Basic information

2018/0091M(NLE) NLE - Non-legislative enactments Decision	Procedure completed
EU/Japan Economic Partnership Agreement Accompanying procedure 2018/0091(NLE) **Subject** 6.20.03 Bilateral economic and trade agreements and relations **Geographical area** Japan	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
INTA International Trade	SILVA PEREIRA Pedro (S&D)	16/05/2018
	Shadow rapporteur HANSEN Christophe (PPE) KAMALL Syed (ECR) HIRSCH Nadja (ALDE) SCHOLZ Helmut (GUE/NGL) BUCHNER Klaus (Verts/ALE) BEGHIN Tiziana (EFDD)	

Committee for opinion	Rapporteur for opinion	Appointed
ENVI Environment, Public Health and Food Safety	MÉLIN Joëlle (ENF)	29/05/2018
TRAN Transport and Tourism	The committee decided not to give an opinion.	

Council of the European Union

European Commission

Commission DG	Commissioner
Trade and Economic Security	MALMSTRÖM Cecilia

Key events

Date	Event	Reference	Summary
05/07/2018	Committee referral announced in Parliament		
13/09/2018	Committee referral announced in Parliament		
05/11/2018	Vote in committee		
09/11/2018	Committee report tabled for plenary	A8-0367/2018	Summary
11/12/2018	Debate in Parliament		
12/12/2018	Decision by Parliament	T8-0505/2018	Summary
12/12/2018	Results of vote in Parliament		
12/12/2018	End of procedure in Parliament		

Technical information

Procedure reference	2018/0091M(NLE)
Procedure type	NLE - Non-legislative enactments
Procedure subtype	Motion for a resolution under consent procedure
Legislative instrument	Decision
Amendments and repeals	Accompanying procedure 2018/0091(NLE)
Legal basis	Rules of Procedure EP 107-p2
Stage reached in procedure	Procedure completed
Committee dossier	INTA/8/13727

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE627.606	06/09/2018	
Amendments tabled in committee		PE628.544	03/10/2018	
Committee report tabled for plenary, single reading		A8-0367/2018	09/11/2018	Summary
Text adopted by Parliament, single reading		T8-0505/2018	12/12/2018	Summary

European Commission

Document type	Reference	Date	Summary
Commission response to text adopted in plenary	SP(2019)355	12/06/2019	

Additional information		
Source	Document	Date
European Commission	EUR-Lex	

EU/Japan Economic Partnership Agreement

2018/0091M(NLE) - 12/12/2018 - Text adopted by Parliament, single reading

The European Parliament adopted by 474 votes to 156, with 40 abstentions, a non-legislative resolution on the draft Council decision on the conclusion of the Agreement between the European Union and Japan for an Economic Partnership (EPA).

Members believe that the agreement is of **major bilateral and global strategic importance** and should help to promote the Union's high standards, particularly in the fields of the environment, food safety, consumer protection and labour rights, at a time when the world order is seriously threatened by protectionism.

Parliament welcomed the **ambitious and comprehensive nature** of the agreement:

- when fully implemented, will allow the **liberalisation of 99% of EU tariff lines and 97% of Japanese tariff lines**, including for industrial products in sectors where the Union is highly competitive, as well as measures to protect the most sensitive products;
- EU tariffs on **cars** will be phased out over a seven-year period. The Commission should keep an eye on trends in automobile trade flows over this period in order to predict and address any destabilisation of the European market;
- Japan has resolved the issue of unnecessary **non-tariff measures** in a range of sectors, such as vehicles, food additives, sanitary and phytosanitary regulation, food labelling and cosmetics, thereby reducing compliance costs and creating a more predictable regulatory framework;
- Japan will take steps to ensure non-discriminatory access for EU suppliers to public procurement contracts in 54 core cities, remove the "operational safety clause", which has in practice prevented EU rail suppliers from accessing the Japanese market, and maximise transparency in tendering for public contracts. Members stressed that social and environmental criteria should also be taken into account when awarding public procurement contracts;
- around 85 % of **agri-food products** will be allowed to enter Japan duty-free. The agreement protects 205 European geographical indications (GIs), with the possibility of adding further GIs. Members called for the continuation of talks after three years in order to evaluate the options for expanding the list of protected GIs, and expects both parties to pay the utmost attention to sustainable agriculture, including small-scale food production and rural development;
- the agreement promotes best practice in the safety and **quality of food and products** sold to consumers. Nothing in the agreement prevents the application of the precautionary principle in the EU. Members call on both partners to enhance consumer protection and food safety in the implementation of the agreement;
- both parties are committed to ensuring high levels of environmental and **labour protection.** Members expect concrete progress within a reasonable timeframe on the part of Japan towards the ratification and effective implementation of the fundamental International Labour Organization (ILO) conventions;
- the agreement includes key innovative elements such as dedicated chapters or provisions on the **Paris Agreement**, on SMEs and on corporate governance. It preserves the sovereign right to regulate and protect public services;
- market access commitments in cross-border services, including e-commerce, maritime transport, postal services, energy and telecommunications, have the potential to give a significant boost to trade in services.

Parliament called on the Commission to:

- enhance cooperation and coordination with Japan on multilateral issues, in close cooperation with other strategic partners, in order to defend and develop further international standards and an open, fair and strong multilateral trading system based on respect for WTO rules and other international norms;
- monitor closely the proper implementation of the agreed removal of the NTMs, as well as the management of tariff-rate quotas for agricultural products, and to report back to Parliament;
- ensure that the EU delegation to Japan is involved in the process of implementing the agreement from start to finish.

Parliament called for transparency on the functioning of the regulatory cooperation committee and for the adequate involvement of all stakeholders, notably trade unions and civil society organisations. Parliament should be kept informed on a regular basis about the decisions taken in the regulatory cooperation committee.

Lastly, Members called for the prompt establishment of the **SME contact points and website** to make sure that relevant information on market access is made available to SMEs.

EU/Japan Economic Partnership Agreement

2018/0091M(NLE) - 09/11/2018 - Committee report tabled for plenary, single reading

The Committee on International Trade adopted a report by Pedro SILVA PEREIRA (S&D, PT) containing a motion for a non-legislative resolution on the draft Council decision on the conclusion of the Agreement between the European Union and Japan for an Economic Partnership (EPA).

Members believe that the agreement is of **major bilateral and global strategic importance** and should help to promote the Union's high standards, particularly in the fields of the environment, food safety, consumer protection and labour rights, at a time when the world order is seriously threatened by protectionism.

The committee notes the high level of tariff liberalisation agreed in the EPA, which, when fully implemented, will allow the **liberalisation of 99% of EU tariff lines and 97% of Japanese tariff lines**, including for industrial products in sectors where the Union is highly competitive, as well as measures to protect the most sensitive products.

The report highlights the main elements of the agreement:

- **Cars:** EU tariffs on cars will be phased out over a seven-year period. Members call on the Commission to keep an eye on trends in automobile trade flows over this period in order to predict and address any destabilisation of the European market.
- **Non-tariff barriers**: Japan has resolved the issue of unnecessary non-tariff measures in a range of sectors, such as vehicles, food additives, sanitary and phytosanitary regulation, food labelling and cosmetics, thereby reducing compliance costs and creating a more predictable regulatory framework.
- **Public procurement:** Japan will take steps to ensure non-discriminatory access for EU suppliers to public procurement contracts in 54 core cities, remove the "operational safety clause", which has in practice prevented EU rail suppliers from accessing the Japanese market, and maximise transparency in tendering for public contracts. The implementation of this point should be carefully monitored in order to ensure that commitments on openness and equal access to public procurement are respected.
- **Agricultural products:** around 85% of agri-food products will be allowed to enter Japan duty-free. The agreement also recognises 205 European protected geographical indications, and the possibility of adding more at a later stage. Members call for further talks after three years to assess the possibilities of extending the list of protected GIs and call for the utmost attention be paid to sustainable agriculture.
- **Foodstuffs:** the agreement promotes best practice in the safety and quality of food and products sold to consumers. Nothing in the agreement prevents the application of the precautionary principle in the EU. Members call on both partners to enhance consumer protection and food safety in the implementation of the agreement.
- **Environment and labour protection**: the report stresses that both sides are firmly committed to ensuring high levels of environmental protection and labour rights and that these high standards should not be regarded as barriers to trade. It also welcomes the commitment of both sides to the effective implementation of the Paris Agreement to combat climate change and to sustainable forest management. Members expect the EU and Japan to take all necessary measures to achieve sustainable development objectives through this agreement. They expect concrete progress within a reasonable timeframe from Japan towards the ratification and effective implementation of the International Labour Organization (ILO) core conventions.
- **Services:** Members believe that market access commitments for cross-border services, including e-commerce, maritime transport, postal services, energy and telecommunications, are likely to give a significant boost to trade in services. They recall that public policy objectives must be safeguarded, particularly in the field of cybersecurity.

In addition, the report:

- calls on both sides to work actively towards **corporate social responsibility** and the conclusion of the UN Binding Treaty on Business and Human Rights;
- calls for the **Regulatory Cooperation Committee** to operate in a transparent manner and for all stakeholders, including trade unions and civil society organisations, to be able to participate sufficiently;
- stresses the important role of the respective data protection authorities in ensuring an adequate level of **data protection**; in this respect, Members welcome the fact that the EU and Japan have agreed to recognise their respective data protection systems as equivalent;
- asks the Commission to monitor closely the implementation of the agreed removal of non-tariff barriers, as well as the management of tariff-rate quotas for agricultural products, and to report back to Parliament.

Lastly, stressing that 78% of EU companies exporting to Japan are smaller companies, Members welcome the EPA's inclusion of a **separate chapter on SMEs** and call for the rapid establishment of contact points and website for SMEs to ensure that SMEs receive useful information on market access.