

1501: Outline of Japan's GSP (Generalized System of Preferences)

Under its GSP (Generalized System of Preferences) scheme, Japan applies reduced tariffs to designated import products originating from developing countries/territories, aiming to help them increase export income, advance industrialization and promote economic development.

Japan's GSP scheme, which started in August 1971, designates beneficiary countries/territories, beneficiary products, and their respective duty rates under the Temporary Tariff Measures Law and the Cabinet Order for Enforcement of the Temporary Tariff Measures Law.

Those products on GSP are divided into agricultural/fishery products and industrial products, and the rules on suspension of preferential tariff treatment are provided for each category.

As for agricultural/fishery products, specific items and respective preferential duty rates have been designated in the Temporary Tariff Measures Law.

As for industrial products, in principle all products except some products (leather clothing, footwear, etc.) are given duty-free treatment while some sensitive products are dutiable.

The Escape Clause is prepared for suspension of preferential tariff treatment for agricultural/fishery and industrial products. By this Clause under the Cabinet Order, if any goods are imported in such increased quantities as to cause, or threaten to cause, injury to domestic industry in Japan that produces like or directly competitive goods, and if it is deemed urgently necessary in order to protect the industry, the application of the preferential duty rates may be suspended temporarily.

As for products originating from least developed countries (LDCs) which are designated by the Temporary Tariff Measures Law to be eligible for special preferential treatment, they are basically given the duty-free, quota-free (DFQF) market access. The prepared rule on suspension of preferential treatment for agricultural/fishery products and industrial products, is the Escape Clause.

In order for any products to be eligible for the preferential tariff treatment, in principle a "Combined Declaration and Certificate of Origin (Form A)" issued by the beneficiary should be needed. (See code# 1502 "Certificate of origin under GSP scheme .")

For information on beneficiaries for GSP treatment and those for special preferential tariff to LDCs, please see the list of beneficiaries (code# 1504 "List of GSP beneficiary countries and territories).

An economic advanced beneficiary at developed countries level is to be excluded from the list of GSP beneficiaries. In addition, a certain product, highly competitive in the market, of a certain beneficiary is to be excluded from the GSP treatment product coverage. (See code# 1506 "Graduation/Exclusion from the GSP scheme)

(Article 8-2,8-3 of the Temporary Tariff Measures Law)