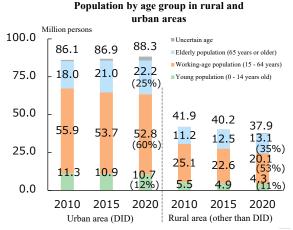


Chapter 4 Development of Rural Areas

Depopulation and aging are occurring in parallel in rural areas. Rural communities are becoming smaller

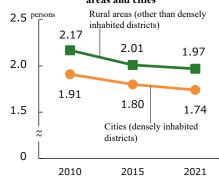
- ➤ Depopulation and aging are occurring in parallel in rural areas. In 2020 city population increased by 1.6% compared to 2015, while rural population decreased by 5.9%.
- The percentage of small rural communities with nine households or less increased by 1.2 percentage points in 2020 compared to 2010, to 7.8%, signaling the size of rural communities becoming smaller.
- The maintenance of rural community functions also has an impact on the conservation of agricultural land in such communities and the continuation of agricultural production activities. Securing the working population and maintaining community functions in rural areas are important issues.
- On the other hand, the average number of children born to couples in rural communities, surpasses the number in cities.



Source: Compiled by MAFF based on the data of MIC, "National Census"

Note: In the census, a densely inhabited district (DID) is defined as a city, and the areas other than DID are defined as rural areas.

Average number of children born in rural areas and cities



Source: Prepared by MAFF based on the National Institute of Population and Social Security Research, "16th Japanese National Fertility Survey (National Survey on Marriages and Births)"

Note: Average number of children was calculated for couples (both in their first marriages) for whom the wife was 45 - 49 years old at the time of survey.

Promoting the securing of human resources who can play a key role in supporting rural activities in the future, through measures to promote rural migration by the relevant government ministries

- ➤ In recent years, there has been a growing trend in the number of consultations with the certified NPO Furusato Kaiki Support Center (Hometown Return Support Center), which supports consultations on migration for those who wish to live in the countryside or make a "U-I-J turn" toward the nural areas.
- Through measures by the relevant government ministries to promote rural migration, efforts are made to secure human resources who can play a key role in supporting rural activities in the future.
- Support is provided for efforts by regions offering countryside stays, such as the facility renovations and improvements to the environment necessary for accepting guests on "workations."
- > Toward the realization of the Vision for a Digital Garden City Nation, support is provided for efforts to promote the adoption and establishment of digital technologies in hilly and mountainous areas, as well as for the development of information and communications environment.

Case of migration promotion



"island company" promotes the charms of everyday life on islands and works to revitalize the region and promote migration to the region (Kagoshima Prefecture).

Source: island company

Developing "6th industrialization" initiatives and promoting "innovations from rural areas"

- "Innovations from rural areas" are promoted to develop existing "6th industrialization" initiatives, utilize diverse resources related to agriculture, forestry and fishery and the sectors, and create added value in combination with other sectors. While promoting cooperation among diverse entities such as agriculture, forestry and fishery operators and local businesses, support is also provided in the intangible and tangible aspects, as well as for the dispatch of experts.
- Total sales for businesses related to agricultural production in FY2022, such as processing and direct sales by farmers engaged in the "6th industrialization," increased by 109.9 billion yen compared to the previous year to 2,176.5 billion yen.

Case of "innovations from rural areas"

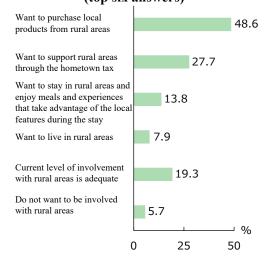


A Zero Group inc. is engaged in a wide range of businesses that increase added value by combining agricultural activities with other sectors, such as cultivating fully ripened strawberries using wood chips generated in the manufacturing processes of wood products, operating tourist farms and cafes, and processing and selling gibier (Okayama Prefecture). Source: A Zero Group inc.

Promoting efforts to create and expand the population related to rural community and deepen their relationships. "Half-farmer, half-X" approach has been spreading

- Populations related to rural communities are considered to take various formats depending on the degree of interest in rural communities and involvement in rural communities. By following the stages to gradually deepen involvement in rural communities, such populations are expected to transition smoothly to become the new leaders of rural communities.
- According to a public opinion survey conducted between September and October 2023, about 50% of people chose "purchasing local products from rural areas" as a way of engaging with rural areas in the future.
- Efforts are made to promote the "exchange project for children experiencing farming and rural lives," which supports agriculture, forestry and fishery activities and experiential activities with accommodation in rural areas.
- As a measure to increase the number of people practicing half-farmer, half-X approach, the use of the system of the Act on the Promotion of Specific Regional Development in Rapidly Declining Population Areas is promoted in collaboration with relevant ministries and agencies.

Involvement with rural communities in the future (top six answers)





Sweet potato harvesting experience under the Imohori Owner System Source: Asuka Village Regional Development Corporation

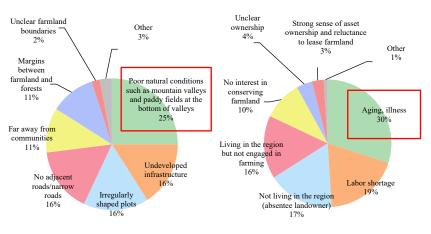
Source: Cabinet Office, "Survey of Public Opinion on the Role of Food, Agriculture, and Rural Areas" (published in February 2024)

Dilapidated farmland occurs mainly in farmlands with undeveloped agricultural fields or poor land conditions

- The area of dilapidated farmland has remained at the same level in recent years. In 2022, the area decreased by 6,000 ha compared to the previous year, to 253,000 ha. Among these, 90,000 ha was reusable dilapidated farmland, while 163,000 ha was dilapidated farmland difficult to be reused.
- According to a survey conducted in 2021, the main factor for the occurrence of dilapidated farmland that focused on land conditions was "poor natural conditions such as mountain valleys and paddy fields at the bottom of valleys" (highest percentage of responses at 25%). Among factors that focused on owners, the highest percentage of responses (30%) was for "aging and illness."
- To prevent the occurrence of dilapidated farmland, the efficient and comprehensive use of farmland is promoted through means such as promoting the formulation of regional plans, securing recipients for farmland, and the accumulation and consolidation of farmland using farmland banks. Furthermore, comprehensive efforts are also implemented, such as the maintenance and preservation of farmland through extensive use and support for farming operations through a Japanese agricultural direct payment system.
- To eliminate dilapidated farmland, agricultural committee encourage owners to use the land and widely publicize examples of dilapidated farmland being eliminated.

Reasons for occurrence of dilapidated farmland (land)

Reasons for occurrence of dilapidated farmland (owners)



Source: Prepared based on MAFF, "Survey on Measures to Address the Issue of Dilapidated Farmland" Note: Survey conducted on all municipalities in January 2021, with response rate of 96%.

Implementing a Japanese agricultural direct payment system to maintain and fulfill multifunctional roles of agriculture and rural areas

- Amid the advancing depopulation and aging in rural areas, it is becoming difficult to conduct joint community activities and agricultural production activities. Therefore, there are concerns over fulfilling multifunctional roles of agriculture and rural areas and maintaining peripheral agricultural infrastructure.
- To maintain and fulfill multifunctional roles of agriculture and rural areas, a Japanese agricultural direct payment system has been implemented based on the Act on Promotion of the Multifunctionality of Agriculture, comprising three elements: a multifunctional payment system, a direct payment system to farmers in hilly and mountainous areas, and a direct payment system for environmentally friendly agriculture.

Promoting agriculture in hilly and mountainous areas and urban agriculture

- Hilly and mountainous areas perform an important role as spaces for food production. On the other hand, they are placed in difficult circumstances such as unfavorable conditions, for example sloping land, aging population and population decline, and shortage of labor for agriculture. Therefore, there is a need to promote activities to maintain agricultural production activities for the future.
- Mixed farming is promoted to secure income through the combination of diverse types of farming, including the cultivation of crops such as rice, vegetables and fruit trees, livestock farming, and forestry.
- With regard to Vitalized Hilly and Mountainous Areas by Digitalization, which aims to vitalize regions by using local resources and digital technologies, 55 regions were registered in FY2023.
- Urban agriculture plays an important role in the supply of fresh agricultural products and agricultural experiences, etc. The area of agricultural land in productive green zones in 2022 was 12,000 ha, similar to the previous year.

Case of mixed farming in hilly and mountainous areas



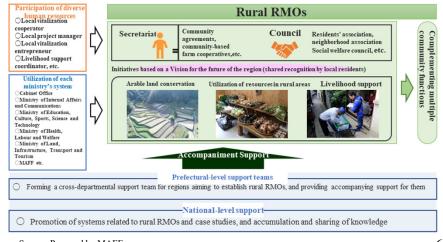
In hilly and mountainous areas amid the rich natural environment of plateaus, mixed farming of grapes and rice is carried out using a reduced amounts of pesticides (Nagano Prefecture).

Source: Wood bell farm Co,.Ltd.

Promoting formation of Region Management Organization (rural RMO) that complement the functions of communities

- It is important to form rural RMOs (region management organizations), which are organizations that complement the functions of multiple communities and provides livelihood support and other initiatives that contribute to the maintenance of local communities, in conjunction with farmland conservation activities and agricultural economic activities.
- ➤ The efforts of organizations aiming to become rural RMOs are supported in the formulation of the future vision related to agricultural land conservation, utilization of local resources, and livelihood support, as well as surveys, planning, and demonstration projects based on such vision.
- ➤ In addition, support is provided toward the establishment of rural RMOs, and the development of prefectural-level support teams comprising local public organizations, agricultural cooperatives, NPOs, etc., as well as a national platform.

System to promote the establishment of rural Region Management Organization (RMOs)

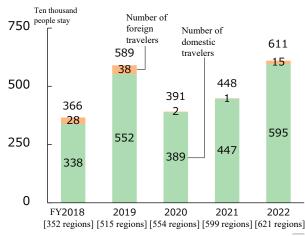


Source: Prepared by MAFF 66

Supporting the development of various tourism contents that utilize local resources, and promoting countryside stay

- Countryside stay aims to create jobs in these communities, ensure sustainable profits, and generate employment in the area by providing a wide range of tourism contents that utilize local resources unique to rural areas and encouraging longer stays and consumption in the rural communities. It also aims to be a gateway to creating a related population with a view to migrating to and settling in the rural communities.
- The total number of overnight guests in countryside stay regions in FY 2022 was 6.11 million, an increase of 1.63 million compared to the previous year.
- The government's Tourism Nation Promotion Basic Plan sets out a target of total number of overnight guests in countryside-stay regions of 7 million by FY2025.
- In June 2023, the Review Committee for the Approach to Promoting Countryside Stay formulated the Countryside Stay Promotion Action Plan, which sets out the direction for efforts to promote countryside stay with the aim of attracting new visitors, extending the average length of overnight stays per visit, and increasing repeat visitors.

Total number of overnight guests in countryside-stay regions



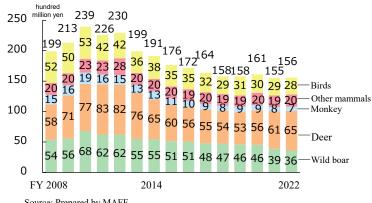
Source: Prepared by MAFF

Note: Figures in the brackets [] are the number of countryside stay regions selected until the end of each fiscal year.

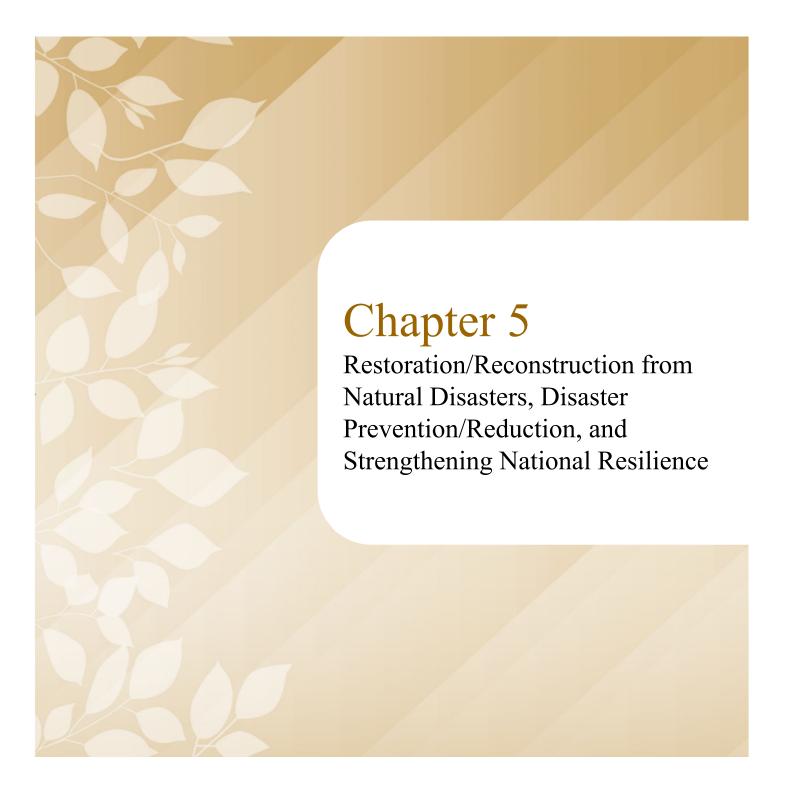
Promoting initiatives such as prevention of wildlife damage and the utilization of gibier

- While the amount of crop damage caused by wildlife such as deer, wild boars, and monkeys has fallen after peaking at 23.9 billion yen in FY2010, the amount of damage increased by 50 million yen to 15.6 billion yen in FY2022 from the previous fiscal year, and the situation remains severe.
- Crop damage from wildlife has a serious impact on rural communities, such as reducing motivation to engage in farming, and causing abandonment of cultivated land and departure from the agriculture sector.
- Support is provided for initiatives such as the promotion of wide-area capture of wildlife under the Act on Special Measures for Prevention of Damage Related to Agriculture, Forestry and Fisheries Caused by Wildlife. In addition, comprehensive support is provided for capture measures to rapidly and significantly reduce deer populations in areas where deer populations are increasing. Efforts are also made to raise awareness of bear haunt and preventing human injury at agricultural sites.
- With regard to gibier, promotion is carried out and training is provided for hunters, among other measures.

Filed crop damage caused by wildbirds and mammals



Source: Prepared by MAFF



Chapter 5 Restoration/Reconstruction from Natural Disasters, Disaster

Prevention/Reduction and Strengthening National Resilience

Continued recovery and reconstruction of agricultural land/agricultural facilities from the Great East Japan Earthquake

- Agriculture related damage from the Great East Japan Earthquake was 964.4 billion yen, among 2,443.6 billion yen of damage to agriculture, forestry, and fisheries in total.
- ➤ Of the 19,640 ha of farmland for recovery from the earthquake and tsunami disaster, farming was resumed in 18,870 ha of farmland as of the end of March 2024.
- In the three prefectures of Iwate, Miyagi, and Fukushima, efforts have been made for the expansion of farmland parcels in conjunction with the restoration of farmland from the earthquake and tsunami.

Case of post-earthquake reconstruction



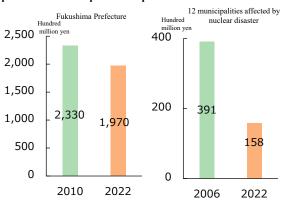
The Hirota Peninsula Agricultural Producers' Cooperative Corporation and the Hirota Peninsula Farmers' Cooperative are engaged in a wide range of farming projects, including compartmentalizing rice paddies into larger plots and realizing mechanization, as well as developing and selling processed products made from local agricultural products (Iwate Prefecture).

Source: Hirota Peninsula Farmers' Cooperative

There are still issues to be addressed in areas affected by the nuclear disaster, such as restarting farming and dispelling reputational damages

- The total area of farmland for restarting farming in the 12 municipalities affected by the nuclear disaster increased by 645 ha from the previous fiscal year to 8,015 ha at the end of FY 2022. On the other hand, there is a delay in restarting farming in municipalities with difficult-to-return zones.
- In 2022, the total agricultural output of Fukushima Prefecture had recovered to about 80% of pre-earthquake levels, while the agricultural output of the 12 municipalities affected by the nuclear disaster had recovered only to about 40%.
- To restart agricultural operations, securing farmers and matching with farmers, including those from outside the region, is a challenge.
- The percentage of people who are hesitant to buy Fukushima products because of radioactive materials has been on a downward trend and was 4.9% in 2024.
- Establishing comprehensive brand unique to Fukushima, strengthening the competitiveness of production areas, and promoting domestic and international sales are taken.

Agricultural output of 12 municipalities affected by nuclear power disaster compared with pre-disaster levels



Sources: Compiled based on the data of MAFF, "Statistics of Agricultural Income Produced" and "2022 Agricultural Output by Municipality (Estimation)"

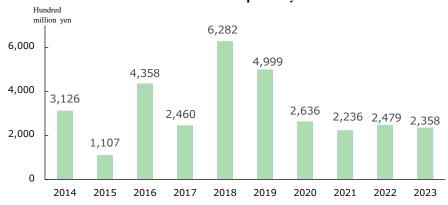


Parliamentary Secretary for Agriculture, Forestry and Fisheries exchanging views with onion producers in Tomioka Town, Fukushima Prefecture

Damage to agriculture, forestry, and fisheries caused by major natural disasters in 2023 was 235.8 billion yen as of the end of March 2024

- In recent years, large scale natural disasters have occurred in various parts of Japan almost every year. The disaster caused extensive damage to field crops, farmland, and agricultural facilities in our country's agriculture, forestry, and fisheries industries.
- Restoration and reconstruction have been promoted from "the heavy rains in July 2020" and "heavy rains from July to August 2021."
- In 2023, damage was caused by "heavy rains caused by the 2023 rainy season front and Typhoon No. 2," "heavy rains from June 29, 2023," "heavy rains from July 15, 2023," and "Typhoon No. 7 of 2023," among other disasters. The estimated amount of damage related to agriculture, forestry, and fisheries in 2023 was at 235.8 billion yen as of the end of March 2024.
- The following disasters were designated as disasters of extreme severity: "earthquake disaster on May 5, 2023," "disaster caused by heavy rain and rainstorms between May 28 and July 20, 2023," "disaster caused by rainstorms between August 12 and 17, 2023," and "disaster caused by heavy rain and rainstorms between September 4 and 9, 2023." Such designation reduces the burden on local public organizations and affected farmers, etc. in disaster recovery projects for agricultural land and agricultural facilities, etc.

The amount of damage caused by natural disasters in agriculture, forestry, and fisheries in the past 10 years



Source: Prepared by MAFF

Note: Damage figures for 2023 are as of the end of March 2024.

Case of recovery and reconstruction from natural disasters



Chikuzen Asakura Agricultural Cooperative supports agricultural volunteers in efforts to restart farming operations following damage caused by the heavy rains in northern Kyushu in July 2017 (Fukuoka Prefecture).

Source: Chikuzen Asakura Agricultural Cooperative Association



The Satomi Pear Cider Research Group is using pears that have been affected by hail damage from May 2022, as ingredients for brewed alcohol (Gunma Prefecture). Source: Satomi Pear Cider Research Group

Promoting measures based on the "Five-Year Acceleration Plan for Disaster Prevention, Disaster Mitigation, and Building National Resilience"

- ➤ The revised Basic Act for National Resilience was enacted and enforced in June 2023. In July of the same year, a new Fundamental Plan for National Resilience was formulated. The Plan sets out the policy of maximizing the use of digital technology and regional strengths to strengthen national resilience.
- At MAFF, based on the Five Year Acceleration Plan for Disaster Prevention, Disaster Mitigation, and Building National Resilience, initiatives have been promoted, such as "River Basin Disaster Resilience and Sustainability by All (improvement of agricultural irrigation facilities, enhancement of the storage function of paddy fields, improvement of seashore)," "disaster prevention and mitigation measures related to important agricultural reservoirs for disaster prevention," "measures against aging agricultural irrigation facilities, heavy rain, and earthquakes," "disaster prevention and mitigation measures for wholesale markets," and "measures for continuing business of horticultural products."

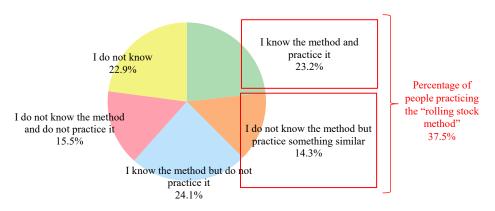


Reservoir embankment before and after elevation construction work Source: Ibaraki Prefecture

It is important for each citizen to stockpile food and drinking water regularly in preparation for disasters

- The purchase of agricultural insurance has been promoted to help farmers themselves prepare for damage by natural disasters with focus on horticultural facility mutual relief and revenue insurance. In FY 2022, the horticultural facility mutual relief enrollment rate increased to 73.8% compared to the previous fiscal year. At the same time, development of agricultural BCP (Business Continuity Plan) has been promoted.
- In a survey released in March 2023, about 40% of respondents said that they "do not stockpile food." In addition, the percentage of people practicing the "rolling stock method" was about 40%. Efforts to establish household food stockpiles in preparation for disasters have been promoted.

Implementation status of "rolling stock method"



- Unless otherwise noted, this report is based on information available as of the end of March 2024.
- The figures in the tables and charts are rounded off and may not exactly reflect the actual totals.
- The maps in this report do not necessarily indicate Japan's territories comprehensively.