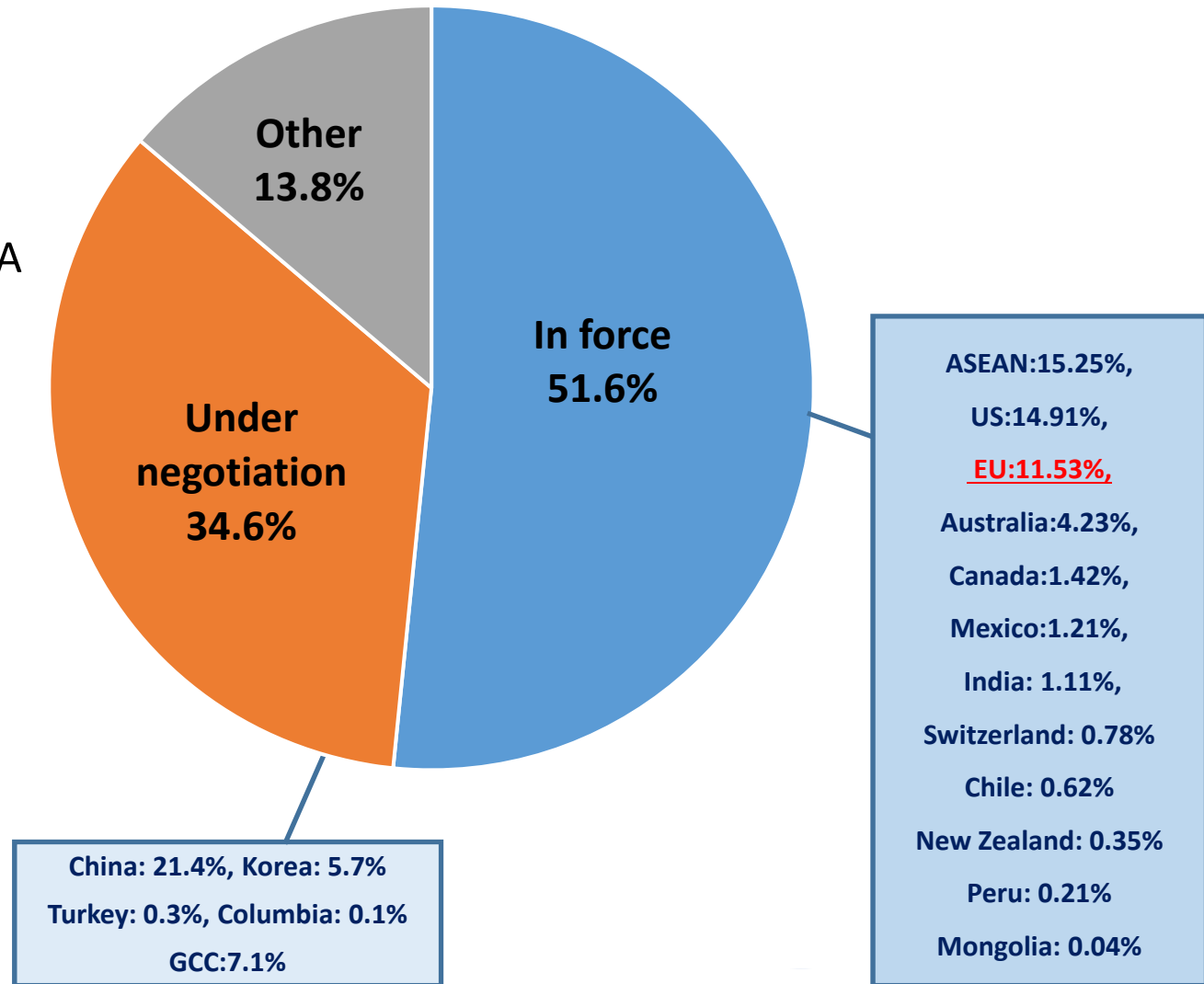


Current State of Play In Japan-EU EPA

**Customs and Tariff Bureau
Ministry of Finance
4 and 6 February 2020**

FTA Coverage Ratio of Japan

- ▶ **【Reference】** Ratio of FTA partners in trade amount of the major countries *Ratio of trade volume with FTA partner countries
- ▶ The United States 47.2% (39.0% - subtracting TPP)、EU : 36.2%, Korea : 68.2%*
- ▶ Source For Japan: Trade statistics, Ministry of Finance, For US, EU and Korea: IMF Direction of Trade Statistics



Utilisation of Major EPAs/FTAs

EPA/FTA	Import Value February to October, 2019 (Million Yen)	Proportion
EU	1,063,959	23%
ASEAN	718,784	16%
TPP11	641,399	14%
Thailand	562,226	12%
Indonesia	293,639	6%
Philippines	219,226	5%
Other	1,086,691	24%
Total	4,585,924	100%

Source: https://www.customs.go.jp/toukei/epa/epa_happyou2.htm

JP-EU·EPA Guideline

- ◆ Guideline for the statement on origin/importer's knowledge and verification under the Japan-EU EPA was made available in public on the Japan Customs Website on 16th Dec. 2019 after consultation with the EU.
- ◆ Some of the revised Guidance documents of the EU were published after consultation between the EU and relevant Ministries in Japan.

(Japanese)

https://www.customs.go.jp/roo/procedure/riyou_eu.pdf

(English)

https://www.customs.go.jp/roo/procedure/riyou_eu_EN.pdf

(EU Guidance documents)

https://ec.europa.eu/taxation_customs/business/international-affairs/international-customs-cooperation-mutual-administrative-assistance-agreements/japan_en

日 EU・EPA 自己申告及び確認の手引き

財務省関税局・税関

2019年12月

Simplified Procedure for Import Clearance

From 17th Nov. 2019

➤ Insert either code in the 3rd digit of the 4-digit code for the Origin certification in NACCS

Q	Statement on origin made by the producer (When the importer cannot provide an additional explanation on the originating status.)
F	Statement on origin made by the exporter (When the importer cannot provide an additional explanation on the originating status.)

NACCS Screen

The screenshot shows the NACCS system interface with a red box highlighting the origin certification code field. The field is labeled '原産地*' and contains a 4-digit code. A callout box points to this field with the text 'Insert EUF* or EUQ*'. The interface also shows other fields such as '数量1', '数量2', '輸入令別表', '課税価格', '蔵置種別等', and '内消費税種別'.

*Insert the 4th-digit code in accordance with the category.

Statement on Origin

- A statement on origin shall be made out using one of the linguistic versions of the text set out in Annex 3-D on a commercial document. ※1

(Period : from.....to.....) ※2

The exporter of the products covered by this document (Exporter Reference No ※3) declares that, except where otherwise clearly indicated, these products are of preferential origin.

(Origin criteria used) ※4
.....

(Place and date) ※5
.....

(Printed name of the exporter)
.....

- ※1 Apart from Japanese, official languages of the EU can be used for making out the statement
- ※2 Period for multiple shipments of identical goods (within 12 months).
- ※3 Exporter Reference No : Japan Corporate Number (where not assigned, this field may be left blank.)
- ※4 A: WO, B: PE, C: PSR, (1:CTC, 2:RVC/MaxNOM,3:SP) D: Accumulation, E:Tolerance
- ※5 Place and date may be omitted if the information is contained on the document itself.

How to make out a “Statement on Origin” on a document issued by another entity

☆ **Following is the common text with the EU guidance documents.**

- Statement on Origin ➡ Shall be made out by the “exporter”
- Commercial documents used for making out the statement ➡ Not stipulated
- When, in particular, a trading company makes an export declaration
➡ the following “Statement on Origin” are valid where both a producer and a trading company are located in an exporting Party.

- I. The producer acting as the “exporter”, although not exporting the products, makes out a statement on origin on its own document;
- II. The trading company acting as the “exporter”, based on information from the producer, makes out a statement on origin on its own document;
- III. The producer acting as the “exporter”, although not exporting the products, makes out a statement on origin on a document of the trading company;
- IV. The trading company acting as the “exporter”, based on information from the producer, makes out a statement on origin on a document of the producer.

In case of scenarios III. and IV. above, please note that the exporter making out the statement on origin, and not being the person having issued the commercial document, is clearly identified on that document.


How to make out a “Statement on Origin” on a document issued by another entity

- III. The producer acting as the “exporter”, although not exporting the products, makes out a statement on origin on a document of the trading company;
- VI. The trading company acting as the “exporter”, based on information from the producer, makes out a statement on origin on a document of the producer.

These two scenarios nevertheless imply that the exporter making out the statement on origin, and not being the person having issued the commercial document, is clearly identified on that document.

(Example)

The exporter who made out a statement on origin is a producer of the product. The exporter did not issue the commercial document with the statement on origin.



When an “exporter” is a producer

I. The producer acting as the “exporter”, although not exporting the products, makes out a statement on origin on its own document.

“Exporter” under EPA



Producer

Document issued by the producer
(Ex: Statement of delivery (Normally, the national language is used))

納品書

XYZトレーディング 御中

株式会社ABCケミカル
東京都千代田区〇〇1-1
TEL: 03-XXXX-XXXX
納品書番号: 1234567
発効日: 2020年1月31日

品目	単価	数量	価格
品目①	100	10	1,000
品目②	200	5	1,000
品目③	1,000	10	100,000
小計			102,000
消費税			10,200
合計			112,200

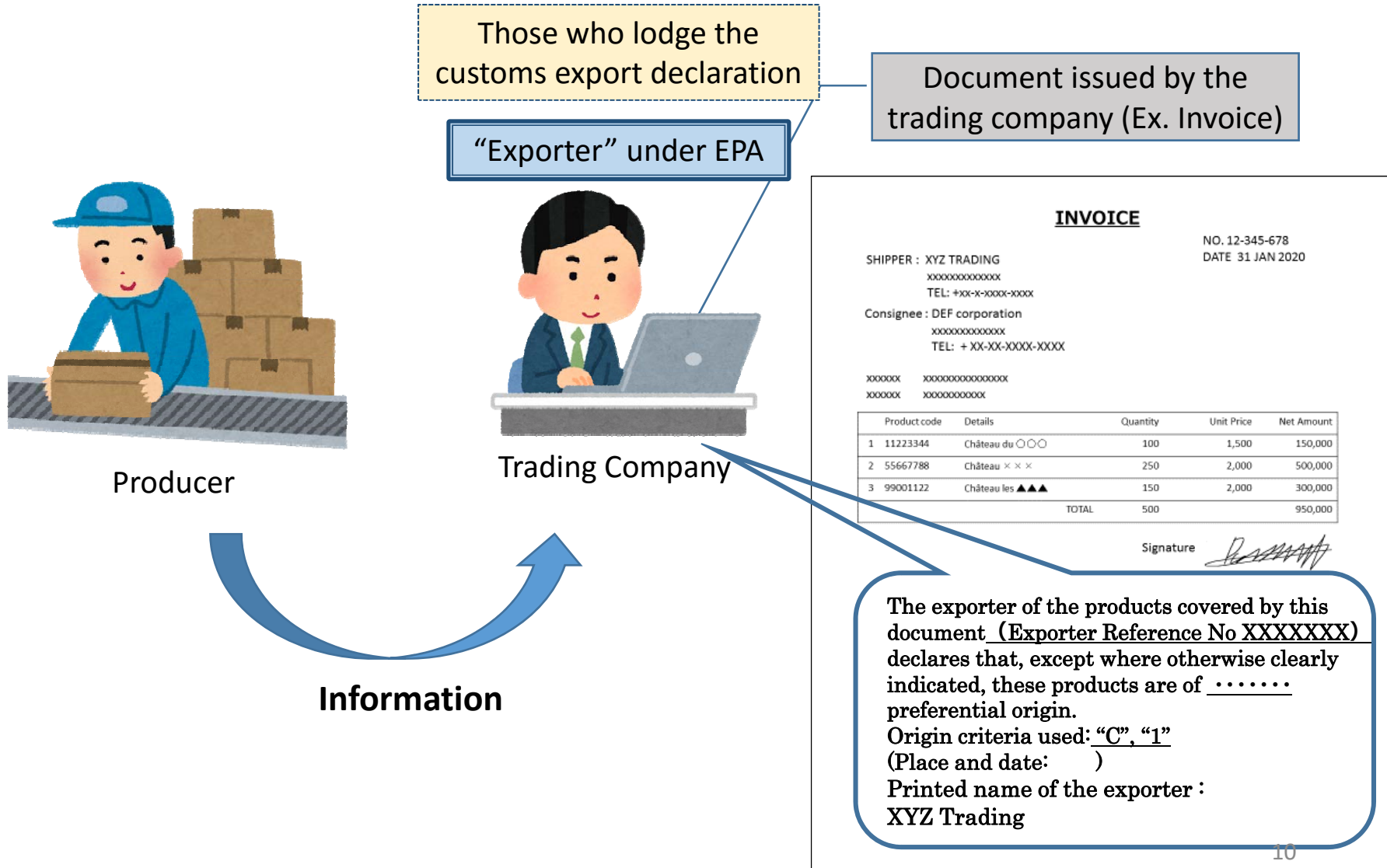
Those who lodge the
customs export declaration



Trading Company

The exporter of the products covered by this document (Exporter Reference No XXXXXXXX) declares that, except where otherwise clearly indicated, these products are of preferential origin.
Origin criteria used: “C”, “1”
(Place and date:)
Printed name of the exporter :
ABC Chemical Co.

II. The trading company acting as the “exporter”, based on information from the producer, makes out a statement on origin on its own document



III. The producer acting as the “exporter”, although not exporting the products, makes out a statement on origin on a document of the trading company

“Exporter” under EPA



Producer

Document issued by the trading company (Ex. Invoice)

Those who lodge the customs export declaration



Trading Company

INVOICE

SHIPPER : XYZ TRADING
 xxxxxxxxxxxxxxxx
 TEL: +xx-x-xxxx-xxxx

Consignee : DEF corporation
 xxxxxxxxxxxxxxxx
 TEL: +xx-xx-xxxx-xxxx

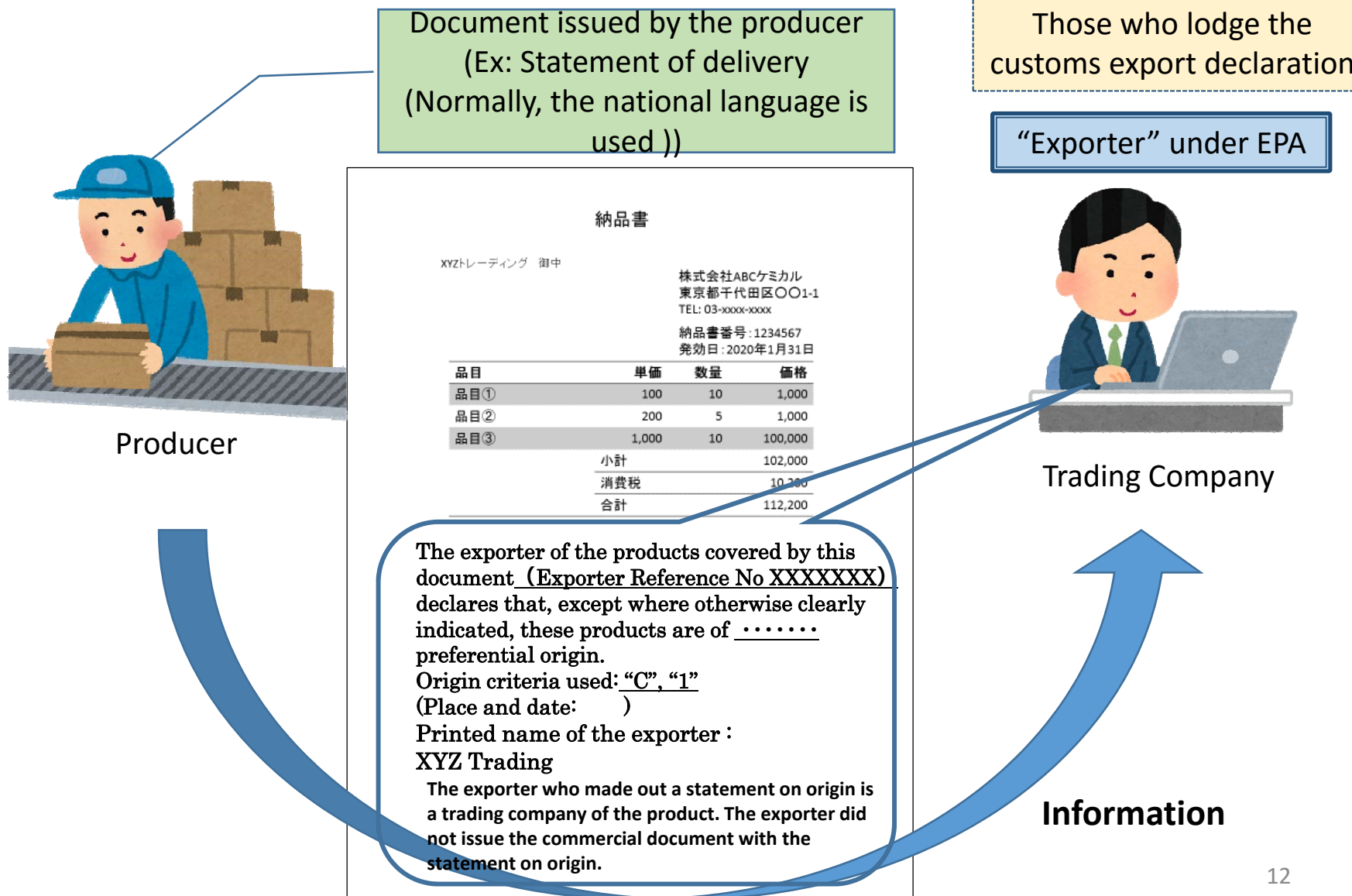
xxxxxx xxxxxxxxxxxxxxxx
 xxxxxx xxxxxxxxxxxxxxxx

Product code	Details	Quantity	Unit Price	Net Amount
1 11223344	Château du ○○○	100	1,500	150,000
2 55667788	Château × × ×	250	2,000	500,000
3 99001122	Château les ▲▲▲	150	2,000	300,000
TOTAL		500		950,000

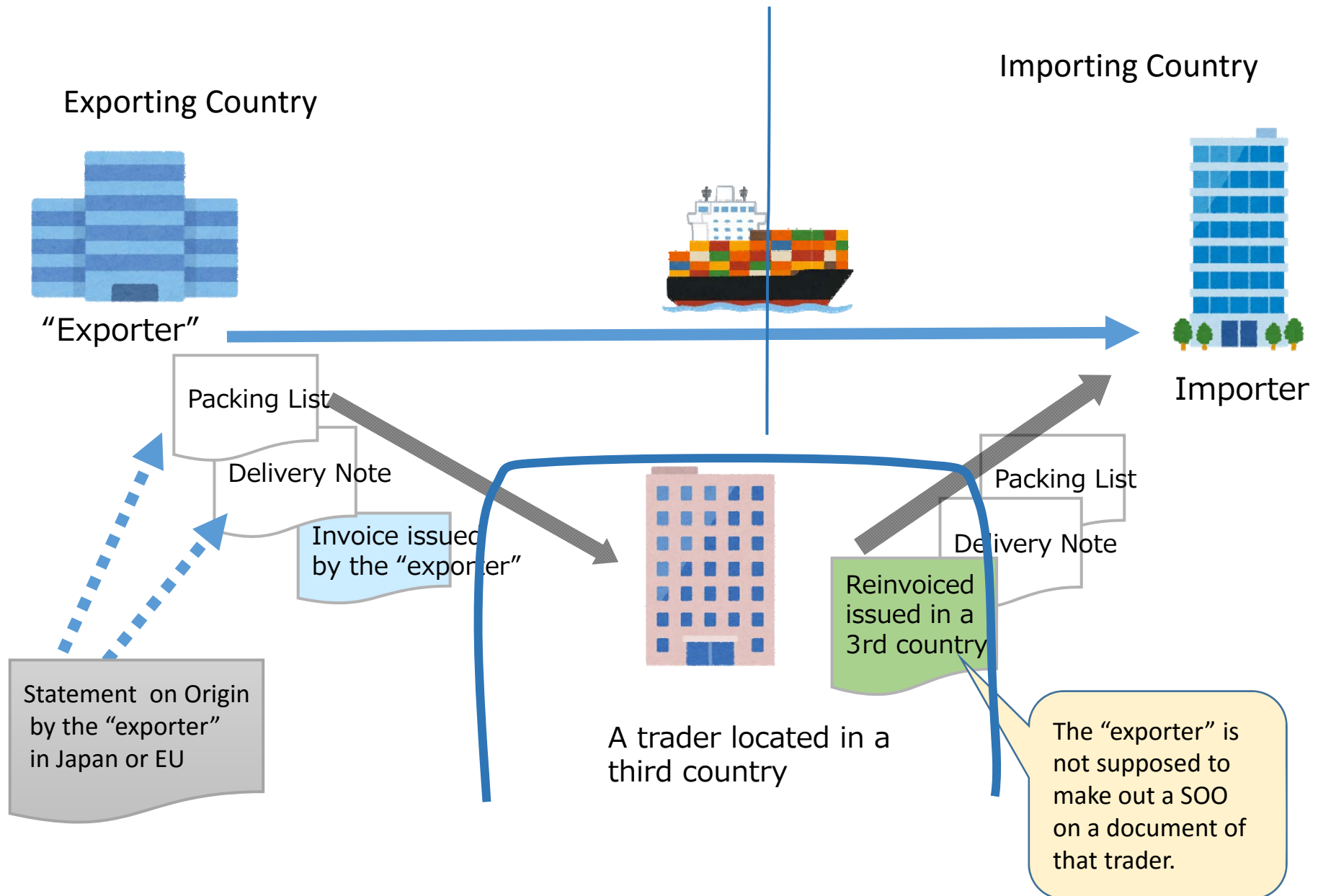
Signature

The exporter of the products covered by this document (Exporter Reference No XXXXXXXX) declares that, except where otherwise clearly indicated, these products are of preferential origin.
 Origin criteria used: “C”, “1”
 (Place and date:)
 Printed name of the exporter :
 ABC Chemical Co.
 The exporter who made out a statement on origin is a producer of the product. The exporter did not issue the commercial document with the statement on origin.

IV. The trading company acting as the “exporter”, based on information from the producer, makes out a statement on origin on a document of the producer.



Triangular trade (invoice issued in a third country)



An Exporter's Reference Number has not been assigned

Where not assigned, the field can be left blank.
(REX No.: Export value not exceed €6,000)
(Japan Corporate No.: Corporations of which HQs is not located in Japan, etc.)

(Period : from.....to.....)

The exporter of the products covered by this document (Exporter Reference No) declares that, except where otherwise clearly indicated, these products are of preferential origin.

(Origin criteria used)
.....

(Place and date)
.....

(Printed name of the exp
.....

the exporter may indicate its full address under the part "Place and date"

How to use a separate paper of the commercial document for a statement on origin

A statement on origin can be printed on a separate paper (e.g. a blank paper or a paper with a company letterhead), other than on an invoice or other commercial document, where:

- that invoice or any other commercial document makes a reference to that separate paper, or
- that separate paper makes a reference to the invoice or any other commercial document.

What is a commercial document?

An invoice, a pro-forma invoice, a shipping document (packing list, delivery note), etc.

A commercial document makes a reference to its separate paper (Case 1)

INVOICE

NO. 12-345-678

DATE 31 JAN 2020

SHIPPER : XYZ TRADING

XXXXXXXXXXXXXX

TEL: +XX-X-XXXX-XXXX

Example

Consignee : DEF corporation

XXXXXXXXXXXXXX

TEL: + XX-XX-XXXX-XXXX

The statement on origin is made out on an attached document.

XXXXXX XXXXXXXXXXXXXXXX

XXXXXX XXXXXXXXXXXXXXXX

Reference to the separate paper on which a SOO is made out

	Product code	Details	Quantity	Unit Price	Net Amount
1	11223344	Château du ○○○	100	1,500	150,000
2	55667788	Château × × ×	250	2,000	500,000
3	99001122	Château les ▲▲▲	150	2,000	300,000
		TOTAL	500		950,000

Signature



A commercial document makes a reference to its separate paper (Case 1)

(Separate paper)

Example

NO. 12-345-678
DATE 31 JAN 2020

The exporter may indicate a linkage to the invoice with its number and its date of issuance

Statement on origin

(Period: from.....to.....)

The exporter of the products covered by this document (Exporter Reference No XXXXXXXX) declares that, except where otherwise clearly indicated, these products are of the European Union preferential origin.

Origin criteria used: “C”, “1”

Place and date: xxxxxxxxxxxxxxxxxxxxxxxxx, 20 Jan 2020

Printed name of the exporter :
XYZ Trading

In case where an Exporter's Reference Number has not been assigned, the exporter may indicate its full address.

A commercial document makes a reference to its separate paper
(Case 2: Multiple shipment)

INVOICE

NO. 12-345-678

DATE 31 JAN 2020

SHIPPER : XYZ TRADING

XXXXXXXXXXXXXXXXXX

TEL: +XX-X-XXXX-XXXX

Consignee : DEF corporation

XXXXXXXXXXXXXXXXXX

TEL: + XX-XX-XXXX-XXXX

The statement on origin is made out on attached document NO. 987-65432.

Reference to the separate paper on which a SOO is made out

XXXXXX XXXXXXXXXXXXXXXXXXXX

XXXXXX XXXXXXXXXXXXX

	Product code	Details	Quantity	Unit Price	Net Amount
1	11223344	Château du ○○○	100	1,500	150,000
2	55667788	Château × × ×	250	2,000	500,000
3	99001122	Château les ▲▲▲	150	2,000	300,000
TOTAL			500		950,000

Signature



A commercial document makes a reference to its separate paper (Case 2: Multiple shipments)

Example

(Separate paper)

NO. 987-65432

In case of multiple shipments, this attachment may be numbered and the commercial document may bear its number for the linkage.

Statement on origin

Indicate the period not exceeding 12 months (which may not be more than 12 months after the date it was made out).

Period: from 01 Feb 2020 to 19 Jan 2021

The exporter of the products covered by this document (Exporter Reference No XXXXXXXX) declares that, except where otherwise clearly indicated, these products are of the European Union preferential origin.

Origin criteria used: "C", "1"

Place and date: xxxxxxxxxxxxxxxxxxxxxxxxx, 20 Jan 2020

Printed name of the exporter :
VWU Food LTD.

In case where an Exporter's Reference Number has not been assigned, the exporter may indicate its full address.

A separate paper makes a reference to the commercial document

INVOICE

NO. 12-345-678

DATE 31 JAN 2020

SHIPPER : XYZ TRADING

XXXXXXXXXXXXXX

TEL: +xx-x-xxxx-xxxx

Consignee : DEF corporation

XXXXXXXXXXXXXX

TEL: + XX-XX-XXXX-XXXX

No indication is made out on the commercial document.

XXXXXX XXXXXXXXXXXXXXXXX

XXXXXX XXXXXXXXXXXXX

Product code	Details	Quantity	Unit Price	Net Amount
1 11223344	Château du ○○○	100	1,500	150,000
2 55667788	Château × × ×	250	2,000	500,000
3 99001122	Château les ▲▲▲	150	2,000	300,000
TOTAL		500		950,000

Signature



20

A separate paper makes a reference to the commercial document

(Separate paper)

Example

This separate document is an attachment to the following invoice:

NO. 12-345-678

DATE 31 JAN 2020

The exporter may indicate a linkage to the invoice with its number and its date of issuance

Statement on origin

(Period: from.....to.....)

The exporter of the products covered by this document (Exporter Reference No XXXXXXXX) declares that, except where otherwise clearly indicated, these products are of the European Union preferential origin.

Origin criteria used: "C", "1"

Place and date: xxxxxxxxxxxxxxxxxxxxxxxxx, 03 Feb 2020

Printed name of the exporter :
VWU Food LTD.

In case where an Exporter's Reference Number has not been assigned, the exporter may indicate its full address.

Verification

- At the time of import declaration or after release of the products based either on the statement on origin or on the importer's knowledge, the customs authority may conduct a verification based on risk assessment methods in accordance with Articles 3.21 and 3.22 of the Agreement, where necessary.
- If the verification shows that the imported goods do not satisfy the requirements, preferential tariff treatment may be denied in accordance with Article 3.24 of the Agreement.

(Record keeping period(Import to Japan) :
Importer ➡ 5 years, Exporter ➡ 4 years)

Statement on Origin

Step 1

The importing customs authority requests from the importer no more information than provided in the list of data elements of Article 3.21(2).

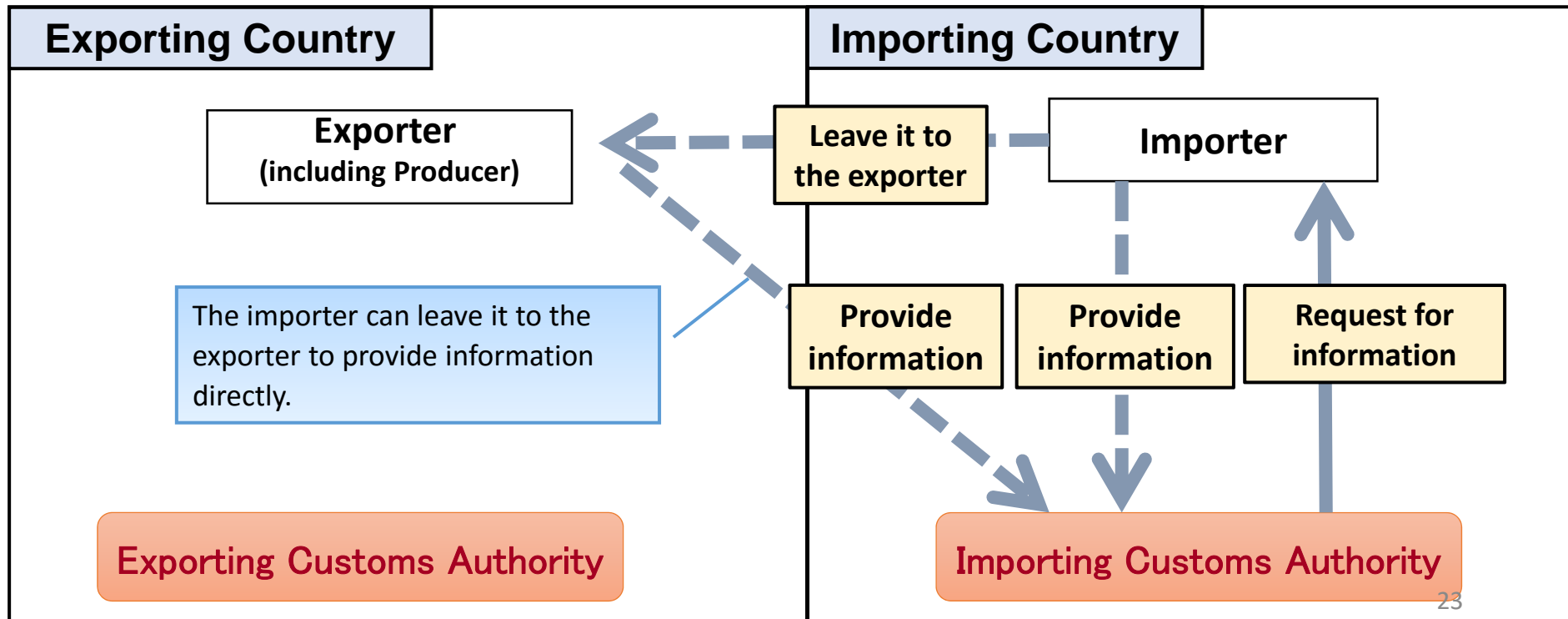
The importer may provide the information to the importing customs authority. However, apart from contractual obligations between the importer (buyer) and the exporter (seller), Chapter 3 does not contain any obligation for the exporter to provide information to the importer, even where the importer is requested by the importing customs authority to provide that information (but is not obliged to do it) under verification Step 1.

Verification

Statement on Origin

Step 1

- If the exporter, confronted with a request from the importer prefers to provide information at this stage of the verification process, he/she can choose to either
- provide the requested information (in full or in relation to one or more data elements) to the importer, or
 - provide to the importing customs authority directly



Verification

Statement on Origin

Step 1

- ◆ Providing information following the request during Step 1 of the verification process avoids that the information will be requested by the exporter's own (exporting) customs authority following a request for administrative cooperation by the importing customs authority as part of Step 2a. (not go to Administrative cooperation)
- ◆ At least, the importer should provide the importing customs authority with the statement on origin on which the claim for preferential tariff treatment is based, unless this statement is already provided by the importer as part of the claim process (Article 3.16(4)).

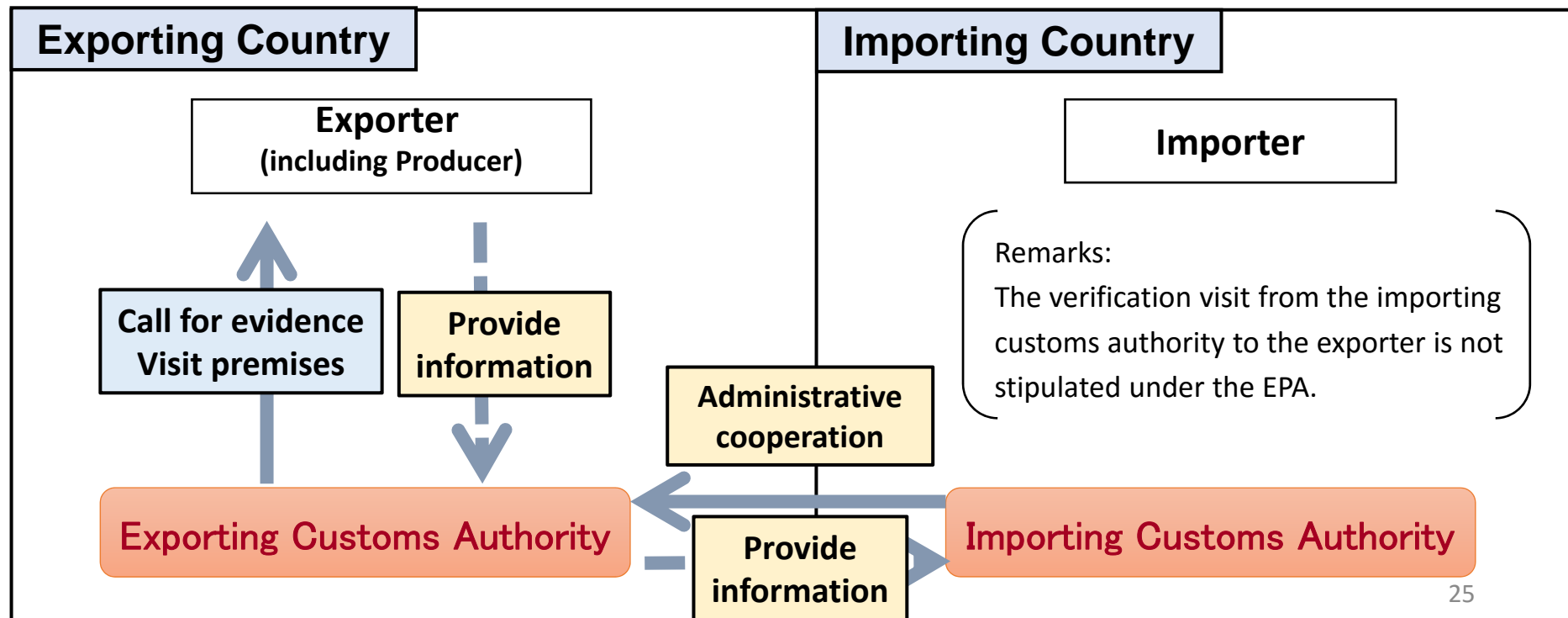
The importer is not obliged to keep records which he/she submitted to Japan Customs at the time of importation.

Verification

Statement on Origin

Step 2(a)

- In case the importing customs authority needs, in addition to the statement on origin, the information requested under Step 1 to verify the originating status of the product, but the information provided by the importer or the exporter is not sufficient, the authority may request administrative cooperation from the exporting customs authority (Article 3.22(2)).
- This request is only possible following a request for information to the importer (Step 1) and if it considers that additional information is necessary to verify the originating status of the product.



Verification

Importer's knowledge

Step 1

The importing customs authority requests from the importer no more information than provided in the list of data elements of Article 3.21(2).

Step 2(b)

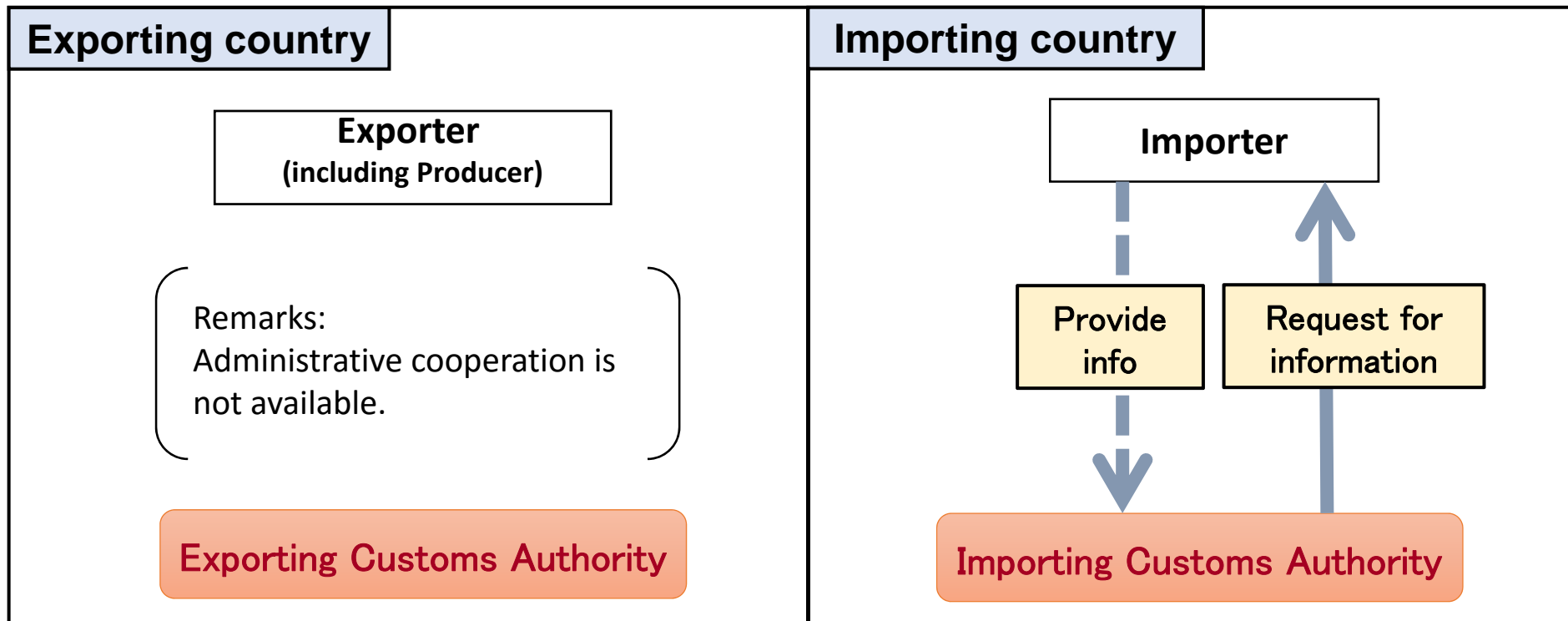
- Following step 1, the importing Party may request the importer to provide additional details (Article 3.21(5)) in case it needs more information to determine the originating status of the product.

- ◆ The importer shall be able to demonstrate that the product is originating and satisfies the requirements of Chapter 3. This does not necessarily mean that all information at the time the claim is made shall be readily available in the records of the importer.
- ◆ The importer should be able to compile the necessary information within the time limit of three months for the denial (see Article 3.24(1)(a)).

The importer is not obliged to keep records which he/she submitted to Japan Customs at the time of importation.

Verification

Importer's knowledge



- The importer is under the obligation to provide the requested information to the importing customs authority.
- Non-compliance will result in a denial of preferential tariff treatment and as appropriate administrative measures or sanctions.

Reference:JP-EU-EPA Article 3.21(2) (Data elements)

The information requested pursuant to paragraph 1 shall cover no more than the following elements:

- (a) if a statement on origin was the basis of the claim referred to in subparagraph 2(a) of Article 3.16, that statement on origin;
- (b) the tariff classification number of the product under the Harmonized System and origin criteria used;
- (c) a brief description of the production process;
- (d) if the origin criterion was based on a specific production process, a specific description of that process;
- (e) if applicable, a description of the originating and non-originating materials used in the production process;
- (f) if the origin criterion was "wholly obtained", the applicable category (such as harvesting, mining, fishing and place of production);
- (g) if the origin criterion was based on a value method, the value of the product as well as the value of all the non-originating or, as appropriate to establish compliance with the value requirement, originating materials used in the production;
- (h) if the origin criterion was based on weight, the weight of the product as well as the weight of the relevant non-originating or, as appropriate to establish compliance with the weight requirement, originating materials used in the product;
- (i) if the origin criterion was based on a change in tariff classification, a list of all the non-originating materials including their tariff classification number under the Harmonized System (in two-, four- or six-digit format depending on the origin criteria); or
- (j) the information relating to the compliance with the provision on non-alteration referred to in Article 3.10.

Cooperation between the EU and Japan

Actions made by cooperation between Japan and the EU

1. **Set up Opinion Boxes (e-mail) at both Japan and the EU to receive questions from traders**

- Opinion Box at Japan Customs : epa-roo-center@customs.go.jp
- Opinion Box/functional mail box at DG TAXUD :
TAXUD-E5_EU_JAPAN_EPA@ec.europa.eu

2. **Establish a hotline between Japan and the EU**

To facilitate exchanges of specific information regarding the implementation of the provisions on rules of origin.

3. **Publication of Revised guideline/guidance**

Revised guideline/guidance documents were published after consultation between Japan and the EU.

4. **Video conference**

Sharing information and views in a positive manner through video conference.

Thank you for your attention.

ご清聴ありがとうございました。

ありがとう
ございました

