Finalisation of the negotiations on the EU-Japan Economic Partnership Agreement

In the context of emerging trade wars, as well as overwhelming Brexit uncertainty, it is good to see the EU striving towards avoidance of further protectionism by signing the Japan-EU Economic Partnership Agreement (JEEPA).

The JEEPA in a nutshell

This trade deal promises to eliminate 99% of tariffs and establish facilitations not only with respect to the movement of goods and services but also manufacturing, investment and harmonization of standards regarding work, safety, environmental and consumer protection. It is important to note that certain tariffs will be gradually eliminated over a period of 20 years (for imports into the EU) and 15 years (for imports into Japan), while other duty rates will be eliminated as of the day of entry into force of the agreement.

What should businesses start doing?

Considering the financial and commercial benefits that JEEPA will bring to EU and Japanese businesses, PwC is of the opinion that companies should already start planning and modelling their supply-chains (sourcing, delivery network, etc) in order to be ready to take maximum advantage of the JEEPA. In addition, companies should review internal FTA compliance procedures to ensure that appropriate processes are in place to validate origin, and that documentation can be prepared and maintained in order to support compliance with the origin requirements. This is especially important to note for exporters in Japan, since it is not common for origin to be self-certified in Japan’s other FTAs.

PwC’s global customs network stands ready to further discuss opportunities with you, so please do not hesitate to contact us at any suitable time.

Let’s talk

If you would like further advice or a deeper discussion of how this issue might affect your business, please contact:

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