



Joint Minutes of the 2nd Meeting of the Committee on Trade in Goods under the Agreement between the European Union and Japan for an Economic Partnership

Brussels and Tokyo (by videoconference), 10 December 2020

The second meeting of the Committee on Trade in Goods under the Agreement between the European Union (“EU”) and Japan for an Economic Partnership (“EPA”) took place on 10 December 2020. In view of the travel and other restrictions due to the Covid-19 pandemic, the meeting was held by video teleconference.

The meeting allowed a fruitful exchange of views on matters related to Chapter 2 of the EPA (Trade in Goods) between EU and Japanese participants. On the EU side, the Directorates-General TRADE and AGRI, as well as from the EU Delegation to Japan, were represented; on the Japanese side, there were participants from MOFA, MAFF, METI, MOF and the Mission of Japan to the EU.

The enclosed meeting agenda was adopted (cf. annex).

The committee exchanged information and views on the evolution of bilateral trade in goods in 2019 and over the year 2020. Participants noted the severe impact of Covid-19 on international trade flows, including EU-Japan trade flows. They confirmed their common objective to facilitate a return to an increasing trend for trade flows, leveraging the EPA to that effect.

The committee confirmed the timeframe for the annual exchange of the trade data under Article 2.32 of the EPA. The second exchange of statistics will take place in April 2021 for data aggregated at EU level. The content and format of the exchange will correspond to the practice established through the first exchange of statistical data. Both sides will furthermore exchange data in June 2021 at EU Member State level.

The committee reviewed the statistics concerning the EPA utilisation of tariff preferences by economic operators. The committee affirmed the Parties’ willingness to facilitate, to the extent possible, a steady increase in the utilization figures. Participants referred to the importance of awareness raising activities

among economic operators and relevant public authorities, and exchanged information about their actions and plans in that regard, including with a view to helping SMEs benefit from the EPA. Participants confirmed their intention to further cooperate to assess the evolution and facilitate the use of preferences.

With regard to tariff-rate quotas:

- Japan explained the rationale of the management system of the TRQ for malt (requiring the “Naijisho” document to be provided by importers). The EU referred to the guidelines for the EPA malt TRQ, which is separate from the global TRQ, and requested an adjustment in order to allow malt import without end-use requirements (i.e. applications could be accompanied by any document proving the trade activity of the importer in the malt sector). The committee agreed to convene expert meetings next week and in the coming weeks with a view to discussing a way forward for the management of the EPA malt TRQ.
- The EU and Japan exchanged views as regards the filling rate of TRQs, in particular the TRQ for cheese. The EU referred to the high return rate for the cheese TRQ and suggested a discussion in order to analyse the causes and whether possible corrective measures could be implemented through an adjustment for the guidelines for fiscal year 2021 and following. The committee agreed that this issue would be discussed at an expert meeting as referred in the previous paragraph.
- The EU requested a discussion on the possibility to allow importers of EU cheeses to benefit from reduced duties after 1 April 2021 for the leftovers of the cheese TRQ for fiscal year 2020.
- Experts will report their conclusions on the above three points to the co-chairs of the Trade in Goods Committee.

The Committee referred to the upcoming meeting of the Wine Working Group on 15 December, which will focus on the progress made in the implementation of phase 2 for the mutual recognition of oenological practices.

The Committee took note of the envisaged date for the 2nd meeting of the Working Group on Motor Vehicles and Parts, and it took stock of the state of play with regard to a possible amendment to Appendices 1 and 2 concerning technical regulations that both the EU and Japan implement.
