

# Research on the Impact of Green Trade Barriers on China's Agricultural Exports: A Case Study of Japan

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**Abstract:** Since the reform and opening up, China's foreign trade has become increasingly frequent. Due to its geographical advantages and transportation advantages, the trade between China and Japan has experienced unprecedented development, and the output of Chinese agricultural products to Japan has also increased. However, in recent years, with the changes in the development trend of world trade and the changes in the world trade situation, Japan has implemented better hidden green trade barriers, which has caused great obstacles to China's agricultural exports. Therefore, China should pay full attention to green trade barriers, study the characteristics of green trade barriers, understand the impact of Japanese green barriers on China's agricultural output trade, and actively respond.

## 1. Overview of green trade barriers

Green trade barriers refer to a series of measures to restrict imports from the perspective of maintaining the natural environment, resources and human health during the process of international trade.

### 1.1 Green barrier concept

Green trade barriers, also known as "environmental trade barriers", are a type of non-tariff barriers. They refer to a series of environmental trade measures formulated by a country to protect the ecology and human health in international trade activities. Foreign products and services are restricted to protect domestic products and markets.

### 1.2 Causes of green barriers

#### 1.2.1 Environmental factor

The destruction of the environment and the lack of resources have directly affected the survival and development of human beings. Therefore, people began to pay attention to the quality of life and established a new concept of green consumption. People pay more attention to green products, which directly leads to an increase in demand for green products, which provides a prerequisite and opportunity for the formation of green barriers in developed countries.

#### 1.2.2 Economic factors

In today's increasingly fierce international competition, relations and interests between countries are also getting closer. In order to restrict the export of other countries to achieve the purpose of maintaining their own markets, various countries have adopted non-tariff measures, among which green barriers are widely used.

#### 1.2.3 Political factors

Under the appearance of international trade cooperation, developed countries rely on their strong scientific and technological forces to set up stringent green trade barriers to suppress and sanction

export-oriented developing countries to protect their own markets and make It occupies a favorable position in international trade.

### **1.3 Manifestations of green trade barriers**

#### **1.3.1 Nominal rationality**

The name of green trade barriers is to protect ecology and human health. In contemporary society, in addition to pursuing economic benefits, people are increasingly demanding on their environment and health issues. When consumers choose products, they also prefer products with green logos. Green trade barriers are in line with the central idea of protecting the environment, and therefore give such trade protection actions a rationality.

#### **1.3.2 Legitimacy of form**

First, from the perspective of protecting ecology and human health, green trade barriers have legitimacy. The difference between green trade barriers and other protectionist policies is that they are legislated publicly. At the same time, developed countries are actively formulating rules and standards for green trade barriers, which has also established a strong foundation for the legitimacy of green trade barriers.

#### **1.3.3 Breadth of content**

The content of green trade barriers is very extensive, including the protection of the ecological environment and natural resources, and also puts forward many restrictions and requirements on the production and sales of agricultural products. This is undoubtedly a challenge for the export of agricultural products in developing countries.

## **2. Development status of China-Japan agricultural trade**

### **2.1 Status of China's Agricultural Exports to Japan**

In the process of mutual benefit between China and Japan, there are certain problems in agricultural trade between the two countries because of some economic, political, and cultural factors. Japan's strict green trade barriers imposed on China have caused certain obstacles and impacts on the export and development of China's agricultural products.

### **2.2 Main contents of Japan's green barriers**

Japan attaches great importance to food safety, and has formulated many laws and regulations on imported agricultural products. Relevant Japanese departments implemented a "positive list system" on all imported agricultural products in 2006. The content not only includes transportation, packaging and production technology, but also regulates specific production technology. Japan is very strict in importing agricultural products, and agricultural products that have not passed the food inspection and quarantine will be destroyed on the spot.

Japan has strict control over the labeling of imported agricultural products, and stipulates that the names of agricultural products, the raw materials used to make them, transportation, packaging and detailed export addresses must be marked. The Japanese authorities also have very strict requirements for the packaging of agricultural products. The packaging of commodities must meet import standards. At the same time, the origin of agricultural products is also valued, and all imported agricultural products are required to indicate the origin.

#### **2.2.1 Pesticide residue limits**

Pesticide residue refers to the phenomenon that in the growth of crops, pesticides are used in order to prevent the crops from growing vigorously from insect pests. After the pesticides are finally grown, the pesticides will remain on fruits and vegetables. Japan's pesticide residue standards are more stringent than China's, and they are used to restrict the export of agricultural products from other

countries in order to protect the Japanese market.

### **2.2.2 Inspection and quarantine measures**

Japan classifies the degree of inspection of imported agricultural products into three categories, namely order inspection, surveillance inspection, and inspection-free systems. Among them, the strict inspection is generally on agricultural products that are prone to residual pesticides, and the inspection rate reaches 100%. During the inspection process, agricultural products that do not meet the pesticide residue requirements will be destroyed on site.

### **2.2.3 Green labeling and packaging requirements**

Japan attaches great importance to the packaging of agricultural products in the process of importing agricultural products, and has strict regulations on the characters, styles, and patterns of the packaging. When importing, if the packaging of agricultural products does not meet the requirements, agricultural products will be returned or even destroyed. However, when China imports, it rarely pays attention to the requirements of agricultural product packaging. Therefore, when Chinese enterprises export, the packaging often fails to meet Japanese standards, which hinders the export of Japanese agricultural products to Japan.

## **3. Factors of Chinese agricultural products encountering Japanese green barriers**

### **3.1 High similarity between China and Japan**

Geographically, China and Japan are only separated by a sea. They are all in the east of Asia and the climate is similar. Therefore, the crops they produce are similar, which is not only conducive to trade, but also creates fierce competition. Japan needs to import a large amount of agricultural products every year, but in order to protect the development of its own agriculture, Japan has implemented strict green trade barriers.

### **3.2 Intense intra-regional competition**

#### **3.2.1 Competition for agricultural products intensifies after the economic crisis**

In recent years, Japan's economic development has been slow. Since the 2008 economic crisis, Japan has taken many measures to restore the economy. However, the economic crisis has not caused too much impact on the export of Chinese agricultural products, but it has greatly strengthened the export of agricultural products. China is a large agricultural country, with low labor prices and abundant resources, which makes China's labor-intensive products have a price advantage in the process of exporting to Japan, which has created survival pressure on Japan's agricultural products industry. Therefore, Japan has implemented a highly concealed green trade barrier and made strict regulations on the packaging of imported agricultural products and pesticide residues, thereby greatly reducing the risk of other countries occupying their own markets.

#### **3.2.2 Sino-Japanese agricultural trade competition**

Japanese farmers have a large say in political elections, so in order to please farmers, the Japanese government has set up green trade barriers that are beneficial to farmers. In Japan, the Agricultural Association takes farmers' interests as the fundamental starting point and provides services to farmers in the production, procurement, processing, and sales of agricultural products, and also plays a good lead role. China's agricultural products are cheap, and because of its price advantage, it has caused a lot of impact on Japan's agricultural products market. Therefore, in order to protect the domestic agricultural product market and the interests of farmers, Japan implemented green trade barriers.

#### **3.2.3 China's agricultural products lack competitiveness**

As China is a developing country, science and technology are not as advanced as developed countries, so the management of agricultural products is slightly extensive, and the amount of

pesticides and other chemicals used exceeds the standard. However, developed countries are pursuing high quality from the place of origin to the dining table. Therefore, the quality of Chinese agricultural products has lagged behind developed countries. Most of the enterprises producing agricultural products in China are fragmented. There is no large-scale centralized operation and management, and they are fragmented from production to sales. This has led to uneven and uneven quality of agricultural products.

#### **4. Chinese agricultural products' methods and proposals to deal with Japan's green barriers**

China's agricultural products encountered severe green barriers in the process of exporting to Japan, which will inevitably have a certain impact on the export of China's agricultural products. Our government, enterprises and agricultural associations should join forces to take effective measures to reduce the adverse impact of green barriers on our country.

##### **4.1 Government level**

###### **4.1.1 Improve agricultural product quality and safety management institution system**

At present, as long as the department in charge of food safety in our country has the State Environmental Protection Administration, the Ministry of Health, the Ministry of Agriculture, the Ministry of Commerce, the General Administration of Quality Supervision, Inspection and Quarantine, etc. However, from the actual effect, the management department has not played a fundamental role in China's foreign trade. The Ministry of Health of China will conduct regular spot checks on newly listed agricultural products. However, in the process of agricultural product production and processing, the intensity of inspections is still insufficient, which will cause food safety problems in recent years. Due to the restrictions of the administrative level, the State Food and Drug Administration cannot effectively coordinate with other departments, and there is a lack of communication and cooperation between departments, and it is unable to maximize the strength and effectiveness of supervision. Therefore, in order to strengthen the supervision and management of food safety and better cope with green trade barriers, China's various safety management departments should strengthen their relations and cooperation with each other to maximize the inspection efforts.

###### **4.1.2 Improve the agricultural product quality and safety laws and regulations system**

Although after years of unremitting efforts, China has achieved certain results in improving the laws and regulations on the quality and safety of agricultural products, but in the face of the new situation of China's foreign trade and the increasingly fierce competition in international trade, agricultural laws and regulations should advance with the times. Therefore, China should further improve the system of laws and regulations related to the safety of agricultural products, and speed up the promulgation of laws and the revision of laws.

###### **4.1.3 Increase government support for SMEs**

First, the government should provide financial assistance to small and medium-sized enterprises with development potential, or give certain preferential treatment in terms of taxation and loans, so that SMEs have sufficient funds to update production equipment, adjust the production structure, and stimulate the innovation momentum of enterprises; Secondly, while granting financial assistance to small and medium-sized enterprises, the government should promote the transformation of its development methods into high-tech and high-tech directions. At the same time, the enterprise itself must change its development concept. Only by following the green development road can efforts be made to break the green barriers of developed countries. Finally, the government can help companies to introduce and re-innovate technologies through subsidies or investments, and help companies establish technological innovation mechanisms, Diversified investment mechanisms and corporate parental mechanisms bring together capital, talent, and technology so that they can better respond to technological barriers to trade in other countries.

## **4.2 Enterprise level**

### **4.2.1 Strengthen technology research and innovation and develop green products**

First, we must improve the core competitiveness of the enterprise. High-tech talents are also an important factor in achieving technological innovation breakthroughs. Enterprises should actively introduce talents who are familiar with trade knowledge and foreign technical trade barriers, so as to inject new blood into the enterprise. Second, China's export enterprises can set up research and development technology in foreign countries Center, which is conducive to the development of China's export market in a diversified direction, so as to obtain a major position in international trade; Finally, Chinese enterprises should also strengthen environmental awareness and strengthen the export of green products, so that they can encounter less green trade barrier.

### **4.2.2 Increase overseas investment and strengthen regional cooperation**

The state should provide preferential policies to overseas investment enterprises, help Chinese powerful enterprises to set up multinational companies overseas, and expand the international operation scale of enterprises. In this way, enterprises can take advantage of local geographical and technological advantages to avoid technical trade barriers.

## **5. Conclusion**

The article first introduced the concept, causes and expressions of green trade barriers, then made a detailed analysis of the current status of China-Japan agricultural product trade development, and analyzed the factors that caused Chinese agricultural products to encounter Japanese green trade barriers. Two different angles of the enterprise put forward the methods and suggestions of Chinese agricultural products in dealing with Japanese green trade barriers. The purpose of this article is to make readers understand the grim situation of Chinese agricultural products export to Japan and hope to attract attention.

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