Personal Care
Products Council

U.S.-Japan Cosmetics Trade Fact Sheet

Advancing American Jobs, Manufacturing, and Export Growth

The U.S. cosmetics and personal care products industry drives $242 billion in GDP and nearly $500 billion in annual economic activity. More than $15 billion in annual exports help sustain U.S. manufacturing and global competitiveness. The industry supports 2.6 million U.S. jobs, with manufacturing operations in 49 states. With 95 percent of companies classified as small businesses, predictable market access is essential.

Why Japan Matters

High-value export market: In 2025, U.S.-Japan cosmetics trade reached $577 million, including $332 million in U.S. exports to Japan.

Trusted regulatory partners: The United States and Japan have science-based cosmetics regulatory systems and two decades of cooperation through the International Cooperation on Cosmetic Regulations.

Clear growth opportunity: Deeper regulatory alignment would cut unnecessary costs, speed market entry, and help U.S. companies compete more effectively in Japan.

Top U.S. State Exporters to Japan in 2025

CALIFORNIA: $52.4 MILLION

UTAH: $38.5 MILLION

TEXAS: $26.6 MILLION

Top Barriers Holding Back U.S. Export Growth

01 **Slow quasi-drug approvals:** Japan's lengthy approval process delays U.S. product launches, including innovative products already sold in other major markets.

02 **Unnecessary ingredient registration:** Japan requires registration of non-active ingredients in quasi-drug products, even though manufacturers safely manage these commonly used ingredients without pre-approval in the United States and most major markets.

03 **Restrictive claims rules:** Japan limits cosmetic claims to 56 approved statements, preventing U.S. companies from using truthful, scientifically substantiated claims allowed in other major markets.

04 **Limited direct market access:** Foreign companies must rely on a licensed importer or local subsidiary to enter the Japanese market, adding cost and complexity for U.S. exporters.

Global Sourcing is a Structural Necessity

Exports Start With Competitive Production

U.S. manufacturers need reliable access to specialty ingredients, functional raw materials, packaging components, and other essential inputs to make high-quality products in the United States.

Many Critical Inputs Are Not Made at Scale in the U.S.

PCPC's analysis of nearly one million FDA-listed cosmetic products found that **more than 42 percent of ingredients** used by American manufacturers cannot currently be sourced domestically or at commercial scale.

Targeted Tariff Relief Would Boost U.S. Exports

Tariffs on unavailable inputs raise production costs without creating new domestic supply. Targeted relief would lower costs, support U.S. manufacturing investment, and strengthen American-made products in global markets.

Japan exports many critical inputs used to produce Made-in-America cosmetics and personal care products. These include high-purity specialty chemicals, preservatives, film-forming polymers for long-lasting products, mineral pigments and effect minerals for color and UV protection, specialty botanical extracts, precision dispensing pumps, and plastic, glass, and paper packaging components.

Reliable access to these specialized inputs supports U.S. manufacturing, strengthens American jobs, and helps U.S. companies produce innovative, high-quality products that compete and win in global markets.

Policy Ask

- Advance targeted tariff relief for critical cosmetic inputs that are not available domestically or at commercial scale.
- Use U.S.-Japan trade and regulatory dialogues to reduce unnecessary approval delays, ingredient registration burdens, and restrictive claims rules.
- Strengthen market access so U.S. companies can expand exports, support American jobs, and compete on a level playing field in Japan.

Sources: 2026 Economic Impact Analysis of the U.S. Personal Care Products Industry, KPMG Analysis, UN Comtrade