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Draft Country of Origin Labeling (COOL) for Ingredients Developed

Report Categories:

FAIRS Subject Report

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Report Highlights:

The Ministry of Agriculture, Forestry and Fisheries (MAFF) and the Japanese Consumer Affairs Agency (CAA) have developed draft country of origin labeling (COOL) requirements for the main ingredient used in the production of all processed products manufactured in Japan. While the current food labeling law requires COOL for certain ingredients in processed foods manufactured in Japan, the country is now considering requiring COOL labeling for the main ingredient, by weight, in all processed foods manufactured in Japan. MAFF and CAA are expected to hold another public discussion in November 2016.

Keywords: country of origin labeling, COOL, ingredients, JA6032, JA6044

General Information:

Background

As previously reported in [JA6032](#), the Japanese Food Labeling Law, which has been in effect since April 2015, requires country of origin labeling (COOL) for ingredients used in the production of processed foods manufactured in Japan for 22 food groups and four food items. However, this year, the Ministry of Agriculture, Forestry and Fisheries (MAFF) and the Japanese Consumer Affairs Agency (CAA) are collaboratively leading the study of instituting COOL requirements for all ingredients in processed foodstuffs manufactured in Japan. (NOTE: Foreign manufactured, finished processed foodstuffs that are exported to Japan are not subject to the current COOL requirements for ingredients, and have not been marked for inclusion in the expanded COOL requirements). MAFF and the CAA have held nine public discussions on this proposal, and will continue to do so until an interim report is drafted this fall (possibly as early as November).

On October 5, 2016, in a public meeting to discuss expanding the proposed COOL for ingredients requirements, MAFF and the CAA explained the current iteration of the proposed expansion of the labeling requirements (see Attachment 1):

General Rule

Under the draft “general rule,” regardless of the processed product manufactured in Japan, the main ingredient, by weight, will be subject to COOL requirements.

If the heaviest ingredient is supplied by a single country then that country must be indicated. For example:

Rose Ham

Ingredients: rose pork meat (United States), malt syrup, soybean protein, salt, milk protein, egg protein, collagen, and sugar

If the main ingredient was supplied by multiple countries and the supplies were comingled, the supplying countries must be listed in the order in which the largest volume contained in the product. The supplying countries should also be separated by a comma which serves as a replacement for the term “and”. For example:

Tomato Ketchup

Ingredients: tomato (United States, Spain, Chile), sweetener (glucose, high fructose corn syrup, sugar), vinegar, onion, and spice

If the ingredient is supplied by three or more countries, the manufacturer can substitute the third, fourth, fifth, etc. largest suppliers with the term “others.” The order of the countries, however, should start with the largest supplier, by volume contained in the product, followed by the next largest, in descending order. For example:

Pork Sausage

Ingredients: pork (United States, Canada, others), pork fat, protein, malt syrup, salt, and spice

Semi-Processed Ingredients

When the largest ingredient is a semi-processed product (e.g., chocolate or wheat flour), the country(ies) where the ingredient was processed must be identified. For example:

Bread

Ingredients: wheat flour (domestically manufactured), sugar, fat spread, rice flour, yeast, skim milk powder, salt, and other yeast

If the main ingredient was a semi-processed product, supplied by multiple countries, and the supplies were comingled, the supplying countries must be listed in the order of largest volume contained in the product. The supplying countries should also be separated by a comma which serves as a replacement for the term “and”. For example:

Chocolate Cookies

Ingredients: chocolate (processed in Belgium, processed in the Netherlands, processed in France), sugar, butter, vegetable oil and salt

Exception 1

This exception assumes that multiple suppliers were used, but the producer cannot distinguish which supplying country’s ingredient is contained in the product. These countries should be separate by the term “or”. Moreover, the first country identified should be the largest supplier, by volume, in the most recent 12 months, followed by the next largest, in descending order. For example:

Rose Ham

Ingredients: rose pork meat (Canada or United States), malt syrup, soybean protein, salt, milk protein, egg protein, collagen, and sugar

If the ingredient is supplied by three or more countries, as noted above in the general rule, the manufacturer can substitute the third, fourth, fifth, etc. largest suppliers with the term “others.” The order of the countries, again, should start with the largest supplier, by volume, in the most recent 12 months, followed by the next largest, in descending order. For example:

Pork Sausage

Ingredients: pork (United States or Canada or others), pork fat, protein, malt syrup, salt, and spice

Exception 2

This exception allows a Japanese processed food manufacturer to indicate whether the heaviest ingredient is imported or domestically sourced. However, it remains unclear, at present, under what conditions a processed food manufacturer will be able to avail itself of this exception, as opposed to following the principles established in the general rule which requires identification of the country(ies) of origin. For example:

Tomato Ketchup

Ingredients: tomato (imported), sweetener (glucose, liquid sugar, sugar), vinegar, onion, and spice

Under this rule, if the ingredient is supplied domestically and from abroad, the manufacturer should start with the largest supplier, by volume contained in the product, followed by the next largest. Imported volumes should be consolidated when deriving whether or not imports or domestically sourced ingredients were larger. For example:

Rose Ham

Ingredients: rose pork meat (imported, domestic), malt syrup, soybean protein, salt, milk protein, egg protein, collagen, and sugar

If multiple suppliers were used, but the producer cannot distinguish whether imported or domestically sourced ingredients were used in the product, the two categories should be separate by the term “or”. The first category identified should be the largest supplier, by volume, in the most recent 12 months, and imports should be consolidated when deriving whether or not imports or domestically sourced ingredients were larger. For example:

Pork Sausage

Ingredients: pork (imported or domestic), pork fat, protein, malt syrup, salt, and spice

Exception 3

This exception has been carved out exclusively for wheat flour manufacturers who only need to indicate whether the flour was from domestic wheat, imported wheat, or both. When both may have been used, the first category identified should be the largest supplier, by volume, in the most recent 12 months, and imports should be consolidated when deriving whether or not imports or domestically sourced ingredients were larger. For example:

Wheat Flour

Ingredients: wheat (imported or domestic)

The next public discussion is expected to be held in November, and interested parties are encouraged to monitor the website of the CAA for updated information on when and where the discussion will be held. (see http://www.caa.go.jp/policies/policy/food_labeling/other/kakousyokuhin_kentoukai.html)

Attachment 1 -- Draft Expansion of Japan's Country of Origin Labeling for Ingredients System

[General Rule]

List in order, from highest weight to lowest, the name of the supplying country(ies) which produced the main ingredient.

Example: "Country A, Country B" or "Country A, Country B, Country C"

If the number of supplying countries is three or more, "other(s)" can be used in the third, fourth, etc. positions.

Example: "Country A, Country B, other(s)"

If a Semi-Processed product is the main ingredient, list the name(s) of the supplying country(ies) of the semi-processed ingredient following the same principles.

Example: wheat flour (produced domestically) or chocolate (processed in Belgium)

[Exceptions]

Manufacturers can choose from three exceptions if they can not comply with the general rule.

The number of supplying countries is limited to two.

[Exception 1] "Listing Possible Suppliers" – two country's ingredients may be included .

Example: "Country A or Country B"

* Based on buying patterns during the previous 12 months, the larger volume supplier is listed first.

The number of supplying countries is three or more

[Exception 1] "Listing Possible Suppliers"

Example: "Country A or Country B or Country C"

◦ Based on buying patterns during the previous 12 months, the larger volume supplier is listed first.

◦ "Other(s)" can be used in the third position if three or more suppliers. Example: "Country A or Country B or other(s)"

Condition:

- Manufacturer knows the foreign supplying countries, but multiple supplying countries make it difficult to identify the specific supplying country's ingredient in the product.
- Manufacturer must have purchasing documents and plans to support labeled countries of origin.

[Exception 2*] "All Inclusive" Labeling.

Example: "Imported"

◦ Based on buying patterns during the previous 12 months, the larger volume supplier is listed first.

◦ Suppliers switch between multiple countries and domestic supplies.

Example: "Imported, domestic"

* It is not yet clear what the rules are for when a manufacturer can avail themselves of Exception 2 in lieu of Exception 1

Conditions

- Manufacturer changes supplying country and the mixing of ingredients prevents the manufacturer from identifying the countries of origin of the ingredient.
- Ingredient was purchased from 3 or more countries.
- The ratio of domestically produced vs. imported ingredients is known, and;
- Manufacturer must have purchasing documents and plans to support labeled countries of origin.

[Exception 3] "All Inclusive" + "List possible suppliers" Labeling Example: "Imported or domestic" or "Domestic or imported"

◦ Based on buying patterns during the previous 12 months, the larger volume supplier is listed first.

Note: Exception 3 applies only to wheat flour

Conditions

- Manufacturer changes supplying country and the mixing of ingredients prevents the manufacturer from identifying the countries of origin of that products ingredients.
- Ingredients were purchased from 3 or more countries, and;
- Manufacturer must have purchasing documents and plans to support labeled countries of origin.