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## Japan

### Agricultural Situation

#### This Week in Japan

## 2001

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**Report Highlights:** A summary of events and developments in the United States' largest export market for agricultural, forestry, and fishery products. This week's highlights are:

- Government of Japan Confirms Third Case of BSE
- ATO/Osaka Supports USMEF Focus Group
- Japan Organic Equivalency Discussion Nears Agreement
- Sales of Citrus Products Hindered by Economic Recession
- FOODEX Kansai to be Held Annually
- Upcoming Events



## *This Week in Japan*

*An Update of Major News and Events from the Largest U.S. Agricultural Export Market*

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**Government of Japan Confirms Third Case of BSE:** A Holstein dairy cow born in Gunma Prefecture has been found to be infected with BSE (Bovine Spongiform Encephalopathy), according to the Ministry of Health, Labor and Welfare (MHLW). This third case of BSE was confirmed on December 2 by a Ministry panel of experts. All 3 BSE cows in Japan were born between March and April 1996, and were given milk powder produced at the same factory in Gunma prefecture. According to press reports, Agriculture, Forestry and Fisheries Minister Takebe expects additional BSE cases to emerge, stating, "do not be surprised, as there is still more to come". Since October 18, the GOJ has been screening all carcasses of slaughtered cows for BSE. Despite implementation of the testing system and GOJ assurances concerning meat safety, consumer demand for beef remains dampened. (AgAffairs Tokyo)

**ATO/Osaka Supports USMEF Focus Group:** On December 3, ATO/Osaka supported a USMEF beef focus group initiative in Osaka designed to determine consumers' beef consumption practices, identity awareness, safety concerns, and knowledge of and reaction to consumer-oriented beef safety campaigns. Focus group interviews were also targeted to consumers in Tokyo and Nagoya. Information from these sessions will aid USMEF and FAS/Japan in implementing strategies to address consumer concerns over beef consumption. (ATO/Osaka)

**Japan Organic Equivalency Discussion Nears Agreement:** Senior USDA officials from Washington, D.C. met on December 5-7 with the Standards and Labeling Division of the Ministry of Agriculture, Forestry, and Fisheries (MAFF) to discuss organic equivalency. Fruitful discussions led to a narrowing and focusing of differences. An information exchange will continue through the holiday season in an effort to address the outstanding issues of permitted materials, certification, and labeling. (AgAffairs Tokyo)

**Sales of Citrus Products Hindered by Economic Recession:** Japan's economic recession will affect sales prospects for citrus products in 2001 and 2002, according to trade sources. The decline in Japan's consumer confidence will increasingly lead to purchasing decisions based on value, quality, and price. Please refer to post's report (JA1104). (AgAffairs Tokyo)

**Annual FOODEX Kansai:** In an effort to boost attendance at the Foodex trade show and promote the venue as a "must attend" event, the Japan Management Association (JMA) has decided to annually host Foodex Kansai. In consultation with ATO/Osaka, JMA hopes to improve the show's exposure and thus increase participation by visitors and exhibitors. The next Foodex Kansai will be held on September 1-3, 2002, in Osaka. JMA's hotel industry trade show, Hoteres, will continue on a bi-annual basis. During last year's Foodex and Hoteres show, U.S. exhibitors reported \$170,000 in on-site sales and an estimated \$2.5 million from expected contracts in the coming year. (ATO/Osaka)

**Upcoming Events:**

December 20-22: Allen Johnson, Ambassador, Chief Agricultural Negotiator, USTR visits Tokyo.

January 14-18: Secretary Clayton Yeutter participates in speaker program on benefits of trade liberalization.

January 25-27: Quint Meeting in Kyoto with participation by Secretary Veneman.