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# EU–Japan economic partnership agreement

## Food profiles

On 17 July 2018, the President of the European Commission Jean-Claude Juncker, the President of the European Council Donald Tusk and the Japanese Prime Minister Shinzo Abe signed the EU-Japan Economic Partnership Agreement (EPA), negotiations for which were launched in 2013. EPA will establish a trade area which concerns 600 million people and almost one-third of the world's GNP, giving rise to the largest open economic area at global level.

For this reason, EPA will strengthen cooperation between EU and Japan in a number of industrial sectors and services markets such as transport, e-commerce, financial services and telecommunications, establishing a common commitment to sustainable development, climate change, job creation, environmental and consumer protection.

Finally, EPA will eliminate a large part of duties actually paid by the European companies exporting to Japan and, in terms of non-tariff barriers, will contribute to removing the barriers to market entry by facilitating access to the highly regulated Japanese area.



In particular, its adoption is expected to have a significant impact in the field of agricultural exports considering that Japan is a fundamental export market for European farmers and producers (the overall value of European agricultural exports to Japan is equal to euro 5.7 billion a year).

EPA will significantly reduce export duties on some important products for European exports ensuring also duty-free trade in processed pork meat and almost duty-free trade in fresh meat. Also with reference to beef, EPA provides a drastic reduction of duties from 38,5% to 9% in 15 years in order to increase the volume of bovine meat products.

However, the above-mentioned provisions are not the only ones in the food sector. Indeed, European wine exports in Japan are now euro 1 billion worth and tariffs on wine – as well as – tariffs for other alcoholic drinks – will be scrapped.

Furthermore, EPA will provide:

- the elimination of the Japanese duties on some cheeses such as Gouda and Cheddar and the establishment of a duty-free quota for fresh cheeses like Mozzarella;
- the elimination of duties on some processed agricultural products such as pasta, chocolates, cocoa powder, candies, sweets, cookies, starch derivatives, tomatoes prepared an tomato sauce;

- the protection for over 200 high-quality European agricultural products (the so-called geographical indications) in Japan such as Roquefort, Balsamic vinegar from Modena, Prosecco, Jambon d'Ardenne, Tiroler Speck, Polska Wódka, Queso Manchego, Lübecker, Marzipan and Irish Whiskey, as well as the protection of some Japanese geographical indications in Europe. In this regard Japanese authorities have recently transmitted to the European Commission a list of geographical indications.

In conclusion, EPA will ensure investment and services opportunities, improving the position of EU exporters to and investors in Japan, ensuring the protection of Europe's norms and values, fighting protectionism and enhancing the cooperation as an effective instrument to face global challenges. To achieve this objective, it seems essential to lay down *ad hoc* rules through the conclusion of reciprocal agreements.

In this regard, LCA is active in the drafting of various types of contracts pertaining international trade relations as well as in the preliminary negotiation phases.

EPA is now awaiting ratification by the European Parliament and the Japanese Diet, but it should however enter in force in 2019.

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