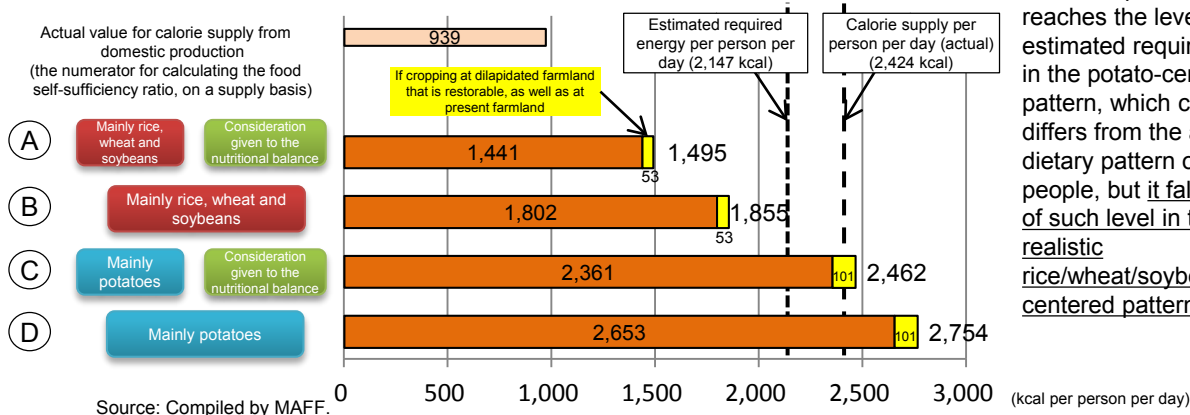


3. Current status of the “food self-sufficiency potential indicator” (FY2013)

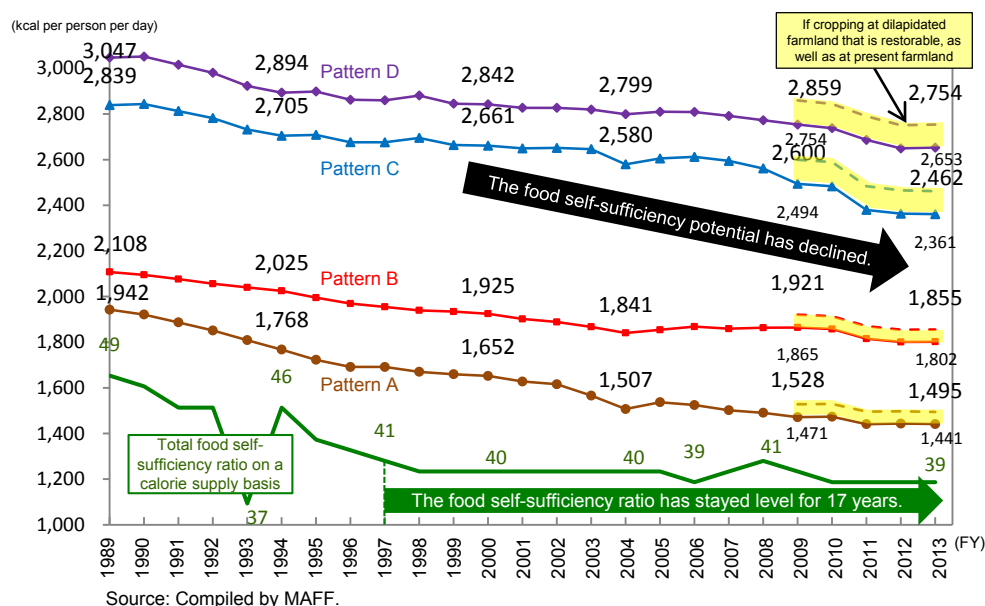
Figure 11-1 Current status of the “food self-sufficiency potential indicator” (FY2013)



The calorie supply from domestic production reaches the level of estimated required energy in the potato-centered pattern, which considerably differs from the actual dietary pattern of Japanese people, but it falls far short of such level in the more realistic rice/wheat/soybean-centered pattern.

4. Trend of the “food self-sufficiency potential indicator”

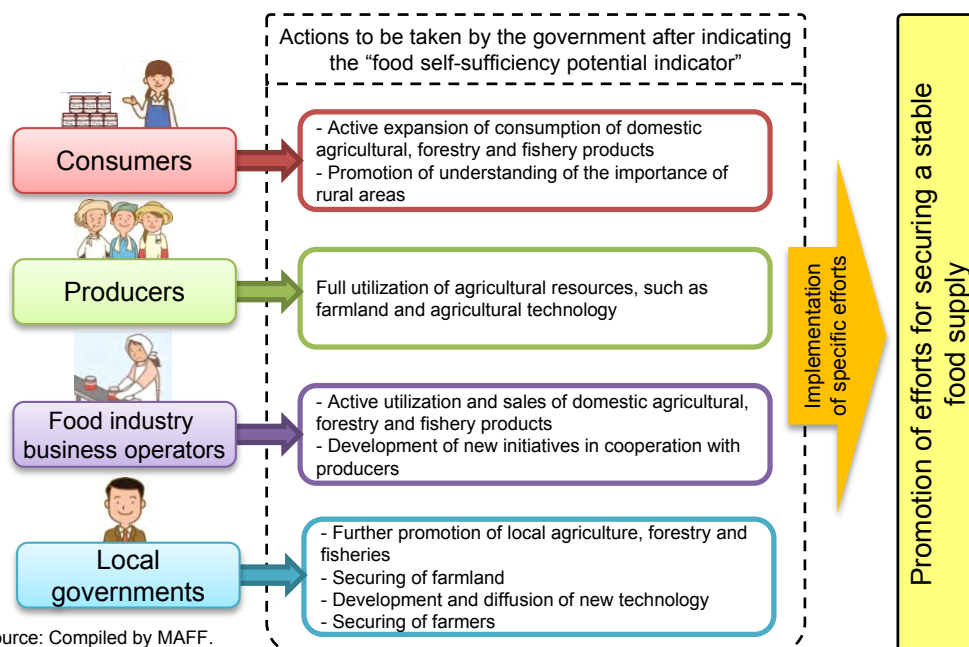
Figure 11-2 Trend of the “food self-sufficiency potential indicator”



While the food self-sufficiency ratio has stayed level at around 40% for the 17 years since 1997, the food supply capacity (Japan’s food production potential) has been on a decline in recent years, raising concerns about the future food supply in Japan.

5. Message to the people

Figure 11-3 Government’s actions to encourage people’s efforts



The government hopes that people will learn about such actual conditions of Japan’s food production potential, and deepen discussions on food security. On that basis, the government will promote efforts for securing stable food supply by taking actions to encourage people to make efforts to maintain and improve the food self-sufficiency potential from their respective positions.

Part 3

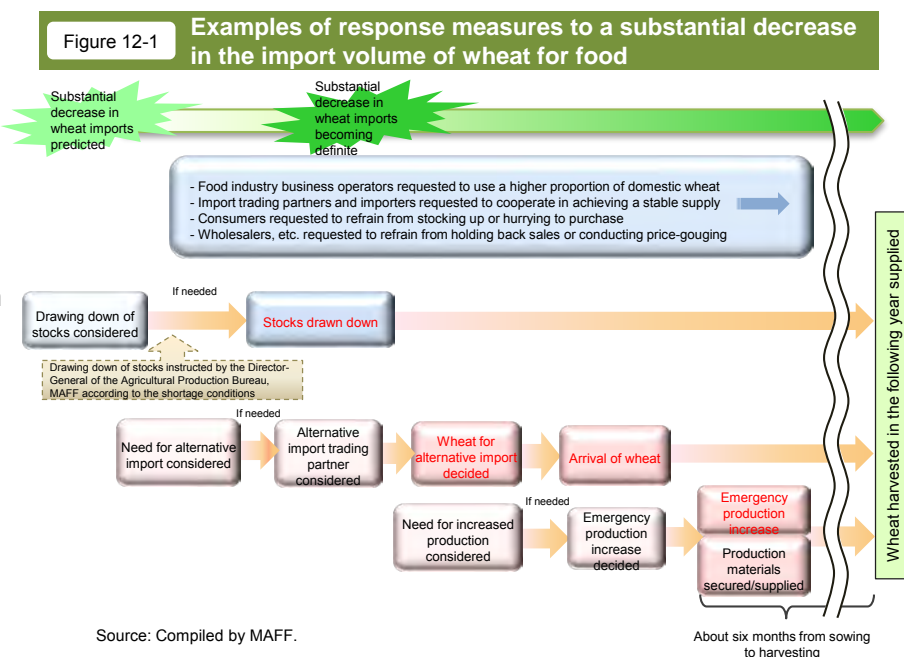
Establishment of comprehensive food security and strategic approach to international negotiations

Basic Plan p. 37–39

- If an unforeseeable event that affects food supply occurs, the government will take response measures and the like based on the Food Security Guideline in Case of Emergency (formulated in 2002, amended in 2012). The government has also compiled specific procedures to address such problems as poor domestic harvest or a substantial decrease of imports, and periodically analyzes and assesses risks that affect food supply.
- In negotiations for economic partnerships and on other occasions, the government will aim to establish trade rules that enable the mutual development of agriculture in each country.

Response measures in cases of unforeseeable events

For example, if a major import trading partner of wheat experiences a seriously poor harvest, and Japan's import volume of wheat substantially decreases, the government will strive to secure a stable supply of wheat by taking such measures as using wheat stocks, importing wheat from an alternative country, and conducting an emergency production increase of wheat to be harvested in the following year.



If an unforeseen event occurs and there is a risk of the food supply stagnating, we will need to implement efforts for securing a smooth food supply from our respective positions.

For example, the government requests producers to accelerate shipping, distributors to refrain from holding back sales, and consumers to refrain from excessive stocking up in such a case.

Figure 12-2 Efforts required in cases of unforeseeable events

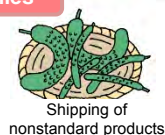
Government (MAFF)

- Collecting and analyzing global food supply and demand trends
- Efforts to release stocks
- Implementation of additional (alternative) imports
- Survey and monitoring of food price trends
- Implementation of price/distribution measures based on law



Producers, agricultural organizations and private companies

- Shipping of nonstandard products or early shipping
- Refrainment from holding back sales or conducting price-gouging
- Refrainment from excessive cornering
- Import from an alternative country or import of alternative products



Consumers

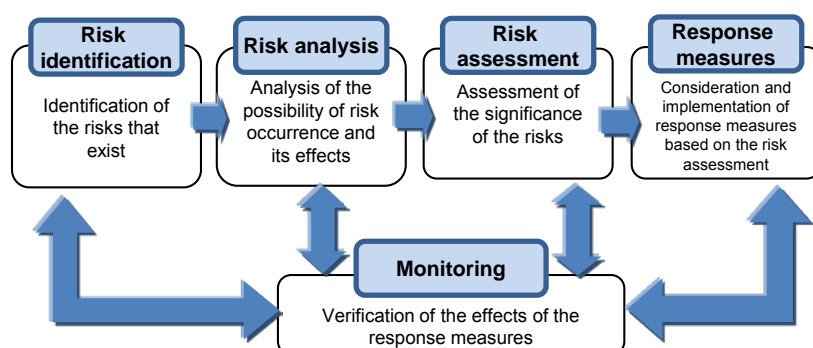
- Refrainment from excessive stocking up or cornering
- Purchase of nonstandard products
- Shifting of consumption (e.g., from eating bread to eating steamed rice)
- Reduction of food loss and food wastes



Source: Compiled by MAFF.

Analysis and assessment of risks that are expected to affect the food supply

Figure 13-1 Periodic analysis and assessment of risks



Source: Compiled by MAFF.

In order to accurately respond to unforeseeable events, it is necessary in normal times to periodically analyze and assess risks that are expected to affect food supply.

The government recently analyzed for the first time the frequency and impact of various risks in and outside Japan relating to major agricultural, livestock and fishery products, such as rice and wheat, and assessed their present and future effects.

In the future, the government will conduct such risk analysis and assessment and publish the results every fiscal year.

Figure 13-2 Outline of risk assessment results (example of livestock products)

Category		Probability of frequency	Impact	Assessment of the current status	Assessment of trends over approximately the past 10 years	Assessment of the status in 5 to 10 years (as of the time of assessing the effects)
Overseas risks	Temporary/short-term	Large-scale natural disasters and abnormal weather	Low	National	No effect	No change
		Infectious diseases for domestic animals	Medium	National	No effect	No change
		Incidents/accidents involving food safety	Low	Partial	No effect	No change
		Seaport traffic disturbances	Low	National	No effect	No change
		Political unrest and terrorism in export destination countries	Low	National	No effect	No change
		Export restrictions in export destination countries	Low	National	No effect	No change
		Exchange rate fluctuations	Medium	National	No effect	No change
		Oil, petroleum gas and other fuel supply shortages	Low	National	No effect	No change
	Emerging	Climate change including global warming	Emerging	National	No effect	Deteriorated
		Tightening supply-demand balance for fertilizers	—	—	—	—
		Difficult access to genetic resources	—	—	—	—
		Tightening supply-demand balance for water	—	—	—	—
		Yield growth deceleration	—	—	—	—
		Marine resources fluctuations	—	—	—	—
		Food demand growth accompanying population growth	Emerging	National	No effect	Deteriorated
		Growth in demand for farm products for biofuel	—	—	—	—
		Competition with imports from emerging countries	Emerging	National	No effect	Deteriorated
Domestic risks	Temporary/short-term	Large-scale natural disasters and abnormal weather	Low	Limited	No effect	No change
		Infectious diseases for domestic animals	Medium	National	No effect	No change
		Incidents/accidents involving food safety	Low	Partial	No effect	No change
		Food and other supply chain disruptions	Medium	Regional	No effect	No change
	Emerging	Climate change including global warming	Emerging	National	No effect	Deteriorated

- **Probability of frequency, etc.:** “**High**” if occurring about once in three years, “**medium**” if occurring about once in 10 years, “**low**” if occurring about once in 30 years, and “**emerging**” if the risk is already emerging.

- **Impact:** “**National**” if the risk affects the food supply in all of Japan, “**regional (or partial)**” if the risk affects the food supply in part of Japan, and “**local (or limited)**” if the effect is more limited.

Source: Compiled by MAFF.

Strategic approach to international negotiations

Figure 13-3 EPA/FTA negotiations with various countries and regions

Partners, etc.		Partners, etc.		Partners, etc.	
Concluded/signed (14 countries and one region)	Singapore, Mexico, Malaysia, Chile, Thailand, Indonesia, Brunei, ASEAN, Philippines, Vietnam, India, Peru, Australia, Mongolia	Under negotiations	Canada	Under negotiations	TPP*2
			Columbia		Turkey
			Japan-China-South Korea		AJCEP*3
			EU	Negotiation postponed/suspended	GCC*4
			RCEP*1		South Korea

Source: Compiled by MAFF.

Notes: 1) RCEP: Comprehensive Economic Partnership for East Asia; a wide-area economic partnership participated in by the 10 ASEAN countries and six other countries (Japan, China, South Korea, India, Australia and New Zealand), which concluded EPAs or FTAs with ASEAN.

2) Countries negotiating the Trans-Pacific Partnership (TPP) Agreement: Singapore, New Zealand, Chile, Brunei, United States, Australia, Peru, Vietnam, Malaysia, Canada, Mexico and Japan.

3) AJCEP: ASEAN-Japan Comprehensive Economic Partnership Agreement (only fields of trade in services and investment).

4) Members of the Gulf Cooperation Council (GCC): Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates.

The government will negotiate economic partnerships so as to enable sustainable production of key items, while giving due consideration to the sensitivities of Japan's agricultural, forestry and fishery products.

In order to secure a stable supply of grains and other items for which Japan relies on imports from overseas, it is also important to maintain and strengthen ties with trading partners from the viewpoint of food security.

As exemplified by the establishment of provisions for making efforts not to introduce export prohibiting measures and the like in the Japan-Australia EPA, the government will carry out negotiations in a manner that contributes to securing a stable food supply, including through strengthening disciplines of export prohibitions and regulations.

Part 3

Ensuring food safety and consumer confidence

Basic Plan p. 29–31

- In order to ensure food safety, the government conducts risk assessment,^{*1} risk management^{*2} and risk communication^{*3} based on sound science, consistent with the internationally agreed framework and the principle “prevention is better than cure.”

- In order to secure consumer confidence in food, the government will expand and ensure an appropriate indication of food labeling information and promote voluntary efforts by food industry business operators and other related people.

^{*1} Risk assessment: Scientifically based process assessing health risks caused by the intake of hazards in food

^{*2} Risk management: The process considering risk assessment and other relevant factors and implementing appropriate measures for the health protection of consumers

^{*3} Risk communication: The interactive exchange of information and opinions throughout the risk analysis process

Ensuring food safety and consumer confidence leading and/or following international trends

In order to improve food safety, the government investigates the occurrence of hazards in food and promotes scientific studies, e.g., development of suitable analytical methods.

Based on occurrence data and outcomes of scientific studies/research, the government elaborates, as necessary, codes of practice or appropriate guidelines to producers and/or manufacturers for reducing chemical/microbiological hazards in food.

The government also monitors the level of hazards in food to verify if the guidelines effectively reduce hazards in food and reviews the guidelines as necessary.

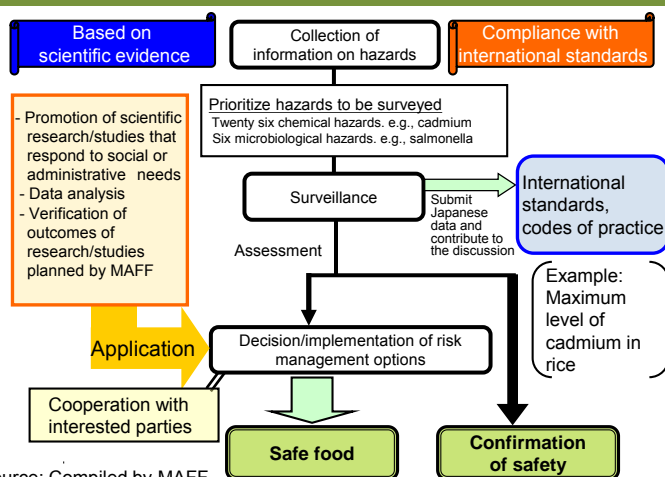
The government will promote the dissemination of GAP (Good Agricultural Practices) beyond a certain level in accordance with the MAFF guideline, among farmers and production areas.

In order to promote the introduction of HACCP (Hazard Analysis and Critical Control Point) by food manufacturers, particularly small and medium-sized manufacturers, the government will promote the development of a necessary environment and fostering of human resources.

What are Good Agricultural Practices (GAP)?

Continuous activities of improving agricultural production operations through the accurate implementation, recording, inspection and assessment of each process in agricultural production in line with checklists worked out according to relevant laws and regulations

Figure 14-1 Improving food safety



Source: Compiled by MAFF.

Figure 14-2 Number of production areas introducing GAP that is compliant with the Guideline

	Number of production areas introducing GAP that is compliant with the Guideline*1	Proportion to the number of production areas introducing GAP
Total for the five items	1010	37%
Vegetables	670	40%
Rice	96	36%
Wheat and barley	78	38%
Fruits	115	29%
Soybeans	51	32%

*1 Guideline on the Common Platform for Good Agricultural Practices (GAP)

*2 The survey targets are production areas of vegetables, rice, wheat and barley, fruits and soybeans that have introduced GAP

MAFF surveys
As of the end of
March 2014

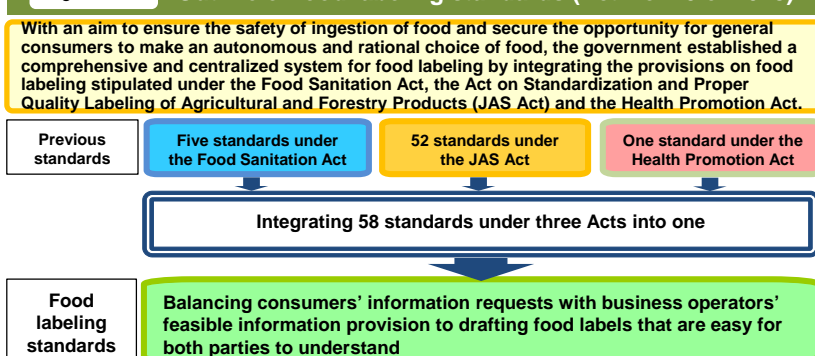
Securing of consumer confidence in food through such means as expansion and appropriate indication of food labeling information

Based on the Food Labeling Act, the government will strengthen cooperation between relevant ministries and conduct operations to execute on-site inspections and so on.

The government will also implement effective and efficient monitoring by using scientific analysis methods in processes including determination of the production area, and ensure proper food labeling.

The government will consider the adding of types of food products applicable for mandatory labeling of origin of ingredients, while ensuring its feasibility.

Figure 14-3 Outline of food labeling standards (Act No. 70 of 2013)



Source: Compiled by MAFF.

Part 3

Promotion of food education and expansion of consumption, and the preservation/succession of WASHOKU (traditional dietary cultures of the Japanese)

Basic Plan p. 31–32

- The government will categorize the diverse needs and attributes of the respective consumer segments and consider and implement specific policies to promote food education suitable for each category.
- Along with the promotion of the “Japanese dietary pattern,” the government will provide opportunities for agriculture, forestry and fisheries experiences to a wide range of generations, and promote people’s understanding about food, agriculture, forestry and fisheries.
- The government will push forward the full-fledged preservation/succession of WASHOKU.

Promotion of food education and expansion of consumption of domestic agricultural products

Figure 15-1 Promotion of food education through agriculture, forestry and fisheries experience

Past initiatives

- Support has been provided for activities in agriculture, forestry and fisheries experience, such as on educational farms, in rural areas.



- A database of educational farms nationwide was developed, and it was provided as a list of spots for enjoying agriculture, forestry and fisheries experience.
- An educational farm operation guide for promoting effective agriculture, forestry and fisheries experiences was disseminated. An introductory manual for companies and school educational materials linked with school subjects were created.

Future direction

- Experience activities serve as an extremely important learning opportunity for deepening the understanding of food, agriculture, rural areas, the value of life, natural environments and traditional culture.
- Agriculture, forestry and fisheries experience and various experience activities in the processes from food production to consumption, such as factory tours, are extremely effective for promoting consumers’ understanding of food, agriculture, forestry and fisheries. Therefore, experience opportunities will not only be provided in school education, but also to a wide range of generations according to their life stages.

(Extract from the Future Measures for Promoting Food Education [Final Report] published on March 6, 2015)

Source: Compiled by MAFF.

In order to effectively and efficiently promote measures related to food education, the government will build a framework for encouraging proactive activities, by identifying the actual opinions of farmers, food industry business operators, educators, and others who provide food education.

For expanding the consumption of domestic agricultural products, the government will promote a national movement in concert with the private sector, in coordination with efforts to promote food education, preservation/succession of WASHOKU, collaboration between medical care, welfare, food and agricultural sectors, collaboration between agriculture and tourism, and expansion of demand for each item.

In addition, the relevant ministries will cooperate with each other to further promote local consumption of local produce.



What is the “Japanese dietary pattern”?

A nutritionally well-balanced dietary pattern, mainly eating rice, combined with various types of side dishes using fish, meat, milk/dairy foods, vegetables, seaweed, pulse, fruits and tea.

Preservation of WASHOKU and its succession to the next generation

In order to deepen people’s interest in and understanding of WASHOKU, the government will promote the scientific elucidation of how the nutritional balance of WASHOKU contributes to good health and dissemination of the findings. The government will also promote the expansion of opportunities for providing WASHOKU in school meals and homes, food education activities in local communities toward succession of WASHOKU, and transmission of the comprehensive attractiveness of Japanese culture by using Japanese-style rooms or other Japanese settings.

Figure 15-2 Registration of WASHOKU as UNESCO Intangible Cultural Heritage

What is UNESCO Intangible Cultural Heritage?

- “Intangible cultural heritage” refers to intangible culture such as performing art and traditional craft techniques, which is closely related to local history, lifestyles or customs. The UNESCO Convention for the Safeguarding of Intangible Cultural Heritage adopts a registration system for protecting such intangible cultural heritage and to build a momentum for mutual respect. The registered countries are required to protect the heritage.

Certificate awarding ceremony (November 9, 2014)



Proposed title

WASHOKU: Traditional Dietary Cultures of the Japanese—notably for the celebration of New Year—

Proposed description

A social practice relating to food, associated with Japanese people’s essential spirit of respect for nature

Characteristic (1): Use of the taste of various fresh ingredients and materials

- Due to Japan’s distinctive seasons and the geographic diversity of its national land, various fresh ingredients that are rooted in local communities are used.
- Cooking techniques and tools that make the most out of the taste of the materials have developed.



Characteristic (2): Nutritional balance that supports a healthy diet

- The use of *umami*, etc. enables the use of less animal oil and fat, and contributes to longevity and prevention of obesity.
- Meals are composed in a well-balanced manner by rice, soup, and side dishes made of fish, vegetables, etc.



Characteristic (3): Expression of the beauty of nature and changes of seasons

- The beauty of nature and changes of seasons are expressed in meals.
- The dishes are decorated with the season’s flowers or leaves, and furniture articles and tableware that suit the season are used.



Characteristic (4): Close association with seasonal events such as the New Year

- Seasonal events such as the New Year and food are closely associated with each other.
- The sharing of food and time strengthen family and community bonds.



Part 3

Exploration of demand through the creation of new value

Basic Plan p. 32–34

- By promoting AFFrinnovation and other measures which are voluntarily carried out by farmers under a clear business strategy, the government will accelerate the building of value chains and creation of new value through innovation.
- Through such initiatives, the government will promote the creation of farming organizations that can make flexible business judgments and other decisions based on consumer needs.
- The government will also push forward initiatives for enhancing the competitiveness of the food industry.

Strategic promotion for qualitative improvement and expansion of initiatives such as Affrinnovation

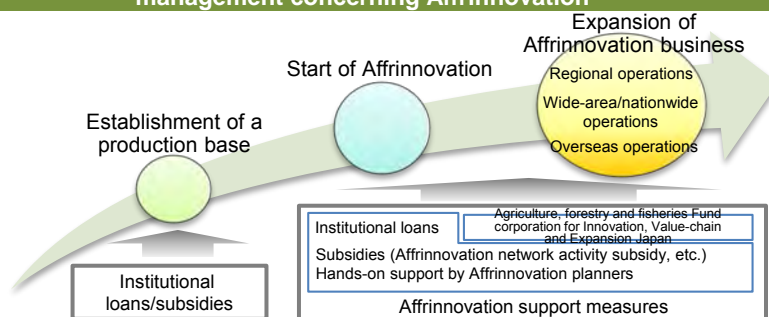
The government will promote the use of support measures according to the progress stage and implementing body of initiatives such as Affrinnovation.

The government will encourage efforts at production sites based on the analysis results of such matters as success factors and future challenges of initiatives such as Affrinnovation. The government will also promote further expansion and improvement of initiatives by enhancing the framework for providing timely and accurate support to farmers, including efforts to develop human resources who can coordinate initiatives such as Affrinnovation

In order to promote Affrinnovation and other initiatives on a community basis, the government will establish places for local collaboration, and promote the formulation of a local strategy or other arrangements.

Figure 16-1

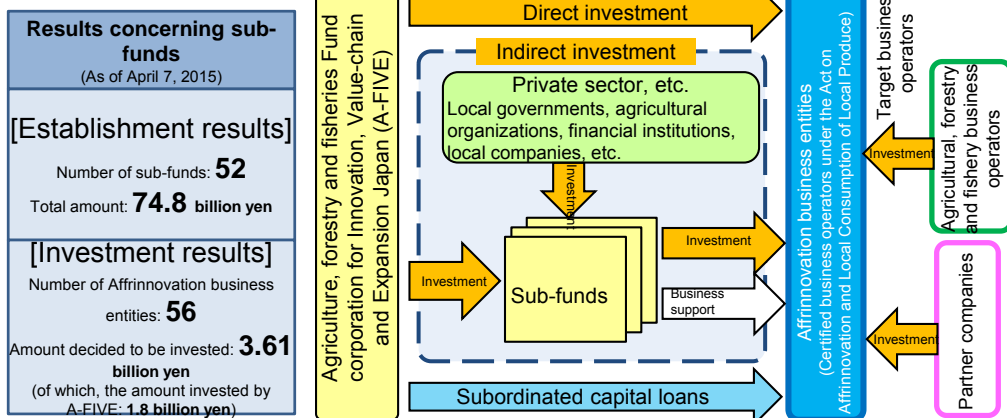
Support according to the progress status of business management concerning Affrinnovation



Source: Compiled by MAFF.

Figure 16-2

Agriculture, forestry and fisheries Fund corporation for Innovation, Value-chain and Expansion Japan



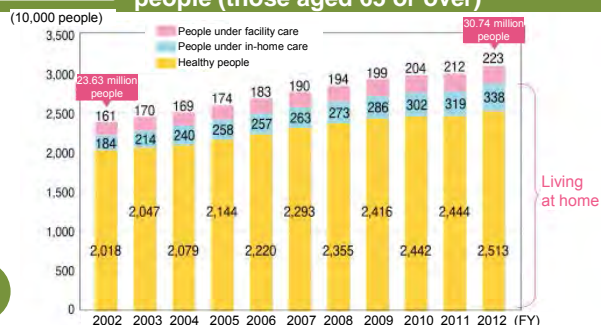
Source: Compiled by MAFF.

Enhancement of competitiveness of the food industry

Amid the intensifying competition with imported food, the government will encourage initiatives aimed at reinforcing the competitiveness of the entire food industry, including small- and medium-sized business operators, so that the food industry will be able to accurately respond to changes in the market environment such as (1) the population aging and decline and (2) the increase of working women, and continue to fully perform its role.

Figure 16-3

Changes in the population of elderly people (those aged 65 or over)



Source: For data of the population of elderly people, MIC, "Population Estimates" (as of October 1 each year) and National Institute of Population and Social Security Research, "Population Projections for Japan." For data of people under in-home care and facility care, MEXT, "Report Survey on Situation of Long-term Care Insurance Service."

Figure 16-4

Smile Care Foods (Home Care Foods)



Source: Compiled by MAFF.

Part 3

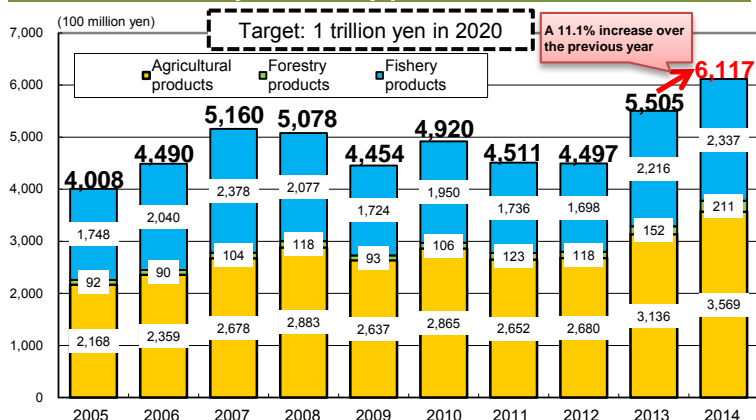
Strategic exploration of the global market

Basic Plan p. 34–37

- Aiming to acquire the world's food-related markets that are expected to grow in the future, the government will push forward exports of Japanese agricultural, forestry and fishery products and global expansion of the food industry, while placing emphasis on not only Asian markets, but also the large European and US markets.
- The government will promote initiatives to strategically create intellectual property (creation), produce economic value based on them (exploitation) and protect them from imitation and piracy (protection) in Japanese and overseas markets.

Joint efforts to promote exports of agricultural, forestry and fishery products and food by the public and private sectors

Figure 17-1 Changes in the export values of agricultural, forestry and fishery products and food



Source: Compiled by MAFF based on Ministry of Finance, "Trade Statistics."

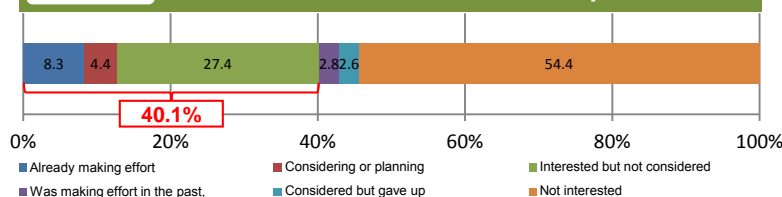
Past export promotion initiatives were made mainly on a production area basis or prefectural basis, and there were problems such as exports concentrating in specific destination countries or in specific seasons.

Therefore, the Executive Committee for Export Promotion Strategy, which serves as the control tower for promoting exports on an all-Japan basis, will study the direction for responding to item-specific problems and problems facing all items, and the relevant ministries and other bodies will cooperate with each other to promote export-expanding initiatives by the nationwide export promotion institutions established for seven major products.

In terms of exports of farm and livestock products, the government will develop an export environment within Japan, such as conducting export inspections at wholesale markets or production areas and providing information on exportable items, and will strategically conduct consultations on quarantine requirements based on science mainly for priority export destinations and priority export items.

Global expansion of the food industry

Figure 17-2 Status of efforts for "overseas expansion"

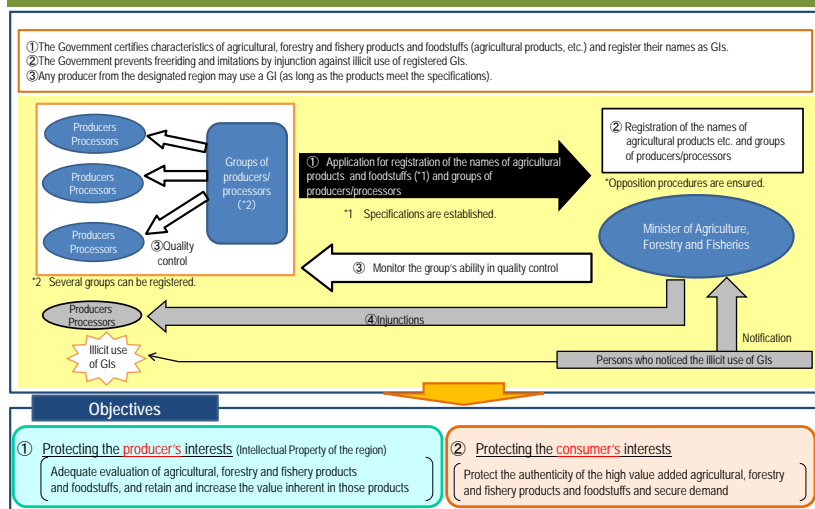


Source: Compiled by MAFF based on Japan Finance Corporation "Results of Survey on Export/Overseas Expansion of the Food Industry (first-half term of 2014)."

In order to facilitate overseas expansion of the food industry, the government will promote the development of an environment including participation in formulation of international standards and utilization of internationally viable standards on food safety management, and implement the "The Global Food Value Chain Strategy."

Strategic creation, exploitation and protection of intellectual property

Figure 17-3 Outline of the geographical indication protection system



The government will encourage people to utilize the geographical indication protection system, which protects the names of products whose characteristics such as quality and reputation are essentially attributable to their production area.

The government will also promote initiatives to strategically utilize intellectual property, such as combination of intellectual property rights having different characteristics (e.g., a breeder's right and a trademark right), by disseminating and raising public awareness of the Manual for Strategic Utilization of Intellectual Property.

Source: Compiled by MAFF.

Part 3

Support for management development through incorporation, etc.

Basic Plan p. 40–41

- In order to foster efficient, stable farm management and to have such farm management constitute a considerable portion of agricultural production in the agricultural structure, the government will provide intensive support to business farmers such as certified farmers for their effort toward management development.
- Also, the government will promote the incorporation of farm management due to its various advantages in conducting advanced business management and in other aspects.

Provision of intensive support to business farmers

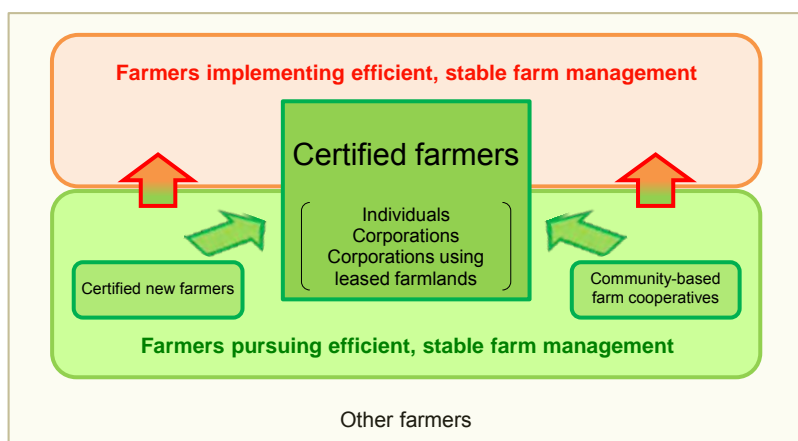
"Farmers that implement efficient, stable farm management" and "farmers that pursue such management" are collectively referred to as "business farmers."

Here, farmers that pursue efficient, stable farm management are the following farmers:

- (1) "certified farmers" (farmers whose management improvement plan for achieving efficient, stable farm management has been certified by a municipal government);
- (2) "certified new farmers" who are expected to become certified farmers in the future; and
- (3) "community-based farm cooperatives" that are expected to be incorporated and become certified farmers in the future.

The government will intensively implement Farming Income Stabilization Measures and policies relating to loans and taxation for these farmers.

Figure 18-1 About "business farmers"



Source: Compiled by MAFF.

Acceleration of incorporation of farm management and other measures

With an aim to accelerate the incorporation of farm management, the government will disseminate information including the following to raise awareness of mainly large-scale family farm management entities and community-based farm cooperatives:

- (1) advantages of and procedures for incorporation; and
- (2) information and know-how on financial and labor management.

In addition, it will promote the development of a framework for consultation/guidance by experts on business management, such as tax accountants.

As an effort to respond to the labor shortage and to ensure the use of human resources from a wide variety of age groups and those from other industries in agricultural corporations, the government will promote measures including the following:

- (1) development of an environment for employment comparable to other industries; and
- (2) efforts to provide a career path for employees to become an independent manager of another agricultural corporation.

Figure 18-2

Advantages of incorporation and policies for promoting incorporation

Advantages of incorporation		Policies for promoting incorporation
Business management	- Business can be managed thoroughly and can be separated from family finances.	- Financing through the Super L Loan (the loan limit is remarkably higher for corporations)
Framework for making business judgments	- Organized business judgments can be made by officers and employees.	- Investment by the Agribusiness Investment & Consultation Co., Ltd.
Succession of business	- Smooth business succession is possible by electing the next president, etc. at an early stage.	- Special tax measures relating to the reserve for bolstering the base for agricultural businesses .
Securing of financial resources for investment	- Appropriate investment is possible by using funds and loans and special tax measures.	- Support for incorporation of community-based farm cooperatives and individual farmers
Securing of employment	- The production scale can be expanded and entry into sales/processing sectors is possible by using employed workers, etc. - The age groups of officers and employees can be balanced by employing young workers.	- Support for efforts of agricultural corporations to have their employees become independent as separate corporations (so-called norenwake [a practice of setting an employee up in one's own business]) - Promotion of activities by non-agricultural corporations or their subsidiary companies to enter the agricultural sector by leasing farmland

Source: Compiled by MAFF.

- Efficient, stable farm management: Management under which principal employees can secure a level of lifetime income comparable to that of employees of other industries in the region for annual working hours equivalent to those of workers in other industries (here, "efficient" means high productivity and profitability; "stable" means being able to develop continuously for the medium to long term)

Part 3

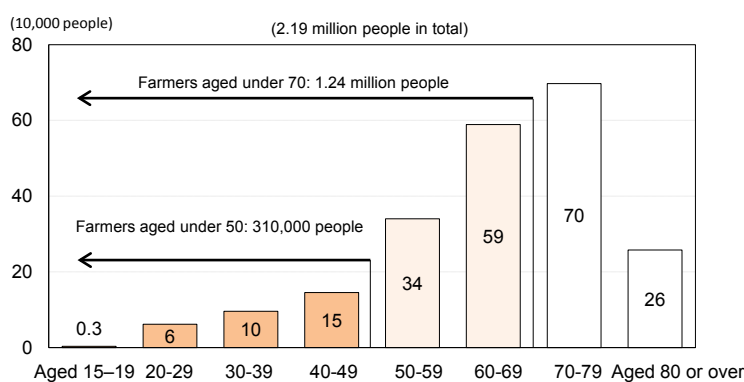
Development/securing of business farmers and development of environment for women farmers

Basic Plan p. 41–42

- In order to achieve an agricultural employment structure with a good generation balance in the future, the government will promote the recruitment of new young farmers from in and outside the agricultural sector.
- In addition, the government will encourage efforts to develop/secure human resources with a business mind and promote smooth business succession to the next generation of business farmers and entry of companies into the agricultural sector.
- The government will push forward the development of an environment wherein women farmers can more actively participate.

Promotion of activities such as recruitment of new farmers, development/securing of human resources, business succession

Figure 19-1 Number of farmers (2010)



Source: Compiled based on MAFF "Census of Agriculture and Forestry" (aggregate calculation after reclassification) and MIC "Population Census" (data were aggregated by MAFF based on survey slips).

In order to achieve an agricultural employment structure with a good generation balance in the future, it is an urgent task to increase the number of young farmers.

Therefore, the government will promote the recruitment of new young farmers from in and outside the agricultural sector.

The government will also promote the business succession and entry of companies into the agricultural sector so as to steadily pass on farmland and other resources to the next generation.

Entry of companies into the agricultural sector will contribute to the development of regional agriculture through collaboration between the agricultural sector and industrial sector. In addition, such companies are expected to serve as receivers of farmland particularly in regions facing a shortage of business farmers.

Accordingly, the government will promote the entry of companies into the agricultural sector by leasing farmland mainly through Public Corporations for Farmland Consolidation to Core Farmers through Renting and Subleasing (Farmland Banks).

Figure 19-2 Companies entering the agricultural sector

	Before the revised Agricultural Land Act came into effect (Apr. 2003–Dec. 2009)	After the revised Agricultural Land Act came into effect (Dec. 2009–Jun. 2014)	Number of increases	Increase rate
Number of corporations entering the agricultural sector	436	1,712	1,276	393%
Of which, stock companies	250	1,060	810	424%
Average annual number of corporations entering the agricultural sector	65	342	278	530%

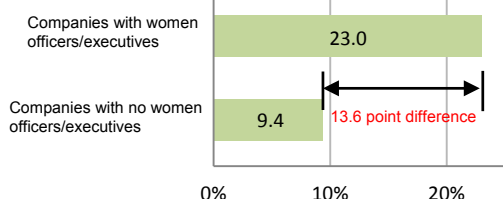
Source: Compiled by MAFF.

Development of an environment wherein women farmers can fully exert their potential capacity

Figure 19-3 Contribution of women officers/executives to business management

Sales increase rate over three years following the provision of a loan

Changes in the recurring profit margin over three years following the provision of a loan



Companies with women officers/executives	2.0 point rise Before the loan: 0.9% After the loan: 2.9%
Companies with no women officers/executives	0.1 point fall Before the loan: 1.5% After the loan: 1.4%

Women farmers constitute 40% of all farmers, and play an important role in the promotion of regional agriculture, development of farm management and development of Affrinnovation.

In order to develop an environment wherein women farmers can make more active participation, the government will promote initiatives to incorporate the opinions of women farmers and other related people in policies concerning regional agriculture.

Notes: 1. Based on Japan Finance Corporation "Survey of Women's Active Participation in Farm Management" (January 2013).
2. Survey targets are farmers engaged in Affrinnovation or large-scale farm management to which the Japan Finance Corporation provides loans.

Part 3

Consolidation of farmland to business farmers

Basic Plan p. 42–43

- The government will promote the consolidation of farmland to business farmers through full-capacity operation of the Public Corporations for Farmland Consolidation to Core Farmers through Renting and Subleasing (Farmland Banks).
- In order to solve problems concerning farmers and farmland in each region, the government will promote the creation and periodic review of the Farmers and Farmland Plan.
- The government will also strive to prevent farmland dilapidation and clear dilapidated farmland by, for example, promoting farmers' efforts to restore dilapidated farmland.

Development/securing of business farmers for realizing a strong and sustainable agricultural structure

The government will achieve full-capacity operation of the Farmland Banks established in each prefecture, and promote the consolidation of farmland to business farmers.

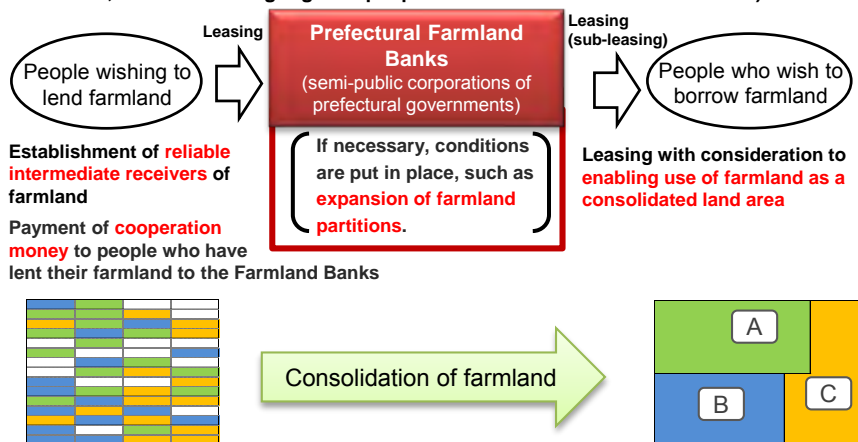
In doing so, the government will promote the following four approaches according to regions, to achieve full-capacity operation of the Farmland Banks:

- (1) initiatives linked with the Farmers and Farmland Plan of each region;
- (2) initiatives that respond to the needs of receivers who applied for public invitation, such as companies newly entering the agricultural sector;
- (3) initiatives for agricultural corporations, etc. to consolidate scattered farmland by exchanging farmland; and
- (4) initiatives linked with infrastructure improvement projects.

Figure 20-1

Mechanism of Farmland Banks

Establishment and use of Farmland Banks (promotion of development of laws, budgetary measures, and talks among regional people concerned in a combined manner)



Source: Compiled by MAFF.

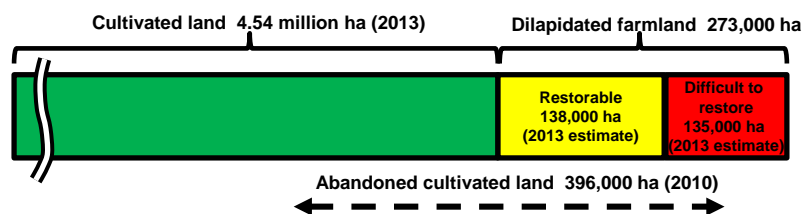
Promotion of such measures as preventing farmland dilapidation and clearing dilapidated farmland

The government will strive to prevent farmland dilapidation and clear dilapidated farmland by promoting farmers' efforts to restore dilapidated farmland and establishing land-utilization rights on restorable dilapidated farmland for Farmland Banks.

Also, in order to promote countermeasures against dilapidated farmland effectively and in a sustainable manner, the government will comprehensively study how such countermeasures should be coordinated with other related measures, and implement any necessary measures.

Figure 20-2

About farmland and dilapidated farmland



Source: Statistics Department, Minister's Secretariat, MAFF "Statistics on Cultivated Area and Planted Area (2013)" and "2010 World Census of Agriculture and Forestry in Japan" and Rural Development Bureau, MAFF "2013 Survey on the Status of Generation and Clearing of Dilapidated Farmland."

Note: Data of cultivated land includes temporarily fallow land and unplanted land.

- Dilapidated farmland	Farmland that has been left uncultivated and dilapidated due to the abandonment of cultivation and is viewed objectively as unable to be used for growing crops with conventional farming methods
- Restorable dilapidated farmland	Dilapidated farmland that is expected to become usable for cultivation with conventional farming methods by restoring the land through stump pulling, soil preparation, farmland partition adjustment, soil dressing, etc.
- Dilapidated farmland that is expected to be difficult to restore	Dilapidated farmland which is equivalent to land that is extremely difficult to be physically conditioned to be restored into farmland, such as in the form of a forest, or is not equivalent to land that is continuously usable even if the land was restored into farmland in light of the conditions of the surrounding area

- Abandoned cultivated land refers to "land that was cultivated in the past, but has not been planted for the past one year or more, and is not planned to be planted again in the next few years" (area subjectively derived by farmers, etc.), which is identified once every five years by Statistics Department, MAFF "Census of Agriculture and Forestry." (396,000 ha in 2010)

Part 3

Promotion of Farming Income Stabilization Measures and consideration of income insurance

Basic Plan p. 43–44

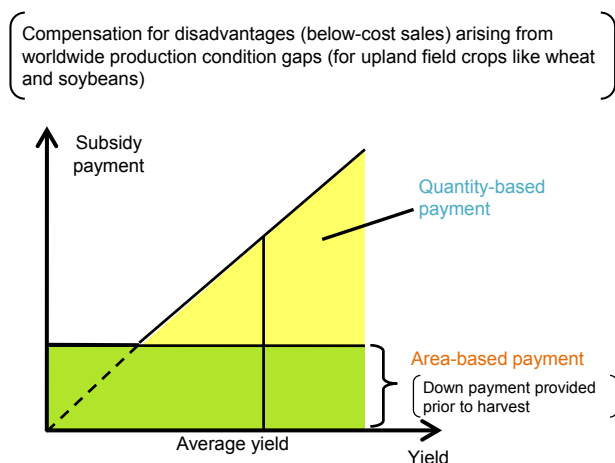
- The government will implement Farming Income Stabilization Measures for business farmers without imposing a scale requirement.
- The government will also consider the introduction of income insurance that focuses on the income of the entire farm management toward legislating the system.

Steady promotion of the Farming Income Stabilization Measures for business farmers

From the viewpoint of ensuring the stability of farm management by business farmers and further advancing the structural reform of Japan's agriculture, the government will implement the “direct payment for upland field crops” and “the payment to mitigate impact of reduced income for rice and upland field crops” for certified farmers, certified new farmers and community-based farm cooperatives without imposing a scale requirement, from production in 2015.

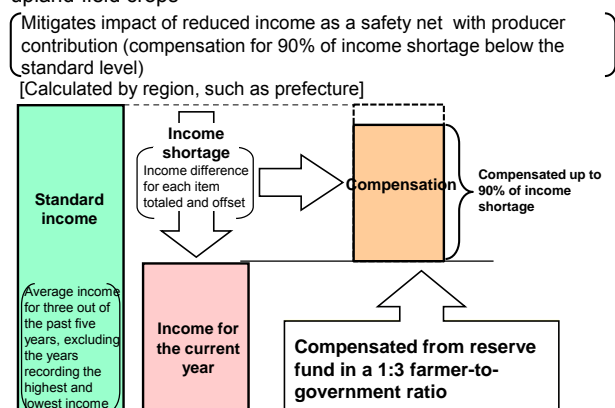
Figure 21-1 Farming Income Stabilization Measures in 2015 onward

Direct payment for upland field crops



Source: Compiled by MAFF.

Payment to mitigate impact of reduced income for rice and upland field crops



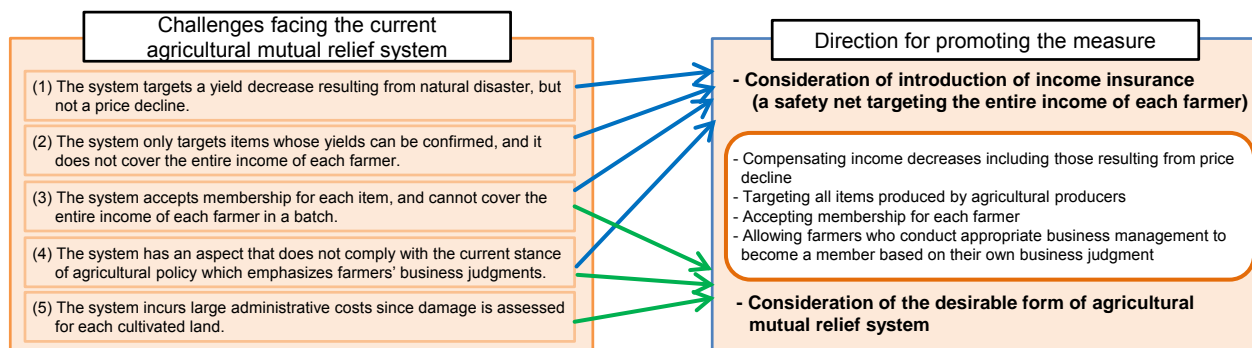
Source: Compiled by MAFF.

Consideration of income insurance as a new safety net for agricultural producers

The government will consider the introduction of income insurance that focuses on the income of each farmer toward legislating the system, such as conducting a feasibility study to verify the mechanism of the system.

In that process, the government will sort out the relationship between the new system and existing systems, so as to prevent any overlapping between them, including a study on the desirable form of existing systems. Along with the study on income insurance, the government will also consider the desirable form of the agricultural disaster compensation system.

Figure 21-2 Consideration of a new safety net for agricultural producers



Source: Compiled by MAFF.

Part 3

Promotion of development of an agricultural production base

Basic Plan p. 44–45

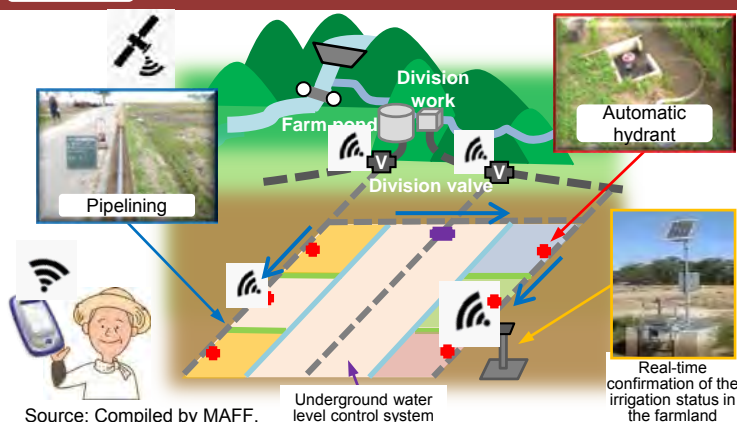
- With the aim of maintaining and improving the food self-sufficiency ratio and potential, the government will promote the expansion of farmland partitions, creation of multi-purpose paddy fields, establishment of irrigation facilities for upland fields, etc. according to regional characteristics.
- The government will promote the strategic preservation and management of farm irrigation facilities for extending their lifetime and reducing their life cycle cost.
- Based on the Fundamental Plan for National Resilience, etc., the government will promote disaster prevention/mitigation measures toward building the resilience of rural areas.

Agricultural production infrastructure development that supports robust agriculture

While securely working on the consolidation of farmland to business farmers and reduction of production costs, the government will promote the expansion of farmland partitions, creation of multi-purpose paddy fields and establishment of irrigation facilities for upland fields in cooperation with Farmland Banks, in order to realize highly profitable farm management.

In addition, for the purpose of saving labor for water management and sophisticating water use in response to changes in the agricultural structure and farming styles, the government will promote the construction of new farm irrigation systems through the introduction of new technology, such as ICT and an underground water level control system, and pipelining.

Figure 22-1 Construction of a new farm irrigation system



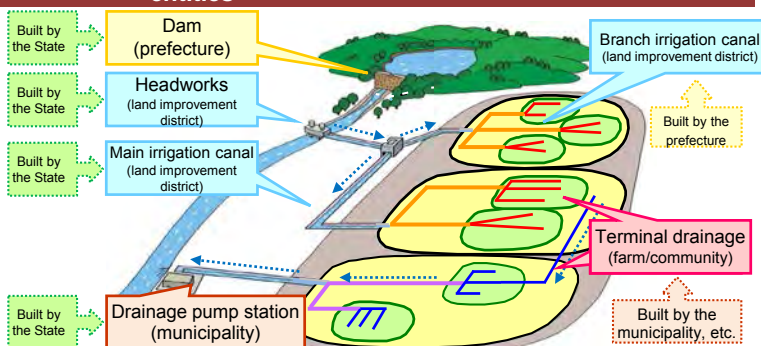
Source: Compiled by MAFF.

Sustainable preservation and management of farm irrigation facilities in response to such issues as aging

In order to ensure that farm irrigation facilities perform their functions in a stable manner into the future while aging, the government will promote their strategic preservation and management of the facilities for radically extending their lifetime and reducing their life cycle cost.

Toward enhancing and strengthening the preservation and management of a series of facilities from the main to terminal facilities, the government will promote the construction of an integrated preservation and management framework by people concerned through the use of the multifunctional payment system and other means.

Figure 22-2 Management of farm irrigation facilities by various entities



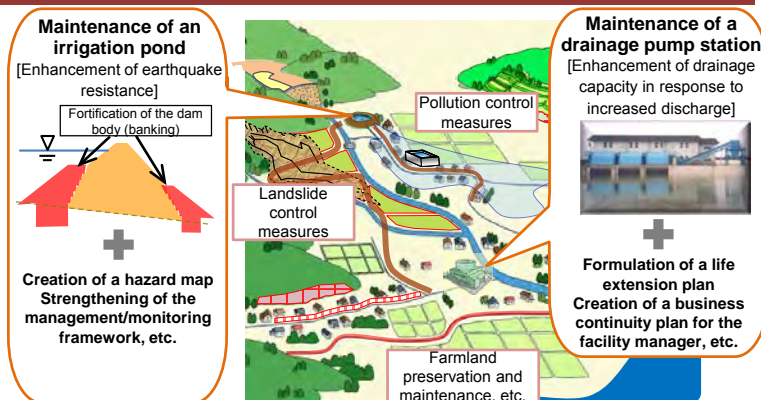
Source: Compiled by MAFF.

Disaster prevention/mitigation measures toward building the resilience of rural areas

In order to realize stable farm management as well as safe and secure life in rural areas that are becoming urbanized and seeing an increasing mix of farm and non-farm households, the government will promote disaster prevention/mitigation measures in rural areas based on the Fundamental Plan for National Resilience and other guidelines by appropriately combining tangible and intangible measures.

In that process, it will intensify or prioritize measures according to regional circumstances or risk assessment, and promote the measures efficiently through the effective use of existing facilities and performance of local community functions.

Figure 22-3 Disaster prevention/mitigation measures in rural areas



Source: Compiled by MAFF.