

News Release



February 13, 2024

Sojitz Corporation

Sojitz, Kochi Prefecture, and Nankoku City Conclude Tri-party Agreement for Onion Production

- Securing a Stable Supply of Domestic Vegetables through Regional Farming -

Sojitz Corporation ("Sojitz") has concluded a tri-party agreement with Kochi Prefecture and Nankoku City in Kochi Prefecture for commercial onion production* in partnership with young agricultural producers in the region. Through this public-private sector partnership, Sojitz aims to create an optimized distribution system for large-scale production to support the development of regional farming.

Japan's agricultural workforce is in steady decline. At the same time, the world is seeing an increase in unseasonable weather, price hikes, and growing concern over food security. With shifts in consumer awareness regarding food and environmental safety, there is rising demand for a stable and sustainably grown supply of domestic vegetables. In June 2022, Sojitz established Sojitz Nogyo Corporation ("Sojitz Nogyo"), which aims to build a system for enabling the year-round supply of GAP-certified* agricultural products nationwide.

As part of these efforts to increase domestically grown vegetables, Sojitz established Sojitz Tosa Nojin Corporation in November 2023 alongside Sojitz Nogyo and four producers from Nankoku City to begin full-scale production of onions on four hectares of farmland following a trial completed on land designated as emergency farmland by the Japanese government. Sojitz and its partners will use large-scale farming machinery to realize commercial-scale production of onions primarily on these designated farms, while also working towards obtaining GAP certification to meet growing consumer needs for good agricultural practices. Under this tri-party partnership, Kochi Prefecture and Nankoku City will introduce farmland with established infrastructure and provide support with securing regional workers. Sojitz will introduce its distribution and sales networks that demonstrate the company's networking expertise as well as provide guidance



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from engineers and information on smart farming technologies.

Sojitz will continue to offer business support for regional producers, including those seeking capital investment, while simultaneously working to maintain and expand regional employment. Sojitz strives to build new farming models that pave the way for the next generation and contribute to the development of agriculture in Japan.



[Signing ceremony participants from left to right: Seiji Hamada, Governor of Kochi Prefecture;

Masaki Bito, Director, Senior Managing Executive Officer at Sojitz Corporation; and Kozo

Hirayama, Mayor of Nankoku City]

*1:Onion production: In Japan, onions are an important vegetable consumed in mass quantities. Onions are also a "designated vegetable" by the Ministry of Agriculture, Forestry and Fisheries' (MAFF). However, Japan imports roughly 15% of onions, particularly when supply is limited in the summer months. Onion imports account for 30% of all fresh vegetable imports to Japan. Sojitz aims to supply domestically grown onions year-round including the summer off-season with shipment and production of onions produced throughout Japan.

*2: GAP is an acronym for "Good Agricultural Practices" that refers to international standards for appropriate production control in five fields, including food safety, environmental conservation, worker safety, protection of human rights, and farm management. Agricultural producers with good agricultural practices (GAP) in the aforementioned five fields are eligible for international certification (JGAP, ASIAGAP, GLOBALGAP) following verification by a third-party organization with an objective screening.



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[Related News Releases]

"Sojitz Establishes Agricultural Company." Sojitz Corporation. Press release, 1 July 2022.

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