

Voluntary Report – Voluntary - Public Distribution

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Report Name: High Domestic Rice Prices Drive Record Private Sector Imports in 2025

Country: Japan

Post: Tokyo

Report Category: Agricultural Situation, Grain and Feed

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Report Highlights:

Japan's private-sector rice imports reached 96,834 metric tons (MT) in 2025—a 95-fold increase from 2024 and the highest level since the current import system began in 1999. Imports of rice into Japan are constrained by quantitative limits under its state trading system and high tariffs imposed on private imports. Soaring domestic prices made imported rice price-competitive even with tariffs. The United States supplied 75,638 MT, representing 78 percent of total private imports. Increase in supply and sluggish consumption may soften demand for rice imports in 2026.

Overview

According to trade statistics by the Japanese Ministry of Finance, private-sector rice imports in 2025 reached 96,834 metric tons (MT), 95 times the previous year's volume. This dramatic increase followed a rice shortage in 2024 and subsequent rise in prices (see [JA2024-0044](#)), which pushed demand for foreign rice imports beyond the volumes normally imported under Japan's government-controlled WTO Tariff Rate Quota (TRQ). This is the highest level of private rice imports since Japan adopted its current import system in 1999.

Japan manages most rice imports through a WTO TRQ of 682,000 MT (milled basis) per year. These imports, known as Minimum Access (MA) rice, enter through state trading rather than fully liberalized private trade.

The Ministry of Agriculture, Forestry and Fisheries (MAFF) administers the WTO TRQ and imports MA rice tariff-free. MAFF limits MA rice destined for table rice to a maximum of 100,000 MT, and it channels the remainder into processed foods (such as miso, *shochu*, and rice crackers), livestock feed, and overseas food aid. That 100,000 MT maximum of table rice is imported via Simultaneous Buy and Sell (SBS) tenders, where MAFF collects a markup capped at 292 yen per kilogram, which is below the out-of-quota tariff of 341 yen per kilogram. Consequently, this leads private importers to fully utilize the SBS quota before turning to out-of-quota imports, which, prior to 2024, remained very low at around 600-800 MT annually.

Rapid Surge of Rice Imports Beyond WTO Quotas

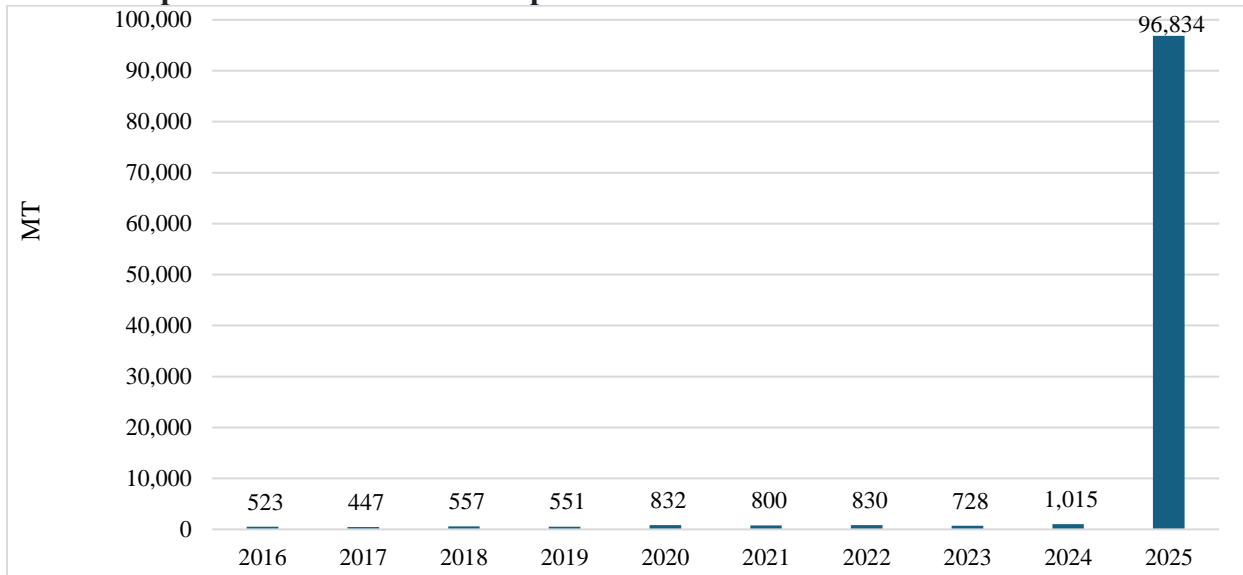
Strong demand for imported rice has driven full use of the 100,000 MT SBS quota under Japan's WTO TRQ in both 2024 and 2025.¹ After this quota was exhausted, the private sector began to import rice out-of-quota. These out-of-quota imports reached 1,015 MT in 2024 and surged to 96,834 MT in 2025, as imported rice became cheaper than domestic rice even after applying the out-of-quota tariff. Monthly out-of-quota rice imports peaked at 26,397 MT in July 2025, then declined before rising again in November 2025 due to its price competitiveness against domestic rice (Chart 2). Imported rice is gaining a foothold in the ready-made meal sector and in restaurants.

In total, the 100,000 MT of SBS rice and 96,834 MT of out-of-quota imports mean that approximately 200,000 MT of imported rice will be distributed in the Japanese market. This represents about 3 percent of Japan's table rice demand, which MAFF estimates at approximately 6.3 – 6.4 million MT (milled rice basis) for 2025/26.²

¹ MAFF holds SBS tenders to import table rice on a Japan Fiscal Year (JFY: April – March) basis. In JFY2024 and JFY2025, MAFF awarded 100,000 MT by December 2024 and November 2025, respectively.

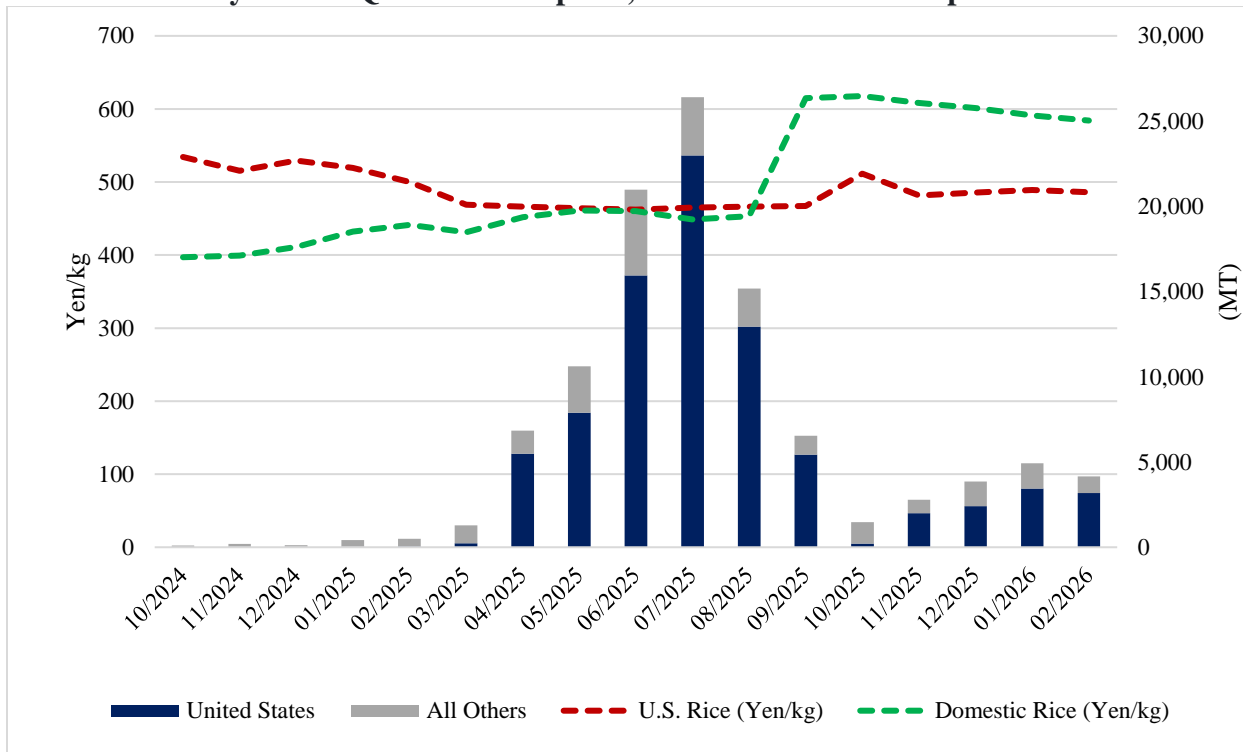
² July 2025 – June 2026

Chart 1. Japan Private Sector Rice Imports



Source: Trade Data Monitor

Chart 2. Monthly Out-of-Quota Rice Imports, U.S. Rice Price and Japanese Rice Price



Source: Trade Data Monitor, MAFF

U.S. rice price: the total of the average CIF unit price (the majority of rice is milled) and applied tariff of 341 yen/kg

Domestic rice price: average wholesalers' purchase price from producers' groups and country elevators (brown rice basis)

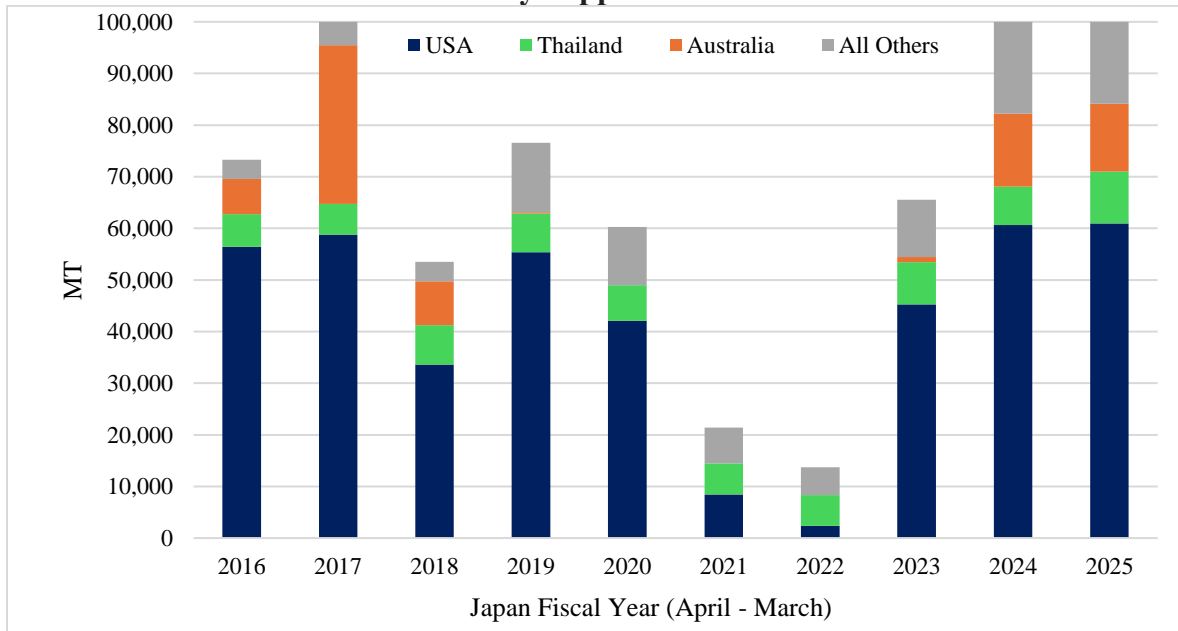
U.S. Medium Grain Rice Dominates Japan’s Imported Rice Market

U.S. medium grain rice is the leading imported rice in both SBS rice and out-of-quota rice imports. In 2025, U.S. rice accounted for 61 percent (60,938 MT) of the 100,000 MT SBS rice quota, of which medium grain represented 52,501 MT. Australia supplied 13,143 MT and Thailand exported 10,056 MT (Chart 3).

For out-of-quota imports in 2025, the United States supplied 75,638 MT, or 78 percent of the total 96,834 MT, followed by Taiwan with 7,024 MT, Vietnam with 4,567 MT, and Thailand with 4,4014 MT (Chart 4). Medium grain rice likely accounts for most U.S. out-of-quota imports. Media reports indicate that rice supplied by Taiwan, Vietnam, and Thailand was primarily short grain Japonica rice—the type predominantly produced and consumed in Japan.

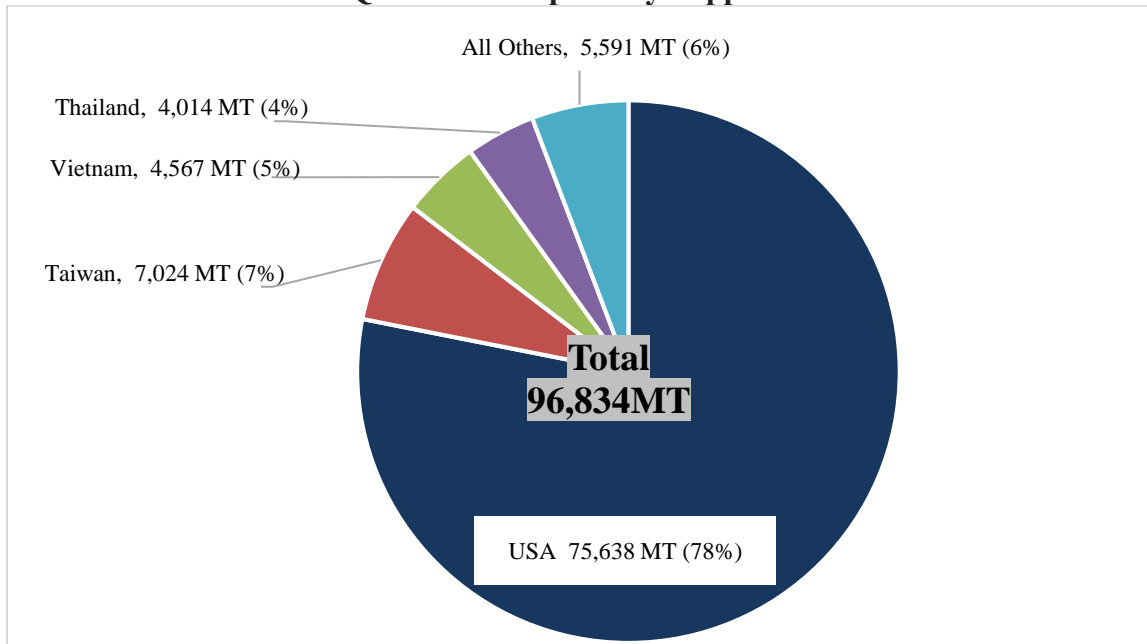
The sharp rise in domestic rice prices, which improved the competitiveness of imported rice, is the primary driver for the rise in out-of-quota imports. Another factor includes Japan’s growing foreign resident population, which grew by 5 percent to a record of approximately 3.96 million people in June 2025, according to the Immigration Services Agency. Many of these residents come from Asian countries where rice is a staple, contributing to higher demand for imported rice. The spike in demand also led to increased imports from countries such as Pakistan, Sri Lanka, South Korea, Myanmar, Bangladesh, and Cambodia—sources from which Japan had rarely imported rice in the past.

Chart 3. MAFF Tendered SBS Rice by Supplier



Source: MAFF

Chart 4. CY2025 Out-of-Quota Rice Imports by Supplier



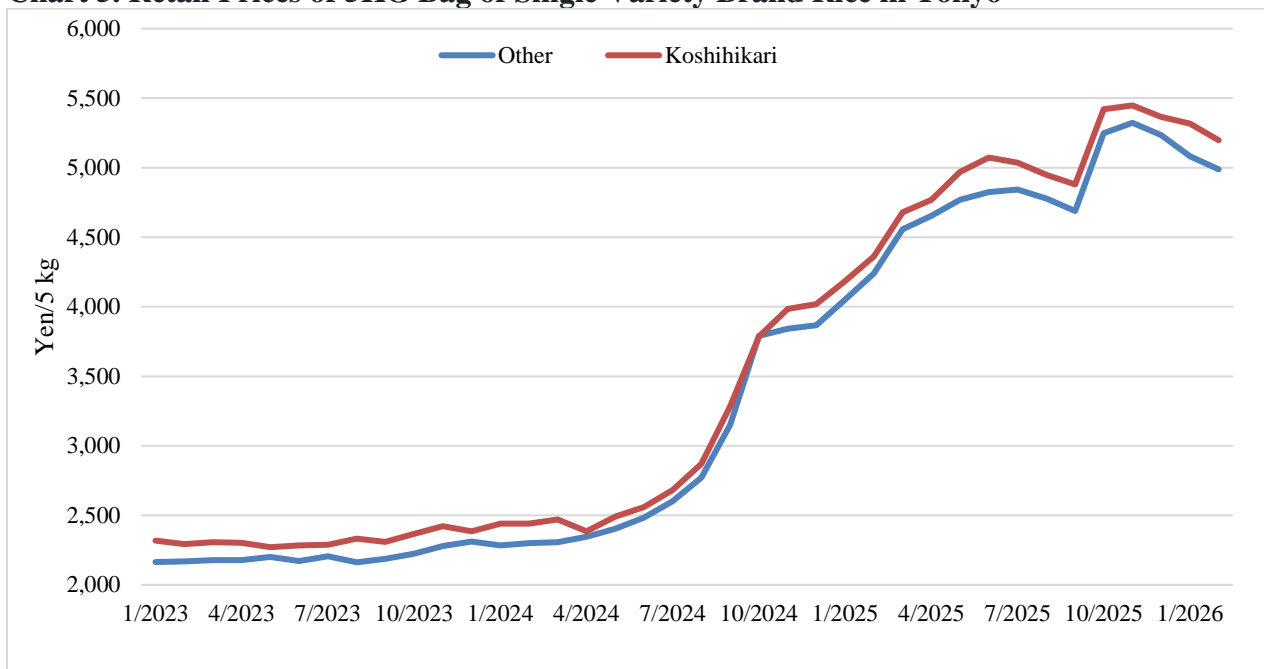
Source: Trade Data Monitor

2024 – 2025 Rice Crisis: Government Response and Market Impact

In summer 2024, Japan faced a severe rice shortage. Prices soared and, by May 2025, doubled compared to a year earlier. Between March and September 2025, the government sold 590,000 MT (brown rice basis) from its contingency reserves to distributors, wholesalers, retailers, and food service operators.³ This intervention temporarily eased prices, but despite a 10 percent increase (676,000 MT, brown rice basis) in the 2025 crop, prices continued to rise and hit a record high in November 2025. High prices prompted consumers to shift away from rice, causing retail sales to stagnate and increasing private-sector stocks. The buildup of these stocks put downward pressure on prices, which began to decline in December 2025.

³In addition to 590,000 MT intended for table rice, MAFF sold 50,000 MT for processing purposes.

Chart 5. Retail Prices of 5KG Bag of Single Variety Brand Rice in Tokyo



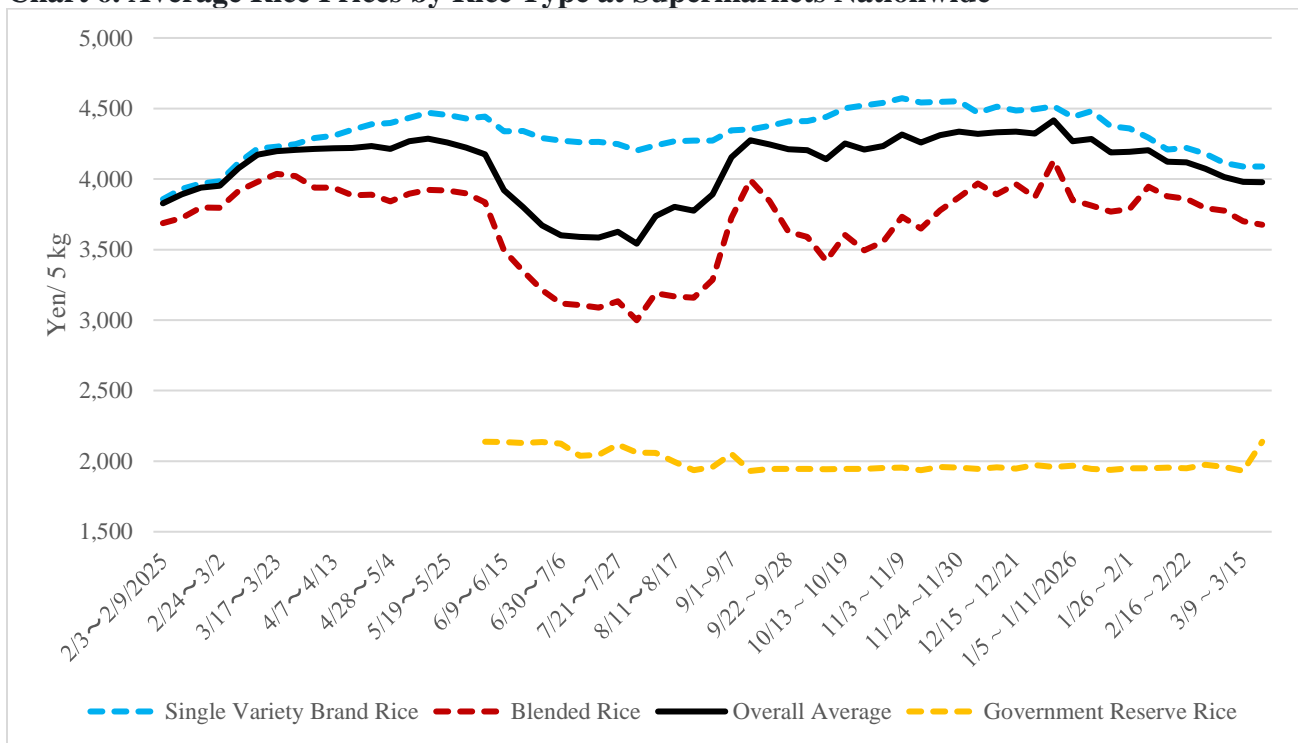
Source: Ministry of Internal Affairs and Communications

MAFF has stated that it will purchase 590,000 MT of domestic rice—equivalent to the volume released from the reserves—after it assesses supply and demand. Future demand for imported rice will depend on how far domestic prices fall. However, since the food service sector prioritizes stable prices and reliable supplies, some level of demand for imported rice is expected to continue.

The crisis also expanded consumer choices beyond the traditional focus on single-variety branded rice, which had previously dominated retail sales. Before the shortage, most consumers bought well-known regional brands, marketed by prefecture. As the market tightened, government reserve stocks entered the market and imports increased, prompting retailers to offer a wider range of products. Retail shelves are now stocked with government reserve rice, blended rice containing multiple varieties (including reserve rice), and imported rice, alongside premium single-variety brands. Consumer choices have increasingly diverged between lower-price options (reserve rice, blended rice, and imported rice) and high-priced single-variety branded rice.

In June and July 2025, when reserve rice entered the market, blended rice accounted for 58 percent of retail sales and branded rice for 42 percent. As private inventories have increased and the prices of single-variety branded rice have started to fall, the proportion of branded rice being sold at retailers has increased. According to MAFF, by March 2026, single-variety branded rice accounted for 72 percent of the retail market, while blended rice accounted for 28 percent.

Chart 6. Average Rice Prices by Rice Type at Supermarkets Nationwide



Source: MAFF

Proposed Reform of Japan’s Rice Contingency Reserve System

To ensure preparedness for emergencies, the Government of Japan (GOJ) maintains a rice reserve of approximately one million metric tons. In response to the rice shortages and price spikes that followed the summer of 2024, and to further stabilize rice supplies, the GOJ plans to introduce a new system in 2028 that will partially replace government-held reserves with mandated private inventories.

Under this proposed system, large-scale rice distributors and wholesalers will be required to maintain a minimum inventory, calculated based on their shipment and sales volumes. In the event of a shortage, the GOJ will direct these businesses to release stock by reducing their minimum inventory requirement. The GOJ will impose penalties on firms that fail to maintain the required minimum inventory and will provide financial support to help them comply.

The GOJ aims to build a total of 200,000 MT in private stockpiles, beginning with a pilot program of approximately 50,000 MT in Japanese fiscal year 2026. To implement this new stockpile system, the GOJ will submit a bill to revise the Act on Stabilization of Supply, Demand and Prices of Staple Food during the current Diet session, which is scheduled to conclude on June 21, 2026.

Attachments:

No Attachments.