



EU-Japan Centre
for Industrial Cooperation
日欧産業協力センター

Export Support Webinar - Food Sector

Webinar for Walloon Export and Foreign Investment
Agency (AWEX)

21 October 2020, 10:30 (CET), by C. Nakabayashi



EU-Japan Centre
for Industrial Cooperation
日欧産業協力センター

Exporting Foods to Japan

Agenda:

1. Belgium's Food Export and EU/Belgium Advantages
2. Japan's Food Market and Product Orientation
3. Marketing, Distribution and Sales in Japan
4. Trade Shows, Business Matching- Meeting Japanese Partners,
Note on Organic Food and Beverage
5. Import Process and Procedures at Japan Customs, Legal and
Regulatory Clearances
6. Q&A



Exporting Foods to Japan

World Top 10 Agricultural Exporters

(source: FAO 2012)

Rank	Exporter	Value (billion \$)
1	USA	155
2	Netherland	87
3	Brazil	80
4	Germany	80
5	France	70

Rank	Exporter	Value (billion \$)
6	Canada	44
7	China	44
8	Spain	43
9	Belgium	42
10	Argentina	41



EU-Japan Centre
for Industrial Cooperation
日欧産業協力センター

Exporting Foods to Japan

✓ High-end Branding: e.g., Chocolate



✓ Consolidate PR, Custom/Client-Oriented Approach: e.g., Meat



✓ Industrial Support Clusters: Food & Drink





Global Beer Consumption by Country, 2018

(source: Kirin Holdings Company, Ltd.,)

	Country	2018 Total Consumption (‘000 KI)	Global Market Shares (%)	Growth (2017-2018)
1	China	39,362	20.9%	-2.0%
2	USA	24,029	12.7%	-0.4%
3	Brazil	12,662	6.7%	+0.8%
4	Mexico	8,982	4.8%	+5.3%
5	Germany	8,321	4.4%	+1.3%
6	Russia	7,819	4.1%	-2.4%
7	Japan	5,108	2.7%	-0.1%
8	UK	4,856	2.6%	+5.7%
9	Vietnam	4,667	2.5%	-7.1%
10	Spain	4,051	2.1%	0



Exporting Foods to Japan

Custom Duty, Liquor Tax and Consumption Tax for Imported Beer

(source, Japan Customs, Ministry of Finance of Japan)

Sparkling Beverages/Beer	Custom Duty	Liquor Taxes (per kilolitre, Japanese yen)			Current Consumption Tax Rate
		Liquor Tax Revision 1, 1/10/2020	Liquor Tax Revision 2, 1/10/2023	Liquor Tax Revision 3, 1/10/2026	
Not less than 50% by weight of malt or not less than 10% by volume of an alcoholic strength	Zero	200,000	181,000	155,000	10% of import price plus liquor taxes
Not less than 25% but less than 50% by weight of malt		167,125	155,000		
Less than 25% by weight of malt		134,250	134,250		
Any other sparkling beverages, not mentioned above		108,000			



Exporting Foods to Japan

Major Imported Beers in Japanese Market

(source: Diamond Online)

Brands	Brand Holders	Origin, Production	Sales By
Heineken	Heineken	Japan, Kirin	Kirin Beer
Budweiser	ABI	Japan, Kirin	Kirin Beer
Corona Extra	ABI	Mexico	ABI Japan
Hoegaarden White	ABI	Belgium	Asahi Beer
Stella Artois	ABI	Belgium	Asahi Beer
Leffe	ABI	Belgium	Asahi Beer
Bass Pale Ale	ABI	UK	Asahi Beer
Löwenbräu	ABI	Japan, Ashahi	Asahi Beer
Carlsberg	Carlsberg	Japan, Suntory	Suntory Beer
Draft Guinness	Diageo	Ireland	Kirin Beer



Japan's Market Orientation: Safety and Quality/Premium

- Purchase decision on safety and quality
- Price on quality
- 3 ways to win consumer trust and loyalty:
 - 1) safety and quality are guaranteed by authorities,
 - 2) safety and quality are proved with tradition,
 - 3) safety and quality are disclosed on labels.They are then realized into certifications, traditional production methods and product labels which attach accountability, authenticity and transparency to products.
- Ageing society creates a market segment for healthy foods.



Japanese Consumer Profile for Healthy Foods

- Lack interest in **organic foods**.
- Trust domestic ingredients for food safety than imported organic alternatives.
- Labelling regulations: 1) product name, 2) storage method, 3) expiration date, 4) shelf life, 5) producer, 6) importer, 7) allergen, 8) GMO, 9) country of origin, 10) ingredients, and 11) additives.
- Details required on:
 - 1) **allergic components**
 - 2) **nutritious components**
 - 3) **health claims**



Labelling Requirements on Allergen

(source : Japan's Consumer Affairs Agency, <http://www.caa.go.jp/foods/index18.html>)

7 Mandatory Ingredients	Egg, Milk, Buckwheat, Wheat, Peanuts, Crab, Shrimp/Prawn
20 Recommended Ingredients	Abalone, Mackerel, Squid, Salmon, Salmon Roe, Cashew Nut, Walnut, Matsutake Mushroom, Sesame, Soybean, Yam, Apple, Banana, Kiwifruit, Orange, Peach, Beef, Chicken, Gelatine, Pork



Food Labelling Act

(Effective from April 2020)

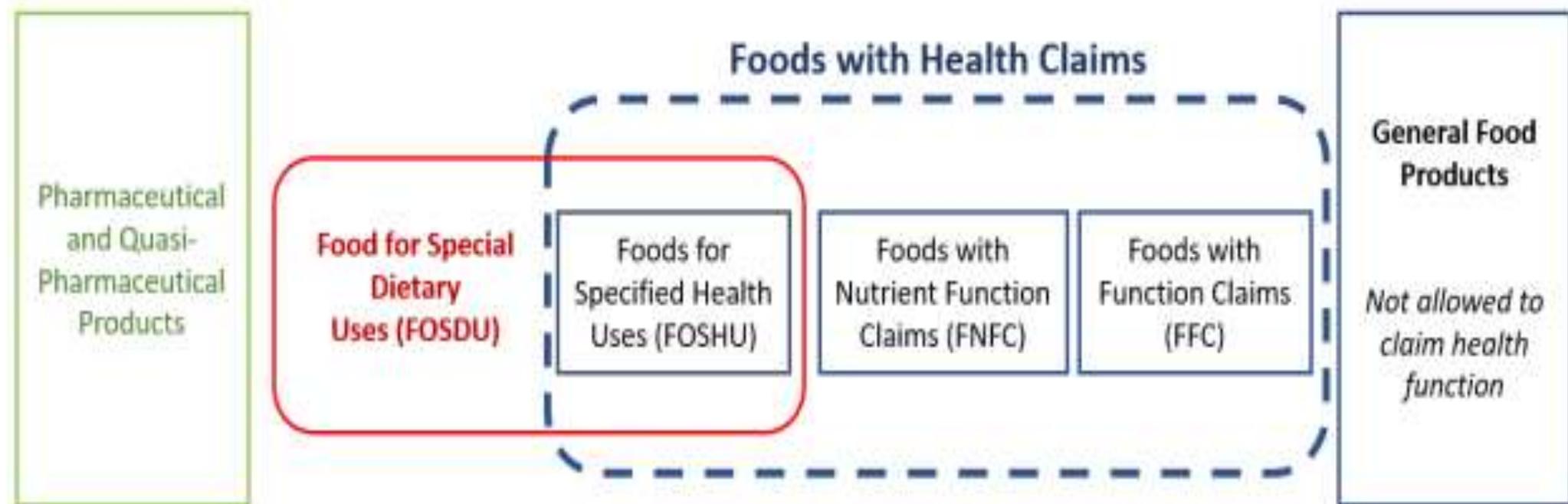
Labelling Requirements on Nutritional Components

Mandatory labelling	Energy, Protein, Fat, Carbohydrate, Sodium (indicate as salt equivalent)
Voluntary but recommended labelling	Saturated Fat, Dietary Fibre
Voluntary labelling	n-3 Fatty Acid, n-6 Fatty Acid, Carbohydrate, Sugars, Cholesterol, Vitamins and Minerals

Exporting Foods to Japan

Labelling for Foods with Health Claim

- Not allowed to claim health functions for ‘general food products’ as well as ‘pharmaceutical and quasi-pharmaceutical products’.
- 3 Foods which can make health claims with or without registration.





Exporting Foods to Japan

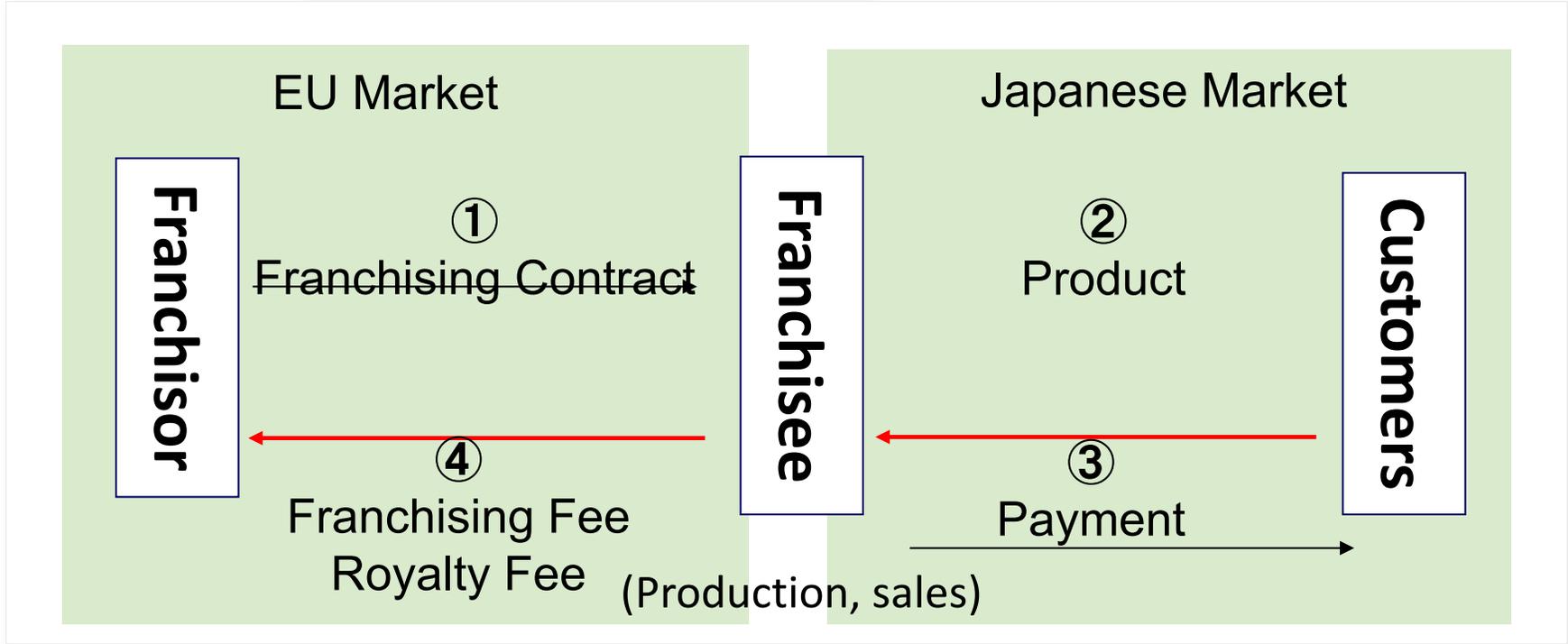
Japan's Product Orientation

- Processed and Packaged Foods

- Busy modern life & small family unit: **Processed food**, freshly prepared and controlled under strict expiry date and time
- City life: '**Packaged or convenient food**' for everyday life, often sold under Japanese OEM/private labels to gain consumer loyalty



Franchising



❖ Case: Franchise-oriented Master Licensing between Belgium *Le Pain Quotidien* and Japanese *Itochu* (trading company)



Exporting Foods to Japan

Trade Shows In Japan

- ❖ Promote your products and meet Japanese partners at:
 - Supermarket Shows (every February)
 - FOODEX (every March)
 - Many focused shows in Japan





EU-Japan Centre
for Industrial Cooperation



日欧産業協力センター

Exporting Foods to Japan

Japan External Trade Organization (JETRO) Brussels

1. Trade Tie-up Promotion Program – Business Matching Database



2. Trade Fairs Information "J-Messe" – Trade Fair Database



3. Partnership Support Targeting EU-Based Japanese Companies



Import Process and Procedures – Tariff Rate Quotas

- Tariff Rate Quotas(TRQs): This allows a pre-determined quantity of a product to be imported at lower import duty rates (in-quota duty) than the duty rate normally applicable to that product.
- Japan imposes 25 TRQs under Japan-EU EPA.
- E.g., For the pooled EU butter quota, 35% tariff rates + 203 yen/kg

2021.09.19

Statistical code		Description						Tariff rate	
H.S.code			Peru	Australia	Mongolia	TPP11 (CPTPP)	EU	UK	JP-US Trade Agreement **1
	129	- Other				For the Pooled Quota 35% + 203 yen/kg Other than for the Pooled Quota (29.8% + 985 yen/kg) or (36% + 290 yen/kg), whichever is the less	For the Pooled Quota 35% + 203 yen/kg		



Exporting Foods to Japan

Butter Import to Japan in 2018

(source: Japanese Ministry of Finance)

Dairy item	Country	Import, tons	Share, %	CIF, yen/kg
Butter	Australia	196	1%	599
	New Zealand	11.422	58.2%	588
	USA	403	2.5%	639
	EU	6.498	33.1%	724
	Netherlands	3.361	17.1%	670
	Germany	1.654	8.4%	689
	France	1.231	6.3%	890
	Belgium	196	1%	838
	UK	3	0%	1.098
	Others	1.004	5.1%	628
	Total	19.612	100%	636



EU-Japan Centre
for Industrial Cooperation



日欧産業協力センター

Exporting Food Products to Japan

Q&A Session

For further inquiries, write to office@eu-japan.eu