Nominal quantities for placing on the Union market of single distilled shochu produced by pot still and bottled in Japan

2018/0097(COD) - 18/04/2018 - Legislative proposal

PURPOSE: to implement the provisions of the EU-Japan Economic Partnership Agreement (EPA) concerning exports from Japan to the Union of *shochu*, a spirit drink produced by pot still and bottled in Japan.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: on 29 November 2012, the Council authorised the Commission to enter into negotiations for a **Free Trade Agreement** (FTA) with Japan.

The negotiations for an Economic Partnership Agreement between the European Union and Japan have been successfully concluded.

The Agreement provides that single distilled *shochu*, as defined in the Liquor Tax Law of Japan, produced by pot still and bottled in Japan, shall be allowed to be placed on the market of the European Union in traditional bottles of sizes of four go and one sho, corresponding to nominal quantities of 720 ml and of 1800 ml, respectively, provided that other applicable legal requirements of the European Union are fulfilled.

Directive 2007/45/EC of the European Parliament and of the Council provides that spirit drinks put up in pre-packages may only be placed on the Union market if they are prepacked in the nominal quantities listed in section 1 of the Annex to that Directive. For spirit drinks, section 1 of the Annex to Directive 2007/45/EC refers to nine nominal quantities on the interval from 100 ml to 2000 ml. These nominal quantities do not include 720 ml and 1800 ml, the nominal quantities in which single distilled *shochu* produced by pot still is bottled and marketed in Japan.

A derogation from the nominal quantities set out in the Annex to Directive 2007/45/EC for spirit drinks is therefore necessary to ensure that single distilled *shochu* produced by pot still and bottled in Japan may be placed on the Union market.

IMPACT ASSESSMENT: a trade sustainability impact assessment of the EPA between the EU and Japan was carried out by the external contractor “London School of Economics Enterprises”. The details of it are provided in Commission proposal for a Council Decision on the signing on behalf of the European Union, of the Economic Partnership Agreement between the European Union and Japan.

CONTENT: the proposal aims at introducing a **derogation from Union rules concerning bottle sizes, for single distilled *shochu*,** a spirit drink produced by pot still and bottled in Japan that is traditionally sold in bottles of sizes of four go or one sho that correspond to **nominal quantities of 720 ml (one go corresponds to 180 ml) and 1800 ml, respectively**, and that are currently not among the nominal quantities permitted in the Union under Directive 2007/45/EC laying down rules on nominal quantities of prepacked products.

This derogation needs to be introduced by an amendment to Regulation (EC) No 110/2008 of the European Parliament and of the Council to ensure that single distilled *shochu* produced by pot still and bottled in Japan may be placed on the market in all Member States simultaneously upon the entry into force of the Agreement.