

Voluntary Report – Voluntary - Public Distribution

Date: April 13, 2022

Report Number: JA2022-0034

Report Name: TRQ Allocation Rates for FTAs in JFY 2021

Country: Japan

Post: Tokyo

Report Category: Country/Regional FTA's, Trade Policy Monitoring

Prepared By: Akiko Satake

Approved By: Mark Wallace

Report Highlights:

The U.S.-Japan Trade Agreement (USJTA), which entered into force on January 1, 2020, improved market access for U.S. products through the creation of tariff-rate quotas (TRQs) for food wheat, wheat products, malt, processed cheese, whey, glucose and fructose, potato starch, corn starch, and inulin. Fill rates for these TRQs, however, remained low throughout Japanese Fiscal Year (JFY) 2021. This report provides the latest data on TRQ allocation and fill rates as well as a brief overview of the TRQ application process.

General Information:

Since 2018, Japan has implemented three large-scale free trade agreements (FTA) with major economies: the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which took effect on December 30, 2018; the Japan-European Union (EU) Economic Partnership Agreement, which entered into force on February 1, 2019; and the U.S.-Japan Trade Agreement (USJTA), which took effect on January 1, 2020. Under the three agreements, Japan created tariff-rate-quotas (TRQs) for a selection of commodities and products in the agriculture, forestry, and fisheries sector. Nine TRQs were created under USJTA, 33 TRQs under CPTPP (plus 12 country specific quotas [CSQs]), and 25 TRQs under Japan-EU EPA (Table 1).

In addition, Japan signed the Regional Comprehensive Economic Partnership (RCEP) agreement, which covers Japan and 14 other countries of the Asia-Pacific nations, in November 2020 ([JA2020-0189](#)). The RCEP agreement went into force on January 1, 2022 for Japan, Brunei, Cambodia, Laos, Singapore, Thailand, Vietnam, Australia, China, and New Zealand. The RCEP also went into effect for South Korea on February 1, 2022, and for Malaysia on March 18, 2022.

The Japan-UK Comprehensive Economic Partnership Agreement (CEPA) also entered into force on January 1, 2021, enabling the United Kingdom to maintain most of the market access terms for agriculture that had been negotiated under the Japan-EU Economic Partnership Agreement (EPA), after its exit from the European Union. ([JA2021-0005](#)). This report focuses only the TRQs in USJTA, the Japan-EU EPA, and CPTPP.

Table 1: Summary of Japan's Major Free Trade Agreements

	USJTA	Japan-EU EPA	CPTPP
Date Effective	2020/01/01	2019/02/01	2018/12/30
Number of Membership Countries	2	28	11
List of Countries	Japan, U.S.	Japan, 27 EU Member States	Japan, Australia, Canada, Mexico, Chile, Malaysia, New Zealand, Peru, Singapore, Vietnam, Brunei Darussalam
Number of TRQs	9	25	33
Number of CSQs	-	-	12

Source: MAFF

TRQ Allocation Results under USJTA, Japan-EU EPA and CPTPP in JFY 2021

During Japan Fiscal Year 2021 (April 1, 2021 – March 31, 2022), the number of TRQs/CSQs which had allocations across the three agreements ranged from 56-70 percent, which were similar to levels observed in the previous fiscal year, which had allocations of 44-67 percent (Table 2). The number of TRQ allocations that reached 100 percent, however, were fewer than the previous year, and were limited to only several products, such as Prepared Edible Fats and Oils (Japan-EU EPA), Chocolate Preparations with no sugar (CPTPP), and Food Preparations containing sugar (CPTPP). None of the TRQs under the

USJTA had allocations that reached 100%. The average allocation rates across the three FTAs (arithmetic mean of the individual TRQs) were 17 percent for the USJTA (down 5 percentage points from previous fiscal year), 32 percent for both the Japan-EU EPA (down 2 percentage points) and 67 percent for the CPTPP (down 3 percentage points).

Table 2: Number of TRQs with Allocations across USJTA, Japan-EU EPA, and CPTPP in JFY 2021*

	USJTA	Japan-EU EPA	CPTPP
Number of TRQs with allocations	5 (4)	16 (15)	22 (23)
Number of TRQs with zero allocations	4 (5)	9 (10)	11 (10)
Total Number of TRQs	9	25	33
Percentage of TRQs with allocations	56% (44%)	64% (60%)	67% (70%)
Average TRQ allocation	17% (23%)	32% (34%)	32% (36%)
Number of CSQs with allocations	-	-	6 (6)
Total Number of CSQs	-	-	12 (12)
Percentage of CSQs with allocations	-	-	50% (50%)
Average CSQ allocation	-	-	14% (23%)

Source: MAFF

*Note: Figures in parentheses represent allocations in the previous fiscal year, JFY 2020.

U.S.-Japan Trade Agreement (USJTA)

TRQ allocations made under the U.S.-Japan Trade Agreement (USJTA) in JFY 2021 included five out of the nine TRQs. The TRQs with allocations were Mixes, Doughs, and Cake Mixes, Food Wheat, Whey, Glucose and Fructose, and Corn and Potato Starch. The five TRQs represented only 4-39% of the total volume available, respectively (Table 3). No allocations were made for Malt (Not Roasted, Roasted), Cheese, and Inulin. When compared to the previous fiscal year, allocations increased slightly for Mixes, Doughs, and Cake Mixes, from 17 to 22 percent; for Whey, from 26 percent to 36 percent; and for Corn and Potato Starch, from 0 percent to 4 percent, respectively. Meanwhile, allocations from Wheat declined significantly, from 100 percent allocation in JFY 2020 to 31 percent in JFY 2021. Similar to the environment observed during the first half of JFY 2021 ([JA2021-0162](#)), the significant decrease in the allocation for wheat in JFY 2021 is likely attributed to the rise in global wheat prices, resulting in a price difference between “general imports” and the “Category III” wheat quota imported under the U.S.-Japan Trade Agreement. While millers’ purchase prices of wheat under the “general imports” category are set by the Ministry of Agriculture, Forestry, and Fisheries and revised semi-annually to reflect the import prices of the last six months, “Category III”, which is applied for the U.S.-Japan Trade Agreement Food Wheat quota, is contracted through SBS tenders, and the millers’ purchase prices reflect current market prices.

Table 3: TRQ Allocations under the U.S.-Japan Trade Agreement in JFY 2021*

TRQ code	Products	HS-code	Import Quota (MT)	Allocation (MT)	Percentage allocated
TRQ-JP1	Mixes, Doughs, and Cake Mixes	190120222, 190120232, 190120235, 190120243	11,400 (11,000)	2,558 (1,900)	22% (17%)
TRQ-JP2	Food Wheat	100111010, 100119010, 100191011, 100191019, 100199011, 100199019, 100860210	132,000 (126,000)	41,122 (126,000)	31% (100%)
TRQ-JP3, TRQ-JP4	Malt (Not Roasted, Roasted)	110710029, 110720020	28,005 (25,570)	0 (0)	0% (0%)
TRQ-JP5	Cheese	040630000	115 (110)	0 (0)	0% (0%)
TRQ-JP6	Whey	040410125, 040410135, 040410145, 040410165, 040410185, 040490118, 040490128, 040490138	6,200 (5,800)	2,213 (1,515)	36% (26%)
TRQ-JP7	Glucose and Fructose	170230210, 170230221, 170230229, 170240210, 170240220, 170260210, 170260220, 170290529	720 (630)	280 (243)	39% (39%)
TRQ-JP8	Corn and Potato Starch	110812091, 110812099, 110813091, 110813099	2,950 (2,800)	108 (0)	4% (0%)
TRQ-JP9	Inulin	110820090	215 (210)	0 (0)	0% (0%)

Source: [Information on Tariff Rate Quotas – USJTA \(MAFF\)](#)

*Note: Figures in parentheses represent allocations in the previous fiscal year, JFY 2020.

Japan-EU Economic Partnership Agreement

TRQ allocations made under the Japan-EU EPA in JFY 2021 included 16 out of 25 TRQs. TRQ allocations that reached 100 percent were limited to Prepared Edible fats and Oils. No allocations were made for several products such as Wheat Products, Barley, Sugar, and Condensed Milk (Table 4).

Table 4: TRQ Allocations under Japan-EU EPA in JFY 2021*

TRQ code	Products	HS-code	Import Quota (MT)	Allocation (MT)	Percentage allocated
TRQ-1	Wheat Products	190410221, 190420221, 190420010, 190490210, 210690214	160 (140)	0 (0)	0% (0%)
TRQ-2	Mixes, Doughs, and Cake Mixes	190120222, 190120232, 190120235, 190120243	12,680 (11,920)	10,291 (8,797)	81% (74%)
TRQ-3	Preparations of Wheat Flour	190190242, 190190247, 190190252, 190190267	2,600 (2,400)	815 (549)	31% (23%)
TRQ-4	Wheat Flour, Pellets, Rolled and Food Preparations	110100011, 110100091, 110290210, 110311010, 110319210, 110320110, 110320510, 110419111, 110419121, 110429111, 110429121, 110811010,	4,000 (3,900)	0 (0)	0% (0%)

		190120131, 190120151, 190190151, 190190171			
TRQ-5	Food Wheat	100111010, 100119010, 100191011, 100191019, 100199011, 100199019, 100860210	235 (223)	100 (223)	43% (100%)
TRQ-6	Uncooked Udon, Somen and Soba	190219092	10 (10)	0 (0)	0% (0%)
TRQ-7	Barley Flour, Groats and Pellets	110290110, 110319110, 110320410, 110419410, 110429410, 190410231	160 (140)	0 (0)	0% (0%)
TRQ-8	Food Preparations and Barley	190120141, 190190161, 190420231, 190490310, 210690216	160 (140)	0 (0)	0% (0%)
TRQ-9	Barley	100310010, 100390019	30 (30)	0 (0)	0% (0%)
TRQ-10	Malt	110710029, 110720020	185,700 (185,700)	12 (0)	0.01% (0%)
TRQ-11	Coffee, Tea, Food Preparations	170290219, 190120239, 190190217, 190190248, 190190253, 200899218, 210112111, 210112112, 210112246, 210120246, 210690252, 210690253, 210690271, 210690272, 210690281	1,423 (1,372)	1,204 (909)	85% (66%)
TRQ-12	Food Preparations	200899218, 210690590	173 (165)	40 (21)	23% (13%)
TRQ-13	Glucose and Fructose	170230210, 170230221, 170230229, 170240210, 170240220, 170260210, 170260220, 170290529	2,848 (2,492)	1,066 (1,056)	37% (42%)
TRQ-14	Dairy Food Preparations	190190211	4,550 (4,200)	2,634 (3,046)	58% (73%)
TRQ-15	Food Preparations (containing over 50% of sucrose by weight) and Cocoa Powder - Total	170113000, 170114190, 180610110, 180610190, 190190219, 200540191, 200540199, 200551191, 200551199, 200599119, 210690282, 210690284, 210690510	109 (106)	73 (55)	67% (52%)
TRQ-16	Sugar	170112200, 170114200, 170191000, 170199100, 170199200, 170290110, 170290211, 170290521, 210690221	500 (500)	0 (0)	0% (0%)
TRQ-17	Starches and Inulin	110812091, 110812099, 110813091, 110813099, 110814091, 110814099, 110819017, 110819018, 110819097, 110819098, 110820090, 190120159, 190190179	6,850 (6,700)	2,564 (2,931)	37% (44%)
TRQ-18	Prepared Edible fats and Oils	210690291	420 (400)	420 (0)	100% (0%)

TRQ-19	Chocolate Preparations (no sugar)	180620290	580 (580)	167 (380)	29% (66%)
TRQ-20	Chocolate Preparations (no sugar, input materials for chocolate)	180620290	698 (612)	0 (0)	0% (0%)
TRQ-21	Condensed Milk (unsweetened)	040291129, 040291290	1,812 (1,468)	0 (70)	0% (5%)
TRQ-22	Whey	040410125, 040410135, 040410145, 040410165, 040410185, 040490118, 040490128, 040490138	7,160 (6,840)	4,263 (3,278)	60% (48%)
TRQ-23	Butter, NFDM, Powdered milk, Buttermilk Powder, Condensed milk (sweetened) - Total	040210129, 040210212, 040210229, 040221212, 040221229, 040229291, 040221119, 040221129, 040229119, 040229129, 040390113, 040390123, 040390133, 040299129, 040299290, 040510129, 040510229, 040520090, 040590190, 040590229	14,143 (13,714)	5,482 (13,714)	39% (100%)
TRQ-24	Milk Powder (for chocolate)	040221119, 040221129	8,451 (7,382)	2,464 (6,613)	29% (90%)
TRQ-25	Cheese	040610020, 040610090, 040620100, 040630000, 040640090, 040690090	21,800 (21,200)	17,540 (13,789)	80% (65%)

Source: [Information on Tariff Rate Quotas – Japan-EU EPA \(MAFF\)](#)

*Note: Figures in parentheses represent allocations in the previous fiscal year, JFY 2020.

Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)

TRQ allocations made under the CPTPP in JFY 2021 included 22 out of 33 TRQs, and six out of twelve Country Specific Quotas (CSQs). TRQ allocations that reached 100 percent include Chocolate Preparations (no sugar), Food Preparations Containing Sugar More than 50% by weight of Sucrose, and Food preparations including sugar and dairy. Allocations were not made for several products, including Wheat Products, Barley Flour, Groats and Pellets, Condensed Milk (sweetened), Preparations of Peas and Beans, and Sugar.

Table 5: TRQ Allocations under CPTPP in JFY 2021*

TRQ code	Products	HS-code	Import Quota (MT)	Allocation (MT)	Percentage allocated
TWQ-JP1	Wheat Products	190410221, 190420221, 190420010, 190490210, 210690214	9,000 (8,500)	0 (0)	0% (0%)
TWQ-JP2	Preparations of Wheat Flour	190190242, 190190247, 190190252, 190190267	19,500 (18,000)	16,139 (16,118)	83% (90%)
TWQ-JP3	Wheat Flour, Pellets, Rolled and Food Preparations	110100011, 110100091, 110290210, 110311010, 110319210, 110320110,	6,500 (6,000)	0 (0)	0% (0%)

		110320510, 110419111, 110419121, 110429111, 110429121, 110811010, 190120131, 190120151, 190190151, 190190171			
TWQ-JP4	Uncooked Udon, Somen and Soba	190219092	100 (100)	0 (0)	0% (0%)
TWQ-JP5	Food Preparations and Barley	190120141, 190190161, 190420231, 190490310, 210690216	109 (106)	0 (0)	0% (0%)
TWQ-JP6	Barley Flour, Groats and Pellets	110290110, 110319110, 110320410, 110419410, 110429410, 190410231	420 (380)	0 (0)	0% (0%)
TWQ-JP7	Barley	100310010, 100390019	40,000 (35,000)	32,922 (20,000)	82% (57%)
TWQ-JP8	Fresh Cheese for used in Shredded Cheese	040610090	7,700 (2,780)	3,520 (2,780)	46% (100%)
TWQ-JP9	Butter	040510129, 040510229, 040520090, 040590190, 040590229	43,275 (41,964)	16,775 (41,964)	39% (100%)
TWQ-JP10	Skimmed Milk Powder	040210129, 040210212, 040210229, 040221212, 040221229, 040229291	22,725 (22,036)	4,001 (22,036)	18% (100%)
TWQ-JP11	Powdered Milk and Buttermilk Powder	040221119, 040221129, 040229119, 040229129, 040390113, 040390123, 040390133	1,950 (1,800)	741 (1,399)	38% (78%)
TWQ-JP12	Milk Powder (for chocolate)	040221119, 040221129	32,000 (28,000)	18,687 (10,232)	58% (37%)
TWQ-JP13	Chocolate Preparations (no sugar)	180620290	5,500 (5,500)	5,500 (5,183)	100% (94%)
TWQ-JP14	Chocolate Preparations (no sugar, input materials for chocolate)	180620290	6,400 (5,600)	6,400 (5,600)	100% (100%)
TWQ-JP15	Prepared Edible Fats and Oils	210690291	1,740 (1,660)	103 (80)	6% (5%)
TWQ-JP16	Condensed Milk (unsweetened)	040291129, 040291290	3,450 (2,800)	173 (140)	5% (5%)
TWQ-JP17	Condensed Milk (sweetened)	040299129, 040299290	750 (750)	0 (19)	0% (3%)
TWQ-JP18	Chocolate and Other Food Preparations Containing Cocoa	180620112, 180620113, 180620119	234 (216)	0 (0)	0% (0%)
TWQ-JP19	Chocolate and Other Cocoa Preparations (with sugar, weighs 2kg or less)	180632212, 180632213, 180632219, 180690212, 180690213, 180690219	3,390 (3,160)	678 (558)	20% (18%)
TWQ-JP20	Coffee, Tea, Food Preparations	170290219, 190120239, 190190217, 190190248, 190190253, 200899218, 210112111, 210112112, 210112246, 210120246, 210690252, 210690253, 210690271, 210690272, 210690279, 210690281	9,620 (9,280)	1,335 (1,751)	14% (19%)

TWQ-JP21	Preparations of Peas and Beans	200540191, 200540199, 200551191, 200551199, 200599119	632 (548)	0 (0)	0% (0%)
TWQ-JP22	Other Sugar Confectionery	170490210, 170490230, 170490290	3,900 (3,600)	691 (478)	18% (13%)
TWQ-JP23	Chocolate Confectionery	180631000, 180632100, 180690100	11,770 (10,880)	2,061 (1,448)	18% (13%)
TWQ-JP24	Food Preparations	200899218, 210690590	2,244 (2,136)	2,243 (2,027)	99.96% (95%)
TWQ-JP25	Cane Sugar whose content of sucrose by dry weight corresponds to a polarimetric reading <98.5 degrees	170113000, 170114190	22 (21)	0 (0)	0% (0%)
TWQ-JP26	Cocoa Powder	180610110, 180610190	6,500 (6,000)	1,300 (500)	20% (8%)
TWQ-JP27	Chocolate and Other Cocoa Preparations (with sugar, weighs more than 2kg)	180620121, 180620129	15,960 (14,640)	13,806 (10,824)	87% (74%)
TWQ-JP28	Dairy Food Preparations	190190211	2,350 (2,300)	202 (21)	9% (1%)
TWQ-JP29	Food Preparations Containing Sugar More than 50% by weight of Sucrose	190190219	11,040 (10,860)	11,040 (10,860)	100% (100%)
TWQ-JP30	Food Preparations where Sugar comprises the Largest Component among Ingredients	210690282, 210690510	65 (60)	0 (0)	0% (0%)
TWQ-JP31	Food preparations including sugar and dairy	210690284	7,120 (6,580)	7,120 (4,453)	100% (68%)
TWQ-JP32	Sugar	170112200, 170114200, 170191000, 170199100, 170199200, 170290110, 170290211, 170290521, 210690221	500 (500)	0 (0)	0% (0%)
TWQ-JP33	Starches and Inulin	110812091, 110812099, 110813091, 110813099, 110814091, 110814099, 110819017, 110819018, 110819097, 110819098, 110820090, 190120159, 190190179	7,500 (7,500)	3 (988)	0.04% (13%)
CSQ-JP2	Rice for Australia	100610010, 100620010, 100630010, 100640010, 110290310, 110319510, 110320350, 110419250, 110429250, 190120122, 190120162, 190190142, 190190587, 190410211, 190420211, 190490120, 210690517	6,240 (6,000)	620 (595)	10% (10%)
CSQ-JP4**	Mixes, Doughs, and	190120222, 190120232,	7,520	3,068	41%

	Cake Mixes	190120235, 190120243	(7,280)	(2,421)	(33%)
CSQ-JP6	Food Wheat for Australia	100111010, 100119010, 100191011, 100191019,	44,000 (42,000)	15,721 (42,000)	36% (100%)
CSQ-JP7	Food Wheat for Canada	100199011, 100199019, 100860210	46,500 (44,333)	20,000 (44,333)	43% (100%)
CSQ-JP9	Malt, Not Roasted for Australia	110710029	72,000 (72,000)	0 (0)	0% (0%)
CSQ-JP10	Malt, Not Roasted for Canada		89,000 (89,000)	0 (0)	0% (0%)
CSQ-JP12	Malt, Roasted for Australia	110720020	3,000 (3,000)	0 (0)	0% (0%)
CSQ-JP13	Malt, Roasted for Canada		4,000 (4,000)	0 (0)	0% (0%)
CSQ-JP15	Processed Cheese for Australia	040630000	115 (110)	0 (0)	0% (0%)
CSQ-JP16	Processed Cheese for New Zealand		115 (110)	0 (0)	0% (0%)
CSQ-JP18	Whey for Australia		040410125, 040410165	4,300 (4,200)	1,222 (953)
CSQ-JP21	Whey for New Zealand	040410125, 040410135, 040410145, 040410165, 040410185, 040490118, 040490128, 040490138	1,420 (1,380)	119 (133)	8% (10%)

*Note: Figures in parentheses represent allocations in the previous fiscal year, JFY 2020.

** Available to all CPTPP members

Source: [Information on Tariff Rate Quotas – CPTPP \(MAFF\)](#)

Attachments:

No Attachments.