

Global Food Value Chain Strategy

June 2019

MAFF

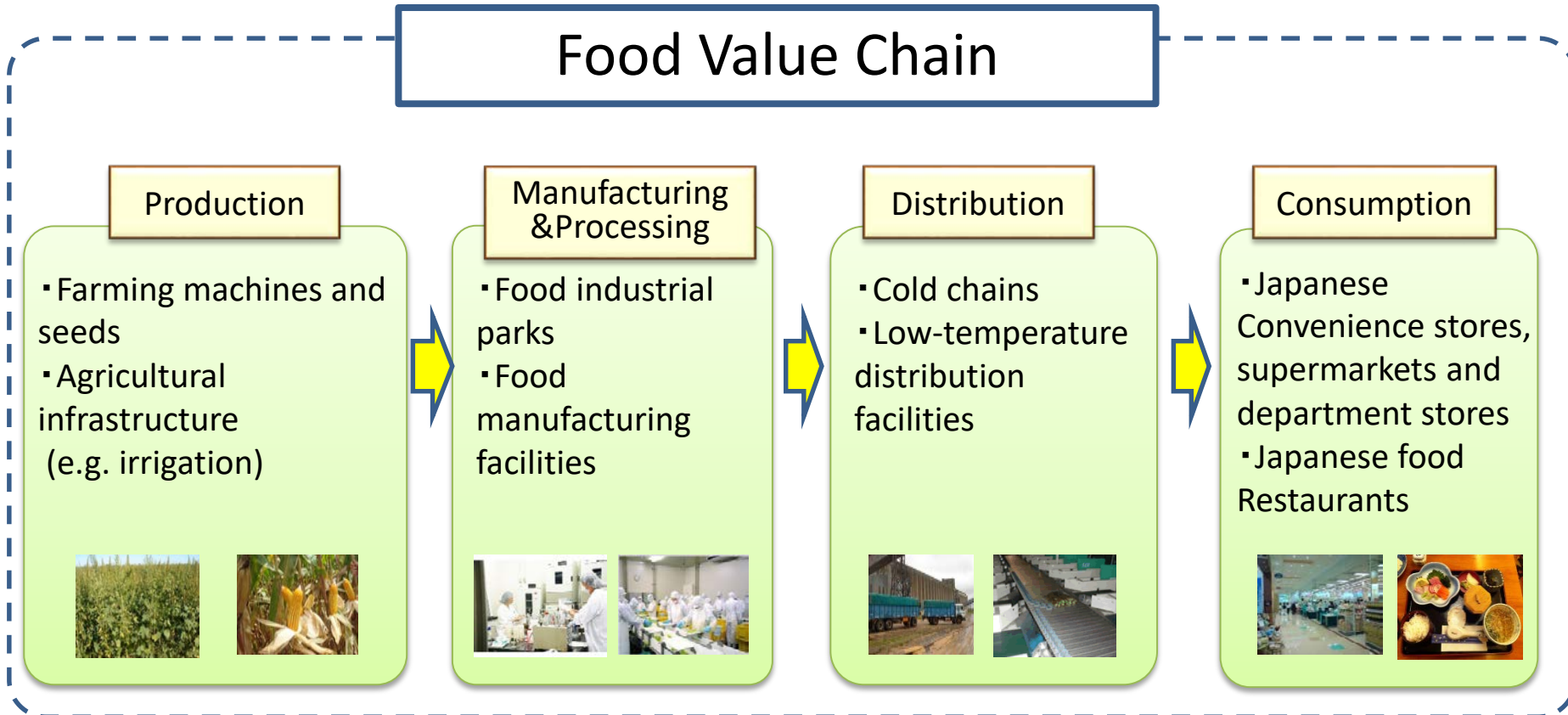
Ministry of Agriculture, Forestry and Fisheries

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1. Concept of Global Food Value Chain



- ◆ Food Value Chain (FVC) is a series of activities that creates and builds value at every stage from agricultural production, manufacturing, processing, distribution to consumption.
- ◆ Developing FVC will deliver higher value as a whole and increase profits for each stakeholder from production to consumption.

2. Overview of Global Food Value Chain Strategy finalized on June 6, 2014

1. Objectives of the Strategy

- ◆ To develop food value chains through cooperation among academia, public and private sectors capitalizing on unique strength of the Japanese food industry.
- ◆ To promote economic growth of developing countries by way of official economic cooperation and investments by the Japanese food industry.
- ◆ To promote export of Japanese food and food-related infrastructure, and to assist overseas business of the Japanese food industry.

2. The basic pillars of the strategy

- ◆ Cooperation among academia, public and private sectors
- ◆ Create fora such as bilateral dialogues with partner countries and public-private council
- ◆ Take advantage of economic cooperation
- ◆ Develop food-related infrastructure such as cold chains
- ◆ Create favorable business and investment environments for the Japanese food industry
- ◆ Strengthen the information-gathering system
- ◆ Develop human resources both inside and outside Japan
- ◆ Develop the research and technology
- ◆ Facilitate the financing for overseas business

3. The Region-Specific Strategy

The following 7 regions and countries have high potential for private sectors investments through Public-Private Cooperation.

ASEAN

Middle East

China

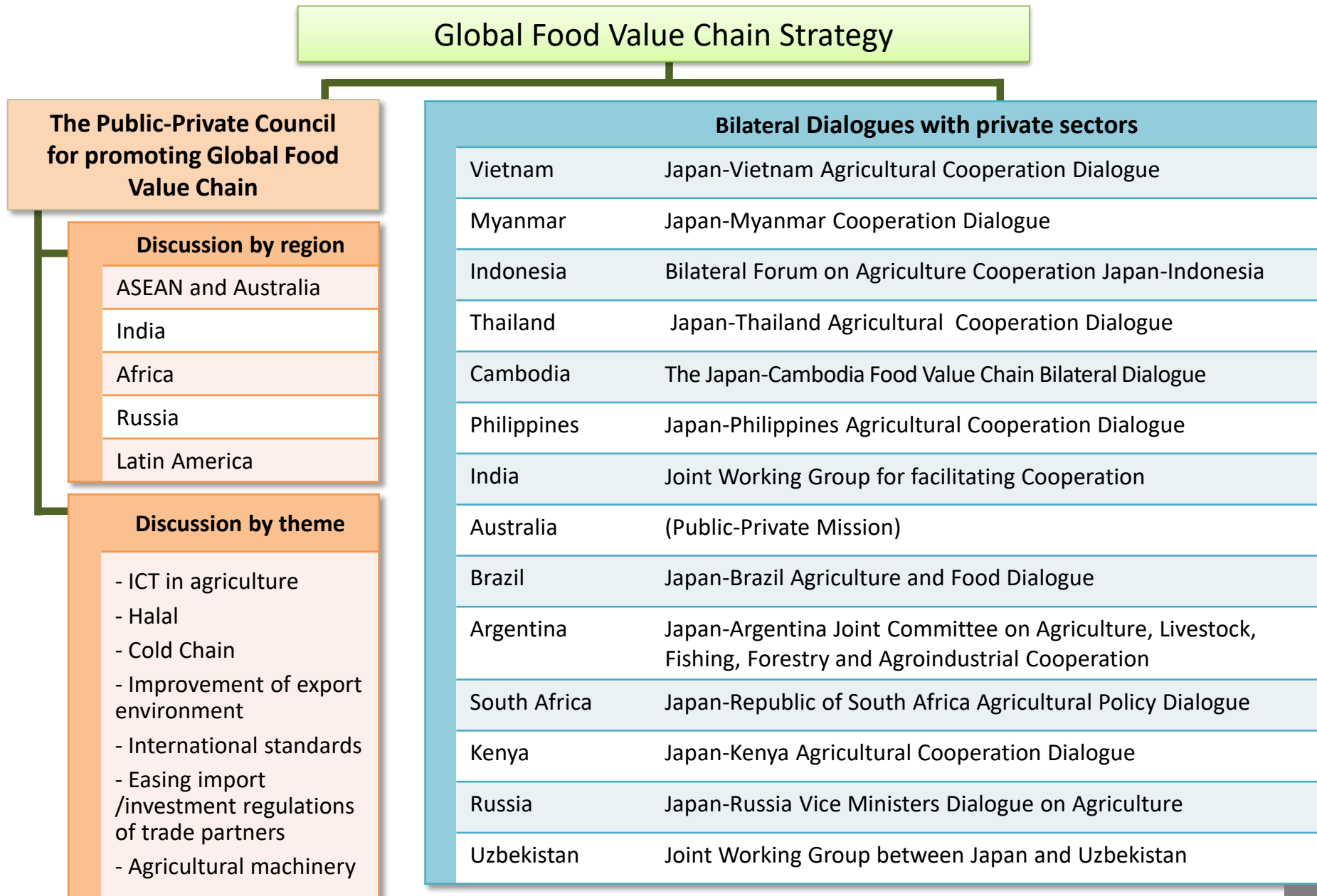
India

Africa

Central and South America

Russia and Central Asia

3. The Structure of Promoting Global Food Value Chain Strategy



4. The Public-Private Council for Promoting Global Food Value Chain

1. History

The Public-Private Council was started **on June 20, 2014** for implementing **“Global Food Value Chain Strategy”**.

2. Members 420 in total (as of June 10, 2019)

Private companies (323)	Incorporated administrative agencies, industrial associations and NPOs (54)
Academia (11)	
Local governments (25)	The cabinet office and Ministries (7)

3. Activities

1. Collecting, analyzing and sharing information related to food value chain
2. Sending missions, planning projects and making research related to food value chain
3. Creating more favorable environment for business and investment related to food value chain

5. Bilateral Dialogues with private sectors under the Global Food Value Chain Strategy (1)

Vietnam

Implementing the 5-year (2015~2019) Action Plan on selected model areas under the Medium-long Term Vision.

— Japan-Vietnam Agricultural Cooperation Dialogue (Jun. 2014, Aug. 2015, Sep. 2016, Apr. 2018)

Myanmar

Discussing the progress and issues in implementing the Food Value Chain Road Map in Myanmar.

— Japan-Myanmar Cooperation Dialogue for the Development of Agriculture and Food Industry (Sep. 2014, Jul. 2015, Jan. 2017, Jan. 2018, Jan. 2019)

Indonesia

Discussing a framework for long and medium term cooperation among public and private sectors. Exchanging views on policies, governments' efforts and current business activities.

— Bilateral Forum on Agriculture Cooperation Japan-Indonesia (Jun. 2015, Nov. 2016)

Thailand

Exchanging views on policies for promoting private investment in the sectors of agriculture, forestry, fisheries and food industry.

— Japan-Thailand Agricultural Cooperation Dialogue (Oct. 2016, Feb. 2019)

Cambodia

Using practically "the contact points in the MAFF of Cambodia" and "the table of FVC related programs of public and private sectors" for business monitoring in Cambodia

— Cambodia-Japan Food Value Chain Bilateral Dialogue (Dec. 2015, Jan. 2017, Jan. 2018, Nov. 2018)

The Philippines

Confirming that the policy dialogue aims at raising food self-reliance and development of food value chain through the growth of agricultural and food industries by public and private cooperation. Clarifying issues and making the framework for both countries to address those issues by next third dialogue.

— Japan-Philippines Agricultural Cooperation Dialogue (Mar. 2016, Jun. 2017)

— The Philippines-Japan Dialogue of Agricultural Cooperation (Public and Private Forum) (Feb. 2018)

India

Setting up the joint working group for facilitating cooperation based on the memorandum for Japan-India agricultural cooperation.

— The Japan-India Agricultural Cooperation Dialogue (Sep. 2015)

— Public-Private Mission to India (Nov. 2015, Jul. 2018)

— Joint Working Group (Nov. 2017)

5. Bilateral Dialogues with private sectors under the Global Food Value Chain Strategy (2)

Australia

Taking actions under long and short term perspectives in order to produce agricultural and processed products and export them to ASEAN market by Japan and Australia.

- Japan-Australia Joint Public-Private Mission to ASEAN (Jan. 2016)
- Public-Private Mission to Northern Australia (Feb. 2016)
- Public-Private Forum for agricultural development in Northern Australia in Tokyo (Mar. 2017)

Brazil

Proposals from the Japanese companies delivered. Discussing improvement of grain transportation infrastructure and business/investment environment, and industry-academia collaboration between Câmara de Comércio e Indústria Japonesa do Brasil and EMBRAPA.

- Japan-Brazil Dialogue on Agriculture and Food (Dec. 2014, Feb. 2016, Jul. 2017)
- The Seminar on Improvement of Grain Transportation Infrastructure in Brazil (Oct. 2015, Oct. 2016)

Argentina

Discussing improvement and enhancement of business and investment environment in Argentina.

- Japan-Argentina Joint Committee on Agriculture, Livestock, Fishing, Forestry and Agroindustrial Cooperation (Feb. 2018, Mar. 2019)

South Africa

Discussing activities to develop FVC and increase small farmers' income in South Africa

- Japan-Republic of South Africa Agricultural Policy Dialogue (May 2015)

Kenya

Exchanging views on activities for developing FVC. Sending missions for investigating agriculture and food industry as well as investment environment in Kenya.

- Kenya-Japan Agricultural Cooperation Dialogue (Feb. 2016, Jul. 2018)
- Workshop for promoting the development of market oriented food industry, the Public- Private Joint Mission to Kenya (Feb. 2016)

Russia

(Dialogues) Discussing cooperation in the agriculture and related areas.

(Missions) Visiting project sites and firms in the Far East with the aim of facilitating Japanese business in Russia.

- Japan-Russia Agriculture Dialogue (May 2013, May 2015, Jul. 2016)
- Japan-Russia Vice ministers Dialogue on Agriculture (Jun. 2017, May 2018, Oct. 2018, Dec. 2018, May 2019)
- Public-Private Mission to the Russian Far East (Aug. 2015, Oct. 2016, Jul. 2017, Oct. 2017, Jul. 2018, Oct. 2018)

Uzbekistan

Discussing project formulation through public-private partnership taking into account priority areas of Uzbekistan and interests of both countries' private sectors.

- Joint Working Group between Uzbekistan and Japan (Mar. 2016, Feb. 2017, Jun. 2018)

6. The Medium- to Long-Term Vision for Japan-Vietnam Agricultural Cooperation

(Established in August 2015, revised in April 2018)

1. Significance of the Vision

- Development of Vietnamese agriculture, which accounts for approximately 50% of the population and 20% of the GDP, is essential to the improvement of the standard of living in Vietnamese rural areas and balanced nationwide development. It is important to develop FVC covering production, processing, distribution, and consumption in the future.
- The Medium- to Long-Term Vision for Japan-Vietnam Agricultural Cooperation has been established as five-year action plans (2015–2019) aimed at solving issues in Vietnamese agriculture over the medium to long term. Steady implementation of the plans by both Japan and Vietnam has significantly contributed to the comprehensive development of Vietnamese agriculture.

2. Major action plans (2015–2019) [revised in April 2018]

(1) Enhancement of productivity and value added

■ Model region (Nghe An Province)

- Enhancing agricultural productivity and value added through reform of decrepit irrigation facilities, establishment of production systems for safe vegetables

■ Nationwide Initiative

- Establishing plant variety protection systems based on the 1991 Act of the UPOV Convention

(2) Food processing and product development

■ Model region (Lam Dong Province)

- Producing high value-added agricultural products that meet domestic and international demand
- Assisting with activities associated with the branding of major products and promotion of agritourism

(3) Improvement of distribution and cold chains

■ Model region (suburbs of large cities such as Hanoi and Ho Chi Minh)

- Promoting private investment in the construction of refrigerated warehouses and establishment of cold chains
- Conducting a Japan-Vietnam cooperative survey on standards and certifications of agricultural products and foods

(4) Cross-sectional initiative

■ Consideration of climate change

- Developing infrastructures to prevent intrusion of sea water
- Planting to protect drainage basins and enhance the forest-management ability of the people in the regions

■ Developing highly-skilled manpower (Can Tho University and others)

- Establishing endowed courses and sending staff from Japanese food companies as lecturers



7. Food Value Chain Roadmap in Myanmar

1. Significance of the Roadmap

- The Roadmap aims to effectively link efforts made by the public and private sectors of Japan and Myanmar and develop and enhance FVC in Myanmar. It lists measures to be taken in the next five years in the following two categories:
 - 1) Product-specific measures (rice and pulses, oil and industrial crops, horticultural crops, etc.)
 - 2) Cross-product measures (agricultural finances, agricultural machineries, food industry, etc.)
- Planned implementation of the Roadmap by both Japan and Myanmar has greatly contributed to the comprehensive development of Myanmar's agriculture.

2. Major action plans in the Roadmap (2016–2020)

[Product-specific measures]

■ Rice and pulses

- Purifying varieties, removing red rice, reducing broken rice ratio, and promoting mechanization
- Improving irrigation and drainage facilities, farm roads, etc. along with improving farm fields

■ Oil crops and industrial crops

- Improving oil crop seeds and extending cultivation technologies
- Establishing extensive supply networks

■ Horticultural crops

- Supplying seedlings of high-quality varieties and introducing appropriate pesticides and fertilizers
- Improving quality control including development of cold chains by private investment



[Cross-product measures]

■ Agricultural finances

- Increasing funds for machinery and equipment through investments by the Myanmar Agricultural Development Bank (MADB)
- Enhancing the screening abilities of MADB

■ Agricultural machineries

- Providing financial assistance from various sources
- Establishing examination systems for agricultural machinery to guarantee safe operation
- Providing after-sale services

■ Food industry

- Assisting SMEs (Small and Medium Enterprises) through measures such as SME finance and tax exemption
- Establishing quality standards for processed food