



Agricultural Cooperatives and Food Security in Japan

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What's JA?

Our platform:

- We promote sustainable agriculture at the local level and conserve food, nature and water of our nation.
- We build comfortable and reliable rural communities through contribution to the local environment, culture and welfare.
- We work for our mission through positive participation to and solidarity with cooperative movement.
- We get public confidence on cooperative movement through healthy management of JA based upon the principles of voluntary, autonomous and democratic operation.
- We look for our own *raison d'être* through learning and practicing the co-operative principles.



“The Platform of JA” was adopted at the 21st JA National Convention in 1997

“JA” stands for “Japan Agricultural cooperatives” and JA Zenchu, or the Central Union of Agricultural Cooperatives is the umbrella body at the national level that represents 710 primary agricultural cooperatives, their federations at prefectural and national level and 4.8 million member farmers all over Japan.



Changes in the socio-economic environment surrounding Japan in a context of food security

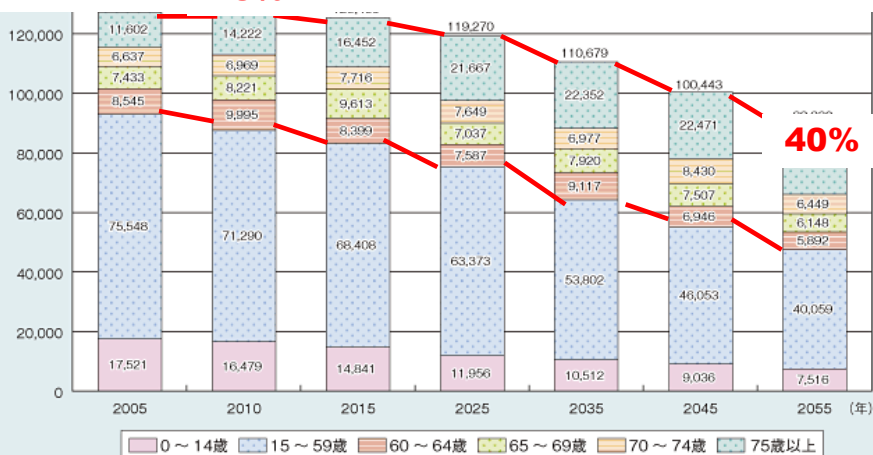
- Aging of population and expansion of income gap
- Low food self-sufficiency rate and growing consumers' interests in food safety
- The Great East Japan Earthquake
- Dependency on excessively market oriented policies



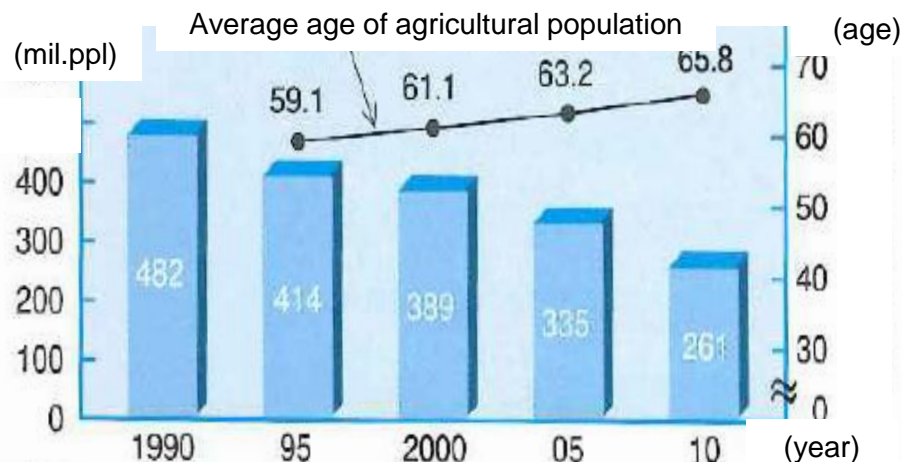
Aging of population and expansion of income gap

Population by age (over 65 indicated by red lines)

23%



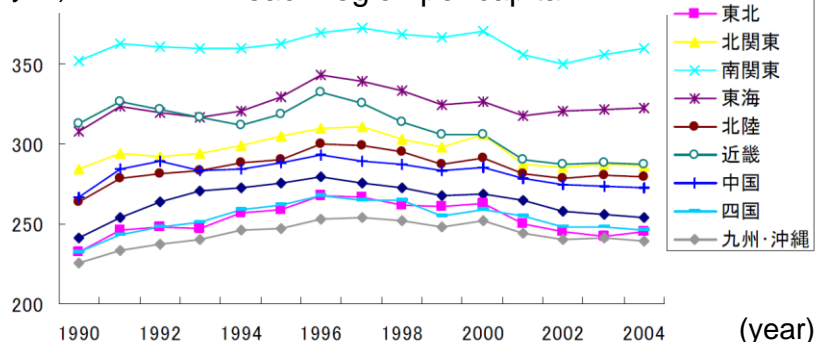
Changes of agricultural population



Ref. Ministry of Agriculture, Forestry, and Fishery

Ref. Ministry of Internal Affairs and Communications (2005), The National Institute of Population and Social Security Research (2010 and later)

Change in people's income of each region per capita (10-thousand yen)



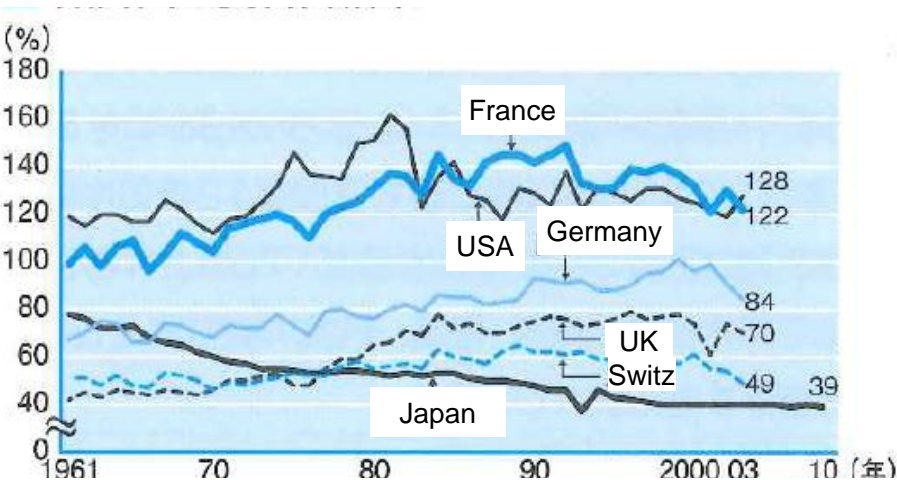
Ref. Cabinet Office 'prefecture economic statistics'

- ▶ Declining birthrate and aging of population, particularly in agricultural areas.
- ▶ Income gap between urban and rural areas is expanding.



Low food self-sufficiency rate and growing consumers' interests in food safety

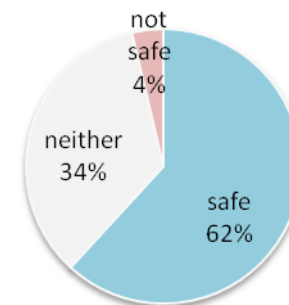
Changes of food self-sufficiency rate



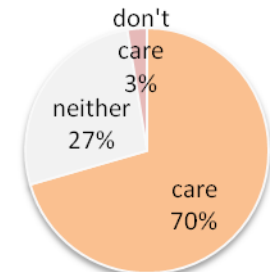
Ref. Ministry of Agriculture, Forestry and Fisheries, FAO

Consumer's trend survey (first half of 2012)

How consumers think about domestic agricultural product



The percentage of consumers who care about whether foods are domestically-produced or not



Ref. Japan Finance Corporation
Agriculture, Forestry, Fisheries and Food business Unit

[Resolution of Pal System Consumers Cooperative Union]

- Since criteria of food safety are different from country to country, it is important to set a stronger policy on safety of imported foods.
- Improvement of food self-sufficiency rate is needed to be positioned as the task of the people

Feb, 2011

- ▶ Japan's self-sufficiency rate has decreased to the level of 39%.
- ▶ There are consumers' strong interests in food safety and demands for domestically-produced foods.



The Great East Japan Earthquake

- The 3.11 Earthquake attacked a Japan's food production center. This national disaster reminded Japanese people of the importance of "mutual assistance" and "*Kizuna* (ties) between the people".
- The following man-made disaster, the nuclear power plant explosion in Fukushima, brought both producers and consumers serious anxieties in terms of food safety and security.



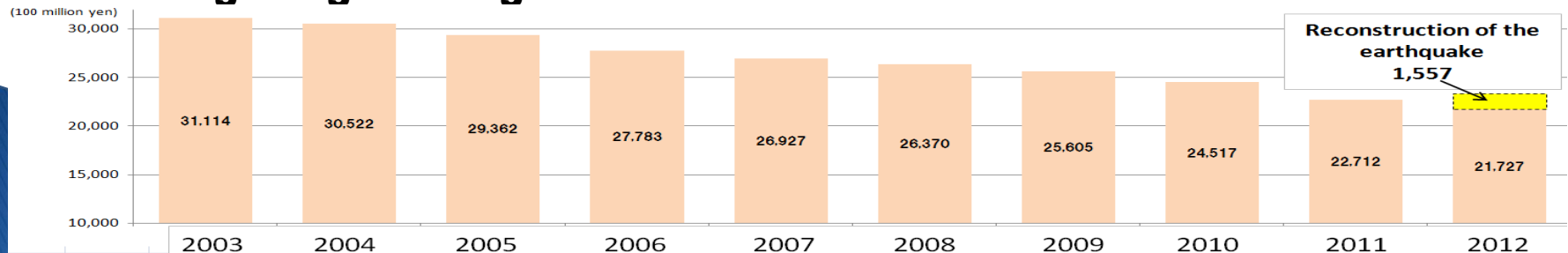
| Article | Damage | Progress |
|--------------------------|--|----------|
| Farmland | Farmland suffered by tsunami ▸ 21,480ha | 39% |
| Agricultural Producers | Producers suffered by tsunami ▸ 10,200 entities | 40% |
| Rural community sewerage | Areas affected by earthquake ▸ 401 areas | 89% |



Dependency on excessively market oriented policies

| Worldwide movement on food and agricultural problem | Situation of Japan's EPA negotiation |
|--|--|
| 1996 World Food Summit (FAO) - Reduce the number of undernourished people to half their present level no later than 2015 (Rome Declaration) | |
| 2000 UN Millennium Summit (NY) | 2002 Japan-Singapore economic partnership agreement(EPA) |
| | 2005 Japan-Mexico EPA |
| | 2006 Japan-Malaysia EPA |
| | 2007 Japan-Chile EPA, Japan-Thailand EPA |
| | 2007 Opening of EPA negotiations with Australia (not reach agreement as of 2012) |
| 2008 Food exporting countries turned to restrict and dam their export | 2008 Japan-Indonesia EPA, Japan-Brunei EPA, Japan-ASEAN EPA, Japan-, Philippines EPA |
| 2008 Doha Development Round(WTO) has broken down | |
| 2009 World Summit on Food Security (FAO) - Reconfirmation of the Rome Declaration | 2009 Japan-Switzerland EPA, Japan-Viet Nam EPA |
| 2010 Convention on Biological Diversity COP10 (Nagoya, Japan) - Recognition for importance of paddy agriculture in terms of agricultural biodiversity | 2010 Basic Policy on Comprehensive Economic Partnerships - 'while taking into consideration the sensitivity of trade in certain products'... 'will subject all goods to negotiations for trade liberalization' (with regard to EPAs etc.) |
| | 2011 Japan-India EPA |
| 2012 UN Conference on Sustainable Development, RIO+20 (Rio de Janeiro, Brazil) | 2011 Prime Minister Noda said 'Japan will hold consultations with TPP partners to explore the possibility of joining TPP negotiations' at APEC in Hawaii |
| | 2012 Japan-Peru EPA |

Decreasing budget for agriculture





Policies and activities of JA Group to reach the goal of food security

- Active involvement of women and young farmers**
- Promotion of structural reform**
- Partnership with consumers**
- Strengthening marketing power of producers in the food chain**
- Domestic and international cooperation among cooperatives in an emergent situation**
- Trade rules that allow co-existence of various models of agriculture**



Active involvement of women and young farmers

- ▶ Major roles of women in rural communities presented by Kaori Mitsumori, a Japanese grape farmer, at the APEC PPFS meeting in May 2012, Kazan, Russia.

[Agricultural production/marketing]

- Women's dexterity : quality products
- Women's superior cost-consciousness : efficient production
- Women's point of view as consumers : sales promotion

[Others]

- Food and agriculture education
- Communication with consumers

Women farmers play a central role in various parts of rural communities.



- ▶ Young farmers must be involved in policy-making process

["Policy Book" activity by National Council of Agricultural Cooperative Youth Associations]

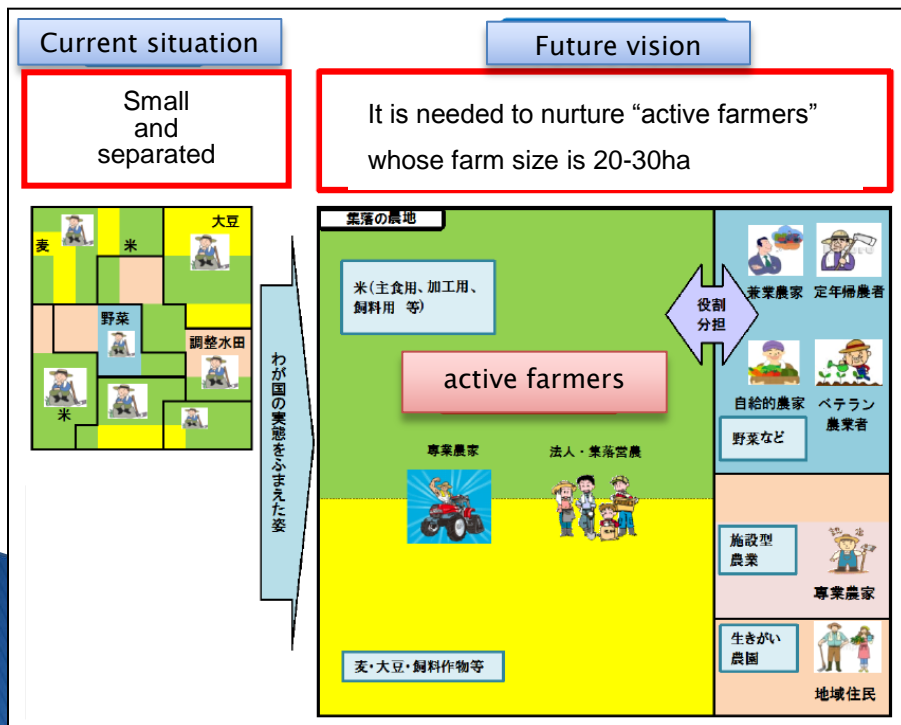
- Policy proposals to tackle challenges they are facing, which are formulated based on needs and opinions of individual young farmers all over Japan.
- Showing activities young farmers will carry out by their own.





Promotion of structural reform

- ▶ Paddy field farming in Japan is traditionally characterized by small-scale farmers and their land use.
- ▶ To promote efficient land use and thereby improve income of farmers, JA Group takes an initiative to accumulate farmland for “active farmers”, as large as 20–30ha (average size of rice producing community) together with local governments and other agricultural institutions.



| Type | Area | Ratio |
|----------|------------------|-------|
| City | 4.4 million ha | 12% |
| Plains | 5.59 million ha | 15% |
| Hills | 11.99 million ha | 32% |
| Mountain | 15.18 million ha | 41% |

Hilly and mountainous regions - 73%



Partnership with consumers

- ▶ The relationship between farmers and consumers based on constant trust must be built.

Food safety

- ➡ **-Traceability system from production to distribution stage**
- Risk communication (providing information to consumers)**
- Nuclear power free energy supply as a future challenge**

Food and agriculture education

- ➡ **Deepening local citizens' understanding on food and agriculture through education.**

Dialogue and joint activities with consumers' groups

- ➡ **-Exchange of views and promotion of mutual understanding**
- Joint action on issues of mutual concerns such as agriculture, food safety, the environment and trade policies**

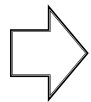




Strengthening marketing power of producers in the food chain

- ▶ Farmers need a fair return for their work and consumers need fair prices for safe and nutritious foods.
- ▶ It is necessary to look at how best to balance power within the food chain to keep producers fairly competitive with other players.

Promotion of farmers' markets



Deepening relationship between farmers and consumers through promotion of local production/consumption centered on farmers' market.



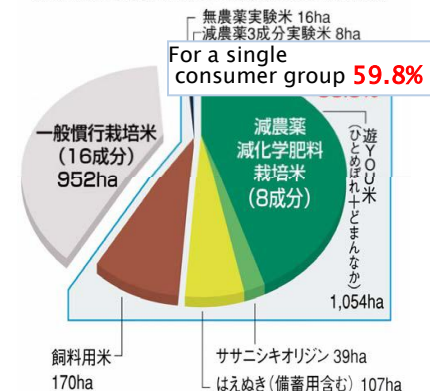
Cooperation with consumers' groups

(a case of JA Shonai Midori)



Direct sales of premium rice specially grown for a certain consumers' group

JA庄内みどり遊佐町の米作付面積 (2008年度計画)





Domestic and international cooperation among cooperatives in an emergent situation

a. Great East Japan Earthquake 2011 (Case of JA Zenchu)



Rescuing and Supporting Activities of JA Group

| | |
|-------------------------------|--|
| Food Aid | <u>Rice</u> 370 tons , <u>Vegetables</u> 600 tons , <u>Foods</u> 320,000 servings , <u>Drinks</u> 520,000 liters , <u>Soup-kitchen services</u> etc. |
| Restoration of infrastructure | <u>Volunteers</u> for recovery and restoration 10,000 person-day , <u>Dispatching Rescue team</u> such as medical experts 3,000 persons |
| Finance | “JA Group’s <u>donation</u> for Recovery and Restoration” 10 bn. Yen <u>Mutual insurance</u> for damages of houses 840 bn. Yen |

Assistance from cooperatives in foreign countries

Donation for Recovery and Restoration from Agricultural cooperatives/organizations from Philippines, Paraguay, South Korea, Chinese Taipei and Thailand
: **Approx. 184 million JPY in total**

[Letters of sympathy]

From government of / cooperatives in Korea, Thailand, Indonesia, Philippines, Vietnam, Sri Lanka, Mongolia, China, Chinese Taipei, India, New Zealand, United States, EU, Italy, France, Norway, Turkey, Paraguay, Switzerland and Canada



b. Flood in Thailand 2011 (Case of Cooperative League of Thailand)

Delivery of water and foods to flood victims



Soup kitchen service for flood victims



Supporting Activities of Cooperative League of Thailand

| | |
|--------------|---|
| Food Aid | Established “CLT Mobile Kitchen” and “Life Relief Package” to provide food and daily commodities with flood victims. |
| Consultation | Respond to cooperative members’ needs for assistance and coordination between donors and victims. |
| Finance | Financial support for flood victims through CLT Fund for Natural Disaster, contributed by the cooperative members in unaffected areas and ICA(International Co-operative Alliance) members. |

Assistance from JA Group

JA Group donated to CPD (Cooperative Promotion Department) and CLT for Recovery and Restoration from the flood disaster : **4 million JPY in total**



Trade rules that allow co-existence of various models of agriculture

- 21 farm organizations from 66 countries in Africa, the Americas, Asia and Europe, including JA-Zenchu, agreed the joint-statement on trade policy in June 2011.
- The following basic principles must be taken full consideration in any bilateral or multilateral negotiation.
 - All countries must have the right to produce for domestic consumption in order to improve self-sufficiency and ensure their food security, including the use of tariff measures
 - Trade rules must allow for policy measures, including supply management, which promote stability of food supplies and prices
 - Special and differential treatment and capacity-building for developing countries must enable them to address the real concerns of resource-poor, vulnerable and small-scale farmers
 - All countries should have the right to meet the non-trade concerns of their citizens including food safety, the environment, animal welfare and needs of rural areas so as to promote sustainable agriculture and help combat climate change and protect biodiversity

(joint-statement “**CALL FOR COHERENCE**”)



▸ **Market access**

- Adequate number of sensitive products to be treated with maximum flexibility

▸ **Domestic support**

- Encouragement of sustainable production which contributes to combating climate change and to meeting the needs of rural communities by governments

▸ **Export disciplines**

- Strengthened rules to be applied to export prohibition/restriction and export



Conclusion



Conclusion

At individual farmers, and local level :

- Active involvement of women and young farmers for agricultural production and rural development
- Stable supply of safe food
- Partnership with consumers in terms of food safety, food and agriculture education and advocacy
- Production of structure reform
- Development of technology

At national and international levels :

- Improvement of food self-sufficiency rate
- Stability and profitability of agricultural prices, particularly of staple foods
- Protection of soil, water and other important resources , to meet the current and future staple food requirements
- Appropriate legislation to strengthen the position of farmers in food chain
- Expansion of responsible agricultural investment
- Appropriate trade rules that take necessary balance between food-exporting and importing countries
- Full consideration on non-trade concerns multifunctional character of agriculture and development needs
- Collective action to eradicate poverty and hunger, combat climate change and protect diversity
- Establishment of system of food reserves at international and/or regional basis