

U.S.-Japan Trade Agreement: Food & Agricultural Sales

The new United States-Japan Trade Agreement offers U.S. exporters in agriculture goods new market access and is coupled with a new digital trade agreement. Japan is a big market for U.S. small businesses already.

Japan's 127 million consumers represent the world's 3rd largest agricultural export market and have sophisticated tastes and high disposable income. U.S. specialty, healthy, organic and unique food exports, which are properly sized and packaged, may now be even more competitive due to reduced tariffs available under this new trade agreement. The Japanese food and beverage market continues to focus on functional, healthy, and nutritious products. Anything perceived as providing benefits for health and beauty has a stronger appeal and greater chance of becoming popular, particularly among women. Healthy food trends from the U.S. also have some influence, along with special diets and trendy "superfoods".

To fully leverage the new US-Japan Agreement, small businesses can follow the steps below:

- Determine if your product has or previously had tariffs The <u>US-Japan Trade Agreement</u> reduces or eliminates many tariffs on US agricultural products. Tariffs for almonds, fresh blueberries, cranberries, walnuts, sweet corn, food supplements, and broccoli were eliminated. Other tariffs, such as those for cheeses, processed pork, poultry, wine, frozen potatoes, oranges, and cherries will receive staged tariff elimination. Other products, such as fresh and frozen beef and pork, will benefit from reduced tariffs. View tariffs with <u>USDA's Agricultural Tariff Tracker</u>.
- 2. **Consider STEP awards to help you export** Check to see if your State participates in SBA's <u>State Trade Expansion Program (STEP)</u> to explore possible awards to help you expand trade, including internationalizing your website, and translations.
- 3. **Check for USDA MAP eligibility** See if your food product is eligible for a 50% matching grant up to \$300,000 for qualified export marketing expenses under USDA's <u>Market Access Program (MAP)</u> and explore assistance from <u>State and Regional Trade Groups</u>.
- 4. Make sure you can offer terms for buyers and have insurance SBA's Office of International Trade loan programs can help you ramp-up your exports to Japan. Additionally,

- <u>EXIM insurance</u> can help give you peace of mind as you export. Ask for assistance from an <u>Export Finance Manager</u>.
- 5. **Learn more about how to export your product to Japan** <u>USDA's Agricultural Trade Office in Tokyo</u> can provide a wealth of information to help you export. This includes a number of step-by-step Import Process Guides for a number of products.
- 6. **Get help trading compliantly and demonstrating eligibility for trade benefits** USDA FAS's Trade Facilitation Desk serves as a point of contact for guidance on foreign import requirements. Contact the Trade Facilitation Desk at (202) 720-2378 or email agexport@fas.usda.gov.
- 7. **Stay Informed & Connected** Sign up to receive <u>USDA Gains Reports</u>, look out for <u>upcoming trade show opportunities</u>, and contact the SBA International Trade Ombudsman Hotline at (855) 722-4877 or <u>international@sba.gov</u> with questions.

