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Report Name: The 2020 Basic Plan for Food Agriculture and Rural Areas

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Report Highlights:

Japan's 2020 Basic Plan for Food, Agriculture, and Rural Areas emphasizes the need to strengthen agricultural resources and production capabilities and to support farming entities. The 2020 Basic Plan sets an export target of five trillion yen (\$48 billion) for 2030 and sets targets to increase domestic production of all products except for rice. The Basic Plan also calls for the public and private sectors to collaborate on a new movement that fosters increased understanding of the importance of supporting agriculture and rural areas for the next generation.

General Overview

In March, Japan's Cabinet approved the Basic Plan for Food, Agriculture, and Rural Areas (hereinafter referred to as "the Basic Plan") which sets Japan's agricultural policy direction for the next 10 years. The Basic Plan is updated every 5 years and this is the fourth revision since it was first published in 2000.

The 2015 Basic Plan focused on reforms to make Japanese agriculture a competitive growth industry. Ministry of Agriculture, Forestry, and Fisheries (MAFF) reform initiatives resulted in several positive outcomes, including doubling the export value to 912 billion yen (\$8.8 billion) from 2012 to 2019, and a 25 percent increase in net farm income from 2.8 trillion yen (\$27 billion) in 2014 to 3.5 trillion yen (\$34 billion) in 2018. Japan has improved market access for exports through the conclusion of several trade agreements, including the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), Japan-EU Economic Partnership Agreement, and the U.S.-Japan Trade Agreement (USJTA). However, declines in the farming population and farmland area led to the lowest calorie-based food self-sufficiency ratio since 1965, 37 percent in 2018. For more on the 2015 Basic Plan, see [JA5013](#).

The 2020 Basic Plan is focused on the sustainability of agriculture, rural communities, and succession planning, and calls for the public to understand the need to support agriculture. For the first time, the 2020 Basic Plan sets a target to increase exports, five trillion yen (\$48 billion) in Japanese Fiscal Year (JFY) 2030.¹ The 2020 Basic Plan lays out the policy direction in five distinct areas: 1) improvement of food self-sufficiency, 2) ensuring a stable food supply, 3) sustainable development of agriculture, 4) promotion of rural areas, and 5) form national consensus to support food and agriculture.

1. Improvement of Food Self-Sufficiency

Basic Plan Targets

Food Self-Sufficiency Ratio Targets

The Basic Plan sets Japan's food self-sufficiency targets for the next 10 years, which are based on consumption estimates and production targets of major commodities.

- The 2020 Basic Plan sets the JFY2030 food self-sufficiency target at 45 percent on a calorie basis and 75 percent on a production value basis (Annex – Table 1).
- For the first time, the 2020 Basic Plan also presents food self-sufficiency targets that do not include feed self-sufficiency. Japan relies heavily on imported feed ingredients and the Total Digestive Nutrients-based feed self-sufficiency ratio was 25 percent in JFY2018. The JFY2030 food self-sufficiency ratio targets, without including feed, is 53 percent on a calorie basis and 79 percent on a production value basis.

Consumption Projections and Production Targets

The 2020 Basic Plan establishes projections for per-capita consumption, total domestic consumption, and production targets by commodity for 2030 (Annex- Table 2).

¹ Japanese Fiscal Year is from April 1-March 31.

- Based on trends of decreased carbohydrate consumption and increased animal protein and fat consumption, total domestic consumption of beef, chicken, and milk is projected to increase 1.1 percent, 4.4 percent and 4.5 percent respectively from JFY2018 to JFY2030, with per capita consumption increases offsetting any declines related to Japan’s ongoing population decline.
- JFY2030 production targets for all commodities are higher than current levels, except for rice. Products with projected consumption declines and increased production targets, such as vegetables, wheat, barley, and soybeans, are expected to replace imports in the domestic market or see a rise in increased exports.
- Replacement of imports or increased exports are anticipated for
- To meet projected increases in demand for beef and dairy products at home and abroad, production targets are 7.8 million tons for raw milk and 400,000 tons for beef, increases of 7 and 21 percent from JFY2018 production. Poultry meat production is also targeted to increase 6.3 percent, to 170,000 tons by JFY2030.
- JFY2030 total domestic consumption of rice is projected to be 7.97 million tons, down 5.7 percent from 8.45 million tons in JFY2018. The rice production target for JFY2030 is 8.06 million tons. Total domestic wheat consumption is also projected to decrease 11 percent, to 5.79 million tons by JFY2030.

Product Based Policy Initiatives

To meet production targets, the 2020 Basic Plan lays out the following policy initiatives.

Beef Cattle and Dairy Farming

- To meet growing domestic and international demand, beef cattle and dairy farms increase production, improve productivity, and increase farm size by adopting new technologies and increasing the use of specialized service providers.

Rice, Wheat, Barley, and Soybeans

- Facilitate market driven table rice production and increase pre-planting and multi-year contracts between producer groups and buyers.
- Develop export-oriented production areas for rice to meet the quality and quantity needs of overseas markets.
- Implement a “Wheat, Barley, and Soybeans Production Increase Project” to facilitate productivity improvement through drainage improvement in rice paddies, use of smart agriculture, development of disease resistant crop varieties, and soil improvement.
- Facilitate production conversion from rice to profitable products, such as vegetables and fruit and conversion of paddy to dry fields.

Horticulture

- Increase production and improve productivity of vegetables, fruit, flowers and tea by adopting machinery and smart agriculture, and improving drainage system in rice paddies.
- Increase production of vegetables for processing, food service, and home meal replacement industries to replace imports. Promote the establishment of supply chains to link production areas to facilitate the year-round supply of vegetables.
- Convert production to popular fruit species and replant superior fruit varieties to meet growing domestic and international demand. Improve productivity through orchard infrastructure,

upgraded irrigation systems, application of labor-saving cultivation methods (such as dwarfing and root area control) and increased use of smart agriculture.

- Increase production of organic green tea leaves and *gyokuro* (shade-grown green tea leaves) to make *maccha* (finely ground green tea powder) to meet growing overseas demand and reduce labor and production costs by adopting smart agriculture.

2. Ensuring a Stable Food Supply

The Basic Plan also addresses the need to ensure a stable food supply by facilitating an economically viable agricultural production base, with an emphasis on increasing farmer income through increasing exports.

- To sustain an economically strong agricultural production base and rural areas, the public and private sectors must make strategic efforts to develop global markets and expand exports.
- Businesses must respond to changes in consumer demand and preferences, create new products and markets, and improve food distribution systems.
- The Basic Plan established 2030 export value targets for agricultural, forestry, fishery, and processed food products at 1.4 trillion yen (\$13 billion), 200 billion yen (\$1.9 billion), 1.2 trillion yen (\$11 billion) and two trillion yen (\$19 billion) respectively, a total of five trillion yen (\$48 billion).
- MAFF to promote consumption of domestic agricultural products by improving awareness through farm stays and tourism, local consumption of local produce, and food education.
- MAFF to ensure a comprehensive food security system by incorporating contingency measures.

3. Sustainable Development of Agriculture

The 2020 Basic Plan outlines policy initiatives to reverse declining trends in farmland and farmers and to improve succession planning in agriculture. By 2030, total farmland and the number of farmers are projected to decline from current levels by 10 and 37 percent respectively (Annex Tables 4 and 5). Even with successfully implemented measures to slow the decline, total farmland and the number of farmers are still projected to decrease 6 and 33 percent.

- Consolidate 80 percent of farmland within *Ninaite*² control through continued reforms that foster *Ninaite* and improve farmland and infrastructure.
- Facilitate incorporation and succession planning for farming entities, support new farmers, and provide support to small and medium-sized and family-owned businesses that reinforces production capabilities.
- Identify farmland owned and operated by farmers who do not have succession plans but will exit farming in near future and determine who will farm the land.
- Continue to support the revenue insurance system and the income stabilization programs to stabilize farm management.
- Reinforce production and streamline supply chains through the application of smart agriculture and digital technologies to meet changes in demand structure.

² *Ninaite* are farmers who operate their farms in an efficient and stable manner.

- Implement environmental policies and strengthen measures for climate changes and organic production to maintain the natural cyclical functions of agriculture.

4. Promotion of Rural Areas

The Basic Plan identifies the need to strengthen rural communities and calls for the development of a national strategy to address ongoing issues.

- Implement measures to strengthen the agricultural production base and to increase farm profits through the development of value chains, secure employment opportunities, and increased income in rural areas.
- Improve rural infrastructure that enables people to continue to live in rural areas, particularly in hilly and mountainous areas.
- Increase interest in rural areas to encourage revitalization.
- Integrate rural policy development across the GOJ into a comprehensive strategy, overseen by MAFF, that solves problems and responds to needs in rural communities.

5. Form National Consensus to Support Agriculture

The Basic Plan calls on the public and private sectors to collaborate on the development of a new movement to foster increased understanding of agriculture and rural areas and that recognizes agriculture as the "national foundation." Improving the public's awareness of agriculture is identified as essential to supporting the sustainability of agriculture and the improvement of food self-sufficiency.

Annex

Table 1. Food Self-Sufficiency Ratio Targets

	2015 Basic Plan		2020 Basic Plan	
	JFY2013 actual	JFY2025 target	JFY2018 actual	JFY2030 target
Food self-sufficiency ratio on a calorie basis	39%	45%	37%	45%
Per-capita caloric intake from domestic food per day	939 kcal	1,040 kcal	912 kcal	1,031 kcal
Per-capita total caloric intake per day	2,424 kcal	2,313 kcal	2,443 kcal	2,314 kcal
Food self-sufficiency ratio on a calorie basis not taken into account feed self-sufficiency ratio	-	-	46%	53%
Food self-sufficiency ratio on a production value basis	65%	73%	66%	75%
Production value of domestic food	9.86 trillion yen	10.44 trillion yen	10.62 trillion yen	11.89 trillion yen
Total value of food consumed in Japan	15.12 trillion yen	14.4 trillion yen	16.21 trillion yen	15.82 trillion yen
Food self-sufficiency ratio on a production value basis not taken into account feed self-sufficiency ratio	-	-	69%	79%
Feed self-sufficiency ratio on a TDN basis	26%	40%	25%	34%

Source: MAFF

Table 2. Consumption Prospects and Production Targets in 2015/2020 Basic Plans

	Annual per capita consumption (KG)				Total consumption (million MT)				Domestic production (million MT)			
	2015 Plan		2020 Plan		2015 Plan		2020 Plan		2015 Plan		2020 Plan	
	JFY2013 Actual	JFY2025 Prospect	JFY 2018 Actual	JFY2030 Prospect	JFY2013 Actual	JFY2025 Prospect	JFY 2018 Actual	JFY2030 Prospect	JFY2013 Actual	JFY2025 Target	JFY 2018 Actual	JFY2030 Target
Rice except for flour and feed	57	53	54	50	8.57	7.61	7.99	7.14	8.59	7.52	7.75	7.23
Rice for flour	0.1	0.7	0.2	0.9	0.02	0.1	0.028	0.13	0.02	0.1	0.028	0.13
Rice for feed	-	-	-	-	0.11	1.1	0.43	0.7	0.11	1.1	0.43	0.7
Rice total	57	54	54	51	8.7	8.81	8.45	7.97	8.72	8.72	8.21	8.06
Wheat	33	32	32	31	6.99	6.11	6.51	5.79	0.81	0.95	0.76	1.08
Barley	0.3	0.2	0.3	0.3	2.08	2.13	1.98	1.96	0.18	0.22	0.17	0.23
Soybeans	6.1	6.0	6.7	6.4	3.01	2.72	3.56	3.36	0.2	0.32	0.21	0.34
Buckwheat	0.7	0.5	0.7	0.7	0.14	0.11	0.14	0.13	0.033	0.053	0.029	0.04
Sweet potatoes	4.2	4.4	3.8	4	1.02	0.99	0.84	0.85	0.94	0.94	0.8	0.86
Potatoes	16	17	17	17	3.4	3.45	3.36	3.3	2.41	2.5	2.26	2.39
Rapeseed	-	-	-	-	2.32	2.16	2.57	2.64	0.002	0.004	0.003	0.004
Vegetables	92	98	90	93	15.08	15.14	14.61	14.31	11.95	13.95	11.31	13.02
Fruit	37	40	36	36	7.66	7.54	7.43	7.07	3.01	3.09	2.83	3.08
Sugar	19	18	18	17	2.46	2.2	2.31	2.06	0.69	0.8	0.75	0.8
Sugar beet (refined sugar equivalent)	-	-	-	-	-	-	-	-	3.44	3.68	3.61	3.68
Sugar cane (refined sugar equivalent)	-	-	-	-	-	-	-	-	(0.55)	(0.62)	(0.61)	(0.62)
									1.19	1.53	1.2	1.53
									(0.14)	(0.18)	(0.13)	(0.18)
Green tea	0.7	0.7	0.7	0.7	0.089	0.085	0.086	0.079	0.085	0.095	0.086	0.099
Raw milk	89	93	96	107	11.64	11.50	12.43	13.02	7.45	7.5	7.28	7.8
Beef product base (carcass equivalent)	6.0	5.8	6.5	6.9	(1.24)	(1.13)	0.93 (1.33)	0.94 (1.34)	(0.51)	(0.52)	0.33 (0.48)	0.4 (0.57)
Pork product base (carcass equivalent)	12	12	13	13	(2.44)	(2.27)	1.85 (2.64)	1.79 (2.56)	(1.31)	(1.31)	0.9 (1.28)	0.92 (1.31)
Chicken	12	12	14	15	2.2	2.08	2.51	2.62	1.46	1.46	1.6	1.7
Eggs	17	17	18	18	2.65	2.51	2.74	2.61	2.52	2.41	2.63	2.64
Feed crops*	-	-	-	-	4.36	5.01	4.35	5.19	3.5	5.01	3.5	5.19

* Feed crops is expressed in Total Digestive Nutrients

Source: MAFF

Table 3. Production and Food Self-Sufficiency Ratio Targets by Commodity

	Domestic Production		Yield		Planted Area, livestock inventories		Self-Sufficiency Rate	
	million MT		MT/hectare		million hectare, 10,000 heads, million birds		%	
	JFY 2018 Actual	JFY2030 Target	JFY 2018 Actual	JFY2030 Target	JFY 2018 Actual	JFY2030 Target	JFY 2018 Actual	JFY2030 Target
Rice except for flour and feed	7.75	7.23	5.32	5.47	1.47	1.32	97	98
Rice for flour	0.028	0.13	5.23	5.84	0.005	0.023		
Rice for feed	0.43	0.7	5.38	7.2	0.08	0.097		
Wheat	0.76	1.08	3.99	4.54	0.21	0.24	12	19
Barley	0.17	0.23	2.89	3.37	0.061	0.067	9	12
Soybeans	0.21	0.34	1.67	2.0	0.15	0.17	6	10
Buckwheat	0.029	0.04	0.45	0.6	0.064	0.066	21	31
Sweet potatoes	0.8	0.86	22.3	25.2	0.036	0.034	95	100
Potatoes	2.26	2.39	29.6	32	0.076	0.075	67	72
Rapeseed	0.003	0.004	1.63	1.94	0.002	0.002	0.1	0.2
Vegetables	11.31	13.02	28.11	31.37	0.4	0.42	77	91
Fruit	2.83	3.08	12.94	14.76	0.22	0.21	38	44
Sugar	0.75	0.8	-	-	-	-	34	38
Sugar beet	3.61	3.68	63	64.1	0.057	0.057	-	-
Sugar cane	1.2	1.53	52.9	63.2	0.028	0.03		
Green tea	0.086	0.099	2.08	2.58	0.042	0.038	100	125
Raw milk	7.28	7.8	-	-	133	132	25 (59)	40 (60)
Meat total	-	-	-	-	-	-	7 (51)	10 (55)
Beef product base [carcass equivalent]	0.33 [0.48]	0.4 [0.57]	-	-	251	303	10 (36)	16 (43)
Pork product base [carcass equivalent]	0.9 [1.28]	0.92 [1.31]	-	-	916	853	6 (48)	8 (51)
Chicken	1.6	1.7	-	-	138	148	8 (64)	10 (65)
Eggs	2.63	2.64	-	-	142	144	12 (96)	15 (101)
Feed crops	3.5	5.19	35.1	41.34	0.89	1.17	76	100

() indicates self-sufficiency rates not taking into account the feed self-sufficiency.

Source: MAFF

Table 4. Farmland Area

Total Farmland Area in 2019	4.397 million ha
Total Farmland Area Prospect for 2030 with Continuation of the Current Trend	3.92 million ha
Total Farmland Area Prospect for 2030 with Implementation of Effective Measures	4.14 million ha

Source: MAFF

Table 5. Farming Population

	Total	Farmers aged 49 years old or younger
Number of farmers in 2015	2.08 million	350,000
Number of farmers Prospect for 2030 with Continuation of the Current Trend	1.31 million	280,000
Number of farmers Prospect for 2030 with Implementation of Effective Measures	1.4 million	370,000

Source: MAFF

Attachments:

No Attachments.