

## Key Points in the Basic Plan for Food, Agriculture and Rural Areas

### I Basic Policy on Measures Related to Food, Agriculture and Rural Areas

- In view of major changes that have occurred in food, agriculture and rural areas since the formulation of the previous plan in March 2000, as well as those projected in the coming 10 years, the whole spectrum of agricultural policies will be reformed in a prompt manner.

#### [Changes in circumstances]

- Great concerns over food safety and wholesome diets caused by BSE cases and fraudulent food labeling
- More diverse, more sophisticated needs (increased dependence of food industry on imported agricultural products)
- Delays in structural reform of agriculture (declining numbers and progressive aging of farmers, delays in scale expansion)
- Multifunctional roles of and expectations for rural areas (demand for creation of a sustainable society)
- Advance of globalization (WTO/EPA negotiations, economic growth of Asian countries)

- In reforming various policy measures, the following points should be particularly borne in mind.

#### [Perspectives of reform]

- To create an effective, efficient and easily understandable policy system.
- To incorporate consumers' concerns into policies.
- To encourage autonomy and creative ideas by farmers and regions.
- To develop measures taking account of environmental conservation.
- To create measures based on new trends in agriculture and rural areas.

### II Targets for Food Self-Sufficiency

- Analysis has been made to identify reasons why efforts aimed at improving food self-sufficiency have not been successful so far.

[Trends]

Between FY1999 (when the previous Basic Plan was formulated) and FY2003, the overall food self-sufficiency rate, on a supplied calorie basis, remained unchanged at 40%.

Self-sufficiency by commodity was also unchanged or in decline, with the exception of barley and soybeans, etc.

[Reasons identified]

1) Consumption side

- Initiatives under "Dietary Guidelines" have not yet changed dietary habits.
- Measures for increased consumption of rice, etc., have not taken account of gender- or age-related consumption trends or lifestyle changes.
- The advantages of domestically grown agricultural produce have not yet been fully exploited despite increased concerns over food safety.

2) Production side

- There is not enough understanding of or response to consumer and trade needs, including demand for processing and commercial use.
- Farmland is not being used efficiently, and uncultivated or abandoned arable land is increasing. These are due to inadequate efforts to increase principal farmers, and a lack of progress in producing feed crops through collaboration between crop and livestock farming, among other reasons.

- In the process of setting the targets for food self-sufficiency in FY2015, matters to be tackled with priority, in both production and consumption, have been clarified as follows, based on the above analysis.

[Matters to be tackled with priority]

Consumption side:

- 1) Nationwide strategy for plain and practical "food education" and "local consumption of local produce".
- 2) Promoting consumption of rice and other domestic agricultural produce.
- 3) Earning consumer confidence in domestically produced food.

Production side:

- 1) Promoting production more tailored to consumers' demand by farmers with superior business acumen.
- 2) Stronger ties between the food industry and agriculture.
- 3) Promoting efficient use of farmland by concentrating farmland use in principal farmers, producing feed crops through collaboration between crop and livestock farming, etc.

- The target of the total food self-sufficiency rate is primarily expressed on a calorie basis. However, in light of the importance of promptly responding to various demands by consumers and the food industry, the target has also been set on a production value basis.

- So that efforts to improve self-sufficiency may be implemented quickly and steadily and improvements achieved as quickly as possible, process management of policy measures will be carried out as appropriate. Also, a council consisting of local authorities, farmers and agricultural organizations, the food industry, consumers and consumer groups as well as the central government will be established, and will take the initiative for action based on appropriate role-sharing.

[Various efforts by stakeholders]

- Local authorities: To promote agriculture as a key regional industry, in line with local conditions and characteristics (e.g. setting targets for regional food self-sufficiency and promotion of local consumption of local produce).
- Farmers: To undertake agricultural production that properly reflects consumer and trade needs, as well as to concentrate farmland use in principal farmers, etc.
- Agricultural organizations: To promote demand for and production of local agricultural produce, to reorganize local agriculture by identifying principal farmers and by promoting incorporation of village-based farming managements, etc., to make efforts to achieve various regional targets in collaboration with local authorities, etc.
- Food industry: To provide correct information by appropriate food labeling, to rationalize food distribution through collaboration with agriculture, to develop new markets for domestic agricultural produce, etc.
- Consumers, consumer groups: To be engaged in exchanges with producers, to review consumers' everyday diets (such as improvement in nutritional balance and reduction of food wastage), etc.

- While basically aiming to furnish at least 50% of calories supplied to the people by domestic production, the targets for self-sufficiency in FY2015 have been set as follows, in line with production and consumption levels that can be achieved through the above-mentioned efforts.

	FY2003 (%)	FY2015 (%)
Total food self-sufficiency on a calorie basis	40	45
Total food self-sufficiency on a production value basis	70	76
Self-sufficiency in staple cereals	60	63
Self-sufficiency in all cereals including those used for feed	27	30
Self-sufficiency in feed	24	35

### III Comprehensive and Systematic Measures for Food, Agriculture and Rural Areas

Priority will be placed on enhancing measures whose aim is to respond properly to changes in the circumstances of food, agriculture and rural areas and improve self-sufficiency.

## Measures to ensure a stable supply of food

### ➤ Ensuring food safety and consumer confidence

Ensuring: food safety by conducting risk management based on scientific principles taking into account the whole food chain; and consumer confidence through promoting the labeling of country/prefecture of origin and implementing traceability systems.

### ➤ Promoting food education aimed at achieving ideal diets

Building capacity of individual citizens to consider and make appropriate judgment on diets through: (1) development and application of the "Food Guide" that explains adequate food intake in an easy-to-understand manner; and (2) promotion of practical food education designed for different age groups as a national movement.

### ➤ Promoting local consumption of local produce

As well as giving consumers opportunities to purchase local agricultural produce and foods in "transparent and accessible" relationships with producers, local agriculture and related industries will also be promoted.

### ➤ Securing the stability of food imports and food security in emergencies

As well as promoting greater stability of food imports and greater diversity of import sources via EPA, etc., other measures to be promoted will include the appropriate and efficient stockpiling of food, the review and improvement of food security manuals, etc., the provision of technical cooperation, financial cooperation and food aid to developing countries, and the development of an international food reserve system.

## Measures related to sustainable development of agriculture

### ➤ Supporting and recruiting farmers to establish an ideal agricultural structure

Principal farmers in their respective regions will be identified by using the system of "certified farmers", and various policy measures will be targeted to these farmers.

In this process, village-based farming managements that are expected to develop into efficient and stable managements in future should be identified as principal farmers. Furthermore, the development and incorporation of collective farming managements will be promoted, as well as the consolidation of farmland use, so that small-scale and side-business farmers may also become members of principal farms by joining these farming managements.

➤ Fostering human resources, etc.

New entry in the sector will be encouraged to foster a broad range of human resources, irrespective of their employment format, gender or other considerations. Moreover, as well as encouraging more women's participation in farm management and local activities, measures will be taken to encourage elderly citizens to be engaged in various activities.

➤ Encouraging effective use of farmland

As well as promoting the consolidation of farmland use to principal farmers with a view to securing superior farmland and promoting its effective utilization, other measures will include:

- 1 Enhancement of measures aimed at preventing or eliminating the abandonment of farmland, and
- 2 Nationwide development of "special structural reform districts" that permit entry into the agriculture sector by stock companies and other entities via the lease of farmland.

➤ Establishing stabilization measures for farm managements

In order to accelerate the structural reform of agriculture and at the same time in response to the strengthening of international disciplines, stabilization measures devised for individual commodities will be revised, and converted to measures designed to stabilize the managements of principal farmers, whose eligibility will be properly identified.

➤ Promoting efforts for diverse business growth

Business diversification (such as processing or direct sales of agricultural produce), business integration (including efforts for contracted cultivation and sustainable agriculture), and various other efforts aimed at business growth will be promoted.

As for ways of adjusting rice supply and demand, ideal measures will be created within the promotion of rice policy reforms, to create a situation in which farmers and producing areas can respond instantly to demand and produce rice in appropriate volumes for sale, based on their own independent judgment.

➤ Encouraging collaboration between agriculture and the food industry

As well as promoting efforts in response to demand for processed food and eating out (both of which are expected to expand in future), links between agriculture and the food industry will be enhanced and the use of know-how from other sectors will be reinforced, by enhancing collaboration among industry, academia and the public sector in developing regional food industries, by promoting local brands and other

efforts.

➤ Promoting exports of agricultural produce and foods

To encourage exports that draw on the characteristics of high-quality Japanese agricultural produce, stakeholders will collaborate in promoting comprehensive efforts such as year-round sales promotion, establishing production areas in line with export needs, improving market access in export destination countries via EPA, and so on.

➤ Improvement of basic conditions for business growth

The development and diffusion of new technology linked directly to the needs of producers will be promoted, for example through on-site demonstrations by principal farmers. Further reductions in material costs for agricultural production will be promoted by amending and publishing action plans by related organizations and prefectural authorities.

➤ Improvement of agricultural production infrastructure

In line with regional farming visions, measures to improve agricultural production infrastructure, which gives opportunities to foster the development of principal farmers, will be promoted. The renewal, maintenance and management of farmland and agriculture water use facilities, etc. will also be promoted appropriately based on this vision.

➤ Introducing environmental measures for agricultural production

Emphasis on environmental protection will be applied to all agriculture in Japan.

- 1) A code of good agricultural practice will be formulated, and various measures to support farmers who practice this code will be devised (cross-compliance).
- 2) Support will be given to pioneering initiatives that aim for substantial reductions in environmental burdens.

➤ Making use of biomass resources

Besides the waste biomass that has conventionally been the primary focus of biomass utilization, new steps to develop agriculture that transcends the framework of food production will be promoted, by promoting the use of unused biomass and energy crops.

Measures related to the promotion of rural areas

➤ Creating measures for rural resource conservation

To ensure the appropriate conservation and management of farmland, agricultural irrigation water, etc., local residents and others will combine forces in highly effective efforts that will serve to protect the rural environment, among others.

➤ Stimulating rural economies

Rural economies will be stimulated by attempting to foster diverse industries that

draw on local characteristics, through efforts such as disseminating pioneering examples nationwide, as well as continuing to correct disadvantages in conditions for agricultural production in hilly and mountainous areas.

- Enhancing complementarities and interrelationships between urban and rural areas  
Complementarities and interrelationships between urban and rural areas will be enhanced, by for example strengthening promotion of Green Tourism in conjunction with the ongoing nationwide efforts based on Tourism Promotion Strategy.
- Realizing a pleasant and safe rural life  
Steps will be taken to improve roads, sewage treatment facilities, telecommunications infrastructure, and other aspects of the living environment, to enhance medical, welfare and other services in response to population aging, and to promote dam and flood control measures as well as measures to prevent sediment disasters, road disasters, farmland disasters, and other disasters.

#### Measures related to the reorganization and improvement of organizations

In conjunction with reviews on related policy measures, the efficient reorganization and improvement of organizations (agricultural cooperative type organizations, agricultural committee type organizations, agriculture mutual aid organizations, land improvement districts, etc.) will be promoted. In this context, the channels to support principal farmers, which are currently offered through various organizations and related institutions, will be merged and streamlined. Study will also be made on measures to encourage collaboration among organizations, including forest owners' associations and fishery cooperatives, in line with regional needs.

#### IV Prerequisites for Comprehensive and Systematic Promotion of Measures

- Concerted promotion of the above measures by all the related ministries, led by the Headquarters for Promotion of Policy on Food, Agriculture and Rural Areas chaired by the prime minister.
- Systematic implementation and improvement of policy measures, through the prior announcement of the process and schedule of the implementation, and through making the most of policy evaluation for further improvement of the policy measures.
- Making use of fiscal measures in an efficient and prioritized manner, by selecting appropriate policy measures and implementing them in a targeted manner in line with the policy objectives.
- To ensure transparency in deciding and implementing measures, by disclosing information and promoting dialogue with the civil society.
- To develop a system for the effective and efficient implementation of measures.