

FY2018

**Summary of the Annual Report on
Food, Agriculture and Rural Areas
in Japan**

May 2019

Ministry of Agriculture, Forestry and Fisheries

- Numbers in figures and tables are rounded in principle and may not add up to the total.
- Maps in this report may not necessarily indicate Japan's territories comprehensively.

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Restoration and Reconstruction from Frequent Natural Disasters in FY2018

- Great natural disasters caused heavy damage in Japan in 2018, including the Heavy Rain Event of July 2018, Typhoon No. 21, the Hokkaido Iburi Tobu Earthquake and Typhoon No. 24. Their damage to the agriculture, forestry and fisheries sector was the largest in the past 10 years excluding 2011 when the Great East Japan Earthquake inflicted 2,384.1 billion yen in damage to the sector.
- The Ministry of Agriculture, Forestry and Fisheries provided push-type food and drink support and human support to disaster-affected local governments. In order to prevent disasters from leading agriculture, forestry and fisheries business operators to leave their business, the ministry also decided on fine-tuned support measures more promptly than ever while hearing requests from disaster-affected people to allow these business operators to resume business as early as possible.
- In preparation for potential disasters, the ministry will intensively implement emergency measures in three years for preventing and reducing disasters and enhancing national resilience, provide thorough technical guidance for preventing damage to farm products and promote farmers' accession to agricultural insurance.

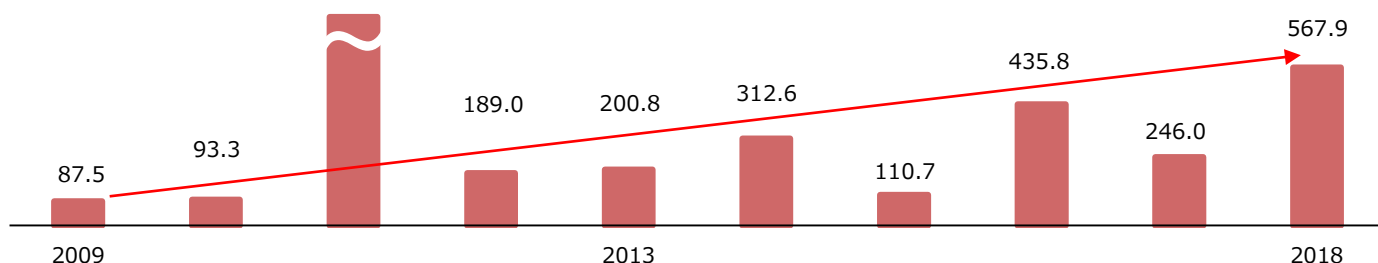
1. Damage to Agriculture, Forestry and Fisheries in Recent Years

- In recent years, damage to agriculture, forestry and fisheries followed an uptrend.

Damage to agriculture, forestry and fisheries in the past 10 years

2,705.5

(billion yen)



Source: MAFF

Note: As of January 28, 2019

2. Responses to FY2018 Disasters

- Soon after the Heavy Rain Event of July 2018, the Hokkaido Iburi Tobu Earthquake and other disasters, the Ministry of Agriculture, Forestry and Fisheries set up a headquarters for emergency natural disaster countermeasures, headed by the MAFF Minister, to collect information and implement necessary countermeasures.
- In push-type support to send materials without waiting for requests from local governments soon after disasters, MAFF provided 1.08 million food and drink items on the Heavy Rain Event of July 2018 and 260,000 items on the Hokkaido Iburi Tobu Earthquake.
- To support surveys on damage to farmland and agricultural facilities, MAFF sent engineering officials of the central government as disaster relief support team members to local governments, including 2,327 person-days for 20 prefectures on the Heavy Rain Event of July 2018 and 1,065 person-days for Hokkaido on the Hokkaido Iburi Tobu Earthquake.



MAFF headquarters for emergency natural disaster measures (July 7)



Push-type food and drink support



Human support by disaster relief team members

Based on the improvement of procedures for accelerating extremely severe disaster designation as decided in December 2017, the government announced an expected extremely severe disaster designation seven days each after the July 2018 Torrential Rains and the Hokkaido Iburi Tobu Earthquake.

Extremely severe disaster designations for FY2017-2018

Fiscal year	Disaster name	Date	Extremely severe disaster designation		Advanced announcement	Cabinet decision	Announcement and enforcement
			Classification*1	Affected facilities			
FY2017	Torrential Rains from Seasonal Rain Front, etc. (Northern Kyushu Torrential Rain)	June 7-July 27 (July 5-6)	Extremely severe disaster (national) Early local extremely severe disaster	Farmland/agricultural facilities, forest roads Agriculture-forestry-fisheries joint use facilities Public civil engineering facilities (5 municipalities)	July 21 (15 days)	August 8 (33 days)	August 10 (35 days)
	Typhoon No. 18	September 15-19	Extremely severe disaster (national) Early local extremely severe disaster	Farmland/agricultural facilities, forest roads Public civil engineering facilities (2 municipalities)	October 6 (17 days)	October 20 (31 days)	October 25 (36 days)
	Typhoon No. 21	October 21-23	Extremely severe disaster (national)	Farmland/agricultural facilities, forest roads Agriculture-forestry-fisheries joint use facilities	November 10 (18 days)	November 21 (29 days)	November 27 (35 days)
FY2018	Torrential Rains from Seasonal Rain Front, etc. (Heavy Rain Event of July 2018)	May 20-July 10 (June 28-July 8)	Extremely severe disaster (national)	Farmland/agricultural facilities, forest roads Agriculture-forestry-fisheries joint use facilities Public civil engineering facilities	July 15 (7 days)	July 24 (16 days)	July 27 (19 days)
	Typhoons No. 19, 20, 21	August 20-September 5	Early local extremely severe disaster	Farmland/agricultural facilities, forest roads (6 municipalities) Agriculture-forestry-fisheries joint use facilities (1 municipality) Public civil engineering facilities (3 municipalities)	September 21 (16 days)	September 28 (23 days)	October 1 (26 days)
	Hokkaido Iburi Tobu Earthquake	September 6	Extremely severe disaster (national)	Farmland/agricultural facilities, forest roads Agriculture-forestry-fisheries joint use facilities Public civil engineering facilities ("Early local extremely severe disaster" as of September 13)	September 13* (7 days) September 21 (15 days)	September 28 (22 days)	October 1 (25 days)
	Typhoon No. 24*2	September 28-October 1	Extremely severe disaster (national) Early local extremely severe disaster	Farmland/agricultural facilities, forest roads Agriculture-forestry-fisheries joint use facilities Public civil engineering facilities (1 municipality)	November 15 (45 days)	November 30 (60 days)	December 5 (65 days)

Source: MAFF

Notes: *1. Extremely severe disasters (national) are designated for the whole of Japan. Among local extremely severe disasters that are designated on a municipality-by-municipality basis, early local extremely severe disasters are accompanied by estimated damage amounts that clearly exceed the designation standard. While local extremely severe disasters are usually designated at the end of each fiscal year, extremely severe disasters (national) and early local extremely severe disasters are designated promptly after the disasters occur.

*2. Typhoon No. 24 brought about small- and medium-scale damage amounts at various locations in Japan. The government took time to accumulate small damage amounts. When almost all damage amounts were fixed, their total exceeded the designation standard.

Periods of time from disasters and decisions on support measures

- The government compiled a life and business reconstruction support package to reconstruct life and business in areas affected by the Heavy Rain Event of July 2018, Typhoon No. 21 or the Hokkaido Iburi Tobu Earthquake and took budgetary measures required for restoration and reconstruction in these areas.
- MAFF promptly decided on support measures for damage related to agriculture, forestry and fisheries, based on local requests, etc.
- After deciding on support measures, MAFF opened briefings for local governments, agricultural cooperatives and other stakeholders to communicate these measures to the stakeholders.

Disaster name	Date	Decision on support measures	Period from disaster
Heavy Rain Event of July 2018	June 28-July 8, 2018.	July 16 (Revised on August 2)	<u>8 days</u>
Typhoon No 21, Hokkaido Iburi Tobu Earthquake	September 3-6, 2018	September 28	<u>22 days</u>
(Reference) 2017 Northern Kyushu Torrential Rain	July 5-6, 2017	August 8	<u>33 days</u>

Source: MAFF



Briefing on support measures (Sapporo)

3. Enhancing Restoration/Reconstruction Support

- In addition to quick mutual aid money payments, subsidization for replanting at disaster-affected orchards or tea plantations and other disaster restoration and reconstruction measures accumulated through past disasters, the government has taken fine-tuned support measures meeting the characteristics of disasters to enhance support.

Major additions to support measures

Disaster name	Major additional measures
Heavy Rain Event of July 2018	Subsidization for transportation of fruit products from disaster-affected orchards and protection of fruit trees there Subsidization for restoring broken pipelines
Hokkaido Iburi Tobu Earthquake	Subsidization for target prevention and control Subsidization for securing emergency power sources

Source: Excerpts from Annual Report on Food, Agriculture and Rural Areas in Japan FY2018

Transition of support measures

Support measures concerning Typhoon No. 18 (2013)

○Support measures

- 1 Eliminating interest on disaster-related loans
- 2 Subsidizing reconstruction/repair of agricultural greenhouses, shelves, etc.
- 3 Subsidizing replanting of fruit trees and tea plants

Support measures concerning typhoons in 2016 (2016)

○Support measures

- 1 Promoting disaster restoration projects
- 2 Accelerating mutual aid money and other payments
- 3 Special measures for disaster-related funds
- 4 Supporting reconstruction/repair of agricultural greenhouses, joint use facilities, etc.
- 5 Supporting resumption of farming
 - (1) Subsidizing additional control measures, seed purchases, etc.
- 6 Supporting early restoration of farmland and farming facilities
 - (1) Supporting initiatives to improve farming conditions and switch to more profitable products
- 7 Supporting forestry-related damage relief measures
- 8 Supporting fisheries-related damage relief measures

Addition

Addition

Support measures concerning Typhoon No. 24 (2018)

○Support measures

- 1 Promoting disaster restoration projects, etc.
 - (1) Streamlining disaster assessment
- 2 Accelerating mutual aid money payments, etc.
- 3 Special measures for disaster-related funds
- 4 Supporting introduction of agricultural greenhouses, joint use facilities, etc.
 - (1) Subsidizing greenhouse improvement
 - (2) Arranging for early securing of greenhouse materials and builders
- 5 Supporting resumption of farming
- 6 Securing job opportunities for disaster-affected agriculture, forestry and fisheries business operators
- 7 Supporting early restoration of farmland and farming facilities
- 8 Supporting forestry-related damage relief measures
- 9 Supporting early restoration of fishing port facilities, etc.
- 10 Publicizing disaster-related waste disposal projects
- 11 Support using local funding measures

Addition

Addition

Addition

Source: MAFF

- The government streamlines disaster assessment with measures such as increases in damage estimate ceilings for desk assessment and the utilization of aerial photos, representative cross-section diagrams, etc. for preparing design documents attached to assessment design documents to reduce the workload on disaster-affected local governments and accelerate assessment. To support the preparation of massive assessment design documents at heavily damaged municipalities, the government dispatches engineering officials (emergency disaster relief support teams for agriculture and rural areas) to relevant municipalities and asks organizations subjected to disaster relief cooperation agreements with the government to cooperate in securing consultants.
- Disaster restoration projects use a pre-assessment construction (emergency construction) system for starting restoration construction even before disaster assessment to support the accelerated restoration of disaster-affected facilities if faster restoration secures the next cropping.

Establishment of disaster assessment accelerating rules and utilization of a pre-assessment construction system

Traditional measures

【Streamlining disaster assessment】

How to streamline disaster assessment was decided on for each facility according to damage specifics when a large-scale disaster occurred.

→ Applying assessment streamlining measures about 40 days after a disaster

【Pre-assessment construction system】

•Number of cases for pre-assessment construction: 84 cases in 2014, 138 cases in 2015, 328 cases in 2016, 100 cases in 2017

Accelerating restoration to reduce workload on disaster-affected local governments

Changes in 2018

【Streamlining disaster assessment】

Rules were established in January 2017 for streamlining large-scale disaster assessment
→ Applying assessment streamlining measures minimum 12 days after a disaster (Heavy Rain Event of July 2018)

【Example for farmland and agricultural facilities in 2017】

•An increase in the damage estimate ceiling for desk assessment led the percentage share of cases for desk assessment to rise from 56% (before the increase) to 89% (after the increase).

【Pre-assessment construction system】

In 2018, the government instructed the unification of application forms and the proactive utilization of the pre-assessment construction system.

•Number of cases for pre-assessment construction: 405 cases in 2018

Source: MAFF

4. Restoration from FY 2018 disasters

- At citrus orchards damaged heavily by landslides due to the Heavy Rain Event of July 2018 in areas such as Uwajima City in Ehime Prefecture, agricultural monorail restoration made progress. Emergency water pipeline restoration and other measures were implemented to tentatively resume irrigation for 565 ha out of 978 ha in disaster-affected orchards. Full-fledged restoration was starting after disaster assessment was completed by the end of January 2019. A group of young farmers founded a company for orchard reconstruction.
- At a joint-use facility of the Toyohashi Agricultural Cooperative Association where shutters, etc. were destroyed by Typhoon No. 24, the pre-assessment construction system was used to replace shutters to prevent cabbage shipments from being affected.
- The Hokkaido Iburi Tobu Earthquake damaged farmland totaling 140 ha through landslides. Restoration construction was starting after disaster assessment was completed by the end of January 2019. For 2019 cropping in the state-run Yufutsu Tobu district where water pipelines were devastated, existing facilities are expected to be used to secure irrigation for 2,843 ha of land subject to state-run irrigation excluding 55 ha of landslide-affected farmland and 41 ha for construction.



Orange juice sold by Tamatsu Kankitsu Club founded for orchard reconstruction (Uwajima, Ehime Prefecture)



Toyohashi Agricultural Cooperative Association's joint use facility just after being hit by the disaster



After an on-the-spot inspection, the MAFF Minister attends an opinion exchange (Atsuma Town, Hokkaido)

5. 3-year emergency measures package for preventing/reducing disasters and enhancing national resilience, etc.

- Given the growing frequency and severity of earthquakes and other natural disasters in recent years, farmers' promotion of initiatives to prepare for disasters is important in addition to the government's disaster prevention/reduction and national resilience enhancement initiatives to protect citizens' lives and assets.
- Based on an emergency inspection of critical infrastructure, the past inspection of reservoirs, etc., MAFF will intensively implement emergency hard and soft measures in three years to maintain functions of critical infrastructure for (1) preventing disasters and (2) supporting the national economy and livelihood. Infrastructure subject to these measures includes agriculture irrigation facilities, reservoirs, wholesale markets, livestock farming facilities and agricultural greenhouses.
- In addition, MAFF will proactively implement disaster preparation measures such as the enhancement of technical guidance for preventing typhoon and snowfall damage and the promotion of farmers' accession to horticulture facility mutual aid and revenue insurance.

Examples of technical guidance for damage prevention (Farmers' preparations for disasters)

- Removing or cutting agricultural greenhouse covering materials in preparation for typhoons and snowfalls (relevant measures approved by mutual aid societies, etc. are subject to compensation).
- Controlling drawdowns and low water levels to secure reservoir dam bodies' safety
- Implementing anti-pest measures based on pest forecasting information released by prefectural pest control offices

Source: MAFF



Supporting agricultural greenhouse reinforcement



Implementing emergency measures including reservoir refurbishment

Progressing Introduction of Smart Agriculture Technologies

- While farming labor shortages are growing more serious due to a rapid decline in the number of farmers in Japan, the global food market is expanding rapidly. In view of various global needs, Japan should develop agriculture into a vigorous industry.
- To resolve such challenge, Japan is making progress in the introduction of smart agriculture technologies for productivity improvement, farming business size expansion, product quality improvement, skill transfers to new farmers and advanced agriculture business.
- While promoting technology development for labor-intensive fruit and vegetable production and combining facility sharing and leasing and other cost-cutting initiatives, Japan should introduce smart agriculture technologies tailored to workplace conditions, irrespective of business size.

1. Smart agriculture promotion and potential

Cutting-edge technologies to automate work and reduce workload

- Full-fledged sales of self-driving tractors have started. They are expected to break through business size limitations on land-extensive farming and help maintain agricultural production in labor-short regions.
- Sales have started of automatic water control systems that remotely and automatically supply and drain water for paddy fields. They can substantially save water control labor and reduce the risk of falling income through optimum water control.
- Sales have also started of remotely controlled mowing machines available even for hilly and mountainous areas. They can be used for slopes, contributing to reducing workload substantially and securing safety. Furthermore, lower-priced unmanned grass cutters with limited functions are under development.



Self-driving tractors



Self-driving rice transplanting machine

<Case study> Utilizing self-driving tractors (Hokkaido)

- In Moseushi Town, Hokkaido, self-driving tractors are utilized at farming partitions expanded under an infrastructure development project to improve leveling accuracy and streamline soil puddling.



GPS-using leveling machine



Remotely controlled mowing machine



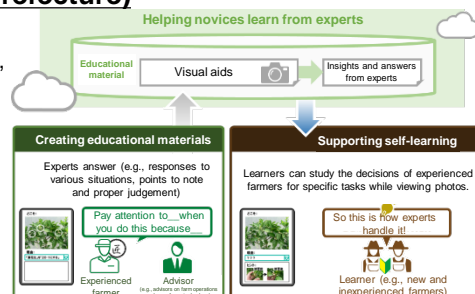
Power assist suit

Realizing agriculture easy for anyone to tackle

- Tractors, rice transplanting machines and combines with assist facilities to achieve the same work accuracy and speed as those achieved by skilled farmers have been put on sale.
- Systems have been commercialized for transforming advanced skills into digital content used for new farmers to promptly learn knowhow.

<Case study > Mie Nanki Agricultural Cooperative Association (Mie Prefecture)

- Fruit thinning knowhow, irrigation timing and other knowhow for mandarin orange cultivation have been transformed into data to allow unskilled persons to promptly acquire average skills.



Conceptual diagram of a learning system

Utilizing data and sensing technologies to improve productivity and quality

- Pictures taken by drones are analyzed to identify pest locations, allowing crop-dusting and additional fertilization operations to be done in a pinpoint manner to cut materials costs and realize sustainable agriculture. This technology is useful even in hilly farming areas.

① Taking pictures of a soybean field as a whole



② Pictures are analyzed to identify pest locations



③ Crop-dusting at pest locations



Pinpoint crop-dusting using a drone

- Progress has been made in the development of a technology utilizing information and communications and artificial intelligence technologies to automatically control temperatures and carbon dioxide density levels and tomato-harvesting robots using artificial intelligence to determine maturity levels of tomatoes based on image data.



An automatic harvesting robot uses AI to determine maturity levels of tomatoes

<Case study >

Takahiko Agro Business (Oita Prefecture)

- Takahiko Agro Business has introduced an agricultural heat exchanging system using geothermal heat for substantially cutting fuel costs and an environmental control system combining carbon dioxide provision and fine fog systems to realize year-around paprika shipments.



Paprika cultivation greenhouse



Plane view of large-scale greenhouse

Building Agricultural Data Collaboration Platform

- Agricultural Data Collaboration Platform (WAGRI) was launched in April 2019 for data collaboration, sharing and provision. In addition, from the viewpoint of improving environment of the data circulation, a Guideline on Data Contract in Agriculture has been developed. It is anticipated that they will help accelerate the appropriate utilization and collection of production knowhow and other data and create new services.
- Furthermore, a smart food chain system will be developed by FY2022 to enable mutual data utilization for the production, processing, distribution and consumption sectors. The system will promote a transition to market-in type agriculture adapting production and sales to diversified demand, reduction of food losses and optimization of logistics through optimum good collection and shipment.

2. Smart agriculture diffusion acceleration initiatives

- In November 2018, the number of quasi-zenith satellites increased to four, allowing positioning data to be provided more stably. Regulations have been revised on agricultural drones. These and other developments represent progress in paving the way for the diffusion of smart agriculture.
- Aiming for realization of almost all professional farmers utilizing data for agriculture by 2025, MAFF is implementing various initiatives including smart agriculture promotion forums for introducing case studies and matching events for farmers, private businesses and research organizations.

- In recent years, Japan has seen growing “agriculture-welfare collaboration” initiatives for the agriculture and welfare sectors to collaborate in helping persons with disabilities, needy persons, elderly persons and others to find agricultural and other jobs.
- Agriculture-welfare collaboration encourages persons with disabilities and others to create self-confidence and motivation and participate in society through active performances in agriculture or processing and sale of agricultural products.
- Agriculture-welfare collaboration is expected to give the agriculture sector opportunities to secure labor and revise production processes and work systems to streamline production and produce quality farm products.

1. Growing agriculture-welfare collaboration in agricultural workplaces

- Growing agriculture-welfare collaboration takes various forms including farmers’ employment of persons with disabilities, continuous employment support centers’ participation in agriculture and private companies’ special subsidiaries employing persons with disabilities for farm work under contract.

<Case study> Kyomaru-en Co. (Shizuoka Prefecture) – A farm business operator employing persons with disabilities directly

- Kyomaru-en Co. in Hamamatsu City is engaged in hydroponic culture to produce mitsuba (Japanese wild parsley), qing-geng-cai and young green onion shoots with 100 employees including 25 persons with disabilities.
- Through GAP (good agricultural practices) activities, the company has classified work into specific steps and standardized each step, allowing persons with disabilities to work accurately and efficiently to improve the farm’s productivity and product quality.
- The company won a GAP Award 2018 for its activities.



Kyomaru-en employees

<Case study> Social Welfare Corporation Cocoron (Fukushima Prefecture) – A continuous employment support center participating in agriculture

- Izumizaki Village’s Social Welfare Corporation Cocoron launched genboku shiitake mushroom cultivation and the development and sales of miso soybean paste and pickles in 2004 and opened a farm stand and a café in 2006.
- The corporation deepened relations with local communities through sales at the farm stand before launching temporary staffing services for outside farms in 2008.
- In 2010, the corporation opened its own farm. Since December 2016, it has operated farming business as a certified farmer.



“Cocoroya” café for direct sales

<Case study> Matsumoto Highland Agricultural Cooperative Association (Nagano Prefecture) – An agricultural cooperative association initiative

- The Matsumoto Highland Agricultural Cooperative Association launched full-fledged matching services between farmers and continuous employment support centers in FY2018.
- In FY2017, the association’s youth group took the initiative in implementing a model project, setting a work menu and prices. It has based payments on work volume, making it easier for farmers to request labor services.
- The association matches between farmers plagued with labor shortages and job-seeking persons with disabilities, promoting agriculture based on mutual cooperation and regional revitalization.

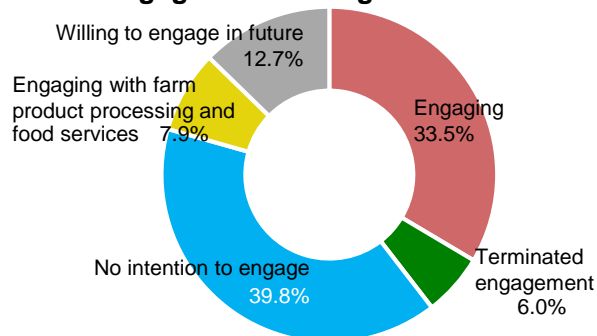


Briefing on harvesting of tomatoes for processing

2. Current status of agriculture-welfare collaboration

- According to a survey by NPO Japan SELP Center, 33.5% of continuous employment support centers, etc. engage with agriculture.
- In recent years, a rising number of companies have employed persons with disabilities in the agricultural sector from the viewpoint of corporate social responsibility.
- Average labor charges or wages at continuous employment support centers are still low. In some cases, these centers raised labor charges or wages by expanding into agriculture.

Continuous employment support centers' engagement with agriculture

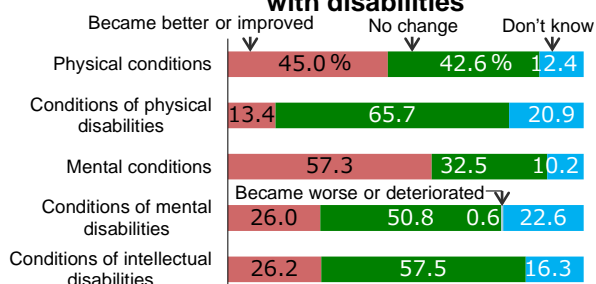


Source: NPO Japan SELP Center "Research Report on Agriculture-Welfare Collaboration" (Published in March 2014)

<Column> Favorable impacts of agriculture-welfare collaboration on persons with disabilities and farmers

- According to a questionnaire survey of continuous employment support centers, etc., 45% of these centers answered that physical conditions of persons with disabilities became better or improved through farming work. Furthermore, 57% answered that mental conditions of these persons became better or improved.
- According to a questionnaire survey of farmers, etc., 57% of respondents answered that they deepened understanding about persons with disabilities through agriculture-welfare collaboration. Such collaboration allowed 47% to afford to expand into new operations.

Farm work's impacts on persons with disabilities

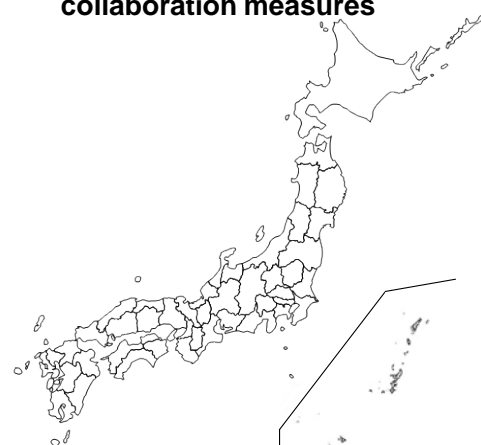


Source: NPO Japan SELP Center "Research Report on Agriculture-Welfare Collaboration" (Published in March 2014)

3. Promoting agriculture-welfare collaboration

- The Ministry of Agriculture, Forestry and Fisheries cooperates with the Ministry of Health, Labour and Welfare in opening marché events and developing facilities to promote agriculture-welfare collaboration.
- MAFF enforced the regulations of the Japanese Agricultural Standards for Foods produced with the participation of persons with disabilities (called Nofuku JAS) in March 2019, to certify the agricultural and livestock products produced through proactive engagement by persons with disabilities.
- A Japan agriculture-welfare collaboration association founded in November 2018 implements campaigns to diffuse agriculture-welfare collaboration products with a view to the 2020 Tokyo Olympics/Paralympics.
- A Japan agriculture-welfare collaboration network announced a declaration in July 2018 vowing to collaborate with private sector companies in developing agriculture-welfare collaboration products.
- The employment support center of the Ministry of Justice supports the independence of former prisoners through agriculture, making achievements in preventing recidivism.

Implementation of agriculture-welfare collaboration measures



Source: MAFF

Notes: 1) The prefecture-by-prefecture numbers are of districts having utilized rural area promotion subsidies (agriculture-welfare collaboration measures), etc.
2) The total number of such districts stood at 91 from FY2015 to FY2018.

Developing a welfare farm (hydroponic culture)



Auxiliary facilities: rest stations, sanitary accommodations (restrooms, washing places), farm equipment hangars



- Japan's agricultural, forestry and fisheries products and food exports in 2018 hit a record high. The Ministry of Agriculture, Forestry and Fisheries makes "all Japan" efforts to achieve the target of 1 trillion yen in such exports in 2019 and promotes initiatives to support agriculture, forestry and fisheries, and food business operators ambitious to expand exports.
- Toward expanding its share of the global food market which is expected to grow, MAFF gives priority to fast-growing Asian countries and European and American markets with great purchasing power.

Agricultural, forestry and fisheries products and food exports hit a record high for the sixth straight year

➤ Japan's agricultural, forestry and fisheries products and food exports in 2018 increased by 12.4% or 99.7 billion yen from the previous year to 906.8 billion yen for the sixth straight annual growth.

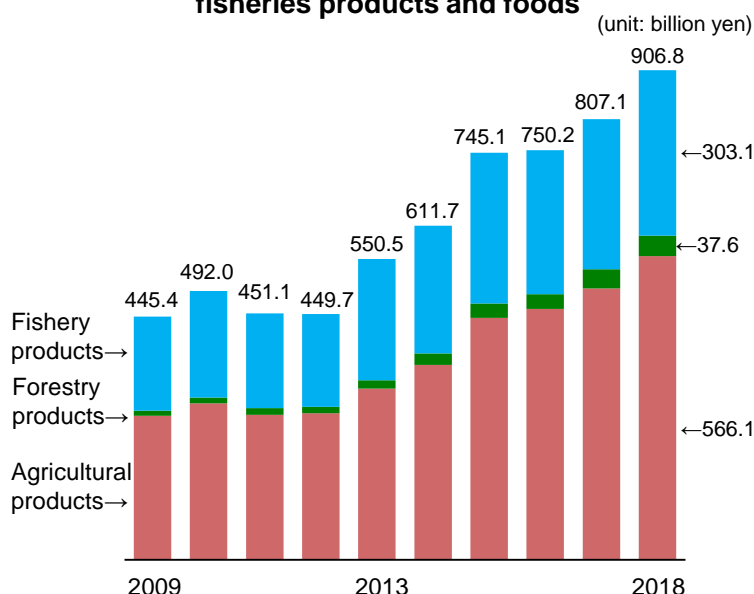
➤ Major products recording rapid growth in 2018 included hen eggs (up 49.4% from the previous year), sweet potatoes (up 42.0%), strawberries (up 40.7%), beef (up 29.1%) and apples (up 27.6%). They grew on the strength of the growing popularity of Japanese food.

Particularly, promotion emphasizing the quality of Japanese eggs eaten raw and other efforts helped to increase demand in export destinations.

➤ The largest export destination in 2018 was Hong Kong (up 12.7% from the previous year), followed by China (up 32.8%) and the United States (up 5.5%).

Exports to China posted substantial growth, with China replacing the United States as the second largest export destination for these Japanese products.

Export of agricultural, forestry and fisheries products and foods



Source: Prepared by MAFF, based on MOF, Trade Statistics

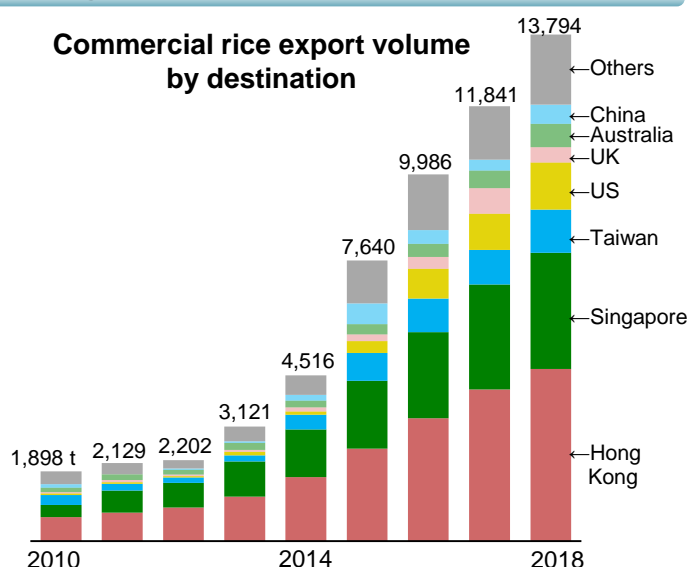
Polished rice exports to China are expected to expand due mainly to additional rice polishing plants and fumigation warehouses

➤ Rice exports in 2018 increased by 16.5% or 2,000 tons from the previous year to 14,000 tons. Particularly, rice exports to China expanded by 75.8% or 226 tons to 524 tons.

➤ For polished Japanese rice exports to China, two rice polishing plants and five fumigation warehouses were added in May 2018.

➤ Rice exports to China are expected to grow on China's lifting of a ban on rice imports from Niigata Prefecture.

Commercial rice export volume by destination



Source: Prepared by MAFF, based on MOF, Trade Statistics

Note: The government's food aid is excluded.

Initiatives for uniting government and private sectors to promote exports

- To develop an “all Japan” export promotion setup, MAFF considers addressing sectoral and cross-sectoral challenges, and product-by-product export promotion organizations, the Japan External Trade Organization (JETRO), the Japan Food Product Overseas Promotion Center (JFOODO)* and relevant government ministries cooperate in promoting initiatives to expand exports.

*JFOODO brands and promotes agricultural, forestry and fisheries products and food and supports exporters.

- MAFF resolves export impediments to pave the way for expanding exports and promotes Japanese food and culture overseas.
- MAFF demonstrates cardboard packaging materials and loading methods to prevent product losses during transportation.

Past initiatives to promote agriculture, forestry and fisheries products and food exports

Month/year	Initiatives
June 2013	Aiming to expand agriculture, forestry and fisheries products and food exports to 1 trillion yen by 2020. *In 2016, the target year was moved up to 2019.
August	Developing the export promotion strategy of agriculture, forestry, fisheries and food products
December	Washoku (traditional dietary cultures of the Japanese) inducted into UNESCO's Cultural Heritage list.
December 2015	Stationing officials in charge of supporting Japanese companies at 58 diplomatic establishments
May 2016	Compiling an export capacity enhancement strategy for agriculture, forestry and fisheries
April 2017	JFOODO established

Source: MAFF

JFOODO's “All Japan” promotion

- In December 2017, JFOODO decided on a promotion strategy for seven products: Wagyu Japanese beef, seafood, Japanese tea, rice flour, sake rice wine, Japanese wine and craft beer.
- JFOODO conducted a promotion campaign titled “Japanese wagyu coming to Taiwan” in response to the resumption of wagyu exports to Taiwan.
- JFOODO implemented digital measures including videos and websites for promoting Japanese tea mainly for young U.S. generations interested in health functions and Japanese culture-based mindfulness of Japanese tea.



Newspaper ad



Station yard ad



Japanese tea campaign logo mark and ads

Community site opened for agriculture, forestry and fisheries, and food business operators ambitious to expand exports

- In August 2018, MAFF opened a community site for the GFP*, a new project for exporting agriculture, forestry and fisheries, and food products to find business partners for negotiations.

*Global Farmers/Fishermen/Foresters/Food Manufacturers Project

- At the end of FY2018, 1,120 companies had been registered at the site. Export diagnostics is conducted at 341 locations (including 140 visit diagnosis locations).

GFP logo mark and three export-supporting initiatives



Global
Farmers/Fishermen
/Foresters/Food
Manufacturers Project



01 Developing communities for creating information provision and exchange opportunities



02 Supporting developing production areas for exports (global production areas)



03 Matching between producers (sellers) and exporters (buyers)

- Japan's agriculture, forestry and fisheries, and food products, while having some brand power, must develop their competitiveness against foreign products and be differentiated from them.
- The JAS (Japanese Agricultural Standards) and the plant variety protection system, as well as the GAP (Good Agricultural Practices), HACCP (Hazard Analysis and Critical Control Point), GI (Geographical Indication) Protection and other standard/certification and intellectual property systems should be utilized adequately to enhance competitiveness in the global market.

GAP (Good Agricultural Practices)

- GAP are for farmers to check and improve their management activities in the agricultural production process from the viewpoints of food safety, environmental conservation, worker safety, and others.

Farmers can acquire GAP certification through third-party audit.

- MAFF supports farmers' GAP activities and explores consumers' interest in GAP through such measures as the establishment of the GAP-info website.

- ASIAGAP, a Japan-originated GAP certification program developed by the Japan GAP Foundation, achieved GFSI* recognition in October 2018.

* Global Food Safety Initiative: an international organization to improve food safety

Number of GAP-certified establishments

	Agricultural products		
	GLOBALG.A.P.	ASIAGAP	JGAP
Japan's total (establishments)	631	1,415	2,759

Source: Prepared by MAFF based on data published by the GAP Fukyu Suishin Kiko and the Japan GAP Foundation

Note: The number for GLOBALG.A.P. is at the end of June 2018.

The numbers for ASIAGAP and JGAP are at the end of March 2018

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Proactive utilization and publicization of agricultural GAP-certified products

In Mie Prefecture, government and private sectors have established a unified council to take advantage of the 2020 Tokyo Olympics/Paralympics to expand sales of the prefecture's agricultural, forestry and fisheries products, promoting such initiatives as the development of arrangements for providing agricultural GAP-certified products and campaigns in the Tokyo metropolitan region.



Reception using mainly GAP-certified food materials

HACCP (Hazard Analysis and Critical Control Point)

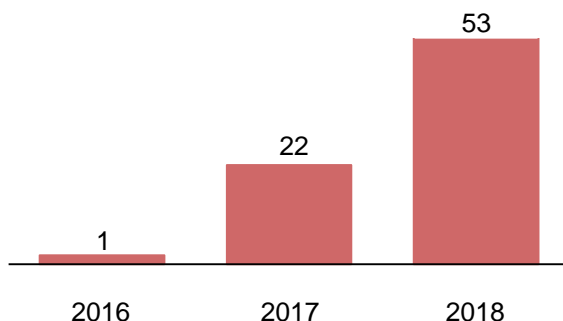
- HACCP is a hygiene control system to analyze hazards such as pathogenic microorganisms processing step and continuously monitor and record particularly critical steps. HACCP obligation is spreading globally.

- The revised Food Sanitation Act promulgated in June 2018 requires all food business operators to conduct hygiene control based on HACCP principle (to be fully enforced from 2021).

- The JFS-C standards* developed by the Japan Food Safety Management Association (JFSM) achieved GFSI recognition as international standards in October 2018.

* Manufacturing sector standards compatible with international standards

Number of JFS-C standard acquisitions

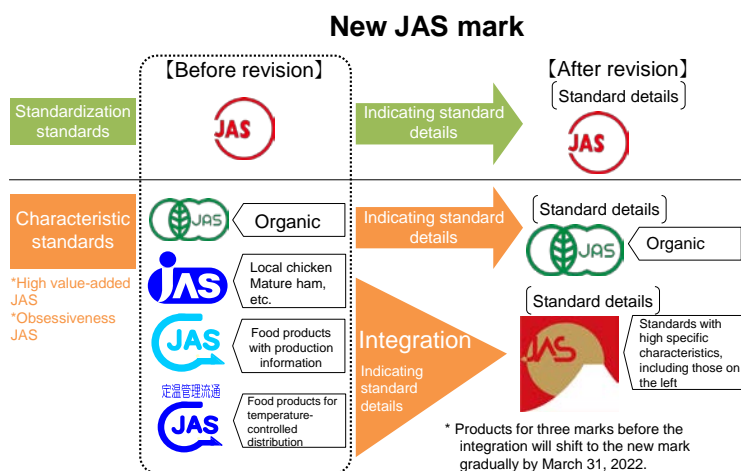


Source: Prepared by MAFF based on data from Japan Food Safety Management Association

Note: As of the end of September each year

JAS (Japanese Agricultural Standards)

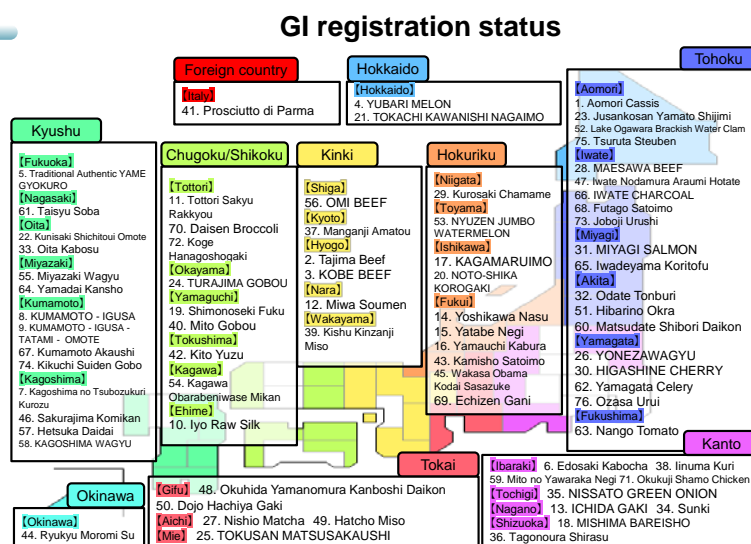
- Act on Standardization and Proper Labeling of Agricultural and Forestry Products as revised in April 2018, expanded the scope of JAS standards to cover production methods, testing methods and business operators' agricultural and forestry product handling methods. Additionally, the quality of these products and the scope of these products, enabling the enforcement of more diversified JAS standards are leading to the appeal of production areas and business operators in Japan.
- In October 2018, a new JAS mark was determined through a popular vote.



Source: MAFF

Geographical Indication (GI) protection system

- The GI protection system protects local characteristic products' names as intellectual property. At the end of FY2018, registrations covered 76 products, up 17 from a year earlier.
- The GI Act was revised to implement mutual protection at a higher level as agreed in the Japan-EU Economic Partnership Agreement. At the same time as the agreement took effect, mutual protection started for 48 Japanese products and 71 EU products.



Source: Prepared by MAFF using CraftMAP

Note: As of the end of FY2018

Variety protection

- New plant varieties registered under the Plant Variety Protection and Seed Act are protected as intellectual property (breeders' right). Numerous Asian countries have not acceded to the International Convention for the Protection of New Varieties of Plants, known as the UPOV Convention.
- At the East Asia Plant Variety Protection Forum in August 2018, participating countries adopted a 10-Year Strategic Plan including the Common Direction aiming at establishment of effective PVP systems consistent with the UPOV Convention among Forum members.

East Asia Plant Variety Protection Forum members' accession to the UPOV Convention

Five countries that have acceded to the convention	Japan, China, Republic of Korea, Singapore, Vietnam
Eight countries that have not acceded to the convention	Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Thailand

Source: MAFF

Note: The UPOV Council confirmed the conformity of the Brunei's relevant law and Myanmar's relevant bill with the provision of the 1991 UPOV Convention in 2017.

Genetic resource protection

- In response to growing calls for protecting genetic resources of wagyu Japanese beef cattle, a panel of experts and livestock industry bodies to consider controlling the distribution of wagyu genetic resources has been established.



“Poster for enlightenment about domestic utilization”

Source: Council for domestic utilization
of waqvu genetic resources