

TEMPORARY MOVEMENT OF COMPANY PERSONNEL

Intra-company Transferees

Investors and Business Visitors for Investment Purposes

Short-term Business Visitors

8-B Annex III

European Union professionals covered by 8-B Annex III are generally tied to an employer based in the European Union.

8-B Annex IV

European Union professionals covered by 8-B Annex IV may (also) be tied to a Japanese employer, clientele, or firm.

Independent Professionals

Contractual Service Suppliers

CONTRACTUAL SERVICE SUPPLIERS

Mode Four of GATS may cover a wide range of persons, from high-level engineers to unskilled workers. In the FTA, Japan mainly commits with respect to highly qualified professionals. Those commitments go substantially beyond Japan's commitments under the GATS. Japan also has a number of other economic partnership treaties granting access to foreign professionals of various categories.

1. MAIN POINTS

- Contractual Service Suppliers and Independent Professionals of the EU are allowed to supply services and engage in business activities in Japan.
- Engineer or Specialist in international services and humanities previously recognised.
- The EPA specifies 38 sectors for CSS.
- Contractual Service Suppliers generally depend on EU-based employers.

2. COVERAGE FOR CONTRACTUAL SERVICE SUPPLIERS

- **EPA 8.20 and 8.21** outline that contractual service suppliers must be natural persons of the EU who will engage in business activities on a contractual basis during their temporary stay in Japan.
- **EPA Annex 8-B (Annex IV)** outlines and white-lists categories of contractual service suppliers who qualify, as well as identifying restrictions that apply to each of



the professional categories.

- **Annex 8-B (Annex IV)** requires that jurists, accountants, consultants, auditors, and surveyors be licensed and qualified in accordance with Japanese law.
- **EPA Annex 8-B (Annex IV)** also establishes coverage within the law of accompanying spouses and children.

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3. DEFINITIONS (EPA 8.21)

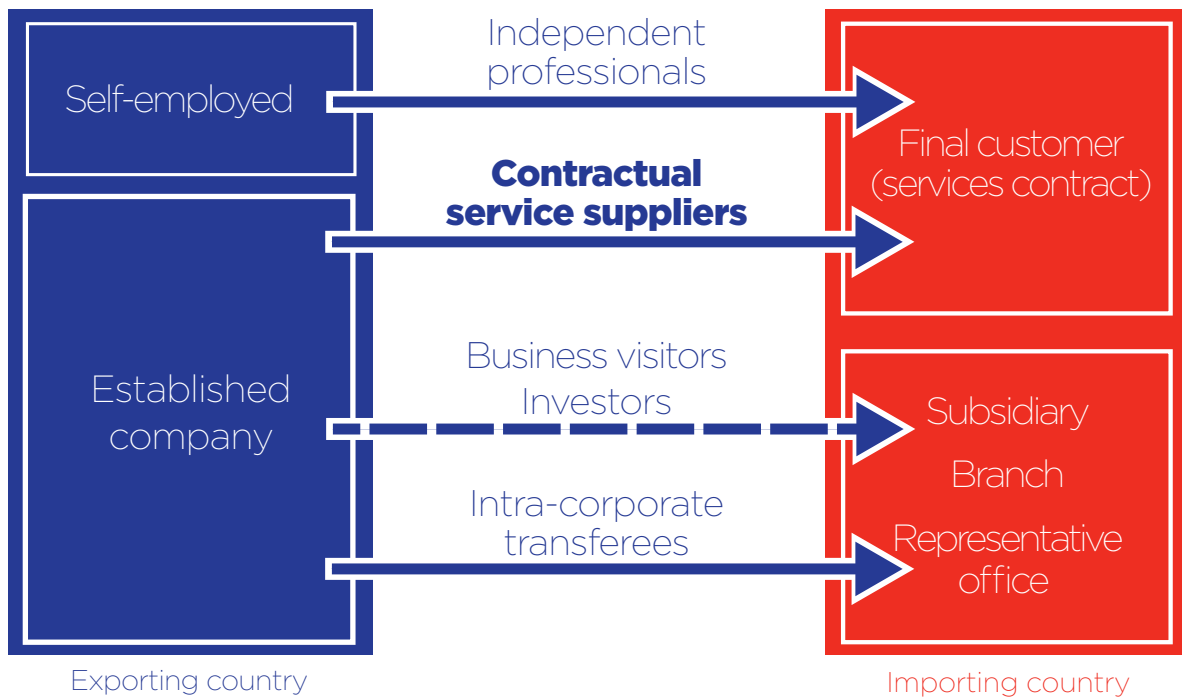
Conditions for Contractual Service Suppliers:

A service contract between a firm in Japan and a European Union firm (which is not established in Japan).

Japanese immigration authority determines

that a labour contract between the natural person of the European Union and a Japanese firm has been concluded.

The employer is not a staffing agency.



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4. WHAT DOES EPA COVERAGE PROVIDE IN JAPAN?

- **EPA Annex 8-B (Annex IV)** outlines that European Union professionals can reside in Japan for a maximum of five years.
- **EPA Annex 8-B (Annex IV)** also provides matching residency rights in Japan for accompanying spouses and

children of those professionals.

- **Spouses** have the right to apply for work.

- **EPA 8.15 and 8.24** establish that there are no quotas on the number of service suppliers, limits on value or volume of transactions, or assets.

CATEGORY	ADMINISTRATIVE PROCEDURES	CONCERNED PERSONS	LENGTH OF STAY
Intra-corporate transferee (ICT)	No Economic Needs Test	Managers, Specialists	5 Years
Business Visitor for Investment Purposes (BVIP)	No Sector, Subsector, or Geographic Limitations	Senior position responsible for setting up an enterprise	90 Days
Short-Term Business Visitor (STBV)	No Work Permit or Economics Needs Test needed	Negotiations, Contracts, Inter-firm coordination	90 Days
Investor	No Sector, Subsector, or Geographic Limitations	Supervisor or Executive	5 Years
Contractual Service Providers (CSPs)	No Numerical Limits or Economic Needs Test	38 White-listed Professions	5 Years
Independent Professionals (IPs)	No Numerical Limits or Economic Needs Test	38 White-listed Professions	5 Years
Spouses and Children	Spouses may apply for work permit	Spouses and children of ICTs, Investors, CSPs. IPs	5 Years

5. CHALLENGES

While the EU-Japan EPA offers EU businesses and professionals more opportunities to participate in Japan’s market landscape, EU businesses and professionals should take into consideration that other factors, such as cultural, linguistic, and regulatory barriers will need to be addressed in order to take full advantage of the EU-Japan EPA. Those businesses and professionals should therefore still expect regulatory oversight.

Likewise, Japanese business and professionals operating in the EU market should also expect regulatory oversight, including licensing and qualification requirements.



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MORE INFORMATION

EU-Japan EPA's **main text and annexes** can be found on European Commission's DG Trade website:
<http://trade.ec.europa.eu/doclib/press/index.cfm?id=1684>

EU-Japan EPA Chapter on **entry and stay of persons** is also available on the European Commission's DG Trade website:
http://trade.ec.europa.eu/doclib/docs/2018/august/tradoc_157228.pdf#page=223

Annex 8-B (Annex IV) on **entry and stay of contractual service suppliers and independent professionals** is also available on the European Commission's DG Trade website:
http://trade.ec.europa.eu/doclib/docs/2018/august/tradoc_157233.pdf#page=221



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