

EU – JAPAN EPA

SMALL & MEDIUM ENTERPRISES

This presentation has been prepared with the sole purpose of simplifying the understanding of some parts of the EU-Japan EPA and bears no legal standing.



EU-Japan Centre
for Industrial Cooperation
日欧産業協カセンター



www.eu-japan.eu/epa-helpdesk

Under the
supervision of



EPA Process

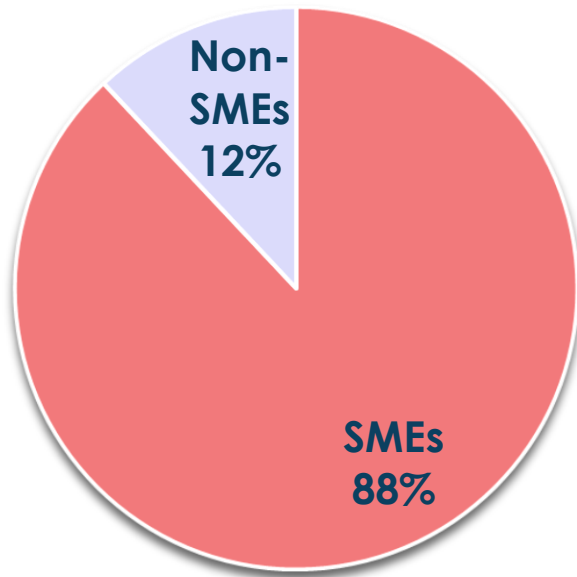
**INCREASE
MARKET SHARE
EU PRODUCTS**

**PROMOTION &
INFORMATION**

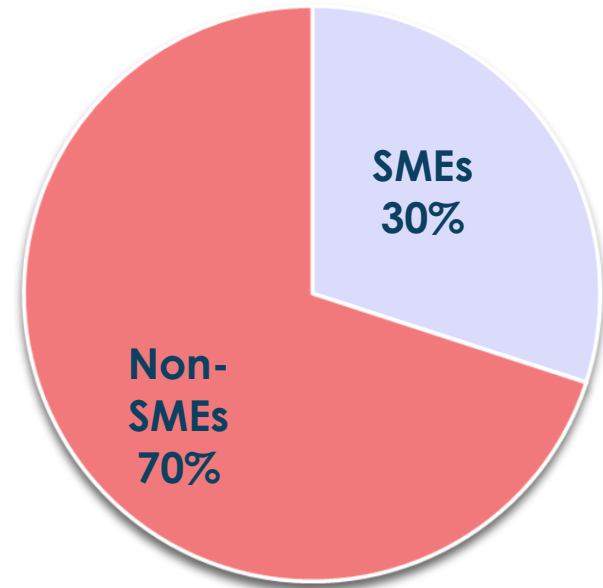
**July 2018
Signature**

**1/2/2019
Entry into Force**

Number of EU exports to Japan.



Value of EU exports to Japan.



Source: Eurostat

Importance of EU-Japan Trade Relations

Japan is the EU's:

- 2nd most important trading partner in Asia
- 6th most important trading partner worldwide.

The EU is Japan's 2nd biggest trading partner worldwide.

Total EU exports of goods to Japan value more than € 58 bn, of services more than € 28bn.

More than 600.000 jobs are created by EU exports to Japan.

More than 75.000 EU companies are exporting to Japan, of which around 78% are SMEs.

Importance of the EPA

One of the most successful Agreements ever concluded.

➤ **High degree of liberalisation:**

- Duty free access of 97% of EU exports to Japan (in tariff lines)
- Remaining 3%: substantial concessions with important duty reductions, duty free TRQs, etc...
- EU companies could save up to 1 bn/year on customs duties upon exports to Japan.
- Increase of EU annual exports to Japan - a few examples:
 - **Meat:** 12%, with a 12.6 increase for pork exports; frozen beef exports have more than tripled.
 - **Dairy:** 10.4%; with butter more than 45%
 - **Beverages:** 20%; with wine more than 17%
 - **Electrical machinery:** more than 16%

More examples ...

- **Trade in services:** the EPA facilitates EU companies to provide services in Japan
- EU companies to benefit from **reinforced international standards**, e.g. on wine and food additives, motor vehicles, textile labelling, etc, ...
- **Geographical Indications:** the EPA offers registration and protection of more than 200 EU GIs, such as Rochefort, Prosecco, etc.
- **Sanitary and Phytosanitary measures:** agreement to simplify approval and clearance processes, as well as import procedures, without – however – lowering safety standards.
- **SMEs:** special Chapter enabling SMEs to fully benefit from the Agreement

EPA Chapter on SMEs

- Allows SMEs to take full advantage of the EPA, via:
 - **Contact Points**
 - established in each Party
 - aim to ensure SME needs are taken into account in the EPA implementation
 - address matters of SME interest in specialised EPA Committees
 - **Specific websites** giving information relevant to SMEs seeking access to respective markets
 - established by each Party

EU: <https://ec.europa.eu/trade/policy/in-focus/eu-japan-economic-partnership-agreement/smes-and-eu-japan/>

Japan: https://www.mofa.go.jp/ecm/ie/page23e_000546.html

- provide useful information for SMEs, including:
 - full EPA text & annexes;
 - customs legislation & procedures;
 - technical regulation and standards;
 - sanitary and phyto-sanitary measures;
 - notices for public procurement;
 - custom duty rates, rules of origin, country of origin marking requirements, etc. ...

EPA Chapter on SMEs

- **Extra information on EU website:**

- EU-Japan Centre for Industrial Cooperation
 - Helpdesk and guidance for SMEs
 - Publications (EPA Factsheets & Webinars)
 - <https://www.eu-japan.eu>
- Enterprise Europe Network (EEN)
 - the world largest business support network for SMEs
 - represented in Japan by the EU-Japan Centre for Industrial Cooperation
 - Funded by the European Commission – service is free of charge
 - <https://een.ec.europa.eu>
- Market Access Database of the European Commission
 - Online information on import conditions in more than 130 export markets, including Japan
 - <https://trade.ec.europa.eu/access-to-markets/en/content/welcome-access2markets-market-access-database-users>

Further SME References in the EPA

The EPA contains further provisions reinforcing SME benefits:

- **Customs matters and trade facilitation (Chapter 4.6)**
Commitment to simplify requirements and formalities for customs procedures to reduce the time and costs for traders or operators, including SMEs.
- **Electronic commerce (Chapter 8.80)**
Parties agree to maintain a dialogue on regulatory matters relating to electronic commerce in relation to, among other issues, challenges for SMEs in the use of electronic commerce.
- **Intellectual Property Rights - IPR (Chapter 14.52)**
Parties agree to cooperate on IPR. This cooperation may include exchange of information, covering *inter alia* intellectual property issues relevant to SMEs.
- **Transparency – Transparent Regulatory Environment (Chapter 17.2)**
SMEs are mentioned as economic operators for which a transparent, effective and predictable regulatory environment has to be provided.

INFORMATION SOURCES

- ▶ EPA text and Annexes:

<http://trade.ec.europa.eu/doclib/press/index.cfm?id=1684>

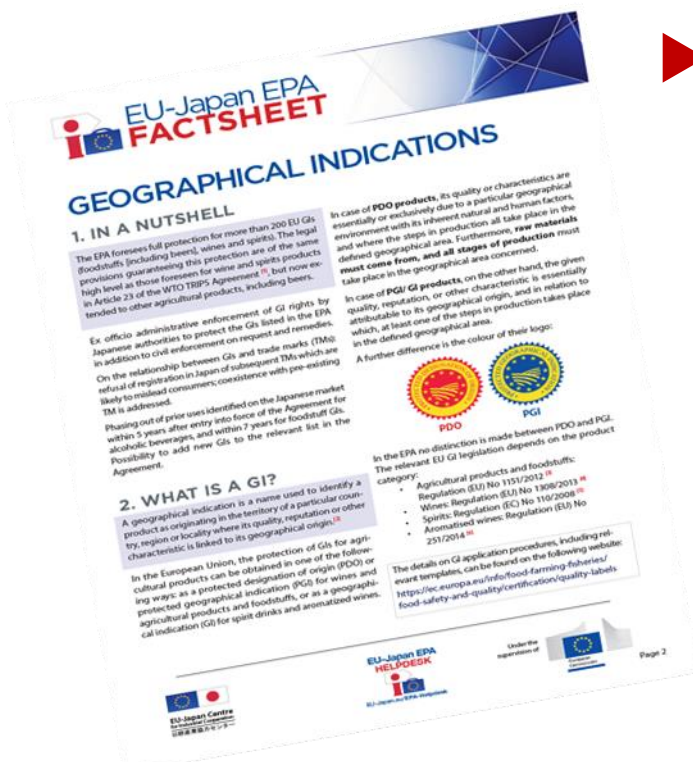
Of which:

- ▶ Annex 2-A: Schedule and Notes;
- ▶ Annex 3-B: Product specific rules of origin;

INFORMATION SOURCES

▶ EPA Helpdesk: <https://www.eu-japan.eu/epa-helpdesk>

▶ Fiches per sectors and webinars on EPA outcome



9 April 19	Wines and Spirits
7 May 19	Geographical Indications
21 May 19	Dairy Products
11 June 19	Meat Products
18 June 19	Processed Agricultural Products
28 Jan 20	Fruit & Vegetables
25 Feb 20	Textile products
10 Mar 20	Footwear & Leather Products

INFORMATION SOURCES

- ▶ Overall import conditions in Japan:
 - ▶ European Commission DG TRADE “Access 2 Markets Database”:

<https://trade.ec.europa.eu/access-to-markets/en/content/welcome-access2markets-market-access-database-users>

- ▶ Japan's Customs:

http://www.customs.go.jp/english/c-answer_e/imtsukan/1524_e.htm

INFORMATION SOURCES

- ▶ European Commission (DG TAXUD) – Rules of Origin:
 - ▶ https://ec.europa.eu/taxation_customs/business/calculation-customs-duties/rules-origin_en
 - ▶ https://ec.europa.eu/taxation_customs/business/international-affairs/international-customs-cooperation-mutual-administrative-assistance-agreements/japan_en
 - ▶ https://ec.europa.eu/taxation_customs/sites/taxation/files/eu_japan_epa_guidance_claim_verification_denial_en.pdf

Thank you for your attention

Yvan VAN EESBEEK

Consultant at the EU-Japan Centre for Industrial Cooperation

QUESTIONS ?

This presentation has been prepared with the sole purpose of simplifying the understanding of some parts of the EU-Japan EPA and bears no legal standing.