

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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March 29 Update - Japan Food and Agriculture

Report Categories:

Agricultural Situation

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Report Highlights:

Immediately following the **Great East Japan Earthquake** on March 11, 2011, FAS/Japan prepared a series of reports on Japan's rapidly evolving food and agricultural situation. These reports were designed to disseminate vast amounts of information to a broad audience of policy makers and private sector actors as quickly as possible. Topics covered in these reports include; food safety, soil toxicity, port damages, disaster assistance, feed supply infrastructure, commodity prices, retail trends, consumer psychology, and many other food and agricultural topics. As the post-quake series of reports were prepared quickly, often from Japanese translations, some liberties may have been taken with grammar and writing style.

TODAY'S OVERVIEW

The Ministry of Agriculture revealed on Monday that it has started to survey the level of radioactivity substances in the soil of rice and vegetable fields in the south of the Tohoku and Kanto regions. As planting season for rice and some vegetables is just weeks away, farmers are deeply concerned about what impact, if any, that radioactivity in the environment will have on their crops. To assist with these surveys, FAS/Tokyo and the U.S. Department of Energy have teamed up with MAFF to help expedite the soil sampling and analysis.

This morning Prime Minister Kan stated during a budget hearing in the Upper House that Japan will not be pursuing immediate inclusion in the TPP. PM Kan had previously pledged that the GOJ would reach a decision on whether to join the trade pact by June 2011. This reversal, while not surprising, underscores the deep economic, political, and cultural turmoil in Japan.

BACKGROUND

A massive 9.0 magnitude earthquake and subsequent Tsunami hit Japan's north east pacific coastal region on March 11, 2011. The catastrophe devastated cities, towns, and villages of the prefectures located along the coast line. The most affected prefectures are Iwate, Miyagi, Fukushima, and Ibaragi. The National Police Agency reported at 10:00 a.m. March 29 that 11,063 people have been confirmed dead, 17,258 missing, and 2,778 wounded from the quake/tsunami.

PORTS

The Ministry of Land, Infrastructure, Transport and Tourism (MLIT) has declared that 90% of the countries port facilities and inland transportation systems are operational. This includes 15 ports, which are all available for general use. Ohfunu port re-opened on March 22, Ishinomaki port re-opened on March 23, all remaining ports opened on March 24. All airports in Japan are available with the exception of Sendai airport.

MLIT estimates that the earthquakes and tsunami inflicted at least \$9.5 billion worth of damage to about 6,400 public roads, ports, river and parks managed by local governments. The damage to nationally managed airports, railways, and farmland are yet to be assessed.

INTERNATIONAL TRADE

Japan's PM Kan stated to the Upper House of the Diet that the country will not be pursuing inclusion in the **Trans-Pacific** Strategic Economic Partnership Agreement (TPP), citing the considerable uncertainty that the country is currently facing as the reason for this change in priorities.

Food safety sanctions and violations in foreign markets reported over the past 24 hours include:

- South Korea announced start testing all animal and seafood products imported from Japan for radiation contamination to ensure public safety.
- Thailand's Food and Drug Administration detected Monday a low level of radioactive iodine in imported sweet potatoes from Japan's Ibaraki Prefecture.

- Taiwan authorities have detected a third case of radioactive contamination of Japanese food imports but the readings were well within safe limits, the local media reported Monday.

EMERGENCY FOOD AID

No updates from 3/29

GRAINS AND OILSEEDS

The following list provided by the Japan Soy Sauce Association cataloging damage to the soy sauce industry as of March 24:

1. **Aomori Fermentation Food** = Partial damage at processing plant (1)
2. **Iwate Miso Soy Sauce** = Out of Contact (5)
3. **Miyagi Miso Soy Sauce** = Out of Contact (1), Washed Out (2), Plant Flood (2), Plant Full Damage (1), Half Damage (2), Equipment Damage (6), Product Damage (5), Building Partial Damage (9)
4. **Akita Miso Soy Sauce** = Tank Damage (1)
5. **Yamagata Miso Soy Sauce** = Light Damage
6. **Fukushima Miso Soy Sauce** = Shelter (6), Out of Contact (3), Plant Flood (2), Tank Damage (7), Building Partial Damage (5), chimney damage (4), Tank Partial Damage (5), Product Damage (1), Tank Damage (2)
7. **Soy Sauce** = Out of Contact (0), Product Tank/Ceiling Damage (1)
8. **Tochigi Soy Sauce** = Piping equipment (2), Partial Building Damage (2), Boiler Damage (1)
9. **Chiba Soy Sauce** = Water Supply System Damage (1)

* # in () are number of companies | **Bold** indicates each of the 9 prefectures and associated industry.

* The reason that “Miso & Soy Sauce” are grouped together is that historically these operations have operated together.

WOOD PRODUCTS

No updates from 3/28

POULTRY, MEAT, DAIRY AND LIVESTOCK

Milk production in the Tohoku region accounts for 8.4% of total production in Japan: 2.9% in Iwate, 1.8% in Miyagi, 1.3% in Fukushima. Ibaragi in Kanto accounts for 2.3%.

Dairy milk shipments from Miyagi have partially started. Fukushima has stopped milk shipments because of radiation problems since March 20. Other prefectures in Tohoku resumed shipments, but there are some areas that milk cannot be shipped from due to fuel problems, etc. The percentage of the milk and milk product factories in Tohoku and Kanto regions that can receive fluid milk is slightly over 70%.

Makers are limiting shipments of milk and milk products because of facility problems, planned power outages, short supply of paper packaging materials, etc. Current shipments to the Tokyo area are at around 50% of the level prior to the earthquake. Fluid milk production in Kanto has recovered to 80-90% of the former level

SEAFOOD

The fisheries ministry says 2,338 fishing boats had been reported damaged across the region as of March 27, although the number of damaged boats is certain to rise. The ministry said that almost all the fishing ports in the 3 northeastern prefectures of Iwate, Miyagi and Fukushima have suffered severe damage.

FOOD SAFETY AND SOIL TOXICITY

Risk Assessment of Radioactive Materials in Food

On March 28, the Food Safety Commission (FSC) held the expert meeting for the risk assessment of radioactive contamination in food. As reported in the media, the expert group reached an agreement and validated current provisional limits for iodine-131. However regarding radioactive cesium, the FSC could not reach agreement partially due to the lack of data, such as clinical investigations. Also, the draft conclusion of FSC's risk assessment noted that the imminent concern for food is radioactive iodine and cesium, but in future FSC needs to conduct an assessment of other radioactive nucleotides such as uranium and plutonium, which are currently not being tested for.

The FSC will continue the discussion on the issue on March 29. As with past meetings, FAS/Tokyo will attend that meeting and report on the results.

Testing Results – Vegetables

Niigata, Chiba, Yamagata, Miyagi and Fukushima Prefectures released testing results of komatuna, green onion, mizuna, cucumber, milk, taranome (*Aralia elata*), spinach and shungiku. All results showed that the radioactive materials were below limit or not detected.

Water Use Restrictions

The table below catalogs tap water use restrictions that have been implemented over the past two weeks. This table is current as of 14:00, March 29, 2011. MHLW notes that if bottled water is not available, people must not be refrain from using tap water even the area is under the restriction. Risk of consuming tap water is still low enough for consumption (including infants), relative to the risk of dehydration.

Prefecture	Area	Infant		Genral public	
		Starting	Ending	Starting	Ending
Fukushima	Iitate Village			3/21	
Fukushima	Date City	3/22	3/26		
Fukushima	Date City	3/27			
Fukushima	Kawamata Town	3/22	3/25		
Fukushima	Koriyama City	3/22	3/25		

Fukushima	Minami Soma City	3/22			
Fukushima	Tamura City	3/26	3/23		
Fukushima	Iwaki City	3/23	3/28		
Tokyo	23 wards and 5 cities	3/23	3/24		
Ibaraki	Tokai Village	3/23	3/26		
Ibaraki	Hitachi Ota City	3/23	3/26		
Ibaraki	Kitaibaraki City	3/24	3/27		
Ibaraki	Hitachi City	3/24	3/26		
Ibaraki	Kasama City	3/24	3/27		
Ibaraki	Furukawa Cit	3/25	3/25		
Ibaraki	Toride City	3/25	3/26		
Chiba	Nogikuno Haka Filtration Plant, Kuriyama Filtration Plnat	3/24	3/25		
Chiba	Kashiwai Filtration Plant	3/26	3/27		
Chiba	Kitachiba water system	3/25	3/26		
Chiba	Inbagun water system	3/26	3/27		
Tochigi	Utsunomiya City	3/25	3/25		
Tochigi	Nogi Town	3/25	3/26		

HORTICULTURAL PRODUCTS

No updates from 3/29

WHOLESALE, RETAIL AND DISTRIBUTION

Kansai - Manufacturers

Nisshin Food Product Corporation, Osaka, is one of the major instant noodle companies in Japan. They have 4 factories in Japan and all of them are currently in full operation. The factory in Kanto (Ibaragi), whose operation was suspended after the earthquake, returned to normal operation on March 28.

Responding to the sudden increase in the demand for instant noodles after the quake, they postponed the release of their new products scheduled on March 22 and instead they are focusing on the production of their core products to raise their efficiency and provide more products to the market. They are having some problems in obtaining food ingredients but they are coping with substitutes or by simply eliminating some ingredients in order to keep production going.

Kansai - Retail

A Kansai-based retailer, which operates both in Kanto and Kansai reports that in response to radiation problems, the company started alternate sourcing of vegetables, including spinach, lettuce and Chinese cabbage, sold in their outlets in Kansai. The retailer is now delivering tons of vegetables by truck to Kanto to make up for the lost supply from the affected region Kanto every day at additional costs. But they have kept the prices the same as those in Kansai. They expect this emergency shipping from the west to continue in the foreseeable future. Prices have been variable, and as such, no longer print prices of those affected vegetables in their weekly fliers as they anticipate price changes.

In their Kanto stores, sales of green leaves in Kanto are down significantly, but other items from bean sprouts, bamboo shoots are selling more than usual, making the total balance slightly better than last year. Sales in their stores in Kansai have not been affected.

As for dry items, water and cup noodles continue to be in short supply in Kansai, but not because of hoarding, but rather the government seems to be limiting the supply of those items from manufacturers in Kansai.

Tokyo – no update today

MEDIA

- Food safety inspections flawed / Critics say system inconsistent, inequitably applied, lacks oversight - Dissatisfaction with the system for food safety inspections is spreading among local governments and farmers in areas affected by radioactive emissions from the Fukushima No. 1 nuclear power plant. (The Yomiuri Shimbun 3/29/11)
- A Fukushima farmer killed himself after receiving shipping bans – The farmer was growing spinach and cabbage. Shipping of spinach was banned first, but he was hoping to ship cabbage. Soon after the ban of shipping cabbage was announced, he was found dead inside the grounds of his home. (Asahi Shimbun 3/29/11)
- Firms Eager to Import Mineral Water - Coca-Cola (Japan) Co. said Monday it has begun negotiations with the South Korean unit of U.S. beverage firm Coca-Cola Co. for emergency imports of mineral water for supply to the quake-raved Tohoku region and the adjacent Kanto area where radiation scare prompted consumer to rush to buy bottled water. Other beverage companies, such as Suntory Holdings Ltd., Ito En Ltd. and Kirin Beverage Co., have decided to increase imports of mineral water from Europe. An official at Otsuka Foods Co., which imports mineral water from the United States, said emergency imports will not arrive until late April at the earliest, and wondered whether enough water would be supplied to people in need if domestic distribution systems are not restored by then. (NIKKEI Monday, March 28, 2011 19:57)
- Food Firms Delay New Products To Focus On number of food and beverage companies are releases of new offerings so as to free up output such staples as instant cup noodles and bottled water. such basics has been rising since the March 11 Nissin Food is focusing on its signature instant cup (NIKKEI Tuesday, March 29, 2011 05:20)



Staples - A postponing capacity for Demand for disaster. (Photo: ramen.)

11:45 March 29, 2011 Tuesday (Radioactive Iodine Traces Detected in Seoul): Kyodo News reported March 29 that trace amounts of radioactive iodine purportedly from Japan's quake-stricken Fukushima Daiichi nuclear power plant have been detected in Seoul and other parts of South Korea, the ROK Education, Science and Technology Ministry said Tuesday.

11:40 March 29, 2011 Tuesday (MHLW to distribute Protective Masks): NHK reported March 29 on MHLW's announcement that it would distribute 21,500 masks starting April for construction workers in six quake-stricken prefectures, including Iwate, Miyagi, and Fukushima, to protect them from dust and asbestos while removing collapsed buildings.

11:25 March 29, 2011 Tuesday (Foreign Embassies Begin to Return): Asahi Shimbun reported March 29 MOFA's announcement that 16 countries resumed embassy operations in Tokyo on March 28. A MOFA spokesperson speculated that the foreign missions decided to come back as the number of aftershocks are declining and that adverse effects from rolling blackouts and train service disruption appears to be minimal. The daily added, however, that 13 European countries, including Germany and Switzerland, are still cautious about resuming embassy operations in Tokyo.

55 March 29, 2011 Tuesday (Kan: Decision on TPP and social security reform to be delayed): Yomiuri reported March 29 that PM Kan said that deciding on joining the TPP trade talks and on social security-tax reform plans by June will have to be delayed.

DONATIONS BY U.S. AGRICULTURE

Florida Department of Citrus - FDOC industry member are organizing an effort to donate product (fresh grapefruit) to the victims in northern Japan. The objective is to donate 3,000 cartons of product. These activities are independent of the Florida Department of Citrus. State restrictions limit FDC donation capabilities.

Sunkist - Sunkist has set up the 2011 Japan Relief Fund through the Japan America Society. Sunkist will match your donation and others up to a total of \$200,000.

John Deere - The John Deere Foundation will match Deere employee contributions to the relief effort up to \$500,000 to the Red Cross.

PepsiCo - The PepsiCo Foundation is donating \$1.5 million to non-profit partners leading relief and recovery efforts in Japan following the devastating earthquake and tsunami. \$500,000 to the American Red Cross for food, shelter and emotional support, \$250,000 to Save the Children for counseling services, children's health and family services, \$200,000 to the World Food Program's efforts in food distribution, \$50,000 to Aidmatrix in support of their local logistics capability and distribution network.

Walmart (Seiyu in Japan) - Donating \$5 million (USD) in cash and in-kind donations for emergency relief efforts in Japan. These resources will be used to provide assistance to those injured or left homeless by this devastating event.

The most effective way people can assist relief efforts is by making cash contributions to humanitarian organizations that are conducting relief operations. A list of humanitarian organizations that are accepting cash donations for earthquake and tsunami response efforts in Japan can be found at www.usaid.gov/japanquake or www.interaction.org.

USAID encourages cash donations because they allow aid professionals to procure the exact items needed (often in the affected region); reduce the burden on scarce resources (such as transportation routes, staff time, warehouse space, etc.); can be transferred very quickly and without

transportation costs; support the economy of the disaster-stricken region; and ensure culturally, dietary, and environmentally appropriate assistance.

More information can be found at:

- o The Center for International Disaster Information: www.cidi.org or (703) 276-1914
- o Information on relief activities of the humanitarian community can be found at www.reliefweb.int