Aging Japan & The Food Imports Boom Ahead

Cissoko & Company

Briefing

Japan's aging population and the food imports boom ahead

Japan's aging population – people aged 65 or older uneven distribution

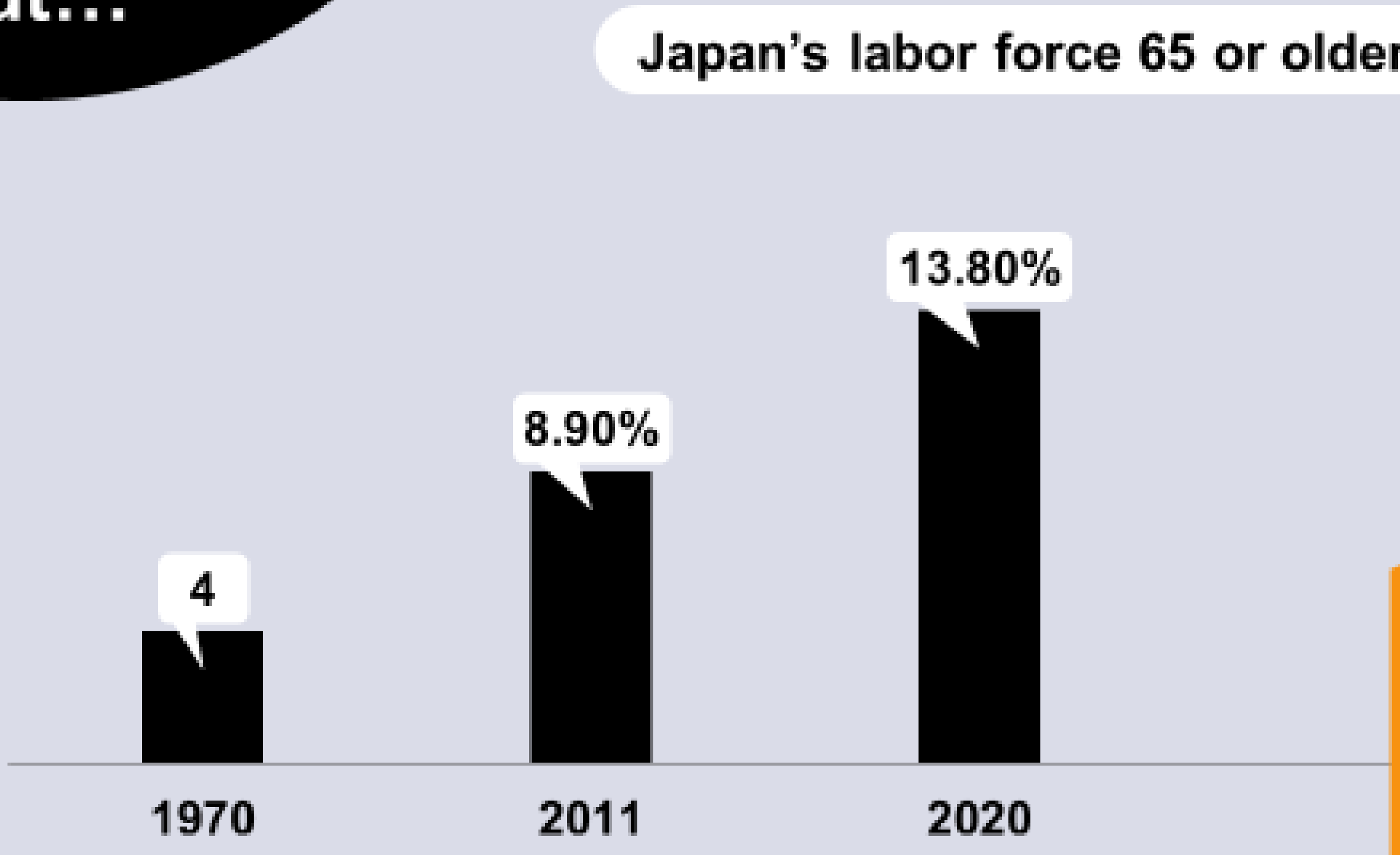
Insights by numbers – according to our research and analysis, the combination of trends that will lead to the food imports boom ahead

The key disruptive trends across Japan's food industry over the years and their implications for business

Exhibit 1

People aged 65 or older in Japan stood at 29% in 2020. But…

Japan’s uneven graying landscape



65 or older across Japan’s farming industry in 2020

70%

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Source: Cissoko & Company Intelligence, Japan official data (JMHLW)
Cissoko & Company analysis

Exhibit 2

Getting Your C-Suite Ready For Japan's Next Boom Ahead

Trending Insights by Numbers

01 **71%**

- The number of farmers in Japan has decreased by 71% between 1990 to 2020
- **From 4.8M to 1.4M farmers**

02 **112%**

- During the same period, the % of farmers aged 65 or older soared by **112%**
- In 2020, **the ratio stood at 70%**

03 **14%**

- Farming areas (farmland) have shrunk by **14% from 1990-2020**
- While production contracted by **10% from 14.5M to 13M tons**

04 **114%**

- Vegetable imports have jumped by **114% from 1.5M to 3.3M tons in 2020**
- Against 1980, they have soared by **1080% from just 280,000 to 3.3M tons**

Food Importers' Golden Opportunity

Reversing these trends posed formidable policy challenges compounded by a low self-sufficiency rate of 38% in 2022. Thus, we anticipate a golden opportunity.

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Source: Cissoko & Company Intelligence, Japan official data (JMAFF), Japan livestock industries corporation Japan (JALIC), Kawasaki, N. (2023), Cissoko & Company analysis

Key Aging Challenges in Japan’s Agricultural Industry

01 **Reversing the aging threats posed by the growing number of farmers aged 65 or above**

02 **Production volumes are decreasing in tandem with cultivated areas over the years**

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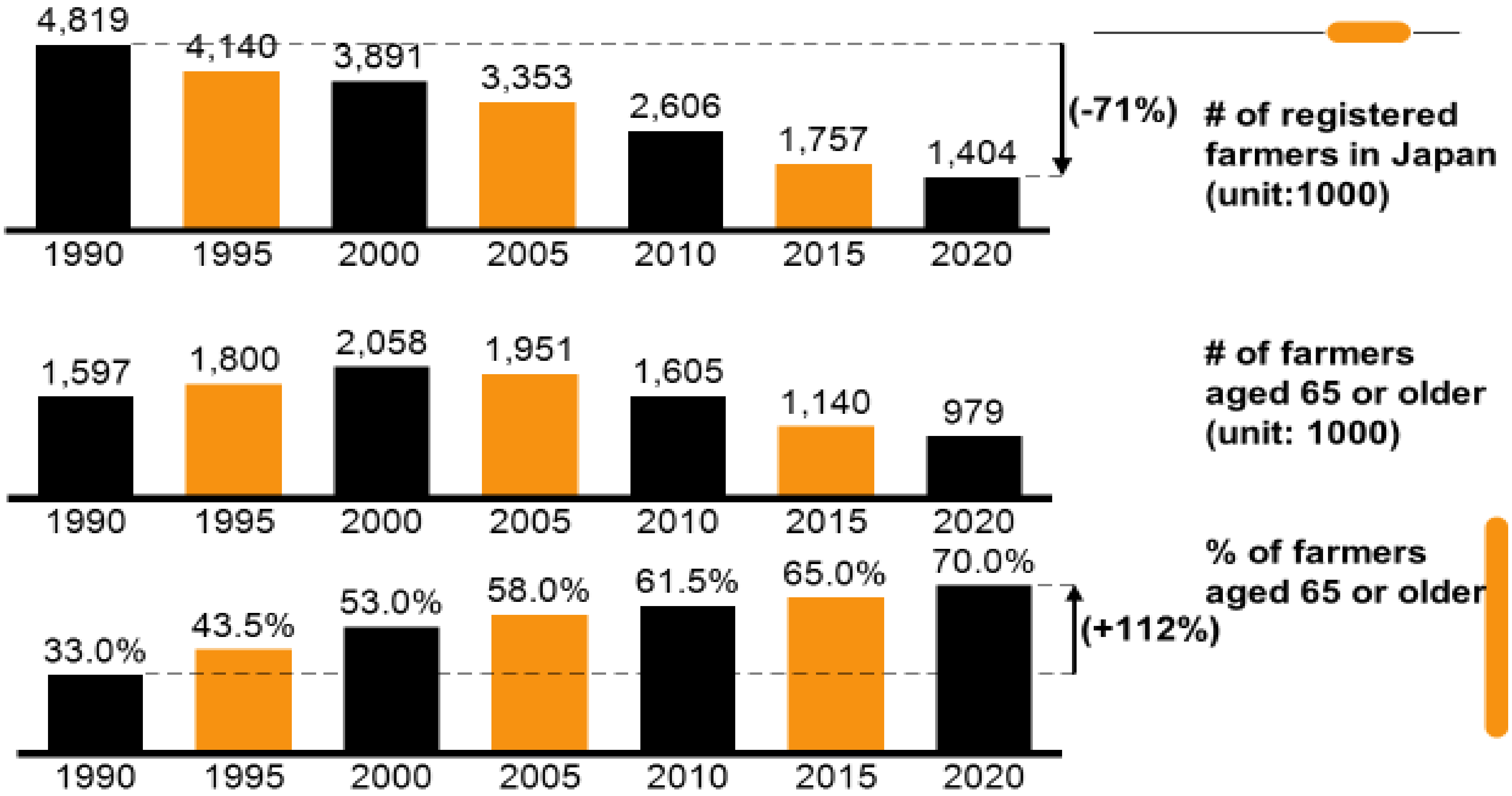
Aging trends and implications for Japan's food industry

Exhibit 3



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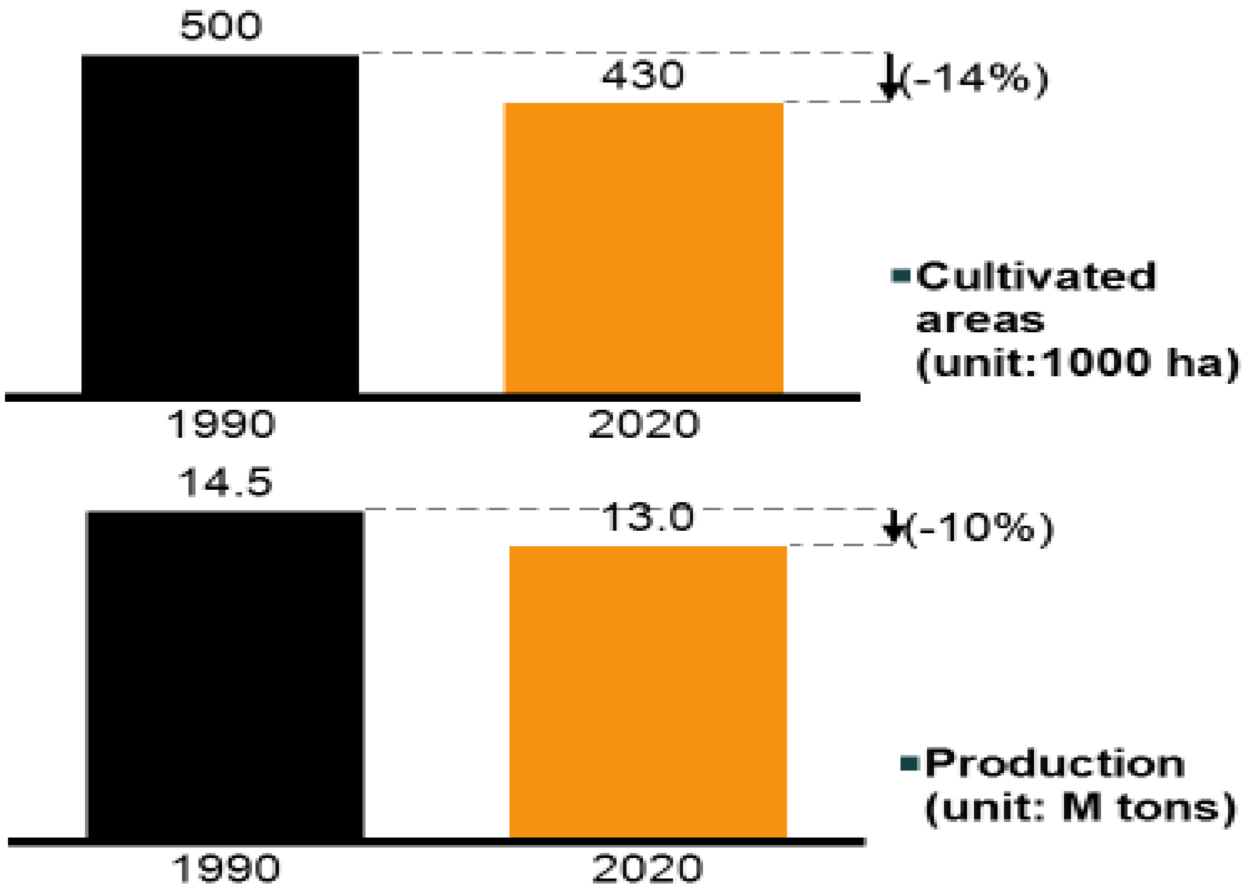
Source: Cissoko & Company Intelligence, Japan official data (JMAFF), Japan livestock industries corporation Japan (JALIC), Kawasaki, N. (2023), Cissoko & Company analysis

As Japan’s production areas shrink , so do the productions

Exhibit 4



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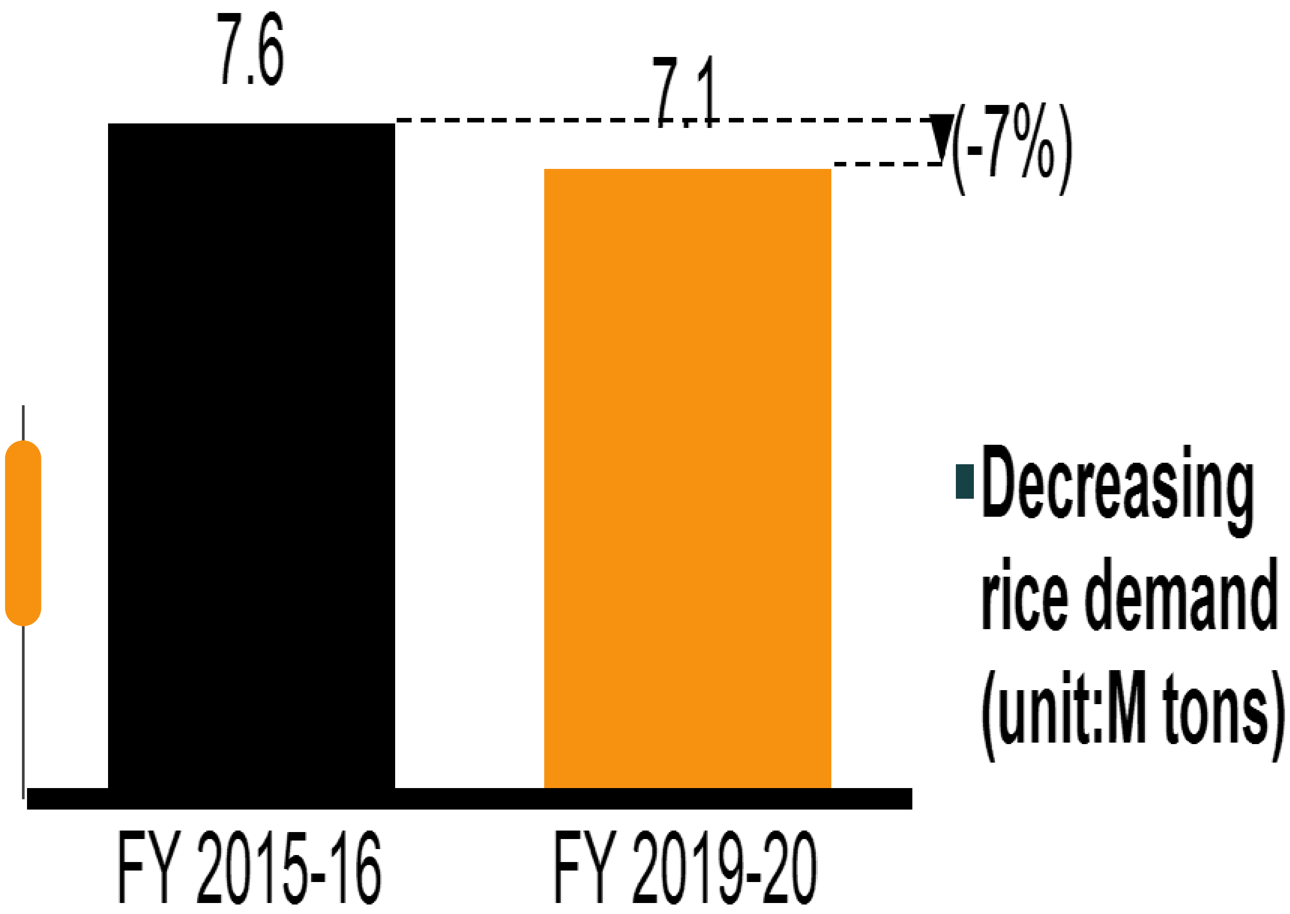
Source: Cissoko & Company Intelligence, Japan official data (JMAFF), Japan livestock industries corporation Japan (JALIC), Kawasaki, N. (2023), Cissoko & Company analysis

An emerging disruptive factor, rice demand in Japan is sinking

Exhibit 5



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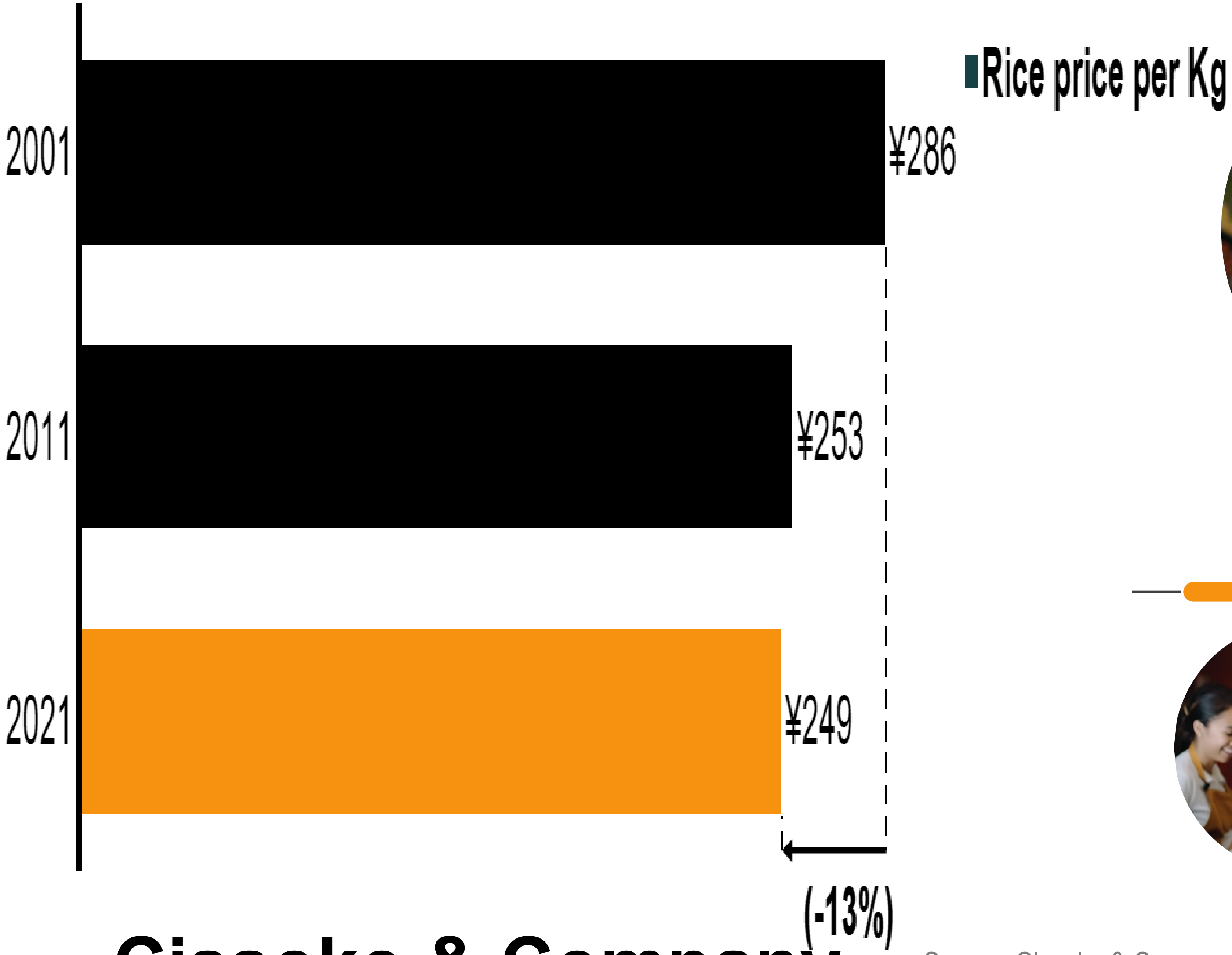
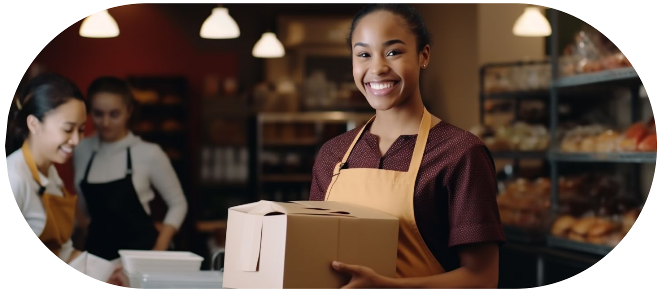
Source: Cissoko & Company Intelligence, Japan official data (JMAFF), Japan livestock industries corporation Japan (JALIC), Kawasaki, N. (2023), Cissoko & Company analysis

Another threat to Japan's farming – rice prices are decreasing

Exhibit 6





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Source: Cissoko & Company Intelligence, Japan official data (JMAFF), Japan livestock industries corporation Japan (JALIC), Kawasaki, N. (2023), Cissoko & Company analysis

Changes in the Japanese dietary landscape over decades

Exhibit 7

01 In 1961, the average Japanese food calories per capita was around **2,472Kcal**

02 In 2020, it was **2,705Kcal**, with an absolute increase of **233Kcal**

03 In 1961, fat gram per capita was **33.5g**

04 In 2020, it has jumped to **94.5g,** with an absolute increase of **57.5g**

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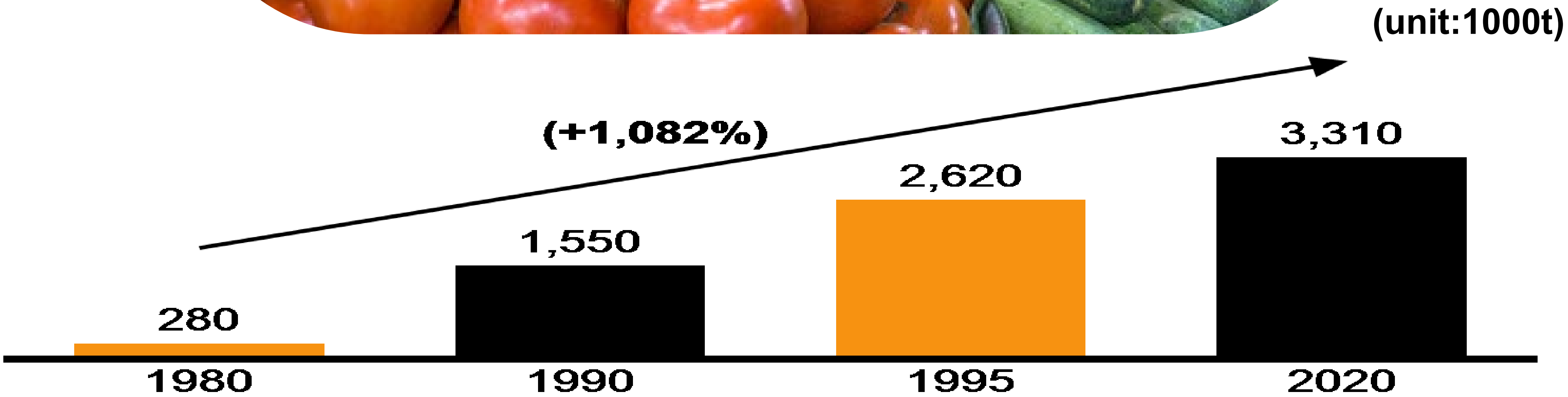
Source: Our World in Data , Cissoko & Company analysis

As farming got disrupted, foreign vegetable imports jump

Exhibit 8



The implications for Japan's food Industry and feeding Japan

01 We anticipate fresh foods (including the packaged ones) imports boom ahead in the Land of the Rising Sun

02 For one, it will require drastic policy actions to reverse the downward trends in productivity owing to aging farmers

03 And entail doubling down on immigration as the viable option to reverse the trends, which may take time and seems the least favorite pathway

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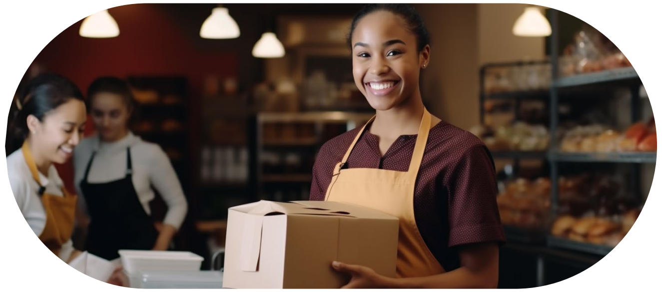
Now is the time to enter Japan's ¥40 trillion food market

Japan has a huge food industry with a market size (B2B & B2C sales) of more than ¥40 trillion in 2022, even after losing ¥3.2 trillion over the past five years through March 2022.

With a low food self-sufficiency rate of 38 in 2022 and a disrupted farming industry owing to an aging population and other structural issues, the country's reliance on food imports will increase with its graying population.



This situation provides a huge opportunity for companies still rethinking their strategic decisions regarding whether to enter Japan's market now or in the future.
We believe now is better.

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Thank You

Address

Level 9 Ariake Frontier
Building Tower B
3-7-26 Koto-Ku Tokyo Japan

Contact Number

(81) 03- 5530-8904

Email Address

inquiries@cissokomamady.com

Thank You for your Time!

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INSIGHTS TO WIN

About Cissoko & Company

The Firm is a Tokyo-based Leading Management Consulting Firm That Helps Boards, C-Suites, And Leading Companies to Win. It Helps Them in Creating, Unlocking, And Capturing Value While Accelerating Their Success.