

UK- Japan Comprehensive Economic Partnership Agreement 1st Meeting of the Committee on Technical Barriers to Trade (TBT) Wednesday 29 June 2022,

(video conference)

A productive and collaborative first meeting of the UK-Japan Committee on Technical Barriers to Trade (TBT) took place on 29 June 2022 under the Agreement between Japan and the United Kingdom of Great Britain and Northern Ireland ("the UK") for a Comprehensive Economic Partnership ("the CEPA") via video-conference.

The UK's participants from the Department for International Trade (DIT), Department for Environment, Food & Rural Affairs (DEFRA) and British Embassy in Tokyo, and Japan's participants from Ministry of Foreign Affairs (MOFA), Ministry of Finance (MOF), National Tax Agency (NTA) and Ministry of Agriculture, Forestry and Fisheries (MAFF) had a fruitful exchange of views on matter related to Article 7.14 (TBT) of the CEPA.

The main topics of discussion included lot identification codes and due diligence regulations on forest risk commodities. The UK and Japan confirmed to continue to cooperate on these issues and share technical information where possible outside of the committee.

Opening Remarks and Introductions

1. Introductions were made between the UK and Japan. Both sides welcomed the lifting of import restrictions on food imported from Japan which had been in place since the accident at TEPCO's Fukushima Daiichi Nuclear Power Station and noted the friendship and good relations between the UK and Japan.

Adoption of the Agenda

2. The agenda was adopted.

Adoption on the Rules of Procedure

3. The UK and Japan confirmed to adopt the rules of procedure of the Joint Committee mutatis mutandis.

Discussion on Lot Identification Codes (Article 7.12)

4. The UK raised the provision of Article 7.12 of the CEPA. Noting the interest of stakeholders in the UK and Japan, the UK set out its interest in lot identification codes, noting their importance, for product traceability and enable manufacturers to initiate product recalls in the interests of consumer safety. The UK asked what steps Japan is taking to begin the activities referred to in Article 7.12.3 of the CEPA. Japan recognised the UK's concern that if the lot codes were removed from alcohol products in any given market, the consumers may cast doubt on its

authenticity of the products. Japan highlighted that the Japanese authorities have issued notices to industry stakeholders on lot codes and have been exchanging opinions with liquor importer association. On the other hand, Japan assumes that lot codes are deleted outside Japan before the products arrive in Japan. Also, Japan considers that it is unclear by whom, where, and for what purpose lot codes are deleted. The UK has spoken with Japanese importers and producers and has found the removal of lot codes to be an issue for some of them, as well as for UK producers. As such, the UK believes this is an area where the UK and Japan can work together to find a mutually acceptable solution. Japan requested the UK share any additional information they may have on this issue. The UK confirmed to seek further information on and to share this with Japan.

5. The UK proposed a further conversation involving industry and relevant experts to discuss best practices by January 2023. Japan took note of the UK's proposal and would consider internally about how and when such exchanges should happen.

Due Diligence Regulations on Forest Risk Commodities

- 6. Japan requested information on the UK's 'Due Diligence Regulations on Forest Risk Commodities' and asked the UK to explain details of the regulations, including schedules and scope of the measure and whether the measures will be applied to imported goods.
- 7. The UK welcomed Japan's interest in these regulations and explained that the regulation makes it illegal for larger businesses operating in the UK to use forest risk commodities that have not been approved in accordance with relevant local laws. The UK also stated that as final decisions on the regulation are yet to be taken, it is not possible to respond to specific concerns at this time, however the UK is alert to the potential issues and is considering its multilateral obligations carefully. The UK has recently completed a second consultation which sought views on key areas of the regulation.
- 8. The UK informed Japan that they would receive notification via the WTO TBT Committee at the appropriate time. The UK wanted this policy to be clear and to be designed in a way that works for everyone. The UK hoped that this regulation would be the basis upon which other developed nations implement similar regulations. Japan requested the UK to provide the detailed information of the regulation well in advance, ensure the reasonable transition period, and assure consistency with TBT agreement. Both the UK and Japan confirmed continuing to exchange information on this matter.

Other items

9. Following the recent amendment to the Japan Agricultural Standards (JAS) Law, which would require organic alcohol products to be JAS certified to be labelled and sold as organic in the Japanese market, the UK requested details of the change and new requirements for UK producers, including timelines. The UK also requested Japan ensure a reasonable transition period to allow businesses to adapt to new requirements. Japan indicated that Japan would like to exchange information including response to these questions after the Committee and also, discuss organic equivalence for alcohol, among relevant colleagues of both sides.

Closing Remarks

10. Japan indicated that they stand ready to host the next meeting of this sub-committee but believe we should be flexible in approach and timings. The UK confirmed this approach.

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Agenda

№	Issues on the Agenda
1	Opening Remarks and Introductions
2	Adoption of the Agenda
3	Adoptions on the Rules of Procedure
4	 Information Sharing Discussion on Article 7 (Lot Identification Codes) Due Diligence Regulations on Forest Risk Commodities
5	Any Other Business
6	Wrap up & Closing Remarks