

Voluntary Report – Voluntary - Public Distribution

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Report Name: USJTA Treatment for Whey

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) entered into force on January 1, 2020. Once USJTA is fully implemented, nearly 90 percent of U.S. food and agricultural products imported into Japan will be duty free or receive preferential tariff access. This is one in a series of reports providing concise overviews of how the agreement affects certain product groups. Please note that the information provided is not fully comprehensive and additional details may be found in the agreement text itself. Additional information is available at www.usdajapan.org/usjta.

Overview: In 2019, the United States exported \$43.5 million of whey products to Japan, making Japan the #4 overseas market. The United States accounted for 25 percent (20,153 metric tons) 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 1 (2019)	Year 2 (2020)	Year 3 (2021)	Final Tariff (Year)	2019 Imports
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)	n/a
Intended for powdered infant formula** 040410-145/185	29.8%+ 425 yen/kg*** or 687 yen/kg****	Free			Free (2019)	\$0
Mineral concentrated with ash content of 11% or more 040410-125/165	29.8% + 425 yen/kg*** or 687 yen/kg****	28.6%*/ 20.4%**	25.4%*/ 18.1%**	22.2%*/ 15.9%**	Free (2023)	n/a
Out of U.S. Country-Specific Quota						
45% or more protein**/** 040410148	29.8%+ 425 yen/kg	20.0%+ 32.0 yen/kg	15.0%+ 24.0 yen/kg	10.0%+ 16.0 yen/kg	Free (2023)	\$952,891
45% or more protein*/**** 040410178	29.8%+ 687 yen/kg	28.0%+ 32.0 yen/kg	21.0%+ 24.0 yen/kg	14.0%+ 16.0 yen/kg	Free (2023)	n/a
45% or more protein*** 040410128†	29.8% + 425 yen/kg	28.0%*/ 20.0%***+ 32.0 yen/kg	21.0%*/ 15.0%**+ 24.0 yen/kg	14.0%*/ 10.0%**+ 16.0 yen/kg	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****	33.2%*/ 23.7%** + 38.0 yen/kg	31.5%*/ 22.5%** + 36.0 yen/kg	29.7%*/ 21.2%** + 34.0 yen/kg	Free (2038)	\$3,004
Less than 25% protein 040410-126†/136/146/166†/176/186		32.6%*/ 23.3%** + 37.33 yen/kg	30.3%*/ 21.6%** + 34.67 yen/kg	28.0%*/ 20.0%** + 32.0 yen/kg	Free (2033)	\$295,791
Colored in blue, for feed**/** 040410145	29.8%+ 425 yen/kg	Free			Free (2019)	n/a
Colored in blue, for feed*/**** 040410175	29.8%+ 687 yen/kg	Free			Free (2019)	n/a
Unprocessed fresh whey 040410200	21.3%	17.4%	15.4%	13.5%	Free (2028)	\$0
*containing added sugar **no added sugar ***5% fat content or less ****greater than 5% fat content †mineral concentrated						

Safeguard: There are two safeguards for U.S. whey. A safeguard on whey powder (less than 25% protein) starts at 1,100 MT, growing to 1,250 MT by 2022. A safeguard on whey protein concentrate (between 25% and 45% protein) starts 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 details are available at www.usdajapan.org/usjta/.

Attachments:

No Attachments.