



EU-Japan Centre
for Industrial Cooperation
日欧産業協力センター

Exporting Italian Food Products to Japan

Expert Support Webinar for Exporters in Turin and
Rome

20 May 2021, Thursday, by C. Nakabayashi



Exporting Food Products to Japan

Agenda

1. Japan's Food Market – Consumer Behavior and Product Orientation
2. Export Process and Procedures for Japanese market
3. Distribution System, Sales Channels and E-commerce for B2B and B2C
4. Q& A



EU-Japan Centre
for Industrial Cooperation



日欧産業協力センター

Exporting Food Products to Japan



Japan's Food Market

日本の食料市場

Exporting Food Products to Japan

Japan's Food Market Compared to Italy

(Source: Japanese Ministry of Agriculture, Forestry and Fisheries, World Bank)

	 Japan	 Italy
Consumer Base for Food Demand	126 million	60 million
Self-sufficiency of Food Supply (calorie-based)	38%	59%
Spending (% in Disposable Income)	26%	27%
65+ in Population	29%	23%

Japan's Consumer Market

- Purchase decisions on **safety and quality**
- Consumer trust and loyalty with **certifications, traditional production method, and product labels.**
- Demanding **product accountability, authenticity and transparency**
- More **processed food** consumed: freshly prepared and well controlled under strict expiry date and expiry time.
- Purchase patterns on food are **frequent and no stocking** of foods and drinks at home.



Exporting Food Products to Japan

Unique Market Segments

- Premium food segment for safety and quality



Tartufo Bianco
100g=85,000yen
or €708



Riso Vialone
1kg=30,750 yen
or €256



16 Peck's opened in Japan

- Gift food segment for 'preserved foods'



- Emergency food segment for 'preserved foods'



Another Unique Market Segment

Ageing society creates a unique **health & wellness conscientious** market segment demanding ‘healthy food’.

- **Functional food** - include additional nutrients such as vitamins, fibre, protein, minerals and other components and claim functional benefits
- **‘Free-from’ food** - do not contain certain food ingredients for people who have allergy, intolerance or health requirements to avoid certain food components.
- **Organic food** — plant-based and animal-based products farmed with no use of chemically synthesized fertilizers and pesticides, feed, nor genetic recombination technologies. Need to comply with Japanese Agriculture Standards (JAS), except fisheries and liquor products. Equivalent status applies for EU certified plant-based organic products.



EU-Japan Centre
for Industrial Cooperation



日欧産業協力センター

Exporting Food Products to Japan

Export Process and Procedures for Japanese Market

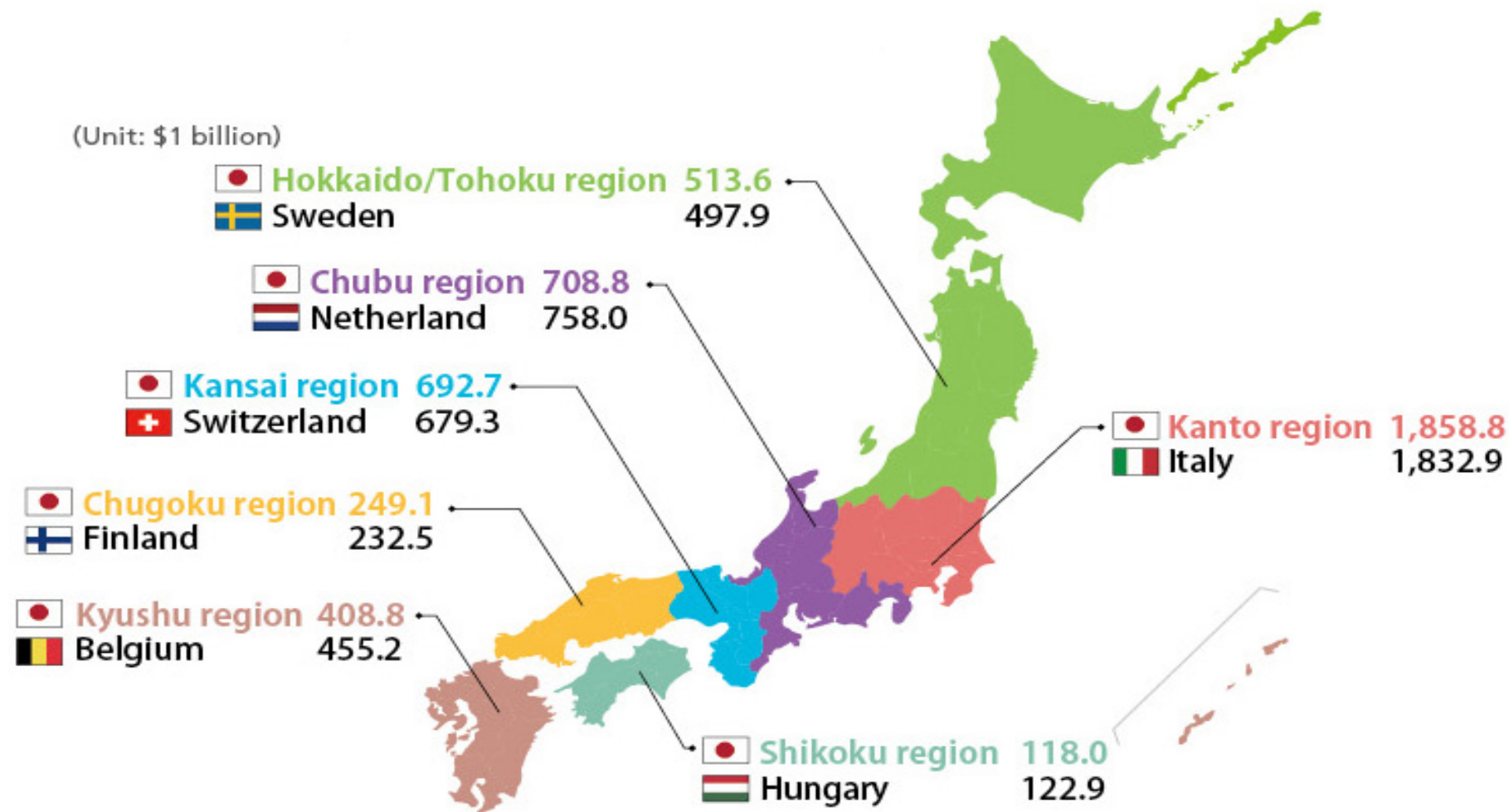
日本への輸出手続き

Export Process: Market Research

- Market research from reliable sources, such as the EC, Chambers of Commerce, Industry Associations.
- Market research ensures demand and indicates which market or segment has demand for your products.



Geographical Market Segment





Exporting Food Products to Japan

Finding a Japanese Partner(s)

- Who can be a partner(s)?

- Direct vs Indirect Distribution
- Indirect Distribution via Agent vs Distributor
- Indirect Distribution via Multiple Small Distributors vs Sole Distributor with Exclusive Rights

Finding a Japanese Partner(s)

- Where/how to find a partner(s)?

1. Create your own website in Japanese for Japanese
2. Use match-making support services
3. Attend trade shows. Schedule on <https://www.jetro.go.jp/en/database/j-messe/country/online/> , visa information https://www.mofa.go.jp/j_info/visit/visa/
4. other ways such as on internet, via personal contacts, or by checking competitors' business partners, etc.

Finding a Japanese Partner(s)

- How to verify partner(s)' credibility and capabilities?
- Verify through references, testimonials, by asking questions, and by visiting the partner in person.
- Hire a professional firm to assess the operational and financial health of your potential partner(s).
- Make a formal contract to specify work responsibilities, payments and any other matters that you would need to avoid grey areas. Contracts in Japanese and your language, or alternatively in English.



Exporting Food Products to Japan

Import Process and Procedures at Japan Customs

Import Declaration



Legal and Regulatory
Clearances

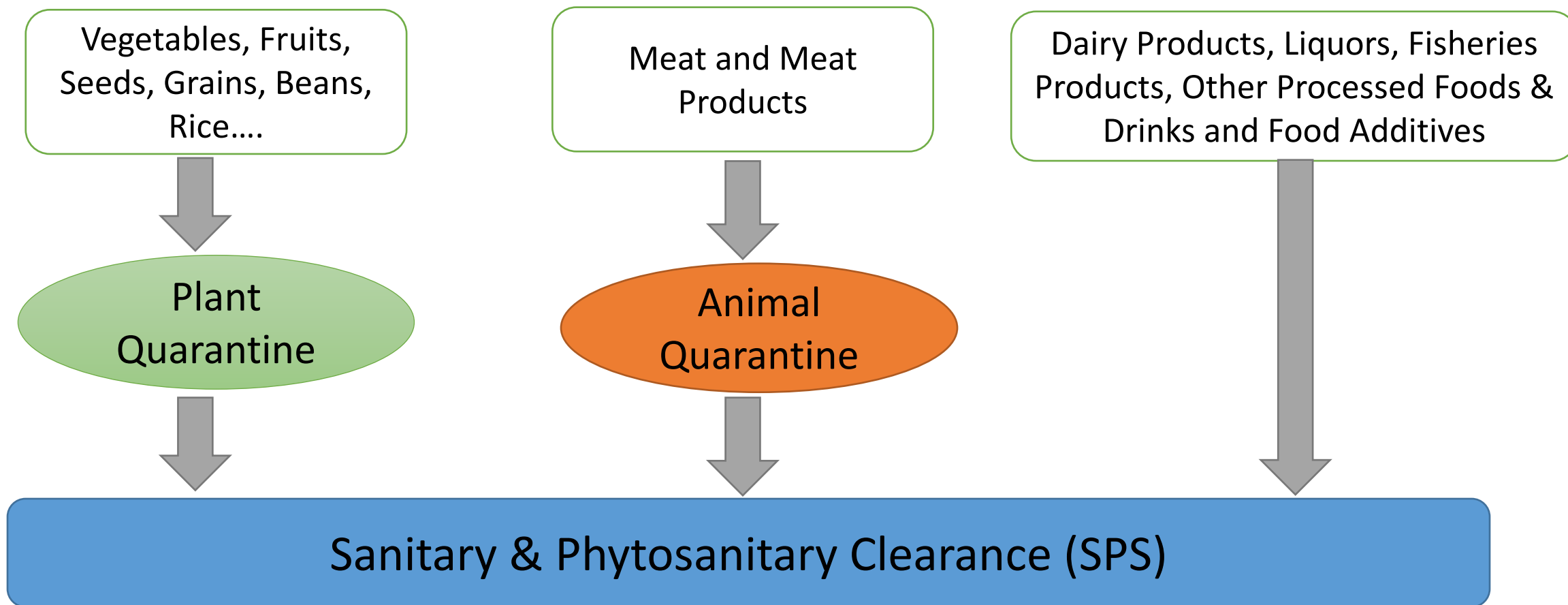


Import Payments



Exporting Food Products to Japan

Legal and Regulatory Clearances



Obtain latest information from Importer

- If your product need an import inspection
- If so, what certificate needed (e.g., sanitation certificate for milk and dairy import mandatory since June 2020)
- Where to obtain certificate (There are 412 recognized Italian laboratories. Latest list available on <https://www.mhlw.go.jp/topics/yunyu/5/dl/a6.pdf>)

イタリア共和国 (Republic of Italy)

検査機関名 (Name)	検査機関住所 (Address)	コード
A 公的検査機関 (Official laboratories)		
1 欠番		
2 CREA - Consiglio per la ricerca in agricoltura e l'analisi dell'economia agraria Centro di ricerca per l'enologia (ENO)	Via P. Micca, 35 - 14100 ASTI	IT10002
3～4 欠番		
5 Agenzia delle Dogane e dei Monopoli Direzione interregionale per il Piemonte e la Valle D'Aosta - Laboratori e servizi chimici Laboratorio chimico di Torino	Corso Sebastopoli, 3 10134 Torino	IT10005



Exporting Food Products to Japan

Check Points for Plant Inspection:

Check Point 1

Use online database on <http://www.pps.go.jp/eximlist/Pages/exp/condition.xhtml> and check if your product falls under (1) prohibited imports, (2) inspection unnecessary products, and (3) others which can be imported with Phytosanitary Certificate.

Check Point 2

Find a EU institution and obtain a phytosanitary certificate for type (3) - others which can be imported with Phytosanitary Certificate.

Check Point 3

Plant inspection is NOT applicable to: edible fungi such as *Shiitake*, *Matsutake*; tea that has been processed by drying, heating, fermentation, etc.; dried hops and dried mushrooms; fermented vanilla beans; plants soaked in sulphurous acid, alcohol, acetic acid, sugar, salt, etc.; banana, papaya, grape, mango, peach and longan fruit; granular inner skin of coco palm; dried spices in retail containers

Ministry of agriculture Forestry and Fisheries of Japan,
www.maff.go.jp/pps/j/introduction/import/index.html

Check Points for Animal Inspection:

Check Point 1

Check (1) if your product contains raw materials derived from designated quarantine animals, (2) if product is from country which is prohibited for exporting to Japan, (3) if there is a treaty with Japan on animal hygiene conditions, and (4) if your product needs a health/veterinary certificate from exporting country.

Check Point 2

Obtain a health/veterinary certificate from a designated EU institution.

Check Point 3

Animal inspection is NOT applicable to: completely processed products such as horn, hair, leather, feathers in the forms of buttons, brushes, down jackets, leather coats, etc.; canned and retort products; and butter, dairy products such as cheese, honey.

Ministry of agriculture Forestry and Fisheries of Japan, Animal Quarantine,
<https://www.maff.go.jp/aqs/hou/43.html>

Check Points for Sanitary and Phytosanitary Clearance (SPS):

Check Point 1

Particular standards on ingredients, processing methods and storage conditions are set for certain food and food products such as soft drinks, powdered soft drinks, ice, frozen desserts, raw meat, poultry eggs, blood, blood cells and plasma, meat products, whale meat products, fish meat products, salmon roe, cod roe, boiled octopus, boiled crab, fresh seafood, raw oysters, agar, grains / beans and vegetables, raw bean paste, tofu, instant noodles, frozen foods, and air-tight packaged foods and heat-sterilized packaged foods. Details are available in English on

https://www.mhlw.go.jp/stf/seisakunitsuite/bunya/kenkou_iryuu/shokuhin/jigyousya/shokuhin_kikaku/index.html

Check Point 2

In Japan, there are 4 types of food additives allowed in food and food products: 449 designated additives, 365 existing additives, 600 natural fragrance and 100 general food and drink additives. Identify if your food additives are allowed in Japan. Lists of these additives are available in English on

https://www.mhlw.go.jp/stf/seisakunitsuite/bunya/kenkou_iryuu/shokuhin/syokuten/index.html

Check Point 3

Check whether or not drug ingredients are included in health foods and supplements, make sure that raw materials do not contain ingredients that are applicable to pharmaceutical products prescribed by the law. Details are available only in Japanese on <http://www.mhlw.go.jp/kinkyu/diet/dl/torishimari.pdf>



Labelling Requirements Before Sales





Exporting Food Products to Japan

Labelling Requirements Before Sales

(source: Japanese Consumer Affairs Agency, Ministry of Agriculture, Forestry and Fisheries)

Food Labelling Act (https://www.caa.go.jp/en/policy/food_labeling/)

- **Product Information** - product name, storage method, expiration date, shelf life, producer, importer, GMO, country of origin, ingredients, additives
- **Nutrients** - energy, protein, fat, carbohydrate, sodium
- **Allergen** –egg, milk, buckwheat, wheat, peanuts, crab, shrimp/prawn
- **Functional Claims** - (1) Foods for Specified Health uses (FOSHU), (2) Foods with Nutrient Function Claims (FNFC), (3) Food with Functional Claims (FFC)

Japan Agriculture Standards (JAS)

- **Organic JAS** - mandatory 'organic JAS' mark for marketing and selling in Japan, (https://www.maff.go.jp/e/policies/standard/specific/organic_JAS.html)

Distribution System, Sales Channels and E-commerce

日本の流通システム、販売チャネル、Eコマース



EU-Japan Centre
for Industrial Cooperation



日欧産業協力センター

Exporting Food Products to Japan

Japan's Distribution System

Producers



Distributors



Wholesalers



Retailers



Consumers

Exporting Food Products to Japan

Sales Channels for B2C

Types of Retail Outlets	Specialities
Department stores	Clothing, cosmetics, jewellery, food
Supermarkets and hypermarkets	Food supermarkets and specialized department stores
Convenience stores	Open 24/24. General food, drink, everyday products
Discount stores	Clothing, miscellaneous goods
Home centers	Gardening, decoration and other items for decorating and fitting out home
Cooperative	Mainly food products and some convenience goods and clothing.
Drug Stores	Personal hygiene products, cosmetics, beauty products, detergents, sweets and drinks
Specialized stores	Specialized by product or by type of customer targeted: clothing, gardening, alcohol, footwear, Eyewear, car Accessories, sports, etc
Others	100 Yen shops: all sorts of products, sold for the one price of 100 JPY.



Exporting Food Products to Japan

Major Associations - Finding Japanese B2C Retailers

- Japan Department Stores Association
- Japan Chain Stores Association
- National Supermarket Association
- New Supermarket Association of Japan
- Japan Specialty Store Association
- Japan Foodservice Association
- Japan Franchise Association
- Japan Voluntary Chain Association
- Japan Council of Shopping Centers
- Japan Supermarket Association
- Japan Direct Marketing Association
- Federation of Specialty Store Association in Japan
- Japan Processed Foods Wholesalers Association
- The Japan/Tokyo Association of Retail Sales and Management Specialists
- Japan Fashion Association
- The Japan Chamber of Commerce and Industry
- The Tokyo Chamber of Commerce and Industry
- Chambers of Commerce and Industry of Japanese major cities



Exporting Food Products to Japan

Finding B2B Partners

Japanese Trading Companies

1. Large-scale general trading companies (総合商社 *sogo-shosha*)
2. Smaller-scale specialized trading companies (専門商社 *senmon-shosha*)



Exporting Food Products to Japan

Sales Channel – E-Commerce

- 4 main e-commerce sales channels:

Your own Website

Online Marketplace

Social Media

3rd Party In-country Distribution

- Initially, start with your website and 3rd party in-country distribution. Later, move to online market place and social media which are more competitive



Exporting Food Products to Japan

Sales Channel – E-Commerce

- Your own website: to promote products/services and make your company known to distributors
- 3rd party in-country distributors: to make sales of your products on commercial e-commerce platform (Amazon Japan, *Rakuten*, *Lohaco* - Yahoo! Shopping Japan)
- Supermarkets, convenience stores, department stores and specialized stores have their own e-commerce platform.

Retailers' E-commerce Platform

Types of Retail Outlets	Large-scale Retailers
Department stores	Mitsukoshi , Isetan , Marui 0101 , Takashimaya , Sogo
Supermarkets and hypermarkets	Aeon , Itoyokado , Daiei , Uny , Izumi , Life corporation , Izumiya ,
Convenience stores	Seven Eleven , Lawson , Family Mart , Sunkusu , Daily Yamazaki , Mini , Stop , Seicomart , Poplar
Discount stores	DonQuijote , Mr Max , Trial company , Takeya , Super Center Plant
Home centers	Cainz , Kohnan Shji , Nafco , Homac , Keiyo D2 , Komeri , Kahma , Shimachu , Daiki , Tokyu Hands
Cooperative	Coop Kobe , Coop Sapporo , Chiba Coop
Drug Stores	Matsumoto Kiyoshi , CFS Corporation , Sun Drug , Turuha , Sugi Pharmacy , Create SDS , Kokumin
Specialized stores	Clothing: Aoyama Syouji , Aoki International , Haruyama Shoji Women and children's clothing: Shimamura , Five Foxes , Akachan Casual clothing: Fast retailing (Uniqlo) , Right On , Shoes: Chiyoda , Alcohol : Kakuyasu Information technology: Yamada Denki , Yodobashi Camera , Kojima
Others	Daiso Sangyo , Seria , Ninety-nine plus,



Exporting Food Products to Japan

Sales Channel – E-Commerce

Operational and financial issues on e-commerce:

- Which E-commerce platform is suitable?
- What payment methods are appropriate?
- Which shipping logistics are reasonable?
- What customer service, returns, after-sales services are provided?



EU-Japan Centre
for Industrial Cooperation
日欧産業協力センター

Exporting Food Products to Japan

Q&A Session

Please forward your inquiries to office@eu-japan.eu with reference to 'Expert Support Webinar on Italian Food Export to Japan'