

**Guidebook for Export to Japan (Food Articles) 2011
<Vegetables, Fruits, and Processed Products>**

Japan External Trade Organization (JETRO)

**Development Cooperation Division
Trade and Economic Cooperation Department**

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6. Vegetables, Fruits, and Processed Products

This chapter defines vegetables, fruits, and their processed products according to the H.S. code of the Tariff Schedule (Fig. 6-1), covering vegetables, canned fruits, jams, and processed tomato products available on the Japanese market. Dried fruits are covered in the chapter on Dried Fruits.

Fig. 6-1: Scope of coverage for vegetable, fruits, and processed products in this chapter

Category	Description	H.S. code
Fresh vegetables (Fresh or chilled vegetables, excluding mushrooms)	Potatoes	0701
	Tomatoes	0702
	Onions	0703.10-011,012,013
	Shallots	0703.10-020
	Welsh onions, leeks, and other alliaceous vegetables	0703.90
	Cauliflowers, Brussels sprouts	0704.10,20
	Cabbage lettuce, other lettuce	0705.11,19
	Witloof chicory, other chicory	0705.21,29
	Carrots and turnips	0706.10-000
	Burdock	0706.90-010
	Cucumbers and gherkins	0707.00
	Peas (<i>Pisum sativum</i>)	0708.10
	Beans (<i>Vigna spp.</i> , <i>Phaseolus spp.</i>)	0708.20
	Other leguminous vegetables	0708.90
	Globe artichokes	0709.90-092
	Asparagus	0709.20
	Aubergines (egg-plants)	0709.30
	Celery other than celeriac	0709.40
	Fruits of the genus <i>Capsicum</i> or of the genus <i>Pimenta</i>	0709.60
	Sweet peppers (Large bell type)	0709.60-010
	Spinach, New Zealand spinach and orache spinach (garden spinach)	0709.70-000
	Sweet corn	0709.90-010
	Pumpkins	0709.90-091
Taros	0714.90-210	
Frozen vegetables (uncooked or cooked by steaming or boiling in water)	Potatoes	0710.10,2004.10
	Peas (<i>Pisum sativum</i>)	0710.21
	Beans (<i>Vigna spp.</i> , <i>Phaseolus spp.</i>)	0710.22
	Green soya beans	0710.29-010
	Other	0710.29-090
	Spinach, New Zealand spinach and orache spinach (garden spinach)	0710.30
	Sweet corn	0710.40
	Young corncobs	2004.90-240,291
	Broccoli	0710.80-010
	Asparagus	2004.90-211
	Burdock	0710.80-030
	Bamboo shoots	2004.90-220
	Other	2004.900-299
Dried vegetables (Whole, cut, sliced, broken or in powder, but not further prepared)	Onions	0712.20-000
	Sweet corn	0712.90
	Bamboo shoots	0712.90-010
	Osmund	0712.90-020
	Radishes	0712.90-040
	Dried gourd shavings	0712.90-060
	Other	0712.90-090
Tropical fruits	Bananas	0803.00-100
	Pineapples	0804.30-010
	Avocados	0804.40-010
	Papaws (papayas)	0807.20-000
Citrus fruits	Oranges	0805.10-000
	Grapefruit	0805.40-000
	Lemons	0805.50-010
	Limes	0805.90-020

Fig. 6-1: Scope of coverage for vegetable, fruits, and processed products in this chapter (continued)

Category	Description	H.S. code
Temperate fruits	Grapes	0806.10-000
	Watermelons	0807.11-000
	Apples	0808.10-000
	Cherries	0809.20-000
	Kiwifruits	0810.50-000
Fresh berries	Strawberries	0810.10-000
	Raspberries, blackberries	0810.20-000
	Black, white or red currants	0810.90-0291
	Cranberries, bilberries	0810.40-000
Jams, fruit jellies, marmalades, fruit or nut purée and fruit or nut pastes	Citrus fruit jams	2007.91-111,121
	Citrus fruit marmalades and jellies	2007.91-119,129
	Citrus fruit purée and pastes	2007.91-210,220
	Other fruit jams	2007.99-111,121
	Other fruit jellies	2007.99-119,129
	Other fruit purée and pastes	2007.99-211,221
	Other	2007.99-219,229

I. Points to Note in Exports to and Sales in Japan

1. Relevant Laws and Institutional Regulations

(1) Regulations and Procedural Requirements for Importing to Japan

The Importing of vegetables, fruits and processed products is regulated primarily by the following laws: 1) the Customs Act / the Act on Temporary Measures concerning Customs, 2) the Plant Protection Act, and 3) the Food Sanitation Act.

<Customs Act / Act on Temporary Measures concerning Customs>

The ministerial ordinance on the tariff-rate quota system for corn, etc. under the Customs Act and the Act on Temporary Measures concerning Customs establishes the tariff-rate quota system for the purpose of domestic producers, and applies to leguminous vegetables and konjac among vegetables, tomato puree and paste among processed vegetable products, and canned pineapples among processed fruit products.

When leguminous vegetables, konjac, tomato puree and paste, and canned pineapples are imported, a lower tariff rate, or the primary tariff rate, is applied only to imports of below certain quantity for the purpose of securing that imported products are available to consumers at lower prices, while imports above the quota limit are subject to a higher tariff rate, or the secondary tariff rate.

In addition, the importing of cargo with labeling that falsifies the origin of the contents, or that is misleading, is banned under the Customs Act.

<Plant Protection Act>

Fresh vegetables and fruits undergo quarantine procedures, including screening for contamination with any pests or harmful plants, under the Plant Sanitation Act. Quarantine procedures performed at airports and ports are under the authority of the regional Quarantine Stations.

Quarantine pests for vegetables and fruits that are specified in Appendix 2 of the Ordinance for Enforcement of the Plant Protection Act include the Mediterranean fruit fly, *Bactrocera dorsalis* species complex (oriental fruit fly), codling moth, citrus burrowing nematode, fire blight fungus, etc., due to which importing of vegetables and fruits is prohibited from a number of countries and regions. However, those that are tightly sealed in containers for retail sale, or preserved in salt or sugar, and processed foods are exempt from plant inspection, and it may be possible to import such products even if they fall in the categories of region and item for which importing is banned under the Plant Protection Act.

Products pass the inspection if they are not in violation of the import restrictions under Article 6 of the Plant Protection Act, do not fall in the category of prohibited imports, and are free of any quarantine pest. However, care should be taken as infestation with pests or harmful plants may occur during the process of storage and transportation, even if there is no contamination at the production stage.

No item with soil attached to it may be allowed for import; any soil must be removed before the importing process

<Food Sanitation Act>

In compliance with Notification No. 370 of the Ministry of Health, Labour and Welfare, "Standards and Criteria for Food and Additives" issued under the Food Sanitation Act, and the standards for pesticide residues, etc. (including feed additives and drugs for animals) which are included therein, vegetables, fruits, and processed products are subject to food sanitation, which is conducted to assess the types and details of the raw ingredients, and to test the types and contents of additives, pesticide residues, mycotoxins, and so on. Import bans may be imposed on food in the event of an additive, pesticide, or other contents which are prohibited in Japan, when their levels exceed approved limits, or when the presence

of mycotoxins, etc. is above allowable levels. Accordingly, vegetables, fruits, and processed products should be checked at the production site prior to import. If levels exceed the limits of Japanese standards, guidance should be given.

Pesticide residue standards adopted a negative system until 2006, under which pesticides would not be subject to control if there was no requirement for them. Amendments to the law introduced a positive list system, however, and the distribution of products is now prohibited in principle if they contain a specific level of pesticides, etc. even if there is no established requirement.

As of 2011, of the vegetables and fruits that are subject to compulsory testing by order of the Health Minister (all-lot inspection that importers are ordered by the Health Minister to perform for food items that have a high potential to be in violation of the Food Sanitation Act), items subject to compulsory testing regardless of the country of origin include manioc (cassava, which is tested for cyanide). By specific country of origin, such items include asparagus produced in China (ametryn), grape tomatoes produced in South Korea (fluquinconazole, etc.), mangoes produced in India (chlorpyrifos), green beans produced in Oman, etc.

The frequency of the monitoring of pesticide residues that is performed routinely by the Quarantine Station, meanwhile, has increased to 30% for such items as peas produced in Thailand (which are tested for cypermethrin), green pak choi produced in China (difenoconazole), carrots produced in Italy (pyrimethanil), strawberries produced in South Korea (metconazole), etc.

Care should be taken concerning approved limits for pesticides used before importing procedure; approved (upper) limits for individual products are provided in the Positive List System for Agricultural Chemical Residues in Foods.

(2) Regulations and Procedural Requirements at the Time of Sale

There is no specific law applicable to the sales of vegetables, fruits, and processed products. Regulations relevant to sales are summarized below.

<Food Sanitation Act>

Under the Food Sanitation Act, sales of products that contain harmful or toxic substances or those with poor hygiene are prohibited. Sales of vegetables, fruits, and processed products in containers and packaging are subject to mandatory labeling under the Food Sanitation Act.

<Product Liability Act>

The Product Liability Act stipulates the liability of manufacturers, etc. for damages to consumers in association with product defects, and importers are included in the category of manufacturers, etc. This is due to a basic policy to make importers liable for damages because it is difficult for victimized consumers to hold overseas manufacturers accountable. Processed agricultural and fruit products sold as processed food are subject to the Product Liability Act, and care should be taken for safety management of contents, containers, and packaging to prevent food-poisoning outbreak.

<Act on Specified Commercial Transactions>

The Act on Specified Commercial Transactions stipulates the protection of interest of purchasers in the direct commercial transactions made with consumers. Sales of vegetables, fruits, and processed products in such routes as mail-order, direct marketing, telemarketing, etc. are subject to provisions of the Act on Specified Commercial Transactions.

<Act on the Promotion of Sorted Garbage Collection and Recycling of Containers and Packaging>

Under the Act on the Promotion of Sorted Garbage Collection and Recycling of Containers and Packaging, importers, etc. that sell contents using containers and packaging that are controlled by the Act (parts of paper containers and packaging and plastic containers and packaging, etc.) shall be liable for recycling (however, small-scale enterprises of below a certain size are excluded from among enterprises subject to the Act).

2. Procedures

(1) Procedures for Authorization of Importing and Sales

<Import Control>

Under the tariff-rate quota system applicable to importing of leguminous vegetables, konjac, tomato puree and paste, and canned pineapples, those who wish to receive tariff-rate quota must file required documents (Fig. 6-3) to International Economic Affairs Division, International Affairs Department, Minister's Secretariat, Ministry of Agriculture, Forestry and Fisheries, in accordance to the ministerial ordinance on the tariff-rate quota system for corn, etc. under the Customs Act and the Act on Temporary Measures concerning Customs. In order to apply to become an enterprise approved for tariff-rate quota, the applicant must qualify for requirements including experience in import custom clearance for different produces.

<Plant Inspection>

Because the Plant Protection Act rules that bulk importing of fresh vegetables and fruits is handled only at certain seaports and airports that are capable of sufficient plant protection measures for the purpose of preventing diseases and pests from entering the country, care should be taken in selecting the seaport/airport of entry before exporting from the country of origin. (*Note that not all Quarantine Stations perform the plant inspection.)

In filing an application for the inspection with the Ministry of Agriculture, Forestry and Fisheries Quarantine Station, the required documents must be submitted (Fig. 6-3) promptly after the entry to port. In the event of rejection due to the detection of diseases or pests as a result of quarantine, fumigation or other measures are ordered.

Some vegetables and fruits that are preserved in salt /sugar or tightly sealed in containers for retail sale are exempt from inspection: apricots, figs, persimmons, kiwifruits, plums, pears, dates, pineapples, bananas, pawpaws (papayas), grapes, mangoes, peaches, and longans.

<Food Sanitation Inspection>

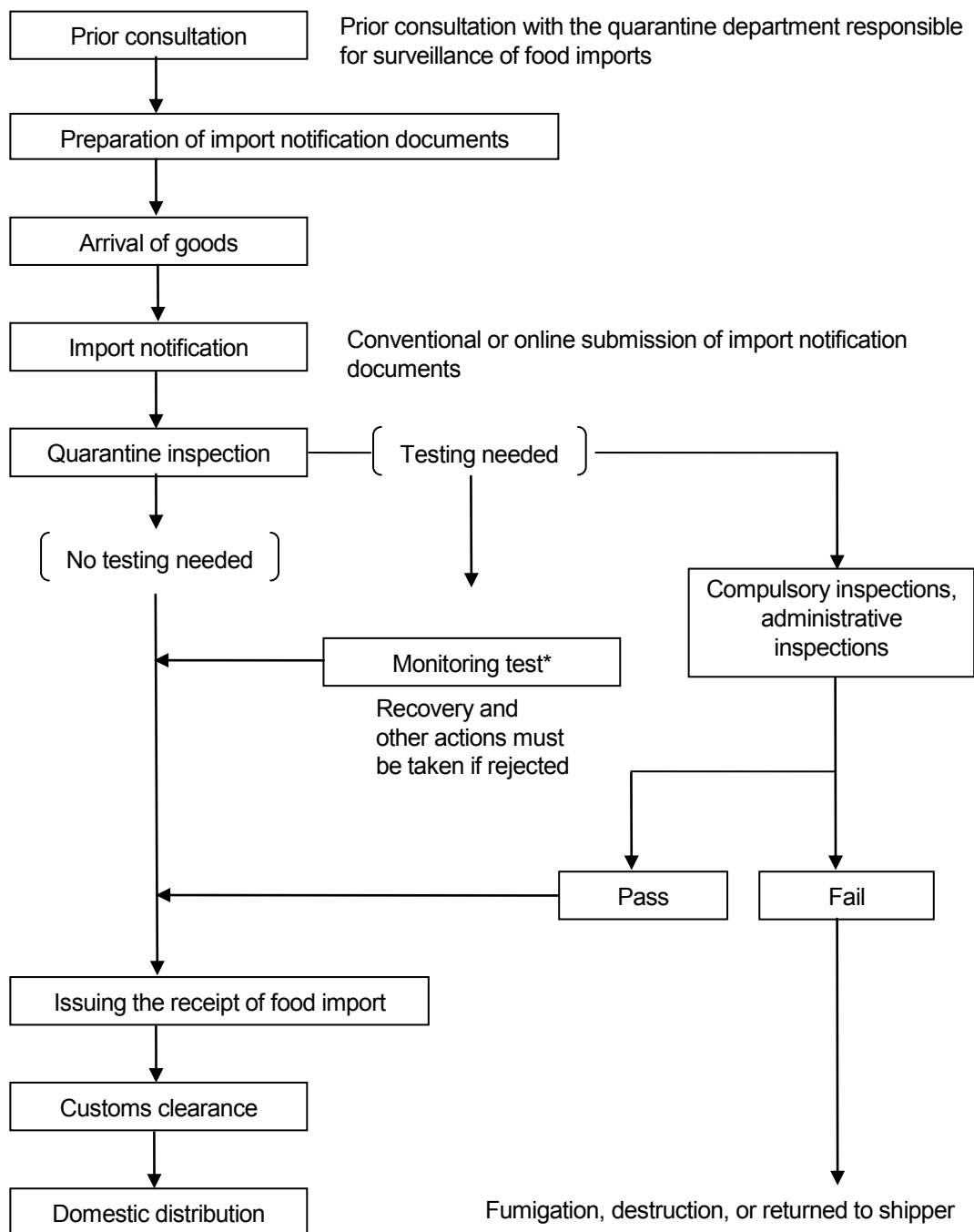
Under the Food Sanitation Act, the required documents (Fig. 6-3) must be submitted when filing an application for the inspection with the imported food monitoring departments of Quarantine Stations, Ministry of Health, Labour and Welfare. Inspection is conducted where it has been decided necessary to check the standards and criteria or safety issues at the initial review stage. If, as a result of the initial review and inspection, no issue has been detected under the Act, the registration certificate is returned, which the applicant shall submit, along with customs documents, upon filing an application for import with Customs. In the event that it has been ruled unfit for importing, measures such as destruction or returned to shipper are taken (Fig. 6-2).

<Customs>

Under the Customs Business Act, import declaration must be made by importers themselves or commissioned to those qualified as registered customs specialists (including customs brokers).

To accept the entry to Japan of incoming cargo arriving from a foreign country, an import declaration must be made to the competent Customs office for the bonded area where the cargo is stored. Cargo for which customs inspection is required shall undergo required inspections first, and upon payment of customs duty, national and local consumption taxes, import permit may be given in principle.

Fig. 6-2: Flowchart of import procedure



Source: Ministry of Health, Labour and Welfare

* Import food inspection following notification, conducted by MHLW Quarantine Stations according to the annual plan.

(2) Required Documents

Documents required for importing are summarized below in Fig. 6-3 according to the authorities to which each document is submitted.

Fig. 6-3: Documents required for import clearance

Submitted to	Required documents	Fresh products	Processed products
International Economic Affairs Division, International Affairs Department, Minister's Secretariat, Ministry of Agriculture, Forestry and Fisheries	Tariff rate quota application	△	—
	Import clearance record	△ Leguminous vegetables	—
	Sales results and plan	△ Leguminous vegetables	—
	Documents to prove that the applicant is the genuine entity that will import the products	△ Leguminous vegetables	—
	List of experience (use, purchase, manufacture, sale, import)	△ T, P, M, K	—
	Copy of purchase agreement with manufactures, etc.	△ P	—
	List of plans (use, purchase, manufacture, sale, import)	△ T, P, M, K	—
	Documents including the name and location of manufacturing plants	△ T, M, K	—
	Layout of the plant	△ T, M, K	—
	Simplified illustration of manufacturing machine placement	△ T, M, K	—
	Sketch of processes in the plant	△ T, M, K	—
	List of manufacturing machines and equipment	△ T, M, K	—
	Written oath stating no use for import quota purpose	△ T, M, K	—
	Certificate of Registered Matters (corporate body)	△ T, P, M, K	—
Residence certificate (individual)	△ P	—	
Quarantine Information Office, Ministry of Health, Labour and Welfare (Plant quarantine under the Plant Protection Act)	Application for import inspection	○	—
	Phytosanitary certificate issued by the plant quarantine service of the exporter	○	—
Departments responsible for surveillance of food imports of Quarantine Stations, Ministry of Health, Labour and Welfare (Food sanitation inspection under the Food Sanitation Act)	Notification form for importation of foods	○	○
	Material/ingredient table	—	○
	Production flow chart	—	○
	Sanitary certificate	△	—
	Table of analysis results issued by the designated inspection institute (if there is a past record of import)	—	○
Local customs offices (Customs clearance under the Customs Act)	Declaration of import	○	○
	Invoice	○	○
	Packing list	○	○
	Bill of lading (B/L) or airway bill	○	○

○: Required △: Required for particular articles —: Not required

Abbreviations: T: Tomato puree and paste P: Canned pineapples

M: Maize (corn) K: konjac

Sanitary certificates may be required for certain countries of origin or items, such as spinach produced in China and mangoes produced in Thailand, for which it is necessary to check in advance.

As a phytosanitary (inspection) certificate, in principle the original copy that indicates the absence of pathogen or pest contamination, issued by the plant protection authority of the exporting country in a form in compliance with the International Plant Protection Convention, must be submitted. While the Convention stipulates that the phytosanitary certificate submitted to the authorities of the importing country be the original copy, the following two are deemed valid in Japan, taking into consideration such cases where the original copy is lost or the delivery of the original copy is delayed:

- a) A "carbon copy" of the original copy produced simultaneously; and
- b) A copy that has been proven as being identical to the original copy by the plant protection authority of the exporting country.

3. Competent Authorities

Fig. 6-4: Contacts of competent authorities

Plant Protection Act	Plant Protection Division, Food Safety and Consumer Affairs Bureau, Ministry of Agriculture, Forestry and Fisheries	TEL: +81-3-3502-8111 http://www.maff.go.jp
Food Sanitation Act	Inspection and Safety Division, Department of Food Safety, Pharmaceutical and Food Safety Bureau, Ministry of Health, Labour and Welfare	TEL: +81-3-5253-1111 http://www.mhlw.go.jp
Customs Tariff Act	Customs and Tariff bureau, Ministry of Finance Japan	TEL: +81-3-3581-4111 http://www.mof.go.jp
Act for Standardization and Proper Labeling of Agricultural and Forestry Products	Labelling and Standards Division, Food Safety and Consumer Affairs Bureau, Ministry of Agriculture, Forestry and Fisheries	TEL: +81-3-3502-8111 http://www.maff.go.jp
Measurement Act	Measurement and Intellectual Infrastructure Division, Industrial Science and Technology Policy and Environment Bureau, Ministry of Economy, Trade and Industry	TEL: +81-3-3501-1511 http://www.meti.go.jp
Health Promotion Act	Food and Labeling Division, Consumer Affairs Agency	TEL: +81-3-3507-8800 http://www.caa.go.jp
Act against Unjustifiable Premiums and Misleading Representations	Representation Division, Consumer Affairs Agency	TEL: +81-3-3507-8800 http://www.caa.go.jp
Product Liability Act	Consumer Safety Division, Consumer Affairs Agency	TEL: +81-3-3507-8800 http://www.caa.go.jp
Act on Specified Commercial Transactions	Consumer Advice Office, Ministry of Economy, Trade and Industry Consumer Safety Division, Consumer Affairs Agency	TEL: +81-3-3501-1511 http://www.meti.go.jp TEL: +81-3-3507-8800 http://www.caa.go.jp
Act on the Promotion of Sorted Garbage Collection and Recycling of Containers and Packaging / Act on the Promotion of Effective Utilization of Resources	Recycling Promotion Division, Industrial Science and Technology Policy and Environment Bureau, Ministry of Economy, Trade and Industry Office for Recycling Promotion, Waste Management and Recycling Department, Ministry of the Environment Food Industry Policy Division, General Food Policy Bureau, Ministry of Agriculture, Forestry and Fisheries	TEL: +81-3-3501-1511 http://www.meti.go.jp TEL: +81-3-3581-3351 http://www.env.go.jp TEL: +81-3-3502-8111 http://www.maff.go.jp
Unfair Competition Prevention Act / Trademark Act	Intellectual Property Policy Office, Economic and Industrial Policy Bureau, Ministry of Economy, Trade and Industry General Affairs Division, Japan Patent Office, Ministry of Economy, Trade and Industry	TEL: +81-3-3501-1511 http://www.meti.go.jp TEL: +81-3-3581-1101 http://www.jpo.go.jp

II. Labeling

1. Labeling under Legal Regulations

Quality labeling of vegetables, fruits, and processed products must be in Japanese and conform to the following laws and regulations: 1) Act for Standardization and Proper Labeling of Agricultural and Forestry Products, 2) Food Sanitation Act, 3) Measurement Act, 4) Health Promotion Act, 5) Act on the Promotion of Effective Utilization of Resources, 6) Act against Unjustifiable Premiums and Misleading Representations, and 7) Unfair Competition Prevention Act and Trademark Act.

When selling vegetables and fruits as fresh products, the importer must provide the following information on labels in accordance with the quality labeling standards for fresh foods of the Act for Standardization and Proper Labeling of Agricultural and Forestry Products: 1) product name, 2) country of origin, 3) content, and 4) name and address of importer.

When selling vegetables and fruits as processed foods, the importer must provide the following information on labels in accordance with the quality labeling standards for processed foods of the Act for Standardization and Proper Labeling of Agricultural and Forestry Products, and the similar requirements for processed foods packed in containers under the Food Sanitation Act: 1) product name, 2) ingredients, 3) content, 4) expiration date, 5) storage method, 6) country of origin, and 7) name and address of importer.

The Act for Standardization and Proper Labeling of Agricultural and Forestry Products and Food Sanitation Act prescribes detailed quality labeling standards for some foods, and requires that appropriate quality labeling be carried out based on correct understanding of the corresponding standards when importing.

Fig. 6-5: Quality labeling standards for processed vegetables and fruits under Act for Standardization and Proper Labeling of Agricultural and Forestry Products and Food Sanitation Act

Governing law	Quality labeling standards or type of applicable food
Act for Standardization and Proper Labeling of Agricultural and Forestry Products	Quality labeling standards for processed tomatoes
	Quality labeling standards for jams
	Quality labeling standards for canned or bottled agricultural products
	Quality labeling standards for prepared food, canned or bottled
	Quality labeling standards for frozen vegetables
Food Sanitation Act	Frozen or irradiated food
	Processed foods, citrus fruits, and bananas, packed in containers

Source: Ministry of Agriculture, Forestry and Fisheries

< Product name >

The name of the product must be provided on the label in accordance with the Act for Standardization and Proper Labeling of Agricultural and Forestry Products and Food Sanitation Act.

<Ingredients >

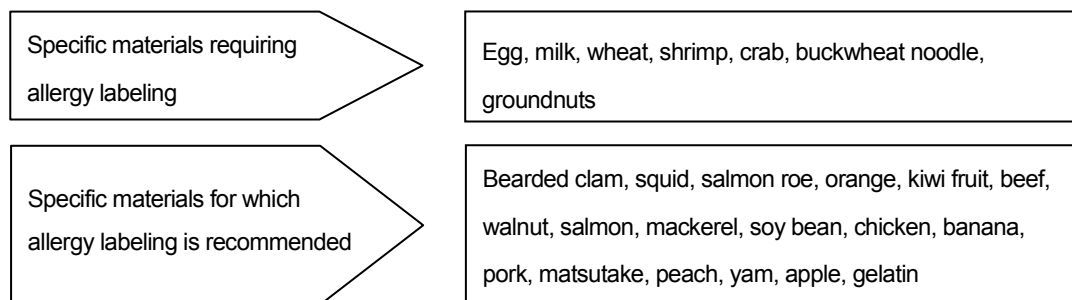
The ingredients of the product must be listed in descending order from highest to lowest content on the label in accordance with the Act for Standardization and Proper Labeling of Agricultural and Forestry Products and Food Sanitation Act.

<Additives >

The substance name of additives used must be listed in decreasing order from highest to lowest content on the label in accordance with the Food Sanitation Act. The substance name and use of the following eight additives must be indicated on the label: sweeteners, antioxidants, artificial colors, color formers, preservatives, whiteners, thickeners/stabilizers/gelators/bodying agents, antifungal agents, and antimold agents). For details on usage and storage standards of additives, Notification No. 370 of the Ministry of Health, Labour and Welfare "Standards and Criteria for Food and Additives" prescribes the maximum allowable limit of approved additives for each food article.

<Allergies >

When products containing the specific ingredients shown in Fig. 6-6 are sold, it is required or recommended that ingredients be labeled in accordance with the Food Sanitation Act to prevent health hazards among consumers with specific allergies. However, omission of labeling is allowed if such ingredients can be easily identified in the products.

Fig. 6-6: Specific materials related to allergy labeling

Source: Ministry of Health, Labour and Welfare

<Recombinant foods>

The farm products listed in Fig. 6-7 and their processed products require labeling of recombinant foods. Labeling is mandatory for all food products containing recombinant crops under the Act for Standardization and Proper Labeling of Agricultural and Forestry Products and the Food Sanitation Act. The recombinant food labeling system consists of: (1) mandatory labeling stating “Recombinant food” for products made from recombinant ingredients whose genetic identity is preserved, (2) mandatory labeling stating “The identity of ingredients is not preserved” for products made from ingredients whose genetic identity is not preserved, and (3) voluntary labeling stating “Non-recombinant food” for products made from non-recombinant ingredients whose genetic identity is preserved. The applicable labeling is determined based on the acquisition of Identity Preserved (IP) Handling certificates for the production, distribution, and processing stages.

However, labeling can be omitted for foods in which any recombinant ingredient is not the main ingredient (one of the top three ingredients, accounting for 5% or more of the total weight) and for foods in which recombinant DNA and protein generated via such DNA do not remain after processing (e.g., edible oil, soy sauce).

Fig. 6-7: Agricultural and processed products requiring labeling of recombinant foods

Agricultural products	Processed products
Coleseeds	—
Cottonseeds	—
Potatoes	The major ingredients include frozen or dried potatoes, potato starch, and/or potato snack, otherwise potato (for cooking).
Alfalfa	The major ingredients include alfalfa.
Sugar beets	The major ingredients include sugar beets (for cooking).

Source: Ministry of Agriculture, Forestry and Fisheries

<Content weight>

When importing and selling vegetables, fruits, and their processed products, the importer must weigh the product in accordance with the Measurement Act and indicate the weight in grams or liters on the label. The product must be weighed so that the difference between the actual weight of the product and the figure indicated on the label is within the prescribed range.

<Expiration date>

The expiration date of the product when stored according to the given preservation method in the unopened state must be indicated on the label in accordance with the Act for Standardization and Proper Labeling of Agricultural and Forestry Products and Food Sanitation Act. Expiration date labeling consists of expiry date and “best by” date. The former applies to foods whose quality deteriorates rapidly within five days inclusive of the date of manufacture, while the latter applies to foods whose quality does not deteriorate easily in comparison.

<Preservation method>

The preservation method for maintaining flavor in the unopened state until the “best by” date must be indicated on the label in accordance with the Act for Standardization and Proper Labeling of Agricultural and Forestry Products and Food Sanitation Act. Foods requiring the labeling of the expiry date should be marked “Preserve under 10°C” while those requiring “best by” date labeling should be marked “Keep out of direct sunlight at room temperature,” etc. However, the preservation method can be omitted from the label for foods that can be stored at room temperature.

<Country of origin>

The quality labeling standards for processed foods, specified by the Act for Standardization and Proper Labeling of Agricultural and Forestry Products, require the country of origin to be indicated on the labels of import foods.

This Act also requires the country of origin to be labeled for the vegetables, fruits, and processed foods listed in Fig. 6-8. All other processed foods do not require labeling.

Such information must be labeled either by stating in brackets on the list of ingredients or by stating the name of country of origin in a specified column of the labeling.

Fig. 6-8: Processed foods made from vegetables and fruits requiring country of origin labeling

Labeling standards	Applicable processed foods	For example
Quality labeling standards for processed foods	Dried mushrooms, vegetables, fruits	Dried shiitake
	Salted mushrooms, vegetables, fruits	Salted mushrooms
	Boiled or steamed mushrooms, vegetables, and beans; and sweet bean pastes	Boiled bamboo shoots, raw bean pastes
	Mixture of cut vegetables and fruits, mixture of vegetables, fruits, and mushrooms	Cut vegetable/fruit mix
	Konjac	Konjac bar, konjac ball
	Mixture of fresh agro-, animal, and fishery fresh products	<i>Nabe set</i> (set of fishery products and vegetables for <i>nabe</i>)
Quality labeling standards for frozen vegetable products	Frozen vegetable products	Frozen vegetable mix
Quality labeling standards for pickled agroproducts	Pickled agroproducts	Vegetables pickled in rice-bran paste or soy sauce, umeboshi

Source: Consumer Affairs Agency

<Importers>

The name and address of the importer must be indicated on the label in accordance with the Act for Standardization and Proper Labeling of Agricultural and Forestry Products, and the Food Sanitation Act. For products processed in Japan using imported ingredients, the name and address of the manufacturer or dealer must be indicated on the label.

<Nutrition facts>

The nutritional components and calorie count must be indicated on the labels of cereals in accordance with the nutritional labeling standards prescribed by the Health Minister. The required information includes nutritional components, structural components (e.g., amino acids in protein), and types of components (e.g., fatty acids in fat).

Components must be indicated in the following order and unit:

- a) Calories (kcal or kilocalories)
- b) Protein (g or grams)
- c) Fat (g or grams)
- d) Carbohydrate (g or grams)
- e) Sodium
- f) Other nutritional components to be indicated on labels

The Health Ministry also prescribes standards on the labeling of other nutritional components and on information to be highlighted.

<Organic labeling>

The Act for Standardization and Proper Labeling of Agricultural and Forestry Products defines organic agricultural products and organic agricultural processed foods, which include vegetable and fruits, as Specified JAS (JAS-certified organic). Only products which meet these standards and affixed with the JAS-certified organic mark can be labeled as “organic agricultural product,” “organically grown product,” or “organic tomato” in Japanese.

Organic agricultural products produced abroad and imported must be graded by one of the following methods and affixed with the JAS-certified organic mark, to be permitted to have organic labeling.

- a) Labeling of JAS-certified organic mark and distribution of organic foods produced/manufactured by overseas manufacturers certified by JAS registered certifying bodies inside and outside Japan.
- b) Labeling of JAS-certified organic mark and distribution of products by importers certified by registered certifying bodies in Japan (limited to organic agricultural products and organic agricultural processed foods).

For approach b), certificates issued by the government of a country with a grading system recognized to be of the equivalent level as that based on the Japanese Agricultural Standards (JAS), or copies must be attached as a prerequisite. As

of March 2011, the following countries are identified by the ministerial ordinance to have equivalent grading systems for organic agricultural products as Japan in accordance with Article 15-2 of the Act for Standardization and Proper Labeling of Agricultural and Forestry Products: 27 countries in the EU, Australia, U.S.A., Argentina, New Zealand, and Switzerland.

Fig. 6-9: JAS-certified organic mark



<Containers and packaging>

The Act on the Promotion of Effective Utilization of Resources requires labeling for promoting sorted collection on specified containers and packaging. Import products which meet the following conditions are required labeling for identification by law.

- When administrative instructions have been given on the materials and structure of containers and packaging and the use of trademark for the imported product.
- When the containers and packaging of the import product is printed, labeled, or engraved with Japanese.

When the following two types of containers and packaging are used for cereals, either or both marks (Fig. 6-10) must be labeled on one area or more of the containers and packaging in the designated format.

Fig. 6-10: Labels for promoting sorted collection



Plastic containers and packaging



Paper containers and packaging

<Description>

Product descriptions with false or misleading expressions are prohibited by the Health Promotion Act, Act against Unjustifiable Premiums and Misleading Representations, and intellectual property-related laws and regulations (e.g., Unfair Competition Prevention Act, Trademark Act), which is applicable to all articles in addition to food products.

2. Labeling under Industry Voluntary Restraint

<National Canned Food Fair Trade Conference>

The National Canned Food Fair Trade Conference grants Fair Trade Mark labeling to the products of members certified to follow appropriate packaging and labeling requirements in accordance with the Fair Competition Code for Canned Food Labeling.

< Fair Competition Code for Canned Food Labeling > <http://www.jfftc.org/cgi-bin/data/bunsoyo/A-11.pdf>

Contact: National Canned Food Fair Trade Conference TEL: +813-5256-4801 (in Japan Cannery Association)

<National Processed Tomato Fair Trade Conference>

The National Processed Tomato Fair Trade Conference grants Fair Trade Mark labeling to the products of members certified to follow appropriate packaging and labeling requirements in accordance with the Fair Competition Code for Processed Tomato Labeling. The Conference has also provided the Fair Competition Code for restrictions on giving away premiums in the processed tomato food industry.

< National Processed Tomato Fair Trade Conference > <http://www.jfftc.org/cgi-bin/data/bunsoyo/A-12.pdf>

Contact: National Processed Tomato Fair Trade Conference TEL: +81-3-3639-9666 (in Japan Tomato Processors Association)

III. Taxation System

1. Tariff duties, consumption tax, and other relevant taxes

Tariff duties on vegetables, fruits, and processed products are shown in the table below. Caution should be exercised since rates vary according to the time of importation for articles such as bananas, oranges, grapefruit, and grapes. In order to apply for preferential tariff rates on articles imported from preferential treatment countries, the importer should submit a Generalized System of Preferences (GSP) Certificate of Origin (Form A) issued by the customs or other issuing agency in the exporting country, to Japan Customs before import clearance (not required if the total taxable value of the article is no greater than ¥200,000). Details may be checked with the Customs and Tariff Bureau of the Ministry of Finance. If the importer wishes to check the tariff classifications or tariff rates in advance, it may be convenient to use the prior instruction system in which one can make inquiries and receive replies in person, in writing, or via e-mail.

6. Vegetables, Fruits, and Processed Products

Fig. 6-11: Tariff duties on vegetables (FY2011)

<Fresh vegetables>

H.S. code			Description	Tariff rate					
				General	Temporary	WTO	GSP	LDC	
0701	10	-000	Potatoes, fresh or chilled	5.0%		3.0%	Free	Free	
	90	-000	Seed Other	5.0%		4.3%			
0702	00	-000	Tomatoes, fresh or chilled	5.0%		3.0%		Free	
0703	10		Onions, shallots, garlic, leeks and other alliaceous vegetables, fresh or chilled	10.0%	(73.70 yen - the value for customs duty)/kg	8.5		Free	
			Onions and shallots						
			1 Onions						
		-011		- Not more than 67 yen/kg in value for customs duty					Free
		-012		- More than 67 yen/kg but not more than 73.70 yen/kg in value for customs duty					Free
		-013		- More than 73.70 yen/kg in value for customs duty					Free
	20	-020	2 Shallots	5.0%		3.0%		Free	
90	-000	Garlic	5.0%		3.0%		Free		
	-010	Leeks and other alliaceous vegetables	5.0%		3.0%		Free		
	-090		- Welsh onions (<i>Allium Fistulosum</i> L.) - Other					Free	
0704	10	-000	Cabbages, cauliflowers, kohlrabi, kale and similar edible brassicas, fresh or chilled	5.0%		3.0%		Free	
	20	-000	Cauliflowers and headed broccoli	5.0%		3.0%		Free	
	90	-000	Brussels sprouts	5.0%		3.0%		Free	
		-010	Other					Free	
		-020		- Broccoli					Free
		-030		- Head cabbage					Free
	-090		- Chinese cabbage - Other					Free	
0705	11	-000	Lettuce (<i>Lactuca sativa</i>) and chicory (<i>Cichorium</i> spp.), fresh or chilled	5.0%		3.0%		Free	
	19	-000	Lettuce	5.0%		3.0%		Free	
			- Cabbage lettuce (head lettuce)					Free	
			- Other					Free	
	21	-000	Chicory	5.0%		3.0%	1.5%	Free	
29	-000	- Witloof chicory (<i>Cichorium intybus</i> var. <i>foliosum</i>) - Other	5.0%		3.0%	1.5%	Free		
0706	10	-000	Carrots, turnips, salad beetroot, salsify, celeriac, radishes and similar edible roots, fresh or chilled	5.0%		3.0%		Free	
	90	-000	Carrots and turnips	5.0%		3.0%		Free	
		-010	Other			2.5%	Free	Free	
	-090		- Burdock - Other			3.0%		Free	
0707	00	-000	Cucumbers and gherkins, fresh or chilled	5.0%		3.0%		Free	
0708	10	-000	Leguminous vegetables, fresh or chilled	5.0%		3.0%		Free	
	20	-000	Peas (<i>Pisum sativum</i>)	5.0%		3.0%		Free	
	90	-000	Beans (<i>Vigna</i> spp., <i>Phaseolus</i> spp.)	5.0%		3.0%		Free	
		-000	Other leguminous vegetables	5.0%		3.0%		Free	
0709	20	-000	Other vegetables, fresh or chilled	5.0%		3.0%		Free	
	30	-000	Asparagus	5.0%		3.0%		Free	
	40	-000	Aubergines (egg-plants)	5.0%		3.0%		Free	
	60	-000	Celery other than celeriac	5.0%		3.0%		Free	
			Fruits of the genus <i>Capsicum</i> or of the genus <i>Pimenta</i>	5.0%		3.0%		Free	
		-010		- Sweet peppers (Large bell type)					Free
		-090		- Other					Free
	70	-000	Spinach, New Zealand spinach and orache spinach (garden spinach)	5.0%		3.0%		Free	
	90	-000	Other					Free	
		-010		1. Sweet corn	10.0%		6.0%		Free
	-091		2. Other	5.0%		3.0%		Free	
	-092		- Pumpkins					Free	
	-099		- Globe artichokes					Free	
	-210		- Other					Free	
0714	90	-210	- Taros, fresh					Free	

Source: Ministry of Finance

Fig. 6-11: Tariff duties on vegetables (FY2011) (continued)
<Frozen vegetables>

H.S. code			Description	Tariff rate				
				General	Temporary	WTO	GSP	LDC
0710	10	-000	Vegetables (uncooked or cooked by steaming or boiling in water), frozen					
			Potatoes	10.0%		8.5%		Free
			Leguminous vegetables					
	21	-000	Peas (<i>Pisum sativum</i>)	10.0%		8.5%		Free
	22	-000	Beans (<i>Vigna</i> spp., <i>Phaseolus</i> spp.)	10.0%		8.5%		Free
	29	-000	Other	10.0%				Free
		-010	- Green soya beans			6.0%		
		-090	- Other			8.5%		
	30	-000	Spinach, New Zealand spinach and orache spinach (garden spinach)	10.0%		6.0%		Free
	40	-000	Sweet corn	12.5%		10.6%		Free
	80		Other vegetables					
		-030	1. Burdock	20.0%		12.0%		Free
			2. Other	10.0%		6.0%		Free
		-010	- Broccoli					
	-090	- Other						
90		Mixtures of vegetables						
	-100	1. Chiefly consisting of sweet corn	12.5%		10.6%		Free	
		2. Other	10.0%		6.0%		Free	

Source: Ministry of Finance

Fig. 6-11: Tariff duties on vegetables (FY2011) (continued)
<Other prepared vegetable / dried vegetables>

H.S. code			Description	Tariff rate				
				General	Temporary	WTO	GSP	LDC
2004	10	-100	Vegetables (prepared or preserved), frozen					
			Potatoes					
	90	-210	1. Cooked, not otherwise prepared	10.0%		8.5%		Free
		-220	2. Other					
		-210	- Mashed potatoes	16.0%		13.6%		Free
		-220	- Other	9.6%		9.0%		Free
			Asparagus and leguminous vegetables	20.0%		17.0%		Free
		-211	- Asparagus					
		-212	- Leguminous vegetables					
		-220	Bamboo shoots	16.0%		13.6%		Free
		-230	Sweet corn	12.5%		7.5%		Free
			Young corncobs					
		-240	- In airtight containers	25.0%		15.0%		Free
		-291	- Other				9.0%	
	-299	Other	9.6%		9.0%		Free	
0712	20	-000	Dried vegetables	15.0%		9.0%		Free
			Onions					
	90		Other vegetables; mixtures of vegetables					
		-031	1. Sweet corn	Free		(Free)		
		- Rendered suitable solely for sowing by chemical treatment						
		- Other	15 yen / kg		9 yen / kg		Free	
		2. Other	15.0%				Free	
		- Potatoes			12.8%	10.0%		
		- Other			9.0%			
		-010	- Bamboo shoots				7.5%	
		-020	- Other					
	-040	- Osmund						
	-060	- Radishes						
	-090	- Dried gourd shavings						
		- Other						

Source: Ministry of Finance

6. Vegetables, Fruits, and Processed Products

Fig. 6-12: Tariff duties on fruits and processed products (FY2011)

H.S. code			Description	Tariff rate				
				General	Temporary	WTO	GSP	LDC
0803	00	-100	Bananas, fresh or dried					
			1. Fresh					
			- If imported during the period from 1st April to 30th September	40.0%		20.0%	10.0%	Free
			- If imported during the period from 1st October to 31st March	50.0%		25.0%	20.0%	Free
0804	20	-010	Dates, figs, pineapples, avocados, guavas, mangoes and mangosteens, fresh or dried					
			Figs	10.0%		6.0%	3.0%	Free
			- Fresh					
			Pineapples	20.0%		17.0%		Free
			- Fresh					
			Avocados	6.0%			Free	
0805	10	-000	Citrus fruits, fresh or dried					
			Oranges					
			- If imported during the period from 1st June to 30th November	20.0%		16.0%		Free
			- If imported during the period from 1st December to 31st May	40.0%		32.0%		Free
0806	10	-000	Mandarins (including tangerines and satsumas), clementines, wilkings and similar citrus hybrids	20.0%		17.0%		Free
			Grapefruit, including pomelos	10.0%				Free
			- If imported during the period from 1st June to 30th November			(10.0%)		
			- If imported during the period from 1st December to 31st May			(10.0%)		
0807	11	-000	Lemons (Citrus limon, Citrus limonum) and limes (Citrus aurantifolia, Citrus latifolia)	Free		(Free)		
			- Lemons (Citrus limon, Citrus limonum)					
			- Limes (Citrus aurantifolia, Citrus latifolia)					
			Other					
0808	10	-000	1. Limes (other than Citrus aurantifolia, Citrus latifolia)	Free		(Free)		Free
			2. Other	20.0%		17.0%		Free
0809	10	-000	Grapes, fresh or dried					
			Fresh					
			- If imported during the period from 1st March to 31st October	20.0%		17.0%		Free
			- If imported during the period from 1st November to the last day of February	13.0%		7.8%		Free
0807	11	-000	Melons (including watermelons) and papaws (papayas), fresh					
			Melons, including watermelons					
			- Watermelons	10.0%		6.0%		Free
0808	19	-000	- Other	10.0%		6.0%		Free
			Papaws (papayas)	4.0%		2.0%	Free	
0808	20	-000	Apples, pears and quinces, fresh					
			Apples	20.0%		17.0%		Free
			Pears and quinces	8.0%		4.8%		Free
0809	10	-000	Apricots, cherries, peaches (including nectarines), plums and sloes, fresh					
			Apricots	10.0%		6.0%		Free
			Cherries	10.0%		8.5%		Free
			Peaches, including nectarines	10.0%		6.0%		Free
			Plums and sloes	10.0%		6.0%		Free

Source: Ministry of Finance

Fig. 6-12: Tariff duties on fruits and processed products (FY2011) (continued)

H.S. code			Description	Tariff rate				
				General	Temporary	WTO	GSP	LDC
0810	10	-000	Other fruit, fresh					
	20	-000	Strawberries	10.0%		6.0%		Free
			Raspberries, blackberries, mulberries and Loganberries	10.0%		6.0%	3.0%	Free
	40	-000	Cranberries, bilberries and other fruits of the genus Vaccinium	10.0%		6.0%	3.0%	Free
	50	-000	Kiwifruit	8.0%		6.4%		Free
	60	-000	Durians	10.0%		5.0%	2.5%	Free
	90	-000	Other	10.0%				Free
		-210	- Rambutan, passionfruit, litchi and carambola (star-fruit)			5.0%	2.5%	
		-291	- Other			6.0%		
		-299	- Black, white or red currants and gooseberries				3.0%	
		- Other						
2007	91		Jams, fruit jellies, marmalades, fruit or nut purée and fruit or nut pastes					
			Citrus fruit					
			1. Jams, fruit jellies and marmalades					
			- Containing added sugar	28.0%		16.8%		Free
			- Jams					
			- Fruit jellies and marmalades					
			- Other	20.0%		12.0%		Free
			- Jams					
			- Fruit jellies and marmalades					
			2. Fruit purée and fruit pastes					
			- Containing added sugar	40.0%		34.0%		Free
			- Other	25.0%		21.3%		Free
			Other					
			1. Jams and fruit jellies					
			- Containing added sugar	28.0%		16.8%		Free
			- Jams					
	- Fruit jellies							
	- Other	20.0%		12.0%		Free		
	- Jams							
	- Fruit jellies							
	2. Other							
	- Containing added sugar	40.0%		34.0%		Free		
	- Fruit purée and fruit pastes							
	- Other	25.0%		21.3%		Free		
	- Fruit purée and fruit pastes							
	- Other							

Source: Ministry of Finance

Note 1) Special emergency tariffs may be imposed on articles if their import volume has increased by more than a specified percentage or their import price has decreased by more than a specified percentage.

Note 2) Special preferential rate is applicable only for the Least Developed Countries.

Note 3) Normally the order of precedence for application of tariff rates is Preferential, WTO, Temporary, and General, in that order. However, Preferential rates are only eligible when conditions stipulated by law or regulations are met. WTO rates apply when those rates are lower than Temporary or General rates. Refer to "Customs Tariff Schedules of Japan" (by Customs and Tariff Bureau, Ministry of Finance) for a more complete interpretation of the tariff table.

2. Consumption Tax

(CIF + Tariff duties) × 5%

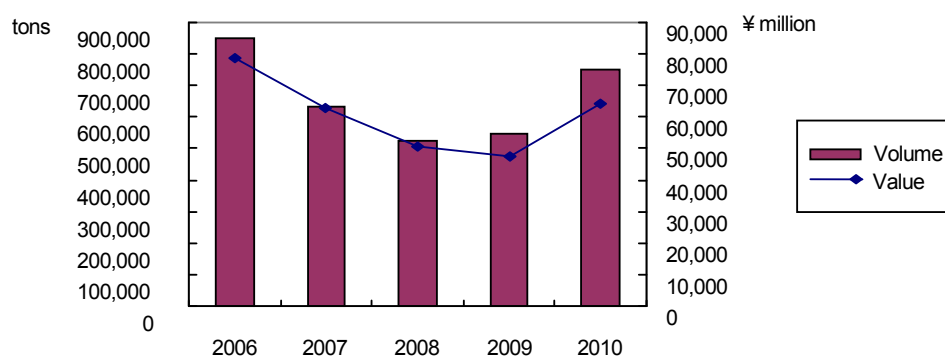
IV. Trade Trends

1. Changes in Imports

<Fresh vegetables>

As a result of the Chinese frozen dumpling food poisoning incident (in 2008, consumers eating frozen dumplings imported from China developed food poisoning symptoms, pesticides were later found in the dumplings), Chinese food products were cold-shouldered in the market and imports dropped drastically in 2008 especially from China. The situation slowly started to recover in 2009, with fresh vegetable imports at 748,987 tons in 2010, marking 136.8% compared to the previous year. Recovery was prevalent especially among onions, Welsh onions, cabbages/Chinese cabbages, and carrots/tumips, respectively showing significant increases from the temporary slump. Due to the effects of the financial crisis triggered by the Lehman Brothers' collapse in autumn of 2008, there has been more demand for low-priced products since 2009. Therefore, although imports increased in terms of volume, imports in value marked ¥47,678 million (94.5% vs. previous year), sinking below the previous year. Because import volumes recovered significantly in 2010, recovery was strong on a value basis as well, consequently exceeding records of 2007.

Fig. 6-13: Changes in fresh vegetable imports



Source: Trade Statistics (MOF)

Fig. 6-14: Changes in fresh vegetable imports by item

Units: volume = tons, value = ¥ million

Item	Volume					Value				
	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010
Potato	0	1	1	0	2	29	84	34	17	103
Tomato	5,450	4,260	1,976	2,338	2,971	1,808	1,464	580	636	1,042
Onion	291,072	228,172	184,179	207,575	339,477	12,785	9,102	6,369	7,877	14,395
shallot	502	472	484	401	437	104	131	137	95	99
Garlic	26,217	22,117	19,959	19,842	18,557	3,143	2,812	2,011	2,073	3,565
Leek	78,723	55,375	37,550	36,706	54,546	7,731	5,964	4,279	4,167	5,888
Cauliflower	47	18	34	26	14	9	5	6	5	3
Head cabbage	9	9	9	15	17	5	5	5	9	9
Broccoli	50,062	41,837	32,353	29,540	35,683	8,622	7,469	5,624	4,807	6,022
Cabbage / Chinese cabbage	34,805	11,150	6,884	13,506	23,761	1,482	498	302	539	942
Lettuce	4,171	2,441	2,072	3,220	5,990	692	387	285	337	654
Chicory	2,792	2,637	2,525	2,333	2,221	1,317	1,330	1,145	858	790

Fig. 6-14: Changes in fresh vegetable imports by item (continued)

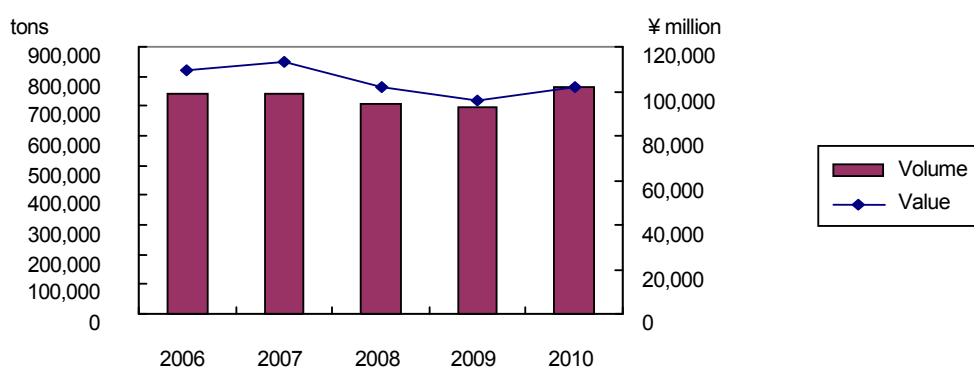
Units: volume = tons, value = ¥ million

Item	Volume					Value				
	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010
Carrot / turnip	104,115	46,283	43,005	41,818	65,187	5,292	2,287	2,809	2,117	2,800
Burdock	62,579	49,139	44,762	36,631	36,866	4,036	2,259	2,278	1,600	2,270
Cucumber	312	194	78	57	23	64	47	20	13	5
Leguminous vegetables	10,480	6,088	2,669	2,997	4,526	2,222	1,680	726	843	1,337
Asparagus	14,976	12,542	10,437	10,780	12,538	8,346	7,613	6,329	5,985	6,562
Aubergines (egg-plants)	408	340	330	259	78	99	83	79	59	20
Celery	6,166	4,311	4,666	2,354	4,946	460	342	349	156	354
Sweet peppers (Large bell type)	22,803	21,811	22,424	24,812	25,411	10,041	10,122	8,441	8,111	9,442
Sweet corn	320	255	85	38	51	57	40	25	10	13
Pumpkin	103,273	104,943	100,380	105,301	106,355	8,752	8,132	8,023	6,895	7,243
Taro	24,564	17,075	9,509	6,783	7,858	1,321	846	504	374	539
Other	6,498	1,344	349	255	1,472	345	159	115	94	144
Total	850,344	632,814	526,720	547,587	748,987	78,762	62,861	50,475	47,677	64,241

Source: Trade Statistics (MOF)

<Frozen vegetables>

In 2007, pesticide residue was found in frozen green soybeans from China, which led to a global sense of mistrust towards Chinese food products. Also in the following year of 2008, pesticide residues exceeding approved limits were detected in frozen dumplings and kidney beans from China. These cases received substantial coverage from the media, leading to a massive reduction in demand, thus pulling down figures largely for frozen vegetable imports. In addition to the recovery in Chinese vegetables in 2010, the steep rise in prices of fresh produce also led to a concentration in demand for stable-priced frozen vegetables, marking 764,239 tons (109.5% vs. previous year) in volume.

Fig. 6-15: Changes in frozen vegetable imports

Source: Trade Statistics (MOF)

Fig. 6-16: Changes in frozen vegetable imports by item

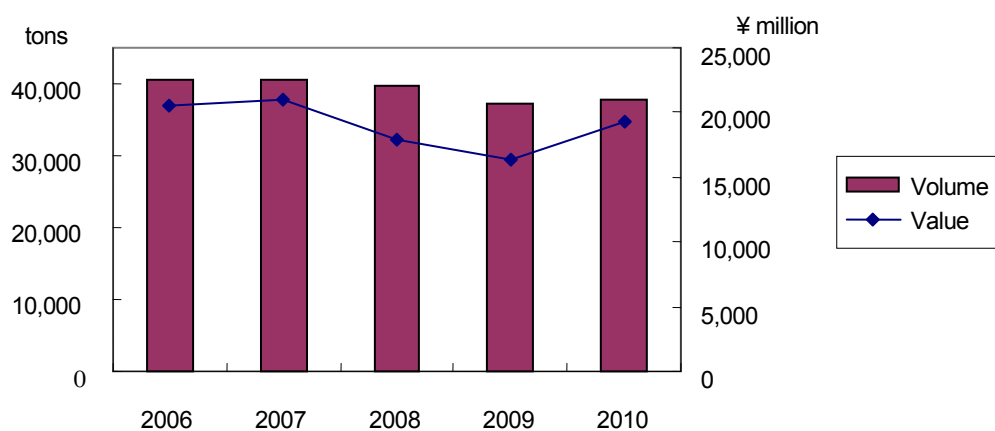
Units: volume = tons, value = ¥ million

Item	Volume					Value				
	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010
Potato	301,326	308,351	315,733	320,000	347,445	33,630	36,500	37,547	36,508	37,464
Peas (<i>Pisum sativum</i>)	16,637	15,612	15,341	13,577	13,407	2,352	2,319	2,257	1,937	2,009
Beans (<i>Vigna</i> spp., <i>Phaseolus</i> spp.)	29,795	27,968	25,284	20,098	24,491	3,669	3,543	3,153	2,408	2,847
Green soya bean	66,875	59,040	55,636	58,929	66,818	12,534	11,473	10,119	10,313	10,955
Spinach	21,585	24,212	23,118	22,084	27,088	3,131	3,546	3,138	2,710	3,226
Sweet corn	46,861	47,518	44,925	43,147	42,420	6,998	7,329	6,619	6,234	5,562
Burdock	8,259	8,045	7,897	7,768	7,930	995	1,031	849	775	1,002
Broccoli	24,979	23,788	22,712	23,116	26,577	3,928	3,881	3,664	3,522	3,858
Asparagus	41	59	26	26	22	18	29	12	10	9
Bamboo shoot	425	511	231	192	162	150	247	99	100	63
Other	225,367	226,065	194,065	189,028	207,879	41,886	43,476	34,337	31,553	34,717
Total	742,150	741,169	704,968	697,965	764,239	109,291	113,374	101,794	96,070	101,712

Source: Trade Statistics (MOF)

<Dried vegetables>

Dried vegetable imports showed sluggish growth in 2007 and started to decline in 2008, recording less than 40,000 tons for both 2009 and 2010. Seen by item, onions and bamboo shoots remain relatively stable, but many other items show no signs of hitting the bottom.

Fig. 6-17: Changes in dried vegetable imports

Source: Trade Statistics (MOF)

Fig. 6-18: Changes in dried vegetable imports by item

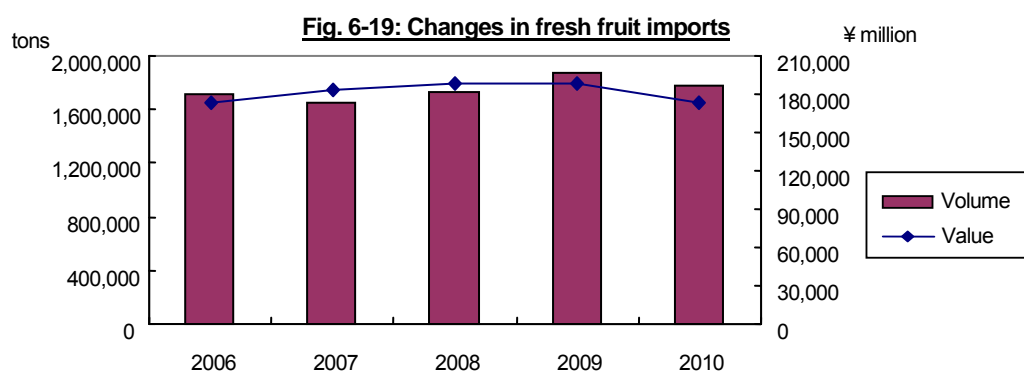
Units: volume = tons, value = ¥ million

Item	Volume					Value				
	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010
Onion	5,692	5,386	6,301	5,613	6,415	1,898	1,963	2,087	1,792	1,944
Sweet corn	1,463	1,223	1,320	1,067	1,241	2,120	1,905	1,939	1,381	1,600
Potato	149	112	236	543	337	44	47	76	171	111
Bamboo shoot	2,460	2,314	2,064	2,144	2,027	1,959	2,435	1,534	2,200	2,663
Osmund	906	676	509	391	325	1,180	996	773	522	436
Radish	4,292	3,487	3,494	3,660	3,101	956	791	780	748	956
Dried gourd shaving	2,848	2,361	2,453	2,112	1,732	1,321	1,160	1,189	975	819
Other	22,732	24,973	23,415	21,793	22,519	11,089	11,719	9,556	8,566	10,811
Total	40,542	40,532	39,792	37,323	37,697	20,567	21,016	17,934	16,355	19,340

Source: Trade Statistics (MOF)

<Fresh fruits>

Fresh fruit imports in 2010 marked 1.77 million tons (94.3% vs. previous year) or ¥173.2 billion (92.4% vs. previous year), falling below the previous year in both volume and value. Some of the factors for the decline include the end of the mango boom and effects from the overall decrease in consumption due to the recession. Grapes and kiwifruit are on the increase. On the other hand, bananas which are one of the key items, is marking 88.5% compared to the previous year in 2010.



Source: Trade Statistics (MOF)

Fig. 6-20: Changes in fresh fruit imports by item

Units: volume = tons, value = ¥ million

Item	Volume					Value				
	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010
Banana	1,043,634	970,594	1,092,738	1,252,606	1,109,068	65,560	68,616	85,440	94,420	73,874
Pineapple	152,479	165,794	144,464	143,981	142,577	9,981	10,958	10,288	10,347	8,869
Avocado	29,032	26,511	24,073	29,840	44,552	7,340	7,707	7,599	7,690	10,567
Mango	12,383	12,389	11,589	11,103	10,391	4,926	5,744	5,090	4,294	4,030
Orange	120,875	85,803	97,818	94,411	109,940	13,653	12,370	10,083	9,353	11,012
Grapefruit	170,881	212,838	184,038	178,912	174,771	21,116	23,263	18,577	16,864	16,358
Lemon	73,086	60,864	57,405	51,422	52,594	11,444	13,455	11,115	6,406	6,840
Lime	2,237	2,176	1,981	1,890	1,847	1,044	1,026	884	744	725
Grape	9,949	8,069	6,612	7,550	12,625	1,998	1,938	1,609	1,600	2,484

Fig. 6-20: Changes in fresh fruit imports by item (continued)

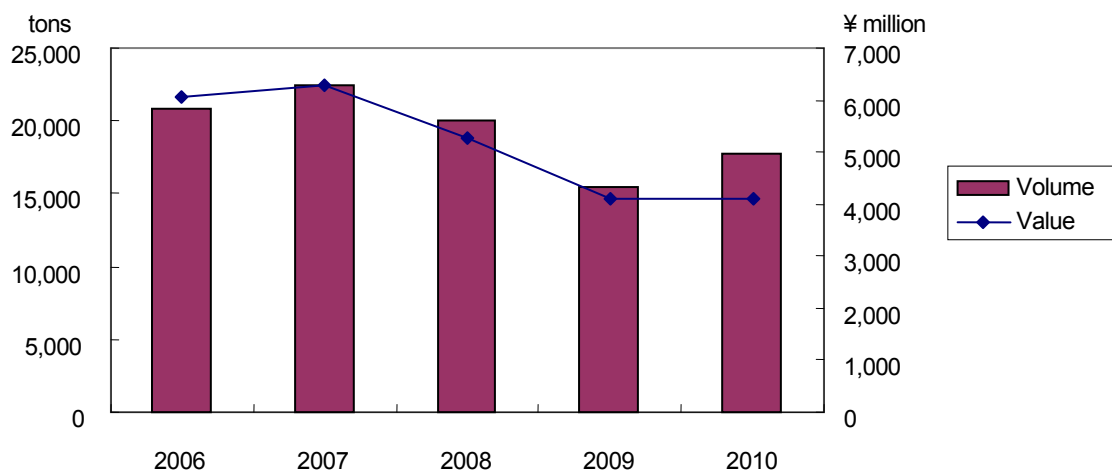
Units: volume = tons, value = ¥ million

Item	Volume					Value				
	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010
Watermelon	74	68	99	288	799	14	9	14	35	101
Melon	33,522	26,372	31,025	29,355	29,518	3,602	3,342	3,183	2,794	2,919
Papaws (papayas)	4,168	3,996	3,817	3,089	2,779	1,256	1,121	972	746	653
Apple	0	0	37	63	134	0	0	8	15	30
Cherry	6,947	9,374	8,525	10,013	11,009	7,117	8,044	7,428	7,403	8,264
Kiwifruit	54,479	59,618	59,222	58,501	62,963	16,876	18,991	19,420	19,668	21,045
Strawberry	4,038	3,842	3,278	2,992	3,259	4,070	3,900	3,321	2,660	2,666
Raspberry, blackberry, mulberry and loganberry	433	459	447	444	473	1,212	1,266	1,163	1,039	1,020
Cranberry, bilberry and other fruits of the genus Vaccinium	1,379	1,243	1,114	1,225	1,547	2,144	2,042	1,600	1,462	1,760
Total	1,719,596	1,650,010	1,728,281	1,877,686	1,770,847	173,355	183,791	187,796	187,542	173,217

Source: Trade Statistics (MOF)

<Processed fruits>

Processed fruit products mainly include jams and other products such as fruit purée, jellies, or paste. Trade trends tend to be affected by the domestic market situation. Market performance dropped drastically due to the heavy influence of the worsened business confidence in 2009, marking 77.5% compared to the previous year. Due in part to reactions from the year before, signs of recovery were seen in 2010, recording 114.8% compared to the previous year.

Fig. 6-21: Change in processed fruit imports

Source: Trade Statistics (MOF)

Fig. 6-22: Changes in processed fruit imports by item

Units: volume = tons, value = ¥ million

Item	Volume					Value				
	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010
Citrus fruits jam	54	23	20	18	4	31	17	12	7	3
Citrus fruits jelly and marmalade	3,735	2,897	2,261	2,846	3,416	1,274	1,136	818	836	927
Citrus fruits purée and fruit paste	0	0	6	0	0	0	0	2	0	0
Other fruits Jam	11,426	10,083	7,723	7,308	7,807	3,480	3,383	2,680	2,283	2,212
Other fruits jelly	459	574	486	525	742	133	150	128	136	154
Other fruits purée and fruit paste	3,856	7,569	8,305	3,928	4,962	406	865	957	436	458
Other	1,351	1,255	1,189	872	857	716	723	671	401	364
Total	20,881	22,401	19,990	15,497	17,788	6,040	6,274	5,268	4,099	4,118

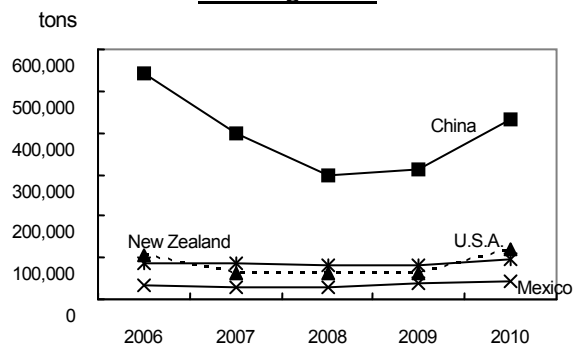
Source: Trade Statistics (MOF)

1. Regional breakdown

<Fresh vegetables>

Chinese imports account for an overwhelming share in fresh vegetables, but figures dropped considerably in 2008 to 296,243 tons, due to various safety issues. Recovery was seen later up to 429,846 tons in 2010. The United States is second in line after China, but also experienced a slowdown in growth after a slump from 2007 to 2009, letting New Zealand take over their position. Africa has almost no exports to Japan.

China is the biggest import trading partner with 429,846 tons (138.8% vs. previous year) in 2010, followed by the United States with 117,873 tons (193.1% vs. previous year), New Zealand with 94,454 tons (114.0% vs. previous year), and Mexico with 43,595 tons (114.9% vs. previous year). Because of the geographical proximity, vegetables shorter in shelf life such as cabbage, Chinese cabbage, Welsh onions, and shiitake mushrooms are imported from China. Other imports include sweet corn and potatoes from the United States, pumpkins and onions from New Zealand, pumpkins, asparagus, and tomatoes from Mexico.

Fig. 6-23: Trends in leading partner imports: fresh vegetables

Source: Trade Statistics (MOF)

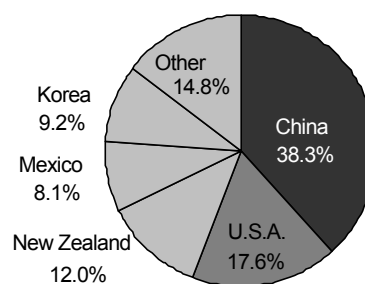
Fig. 6-24: Shares of imports in 2010 (value basis): fresh vegetable

Fig. 6-25: Principal places of origin of fresh vegetables

Units: volume = tons, value = ¥ million

Country	Volume					Value				
	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010
China	544,371	399,254	296,243	309,715	429,846	33,200	22,739	15,556	16,180	24,585
U.S.A.	107,213	60,200	61,423	61,039	117,873	12,842	10,370	8,344	7,373	11,284
New Zealand	85,194	87,961	79,986	82,878	94,454	8,471	8,468	7,538	6,491	7,736
Mexico	35,045	27,237	29,731	37,935	43,595	4,237	3,560	3,721	3,871	5,233
Korea	19,178	17,209	20,066	25,044	21,018	6,252	6,401	6,159	5,813	5,906
Other	59,343	40,953	39,271	30,976	42,121	13,760	11,323	9,157	7,949	9,497
Total	850,344	632,814	526,720	547,587	748,987	78,762	62,861	50,475	47,677	64,241

Source: Trade Statistics (MOF)

Fig. 6-26: Principal places of origin of fresh vegetables by item (2010) Units: volume = tons, value = ¥ million

Item	Total vol. imports	First place					Second place				
		Country	Volume	Share	Value	Ave. unit price	Country	Volume	Share	Value	Ave. unit price
Onion	339,477	China	236,945	69.8%	9,513	40.1	U.S.A.	69,500	20.5%	2,861	2,861
leek	54,546	China	54,002	99.0%	5,636	104.4	Taiwan	196	0.4%	56	285.7
Broccoli	35,683	U.S.A.	35,281	98.9%	5,967	169.1	China	299	0.8%	36	36
Carrot and turnip	65,187	China	55,817	85.6%	2,173	38.9	New Zealand	3,588	5.5%	238	238
Burdock	36,866	China	34,882	94.6%	2,121	60.8	Taiwan	1,984	5.4%	149	149
Asparagus	12,538	Mexico	4,687	37.4%	1,943	414.6	Australia	2,683	21.4%	1,557	1,557
Sweet pepper	25,411	Korea	16,252	64.0%	5,328	327.8	Holland	5,416	21.3%	2,341	2,341
Pumpkin	106,355	New Zealand	64,684	60.9%	4,912	75.9	Mexico	38,283	36.0%	3,108	3,108

Source: Trade Statistics (MOF)

Note) The share is calculated on a kg basis in the original data source and is not always in agreement with the percentage in the above table, which is calculated on a tonnage basis.

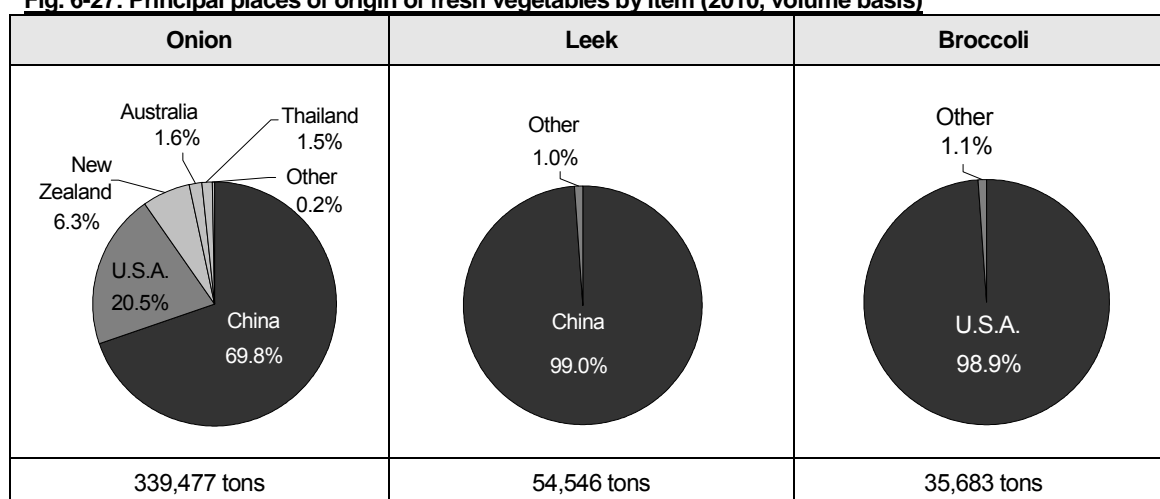
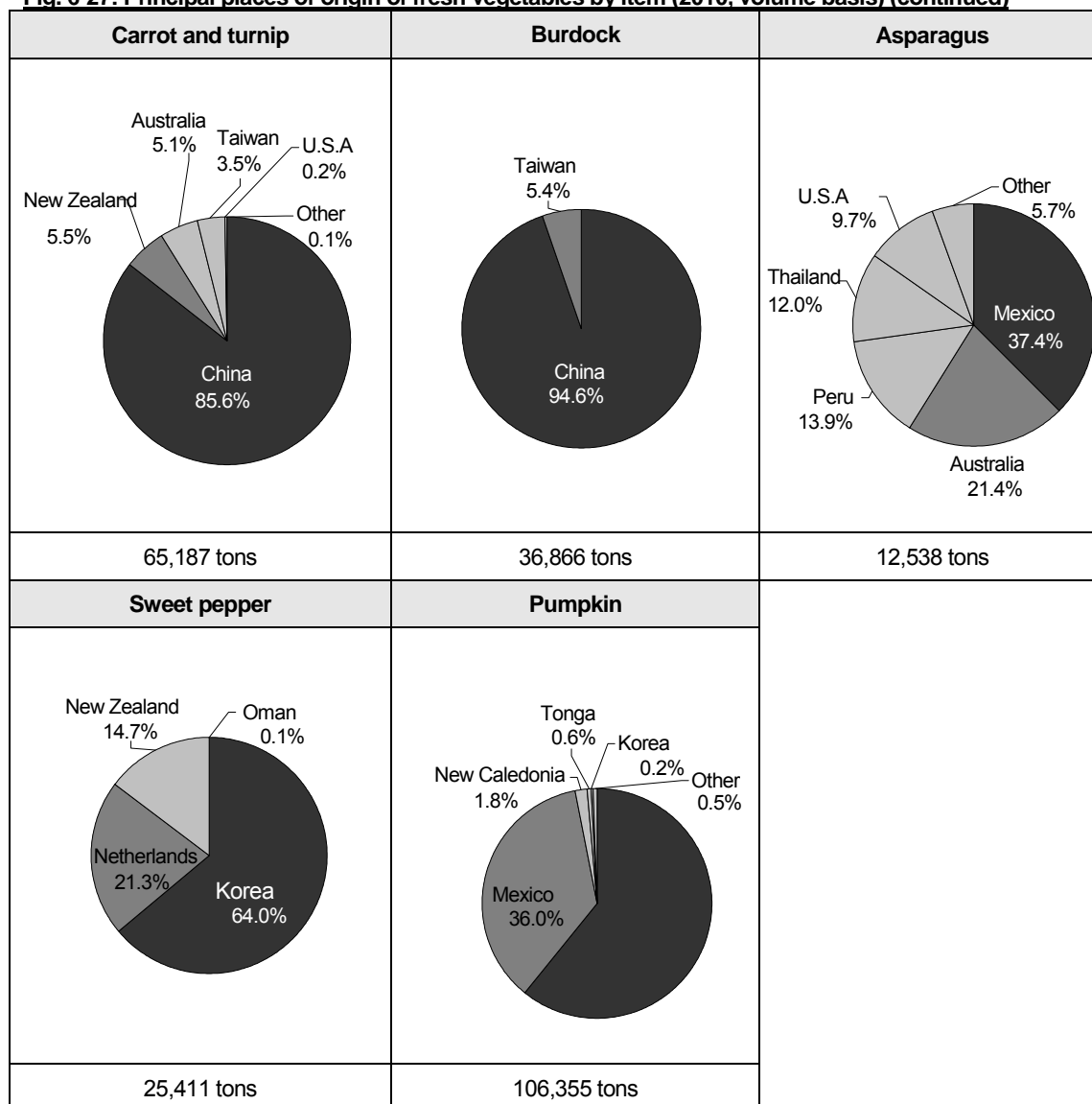
Fig. 6-27: Principal places of origin of fresh vegetables by item (2010, volume basis)

Fig. 6-27: Principal places of origin of fresh vegetables by item (2010, volume basis) (continued)

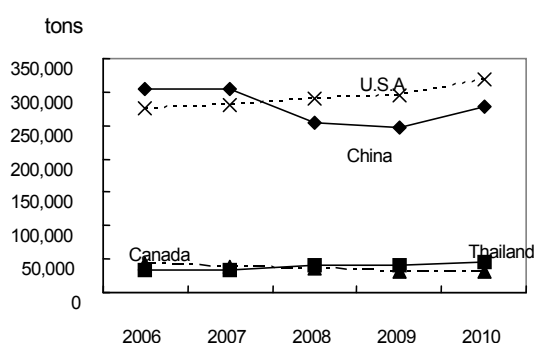


Source: Trade Statistics (MOF)

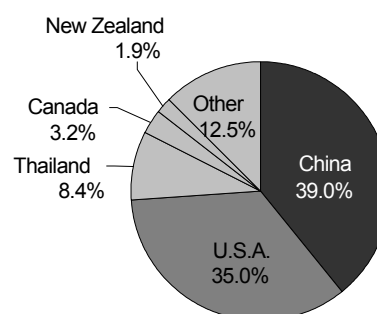
<Frozen vegetables>

As in the case of fresh vegetables, the main trading partner for frozen vegetables is also China. However, due to continuous problems of safety, large slumps were experienced in 2008 and 2009. In 2010, criticism diminished, and demand for frozen vegetables is showing a recovering trend, due partly to rising prices of domestic produce.

Frozen vegetables often use vegetables from China, but measures were taken to switch the country of origin to other countries such as Taiwan and Thailand, due to a sense of mistrust towards Chinese vegetables triggered by the detection of pesticide residue in Chinese frozen vegetables after 2000. As a result, bean production is being distributed to other countries since weather conditions allow them to be grown in other areas besides China.

Fig. 6-28: Trends in leading partner imports: frozen vegetables

Source: Trade Statistics (MOF)

Fig. 6-29: Shares of imports in 2010 (value basis): frozen vegetable**Fig. 6-30: Principal places of origin of frozen vegetables**

Units: volume = tons, value = ¥ million

Country	Volume					Value				
	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010
U.S.A.	276,612	280,471	289,421	294,112	318,853	32,282	34,625	35,565	34,989	35,559
China	305,075	303,332	252,927	247,506	277,711	49,617	51,087	38,095	35,159	39,701
Thailand	33,804	34,035	39,811	41,377	45,608	6,839	7,124	8,155	8,239	8,584
Canada	42,442	39,481	35,581	30,329	30,474	4,818	4,596	4,045	3,310	3,251
New Zealand	22,471	22,564	18,883	16,459	14,081	3,185	3,309	2,859	2,282	1,905
Other	61,746	61,287	68,345	68,182	77,514	12,549	12,633	13,074	12,092	12,712
Total	742,150	741,169	704,968	697,965	764,239	109,291	113,374	101,794	96,070	101,712
(African countries)	104	98	47	114	72	14	13	5	10	6

Source: Trade Statistics (MOF)

Fig. 6-31: Principal places of origin of frozen vegetables by item

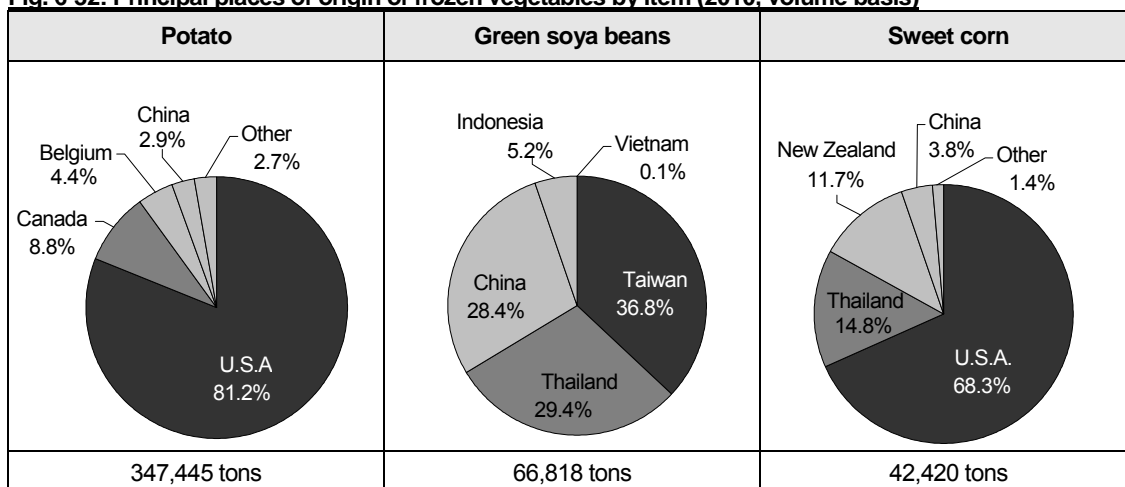
Units: volume = tons, value = ¥ million

Item	Total vol. imports	First place					Second place				
		Country	Volume	Share	Value	Ave. unit Price (kg/¥)	Country	Volume	Share	Value	Ave. unit Price (kg/¥)
Potato	347,445	U.S.A.	282,243	81.2%	30,497	108.1	Canada	30,449	8.8%	3,244	106.5
Green soya beans	66,818	Taiwan	24,617	36.8%	4,389	178.3	Thailand	19,661	29.4%	3,401	173.0
Sweet corn	42,420	U.S.A.	28,993	68.3%	135.1	3,916	Thailand	6,270	14.8%	115.9	727

Source: Trade Statistics (MOF)

Note) The share is calculated on a kg basis in the original data source and is not always in agreement with the percentage in the above table, which is calculated on a tonnage basis.

Fig. 6-32: Principal places of origin of frozen vegetables by item (2010, volume basis)

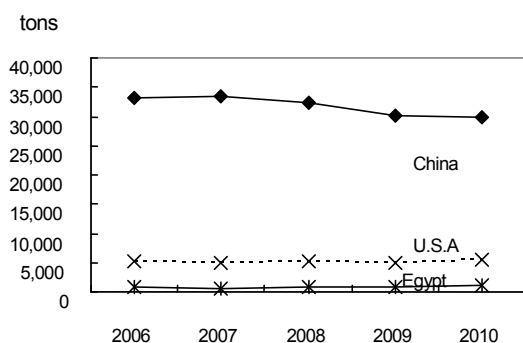


Source: Trade Statistics (MOF)

<Dried vegetables>

As in the case of fresh and frozen vegetables, the principal trading partner for dried vegetables is also China. Fluctuations in imports of dried vegetables are not seen as much as in fresh or frozen vegetables, but the total import volume has gone from being flat to a decrease in growth. Among African countries, Egypt exported 1,195 tons (171.9% vs. previous year) of onions to Japan in 2010.

Fig. 6-33: Trends in leading partner imports: dried vegetables



Source: Trade Statistics (MOF)

Fig. 6-34: Shares of imports in 2010 (value basis): dried vegetable

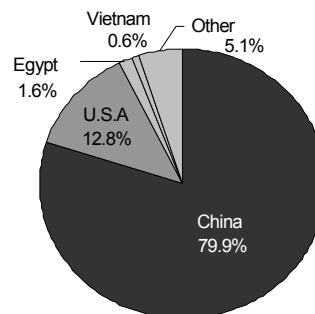


Fig. 6-35: Principal places of origin of dried vegetables

Units: volume = tons, value = ¥ million

Country	Volume					Value				
	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010
China	33,157	33,500	32,274	30,270	29,789	15,629	16,227	13,450	12,639	15,450
U.S.A.	5,130	4,852	5,127	4,982	5,419	3,099	2,923	2,740	2,400	2,472
Egypt	795	602	899	695	1,195	219	213	285	171	312
India	127	222	270	135	139	26	64	63	22	28
Vietnam	195	136	125	67	71	428	327	231	134	124
Other	1,137	1,220	1,098	1,174	1,084	1,166	1,262	1,165	988	954
Total	40,542	40,532	39,792	37,323	37,697	20,567	21,016	17,934	16,355	19,340

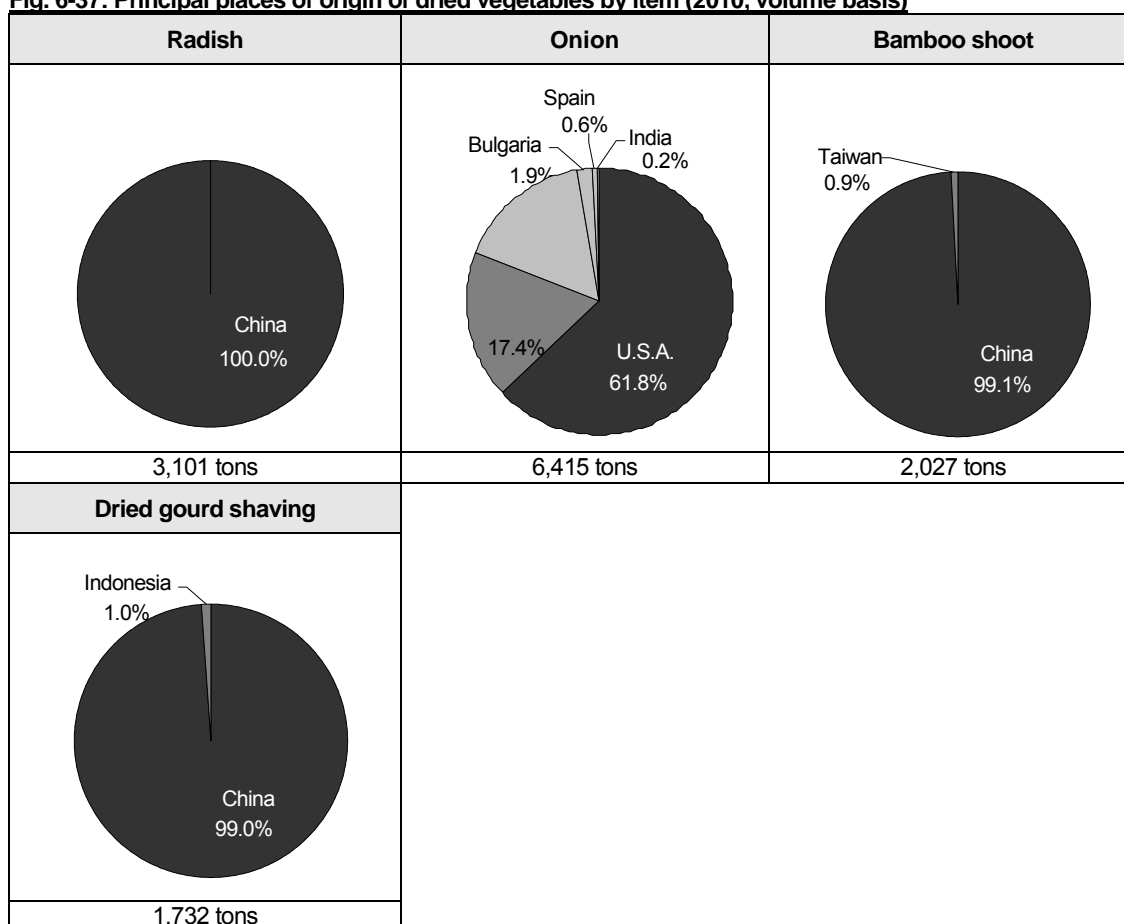
Source: Trade Statistics (MOF)

Fig. 6-36: Principal places of origin of dried vegetables by item Units: volume = tons, value = ¥ million

Item	Total vol. imports	First place					Second place				
		Country	Volume	Share	Value	Ave. unit price	Country	Volume	Share	Value	Ave. unit price
Radish	3,101	China	3,100	100.0%	308.1	955	*	*	*	*	*
Onion	6,415	U.S.A.	3,966	61.8%	315.4	1,251	Egypt	1,119	17.4%	252.9	283
Bamboo shoot	2,027	China	2,007	99.0%	1311.4	2,632	Taiwan	19	0.9%	1526.3	29
Dried gourd shaving	1,732	China	1,715	99.0%	467.6	802	Indonesia	17	1.0%	941.2	16

Source: Trade Statistics (MOF)

Note) The share is calculated on a kg basis in the original data source and is not always in agreement with the percentage in the above table, which is calculated on a tonnage basis.

Fig. 6-37: Principal places of origin of dried vegetables by item (2010, volume basis)

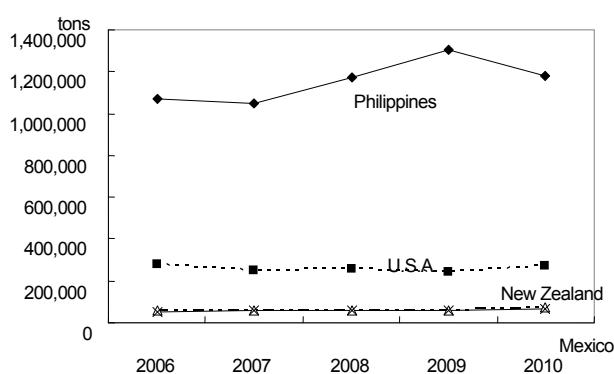
Source: Trade Statistics (MOF)

<Fresh fruits>

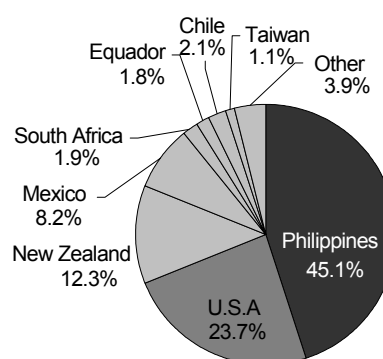
Imports of fresh fruits marked 1,770,847 tons or ¥173,217 million in 2010, both figures dipping below the previous year. The main factor for this decline was the drop in volume from the Philippines, which accounts for the highest percentage of import share. This indicates a decrease in the import of bananas, and the same can be said for Ecuador's figures.

Bananas are a typical fruit imported from overseas, of which 90% or more comes from the Philippines. 1,035,231 tons were imported in 2010, commanding 93.3% of the total share. The main exporter for grapefruits and oranges is the United States, but South Africa is next in line after the United States for grapefruit exports with 44,602 tons in 2010, accounting for 25.5% of the total share. Moreover, although the amount is small, grapefruits are also imported from Swaziland, Israel, and Chile. Oranges are also imported from South Africa and Chile. Kiwifruits are mostly imported from New Zealand. ZESPRI International (Japan) is in charge of marketing activities including importing kiwifruits from New Zealand, managing products, broadcasting TV commercials, and promoting sales at mass merchandisers. Avocados are eaten with soysauce or used in hamburgers, usually sold at mass retailers. Most of them come from Mexico, but the United States, New Zealand, and Chile are also exporters. Since the mango boom in 2006, fresh mangoes are also being sold at volume retailers. Mangoes are imported from Mexico, Thailand, and the Philippines. In 2006, mango imports from India were allowed with some restrictions, followed by a lift on the ban of mango imports from Peru in 2010.

In April of 2010, South Africa succeeded in completely eradicating Mediterranean fruit flies by pasteurization and Taiwan also developed measures to wipe out oriental fruit flies and melon flies through a steaming process. Consequently, the ban was lifted for barlinka table grapes from South Africa and a type of dragon fruit from Taiwan.

Fig. 6-38: Trends in leading partner imports: fresh fruits

Source: Trade Statistics (MOF)

Fig. 6-39: Shares of imports in 2010 (value basis): fresh fruits**Fig. 6-40: Principal places of origin of fresh fruits**

Units: volume = tons, value = ¥ million

Country	Volume					Value				
	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010
Philippines	1,070,247	1,050,646	1,169,134	1,307,462	1,181,898	67,527	73,740	90,826	98,403	78,161
U.S.A.	275,616	247,465	256,424	241,314	270,263	48,940	48,362	42,022	35,443	40,974
Mexico	61,730	56,566	59,619	60,600	71,865	12,462	13,739	13,134	12,013	14,125
New Zealand	53,374	59,614	59,763	59,799	62,579	16,838	19,388	19,814	20,129	21,231
South Africa	59,417	77,308	60,610	66,523	52,124	5,859	7,790	5,509	5,090	3,262
Ecuador	101,343	52,067	46,153	61,677	46,060	6,540	3,670	3,151	4,429	3,173
Chile	37,324	31,181	28,481	21,997	24,669	5,671	5,680	4,985	3,461	3,557
Taiwan	16,787	20,137	10,549	10,579	11,483	2,493	2,813	2,438	2,053	1,953
Other	43,758	55,026	37,547	47,735	49,906	7,025	8,610	5,917	6,521	6,782
Total	1,719,596	1,650,010	1,728,281	1,877,686	1,770,847	173,355	183,791	187,796	187,542	173,217
(African countries)	62,258	82,535	66,006	70,164	54,672	6,192	8,376	6,006	5,454	3,470

Source: Trade Statistics (MOF)

Fig. 6-41: Principal places of origin of fresh fruits by item

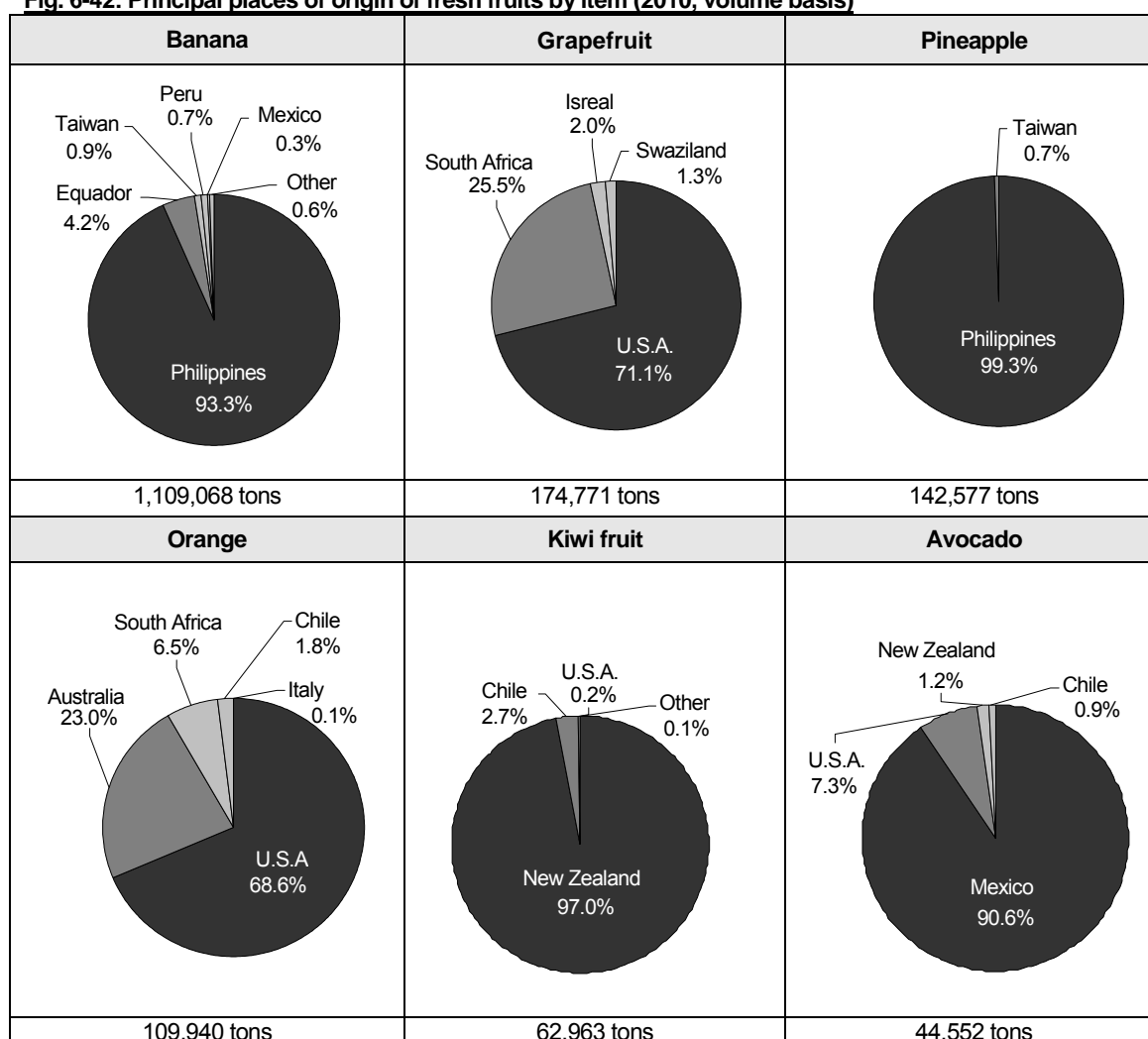
Units: volume = tons, value = ¥ million

Item	Total vol. imports	First place					Second place				
		Country	Volume	Share	Value	Ave. unit price	Country	Volume	Share	Value	Ave. unit price
Banana	1,109,068	Philippines	1,035,231	93.3%	68,099	65.8	Ecuador	46,060	4.2%	3,173	68.9
Grapefruit	174,771	U.S.A.	124,252	71.1%	13,059	105.1	South Africa	44,602	25.5%	2,768	62.1
Pineapple	142,577	Philippines	141,556	99.3%	8,764	61.9	Taiwan	971	0.7%	102	105.0
Orange	109,940	U.S.A.	75,393	68.6%	7,289	96.7	Australia	25,312	23.0%	7,289	288.0
Kiwi fruit (Note 1)	62,963	New Zealand	61,098	97.0%	20,808	340.6	Chile	1,730	2.7%	215	124.3
Avocado (Note 1)	44,552	Mexico	40,372	90.6%	9,554	236.6	U.S.A.	3,248	7.3%	796	245.1
Mango (Note 1)	10,391	Mexico	3,974	38.2%	1,298	326.6	Philippines	2,834	27.3%	827	291.8

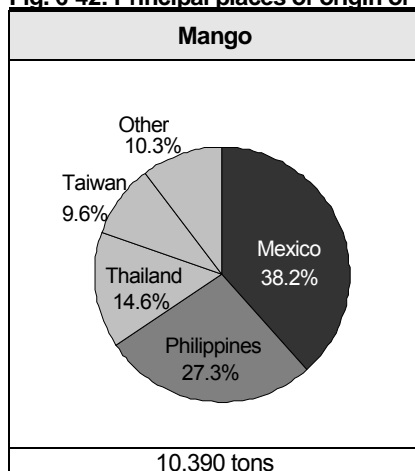
Source: Trade Statistics (MOF)

(Note 1) Figures for kiwi fruit, avocado, and mango were as of March 2010, while other items were as of February 2010.

(Note 2) The share is calculated on a kg basis in the original data source and is not always in agreement with the percentage in the above table, which is calculated on a tonnage basis.

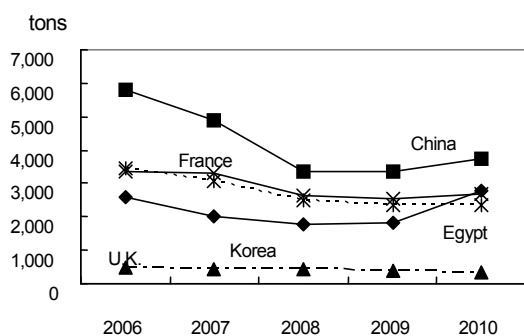
Fig. 6-42: Principal places of origin of fresh fruits by item (2010, volume basis)

Source: Trade Statistics (MOF)

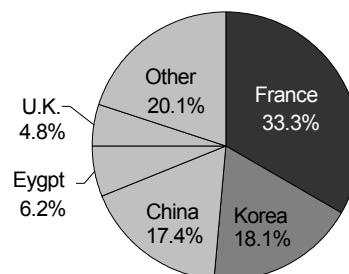
Fig. 6-42: Principal places of origin of fresh fruits by item (2010, volume basis) (continued)**<Processed fruits>**

Due to the series of incidents with Chinese food products in 2008, demand has shifted toward domestic products for processed food products, and consequently imports have dropped significantly. Also in 2009, polarization between low-priced products and high value-added products was seen in the domestic market. Only products meeting customer requirements were selected, leading to an even deeper plunge in import volumes. As a reaction to the previous year, figures bottomed out in 2010, showing recovery signs at 114.8% compared to the previous year.

Fruit jam is imported from China, Korea, and also from Chile, Egypt, and Mexico. Fruit jellies and marmalade are also imported from Egypt.

Fig. 6-43: Trends in leading partner imports: dried fruits

Source: Trade Statistics

Fig. 6-44: Shares of imports in 2010 (value basis): dried fruits**Fig. 6-45: Principal places of origin of dried fruits**

Units: volume = tons, value = ¥ million

Country	Volume					Value				
	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010
China	5,806	4,882	3,372	3,367	3,743	1,054	960	704	678	717
Korea	2,573	2,035	1,763	1,834	2,778	934	763	591	515	746
France	3,368	3,320	2,623	2,551	2,697	2,192	2,236	1,803	1,542	1,373
Egypt	3,447	3,091	2,509	2,341	2,373	498	486	328	251	256
U.K.	493	453	429	380	338	359	399	371	216	199
Other	5,195	8,620	9,293	5,024	5,858	1,002	1,429	1,472	898	826
Total	20,881	22,401	19,990	15,497	17,788	6,040	6,274	5,268	4,099	4,118
(African countries)	3,453	3,097	2,513	2,343	2,376	501	487	329	251	257

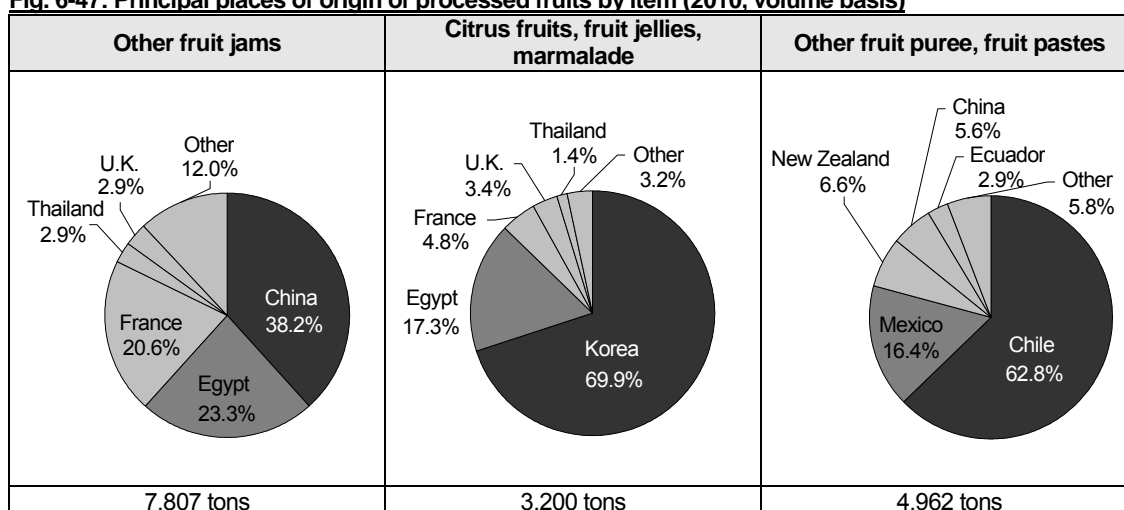
Source: Trade Statistics (MOF)

Fig. 6-46: Principal places of origin of dried fruits by item Units: volume = tons, value = ¥ million

Item	Total vol. imports	First place					Second place				
		Country	Volume	Share	Value	Ave. unit price	Country	Volume	Share	Value	Ave. unit price
Other fruit jams	7,807	China	2,984	38.2%	586	197.7	Egypt	1,821	23.3%	199	109.3
Citrus fruits, fruit jellies, marmalade	3,200	Korea	2,236	69.9%	612	273.7	Egypt	552	17.3%	57	103.3
Other fruit puree, fruit pastes	4,962	Chile	3,114	62.8%	214	68.7	Mexico	814	16.4%	94	115.5

Source: Trade Statistics (MOF)

Note) The share is calculated on a kg basis in the original data source and is not always in agreement with the percentage in the above table, which is calculated on a tonnage basis.

Fig. 6-47: Principal places of origin of processed fruits by item (2010, volume basis)

Source: Trade Statistics (MOF)

3. Import Market Share in Japan

According to research by the Japan Frozen Food Association, domestic production of frozen vegetables in 2008 marked a 5.9% growth compared to the previous year with 106,595 tons. Imports decreased in 2008 due to the series of incidents involving Chinese food products, and demand for domestic products increased as an alternative. Nevertheless, the structure remains unchanged in which a majority of the demand is dependent on imported goods, and the share of imported products in frozen vegetables in 2008 marks 86.8%.

Fig. 6-48: Share of import vegetables in Japanese market

Unit: 1,000 tons

Item	Statistics	2004	2005	2006	2007	2008
Overall vegetables	Domestic production	12,344	12,492	12,356	12,527	12,654
	Import volume	3,151	3,367	3,244	2,992	2,810
	Export volume	4	10	9	14	13
	Domestic supply	15,491	15,849	15,591	15,505	15,451
	Share of imports	20.3%	21.2%	20.8%	19.3%	18.2%
Frozen vegetables	Domestic production	93	95	100	101	107
	Import volume	761	703	742	741	705
	Total	854	798	842	842	812
	Share of imports	89.1%	88.1%	88.1%	88.0%	86.8%

Source: Food balance sheet for overall vegetables (annual data [April–March]). All figures are production equivalent except for fresh article data: Japan Frozen Food Association, Trade Statistics (MOF) for frozen vegetables

Fig. 6-49: Share of import fresh and processed fruits in Japanese market

Unit: 1,000 tons

Statistics	2004	2005	2006	2007	2008
Domestic production	3,464	3,703	3,215	3,444	3,411
Import volume	5,353	5,437	5,130	5,162	4,889
Export volume	44	64	32	54	44
Increase in inventory	5	40	△ 60	0	△ 62
Domestic supply	8,768	9,036	8,373	8,552	8,318
Share of imports	61.1%	60.2%	61.3%	60.4%	58.8%

Source: Food balance (MAFF)

(Note) Import volume is the total of fresh and processed fruits (fresh equivalent).

4. Background of Changes in Volume of Imports and Other Trends

Vegetable imports dropped due to issues such as pesticide residue found in frozen green soybeans from China in 2007, triggering a global sense of mistrust towards Chinese vegetables. Similar incidents also occurred with frozen dumplings and kidney beans from China in 2008. Figures have stabilized in 2009, and are showing recovery in 2010 for Chinese products. Recently, Japanese companies have been trying to restore trust by enhancing traceability of Chinese vegetables and improving safety. There are also efforts to search for alternative suppliers other than China including the United States and Thailand, and imports from other countries besides China are increasing.

Meanwhile, due to the high costs of domestic fruits triggered by the extremely hot summer in 2010, imported fruits such as grapefruits and oranges have become popular. Wholesale prices for grapefruits from South Africa rose due to a sense of scarcity in supply, and inventory was reduced for some imported fruits.

V. Domestic Distribution

1. Trade Practice, Etc.

Prices for fresh vegetables and fruits are generally decided at auctions or negotiation transactions taking place in local wholesale markets. In recent years, direct transactions have also been witnessed where the quantity and price are prearranged with restaurant chains, retail chains, or food manufacturers that require large volumes of vegetables and fruits.

2. Domestic Market Situations

According to the “self-sufficiency table” issued by the Ministry of Agriculture, Forestry and Fisheries of Japan, the Japanese self-sufficiency ratio of vegetables (excluding soya beans) on a production value basis in 2009 was 83%, and for fruits it was 69% (80% on a calorie basis for vegetables (excluding soya beans), 37% for fruits). Although the aging of vegetable and fruit farmers and their decrease in number is becoming an issue in Japan, the ratio of domestic products can still be stated as high.

Some of the main processed vegetable products include pickles, which are a traditional Japanese preserved food, processed tomato products increasing in number due to the spread of Western food, frozen vegetables, and others. Frozen vegetables tentatively saw a decline in sales due to problems such as pesticide residue found in frozen vegetables from China, but is now on a recovery trend since 2009.

As for processed fruits, canned fruits boast the most in sales. Jelly with fruits, jams, and frozen vegetables are also distributed in the market. Most of the frozen vegetables are for commercial use, but they are also spreading to households, where popular usage includes mixing them in yogurts or adding them to homemade desserts.

<Fresh vegetables>

In Japan, the self-sufficiency ratio for fresh vegetables is over 80% on both a calorie and value basis, and 95% of the vegetables sold at local fresh produce markets are domestic products. Vegetables with the highest transaction volumes are cabbages, followed by radishes and onions. Vegetables ranked high in transaction volume are vegetables consumed in the household through the year, but Chinese cabbages increase in consumption in the winter as ingredients for Japanese style hot pot dishes. Among imported fresh vegetables, pumpkins are the highest in volume followed by onions and broccoli, which are mainly vegetables that are cheaper in price compared to domestic products. In reaction to food poisoning incidents caused by processed foods imported from China, there is a recent trend to promote domestic products as high value-added products.

Fig. 6-50: Volume of domestically grown fresh vegetable trade in wholesale market in 2010

Item	Wholesale volume	Wholesale value		Wholesale price per kg (¥)
	(10,000 tons)	(¥100 million)	Share	
Cabbage	102	1,028	6.1%	101
Radish	78	685	4.0%	88
Onion	75	936	5.5%	125
Chinese cabbage	64	456	2.7%	71
Potato	53	813	4.8%	154
Carrot	50	678	4.0%	136
Lettuce	42	842	5.0%	199
Cucumber	39	1,118	6.6%	285
Tomato	34	1,193	7.1%	350
leek	24	929	5.5%	386
Egg plant	19	610	3.6%	314
Other	195	7,629	45.1%	526
Total, domestically grown vegetables	776	16,916	100.0%	218

Fig. 6-51: Volume of import fresh vegetable trade in wholesale market in 2010

Item	Wholesale volume	Wholesale value		Wholesale price per kg (¥)
	(10,000 tons)	(¥100 million)	Share	
Pumpkin	8.5	117	20.9%	137
Onion	6.6	55	9.9%	84
Broccoli	1.6	46	8.3%	290
Garlic	0.9	24	4.3%	267
Ginger	0.7	18	3.3%	273
Asparagus	0.6	46	8.3%	728
Shitake mushroom	0.3	10	1.7%	373
Split pea	0.2	8	1.4%	467
Other	6.4	235	42.0%	367
Total, import vegetables	25.8	560	100.0%	217

Source: Report of Survey on Vegetables and Fruits Wholesale Markets (MAFF)

<Processed vegetables>

The main processed vegetable products produced domestically are displayed in the table below. Pickles, which are a traditional Japanese preserved food, show a considerable amount of sales.

A variety of vegetables such as cabbage, Chinese cabbage, radishes, and cucumbers are used to make pickles, and some use imported vegetables as ingredients.

Tomatoes used as an ingredient (excluding highly processed foods with added flavor such as tomato sauce and tomato ketchup) include stewed tomatoes, boiled tomatoes, tomato juice in cartons, retort pouches, and BiBs (Bag-in-Box: container made of a special type of plastic, packaged in a cardboard box. Sterility is maintained to a certain extent as long as no air enters the container). Italian cuisine is widely spread in Japan, and cooking with tomatoes has become

well-accepted not only in restaurants but also in general households. Canned cut tomatoes that are convenient for use, are on the market as well as canned whole tomatoes. Packages have become diversified including cartons and retort pouches, but cans still remain the major form of packaging. The majority of imported canned tomatoes are from Italy, but economical products from Turkey and China have also been introduced on the market in recent years. Tomato ketchup, tomato purée/paste, and tomato sauce are also condiments/seasoned food products widespread among standard homes. Recently, tomato sauce that has already been flavored in order to save the trouble of seasoning has also entered the market. Furthermore, since cooking with tomato flavor has become a familiar custom, Kagome launched a tomato mix for Japanese style hot pot dishes called “Kanjuku tomato nabe (fully-ripened tomato hot pot)” in 2009, being served at homes as well as at restaurants.

Salads are distributed chilled or frozen, and principal products include mayonnaise-flavored potato salads, egg salads, macaroni/pasta salads, and burdock salads. They are not only eaten directly, but also used as fillings for bread. Types of salads seen in the market are now becoming diverse, including varieties such as bean and pumpkin salads.

Canned ingredients refer to boiled vegetable cans. Lately, frozen vegetables and boiled vegetables in retort pouch containers have been introduced and demand has been leaning toward these products since they are easy to store and the empty containers are easy to dispose of. Hence, the volume of shipment for canned boiled vegetables has been decreasing. The types of canned boiled vegetables include bamboo shoots, sweet corn, asparagus, mushrooms, and mixed beans. Low-priced products are imports mainly from China and Thailand, and domestic products are considered as premium products. Leading seafood processor Higoromo Foods also tops this market, but their share is below 10%. Many small- and medium-sized businesses are involved in the production/import and distribution.

Because of their preservative qualities and stable prices, frozen vegetables are often used for commercial use. Among frozen vegetables, processed potatoes (frozen) including french fries served at fast-food restaurants are the most common. Due also to demand as prepared foods, the shipping volume for these products is on an upward trend. Processed potato products (frozen) are mainly from the United States, but some are also from Egypt. Frozen vegetables other than processed potatoes (frozen) include beans such as green soybeans, kidney beans, and corn and spinach. Demand for greens such as spinach tends to increase when prices seem cheap compared to fresh greens, triggered by prices rising due to bad weather or other conditions. Major frozen food manufacturer Nichirei Foods, and other companies mainly handling processed potato products such as Mitsui & Co., Kyoka Shokuhin, and Nosui are some of the leading suppliers.

Fig. 6-52: Shipping volume of processed vegetables

Unit: tons

品 Item	2006	2007	2008	2009	2010
Pickles	1,157,000	1,133,900	1,125,900	1,085,000	1,042,000
Tomato for processing	—	50,300	54,000	52,300	54,200
Tomato ketchup	197,500	200,000	202,000	201,200	205,000
Tomato puree, pastes	41,250	40,750	41,000	41,000	40,500
Tomato sauce	25,600	26,200	27,100	28,000	28,900
Saladas	100,800	100,700	100,000	99,600	99,200
Canned ingredients	429,700	420,300	414,000	403,700	392,400
Frozen vegetables	445,500	427,400	380,200	351,900	362,800
Processed potatoes (frozen)	341,500	349,400	357,800	372,800	371,300

Source: 2011 Food Marketing Handbooks No. 4&5, Fuji Keizai

<Fresh fruits>

Over 70% of the fresh fruits distributed in Japan are local products, and imported fruits only account for 25.9% (refer to Fig. 6-53 and Fig. 6-54). Mandarin oranges are consumed the most during winter. They are popular because they are easy to eat small and easy to peel, and have the highest share in trade volume (refer to Fig. 6-53). Apples also used to be fruits during the winter, but due to recent improvements in refrigeration technology, retailers selling them throughout the year are now commonly seen. Furthermore, strategies of branding have been promoted to differentiate the products among domestic products that have high transaction volumes.

Tropical fruits and citrus fruits which are difficult to grow in Japan top the list of imported fruits. Unlike vegetables, many of these fruits are not produced locally. Hence the competition against domestic products is low, and they are consumed as fruits with stable prices throughout the year.

Fig. 6-53: Volume of domestically grown fresh fruit in wholesale market in 2010

Item	Wholesale volume (10,000 tons)	Wholesale value		Wholesale price per kg (¥)
		(¥100 million)	Share	
Mandarin	484	11,147	16.4%	230
Apple	358	9,140	13.4%	255
Water melon	233	4,316	6.3%	186
Melon	121	5,208	7.7%	429
Japanese pear	116	3,895	5.7%	335
Strawberry	115	11,939	17.6%	1,039
Persimmon	86	2,739	4.0%	318
Iyokan	83	1,045	1.5%	126
Grape	69	5,231	7.7%	756
Peach	66	3,158	4.6%	482
Other	311	10,201	15.0%	328
Total, domestically grown vegetables	2,042	68,019	100.0%	333

Fig. 6-54: Volume of import fresh fruit trade in wholesale market in 2010

Item	Wholesale volume (10,000 tons)	Wholesale value		Wholesale price per kg (¥)
		(¥100 million)	Share	
Banana	432	5,563	46.0%	129
Grapefruit	78	1,140	9.4%	145
Orange	56	998	8.3%	178
Pineapple	47	795	6.6%	168
Lemon	30	644	5.3%	215
Kiwi fruit	27	1,198	9.9%	444
Melon	12	144	1.2%	124
Yellow peach	4	346	2.9%	970
Other	29	1,255	10.4%	435
Total, import vegetables	715	12,084	100.0%	169

Source: Report of Survey on Vegetables and Fruits Wholesale Markets (MAFF)

<Processed fruits>

Major processed fruit products include dried jelly, jams, canned fruits, and frozen fruits.

Some of the main jelly products (room temperature) are ones that include orange and peach pulps. In addition to allowing for easy consumption of fruits, other additives such as dietary fiber and collagen have been added to new products. These products are meeting the demands of consumers who are highly interested in beauty and health, and as a result, sales are increasing.

Since bread has become part of the Japanese diet, jam is widely consumed in homes and in manufacturing bread for commercial use. The main flavors are strawberry, blueberry, and marmalade. Since it is a mature market with high price competition, a polarization of prices is seen with inexpensive Chinese products on one hand, and growth of high-cost homemade or domestic/Western fruit jams on the other. Products in which the texture of fruits is preserved, such as “Kajitsu jikkan (sense of fruit)” by Meidi-ya and “Greenwood tezukuri jam (Greenwood homemade jam)” by Kato Sangyo, are considered as high-value products. Rosehip jam from Turkey, sour cherry jam, marmalade from Madagascar, and apricot jam are also being sold through mail order. Moreover, Mexican strawberries are used for private label (PL) strawberry jams of Queens Isetan, an upscale supermarket.

Canned fruits are commonly eaten out of the can, or as ingredients for desserts. Price competition is intense with countless imported products from China, but in response to the heightening of distrust of Chinese products through a series of pesticide residue problems and other issues, leading manufacturers are making efforts to sell products using domestic fruits as value-added products. Furthermore, demand is rising for low-priced small packs that can be eaten at once in response to the decreasing number of people in the Japanese household as a result of the trend toward nuclear families. Hagoromo Foods, the top manufacturer in the market, is selling a series of “Asa kara fruits (fruits in the morning),” which come in small sizes to be eaten in one meal. The cans contain 110g of fruits in drained weight, which is half the amount of a regular can.

Frozen fruits are often used as a method to procure low-cost fruits in bulk from overseas to be used commercially as raw material for processing. They have also been used widely in homes in recent years. Shipments of frozen fruits (home use) marked over 7,000 tons, but imports of frozen fruits in 2010 marked 59,374 tons (figures released by the Ministry of Finance). Hence, most is seen to be applicable for industrial use. Fruits that are low in domestic production or are expensive as local products such as strawberries, blueberries, mangoes, and lychee are some of the major types seen in imports. Some products also pursue pesticide-free production in order to target health-conscious consumers. Frozen strawberries are imported from China, the United States, and Egypt. Other imports include frozen mangoes from Mexico, apple mangoes from Peru, grapes from Chile, and pineapples and papaya from Costa Rica. Frozen fruits are also distributed by the same manufacturers handling frozen vegetables.

- * Private label (PL) products are those for which a retail company or wholesaler is involved in product development and labels under its own brand. Advertising or handling by a wholesaler is not required, and items can thus be priced lower than manufacturer brands.

National brand (NB) products, meanwhile, are those that are developed and marketed by manufacturers.

Fig. 6-55: Shipping volume of processed fruits

Item	Unit: tons				
	2006	2007	2008	2009	2010
Dried jelly	62,100	64,100	67,400	72,500	76,900
Jams	89,350	85,550	86,100	84,100	83,800
Canned fruit	352,000	337,900	321,000	313,600	301,700
Frozen fruit (home use)	8,000	8,200	7,600	7,300	7,200

Source: 2011 Food Marketing Handbooks No. 5&6, Fuji Keizai

3. Distribution Channels

<Fresh vegetables and fruits >

Distribution channels for fresh vegetables and fruits are classified into market trades that go through the wholesale market, and off-market trades that do not. In the case of market trades, domestic agricultural products collected from farmers are sent to consolidators such as agricultural cooperatives, where they are sorted by quality and then shipped to the wholesale market. Imported vegetables and fruits are shipped from the trading firms to the wholesale market. Fresh produce gathered in the wholesale market is put up for auction or goes through negotiation transactions by wholesalers to be sold to purchasers (intermediary wholesalers handling trades according to orders from retailers, or retailers purchasing produce from intermediary wholesalers or wholesalers).

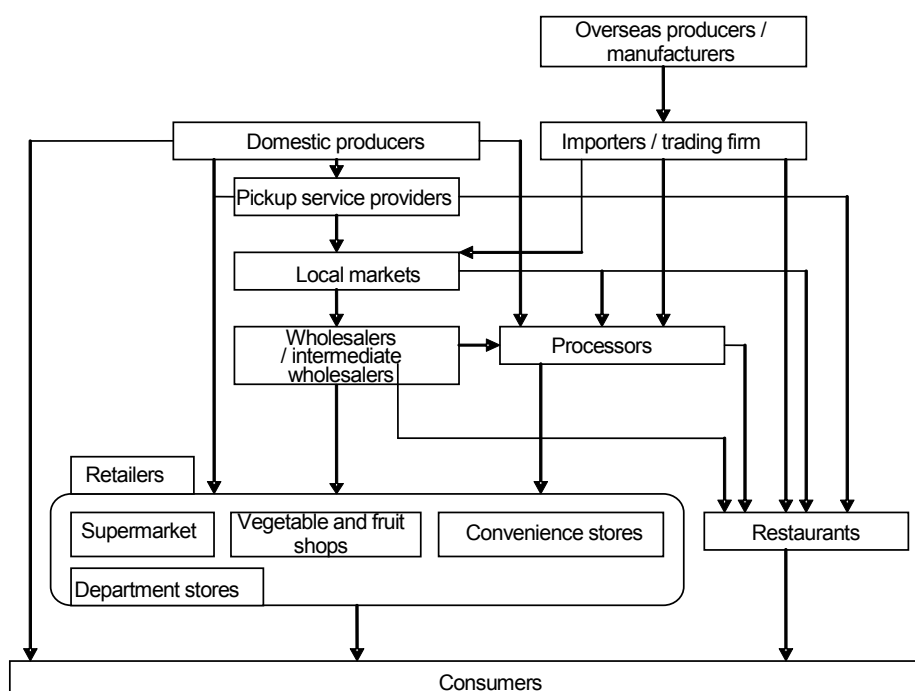
On the other hand, off-market distribution includes trade agreements reached by large-lot retailers or restaurant chains directly negotiating volume and price with farmers or producer's groups, or direct transactions between farmers and consumers using the internet. Off-market distribution reduces the lead time from harvest to delivery since products do not go through the wholesale market, and supply is stable since quantity and price are prearranged. This is why off-market trades have been increasing especially for commercial-scale customers.

<Frozen vegetables and fruits>

Frozen vegetables and fruits rarely go through the wholesale market. Local frozen food suppliers deliver domestic products to retailers or restaurants via food wholesalers, as in the case of other frozen foods. In the case of imported products, some are shipped through importers and then repackaged by local suppliers. Some domestic frozen food suppliers package products in retail size at overseas production areas and then import them into Japan. In other cases, processed food suppliers also directly import products to be used as ingredients.

<Processed vegetables and fruits>

Ingredients, process of manufacturing, and packages are often specified for processed vegetable and fruit products shipped to commercial-scale consumers such as processed food suppliers or restaurant chains, and are generally imported in bulk or BiBs (Bag-in-Box: container made of a special type of plastic packaged in a cardboard box. Sterility is maintained to a certain extent as long as no air enters the container). Other small-lot products targeting small-and-medium-sized food suppliers, individually managed restaurants or general consumers, are imported through import traders to special wholesalers for commercial use, and then delivered and sold retail.

Fig. 6-56: Distribution channels for vegetables, fruits, and processed products

Source: Fuji Keizai research data

4. Issues and Considerations for Entering the Japanese Market

When entering the Japanese vegetable and fruit market, one must consider the preferences and dietary habits of the Japanese. In the Japanese market, importance is placed not only on class and quality of the fresh vegetables and fruits, but also on appearance such as size, color, and gloss.

Quite a large number of consumers have developed a sense of distrust towards imported food products as a result of pesticide residue and food poisoning issues with Chinese frozen vegetables and processed foods since around 2000. A positive list system is installed regarding residual pesticides to restrict sales of food products with pesticide residues exceeding a designated amount, and consumers show great sensitivity to noncompliance. Also, due to a spate of fabrications in production areas for domestic processed foods, food traceability is receiving increased attention. Because of this, thorough management is required in production methods and in the quality of production at the place of origin. Hence, there are cases where domestic manufacturers handling frozen vegetables sometimes even give guidance starting with the production of vegetables. Therefore, suppliers are at times requested to submit inspection results for residual pesticides or production flow charts in order to sell vegetables, fruits, or their processed products to Japanese companies. Documents must be prepared in advance.

In order to ensure safety and reliability of agricultural products in Japan, the introduction of GAP (Good Agricultural Practice: agricultural production process management method for the purpose of ensuring safety in agricultural products and preserving the environment. Agricultural tasks are planned, checksheets are prepared, and tasks are executed based on the checksheets. Tasks are recorded and inspected to check where improvements can be made in the next crop) is being widely applied. GAP introduction has not reached the point of becoming a purchasing standard for retailers in Japan. However, imported agricultural products are under closer scrutiny in terms of safety compared to domestic products as a result of the pesticide residue issues in agricultural products from China, and it will be easier to import farm products into Japan if GAP is introduced as a method to demonstrate the safety of imported farm produce.

Furthermore, for processed food products, Japan is in the process of introducing HACCP (Hazard Analysis Critical Control Point), a food sanitation control technique that continually monitors and records points to prevent physical, chemical, and biological hazards in the production process, from material acceptance to manufacturing and shipping. Therefore, suppliers can demonstrate that necessary sanitary precautions are taken in processed food production by introducing HACCP, when importing processed foods to Japan.

Some fresh vegetables and fruits are banned from imports into Japan depending on the country or region. Banned items are stipulated under Appendix 2 of Ordinance for Enforcement of the Plant Protection Act. As a basic rule, fresh produce banned from imports cannot be imported. However, if it is confirmed that disinfective technologies against agricultural pests have been thoroughly established and proven flawless in the exporting country, items considered as having no issues as a result of

government-level talks between the exporter and Japan, will gain approval from the Ministry of Agriculture, Forestry and Fisheries of Japan and the ban will be lifted. In order to gain approval, examination officers must be invited for inspection from Japan, of which the period sometimes lasts for a few years.

<Exhibitions>

Fig. 6-57: Exhibitions for vegetables, fruits, and processed products

Overall food products	FOODEX	
	http://www3.jma.or.jp/foodex/ja	TEL: +81-3-3434-3453
	Supermarket Trade Show	
	http://www.smts.jp	TEL: +81-3-5209-1056
Home-meal replacement (takeout food)	FABEX	
	http://www.fabex.jp	TEL: +81-3-3523-2755
Dessert, cake, beverage	Dessert, Sweets & Drink Festival	
	http://www.dainichiad.co.jp/html/fabex/deza_top.htm	TEL: +81-3-5294-0071
Organic products	BioFach Japan	
	http://www.biofach.jp/	TEL: +81-3-5369-6788

5. Failure Cases

<Pesticide residues>

Since 2002, pesticides and agricultural chemicals exceeding Japanese standards were detected in frozen spinach and kidney beans from China, and imports were tentatively banned. In the case of frozen kidney beans, a housewife who had eaten the beans was hospitalized, worsening the image of Chinese vegetables.

<Detection of tin>

A retailer selling imported foodstuffs found a case of imported apple juice exceeding the amount of tin elution allowed for domestic beverages (150 ppm) and initiated a voluntary recall of the juices being sold.

6. Import Associations & Related Organizations

Fig. 6-58: Importer associations for vegetables, fruits, and processed products and related organizations

Japan Fresh Produce Import and Safety Association	http://www.fruits-nisseikyo.or.jp/ TEL: +81-3-5833-5141
Japan Association for Fruits and Vegetables Wholesale Markets	http://www.zenseikyou.jp/ TEL: +81-3-3251-3873
Japan Federation of Fruits and Vegetables Stores Cooperatives	TEL: +81-3-3251-5261
Japan Association for Central Fruits and Vegetables Markets	TEL: +81-3-3251-6221
Japan Center for Vegetable Supply Demand Adjustment	TEL: +81-3-3251-8310
Japan Federation of Fruits and Vegetables Wholesalers Cooperatives	TEL: +81-3-5492-2557
The Japan Banana Importers Association	http://www.banana.co.jp/index.html TEL: +81-3-3263-0461
Japan Federation of Banana Processors Cooperatives	TEL: +81-3-5492-2566
Japan Dehydrated Vegetable Association (in Japan Primelo)	TEL: +81-3-3669-0286
Association for Beans Import Funds	http://www.mame.or.jp/ TEL: +81-3-5570-0071