

Voluntary Report – Voluntary - Public Distribution

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Report Name: USJTA Treatment for Whey 2021

Country: Japan

Post: Tokyo

Report Category: Country/Regional FTA's, Product Brief, Dairy and Products

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Report Highlights:

The U.S.-Japan Trade Agreement (USJTA) has been in effect for 17 months, however the timing of Japan's fiscal year meant that the agreement entered "Year 3" of implementation on April 1, 2021. This report is one in a series of product briefs highlighting the tariff benefits for specific commodities and products from Year 3 (2021) to Year 5 (2023) of the agreement. Additional information is available at www.usdajapan.org/usjta/.

Overview: In 2020, the United States exported \$47 million of whey products to Japan, making Japan the #4 overseas market. The United States accounted for over 25 percent of Japan’s total whey imports. Most U.S. whey is imported through Japan’s WTO quotas. The years below correspond to Japan’s fiscal year beginning April 1.

Product Name Japan Customs HS Code	Base Rate	Year 3 (2021)	Year 4 (2022)	Year 5 (2023)	Final Tariff (Year)	2020 Imports from U.S.
Within U.S. Country-Specific Quota Grows from 5,400 to 9,000 metric tons by 2028						
Whey permeate, less than 5% protein*** 040410-135/145	29.8%+ 425 yen/kg	Free			Free (2019)	\$1,041,833††
Intended for powdered infant formula** 040410-145/185	29.8%+ 425 yen/kg*** or 687 yen/kg****	Free			Free (2019)	\$1,041,833/ \$0
Mineral concentrated with ash content of 11% or more 040410-125/165	29.8% + 425 yen/kg*** or 687 yen/kg****	22.2%/* 15.9%**	19.0%/* 13.6%**	Free	Free (2023)	\$1,213,514
Out of U.S. Country-Specific Quota						
45% or more protein**/**** 040410148	29.8%+ 425 yen/kg	10.0%+ 16.0 yen/kg	5.0%+ 8.0 yen/kg	Free	Free (2023)	\$909,526
45% or more protein*/**** 040410178	29.8%+ 687 yen/kg	14.0%+ 16.0 yen/kg	7.0%+ 8.0 yen/kg	Free	Free (2023)	n/a
45% or more protein*** 040410128†	29.8% + 425 yen/kg	14.0%*/ 10.0%**+ 16.0 yen/kg	7.0%*/ 5.0%**+ 8.0 yen/kg	Free	Free (2023)	n/a
Between 25% and 45% protein 040410-127†/137/147/167†/177/187	29.8%+ 425 yen/kg*** or 687 yen/kg****	29.7%*/ 21.2%** + 34.0 yen/kg	28.0%*/ 20.0%** + 32.0 yen/kg	26.2%*/ 18.7%** + 30.0 yen/kg	Free (2038)	\$4,786
Less than 25% protein 040410-126†/136/146/166†/176/186		28.0%*/ 20.0%** + 32.0 yen/kg	25.6%*/ 18.3%** + 29.33 yen/kg	23.3%*/ 16.6%** + 26.67 yen/kg	Free (2033)	\$357,315
Colored in blue, for feed**/**** 040410145	29.8%+ 425 yen/kg	Free			Free (2019)	\$1,041,833††
Colored in blue, for feed*/**** 040410175	29.8%+ 687 yen/kg	Free			Free (2019)	n/a
Unprocessed fresh whey 040410200	21.3%	13.5%	11.6%	9.6%	Free (2028)	n/a

*containing added sugar **no added sugar ***5% fat content or less ****greater than 5% fat content †mineral concentrated †† based on imports of HS 040410145

Safeguard: There are two safeguards for U.S. whey. A safeguard on whey powder (less than 25% protein) started at 1,100 MT, growing to 1,250 MT by 2022. A safeguard on whey protein concentrate (between 25% and 45% protein) started at 1,000 MT, growing to 1,100 MT by 2022. Beginning in 2023, both safeguard triggers will be calculated as an aggregate of imports from United States and members of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership. The safeguard for whey powder could be terminated as early as 2034, while the safeguard on whey protein concentrate could be terminated as early as 2040.

Additional Resources: Further information is available at www.usdajapan.org. For additional questions, please contact the USDA Agricultural Trade Office at atotokyo@usda.gov, Tel: 81-3-3224-5115.

Attachments:

No Attachments.