

The Inspection Certification System for Organic Agricultural Products

February 2004

Ministry of Agriculture, Forestry and Fisheries, Food Safety and Consumer Affairs Bureau

. Laws (JAS law) regarding agriculture and forestry product Standardization and adequacy of quality labeling

[Revised JAS law outline]

In light of the variety of food consumption and growing concerns over flavor, freshness, health and safety, the JAS laws were revised with the goals of substantially strengthening food labeling, rectifying improper labeling and inconsistent production standards in organic foods, loosening standards with regards to standards regulation, putting to use the know-how of the private sector, and ensuring consistency with international standards.

<The three pillars of JAS law revision>


- (1) Substantial strengthening of food labeling
- (2) Establishment of inspection certification system and labeling system for organic agricultural products
- (3) Review of JAS standards system
 - a. putting periodic standards revision into law
 - b. implementation of a system that would allow businesses themselves to indicate classifications
 - c. put to use private sector know-how towards registered classifications/qualification activities

Points of JAS law revision


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
1. Substantial strengthening of food labeling

Labeled items: 64 items (including place of origin labels for fresh produce for 9 items).		Labeled items: All consumer food and drink products. (Place of origin labels for all fresh produce.)
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2. Establishment of inspection certification system for organic foods

No inspection certification system for organic foods. Flood of improper "organic" labels.		Establishment of standards for organic foods (CODEX based). 3 rd party certification system certifies producer for each farm. <u>Only products of the manufacturer that are certified by the 3rd party system are authorized to be labeled "organic".</u>
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3. Review of JAS standards system

No legal provisions regarding periodic review of standards. Registration grading system designated a grade and appended a mark. Only prefectures and public service corporations had authority to bestow grading.		<u>Review of existing standards every five years, discontinuance of unneeded standards, etc. (during such reviews, international standards to be taken into consideration).</u> Corporations receives certification, then <u>designate grades and append marks themselves.</u> <u>Authority to grade/certify given to private corporations.</u>
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. Inspection certification system for organic foods

[Organization of inspection certification system]

1. Registration of registered certification organizations

The Minister of Agriculture, Forestry and Fisheries takes applications and, conducts screenings based on the standards specified by JAS law, and registers registered certification organizations.

The Minister of Agriculture, Forestry and Fisheries also authorizes the registered certification organizations' certification business terms as specified by their business methods and certification fees.

2. Authorizing certified businesses

The registered certification organization accepts certification applications from farms producing organic agricultural products and processed foods manufacturers, and awards certification after conducting screenings based on technical standards.

For certification, document inspections and spot checks are conducted to confirm:

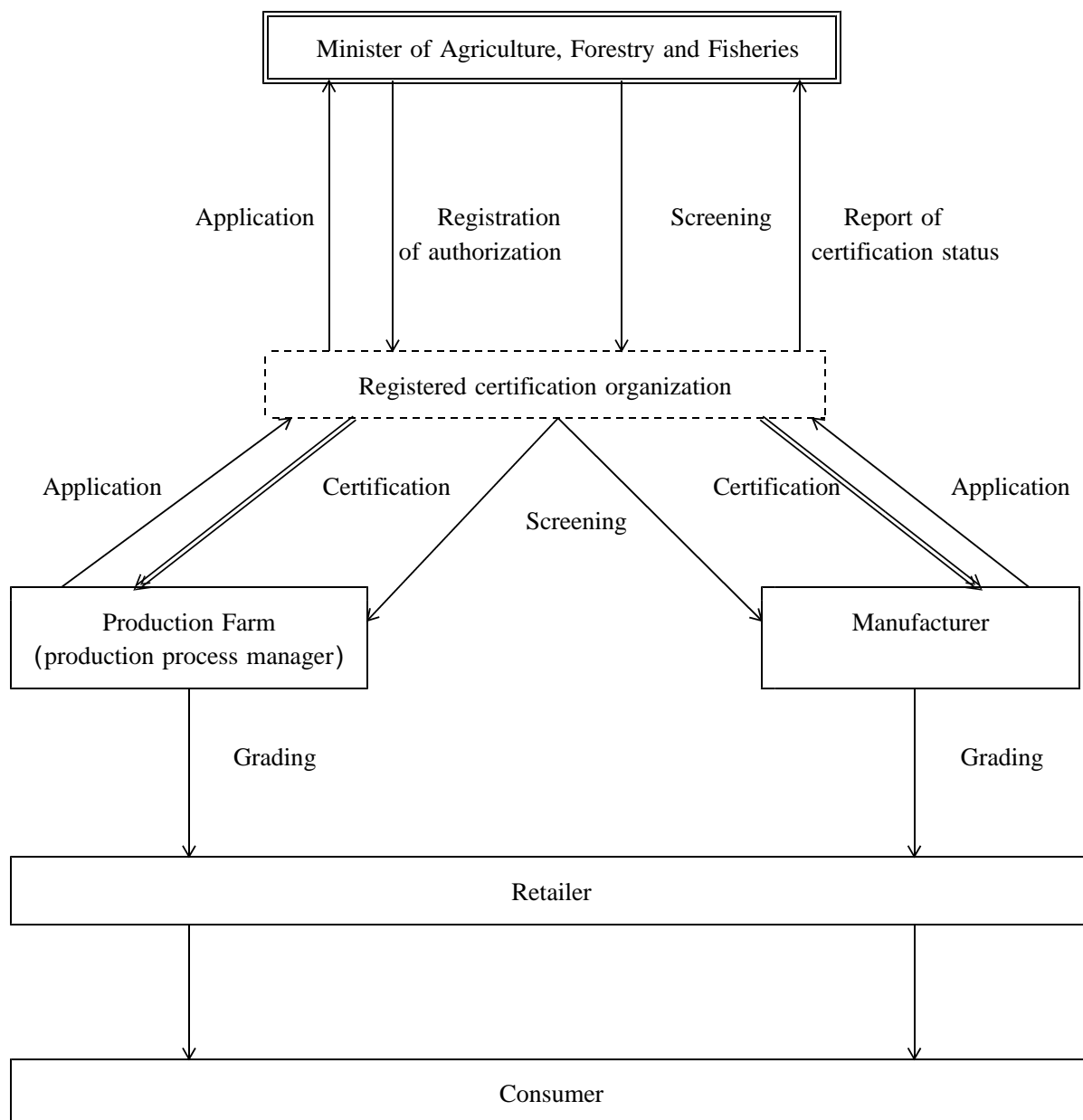
- a. Farms or processing plants meet organic production criterion (organic JAS standards)
- b. Production management, and documentation of production management are conducted appropriately so that production will conform with said standards.

3. Certified company investigations

In order to confirm that producers and manufacturers are conducting production in accordance with organic JAS standards after being certified by a registered certification organization, inspections shall be conducted at least once a year as per certification company regulations.

4. Grading by certified companies

Certified farms producing organic agricultural products and manufacturers of processed foods, rank the food products they produce/manufacture based on the records etc. of the production/manufacturing process, affix the Organic JAS mark themselves and supply their products to the marketplace.



[Labeling regulations]

1 With regards to organic products and organic product processed foods, confusion has been seen over name labels, and since there are fears that this will become a grave hindrance to general consumers choice, government ordinances are specified for commodities for which it is particularly necessary to plan appropriate name labeling.

[JAS law, article 19, paragraph 10, item 1 and JAS act enforcement article 29]

2 Therefore, in order to fulfill Japanese Agricultural Standards for organic agricultural products and Japanese Agricultural Standards for organic agricultural product processed foods, items to which the certified business cannot apply an Organic JAS mark cannot be labeled as "organic" or another designation which would be confused with this (effective as of April 1, 2001).

3 In cases where above regulation 1 is violated, the Minister of Agriculture, Forestry and Fisheries will order the removal/improvement of the name label; if the violator does not comply a fine of ¥500,000 or less will be levied (JAS law, article 24-3).

JAS Law article 19, paragraph 10, item 1

"With regard to any agricultural and forest products for which the Japanese Agricultural Standard has been established concerning the standard mentioned in Article 2, Paragraph 3, Item(2) that are specified by a Government Ordinance as the ones for which it is especially necessary to achieve proper labeling of name because the name provided in such Japanese Agricultural Standard is being used also for any other agricultural and forest products produced by a method other than that provided by such Japanese Agricultural Standard and if left as it is, this would likely cause grave hindrance to general consumers choice (hereinafter called the "specified agricultural and forest products"), any person must not indicate the name provided by such Japanese Agricultural Standard or any name confusing therewith on any such specified agricultural and forest product or the packaging, container or invoice therefore if the label of grading under such Japanese Agricultural Standard has not been attached to such specified agricultural and forest product or the packaging, container or invoice therefore."

JAS Law Enforcement Ordinance Article 29

"The agricultural and forest products to be specified by a Government Ordinance as referred to in Article 19-10, Paragraph 1 of the Law shall be those cited as follows:"

1. (Organic agricultural products)
2. (Organic agricultural product processed foods)"

. Japanese Agricultural Standards for organic agricultural products etc.

1. Process of enactment

The Japanese Agricultural Standards for organic agricultural products were laid out in compliance with the "Guidelines for Production, Processing, Labeling and Marketing of Organically Produced Foods" adopted at the 1999 CODEX general assembly, and after passing deliberation by the Research Committee for Agricultural and Forestry Standards, were posted by the Minister of Agriculture, Forestry and Fisheries based on the January 2000 revised JAS law.

2. Details

The Japanese Agricultural Standards for organic agricultural products in addition to stating production principles for organic agricultural products, also stipulate standards for production methods and the name labeling system.

(1) Production method standards

1. Conditions for farms
2. Managing cultivation with manure on farms
3. Sowing and seedling planting on farms
4. Controlling harmful plants and animals on farms
5. Management of blooming, selection, preparation, cleansing, storage, packing and other processing.

(2) Name labeling system

The labels "Organic Agricultural Product", "Organically Cultivated Agricultural Product",

"Organic " ("有機 "), or "Organic " ("オーガニック ") are stipulated.
(The common name of the agricultural product would be inserted in place of the " ")

Principles of organic agricultural product production (Japanese Agricultural Standards for Organic Agricultural Products, article 2)

"To sustain and enhance the natural recycling in agriculture, the productivity of the farmland derived from the soil properties shall be generated by avoiding the usage of the chemical synthetic fertilizer and agricultural chemicals, and the organic agricultural products shall be produced in fields adopting such cultivation management method as reducing the load derived from the agricultural production on the environment as much as possible."

Field conditions of organic agricultural product production (Japanese Agricultural Standards for Organic Agricultural Products, article 4) (extract)

1. To clearly divide the field so as to protect it from the drifting fertilizer, soil improvement materials, or agricultural chemicals (except for substances noted in attached tables 1 and 2; called "prohibited substances" hereafter.). In paddy fields, the necessary measures shall be taken to prevent prohibited substances from contaminating the agricultural water.

2. To be based on either of the following.

(1) Over a period of at least 3 years before the first harvesting of perennial plants (except for pasture grasses), and at least 2 years before the production of other plants, fields shall conduct cultivation of agricultural products based on the following criteria.

Organic JAS Mark



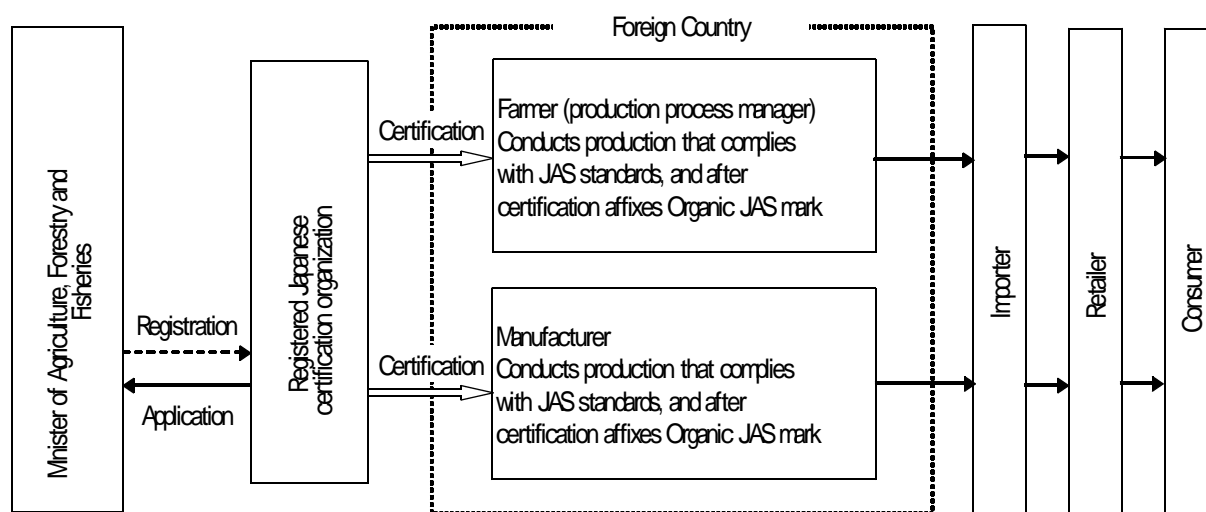
Name of registered certification organization

. Importation of organic agricultural products from abroad

1. The three types of system

- (1) System of affixing the Organic JAS mark to and distributing organic food products produced or manufactured by foreign manufacturers that have received certification from a registered Japanese certification organization.
- (2) System of affixing the Organic JAS mark to and distributing organic food products produced or manufactured by foreign manufacturers that have received certification from a registered foreign certification organization.
- (3) System of having importers, that have received certification from a registered Japanese certification organization, affix the Organic JAS mark to and distribute [the products].

- (1) System of affixing the Organic JAS mark to and distributing organic food products produced or manufactured by foreign manufacturers that have received certification from a registered Japanese certification organization.



2. Equivalence

The thinking behind 1 (2) and (3) refers to grading systems which are considered to be on the same level with the Japanese Agricultural Standard's grading system.

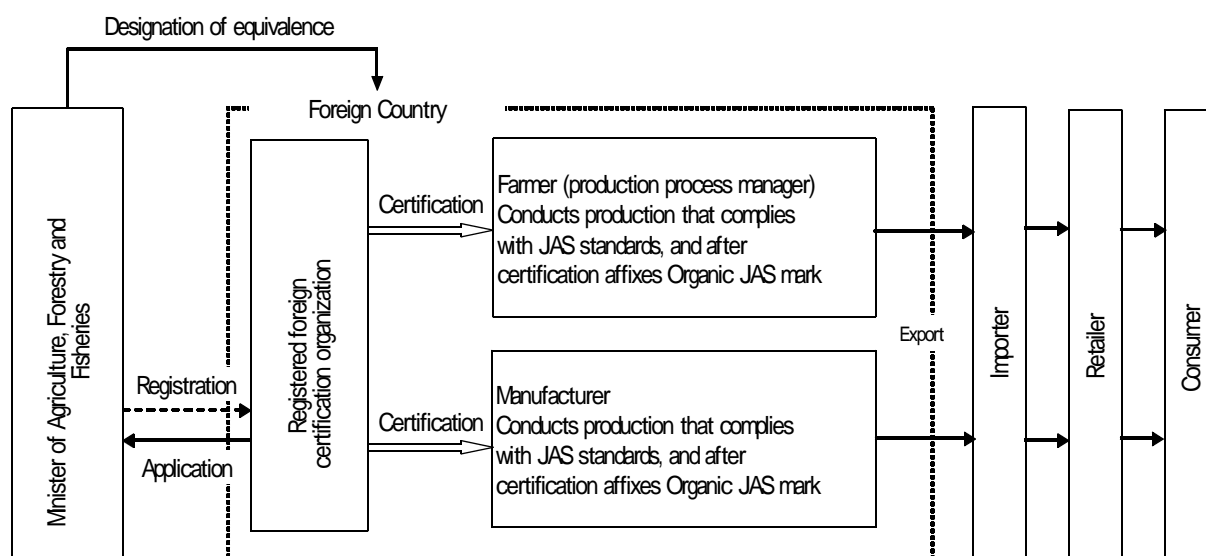
Equivalence in 1(2) (equivalence of systems) requires the existence of

- 1) Guarantee measures for the grading system and its appropriate application
- 2) System for securing reliability assurance of grading labels

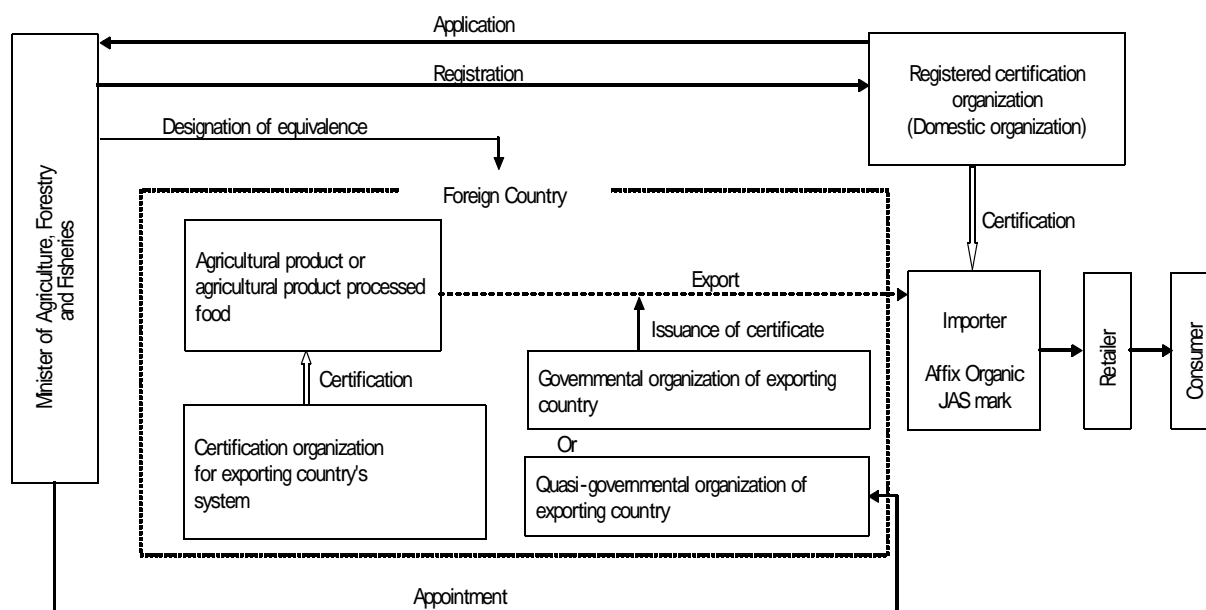
and that the contents [of the system] are of the same level of standards as the JAS system.

Equivalence in 1(3) (system and standard equivalence) requires that in addition to condition (2), standards regarding the concerned agricultural goods are on a par with those of the Japanese Agricultural Standards.

- (2) System of affixing the Organic JAS mark to and distributing organic food products produced or manufactured by foreign manufacturers that have received certification from a registered foreign certification organization



- (3) System of having importers, that have received certification from a registered Japanese certification organization, affix the Organic JAS mark to and distribute [the products].



3. Current status

With regards to organic agricultural products currently (February 2004), the 15 EU countries, Australia, United States and Switzerland are noted as possessing equivalence in Article 15, paragraph 7 and Article 19 paragraph 6, item 2.

Reference text

(Labeling of Grading by Importer)

Article 15-7 The importer of any specified agricultural and forest product (called the "Specified Agricultural and Forest Product" in this Article and Article 18, Paragraph 1, Item (4)) may attach the label of grading to the Specified Agricultural and Forest Product concerned which is imported by him or the packaging, container or invoice therefore, as provided by a Ministerial Ordinance of the Ministry of Agriculture, Forestry and Fisheries, by obtaining in advance the certification of the Minister of Agriculture, Forestry and Fisheries or the Registered Certification Organization, concerning the Specified Agricultural and Forest Product covered by the certification concerned to which the certificate or copy thereof stating the matters provided by the Ministerial Ordinance of the Ministry of Agriculture, Forestry and Fisheries has been attached.

2. The certificate mentioned in the preceding Paragraph is limited to the ones issued by the governmental organizations or those designated as quasi-governmental organizations by the Minister of Agriculture, Forestry and Fisheries of foreign countries (limited to those provided by the Ministerial Ordinance of the Ministry of Agriculture, Forestry and Fisheries as the countries having a grading system judged to be at a level equivalent to that of the grading system in accordance with the Japanese Agricultural Standard concerning the Specified Agricultural and Forest Product concerned).

3. The Minister of Agriculture, Forestry and Fisheries, if he has so designated as mentioned in the preceding Paragraph, must proclaim without delay the names and such other matters as provided by the Ministerial Ordinance of the Ministry of Agriculture, Forestry and Fisheries of the quasi-governmental organizations of foreign countries covered by such designation.

(Registration of Registered Foreign Grading Organization)

Article 19-6-2 Any corporation who seeks to obtain the registration of a Registered Foreign Grading Organization (limited to anyone who seeks to carry out the grading under Article 19-2-2 by his place of business located in a foreign country (limited to those provided by the Ministerial Ordinance of the Ministry of Agriculture, Forestry and Fisheries as the countries having a grading system judged to be at a level equivalent to that of the grading system in accordance with the Japanese Agricultural Standard concerning agricultural and forest products; being the same in Article 19-6-4, Paragraph 1)) must make an application for the registration to the Minister of Agriculture, Forestry and Fisheries pursuant to the procedures provided by the Ministerial Ordinance of the Ministry of Agriculture, Forestry and Fisheries, by paying a fee therefore in such an amount as shall be fixed by a Government Ordinance taking account of actual costs and expenses, as to the respective kind of agricultural and forest product.

(Registered Foreign Certification Organization)

Article 19-6-4 Any corporation who seeks to obtain the registration of a Registered Foreign Certification Organization (limited to anyone who seeks to carry out by his place of business located in a foreign country the certification under Article 19-3 or Article 19-3-2 (hereinafter in this Section simply called "certification")) must make an application for the registration to the Minister of Agriculture, Forestry and Fisheries pursuant to the procedures provided by the Ministerial Ordinance of the Ministry of Agriculture, Forestry and Fisheries, by paying a fee therefore in such an amount as shall be fixed by a Government Ordinance taking account of actual costs and expenses, as to the respective class provided by the said Ministerial Ordinance.

. Status of registered certification organization registration, etc.

1. Status of registration

- (1) With regards to registered certification organizations for organic agricultural products and organic agricultural product processed food products, as of now (January 8, 2004) there are 67 domestic and 21 foreign organizations registered and conducting certification operations.
- (2) Regarding trends in organizations receiving registration, the removal of the non-profit corporation condition in the JAS law revision opened the door greatly, and many profit corporations have entered; there are a large number of registrations for specified non-profit activity corporations (the so-called NPO corporations) as well.

2. Status of certification

As of January 31, 2004, the number of certifications from registered certification organizations is 4,221.

Domestic		
Manufacturers	871	
Production process managers	1,939	(4,501 farms)
Subdivision vendors	601	
Importers	107	
Subtotal		3,518
Foreign		
Foreign Manufacturers	327	
Foreign Production process managers	316	(6,333 farms)
Foreign Subdivision vendors	60	
Subtotal		703

Registered certification organizations for organic agricultural products and organic agricultural product processed food products

Status of registration by corporation type

Type	No. of registered corporations
Specified non-profit activity corporations	30
Joint-stock company	9
Limited liability company	3
Incorporated company	7
Foundation	11
Local public entity	5
Agricultural cooperative organization	1
Foreign certified organization	21
Other	1
Total	88

(As of January 8, 2004)