

EU – JAPAN EPA

FISHERY 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



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Under the
supervision of



EPA Process

**INCREASE
MARKET SHARE
EU PRODUCTS**

**PROMOTION &
INFORMATION**

**July 2018
Signature**

**1/2/2019
Entry into Force**

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 fishery 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 (EPA of MFN) are not listed in the EPA Schedule.
- All tariff lines can be found at website of Japan's Customs:
http://www.customs.go.jp/english/tariff/2019_4/data/e_50.htm

All fishery products CH03, CH1504 and CH16:

- were already duty free at MFN level, or
- have been liberalised as an EPA concession at the EIF, or
- will be gradually liberalised as an EPA concession in max. 15 years.
- exception: whale oil (150430.010): excluded.

A few examples ...

Jap. Code	Label	Base Rate MFN	Pref. Rate 1/4/20 - 31/3/21	EPA Preference
030235.010	Fresh or chilled Atlantic bluefin tunas	3.5%	1.8%	Base rate phased out in 5 years
030235.020	Fresh or chilled Pacific bluefin tunas	3.5%	2.5%	Base rate phased out in 10 years
030487.050	Frozen yellowfin bigeye tunas	3.5%	0%	Duty free since EIF
030214.000	Fresh or chilled Atlantic salmon	3.5%	0%	Duty free since EIF
160300.090	Extracts and juices of fish or crustaceans	9.6%	0%	Duty free since EIF

BASICS

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,
- **but** the territorial scope of a Party does **not** include the sea, seabed and subsoil beyond its territorial waters,
- **however**, according to EPA Art. 3.3. fish, shellfish or other marine life are wholly obtained, if taken by a Party's vessel from the sea, seabed or subsoil beyond the territorial sea of each Party, and in accordance with international law, beyond the territorial sea of third countries.
- **moreover**, this definition also applies on products exclusively produced from fish, shellfish or other marine life on board of a Party's factory ship beyond the territorial sea of each Party, and in accordance with international law, beyond the territorial sea of third countries.

BASICS

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**

RULES OF ORIGIN

GENERALITIES

- to benefit from an EPA preference in a Party: product must be originating in the other Party.
- to be originating the product must comply with:
 - ‘Wholly obtained’ or produced products as provided for in EPA Art. 3.3;
 - Products produced exclusively from materials originating in the EU or Japan, or
 - Products produced using non-originating materials, provided they satisfy all applicable requirements of Annex 3-B (PSR).

RULES OF ORIGIN

SPECIFIC PRODUCT RULES (PSR)

Chapter 3 Products

- **PSR for Atlantic Bluefin tuna**
 - Wholly obtained, or
 - Production is subject to caging in farms with subsequent feeding and fattening/farming for a minimum period of 3 months in a Party. The duration of the fattening or farming shall be established according to the date of the caging operation and the date of harvesting recorded in the electronic Bluefin tuna Catch Document (eBCD) of the International Commission for the Conservation of Atlantic Tunas (ICCAT).

- **PSR for other Chapter 3 products**
 - Wholly obtained

RULES OF ORIGIN

SPECIFIC PRODUCT RULES (PSR)

Heading 1504 Products

PSR rule: CTH - meaning that non- (EU/Japan) originating materials, i.e. imported from non-contracting Parties, can be used in the production of these goods if these materials are classified under a Heading other than the produced good.

Headings 1603, 1604 & 1605 Products

Heading 1603 (extracts and juices of fish, crustaceans and molluscs):

PSR rule: all the materials of Chapter 2, Chapter 3 and Chapter 16 used in this production must be **wholly obtained**.

Headings 1604 (prepared fish, caviar and caviar substitutes prepared from fish egg) and **1605** (prepared crustaceans and molluscs):

PSR rule: all the materials of Chapter 2 Chapter 3, Chapter 16 and Heading 10.06 (Rice) used in this production must be **wholly obtained**.

INFORMATION SOURCES

- ▶ EPA text and Annexes:

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

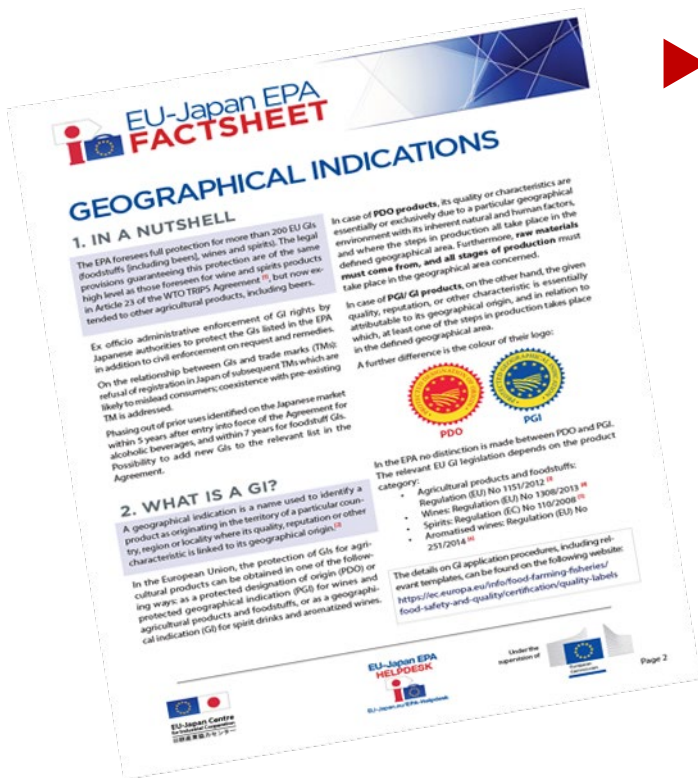
Of which:

- ▶ 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
Dairy Products
Meat Products
Processed Agricultural Products
Fruit & Vegetables

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 AGRI “Food and Beverage Handbook – Japan”:
<https://ec.europa.eu/chafea/agri/content/food-and-beverage-market-entry-handbook-japan>

INFORMATION SOURCES

- ▶ 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

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QUESTIONS ?

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