

4025 Outline of the Agreement between Japan and the Republic of the Philippines for an Economic Partnership

In November 2004, the two leaders of Japan and the Philippines confirmed that both sides reached agreements in principle on major elements of the Agreement between Japan and the Republic of the Philippines for an Economic Partnership (JPEPA) on the basis of a series of negotiations since February 2004. The JPEPA was signed by both countries in September 2006, and entered into force in December 2008.

The JPEPA became the ninth economic partnership agreement, following those concluded with Singapore, Mexico, Malaysia, Chile, Thailand, Indonesia, Brunei and all of ASEAN.

1. Summary of the Agreement

The JPEPA is expected to promote a freer trans-border flow of goods, persons, services and capital between Japan and the Philippines. The Agreement also aims to promote a comprehensive economic partnership, which includes intellectual property, competition policy, improvement of business environment and bilateral cooperation in such fields as human resources development, information and communications technology and small and medium enterprises.

2. The significance of the Agreement

The Philippines is Japan's 19th export partner and 17th import partner (2023 Trade Statistics, Ministry of Finance).

The JPEPA is aimed at liberalization of investment and trade in goods and services with the Philippines. It is also expected to boost coordination of economic activities in the two countries through cooperation in various areas and therefore strengthen bilateral economic ties. Japan expects to see growth in ASEAN market access through the Philippines.

3. The key items in the Agreement

- (1) Trade in goods: Comprehensive tariff elimination and reduction for industrial products and for agricultural products in bilateral trade
- (2) Customs procedures: Guarantee of transparency related to customs-related laws and regulations, rationalization and harmonization of customs procedure, facilitation of customs procedures for goods in transit and bilateral cooperation and information exchange between customs authorities

- (3) Services: Pledge for market access and equal national treatment in specified areas of each country; most favored nation status granted to service providers of the other signatory nation in areas other than those kept on hold in the Appendix
- (4) Investment: Equal national treatment and most favored nation treatment, as a general rule and on a mutual basis, and prohibition on demand to execute certain measures
- (5) Movement of natural persons: Pledge to implement measures necessary to facilitate the movement of natural persons classified in the category specified in the Appendix, including the quota for acceptance of nurses and nursing care workers
- (6) Intellectual property: Greater transparency in the intellectual property system, assurance of adequate protection and greater enforcement of intellectual property rights and cooperation in the area of intellectual properties
- (7) Competition: Promotion of competition through action on anti-competitive practices, as well as cooperation in the relevant areas, and guarantee of transparency related to competition laws, etc.
- (8) Cooperation: Bilateral cooperation in the 10 areas of human resources development, financial services, information and communication technology, energy and the environment, science and technology, trade and investment promotion, small businesses, tourism and development of transport and road systems