

1521: Outline of Rules of Origin

The rules of origin are rules for determining the country of origin (i.e., “nationality”) of goods.

It depends on the country of origin of a good whether certain Customs and tariff policies, such as preferential tariff treatment under Generalized System of Preference and Economic Partnership Agreements (EPAs), WTO tariff rates, or anti-dumping duties, are applicable or not. Therefore, according to the necessity to determine the country of origin for implementing above mentioned policies properly, rules of origin have been set.

Especially in the case of EPAs, rigorous rules have been established in order to assure appropriate implementation of special benefits in tariffs granted under each agreement, such as rules for qualifying as originating goods, rules for consignment and procedures in issuing certificates of origin and so on.

In order to identify the country of origin, the goods in question must satisfy the corresponding rules of origin. If production of the goods in question is completed in a single country, the country is identified as the country of origin of the goods, which are called wholly obtained or produced goods. If more than two countries are involved in the production, the country where the goods underwent substantial transformation (such as change in tariff classification, specific manufacturing or processing operations and so on) is identified as the country of origin.

The goods to be imported have to be directly consigned to Japan in principle. Where the goods are transshipped in a third country on the way to Japan, a through bill of lading (B/L) or other relevant documents is necessary to receive the preferential tariff treatment.

For the application of preferential tariff treatment under each EPA, a certificate of origin which qualifies the goods as originating goods of a party under the agreement is, in principle, required at the time of import declaration. (Regarding certificates of origin under each EPA, please refer to the respective items.)

Please check the following URL for details on the rules of origin:
http://www.customs.go.jp/kyotsu/kokusai/seido_tetsuduki/gensanchi.htm