

# **The Grand Design for Japan's Agriculture, Forestry and Fisheries Policies**

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## **Explanatory Note for Translation**

The Vitality Creation Headquarters of Agriculture, Forestry, Fisheries and Regions was established on 21<sup>st</sup> May 2013, with the participation of the Prime Minister as chairman, the Chief Cabinet Secretary as well as the Minister for Agriculture, Forestry and Fisheries as vice-chairmen and other 12 ministers, in order to examine a wide range of policy measures for Japan's agriculture, forestry, fisheries and regions to be a source of nation's vitality and to develop durably for the future. This plan is the revised version of the first plan approved by the headquarters on 10<sup>th</sup> December 2013, which was compiled as a grand design for policy reform towards vitality creation of Japan's agriculture, forestry, and fisheries in the regions.

The translation covers the first four chapters of the plan and omits the last chapter outlining detailed policy measures as well as three attachments.

(Translation)

## **Vitality Creation Plan of Agriculture, Forestry, Fisheries and Regions**

Decision: 10<sup>th</sup> December 2013

Revision: 24<sup>th</sup> June 26 2014

Vitality Creation Headquarters of Agriculture, Forestry, Fisheries and Regions  
Government of Japan

### **Introduction**

Circumstances surrounding the field of agriculture, forestry and fisheries industries and rural areas in Japan have become increasingly severe. While agricultural production value has been greatly reduced, the average age of core farmers has now reached 66 years old. Abandoned farmland has increased by two fold over the last 20 years and now reached the same scale as Shiga Prefecture. There is an urgent need to overcome the aforementioned challenges and regain the vitality of these industries and areas.

In order to resolve these challenges, it is necessary for the government to conduct comprehensive review of policies. The Vitality Creation Headquarters of Agriculture, Forestry, Fisheries, and Rural Regions was established to examine measures required for a wide range of policy areas, under the premise of pursuing "industrial policies" for enhancing agriculture, forestry and fisheries as an industry and "regional policies" for realizing multifunctionality such as land conservation as the two wheels of a cart with the partnership of relevant ministries in the Cabinet.

In this headquarters, strong emphasis is placed on the following three points with a view to establishing "strong agriculture, forestry and fisheries industries" as well as "beautiful and viable rural areas" for which young generations have high expectations, and to making the

entire Japanese people realize the outcome of these policy efforts:

1. To contribute to the growth of Japanese economy as well as to inherit beautiful rural regions with long tradition of the future generations by doubling the whole income of agricultural and rural areas over the next 10 years through the realization of the full potential of rural regions.
2. To create the business environment for famers, foresters and fishermen to reduce production costs and raise revenue with business mind, by respecting consumers' perspective.
3. To restructure all policies fundamentally to promote self-reliance in agriculture by overhauling current measures including regulations and subsidies, so as to encourage those who are eager to challenge.

Based on the above, the headquarters conducted the hearing from various stakeholders such as producers from May to December 2013. Furthermore, the headquarters has examined such concrete challenges as added-value increase in primary agriculture, demand creation in and outside of Japan including export promotion, development of the Farmland Mediation Organization, further growth of the forestry and fisheries industries, revitalization of rural regions, revision of the Farmers' Income Stabilization Program and the establishment of Japanese-style direct payment system.

Ever afterword, (i) the Regulatory Reform Council has deepened the discussion on the basis of "the Direction of Future Agricultural Reform" compiled by the Council, and (ii) the Industry Competitiveness Council has examined measures to increase the added-value and production value such as the use of corporate know-how, promotion of sixth-order industrialization (an idea to add value in primary industries by advancing into secondary and tertiary industries) and export promotion.

This plan is compiled, based on the previous plan on December 2013, as a grand design for policy reform towards vitality creation of Japan's agriculture, forestry, fisheries and regions by adding the result of the aforementioned examination concerning regulatory reform and industrial competitiveness.

## **Basic Concept**

Japan's agriculture, forestry and fisheries industries and rural areas not only provide food in a stable manner but also support the rural economy. The agriculture sector owns a variety of potential with high expectations such as rice paddy as a production device with excellent sustainability. Japanese food is also appreciated all over the world, and so are beautiful rural sceneries and forests and marine resources which are said to be the world's leading. It is not an exaggeration to say that Japan's agriculture, forestry and fisheries is a global-level industry given that their production value is listed as 10<sup>th</sup> in the world.

New opportunities for Japan's rural areas are emerging such as the expansion of food market in the world, new domestic needs associated with aging, and the entry into agriculture of various entities by land reform in the Heisei era. By taking advantage of these opportunities and its potential, the following bold measures will be pursued.

The Government will, by utilizing ICTs, help develop new products to increase added-value and cultivate demand in domestic and international markets including export promotion and sixth-order industrialization by creating the environment under which “agriculture, forestry and fisheries managers with courage”, who are business minded and are adaptable to the changes in the needs of consumers and users, and who can play active roles and exert its potentials. At the same time, the Government will revise the current policy measures from the viewpoint of increasing income through the reduction of production and distribution costs by the intensification of farmland and by promoting self-reliance in agriculture, forestry and fisheries. By pursuing these reforms as a package, the Government will enhance the competitiveness of agriculture, forestry and fisheries as an industry.

In addition, it is of vital importance to pursue the revitalization of agriculture, forestry, fisheries and regions simultaneously in order to realize “beautiful and vibrant rural areas” in addition to the aforementioned “strong agriculture, forestry and fisheries”. To this end, the Government will support the initiatives for rural areas with scenery landscape such as beautiful terraced paddy fields to maintain and demonstrate multifunctionality during the acceleration of structural reform, as well as implement measures, with the cooperation of relevant ministries, to exert the potential possessed by the rural areas including the establishment of a mechanism in which economy is circulated by utilizing local products and resources such as forests as sources of jobs.

By placing industrial policies and regional policies as the two wheels of a cart, the Government will:

- (i) Increase demand in domestic and international markets (demand frontier) with a view to doubling the whole income in agriculture and rural areas over the next 10 years;
- (ii) Promote the efforts for increasing revenue such as the establishment of a value chain for improving added-value that connects supply and demand;
- (iii) Strengthen production fields by reducing production costs such as the consolidation of farmland through the Farmland Mediation Organization and by revising the Farmers’ Income Stabilization Program as well as the production adjustment program;
- (iv) Maintain the multifunctionality of rural areas to inherit aging rural areas to future generations while boosting structural reform.

By reorganizing policies under these four pillars, the Government will construct a “strong agriculture, forestry and fisheries” as well as “beautiful and vibrant rural areas” with which the young generation can have aspirations. This is the basic concept of agriculture, forestry and fisheries policies under the Second Abe Cabinet.

With a view to making the whole population realize this accomplishment, the Government is determined to link the growth of agriculture, forestry and fisheries with that of the whole country, to inherit beautiful and vibrant rural areas in the future, and to ensure food supply for the population by maintaining and raising the food self-sufficiency rate and the self-sufficiency potential.

### **Direction of policy deployment**

1. Furtherance of export promotion, local production for local consumption and food education to capture demand in and outside Japan

Food market in the world is expected to double from 340 trillion yen (3.4 trillion dollars) to 680 trillion yen (6.8 trillion dollars), mainly in Asia, over the next 10 years. With the registration of

“Japanese cuisine” in the intangible cultural heritage of the UNESCO as a turning point, the Government will, in order to increase income by capturing actively food demand in and outside Japan, help raise understanding of Japanese food and food culture both at home and abroad, and create the domestic and international markets that can take advantage of the strengths of Japan’s agriculture, forestry and fisheries products.

For this purpose, the Government will improve export environment by developing export system in collaboration with all relevant stakeholders, promoting the acquisition and establishment of international standard certification, and constructing a food value chain through industry-academia-government collaboration. Furthermore, it will simultaneously pursue the so-called “FBI strategy” composed of (i) facilitating the utilization of Japanese food ingredients in restaurants in the world (Made FROM Japan), (ii) advancing Japan's “food culture and food industries” to overseas markets (Made BY Japan), and (iii) expanding the export of Japan’s agriculture, forestry, fisheries products and processed food (Made IN Japan) based on the “country by country and item by item export strategy in agriculture, forestry, fisheries products and processed food” published on 29<sup>th</sup> August 2013.

As for the domestic market, the Government will, respecting consumers’ viewpoint, help cultivate new demand by developing and diffusing nursing care food, expanding the production of medicinal crops and vegetables for processing and commercial use, and disseminating “food education” and “local-production for local-consumption”, in light of the fact the structure of the domestic food market has changed due to aging society with fewer children and the changes in lifestyle.

As a premise of these efforts, the Government will promote efforts to ensure “food safety” composed of the improvement of food safety and the stable supply of food, and “consumer confidence in food” through accurate information provision. In particular, the Government will buckle to take adequate measures for the optimization of food indication including a menu display of eating out.

#### <Goal>

- Double the exports of agriculture, forestry and fisheries products and processed food to 1 trillion yen (10 billion dollars) in 2020 and, based on the track record, consider specific measures to realize the additional goal of 5 trillion yen (50 billion dollars) in 2030.
- Raise the proportion of domestic agriculture, forestry and fisheries products in school meals to 80% in fiscal year 2015.
- Increase the shipments of vegetables for processing and commercial use by 50% over the next 10 years.

#### <Measures>

- (i) Global expansion of Japan’s food culture and food industries through the “FBI strategy”.
- (ii) (a) Expansion of domestic demand by substituting market share from imports, inheriting Japanese cuisine and Japanese culture to next generations and disseminating them domestically and internationally, and enhancing school meals, local production for local consumption and food education, and (b) production, development and dissemination of agriculture, forestry and fisheries products and processed food adapting to such new domestic demand.
- (iii) Establishment of food safety and consumer confidence as a prerequisite for capturing demand in and outside Japan.

## Promotion of sixth-order industrialization

To facilitate the growth of agriculture, forestry and fisheries, it is essential to build a value chain that connects supply and demand based on the idea that agriculture, forestry and fishery products should be produced and supplied in response to consumer demand bearing markets in mind (an idea of “market in”).

For this reason, the Government will, by taking advantage of the Agriculture, Forestry and Fisheries Industrialization Growth Fund (A-FIVE), promote sixth-order industrialization in a body with full use of rural resources not only by local agriculture, forestry and fishery producers but also by various operators utilizing ideas and know-how of companies. It will also, with the use of a variety of human resources include women and young people, increase added-value of agriculture, forestry and fishery products by facilitating the branding of agriculture, forestry and fisheries products and processed food through sixth-order industrialization such as agriculture-industry cooperation and medicine-welfare-food-agriculture cooperation, and by introducing the geographical indication protection system. In addition, the Government will deepen and expand the efforts related to renewable energy utilizing local resources in rural areas, as well as build the decentralized energy system which is self-reliant and sustainable.

Furthermore, the Government will induce innovation in agriculture by utilizing technology and knowledge that has been accumulated in other industries through cooperation among different types of industries, promoting “smart agriculture” using robot technology and ICTs, developing and disseminating new varieties and technologies, utilizing intellectual property in a holistic manner, and sophisticating production and distribution system.

The Government will also strengthen further the livestock and dairy sector, a pioneer of structural reform, bearing the idea of “market-in” that responds appropriately to market needs in mind.

By these measures, the Government will create additional income and employment by exerting the potential force of rural areas.

### <Goal>

- Increase the market size of sixth-order industrialization to 10 trillion yen (100 billion dollars) by 2020.
- Reduce fossil fuel use in next generation green-house horticulture centers establishment districts by 30 % in five years.
- Create new agricultural and livestock products with “strengths” more than 100 items over the next three years.
- Launch new projects that lead to the creation of employment and the revitalization of rural areas about 10,000 by taking advantage of resources and funds of the region.
- Realize initiatives that promote the development of agriculture, forestry and fisheries in the region at 100 districts nationwide in fiscal year 2018 by taking advantage of renewable energy power generation.
- Build biomass industrial cities about 100 districts by 2018.
- Double the number of initiatives addressing sixth-order industrialization in the dairy sector to 500 by 2020.

<Measures>

- (i) Promotion of the formation of capitalization cases by the Agriculture, Forestry and Fisheries Growth Industrialization Fund (A-FIVE).
- (ii) Facilitation of sixth-order industrialization through agriculture-industry cooperation and medicine-welfare-food-agriculture cooperation, introduction of the geographical indication protection system and promotion of interdisciplinary research
- (iii) Promotion of the sophistication of production and distribution systems in the next generation green-house.
- (iv) Development and dissemination of new varieties and new technologies and utilization of intellectual property in a holistic manner.
- (v) Expansion and deepening of the efforts related to renewable energy in harmony with the solid development of agriculture, forestry and fishery.
- (vi) Promotion of the reduction in food loss.
- (vii) Assistance to the construction of the livestock cluster in collaboration with local stakeholders including companies and creation of the environment that facilitates the ingenuity of dairy farmers through the diversification of raw milk trading for sixth-order industrialization and export promotion.

2. Reform of agricultural structure and reduction of production costs through the use of the Farmland Mediation Organization

It is necessary to accelerate the structural reform of agriculture in order to enhance its competitiveness and make it durable.

For this reason, the Government will promote the integration and consolidation of farmland scattered and complicated in each area into professional farmers by establishing the Farmland Mediation Organization in each prefecture.

At the same time, while utilizing knowledge and expertise of the business community, the Government will foster and ensure a wide variety of agricultural producers and realize a strong agriculture in which agricultural production entities with a rich sense of management account for the majority, by promoting the initiatives that lead to improvement in agricultural productivity with new ideas and by encourage challengers through the conversion of policy priorities so as to promote the self-reliance of agriculture. At that time, the Government will make full use of the capacity of women farmers in a proactive manner.

By these measures, the Government will reform agricultural structure and reduce production costs.

<Goal>

- Establish agricultural structure in which farmland cultivated by professional farmers will account for 80% of all agricultural land in the next 10 years.
- Reduce the production costs of rice of professional farmers by 40% compared with that of current national average in the next 10 years, by reflecting the efforts by upstream industries responsible for input materials and distribution.
- Expand the number of farm producers in their 40s or less to 400,000 people in 10 years by doubling farmers newly entering into farming.
- Increase the number of corporate farming units to 50,000 entities in the next 10 years.

<Measures>

- (i) Integration and consolidation of farmland to professional farmers through the Farmland Mediation Organizations, and prevention and dissolution of farmland abandonment from cultivation.
  - (ii) Nourishment and reservation of a variety of producers (corporate entities, large-scale family farms, community-based collective farms and new entrants into farming by individuals and enterprises)
  - (iii) Making full use of the capacity of women farmers in a proactive manner (“Agriculture Women Project”, business development support, etc.).
  - (iv) Enlargement of farm plots enabling added-value and production cost reduction, and maintenance of farm irrigation and drainage facilities in light of the National Resilience Program.
  - (v) Development and introduction of labor saving cultivation technologies and varieties suitable for large-scale farm entities, reduction of production material costs and establishment of advanced model agriculture, through collaboration with the business community.
3. Revision of the Farmers’ Income Stabilization Program and creation of the Japanese-style direct payment system

The Government will implement steadily a variety of reforms which include the revision of the Farmers’ Income Stabilization Program, the creation of the Japanese-style direct payment system, the full utilization of paddy fields by cultivating such strategic crops as wheat, soybeans and rice for feed use, and the reform of rice policy including the revision of the production adjustment program of rice. As a result of these reforms, the Government will transform agriculture into a growth industry and will ensure the maintenance and enhancement of the multifunctionality of agriculture and rural areas, the maintenance and increase of food self-sufficiency rate and the self-sufficiency potential, and the establishment of food security, by facilitating farm entities with business mind and creating the environment in which farm entities can choose crops based on their own judgment, while wiping out the measures running counter to the structural reform of agriculture and mobilizing all available policy tools.

In addition, the Government will review regularly its implementing policy measures every year so that this reform will steadily bear fruits.

<Measures>

See the “Overall Picture of Policy Framework” adopted by the Vitality Creation Headquarters of Agriculture, Forestry, Fisheries and Regions on 26<sup>th</sup> November 2013 (Attachment 1 omitted in the English version).

4. Promotion of the reforms of agricultural cooperatives and agricultural committees for making agriculture a growth industry

The Government will implement the following measures in light of “Promotion of Reform on Agricultural Cooperatives and Agricultural Committees” (Attachment 2 omitted in the English version).

- (1) Reform of agricultural cooperatives

Local agricultural cooperatives should perform business operations by placing the high emphasis on the advantageous sale of agricultural products and the advantageous procurement of production materials. For this reason, local agricultural cooperatives should:

- Aim to increase revenue while taking an appropriate risk by establishing and steadily escalating target values of “purchases and sales of agricultural products”;
- Procure production materials from the most advantageous suppliers through the comparison of selling prices between the National Federation of Agricultural Cooperatives Associations (JA Zen-Noh)/Prefectural Federations of Economic Agricultural Cooperatives and other suppliers;
- Strive to shift human resources to economic operations by reducing the burden and risk of financial operations in the management of local agricultural cooperatives as much as possible with the help of Norinchukin Bank/Prefectural Federations of Financial Agricultural Cooperatives/ National Federation of Insurance Agricultural Cooperatives Associations;
- Ensure that certified farmers and professionals of farm product sales or management be in the majority of directors of local agricultural cooperatives and that women and youth be appointed to directors in a proactive manner.

Furthermore, national and prefectural federations of agricultural cooperatives including the Central Union of National Agricultural Cooperatives (JA Zen-Chu) should not constrain free management of each local agricultural cooperative given that it, as an independent economic entity, needs to perform business operations proactively and expand good business practices to other agricultural cooperatives horizontally.

In addition, the Government will make it possible for agricultural cooperatives, if necessary, to divide their operations or to transform them to a branch of joint stock companies or consumer cooperatives in view of managing their business appropriately to meet respective needs in light of the increasing diversification of users of local agricultural cooperatives (i.e., professional farmers, part-time farmers and local residents).

The Government will review the system of national and prefectural federations of agricultural cooperatives including the Central Union of National Agricultural Cooperatives (JA Zen-Chu) with a view for them to providing proper support to local agricultural cooperatives.

The Government will make it possible for the National Federation of Agricultural Cooperative Associations (JA Zen-Noh) and Prefectural Federations of Economic Agricultural Cooperatives to transform joint stock companies capitalized by agricultural cooperative (transfer restrictions of stocks will be needed), so as for them to collaborate with the business community swiftly and freely under the same organizational structures with collaborators.

The Government will also continue its examination toward making it possible for the Norinchukin Bank, Prefectural Federations of Financial Agricultural Cooperatives and National Federation of Insurance Agricultural Cooperatives Associations (Zen-Kyoh-Ren) to transform joint stock companies capitalized by agricultural cooperative (transfer restrictions of stocks will be needed) in light of the consultations with the financial authority.

In light of changed conditions surrounding the system since its inception, the central union system under the Agricultural Cooperatives Law will be converted to a new autonomous system from the current system after providing an appropriate transition period.



The government strongly urges the agricultural cooperatives groups to implement spontaneous reforms by designating the coming five years as the “agricultural cooperative reform intensive promotion period”.

### Reform of Agricultural Committees

The Government will review the system of agricultural committee, as an independent administrative committee at the municipality-level, so as to fulfill its primary mission better to optimize agricultural land use (consolidation of farmland to professional farmers, prevention and elimination of farmland abandonment and the promotion of new entrants into farming).

Specifically, the Government will modify the selection method of committee members by abolishing the election system and integrating them into designated members by municipality mayors who require approval from municipal assemblies so as to ensure that appropriate candidates be appointed to the posts through a transparent process. To this end, it will ensure that local communities can recommend candidates or conduct public offering in advance. The Government will also abolish the designated system with the recommendation of municipal assemblies and agricultural cooperatives.

The government will ensure that certified farmers be in the majority of the members of agricultural committees, the members include persons who have no conflict of interests and can judge fairly, and that women and youth be appointed to directors in a proactive manner.

Furthermore, the Government will oblige each municipality, in addition to the Agricultural Committees, to establish the “Agricultural Land Use Optimization Promotion Committees (tentative name)” to promote the optimization of land use and support the training and development of professional farmers under the leadership of Agricultural Committees. The councilors shall be elected by the Agriculture Committees based on the recommendation from local communities and public offering in local communities in advance.

The Government will review the Prefectural Chambers of Agriculture and National Chamber of Agriculture so as to make them a supporting organization for the operations of the local Agricultural Committees as a part of the network of Agricultural Committees.

The government will, while placing continued emphasis on maintaining good agricultural land, review the regulations on farmland conversion so as to enable smoother conversion of agricultural land if it contributes to sixth-order industrialization and growth industrialization of agriculture such as plant factories and processing facilities.

### (2) Review the requirements of agricultural production corporations

The government will review the requirements of agricultural production corporations in view of removing the interference for those corporations intended to pursue sixth-order industrialization and expand their operations.

Specifically,

- For the farming engagement requirement, it will be relaxed so that one director engaging in farming will suffice to meet the requirement.

- For the member composition requirement, it will be relaxed so that voting rights of non-farmers shall be less than half of those of the total members.

The Government will examine further relaxation of the requirements of agricultural production corporations and the revision of farmland regulations when the Law on the Promotion of Farmland Mediation Operations will be reviewed in 5 years after its enforcement (as defined in the supplementary of the Law), in light of the status of enterprises that have entered into farming using the lease scheme until then.

If the government will consider the liberalization of enterprises' entry into farming through their land purchase in the future, it is prerequisite to establish a reliable restoration mechanism comparable to the current rules (such as the confiscation of the farmland by the government) recalling that, as far as the current lease scheme is concerned, there is a definitive collateral devise to restore the ownership by cancelling lease contracts if leased plots of farmland is virtually abandoned or diverted to yards for industrial wastes.

<Measures>

See the “Promotion of Reform on Agricultural Cooperatives and Agriculture Committees” (Attachment 2 omitted in the English version).

#### 5. Revitalization of rural areas in the era of declining population

Community functions are decreasing in rural areas where aging and declining population are in progress further than cities as exemplified by increased small-scale communities. Rural areas are the places where not only agricultural production activities are conducted but also daily lives are conducted and realized. Therefore, it is necessary to implement the promotion of agriculture, forestry and fisheries and the revitalization of regions simultaneously by discovering new demand making use of rich resources such as “local food” that has been inherited for generations in the region and by supporting professional farmers across the region through the support of joint activities in the region.

For these purposes, the Government will revitalize rural communities by tackling the regeneration of rural areas in cooperation with relevant ministries under the banner of “exchange” in the area of “food”, welfare, education, tourism, community development and the environment, and by improving the settlement environment such as living conditions through the consolidation of community functions to core villages and the promotion of networking among villages.

Furthermore, the revitalization of regions will be achieved by promoting the employment in rural areas and generating local employment and income through the promotion of agriculture, forestry and fisheries by taking advantage of rich resources inherited for generations and the promotion of sixth-order industrialization.

In particular, the Government will create the opportunity for urban residents to interact with residents in rural areas in a variety of aspects such as education, tourism and welfare and will increase the playing field for women and the elderly. In disadvantaged regions including hilly and mountainous areas in particular, the Government will promote a variety of initiatives that take advantage of local features.

At the same time, the Government will expand good practices to other regions horizontally by selecting such practices and diffusing them to the whole country.

In addition, relevant ministries will work together in order to promote counter measures to cope with the seriousness and expansion of damages on farming caused by wildlife.

Through these measures, the Government will inherit beautiful rural areas that have nourished Japan's country-specific history, culture, tradition and nature to the next generation.

<Goal>

Increase exchange population to 13 million in 2020 through the expansion of cooperation projects with relevant ministries.

<Measures>

- (i) Promotion of revitalization of local communities corresponding to social changes such as depopulation in rural areas.
- (ii) Development of attractive rural areas by promoting rural-urban exchange in cooperation with welfare, education, tourism and urban development.
- (iii) Horizontal diffusion and networking of good practices.
- (iv) Promotion of urban agriculture that takes into account the needs of consumer and local residents.
- (v) Revitalization of rural areas by taking the opportunity of the conservation and utilization of historic landscape, tradition and nature.
- (vi) Promotion of counter measures against wildlife damage.

## 6. Growth industrialization of forestry

It is important to recycle abundant forest resources as artificial forests greet the full-fledged use phase.

The government will generate industries and employment in mountainous areas where depopulation is in progress by making forestry a growth industry through the creation of new demand for timber and the construction of the stable and efficient supply system of domestic timber.

The government will also inherit mountainous areas with beauty and tradition to the next generation by promoting forest sinks measures through the maintenance and conservation of forest and by maintaining and improving multifunctionality.

<Goal>

- Increase the amount of domestic timber supply to 39 million m<sup>3</sup> in 2020 (2009: 18 million m<sup>3</sup>).
- Implement the thinning of timber in 520,000 ha annually from fiscal year 2013 to 2020.

<Measures>

- (i) Provision of the environment for accelerating the development and dissemination of new products and technologies such as the Cross Laminated Timber, use of wood materials in public buildings, and creation of new wood demand through the additional use of woody biomass.

- (ii) Establishment of a stable supply system for domestic timber corresponding to consumer needs
- (iii) Maintenance and enhancement of the multifunctionality of forest such as land conservation and global warming prevention through the maintenance and conservation of forest in a proper manner.

## 7. Revival of Japan's Fisheries

The government will address the revitalization of the seashore and the management of marine resources in order to make fisheries a growth industry and to increase income and management capabilities of fishermen in accordance with the characteristics and resources situation in respective seashores.

Furthermore, the Government will realize the vibrant fisheries and fishing villages by expanding exit strategy of fisheries industry (i.e., market-in) through strengthened efforts in each stage ranging from production to processing, distribution, sales and export, expanding consumption and exports against the background of increased demand for marine products due to the growth of world population, and expanding profitable and sustainable fisheries and aquaculture. By these efforts, the Government will revive Japan's fisheries which was ranked No.1 previously in the world.

### <Goal>

- Increase the production amount of (edible) seafood to 4.49 million tons (fiscal year 2005 level) by 2022 (2012: 3.76 million tons).
- Double domestic seafood exports to 350 billion yen (3.5 billion dollars) in 2020 (2012: 170 billion yen or 1.7 billion dollars).
- Increase per capita seafood consumption to 29.5kg/year (fiscal year 2010 level) by 2022 (2012: 28.4kg/year).

### <Measures>

- (i) Resource management for sustainable development of fisheries, and the promotion of strengthening production system and structural reform in various parts of seashores.
- (ii) Expansion of consumption and export by strengthening the efforts in each stage ranging from production to processing, distribution, sales and export based on the idea of "market in".
- (iii) Strengthening the ties between the seashores and households.

## 8. Recovery and reconstruction from the Great East Japan Earthquake

The Government will regenerate the Tohoku Region that were damaged by the Great East Japan Earthquake as a new food supply base and build a "new Tohoku Region" as a place of creativity and opportunities.

The Government will pursue proactively the various measures described in this plan and the Growth Strategy in the Tohoku Region in order to build a value chain that connects supply and demand and to realize strengthening production sites.

In other areas of the Tohoku Region that was not affected, the Government will share proactively knowledge and information obtained through the efforts in the Tohoku Region while

recognizing the different situation and challenges facing each region.

<Goal>

- Restore heavily damaged farmland and promote enlargement of farmland plots in accordance with the requests from affected regions as far as farmland damaged by tsunami is concerned.
- Complete the recovery of fishing port facilities and coastal conservation facilities before the end of fiscal year 2015.
- Strive to complete the planting for the restoration of coastal disaster prevention forests in fiscal year 2020.
- Build a “new Tohoku Region” as a place of creativity and potentiality.

<Measures>

- (i) Promotion of measures that utilize reconstruction grants.
- (ii) Promotion of measures for the realization of a “new Tohoku Region” and the promotion of focused implementation of measures by relevant ministries based on the Growth Strategy in the Tohoku Region.
- (iii) Promote the recovery of confidence for locally produced food under the task force for the promotion of damage control and industrial revival.

## **Follow-up and implementation of policies**

### **1. Follow-up and implementation of policies**

The government shall unite to implement steadily the reform of agriculture, forestry and fisheries policies based on this plan.

The government will review agriculture, forestry and fisheries policies described in this plan as necessary, while monitoring its progress accurately including the evaluation of the operational status of the Farmland Mediation Organization by this headquarters and paying due consideration to the stability of programs so that farmers can develop their farming operations with medium to long-term vision bearing local perspectives in mind.

Ministries listed in the “Reforms in Response to the Regulatory Reform Requests for the Realization of Offensive Agriculture, Forestry and Fisheries” (Attachment 3 omitted in the English version) shall implement respective measures described in the list steadily.

### **2. Review of the Basic Plan for Food, Agriculture and Rural Areas**

The Government shall, based on the basic direction indicated in this plan, review the Basic Plan for Food, Agriculture and Rural Areas (Cabinet decision on 30th March 2010) which has been formulated by the future prospect about 10 years as stipulated in the Basic Law for Food, Agriculture and Rural Areas. The Government shall reveal the image of efficient and stable farm entities to become leaders and present the figure of desirable agricultural structure as a vision for the future. This headquarters shall monitor the progress of the review of the Basic Plan for Food, Agriculture and Rural Areas.

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