



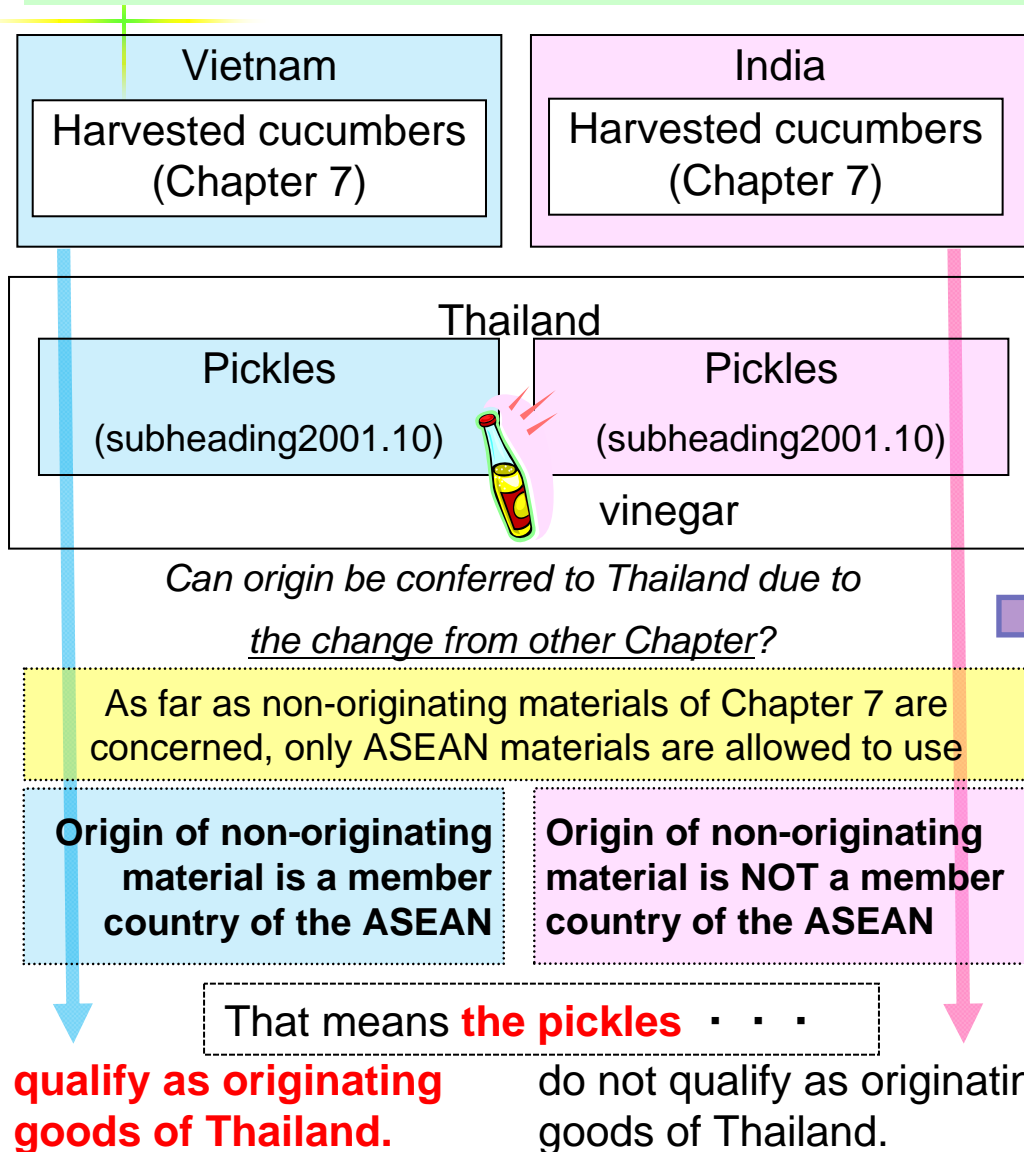
# Rules of Origin under Japan's EPAs



Jul.2010

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# “Rules which permit to use materials of non-Parties which are member countries of the ASEAN”



e.g. J-Thailand EPA  
Annex2(PSR) :

**HS subheading 2001.10**

*A change to subheading 2001.10 from any other chapter, provided that, where non-originating materials of chapter 7 are used, each of the non-originating materials is harvested, picked, gathered or produced entirely in a non-Party which is a member country of the ASEAN.*

\* The similar PSR concerning HS chapter 20 is stipulated in J-Singapore EPA, J-Malaysia EPA, J-Brunei EPA and J-Philippines EPA.

# “Rules in the case of using non-originating materials of HS chapter 3 which are taken by the authorised fishing vessels on the IOTC Record”

Tuna fish (non-originating material: chapter 3) is taken from the high seas by the authorised fishing vessels on the IOTC Record.

Tuna fish (non-originating material: chapter 3) is taken from the high seas by the fishing vessels which are not authorised ones on the IOTC Record.

Thailand

Canned Tunas  
(subheading 1604.14)



Canned Tunas  
(subheading 1604.14)

oil

Can origin be conferred to Thailand due to the change from other Chapter?

As far as non-originating materials of Chapter 3 are concerned, only those taken by authorized vessels are allowed to use.

the authorised fishing vessels on the IOTC Record.

the non-authorised fishing vessels

That means **the Canned Tunas** . . .

**qualify as originating goods of Thailand.**

do not qualify as originating goods of Thailand.

Indian Ocean Tuna Commission

e.g. J-Thailand EPA

Annex2(PSR) :

**HS subheading 1604.14**

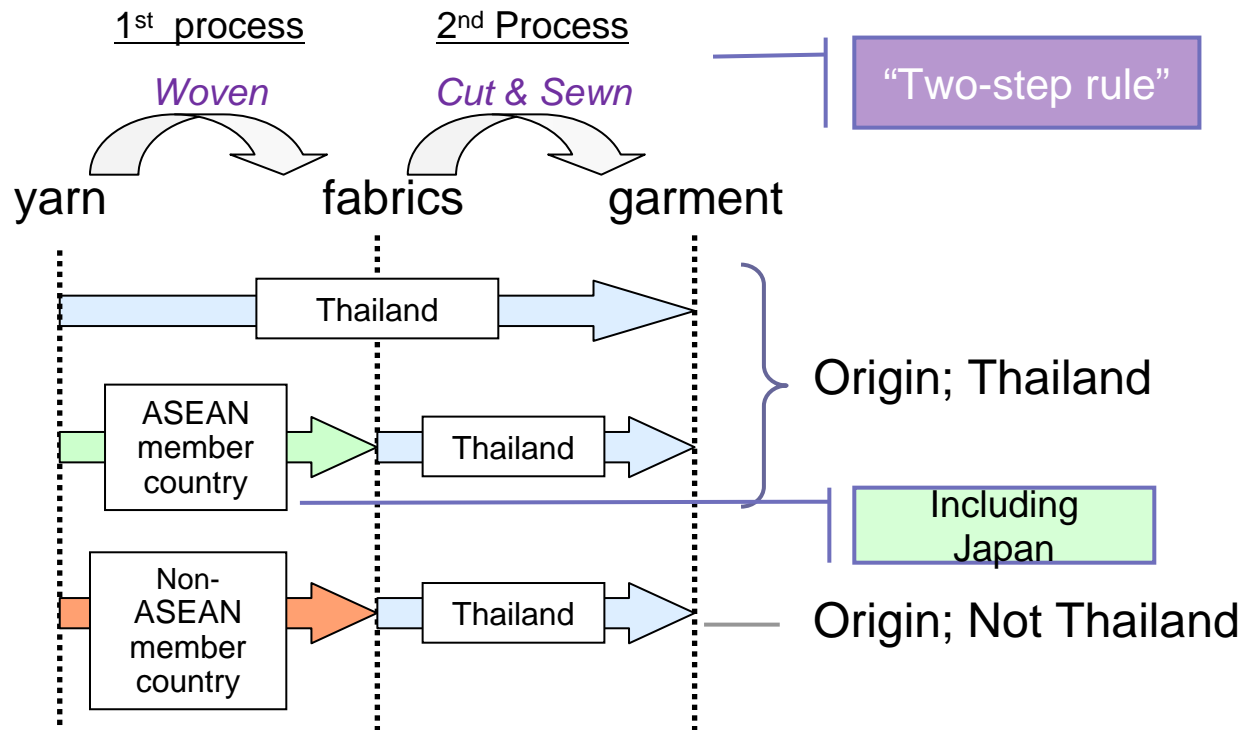
*A change to subheading 1604.14 from any other chapter, provided that, where non-originating materials of chapter 3 are used, each of the non-originating materials is taken by the authorised fishing vessels on the IOTC Record.*

\* The similar PSR in relation to IOTC (HS chapter 16) is stipulated in J-Philippines EPA.

# “Rules which permit to use material of non-Parties which are member countries of the ASEAN”

e.g. J-Thailand EPA Annex2(PSR) HS heading 62.01 – 62.11

*A change to heading 62.01 through 62.11 from any other chapter, provided that, where non-originating materials of heading 50.07, 51.11 through 51.13, 52.08 through 52.12, 53.09 through 53.11, 54.07 through 54.08, 55.12 through 55.16 or chapter 60\* are used, each of the non-originating materials is woven in either Party or a non-Party which is a member country of the ASEAN.*

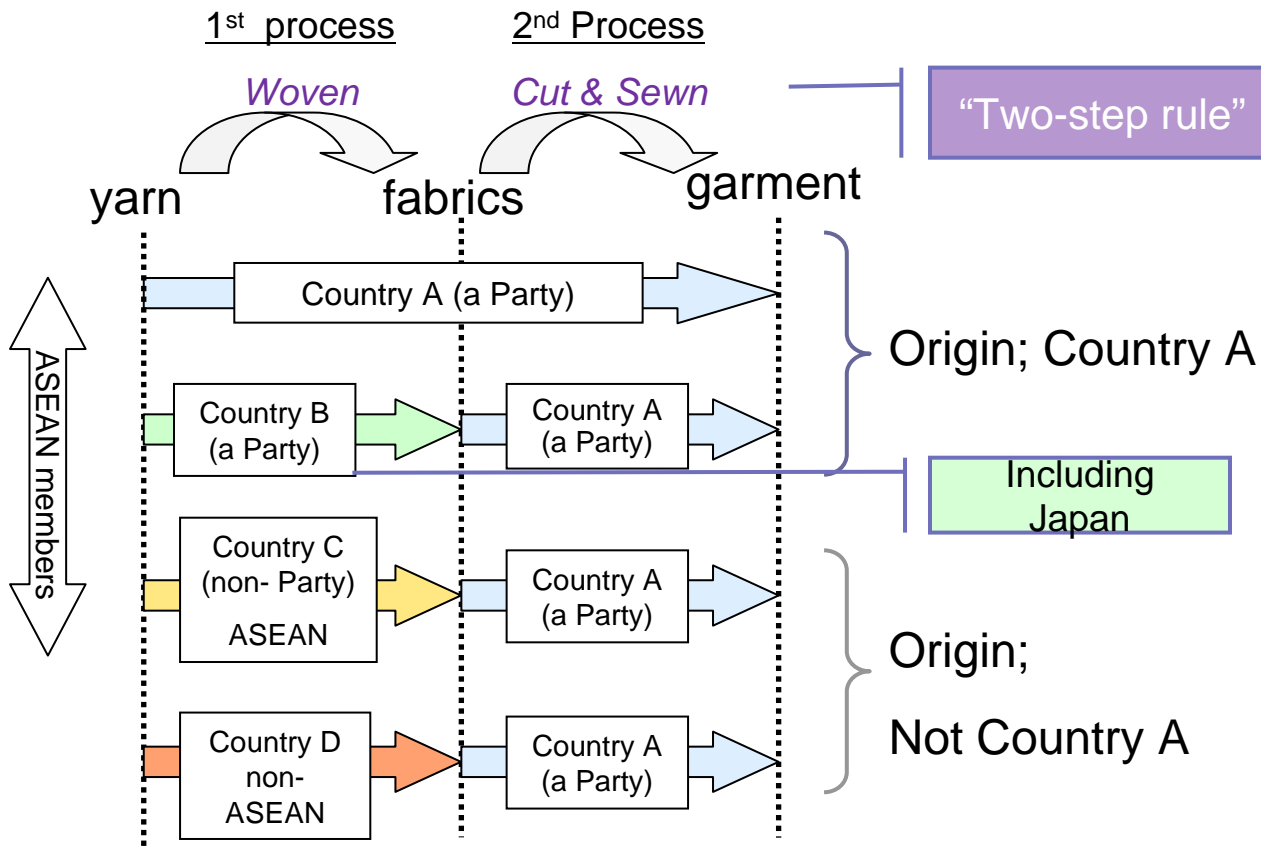


In the case of ordinary “Two-step rule”, goods must undergo two processes in the same country to obtain originating status. However, this rule permits conferring originating status even if the first process was conducted in one of the ASEAN member countries and /or Japan.

# Relaxation of “Two-step rule” under AJCEP Agreement

e.g. AJCEP Agreement Annex2(PSR) HS heading 62.04

*CC, provided that, where non-originating materials of heading 50.07, 51.11 through 51.13, 52.08 through 52.12, 53.09 through 53.11, 54.07 through 54.08, 55.12 through 55.16 or chapter 60\* are used, each of the non-originating materials is woven entirely in one or more of the Parties.*

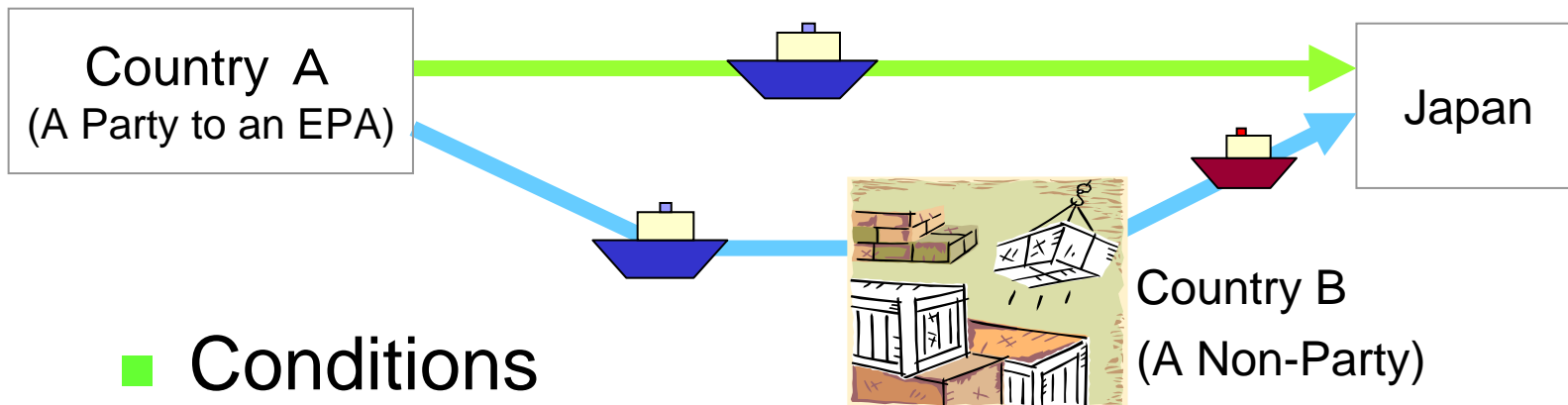


In the case of ordinary “Two-step rule”, goods must undergo two processes in the same country to obtain originating status. However, this rule permits conferring originating status even if the first process was conducted in one or more of the Parties.

# Consignment Criteria

## ■ What are Consignment Criteria ?

- Consignment criteria are the criteria to decide whether an originating good of the other Party retains the originating status during a transportation.



## ■ Conditions

- transported directly from the other Party; or
- transported through one or more non-parties, provided that an originating good of the other Party does not undergo operations other than unloading, reloading or any other operation to preserve it in good condition

(Article 32, Japan-Thailand EPA)

# Procedural provisions

- What kind of documents are necessary to receive tariff preferential treatment under each EPA ?
  - in order to demonstrate to importing Party's Customs that a good to be imported meets origin criteria
    - A Certificate of Origin is used. (Article40, Japan-Thailand EPA).
  - in order to demonstrate to importing Party's Customs that a good to be imported meets consignment criteria
    - A document such as a copy of through bill of lading, a certificate or any other information given by the customs authorities of such non-parties or other relevant entities are used. (Para.3, Article39, Japan-Thailand EPA).
- An exemption from a submission of Certificate of Origin is permitted
  - for a consignment of originating goods of the exporting Party whose aggregate customs value are not more than 200,000 Japanese yen.

# Note: Certificate of Origin (C/O) under EPA - ①

- **When to submit:**  
at the time of **import declaration**, in principle
- **Issuing authority:**

Note: Importers **are allowed to defer to submit C/Os** up to 2 months after import declaration when they have **unavoidable** reasons of deferring (e.g. **disaster**), or **when they are approved by Director-General of Customs to receive goods prior to import permission.**

Country	Bilateral EPA	AJCEP Agreement
Japan	The Ministry of Economy, Trade and Industry * Designated Body: Japan Chambers of Commerce and Industry	
Brunei	Ministry of Foreign Affairs and Trade	
Chile	The General Directorate of International Economic Affairs of the Ministry of Foreign Affairs* Designated Body: "CAMARA NACIONAL DE COMERCIO" and "SOCIEDAD DE FOMENTO FABRIL" (SOFOFA)	_____
Indonesia	The Ministry of Trade	_____
Laos	_____	The Department of Import and Export (Office No.1)
Malaysia	The Ministry of International Trade and Industry	
Mexico	The Ministry of Economy	_____
Myanmar	_____	The Directorate of Trade, Ministry of Commerce
Singapore	The Singapore Customs	
Switzerland	The Federal Customs Administration	_____
Thailand	The Ministry of Commerce	
The Philippines	The Bureau of Customs (Department of Finance)	
Viet Nam	The Ministry of Industry and Trade	

## Note: Certificate of Origin under EPA - ②

- Valid for **1 year** from the date of issuance
- Applicable to **one importation**
- **Minor error** (e.g. Slight discrepancies or omissions , typing errors or protruding from the designated field, provided that they do not affect the authenticity or the accuracy of the C/O) :  
**Acceptable**
- **A modification after an issuance of C/O** :  
a modification should be certified by authorised signature and seal of the competent governmental authority of the exporting Party or its designees.

## Note: Certificate of Origin under EPA -③

### Invoice number(s) and date(s)

Principle: the number and date of invoice to be filled in the relevant field of the certificate of origin are those of the invoice which is used for the importation of goods into Japan.

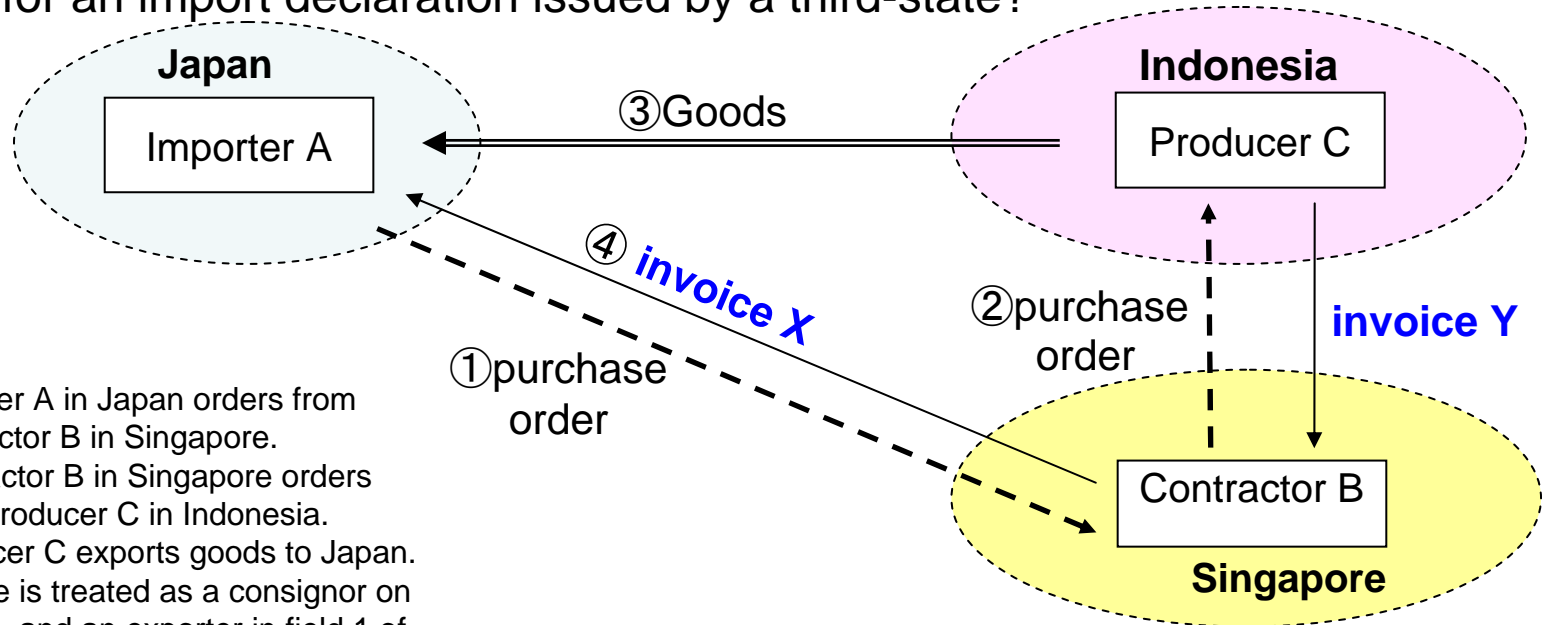


But variety of types of trade must be taken into account.

- An invoice issued in a third-country : **Acceptable** under certain conditions. (See the following slides)

# Treatment of “third-country invoice” under JIEPA

Sample Case 1 : Which invoice number and date should be filled in in the relevant field of the C/O of Japan-Indonesia EPA when an invoice for an import declaration issued by a third-state?



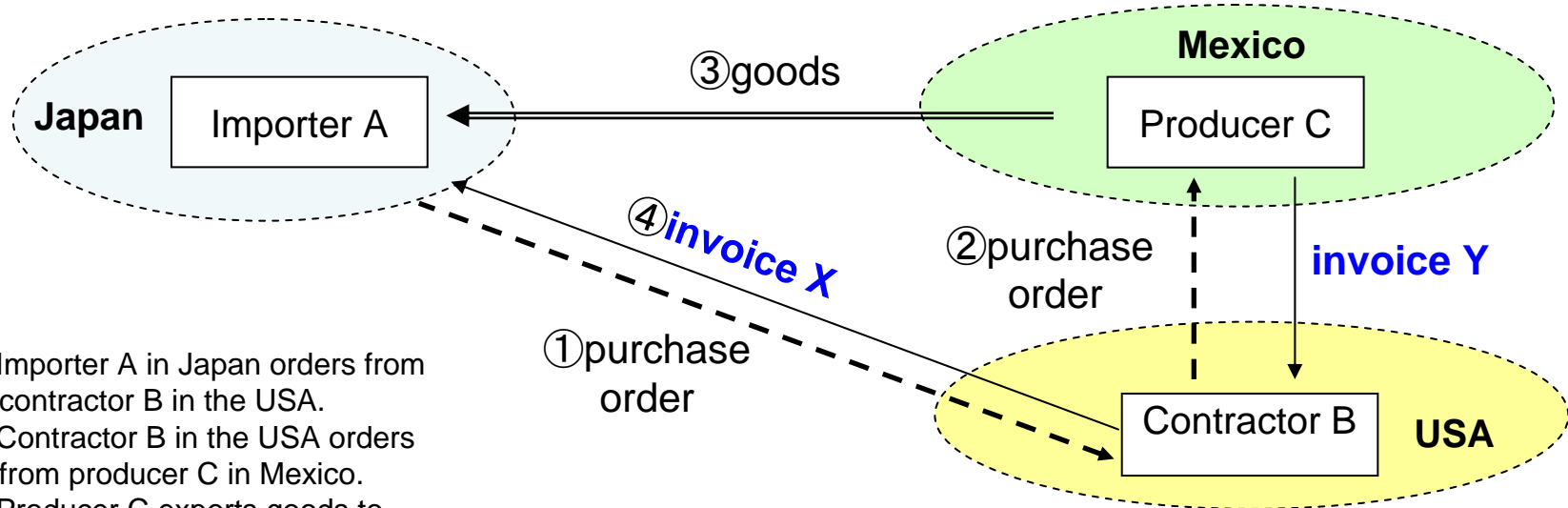
- ① Importer A in Japan orders from contractor B in Singapore.
- ② Contractor B in Singapore orders from producer C in Indonesia.
- ③ Producer C exports goods to Japan. He/she is treated as a consignor on the B/L and an exporter in field 1 of a C/O.
- ④ An invoice which is used for the importation of the goods into Japan is the invoice issued by the contractor B (i.e., invoice X).

Similar treatment: J-Brunei EPA, J-Thai EPA, AJCEP Agreement and J-Vietnam EPA

If the number and date of invoice X is known, the **number and date of invoice X** should be indicated in field 7. If the number is **not known** at the issuance of the C/O, indicate the number and date of **invoice Y**. And it should be indicated that **the goods are invoiced in a non-Party** (in this case, Singapore), identifying the full legal **name** and **address** of contractor B in field 8.

# Treatment of “third-country invoice” under JMEPA

Sample Case 2 : Which invoice number and date should be filled in in the relevant field of the C/O of Japan-Mexico EPA when an invoice for an import declaration issued by a non-Party?



- ① Importer A in Japan orders from contractor B in the USA.
- ② Contractor B in the USA orders from producer C in Mexico.
- ③ Producer C exports goods to Japan. He/she is treated as a consignor on the B/L and an exporter in field 1 of a C/O.
- ④ An invoice which is used for the importation of the goods into Japan is the invoice issued by the contractor B (i.e., invoice X).

Similar treatment : J-Chile EPA, J-Malaysia EPA and J-Philippines EPA.

If the number and date of invoice X is known, the **number and date of invoice X** should be indicated in the field 10 of C/O. If the number is **not known** at the time of issuance of the C/O, the field 10 will be **left blank** and provide Japan Customs with such documents that may explain the transaction of the goods. And it should be indicated that **the goods will be invoiced in a third country**, identifying the full legal **name** and **address** of contractor B in field 11.

# Note: Certificate of Origin under EPA – ④

■ An issuance of C/O after the shipment of goods (“issued retroactively” or “issued retrospectively” is to be indicated in the relevant field of the C/O) : **Acceptable**

Para. 5 of Article 39 of Japan-Mexico EPA

Rule 3(b) of Operational procedures of Japan-Malaysia, Japan-Chile, and Japan-Indonesia EPA

Rule 3(2) of Operational procedures of Japan-Thailand EPA

Rule 3(c) of Operational procedures of Japan-Brunei EPA

Rule 2(6) of Operational procedures of Japan-Philippine EPA

Rule 7 of Implementing Regulations of AJCEP Agreement

Rule 7 of Implementing Regulations of Japan-Vietnam EPA

Article 17 of Annex II, Rule 2(c) of Operational procedures of Japan-Switzerland EPA

■ A “reissuance” of C/O (in the event of theft, loss or destruction) : **Acceptable**

Para. 6 of Article 39 of Japan-Mexico EPA

Rule 3(e) of Operational procedures of Japan-Malaysia, Japan-Chile, and Japan-Indonesia EPA

Rule 3(5) of Operational procedures of Japan-Thailand EPA

Rule 3(f) of Operational procedures of Japan-Brunei EPA

Rule 4(4)(a) of Operational procedures of Japan-Philippine EPA

Rule 5(a)(b) of Implementing Regulations of AJCEP Agreement

Rule 5(a)(b) of Implementing Regulations of Japan-Vietnam EPA

Article 18 of Annex II, Rule 2(d) of Operational procedures of Japan-Switzerland EPA

- Japan-Mexico, Japan-Brunei EPA, Japan-Philippine EPA, AJCEP Agreement and Japan-Vietnam EPA : a “copy” of an original C/O is to be issued. The reference number of the issued “copy” C/O should be **the same number as that of the original C/O**. The issued “copy” C/O should be valid during the original term of the validity of the original C/O.

- Japan-Malaysia, Japan-Chile, Japan-Thailand, Japan-Indonesia EPA, AJCEP Agreement, Japan-Vietnam EPA and Japan-Switzerland EPA : a **new** C/O which has **the same content as an original C/O** with **a new reference number** is to be issued. The new C/O should be valid during the original term of the validity of the original C/O.

## Note: Certificate of Origin under Rules of Origin of Japan-Thailand EPA – (Supplement)

Can preferential tariff treatment under Japan-Thailand EPA (JTEPA) be approved with Certificate of Origin for GSP (Form A)?

⇒ **No.**

### **Because...**

1. ROO under GSP and ROO under JTEPA are based on different legal instruments from each other.
2. Goods specified on Form A qualify as originating in Thailand under ROO of GSP. It is not certified as a Thailand originating goods under ROO of JTEPA.
3. Furthermore, data requirement for C/O under GSP is different from requirements stipulated in Annex 3 of JTEPA.

[same as other EPAs which are in force in Japan.](#)

# Features of Japan-Switzerland EPA – ①

-Two types of documents to certify originating goods

1. Exporter (Name, full address, country)		No	
3. Consignee (Name, full address, country) <i>(Optional)</i>		2. Certificate used in preferential trade between  and  (insert appropriate countries, group of countries or territories)	
6. Transport details <i>(Optional)</i>		4. Country, in which the goods are considered as originating	5. Country of destination
7. Remarks		10. Invoices <i>(Optional)</i>	
8. Item number, marks and numbers; number and kind of package; description of goods		9. Gross weight (kg) or other measure (l, m, etc.)	11. ENDORSEMENT Declaration certified Export document
Stamp		12. DECLARATION BY THE EXPORTER I, the undersigned, declare that the goods described above meet the conditions required	

## Certificate of Origin

referred to in Article XVI of Annex II  
(Specimen of Certificate of Origin, Appendix 2)

or

Invoice

. . . . .

. . . . .

"The exporter of the products covered by this document (The authorisation number of the approved exporter) declares that, except where otherwise clearly indicated, these products are of (The origin of the products) preferential origin."

## Origin Declaration

referred to in Article XIX of Annex II  
(Text of Origin Declaration, Appendix 3)

An origin declaration shall be produced by an approved exporter by typing, stamping or printing on the invoice, the delivery note or any other commercial document which describes the product concerned in sufficient detail to enable it to be identified.

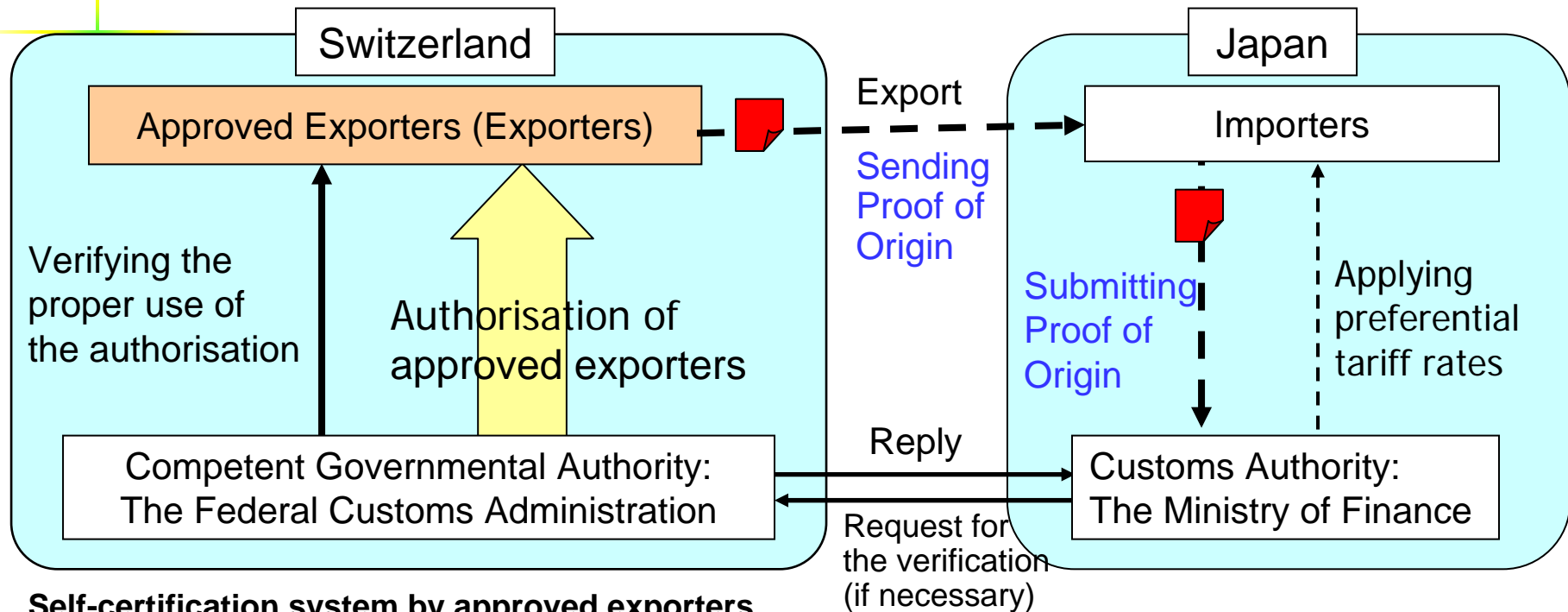
**Importers may submit either document.**

**(According to exporters' choice.)**

Note: As to goods whose aggregate customs value does not exceed 200,000 yen, importers are not required to submit Certificate of Origin nor to produce an origin declaration on the invoice etc.

# Features of Japan-Switzerland EPA – ②

## -Outline of self-certification system by approved exporters



### Self-certification system by approved exporters

Under the system, exporters who have been authorised by the competent governmental authority of the exporting Party as approved exporters meeting criteria set out in Article XIX of Annex II may produce an origin declaration on a commercial document such as the invoice, in which they declare that the exporting goods qualify as originating products. Importers may submit the origin declaration to the Customs authority of the importing Party for applying the preferential tariff treatment under Japan- Swiss EPA.

Approved exporters may choose which system they use, certification system by a third party or self-certification system by approved exporters. It enables them to reduce cost and time regarding proof of origin along with an additional option of certifying originating goods, which is expected to make the export procedure smooth and promote the trade between both countries.

The competent governmental authority authorising approved exporters is:

- In the case of Switzerland, the Federal Customs Administration,
- In the case of Japan, the Ministry of Economy, Trade and Industry.