

## CHAPTER<sup>i</sup> RULES OF ORIGIN

### Section A: Rules of Origin

#### Article [X01]: Definitions<sup>ii</sup>

For the purposes of this Chapter:

- (a) **“customs authority”** means:
  - in Japan, the Ministry of Finance; and
  - in the European Union, the services of the European Commission responsible for customs matters and the customs administrations and any other authorities empowered in the Member States of the European Union to apply and enforce customs legislation;
- (b) **“importer”** means a person who imports the originating product and claims preferential tariff treatment for it;
- (c) **“exporter”** means a person, located in a Party, who, in accordance with the requirements laid down in the laws and regulations of the Party, exports or produces the originating product and makes out a statement on origin;
- (d) **“preferential tariff treatment”** means the rate of customs duties applicable to an originating good in accordance with paragraph 1 of Article [7- ] (Elimination of Customs Duties in Chapter on Trade in Goods);
- (e) **“chapters”** and **“headings”** and **“subheadings”** mean the chapters (the first two digit code), the headings (the first four digit) code and sub-headings (the six digit code) as referred to in the Harmonized Commodity Description and Coding System, referred to in this Protocol as “the Harmonized System” or “HS”;
- (f) **“consignment”** means products which are either sent simultaneously from one exporter to one consignee or covered by a single transport document covering their shipment from the exporter to the consignee or, in the absence of such a document, by a single invoice;
- (g) **“aquaculture”** means the farming of aquatic organisms, including fish, molluscs, crustaceans, other aquatic invertebrates and aquatic plants from seed stock such as eggs, fry, fingerlings, larvae, parr, smolts or other immature fish at a post-larval stage by intervention in the rearing or growth processes to enhance production such as regular stocking, feeding or protection from predators;

*still pending:*

EU	Japan
(a) "manufacture" means any kind of working or processing including assembly;	(p) "production" means a method of obtaining goods including manufacturing, assembling, processing, raising, growing, breeding, mining, extracting, harvesting, fishing, trapping, gathering, collecting, hunting and capturing
(b) "material" means any ingredient, raw material, component or part, etc., used in the manufacture of the product;	(j) "material" means a product is used in the production of another product, including any components, ingredients, raw materials or parts;
	(k) "non-originating material" means a material which does not qualify as originating under this Chapter;
	(l) "originating material" means a material which qualifies as originating under this Chapter;
(c) "product" means the product being manufactured, even if it is intended for later use in another manufacturing operation;	
(d) "goods" means both materials and products;	

EU	Japan
	(g) “Generally Accepted Accounting Principles” means the recognised consensus or substantial authoritative support within a Party at a particular time as to which economic resources and obligations should be recorded as assets and liabilities, which changes in assets and liabilities should be recorded, how the assets and liabilities and changes in them should be measured, what information should be disclosed and how it should be disclosed, and which financial statements should be prepared. These standards may be broad guidelines of general application as well as detailed practices and procedures;

**Article [X02]: Requirements for originating products**

1. Except as otherwise provided in this Chapter, the following shall be considered originating in a Party when produced there<sup>iii</sup>:
  - (a) wholly obtained or produced products as established in Article X03;
  - (b) products produced using non-originating materials provided they satisfy all applicable requirements of Annex {Product-Specific Rules of Origin} , or
  - (c) products produced exclusively from materials originating in this Party, and when those products satisfy all other applicable requirements of this Chapter.
  
2. Except as provided for in Article XXX<sup>iv</sup>, the requirements set out in this Chapter relating to the acquisition of originating status must be satisfied without interruption in a Party.

**Article [X03]: Wholly Obtained or Produced Products**

For the purposes of Article {Requirements for originating status}, a product is wholly obtained or produced {entirely}<sup>v</sup> in {the territory of}<sup>vi</sup> a Party if it is:

- (a) a plant or plant product, grown, cultivated, harvested, picked or gathered there;
- (b) a live animal born and raised there;
- (c) a product obtained from a live animal raised there;
- (d) [EU: products obtained from slaughtered animals born and raised there;]<sup>vii</sup>
- (e) an animal obtained by hunting, trapping, fishing, gathering or capturing there;
- (f) a product obtained from aquaculture there;
- (g) a mineral or other naturally occurring substance, not included in subparagraphs

- through (f), extracted or taken there;
- (h) fish, shellfish and other marine life taken from the sea, seabed or subsoil outside {the territories of} the Parties and, in accordance with international law, outside the territorial sea of non-Parties by a Party's vessel;
  - (i) a product produced exclusively from products referred to in subparagraph (h) on board a Party's factory ship outside {the territories of}<sup>ix</sup> the Parties and, in accordance with international law, outside the territorial sea of non-Parties;
  - (j) a product other than fish, shellfish and other marine life taken by a Party or a person of a Party from the seabed or subsoil outside the territories of the Parties, and beyond areas over which non-Parties exercise jurisdiction provided that a Party or person of that Party has the right to exploit that seabed or subsoil in accordance with international law;
  - (k) a product that is:
    - i. waste or scrap derived from production there; or
    - ii. waste or scrap derived from used products collected there, provided that those products are fit only for the recovery of raw materials; and
  - (l) a product produced there, exclusively from products referred to in subparagraphs (m) through (k), or from their derivatives.

2. The terms 'vessels' and 'factory ships' in paragraph 1(h) and (i) shall apply only to vessels and factory ships:

- (a) which are registered in a Member State of the Union or in Japan;
- (b) which sail under the flag of a Member State of the Union or of Japan; and
- (c) which meet one of the following conditions:
  - i. they are at least 50% owned by nationals of a Member State of the Union or of Japan; or
  - ii. they are owned by juridical persons:
    - which have their head office and their main place of business in a Member State of the Union or Japan, and
    - which at least 50% of ownership belongs to nationals or juridical persons of a Member State of the Union or Japan.

**Article [X05]: [Japan: Non-Qualifying Operations] [EU: Insufficient working or processing]**

[Japan: 1. A good shall not be considered as an originating good merely by reason of:] [EU: 1. Without prejudice to paragraph 2, the following operations shall be considered as insufficient working or processing to confer the status of originating products, whether or not the requirements of Article {Sufficiently worked or processed products} are satisfied:]

- (a) [EU: preserving] operations to ensure [Japan: the preservation of products][EU: that the products remain] in good condition during transport and storage [Japan: (such as

- drying, freezing, keeping in brine) and other similar operations];
- (b) [Japan: changes of packaging and] breaking-up and assembly of packages;
  - (c) [EU: washing, cleaning; removal of dust, oxide, oil, paint or other coverings];
  - (d) ironing or pressing of textiles and textile articles;
  - (e) simple painting and polishing operations;
  - (f) husking and partial or total milling of rice; polishing and glazing of cereals and rice;
  - (g) operations to colour or flavour sugar or form sugar lumps; partial or total milling of crystal sugar;
  - (h) peeling, stoning and shelling, of fruits, nuts and vegetables;
  - (i) sharpening, simple grinding or simple cutting;]  
[Japan: (j) collection of parts and components classified as a good pursuant to Rule 2(a) of the General Rules for the Interpretation of the Harmonized System;
  - (k) mere making-up of sets of articles; or]
  - (l) [EU: sifting, screening, sorting, classifying, grading, matching (including the making-up of sets of articles;]
  - (m) [EU: simple] placing in bottles, [EU: cans, flasks, bags,] cases, boxes, [EU: fixing on cards or boards] and [EU: all] other simple packaging operations;
  - (n) [EU: affixing or printing marks, labels, logos and other like distinguishing signs on products or their packaging;
  - (o) simple mixing of products, whether or not of different kinds; mixing of sugar with any material;
  - (p) simple addition of water or dilution or dehydration or denaturation of products;
  - (q) simple assembly of parts of articles to constitute a complete article or] disassembly [EU: of products into parts];
  - (r) [Japan: any][EU: a] combination of [EU: two or more of the] operations [Japan: referred to in subparagraphs][EU: specified in points] (a) [Japan: through][EU: to] (q);

[EU: (s) slaughter of animals.

2. For the purpose of paragraph 1, operations shall be considered simple when neither special skills nor machines, apparatus or tools especially produced or installed for those operations are required for their performance.

3. All operations carried out either in the Union or in Japan on a given product shall be considered together when determining whether the working or processing undergone by that product is to be regarded as insufficient within the meaning of paragraph 1.]

[Japan: 2. Paragraph 1 shall prevail over the product specific rules set out in Annex [ ].

**Article [X06]: [Japan: Accumulation][EU: Cumulation]**

[Japan: For the purposes of determining whether a good qualifies as originating in a Party:

- (a) a good originating in the other Party which is used as a material in the production of

- the good in the former Party may be considered as originating in the former Party; and
- (b) production carried out on a non-originating material within the former party or in the other Party by one or more producers may be taken into account, regardless of whether that production was sufficient to confer originating status to the material itself.]

[EU: Notwithstanding Article {EU: Origin requirements}, products shall be considered as originating in a Party if such products are obtained there by incorporating materials originating in the other Party, provided that the working or processing carried out goes beyond the operations referred to in Article {Insufficient working or processing} while it shall not be necessary that the materials of the other Party have undergone sufficient working or processing.]

**Article [X07]: [Japan : De Minimis] [EU: Tolerances]**

[Japan: For the application of the product specific rules set out in Annex [ ], non- originating materials used in the production of a good that do not satisfy an applicable rule for the good shall be disregarded, provided that the totality of such materials does not exceed specific percentages (10% FOB) in value, weight or volume of the good and such percentages are set out in the product specific rule for the good.]

[EU: 1. By way of derogation from Article [Sufficient working or processing] and subject to paragraphs 2 and 3 of this Article, non-originating materials which, according to the conditions set out in the list, in Annex II are not to be used in the manufacture of a given product may nevertheless be used, provided that their total value or net weight assessed for the product does not exceed:

- (a) 10 % of the weight of the product for products falling within Chapters 2 and 4 to 24 of the Harmonized System, other than processed fishery products of Chapter 16;
- (b) 10 % of the ex-works price of the product for other products, except for products falling within Chapters 50 to 63 of the Harmonized System, for which the tolerances mentioned in Notes 6 and 7 of Annex I, shall apply.

2. Paragraph 1 shall not allow to exceed any of the percentages for the maximum content of non-originating materials as specified in the rules laid down in the list in Annex II.

3. Paragraphs 1 and 2 shall not apply to products wholly obtained in a Party within the meaning of Article {Wholly Obtained Products}. However, without prejudice to Article {Insufficient working or processing} and Article {Unit of qualification} paragraph 2, the tolerance provided for in those paragraphs shall nevertheless apply to the sum of all the materials which are used in the manufacture of a product and for which the rule laid down in the list in Annex II for that product requires that such materials be wholly obtained.]

**Article [X08]: Unit of qualification**

1. The unit of qualification for the application of the provisions of this Protocol shall be the particular product which is considered as the basic unit when determining classification using the Harmonized System.
2. When a consignment consists of a number of identical products classified under the same heading of the Harmonized System, each individual item shall be taken account when applying the provisions of this Protocol.

**Article [X09]: [Japan: Fungible Goods and Materials] [EU: Accounting segregation]**

[Japan: 1. For the purposes of determining whether a good qualifies as an originating good, where fungible originating materials and fungible non-originating materials that are commingled in an inventory are used in the production of the good, the origin of the materials may be determined pursuant to an inventory management method under the Generally Accepted Accounting Principles in the Party.

2. Where fungible originating goods and fungible non-originating goods are commingled in an inventory and, prior to exportation do not undergo any production process or any operation in the Party where they were commingled other than splitting-up of the consignment, and unloading, reloading and any other operation to preserve them in good condition, the origin of the good may be determined pursuant to an inventory management method under the Generally Accepted Accounting Principles in the Party.]

[EU: 1.If originating and non-originating fungible materials are used in the working or processing of a product, competent authorities may, at the written request of economic operators, authorise the management of materials using the accounting segregation method without keeping the materials in separate stocks.

2. Competent governmental authorities may make the granting of authorisation referred to in paragraph 1 subject to any conditions they deem appropriate.

3. The authorisation shall be granted only if by use of the accounting segregation method it can be ensured that, at any time, the number of products obtained which could be considered as originating in a Party is the same as the number that would have been obtained by using a method of physical segregation of the stocks.

4. A manufacturer using the accounting segregation method shall make out or apply for a proof of origin for the quantity of products which may be considered as originating in the exporting Party. At the request of the customs authorities or competent governmental authorities of the exporting Party, the beneficiary shall provide a statement of how the

quantities have been managed.

5. Competent authorities shall monitor the use made of the authorisation referred to in paragraph 3 and may withdraw it if the manufacturer makes improper use of it or fails to fulfil any of the other conditions laid down in this protocol.]

**Article [X10]: [EU: Sets]**

[EU: A set, as defined in General Rule 3{(b) and (c)} of the Harmonized System, shall be regarded as originating when all component products are originating. Where a set is composed of originating and non-originating components, the set as a whole shall be regarded as originating, provided that the value of the non-originating components does not exceed 15 per cent of the ex-works price of the set.]

**Article [X11]: Non-alteration**

1. The originating {products} declared for home use in a Party shall be the same products as exported from the other Party in which they obtained originating status. They shall not have been altered, transformed in any way or subjected to operations other than to preserve them in good condition or than adding or affixing marks, labels, seals or any other documentation to ensure compliance with specific domestic requirements of the importing Party, prior to being declared for home use.

2. Storage or exhibition of products may take place in a non-Party provided that they remain under customs supervision in that non-Party

3. Without prejudice to the provisions Section B, the splitting of consignments may take place in the territory of a non-Party where carried out by the exporter or under his responsibility provided they remain under customs supervision in that non-Party.

4. In case of doubt whether the conditions provided for in paragraphs 1 to 3 are complied with, the customs authorities may request the importer to provide evidence of compliance, which may be given by any means, including contractual transport documents such as bills of lading or factual or concrete evidence based on marking or numbering of packages or any evidence related to the goods themselves.

**Article [X12]: Returning goods**

If originating goods exported from a Party to a non-Party return, they must be considered as non-originating, unless it can be demonstrated to the satisfaction of the customs authorities



that:

- (a) the returning goods are the same as those exported; and
- (b) they have not undergone any operation beyond that necessary to preserve them in good condition while in that non-Party or while being exported.

**Article [X13]: Accessories, Spare Parts, Tools and Instructional or Other Information Materials<sup>x</sup>**

1. In determining whether a good is wholly obtained, or satisfies a process or change in tariff classification requirement as set out in Annex {PSRs}, accessories, spare parts, tools and instructional or other information materials as described in paragraph 4 shall be disregarded.

2. In determining whether a product meets a value requirement set out in Annex {PSRs}, the value of accessories, spare parts, tools and instructional or other information materials as described in paragraph 4, are to be taken into account as originating or non-originating materials, as the case may be, in calculating the value requirement of the product.

3. A product's accessories, spare parts, tools or instructional or other information materials, as described in paragraph 4, have the originating status of the product with which they are delivered.

4. For the purposes of this Article, accessories, spare parts, tools, and instructional or other information materials are covered when:

- (a) the accessories, spare parts, tools and instructional or other information materials are classified with, delivered with but not invoiced separately from the product; and
- (b) the types, quantities, and value of the accessories, spare parts, tools and instructional or other information materials are customary for that product.

**A**

**rticle [X14]: [Japan: Indirect materials][EU: Neutral materials and elements]<sup>xi</sup>**

The following [Japan: indirect materials][EU: neutral materials and elements] which may be used in the [Japan: production][EU: manufacture] of a [Japan: good][EU: product] shall be [Japan: without regard to where they are produced, considered as originating materials] [EU: disregarded to determine whether a product is originating]:

- (a) energy and fuel;
- (b) [EU: plant and equipment, including materials [to be] used for their maintenance];
- (c) [EU: machines and] tools [Japan: ,][EU: and] dies and moulds;
- (d) spare parts and materials used in the maintenance of equipment and buildings;
- (e) lubricants, greases, compounding materials and other [Japan: goods][EU: materials] used in [Japan: production][EU: manufacture] or used to operate equipment and

- buildings;
- (f) gloves, glasses, footwear, clothing, safety equipment and supplies;
  - (g) equipment, devices and supplies used for testing or inspecting the good;[EU: catalyst and solvent; and;]
  - (h) [Japan: catalyst and solvent; and;]
  - (i) [Japan: any] other goods which are not incorporated into the [Japan: good][EU: final composition of the product] but whose use in the [Japan: production][EU: manufacture] of the [Japan: good][EU: product] can be reasonably demonstrated to be a part of that [Japan: production][EU: manufacture].

#### **Article [X15]: Packing Materials and Containers for Shipment**

Packing materials and containers for shipment that are used to protect a good during transportation shall be disregarded in determining whether a product is originating.

#### **Article [X16]: Packaging Materials and Containers for Retail Sale<sup>xii</sup>**

1. Packaging materials and containers in which a product is packaged for retail sale, if classified with the good, shall be disregarded in determining whether all the non- originating materials used in the production of the product have undergone the applicable change in tariff classification or a specific manufacturing or processing operation set out in Annex {PSRs} or whether the good is wholly obtained or produced.

2. If a product is subject to a value requirement set out in Annex {PSRs}, the value of the packaging materials and containers in which the good/ product is packaged for retail sale, if classified with the good, are taken into account as originating or non- originating, as the case may be, in calculating the value requirement of the product.

#### **Section B: Origin Procedures<sup>xiii</sup>**

##### **TITLE PREFERENTIAL TARIFF TREATMENT**

#### **Article 16: Claim for preferential tariff treatment**

1. The importing Party shall {on importation} grant preferential tariff treatment to an originating {product} within the meaning of this Chapter on the basis of a claim by the importer for preferential tariff treatment. The importer accepts responsibility for the correctness of the claim for preferential tariff treatment and compliance with the requirements

provided for in the Chapter.

2. The claim for preferential tariff treatment shall be based on either:
  - (a) a statement on origin that the {product} is originating, made out by the exporter, or
  - (b) the importer's knowledge that the {product} is originating.
3. The claim for preferential tariff treatment and its basis as referred to in paragraph 2, point a) or point b) shall be included in the customs import declaration in accordance with the laws and regulations of the importing Party. The customs authority of the importing Party may request the importer to provide an explanation, as part of the import declaration or accompanying it, that the {products} meet the requirements of this Chapter and to the extent that the importer can provide such explanation.
4. The importer making a claim based on a statement on origin referred to in paragraph 2(a) shall possess this statement and, when required provide a copy of the statement to the customs authority of the importing Party.
5. Paragraphs 2, 3 and 4 do not apply in the cases specified in Article 20.

#### **Article 17: Statement on origin**

1. A statement on origin may be made out by an exporter of the {product} on the basis of information demonstrating that the {product} is originating, including information on the originating status of materials used in the production of the {product}. The exporter is responsible for the correctness of the statement on origin made out and the information provided.
2. The statement on origin shall be made out using one of the linguistic versions included in Annex XX on an invoice or on any other commercial document that describes the originating {product} in sufficient detail to enable its identification. The importing Party shall not require the importer to submit a translation of the statement on origin.
3. The customs authorities of the importing Party shall not reject a claim for preferential tariff treatment due to minor errors or discrepancies in the statement on origin.
4. A statement on origin shall be valid for one year from the date it was made out.
5. A statement on origin may apply to:
  - (a) a single shipment of a good into {the territory of} a Party; or
  - (b) multiple shipments of identical goods within any period specified in the statement on origin not exceeding 12 months.

6. Where, at the request of the importer and on the requirements laid down by the customs authorities of the importing Party, dismantled or non-assembled {products} within the meaning of General Rule 2(a) of the Harmonized System falling within Sections XV to XXI of the Harmonized System are imported by instalments, a single statement on origin for such {products} may be used.

#### **Article 18: Importer's knowledge**

The importer's knowledge that a {product} is originating shall be based on information demonstrating that the {product} is originating and satisfies the requirements provided for in this Chapter.

#### **Article 19: Record keeping requirements**

1. An importer claiming preferential tariff treatment for a {product} imported into {the territory of} that Party shall:

- (a) in case a statement of origin served as a basis for the claim, have in his possession and maintain, for a minimum of 3 years from the date of importation of the {product}, the statement on origin made out by the exporter;
- (b) in case the claim was based on his own knowledge, have in his possession and maintain, for a minimum of 3 years from the date of importation, all records demonstrating that the {product} satisfies the requirements to obtain originating status.

2. An exporter who made out a statement on origin shall for a minimum of 4 years following the making out of that statement on origin have in his possession and maintain copies of statement on origins and all other records demonstrating that the {product} satisfies the requirements to obtain originating status.

3. The records to be kept in accordance with this Article may be held in electronic form. This Article does not apply in the cases specified in Article 20.

#### **Article 20: Small consignments and waivers**

1. {Products} sent as small packages from private persons or forming part of travellers' personal luggage shall be admitted as originating {products} provided that such {products} are not imported by way of trade<sup>1</sup>, have been declared as meeting the requirements of this

---

<sup>1</sup> The imports which are occasional and consist solely of {products} for the personal use of the recipients or travellers or their families shall not be considered as imports by way of trade

Chapter and where there is no doubt as to the veracity of such a declaration.

2. Provided that the importation does not form part of importations that may reasonably be considered to have been made separately for the purpose of avoiding the requirement for a statement on origin, the total value of these {products} referred to in paragraph 1;

- (a) in the case of the EU, shall not exceed EUR 500 in the case of small packages or EUR 1 200 in the case of {products} forming part of travellers' personal luggage. The amounts to be used in any given national currency shall be the equivalent in that currency of the amounts expressed in euro as at the first working day of October. The amounts shall be those published for that day by the European Central Bank, unless a different amount is communicated to the European Commission by 15 October, and shall apply from 1 January the following year. The European Commission shall notify Japan of the relevant amounts.
- (b) in the case of Japan, shall not exceed 100,000 Yen, or such amount as Japan may establish.

3. Each Party may provide that the basis for the claim as referred to in Article 16(2) shall not be required for an importation of a good for which the importing Party has waived the requirement.

#### **Article 21: Verification**

1. For the purposes of verifying whether a {product} imported into its territory from {the territory of} the other Party is originating or whether the other requirements of this Chapter are fulfilled, the importing Party may conduct a verification based on risk assessment methods, which may include random selection, by means of a request for information from the importer who made the claim referred to in Article 16. The importing Party may conduct a verification either at the time of import declaration, before the release of goods, or at after the clearance of the goods.

2. The request for information in paragraph 1 shall contain no more than the following data elements:

- (a) The statement on origin, where such a statement was the basis of the claim referred to in paragraph 2(a) of Article 16;
- (b) The HS-code of the final {product} and origin criteria used;
- (c) A brief description of the production process;
- (d) Where the origin criterion was based on a specific production process, a specific description of that process;
- (e) Where applicable a description of the originating and non-originating materials used in

---

if it is evident from the nature and quantity of the {products} that no commercial purpose is in view.

- the production process;
- (f) Where the origin criterion was ‘wholly obtained’, the applicable category (such as harvesting, mining, fishing and place of production);
  - (g) Where the origin criterion was based on a value method, the value of the final {product} as well as the value of all the non-originating or as appropriate originating materials used in the production;
  - (h) Where the origin criterion was based on weight, the weight of the final {product} as well as the weight of the relevant non-originating materials or as appropriate originating materials used in the final {product};
  - (i) Where the origin criterion was based on changes in tariff classification, a list of all the non-originating materials including their tariff classification (in 2, 4 or 6 digit format depending on the origin criteria);
  - (j) {Where applicable, the indication of the use of the sets rule, tolerances (de minimis), absorption, accounting segregation for fungible materials, cumulation, non-alteration, [DDBs].}

3. Where the claim for preferential tariff treatment is based on a statement on origin referred to in paragraph 2(a) of Article 16, the importer shall inform the customs authority of the importing Party when the requested information may be provided in full or in relation to one or more data elements by the exporter directly.

4. Where the claim for preferential tariff treatment is based on the importer's knowledge referred to in paragraph] 2(b) of Article 16, after having first requested information [in accordance with Article 21 paragraph 1,] the customs authority of the importing Party conducting the verification may send a request for information to the importer when it considers that additional information is required for verifying the originating status of the {product}. The customs authority of the importing Party may request the importer for specific documentation and information, where appropriate.

5. If the customs authorities of the importing Party decide to suspend the granting of preferential treatment to the {products} concerned while awaiting the results of the verification, release of the {products} shall be offered to the importer subject to [appropriate precautionary measures including guarantees.] Any suspension of preferential treatment shall be reinstated as soon as possible after the originating status of the {products} concerned or the fulfilment of the other requirements of this Chapter has been ascertained by the customs authorities of the importing Party.

## **Article 22: Administrative Cooperation**

1. In order to ensure the proper application of this Chapter, the Parties shall cooperate with each other, through the customs authority<sup>xiv</sup> in verifying whether {products} are originating and compliance with the other requirements provided for in the Chapter.

2. Where the claim for preferential tariff treatment is based on a statement on origin referred to in paragraph 2(a) of Article 16, after having first requested information [in accordance with Article 21 paragraph 1,] the customs authority of the importing Party conducting the verification may also send a request for information within a period of two years after the importation of the goods, to the customs<sup>xv</sup> authority of the exporting Party when the customs authority of the importing Party conducting the verification considers that it requires additional information for verifying the originating status of the {product}. The request for information should include the following information:

- (a) the statement on origin;
- (b) the identity of the customs authority issuing the request;
- (c) the name of the exporter;
- (d) the subject and scope of the verification;
- (e) where applicable any relevant documentation.

The customs authority of the importing Party may request the customs authority<sup>xvi</sup> of the exporting Party for specific documentation and information, where appropriate.

3. The customs authority of the exporting Party may in accordance with its laws and regulations, request documentation or examination by calling for any evidence or by visiting the premises of the exporter to review records and observe the facilities used in the production of the {product}.

4. Without prejudice to paragraph 5, the customs<sup>xviii</sup> authority of the exporting Party following the request referred to in paragraph 2 shall provide the following information:

- (a) the requested documentation where available;
- (b) an opinion on the originating status of the {product};
- (c) the description of the {product} subject to examination and the tariff classification relevant to the application of the rule of origin;
- (d) a description and explanation of the production process sufficient to support the originating status of the {product};
- (e) information on the manner in which the examination was conducted; and
- (f) supporting documentation, where appropriate.

5. The customs<sup>xix</sup> authority of the exporting Party shall not transmit the information to the customs authority of the importing Party referred to in paragraph 4 when such information is deemed confidential by the exporter.

### **Article 23: Mutual Assistance in the fight against fraud**

In case of a suspected breach of the provisions of this Chapter, the Parties shall provide each other with mutual assistance in customs matters, in accordance with the Agreement between the European Community and the Government of Japan on cooperation and mutual

administrative assistance in customs matters.

#### **Article 24: Denial of Preferential Tariff Treatment**

1. Without prejudice to the paragraph 3, the customs authority of the importing Party may deny preferential tariff treatment where:
  - (a) within a period of 3 months following the request for information pursuant to Article 21, paragraph 1:
    - i. no reply is provided, or
    - ii. the information provided is inadequate to confirm that the {product} is originating where the claim for preferential tariff treatment is based on the importer's knowledge referred to in paragraph 2(b) of Article 16;
  - (b) within a period of 3 months following the request for information pursuant to Article 21, paragraph 4
    - i. no reply is provided, or
    - ii. the information provided is inadequate to confirm that the {product} is originating;
  - (c) within a period of 10 months following the request for information pursuant to Article 22, paragraph 2:
    - i. no reply is provided, or
    - ii. the information provided is inadequate to confirm that the {product} is originating;
  - (d) [following a prior request for assistance pursuant to Article 23 [in accordance with Article XX CTF / with the provisions of CCMAA] and within the mutually agreed period, in respect of {products} having been subject of a claim as referred to in Article 16(1):]
    - i. the customs authority of the exporting Party fails to provide the assistance, or
    - ii. the result of this assistance is inadequate to confirm that the {product} is originating.

2. The customs authority of the importing Party may deny preferential tariff treatment to a {product} for which an importer claims preferential tariff treatment where the importer fails to comply with requirements of this Chapter other than those relating to the originating status of the {products}.

3. Where the customs authority of the importing Party has sufficient justification to deny preferential tariff treatment under paragraph 1 in cases where the customs authority of the exporting Party provided an opinion pursuant to paragraph 4(ii) of Article 22, confirming the originating status of the {products}, the customs authority of the importing Party shall notify the customs authority of the exporting Party, within [2] months of receiving the opinion its intention to deny the preference.

In such case and at the request of either Party, consultations shall be held within a period of



[3] months from the date of the notification referred to in the first subparagraph. The period for consultation may be extended on a case by case basis by mutual agreement between the Parties. The consultation may take place within the procedure set by the [Customs Committee] established under this Agreement.

At the expiry of the period for consultation, the customs authority of the importing Party may deny the preferential tariff treatment only on the basis of sufficient justification and after having granted the importer the right to be heard.

### **Article 25: Confidentiality**

1. Each Party shall maintain, in accordance with its laws and regulations, the confidentiality of information provided to it by the other Party pursuant to this Chapter, and shall protect that information from disclosure.
2. Information obtained by the authorities of the importing Party may only be used by such authority for the purposes of this Chapter.
3. Confidential business information obtained from the exporter by the authority of the exporting Party or importing Party through the application of Articles 21 and 22 shall not be disclosed unless otherwise provided for in this Chapter.
4. Information obtained by the customs authority of the importing Party pursuant to this Chapter shall not be used by the importing Party in any criminal proceedings carried out by a court or a judge, unless permission to use such information is requested by and provided to the importing Party through the diplomatic channels or other channels established in accordance with the applicable laws and regulations of the exporting Party.

### **Article 26: [Sanctions and administrative measures]**

The Parties shall impose [administrative measures, and sanctions where appropriate], in accordance with their respective laws and regulations, on any person who draws up, or causes a document to be drawn up, which contains incorrect information provided for the purpose of obtaining a preferential treatment for {products}, or who does not comply with the requirements set out in Article 19, or who does not provide the evidence or refuses the visit referred to in Article 22(3).

#### *EU: Article X (Placeholder) Temporary withdrawal of preferential tariff treatment*

The customs of authority of importing Party may withdraw the preferential tariff treatment in accordance with article XY “Special measures concerning the management of preferential tariff treatment”.

#### *EU: Article X (Placeholder)*

*Customs committee to oversee the implementation of this Protocol*

**ANNEX**  
**TEXT OF THE STATEMENT ON ORIGIN**

The statement on origin, the text of which is given below, must be completed in accordance with the footnotes. However, the footnotes do not have to be reproduced.

(Period: from \_\_\_\_\_ to \_\_\_\_\_<sup>2)</sup>)

The exporter of the products covered by this document (Exporters reference No ...<sup>3)</sup> declares that, except where otherwise clearly indicated, these products are of ...<sup>4</sup> preferential origin.

Origin criteria used<sup>5</sup>

.....<sup>6</sup>  
(Place and date)

.....  
(Printed name of the exporter)

---

<sup>2</sup> When the statement on origin is completed for multiple shipments of identical originating products within the meaning of Article XX, indicate the period for which the statement on origin will apply. The period shall not exceed 12 months. All importations of the product must occur within the period indicated. Where a period is not applicable, the field can be left blank.

<sup>3</sup> [Indicate the reference number through which the exporter or producers may be identified. For the EU this will be the XX number.]

<sup>4</sup> Indicate the origin of the product

<sup>5</sup> Indicate, depending on the case, one or more of the following codes

- (a) for a product which is wholly obtained or produced entirely in the territory of a Party/ one or more of the Parties, exclusively from originating materials
- (b) for a product produced entirely in the territory of a Party/ one or more of the Parties, using non-originating materials provided the product satisfies all applicable requirements of Annex XX' (Product-Specific Rules), with the following additional information on the type of PSR actually applied to the product:
  - i. for a 'Change of Tariff Classification' rule
  - ii. for a 'Value-Added' / 'Regional value Content' rule
  - iii. for a 'Specific Processing' rule
- (c) for 'Accumulation' or 'Cumulation'
- (d) De Minimis/ Tolerance

<sup>6</sup> These indications may be omitted if the information is contained on the document itself.

## **ANNEX XX**

### **STATEMENT ON ORIGIN**

Specific requirements as for the making out of a statement on origin

A statement on origin, the text of which is set out below, shall be made out using one of the following linguistic versions and in accordance with the domestic law of the exporting Party. If the statement is handwritten, it shall be written in ink in printed characters. The statement on origin must be drawn up in accordance with the respective footnotes. The footnotes do not have to be reproduced.

**Bulgarian version**

**Spanish version**

**Czech version**

**Danish version**

**German version**

**Estonian version**

**Greek version**

**English version**

The exporter of the products covered by this document (Reference No ... <sup>(1)</sup>) declares that, except where otherwise clearly indicated, these products are of ... preferential origin <sup>(2)</sup>.

**French version**

**Croatian version**

**Italian version**

**Latvian version**

**Lithuanian version**

**Hungarian version**

**Maltese version**

**Dutch version**

**Polish version**

**Portuguese version**

**Romanian version**

**Slovak version**

**Slovenian version**

**Finnish version**

**Swedish version**

**Japanese version**

---

<sup>i</sup> The use of the word 'Chapter' is without prejudice with regard to the structure and denomination of parts of the agreement

- ii Definitions proposed by Japan for “certification body” and “competent governmental authority” are not reproduced in this text pending agreement on the deletion of Article 17a
- iii Japan agrees to refer to ‘a Party’ subject to agreement on the provision of (ac)cumulation
- iv On (ac)cumulation
- v Japan reflecting whether to keep 'entirely'
- vi Japan reflection whether to keep 'in the territory of'
- vii Japan accepts principle but still need legal check
- viii Japan reflection whether to keep 'in the territories of'
- ix Japan reflection whether to keep 'in the territories of'
- x Subject to review pending final Japan's position related to the use of the build-up method
- xi Subject to review pending final Japan's position related to the use of the build-up method
- xii Subject to review pending final Japan's position related to the use of the build-up method
- xiii Article 17a on 'Certification of statement on origin' proposed by Japan is not reproduced in this text as Japan has indicated that it is willing to withdraw its proposal pending overall agreement on the Rules of Origin Chapter
- xiv The text: 'or other competent governmental authority' is not reproduced in this text pending agreement on the deletion of Article 17a
- xv The text: 'or other competent governmental' is not reproduced in this text pending agreement on the deletion of Article 17a
- xvi The text: 'or other competent governmental' is not reproduced in this text pending agreement on the deletion of Article 17a
- xvii The text: 'or other competent governmental' is not reproduced in this text pending agreement on the deletion of Article 17a
- xviii The text: 'or other competent governmental' is not reproduced in this text pending agreement on the deletion of Article 17a
- xix The text: 'or other competent governmental' is not reproduced in this text pending agreement on the deletion of Article 17a