

Key points of the new Basic Plan for Food, Agriculture, and Rural Areas

- **The Basic Act on Food, Agriculture, and Rural Areas** was revised (enforced on June 5, 2024) after verification and evaluation of overall policies based on the existing Basic Act and sorting out the issues in anticipation of the next 20 years or so.
- Based on the basic principles of the revised Basic Act, the direction of policy measures will be embodied, and **the structural transformation of agriculture will be intensively promoted in the first five years** from the viewpoint of realizing food security in normal times.

Ensuring food security

Stable food supply

└ Increase in domestic agricultural production

Target

- **Food self-sufficiency rate**

- Calorie Intake basis: 53%
- Calorie supply basis: 45%

+

- **Securing stable imports**

+

- **Securing stockpiles of food**

- **Ensuring food self-sufficiency potential**

(farmland, farmers, technology, and production materials)

Target

- **Securing farmland**

└ Farmland area: 4.12 million ha

- **Sustainable agricultural structure**

- **Number of business farmers aged 49 and under:**

Current level
Maintained at 48,000 in 2023

- **Improve of productivity**

(labor productivity/land productivity)

- Production per agricultural management entity:
1.8 times

- Reduced production costs:
(Rice) Agricultural management entities with 15 ha or more
11,350 yen/60 kg → 9,500 yen/60 kg
(wheat, Soybeans)
20% reduction from the current level

➤ Ensuring “food self-sufficiency potential” by securing the total area of farmland, establishing sustainable agricultural structure, and drastically improving productivity

- **Fundamentally reviewing the paddy field policy from FY2027**, and shifting the grant paid directly for the use of paddy fields, which supports paddy field farming, to support such as productivity improvement for each crop.
- For the further expansion of **rice exports**, cultivating new production areas capable of low-cost rice production which meet the demands for export, while promoting the expansion of overseas demand.
- Fostering and securing business farmers who can make a living from agriculture, regardless of the scale or type of management such as individuals or corporations, and **securing farmland and agricultural water** while promoting the **farmland accumulation and consolidation** for the business farmers based on regional plans.
- In order to **establish a sustainable agricultural structure**, securing business farmers aged 49 or under by promoting farming under parents as well as farming by employment.
- In order to **reduce production costs**, promoting various measures, such as **land consolidation for large-sized paddy fields**, developing information and communications environment, **introducing smart agricultural technologies, promoting DX**, fostering agricultural support service providers, breeding varieties, and promoting reorganization and rationalization of facilities for shared use.
- To secure a stable supply of **production materials**, promoting various measures, including the expansion of fertilizer use from domestic resources, stockpiling of raw materials of chemical fertilizers, facilitation of domestic seed self-sufficiency in major cereals, and conversion to domestic feed.

└ Promotion of exports

(securing food supply capacity even under declining domestic food demand)

Target

- **Amount of exports** of agricultural, forestry, and fishery products and food

└ Amount of exports: 5 trillion yen

➤ Enhancing the “earning power in the global market” by expanding exports, and related measures.

- **Promoting the development of new export destinations**, the formation of production areas for export, and the establishment of consistent supply chains in Japan and overseas, from the viewpoint of market-in/market-making approach.
- Exercising the synergy between **the overseas expansion of the food industry** and **the growth of food-related consumption by inbound tourists on the export expansion**.

Enhancing the “profitability” of agricultural management and “raising the income” of farmers

Establishing sustainable food systems through collaboration among stakeholders

Sustainable development of agriculture

Establishing sustainable food systems through collaboration among stakeholders

Ensuring food security

- Stable food supply
 - Development of food industry
 - Formation of reasonable prices of food
- Available to every citizen
 - Physical access + Economic access + Emergency access

➤ Ensuring “food security for every citizen” through collaboration among stakeholders in the food systems

- Promoting the initiatives for the sustainable supply of food products, etc. such as stabilization of raw material procurement and consideration of the environment, human rights, and nutrition.
- Promoting price formation that takes into account reasonable costs throughout the food systems by clarifying costs, fostering consumer understanding, etc.
- Ensuring last-mile logistics, matching providers and receivers of unused food, and strengthening the functions of food banks and other organizations to receive and provide food.

Establishment of environmentally harmonized food systems

- Target
- Amount of greenhouse gas reduction (compared to FY2013)
 - Amount of reduction: 11.76 million t-CO₂

➤ Fulfilling multifunctionality while working to “reduce the environmental burden throughout the food systems.”

- Promoting the initiatives for reducing environmental burden through the implementation of the “MIDORI GX Promotion Plan (tentative name),” which simultaneously realizes decarbonization, productivity improvement, and revitalization of regional economies by taking in the vitality of the private sector to tackle GX, as well as through the implementation of a new environmental direct payment subsidy and cross-compliance.
- Promoting the initiatives for the circular economy in agriculture, forestry, and fisheries, such as the use of biomass and renewable energy.
- Promoting the fulfillment of multifunctionality through the continuation of agricultural production activities by enhancing the organizational structure engaged in joint activities with the participation of various stakeholders.

Fulfillment of multifunctionality

Promoting the Development of rural areas

- Development and maintenance of agricultural production infrastructure
 - Promotion of joint regional activities
 - Increase in the number of persons who are connected to rural areas
 - Creating opportunities + Economic initiatives + Lifestyle initiatives
- Target
- Number of municipalities with populations related to rural communities increase
 - Municipalities: 630
 - Amount of value added created in rural areas
 - Amount of value added: 22 trillion yen
- Development of hilly and mountainous areas and measures against damage by wildlife

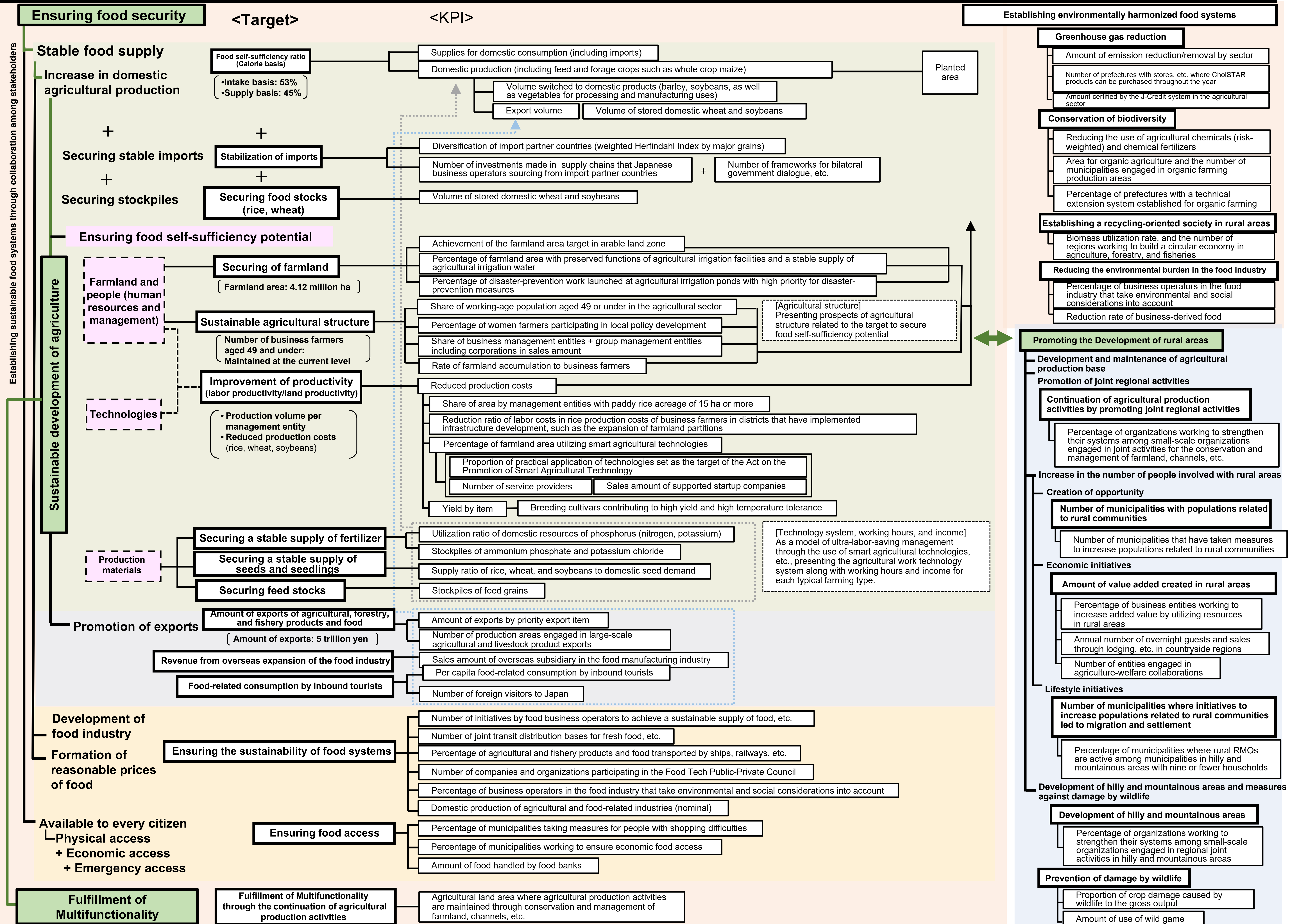
➤ “Comprehensive rural development” and “development of hilly and mountainous areas in detail” for the realization of Regional Revitalization 2.0.

- With “Co-creation Strategy for the Agricultural, Forestry & Fisheries Area’s Future” expected to be formulated by the summer of 2025, and “The Project for Creation of Economic and Living Environments in ‘Rural Areas,’” the participation of private enterprises inside and outside the regions and the creation of a new link between communities and enterprises will be encouraged by using the framework of public-private co-creation. This aims to increase populations related to rural communities and creating enjoyable rural areas.
- Creating value-added, internally generated new businesses by making full use of resources in rural areas, such as countryside stay and agriculture-welfare collaborations, in order to raise income and create jobs.
- Securing infrastructure, etc. for daily life, including securing the means of transportation such as private paid passenger transportation, in order to ensure convenience of daily life.
- For the development of hilly and mountainous areas, providing support for the establishment of rural RMOs and the enhancement of activities to maintain the functions of villages, as well as for the development and introduction of smart agricultural technologies that address regional issues and initiatives to earn income from agriculture that takes advantage of regional characteristics.

Fostering public understanding

- Promoting Shokuiku (food and nutrition education), etc. in order to lead consumers to better understand agriculture, etc. and to change their actual behavior.

Major Targets and KPIs in the New Basic Plan for Food, Agriculture, and Rural Areas



Major Targets and KPIs in the New Basic Plan for Food, Agriculture, and Rural Areas

(Target year: 2030)

- Food supply in Japan
- Promotion of exports
- Establishing environmentally harmonized food systems
- Promoting the development of rural areas

Target Food self-sufficiency ratio(Calorie basis), intake basis: 45% → 53%
supply basis : 38% → 45%

Target Amount of exports of agricultural, forestry, and fishery products and food:
1.5 trillion yen → 5 trillion yen (rice exports: 46,000 t → 350,000 t)

Target Greenhouse gas reduction: 8.08 million t-co₂ → 11.76 million t-co₂ (compared to FY2013)

Target Number of municipalities with expansion of populations related to rural communities:
356 → 630

Ensuring food self-sufficiency potential

Farmland and people	<ul style="list-style-type: none"> ○ In order to maintain farmland, which is the basis for food production, working to secure the total area of farmland and improve the rate of farmland concentration to business farmers. ○ In order to establish a sustainable agricultural structure, securing business farmers aged 49 or under. 	<p>Target Farmland area: 4.27 million ha → 4.12 million ha [KPI Rate of farmland accumulation to business farmers: 60.4% → 70%] Target Number of business farmers aged 49 and under*1: Maintained at the current level*2 (*2: 48,000 in 2023) (Reference) Share of business farmers*1 aged 49 or under: 26% <small>*1 Business farmers: Certified farmers and certified new farmers (excluding corporations, etc.)</small></p> <p>[KPI Share of working-age population aged 49 or under in the agricultural sector: 54% → Raised to the same level as all industries*3] (*3 64% in 2024)</p>
Technologies	<ul style="list-style-type: none"> ○ In order to improve the productivity of business farmers, reducing the production cost of rice To achieve this, the following measures will be taken: (1) Reducing labor costs of business farmers through the expansion of farmland partitions, etc. (2) Utilizing smart agricultural technologies at low cost by shared use of machines through service providers. (3) Taking initiatives to improve yield of rice and to cultivate varieties with high yield and high temperature tolerance that contribute to such improvement. Through these measures, developing low-cost production areas for rice exports. ○ For barley and soybeans, in consideration of the cost-effectiveness of improving food self-sufficiency potential, conducting a review to support those who work to improve productivity, as well as taking initiatives to improve yield to reduce production costs. 	<p>Target Rice production cost of management entities with 15 ha or more*4: 11,350 yen/60 kg → 9,500 yen/60 kg [KPI Rice production cost for all management entities*4: 15,944 yen/60 kg → 13,000 yen/60 kg] [KPI Share of area by management entities with paddy rice acreage of 15 ha or more: 30% → 50%] [KPI Labor cost of rice production in districts that have implemented infrastructure development: 60% reduction (current level)] [KPI Number of agricultural support service providers: 5,701 → 7,900 management entities] [KPI Percentage of farmland area utilizing smart agricultural technologies: 20% → 50%] [KPI Rice yield, for staple food: 533 kg/10 a → 555 kg/10 a (4% increase) For new market development: 548 kg/10 a → 628 kg/10 a (15% increase) (KPI Breeding cultivars contributing to high yield and high temperature tolerance: 35 varieties)</p> <p>[Number of production areas engaged in large-scale rice exports*5: 6 → 30 production areas (aimed at achieving the situation where exports from these 30 production areas account for more than half of Japan's total rice export)]</p> <p>[KPI: Production cost of wheat*4: (Paddy field) 10,400 yen/60 kg → 9,300 yen/60 kg (Upland field) 7,700 yen/60 kg → 6,200 yen/60kg] [KPI Wheat yield: 472 kg/10 a → 537 kg/10 a (14% increase)] [KPI: Production cost of soybeans*4: (Paddy field) 22,800 yen/60 kg → 18,000 yen/60 kg (Upland field) 16,700 yen/60 kg → 14,600 yen/60kg] [KPI Soybeans yield: 169 kg/10 a → 223 kg/10 a (32% increase)]</p>

• Setting KPIs to indicate targets and the effectiveness of measures, and investigating and announcing the achievement status thereof every year, while consulting with the Council for Policies of Food, Agriculture, and Rural Area to conduct policy evaluation objectively and transparently, and reviewing measures through the PDCA cycle.

In addition to those set for rice, wheat, and soybeans, KPIs such as yield improvement*6 have been set for vegetables, fruit trees, livestock products, and sweetening resource crops.

*4 Set based on material prices, labor costs, etc. in the base year (2023). In the evaluation, the circumstances of material prices, etc. at the relevant time are considered.
 *5 Production areas with export volume of 1,000 t or more per year
 *6 For livestock products, the production volume and the number of heads raised for each item are set as KPIs, and the production volume per head is also monitored.