

Overview of the Revised JAS Law

Effective from March 1, 2006

◆ Key Amendments to the JAS Law ◆

- ① Future introduction of Distribution JAS Standards
- ② Registered Certifying Bodies becoming private sector third-party organizations
- ③ Grading by Registered Grading Organizations abolished
- ④ Wider range of the coverage of operators eligible to attach the JAS marks



The Ministry of Agriculture, Forestry and Fisheries of Japan

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1. Overview of JAS System

The primary objectives of the “JAS Law” (Law Concerning Standardization and Proper Labeling of Agricultural and Forestry Products ~ Law No. 175, 1950) are as follows:

For agricultural and forestry products:

- Establish and disseminate JAS Standards, in striving to:
 - ① improve quality of products; ② make the production process efficient;
 - ③ contribute to simple and fair transactions; and ④ facilitate rational choices of consumers.
- Require proper labeling for quality, thereby contributing to choices of general consumers.



Contribute to the public well-being

Useful tip to understand JAS: “JAS”

“JAS” is the abbreviation for “Japanese Agricultural Standard” and is currently used as a term that represents the overall system. Japanese Agricultural Standards applied to individual commodities are referred to “JAS Standards.”

The JAS System was introduced in 1950 as the Agricultural and Forestry Standard Law, and assumed its current status in 1970 with the addition of the quality labeling standards system. The present JAS System consists of the combination of the “JAS Standards System” and the “Quality Labeling Standards System.”



Social situations and other factors have also led revisions of the JAS system.

Revision of July 1999

Expanding and strengthening of food labeling; Establishment of the system for inspection, certification and labeling of organic foods; and Review of the JAS Standards System.

Revision of June 2002

Prompt disclosure of violators of quality labeling standards and reinforcement of penalties for them.

JAS Standards System

The JAS Standards System allows products qualified with JAS Standards to carry JAS marks. JAS Standards are established by the Minister of Agriculture, Forestry and Fisheries.

- JAS Standards are established for types (items) of agricultural and forestry products designated by the Minister of Agriculture, Forestry and Fisheries. Establishment and other procedures must follow resolutions by the “Council for Agricultural and Forestry Standard” (JAS Council), a body comprised of consumers, producers, commercial users, academic experts and others.
- JAS Standards generally consist of : ① scope of application; ② definition; ③ criteria; and ④ methods of measurements. The existing JAS Standards are reviewed **within every five years** in order to reflect changes in social needs and sort out standards with fewer necessities. The present status and future prospects for production, transactions, use and consumption, as well as to the trends in international standards (Codex standards, etc.) are taken into account.
- “Agricultural and forestry products” are: ① beverages, foods, fats and oils; and ② agricultural, forestry, livestock and fishery products, including products manufactured or processed using such products as materials or ingredients (other than ①), which are provided for by the Government Ordinance (general lumber, plywood, raw silk, etc.). Alcoholic beverages and pharmaceuticals are excluded. JAS Standards are able to be established for products which fall under this definition.
- The types of JAS Standards under the previous JAS Law were as follows:
 - ① Standards for grade, composition and performance and other qualities; and
 - ② Standards for the method of production.
(See page 4 for the update after the revision.)
- The number of JAS Standards is 218 for 71 items as of August 2006.
- “Grading” is a judgement that a product complies with a relevant JAS Standard. Products graded as such are qualified to carry the JAS mark. **Whether or not to undergo grading is left to choices of producers and other operators**, and products without the JAS mark are able to be distributed without any restrictions. Therefore, disseminating the JAS mark system primarily depends upon preferences and selections by consumers and users of products on the marketplace of which qualities are assured by the JAS mark.
- Under the previous JAS Standards System, food, beverages, forestry products and other items were attached with JAS marks in the following ways:
 - ① Grading by Registered Grading Organizations, etc.; Prefectures, the Center for Food Quality, Labeling and Consumer Services (an incorporated administrative agency) or Registered Grading Organizations accredited by the Minister of Agriculture, Forestry and Fisheries inspect products which are brought in from general operators, and attach the JAS mark if the products comply with JAS Standards.
 - ② Grading by producers and other operators certified by Registered Certifying Bodies, etc. The Minister of Agriculture, Forestry and Fisheries or Registered Certifying Bodies accredited by the Minister inspect the production and quality control systems of producers and other operators, and certify the mentioned producers and operators by confirming their competence to produce items in compliance with JAS Standards. The certified producers and other operators attach the JAS mark on the agricultural and forestry products which comply with JAS Standards. (See page 5 for the update after the revision.)

Useful tip to understand JAS: “Council for Agricultural and Forestry Standards” (JAS Council)

The Council for Agricultural and Forestry Standards (JAS Council) is a body of no more than 20 members appointed by the Minister of Agriculture, Forestry and Fisheries and its mission is to deliberate JAS Standards and Quality Labeling Standards.

In order to reflect views of stakeholders in the deliberation process, the members come from a broad range of fields. The appointees include four academic experts, four representatives of producers, five representatives of distributors and six representatives of consumers as of August 2006.



Quality Labeling Standards System

The Quality Labeling Standards System requires all producers, distributors and other operators to label in accordance with the Quality Labeling Standards established by the Minister of Agriculture, Forestry and Fisheries.

- Due to increasing consumers' concerns on food, providing consumers with accurate information for informed choices is necessary. This led the revision of the JAS Law in 1999 to establish Cross-Category Quality Labeling Standards for all foods and beverages offered for general consumers. They are:
 - ① Quality Labeling Standard for Processed Foods;
 - ② Quality Labeling Standard for Fresh Foods; and
 - ③ Quality Labeling Standard for Genetically Modified Foods.
- Quality Labeling Standards may also be additionally established, depending on characteristics of foods and beverages.
- There are 54 individual quality labeling standards in total as of August 2006.

«Labeling of Fresh Foods»

- "Name" and "Place of origin" must be labeled for fresh foods.
- For fishery products, the following items must be also labeled based on the "Quality Labeling Standard for Fishery Products" in addition to "Name" and "Place of origin."
 - ① Labeling as "Defrosted," if defrosted.
 - ② Labeling as "Cultivated," if cultivated.
- For brown rice and milled rice in containers or packaged, the information must be labeled in a specific form on readily visible parts of containers or packages in accordance with the "Quality Labeling Standard for Brown Rice and Milled Rice." The information must include: Name; Brown rice as ingredients; Weight of contents; Date of rice milling; and Name or trade name, address and telephone number of distributor.
- These labeling items must be displayed on easily visible parts of containers or packages, in a close proximity to the products or in other places readily visible to consumers.
- Labeling of the name and place of origin is not required in cases where fresh foods are produced, collected or caught and directly sold to consumers at that same location, or when they are offered to consumers at facilities.

«Labeling of Processed Foods»

- Six items must be labeled for processed foods: Name; Ingredients; Net contents; Best before (Use-by date); Storage instruction; and Name or trade name and address of producer. (These items may be omitted under certain circumstances.)
- Ambiguous labeling, such as uncertain to indicate either the place of processing or the place of origin of ingredient, is prohibited. Labeling of place of origin of ingredients is required for 20 categories of processed products relatively closer to fresh foods.
- These labeling items must be collectively placed on easily visible parts of containers or packages.
- Labeling of the name, ingredients or other items are not required in cases where foods or beverages are produced or processed and sold directly to consumers, or they are offered to consumers at facilities.

Useful tip to understand JAS: "Joint Council on Food Labeling"

Food labeling is subject to the Food Sanitation Law and other legislation as well as the JAS Law. The coexistence of different legislations is sometimes pointed out as a reason for complicated food labeling.

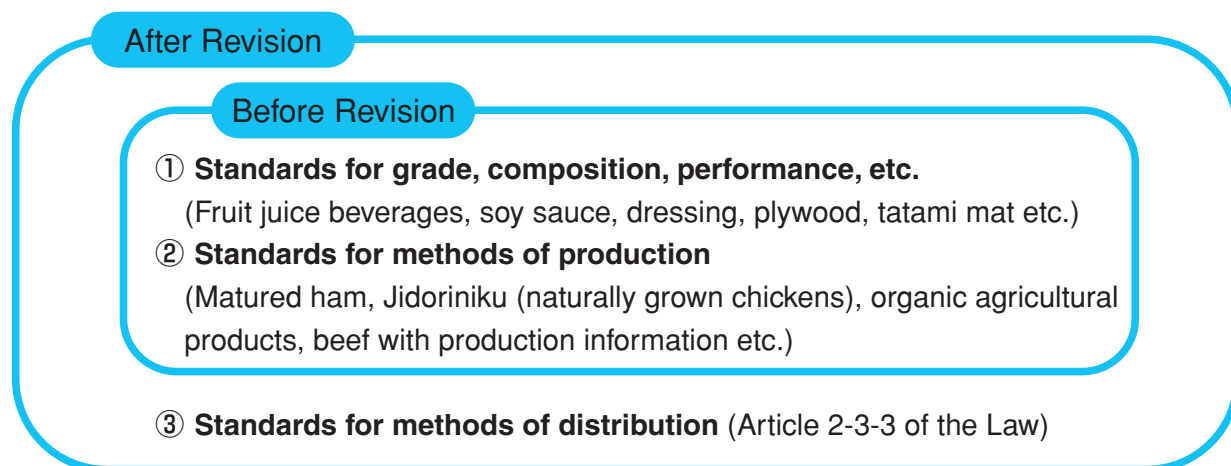
To address this situation, the JAS Council under the Ministry of Agriculture, Forestry and Fisheries and the Pharmaceutical Affairs and Food Sanitation Council under the Ministry of Health, Labour and Welfare have collaborated to establish the "Joint Council on Food Labeling" in December 2002 to deliberate labeling items, methods and other issues related to the JAS Law and the Food Sanitation Law.

2. Overview of Revised JAS Law

The Revised JAS Law took effect on March 1, 2006. The major revisions are as follows.

● Future Introduction of Distribution JAS Standards

JAS Standards of **distribution methods** may be established in order to promote sophisticated distribution managements by private sectors, as well as to contribute to consumers' choices of agricultural and forestry products with distinctive distribution methods.



● Registered Certifying Bodies Becoming Private Sector Third-Party Organizations

The measures below were adopted so that Registered Certifying Bodies under the JAS Law certify manufactures and operators who attach the JAS mark, as private sector third-party organizations.

- ① The criteria provided for by the International Organization for Standardization (**ISO/IEC Guide 65**) and other criteria have been adapted as the registration criteria for Registered Certifying Bodies, in order to contribute to transparent procedures. (Article 17-2 of the Law)
- ② The approval system of business operating rules and certification fees has been changed to the notification system. The provisions of **orders to comply** with the registration criteria and **improve business operations** after registrations have been newly established. Those orders are issued by the Minister of Agriculture, Forestry and Fisheries. (Article 17-10/11 of the Law)
- ③ **Registered Overseas Certifying Bodies are subject to the same revisions stated in ②**, while the requirement upon registration that the overseas countries to which the organizations belong are countries with an equivalent system to the JAS System has been abolished.

Useful tip to understand JAS: “Center for Food Quality, Labeling and Consumer Services, Incorporated Administrative Agency”

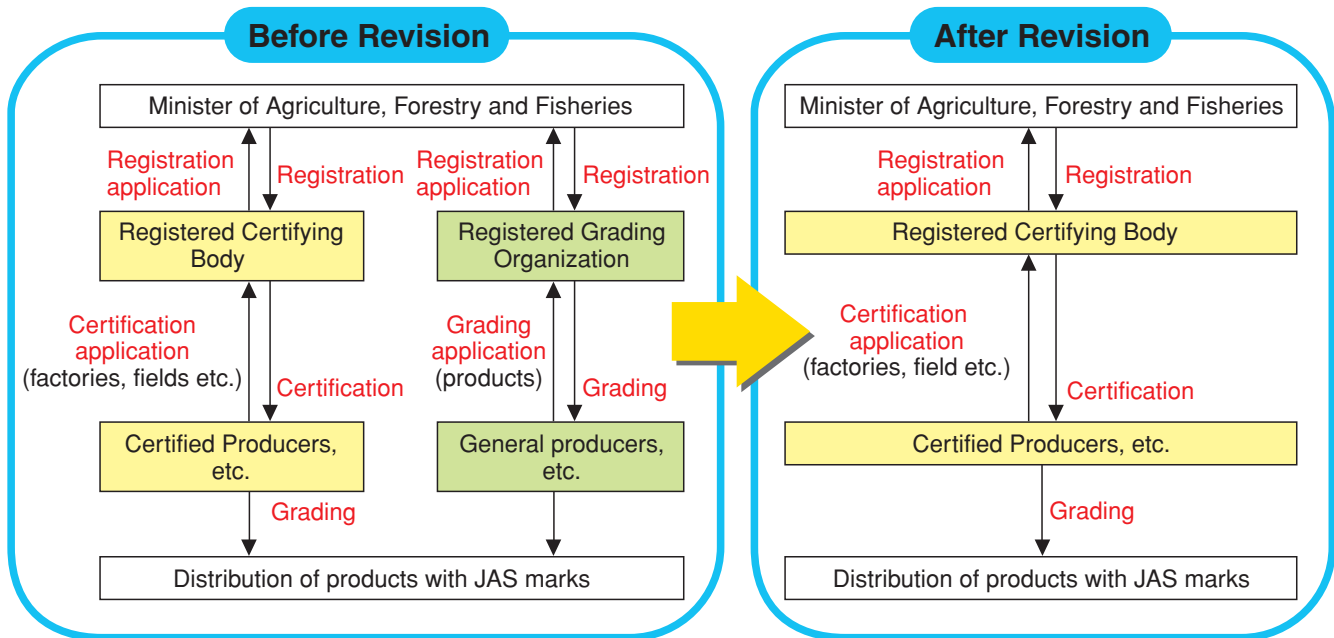
The “Center for Food Quality, Labeling and Consumer Services” is an incorporated administrative agency engaged in researches, analyses, providing information and others concerning the quality and labeling of agricultural, forestry and fishery products, foods, beverages and fats and oils.

The Center also conducts grading of agricultural and forestry products in accordance with JAS Standards as well as technical examinations and guidance concerned with grading. It further implements fact-finding surveys of use, quality and other aspects of individual items upon revisions of JAS Standards.

The latest revision on the JAS Law abolishes grading by the Center, but the Center will conduct document and on-site reviews at the registration of Certifying Bodies or step-in inspections upon orders from the Minister of Agriculture, Forestry and Fisheries. As an interim measure, the Center will also continue grading of raw silk until February 28, 2009. (Article 16-2, Article 20-2 of the Law)

● Grading by Registered Grading Organizations Abolished

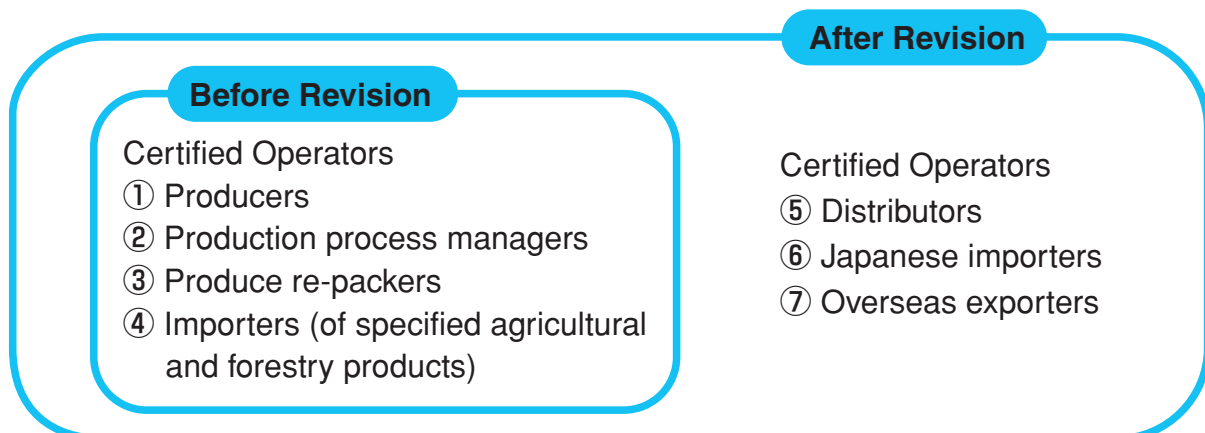
Grading by Registered Grading Organizations, Prefectures or the Center for Food Quality, Labeling and Consumer Services has been abolished. Producers and other operators certified by Registered Certifying Bodies attach JAS marks under the integrated system.



● Wider Range of Operators Eligible to Attach JAS Marks

Distributors and importers who are capable of managing production processes and verifying whether or not products are produced in accordance with JAS Standards, are able to attach JAS marks with certifications from Registered Certifying Bodies, in addition to producers.

Operators engaged in exporting agricultural and forestry products to Japan are also able to attach the JAS marks in the same manner.



Matters Concerning Registered Japanese or Overseas Certifying Bodies

● Registration Criteria (Article 17-2 of the Law)

Applicants must be:

- legal corporate persons in compliance with ISO/IEC Guide 65; and
- uncontrolled by producers, etc. of agricultural and forestry products related to the mentioned application.

● New Requirements Upon Implementation of Operations

- Registered Certifying Bodies must set the business operating rules of certification, including items ① through ⑨ below, and submit those materials to the Minister of Agriculture, Forestry and Fisheries before commencing certification operations. (Article 49 of the Ministerial Ordinance)
 - ① Matters relating to location of the place of business and the area where operations related to certification will be performed by that business establishment.
 - ② Classification of agricultural and forestry products to be certified (when conducting certification for a part of the agricultural and forestry products included in the mentioned classification, types of agricultural and forestry products to be certified).
 - ③ Matters concerning hours that operations related to certification will be conducted and holidays of those operations.
 - ④ Matters concerning certification methods, certification cancellation methods and other methods for the implementation of operations related to certification.
 - ⑤ Matters concerning computation methods of charges related to certification.
 - ⑥ Matters concerning the organization conducting operations related to certification.
 - ⑦ Matters concerning the work duties of persons engaged in operations related to certification.
 - ⑧ Matters required for the fair implementation of operations related to certification.
 - ⑨ Other matters required for operations related to certification.

Notes *Under the JAS law, the business operating rules must be notified after the registration and before commencing certification. This notification may be also made at the time of the registration application.

*Business operating rules must be set up so that operations related to certification are conducted in accordance with Article 46, Paragraph 1 of the Ministerial Ordinance ("Criteria for the Method of Operations Related to Certification").

- The following four criteria have been provided for as matters concerning the methods of operations related to certification of Registered Certifying Bodies (Article 46 of the Ministerial Ordinance):
 - ① Criteria for certification methods;
 - ② Criteria for confirmation of certification matters;
 - ③ Criteria for cancellation of the certification of certified operators and the implementation methods of other measures; and
 - ④ Criteria for disclosure of the certification of certified operators and other matters. (See page 8.)
- Under the Revised JAS Law, Registered Certifying Bodies are no longer agencies of the Minister of Agriculture, Forestry and Fisheries, and instead engage in independent operations as private sector third-party organizations. In addition to conventional operations, certification cancellations and other dispositions may be also made by the Registered Certifying Bodies which gave the certifications.
- When requested, Registered Certifying Bodies must promptly conduct necessary inspections for certification, other than cases with legitimate reasons. (Article 17-5 of the Law)
- When intending to change the location of business for operations related to certification, Registered Certifying Bodies must notify the Minister of Agriculture, Forestry and Fisheries two weeks prior to the date of the scheduled change. (Article 17-6 of the Law)
- When intending to suspend or abolish operations related to certification, Registered Certifying Bodies must notify the Minister of Agriculture, Forestry and Fisheries of the mentioned intent six months in advance. (Article 17-8 of the Law)
- Within three months after each business year ends, Registered Certifying Bodies must prepare property inventory lists, balance sheets and profit and loss statements or income/expenditures account statements and business reports or annual reports of the relevant business year, and retain those materials at the place of business for five years. (Article 17-9 of the Law)

● Points of Concern

- Under the Revised JAS Law, the effective period for Registered Certifying Bodies is set as four years, while it was five years prior to its revision. (Article 4 of the Ministerial Ordinance)
If the registration is not renewed within four years, that will be automatically invalidated.
- When a Registered Certifying Body transfers all of its business components pertaining to the mentioned registration or the Registered Certifying Body is involved in a merger or other business change, the corporate person obtaining all of the business components or the surviving corporate person after the merger is able to succeed the status of that Registered Certifying Body. (Article 17-4 of the Law)

Useful tip to understand JAS: “ISO/IEC Guide 65”

1. ISO and IEC

(1) ISO

- ① The International Organization for Standardization (ISO) is an international (non-government) organization engaged in studies and research of the systems and other mechanisms used in member countries for the purpose of promoting standardization and establishing international standards in all fields other than electrical and electronics fields. (Established in 1947, headquartered in Geneva)
- ② Within the ISO, the membership status is permitted for only one organization from each country. Participating as the member from Japan since 1952 is the Japanese Industrial Standards Committee (JISC).
- ③ As of January 2004, a total of 148 countries held memberships in the ISO.

(2) IEC

- ① The International Electrotechnical Commission (IEC) is an international (non-government) organization engaged in studies and research of the systems and other mechanisms used in member countries for the purpose of promoting standardization and establishing international standards in the electrical and electronics fields. (Established in 1906, headquartered in Geneva)
- ② Within the IEC, membership status is recognized for only one organization from each country. Participating as the member from Japan since 1953 is the Japanese Industrial Standards Committee (JISC).
- ③ As of October 2004, a total of 62 countries held memberships in the ISO.

2. ISO/IEC Guide 65

The ISO/IEC Guide 65 consists of the general requirements (prepared jointly by the ISO and IEC) that must be observed for a third-party organization engaged in product certification operations to be recognized as competent and reliable. The following points summarize the contents of this guide.

(1) General provisions

- The policies and procedures under which the certification body operates and their administration shall be non-discriminatory.

(2) Organization

- Ensure that each decision on certification is taken by a person(s) different from those who carried out the evaluation.
- Have the financial stability and resources (people, goods, assets) required for the operation of certification system

(3) Administration, procedures, records, etc.

- The certification body shall take all steps necessary to evaluate conformance with relevant product standards.
- Conditions and procedures for the granting, maintaining, withdrawing and other handling of certifications shall be set and documented.

(4) Internal audits

- The certification body shall conduct periodic internal audits covering all procedures in a planned and systematic manner.

(5) Confidentiality

- Proper arrangements shall be maintained to protect the confidentiality of information obtained in the process of certification activities.

(6) Personnel

- The minimum relevant criteria for the competence of personnel (persons conducting the inspections and examinations required for certification, persons to pass judgment, etc.) shall be defined by the certification body, and information on the related qualifications and other details of each of the certification personnel shall be maintained.



Matters Concerning Operators

*“Certified operators” are Japanese or overseas producers, production process managers, re-packers related to certification.

● Certification Criteria

○Applicants must comply with the technical criteria for certification of producers and other operators established by the Minister of Agriculture, Forestry and Fisheries for each type of agricultural and forestry product.

● Requirements upon Application

- When the operators certified prior to February 28, 2006 intend to continue their activities under the Revised JAS Law, they must renew certifications no later than March 1, 2009.
- Operators wishing to receive certifications must apply for certifications to a Registered Certifying Body with necessary documents and the certification fees provided by each Registered Certifying Body.

● New Requirements upon Operations

○Audits of certified operators are conducted by Registered Certifying Bodies with the following frequency.

Types of JAS Standards	Audit Intervals
Standards for quality, composition, performance, etc.	Once a year in principle unless special circumstances are recognized by the Minister of Agriculture, Forestry and Fisheries.
Standards for production methods	Once a year in principle.

○When a Registered Certifying Body certifies an operator, the matters in ① through ④ below are publicized. (Article 46, Paragraph 1, Item 4 of the Ministerial Ordinance)

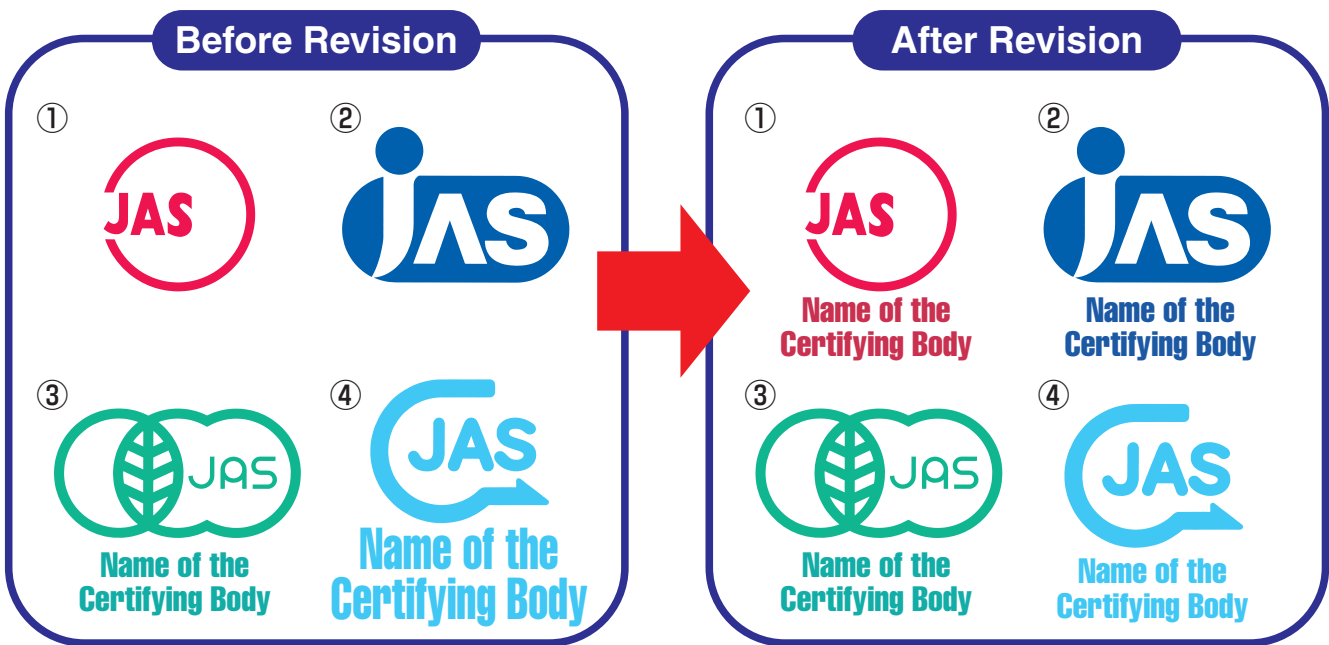
- ① Name or trade name and address of the person receiving the certification.
- ② Type of agricultural and forestry products related to the certification.
- ③ Trade name and address of the factory, field or office related to certification.
- ④ Year, month and day of the certification.

● Points of Concern

- Under the Revised JAS Law, Registered Certifying Bodies are no longer agencies of the Minister of Agriculture, Forestry and Fisheries, and instead engage in independent operations as private sector third-party organizations. They also take measures such as certification cancellations as well as conventional services.
- The registration cancellation of a Registered Certifying Body automatically makes certifications of its operators invalid, because the government is no longer directly involved in the certification process.
- The Revised JAS Law no longer has provisions regarding succession of certified operators, because reexamination in each business transfer is recommended for properly operating the system.
- Operators whose certifications were cancelled within one year are unable to obtain certifications. (Article 46, Paragraph 1, Item 1 of the Ministerial Ordinance)
- A three-year interim period is provided for certified operators under the previous JAS Law. They are recommended to be certified by Registered Certifying Bodies under the Revised JAS Law and periodically audited so that they are confirmed to comply with the technical criteria for certification.

● Forms for the Grading Label

○Certified Operators under the Revised JAS Law must indicate the name of the Registered Certifying Body with the JAS mark.



- The Certifying Body's name may be abbreviated.
- There are no regulations on the height of characters of the Certifying Body's name for ①, ② and ④ above. Characters of the name should be the same height with the characters "JAS" for the Organic JAS make of ③.
- Labeling the JAS mark of ① must follow the grading form of the relevant JAS Standard, because of different grades and forms.

- Operators under the previous JAS Law may use packing materials with the JAS mark but without the Certifying Body's name for products produced until the end of February 2009, but they are recommended to use the new grading label as soon as possible.

3. Interim Measures

● **Registered Japanese and Overseas Certifying Bodies**

The Revised JAS Law took effect on March 1, 2006. Organizations wishing to operate as Registered Certifying Bodies under this revised legislation may apply for registration in advance from September 1, 2005, submitting their business operating rules.

From March 1, 2006, Certifying Bodies under the previous JAS Law are only able to process applications that were incomplete at the effective date.

● **Certified Operators**

A three-year interim measure period is provided for certified operators under the previous JAS Law, but their certifications will automatically become invalid from March 1, 2009.

They are recommended to be certified by Registered Certifying Bodies under the revised JAS Law as soon as possible.

● **Registered Japanese and Overseas Grading Organizations**

Grading by Registered Grading Organizations will be effective until the end of February 2009, after that grading will be terminated.

		June 22, 2005 (Promulgation date)	September 1, 2005	March 1, 2006 (Effective date)	March 1, 2009
Registered Certifying Body	Previous law	Conduct certification services under previous law			[Are only able to process applications that are incomplete at the effective date]
	Revised law		May apply for registration	Operate as a Registered Certifying Body under the revised law	
Certified Operators	Previous law	Conduct gradings under the previous law			Conduct grading under the provision of the previous law
	Revised law			Apply for registration under the revised law ⇒ Conduct grading	
Registered Grading Organization	Previous law	Conduct grading under the previous law			Conduct grading under the provision of the previous law

4. The JAS System Inquiry Offices

● **Ministry of Agriculture, Forestry and Fisheries: Labeling and Standards Division, Food Safety and Consumer Affairs Bureau**

Phone: (03) 3502-8111 (main switchboard)

Website: <http://www.maff.go.jp/soshiki/syokuhin/heyajasindex.htm> (Japanese)

http://www.maff.go.jp/soshiki/syokuhin/hinshitu/e_label/index.htm (English)

● **Center for Food Quality, Labeling and Consumer Services, Incorporated Administrative Agency**

Headquarters Phone: (048) 600-2371 Otaru Center Phone: (0134) 33-5969

Sendai Center Phone: (022) 293-3972 Yokohama Center Phone: (045) 201-7436

Nagoya Center Phone: (052) 232-2028 Kobe Center Phone: (078) 331-7662

Okayama Center Phone: (086) 222-7060 Moji Center Phone: (093) 321-2664

Website: <http://www.cfqlcs.go.jp>

● **Labeling and Standards Divisions both at Regional Agricultural Administration Offices and District Agricultural Offices**