

EXPORT TO JAPAN - FIRST STEPS

Differences with other FTA's

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.



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1. Legal basis

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1. Legal basis

COUNCIL DECISION (EU) 2018/1907

of 20 December 2018

on the conclusion of the Agreement between the European Union and Japan for an Economic Partnership

- Publication → OJ - L330 (27/12/2018)
- Origin → Chapter 3 (pages 21 till 32)
→ Annexes 3-A → 3-D (pages 634 – 686)



2. Export

What to start with?

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2. Export – What to start with?

- Obtain status of « Registered Exporter » (REX)
- REX = Self-certification
- Application form for registration
- Belgian REX numbers: BE+REX+EORI
(BEREXBE0123456789)
- Registration valid for all existing and future FTA's
- No possibility to use the approved exporter's authorisation number
- REX number not compulsory < 6000 €



2. Export – What to start with?

Application
form

1. Exporter's name, full address and country, EORI or TIN (2).

1 EORI number = 1 Registration

2. Contact details including telephone and fax number as well as e-mail address where available.

3. Specify whether the main activity is producing or trading.

Both can be selected

2. Export – What to start with?

4. Indicative description of goods which qualify for preferential treatment, including indicative list of Harmonised System headings (or chapters where goods traded fall within more than twenty Harmonised System headings).

Description + Headings (4 digits)

5. Undertakings to be given by an exporter

- Information given is correct
- Cooperation with authorities
- Keep accounting records for at least 3 years
- Accept control by authorities
- Inform authorities in case of change
- ...



2. Export – What to start with?

6. Prior specific and informed consent of exporter to the publication of his data on the public website

The undersigned is hereby informed that the information supplied in this declaration may be disclosed to the public via the public website. The undersigned accepts the publication of this information via the public website. The undersigned may withdraw his consent to the publication of this information via the public website by sending a request to the competent authorities responsible for the registration.

Consent is NOT compulsory

2. Export – What to start with?



TAXATION AND CUSTOMS UNION

European Commission > Taxation and Customs Union > Databases > REX > REX number validation

Mail Box | Search

From the 1st of January 2017, the data of the REX system is published and may be searched online.
For more information about the registration of Registered Exporter, click [here](#).

Help | What's new? | Information | FAQ

REX number validation

Retrieve REX number validation

You can launch a validation request by entering the REX or EORI/TIN number and clicking the corresponding "Validate" button.

Search on REX number

Validate

Search on number

Validate

REX number validation

Retrieve REX number validation

You can launch a validation request by entering the REX or EORI/TIN number and clicking the corresponding "Validate" button.

Search on REX number

BEREXBE0456453195 |

Validate

Search on number

Validate



2. Export – What to start with?

Retrieve REX number validation

You can launch a validation request by entering the REX or EORI/TIN number and clicking the corresponding "Validate" button.

Search on REX number

Search on number

1 result(s) match(es) your search

REX number	EORI / TIN number	Status
+ BEREXBE0456453195	BE0456453195	The REX number is valid

When you have given your consent



3. Proof of preferential origin

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3. Proof of preferential origin

Since the day of entry into force (01/02/2019)

- Preferential treatment for goods if origin statement made out as from 01/02/2019
- Origin statement = valid 12 months from date it is made out



3. Proof of preferential origin

Origin statement in EU

Identical products
Same subheading
Same origin rule

Max 12 months

(Period: from to (1))

The exporter of the products covered by this document (Exporter Reference No. (2)) declares that, except where otherwise clearly indicated, these products are of (3) preferential origin.

REX number

(Origin criteria used (4))

See next slide

.....

(Place and date (5))

May be omitted

.....

(Printed name of the exporter)

Exemption from signature

.....



Origin criteria used

A – Wholly obtained or produced products

B – Products produced exclusively from originating materials

C – Products produced using non-originating materials, with the specific requirements for the product:

1 – Change in tariff classification rule

2 – A value rule

3 – A specific process rule

4 – Specifics rules related to vehicles and parts of vehicles

D – Use of accumulation

E – Use of tolerances

Example: C1E (Non-originating materials, CTH and tolerance)

Origin criteria

- Absence of origin criterion → Denial of preference
- Invoice with different headings → Criterion for every heading
If link Heading ↔ Criterion unclear → Denial of preference
- Sets → No origin criterion foreseen (till now)
- If possibility of several criteria

28.01-28.53

CTSH;

A chemical reaction, purification, production of standard materials, or isomer separation is undergone;

MaxNOM 50 % (EXW); or

RVC 55 % (FOB).

- Mention of the real applied criterion
If all criteria are fulfilled → Choice for the exporter



Origin criteria – Additional information asked by Japan

Article 3.16, §3

... The customs authority of the importing Party may request, to the extent that the importer can provide such explanation, the importer to provide an explanation, as part of the customs import declaration or accompanying it, that the product satisfies the requirements of this Chapter.

Clarification by Japanese Customs and EU Commission

The exporter in the EU who made out a statement on origin, when requested by the importer in Japan to provide an explanation, is not obliged to provide such explanation. And this will not lead to a denial of the preference in Japan.



4. EU/Japan EPA ↔ Other FTA's Main differences



“Alternative” proof of origin

Second possibility of proof of origin =
Importer’s knowledge

Why “Alternative”?

- The importer claims preferential origin treatment
- No use of origin statement
- No need to be registered
- All information on origin in possession of importer



Relation Exporter / Importer → Same company?
Importer and Exporter → access to the same data



Retrospective statement

Not foreseen explicitly !!!

Article 3.16

- Preferential origin treatment claimed by the importer at the moment of importation.
- The origin statement has to be issued before the claim for preferential treatment is made.

Nevertheless ...



Retrospective statement

... Nevertheless

Solution in the EU → Art 56, §3 of UCC

→→ Preferential origin treatment may be granted retrospectively

But in Japan no real solution... till now...



Authorization number in Japan

EU → REX number

Japan → Japan Corporate Number

➤ Japan Corporate Number = 13-digit single-byte number (e.g. 1234567890123)

➤ Check possible in online-database

<http://www.houjin-bangou.nta.go.jp/en/>



Statement on separate document

Statement can be issued:

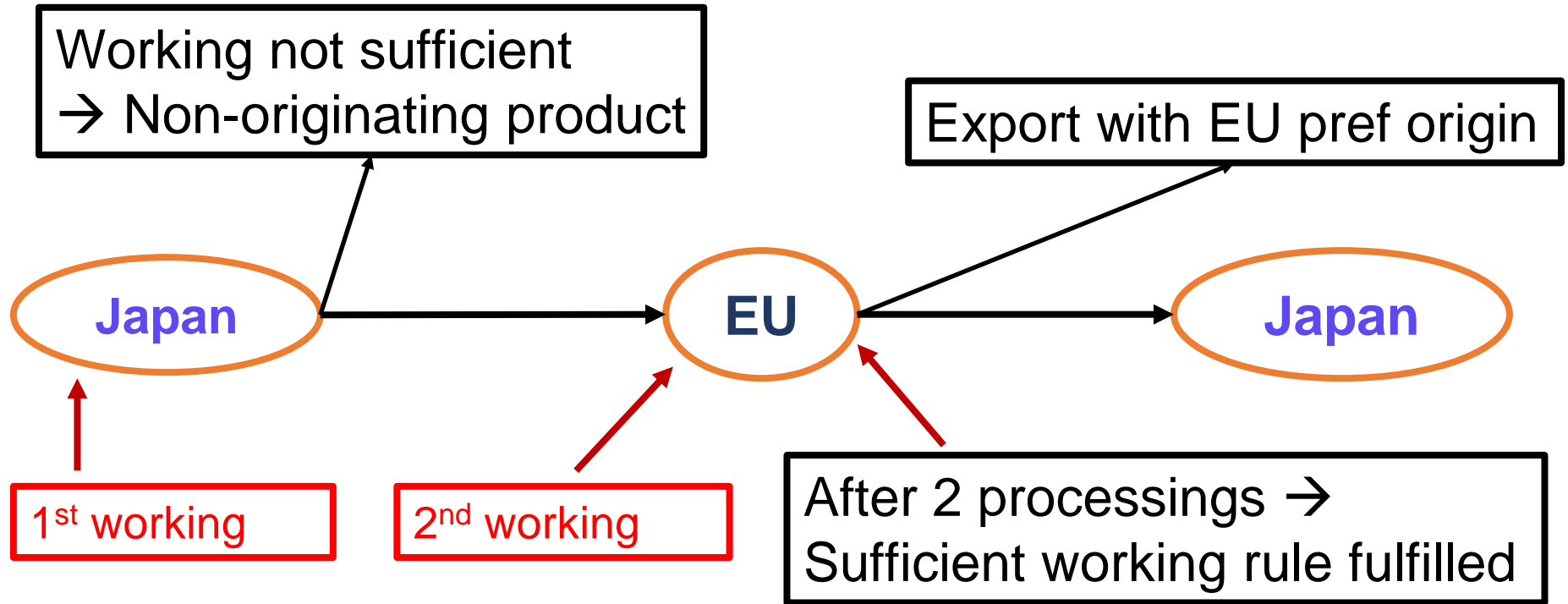
- On the invoice itself
- On any other commercial document

Statement can be provided on separate document

↳ [Invoice or other commercial document
must refer to that separate document

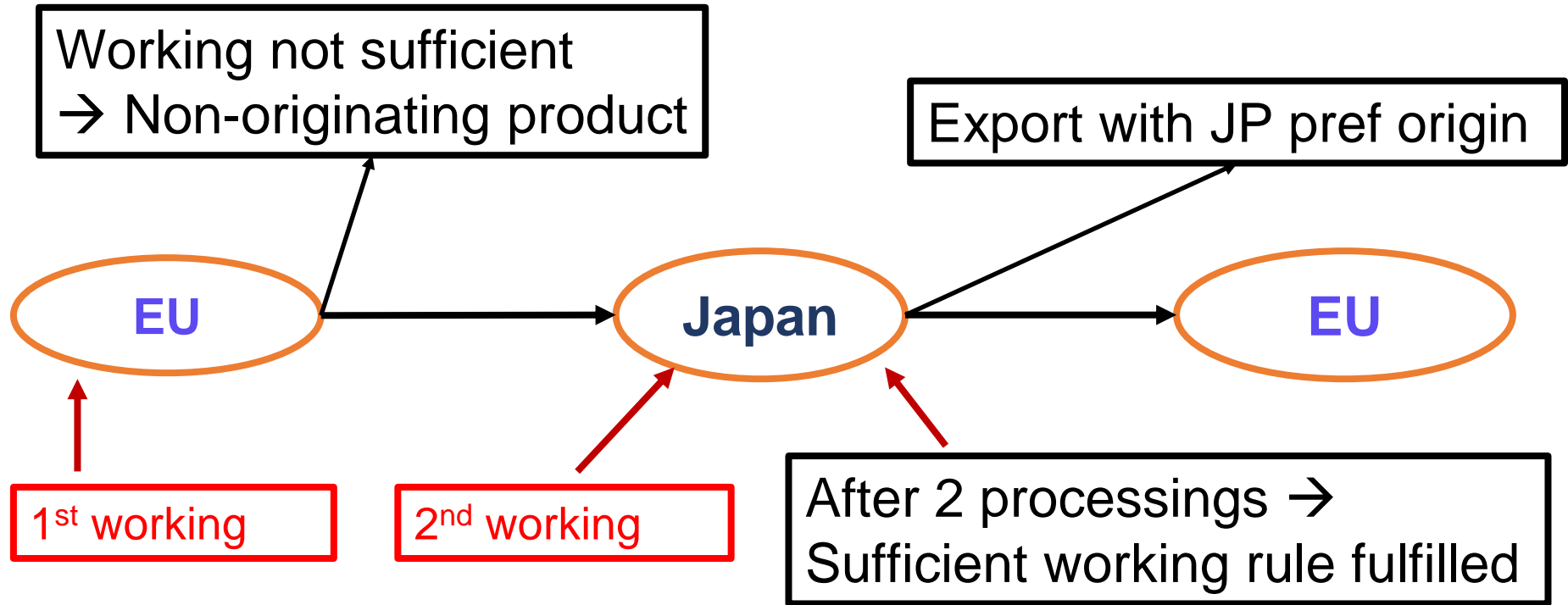
Full cumulation (besides bilateral cumulation)

Parties are allowed to use, from each other, non-originating materials

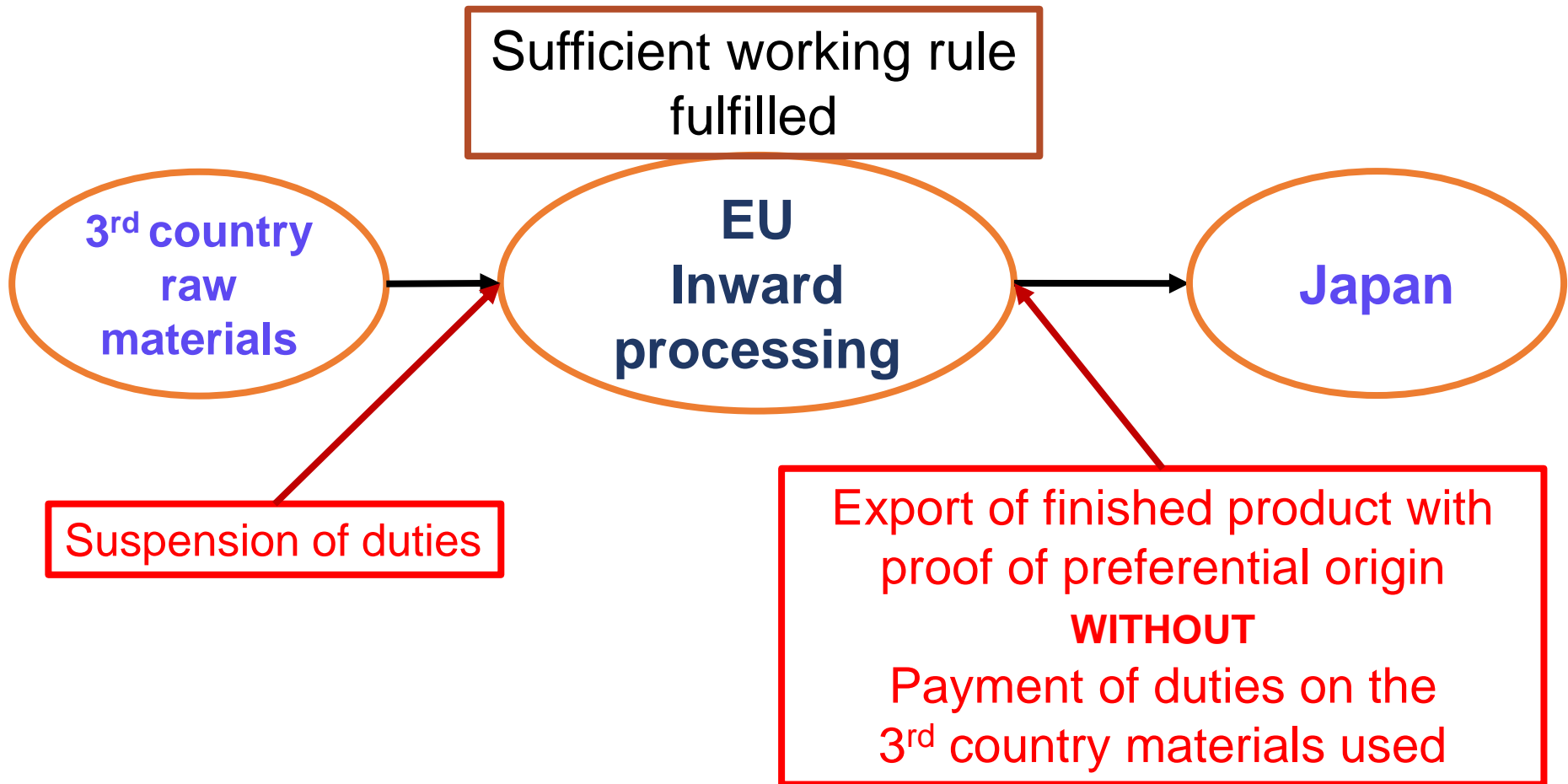


Full cumulation (besides bilateral cumulation)

It works, of course, also in the opposite way



Drawback prohibition not foreseen



Sufficient working rules - Layout

Traditional FTA's

HS heading	Description of product	Working or processing, carried out on non-originating materials, which confers originating status	
(1)	(2)	(3)	or (4)
ex Chapter 88	Aircraft, spacecraft, and parts thereof; except for:	Manufacture from materials of any heading, except that of the product	
ex8804	Rotochutes	Manufacture from materials of any heading, including other materials of heading 8804	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
8805	Aircraft launching gear, deck-arrestor or similar gear; ground flying trainers; parts of the foregoing articles	Manufacture from materials of any heading, except that of the product	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product

Sufficient working rules - Layout

Japan

Column 1 Harmonized System classification (2017) including specific description	Column 2 Product specific rule of origin
Chapter 88	Aircraft, spacecraft, and parts thereof
88.01-88.05	CTH; Change in Tariff Heading MaxNOM 50 % (EXW); or RVC 55 % (FOB). Minimum regional value content

Maximum value non-originating materials

Minimum regional value content



Sufficient working rules - Example 1905 32 (Waffles)

Traditional FTA's

Manufacture from materials of any heading, except those of Chapter 11 (wheat flour)



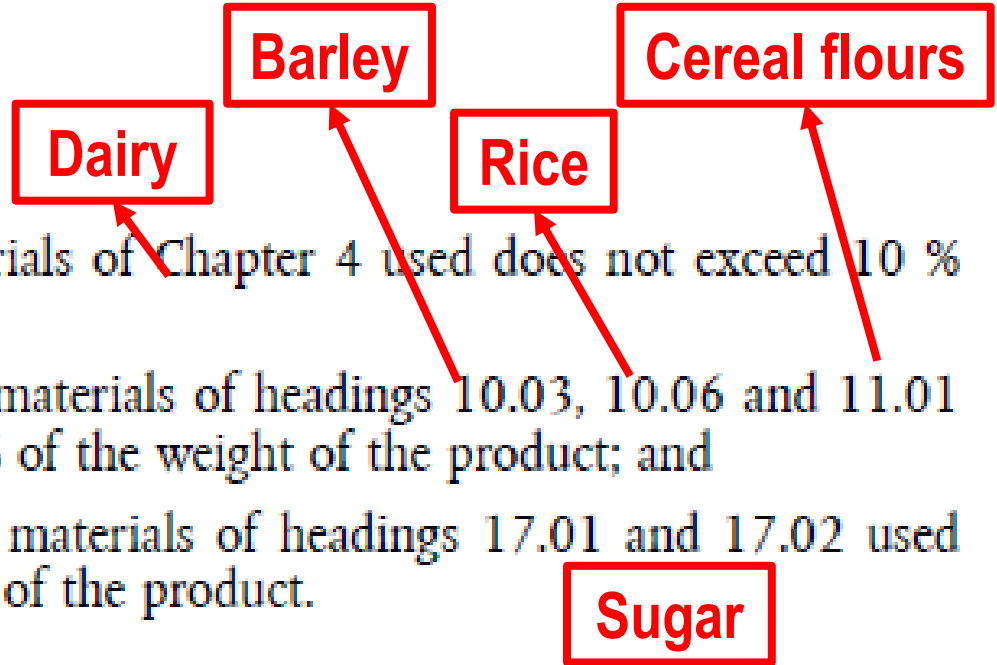
- For wheat flour → supplier's declaration(s) proving EU origin
- For other ingredients → Heading different from 1905

Sufficient working rules - Example 1905 32 (Waffles)

Japan

CTH, provided that:

- the weight of non-originating materials of Chapter 4 used does not exceed 10 % of the weight of the product;
- the total weight of non-originating materials of headings 10.03, 10.06 and 11.01 to 11.08 used does not exceed 10 % of the weight of the product; and
- the total weight of non-originating materials of headings 17.01 and 17.02 used does not exceed 30 % of the weight of the product.



Main rule = Change in Tariff heading (CTH), BUT ...



Sufficient working rules - Example 1905 32 (Waffles)

Japan

Main rule = Change of Tariff heading, BUT ...
Limited use of different non-originating ingredients



NOT IN VALUE,
BUT IN WEIGHT



Supplier's declaration(s)
proving EU origin for all
these ingredients

Sufficient working rules - Example 2 – Chapter 84)

Traditional FTA's

ex Chapter 84

Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof, except for:

Manufacture:

- from materials of any heading, except that of the product, and
- in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product

ex8401

Nuclear fuel elements

Manufacture from materials of any heading, except that of the product ⁽¹²⁾

Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product

8402

Steam or other vapour generating boilers (other than central heating hot water boilers capable also of producing low pressure steam); super-heated water boilers

Manufacture:

- from materials of any heading, except that of the product, and
- in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product

Sufficient working rules - Example 2 – Chapter 84)

Japan

Chapter 84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof
84.01-84.06	CTH; MaxNOM 50 % (EXW); or RVC 55 % (FOB).
84.07-84.08 (1)	MaxNOM 50 % (EXW); or RVC 55 % (FOB).
84.09-84.24	CTH; MaxNOM 50 % (EXW); or RVC 55 % (FOB).
84.25-84.30	CTH except from heading 84.31; MaxNOM 50 % (EXW); or RVC 55 % (FOB).



5. Import duties in Japan + Rules of Origin + Schedule



Market access database

TRADE
Market Access Database

European Commission > Trade > Market Access database > Tariffs and Rules of Origin

Code	Product description	EU	GEN	MFN	RoO	Schedule
42	CHAPTER 42 - ARTICLES OF LEATHER; SADDLERY AND HARNESS; TRAVEL GOODS, HANDBAGS AND SIMILAR CONTAINERS; ARTICLES OF ANIMAL GUT (OTHER THAN SILKWORM GUT);	↓		↓		
4203	Articles of apparel and clothing accessories, of leather or of composition leather:					
4203.10	- Articles of apparel:					
4203.10.10	- - Trimmed with furskin or combined or trimmed with precious metal, metal clad with precious metal, metal plated with precious metal, precious stones, semi-precious stones, pearls, coral, elephants' tusks or Bekko	11.6%	40%	16%	RoO	Schedule

Market access database



[4203.10.10](#)

-- Trimmed with furskin or combined or trimmed with precious metal, metal clad with precious metal, metal plated with precious metal, precious stones, semi-precious stones, pearls, coral, elephants' tusks or Bekko

14.5%

40%

16%

[RoO](#)

[Schedule](#)

The following rule/s define the working or processing, carried out on non-originating materials, which confers originating status

42.01-42.06

| CC; CTH and MaxNOM45 % (EXW); or CTH and RVC60 % (FOB).

[42.01-42.06](#)

- Change in Chapter (CC)
- Change in Tariff Heading (CTH) and maximum value of non originating materials = 45% of Ex Works price
- Change of Tariff Heading (CTH) and minimum regional value content = 60% of FOB price



[4203.10.10](#)

- - Trimmed with furskin or combined or trimmed with precious metal, metal clad with precious metal, metal plated with precious metal, precious stones, semi-precious stones, pearls, coral, elephants' tusks or Bekko

14.5%

40%

16%

[RoO](#)

[Schedule](#)

Tariff Schedule



YEAR 1

YEAR 2

YEAR 3

YEAR 4

YEAR 5

YEAR 6

YEAR 7

DUTY RATE

YEAR

420310.100

1 Trimmed with furskin or combined or trimmed with precious metal, metal clad with precious metal, metal plated with precious metal, precious stones, semi-precious stones, pearls, coral, elephants' tusks or Bekko

Staging Category Code: B10

Staging Category Description:

SCHEDULE

SCHEDULE		FTA JAPAN BOUND DUTY
YEAR	PERIOD, FROM - TO	
YEAR 1	01/02/2019 - 31/03/2019	14.5%
YEAR 2	01/04/2019 - 31/03/2020	13.1%



4203.10.10

-- Trimmed with furskin or combined or trimmed with precious metal, metal clad with precious metal, metal plated with precious metal, precious stones, semi-precious stones, pearls, coral, elephants' tusks or Bekko

11.6%

40%

16%

RoO

Schedule

420310.100

1 Trimmed with furskin or combined or trimmed with precious metal, metal clad with precious metal, metal plated with precious metal, precious stones, semi-precious stones, pearls, coral, elephants' tusks or Bekko

Staging Category Code: B10

Staging Category Description:

(n) customs duties on originating goods classified under the tariff lines indicated with "B10" shall be eliminated in 11 equal annual instalments, and these goods shall be duty-free as from 1 April of the 11th year;

Agreement entered into force date: 01.02.2019

Base Rate: 16.0%

SCHEDULE		FTA JAPAN BOUND DUTY
YEAR	PERIOD, FROM - TO	
YEAR 1	01/02/2019 - 31/03/2019	14.5%
YEAR 2	01/04/2019 - 31/03/2020	13.1%
YEAR 3	01/04/2020 - 31/03/2021	11.6%
YEAR 4	01/04/2021 - 31/03/2022	10.2%
YEAR 5	01/04/2022 - 31/03/2023	8.7%



4203 10 – Import duties EU

Tariff measures

TARBEL : Belgian Customs website

EU/BE	Geographical area	Measure type	Tariff
	ERGA OMNES	Third country duty	4 %
	ERGA OMNES	Suspension - goods for certain categories of ships, boats and other vessels and for drilling or production platforms	0 %
	ERGA OMNES	Suspension of import duties on certain military equipment	0 %
	JP - Japan	Tariff preference	0 %



6. The import document



Preferential treatment at import from Japan

36 Préférence

300

31 Colis et désignation des marchandises	Marques et numéros - No(s) conteneur(s) - Nombre et nature	32 Article No.	33 Code des marchandises			
		34 Code P. origine a) <input type="checkbox"/> b) <input type="checkbox"/>	35 Masse brute (kg)	36 Préférence		
44 Mentions spéciales et documents produits/ Certificats et autorisations		37 RÉGIME	38 Masse nette (kg)	39 Contingent		
		40 Déclaration sommaire/Document précédent				
		41 Unités supplémentaires	42 Prix de l'article	43 code M.E.		
		Code M.S.		45 Ajustement		
		46 Valeur statistique				

Statement of origin
Multiple shipments
Importer's knowledge

→ U110

→ U111

→ U112



7. Supplier's declarations

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7. Supplier's declarations

I, the undersigned, declare that the goods described below:

.....(1)

.....(2)

which are regularly supplied to(3), originate in(4)
and satisfy the rules of origin governing preferential trade with (5)

- AD** (Andorra), **AL** (Albania), **BA** (Bosnia-Herzegovina), **CA** (Canada), **CH** (Switzerland), **CL** (Chile),
- CO** (Colombia), **CI** (Ivory Coast), **DZ** (Algeria), **EC** (Ecuador), **EG** (Egypt), **FO** (Faroe Islands),
- GE** (Georgia), **GH** (Ghana), **IL** (Israel), **IS** (Iceland), **JO** (Jordan), **JP** (Japan), **KR** (South Korea),
- LB** (Lebanon), **LI** (Liechtenstein), **MA** (Morocco), **MD** (Moldova), **ME** (Montenegro), **MK** (Macedonia),
- MX** (Mexico), **NO** (Norway), **PE** (Peru), **PS** (West Bank / Gaza Strip), **SY** (Syria), **TN** (Tunisia), **TR** (Turkey),
- UA** (Ukraine), **XC** (Ceuta), **XK** (Kosovo), **XL** (Melilla), **XS** (Serbia), **ZA** (South Africa), **ACP**,
- Central America**, **Cariforum**, **OCT**, **ESA**, **SADC**, **Western Pacific**, **GSP**, **CAS**

Compulsory to communicate the origin criteria used



7. Supplier's declarations

I, the undersigned, declare that the goods described below:

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- AD** (Andorra), **AL** (Albania), **BA** (Bosnia-Herzegovina), **CA** (Canada), **CH** (Switzerland), **CL** (Chile),
- CO** (Colombia), **CI** (Ivory Coast), **DZ** (Algeria), **EC** (Ecuador), **EG** (Egypt), **FO** (Faroe Islands),
- GE** (Georgia), **GH** (Ghana), **IL** (Israel), **IS** (Iceland), **JO** (Jordan), **JP** (Japan), **KR** (South Korea),
- LB** (Lebanon), **LI** (Liechtenstein), **MA** (Morocco), **MD** (Moldova), **ME** (Montenegro), **MK** (Macedonia),
- MX** (Mexico), **NO** (Norway), **PE** (Peru), **PS** (West Bank / Gaza Strip), **SG** (Singapore), **SY** (Syria), **TN** (Tunisia),
- TR** (Turkey), **UA** (Ukraine), **VN** (Vietnam), **XC** (Ceuta), **XK** (Kosovo), **XL** (Melilla), **XS** (Serbia), **ZA** (South Africa), **ACP**, **Central America**, **Cariforum**, **OCT**, **ESA**, **SADC**, **Western Pacific**, **GSP**, **CAS**

Compulsory to communicate the origin criteria used



7. Supplier's declarations

Mention of origin criteria used :

- According to criteria in use for statement
- On the supplier's declaration itself
- On any other document, with a link to supplier's declaration
- Only useful in case of resale to Japan (no working)



8. Additional information

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8. Additional information

➤ Belgium - Customs

https://finances.belgium.be/fr/douanes_accises/entreprises/douane/origine/ue-japon

https://financien.belgium.be/nl/douane_accijnzen/ondernemingen/douane/oorsprong/eu-japan

PDF document, explaining the most important topics and giving links to latest publications

In French and Dutch



8. Additional information

➤ Belgium – FPS Economy

<https://economie.fgov.be/fr/themes/politique-commerciale/accords-commerciaux/accord-commercial-ue-japon>

<https://economie.fgov.be/nl/themas/handelsbeleid/handelsakkoorden/eu-japan-handelsakkoord>

Link to → DG Trade
→ EU-Japan Centre



8. Additional information

➤ **Belgium – EU-Japan Centre** for Industrial Cooperation

<https://www.eu-japan.eu/>

Helpdesk – Publications – Webinars – Useful links –
...



8. Additional information

➤ France

<http://www.douane.gouv.fr/articles/a14896-accord-de-partenariat-economique-ue-japon>

- Links to publications
- List of FAQ

8. Additional information

➤ Germany

https://wup.zoll.de/wup_online/index.php

LÄNDERLISTE

ÜBERSICHTEN

GEGENÜBERSTELLUNG DER
VERARBEITUNGSLISTE

LÄNDERAUSWAHL

oder

VERARBEITUNGSLISTE

STICHTAG ÄNDERN



8. Additional information

➤ Germany

Google → Deutschland Zoll Merkblatt Japan

Merkblatt EU-Japan-EPA

(Version 6. Februar 2020)





8. Additional information

➤ European Commission

Different guidelines

Google → EU Japan guidance

Thank you for your attention!

Roger TENEY

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.