

EU – JAPAN EPA

FOREST PRODUCTS

This presentation has been prepared with the sole purpose of simplifying the understanding of some parts of the EU-Japan EPA and bears no legal standing.



EU-Japan Centre
for Industrial Cooperation
日欧産業協カセンター

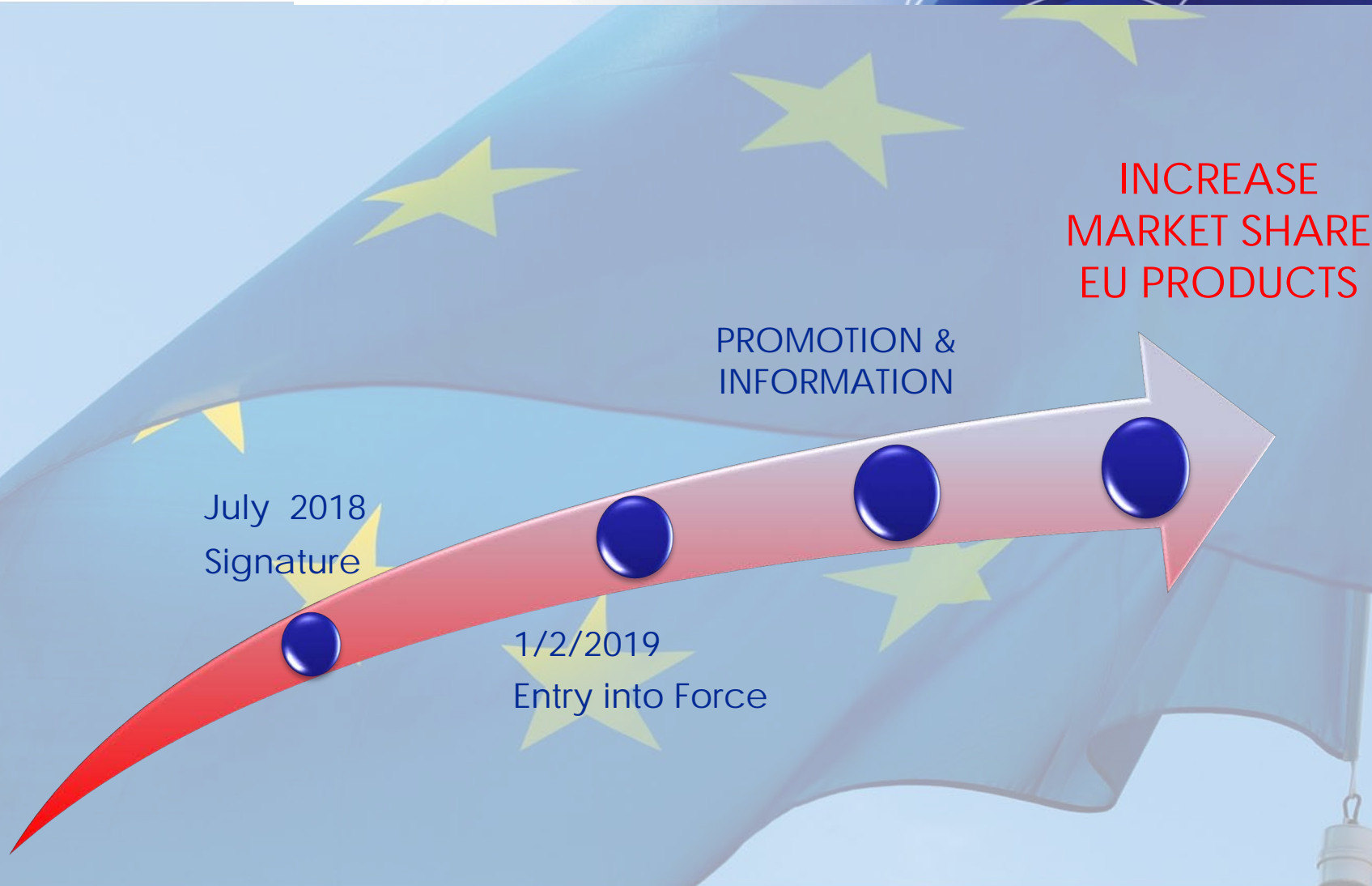


www.eu-japan.eu/epa-helpdesk

Under the
supervision of



EPA Process



MARKET ACCESS

Types of EPA Concessions

Type	EPA Code	Description
Immediate Liberalisation	A	Japan's base rate is eliminated at the entry into force of the Agreement
Duty elimination spread over a period	B	Gradual elimination of Japan's base rate over a period of time. the zero duty will be applied in subsequent years.
Duty reduction spread over a period	R	Gradual reduction of Japan's base rate to a certain level. The final reduced level will be applied in subsequent years.
Tariff rate quotas	TRQ	TRQs allow for one of the above preferences within the limits of an annual import quantity.
Exclusion	X	Tariff lines excluded from any preference

In general:

- all EU Forest products:
 - were already liberalised at MFN level, or
 - have been liberalised at the entry into force of the EPA, or
 - will be gradually liberalised under the EPA.
- tariff lines liberalised at the EIF are not listed in the EPA Schedule.
- All tariff lines can be found at website of Japan's Customs:

In Detail:

CH 44: Wood and Articles of Wood; Wood Charcoal

- Headings 44.01 to 44.06, 44.08, 44.11, 44.13 to 44.15, 44.17, 44.19 to 44.21: all duty free since EIF.
- Headings 44.07, 44.09, 44.10, 44.16 and 44.18: mixture of duty free since EIF and gradual liberalisation in 7 years.
- Heading 44.12 (plywood, veneered panels and similar laminated woods): mixture of
 - liberalisation at the EIF (e.g. HS 4412.94 - blackboard, laminboard, battenboard;
 - gradual liberalisation in 7 or 10 years (e.g. 4412.31 – other plywood with a least one outer ply of tropical wood)

In Detail:

Remaining Chapters

- **Chapter 45 – Cork & articles of cork: zero duty at MFN level**
- **Chapter 46 – Manufactures of straw, of esparto or of other plaiting materials: liberalisation since EIF of Agreement**
- **Chapter 47 – Pulp of wood or of other fibrous cellulosic material: zero duty at MFN level**
- **Chapter 48 – Paper and paperboard; articles of paper pulp: zero duty at MFN level**
- **Chapter 49 - Printed books, newspapers, etc.: zero duty at MFN level**

BASICS

Specified by product in the Product Specific Rules of Origin (PSR) – Annex 3-B

The following definitions apply:

- Chapter: the first 2 digits
 - Heading: the first 4 digits
 - Sub-Heading: the first 6 digits
- } in the HS tariff classification code

Wholly Obtained: EU/Japan origin is required

CC (Change of Chapter): Non-EU/Japan originating materials may be used in the production of the goods if these materials are classified under another Chapter

CTH (Change of Tariff Heading): Non-EU/Japan originating materials may be used in the production of the goods if these materials are classified under another Heading

CTSH (Change of Tariff Sub-Heading): Non-EU/Japan originating materials may be used in the production of the goods if these materials are classified under another Sub-Heading

PSR may contain product-specific exceptions/conditions !!

GENERALITIES

- to benefit from an EPA preference: product must be originating in the EU or Japan.
- to be originating the product must comply with:
 - the provisions “Rules of Origin” of the EPA text (Chapter 3), including: conditions to be originating
 - the Product Specific Rules (PSR) for each product (Annexes 3A/3B and Appendix 3-B-1): further requirements in order to be originating.

For forest products, these requirements can include:

- a change in tariff classification
- a maximum value of non-originating materials
- a minimum regional value content

SPECIFIC PRODUCT RULES (PSR)

Headings 4601.29, 4601.94 and 4602.19

CC except from Chapter 14

Non-originating materials can be used in the production if these materials are classified under a Heading different than the one of the produced good, except from Chapter 14 (Vegetable plaiting materials).

For all other tariff lines:

CTH with MaxNOM 50% (EXW), **or** RVC 55% (FOB)

Non-originating materials can be used in the production if these materials are classified under a Heading different than the one of the produced good, or that:

the value of the non-originating materials is not higher than 50% of the Ex-Works price value of the produced good, or that the produced good includes at least 55% as a minimum regional content in value FOB.



INFORMATION SOURCES

▶ EPA text and Annexes:

<http://trade.ec.europa.eu/doclib/press/index.cfm?id=1684>

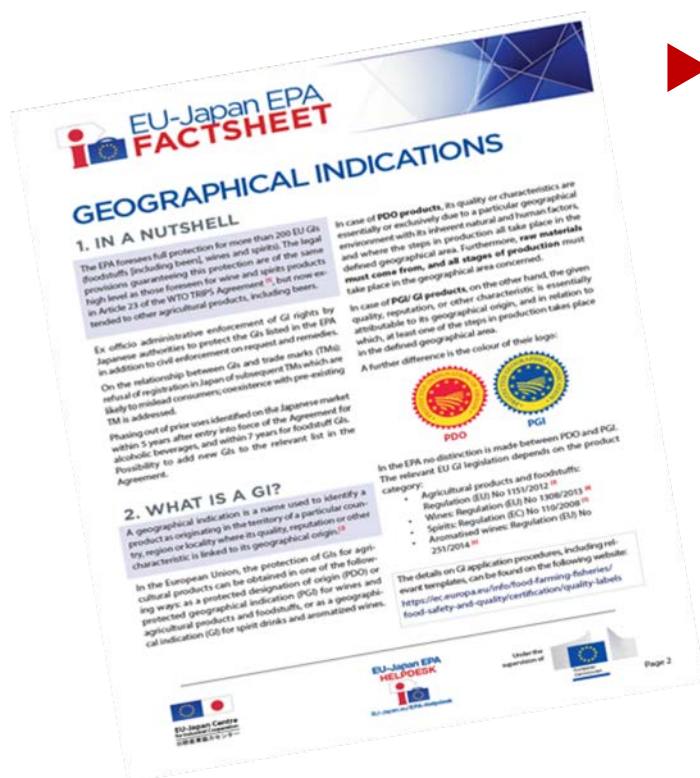
Of which:

- ▶ Annex 2-A: Schedule and Notes;
- ▶ Annex 3-B: Product specific rules of origin;

INFORMATION SOURCES

▶ EPA Helpdesk: <https://www.eu-japan.eu/epa-helpdesk>

▶ Fiches per sectors and webinars on EPA outcome



Wines and Spirits
Geographical Indications
SMEs
Forest products
Textiles

Overall import conditions in Japan:

- European Commission DG TRADE: "Access2Markets Database":

<https://trade.ec.europa.eu/access-to-markets/en/content/welcome-access2markets-market-access-database-users>

- Import procedures - Japan. Min. Health Labour & Welfare:

<https://www.mhlw.go.jp/english/topics/importedfoods/1.html>

- Japan's Customs:

http://www.customs.go.jp/english/c-answer_e/imtsukan/1524_e.htm

- ▶ European Commission (DG TAXUD) – Rules of Origin:
 - ▶ https://ec.europa.eu/taxation_customs/business/calculation-customs-duties/rules-origin_en
 - ▶ https://ec.europa.eu/taxation_customs/business/international-affairs/international-customs-cooperation-mutual-administrative-assistance-agreements/japan_en
 - ▶ https://ec.europa.eu/taxation_customs/sites/taxation/files/eu_japan_epa_guidance_claim_verification_denial_en.pdf

Thank you for your attention

Yvan VAN EESBEEK

Consultant at the EU-Japan Centre for Industrial Cooperation

QUESTIONS ?

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