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New Japanese Food Labeling Law will mandate a nutritional labeling

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Report Highlights:

In August 2012, the Food Labeling Consolidation Review Committee of the Consumer Affairs Agency (CAA) completed its discussion on the creation of a new food labeling law. The committee concluded that the law should require mandatory nutritional labeling on all pre-packaged processed food products sold in Japan. The committee also recommended a grace period of five years, allowing companies time to comply with the new law after implementation. The committee did not reach a decision on whether to require labeling for country of origin of ingredients, and this will most likely be reviewed in a future investigation. The CAA is expected to submit the bill to the Japanese Diet in early 2013.

General Information:

Background

In September 2009, the Japanese Government established the CAA. Within the CAA, they created the Food Labeling Division, which included personnel transferred from MAFF and MHLW. This new division was tasked with developing a consistent food labeling system based on the JAS Law and the Food Sanitation Act. More detail on the establishment of the CAA can be found in GAIN Report JA9059.

In September 2011, the CAA established the Food Labeling Consolidation Review Committee, which consisted of members from academia, consumer groups, food industry organizations, and health science institutions. The committee held 12 sessions.

The committee's purpose was to recommend how Japan could consolidate its current three laws for food labeling (the JAS Law, the Food Sanitation Act and the Health Promotion Act). The Ministry of Agriculture, Forestry and Fisheries (MAFF) has jurisdiction over the JAS Law, whereas the Ministry of Health, Labour and Welfare (MHLW) oversees the Food Sanitation Act and the Health Promotion Act. These three laws encourage providing information to consumers. Specifically, each of the laws' purposes are:

- JAS Law: Provides information about food quality for consumers.
- Food Sanitation Act: Requires appropriate regulations to ensure food safety.
- Health Promotion Act: Provides nutritional content and calorific value.

The number of these laws has caused difficulties. Often, the JAS Law and the Food Sanitation Act feature the same labeling requirements. Additionally, the laws use different terminology, which has caused confusion for consumers, local and prefectural governments, and manufacturers. In order to create consistency between the JAS law and the Food Sanitation Act, MAFF and MHLW began holding "joint meetings on food labeling" in December 2002. However, these series of meetings failed to create a unified requirement as neither ministry could agree on a common principle of a food labeling system.

The Food Labeling Consolidation Review Committee concluded its discussions in August 2012 and issued a 26-page report. A copy of the report, in Japanese only, can be found at: http://www.caa.go.jp/foods/pdf/120809_1.pdf.

Post analysis

CAA announced its recommendations in August 2012, following a full year of discussion. The report gives guidance for a new food labeling law and includes proposals such as mandatory nutritional labeling for pre-packaged processed food, enlarging characters for an easy-to-read display, enhancing allergen labeling in food service and home meal replacements, and discussing how to handle food labeling information for foods sold on the internet. Most importantly, the report focuses on the need for the new law to provide information to ensure safety. Although the new law now makes nutritional labeling mandatory, as opposed to voluntary, the range of food requiring

labeling will remain the same as those specified by current laws. The new law will essentially be comprised of food labeling system provisions from the JAS Law, the Food Sanitation Act, and the Health Promotion Act.

Although the committee's report suggested specifying information on nutritional components in the new law, the report did not determine what constitutes a nutritional component. Rather, the report recommended studying CODEX guidelines for nutritional labeling (CAC/GL 2-1985), as well as other countries' labeling systems to help determine nutritional elements. CODEX guidelines require displaying calories, protein, fat, carbohydrates, sodium, saturated fatty acid and sugars.

Although the new law will require nutritional labeling for all pre-packaged processed food products, industry already includes such information on many products under the present voluntary system. CAA contacts were unable to provide details beyond the contents of the report, as they must wait for the law to be approved by the Diet before making further clarifications. However, based on information from the CAA Food Labeling Committee sessions, as well as the report itself, Post expects that the range of information required will not be expanded under the new law. Though not mentioned in the report, it is likely that the law will include imported pre-packaged food products. Format and nutritional components will be decided by CAA in future discussions; however, the Japanese nutritional labeling system is not expected to be as strict as current U.S. labeling requirements. Therefore, U. S. products should already have this information. It is recommended that nutritional labels be printed in Japanese. For more information on other details of the Japanese nutritional labeling system, as well as how Japan determined its requirements, please consult GAIN JA1045.

The committee also discussed a proposal to require country of origin labeling of ingredients. Some consumer groups insisted that country of origin labeling of ingredients should be mandatory for all processed food products. However, industry groups questioned the need for this labeling as well as its feasibility. Industry also commented that CAA should not establish unnecessary regulations only to mitigate consumers' anxiety. Finally, industry explained that imported intermediate materials often are processed using materials from other countries, making it difficult to identify the country of origin for its ingredients. Due to these industry concerns, no agreement was reached, and the committee recommended that this issue be discussed at a future date.

Based on the implementation process of other countries, the committee recommended a grace period of five years to allow consumers and manufacturers to conform to the new nutritional labeling requirements. As the law will require two years to be finalized, in addition to the proposed grace period, Post anticipates that the mandated nutritional labeling will be fully implemented by 2019, at the earliest. However, as the proposed law requires approval by the Japanese Diet, any holdup in the political process could further delay final implementation of the law. CAA will provide a public comment period before implementing the law, followed by the required WTO comment period. Interested parties are encouraged to submit comments.

Post will continue to observe the discussion and will provide updates as the situation develops.