

EUROPEAN UNION – JAPAN Economic Partnership Agreement

A Guide for Footwear Companies



WORLD FOOTWEAR

by

Portuguese Shoes

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Who we are

World Footwear is an initiative of APICCAPS, the Portuguese Footwear, Components and Leather Goods Manufacturers' Association, and it includes two communication channels: an annual edition of the World Footwear Yearbook and an electronic platform with updated industry news (www.worldfootwear.com).

The first edition of the World Footwear Yearbook, a comprehensive report that analyses the main trends within the footwear sector around the world, was released in September 2011, with new updated editions published on a yearly basis. Each report is published with the most updated data up to the previous year and analyzes the position of the relevant countries of the footwear industry in terms of different variables (Production, Exports, Imports and Consumption) and evaluate the strategic positioning of the different sector players. The World Footwear Website disseminates all relevant news about the worldwide footwear industry on a daily basis.

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Disclaimer

Although due care has been taken in the preparation of this report, APICCAPS cannot guarantee the accuracy or completeness of the report and cannot be held responsible for any error or the opinions expressed herein.

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1. Executive Summary

The Economic Partnership Agreement between the EU and Japan entered into force on the 1st of February 2019. Since then, businesses and consumers across Europe and in Japan are able to take advantage of the **largest open trade zone** in the world.

The EU and Japan already had solid trade and economic ties: according to data by the Eurostat, in 2018, Japan (3%) was the 6th largest partner for EU exports of goods and the 7th largest partner for EU imports of goods (4%). For Japan, the EU is the 3rd largest export destination (after the United States and China), with total exports in goods and services valued at 85 billion euros in 2016.

The EU is also a major investment partner for Japan: the EU is Japan's 2nd most important investment destination after the United States, accounting for almost 25% of the stock of Japanese outward FDI (Foreign Direct Investment) in 2016.

Despite all the existing ties between the two areas, **this trade agreement is ambitious** by:

- Removing tariffs and other trade barriers and creates a platform to cooperate in order to prevent obstacles to trade;
- Helping shape global trade rules in line with high standards;
- Giving a powerful signal that two of the world's biggest economies reject protectionism.

The Economic Partnership Agreement removes the vast majority of the 1 billion euros of duties paid annually by EU companies exporting to Japan. Once the agreement is fully implemented, Japan will have scrapped customs duties on 97% of goods imported from the EU. The agreement also removes a number of long-standing non-tariff barriers, for example by endorsing international standards on cars. It will also break down barriers for key EU food and drink exporters to 127 million Japanese consumers and will increase export opportunities in a range of other sectors. According to estimates by the European Union, the annual trade between the EU and Japan could increase by nearly 36 billion euros once the agreement is implemented in full.

The EU and Japan have also agreed to set ambitious standards on sustainable development, and the text includes for the first time a specific commitment to the Paris climate agreement. The agreement also secures the opening of services markets, in particular financial services, e-commerce, telecommunications and transport.

As of February 2019, a large part of another agreement – the **Strategic Partnership Agreement** between the European Union and Japan – also applies on a provisional basis. This Agreement, which was signed in July 2018 together with the Economic Partnership Agreement, is the first-ever bilateral framework agreement between the EU and Japan and strengthens the overall partnership by providing an overarching framework for enhanced political and sectoral cooperation and joint actions on issues of common interest, including on regional and global challenges. The Agreement will enter into force once it has been ratified by all EU Member States.

Regarding **footwear** this agreement will be key for European and Japanese companies aiming to sell their products in the markets of Japan and the EU, respectively, given the competitiveness benefits arising from tariffs reduction and the scheduled elimination. According to the European Union, before the agreement, EU exporters were paying roughly 174 million euros in customs duties on leather and footwear products. This sector has traditionally been highly protected in Japan, with substantial tariffs of almost 30%. Under the agreement, tariffs applied to European Union originating footwear entering Japan will be phased out over the next years. Tariffs on key leather products such as handbags will be eliminated over a decade, and the traditionally protected products with very high tariffs (27%), such as sports shoes and ski boots, will also be liberalised over the same period. On the other hand with the entry into force of the agreement **the immediate end of the quota system** was applied for EU footwear exports which should bring significant gains for exporters of leather hides and skins.

On the other side, **Japan** will benefit from the immediate removal of tariffs on several products, such as the categories of leather footwear. For many others, EU custom duties on footwear will initiate with tariffs around 17% and will be eliminated over 10 years, in most instances, and with a small group of tariff lines facing a 15 years transition period until complete elimination is reached.

This document gives an **overview of the Economic Partnership Agreement** and presents a **practical guide for all footwear companies** based in Japan and in the European Union and aiming to trade under the current framework.

2. A New Revolutionary Economic Treaty

Largest bilateral trade deal ever made

In a context of cooperation, a new revolutionary agreement between the European Union (EU) and Japan entered into force on the 1st of February 2019: The Economic Partnership Agreement (EPA) is the largest bilateral trade deal ever made by the EU, originating the biggest free and advanced economic zone in the world. Great benefits can be expected from this economic alliance, including the liberalization and facilitation of trade in goods and services, new and better investment opportunities and a large contribution to boost the economic growth by creating employment and strengthening business competitiveness. The agreement aims to adjust the disproportions associated with trade barriers impacting Small Medium Enterprises (SME), assure environmental protection and contribute to labour and sustainable development. It also sends a powerful signal that two of the world's major economies reject protectionism and advocate free and fair commerce.

Table 1 - Population and GDP - EU and Japan (2018); Source: International Monetary Fund

	European Union	Japan
Population (million people)	510	127
GDP current prices, PPP (billion US dollars)	22 029	5 596

Both the EU and Japan are developed economies with high standards of living. In terms of GDP (Current Prices; Purchasing Power Parity) and population Japan is about one quarter the size of the EU, bigger than Germany and almost the size of France and Italy together.

The Free Trade Agreement between the two parties creates the largest free and advanced economic zone in the world with approximately 30% of the world's GDP and a population of more than 635 million people.



Chart 1 - GDP, Current US Dollars; Source: World Trade Organisation

EU and Japan have solid trade and economic ties

The EU and Japan already have solid trade and economic ties: according to data by the Eurostat, in 2018, Japan (3%) was the 6th largest partner for EU exports of goods and the 7th largest partner for EU imports of goods (4%). According to studies by the European Commission, almost 74 000 EU-based companies already export to Japan (mainly SME - 78%), more than 600 000 jobs in the EU are linked to exports to Japan and more than half a million people in the EU are employed by Japanese companies. According to the same source, total EU exports to Japan are in excess of 85 billion euros (58 billion euros in goods and 28 billion euros in services).

For Japan, the EU is the 3rd largest export destination (after the United States and China), with total exports in goods and services valued at 85 billion euros in 2016. The EU is also a major investment partner for Japan: the EU is Japan's second most important investment destination after the United States, accounting for almost 25% of the stock of Japanese outward FDI (Foreign Direct Investment) in 2016. In its turn Japan is not a key destination for European investment abroad, representing only 1.1% of total extra-EU outward stock in 2016.

The European Commission's analysis of the economic impact of the agreement indicated that the EU's GDP could rise by approximately 0.14%, and EU exports to Japan by around 13 billion euros by the time the EPA is fully implemented in 2035.

At the same time the deal should conduct to savings of approximately 1 billion euros in terms of customs tariffs paid by EU companies. Concerning the Japanese economy, exports to the EU are estimated to grow around 23 billion euros (the value of Japanese exports to the EU stood at 87 billion euros in 2017), the real GDP is expected to increase by approximately 1% (5 trillion yen) and employment by 0.5% (290 000 jobs). Once the agreement is implemented in full, annual trade between the EU and Japan can increase by nearly 36 billion euros.

The deal will remove 97% of Japanese tariff lines on imports from the EU

Tariffs

Under World Trade Organization (WTO) conditions, a Free Trade Agreement (FTA) needs to eliminate duties on "substantially all the trade" between constituent territories. The present trade deal goes beyond that: once fully implemented, over the next 15 years, it will remove approximately 97% of Japanese tariff lines on imports from the EU, which 86% are liberalised at entry into force. In terms of imports, it means that 91% are eliminated immediately and 99% after the staging period of 15 years.

The EU eliminates 96% of its tariff lines at entry into force of the agreement and 99% once the agreement is fully implemented. In terms of imports from Japan, 75% are liberalised immediately and close to 100% after the staging period.

Japan: a market with 127 million consumers

The smaller figure on Japan's side is explained by the significant concessions in terms of tariff rate quotas and/or tariff reductions, as it is also largely compensated by the important effort made by Japan in addressing Non-Tariff Measures.

For sensitive products both sides will use staging to soften the impact of tariff elimination. Rice and seaweeds were mutually excluded from concessions. The agreement opens the Japanese market of 127 million consumers to key EU agricultural products and increase EU export opportunities in many other sectors such as financial services. As Japan will remove duties on agricultural products, the EU is expected to gain most from exports of consumer products, such as cheese, pork, and wines.

On the other side, Japan's main interest in a trade deal with the EU was to increase its automobile industry exports. The EU previous customs duties of 10% on Japanese cars will lower to zero over eight years. In sectors such as agriculture, forestry and fisheries product, the EPA will create an environment which promotes export of Japanese products to a market of more than 500 million people in the EU.

Currently Japan already applies 0% tariff in chapters such as machinery, electrical machinery, instruments and vehicles. However, for sectors such as chemicals, textiles and clothing, metals, ceramics and glass, cosmetics, plastics and jewellery and precious stones, Japan will eliminate duties immediately upon entry into force.

Largest increases in EU exports to Japan: dairy, textiles, apparel and leather sectors

The largest increases expected in EU exports to Japan in absolute and relative terms are in the dairy (215%; 729 million euros) and in the textile, apparel and leather sectors (220%; 5.2 billion euros), followed by processed foods (51%; 1 billion euros) and motor vehicles which are expected to experience substantial increase in exports both in absolute and relative terms. The impact of this extensive tariff elimination will also be important for clothing and chemicals (7%; 1.6 billion euros), as these are sectors in which tariffs are still relatively high and in which the EU has significant potential for market penetration.

For Japan the sector that is expected to see the highest increase in exports in both absolute and relative terms is motor vehicles followed by minerals and glass, machinery and equipment (including medical, precision and optical instruments) and then chemicals.

The EU's most sensitive sector in the negotiations was passenger cars. The result of the negotiations led to a phasing out of the 10% tariff on cars over 7 years. As a result, there will be considerable cost savings for European cars exported to Japan.

Largest increases in Japan exports to EU: motor vehicles, minerals and glass, machinery and equipment

In terms of industrial products Japan will use staging only for wood, leather and footwear. The tariffs on wood products that are of most interest to the EU (such as chopped wood and laminated timber) will be gradually eliminated over 7 years (15 years staging in EU).

The agreement makes it easier for EU firms to provide services on the highly lucrative Japanese market

Non-tariff measures

Certain Japanese technical requirements and certification procedures had made it difficult to export safe European products to Japan. The agreement goes a long way in facilitating the access of EU companies to the highly regulated Japanese market as it ensures that such rules are more transparent, fairer and efficient for exporters and all requirements are in line with international standards to the greatest possible extent. Alongside, makes sure that excessive bureaucracy does not hindrance the work for exporters.

Trade in Services, Investment liberalization and E-commerce

The EU exports near 30 billion euros of services to Japan each year. The agreement makes it easier for EU firms to provide services on the highly lucrative Japanese market. The agreement contains several provisions that apply horizontally to all trade in services. It reaffirms the parties' right to regulate, keep public services public and do not force governments to privatise or deregulate any public service at national or local level. Both Japan and the EU will continue to decide for themselves how they want their social services such as water distribution and healthcare. Whether they apply to foreign or domestic services suppliers, the agreement will not change or affect rules on safety, health, environmental standards, qualification requirements, labour rights and working conditions, as it ensures that such rules and requirements are publicly available, easily understandable, and reasonable so that they do not act as an unfair barrier to trade for EU or Japanese businesses.

Firms in areas such as Business and Financial services, telecommunications, transport services, transport, distribution and postal and courier services are expected to benefit from these measures.

Investment

Currently, Japan is not a major destination for European investment abroad, representing only 1.1% of total extra-EU outward stock in 2016. The present agreement was therefore considered a strategic priority to revitalise trade and investment with Japan: it makes it easier for European and Japanese firms to invest in each other's markets, by simplifying investment procedures and prohibiting an extensive list of performance requirements (e.g. given level of domestic content, given value of exports/imports etc.) as conditions for establishing or operating enterprises in goods and service sectors. This way, more companies might invest or set up production in the other party's territory, creating investment opportunities. These provisions on investment liberalisation are complemented with guarantees on the free movement of capital, payments and transfers between the economies. The agreement will also contain some provisions on corporate governance: the aim is to attract and encourage investment by raising investor confidence and improving competitiveness. This will enable investors to make the most of the opportunities created by the trade agreement.

Creating investment opportunities

The EPA sets a background for the movement of people

In e-commerce, the parties commit to keep electronic transmissions duty-free, recognise the legal validity of electronic contracts and signatures and may not require source codes to be transferred or accessed.

Alongside, the EPA includes the most advanced provisions on Movement of People for Business Purposes (otherwise known as "mode 4") that the EU has negotiated so far. It covers all traditional categories such as intra-corporate transferees, business visitors for investment purposes, contractual service suppliers, and independent professionals, as well as newer categories such as short-term business visitors and investors. In addition, it includes a Protocol with procedural commitments concerning the entry of service providers in the territory of the parties, which covers issues such as fees or processing times for entry applications.

The EU and Japan have also agreed to allow spouses and children to accompany those who are either service suppliers or who work for a service supplier (covered by "mode 4" provisions). This will, in turn, support investment in both directions.

SME will strongly benefit from trade liberalisation

Small Medium Enterprises

Before the entering into force of the deal, almost 74 000 EU companies already exported to Japan, of which 78% are smaller firms and given their importance is trade between both regions, one of the main objectives of the EPA is to enable SME to strongly benefit from trade while encourage them to trade and invest more in each other's markets.

Currently, smaller exporters are disproportionately affected by barriers, because of the lack of time and resources needed to overcome them. The agreement contains provisions about increasing awareness amongst SME on a wide range of issues - customs procedures, rules of origin, technical requirements, conformity assessments and business registration. The EPA simplifies customs procedures as it commits to transparency regarding access to the parties' markets through sharing information and increasing transparency.

National governments and business associations will have to effectively disseminate information regarding the agreement's provisions, which are not necessarily well known to small exporters. Access to such information can represent a trade barrier in itself and therefore the agreement provides the maintenance of a specific website with information relevant to SME seeking to access its market. To provide information in English can also support SME in overcoming language differences, bureaucratic red tape and related non-tariff barriers.

Better access to contracts put out for tender in Japan

205 European Geographical Indications recognised

56 Japanese Geographical Indications recognised

Corporate Governance

For the first time in the history of EU trade agreements, the EU-Japan EPA includes provisions on corporate governance. These provisions are based on the G20/OECD's Principles on Corporate Governance and reflects the EU's and Japan's best practices and rules in this area. The aim is to attract and encourage sustainable investment by promoting well-organized markets and financial systems based on transparency, efficiency, trust and integrity. The EU and Japan commit to follow the key principles and objectives regarding their corporate governance outline, particularly: transparency and disclosure of information regarding publicly listed companies, management's accountability towards shareholders, responsible decision-making, effective and fair exercise of shareholders' rights and transparency and fairness in takeover transactions

Every year, national, regional and municipal governments in Japan and the EU procure goods and services from private companies with billions of euros worth. They issue public contracts or proposals which companies then bid for. In this part of the agreement, both sides agreed on rules that prohibit unfair discrimination by one side against bidders from the other side, agreed on rules to maximise transparency and make information more easily accessible in tendering for public contracts to ensure firms are aware of opportunities in both territories.

One of the EU's priorities in the negotiations was to secure greater access to the Japanese market in railway equipment and infrastructure. Japan has also agreed to open tenders to EU bidders for Hospitals and academic institutions and electricity distribution (more than 100 entities).

For its part, the EU has agreed to partially open its market in equipment for public transport in towns and cities, such as trains and signalling for metro systems, and facilities for overland railways.

Intellectual property rights (IPR) and Geographical Indications (GI)

Both the EU and Japan have strong systems for protecting and enforcing intellectual property rights such as trademarks, patents and designs. The agreement reaffirms both the EU's and Japan's existing systems, as it is strongly based on international WTO and EU existing standards, notably on copyright protection, patent term extension and trade secrets. It includes high standard civil enforcement rules, along with guidelines on border measures concerning not only imports but also exports and transit, covering a broad range of Intellectual Property Rights.

A geographical indication is a name used to identify a product as originating in the territory of a country, region or locality where its special quality, reputation or other characteristic is linked to its geographical origin. The agreement covers a high level of protection for EU GI, as it recognises 205 European Geographical Indications. This means that only products with this status will be allowed to be sold in Japan under the corresponding name. On the Japan's side, about 56 GI are referred, such as Kobe beef and Yubari melon.

Promoting competition to the benefit of all market participants

Competition

The Competition chapter of the FTA establishes a number of important principles that ensure that both sides commit to maintain comprehensive competition rules and the necessary authorities to implement these laws in a transparent fairness and non-discriminatory manner. The agreement also provides continued cooperation between the competition agencies. It ensures that both sides commit to promoting competition to the benefit of all market participants and especially the consumers and private citizens.

An effective and predictable regulatory environment

Regulatory Cooperation and Good Regulatory Practices

The existing agreement ensures that unnecessary regulatory discrepancies do not emerge in future. In this context, it sets up a joint body called the Regulatory Cooperation Committee (RCC) to identify areas of future cooperation between the parties.

The RCC is intended to enhance bilateral cooperation on international standards and facilitate the exchange of information on best practices and planned regulatory measures. This ensures that companies and authorities have better access to information that can affect trade and facilitate the application.

Regulatory authorities are encouraged to adopt good practices including public consultations, impact assessments and periodic retrospective evaluation of measures in force. These provisions seek to promote an effective and predictable regulatory environment to encourage trade and investment flows.

On the other side, the RCC will not be able to change existing regulations, develop new legislation, have any decision-making powers, restrict the decision-making power of regulators in the EU's Member States or at EU level, as Regulatory Cooperation will remain entirely voluntary.

Recognising the importance of environment and biodiversity

Sustainable development

The EU-Japan agreement contains a full chapter on trade and sustainable development. This chapter protects the EU and Japan's right to regulate and to set its own laws, regulations and levels of protection on labour and the environment. The agreement recognises that the EU and Japan are entitled to follow a precautionary approach when preparing and implementing measures to protect the environment, consumer and labour conditions. The parties also commit themselves to effectively implement their obligations under multilateral environmental agreements, including the Paris Agreement on climate change, which was for the first time referred to in an international trade agreement.

Recognising the importance of environment and biodiversity, the agreement calls for sustainable use of natural resources, combating illegal trade in endangered species and wood, implementing effective measures against illegal, unreported and unregulated fishing and exchanging information on best practices. Finally, both EU and Japan agreed to promote initiatives such as corporate social responsibility, ecolabelling, fair trade, recycling, and the use and promotion of environmentally friendly goods services and technologies.

EU and Japan have
strong laws protecting
workers' rights

Labour

Both the EU and Japan have strong laws protecting workers' rights. They settled that the trade deal between them must support existing rights and not lower or dilute them. Thereby, the agreement contains obligations for parties to make sustained efforts to ratify fundamental International Labour Organization' Conventions, as it prohibits either side from disproportionately encouraging trade and investment by derogations from labour laws and by not enforcing them.

The world's largest area
of free flow of data

Data Protection

Both parties agreed to recognise each other's data protection systems as 'equivalent', which will allow data to flow freely between the EU and Japan, creating the world's largest area of free flow of data. This will permit companies to move data between the EU and Japan, creating new opportunities for the two digital markets.

3. Practical Application to Footwear

According to the World Footwear 2019 Yearbook, Japan is one of the most important markets for footwear and in 2018 ranked 3rd in terms of volume of imports (670 million pairs) and 6th in consumption (724 million pairs). Domestic production is not very relevant in this industry representing less than 8% of the internal consumption (in 2018 Japanese production of footwear totalled roughly 56 million pairs).

The European Union is home of some of the main exporters of footwear, with 5 countries listed on the rank of the Top 10 Exporters of footwear (quantity) – Germany, Belgium, Italy, Netherlands and Spain. The EU is also home of 7 of the Top 10 main importers of footwear (quantity): Germany, France, UK, Belgium, Italy, Spain and Netherlands. These makes the EU an key player in the international trade flows of footwear.

Concerning footwear, there are already close relations between the EU and Japan. In 2018, and according to the World Footwear Yearbook, the European Union as a whole exported 1 891 million pairs of shoes with a total value of 51 374 million USD and imported 4 130 million pairs worthing 60 262 million US dollars (taking into consideration the trade flows intra members states). In 2018 Japan imported 670 millions of shoes (5 251 million US dollars), of which 6.5 million pairs with total value of 568 million USD came from the EU. Japan's major sources of footwear within the EU in that year were Italy, Spain, Germany and Portugal. Japan mainly imported leather footwear from the EU (54.7% in volume terms and 70.8% in value)

Immediate end of the
quota system for EU
footwear exports

EU exporters currently pay 174 million euros in customs duties on leather and footwear products. However, significant gains are expected from the immediate end of quotas on footwear and leather hides and skins which were hindering EU exports of shoes to Japan because of the extra costs generated. This sector has traditionally been highly protected, with substantial tariffs around 30%.

Liberalisation period
over 10 years

On top of that, with the agreement between the European Union and Japan, footwear trade flows will be impacted by a progressive reduction on tariffs over the years. On the European Union side, goods coming from Japan and entering one of the member states will benefit from a 10 years period to remove all tariffs. On the moment the agreement entered into force, EU custom duties on footwear have initiate with tariffs around 17% and will be reducing over time, being completely eliminated after 10 years (after 2028). On the Japanese side, the initial base rates applied to shoes going from the EU into Japan vary quite significantly and can go from 6.7% to 30%. A progressive schedule to reduce tariffs will also apply to goods entering in Japan, and will also be liberalised over periods of 10 and 15 years.

REX: System of goods origin certification

Preferential tariff treatment

To benefit from the referred reduction of tariffs, the **importer** has the responsibility to apply for preferential tariff treatment, and for the accuracy and fulfilment of the requirements contained in the agreement. The importers can claim preferential tariff treatment based on:

- the **Statement on Origin** provided by the **exporter**; or
- the **“Importer’s Knowledge”** (which contributes to the facilitation of trade for the related companies).

REX System and Corporate Number

The Registered Exporter system is the system of certification of origin of goods that applies in the Generalised System of Preference (GSP) of the European Union since the 1st January 2017. It is based on a principle of self-certification by economic operators. To be entitled to make out a statement on origin, a UE economic operator will have to be registered in a database by his competent authorities. This way, in the EU, **exporters** need to be registered in the REX system.

When the value of consignments is **below 6 000 euros**, there is **no need** to be registered.

In its turn, Japan’s exporters are identified by the **Corporate Number**, which is assigned by the Commissioner of the National Tax Agency of Japan.

Importer’s knowledge

The importer’s knowledge that a product is originating in the exporting party shall be based on information demonstrating that the product is originating and satisfies the requirements provided for in the agreement, in the form of supporting documents or records provided by the exporter or manufacturer of the product, which are in the importer’s possession. This information provides valid evidence that the product qualifies as originating.

As an importer is making a claim using his own knowledge, no statement on origin is used and no exporter or producer needs to be identified and take any action pertaining to the preferential origin of goods in the exporting party.

The importer using ‘importer’s knowledge’ **does not** need to be registered in the REX database.

The importer makes a claim using its own knowledge

Statement on origin

The exporters in the EU and in Japan can also self-certify that their product is originating by **making a statement on origin**. This statement shall be made on an invoice or on any commercial document. It shall describe the goods considered originate with sufficient detail to allow for their clear identification. The **commercial document** where the certificate of origin is issued shall also explicitly identify the exporter, which means that no statements on origin made in a separate document are accepted, and only the use of commercial documents is admitted.

Text of the Statement of Origin - English version:

(It can be made in any official languages of the EU or Japanese (the importing party may not request a translation).

[Period: from to (1)]

The exporter of the products covered by this document [Exporter Reference No (2)] declares that, except where otherwise clearly indicated, these products are of (3) preferential origin.

Origin criteria used

(4)

Place and date

(5)

Printed* name of the exporter

.....

Filling notes regarding footwear:

- (1) If the statement on origin is completed for multiple shipments of identical originating products, indicate the period for which the statement on origin will apply. That 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.
- (2) Indicate the reference number through which the exporter is identified. For the EU exporter, this will be the **REX** number. For the Japanese exporter, this will be the Japan **Corporate Number**. Where the exporter has not been assigned a number, this field may be left blank;

(3) Indicate the origin of the product: the European Union or Japan.

(4) Indicate, depending on the rule(s) of origin selected, one or more of the following **codes****;

"B" for products produced **exclusively from materials originating in that party** (EU/Japan);

"C" for products produced using **non-originating materials** (only if they satisfy all applicable requirements) with the following additional information on the type of **product specific requirement** actually applied to the product (further explained);

"1" for a change in tariff classification rule;

"2" for a maximum value of non-originating materials or a minimum regional value content rule;

"D" Accumulation;

(5) Place and date may be omitted if the information is contained on the document itself.

*The certificate on origin must not be signed by the exporter.

**Only mentioned the codes regarding footwear products.

Preservation of documents

An **importer** making a claim for preferential tariff treatment shall, for a minimum of three years after the date of importation of the product, keep:

- (a) if the claim was based on a **statement on origin**, the statement on origin made out by the exporter; or
- (b) if the claim was based on the **importer's knowledge**, all records demonstrating that the product satisfies the requirements to obtain originating status.

The **exporter** who makes a Statement on Origin must also keep a copy of this statement and other proof of origin for a period of **4 years**.

Verification of origin

The customs authorities of the importing country may verify the originating status of the imported goods by requesting information from the importer - either on the moment of presentation of the customs import declaration or before or after the goods are released. This information may include in particular the following elements:

- the tariff classification of the exported goods, and the origin criterion used;
- a description of the manufacturing process;
- a description of the non-originating materials used in the production and of the originating materials (where applicable);
- if the criterion is value added, the indication of the value of the final product, and the value of the non-originating materials and originating materials used in its manufacture;
- if the criterion is a change of tariff heading - the list of the non-originating materials used and their tariff classification (two, four, or six digits depending on the rule in question);

Rules of origin & product specific requirement – Footwear

As stated above, the Statement on Origin must mention, through a code, the origin criterion used. Depending on the production process of the products, and depending on the case, one or more of the following codes:

"B" - For products produced exclusively from originated materials (EU or Japan's origin);

If the exported product only incorporates originated materials, then the origin code "B" may be applied, and no further detail is required.

"C" - For products incorporating materials or components not originating in the parties, provided that it satisfies one of the following additional requirements (also to be indicated on the certificate of origin):

"1" change in tariff classification rule;

This criterion may be used when non-originating materials do **not fall under Chapter 64** (64.01-64.06) of the Harmonized System.

Thus, it is possible to import **all types of raw materials**, which do not fall under Chapter 64, from any country without any amount limit. These non-originated materials do not call into question the originating status of the final product.

This rule covers all products produced with components originating in the respective party (EU or Japan) but where there are raw materials (skins, fabrics, etc.) imported from third countries.

If this is the case, the code **"C1"** should be used.

"2" for a Maximum Value of non-originated materials or a Minimum Regional Value Content rule;

In turn, this rule should be invoked, and the code **"C2"** should be used, when **non-originating materials falling under Chapter 64** are used, provided that:

- the non-originated materials are NOT included in headings 64.01 to 64.05;
- the non-originated materials are NOT sets consisting of the upper part of the footwear attached to the first sole of **subheading 6406.90**;
- the non-originated materials comply with at least one of the following **limits**:
 - **Maximum** Value of non-originating materials (MáxNOM) not exceeding 50%; or
 - **Minimum** Regional Value (CVR) of 55% or more.

"D" – Accumulation; A product that qualifies as originating in a party will be considered as originating in the other party if used as a material in the production of another product in the other party. Also, the production carried out in a party on a non-originating material may be considered for the purpose of determining whether a product is originating in the other party.

Maximum Value of non-originating materials – MaxNOM:

The maximum value of non-originating materials shall be calculated as a percentage of the ex-works price (EXW) and must be equal to or less than 50% (MaxNOM 50% (EXW)):

$$\text{MaxNOM}(\%) = \text{VNM} / \text{EXW} \times 100$$

- **“NOM”** – non-originated materials;
- **“VNM”** – the value of the non-originating materials used in the production of the product, which is the customs value at the time of importation, and it includes:
 - transport, insurance, packaging and all other costs incurred in transporting the materials to the port of importation in the party where the producer of the product is located.
 - If this value is not known and cannot be determined, the first determinable price paid for non-originating materials in one of the parties shall be used.
- **“EXW”** – ex works price – refers to the price paid or payable to the manufacturer for the ex-works product in which undertaking the last working or processing was carried out. Includes:
 - the value of all the materials used, and
 - all other costs incurred in the production of the product, clear of internal costs which are or may be reimbursed on export of the product.

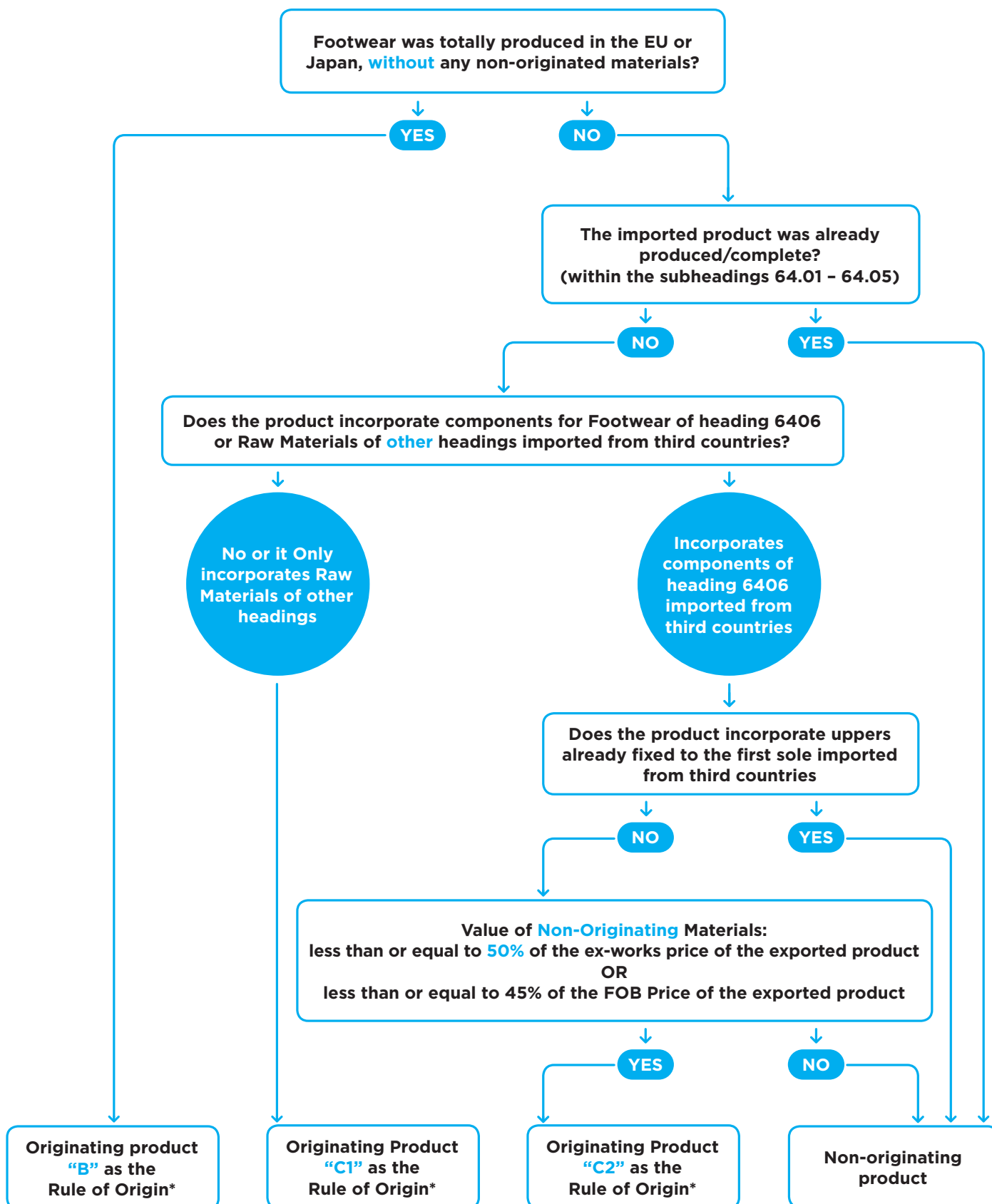
Minimum Regional Value (RVC)

Alternatively, the product will be considered original if it meets a Minimum Regional Value (RVC) of at least 55%. In this case, the difference between the FOB Value of the exported product and the Value of the Non-Original Matter shall be equal to or greater than 55% of the FOB Export Price (RVC 55% (FOB)):

$$\text{RVC}(\%) = (\text{FOB} - \text{VNM}) / \text{FOB} \times 100$$

- **“RVC”** – refers to the minimum regional value content of a product, expressed as a percentage;
- **“FOB”** – free on board – refers to the free-at-cost price on board of the product paid or to be paid to the seller, regardless the mode of transport, provided that the price includes the value of all the materials used, all other costs incurred in the production of a product and **its transport** to the port of export in that party, less internal charges which are or may be reimbursed on export of the product obtained.

Flowchart to determine the Rule of Origin for FOOTWEAR



*Mandatory information about the origin criteria to be used on the statement of origins

4. Annex

Schedule of the European Union

(applied to goods entering the EU and coming from Japan)

Tariff Line	Description	Base Rate	Years for tariffs elimination	1 st year	2 nd year	3 rd year	4 th year	5 th year	6 th year	7 th year	8 th year	9 th year	10 th year	As from 11 th year*
XII	SECTION XII - FOOTWEAR, HEADGEAR, UMBRELLAS, SUN UMBRELLAS, WALKING STICKS, SEAT-STICKS, WHIPS, RIDING-CROPS AND PARTS THEREOF; PREPARED FEATHERS AND ARTICLES MADE THEREWITH; ARTIFICIAL FLOWERS; ARTICLES OF HUMAN HAIR													
64	CHAPTER 64 - FOOTWEAR, GAITERS AND THE LIKE; PARTS OF SUCH ARTICLES													
64.01	Waterproof footwear	17.0%	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
64.02	Other footwear with outer soles and uppers of rubber or plastics													
6402.12	- Sports footwear	16.9%-17.0%	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	- Other footwear													
6402.91	-- Covering the ankle:	16.9%-17.0%	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6402.99	-- Other													
6402.99.05	--- Incorporating a protective metal toecap	17.0%	10	15.5%	13.9%	12.4%	10.8%	9.3%	7.7%	6.2%	4.6%	3.1%	1.5%	0.0%
	--- Other													
6402.99.10	---- With uppers of rubber	16.8%	10	15.3%	13.7%	12.2%	10.7%	9.2%	7.6%	6.1%	4.6%	3.1%	1.5%	0.0%
	---- With uppers of plastics													
	----- Footwear with a vamp made of straps or which has one or several pieces cut out													
6402.99.31	----- With sole and heel combined having a height of more than 3 cm	16.8%	10	15.3%	13.7%	12.2%	10.7%	9.2%	7.6%	6.1%	4.6%	3.1%	1.5%	0.0%
6402.99.39	----- Other	16.8%	10	15.3%	13.7%	12.2%	10.7%	9.2%	7.6%	6.1%	4.6%	3.1%	1.5%	0.0%
6402.99.50	----- Slippers and other indoor footwear	16.8%	10	15.3%	13.7%	12.2%	10.7%	9.2%	7.6%	6.1%	4.6%	3.1%	1.5%	0.0%
	----- Other, with insoles of a length													
6402.99.91	----- Of less than 24 cm	16.8%	10	15.3%	13.7%	12.2%	10.7%	9.2%	7.6%	6.1%	4.6%	3.1%	1.5%	0.0%
	----- Of 24 cm or more													
6402.99.93	----- Footwear which cannot be identified as men's or women's footwear	16.8%	10	15.3%	13.7%	12.2%	10.7%	9.2%	7.6%	6.1%	4.6%	3.1%	1.5%	0.0%

*As from 2028

Schedule of the European Union

(applied to goods entering the EU and coming from Japan)

Tariff Line	Description	Base Rate	Years for tariffs elimination	1 st year	2 nd year	3 rd year	4 th year	5 th year	6 th year	7 th year	8 th year	9 th year	10 th year	As from 11 th year*
	----- Other													
6402.99.96	----- For men	16.8%	10	15.3%	13.7%	12.2%	10.7%	9.2%	7.6%	6.1%	4.6%	3.1%	1.5%	0.0%
6402.99.98	----- For women	16.8%	10	15.3%	13.7%	12.2%	10.7%	9.2%	7.6%	6.1%	4.6%	3.1%	1.5%	0.0%
64.03	Footwear with outer soles of rubber, plastics, leather or composition leather and uppers of leather	5%-8%	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
64.04	Footwear with outer soles of rubber, plastics, leather or composition leather and uppers of textile materials													
	- Footwear with outer soles of rubber or plastics													
6404.11.00	-- Sports footwear	16.9%	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6404.19	-- Other													
6404.19.10	--- Slippers and other indoor footwear	16.9%	10	15.4%	13.8%	12.3%	10.9%	9.2%	7.7%	6.1%	4.6%	3.1%	1.5%	0.0%
6404.19.90	--- Other	16.9%	10	15.4%	13.8%	12.3%	10.9%	9.2%	7.7%	6.1%	4.6%	3.1%	1.5%	0.0%
6404.20	- Footwear with outer soles of leather or composition leather													
6404.20.10	-- Slippers and other indoor footwear	17.0%	10	15.5%	13.9%	12.4%	10.8%	9.3%	7.7%	6.2%	4.6%	3.1%	1.5%	0.0%
6404.20.90	-- Other	17.0%	10	15.4%	13.9%	12.4%	10.8%	9.3%	7.7%	6.2%	4.6%	3.1%	1.5%	0.0%
64.05	Other footwear													
6405.10	- With uppers of leather or composition leather	3.5%	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6405.20	- With uppers of textiles materials	3.5%-4%	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6405.90	- Other													
6405.90.10	-- With outer soles of rubber, plastics, leather or composition leather	17.0%	10	15.5%	13.9%	12.4%	10.8%	9.3%	7.7%	6.2%	4.6%	3.1%	1.5%	0.0%
6405.90.90	-- With outer soles of other materials	4%	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
64.06	Parts of footwear	3%	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

*As from 2028

Schedule of Japan

(applied to goods entering Japan and coming from the EU)

Tariff line	Description	Base Rate	Years for tariffs elimination	1 st year	2 nd year	3 rd year	4 th year	5 th year	6 th year	7 th year	8 th year	9 th year	10 th year	11 th year	12 th year	13 th year	14 th year	15 th year	As from 16 th year*
XII	SECTION XII - FOOTWEAR, HEADGEAR, UMBRELLAS, SUN UMBRELLAS, WALKING-STICKS, SEAT-STICKS, WHIPS, RIDING-CROPS AND PARTS THEREOF; PREPARED FEATHERS AND ARTICLES MADE THEREWITH; ARTIFICIAL FLOWERS; ARTICLES OF HUMAN HAIR																		
64	CHAPTER 64 - FOOTWEAR, GAITERS AND THE LIKE; PARTS OF SUCH ARTICLES																		
64.01	Waterproof footwear with outer soles and uppers of rubber or of plastics, the uppers of which are neither fixed to the sole nor assembled by stitching, riveting, nailing, screwing, plugging or similar processes																		
6401.10	- Footwear incorporating a protective metal toecap																		
6401.10.010	-- Ski-boots	27.0%	10	24.5%	22.1%	19.6%	17.2%	14.7%	12.3%	9.8%	7.4%	4.9%	2.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6401.10.090	-- Other	6.7%	10	6.1%	5.5%	4.9%	4.3%	3.7%	3.0%	2.4%	1.8%	1.2%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	- Other footwear																		
6401.92	-- Covering the ankle but not covering the knee																		
6401.92.010	--- Ski-boots	27.0%	10	24.5%	22.1%	19.6%	17.2%	14.7%	12.3%	9.8%	7.4%	4.9%	2.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6401.92.090	--- Other	6.7%	10	6.1%	5.5%	4.9%	4.3%	3.7%	3.0%	2.4%	1.8%	1.2%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6401.99.000	-- Other																		
	--- Covering the knee	6.7%	10	6.1%	5.5%	4.9%	4.3%	3.7%	3.0%	2.4%	1.8%	1.2%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	--- Other	8.0%	10	7.3%	6.5%	5.8%	5.1%	4.4%	3.6%	2.9%	2.2%	1.5%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
64.02	Other footwear with outer soles and uppers of rubber or plastics																		
	- Sports footwear																		
6402.12	-- Ski-boots, cross-country ski footwear and snowboard boots																		
6402.12.010	--- Ski-boots	27.0%	10	24.5%	22.1%	19.6%	17.2%	14.7%	12.3%	9.8%	7.4%	4.9%	2.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6402.12.090	--- Snowboard boots	8.0%	10	7.3%	6.5%	5.8%	5.1%	4.4%	3.6%	2.9%	2.2%	1.5%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

*As from 2033

Schedule of Japan

(applied to goods entering Japan and coming from the EU)

Tariff line	Description	Base Rate	Years for tariffs elimination	1 st year	2 nd year	3 rd year	4 th year	5 th year	6 th year	7 th year	8 th year	9 th year	10 th year	11 th year	12 th year	13 th year	14 th year	15 th year	As from 16 th year*
6402.19.000	-- Other	6.7%	10	6.1%	5.5%	4.9%	4.3%	3.7%	3.0%	2.4%	1.8%	1.2%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6402.20.000	- Footwear with upper straps or thongs assembled to the sole by means of plugs	6.7%	10	6.1%	5.5%	4.9%	4.3%	3.7%	3.0%	2.4%	1.8%	1.2%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	- Other footwear																		
6402.91.000	-- Covering the ankle																		
	--- Incorporating a protective metal toe-cap	6.7%	10	6.1%	5.5%	4.9%	4.3%	3.7%	3.0%	2.4%	1.8%	1.2%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	--- Other	8.0%	10	7.3%	6.5%	5.8%	5.1%	4.4%	3.6%	2.9%	2.2%	1.5%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6402.99	-- Other																		
6402.99.010	--- Shoes																		
	---- Incorporating a protective metal toe-cap	6.7%	10	6.1%	5.5%	4.9%	4.3%	3.7%	3.0%	2.4%	1.8%	1.2%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	---- Other	8.0%	10	7.3%	6.5%	5.8%	5.1%	4.4%	3.6%	2.9%	2.2%	1.5%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	--- Sandals																		
6402.99.021	---- Not covering the heels																		
	----- Incorporating a protective metal toe-cap	6.7%	15	6.3%	5.9%	5.4%	5.0%	4.6%	4.2%	3.8%	3.4%	2.9%	2.5%	2.1%	1.7%	1.3%	0.8%	0.4%	0.0%
	----- Other	10.0%	15	9.4%	8.8%	8.1%	7.5%	6.9%	6.3%	5.6%	5.0%	4.4%	3.8%	3.1%	2.5%	1.9%	1.3%	0.6%	0.0%
6402.99.029	---- Other																		
	----- Incorporating a protective metal toe-cap	6.7%	15	6.3%	5.9%	5.4%	5.0%	4.6%	4.2%	3.8%	3.4%	2.9%	2.5%	2.1%	1.7%	1.3%	0.8%	0.4%	0.0%
	----- Other	10.0%	15	9.4%	8.8%	8.1%	7.5%	6.9%	6.3%	5.6%	5.0%	4.4%	3.8%	3.1%	2.5%	1.9%	1.3%	0.6%	0.0%
6402.99.090	--- Other																		
	---- Incorporating a protective metal toe-cap	6.7%	15	6.3%	5.9%	5.4%	5.0%	4.6%	4.2%	3.8%	3.4%	2.9%	2.5%	2.1%	1.7%	1.3%	0.8%	0.4%	0.0%
	---- Other	10.0%	15	9.4%	8.8%	8.1%	7.5%	6.9%	6.3%	5.6%	5.0%	4.4%	3.8%	3.1%	2.5%	1.9%	1.3%	0.6%	0.0%

*As from 2033

Schedule of Japan

(applied to goods entering Japan and coming from the EU)

Tariff line	Description	Base Rate	Years for tariffs elimination	1 st year	2 nd year	3 rd year	4 th year	5 th year	6 th year	7 th year	8 th year	9 th year	10 th year	11 th year	12 th year	13 th year	14 th year	15 th year	As from 16 th year*
64.03	Footwear with outer soles of rubber, plastics, leather or composition leather and uppers of leather																		
	- Sports footwear																		
6403.12	-- Ski-boots, cross-country ski footwear and snowboard boots																		
6403.12.010	--- With outer soles of rubber, leather or composition leather	27.0%	10	24.5%	22.1%	19.6%	17.2%	14.7%	12.3%	9.8%	7.4%	4.9%	2.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6403.12.090	--- Other	30.0%	10	27.3%	24.5%	21.8%	19.1%	16.4%	13.6%	10.9%	8.2%	5.5%	2.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6403.19	-- Other																		
6403.19.010	--- With outer soles of rubber, leather or composition leather	27.0%	10	24.5%	22.1%	19.6%	17.2%	14.7%	12.3%	9.8%	7.4%	4.9%	2.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6403.19.090	--- Other	30.0%	10	27.3%	24.5%	21.8%	19.1%	16.4%	13.6%	10.9%	8.2%	5.5%	2.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6403.20	- Footwear with outer soles of leather, and uppers which consist of leather straps across the instep and around the big toe																		
6403.20.012	-- House footwear	24.0%	10	21.8%	19.6%	17.5%	15.3%	13.1%	10.9%	8.7%	6.5%	4.4%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6403.20.022	-- Other	21.6%	10	19.6%	17.7%	15.7%	13.7%	11.8%	9.8%	7.9%	5.9%	3.9%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6403.40	- Other footwear, incorporating a protective metal toe-cap																		
6403.40.012	-- With outer soles of rubber, leather or composition leather	21.6%	10	19.6%	17.7%	15.7%	13.7%	11.8%	9.8%	7.9%	5.9%	3.9%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6403.40.022	-- Other	24.0%	10	21.8%	19.6%	17.5%	15.3%	13.1%	10.9%	8.7%	6.5%	4.4%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	- Other footwear with outer soles of leather																		
6403.51	-- Covering the ankle																		
6403.51.012	--- House footwear	24.0%	10	21.8%	19.6%	17.5%	15.3%	13.1%	10.9%	8.7%	6.5%	4.4%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	--- Other																		
6403.51.021	---- Footwear for gymnastics, athletics or similar activities	27.0%	10	24.5%	22.1%	19.6%	17.2%	14.7%	12.3%	9.8%	7.4%	4.9%	2.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6403.51.029	---- Other	21.6%	10	19.6%	17.7%	15.7%	13.7%	11.8%	9.8%	7.9%	5.9%	3.9%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

*As from 2033

Schedule of Japan

(applied to goods entering Japan and coming from the EU)

Tariff line	Description	Base Rate	Years for tariffs elimination	1 st year	2 nd year	3 rd year	4 th year	5 th year	6 th year	7 th year	8 th year	9 th year	10 th year	11 th year	12 th year	13 th year	14 th year	15 th year	As from 16 th year*
6403.59	-- Other																		
	--- Slippers or other house footwear																		
6403.59.011	---- Slippers	30.0%	15	28.1%	26.3%	24.4%	22.5%	20.6%	18.8%	16.9%	15.0%	13.1%	11.3%	9.4%	7.5%	5.6%	3.8%	1.9%	0.0%
6403.59.019	---- Other	24.0%	10	21.8%	19.6%	17.5%	15.3%	13.1%	10.9%	8.7%	6.5%	4.4%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	--- Other																		
6403.59.020	---- Footwear for gymnastics, athletics or similar activities	27.0%	10	24.5%	22.1%	19.6%	17.2%	14.7%	12.3%	9.8%	7.4%	4.9%	2.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	---- Other																		
	----- With an insole over 19 cm																		
6403.59.104	----- For men	21.6%	10	19.6%	17.7%	15.7%	13.7%	11.8%	9.8%	7.9%	5.9%	3.9%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6403.59.105	----- For women	21.6%	10	19.6%	17.7%	15.7%	13.7%	11.8%	9.8%	7.9%	5.9%	3.9%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	----- Other																		
6403.59.111	----- Footwear made on a base or platform of wood, not having an inner sole or a protective metal toe-cap	21.6%	10	19.6%	17.7%	15.7%	13.7%	11.8%	9.8%	7.9%	5.9%	3.9%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6403.59.119	----- Other	21.6%	10	19.6%	17.7%	15.7%	13.7%	11.8%	9.8%	7.9%	5.9%	3.9%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	- Other Footwear																		
6403.91	-- Covering the ankle																		
	--- Footwear with outer soles of rubber or composition leather (excluding house footwear)																		
6403.91.011	---- Footwear for gymnastics, athletics or similar activities	27.0%	10	24.5%	22.1%	19.6%	17.2%	14.7%	12.3%	9.8%	7.4%	4.9%	2.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6403.91.019	---- Other	21.6%	10	19.6%	17.7%	15.7%	13.7%	11.8%	9.8%	7.9%	5.9%	3.9%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	--- Other																		
6403.91.021	---- Footwear for gymnastics, athletics or similar activities	30.0%	15	28.1%	26.3%	24.4%	22.5%	20.6%	18.8%	16.9%	15.0%	13.1%	11.3%	9.4%	7.5%	5.6%	3.8%	1.9%	0.0%

*As from 2033

Schedule of Japan

(applied to goods entering Japan and coming from the EU)

Tariff line	Description	Base Rate	Years for tariffs elimination	1 st year	2 nd year	3 rd year	4 th year	5 th year	6 th year	7 th year	8 th year	9 th year	10 th year	11 th year	12 th year	13 th year	14 th year	15 th year	As from 16 th year*
6403.91.029	---- Other	24.0%	10	21.8%	19.6%	17.5%	15.3%	13.1%	10.9%	8.7%	6.5%	4.4%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6403.99	-- Other																		
	--- Footwear with outer soles of rubber or composition leather (excluding Slippers and other house footwear)																		
6403.99.011	---- Footwear for gymnastics, athletics or similar activities	27.0%	15	25.3%	23.6%	21.9%	20.3%	18.6%	16.9%	15.2%	13.5%	11.8%	10.1%	8.4%	6.8%	5.1%	3.4%	1.7%	0.0%
	---- Other																		
	----- With an insole over 19 cm																		
6403.99.015	----- For men	21.6%	10	19.6%	17.7%	15.7%	13.7%	11.8%	9.8%	7.9%	5.9%	3.9%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6403.99.016	----- For women	21.6%	10	19.6%	17.7%	15.7%	13.7%	11.8%	9.8%	7.9%	5.9%	3.9%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	----- Other																		
6403.99.031	----- Footwear made on a base or platform of wood, not having an inner sole or a protective metal toe-cap	21.6%	10	19.6%	17.7%	15.7%	13.7%	11.8%	9.8%	7.9%	5.9%	3.9%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6403.99.039	----- Other	21.6%	10	19.6%	17.7%	15.7%	13.7%	11.8%	9.8%	7.9%	5.9%	3.9%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	--- Other																		
6403.99.021	---- Slippers; footwear for gymnastics, athletics or similar activities	30.0%	15	28.1%	26.3%	24.4%	22.5%	20.6%	18.8%	16.9%	15.0%	13.1%	11.3%	9.4%	7.5%	5.6%	3.8%	1.9%	0.0%
6403.99.029	---- Other	24.0%	10	21.8%	19.6%	17.5%	15.3%	13.1%	10.9%	8.7%	6.5%	4.4%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
64.04	Footwear with outer soles of rubber, plastics, leather or composition leather and uppers of textile materials																		
	- Footwear with outer soles of rubber or plastics																		
6404.11.000	-- Sports footwear; tennis shoes, basketball shoes, gym shoes, training shoes and the like	8.0%	10	7.3%	6.5%	5.8%	5.1%	4.4%	3.6%	2.9%	2.2%	1.5%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6404.19	-- Other																		
	--- With uppers containing furskin																		

*As from 2033

Schedule of Japan

(applied to goods entering Japan and coming from the EU)

Tariff line	Description	Base Rate	Years for tariffs elimination	1 st year	2 nd year	3 rd year	4 th year	5 th year	6 th year	7 th year	8 th year	9 th year	10 th year	11 th year	12 th year	13 th year	14 th year	15 th year	As from 16 th year*
6404.19.119	---- With the uppers of leather in part (excluding slippers)	24.0%	10	21.8%	19.6%	17.5%	15.3%	13.1%	10.9%	8.7%	6.5%	4.4%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6404.19.190	---- Other	30.0%	15	28.1%	26.3%	24.4%	22.5%	20.6%	18.8%	16.9%	15.0%	13.1%	11.3%	9.4%	7.5%	5.6%	3.8%	1.9%	0.0%
	--- Other																		
6404.19.210	---- Jikatabi	6.7%	10	6.1%	5.5%	4.9%	4.3%	3.7%	3.0%	2.4%	1.8%	1.2%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6404.19.220	---- Canvas shoes	6.7%	10	6.1%	5.5%	4.9%	4.3%	3.7%	3.0%	2.4%	1.8%	1.2%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6404.19.290	---- Other	8.0%	10	7.3%	6.5%	5.8%	5.1%	4.4%	3.6%	2.9%	2.2%	1.5%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6404.20	- Footwear with outer soles of leather or composition leather																		
	-- With uppers containing furskin																		
6404.20.119	--- With uppers of leather in part (excluding sports footwear, footwear for gymnastics, athletics or similar activities and slippers)	24.0%	10	21.8%	19.6%	17.5%	15.3%	13.1%	10.9%	8.7%	6.5%	4.4%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6404.20.190	--- Other	30.0%	15	28.1%	26.3%	24.4%	22.5%	20.6%	18.8%	16.9%	15.0%	13.1%	11.3%	9.4%	7.5%	5.6%	3.8%	1.9%	0.0%
	-- With outer soles of leather (excluding those with uppers containing furskin)																		
	--- Canvas shoes																		
6404.20.212	---- With uppers of leather in part (excluding sports footwear and footwear for gymnastics, athletics or similar activities)	17.3%	10	15.7%	14.2%	12.6%	11.0%	9.4%	7.9%	6.3%	4.7%	3.1%	1.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6404.20.219	---- Other	21.6%	15	20.3%	18.9%	17.6%	16.2%	14.9%	13.5%	12.2%	10.8%	9.5%	8.1%	6.8%	5.4%	4.1%	2.7%	1.4%	0.0%
	--- Other																		
6404.20.222	---- With uppers of leather in part (excluding sports footwear, footwear for gymnastics, athletics or similar activities and slippers)	24.0%	10	21.8%	19.6%	17.5%	15.3%	13.1%	10.9%	8.7%	6.5%	4.4%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6404.20.229	---- Other	30.0%	15	28.1%	26.3%	24.4%	22.5%	20.6%	18.8%	16.9%	15.0%	13.1%	11.3%	9.4%	7.5%	5.6%	3.8%	1.9%	0.0%
6404.20.300	-- Other	6.7%	10	6.1%	5.5%	4.9%	4.3%	3.7%	3.0%	2.4%	1.8%	1.2%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

*As from 2033

Schedule of Japan

(applied to goods entering Japan and coming from the EU)

Tariff line	Description	Base Rate	Years for tariffs elimination	1 st year	2 nd year	3 rd year	4 th year	5 th year	6 th year	7 th year	8 th year	9 th year	10 th year	11 th year	12 th year	13 th year	14 th year	15 th year	As from 16 th year*
64.05	Other footwear																		
6405.10	- With uppers of leather or composition leather																		
	-- With outer soles of leather and uppers of composition leather																		
6405.10.119	--- With uppers of leather in part (excluding sports footwear, footwear for gymnastics, athletics or similar activities and slippers)	24.0%	10	21.8%	19.6%	17.5%	15.3%	13.1%	10.9%	8.7%	6.5%	4.4%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6405.10.190	--- Other	30.0%	15	28.1%	26.3%	24.4%	22.5%	20.6%	18.8%	16.9%	15.0%	13.1%	11.3%	9.4%	7.5%	5.6%	3.8%	1.9%	0.0%
6405.10.200	-- With outer soles of rubber, plastics or composition leather and uppers of composition leather	8.0%	10	7.3%	6.5%	5.8%	5.1%	4.4%	3.6%	2.9%	2.2%	1.5%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6405.10.300	-- Other	3.4%	10	3.1%	2.8%	2.5%	2.2%	1.9%	1.5%	1.2%	0.9%	0.6%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6405.20.000	- With uppers of textile materials	3.4%	10	3.1%	2.8%	2.5%	2.2%	1.9%	1.5%	1.2%	0.9%	0.6%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6405.90	- Other																		
	-- With outer soles of rubber, plastics, leather or composition leather																		
	--- With uppers containing furskin																		
6405.90.112	---- With uppers of leather in part (excluding sports footwear, footwear for gymnastics, athletics or similar activities and slippers)	24.0%	10	21.8%	19.6%	17.5%	15.3%	13.1%	10.9%	8.7%	6.5%	4.4%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6405.90.119	---- Other	30.0%	15	28.1%	26.3%	24.4%	22.5%	20.6%	18.8%	16.9%	15.0%	13.1%	11.3%	9.4%	7.5%	5.6%	3.8%	1.9%	0.0%
6405.90.122	----- With uppers of leather in part (excluding sports footwear, footwear for gymnastics, athletics or similar activities and slippers)	24.0%	10	21.8%	19.6%	17.5%	15.3%	13.1%	10.9%	8.7%	6.5%	4.4%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6405.90.128	----- Other	30.0%	15	28.1%	26.3%	24.4%	22.5%	20.6%	18.8%	16.9%	15.0%	13.1%	11.3%	9.4%	7.5%	5.6%	3.8%	1.9%	0.0%
6405.90.129	---- Other	8.0%	10	7.3%	6.5%	5.8%	5.1%	4.4%	3.6%	2.9%	2.2%	1.5%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6405.90.200	-- Other	3.4%	10	3.1%	2.8%	2.5%	2.2%	1.9%	1.5%	1.2%	0.9%	0.6%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

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64.06	Parts of footwear (including uppers whether or not attached to soles other than outer soles); removable in-soles, heel cushions and similar articles; gaiters, leggings and similar articles, and parts thereof																		
6406.10	- Uppers and parts thereof, other than stiffeners																		
	-- Of leather or containing furskin																		
6406.10.110	--- Uppers	25.0%	15	23.4%	21.9%	20.3%	18.8%	17.2%	15.6%	14.1%	12.5%	10.9%	9.4%	7.8%	6.3%	4.7%	3.1%	1.6%	0.0%
6406.10.190	--- Other	25.0%	15	23.4%	21.9%	20.3%	18.8%	17.2%	15.6%	14.1%	12.5%	10.9%	9.4%	7.8%	6.3%	4.7%	3.1%	1.6%	0.0%
6406.10.200	-- Other	3.4%	10	3.1%	2.8%	2.5%	2.2%	1.9%	1.5%	1.2%	0.9%	0.6%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6406.20.000	- Outer soles and heels, of rubber or plastics	3.4%	10	3.1%	2.8%	2.5%	2.2%	1.9%	1.5%	1.2%	0.9%	0.6%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6406.90	- Other																		
	-- Of leather or containing furskin																		
6406.90.110	--- Of leather, whether or not containing furskin	25.0%	15	23.4%	21.9%	20.3%	18.8%	17.2%	15.6%	14.1%	12.5%	10.9%	9.4%	7.8%	6.3%	4.7%	3.1%	1.6%	0.0%
	--- Other																		
6406.90.121	---- Of wood	25.0%	15	23.4%	21.9%	20.3%	18.8%	17.2%	15.6%	14.1%	12.5%	10.9%	9.4%	7.8%	6.3%	4.7%	3.1%	1.6%	0.0%
6406.90.129	---- Of other materials	25.0%	15	23.4%	21.9%	20.3%	18.8%	17.2%	15.6%	14.1%	12.5%	10.9%	9.4%	7.8%	6.3%	4.7%	3.1%	1.6%	0.0%
	-- Other																		
6406.90.210	--- Of wood	3.4%	10	3.1%	2.8%	2.5%	2.2%	1.9%	1.5%	1.2%	0.9%	0.6%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6406.90.290	--- Of other materials	3.4%	10	3.1%	2.8%	2.5%	2.2%	1.9%	1.5%	1.2%	0.9%	0.6%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

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