

Market Study on Business Practices in the Food Supply Chain

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Japan Fair Trade Commission

1. Purpose of the Study

Currently, the negative environmental impact caused by food loss in the series of food distribution transactions from the production and manufacturing to the sales and consumption of food and beverages (hereinafter referred to as the “Food Supply Chain”) is becoming a social issue worldwide. Moreover, in recent years, there has been growing awareness that food loss not only has an environmental impact but also negatively affects the market economy due to the lack of proper resource allocation. Food loss, where food that is still edible is disposed of as waste, increases waste disposal cost across the market. Food and beverage manufacturers, wholesalers, and retailers are forced to bear costs that would not have been arisen if the products had not been disposed. Furthermore, part of these costs, specifically those related to disposal by local governments, is covered by the public through taxes. In short, food loss leads to unnecessary social costs.

Business practices in the Food Supply Chain have been pointed out as a factor contributing to food loss, which in turn leads to unnecessary social costs.

The Japan Fair Trade Commission (hereinafter referred to as the “JFTC”) has paid attention to the trade practices in the Food Supply Chain and has conducted a Market Study on the Distribution Practices in the Processed Food Industry in 1992, a Market Study on Transactions between Food Product Manufacturers and Wholesalers in 2011, and a Market Study on Transactions of Private Brand Products in the Food Sector in 2014.

Given that a considerable time has passed since the previous study and that actual concerns have been raised about competition policy issues regarding business practices in the processed food industry, the JFTC has conducted another market study on business practices that also lead to food loss. The study aims to improve transactions in the Food Supply Chain and promote the reduction of food loss, while also presenting JFTC’s views under the Antimonopoly Act, etc.

2. Study Results

The summary in English is available. Please refer to it for more details.

* English translation of the report will be posted at a later date.

* This announcement is a tentative translation. Please refer to the original text written in Japanese.