



Voluntary Report – Voluntary - Public Distribution

Date: March 03,2020

Report Number: JA2020-0046

# Report Name: Japan Withdraws Product from GI Protection List

Country: Japan

Post: Tokyo

Report Category: Agricultural Situation

Prepared By: Daisuke Sasatani

Approved By: Zeke Spears

### **Report Highlights:**

The Ministry of Agriculture, Forestry and Fisheries withdrew the geographical indication (GI) registration for Nishio Matcha on February 3, 2020 at the request of the applicant, the Nishio Tea Cooperative Association. This is the first withdrawal of a GI protection since Japan's GI system was introduced in 2015.

## **General Information:**

Japan's Ministry of Agriculture, Forestry, and Fisheries (MAFF) registered Nishio Matcha for Geographic Indication (GI) protection in March 2017. The Nishio Tea Cooperative Association was the applicant for Nishio Matcha, a green tea powder made from green tea cultivated in Nishio City and the surrounding areas of Aichi Prefecture in Japan. The Nishio Tea Cooperative Association hoped that GI protection would enhance brand recognition for Nishio Matcha and expand sales globally. The Nishio Tea Cooperative Association has also challenged trademark and GI protection claims in China and the EU by Chinese companies for a similarly named product.

Powdered green tea, including Nishio Matcha, is sold directly to consumers as a tea product and to food manufacturers as an ingredient for processed food. The strict product specifications required for its GI protection increased production costs, driving up the price of Nishio Matcha. Increased prices made it difficult for Nishio Matcha to maintain market share with the price sensitive food manufacturing industry and overall sales declined. On February 3, 2020, MAFF withdrew Nishio Matcha, at the request of the Nishio Tea Cooperative Association, from Japan's GI protection list.

The Nishio Tea Cooperative Association will maintain its registration for Nishio Matcha as a Regional Collective Trademark (see <u>JA2019-0216</u>). On February 19, 2020 MAFF announced that the Nishio Tea Cooperative Association applied for GI protection for Nishio Tencha. Tencha leaves are tea leaves used for matcha production.

## Japanese GI Protection System

In Japan, MAFF has oversight over GIs for agricultural, forestry, and fishery products and the Ministry of Finance's National Tax Agency (NTA) has oversight over GIs for wine, spirits, and other alcoholic beverages (see <u>JA5008</u>). The current GI registration list includes 87 domestic agricultural, forestry, and fishery products (e.g., <u>Kobe Beef</u>, <u>Tsuruta Steuben</u>), 1 foreign food product (<u>prosciutto di Parma</u>) and 10 alcoholic beverages (e.g., <u>Japanese Sake</u>, <u>Yamanashi & Hokkaido Wine</u>) as of March 3, 2020.

The Japan-European Union Economic Partnership Agreement (EPA) went into effect February 1, 2019. Japan agreed to protect an additional 210 EU GIs including 71 agricultural and fishery products (see JA7151) and 139 wines, spirits, and other alcoholic beverages (see JA8003). As part of EPAs negotiated with other countries, the NTA protects seven additional GIs for alcoholic beverages, including products from Mexico (Tequila, Mezcal, Sotol, Bacanora, Charanda), Chile (Chilean Pisco), and Peru (Pisco Peru).

### Attachments:

No Attachments.