

Japan's Public Stockholding Program -Rice-

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June 23, 2016

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Today's Topic

- Situation of Rice in Japan
- Public Stockholding of Rice
- Stable Supply of Foods

1. Position of rice in our country

○ **Production of rice in Japan (rice farming and paddy field) is essential for food security, diet, agriculture/farm village, land/environment, etc. It is also closely related to history/culture of Japanese people.**

○ Importance of rice in our country

- Staple food of the people and basis of food culture
- Core of agricultural production and rural economy
[20% of agricultural output (approximately JPY8.5 trillions) is with rice. More than half of cultivated land is paddy field. 70% of farms (approximately 1.4 millions farms) are farming rice]
- Multiple functions of rice farming and paddy field
[National land conservation, recharge of water resources, natural environment conservation, good scenery constitution, transmission of culture, etc.]
- Close relationship with history and culture of Japanese people [With start of rice farming, society (Mura)/nation (Kuni) were built. Group works for rice farming is a basis of Japanese organization culture]

○ Change of supply and demand of rice in our country

- Per capita consumption of rice a year (milled rice):
118kg (1962 (at highest))
→ 55.2kg (2014)
- Demand of rice (Domestic consumption volume) (brown rice):
13,410,000 tons (1963 (at highest))
→ 8,792,000 tons (2011)
- Production of Japanese rice (brown rice):
14,453,000 tons (1967 (at highest))
→ 8,628,000 tons (2014)

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2. Supply and Demand Situation

- **Rice production in Japan is about 8.4million tons.**
- **Rice consumption in Japan is about 8.7 million tons.**

(Unit: thousand ton, billion yen, thousand household)

Fiscal Year		FY2011	FY2012	FY2013	FY2014	FY2015
Domestic Production	Amount	8,402	8,523	8,607	8,439	7,989
	Value	1,850	2,029	1,781	1,434	n.a.
Import	Amount	740	650	643	658	667
	Value	46	41	43	52	57
Domestic Consumption		9,018	8,667	8,697	8,792	n.a.
Export	Amount	20	50	25	33	42
	Value	1	3	2	3	4
Number of farms		1,157	1,057	1,026	996	n.a.

(c.f.)

	FY1972	FY1982	FY1992	FY2002	FY2012	FY2014
Consumption per person(kg)	91.5	76.4	69.7	62.7	56.3	55.2

Source: Food Balance Sheet, Paddy and Upland Rice Crop Area and Harvest Volume, Statistics on Agricultural Income Produced, Japanese rice situation, Agricultural Management Entities (MAFF), Trade Statistics (MOF).

Note: Value of Domestic Production and Domestic Consumption and Number of farms in FY2015 are not yet available.

Domestic Production and Export and Number of farms are in calendar year basis.

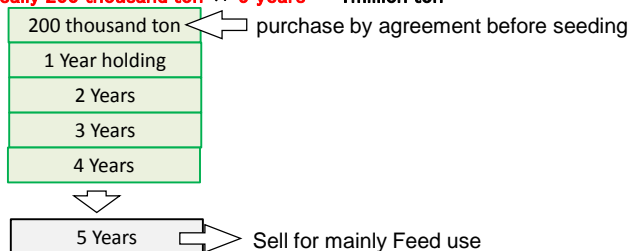
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3. The Operation of Public Stockholding of Rice

- MAFF operates public stockholding of rice, targeting 1 million tons as a guide, against a possible shortage of supply.
The stockholding level is to cover with domestic rice in case the yield down to 92 % from normal year or the case the yield down to 94 % from normal year in two consecutive years.
- On purpose that the public stockholding is not to affect on supply and demand of the domestic market, public stockholding rice will keep put on hold and will not to sell for table rice in normal situation.
- In normal situation, MAFF purchase Public Stockholding rice about 200 thousand tons before seeding every year. They are sold for mainly feed use after 5 years put on hold stockholding.

Basic Operation of Public Stockholding of Rice

Basically 200 thousand ton × 5 years → 1million ton



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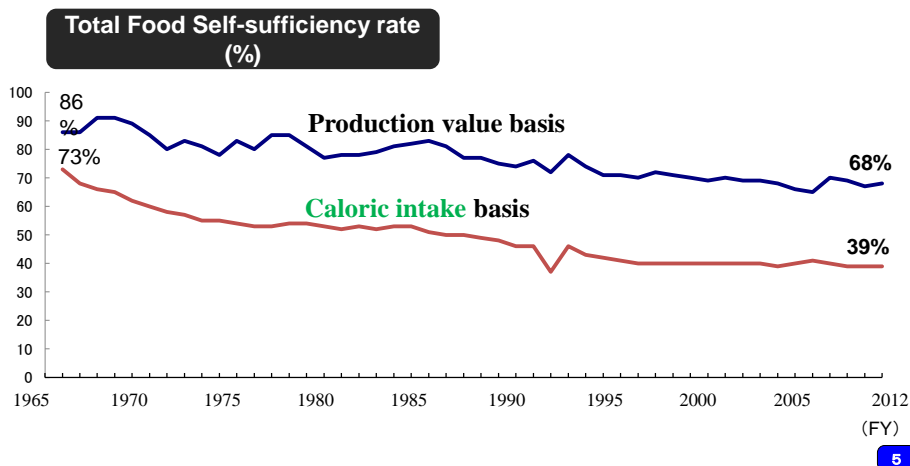
4. Fundamental Process of Public Stockholding Rice Release

1. Based on information on rice (Regular Survey) , in case that supply of rice to consumer will be supposed to have possibility of hindrance to stable rice supply, emergent survey will be conducted.
2. As a result of the survey, if domestic rice production is below demand and if there is possibility that private stockholding at the end of June of next year will be below the normal level of private stockholding and also if the release of public stockholding rice will not be conducted, Food section meeting will be held.
3. At the Food Section Meeting, with regard to release of stockholding of rice, discussion in comprehensive perspective will be made on harvest, distribution, stock, market condition, trend of consume, price and price movement of overall goods, etc.
4. Taking into account of the discussion in the Food Section Meeting, Minister of Agriculture, Forestry and Fisheries will decide the release of public stockholding of rice.

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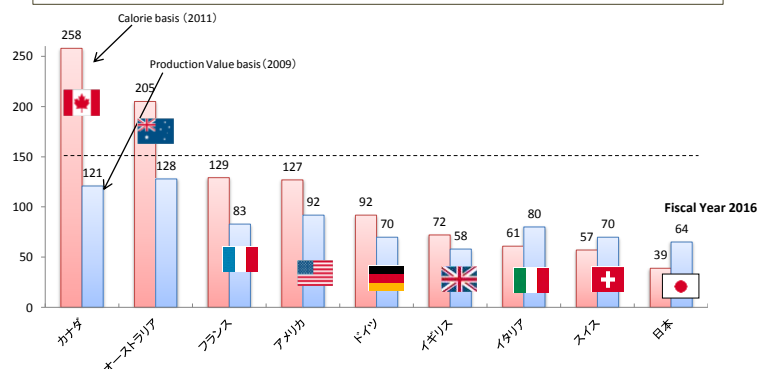
5. Changes of Food Self-sufficiency Ratio since 1965

○ Japan's food self-sufficiency ratio in 2012 is 39% on calorie supply basis and 68% on production value basis - the lowest level in the developed countries.



Comparison of Food Self-sufficiency Ratio between Japan and other countries

○ While food sufficiency ratio of major exporting countries such as Canada, Australia, France and U.S. are beyond 100%, Japan's food sufficiency ratio is the lowest level in major developed countries.



資料：農林水産省「食料需給表」、FAO「Food Balance Sheets」等を基に農林水産省で試算。（アルコール類等は含まない）
 注1：数値は暦年（日本のみ年度）。スイス及びイギリス（生産額ベース）については、各政府の公表値を掲載。
 注2：畜産物及び加工品については、輸入飼料及び輸入原料を考慮して計算。

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6. Stable Supply = Domestic Production + Import + Stockholding

○ Taken into account of the fact that there are unstable factors in the world food trade and supply & demand, Japan pursues to secure food supply to Japanese people with increase of domestic agricultural production as a basis, together with an appropriate combination with imports and stockpiles.

