and income, even in the event of a risk hazard, to ensure the minimum income of agricultural production, in order to stabilize production and life in rural areas. At present, China is in the critical period of transition from the first stage to the second stage. The reform of the agricultural insurance legislation has certain basic conditions. The agricultural insurance legislation should be gradually advanced from natural risk management to rural welfare.

The insurance model mainly includes two parts: the agricultural insurance system and the operational mechanism. The former is mainly composed of agricultural insurance organizations and agricultural reinsurance institutions, while the latter mainly refers to the implementation methods of agricultural insurance, the types of insurance, and the degree of protection. From a global perspective, the agricultural insurance model includes the government-sponsored government business model, the government-sponsored business model, and the government-sponsored group business model. How to choose the model should start with the basic national conditions and the actual situation of agricultural production. Based on China's national conditions and agricultural production, the multi-channel, multi-subject and multi-operation complex model is in line with China's national conditions. The model is led by the government, that is, the government adopts legislation to establish a unified framework for agricultural insurance, and establishes corresponding entry barriers within the framework, allowing enterprises to operate the original insurance and reinsurance business within the framework, and the government will provide the appropriate time. Corresponding policy support and financial subsidies.

Multi-channels under this model refer to the use of different channels by governments, enterprises, and organizations to support the development of agricultural insurance; multi-agents can establish diversified agricultural insurance entities such as general commercial insurance companies, professional insurance companies, and agricultural insurance cooperatives; Multi-operation means that each participating entity can operate a number of businesses such as the original agricultural insurance and reinsurance. The multi-channel, multi-subject and multi-business composite model has obvious advantages and should be included in the agricultural insurance legislation to affirm this model in the form of law, in order to attract more social entities to participate in the development of China's agricultural insurance industry. In the middle, it contributes to the improvement of China's agricultural insurance system.

3. Establishing a central agricultural supervision agency directly under the central government

It should scientifically construct internal and external norms of agricultural insurance law, and establish a central agricultural supervision agency directly under the central government. The agricultural insurance legislative system is the key to adjusting the relevant content of agricultural insurance and promoting the improvement of legislation. The internal and external relations of agricultural insurance legislation determine whether the legislative system is complete. To improve the agricultural insurance legislative system, we must pay attention not only to the high degree of uniformity within the insurance legislation, but also to the relationship between the insurance legislation of each ministry. On the one hand, scientifically construct a legal system for agricultural insurance. First, we must define the scope of agricultural insurance legislation. There are many opinions on the content and scope of China's agricultural insurance legislation. The mainstream view is that agricultural insurance legislation should be divided into seven parts. That is, insurance mode, insurance coverage, insurance determination, claims, supervision, etc., but in fact, agricultural insurance legislation should include broader content, such as legislative purposes, legislative basis, basic principles, original insurance organizations, reinsurance, subsidies, legislative authorization Wait for more aspects. Second, we must rationally design the content chapter of agricultural insurance legislation. In accordance with the existing legal chapters of China, the amendments shall be made in accordance with the general rules, contracts, original insurance organizations, reinsurance, rates, funds, supervision, legal liability, etc., and the articles shall be classified according to the corresponding contents. On the other

hand, scientifically construct an external legal norm system between the various agricultural insurance laws. At present, there are a large number of legislations surrounding agricultural insurance in China and various regions, and there are certain conflicts between some legislations. In practice and application, it is prone to the phenomenon of legal application errors. China should pay attention to the relationship between these agricultural insurance legislations, remove the conflicts in different agricultural insurance legislation, and link different agricultural insurance legislation with mutual aid. At the same time, China should also pay attention to the value order of agricultural insurance legislation. There are certain differences in agricultural insurance legislation arising from different legislative backgrounds, legislative bodies, and legislative purposes. However, we should follow the values of fairness and efficiency and ensure that agricultural insurance legislation has science.

Agricultural insurance supervision refers to the supervision and management of the behavior of the government, insurance institutions, intermediaries, and farmers by the agricultural insurance regulatory agencies in accordance with the law, and is the key to ensuring the stable and healthy development of the agricultural insurance market. At present, China's agricultural insurance legislation believes that agricultural insurance supervision should be handled by the China Insurance Regulatory Commission and supervised and managed according to general insurance behavior. However, in fact, there is a big difference between agricultural insurance and other commercial insurance, and the China Insurance Regulatory Commission cannot better perform supervision. And management responsibilities, another separate department should be set up to supervise and manage agricultural insurance. Agricultural insurance

supervision and management institutions should be clarified in the agricultural insurance legislation. The agricultural insurance supervision agency directly under the central government should be established to effectively supervise the relevant behaviors of agricultural insurance on behalf of the state. Its main responsibility is to safeguard the interests of farmers and ensure the stable development of the agricultural insurance market. Effectively prevent agricultural risks.

The main supervisory objects of the central agricultural insurance supervision agencies include the government, the insurer and the insured. The main government is the supervision of the government's payment and subsidies for agricultural insurance, and avoiding the abuse of power by the government. The arbitrariness of paying subsidies. The supervision of policyholders and insurers is mainly reflected in the behavior, to ensure the legitimate rights and interests of both parties, to ensure the balance between the interests of policyholders and insurers, and to control the moral hazard and adverse selection. The special supervision carried out by the central agricultural insurance supervision agency will be more beneficial to the healthy development of China's agricultural insurance industry.

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