

MARKET PROFILE – JAPAN

Changing risk environment is creating new opportunities for brokers



The Japanese insurance broking community is gradually growing its professional capabilities, though its share of the overall industry business may not be very significant. Speaking with *Asia Insurance Review*, **Japan Insurance Brokers Association's Mr Yoshio Miyatake** says expansion of the broking community will depend on how the brokers can develop as trusted risk advisors in the changing global risk scenario.

By Anoop Khanna

The Japanese broking community is relatively limited in scale. As of July 2026, there were 64 registered insurance broking companies in the country. While the number of companies has remained relatively stable in recent years, the number of qualified professionals has steadily increased, recording 1,775 at the end of 2025 and expected to touch 2,000 by the end of 2026.

This increase in the number of qualified broking professionals indicates that the industry is steadily strengthening its professional capabilities rather than a rapid expansion in the number of market participants.

The estimated market share of brokers in the corporate insurance sector remains around 7%. It will take time before expectations translate into significant market growth. In addition to structural changes within the industry, greater awareness among corporate clients

regarding insurance procurement and risk management will also be essential.

Future role expectations

Speaking with *Asia Insurance Review*, Japan Insurance Brokers Association Executive Director Yoshio Miyatake said, “The period 2025–2026 may prove to be a turning point for the Japanese insurance broking community, as expectations for its future role have increased amid structural changes in the non-life insurance market.

“Following a series of issues involving major non-life insurers in the corporate insurance sector, discussions on regulatory and structural reforms have accelerated. Japan’s non-life insurance market has historically developed around a highly concentrated market structure and a strong reliance on the agency distribution channel. However, signs of change are now emerging.”

He said, for example, cross-shareholding relationships between major non-life insurers and corporate clients are gradually being reviewed under strong government guidance. At the same time, concerns have emerged that the in-house corporate agencies — insurance agencies established within corporate groups and traditionally supported by insurers in terms of personnel and operations — have not always fully contributed to enhancing corporate risk management functions.

Against this background, expectations have grown regarding the independence and professional advisory capabilities of insurance brokers.

Brokers and regulatory framework

Responding to a query about how the current regulatory system supports the country’s broking community, Mr Miyatake said, “Japan’s insurance

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broking regulatory framework is based on the principle of independence from insurance companies. In that sense, the institutional foundation for brokers to provide objective advice from the customer's perspective is already established.

"At the same time, this independence requires a high level of responsibility and professionalism. Unlike insurance agencies, brokers are subject to direct supervision by regulatory authorities, rather than being managed through insurance companies."

He said, "Brokers are required to maintain appropriate financial capacity, comply with reporting obligations, and operate within certain limitations regarding functions such as policy binding, receiving declarations and collecting premiums."

"Though insurance agencies remain the dominant distribution channel in Japan's non-life insurance market, the expansion of the broking community will depend not only on regulatory reform but also on whether brokers can earn recognition and trust as independent professionals."

He said, going forward hopefully, an environment will develop in which brokers' professional advisory functions can be more effectively utilised and in which corporate clients properly recognise and appreciate the value that brokers provide.

Declining population, new opportunities

Speaking about Japan's declining and ageing population, Mr Miyatake said, "It will inevitably limit growth opportunities in some traditional personal insurance markets, such as automobile and household insurance."

"While demographic change may affect certain segments of the insurance market, it does not necessarily mean a decline in the overall relevance of non-life insurance. "On the contrary, the changing risk environment creates new opportunities for the industry."

He said, "Corporate insurance, however, faces a different environment. Companies today are confronted with increasingly complex and interconnected risks, including the intensification of natural disasters, geopolitical

uncertainty, supply chain vulnerabilities, and new risks arising from the rapid advancement of digital technologies and AI."

"These changes are expanding the importance of enterprise risk management. As companies seek to strengthen resilience and business continuity, demand for risk financing solutions and corporate non-life insurance is expected to grow over the medium to long term."

Sustainability

Mr Miyatake said, "The Japanese insurance industry remains sustainable and that its social role will become even more important in the future, even as the population declines. For non-life insurance, the key issue is not simply demographic decline, but the increasing sophistication of risks faced by companies and society."

Significant protection gaps remain, particularly in the corporate sector. If these gaps exist, there will continue to be demand for insurance solutions and risk financing, creating important business opportunities.

"For life insurance, population ageing is closely linked with increased longevity. As people live longer, demand for financial planning and asset formation to prepare for retirement will continue to grow. While the growth of traditional protection-oriented products may slow, products supporting long-term asset formation will remain important."

"Furthermore, both life and non-life insurers play a significant role as institutional investors supporting the Japanese economy. The insurance industry is not merely a risk transfer mechanism; it is an important part of the economic and social infrastructure that supports sustainable development," he said.

Role redefined

Speaking about the lines of business that are more attractive and remunerative for brokers, Mr Miyatake said, "Corporate insurance has traditionally been the main business area for insurance brokers in Japan, and this will continue to be the case."

He said, however, the future value of brokers should not be measured

by individual insurance products or specific lines of business alone. Their role should be to support companies' growth strategies and business continuity through comprehensive risk management and strategic use of insurance.

"The key capability required of brokers is the ability to understand a company's overall risk profile and provide appropriate risk financing solutions. If brokers can deliver such value-added services, they should be able to receive appropriate recognition and remuneration regardless of the specific insurance line involved," said Mr Miyatake.

"Going forward, insurance brokers should evolve from being insurance intermediaries into trusted risk advisors who provide comprehensive risk management support to corporate clients."

Talent development

Speaking about attracting younger generation to a broking career, Mr Miyatake said, "At present, relatively few young people in Japan actively consider insurance broking as a career choice. The profession itself is not yet widely recognised, and many young people do not fully understand the role and value that brokers can provide. However, this situation can gradually change."

"In recent years, the importance of risk management has increased significantly in areas such as corporate growth strategies, crisis management, economic security and sustainability. At the same time, many young professionals are seeking careers where they can apply specialised knowledge and contribute to corporate decision-making."

He said, "If insurance brokers become widely recognised not simply as intermediaries, but as trusted risk advisors supporting corporate management, the profession can become an attractive career option for the next generation."

"In addition, interest in data science and risk analysis is increasing among Japanese university students. By communicating the opportunities available within insurance broking to young people with these emerging skills, the industry can attract new talent and strengthen its future competitiveness," Mr Miyatake said. ■