

Required Report: Required - Public Distribution

Date: August 20, 2024

Report Number: JA2024-0041

Report Name: Stone Fruit Annual

Country: Japan

Post: Tokyo

Report Category: Stone Fruit

Prepared By: Tomohiro Kurai

Approved By: Craig Elliott

Report Highlights:

Japan's fresh cherry production has been substantially impacted by a changing climate. Fresh cherry production in the 2024/25 marketing year (MY) is estimated to fall to 14,700 metric tons (MT) because of damage from high temperatures in the largest volume production region. FAS/Tokyo forecasts that decreased domestic production will result in increased U.S. cherry imports to 5,600 MT for the 2024/25 MY. FAS/Tokyo forecasts Japan's peach production to remain relatively the same as the previous year. FAS/Tokyo also forecasts that U.S. nectarine imports to Japan will remain relatively unchanged.

Cherries:

Cherries (Sweet&Sour), Fresh Market Year Begins Japan	2022/2023		2023/2024		2024/2025	
	Apr 2022		Apr 2023		Apr 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	0	0	0	0	0	0
Area Harvested (HA)	4230	4230	4200	4200	0	4160
Bearing Trees (1000 TREES)	0	0	0	0	0	0
Non-Bearing Trees (1000 TREES)	0	0	0	0	0	0
Total Trees (1000 TREES)	0	0	0	0	0	0
Commercial Production (MT)	14500	14500	15900	15700	0	10400
Non-Comm. Production (MT)	1600	1600	1700	1600	0	4300
Production (MT)	16100	16100	17600	17300	0	14700
Imports (MT)	2400	2400	4000	3700	0	5900
Total Supply (MT)	18500	18500	21600	21000	0	20600
Domestic Consumption (MT)	18500	18500	21600	21000	0	20600
Exports (MT)	0	0	0	0	0	0
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	18500	18500	21600	21000	0	20600

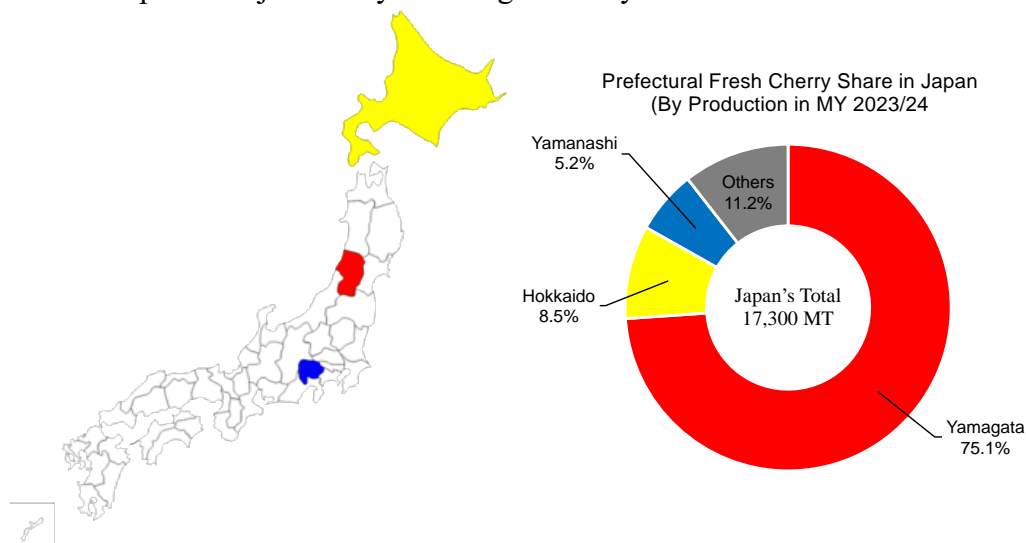
(HA) ,(1000 TREES) ,(MT)

OFFICIAL DATA CAN BE ACCESSED AT: [PSD Online Advanced Query](#)

Crop Area:

Yamagata prefecture (colored red on Chart 1), located 250 miles north of Tokyo, produces approximately 75 percent of Japan's fresh cherries, followed by Hokkaido (colored yellow in Chart 1) and Yamanashi (colored blue in Chart 1) prefecture. Accordingly, Yamagata's cherry conditions have significant impacts on Japan's total acreage and production of the fruit. As with Japanese farming in general, the cherry industry is suffering from a shortage of successors for farm operations and farmhands, resulting in a steady reduction of planted area year over year. In the 2023/24 marketing year (MY: April – March), the planted area for fresh cherries in Japan slightly decreased to 4,200 hectares (ha) compared to 4,230 ha in 2022/23 MY. FAS/Tokyo forecasts this trend will continue in the 2024/25 MY with the planted area expected to reach 4,160 ha.

Chart 1 – Japan's Major Cherry Growing Areas by Prefecture

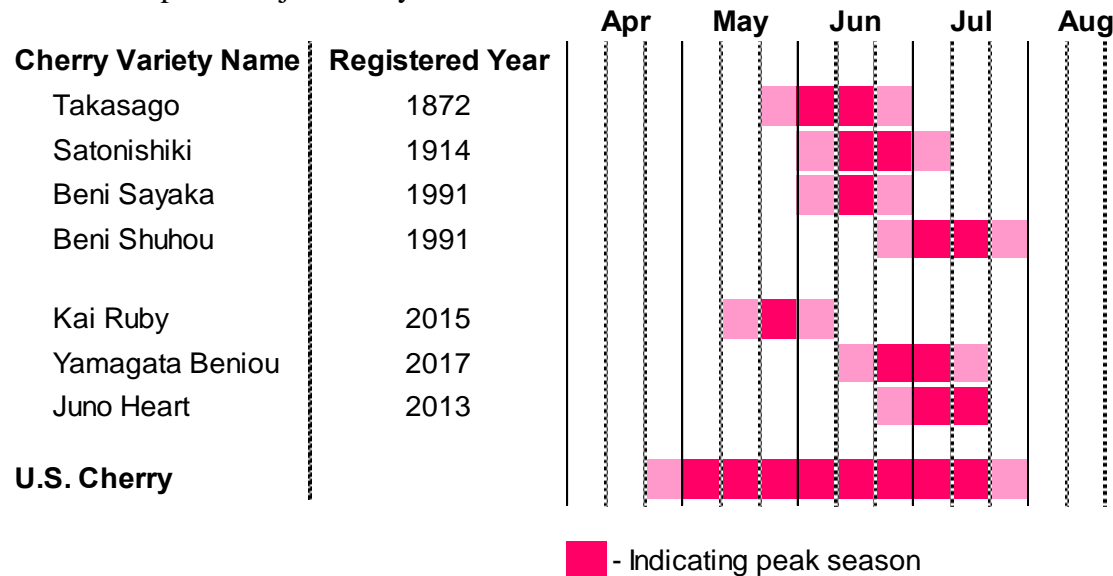


Source: MAFF

Crop Production:

Fresh cherries in Japan consist of three major yellow-cherry varieties: *satonishiki*, *beni-shuhou*, and *beni-sayaka* with around 70 percent, 20 percent, and 5 percent production, respectively. *Satonishiki* has maintained the top position for a long time as the variety that is best known by Japanese consumers. However, single variety cultivation carries the risk of overlapping harvest periods, straining the limited workforce. Thus, farmers try their best to mitigate the risk of labor shortages and corresponding harvest burden, while also working to extend the sales period as much as possible (see Chart 2).

Chart 2 – Japan’s Major Cherry Varieties and Cultivation Calendar



Source: FAS/Tokyo

In MY 2024/25, high temperatures in June led to undesirable, accelerated cherry ripening in Yamagata, concentrating the harvest times for all varieties, including the late maturing *beni shuhou* variety. Furthermore, high temperatures softened the skin of fresh cherries, negatively affecting shelf life and transportation suitability. As a result, although cherry production was somewhat comparable to average levels, many cherries either did not meet shipping standards or remained on the trees unharvested.

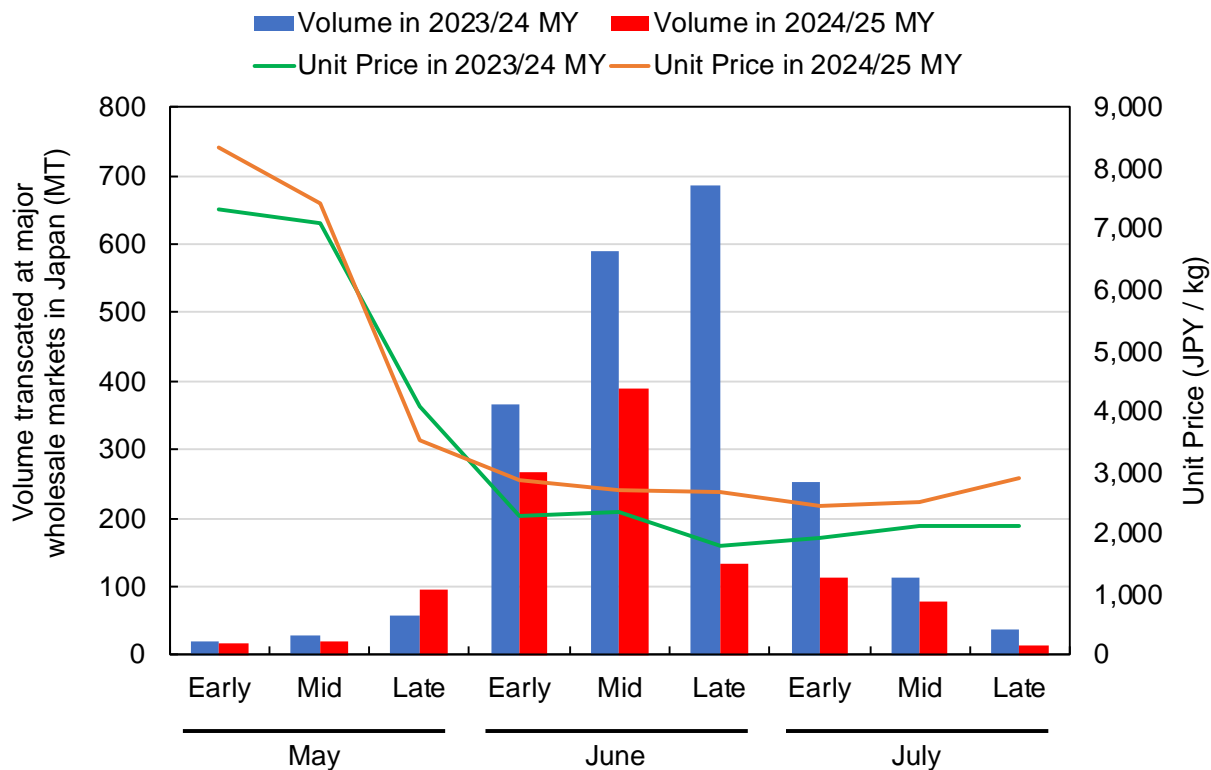
The Yamagata prefectural government initially announced that estimated production would be 10 percent lower compared to the previous year. However, data from Japanese wholesale markets indicates that transactions of fresh cherries via fruit markets have decreased by more than 40 percent compared to last year (see Chart 3). Accordingly, FAS/Tokyo forecasts Japan’s total fresh cherry production to decrease by 15 percent to 14,700 MT in the 2024/25 MY, while commercial cherry distribution is impacted further by a 34 percent reduction.

Consumption:

As domestic fresh cherries are considered premium fruits in Japan, they are almost all consumed as fresh products and only limited quantities (mostly out of marketing standards) are for processed products. In

addition to wholesale market distribution, fresh cherries are mostly distributed in Japan via gifting¹, Furusato-Nozei², fruit picking, and direct marketing. In the 2024/25 MY, large volumes of fresh cherries either remained unharvested or did not meet marketing standards, significantly reducing fresh cherry distribution in Japan. The media reported that large numbers of pre-ordered cherry gift sets and fruit picking reservations had to be cancelled because of supply shortages.

Chart 3 – Japan’s Fresh Cherries Transacted at Major Wholesale Markets in Japan



Source: MAFF

California cherries lead the imported cherry market in Japan beginning in May, followed by Oregon and Washington cherries later in the season. Supported by lower California cherry prices compared to the previous MY, Japanese consumption of U.S.-origin cherries was up by an estimated 60 percent to 5,900 MT in MY 2024/25.

Based on the aforementioned information, FAS/Tokyo estimates that Japan’s fresh cherry consumption in 2024/25 MY will be 20,600 MT.

¹ Japan has a culture to send gifts to relatives, seniors and indebted people twice in a year. Summer gifting season is between late June to early August, and premium fresh cherries are known as one of the best gifts to send.

² “Furusato-Nozei” (translated as “Hometown tax”) was initially introduced in 2007. Under this system, taxpayers can make donations to local municipalities and gain income tax and residence tax credits in return. Furthermore, each local municipality returns local produce as “appreciation gifts” to donors. Fresh cherries are one of the most popularly gifted items to attract citizens to donate cherry-producing municipality.

Trade:

The United States is the leading fresh cherry exporter to Japan with approximately 91 percent import share in 2023/24 MY (see Table 1). Japanese consumers generally perceive U.S. red cherries and Japanese yellow cherries to be substantially different, effectively minimizing market competition between the U.S. and Japanese cherries in Japan. Nevertheless, FAS/Tokyo believes that increased U.S. cherry imports in the 2024/25 MY was partially because of a reduction in Japanese fresh cherry distribution. In the 2024/25 MY, FAS/Tokyo forecasts Japan to import 5,900 MT of fresh cherries, of which U.S. cherries share will be approximately 95 percent or 5,600 MT.

Table 1 - Japan's Fresh Cherry Imports by Country (MT)

	MY 2019/20	MY 2021/22	MY 2021/22	MY 2022/23	MY 2023/24
World	4,152	4,271	5,927	2,363	3,702
United States	3,958	3,931	5,493	1,984	3,375
<i>Market Share:</i>	<i>95%</i>	<i>92%</i>	<i>93%</i>	<i>84%</i>	<i>91%</i>
Chile	59	156	192	158	180
Others	137	185	242	221	146

Source: Trade Data Monitor

Japan exported a negligible volume (3 MT) of fresh cherries to Malaysia, Singapore, and Taiwan in 2023/24 MY. FAS/Tokyo forecasts Japan's fresh cherry exports will remain negligible around 3 MT for the 2024/25 MY.

Policy:

The U.S.-Japan Trade Agreement (USJTA) eliminated tariffs on sweet cherries starting from April 1, 2023.

Peaches and Nectarines:

Peaches & Nectarines, Fresh Market Year Begins Japan	2022/2023		2023/2024		2024/2025	
	Jan 2022		Jan 2023		Jan 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	0	0	0	0	0	0
Area Harvested (HA)	9410	9410	9380	9380	0	9350
Bearing Trees (1000 TREES)	0	0	0	0	0	0
Non-Bearing Trees (1000 TREES)	0	0	0	0	0	0
Total Trees (1000 TREES)	0	0	0	0	0	0
Commercial Production (MT)	109300	109300	108400	103000	0	102300
Non-Comm. Production (MT)	8700	8700	8500	7600	0	7700
Production (MT)	118000	118000	116900	110600	0	110000
Imports (MT)	300	300	300	300	0	300
Total Supply (MT)	118300	118300	117200	110900	0	110300
Domestic Consumption (MT)	116000	116000	114200	108700	0	108200
Exports (MT)	2300	2300	3000	2200	0	2100
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	118300	118300	117200	110900	0	110300
(HA) ,(1000 TREES) ,(MT)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Crop Area:

Five prefectures account for 80 percent of Japan's fresh peach planted area. Of those five prefectures, Yamanashi and Fukushima are the two leading ones with greater than 50 percent of peach cultivation in Japan. Nectarines are primarily grown in Nagano prefecture, which is also the third largest peach production area in Japan.

Both the peach and nectarine industries have been facing reductions in planting acreage because of the aging farmer issue and the lack of young farmers to succeed them. However, this dynamic has led to desirable farmland consolidation and the corresponding release of less productive land, resulting in increased efficiencies and yields. In the 2023/24 MY, Japan's planted area of peaches and nectarines decreased 30 ha to 9,380 ha, of which 120 ha was for nectarines.

For the 2024/25 MY, FAS/Tokyo anticipates Japan's planted area for peaches and nectarines to further decrease because of the aforementioned factors. As a result, Japan's fresh peach and nectarine acreage is forecasted to be 9,235 ha and 115 ha, respectively. In total, FAS/Tokyo forecasts Japan's total planted areas for peaches and nectarines to decrease slightly to 9,350 ha in the 2024/25 MY.

Production:

Japan's peach production is mostly white peaches. Yellow peaches in Japan are generally thought of as canned peaches, hence consumers tend to think yellow peaches are lower quality compared to white peaches. However, with the development of high-quality yellow peach varieties, the production of late season yellow peaches is increasing in Japan. Currently, FAS/Tokyo estimates a nine to one ratio for domestically cultivated white and yellow peaches, respectively.

In MY 2023/24, frost damage occurred during the flowering period, reducing the numbers of fruit per tree. In addition, high temperatures and low precipitation during the fruit growth period resulted in smaller than average fruit size. Thus, Japan's peach production for the 2023/24 MY decreased to 109,480 MT. Like the 2023/24 MY, high temperatures during the May and June growth period resulted in increased amounts of smaller peaches. As a result, FAS/Tokyo forecasts Japan's peach production for the 2024/25 MY to marginally decrease to 108,900 MT.

For nectarines, production in Japan has also been decreasing year-on-year because of reductions in planted areas. Accordingly, Japan's nectarine production for the 2024/25 MY is estimated at 1,100 MT, down 2 percent from the 2023/24 MY.

FAS/Tokyo forecasts Japan's total production of peaches and nectarines in the 2024/25 MY to be 110,000 MT, a 0.5 percent decrease compared to the 2023/24 MY.

Consumption:

In Japan, peaches and nectarines are mostly consumed fresh (approximately ninety percent). Japan's fresh peach season begins in late June and runs until early September with the peak between July to August. Peach and nectarine consumption in the household is primary, but Japanese people generally perceive fresh fruit as relatively expensive. Furthermore, Japanese consumers do not spend significant portions of their disposal income on fruit since they considered an indulgence and not part of the traditional Japanese diet. Consequently, it is anticipated that Japanese fruit consumption, including peaches and nectarines, will continue to decline.

Given reductions in domestic peach production, FAS/Tokyo forecasts Japan's fresh peach consumption to decrease 0.5 percent to 108,900 MT in 2024/25 compared to the higher 109,480 MT in the previous MY. With the total 1,100 MT of domestic nectarines and 300 MT of imported nectarines, FAS/Tokyo forecasts Japan's total consumption of peaches and nectarines to be 110,300 MT for the 2024/25 MY, down 0.5 percent compared to the 2023/24 MY.

Trade:

The United States currently has Japan market access for selected varieties of nectarines, with the Government of Japan requiring fumigation treatment because of perceived phytosanitary concerns. However, the United States does not have market access for fresh peaches. As domestic peach production in the 2024/25 MY is thought to be equivalent to MY 2023/24, FAS/Tokyo forecasts Japan's imports of nectarines to remain around 300 MT.

The Government of Japan has designated some strategic commodities, including peaches, for increasing agricultural exports (see [JA2021-0103](#): "Japan Releases Details on Agricultural Export Expansion Plan"). Contrary to government policy aims, fresh peach exports fell to 2,200 MT in the 2023/24 MY as domestic production declined. Given an anticipated reduction in domestic production, FAS/Tokyo forecasts Japan's fresh peach exports in MY 2024/25 to further decrease 4.6 percent to 2,100 MT.

Policy:

Japan has not granted peach market access to the United States. The United States has market access for nectarines, but imports of nectarines require mandatory fumigation with methyl bromide due to perceived phytosanitary concerns. Japan also requires an annual onsite audit of U.S. nectarine orchards.

The U.S.-Japan Trade Agreement eliminated Japan's import tariff for U.S. nectarines commencing from January 1, 2020 ([JA2020-0017](#)).

Attachments:

No Attachments