

# PROCESSED AGRICULTURAL PRODUCTS (PAPs)

## PRELIMINARY REMARKS

- The aim of these Factsheets and Guidelines (hereafter 'Report') is to explain to EU PAPs exporters the market access opportunities offered by the EU-Japan Agreement for an Economic Partnership (EPA) as well as, in a brief overview, the relevant Rules of Origin and import procedures in Japan. More information on these issues and on specific market entry requirements, including Customs procedures and SPS measures are covered in the relevant Factsheet and Guidelines, or can be found in the 'Food and Beverage Handbook: Japan' <sup>[1]</sup>.
- The PAPS list considered in this Report is based on the Annex I of Regulation (EU) No 510/2014 of the European Parliament and of the Council of 15 April 2014 <sup>[2]</sup> laying down the trade arrangements applicable to certain goods resulting from the processing of agricultural products.
- As regards product description, only the Harmonised System (HS) code system at six-digit level, or the Japanese nomenclature at nine-digit level have been used. For detailed description of the Japanese nomenclature, reference is made to the Japanese Schedule in the Agreement.
- In the Japanese Schedule, **a fiscal year** means the period between 1 April of one year and 31 March of the next year. As the Agreement enters into force on 1 February 2019, the first year will be the period between 1 February 2019 and 31 March 2019. First year quantities have therefore been calculated on a 'pro rata' basis.
- All quantities are expressed in metric tonnes (t), unless stated otherwise.
- The complete text of the EPA, and annexes, incorporating the Schedule of Japan, can be found on the following website of the European Commission: <https://trade.ec.europa.eu/doclib/press/index.cfm?id=1684>. Japan's tariff Schedule is in Annex 2-A-4; "Notes for the Schedule of Japan" can be found in Annex 2-A-3. These Notes explain inter alia the various types of concessions, including details on TRQs, safeguard measures, etc.
- The Report has been prepared with the sole purpose of clarifying and simplifying the understanding of some parts of the EU-Japan EPA related to PAPs, and bear therefore no legal standing. While utmost care was taken in the preparation of the report, the author, the EU-Japan Centre, and the European Commission cannot be held responsible for any error or omission. This report does not constitute legal advice in terms of business development cases. As a result, only the legal text and annexes of the EU-Japan EPA, as well as relevant legislation in the EU and Japan prevail. The Report reflects the view of the author who cannot be held responsible for any use which may be made of the information contained herein.

[1] Website: <https://ec.europa.eu/chafea/agri/content/food-and-beverage-market-entry-handbook-japan>

[2] Website: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L:2014:150:FULL&from=EN>



# PROCESSED AGRICULTURAL PRODUCTS (PAPs)

## 1. IN A NUTSHELL

Of the 20 most exported EU PAPs to Japan, important products such as cigarettes, mineral waters, cocoa powder, pectic substances, spirits, yeast and caseinates will be liberalised at the entry into force of the Agreement. Others such as uncooked spaghetti, esterified starches, food preparations without added sugar and without more than 30% milk food preparation (such as tariff line 2106.90.299), chocolate confectionary and other food preparations containing cocoa, candies and biscuits,

cookies and crackers will be liberalised within 5 or 10 years.

Sizeable TRQs are provided for other products such as food preparations related to wheat and barley, and coffee preparations.

A limited number of tariff lines is excluded from any EPA preference when related to rice. These tariff lines are labelled in Japan’s EPA Schedule as an “X”-category.

## 2. MARKET ACCESS

### 2.1. DIFFERENT TYPES OF PREFERENCE

TYPE	CATEGORY IN JAPAN'S SCHEDULE	DESCRIPTION
Immediate liberalisation	A	- The base rate <sup>[3]</sup> currently applied by Japan is eliminated at the entry into force of the Agreement. - Tariff lines <b>not</b> listed in the Schedule of Japan have duty free access from 1 February 2019 [entry into force].
Duty elimination spread over a period	B	Gradual elimination of the base rate over a period of time, whether or not in equal annual instalments (mostly linear or sometimes non-linear). The zero duty will be applied in subsequent years.
Duty reduction spread over a period	R	Gradual reduction of the base rate to a certain level, whether or not in equal annual instalments (linear or non-linear). The final – reduced – level will be applied in subsequent years.
Tariff Rate Quotas (TRQs)	TRQ	TRQs allow for one of the above-mentioned preferences within the limits of an annual import quantity (being the quota level) of the relevant goods. Once in a given fiscal year this quantity is exceeded, the base duty rate applies until the end of the fiscal year. The TRQ is re-opened at the beginning of the following fiscal year. The quota levels can remain unchanged over the years, or can be increased gradually over a period of time.

[3] “Base rate” means the starting point of elimination or reduction of customs duties. It is Japan’s Most Favoured Nation (MFN) rate as scheduled in the WTO, and applied on imports EU products as long as the EPA has not entered into force.

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# EU-Japan EPA **FACTSHEET** Processed Agricultural Products (PAPs)

## 2.2. EPA CONCESSIONS FOR THE MOST IMPORTANT PAPs

Below some general observations as regards the EPA preferential market access for the main exported EU PAPs exported to Japan. More details on all the PAPs Chapters can be found further in this Report.



### **Chocolates** (HS 1806), **Confectionaries** (HS1704)

- Duties for most of the chocolates will be gradually phased out over a period of 10 years, and will be duty free as from 1/4/2027.
- Some of these will have duty preferences within a TRQ.
- Duty free access as from the entry into force of the Agreement for most of the confectionaries under HS 1704, except for a number of products such as chewing gum, candies, caramels and white chocolate: these duties will be phased out over a period of 10 years.

### **Pasta** (HS 1902)

- A majority of pasta products will have duties phased out over a period of 10 years; these products include **spaghetti, macaroni, and stuffed pasta**.
- Uncooked pasta containing eggs will have duties phased out in 8 years' time, to become duty free on 1/4/2025.
- Udon has duty free access within a TRAQ of 10 t; this quantity will remain unchanged.

### **Bread, biscuits, waffles** (HS 1905)

Duties will be gradually phased out over periods between 5 and 8 years.

### **Albuminoidal substances and modified starches**

- Duties of **esterified starches** <sup>[4]</sup> shall remain at the base rate (6.8%) until 31/3/23, and shall then become duty free as from 1/4/2023.
- **Egg albumin, aseinates** <sup>[5]</sup> as well as **casein** <sup>[6]</sup> will be duty free at the entry into force of the Agreement.
- **Dextrins and other modified starches, other than starch derivatives** <sup>[7]</sup> and **glues** <sup>[8]</sup> shall have duties phased out over 10 years as indicated below:

DATE	DUTY (Yen/kg)
<b>Base rate</b>	21.3% or 25.50 yen/kg whichever is the greater
<b>1/4/2019</b>	17.4% or 20.86 yen/kg whichever is the greater
<b>1/4/2020</b>	15.5% or 18.55 yen/kg whichever is the greater
<b>1/4/2021</b>	13.6% or 16.23 yen/kg whichever is the greater
<b>1/4/2022</b>	11.6% or 13.61 yen/kg whichever is the greater
<b>1/4/2023</b>	9.7% or 11.59 yen/kg whichever is the greater
<b>1/4/2024</b>	7.7% or 9.27 yen/kg whichever is the greater
<b>1/4/2025</b>	5.8% or 6.95 yen/kg whichever is the greater
<b>1/4/2026</b>	3.9% or 4.64 yen/kg whichever is the greater
<b>1/4/2027</b>	1.9% or 2.32 yen/kg whichever is the greater
<b>1/4/2028 and subsequent years</b>	Free

- <sup>[4]</sup> Product concerned: 350510.100
- <sup>[5]</sup> Product concerned: 350190.000
- <sup>[6]</sup> Product concerned: 350110.000
- <sup>[7]</sup> Product concerned: 350510.200
- <sup>[8]</sup> Product concerned: 350520.000

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# EU-Japan EPA **FACTSHEET**

## Processed Agricultural Products (PAPs)

### 2.3. DETAILED DESCRIPTION OF THE TARIFF PREFERENCES

#### 2.3.1. CH-04 – PAPs - Dairy products

##### Yoghurt and buttermilk

Certain  **yoghurt**  and  **other fermented milk**  products will be  **liberalised**  over a period of 10 years and be duty free from 1 April 2028 <sup>[9]</sup>; others will have tariffs  **reduced by 50%**  in 6 equal instalments <sup>[10]</sup> as from 1/4/2023, others as from 1 April 2028 <sup>[11]</sup>. Concessions on  **buttermilk powder products**  (under HS040390) are included in a tariff rate quota (TRQ), shared with other dairy products. This TRQ (labelled in the Schedule as TRQ-23), allows EU buttermilk powder imports with a duty that is gradually reduced from 25%+200 yen/kg to 25% as from 2028 (for products not containing added sugar), and from 35%+200 yen/kg to 35% (for products containing added sugar). The TRQ quantity is 12857 t at the entry into force of the Agreement, which then gradually increases over 6 years to reach 15000 t in 2023, and to remain at that level in subsequent years. Quantities are expressed in whole milk equivalent.

##### Dairy spreads

The EPA preference for this product <sup>[12]</sup> consists of a duty reduction within a TRQ - the same as the one described above for buttermilk powder, but with a different duty reduction scheme. At the entry into force of the Agreement the in-quota duty of 35% + 290 yen/kg in applicable in year 1 will be gradually reduced to 35% in 2028.

#### 2.3.2. CH-05 – PAPs - Products of animal origin, not elsewhere specified

All these products have duty free access as from the entry into force of the Agreement.

#### 2.3.3. CH-07 – PAPs – Vegetables

##### Sweet corn <sup>[13]</sup>

Duties are eliminated as from the entry into force of the Agreement.

##### Mixtures of vegetables – chiefly consisting of sweetcorn <sup>[14]</sup>

The duty is eliminated in 5 years, hence duty-free access as from 1/4/2023.



#### 2.3.4. CH-09 – PAPs – Coffee, tea, mate and spices

##### Maté <sup>[15]</sup>

The duties (10% in year 1) are phased out over a period of 5 years, hence duty free on 1/4/2023.

<sup>[9]</sup> Products concerned: 040310.211, 040310.219, 040310.220

<sup>[10]</sup> Products concerned: 040310.110, 040310.120, 040390.116, 040390.117, 040390.126, 040390.127, 040390.136, 040390.137

<sup>[11]</sup> Product concerned: 040390.200

<sup>[12]</sup> Product concerned: 040520.090

<sup>[13]</sup> Product concerned: 071040.000

<sup>[14]</sup> Product concerned: 071090.100

<sup>[15]</sup> Product concerned: 090300.000

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## Processed Agricultural Products (PAPs)

### 2.3.5. CH-13 – PAPs - Lac, gums, resins and other vegetable saps and extracts

All the PAPs in this Chapter have duty free access as from Year 1, except: Vegetable saps and extracts – bases for beverage:

#### **Obtained from a single material of vegetable origin** <sup>[16]</sup>

The duty (10% in year 1) are phased out over a period of 5 years, hence duty free on 1/4/2023.

#### **Other** <sup>[17]</sup>

The duty is phased out over period of 7 years – duty free as from 1/4/2025.

### 2.3.6. CH-14 – PAPs – Vegetable plaiting materials

All the PAPs in this Chapter have duty free access as from Year 1, except: **Rushes, Shichitoi and Wanguru**: duty will be phased out over a period of 5 years – duty free as from 1/4/2023.

### 2.3.7. CH-15 – Animal and vegetable fats and oils

All the PAPs in this Chapter have duty free access as from Year 1, except:

**Margarine, excluding liquid margarine** <sup>[18]</sup> and **beeswax** <sup>[19]</sup>: respective duties will be phased out over a period of 5 years – duty free as from 1/4/2023.

### 2.3.8. CH-17 – PAPs – Sugars and sugar confectionary

All the PAPs in this Chapter have duty free access as from Year 1, except:

**Maltose, chewing gum, candies, caramels, white chocolate, and other sugar**

### **confectionary not containing cocoa** <sup>[20]</sup>:

respective duties to be phased out over a period of 10 years – duty free as from 1/4/2028.



### 2.3.9. CH-18 – PAPs – Cocoa and cocoa preparations

#### **Cocoa paste, whether or not defatted** <sup>[21]</sup>

- Non-defatted products will enter duty free as from the entry into force of the Agreement.
- Defatted or partly defatted pastes, with a base rate of 10%, will be gradually liberalised over a period of 5 years and be duty free as from 1/4/2023.

#### **Cocoa butter, fat & oil** <sup>[22]</sup>

They already enter duty free.

#### **Cocoa powder, not containing added sugar or other sweetening matter** <sup>[23]</sup>

A base duty of 12.9% will be liberalised at the entry into force of the Agreement.

<sup>[16]</sup> Product concerned: 130219.110

<sup>[17]</sup> Product concerned: 130219.120

<sup>[18]</sup> Product concerned: 151710.000

<sup>[19]</sup> Product concerned: 152190.010

<sup>[20]</sup> Products concerned: 170290.523, 170410.000, 170490000.210, 170490.220, 170490.230, 170490.290

<sup>[21]</sup> Products concerned: 180310.000, 180320.000

<sup>[22]</sup> Product concerned: 180400.000

<sup>[23]</sup> Product concerned: 180500.000

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# EU-Japan EPA **FACTSHEET**

## Processed Agricultural Products (PAPs)

### Chocolates and other food preparations containing or not added sugar or other sweetening matter

- Most of these products will have tariffs phased out to zero in periods varying between 5 and 10 years. A few chocolate products will have preferences within a TRQ.
- Below is an overview of the concessions for the most important products (**ranked on the basis of relevant EU exports to Japan**). Concessions of remaining chocolate products with limited or no EU exports to Japan can be found in Annex 2-A-4 of the EPA Schedule<sup>[24]</sup>.



CODE	LABEL	PREFERENCE	COMMENTS
180632100	Chocolate confectionery, in blocks, slabs or bars, not filled, weighing not more than 2 kg.	B10 – Base rate phased out in 10 years.	Duty free as from 1/4/2028
180631000	Chocolate and other food preparations containing cocoa, in blocks, slabs or bars, filled, weighing not more than 2 kg.	B10 – Base rate phased out in 10 years.	Duty free as from 1/4/2028
180620.290	Chocolate and other food preparations containing cocoa in blocks slabs or bars weighing more than 2 kg or in liquid, paste or other bulk form in containers, of a content exceeding 2 kg, not containing added sugar. • Intended for use as materials for chocolate • Other	TRQ-20 – Food preparations containing cocoa for the preparation of chocolate) TRQ-19 – Food preparation of cocoa	<b>TRQ-20:</b> Duty free access within an annual TRQ-quantity of 440t in year 1, increasing to 1300t in year 11. <b>TRQ-19:</b> Duty reduction within a fixed annual TRQ-quantity of 440t. Base rate of 21.3% gradually reduced to 10.7% on 1/4/2028 and to remain at that level in subsequent years.
180690.100	Chocolate confectionery, other than in blocks, slabs or bars, weighing not more than 2 kg.	B10 – Base rate phased out in 10 years.	Duty free as from 1/4/2028
180620.190	Chocolate and other food preparations containing Cocoa (other than chewing gum and other sugar confectionery; preparations in blocks, slabs, bars and paste), in liquid, powder, granular or other bulk form in containers, of a content exceeding 2 kg, containing added sugar, n.e.s.	B10 – Base rate phased out in 10 years.	Duty free as from 1/4/2028
180690.211	Chocolate and other food preparations containing cocoa (chewing gum and other sugar confectionery; foods, the largest single ingredient of which is sugar by weight), other than in blocks, slabs or bars, weighing not more than 2 kg.	B10 – Base rate phased out in 10 years.	Duty free as from 1/4/2028
180632.219	Chocolate and other food preparations containing cocoa, in blocks, slabs or bars, not filled, weighing not more than 2 kg, containing added sugar.	B10 – Base rate phased out in 10 years.	Duty free as from 1/4/2028

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[24] Relevant website: <https://trade.ec.europa.eu/doclib/press/index.cfm?id=1684>

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## Processed Agricultural Products (PAPs)

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CODE	LABEL	PREFERENCE	COMMENTS
180620.119	Chocolate and other food preparations containing cocoa (other than chewing gum and other sugar confectionery; foods, the largest single ingredient of which is sugar by weight), in blocks, slabs or bars weighing more than 2 kg or paste in containers, of a content exceeding 2 kg, containing added sugar.	B10 – Base rate phased out in 10 years.	Duty free as from 1/4/2028
180620.111	Chocolate and other food preparations containing cocoa (chewing gum and other sugar confectionery; foods, the largest single ingredient of which is sugar by weight), in block, slabs or bars weighing more than 2 kg or paste in containers, of a content exceeding 2 kg, containing added sugar.	B10 – Base rate phased out in 10 years.	Duty free as from 1/4/2028
180632.211	Chocolate and other food preparations containing cocoa (chewing gum and other sugar confectionery; foods, the largest single ingredient of which is sugar by weight), in blocks, slabs or bars, not filled, weighing not more than 2 kg.	B10 – Base rate phased out in 10 years.	Duty free as from 1/4/2028
180690219	Chocolate and other food preparations, containing cocoa, other than in blocks, slabs or bars, weighing not more than 2 kg, added sugar.	B10 – Base rate phased out in 10 years.	Duty free as from 1/4/2028
180620.321	Food preparations of goods of heading 04.01 to 04.04, containing cocoa powder in a proportion by weight of less than 10%, in blocks, slabs or bars weighing more than 2 kg or in liquid, paste, powder, granular or other bulk form in containers or immediate packings, of a content exceeding 2 kg, (excluding containing not less than 30% of natural milk constituents by weight, calculated on the dry matter, excluding whipped cream in pressurized containers), containing added sugar.	B10 – Base rate phased out in 10 years.	Duty free as from 1/4/2028
180690220	Chocolate and other food preparations, containing cocoa, other than in blocks, slabs or bars, weighing not more than 2 kg, n.e.s.	B10 – Base rate phased out in 10 years.	Duty free as from 1/4/2028
180632220	Chocolate and other food preparations containing cocoa, in blocks, slabs or bars, not filled, weighing not more than 2 kg, n.e.s.	B5 – Base rate phased out in 5 years.	Duty free as from 1/4/2023
180620119	Chocolate and other food preparations containing cocoa (other than chewing gum and other sugar confectionery; foods, the largest single ingredient of which is sugar by weight), in blocks, slabs or bars weighing more than 2 kg or paste in containers, of a content exceeding 2 kg, containing added sugar.	B10 – Base rate phased out in 10 years.	Duty free as from 1/4/2028
180610100	Cocoa powder, containing added sugar.	TRQ-15 – Food preparations containing more than 50% of sucrose, and cocoa powder.	Annual TRQ-quantity of 100 t in year 1, to be increased by an annual quantity of 3 t, up to 130 t on 1/4/2028. In-quota tariff starts at 28.4% in year 1; to be gradually decreased to 14.9% on 1/4/2028.

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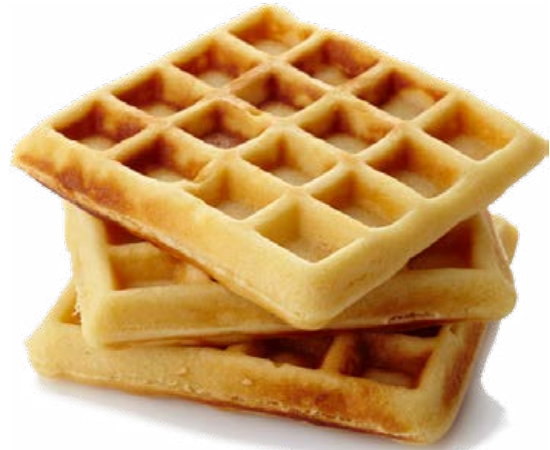
# EU-Japan EPA **FACTSHEET**

## Processed Agricultural Products (PAPs)

### 2.3.10. CH-19 – PAPs - Preparations of cereals, flour, starch or milk, pastrycook's products

- This chapter containing more than 100 PAPs tariff lines, contains a wide variety of EPA concessions.
- While only a limited number of products have obtained a duty-free EPA preference for unlimited quantities, several of them have duty free access within a TRQ. However, not all TRQs allow for duty access; two out of ten TRQs opened for these products maintain (reduced) tariffs. More details on TRQ can be found in the Fiche on TRQs.
- For an important number of products, duties will be phased out over periods varying from 5 to 10 years.

Below an overview of the most important EPA concessions for these Chapter 19 PAPs, **ranked on the basis of relevant EU exports**). Concessions of remaining products under this Chapter with limited or no EU exports to Japan can be found in Annex 2-A-4 of the EPA Schedule.



CODE	LABEL	PREFERENCE	COMMENTS
190590.312	Biscuits, cookies and crackers, containing added sugar	B5 – Base rate phased out in 5 years.	Duty free as from 1/4/2023
190120.232	Mixes and doughs for the preparation of bakers' wares of heading 19.05, excluding food preparations, containing more than 85% by weight of flour, groats, meal and pellets of rice, wheat, triticale or barley, starch, or any combination thereof, doughs for rice products, those of food preparation of goods of heading 04.01 to 04.04, containing not less than 30% of natural milk constituents by weight, calculated on the dry matter or cake-mixes, containing added sugar, containing not more than 15% by weight of sucrose, of wheat flour.	TRQ-2 – Mixes and doughs and cake mixes	Duty free access within an annual TRQ-quantity of 11160t on 1/4/2019, increasing to 14200 t on 1/4/2023.
190590.319	Pastry, cakes and other bakers' wares, containing added sugar.	B5 – Base rate phased out in 5 years.	Duty free as from 1/4/2023
190590.100	Bread, ship's biscuits and other ordinary bakers' wares, not containing added sugar, honey, eggs, fats, cheese or fruit	B7 – Base rate phased out in 7 years.	Duty free as from 1/4/2025
190219.094	Uncooked macaroni, not stuffed or otherwise prepared, not containing eggs	B10 – Base rate phased out in 10 years	Duty free as from 1/4/2028
190190.211	Food preparations of goods of heading 04.01 to 04.04, containing less than 30% natural milk constituents, of the articles in dry weight, containing added sugar and less than 50% by weight of sucrose, foods, the largest single ingredient of which is sugar by weight.	TRQ14 – Food preparations	Annual TRQ-quantity of 3850 on 1/4/2019, to be increased by an annual quantity of 350 t, up to 7000 t 1/4/2028. In-quota tariff is 14%.

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CODE	LABEL	PREFERENCE	COMMENTS
190532.000	Waffles and wafers	B-8 – Base rate phased out in 8 years	Duty free as from 1/4/2026
190590.329	Pastry, cakes and other bakers' wares, not containing added sugar.	B-5 – Base rate phased out in 5 years	Duty free as from 1/4/2023
190219.099	Uncooked pasta, not stuffed or otherwise prepared, not containing eggs, n.e.s.	B-10 – Base rate phased out in 10 years	Duty free as from 1/4/2028
190190.230	Malt extract	B-10 – Base rate phased out in 10 years	Duty free as from 1/4/2028
190120.243	Mixes and doughs for the preparation of bakers' wares of heading 19.05, excluding food preparations, containing more than 85% by weight of flour, groats, meal and pellets of rice, wheat, triticale or barley, starch, or any combination thereof, doughs for rice products, those of food preparation of goods of heading 04.01 to 04.04, containing not less than 30% of natural milk constituents by weight, calculated on the dry matter or cake-mixes, not containing added sugar, excluding put up in containers for retail sale and not more than 500g each including container, of wheat flour.	TRQ-2 – Mixes and doughs and cake mixes	Duty free access within an annual TRQ-quantity of 11160t on 1/4/2019, increasing to 14200 t on 1/4/2023.
190410.010	Breakfast cereals other than obtained by merely swelling or roasting of rice, wheat, triticale or barley.	B-7 – Base rate phased out in 7 years.	Duty free as from 1/4/2025
190590.322	Biscuits, cookies and crackers, not containing added sugar.	B-5 – Base rate phased out in 5 years	Duty free as from 1/4/2023
190190.267	Food preparations (excluding preparations for infant use, put up for retail sale, mixes and doughs for the preparation of bakers' wares of heading 19.05, food preparations of goods of headings 04.01 to 04.04 and malt extract), of flour, meal or starch, which contain not more than 85% by weight of flour groats, meal and pellets of rice, wheat, triticale or barley, starch, or any combination thereof, not containing added sugar, excluding put up in containers for retail sale and not more than 500g each including container, of wheat flour.	TRQ-3 – Food preparations made primarily of wheat	Duty free access within an annual TRQ-quantity of 2200 t on 1/4/2019, increasing to 3000 t on 1/4/2023.
190230.290	Other pasta, not containing added sugar, n.e.s.	B10 – Base rate phased out in 10 years	Duty free as from 1/4/2028

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CODE	LABEL	PREFERENCE	COMMENTS
190190.269	Food preparations (excluding preparations for infant use, put up for retail sale, mixes and doughs for the preparation of bakers' wares of heading 19.05, food preparations of goods of headings 04.01 to 04.04 and malt extract), of flour, meal or starch, which contain not more than 85% by weight of flour groats, meal and pellets of rice, wheat, triticale or barley, starch, or any combination thereof, not containing added sugar, excluding put up in containers for retail sale and not more than 500g each including container, n.e.s.	B10 – Base rate phased out in 10 years	Duty free as from 1/4/2028
190211.000	Uncooked pasta, not stuffed or otherwise prepared, containing eggs.	B8 – Base rate phased out in 8 years	Duty free as from 1/4/2026
190190.252	Food preparations (excluding preparations for infant use, put up for retail sale, mixes and doughs for the preparation of bakers' wares of heading 19.05, food preparations of goods of headings 04.01 to 04.04 and malt extract), of flour, meal or starch, which contain not more than 85% by weight of flour groats, meal and pellets of rice, wheat, triticale or barley, starch, or any combination thereof, containing added sugar and more than 15% by weight of sucrose, the largest single ingredient of which is not sugar by weight, of wheat flour.	TRQ-3 – Food preparations made primarily of wheat	Duty free access within an annual TRQ-quantity of 2200 t on 1/4/2019, increasing to 3000 t on 1/4/2023.

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CODE	LABEL	PREFERENCE	COMMENTS
190190.217	Food preparations of goods of heading 04.01 to 04.04, containing less than 30% natural milk constituents, of the articles in dry weight, excluding whipped cream in pressurized containers, containing added sugar and less than 50% by weight of sucrose.	TRQ-11 – Coffee, tea mixes, food preparations and doughs	Duty free access within an annual TRQ-quantity of 1321 t on 1/4/2019, increasing to 1780 t on 1/4/2028.
190540.000	Rusks, roasted bread and similar toasted products	B-7 – Base rate phased out in 7 years.	Duty free as from 1/4/2025
190590313	Pizza, chilled or frozen, containing added sugar	B8 – Base rate phased out in 8 years	Duty free as from 1/4/2026
190190.221	Whipped cream in pressurized containers, containing less than 30% natural milk constituents, of the articles in dry weight, not containing added sugar.	R-19	Duties to be reduced by 75% of the base rate (21.3%) in 6 equal annual instalments, beginning at the entry into force of the Agreement and to remain at that level from 1/4/2023.
190120.235	Mixes and doughs for the preparation of bakers' wares of heading 19.05, excluding food preparations, containing more than 85% by weight of flour, groats, meal and pellets of rice, wheat, triticale or barley, starch, or any combination thereof, doughs for rice products, those of food preparation of goods of heading 04.01 to 04.04, containing not less than 30% of natural milk constituents by weight, calculated on the dry matter or cake-mixes, containing added sugar, containing more than 15% by weight of sucrose, of wheat flour.	TRQ-2 – Mixes and doughs and cake mixes	Duty free access within an annual TRQ-quantity of 11160t on 1/4/2019, increasing to 14200 t on 1/4/2023.
190420.100	Breakfast cereals obtained from unroasted cereal flakes or from mixtures of unroasted cereal flakes and roasted cereal flakes or swelled cereals.	B-7 – Base rate phased out in 7 years.	Duty free as from 1/4/2025
190190.219	Food preparations of goods of heading 04.01 to 04.04, containing less than 30% natural milk constituents, of the articles in dry weight, excluding whipped cream in pressurized containers, containing added sugar and not less than 50% by weight of sucrose.	TRQ-15 – Food preparations containing more than 50% of sucrose, and cocoa powder	Annual TRQ-quantity of 100 t in year 1, to be increased by an annual quantity of 3 t, up to 130 t on 1/4/2028. In-quota tariff starts at 28.4% in year 1; to be gradually decreased to 14.9% on 1/4/2028.
190190248	Food preparations (excluding preparations for infant use, put up for retail sale, mixes and doughs for the preparation of bakers' wares of heading 19.05, food preparations of goods of headings 04.01 to 04.04 and malt extract), of flour, meal or starch, which contain not more than 85% by weight of flour groats, meal and pellets of rice, wheat, triticale or barley, starch, or any combination thereof, containing added sugar and more than 15% by weight of sucrose, the largest single ingredient of which is sugar by weight, n.e.s.	TRQ-11 – Coffee, tea mixes, food preparations and doughs	Duty free access within an annual TRQ-quantity of 1321 t on 1/4/2019, increasing to 1780 t on 1/4/2028.

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# EU-Japan EPA **FACTSHEET**

## Processed Agricultural Products (PAPs)

(CONTINUED FROM PREVIOUS PAGE)

CODE	LABEL	PREFERENCE	COMMENTS
190410.300	Prepared foods obtained by the merely swelling or roasting of cereal products, excluding breakfast cereals other than obtained by merely swelling or roasting of rice, wheat, triticale or barely and prepared foods, containing not less than 50% by weight of those goods which obtained by merely swelling or roasting of rice, wheat, triticale or barley, n.e.s.	B-10 – Base rate phased out in 10 years	Duty free as from 1/4/2028
190531.000	Sweet biscuits	B-10 – Base rate phased out in 10 years	Duty free as from 1/4/2028
190190.253	Food preparations (excluding preparations for infant use, put up for retail sale, mixes and doughs for the preparation of bakers' wares of heading 19.05, food preparations of goods of headings 04.01 to 04.04 and malt extract), of flour, meal or starch, which contain not more than 85% by weight of flour groats, meal and pellets of rice, wheat, triticale or barley, starch, or any combination thereof, containing added sugar and more than 15% by weight of sucrose, the largest single ingredient of which is not sugar by weight, n.e.s.	TRQ-11 – Coffee, tea mixes, food preparations and doughs	Duty free access within an annual TRQ-quantity of 1321 t on 1/4/2019, increasing to 1780 t on 1/4/2028.
190510.000	Crispbread	B-10 – Base rate phased out in 10 years	Duty free as from 1/4/2028
190240.000	Couscous	B-10 – Base rate phased out in 10 years	Duty free as from 1/4/2028



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# EU-Japan EPA **FACTSHEET**

## Processed Agricultural Products (PAPs)

### 2.3.11. CH-20 – PAPs – Preparations of vegetables, fruit, nuts or other parts of plants

Duties of PAPs under this Chapter will or be liberalised at the entry into force of the Agreement, or be phased out over a period of maximum 10 years.



CODE	LABEL	PREFERENCE	COMMENTS
200190.120	Sweet corn prepared or preserved by vinegar or acetic acid, containing added sugar	B-5 – Base rate phased out in 5 years	Duty free as from 1/4/2023
200190.130	Young corncobs, prepared or preserved by vinegar or acetic acid, containing added sugar	Duty free	At the entry into force of the Agreement.
200190.230	Sweet corn, prepared or preserved by vinegar or acetic acid, not containing added sugar	B-5 – Base rate phased out in 5 years	Duty free as from 1/4/2023
200410.220	Potatoes, prepared or preserved otherwise than by vinegar or acetic acid, frozen, n.e.s.	B-5 – Base rate phased out in 5 years	Duty free as from 1/4/2023
200410.110	Sweet corn, prepared or preserved otherwise than by vinegar or acetic acid, containing added sugar, frozen	B-5 – Base rate phased out in 5 years	Duty free as from 1/4/2023
200490.230	Sweet corn, prepared or preserved otherwise than by vinegar or acetic acid, not containing added sugar, frozen	B-5 – Base rate phased out in 5 years	Duty free as from 1/4/2023
200490.240	Young corncobs, prepared or preserved otherwise than by vinegar or acetic acid, not containing added sugar, frozen, in airtight containers	Duty free	At the entry into force of the Agreement.
200490.291	Young corncobs, prepared or preserved otherwise than by vinegar or acetic acid, not containing added sugar, frozen, not in airtight container	B-5 – Base rate phased out in 5 years	Duty free as from 1/4/2023
200520.100	Mashed potatoes and potato flakes, prepared or preserved otherwise than by vinegar or acetic acid, not frozen	B-10 – Base rate phased out in 10 years	Duty free as from 1/4/2028
200520.210	Potatoes, prepared or preserved otherwise than by vinegar or acetic acid, in airtight containers not more than 10kg each including container, not including Mashed potatoes and potato flakes, not frozen	B-5 – Base rate phased out in 5 years	Duty free as from 1/4/2023
200520.220	Potatoes, prepared or preserved otherwise than by vinegar or acetic acid, not frozen, n.e.s.	B-7 – Base rate phased out in 7 years	Duty free as from 1/4/2025
200580.100	Sweet corn ( <i>Zea mays</i> var. <i>saccharata</i> ), prepared or preserved otherwise than by vinegar or acetic acid, containing added sugar, not frozen	B-5 – Base rate phased out in 5 years	Duty free as from 1/4/2023
200580200	Sweet corn ( <i>Zea mays</i> var. <i>saccharata</i> ), prepared or preserved otherwise than by vinegar or acetic acid, not containing added sugar, not frozen	Duty free	At the entry into force of the Agreement.

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CODE	LABEL	PREFERENCE	COMMENTS
200599.211	Young corncobs, prepared or preserved otherwise than by vinegar or acetic acid, in airtight containers, not containing added sugar, not frozen	Duty free	At the entry into force of the Agreement.
200599.219	Young corncobs, prepared or preserved otherwise than by vinegar or acetic acid, other than in airtight containers, not containing added sugar, not frozen	Duty free	At the entry into force of the Agreement.
200811.110	Peanut butter, containing added sugar	B-5 – Base rate phased out in 5 years	Duty free as from 1/4/2023
200811.210	Peanut butter, not containing added sugar	B-5 – Base rate phased out in 5 years	Duty free as from 1/4/2023
200891.000	Palm hearts	B-5 – Base rate phased out in 5 years	Duty free as from 1/4/2023
200899.232	Popcorn, corn which is explosive with heating under normal air pressure, prepared or preserved, not containing added sugar, other than in pulp form	Duty free	At the entry into force of the Agreement.
200899.251	Sweet potatoes, whole or in pieces, dried after simply by steaming or boiling in water, prepared or preserved, not containing added sugar, other than in pulp form	B-5 – Base rate phased out in 5 years	Duty free as from 1/4/2023

### 2.3.12. CH-21 – PAPs – Miscellaneous edible preparations

- This chapter also contains than 100 PAPs tariff lines with a variety of EPA concessions.
- A number of products have obtained a duty-free EPA preference for unlimited quantities, a few of them within a TRQ. However, not all TRQs allow for duty access; some TRQs only allow for reduced tariffs. More details on TRQ can be found in the relevant factsheet.
- For an important number of products, duties will be phased out over periods varying from 3 to 10 years; duties of a limited number of products will only be reduced over a period of time (e.g. ice cream).
- Certain tariff lines are excluded from any EPA preference.



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# EU-Japan EPA **FACTSHEET**

## Processed Agricultural Products (PAPs)

Below an overview of the most important EPA concessions for these Chapter 21 PAPs, ranked on the basis of the most important products (**ranked on the basis of relevant EU exports to Japan**). Concessions of remaining products under this Chapter with limited or no EU exports to Japan can be found in Annex 2-A-4 of the EPA Schedule.

CODE	LABEL	PREFERENCE	COMMENTS
210690.299	Other food preparation, not containing added sugar, other than subheadings 2106.10-120 to 2106.90-298	B-7	Duty free as from 1/4/2025
210390.130	Sauces, other than soya, tomato ketchup, mustard, mayonnaise, French dressings.	Duty free	At the entry into force of the Agreement.
210210.000	Active yeasts	Duty free	At the entry into force of the Agreement.
210690.230	Chewing gum	B-5 – Base rate phased out in 5 years	Duty free as from 1/4/2023
210330.100	Mustard flour and prepared mustard, put up in containers for retail sale	Duty free	At the entry into force of the Agreement.
210111.290	Extracts, essences and concentrates, of coffee, and preparations with a basis of these extracts, essences or concentrates or with a basis of coffee; not containing added sugar, other than instant coffee	Duty free	At the entry into force of the Agreement.
210690.279	Other food preparation, containing added sugar, less than 50% by weight of sucrose, n.e.s.	B-10 – Base rate phased out in 10 years	Duty free as from 1/4/2028
210111.210	Extracts, essences and concentrates, of coffee, and preparations with a basis of these extracts, essences or concentrates or with a basis of coffee; not containing added sugar, instant coffee	Duty free	At the entry into force of the Agreement.
210410.020	Other soups and broths and preparations therefor, other than of vegetable	Duty free	At the entry into force of the Agreement.
210500.113	Ice cream, whether or not containing cocoa, containing added sugar, less than 50% by weight of sucrose, n.e.s.	R-22 – Duty reduction in 6 years	Duties to be reduced by 66.6% of the base rate (21%) in 6 equal annual instalments beginning on the date of the entry into force of the Agreement, and to remain at that level from the 1/4/2023.
210390.229	Other mixed condiments and mixed seasonings, n.e.s	B-3 – Base rate phased out in 3 years	Duty free as from 1/4/2021
210690.291	Prepared edible fats and oils, containing more than 15% and less than 30% by weight of those of heading 0405	TRQ-18 - Prepared edible fats and oils	In-quota duty at 19.4% on 1/4/2019 and to be gradually decreased to 10.7% on 1/4/2028, within an annual TRQ-quantity of 380 t on 1/4/2019, increasing up to 560 t on 1/4/2028.
210220.100	Inactive yeasts	Duty free	At the entry into force of the Agreement.
210320.010	Tomato ketchup	B-10 – Base rate phased out in 10 years	Duty free as from 1/4/2028
210690.271	Other food preparation, containing added sugar, less than 50% by weight of sucrose, those, the largest single ingredient of which is sugar by weight, containing lactose, milk protein or milk fat	TRQ-11 – Coffee, Tea mixes, food preparations and doughs	Duty free access within an annual TRQ-quantity of 1321 t on 1/4/2019, increasing to 1780 t on 1/4/2028.

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# EU-Japan EPA **FACTSHEET**

## Processed Agricultural Products (PAPs)

(CONTINUED FROM PREVIOUS PAGE)

CODE	LABEL	PREFERENCE	COMMENTS
210500.111	Ice cream, whether or not containing cocoa, containing added sugar, less than 50% by weight of sucrose, of the largest single ingredient of which is sugar by weight	R-21 – Duty reduction in 6 years	Duties to be reduced by 63% of the base rate (21%) in 6 equal annual instalments beginning on the date of the entry into force of the Agreement, and to remain at that level from 1/4/2023.
210610.222	Vegetable protein, not containing added sugar, n.e.s.	B-5 – Base rate phased out in 5 years	Duty free as from 1/4/2023
210500.119	Edible ice other than ice cream, whether or not containing cocoa, containing added sugar, less than 50% by weight of sucrose, n.e.s.	B-10 – Base rate phased out in 10 years	Duty free as from 1/4/2028
210690.272	Other food preparation, containing added sugar, less than 50% by weight of sucrose, those, the largest single ingredient of which is sugar by weight, n.e.s.	TRQ-11 – Coffee, Tea mixes, food preparations and doughs	Duty free access within an annual TRQ-quantity of 1321 t on 1/4/2019, increasing to 1780 t on 1/4/2028.
210690.293	Bases for beverage, non-alcoholic, not containing added sugar, n.e.s.	B-5 – Base rate phased out in 5 years	Duty free as from 1/4/2023
210690.590	Other food preparation, containing added sugar, more than 50% by weight of sucrose, n.e.s.	TRQ-12 – Food preparations	Duty free access within an annual TRQ-quantity of 157.5 t on 1/4/2019, increasing to 225 t on 1/4/2028.
210120.110	Instant tea	Duty free	At the entry into force of the Agreement.
210120.247	Preparations with a basis of tea or mate, not containing added sugar, less than 30% natural milk constituents by weight, in the dry state	B-5 – Base rate phased out in 5 years	Duty free as from 1/4/2023
210690.296	Food supplement of hydrolyzed vegetable protein, not containing added sugar	B-5 – Base rate phased out in 5 years	Duty free as from 1/4/2023
210390.120	French dressings and salad dressings	B-5 – Base rate phased out in 5 years	Duty free as from 1/4/2023
210130.000	Roasted chicory and other roasted coffee substitutes, and extracts, essences and concentrates thereof	Duty free	At the entry into force of the Agreement.
210320.090	Tomato sauces, other than ketchup	B-10 – Base rate phased out in 10 years	Duty free as from 1/4/2028
210410.010	Vegetable soups, in airtight containers	Duty free	At the entry into force of the Agreement.
210120.120	Extracts, essences and concentrates, of tea or mate, and preparations with a basis of these extracts, essences or concentrates	Duty free	At the entry into force of the Agreement.
210690.295	Food supplement with a basis of vitamins, not containing added sugar	Duty free	At the entry into force of the Agreement.
210690.284	Other food preparation, containing added sugar, more than 50% by weight of sucrose, containing not less than 85% by weight of sucrose, containing lactose, milk protein or milk fat, n.e.s.	TRQ-15 – Food preparations containing more than 50% of sucrose, and cocoa powder	Annual TRQ-quantity of 100 t in year 1, to be increased by an annual quantity of 3 t, up to 130 t on 1/4/2028. In-quota tariff starts at 28.4% in year 1; to be gradually decreased to 14.9% on 1/4/2028.

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**2.3.13. CH – 22 – PAPs – Beverages & spirits and vinegar**

**Mineral waters** (HS 2201 and HS 2202)

- All **mineral waters** will have duty free access as from year 1, except:
- **Waters containing added sugar or other sweetening matter or flavoured:** gradual duty elimination over a period of 5 years.

**Beers** (HS 2203)

- All beers have duty free access, except for non-alcoholic beers containing added sugar <sup>[25]</sup>: these tariffs will be gradually liberalised after 3 years, i.e. on 1/4/2021.

**Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances** (HS 2205)

- All these products have liberalised tariffs, except Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances, of an alcoholic strength by volume of less than 1% vol, in containers holding <sup>[26]</sup>, not less than 2 l, whose tariffs will be gradually liberalised after 5 years, i.e. on 1/4/2023.

**Undenatured ethyl alcohol of an alcoholic strength by volume of 80% vol or higher; ethyl alcohol and other spirits, denatured, of any strength** (HS 2207)

- All these products are liberalised at the entry into force of the Agreement, except:



CODE	LABEL	PREFERENCE	COMMENTS
220710.191	Certified as being produced from biomass and intend for use in manufacturing ethyl-tertiary-butyl ether.	B-10	Duty free as from 1/4/2028
220710.199	Other		
220720.100	Ethyl alcohol and other spirits, denatured, of an alcoholic strength by volume of 90% vol or higher		
220720.200	Ethyl alcohol and other spirits, denatured, of an alcoholic strength by volume less than 90% vol		

[25] Product concerned: 220291.100

[26] Product concerned: 220590.100

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# EU-Japan EPA **FACTSHEET** Processed Agricultural Products (PAPs)

## Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80% vol; spirits, liqueurs and other spirituous beverages (HS 2208)

- Duty free access at the entry into force of the Agreement for all the tariff lines concerned, including all the spirits, except for:

CODE	LABEL	PREFERENCE	COMMENTS
220890123	Ethyl alcohol (undenatured ethyl alcohol of an alcoholic strength by volume of less than 80% vol), not intended for use in distilling alcohol for making alcoholic beverages, through the continuous still	B-10	Duty free as from 1/4/2028
220890.129	Distilled alcoholic beverages, n.e.s.	B-10	
220890.220	Imitation sake and white sake	B-10	
220890.230	Beverages with a basis of fruit juices, of an alcoholic strength by volume of less than 1% vol	B-5	
220890.240	Other spirituous beverages, n.e.s	B-10	

### 2.3.14. CH-24 – PAPs - Tobacco products

- All tobacco products will have duty free access, whether at the entry into force of the Agreement, or after a period of time.
- Import duties on imports of **cigarettes** (240220.000) will be eliminated as from year 1.
- Other tobacco products, such as **cigars**, and **pipe tobacco**, will have duties gradually phased out over a period of 10 years, and will be duty free on 1/4/2028.

### 2.3.15. CH-29 – PAPs - Organic Chemicals

- The only PAPs in this Chapter are mannitol (290543.000), Glycerol (290545.000) and D-glucitol (sorbitol) (290544.000). The first two are liberalised at the entry into force of the Agreement; D-glucitol will be gradually liberalised in 10 years, and could be exported to Japan duty free as from 1/4/2028.



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# EU-Japan EPA **FACTSHEET** Processed Agricultural Products (PAPs)

## 2.3.16. CH-33 – PAPs - Essential oils

- All the 4 PAPs <sup>[27]</sup> listed in this Chapter will be liberalised at the entry into force of the Agreement.

## 2.3.17. CH-35 – PAPs - Albumins, albuminates and other albumin derivatives

- The tariff treatment for these PAPs is as follows:

CODE	LABEL	PREFERENCE	COMMENTS
350110.000	Casein	Duty free	At the entry into force of the Agreement.
350190.000	Caseinates and other casein derivatives; casein glues, excluding casein	Duty free	
350510.100	Esterified starches and other starch derivatives	B-5***	Duties shall remain at the base rate (6.8%) until the end of the 5th year and shall be duty free as from 1/4/2023.
350510.200	Dextrins and other modified starches, other than starch derivatives, n.e.s.	B-10	Duty free as from 1/4/2028
350520.000	Glues based on starches, or on dextrins or other modified starches	B-10	

## 2.3.18. CH-38 – PAPs - Miscellaneous chemical products

- All the PAPs <sup>[28]</sup> classified under this Chapter are duty free since the entry into force of the Agreement.



**[27]** Products concerned: 330190.000, 330210.100, 330210.210, 330210.290

**[28]** Products concerned: 380910.000, 382311.000, 382312.000, 382313.000, 282319.000, 382370.000, 382460.000

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## 2.4. TRQ OVERVIEW

Below, a brief overview of the different TRQs that have been opened for EU PAPs.



TRQ N <sup>o</sup>	LABEL	DETAILS	PRODUCTS	STARTING QUANTITY <sup>[29]</sup> (t)	END QUANTITY (t)	STARTING IN-QUOTA DUTY	END IN-QUOTA DUTY	MGT. SYS.
1	Wheat products		190410.221, 190420.221, 190430.010, 190490.210, 210690.214	120	200	Free	Free	Simultaneous Sell-Buy
2	Mixes and doughs and cake mixes		190120.222, 190120.232, 190120.235, 190120.243	11160	14200	Free	Free	MAFF specific guidelines
3	Food preparations made primarily of wheat		190190.242, 190190.247, 190190.252, 190190.267	2200	3000	Free	Free	MAFF specific guidelines
4	Wheat flour, pellets, rolled and food preparations		110100.011, 110100.091, 110290.210, 110311.010, 110319.210, 110320.110, 110320.510, 110419.111, 110419.121, 110429.111, 110429.121, 110811.010, 190120.131, 190120.151, 190190.151, 190190.171	3800	4200	Free	Free	Simultaneous Sell-Buy
6	Udon		190219.092	10	10	Free	Free	MAFF specific guidelines
7	Barley flour, groats and pellets		110290.110, 110319.110, 110320.410, 110419.410, 110429.410, 190410.231	120	200	Free	Free	Simultaneous Sell-Buy
8	Food preparations of barley		190120.141, 190190.161, 190420.231, 90490.310, 210690.216	120	200	Free	Free	Simultaneous Sell-Buy
11	Coffee, tea mixes, food preparations and doughs		170290.219, 190120.239, 190190.217, 190190.248, 190190.253, 210112.110, 210112.246, 210120.246, 210690.251, 210690.271, 210690.272, 210690.281	1321	1780	Free	Free	MAFF specific guidelines
12	Food preparations		210690.590	157.5	225	Free	Free	MAFF specific guidelines
14	Food preparations		190190.211	3850	7000	14%	14%	MAFF specific guidelines
15	Food preparations containing more than 50 per cent of sucrose, and cocoa powder	Prepared bean	170113.000, 170114.190, 200540.190, 200551.190, 200599.119, 210690.282, 210690.510, 190190.219, 210690.284, 180610.100	103	130	Free	Free	MAFF specific guidelines
		Uncentrifugal sugar				Free	Free	
		Sugar added cocoa powder				Free	Free	
		Dairy product preparation (under 30% milk content, under 50% sucrose etc.)				27%	14.9%	
		Other food preparation (sugar added) (more than 50% sucrose) (weight of sorbitol is the largest under among other components except for sugar)				27.6%	17.9%	
Other preparation (more than 50% of sucrose and including milk fat etc.)	Free	Free						
						27.6%	17.9%	

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[29] Quantity on 1/4/2019 (year 2)

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TRQ N <sup>o</sup>	LABEL	DETAILS	PRODUCTS	STARTING QUANTITY (t)	END QUANTITY (t)	STARTING IN-QUOTA DUTY	END IN-QUOTA DUTY	MGT. SYS.
16	Sugar		170112.100, 170112.200, 170114.110, 170114.200, 170191.000, 170199.100, 170199.200, 170290.110, 170290.211, 170290.521, 210690.221	500	500	Free	Free	MAFF specific guidelines
17	Starch	For manufacturing starch sugar, dextrin, dextrin glue, dissolve starch, roasted starch of starch glue (1)	110812.090, 110813.090, 110814.090, 110819.019, 110819.099, 110820.090, 190120.159, 190190.179	6550	7150		Free	MAFF specific guidelines
		Corn starch for other than the purpose under (1)				12.5%	12.5%	
		Starch preparation (not containing sugar)				16%	16%	
		Potato starch for other than the purposes under (1) and to be used not for retail or food service industry (katakuriko)				Free	Free	
		Potato starch used for the retail or food service (katakuriko)				Free	Free	
		Manioc (cassava) starch and other starch for other than purposes under (1)				25%	25%	
		Inulin and starch preparation (containing sugar)				Free for inulin, 25% for starch preparation	Free for inulin, 25% for starch preparation	
18	Prepared edible fats and oils		210690.291	380	560	19.4%	10.7%	MAFF specific guidelines
19	Food preparations containing cocoa		180620.290	580	580	19.4%	10.7%	MAFF specific guidelines
20	Food preparations containing cocoa (for the preparation of chocolate)		180620.290	526	1300	Free	Free	MAFF specific guidelines



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# PROCESSED AGRICULTURAL PRODUCTS (PAPs)

## 1. JAPAN'S ORIGIN CERTIFICATION PROCEDURES in making a claim for preferential tariff treatment under the EPA

- In order to apply for the preferential tariff treatment under the EPA, the good to be imported must be an originating good under the EPA provisions.
- An importer in Japan, when making a claim for preferential tariff treatment, must at the time of the import declaration, and in accordance with the relevant EPA provisions, demonstrate that the good is EU originating by submitting the required documentation.
- This documentation must, in principle, be submitted to Japanese customs at the time of the import declaration.
- Further details can be found on the following websites:

[http://www.customs.go.jp/english/c-answer\\_e/imtsukan/1524\\_e.htm](http://www.customs.go.jp/english/c-answer_e/imtsukan/1524_e.htm)

<http://madb.europa.eu/madb/viewPageI?Publi.htm?doc=ppo&hscode=0402&countryid=JP>

<https://ec.europa.eu/chafea/agri/content/food-and-beverage-market-entry-handbook-japan>



## 2. JAPAN'S PROCEDURE FOR THE APPLICATION OF A TRQ SHARE

- The EPA provides for TRQs for a number of EU products to be imported in Japan on a preferential basis.
- These TRQs allow during a fiscal year, and for a limited volume (the aggregate quantity), a partial or total import duty suspension for the product concerned.
- If during that fiscal year imports of that product exceed the TRQ limit, Japan will apply the relevant base rate duty <sup>[30]</sup>.
- In the EPA Agreement, details of each of these 25 TRQs can be found in Section B of Annex 2-A-3. Each TRQ is has a number (TRQ-n) and is labelled as such in Japan's EPA tariff schedule in column 'Note'; this schedule is listed in Annex 2-A-4 <sup>[31]</sup>.
- Most of the TRQs are administered by Japan through an import licensing procedure delivered by Ministry of Agriculture and Forestry (MAFF). A limited number of TRQs are managed by Japan using a '**simultaneous buy-sell**' (SBS) mechanism. The competent Japanese authority for TRQ management is the Ministry of Agriculture and Forestry (MAFF).

<sup>[30]</sup> "Base rate" Japan's Most Favoured Nation (MFN) rate as scheduled in the WTO. It is applied on imports from non-preferential WTO Members.

<sup>[31]</sup> Annexes 2-A-3 and 2-A-4: <https://trade.ec.europa.eu/doclib/press/index.cfm?id=1684>

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• Below a brief overview of the two TRQ management systems. More details can be found in the TRQ Fiche published on the website of the EU-Japan Centre.

## • **First-come, first-served import license procedure**

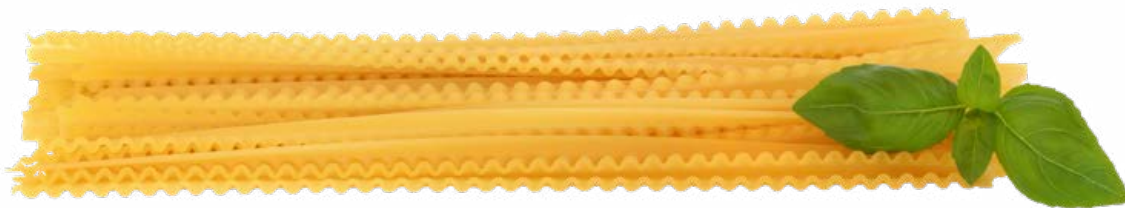
Under this system importers who make an application to MAFF during an earlier application period are more likely to obtain the allocation.

### • **TRQ Application**

- Japan will allocate the tariff rate quotas volumes by issuing import licences which will be valid for the whole quota year.
- There will be several application periods set up by Japan over a quota year: January, July and November.
- Applicants should introduce a request for a quota share with an import plan. No condition of past import performance will be required, but applicants must be registered in Japan.
- Importers who make an application during the same application period will be considered as arriving at the same time.
- The entire aggregate quantity provided in the EPA for each TRQ opened by Japan is subject for allocation in the first application period. If the total application quantities in the first period remain below the available aggregate quantity, a second application period will be opened where the remaining available TRQ quantity will be the subject. The same will apply to the third period.
- Where the requested quantities, in a given period, **remain below** the available aggregate TRQ quantity, the applicants can obtain their requested applications. Where the requested quantities **exceed** the available TRQ aggregate quantity, an allocation will be conducted by means of a “lottery” among the applicants, or by “proportional distribution”, where the obtained quantity will correspond to the ratio between the requested quantity and the available TRQ quantity. In this case there will be no subsequent period, unless there are unused quantities returned by allocation holders to MAFF by the end of September.

## • **Simultaneous Buy and Sell system (SBS)**

- A limited number of Japanese TRQs will be managed by the SBS system. Under this system MAFF decides among pairs of importers and the distributors, who bid on the offered TRQ shares.
- The biddings with the highest differences between the selling prices asked by the importers and the buying prices offered by the distributors (the so-called “**mark-ups**”) will be accepted by MAFF.
- The accepted importers and the distributors would then make a contract with MAFF who simultaneously buys from the importer and sells to the distributors.
- The EU exporters generally make a sales contract with the importers who then start this procedure with a distributor via MAFF.



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### 3. RULES OF ORIGIN

- The Rules of Origin (RoO) under the EPA are determined by product in the so-called Product Specific Rule of Origin (PSR), and listed in Annex 3-B of the Agreement<sup>[32]</sup>.
- To understand the PSR, one should comprehend the following definitions:
  - **Chapter:** means the first two-digits in the tariff classification under the Harmonised System. E.g. CH17 Sugar.
  - **Heading:** means the first four-digits in the tariff classification under the Harmonised System. E.g. CH17.04 Sugar confectionary.
  - **Sub-Heading:** means the first six-digits in the tariff classification under the Harmonised System. E.g. CH17.04.10 Chewing gum
  - **Wholly obtained:** EU/JPN origin is required.
  - **CC (Change of Chapter)** means that non-(EU/JPN) originating materials (imported from non-contracting parties) may be used in the production of the goods concerned, if these materials are classified under another tariff chapter of the goods in the HS classification system (at 2-digit level).
  - **CTH (Change of Tariff Heading)** means that non-(EU/JPN) originating materials (imported from non-contracting parties) may be used in the production of the goods concerned, if these materials are classified under another tariff heading of the goods in the HS classification system (at 4-digit level).
    - **Example:** sugar used in the production of chewing gum may be non-originating as its classification HS17.01 or HS17.02 is from another heading than the one under which falls chewing gum (HS17.04); the sugar undergoes a change of tariff classification at 4-digit level.
    - **Attention:** technical/weight limitations may apply. In this case the total weight of the non-originating material (sugar) used may not exceed 40% of the weight of the product (chewing gum).
  - **CTSH (Change of Tariff Sub-Heading)** means that non-(EU) originating materials (imported from non-contracting parties) may be used in the production of the goods concerned, if these materials are classified under another tariff sub-heading of the goods in the HS classification system (at 6-digit level).



[32] Annex 3-B can be found here: <https://trade.ec.europa.eu/doclib/press/index.cfm?id=1684>

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• Below, a brief overview of general RoO for a number of product-groups. It broadly illustrates the main cases under the above-mentioned applications: wholly obtained, CC, CTH and CTSH. More information on RoO can be found in the relevant Fiche published on the website of the EU-Japan Centre.

CHAPTER	HEADING/ SUB-HEADING	LABEL OF CHAPTER OR MAIN PAPs	GENERAL RoO <sup>[33]</sup>
04	04.01-04.10	Yoghurt, buttermilk, dairy spreads	All the materials of CH.04 used are wholly obtained; i.e. all chapter 04 products used for the manufacturing of the goods must be EU originating.
05	05.01-05.11	Products of animal origin, not elsewhere specified (n.e.s.)	CTH: non – (EU) originating products are authorised in the production if they classified in another Heading.
07	07.01–07.14	Sweetcorn	All the materials of CH used are wholly obtained; i.e. all chapter 4 products used for the manufacturing of the goods must be EU originating.
13	1302.12-1302.19	Vegetable saps and extracts	CTH: non – (EU) originating products are authorised in the production if they classified in another Heading.
	1302.20	Pectic substances, pectinates and pectates	CTSH: non – (EU) originating products are authorised in the production if they classified in another Sub-Heading. <b>RoO exception: non-originating pectic substances may be used.</b>
14	14.01-14.04	Vegetable materials of a kind used primarily for plaiting, vegetable products n.e.s.	All the materials of CH14 used are wholly obtained; i.e. all chapter 14 products used for the manufacturing of the goods must be EU originating.
19	19.02	Pasta, whether or not cooked or stuffed (with meat or other substances) or otherwise prepared, such as spaghetti, macaroni, noodles, lasagne, gnocchi, ravioli, cannelloni; couscous, whether or not prepared	CC: non – (EU) originating products are authorised in the production if they classified in another Chapter. <b>RoO condition for this Heading:</b> <ul style="list-style-type: none"> <li>• the total weight of non-originating materials of Chapters 2, 3 and 16 used does not exceed 10 % of the weight of the product;</li> <li>• the weight of non-originating materials of heading 10.01 used does not exceed 90 % of the weight of the product; and</li> <li>• the total weight of non-originating materials of headings 10.06 and 11.01 to 11.08 used does not exceed 10 % of the weight of the product.</li> </ul>

**[33]** The indicated RoO are of a general nature; more detailed information on product specific RoO can be found in Annex 3-A – Introductory Notes to the Product Specific Rules (PSR) - and in the PRS themselves in Annex 3-B.

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