

Japan



- Facts:
- 37,8 million ha total
 - 4,5 million ha agricultural land
 - 26 million ha forest and protected land
 - 124 million citizens
 - 1,35 million dairy cows: 7,4 billion Liters of milk
 - 14000 dairy farms

Key topics around sustainable farming: Revenue model, Self-sufficiency in feed, Importing feed, small family farms.

Overall summary of the sector:

In 2024, Japan's total dairy demand was 11.65 billion kg, of which 7.37 billion kg was produced domestically. About 50% of this domestic production is used for fresh dairy products. School milk is provided in every school, accounting for 10% of Japan's total dairy production.

Japan imported 4.28 billion kg of dairy products in 2024, with 3.16 billion kg consisting of cheese. After New Zealand (610 million kg), Australia (510 million kg), and the US (400 million kg), the Netherlands is the largest EU supplier with 281 million kg of cheese.

There are still about 11,000 dairy farms in Japan, with an average of 68 cows per farm. Regional differences are significant: on the island of Hokkaido, where population density is lower and farms can scale up more easily, the average herd size is 90 cows per farm. On the mainland, where land is scarce and aging is a major issue, the average herd size is only 53 cows. The decline in farm numbers and cow herds on the mainland is mainly due to aging farmers and land pressure.

The structure of the dairy chain in Japan is also unique. Almost all farmers are organized into producer cooperatives. The main private companies—Meiji, Snow Brand, and Morinaga—buy milk from these cooperatives. The milk prices paid by the companies are kept secret; farmers receive an average milk price, currently around €0.85 per kg. Japan is also seeing many farmers quitting, primarily because of aging, lack of successors, and high feed costs. Each year, 8–10% of farmers exit the sector.

Findings:

What is Biodiversity?

"Especially the importance of microbial diversity in the soil"

"Non GMO feed to the cows"

"The impact of dairy activities on biodiversity and the cultural aspects of landscape"

Is Biodiversity important?

"Because we import a lot of feed, also the biodiversity in the US is important"

"Mostly the effect on water and soil is important"

How should Biodiversity must be rewarded?

"If you do local sourcing of your milk, connect local consumers with local farmers it is possible"

"Show consumers stories and pictures of the farmers"

"Shorter supply chain"

"Add a premium to the milk price to help farmers stay economically sustainable"

Interviewed people

Hideki Obata, Shiho Oda, Nobuhiro Hata, Naohito Okazoe (Norinchukin Institute), Isonuma Masanori (Dairy farmer), Akahori Kazuhiko, Itou Jirou, Mayumi Satou, Suzuki Takeshi (Seikatsu Club), Richard Walton (Meiji), Masato Endo (Morinaga), Hiroshi Imai (Snow Brand), Hirokazu Sasaki (Snow Brand), Kazuhiko Hashiguchi (Meiji), Joji Kurihara (J-Milk)

Seikatsu Club's dairy initiative, which began in 1965 and expanded in 1979 with a processing factory. The club sources milk locally, particularly in Hokkaido, to support sustainable farming and local economies. They emphasize quality standards, such as lower pasteurization temperatures and no GMO feed. Despite challenges like high feed costs, the club negotiates annual milk prices, adding a premium to support farmers. They aim to promote local milk production, educate consumers, and maintain high standards, with 77% of their milk coming from three key areas. The initiative also includes a strong educational component to promote local milk consumption and support farmers.

<https://seikatsuclub.coop/about/>



J-milk (Japan Dairy Association) is the central organization for the Japanese dairy sector. It supports stable milk production and distribution, promotes dairy consumption, and raises awareness of milk's nutritional value. J-milk conducts research, provides market intelligence, and represents farmers and processors. It also runs national campaigns such as Milk Day and Milk Month, promotes school milk, and develops public initiatives like the "Saturday and Sunday Milk" program. Through education, events, and international outreach, J-milk works to strengthen the dairy industry and encourage daily milk consumption in

<https://www.j-milk.jp/>

What are the biggest challenges?

"The high import of feed from the US and Brazil"

"The lack of indigenous grass species in Japanese dairy farming"

"The lack of environmental regulations and the potential for improving biodiversity conditions"

"Farms are small scale, that makes it hard"

"Pay a sustainable economically stable milk price"

"The regional differences in biodiversity and the importance of local strategies"

"Let consumers understand the origin and quality of their milk, supporting local farmers and production"

Take aways/advise:

- Try to work together as a dairy industry. As farmers/producers organisations and private dairy industry. Don't be competitors on sustainability.
- Build together 1 date highway with implementation and Key Performance Indicators for farmers and industry.
- Show farmers with data how vulnerable they are with the amount of imported feed.
- Focus on soil health and producing quality feed.
- Start the conversation with supermarkets about there role in the sustainable farming chain.

The Norinchukin Research Institute is the research and analytical arm of the Norinchukin Bank Group. It supports Japan's agriculture, forestry, and fisheries sectors through forward-looking studies, economic and financial analysis, cooperative-sector research, and international collaboration—all aimed at building sustainable and resilient food and rural economies.

<https://www.nochuri.co.jp/english/>