



EU-Japan Centre  
for Industrial Cooperation  
日欧産業協力センター

# Expert Support Webinar for SWP in Gdansk, Poland\_ - Process and Procedures for Import and Sales of Innovative Textile to Japan

10:30 (CET) , 2 December 2020 (Thurs.), by C. Nakabayashi



# Today's Agenda

1. Introduction to Japan's Technical Textile Market
2. Import Declaration – Single/Multiple Importation of Same Products
3. Japan's Authorized Economic Operator (AEO) Program
4. Import Clearances – Act for Control of Household Products Containing Harmful Substances
5. Payments at Japan Customs
6. Requirements for Sales – (1) Labelling for Apparel and Materials, (2) Japan Industrial Standards (JIS) certification
7. Q&A



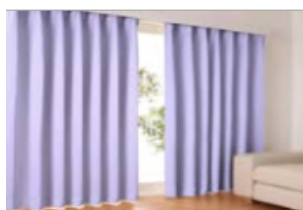
# Japan's Textile Industry

- Net importer of textiles and clothing due to a loss of price competitiveness and subsequent elimination of domestic production capacity by 80% in 80s.
- Since, transformed to a technologically advanced, value-added textile industry.
- **Clothing market** supplied with imported products (98% on quantity base or 80% on value base), mainly from China, while sewing operations are shifting to ASEAN countries.

# Japan's Textile Industry

High demand for 'high-performance fabrics' for technical textiles which are used for:

- 1) automobile applications
- 2) medical textiles
- 3) geotextiles
- 4) agro-textiles
- 5) protective clothing



# Japan's Textile Industry

High demand for '**high function textiles for clothing**' using polyester and nylon, adding following functions:

- 1) Sweat-absorbent quick-dry fiber
- 2) Heat absorbing fiber
- 3) Antibacterial deodorant fiber
- 4) Stretch fiber





# Japan's Textile Industry

(photos: Ministry of Economy, Trade and Industry of Japan)



## Unique chemical fibre for clothing 'the one and only'

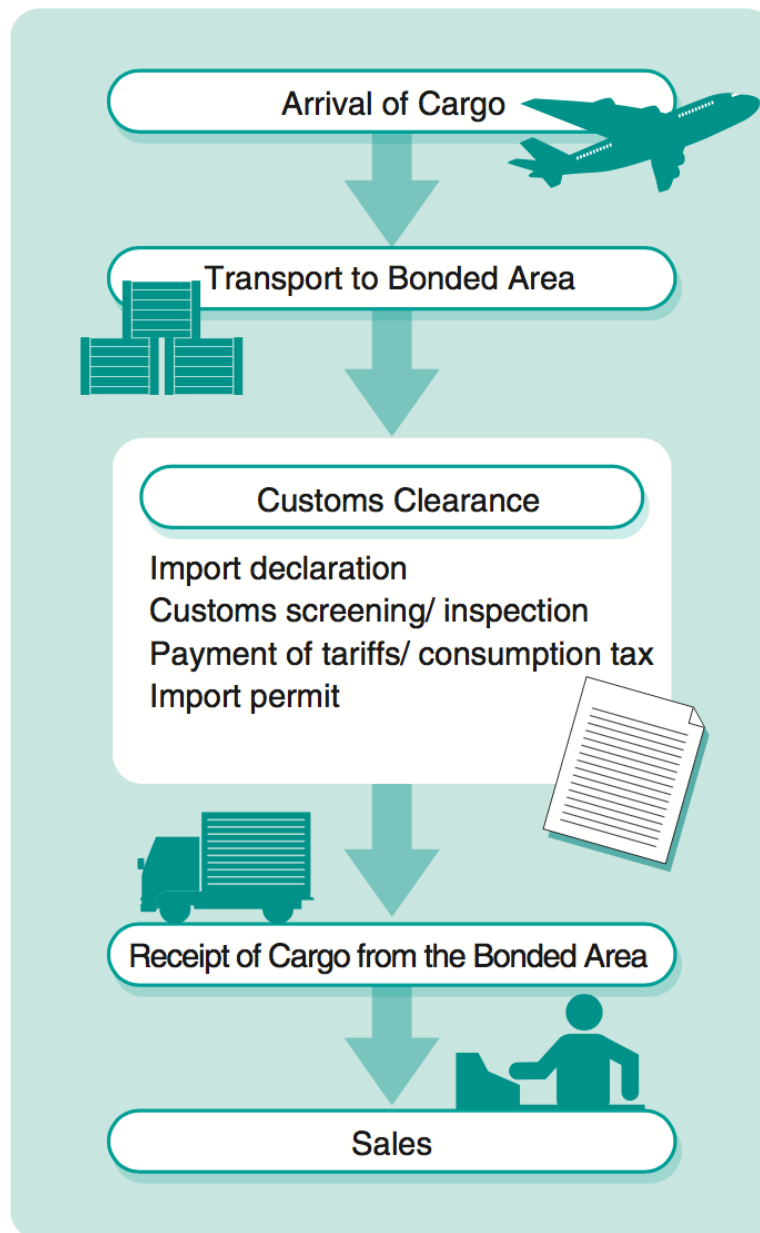
- 1) **Cupra Fiber** developed by Asahi Kasei: regenerated cellulosic fibers made from the downy hair that surrounds the cotton seeds.
- 2) **Triacetate fibre** developed by Mitsubishi Chemical: semi-synthetic fiber made by reacting high-purity wood pulp with acetic anhydride.



# Japan's Textile Industry

- Investing Overseas – in the EU
  - 1) Teijin is expanding business in non-woven products: it invested 125 million euros in a German company, and is producing and selling automobile interior materials such as sound-absorbing materials made of non-woven fabric;
  - 2) Toray is expanding business in artificial leather textiles: it invested to double production facilities for the artificial leather of an Italian company
- Foreign direct investment (FDI) from Japan

# Flow From Import to Sales of EU Goods in Japan





# 1. Import Declaration

- Importer/custom broker lodges an import declaration after EU goods are in bonded (*Hosei*) area or a special zone
- Japan Customs approve certain importers to lodge an import declaration before arrival of shipment.
- Useful to identify and use those authorized importers.

# 1. Import Declaration – Attachments from EU Exporters

- Invoice
- Bill of lading or Air Waybill
- ‘Statement of Origin’ to apply for EU-Japan EPA Preferential Tariff Treatment
- Packing lists, freight accounts, insurance certificates, etc.
- Licenses, certificates, if required by Japan’s laws and regulations
- Customs duty payment slips

# TEXT OF THE STATEMENT ON ORIGIN

English version

**(Period: from..... to .....(1) )**

**The exporter of the products covered by this document (..... (2)) declares that, except where otherwise clearly indicated, these products are of ..... preferential origin (3).**

**(Origin criteria used(4))**

.....

**(Place and date (5))**

.....

**(Printed name of the exporter)**

.....

# TEXT OF THE STATEMENT ON ORIGIN

English version

**EU languages or Japanese allowed but English commonly used**

(Period: from..... to .....(1) ) **Fill in for repeating exports of same product, one statement up to 12 months valid**

The exporter of the products covered by this document (**REX Number (2)**) declares that, except where otherwise clearly indicated, these products are of **the European Union** preferential origin (3).

(Origin criteria used(4))

..... **See next slide, refer details to EPA Help Desk on [www.eu-japan/epa-helpdesk](http://www.eu-japan/epa-helpdesk)**

(Place and date (5))

.....**Full address required for contact tracing, and date**

(Printed name of the exporter)

..... **Identify 'exporter' (either producer or trading company)**



## Origin Criteria Used (4) : Choose one or more

**A – Wholly obtained or produced products;**

**B – Products produced exclusively from originating materials;**

**C – Products produced using non-originating materials, with product specific rules (PSR):**

**C1 – Change in tariff classification rule**

**C2 – Value rule**

**C3 – A specific process rule**

**C4 – Specifics rules related to vehicles and parts of vehicles;**

**D – Accumulation rule; and or**

**E – Tolerance rule**

Important: Customs assume an exporter or importer have information to support the claim for EPA tariffs.

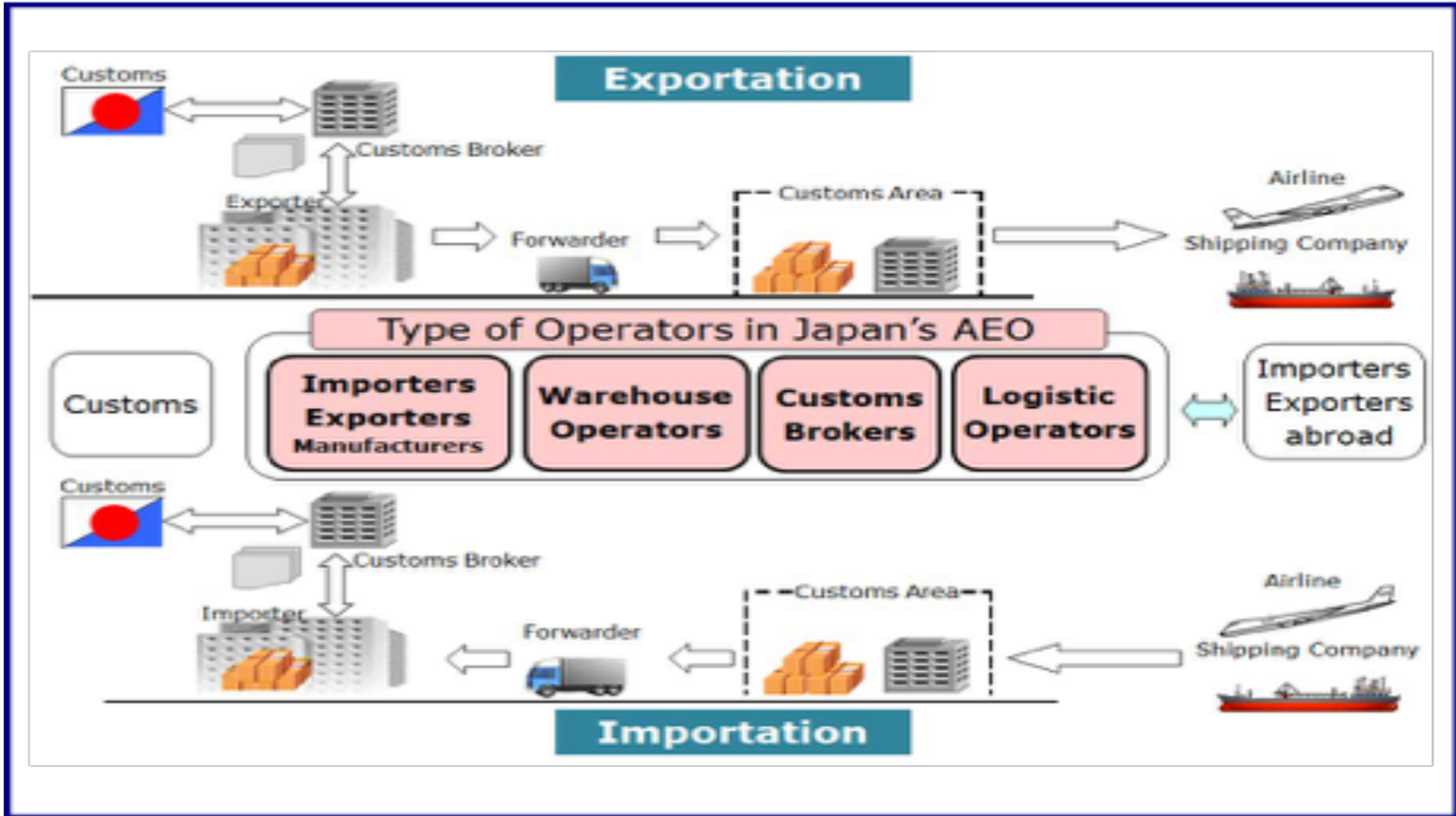


## 2. Customs Screening/Inspection- Prohibited Articles

- Narcotic drugs. Exception: The following products are permitted to import to Japan:
  - CBD oil
  - Heat treated hemp seeds
  - Food products containing hemp for human consumption
  - Hemp fibres and products
  - ❖ EU-Japan Organic Equivalent Arrangement for Plant and Plant-based Processed Products) apply to Organic hemp products. If you wish to know how to apply, please write to me.
- Articles which infringe upon intellectual property rights
- Firearms, ammunition
- Explosives
- Materials for chemical weapons;
- Germs for bio-terrorism;
- Counterfeit and imitation articles
- Article which may harm public safety or morals



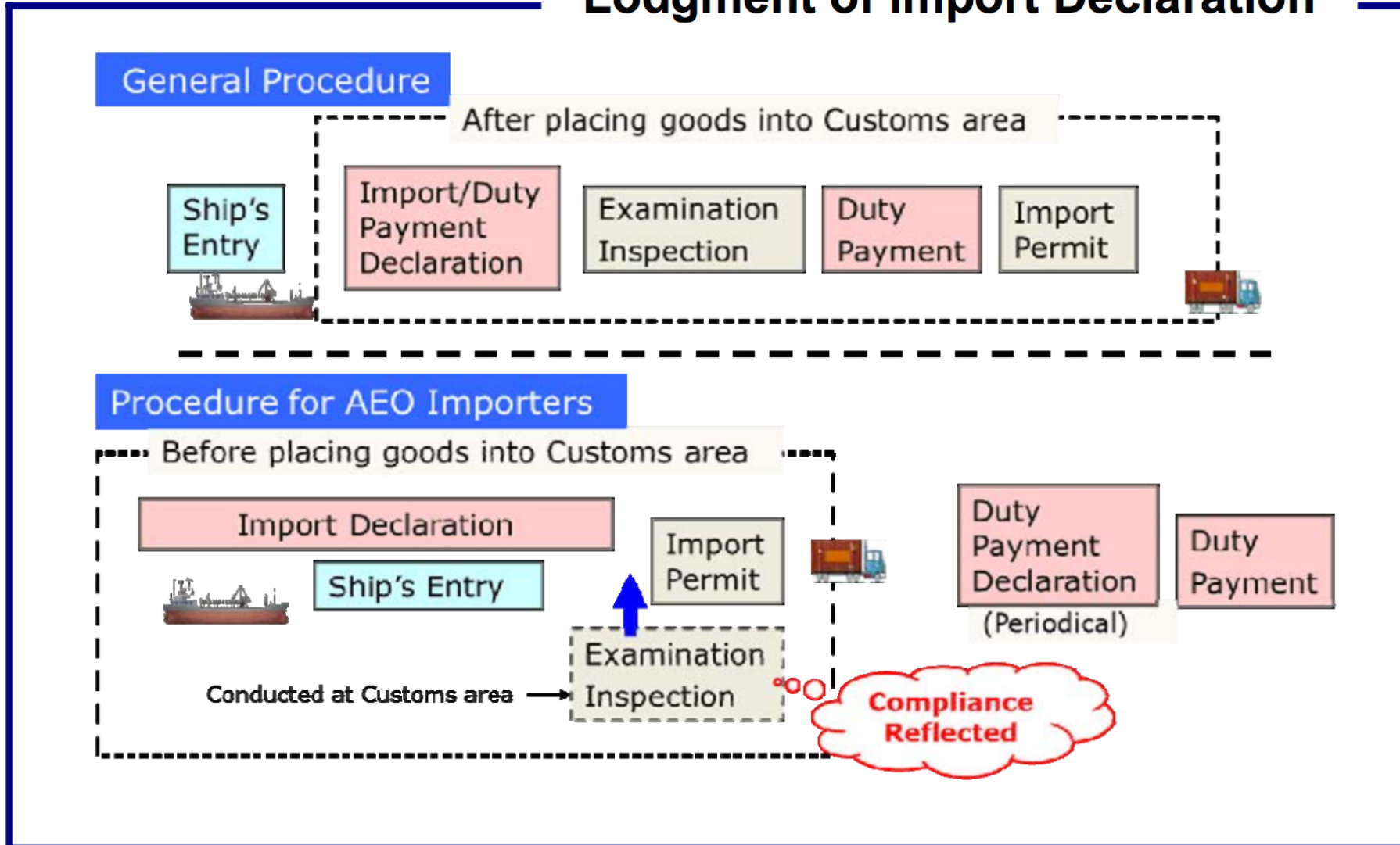
# 4. Japan's Authorized Economic Operators (AEO)





# Privileges for AEO Importers

## Lodgment of Import Declaration

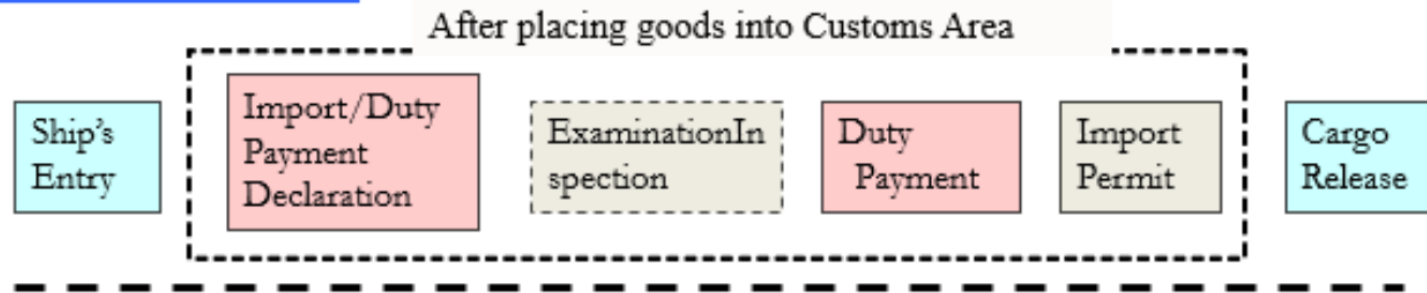




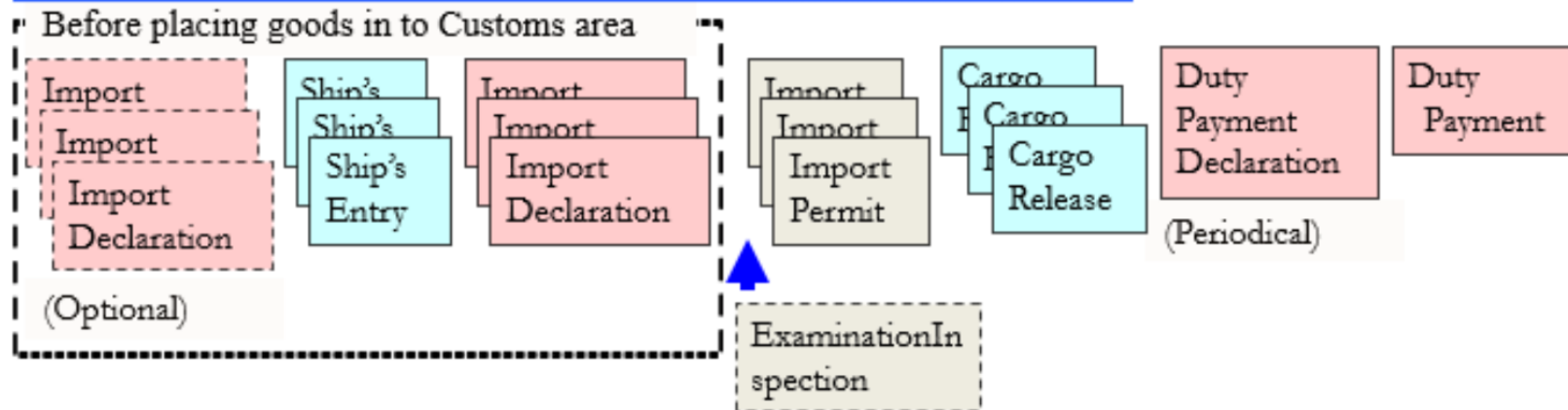
# Privileges for AEO Custom Brokers

## Lodgment of Import Declaration by an AEO Customs Broker

### General Procedure

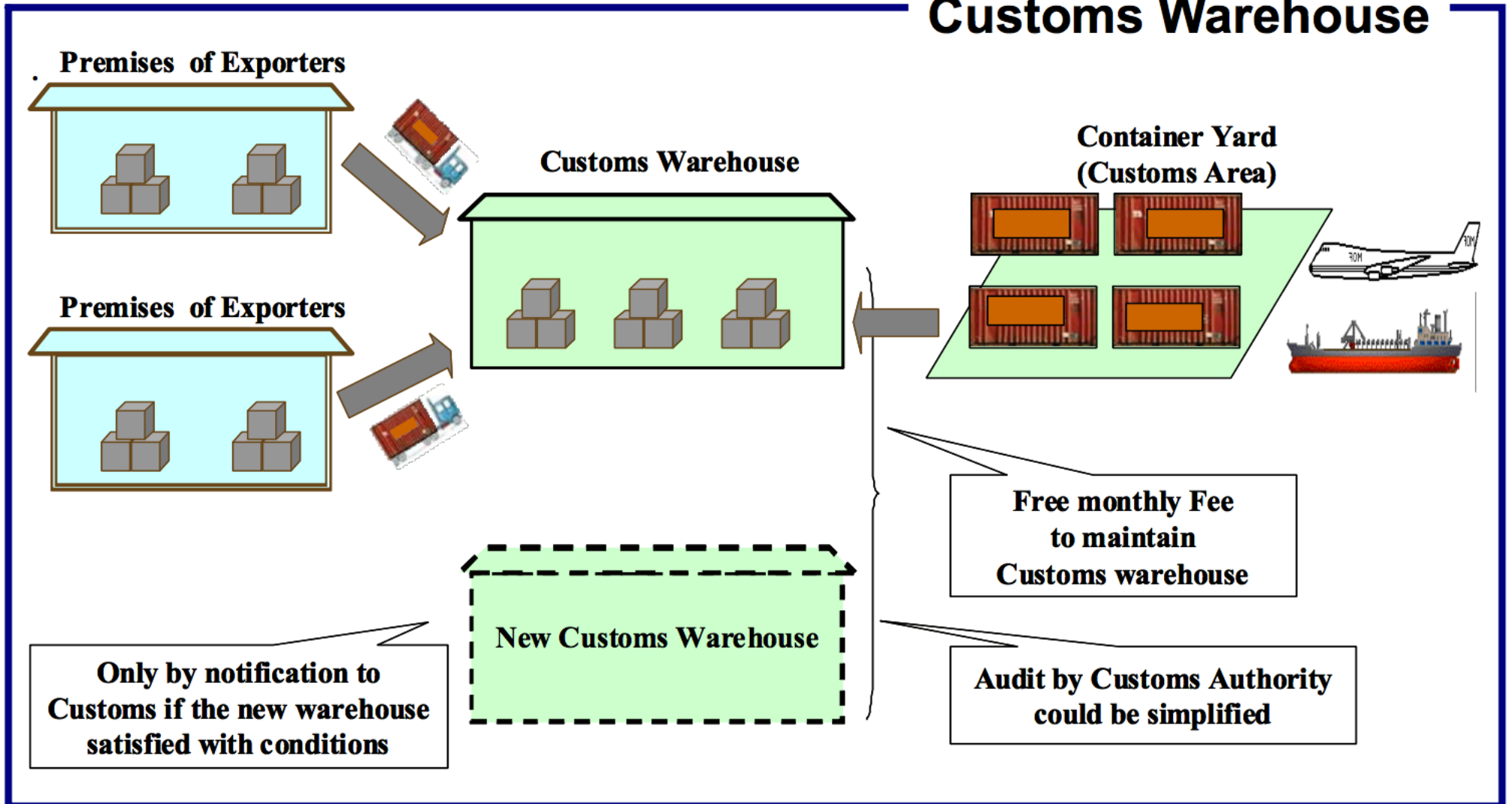


### Procedure for Authorized Delegated Import Clearance





# Privileges for AEO Warehouse Operators





## 5. Payments

- **Custom Duties** - Claim preferential tariff treatment (zero/reduced tariff rates) based on origin of products - the European Commission's 2 ways to claim – 'Statement of Origin' by exporter; 'Importer's Knowledge' by importer.
- **Consumption Tax** - 10% on all goods imported to Japan. Payable on the total of CIF price (freight, insurance included price) plus any duties and excise taxes. Consumption Tax = (CIF + tariff duty + excise) x 10%. De Minimis threshold is only 10,000 yen (or approx. Euro 80).



# Export Process and Procedures

There are certain technical regulations for exporting textiles to Japan, such as

- 1) double transformation principle
- 2) use of chemical substances
- 3) textile labelling

## ‘Double Transformation Principle’

- Only textile products qualified as EU origin can benefit from EU-Japan EPA preferential tariff treatment.
- ‘Double transformation principle’ applies under EU-Japan EPA: Materials for textile products can originate from outside of the EU as long as products are processed at two stages within the EU.
- Exception: ‘double transformation principle’ is exempted for lower quantities of export and for highly complex value-adding products such as products with advanced dyeing and printing.



# Banned Chemical Substances for Use in Textiles

- Organomercury compounds
- Formaldehyde (prohibited in baby clothes age 0-24 months)
- Tris (1-Aziridinyl) phosphine oxide
- Dieldrin
- Tris (2,3-Dibromophenyl) phosphate
- Triphenyltin compounds
- Bis (2,3-Dibromophenyl) phosphate
- 4, 6-Dichloro-7-(2,4,5-Trichlorophenoxy)
- Trifluoromethylbenzimidazole
- Azo dyes

# Labelling Requirements for Textiles

- Origin and size labelling is an industry-led voluntary system.
- Government-led system set compulsory labelling. See details in ‘Household Goods Quality Labelling Act’  
[https://www.caa.go.jp/policies/policy/representation/household\\_goods/pamphlet/pdf/pamphlet\\_03\\_0001.pdf](https://www.caa.go.jp/policies/policy/representation/household_goods/pamphlet/pdf/pamphlet_03_0001.pdf)
- Care labelling – Japan Industrial Standards (JIS) L0001-2014.





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# Q&A Session

*For further inquiries, please write  
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