

Labelling of Food Products Containing Genetically Modified Organisms

As of April 1, 2001, Japan requires mandatory labelling and import notification for foods containing organisms derived from biotechnology. The requirements apply to crops and food products containing GMOs that have been previously approved by the Ministry of Health and Welfare. In the case of processed foods, the requirements apply only to ingredients that are among the top three by weight and that account for 5% or more of the content, also by weight. Foods for which it is not possible scientifically to measure the presence of GMOs are to be exempted (e.g. canola oil).

The potential impacts of this measure are not fully evident at this time. Many issues remain to be determined, including the scope of the labelling scheme and the extent to which it will be exercised on new products. Canada has raised concerns about Japan's approach to mandatory labelling of a non-product-related production and processing method, both bilaterally and in the WTO Committee on Technical Barriers to Trade. Canada will continue to follow this issue closely so that access for Canadian foodstuffs is preserved.

Greenhouse Peppers

The Canadian greenhouse vegetable industry, specifically in British Columbia, is developing markets for its products in Japan but has been unable to gain access for greenhouse peppers. In November 2000, the Canadian Food Inspection Agency (CFIA) provided Japanese officials with data to substantiate Canada's claim that no pest of concern has ever been found to have occurred in British Columbia. This further supports Canada's position that the province of British Columbia has a pest-free area status as per International Plant Protection Convention standards. Japan has requested further information.

Bovine Spongiform Encephalopathy in Japan

Following the detection of a BSE case in Japan, the Japanese government has implemented a series of domestic measures and import restrictions, including a ban on imports from all countries of specified processed animal proteins. As a BSE-free country, Canada expects that its exports will receive the same treatment as products from other BSE-free countries. In addition, Canada is concerned about the new requirements for certification of fish meal exports to Japan.

Hay

In December 1998, Japan approved an import protocol for fumigated hay from Canada. Japan's concern is the introduction of the Hessian fly, which is also a pest of rice. The Canadian hay industry wants to pursue the approval of a heat-treatment protocol, which is deemed to be more economical than fumigation. Upon review, in June 2000, Ministry of Agriculture, Forestry and Fisheries (MoAFF) technical experts requested further test data. An unsuccessful experiment was conducted in March 2001. The industry has since proposed irradiation, which was not accepted by Japan. The industry is currently looking into other alternatives.

Building Products and Housing

In the last two years, amendments to the Building Standards Law (BSL) have been among the most notable achievements in Japan's deregulation efforts. These amendments introduced some performance-based (rather than prescriptive) building standards, as well as the implementation of a revised Japan Agriculture Standards (JAS) Law allowing foreign organizations to obtain RCO and RGO status and initiating a scheduled review of JAS standards. Balancing this have been increased regulations following the implementation of the new Housing Quality Assurance Act, which requires 10-year warranties on new houses and introduces other new regulations that apply to builders and their suppliers. Further liberalization and deregulation are needed in order to benefit both Japanese consumers and Canadian suppliers of building materials. To this end, Canada and Japan continue their cooperation through ongoing discussions of standards, the exchange of test data for building products, and joint reviews of construction methods.

One of the main obstacles to Canadian market access resides in Japan's approach to fire codes. The majority of fire codes and standards have not been affected by the amendments to the Building Standards Law. As a result, many aspects of the Building Standards Law relating to fire seem arbitrary and prescriptive, limiting wood construction by rendering wood-frame buildings less economical. Given new building designs, fire prevention and fire-fighting techniques, Japan will be urged to revise the Building Standards Law as it relates to fire test methods, criteria and related restrictions such as building size limitations, property line setbacks, and limiting distance calculations to move to performance-based standards.