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Japan

Agricultural Situation

This Week in Japan

2001

Approved by:

Michael D. Woolsey

U.S. Embassy

Prepared by:

The U.S. Agricultural Affairs Office (Tokyo) and Agricultural Trade Offices (Tokyo/Osaka)

Report Highlights:

U.S. and Japan Agree to Improve Testing of Food Corn for StarLink; Costco/Japan to Hold American Food Promotion; Japanese Imports of U.S. Broiler Parts Expected to Reach 95,000 Tons in 2001; Health Officials Place Ban on Beef Product Imports from the EU Due to BSE; Japanese Firms to Boost Chinese Prepared Chicken Exports to Japan.

Includes PSD changes: No
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USDA *This Week in Japan*

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

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- i U.S. and Japan Agree to Improve Testing of Food Corn for StarLink:** On February 21, the Grain Inspection and Packers and Stockyards Administration agreed to a request from the Japanese Ministry of Health and Welfare's to strengthen testing of food corn for the presence of StarLink. The agreement enhances the November, 2000 U.S. - Japan protocol for food corn to prevent export of StarLink to Japan. Under the agreement, food corn shipments to Japan will be tested at 2,400 kernels per sample, double the amount tested under the original protocol. (AgAffairs)
- i Costco/Japan to Hold American Food Promotion** - On February 13, ATOs from Osaka and Tokyo organized a meeting with Costco/Japan and 10 Market Development Cooperators to discuss the possibility of joint promotion activities for American food products. This was the first meeting in which the FAS Cooperator program and ATO marketing support services were introduced to Costco/Japan top management. Cooperator representation covered products including U.S. beef, pork, almonds, prunes, walnuts, cranberries, citrus, rice, potatoes, dairy products and wine. As a direct result of the meeting and prior discussions with the ATOs, Costco/Japan plans to conduct a 60-day first-ever American Food Product Promotion (Feb. 27 - April 27) in their two Japan stores located near Tokyo and Fukuoka. Costco brings a unique retail/wholesale format to Japan and the potential for tremendous American product exposure. (ATO/Osaka and ATO/Tokyo)
- i Japanese Imports of U.S. Broiler Parts Expected to Reach 95,000 Tons in 2001:** Import demand for U.S. broiler parts (mostly bone-in leg), is forecast at 95,000 MT in 2001; sales will depend on Japanese processor demand for deboning cuts. Japan's broiler meat imports from Asia and Brazil in 2001 are projected at 550,000 MT, down 2% from last year, due to high year-beginning inventories, a weakening yen, and rising demand in EU for chicken meat due to BSE. However, imports of prepared chicken products from China and Thailand will continue growing this year due to intensifying competition in the fast food, take-out and convenience food market. In Japan's egg market, an anticipated rise in domestic egg production, coupled a weakening yen, will likely push processed egg product imports downwards in 2001. For more information, see JA1017. (AgAffairs)
- i Health Officials Place Ban on Beef Product Imports from the EU Due to BSE:** Starting February 15, Japan's health officials will impose a ban on the sale and import of cattle, beef, and beef-related products from the 15 EU countries, Switzerland and Liechtenstein. The measures are to prevent the transmission of bovine spongiform encephalopathy (BSE). The ban does not affect BSE-free countries like the United States. (AgAffairs)
- i Japanese Firms to Boost Chinese Prepared Chicken Exports to Japan:** Nihon Keizai Shimbun reports that Marubeni, a major Japanese trading firm, and Katokichi, the second largest frozen foods manufacturer in Japan, are beefing up their chicken processing operations in China to increase exports to Japan. 2001 sales to Japan are expected to reach 18,000 tons, up from 8,400 tons in 2000. (AgAffairs)

Upcoming events: Feb 21-Mar 1: Ross Kreamer, Area Officer, FAS/USDA; Feb 27-Mar2: Mar 2-13: Architecture & Construction Trade Show; Mar 8: GMO Seminar; Mar13-16: FoodEx 2001