

## CONTEXTUAL INFORMATION – JAPAN

### Main economic, land use and agricultural characteristics

GDP per capita (USD)	Population density	Agriculture in GDP	Agriculture in employment
34,131 (2008)	340/km <sup>2</sup> (2008)	1.1% (2002)	4.9% (2001)

Source: OECD

Land use (2001)	Total area	Forest area	Total agricultural area	Arable land	Grassland
000 hectares	37 780	24 621	5 199	4 445	405
% of total area	100	65	14	12	1

Source: FAO STATS – Agriculture Data, Forestry area from 1994

Japan's archipelago, with four main islands and almost 4000 small islands, stretches over 3000 km from the subarctic north to the subtropical south. Steep mountains, small plains and basins, scattered among the mountain ranges and along the coasts, dominate the landscape. Overall the climate is temperate and humid. Forests cover two-thirds of the national territory.

Agriculture in Japan is intensive and the level of livestock density to land area is extremely high. Substantial agricultural land is located in Hokkaido where dairying takes place mainly in the eastern and northern parts. Beef and pig production take place in the Kyushu, Tohoku and Kanto Tozan regions. According to MAFF criteria, less favoured areas represent 42% of total agricultural area.

Japan agriculture is dominated by small farms, the majority of which are less than 2 ha (or less than 20 ha in Hokkaido). Farmers in Japan are aging - in 2000, 29% of farmers were aged 65 years and older. The majority of farms receive income from off-farm sources.

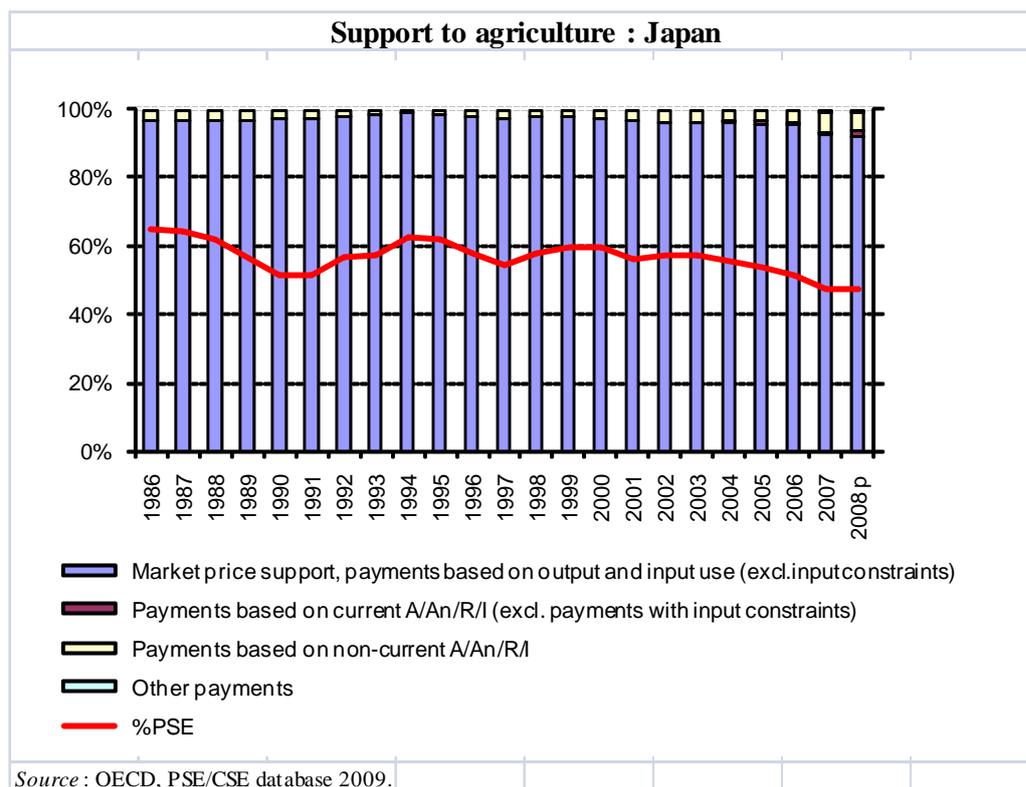
### Agricultural policies and support to agriculture

Market price support provided through tariffs and tariff rate quotas (TRQs), and payments based on output serve as the basis of agricultural policies in Japan. Tariff-rate quota systems are applied to major commodities such as rice, wheat, barley and dairy products. The Food Department within the Ministry of Agriculture, Forestry and Fisheries (MAFF) is responsible for importing rice under Japan's WTO URAA minimum-access commitment.

The new Basic Law for Food, Agriculture and Rural Areas in 2000 initiated a movement from price support to direct payments. The administered price for rice was abolished in 2004 and administered prices for wheat, barley, sugar beet, sugar cane and starch potatoes in 2007. However, administered prices are still set for pig meat, beef and calves. Following this movement, direct payments for core (potentially viable)

farmers were introduced from 2007. They are targeted to certain core farmers and intended to accelerate the structural improvement of agriculture by increasing average farm size.

Budgetary support is provided mainly towards infrastructure needs, such as irrigation and drainage facilities and the readjustment of agricultural land. Prefecture and local governments provide infrastructure and extension services. Agri-environment programmes include measures to encourage farmers to adopt sustainable agricultural practices that reduce fertiliser and pesticide usage as well as direct payments to environmentally friendly farming. Direct payments to farmers in hilly and mountainous areas aim to prevent the abandonment of agricultural land and to maintain the multifunctional character of agriculture.



### Agri-environmental policies

The main agri-environmental concerns in Japan relate to the maintenance of land ecosystem functions and the preservation of landscapes. Fertiliser and pesticide application levels in Japan are higher than in almost all other OECD countries. Although the linkage between eutrophication of some water resources and intensive livestock farming has not yet been clarified, it has occasionally been mentioned.

The Basic Law on the Environment and the Basic Environment Plans (2008-) are the fundamental policies for sectoral responses to the environment.

Japan relies both on regulatory requirements and financial incentives to reduce the adverse environmental effects of agriculture. Regulatory requirements of the Water Pollution Control Law establish upper limits for discharges of pollution for specified livestock farming facilities, except small-scale pig and cattle units. In 1999 regulatory standards for manure management were established under the law concerning *Appropriate Treatment and Promotion of Utilisation of Livestock Manure*. National and local governments finance facilities that recycle farm waste, such as manure, and in some cases set targets to reduce farm nutrient pollution of water.

Budgetary outlays on agri-environmental programmes have increased since the 1990s. These programmes include financial support for farmers' groups introducing environmentally friendly farming practices that reduce excessive use of fertiliser and pesticides. Support is also provided to local governments to set up agricultural facilities for recycling. Direct payment to farmers in hilly and mountainous areas aims to maintain farming activities in these areas, thereby securing the associated environmental benefits, and maintaining land ecosystem functions *e.g.* providing wildlife habitat, recharging groundwater and mitigating flood.

Under the Agricultural Improvement Fund, introduced in 1999, Japan provides concessionary loans and tax relief to farmers for capital expenditure promoting environmentally sustainable farming. Supported projects, administered by prefecture authorities, include the purchase of agricultural machinery, *e.g.* compost spreaders, and infrastructure improvements, *e.g.* manure storage facilities.

The *Biomass Nippon Strategy* (2006) establishes a set of programmes aimed at recycling more than 80% of biomass waste (which includes livestock manure) and utilisation of more than 25% of unused biomass (carbon equivalent terms) by 2010. The development of social structures, such as water user associations involves all stakeholders, not just farmers, in addressing environmental issues, and is being strengthened through the 2005 *Basic Plan for Food, Agriculture and Rural Areas*, which also aims to further advance environmental objectives in agricultural policies.

#### **Key information sources**

Ministry of Agriculture, Forestry and Fisheries of Japan (English): <http://www.maff.go.jp/e/index.html>

Abstract of Statistics on Agriculture, Forestry and Fisheries in Japan <http://www.maff.go.jp/toukei/abstract/index.htm>