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### IMPORTANT NOTICE: US/Japan Equivalency Arrangement

You may need to take action on the information in this notice! Please review carefully and contact us at organic@tilth.org or (503) 378-0690 if you have questions.

#### Summary

The US Japan Organic Equivalency Arrangement became effective January 1, 2014. The Bi-lateral Arrangement covers plant, plant based processed products and fungi. While there are no additional certification requirements the arrangement is restricted to clients in the US and Japan and there are mandatory import and export documents that must accompany each shipment. (see page 2)

This expanded arrangement replaces the unilateral USDA MAFF arrangement, which required products exported to Japan to have been produced without the use of Alkali Extracted Humic Acid and Lignin Sulfonate.

#### Who is affected?

All US clients wanting to export or import plant based products or fungi with Japan can do so without additional certification requirements. If you are outside of the US, or your product is produced outside of the US then dual certification remains necessary; product coming from Japan must be NOP certified and exports to Japan must be JAS certified.

#### What You Need to Do

This new arrangement has minimized the compliance requirements and paperwork necessary to ship organic products from the US to Japan.

- For exports: For NOP certified products (plant, processed product of plants or fungi) shipping to Japan you no longer need to apply in your OTCO application and no longer need to verify that the previous two critical variance materials, alkali extracted humic acid and lignin sulfonate, were not used.
- For imports: For ingredients or products (plant, processed product of plants or fungi) shipped from Japan, the Japan Agricultural Service [JAS] Certificates will be accepted as NOP compliant.
- Both exports and imports require an additional import/export certificate for each shipment.

#### **Background Information**

The NOP has put together a very good Guidance and press release publication, which follows this message. Rather than repeating the information, I would invite you to read the publication and contact me for any additional information that you might need.

Thank you for your attention to this Notice.

Sincerely,

Jim Pierce, Global Certification Program Manager

January 6 2014



# **Exporting Organic Products to Japan**

USDA organic plants, fungi, and plant-based processed products (such as grape juice or corn meal) can be sold as organic in Japan (effective January 1, 2014).

Products must be either produced or have had final processing or packaging occur within the U.S.

**TERMS OF THE ARRANGEMENT.** To trade plants, fungi, and plant-based products under the partnership, certified operations must:

Ship products with an export certificate (TM-11), completed by a USDA-authorized certifier.

LABELING REQUIREMENTS. For packaged retail products, labels or stickers must state the name of the USDA-authorized certifier and may use the USDA organic seal. Use of the Japanese organic logo is required on plant and plant based products, and requires a Japanese Agricultural Standards (JAS)-authorized importer.

by the JAS law—such as meat, dairy products, and alcoholic beverages—may also be exported to Japan. These products do not require an export certificate and may be labeled with the USDA organic seal (but not the Japanese organic logo).

# **Importing Organic Products from Japan**

Products certified to the Japanese Agricultural Standards (JAS) can be sold as organic in the U.S. Plants, including fungi, and plant-based processed products (such as grape juice or corn meal) are eligible for JAS certification (effective January 1, 2014).

Products must be either produced or have had final processing or packaging occur within Japan.

TERMS OF THE ARRANGEMENT. To trade products under the partnership, certified operations must:

Ship imports with an NOP import certificate, completed by a JAS-authorized certifier.

LABELING REQUIREMENTS. For packaged retail products, labels or stickers must state the name of the JAS certifier and may use the USDA organic seal and/or the Japanese organic logo.

OTHER PRODUCTS. Organic products regulated by the JAS law may be imported to the U.S. if they are certified to the USDA organic regulations. Examples of such non-plant-based products include meat, dairy products, and

alcoholic beverages. These products do not require an NOP import certificate.





### Japan: Opportunities for U.S. Organic Producers

Beginning January 1, 2014, organic products certified in Japan or in the U.S. may be sold as organic in either country. The announcement took place on September 26, 2013 at the Natural Products Expo East, one of the largest trade shows for organic products in the U.S.

This partnership between two significant organic markets will streamline U.S. farmers' and processors' access to the growing Japanese organic market, benefiting the rapidly growing organic industry and supporting job creation and business development on a global scale. The organics sector in the U.S. and Japan is valued at more than \$36 billion combined, and rising every year.

"This partnership reflects the strength of the USDA organic standards, allowing American organic farmers, ranchers, and businesses to access Asia's largest organic market," said U.S. Agriculture Secretary Vilsack. "It is a win for the American economy and sets the foundation for additional organic agricultural trade agreements in Asia. This partnership provides economic opportunities for farmers and small businesses, resulting in good jobs for Americans across the organic supply chain."

"[This] agreement will streamline access to the growing Japanese organic market for U.S. farmers and processors and eliminate significant barriers for small and medium organic producers, benefiting America's thriving organic industry," added U.S. Trade Representative Michael Froman. "This represents another key step in strengthening our economic relationship with Japan by boosting agriculture trade between Japan and the U.S., leading to more jobs and economic benefits for American farmers and businesses in this important sector."

Leading up to this historic announcement, U.S. and Japanese technical experts conducted thorough on-site audits to ensure that their programs' regulations, quality control measures, certification requirements, and labeling practices were compatible. Both parties individually determined that their programs were "equivalent" with no restrictions for organic plant and plant products. This means that—for the first time—certified organic farmers and businesses in the U.S. don't have to prove that they didn't use a specific substance or production method to gain access to the Japanese organic market. This partnership streamlines the export certificate process, which also reduces the paperwork burden for farmers and businesses.

Both parties are committed to ensuring that all traded organic products meet the terms of the partnership, retaining their organic integrity from farm to market. Japan's Ministry of Agriculture, Forestry, and Fisheries and the USDA National Organic Program (NOP)—which oversee organic products in their respective countries—will both take on key oversight roles.

The U.S. and Japan will continue to have regular discussions and will review each other's programs periodically to verify that the terms of the partnership are being met. This arrangement only covers products exported from and certified in the U.S. or Japan. www.ams.usda.gov/NOPTradeJapan