

THE POTENTIAL OF THE JEWISH KOSHER CERTIFICATION MARKET

— SYNERGIES EXPECTED TO EXPAND JAPANESE PRODUCT SALES —

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SUMMARY

- Food products certified as kosher based on Jewish dietary rules and regulations are consumed not only by followers of Judaism but also by followers of Islam, vegetarians, persons with certain food allergies, and consumers who place a high priority on food safety.
- The kosher certification process places great importance on food safety, which is something it has in common with the Japanese food products industry in general, and nearly 150 such Japanese companies have obtained kosher certification. As the Japanese government is moving forward with support measures for religion-based food certification efforts, kosher certification will likely become much easier to obtain in the future.
- Some challenges exist to this certification system, particularly in relation to the recognition of certification organizations and costs of certification. However, if companies pursue kosher certification as well as halal, vegan and other certifications, it may be possible for them to add greater value to their business.

1. INTRODUCTION

Not everyone is familiar with the kosher certification concept, which is based on Jewish dietary regulations. Halal certification, which is based on Islamic dietary regulations, has become well known throughout Japan due to its use in foreign tourism promotion; in contrast, relatively few people know about Jewish kosher regulations. Kosher certification is widely recognized in Europe and North America, with supermarkets often having specific kosher sections.

Personally, I, the author of this report, obtained kosher certification for Kyoto *matcha* powdered green tea and created the idea of "Rabbi-Cha,"¹ a new form of enjoying tea, by incorporating Jewish religious elements into the Japanese tea ceremony (*Chanoyu*). Based on these experiences, this report explores the significance and future prospects of kosher certification in Japan.

2. KOSHER AS A RELIGIOUS CERTIFICATION

2-1. Kosher Certification

The word "Kosher", which originates from the Hebrew word "Kashrut," means proper or fit. There are more than 1,400 kosher certification organizations² of varying sizes around the world. These are headed by rabbis, who are the spiritual leaders of the Jewish religion, and who award a certification symbol³ to kosher-certifiable foods

¹ Article on Rabbi-Cha tea: <https://www.nikkei.com/article/DGKKZO74871130Y1A810C2EAC000/>

² A directory created by the Chicago Rabbinical Council: https://www.crcweb.org/agency_list.php

³ Visuals and information on kosher certification symbols: <https://diamond.jp/articles/-/261045?page=3>

and other products. The three main rules of kosher approval are as follows:

(1) Prohibited animals must not be consumed, with said forbidden animals including all land animals that don't chew their cud and have split hooves. Kosher animals such as cows, sheep, goats, Kosher poultry includes chickens, turkeys and certain others. In addition, squid, octopus, crab, shrimp, shark, shellfish and other sea creatures that do not have fins and scales, as well as insects and certain other edible organisms, may not be consumed.(2) Meat and dairy products must not be eaten together, and separate cooking and eating utensils must be used for each. (3) Meat must be prepared according to kosher regulations, meaning a rabbi must slaughter and prepare meats in accordance with Jewish precepts. In addition to the above three food-related rules, there are rules related to facilities, tools and equipment, production processes, packaging and other aspects. All of these are based on passages from the Bible. Regarding item 1 above, there are multiple mentions in the Bible of specific food prohibitions, with the following passage from Deuteronomy 14 being particularly well known: "Every animal that parts the hoof and has the hoof cloven in two and chews the cud, among the animals, you may eat." Additionally, a passage in Exodus 23 states, "You shall not boil a young goat in its mother's milk," which is interpreted in a wide sense to mean that the cooking of any meat together with any dairy product is prohibited, including meat from chickens despite the fact that they do not produce milk. Moreover, it is important to note that "boil" in this case also refers to digestion within the stomach following consumption. Accordingly, after drinking milk, it is necessary to wait for one hour before eating meat. After eating meat, it is necessary to wait for six hours before drinking milk.⁴

2-2. Scope of Kosher Certification

Kosher certification is not issued only for food manufacturers but also for restaurants, hotels, medical institutions and logistics companies. For example, there are two types of McDonald's in Israel: standard-type McDonald's restaurants and those that serve kosher and vegan products (Figure 1). The second type is closed on the Sabbath, and during Passover (a Jewish religious holiday period) they use a special menu that excludes yeasts and food containing yeasts, in accordance with dietary restrictions (Figure 2).⁵

Figure 1: A “blue McDonald’s” in Israel serving food products made in accordance with kosher and vegan dietary



Photograph by author

Figure 2: A supermarket that covers up shelves of yeast-containing foods during Passover



Photograph by author

At hotels, medical institutions and other such locations, foods as well as facilities overall are included in certification. On the weekly Sabbath, for example, a day when labor of any kind is prohibited—including actions such as pushing buttons on electronic devices—one requirement for kosher certification is the operation of elevators as “Sabbath elevators,” which automatically stop on each floor. In the logistics industry, the kosher-

⁴ Degree of strictness varies by sect.

⁵ <https://diamond.jp/articles/-/267466?page=2>

certified company Heinz not only ensures that rabbis check and approve tomatoes, sugar and other ingredients in their ketchup products, but also makes sure that tanker trucks used to transport sugar have not been used to carry any prohibited item in the past.⁶

2-3. Comparison to the Halal Certification System

Historically, many similarities exist between the Jewish and Islamic religions, including those in the area of dietary regulations. Both religions have similar animal-consumption prohibitions (pork, for example) and regulations regarding preparation and processing methods. Therefore, some Muslims buy kosher foods in situations where no halal foods are available to purchase.⁷ Some differences exist as well, such as kosher seafood-related prohibitions and the prohibition on eating meat and dairy products together, which are unique to Judaism, and the prohibition on drinking alcohol, which exists in Islam but not Judaism. Regarding certification systems, recognition of certification validity may vary from region to region. Halal certification rules vary by country in categories such as animal slaughter methods and alcohol content amounts. In some nations, government agencies issue import permits for halal foods (meats and similar). Even if one obtains halal certification in Indonesia, for example, the same product may not be approved for import in the United Arab Emirates.^{8 9} With kosher certification, there is an issue of differences in the name recognition (discussed later in this report). However, there is no need to obtain certification from each of the countries where products are sold.

3. THE KOSHER CERTIFICATION MARKET

3-1. Global Market Conditions

According to market research company IMARC, the kosher food market reached a size of 19.9 billion US dollars (approximately 26.9 trillion Japanese yen) in 2021, and further growth is anticipated.¹⁰ Allied Market Research predicts an average annual growth rate of 3.7 percent in this market for the period from 2019 to 2026, with a forecasted period-end market size of 25.6 billion dollars (approximately 34.5 trillion yen).¹¹

IMARC states that this is driven in part by the increasing popularity of kosher foods among non-Jewish consumers. Kosher-certified product packaging displays ingredient information in a very precise and detailed manner, providing a way to check dietary information for Muslims, vegetarians and others who do not eat meat, and persons with allergies to ingredients that are prohibited under kosher rules.¹² Additionally, consumers (primarily in the US) who place a particularly strong emphasis on food safety consume kosher products due to the strict safety guarantees provided by rabbis via the stringent kosher certification process.^{13 14}

At present, prominent Western brands such as Godiva, Nestlé, Coca-Cola, Starbucks and Häagen-Dazs have already obtained kosher certification for their products. Although this means that even consumers who pay no attention to such certifications are purchasing kosher products and thus inadvertently helping to grow the market size, the more important takeaway is that large food product companies have become aware that kosher certification brings advantages.

⁶ <https://cor.ca/2012/05/what-is-a-kosher-tanker/>

⁷ According to an interview with a certification organization

⁸ https://www.maff.go.jp/j/shokusan/export/e_kikaku/28/attach/pdf/170331-4.pdf

⁹ https://www.maff.go.jp/j/shokusan/export/torikumi_zirei/pdf/q_haral.pdf

¹⁰ <https://www.imarcgroup.com/kosher-food-market>

¹¹ <https://www.alliedmarketresearch.com/press-release/kosher-food-market.html>

¹² <https://theallergymom.com/kosher-labeling-demystified-kosher-labels-and-their-significance-for-food-allergies/>

¹³ Kosher Without Law: The Role of Nonlegal Sanctions in Overcoming Fraud Within the Kosher Food Industry, 2004, P593

¹⁴ https://www.maff.go.jp/j/shokusan/export/pdf/2021_kosher.pdf

3-2. Kosher Certifications in Japan

As kosher-certified products become more commonplace around the world, roughly 150 Japanese companies¹⁵ have obtained kosher certifications for products sold in the US, Europe and other markets. Various sake products (e.g., “Nanbu Bijin,” Asahi Shuzo’s “Dassai” and Hakkaisan Brewery’s “Hakkaisan”) as well as rice, sweet potatoes, Japanese green tea, chicken and other livestock/agricultural/marine products, and even processed products such as bonito flakes and dietary supplements, have been kosher certified. Although each company pursued this certification for its own unique reasons, the shared motivation among them was acquisition of new customers from among consumers who seek greater food safety.

The Japanese government has also been paying attention to kosher certification. The Chubu region attracts many Jewish visitors due to its ties with Chiune Sugihara,¹⁶ a Japanese diplomat who issued “visas for life” to help Jews flee Europe during World War II. In response, the Ministry of Land, Infrastructure, Transport and Tourism’s Chubu District Transport Bureau created the *Hospitality Handbook for Jewish Tourists Visiting Japan*¹⁷ in order to disseminate basic information on Judaism among regional hotels, restaurants and other such businesses. Furthermore, in November 2020, the national government announced that they would strengthen exports of religion-certified foods aimed at followers of Judaism and Islam, and made the decision to dispatch personnel with knowledge and experience regarding certification frameworks to the nation’s nine Regional Agricultural Administration Offices and other government branch offices.¹⁸ Moving forward, the government plans to provide support for religious certification through subsidy issuances and other such measures, which may make it easier for producers to obtain new certifications.

4. THE FUTURE OF KOSHER CERTIFICATION

4-1. Kosher Certification Advantages and Challenges

Kosher certification offers the advantage of guaranteed product safety based on the strict kosher inspection process. In the case of kosher-certified sake, for example, rabbis actually visited the producers’ breweries as well as the production sites for base ingredients such as rice and *koji* mold.¹⁹ When I accompanied a rabbi during the Japanese green tea kosher certification process, he not only inspected production methods but also carried out the all-important inspections for contaminants in the production and distribution processes, because consumption of insects is forbidden under Jewish precepts. Furthermore, he requested documentation on fertilizer constituents for reference purposes and checked the area surrounding the production facility. Because rabbis visit and personally inspect production sites and facilities in this way, kosher certification serves as a form of third-party certification for said sites and facilities. By adding this certification to the already high reputation of Japanese food products in terms of food safety, it is possible for Japanese companies to further strengthen their brands.

Meanwhile, two challenges still exist in regard to kosher certification: (1) disparities in strictness of inspections at, and name recognition of, certification organizations, and (2) certification costs. Regarding item 1, the strictness of certification organization inspection, as well as the name recognition of each inspection organization, can affect how widely its certifications are recognized by suppliers of the products. Larger certification organizations employ rabbis from more stringent religious sects for their inspection activities, meaning the inspections are considered to be stricter, or the names of their organizations and rabbis are well-known throughout numerous countries worldwide. In contrast, the certifications issued by smaller organizations

¹⁵ This number is based not on precise, statistical data, but on an interview with a certification organization

¹⁶ With a Chiune Sugihara museum in the town of Yaotsu-cho, Gifu Prefecture and the landing site of Jewish refugees during World War II situated in Tsuruga City, Fukui Prefecture, large numbers of Jewish tourists visit the region, with their activities primarily based out of Takayama City, Gifu Prefecture <http://www.sugihara-museum.jp/tourism/>

¹⁷ <https://www.tb.mlit.go.jp/chubu/kankou/pdf/h29/kankou20180312.pdf>

¹⁸ *The Yomiuri Shimbun*, Nov. 3, 2020

¹⁹ <https://xtrend.nikkei.com/atcl/contents/watch/00013/01720/>

may not be widely recognized among potential markets. Regarding item 2, although costs vary by organization, annual costs generally range from hundreds of thousands of yen all the way up to millions of yen for certification inspections and rabbi visits, which can be an issue. Currently, Japan has only three kosher certification organizations. Therefore, a company hoping to export its goods to the US, for example, may choose an American certification organization that is knowledgeable in American sales networks. In this case, such a company must also pay for a rabbi to travel from the US to Japan on top of standard costs, which leads to far higher expenditures than if they were to use a Japan-based certification organization.

4-2. Conclusion

As described in this report, kosher certification offers certain advantages even though it entails some challenges. With these factors taken into consideration, I believe that careful selection of a certification organization can bring reasonable benefits. A person at a manufacturer whom I interviewed while creating this report told me the following: "We made the decision to export a product certified in Japan to the Middle East. This was reported on widely by Japanese media, including local newspapers,²⁰ and it proved to be a good PR opportunity for our company, so it ended up being worth the certification costs we paid." Their decision to obtain certification helped the company attract new customers while also having the added benefit of promoting and advertising the company itself. In regard to the name recognition issue for certification organizations, as long as suppliers are provided with sufficient information on the certification organization and their certification process, no significant problem is likely to arise.

Moreover, combining kosher certification with other product certifications can contribute to the acquisition of new customers and provide additional product value. Some companies do, in fact, obtain halal certification and vegan certification in addition to kosher certification for their products. In the future, kosher certification may prove to be an opportunity for greater value addition to Japanese products that are exported to other countries.

²⁰ <https://www.agrinews.co.jp/economy/index/39237>