

Japan's new standards on the labelling and the geographical indication for wine and Sake, 2015

Teiji Takahashi

June 2015

Outline of the draft Official Notes of the Government of Japan on the standards on the labelling for wine and on the geographical indication of alcohol beverages, including wine and Sake as well as the guideline related to GI on alcohol beverages.

1. The Government proposal and the discussions of the National Tax Council

The National Tax Agency of the Ministry of Finance, Japan, officially asked the Council to submit the advisory reports on the following three drafts of the official notes, on 1 June 2015.

- ① Standard of producing methods and labelling on wine (and other fruit liquors)
- ② Standard of the geographical indication of alcohol beverages (mainly wine and sake).
- ③ Amendment of standard of producing methods and labelling of Sake

The National Tax Agency also asked the Council to submit the report on the proposal of the guideline on the GI for alcohol beverages. The Council hold meetings on 17 and 25 June, and approved all of them.

These draft official notes and guideline will be finalized and adopted towards the end of this year (2015), through the public comments.

2. Labelling standard of wine

In Japan official labelling standard did not exist for wine up to now, instead, voluntary regulation of the wine industry has been applied for many years to the limited number of wineries. The draft new official standard with sanction under the article 86-6 of the Law on Liquor Production Cooperatives, will be applied to all wineries and distributors in Japan, as well as to imported wines.

The main objective of the standard is to provide consumers with precise and clear information on the origin of grapes and the place of fermentation, and to provide them with the information to clearly distinguish “Japan wine “ from other domestically produced wines in which concentrated grape must and/or imported wine are used.

(1) Labelling to clearly distinguish Japan wine from other domestically produced wines

- “Japan Wine” is defined as wine which is produced 100% by grapes harvested in Japan and no addition of water as ingredient during the fermentation and maturation.

- The name “Japan Wine” should be indicated on the label of wine, when it is Japan wine.
- The use of concentrated must and/or use of imported wine should be labeled on the space of the main label on the bottle.

(2) Labelling of provenance

Only Japan Wine among domestically produced wines may indicate the following region’s name.

- ① In case that at least 85% of product come from grapes harvested in an area, the name of region which includes this area
- ② The name of region which includes the area where the production of wine (fermentation and maturation) is made. In this case, labelling should be made so as to be clearly recognized as that the region is the production area and is not the region of grape cultivation.

(3) Labelling of names of grape variety

The following name/s of grape variety may be labelled for the domestically produced wine, in case that at least 85% of product have been made from the variety/ies to be labelled.

- ① Grape name which is used most in the wine
- ② Grape names which are most and second used in the wine
- ③ Grape names which are most, second and third used in the wine

Only Japan Wine may label the name/s of grape variety outside the frame in the subsidiary label.

(4) Labelling of vintage year

Only Japan Wine may label the vintage year in case that at least 85% of product have been made from the grapes harvested in this year.

(5) Obligatory labelling on the subsidiary label

On the space of the subsidiary label, the following items should be indicated together within a frame as below

- | |
|--|
| <ul style="list-style-type: none"> ① Japan Wine (in case that the wine is Japan Wine) ② Names of materials <ul style="list-style-type: none"> Such as Name/s of grape variety with the provenance Sulfur dioxide Concentrated grape juice with the provenance Imported wine with the provenance ③ Names of producer ④ Place of production ⑤ Volume of content ⑥ Alcohol content ⑦ Country of origin |
|--|

3. Standard of the geographical indication and guideline for alcohol beverages

In 1994, just after the adoption of TRIPS agreement, very simple official note was introduced and has been applied to wine, Sake and Shochu. The new standard will be introduced under the article 86-6 of the Law on Liquor Production Cooperatives, by abolishing the existing official note. The draft note disposes in detail the requirements for the designation of GI, including production specification (cahier des charges), procedures for the designation of GI, protection of GI and management of the production and quality of GI. It covers all alcohol beverages.

According to the draft of the new standard, the GI system for alcohol beverages is clearly sui generis like European one.

(1) Requirements to be designated as GI

The given quality, reputation or other characteristic of the product could be essentially attributable to its geographical origin, as defined in the definition of the TRIPS agreement.

GI consists of designated items by the Director-General of the National Tax Agency and of the officially recognized GI in foreign countries.

The guideline sets up the precise criteria to verify the above requirements, and indicate factors related to the quality and characteristic of the product which should be determined in the production specification (cahier des charges).

These factors for wine are as below.

- ① At least 85% of the product should come from the grapes harvested in the demarcated Area (region).
- ② Grape varieties which could be used should be determined, and sugar contents in grapes

should be determined within the appropriate range.

- ③ The use of water as an ingredient is prohibited.
- ④ The addition of brandy or alcohol is prohibited.
- ⑤ The fermentation and maturation should be made within the demarcated area (region).
- ⑥ When the addition of sugar is allowed, the appropriate quantity of sugar to be added should be determined.
- ⑦ When the acidification is allowed, the appropriate quantity of acid to be added should be determined.
- ⑧ When the de-acidification is allowed, the appropriate quantity to be deducted should be determined.
- ⑨ The quantity of sulfur dioxide should be determined under 350mg/kg
- ⑩ The wine should be “Japan Wine”
- ⑪ The appropriate alcohol content of wine should be determined.
- ⑫ The appropriate level of the total acidity of wine should be determined.
- ⑬ The appropriate level of volatile acid of wine should be determined.

Other factors than the above could be determined if necessary.

(2) Procedures for the designation

The Director-General may designate the following ①~③ of the production specification, indication method, demarcated area (region) and type of alcohol beverage as GI, when the character of the alcohol beverage to be essentially attributable to the geographical origin is clear, and the appropriate management is made to maintain the character of the alcohol beverage.

- ① Characteristics which could be attributed to the region of production.
- ② Elements related to materials and method of production
- ③ Elements related to maintaining the quality and management

Note: the Director-General receives the demand for designation from foreign countries.

The Director-General shall not designate GI, in the following cases.

- ① The GI designation will violate the right of trademark, in case that the GI name is the identical or similar name to that of trademark.
- ② The name is used as generic name in Japan.
- ③ The name is not protected in the foreign country, when the region is within the territory of the member country to the WTO.
- ④ The designation is not appropriate, in other cases than the above.

To protect foreign country's GI, the Director-General may confirm if the GI does not fall under one of cases of ①~④ of the above, through negotiation/s with the member country of the WTO or through the information of the registration of the WTO.

The Director-General may cancel the designation of GI, and amend the production specification, ways of indication, the demarcated area (region) and the type of alcohol beverage.

The Director-General, prior to the designation of GI, should make the documents open to the public and receive their opinions.

The director-General, when he designates the GI, cancels the GI and confirms the GI with the foreign country, should announce it on the gazette.

The guideline describes the precise procedure for the designation, such as the way for the application from the group of producers. It should consolidate opinions of all producers in the region.

(3) Protection of GI

① Protection of GI

The GI name should not be used for the alcohol beverage which has been produced in the region other than the region in question, either for the alcohol beverage which does not meet the production specification, even where the true origin of the goods is indicated or the geographical indication is used in translation or accompanied by expressions such as "kind", "type", "style", "imitation" or the like.

② Derogations of the protection above

Eight cases which are derogated from the protection are cited.

(4) Means of indication for GI

When the use of GI is made, 「地理的表示」、"Geographical Indication" or "GI" should be indicated on the label.

For the alcohol beverages other than GI, the use of 「地理的表示」、"Geographical Indication" or "GI" is prohibited.

(5) Management and control

The guideline underlines that the management for keeping the character of the alcohol beverages is important and stresses that the management by a management organization is needed. The guideline provides precise requirements for the structure, operations and confirmation of characteristics of the GI alcohol beverages of the management organization.

In this relation, for wine and Sake, the guideline disposes that the management organization should perform the analytical test and sensory test prior to placing the products on the market.

By the amendment of the official note , the violations to the rule of use of names of GI and to use of GI name in case that the production of the wine is inconsistent with the production specification of the GI(3、 (3)、 ①) will be classified as grave offence. Then, heavier sanction may be imposed on these violations.

4. Labelling standard of Sake

The National Tax Agency announced that the labelling standard of Sake would be amended and make efforts to designate “Japanese Sake”(日本酒), which is made within the territory of Japan, using only rice harvested in Japan, as GI. However, the related official documents have not yet been open.

Note: This document is provisional and not official one.