

Kuzumaki: a Town of Milk, Wine & Clean Energy

By Nakamura Tetsuo

Kuzumaki, a Unique Town

With the exception of large cities such as Tokyo and Osaka, many regions in Japan are losing population and experiencing declining birthrates. Some regions are having fewer job opportunities than before and are in severe fiscal conditions. As a result, mergers of municipalities have accelerated since 2000 and the number of cities, towns and villages dropped from about 3,200 to 1,804 as of March 31, 2007. Even under such circumstances in Japan, the town of Kuzumaki has succeeded in building a unique community, and I would like to explain to the world what our town has achieved so far as a Japanese local government leader. Kuzumaki is a town that boasts the largest public ranch in Japan – the Kuzumaki Highland Ranch – and clean energy facilities. Since becoming mayor in 1999, I have endeavored to create a vibrant town by addressing the issues of food, the environment and energy, all of which are also of global concern.

Milk, Wine & Clean Energy

Kuzumaki is an exciting town in Iwate Prefecture, northeastern Japan. It has a population of about 8,000 in 2,733 households, and a land area of 43,000 hectares and thrives on dairy farming and forestry. Kuzumaki's history in dairy farming spans 115 years and boasts the largest dairy farming area in northeastern Japan. The town is also famous for its Japanese crimson glory vines. We started making wine in 1986 and Kuzumaki is now known as the town of wine for its excellent taste.

Regarding energy policy, we drew up a new energy plan in March 1999 to make effective use of alternative sources of energy. In June 1999, we built three wind power stations with a combined

output of 1,200 kilowatts. We now have 15 wind power stations generating 22,200 KW. In the junior high schools there are solar generators with an output of 50 KW. The Kuzumaki Highland Ranch has a 37-KW livestock biomass generator and a 120-KW woody biomass generator, bringing total electricity output to 22,407 KW. There are also wood pellet fuel factories owned by the private sector, making Kuzumaki the nation's only municipality with all such facilities.

Kuzumaki generates 85% of all the electricity the town uses, and the wood pellet fuel is a source of heating for 1,500 households. Construction costs for factories other than the wood pellet fuel factories came to ¥5,755 million, of which Kuzumaki invested ¥45.93 million. The rest came in the form of subsidies from the central government and governmental organizations, as well as from corporate investments. We were very fortunate to be able to build so many facilities at such low cost.

For the clean energy measures we have taken, Kuzumaki has been awarded the Municipality Environment Grand Prix in 2003, the Environment Minister's Prize in 2004, the 2005 Alternative Energy Prize from the director general of the Agency for Natural Resources and Energy, and the 2006 Agriculture, Forestry and Fisheries Minister's Prize for Exemplary Usage of Biomass.

Strong Partnership Between Residents & Businesses

In Japan, a movement began from around 1975 for the public and private sectors to come together to create semipublic enterprises to run operations that until then had been run by the central and local governments and agricultural cooperatives to engage in financially difficult operations. The idea was for these

Photo: Yamaguchi Hokushu Printing Co., Ltd.



The expansive Kuzumaki Highland Ranch raises 3,300 head of cows and beef cattle, processing milk and producing cheese.

so-called third-sector entities to incorporate the management skills of private businesses. About 10,000 such semipublic companies were set up across the country. But most of them have incurred losses, causing heavy financial burdens on local governments.

Against such a backdrop, the third sector in Kuzumaki is a rare success story. There are three semipublic companies, set up with funds from the town, agricultural and forestry cooperatives, local businesses and town residents. The three companies post ¥1,770 million in sales and a profit of around ¥50 million. They employ 170 mostly young people and are a source of economic vitality for the region.

For its efforts in the third sector and in adopting clean energy measures, Kuzumaki received the Town Development Prize of the Japan Creation Award in March 2005 from the Japan Fashion Association, an organization made up of 243 member companies of the Tokyo Chamber of Commerce and Industry.

Photos: Yamaguchi Hokushu Pringing, Co., Ltd.



A little girl experiences milking a cow.



Participants in a plant-dyeing class show off their products.

(1) Kuzumaki Highland Ranch

The town and agricultural cooperatives jointly established the ranch in 1976. The ranch raises 3,300 head of young Holstein cows and Japanese *wagyu* beef cattle, processes milk, makes cheese and bread, and also runs a hotel and restaurants. The ranch runs 14 operations in all, including giving visitors farming experience (dairy farming training) and offering green tours. The ranch employs 120 people and enjoys a net profit of about ¥39 million on sales of ¥1,222 million. The ranch, the biggest public ranch in Japan, was awarded the Livestock Prize in 2005 and the Green Tourism Prize in 2006.

(2) Kuzumaki Winery

Established jointly by the town, agricultural and forestry cooperatives, and 100 town residents in 1986, the winery produces and sells 15 different types of wine and also runs a restaurant. With a staff of 29, sales stand at ¥375 million, with a net profit at ¥10 million. Every year, the wines made here win the Silver and Bronze prizes at the Japan Wine Competition, which normally attracts around 500 entries. Since 1997, Kuzumaki winery employees have been making study tours to three European countries.

(3) Green Stage Kuzumaki

Set up in 1993 by the town, agricultural and forestry cooperatives, a trade association and three town residents, Green Stage Kuzumaki, which is the main place to stay for out-of-town visitors, runs a hotel and organizes various parties and events. It has a staff of 21 and records ¥173 million in sales and ¥1 million in net profit.

Self-sustainable Town

When we think about the issue of food, we first have to know the size of the world population which currently stands at 6.4 billion and is expected to eventually zoom to 10 billion. Every year, arable land as large as Hokkaido and the six northeastern Japan prefectures put together (roughly the same size as the US state of Wisconsin) is lost across the globe.

Our town is making the most of the 43,000 hectares of land to promote dairy farming, livestock raising and other farming. Milk production totals 120 tons a day, and on a calorie basis, we produce food sufficient for 40,000 people. After subtracting grain that is fed to cattle, the town's food self-sufficiency rate comes to 200%. And as a result of our various support measures, many young people are becoming dairy farmers of the next generation.

As for the environment, forest areas around the world are losing their functions as forests per se as fast as a comparable size of arable land every year. Japan is trying to reduce greenhouse gas emissions by 6% as promised in the Kyoto Protocol and is trying to make 3.9% of that reduction through forest absorption. In 2007, the Japanese government will spend ¥76.5 billion for that purpose.

Kuzumaki is investing a total of about ¥140 million (85% coming from state subsidies) for maintaining forests and gives subsidies for such purposes as reforestation, transport of lumber from forest thinning and the use of local lumber for housing. In 2006, we implemented an ordinance to preserve the forests by calling on people nationwide to become "forest supporters." We are gaining their understanding and donations so far have come to around ¥2.5 million. The Kuzumaki Forestry Cooperative has a

group of around 120 workers who can be counted on to look after the forests. The cooperative has won the trust of people from many different sectors. Two companies bought approximately 270 hectares of land at three locations for ¥60 million under the "Forests of Companies" project in 2006 and other projects. More companies are expected to invest in the efforts to protect the forests, providing the 120 forest workers with job security and improving the environment.

As for energy, the town with 2,733 households produces enough electricity for 17,200 households through generators run by wind power, solar power, livestock biomass and woody biomass. We also produce and provide wood pellet fuel that is the source of heat sufficient for 1,500 households. The conventional type of energy will inevitably run out in the future, and we are doing our part to successfully address the energy issue.

Photo: Yamaguchi Hokushu Pringing, Co., Ltd.



Solar power-generating equipment at Kuzumaki Junior High School

Kuzumaki is now a "must-see" town people say they want to visit as it is deftly tackling the issues of food, environment and energy, as well as dynamic activities of the semipublic sector and town residents. We do hope that you too will visit us. We look forward to seeing you here soon. **J S**

Kuzumaki Mayor Nakamura Tetsuo is a graduate of the Department of Agriculture & Veterinary Science at Nihon University. Before becoming mayor in 1999, he was senior director of the Kuzumaki Livestock Development Corporation, and supervisor of industry and tourism promotion at the Kuzumaki municipal office's community creation division. He currently holds many other positions, including the chairmanship of an Iwate Prefecture committee for addressing depopulation and promoting self-sufficiency.