

COVID-19 Measures for Agricultural, Forestry, and Fishery Industries



July 21, 2021
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Japan's Approach

- Basic Policy for COVID-19 measures
- Short-term Measures
- Medium- to Long-term Measures



Basic Policy

Measure objectives

- Infection control measures intended to bring a quicker end to outbreaks while also slowing the increasing number of infections as much as possible and reducing the scale of outbreaks.
- Take every possible action to minimize the number of severe cases.
- Minimize the socioeconomic impact.

Short-term Measures for Agricultural, Forestry, and Fishery Industries

- Increase productivity to prepare for increased exports
- Support diversification of distribution channels for agricultural, forestry, and fishery products (especially through separate measures to increase demand in products that experience large fluctuations [decreases] in demand)
- Implement labor shortage measures
- Provide essential business continuity support for agricultural, forestry, and fishery entities impacted by COVID-19

* For the budget, there may only be a first supplementary budget or a second supplementary budget. See the Ministry of Agriculture, Forestry and Fisheries website for details.

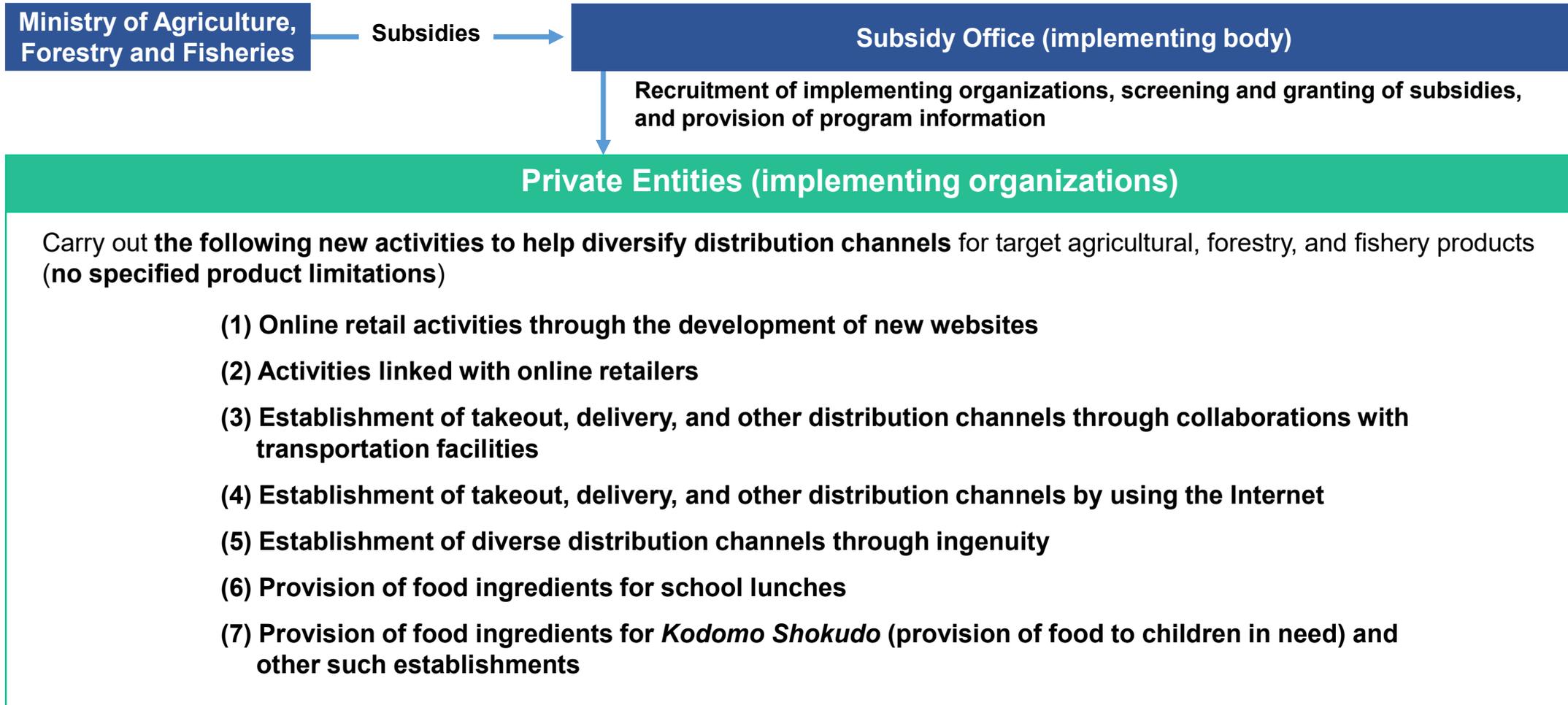
Short-term Measures

Demand fluctuation measures

- Subsidize food ingredient costs, shipping costs, advertising costs, and other costs related to sales promotion and distribution channel diversification activities that are suited to new ways of life for agricultural, forestry, and fishery entities and processors who have lost their distribution channels during the COVID-19 pandemic (across all products)
- To boost consumption, support activities such as proposing and popularizing new decoration styles to increase and establish the use of products at home and in the workplace and support activities to promote local strategic products (flowers)
- Support activities that promote the sale and use of agricultural, forestry, and fishery products that have been affected by the increased stock levels and reduced inventory turnover resulting from a drop in demand from inbound tourism and food services and a slowdown in exports (beef and fishery products)

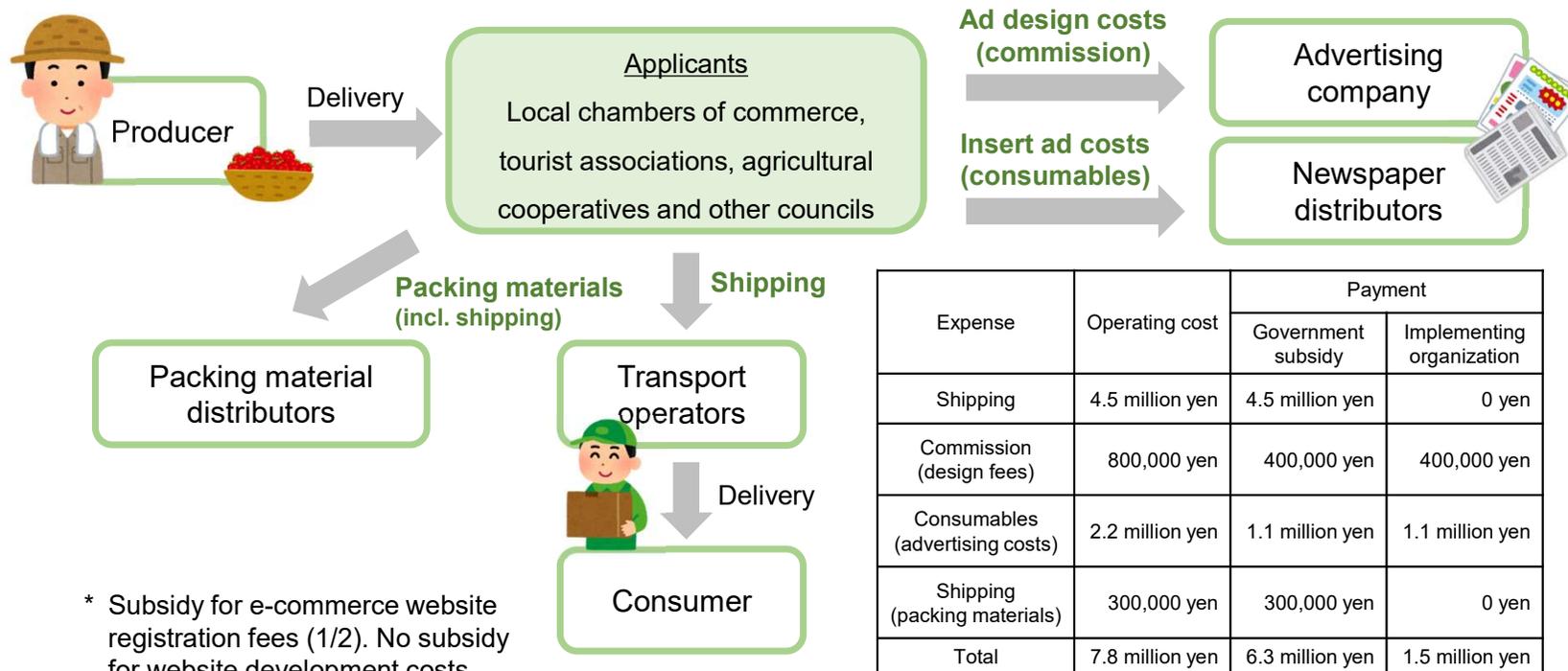


Emergency Program for the Diversification of Distribution Channels



Example Activities: (1) Online retail activities through development of new websites

For strawberries and other products offered by agricultural tourism facilities that suffered a drop in consumption due to the COVID-19 pandemic, activities to expand distribution channels by **launching new English language websites** for foreign residents in Japan.



* Subsidy for e-commerce website registration fees (1/2). No subsidy for website development costs.

Promotion of Online Distribution

(JA ZEN-NOH Niigata, JA ZEN-NOH Ishikawa, and JA Fukui Keizairen)

- JA ZEN-NOH Niigata, JA ZEN-NOH Ishikawa, and JA Fukui Keizairen promote sales by using a program to promote online retail that subsidizes shipping costs for activities using various private sales channels as part of a national emergency program to promote distribution across products. This initiative targets products such as beef, flowers, and fruit produced in prefectures that have experienced a considerable drop in inventory turnover, prices, and sales due to reduced inbound tourism and stagnant exports as a result of the COVID-19 pandemic.

Example Activities

JA ZEN-NOH Niigata



- ◆ Flowers (lilies) (JA Town: Hello!! ZEN-NOH Niigata)
Project focused on selling the queen of flowers, Casablanca lilies (Tokamachi brand: Yukihanabi), which is a specialty product of Niigata Prefecture, and other flowers such as sunflowers and carnations. Products other than flowers, such as melons, are also sold under this project.
- ◆ Niigata Wagyu Beef
Project focused on selling Japanese black beef with grade A3 or higher or B3 or higher for a carcass trading standard from cattle fed in Niigata Prefecture.

JA ZEN-NOH Ishikawa



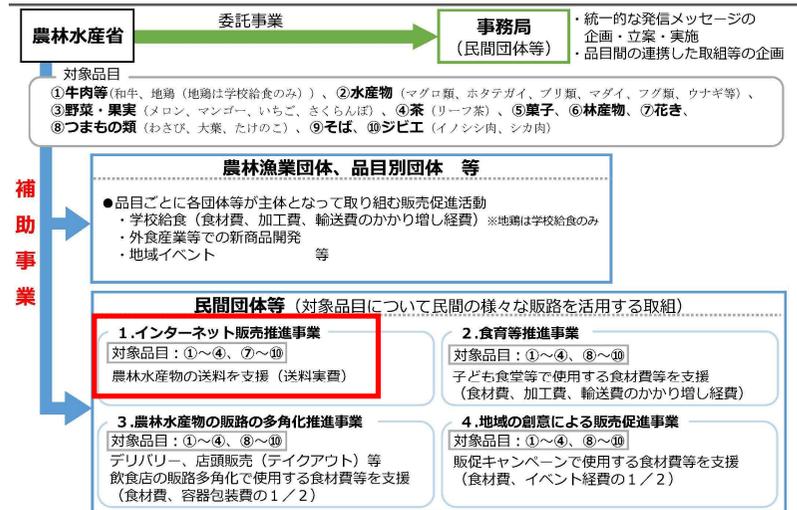
- ◆ Noto Beef (JA Town: Kaga Noto Ajijiman)
Project focused on selling Japanese black beef with grade A3 or higher or B3 or higher for a carcass trading standard from cattle fed in Ishikawa Prefecture.

JA Fukui Keizairen



- ◆ Wakasa Beef (JA Town: Echizen Wakasa Ajiroman)
Project focused on selling Japanese black beef with grade 4 or higher for a marbling standard and grade 3 or higher for a carcass trading standard from cattle fed in Fukui Prefecture.

国産農林水産物等販売促進緊急対策の全体像



Consumers, producers, and businesses:
Start of a project where everyone works
together to strengthen Japan.

Special website for emergency measures aimed at promoting the sale of domestic agricultural, forestry, and fishery products



Flower Support Measures (Implementation of the Japan Flower Improvement Project)

(Finalized FY2021 supplementary budget calculation: 728 million yen)

Objective

Aimed at responding to changes in the demand structure and increasing consumption of domestic flowers, these measures support **activities for proposing and popularizing new decoration styles and digitizing cultivation management and purchase history** in order to increase and establish the use of flowers at home and in the workplace and support activities such as local strategic product initiatives in which flower producers carry out coordinated efforts.

Program target

Increase flower production (from 368.7 billion yen in 2017 to 450 billion yen in 2030)

Program Details	Program Vision
<p>1. Support activities that accommodate changes in the domestic flower demand structure</p> <p>(1) Increase and establish the use of flowers in daily life at home and in the workplace Support proposals, popularization, and testing of new decoration styles aimed at increasing and establishing their use at home and in the workplace in order to increase flower consumption to accommodate social structure changes, including new lifestyles.</p> <p>(2) Build a production framework to support increased demand Subsidize the costs needed for various aspects of testing, such as adopting new products or varieties linked to demand and acquiring cultivation techniques, to build a production framework that has been adapted to changes in the demand structure.</p> <p>(3) Streamline distribution to support increased demand Subsidize the costs needed to facilitate cold chain development and test the digitization of information communication (in which upstream and downstream information is linked) to build a production framework that has been adapted to changes in the demand structure.</p> <p>2. Support activities such as local strategic product initiatives For domestic flowers with regionally diverse production and demand, subsidize the costs required to conduct activities for resolving problems at all stages of the process, from production to distribution and consumption increases, through the cooperative efforts of the whole flower industry as well as the costs associated with testing technologies that can potentially achieve the dramatic boost in productivity that is needed to compete with future flower imports.</p> <p>Process</p> <div style="display: flex; align-items: center; justify-content: center;"> <div style="border: 1px solid black; padding: 5px; margin-right: 20px;">National government</div> <div style="margin-right: 20px;">→</div> <div style="border: 1px solid black; padding: 5px;">Private entities</div> </div> <p style="text-align: center; margin-top: 5px;">Fixed amount</p>	<p>Change in the demand structure through new lifestyles</p> <ul style="list-style-type: none"> ➤ Change in the way weddings, funerals, and other life events are held ➤ Increase in time spent at home through remote working and video conferences ➤ Increase in online transactions and subscription-based flower purchasing <p style="text-align: center; color: red; font-weight: bold;">↓</p> <p>1. Support for activities that accommodate changes in the domestic flower demand structure (Increased flower consumption through new lifestyles)</p> <div style="display: flex; justify-content: space-around; text-align: center;"> <div style="width: 30%;"> <p>Production</p>  <p>Add new products and varieties</p> </div> <div style="width: 30%;"> <p>Distribution</p>  <p>Digitize information transmission</p> </div> <div style="width: 30%;"> <p>Retail</p>  <p>New decoration style proposals, popularization, and testing</p> </div> </div> <p>2. Support activities such as local strategic product initiatives (Increase production and consumption of strategic products)</p> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 20px;"> <div style="background-color: #4CAF50; color: white; padding: 10px; border-radius: 10px;">Production</div> <div style="background-color: #2196F3; color: white; padding: 10px; border-radius: 10px;">Distribution</div> <div style="background-color: #FFC107; color: white; padding: 10px; border-radius: 10px;">Sales</div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="background-color: #4CAF50; color: white; padding: 5px; font-size: 8px;">Switch to more workable and marketable varieties and test power-saving production technologies</div> <div style="background-color: #8BC34A; color: white; padding: 5px; font-size: 8px;">Test reductions in distribution costs and waste with new scale</div> <div style="background-color: #FFC107; color: white; padding: 5px; font-size: 8px;">Test distribution channel development and conduct activities to educate the younger generation of future flower consumers</div> </div> <div style="border-left: 5px solid blue; border-right: 5px solid blue; height: 150px; margin-top: 20px; position: relative;"> <div style="position: absolute; right: -10px; top: 50%; transform: translateY(-50%); white-space: nowrap; font-weight: bold;">Make flower production a growth industry</div> </div>

Inquiries: Horticultural Crop Division, Production Bureau (03-6738-6162)

Project to Standardize the Supply of Specified Fishery Products (Emergency COVID-19 Measure)

Source: Ministry of Agriculture, Forestry and Fisheries (FY2020 supplementary budget: 3.195 billion yen)

Objective

Subsidize the **purchase funds, storage costs, and transport costs** of fishery operator groups and others who **purchase and store in a cold storage warehouse (i.e., store for market adjustment)** fish oversupplies **resulting from the COVID-19 pandemic**.

Program target

Halt the drop in fishery product prices caused by the COVID-19 pandemic

Program Details

(1) Subsidize purchase funds

For fishery products affected by the COVID-19 pandemic (e.g., products that have experienced a fall in demand or transaction price due to slow exports or difficulties adjusting production), **fishery operator groups that take out loans from financial institutions to acquire the funds required to purchase and store their products are eligible for a subsidy equal to the amount of interest (to make them no-interest loans)**.

*Fishery operator groups: Zengyoren, Zensui Kakoren, prefectural groups, etc.

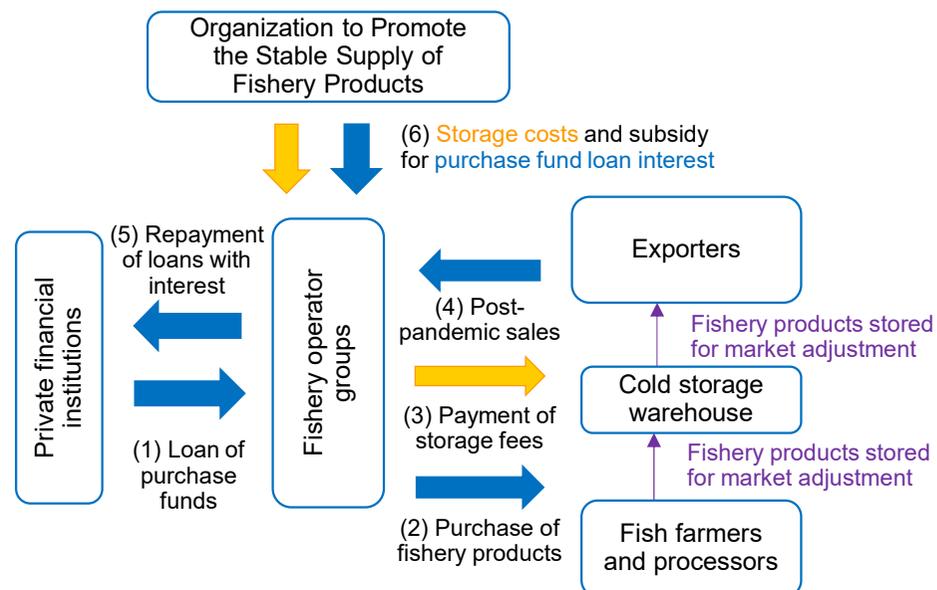
(2) Subsidize expenses associated with storage for market adjustment

Subsidize the **storage costs, deposit and retrieval costs, processing costs, and transport costs needed to facilitate storage for market adjustment** in the period following the end of the COVID-19 pandemic until the stored fishery products can be gradually released.

Process



Program Scheme



Inquiries: Fisheries Processing Industries and Marketing Division, Fisheries Agency (03-6744-2350)

Short-term Measures

Measures to help reduce labor shortages

- Support agricultural management entities that are experiencing disruptions to their farm work (i.e., management entities suffering from labor shortages) so that they can acquire industry-ready workers with farm work experience and workers from other industries as substitute workers
- Support training organizations in carrying out training for substitute workers engaged in farm work

26 Emergency Support Project to Secure an Agricultural Labor Force Source: Ministry of Agriculture, Forestry and Fisheries (FY2020 third supplementary budget: 1.530 billion yen)

Objective

Subsidize the increased expenses required by management entities suffering labor shortages due to the COVID-19 pandemic to allow them to hire substitute workers. Also, support the development of a woman friendly environment in order to promote the engagement of women who will help sustain agricultural production in the future.

Program target

Reduce labor shortages in agriculture caused by the COVID-19 pandemic, maintain agricultural production, and promote engagement by women who will help sustain agricultural production in the future.

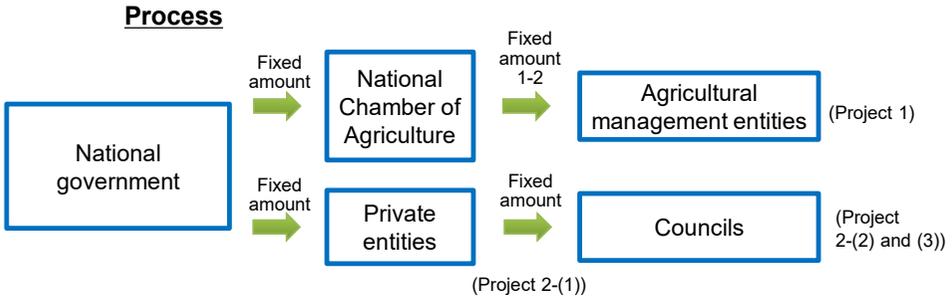
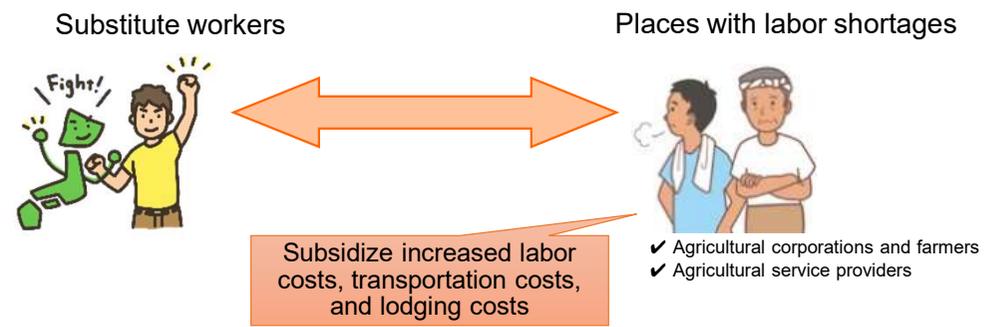
Overall scheme of the project

1. Measures to secure an agricultural labor force

Subsidize the increased labor costs, transportation costs, and lodging costs required by management entities suffering from labor shortages due to the COVID-19 pandemic to allow them to hire substitute workers.
(Project duration extended to the end of March 2021)

2. Measures to promote the engagement of women in the workforce

- To promote engagement of women in agriculture and rural area labor:
- (1) Support the development of a framework for accepting women at agricultural workshops and training
 - (2) Support networking and activities of women in the community
 - (3) Support the development of an environment in which local women can work



<p>Development of a framework for accepting women at agricultural workshops and training</p> <p>Share expertise in accepting women who want to work in agriculture with agricultural corporations and farmers that run workshops and training</p> <ul style="list-style-type: none"> - Prepare a manual - Hold workshops that use the manual - Etc. 	<p>Support for networking and activities of women in the community</p> <p>In communities, support the establishment of women's groups and support the groups' activities and training sessions</p>	<p>Development of an environment in which local women can work</p> <p>Secure childcare spaces, separate toilets for men and women, changing rooms and other facilities in the community through simple renovations or leasing.</p>
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Inquiries: Project 1 - Young Farmers and Women Division, Management Improvement Bureau (03-3502-6469)
Project 2 - Young Farmers and Women Division (03-3502-6600)

#CoronaTenshokuProject

(Agricultural Administration Division, Toyama City, Toyama Prefecture)

Source: Ministry of Agriculture, Forestry and Fisheries

Impact of COVID-19

- Measures were introduced to encouraging the hiring of workers who became unemployed due to the COVID-19 pandemic.
- The city provides a matching service to support workers seeking outdoor employment in agriculture where it is easy to avoid the three Cs (closed spaces, crowded places and close-contact settings), secure workers for the agricultural, forestry, and fishery industries to offset their labor shortages, and revitalize those industries.

Project details and effects

- ◆ In late April, questionnaires on ideal workers and employment conditions were distributed to about 200 groups and corporations involved in the city's agricultural, forestry, and fishery industries. The responses were compiled and recruitment information for corporations and other organizations was posted on the city website from April 30 when requested. Recruitment information for full-time and part-time workers was posted, and recruitment information for 40 part-time rice collection workers has been added recently. When job seekers inquire with the municipal Agricultural Administration Division, the city passes their information on to the corporations.
- ◆ As of July 6, matching has been established with one full-time worker and 81 part-time workers.

Future prospects

- ◆ The city will continue to accept recruitment information and work to revitalize the agricultural, forestry, and fishery industries while establishing as many matches as possible.



Short-term Measures

Main support measures for management continuity

- Provide grants to producers who are experiencing significant price reductions to help mitigate the impact on the management of vegetable farms
- Provide safety net loans for agricultural, forestry, and fishery entities and other funds required for management and reconstruction that incur virtually zero interest and require no collateral
- Carry out measures aimed at slowing the spread of COVID-19 and subsidize agricultural, forestry, and fishery entities that add new machinery and facilities to restore or open distribution channels or to maintain or change their lines of business while also working to reduce labor shortages

Financial Support Program for COVID-19 Measures

Source: Ministry of Agriculture, Forestry and Fisheries
(FY2020 second supplementary budget: 15.818 billion yen)

Objective
Subsidize interest on loans (financing limit: 235 billion yen) to facilitate the borrowing of funds by farmers affected by the COVID-19 pandemic.

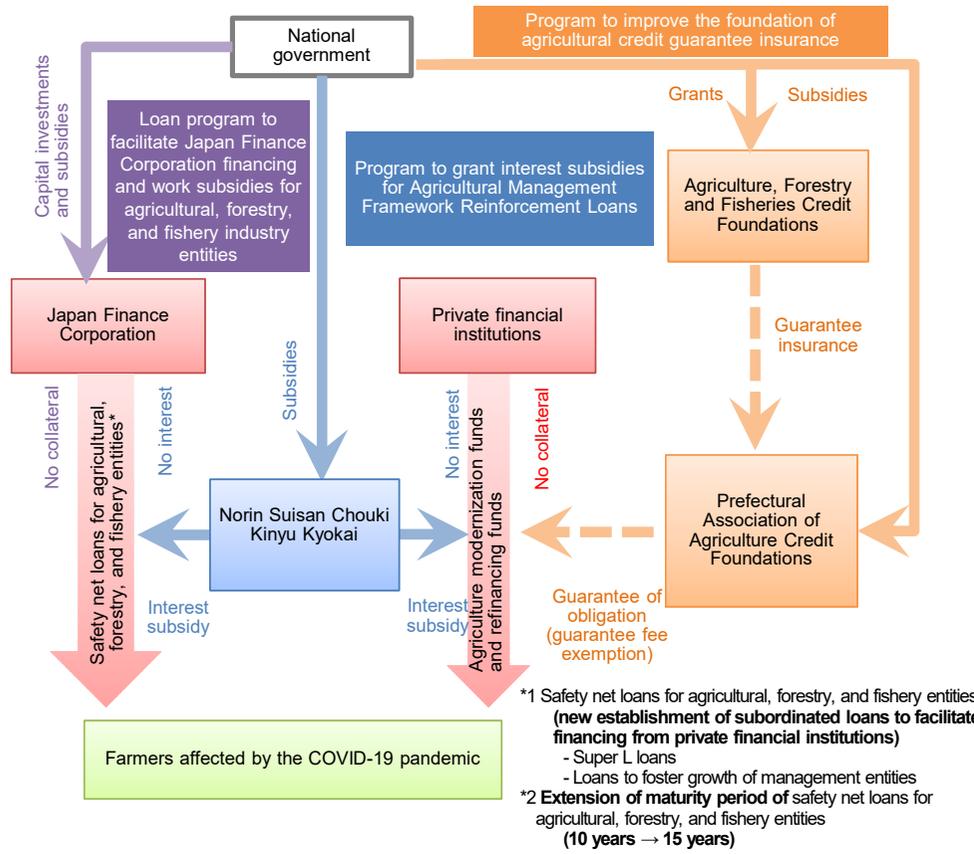
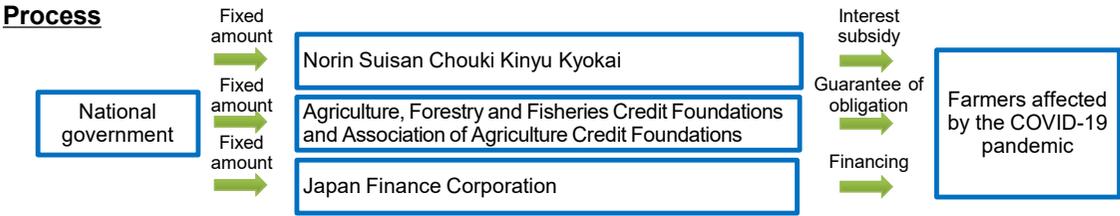
Program target
Facilitate financing for farmers affected by the COVID-19 pandemic

Program Details	Program Scheme
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1. **Program to grant interest subsidies for Agricultural Management Framework Reinforcement Loans** 1.396 billion yen
 - Essentially eliminate interest for the first 5 years on loans from the Japan Finance Corporation, etc., for the financing of agricultural entities whose management has been affected by the COVID-19 pandemic.

No interest limit: Japan Finance Corporation financing = 450 billion yen → 660 billion yen (addition 210 billion yen) (e.g., safety net loans for agricultural, forestry, and fishery entities)
Private financing (e.g., financing for modernization of agriculture) = 50 billion yen → 75 billion yen (addition 25 billion yen)
2. **Loan program to facilitate Japan Finance Corporation financing** 11.9 billion yen
 - Provide the Japan Finance Corporation with the capital required to provide **unsecured loans** to agricultural entities whose management has been affected by the COVID-19 pandemic.
 - [No collateral limit: Japan Finance Corporation financing 270 billion yen → 480 billion yen (addition 210 billion yen)]**
3. **Program to improve the foundation of agricultural credit guarantee insurance** 1.973 billion yen
 - For the borrowing of agriculture modernization funds and other funds needed for the financing of agricultural entities whose management has been affected by the COVID-19 pandemic, support the provision of **guarantees of obligation with essentially no collateral and exemption from guarantee fees for the first 5 years of insurance provided by the Association of Agriculture Credit Foundations.**
 - [No collateral limit: Private financing = 50 billion yen → 75 billion yen (additional 25 billion yen)]**
4. **Work subsidies for agricultural, forestry, and fishery entities** 550 million yen
 - Grant funds to the Japan Finance Corporation for the expenses needed to facilitate the provision of loans to agricultural, forestry, and fishery entities whose financing has been affected by the COVID-19 pandemic.

Japan Finance Corporation financing related to commission fees for agricultural cooperatives (agricultural, forestry, and fisheries) = 286 billion yen → 630 billion yen (additional 344 billion yen)



Inquiries: Finance Division, Management Improvement Bureau (03-3501-3726)

23 Subsidies for Management Continuity

Source: Ministry of Agriculture, Forestry and Fisheries
(FY2020 third supplementary budget: 57.074 billion yen)

Objective

To overcome the impact of the COVID-19 pandemic, **implement measures to slow the spread of infections and provide comprehensive support to entities that add new machinery and facilities to restore or open distribution channels or to maintain or change their lines of business while also working to reduce labor shortages**, thereby facilitating **management continuity for agricultural, forestry, and fishery entities** (related to second recruitment).

Program target

Facilitate management continuity for agricultural, forestry, and fishery entities (at least 80% of such entities to experience an increase in profits or sales by the fiscal year after the end of the program)

Program Details

1. Eligibility

Agricultural, forestry, and fishery entities (individuals or corporations) *With 20 or fewer full-time employees

2. Target activities and subsidization rate

(1) **Activities intended to facilitate management continuity** (including one activity from i to iii below) with accompaniment support provided during the entire process, from planning through to application and implementation, by support organizations such as agricultural cooperatives, forestry cooperatives, or fishery cooperatives
Subsidization rate: 3/4 (upper limit: 1 million yen)

- Restore or open domestic and international distribution channels
- Establish and/or switch production or distribution methods for business continuity or recovery
- Promote smooth consensus building

* It is necessary to subsidize at least 1/6 of the respective expenses for switching to production or distribution that reduces contact or for building business continuity systems to handle infections in line with industry-specific guidelines

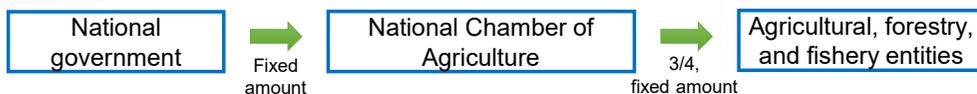
(2) Infection control measures taken in line with industry-specific guidelines for the full-scale implementation of business activities
Subsidization rate: Fixed amount (subsidy for (1) above is the upper limit; up to a maximum of 500,000 yen)

3. Important points

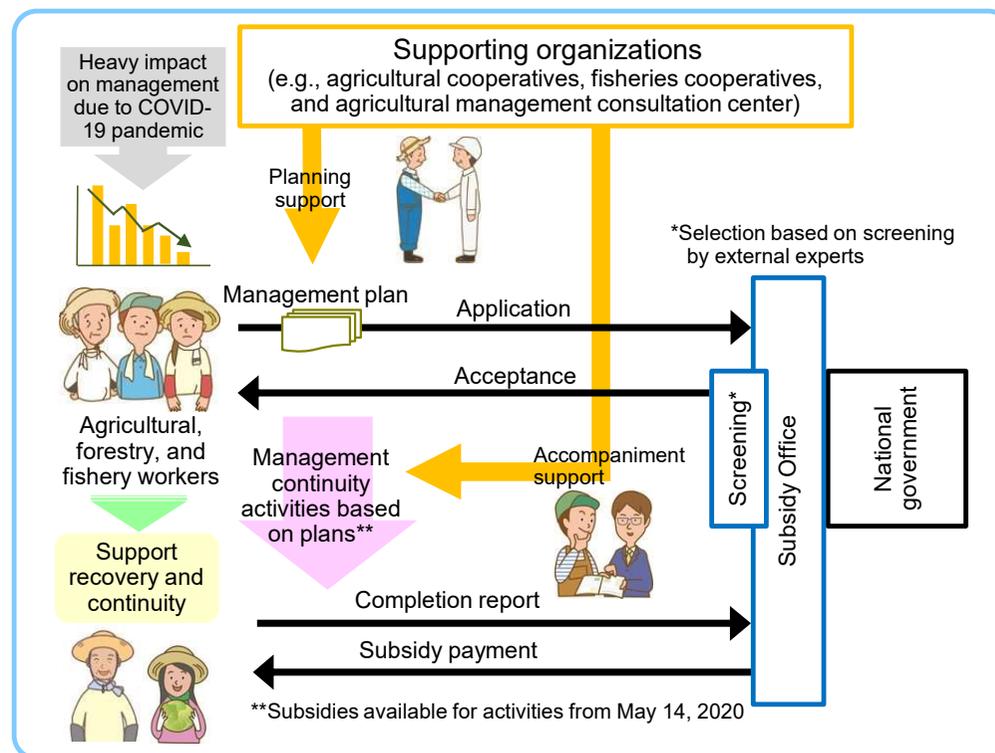
This program **does not provide benefits**. It only subsidizes certain actions, so **business operators are still required to pay a certain amount**. For example, business operators who receive both (1) at 1 million yen and (2) at 500,000 yen for a **maximum subsidy of 1.5 million yen must still pay about 330,000 yen themselves**.

(For joint applications, business operators must **pay about 3.3 million yen** for a **maximum subsidy of 15 million yen**)

Process



Program Scheme



Inquiries: Agricultural Business Policy Division, Management Improvement Bureau (03-6744-0576)

Development of Region-Specific Agriculture And Livestock Industry Business Continuity Manuals Linked to Related Organizations

Source: Ministry of Agriculture, Forestry and Fisheries

Tokamachi Agriculture Promotion Association; Office: Niigata Tokamachi Development Bureau (Tokamachi, Niigata; Tsunanmachi)
 Inspections: Permitted (with consultation); Press: Permitted (with consultation)

Impact of COVID-19

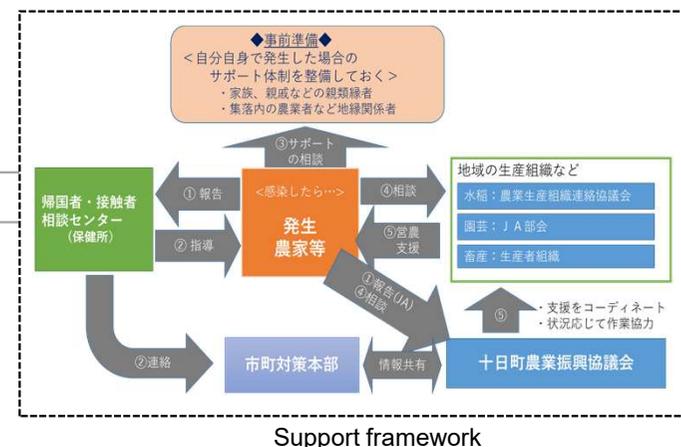
- On March 13, the Ministry of Agriculture, Forestry and Fisheries created and published response and business continuity guidelines for use in the event of COVID-19 infections and recognized the need for an industry-wide response among agriculture-related organizations.
- Given that the medical care system in Tokamachi region is less developed than urban systems, there is great concern about how farmers and livestock raisers will be able to continue in business in the event of infections.

Project details and effects

- ◆ In an effort to prevent COVID-19 infections completely, the Tokamachi Agriculture Promotion Association* collaborated with various public health centers and medical institutions to create its own Agriculture and Livestock Industry Business Continuity Manual on April 22 in line with local infection prevention measures.
- ◆ With an emphasis on the importance of business operators taking action on their own, the manual describes the relevant procedures and provides detailed flow charts on sanitizing the production facilities and ensuring work continuity in the event of a positive case. The manual was written with a focus on the business operators' perspective following the gathering of opinions from JA chapters.
- ◆ The new manual (simple version) is to be distributed to all farmers, and separate response manuals for related organizations and emergency contact manuals are also to be formulated.
- ◆ The actions and procedures to be undertaken by farmers and related organizations in the event of infections are to be shared.

Future prospects

- ◆ No positive COVID-19 cases have been reported in the Tokamachi region, but the support system has been maintained and actions undertaken to prevent and respond to cases.
 *Tokamachi Agriculture Promotion Association members (Tokamachi City, Tsunanmachi, JA Tokamachi, TS Tsunanmachi, Nosai Niigata, and Niigata Tokamachi Development Bureau)



Basic Policy for Medium- to Long-term Measures

Comprehensive economic measures intended to provide the safety and hopes required to protect citizens' lives and livelihoods (December 8, 2020)

Address Japanese vulnerabilities that have come into sharp relief during the COVID-19 crisis, such as the country lagging behind significantly in terms of digitization both nationally and regionally, having an excessive concentration of people and industry in the Tokyo Metropolitan area, and employing a supply chain that is highly concentrated in overseas production bases.

Realize a green society that generates a virtuous cycle between the environment and the economy, implement internal reforms through the rebuilding of the SME businesses that prop up Japan's economic foundation, ensure a smooth transition of labor that can cross industry and professional boundaries, and build an environment that generates discontinuous innovation.

Medium- to Long-term Measures

Approach for medium- to long-term measures

- The COVID-19 pandemic revealed an overconcentration of people and economic activities in large cities and the presence of regional disparities.
- Certain businesses are more vulnerable to unanticipated developments during an outbreak or large-scale disaster.



- With the popularization and establishment of new work styles (e.g., remote work and side businesses), the number of people considering moving or returning to rural areas is increasing, especially among the younger generations.



Major turning point for the creation of a sustainable, low-density society

Building of New Rural Policies to Accelerate Moves to Rural Areas and Achieve Sustainable, Low-density Communities (Overview)

Developing a concrete basic plan for food, agriculture, and rural areas in 2020

June 2021
Review meeting on optimal new rural policies
Review meeting on optimal long-term land use

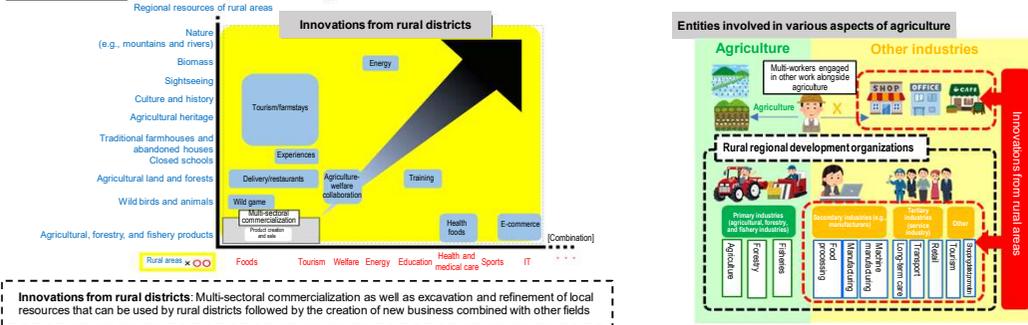
Background

- **Impact of COVID-19** ○ **Excessive concentration** of people and economic activities **in large cities** ○ **New work styles** (e.g., remote work and side businesses) ○ Acceleration of **return to rural areas** ○ **Declining birthrate as well as graying and shrinking population** ○ Re-evaluation of the **value and appeal** of rural areas ○ Sustainable **low-density communities** ○ **Dispersion of people** from cities to rural towns ○ Contribution to **sustainable national land conservation** that is resilient to natural disasters, **green food system strategy**, **carbon neutrality by 2050**, and **SDGs**

Direction for future measures

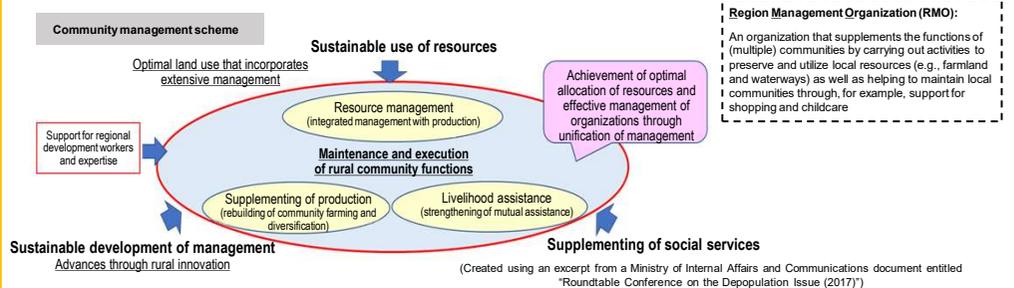
Job creation measures (secure income and employment opportunities in rural areas)

- **Promote innovations from rural districts that fully utilize local rural resources** so that **entities involved in various aspects of agriculture** can secure a sufficient income as the custodians of rural areas



Livelihood measures (develop conditions that enable people to continue living in hilly and mountainous areas and other rural areas)

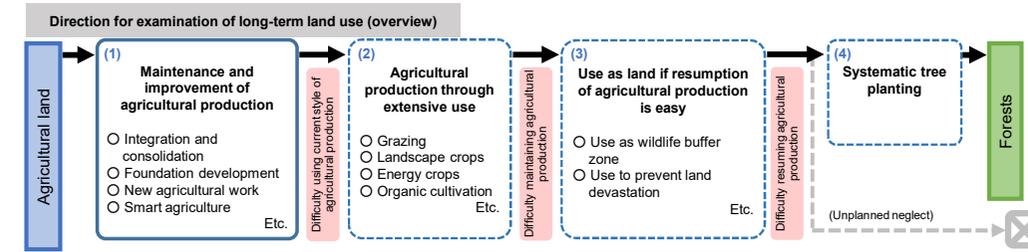
- **Training of rural community developers (rural regional management organizations)** that promote **collaborative activities** by rural communities and supplement the functions of multiple rural communities



- **Develop livelihood infrastructure** (e.g., **information and communications infrastructure**) and carry out **disaster prevention and risk reduction measures** for reservoirs

Land use measures (pursue optimal long-term land use during population decline)

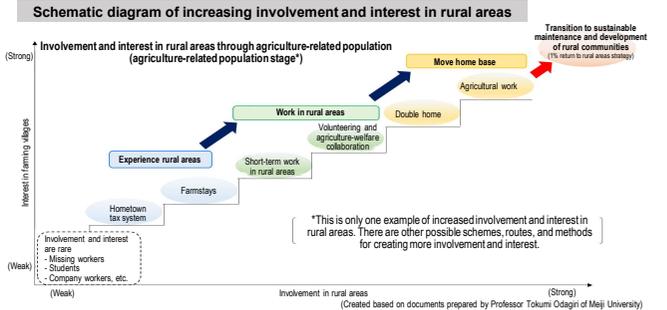
- As the premise for securing agricultural land to ensure a stable supply of foods, develop **sustainable land use** (e.g., organic farming and grazing) as well as farmland and agricultural irrigation facilities to support such use



Revitalization measures (create new trends and revitalization to support rural areas)

- **Train community development workers**, build networks, and **build an extensive support system** for rural municipalities

- **Create and increase the agriculture-related population** by, for example, **creating interest in rural areas** through agricultural experiences and providing a **matching service for outside workers and rural areas**



Development of mechanisms through collaborations among relevant ministries and agencies

Cooperate and collaborate with relevant ministries and agencies, local municipalities, and business operators and **promote the integration of community policies** so that measures are unified.