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# Japan

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# Japan Moves Forward on Expanded COOL Requirements for Ingredients

Report Categories: FAIRS Subject Report Agricultural Situation Approved By: Christopher Riker, Senior Agricultural Attaché Prepared By: Yuichi Hayashi, Agricultural Specialist

#### **Report Highlights:**

Japan's Ministry of Agriculture, Forestry, and Fisheries (MAFF) and its Consumer Affairs Agency (CAA) presented their draft interim report on expanding Japan's Country of Origin Labeling (COOL) requirements for ingredients to the public at a meeting held on November 2, 2016. The new rule requires Japanese food manufacturers to identify the country(ies) where the product's main ingredient, by weight, was manufactured on the label of the product. If a series of approval steps are cleared, the new rule could come into effect as early as next summer.

Keywords: country of origin labeling, ingredients, JA6048

#### **General Information:**

#### BACKGROUND

Despite opposition from several interested parties, MAFF and the CAA released a draft interim report on expanding Japan's Country of Origin Labeling (COOL) requirements for ingredients at a public meeting held on November 2, 2016. The new rule is consistent with previous iterations (see, e.g., <u>JA6032</u>) and requires Japanese food manufacturers to identify the country(ies) where a product's main ingredient, by weight, was manufactured on the label of the product.<sup>1</sup>

#### EXPANDED COUNTRY OF ORIGIN REQUIREMENTS FOR INGREDIENTS

Attachment 1 at the end of this report, and previous reporting on this issue, illustrates how the new system is envisioned to operate.

One exceptional case to the rule is Onigiri (i.e., a Japanese rice ball). While the heaviest ingredient in the product is rice, the seaweed (known in Japanese as nori) for the rice ball is also included in the proposed expanded rule, and the country of origin for the seaweed will need to be identified. The rice ball's seaweed is reportedly included because:

- 1) Onigiri (rice balls) are a national food;
- 2) Japanese seaweed producers strongly lobbied for its inclusion; and,
- 3) the Japanese industry argued that the country of origin of the seaweed is important information for consumers when choosing a rice ball.

#### WHAT ARE THE NEXT STEPS?

MAFF and the CAA will now hold public informational sessions on the expanded COOL for ingredients proposal at nine different locations in Japan (i.e., from Hokkaido to Okinawa). They will explain the basic concepts and labeling methods of the expanded COOL for ingredients proposal, and interested parties are invited to attend. In Tokyo, two seminars will be held: the first at 10:00 AM and another at 2:00 PM on December 21, 2016. The registration deadline is 6:00 PM on December 16, 2016. If interested parties cannot attend these sessions, a third seminar is expected to be held in Tokyo in mid-January. Please see details of the seminars at the CAA's website at http://www.caa.go.jp/policies/policy/food\_labeling/other/pdf/food\_labeling\_other\_161202\_0001.pdf.

In addition, the Consumer Committee's<sup>2</sup> (CC) Food Labeling Sub-Committee is now considering the CAA's proposal for expanding the labeling requirements and, if it deems it appropriate, will ultimately instruct the CAA to revise Japan's Food Labeling Standards. Before, however, the CC will hold food labeling sub-committee meetings to discuss the proposal -- the first at 4:00 PM on

<sup>&</sup>lt;sup>1</sup> NOTE: Foreign manufactured, finished processed foodstuffs that are exported to Japan are not subject to the current COOL requirements for ingredients, and have not been marked for inclusion in the expanded COOL requirements.

 $<sup>^2</sup>$  The Consumer Committee, a cabinet office in Japan, investigates and discusses various consumer issues and submits opinions (proposals, etc.) to relevant government ministries and agencies including the CAA. It also conducts investigations and deliberations in response to inquiries of the Prime Minister, relevant Ministers, or the CAA Commissioner.

December 19, 2016 -- which are open to interested parties. Information on attending the first meeting can be found online at http://www.cao.go.jp/consumer/kabusoshiki/syokuhinhyouji/bukai/038/kaisai/index.html

After the aforementioned sub-committee meetings are held, and if the proposed expansion presses forward, the CAA will solicit public comment and consult the CC on any comments received. Simultaneous to when the CAA invites public comment in Japan, it will notify World Trade Organization members of the proposed change.

If a revision will ultimately be made, the new law may come into effect as early as the summer of 2017.

#### **ATTACHMENT 1**

### Expanding COOL for Ingredients of Processed Food

(Handout from the November 2, 2016 Meeting)

Target product: All processed food manufactured in Japan (The food service industry and food prepared in-stores are excluded.)

The main ingredient: The heaviest ingredient of the product.

## Labeling Methods

#### [General Rule]

List the name of the supplying country(ies) in order, from largest to smallest, by weight.

Example: "Country A, Country B" or "Country A, Country B, Country C" If the number of supplying countries is three or more, "other(s)" can be used in the third, fourth, fifth, etc. positions. Example: "Country A, Country B, other(s)"

(Exceptions exist in order to facilitate labeling. However, the specific conditions to use the exceptions and measures to prevent misidentification have not yet been established.)

(When packaging/labeling changes are needed because the supplying countries change and "Listing Possible Suppliers" manufacturers cannot show which supplying country's ingredient is included in the product.) Example: "Country A or Country B" "Country A or Domestic" (If the number of supplying "All Inclusive" "Country A or Country B or other(s) countries is three or more: Labeling. ("Based on past buying patterns or and packaging/labeling future buying plans.") changes are needed because Example: "Imported" the supplying countries "Imported, domestic" change.) "All Inclusive" + "List Possible Suppliers" (When packaging/labeling changes are needed because the supplying countries change and manufacturers cannot show which supplying country's ingredient is included) Example: "Imported or domestic" or "Domestic or imported" ("Based on past buying patterns or future buying plans.") "Semi-Processed Ingredients" (i.e., if a Semi-Processed product is the main ingredient ) Example: wheat flour (produced domestically) or chocolate (produced in Belgium) Manufactures can label COOL for ingredients of the semi-processed products.

The above rules applies to this case.

#### Others:

1. The mandatory labeling must be shown on the package or container for the product.

2. Try to provide supplemental information voluntarily by internet etc. when using exceptional labeling methods.

3. Will allow for a specific transitional period.

4. Promote consumer education about the contents of the new rule and meaning of the terms.