

# 18. Fresh Ham

## 1. Definition of Category

This section confines itself to the subcategory of fresh ham, within the larger category of ham and bacon products.

HS Numbers	Commodity
0210.19-020	Fresh ham

*Note: Fresh ham is a common name for non-heated processed pork. Officially it is known as "lachs ham." For more detailed information, please refer to 6. Product Characteristics.*

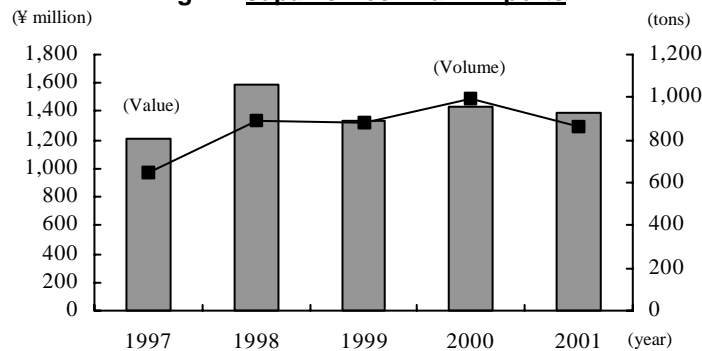
## 2. Import Trends

### (1) Recent Trends in Fresh Ham Imports

Japan has gradually lifted its import ban on fresh ham produced according to traditional methods in Italy and Spain. First came Italian Parma prosciutto, which had its import ban lifted in May of 1996. This was followed by a lifting of import bans on Italian San Daniele prosciutto in 1998, on Spanish Jamon Serrano in 1999, and on Spanish high-grade Jamon Iberico fresh ham in 2000.

Import volume of fresh ham grew to 994 tons in 2000, of which 887 tons came from Italy and other EU nations. However, the outbreak of hoof-and-mouth disease prompted Japan to temporarily ban all imports of pork and processed pork products from the EU for approximately three months between March and June of 2001. Then, in June of 2001, an outbreak of hog cholera was confirmed in Spain and Germany, and the ban on pork imports from these countries was kept in place. As a result, fresh ham imports from the EU tumbled to 698 tons in 2001. Overall fresh ham import volume was down 12.8% to 866 tons, worth a total of some ¥1.4 billion (a decline of 2.7%). By way of comparison, overall import volume for ham and bacon remained at previous-year levels, at 3,841 tons. Thus, the drop-off in fresh ham imports was especially pronounced.

**Fig. 1 Japan's fresh ham imports**



	1997		1998		1999		2000		2001	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Fresh ham	643	1,203	892	1,593	881	1,341	994	1,438	866	1,399

Units: volume=ton, value=¥ million

Source: Japan Exports and Imports

### (2) Imports by Place of Origin

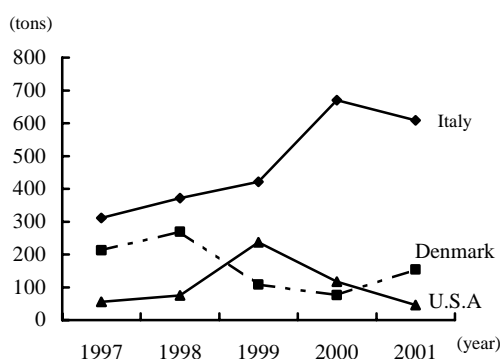
Japan imported fresh ham from ten different countries in 2001. Italy is by far the leading exporter of fresh ham to Japan. Japan lifted its import ban on the leading varieties of Italian fresh ham, Parma and San Daniele prosciutto, in 1996 and 1998, respectively. As a result, Italian fresh ham exports soared from 105 tons in 1996 to 670 tons in 2000. Although Italy's exports of fresh ham to Japan declined to 609 tons in 2001, its decline was actually less severe than other EU nations, and so Italy actually strengthened its already commanding lead in import share, which now stands at 70.3%.

The biggest drop of all was recorded in imports from Denmark. After seeing its exports of fresh ham grow to 237 tons in 1999 (for an import share of 27.0%), listeria was detected in Danish fresh ham in August of 2000, leading to a temporary ban on Danish imports. Import volume for 2000 sagged to 117 tons (import share 11.8%), but the bottom fell out completely in 2001, with imports dropping to just 46 tons. Spanish fresh ham imports, which had only begun making significant inroads in the Japanese market in 2000, totaled just 32 tons in 2001.

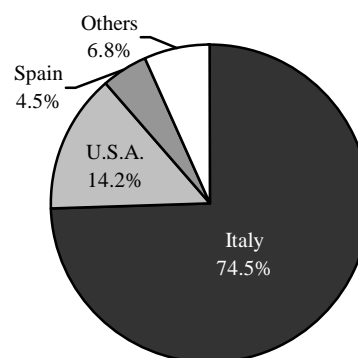
In contrast, American fresh ham imports had been on the decline, but in 2001 American imports roughly doubled, to 154 tons (import share 17.8%).

**Fig. 2 Principal exporters of fresh ham to Japan**

**Trends in import volume by leading exporters**



**Shares of fresh ham imports in 2001 (value basis)**



	1997	1998	1999	2000		2001			
	Volume	Volume	Volume	Volume	Value	Volume	Value		
Italy	311	372	421	670	986	609	70.3%	1,042	74.5%
U.S.A.	213	269	108	76	120	154	17.8%	199	14.2%
Denmark	56	75	237	117	116	46	5.3%	47	3.4%
Spain	0	0	0	46	87	32	3.7%	63	4.5%
Spain	20	18	17	11	20	9	1.1%	18	1.3%
Others	43	158	97	73	108	16	1.9%	29	2.1%
<b>TOTAL</b>	<b>643</b>	<b>892</b>	<b>881</b>	<b>994</b>	<b>1,438</b>	<b>866</b>	<b>100.0%</b>	<b>1,399</b>	<b>100.0%</b>
(E U)	393	583	731	877	1,251	698	80.5%	1,171	83.7%

Units: tons, ¥ million

Source: Japan Exports and Imports

### (3) Imports' Market Share in Japan

Domestic production of processed meat products declined for four consecutive years beginning in 1996. However, ham products resisted the trend fairly well, and production remained at essentially the same level. A major factor in this relatively good performance has been the growth of fresh ham. Roasted ham makes up about 70% of the Japanese ham market, and fresh ham still has only a small market share. However, between 1996 and 2000 domestic production of fresh ham more than doubled, rising from 2,685 tons to 6,165 tons. Its share of the overall ham market climbed from 2.1% to 5.0%.

In 2000 imports of fresh ham had a 13.9% share of the market. Imports have just a 1% share of the ham market overall, and only around 5% of the sausage market, so by comparison, fresh ham has a fairly large market share.

**Fig. 3 Imports' share in the Japanese market**

	1996	1997	1998	1999	2000
Domestic production	2,685	2,851	4,460	5,175	6,165
Imports	380	643	892	881	994
Domestic supply total	3,065	3,494	5,352	6,056	7,159
Imports' share	12.4%	18.4%	16.7%	14.5%	13.9%

Unit: tons

Sources: Japan Ham and Sausage Industry Association, Japan Exports and Imports

**Fig. 4 Domestic production of ham products (reference)**

	1996	1997	1998	1999	2000	Percentage
Lachs hams	2,685	2,851	4,460	5,175	6,165	5.0%
(Yearly change)	*	+6.2	+56.4	+16.0	+19.1	
Roast hams	88,654	85,188	86,851	87,044	87,606	70.5%
Boneless hams	21,077	21,231	20,417	19,977	19,107	15.4%
Shoulder hams	2,590	2,718	2,540	2,394	2,490	2.0%
Bone hams	322	477	558	556	546	0.4%
Other hams	10,318	9,075	9,198	9,224	8,309	6.7%
Hams (Total)	125,646	121,539	123,607	124,371	124,222	100.0%
(Yearly change)	*	- 3.3	+ 1.7	+ 0.6	- 0.1	

Unit: tons

Source: Japan Ham and Sausage Industry Association

### 3. Key Considerations related to Importing

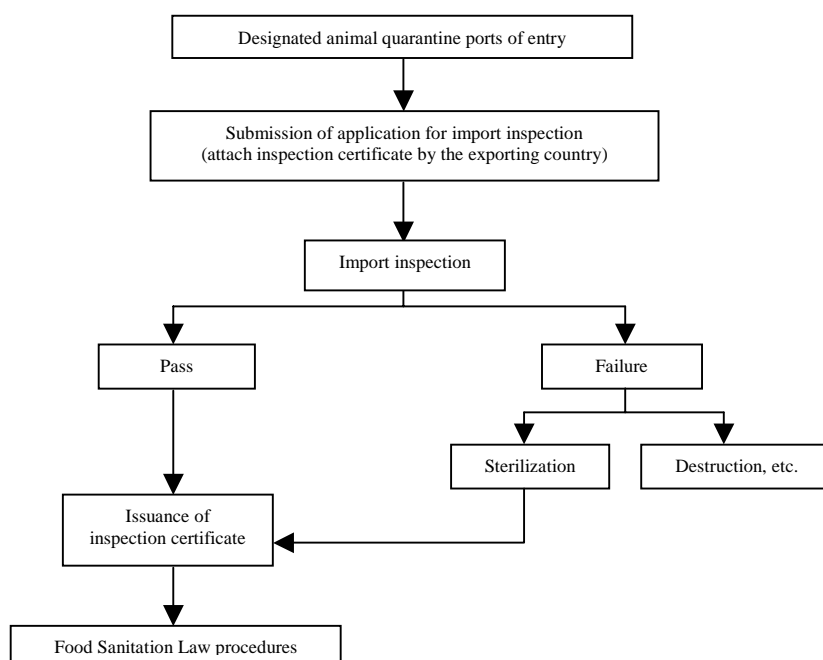
#### (1) Regulations and Procedural Requirements at the Time of Importation

The Domestic Animal Infections Diseases Control Law and the Food Sanitation Law apply to the importation of fresh ham.

##### 1) Domestic Animal Infectious Diseases Control Law

Processed meat products of hoofed animals (cattle, pig, etc.) are subject to inspections mandated by the Domestic Animal Infectious Diseases Control Law. An “Inspection Certificate” issued by the competent government agency of the exporting country to the Animal Quarantine Service of Japan must accompany imports of fresh ham. The importer must submit an application for import quarantine inspection along with an inspection certificates issued by the competent government agency of the exporting country to Animal Quarantine Service at the port of entry. Note that animal inspections can only be performed at ports of entry with facilities to carry out required processes. If the fresh ham passes inspection, an import quarantine certificate is issued. If the fresh ham fails inspection, an order will be issued to destruct, bury, or return to the shipper, depending on the nature of the violation. Figure 5 below illustrates procedures under the Law.

**Fig. 5 Procedures under the Domestic Animal Infectious Diseases Control Law**



In order to prevent the spread of infectious disease such as BSE, hoof-and-mouth disease, and cattle plague the Law designates the import-prohibited goods and areas based on information on animal epidemiological situation from around the world. For import-prohibited areas and import-prohibited items, refer to Fig. 6. Note that the import-prohibited areas are frequently changed, so check with the appropriate Animal Quarantine Station.

An outbreak of hoof-and-mouth disease in the United Kingdom led Japan on March 24, 2001 to temporarily suspend the granting of import quarantine certificates for all pork and processed pork products from the EU, because of concerns the infection might have spread throughout the EU. Since only varieties of fresh ham that have undergone a lengthy curing process are sold commercially, fresh ham was not targeted for the temporary import halt, although in some instances imports of slice-pack products were temporarily refused issuance of import quarantine certificates.

Japan announced on May 29 that it was lifting the temporary halt on granting of certificates for products from Italy, Japan's largest trading partner in fresh ham. By June 2001 Japan had lifted the temporary halt on imports from Denmark, Spain, Finland, Sweden, Germany, Belgium, and Austria. However, in June outbreak of hog cholera in Germany and Spain, as of March 2002, imports of processed pork products from both countries were halted.

**Fig. 6 Import-prohibited areas under the Domestic Animal Infectious Disease Control Law**

<i>As of March 2002</i>		
Areas	Processed meat products of cloven-hoofed animals such as cattle, pigs, sheep, etc. (ham, sausage, bacon)	Meat, viscera and processed meat products of horse, chickens, ducks, turkeys, quail, geese, rabbit, dog, etc.
Finland, Sweden, Germany, Denmark, Italy (except Salgenia island), Belgium, Austria, Spain, Norway, Hungary, Iceland, Canada, U.S.A (including Hawaii, Guam), Mexico, Belize, Guatemala, Honduras, El Salvador, Nicaragua, Costa Rica, Panama, The Dominican Republic, Chile, Northern Mariana, New Zealand, Vanuats, New Caledonia, and Australia (28 areas)	Import permissible with the inspection certificate issued by government agency of exporting country	Import permissible with the inspection certificate issued by government agency of exporting country
Singapore, Poland, Romania, Slovenia, Croatia, Bosnia Herzegovina, Switzerland (7 areas)	Import not permissible except: Those products heat-processed under the standards set forth by the Minister of Agriculture, Forestry and Fisheries. (Heat-processing facilities designated by appropriate government agency of the exporting country are acceptable.)	
Areas other than those mentioned above	Import not permissible except: Those products heat-processed under the standards set forth by the Minister of Agriculture, Forestry and Fisheries. (Heat-processing facilities directly designated by the Japanese Minister are only acceptable.)	

*Note: Areas currently infected with virulent animal diseases, as of March 2002 (subject to import bans)*

- *Hoof-and-mouth disease (beef, pork, and processed thereof): United Kingdom, Ireland, France, the Netherlands, Hong Kong (March 2001-)*
- *Hog cholera (pork and processed pork): Germany and Spain (June 2001-)*

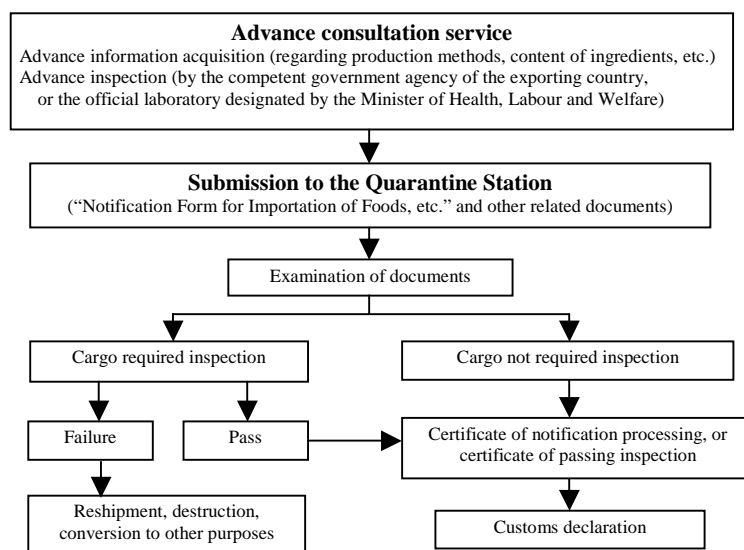
## 2) Food Sanitation Law

Under provisions of the Food Sanitation Law, an import notification is required for fresh ham being imported for the purpose of sale or for other commercial purposes. Importers are required to submit the completed "Notification Form for Importation of Foods, etc." to the Quarantine Station at the port of entry. A determination is made based on the document examination whether or not an inspection at the bonded area is required.

Prior to importing, the importer may take a sample of forthcoming imports to official laboratories designated by the Minister of Health, Labour and Welfare in Japan or in exporting countries. Those test results may be substituted for the corresponding inspection at the port of entry, which expedites the quarantine clearance process.

In addition, importers who wish to submit their notifications by computer may make use of the computerized FAINS (Food Automated Import Inspection and Notification System) for processing import-related documentation. Importers who have the required hardware and software may apply for a security code from the Minister of Health, Labour and Welfare to access the system. The contents of inspection certificate from the government agency of the exporting country can be transmitted to the FAINS.

**Fig. 7 Procedures required under the Food Sanitation Law**



The Food Sanitation Law specifies a general standards of composition for all processed meat products of no more than 0.070 gram per kilogram of nitrous acid ions. In addition, four specifications and standards apply to particular product categories, including dried meat products, non-heat treated meat products, specified heat-treated meat products, and heat-treated meat products. Accordingly, if the fresh ham is not in compliance with specifications and standards for non-heat treated meat products, it will not be allowed into Japan.

**Fig. 8 Specifications and standards of non-heat treated meat products**

Classification	Definition	Specification and standards
<b>Non-heat-treated meat products</b> (example: lachs hams, country hams, sausages)	Meat products of which meat is smoked or dried after having been salted, but not subject to heat sterilization by heating the center portion at 63 degrees Celsius for 30 minutes or by an equivalent or more effective method.	Separate specifications have been defined for composition ( <i>E. coil</i> , <i>Staphylococcus aureus</i> , <i>Salmonella ssp.</i> ), raw material meat storage methods, pH, salt pickling methods, moisture activities, and smoking or drying methods and days.

**(2) Regulations and Procedural Requirements at the Time of Sale**

The sale of fresh ham is subject to provisions of the Food Sanitation Law, the JAS Law, the Measurement Law, the Nutrition Improvement Law, the Act Against Unjustifiable Premiums and Misleading Representations, the Containers and Packaging Recycling Law, and the Law for Promotion of Effective Utilization of Resources.

**1) Food Sanitation Law**

The Food Sanitation Law prohibits the sale of foods containing toxic or harmful substances and foods that are unsafe for human health. When selling fresh ham sealed in wrapping or containers, it must be labeled in accordance with provisions of the Food Sanitation Law (see 4. Labeling).

**2) JAS Law****(Law Concerning Standardization and Proper Labeling of Agricultural and Forestry Products)**

The JAS Law establishes quality labeling standard for all food and beverage products sold to ordinary consumers. Fresh ham is subject to labeling requirements under provisions of the Processed Food Product Quality Labeling Standards. Further, the Law stipulates separate product quality labeling standards adapted to the properties of lachs ham. (see 4. Labeling)

**3) Measurement Law**

Fresh ham sealed in wrapping or containers is required the labeling of the net content to certain accuracy (range of error specified by Cabinet Ordinance).

**4) Nutrition Improvement Law**

When employing labeling for nutritional ingredients or calories, labeling must be in accordance with the requirements under the Nutrition Improvement Law. (see 4. Labeling)

**5) Fair Competition Code under the Act Against Unjustifiable Premiums and Misleading Representations**

The industry has voluntarily adopted the Fair Competition Code Concerning Representations of Hams and Sausages in order to assure consumer product choice availability and preserve fair competition, based on the Act Against Unjustifiable Premiums and Misleading Representations. (see 4. Labeling)

**6) Containers and Packaging Recycling Law (Law for Promotion of Sorted Collection and Recycling of Containers and Packaging)**

The Containers and Packaging Recycling Law was enacted to promote recycling of container and packaging waste materials. It provides for sorting by consumers, sorted collection by municipalities, and product reuse (recycling) by product makers and distributors for glass bottles, PET bottles, paper and plastic containers and packaging. Consequently, fresh ham importers incur the obligation for recycling of containers and packaging (although stipulated small-scale importers are exempt). Please consult the competent government agencies listed below for more information.

**7) Law for Promotion of Effective Utilization of Resources**

As of April of 2001, new identifier labeling requirements apply to paper (not including beverage containers not containing aluminum) and plastic container materials, in addition to previously existing labeling requirements for steel and aluminum cans. (see 4. Labeling)

**(3) Competent Agencies**

- Processed meat in general  
Meat and Egg Division, Livestock Industry Department, Agricultural Production Bureau,  
Ministry of Agriculture, Forestry and Fisheries  
TEL: 03-3502-8111 <http://www.maff.go.jp>
- Importing processed meat in general  
Trade Control Policy Division, Trade and Economic Cooperation Bureau, Ministry of Economy, Trade and Industry  
Trade Licensing Division, Trade and Economic Cooperation Bureau, Ministry of Economy, Trade and Industry  
TEL: 03-3501-1511 <http://www.meti.go.jp>
- Domestic Animal Infectious Diseases Control Law  
Animal Health Division, Livestock Industry Department, Agricultural Production Bureau, Ministry of Agriculture,  
Forestry and Fisheries  
TEL: 03-3502-8111 <http://www.maff.go.jp>  
Planning and Coordination Division, Department of the Planning and Coordination, Animal Quarantine Service,  
Ministry of Agriculture, Forestry and Fisheries  
TEL: 045-751-5921 <http://www.maff.qas.go.jp>  
Animal-Products Inspection Division, Department of the Quarantine, Animal Quarantine Service, Ministry of Agriculture,  
Forestry and Fisheries  
TEL: 045-201-9478 <http://www.maff.qas.go.jp>
- Food Sanitation Law  
Policy Planning Division, Department of Food Sanitation, Pharmaceutical and Medical Safety Bureau,  
Ministry of Health, Labour and Welfare  
TEL: 03-5253-1111 <http://www.mhlw.go.jp>

- **Measurement Law**  
Measurement and Intellectual Infrastructure Division, Industrial Science and Technology Policy and Environment Bureau, Ministry of Economy, Trade and Industry  
TEL: 03-3501-1511 <http://www.meti.go.jp>
- **Nutrition Improvement Law**  
Department of Food Sanitation, Pharmaceutical and Medical Safety Bureau, Ministry of Health, Labour and Welfare  
TEL: 03-5253-1111 <http://www.mhlw.go.jp>
- **Act Against Unjustifiable Premiums and Misleading Representations (Fair Competition Code)**  
Consumer Related Trade Division, Trade Practices Department, Fair Trade Commission of Japan  
TEL: 03-3581-5471 <http://www.jftc.go.jp>
- **Containers and Packaging Recycling Law / Law for Promotion of Effective Utilization of Resources**  
Recycling Promotion Division, Industrial Science and Technology Policy and Environment Bureau, Ministry of Economy, Trade and Industry  
TEL: 03-3501-1511 <http://www.meti.go.jp>  
Recycling Promotion Division, Waste Management and Recycling Department, Ministry of the Environment  
TEL: 03-3581-3351 <http://www.env.go.jp>  
Food Industry Policy Division, General Food Policy Bureau, Ministry of Agriculture, Forestry and Fisheries  
TEL: 03-3502-8111 <http://www.maff.go.jp>

#### 4. Labeling

##### (1) Legally Required Labeling

When selling fresh ham sealed in wrapping or containers, following items must be listed all together on the label, under provisions of the Food Sanitation Law, the JAS Law, and the Measurement Law.

- 1) Product name (in the case of non-heat-treated meat products, an indication of same, or the use of the phrase “lachs ham”).
- 2) List of ingredients (in order by percentage for each ingredient of total contents)
- 3) Food additives
- 4) Net content
- 5) Use-by date, or date of minimum durability or best-before date
- 6) Moisture activity
- 7) pH
- 8) Preservation method
- 9) Country of origin
- 10) Importer’s name and address

##### <Labeling of Food Products Containing Allergens>

The Food Sanitation Law mandates or recommends raw material labeling for 24 food products that contain allergens. Processed food products containing the foods listed in the following table, and processed foods containing additives derived from these foods are either required or advised to bear labeling to the effect that they contain allergenic foods. This provision was adopted as of April 2001, and from April 1, 2002 onward, it will apply to all manufactured, processed and imported processed food products and food additives.

Labeling mandatory (5 products)	Wheat, buckwheat, eggs, milk, peanuts
Labeling recommended (19 products)	Abalone, squid, salmon roe, shrimp, crabs, salmon, mackerel, oranges, kiwi fruit, peaches, white potatoes, apples, walnuts, soybeans, gelatin, beef, pork, chicken, <i>matsutake</i> mushroom

##### <Labeling under the Law for Promotion of Effective Utilization of Resources> < Example >

When paper or plastic is used as a packaging material for wrapping of individual product items, or for labels, external packaging or elsewhere, a material identifier mark must be displayed with information where the material is used.



External packaging



Individual packaging

## (2) Voluntary Labeling based on Provisions of Law

### 1) JAS Law

#### <JAS Mark>

Under the JAS Law, fresh ham is subject to JAS standards. Products that undergo inspection and are certified compliant with JAS standards are allowed to display the JAS mark on the product. However, application for grading is voluntary, and products do not have to display the JAS mark in order to be sold.

Under the previous JAS Law, manufacturers had to undergo inspection by a registered grading organizations. But under the amended JAS Law, both domestic and overseas manufacturers, production process supervisors (producers and vendors), sorters, and importers may be authorized to self-qualify with the approval of a registered certification organization.

Contact:

Center for Food Quality, Labeling and Consumer Services Headquarters  
Standard and Labeling Department TEL: 048-600-2371 <http://www.cfqlcs.go.jp>

JAS Mark



### 2) Labeling under the Nutrition Improvement Law

When employing labeling for nutritional ingredients or calories in Japanese, either on the packaging or in accompanying documentation, labeling must be in accordance with the requirements under the Nutrition Improvement Law.

*<Example> Labeling must contain the quantities of calories, proteins, fats, carbohydrates, sodium, and other nutritional ingredients present, in descending order by content volume.*

### (3) Voluntary Industry Labeling

#### <Fair Competition Code Concerning Representations of Hams and Sausages>

Fresh ham is subject to mandatory labeling standards based on the Fair Competition Code. In addition to provisions of the statutory laws, use of the terms such as “handmade,” “additive-free,” and “special grade” labeling is strictly controlled.

Contact:

• Hams and Sausages Fair Trade Council TEL: 03-3444-1211

## 5. Taxes

### (1) Customs Duties

Differential Tariff System is applied for fresh ham and other 100% pork prepared products as those on pork to protect domestic producers. Within this system, under the Law for Stabilization of Livestock Products, standard import prices and tariff rates for the next fiscal year are decided at the end of March each year based on domestic market trends.

**Fig. 9 Customs duties on fresh ham**

HS No.	Description	Rate of Duty (%)			
		General	WTO	Preferential	Temporary
0210.11~19	Hams, shoulders and cuts thereof, with bone in:	(10%)	(¥1,035 /kg)		Differential
-020	Each kilogram, not more than the gate prices of processed meat swine, in value for customs duty		(8.5%)		(Note 1) 8.5%

Note 1: Differential tariff system

Customs duties on ham, bacon and prepared 100% pork products (including fresh ham) are the same as those on pork: they vary based on value for customs duty. Products equal to or less than a specified price are subject to a duty of the difference between the standard import price of a skinned carcass multiplied by 1.5 and the value for customs duty multiplied by 0.6. Products equal to or more than the specified price are subject to a duty of 8.5%.

Note 2: Refer to “Customs Tariff Schedules of Japan” (published by Japan Tariff Association) etc. for interpretation of tariff table.

### (2) Consumption Tax

(CIF + Customs duty) x 5%



## 6. Product Characteristics

### (1) Comparison with Japanese Products

Fresh ham is non-heat-treated pork roast. It is officially referred to within the industry as “lachs ham.” “Lachs” means salmon in German, and the term implies that this variety of ham has the freshness and reddish color of salmon. Fresh ham is so popular in Europe that non-heated pork flank meat (what is called fresh ham in Japan) is virtually synonymous with the term “ham.” Heat-treated ham is referred to instead as cooked ham.

There are two traditional methods for making fresh ham: 1) salting, followed by drying and curing, and 2) salting, followed by smoking (cold smoking), drying and curing. There are two methods of salting: dry salting, in which the salt is sprinkled onto the meat directly, and wet salting, in which the meat is marinated in a saline solution. The salting period generally lasts 2-3 months. Smoked fresh ham is smoked for about a week at 20° or less, though in some producing areas the meat is smoked for up to 8 weeks. Different locations in Europe produce unique local varieties of fresh ham that reflect the climate and geography as well as the unique materials and production techniques of particular producers. Producing areas often lend their name to the fresh ham itself. The terms Parma and San Daniele imply a careful attention to every aspect of the production process, from the way in which the pork was produced through each stage of the manufacturing process.

In Japan, a non-heat-treated meat product may be placed in the category of fresh ham even if it uses cuts of meat from other than the flank. In general, Japanese makers shorten the curing time to cut the cost of production. There are few examples of these techniques being used in Italy and Spain, the home of fresh ham, but the humid climate of Japan makes it difficult to extend the curing time, as does the cost of wages. Accordingly, Japan has no choice but to rely on imports for upscale varieties of fresh ham.

### (2) Characteristics of Products from Different Countries / Regions

The three most renowned types of fresh ham in the world are Parma ham from Italy, Iberico ham from Spain, and Jinhua ham from China. Each is made according to its own unique process that yields the finest quality high-grade ham.

#### 1) Italy

Italy is the leading exporter of fresh ham to Japan, with about two-thirds of the import market. The popularity of Italian foods such as wine, pasta and olive oil have aided the cause of Italian fresh ham, as a clear association is being forged in consumers' minds. Italian fresh ham is known as prosciutto, and the two great producing regions are the Parma and San Daniele areas. Parma is known for its high-quality pork, and is renowned also for its Parmesan cheese. Parma prosciutto is made only from fresh flank meat of large hogs weighing 140 kg and over, hogs raised on certified farms. It is salted with natural salt (sea salt from the Mediterranean Sea) and then subjected to a lengthy curing process. Parma pork comes from hogs fed with feed mixed with whey from the production process for Parmesan cheese. The pork is high in quality and has a distinctive flavor that makes the “Prosciutto di Parma” crown mark a symbol of quality the world over. The Parma Ham Association opened an information center in Tokyo in August of 2000 in order to enhance consumer recognition of Parma ham through sales promotion programs. San Daniele prosciutto is also made 70% from Parma pork, with only slight differences in the cuts of meat used and the production process employed (San Daniele prosciutto uses pig's feet also, and is compressed into a guitar shape during the salting and curing process). While the basic production method resembles that of Parma prosciutto, the climate of the foothills of the Alps gives San Daniele prosciutto a slightly different flavor, milder and sweeter than Parma prosciutto.

#### 2) Spain

Spain is the world's largest fresh ham producer, with total production of about 30 million units per year. Spanish fresh ham is generally known as jamon serrano (meaning “mountain ham,” as the highland climate aids to the curing and drying process). Jamon serrano is made from only carefully selected flank meat, and is salted with coarse-grained sea salt and then cured for nine months or longer. Of course, it uses no artificial coloring or preservatives.

Jamon serrano made from iberico pork is called “jamon iberico,” and this is considered the highest grade of Spanish fresh ham. Iberico pork comes from black hogs raised on feed mixed with acorns that grow only on the Iberico peninsula. Jamon iberico must be cured for a minimum of two years.

Iberico pork is known for being juicy and tender. Jamon iberico has less salt content than other types of jamon serrano, but it has higher levels of oleic acid, a type of fat that is beneficial to health. Because it is made entirely by hand, it is impossible to mass-produce jamon iberico. It accounts for just 2% of total Spanish fresh ham production, which makes it a highly prized product. Japan lifted its import ban on jamon serrano in 1999 and on jamon iberico in 2000. But, in June 2001, due to outbreak of hog cholera in Spain, imports of processed pork products were halted. As a result, Spanish fresh ham imports totaled just 32 tons in 2001.

### 3) Denmark

Danish fresh ham is made from roast pork cuts and from fatty portion, and employs a shorter curing time, resulting in a flavor similar to that of Japanese fresh ham. Prices are comparatively low, and imports from Denmark rose to 237 tons in 1999 (import share of 27.0%). However, Danish imports were temporarily halted after listeria was detected, and in 2001 imports tumbled to just 46 tons.

### 4) Germany

Germany is the home of processed meat products, and produces many varieties of ham and sausage. Japan's meat processing procedures have been strongly influenced by German techniques. However, German ham is often smoked, and Germany is not a major producer of non-heat treated fresh ham. In June 2001, due to outbreak of hog cholera in Germany, imports of processed pork products were halted. As a result, Japan imported just 2.4 tons of fresh ham from Germany in 2001.

### 5) United States

American fresh ham is made from flank meat that has been cured for around four months. It is comparatively inexpensive and usually well adapted to Japanese tastes. American producers are not highly selective about the types of hogs, the feeding methods or the type of feed employed. The United States held the lead in import market share in fresh ham until the import ban was lifted on Italian prosciutto. American fresh ham imports had been on the decline since 1999, but in 2001 American imports roughly doubled as substitute demand.

### 6) China

Unlike other varieties of fresh ham, Chinese fresh ham is frequently used as an ingredient of soups at upscale Chinese restaurants. Consequently, nearly all the demand is from commercial users. Chinese fresh ham is not sold at retail. Japan imported less than 1 tons of fresh ham from China in 2001.

## 7. Domestic Distribution System and Business Practices

### (1) Domestic Market Conditions

Japanese tend to think of ham in terms of roast ham, which accounts for about 70% of total demand. At one time, demand for fresh ham was limited to commercial users, such as hotels and upscale restaurants. But in 1997 Japanese makers began selling thin-sliced fresh ham in vacuum packs (70 gram and 100 gram sizes) aimed at ordinary home users. When the salt content is moderated and the meat is prepared until tender, it fits well into the evening meal selections of ordinary Japanese families. More recent times have seen the introduction of low-salt fresh ham, which appeals to health-conscious consumers, as well as fresh ham with olive and white wine dressing and beefsteak plant flavored fresh ham. These products have all helped raise consumer awareness of fresh ham products.

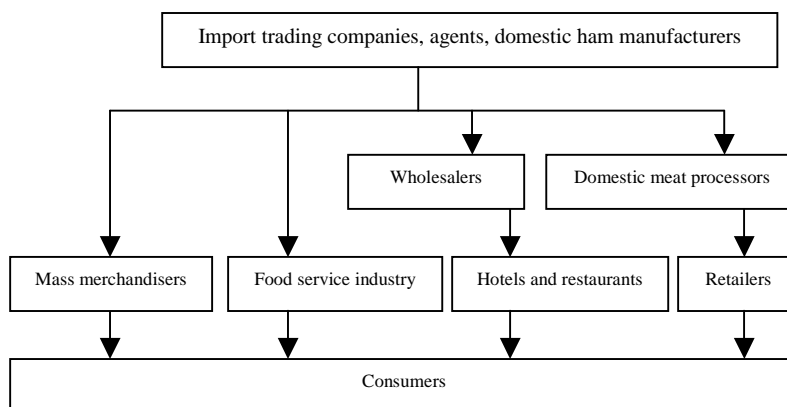
The red wine boom in 1998 also helped fresh ham make further inroads among home users. The trend was aided by the lifting of the import bans on Italian and Spanish fresh ham. This has spurred demand for authentic imported fresh ham, which has a flavor unlike that of Japanese fresh ham. As is apparent from Fig. 3 and Fig. 4, although the absolute volume is still small, fresh ham has been the fastest-growing product in the ham market in recent years. Hotels and restaurants have noted dramatic growth in demand for high-grade fresh ham. Moreover, increasing numbers of department stores, food specialty stores and supermarkets now carry fresh ham, reflecting its greater popularity among home users. The size of the fresh ham market was estimated at more than ¥10.0 billion in 2000. Although imported fresh ham lost some of its momentum in 2001, and the market focused on domestic products, it remains a product with future growth prospects within the overall ham market. Import trading companies and related organizations has jointly conducted a variety of public events to further explore demand among home users.

## (2) Distribution Channels

Since ham and sausage products, including fresh ham, are refrigerated food products, it is important to shorten distribution times as much as possible. Accordingly, the most common distribution channel is direct from the manufacturer rather than through wholesalers.

This is true for Japanese-made fresh ham as well as for imports. Imported fresh ham typically passes from an import trading company through an agent or wholesaler on its way to retail stores, hotels, restaurants and other food service establishments. However, brand name products like Parma prosciutto from Italy and jamon serrano from Spain have import agent contracts with leading Japanese ham makers, so these products are distributed as part of the product line of those manufacturers.

**Fig. 10 Imported fresh ham distribution channels**



## (3) Key Considerations for entering the Japanese Market

Fresh ham must undergo quarantine inspection as mandated by the Domestic Animal Infectious Diseases Control Law in order to prevent the spread of hoof-and-mouth disease and other livestock infections into Japan. Imports are required to have an inspection certificate issued by the competent government agency of the exporting country. Japan also limits the areas from which fresh ham may be imported, and prospective importers must be aware of these restrictions. Fresh ham imports must also comply with food health provisions of the Food Sanitation Law, and otherwise conform to food quality regulations. Prospective importers must also learn about the Differential Tariff System and other pricing regulations. And since fresh ham is a fresh food product, importers must make sure they have an adequate refrigerated and frozen food distribution system in place.

## 8. After-Sales Service

Responsibility for dealing with product defects falls to either the distributor or the retailer, depending on which is deemed to be at fault for the defect.

## 9. Related Product Categories

Import procedures are similar for all processed meat products other than fresh ham. Prospective importers should check with proper authorities to determine whether the food item or the place of origin is subject to import prohibitions under the Domestic Animal Infectious Diseases Control Law. For more detailed information, please refer to the section on “I-17 Processed Mead Products” in this guidebook.

## 10. Direct Imports by Individuals

Imports for personal consumption remain subject to provisions of the Domestic Animal Infectious Diseases Control Law. The individual importer must present the Animal Quarantine Service with an inspection certificate issued by the government agency of exporting country.

## 11. Related Organizations

- Japan Ham and Sausage Industry Association      TEL: 03-3444-1211      <http://group.lin.go.jp/hamukumi/>
- Japan Meat Processors Association              TEL: 03-3444-1772