

Transfer of Farmland Rights after Retirement (Part 1)

Dr. Takayuki Kimura

Ministry of Agriculture, Forestry and Fisheries, Japan

Dr. Akihiko HIRASAWA

Norinchukin Research Institute Co., Ltd.

In Japan, as the aging of farmers becomes serious, those who retire from farm management have been increasing. On the other hand, there are not enough young farmers who succeed in managing the farms. As a result, farmlands are being abandoned after retirement in some cases. At present, about 400,000ha of farmlands are abandoned in Japan. In particular, abandonment of farmlands possessed by non-farmers is recently increasing. Such cases account for approximately half of abandoned farmlands.

In order to improve the situation of farmlands, the government of Japan has initiated new policies such as “Local Plan of Farmers and Farmlands” and “Intermediate and Conservation Organization for Farmlands.” The purpose of these policies is to transfer the rights of farmlands from farmers (who are going to retire) to young farmers in the next generation. In this paper, these new policies and related subsidies are described.

1. Local Plan of Farmers and Farmlands

The Local Plan of Farmers and Farmlands (LPFF), which was initiated in 2012, is sort of a “future blueprint” for solving problems in the community. In this plan, the following questions are matters which are discussed between and among community members.

- Who are leading farmers (individual, company or group farming)?
- Are farmers are enough?
- How to use farmlands in the future?
- How to use the Intermediate and Conservation Organization for Farmlands?
- Who are going to retire from farm management (when and how they retire)?
- What is the vision for local agriculture, such as products, diversification of farm business and expansion to downstream sectors (“6th industry dimension” of agriculture), based on the roles shared by leading farmers and other farmers (part-time farmers and self-sufficient farmers)?

Each plan covers basically several communities, but the geographical scope can be determined appropriately based on the situation of the region. It is preferable that new comers (new farmers, agricultural corporations and enterprises entering farm business) join in

the discussion about the plan, and not only relegating this activity to existing local farmers.

There are several advantages for farmers who are listed in the plan. New farmers who are listed in the plan can receive a set-up subsidy for young farmers from the government. If farmers are listed in a plan and they are certified farmers by a municipal office, they can apply for an exemption from interest payment for the first five years of long-term loan provided by government financial corporation.

A municipal office in each region makes a draft of the plan based on the result of discussion by community members. After that, a conference is held by a municipal office and the appropriateness of the plan is discussed. The members of a conference are the representatives of farmers and related organizations. A leading large farmer, a corporation manager or a leader of group farming has to be included as members. Female members have to occupy about 30% of the total number of members. The plan approved in this conference is determined as an official plan by the municipal office.

The plan should be revised regularly. It is advisable to revise the plan about once a year to revitalize the vision of local agriculture, based on the current situation of farmers.

(To be continued)

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