

USER'S GUIDE / GUIDA PRATICA

Accordo di partenariato economico tra Ue e Giappone | EPA



Ministero della Sviluppo Economico



ITALIAN TRADE AGENCY

ICE - Agenzia per la promozione all'estero e l'internazionalizzazione delle imprese italiane

Research Outline

- Objectives
 - On December 8th, 2017, Japan-EU Economic Partnership Agreement (EPA) reached an agreement. Both governments will gather these agreements into a document, and are looking to officially sign them summer of 2018, and have it come into effect during 2019.
 - The EPA contains a lot of detail on GI Protections, thus after the EPA comes into effect, more than 200 GIs' from the EU, of which 44 are from Italy, will be protected in Japan.
 - This research investigated into detail the GI System, as well as examples of illegal or possibly illegal products (currently being sold) under this system. Also, further research was done on the food and beverage products that would have advantages for Italy upon EPA coming into effect.
- Methodologies
 - Primarily desktop research, with telephone interviews as necessary.
 - Illegal products and possibly illegal products were found through web searches and in-store research.
- Period
 - December 2017~January 2018

Contents

1. Status of protection of Italy made PDO/PGI products in Japan
2. Presence or absence of imitation products of Italian foods (PDO/PGI products in particular) in Japan
3. Italian Food and Beverage categories that would have advantages by conclusion of EPA/FTA

1. Status of protection of Italy made PDO/PGI products in Japan

2. Presence or absence of imitation products of Italian foods (PDO/PGI products in particular) in Japan
3. Italian Food and Beverage categories that would have advantages by conclusion of EPA/FTA

Regional Protective Standards in Japan – Overview (1)

- GI System of agricultural products and alcohol are independent of each other in Japan.
- Liquor products that GI Act covers have expanded to : wine and distilled spirits (1995), sake (2005), all alcohols (2015). (Added "Japanese Sake" to the list of protective subjects in 2015)
- The Ministry of Agriculture, Forest and Fisheries has invoked their own GI Act for agricultural products in June 2015.
- On Dec. 26th, 2016, the GI Act for agricultural product has been amended to comply to the TPP Agreement (Included details to formulate stronger multilateral relationships for further development).
- There are 58 agricultural products in Japan which are registered in the GI (as of Dec 2017). Everything is the product of Japan except "Prosciutto di Parma".
- The Government is proceeding to see what GI Acts for agricultural products need to be amended to meet GI Protection standards. Points to amend are; 1) Expand the subjects of GI Protection, not only directly on products, but ads and internet inclusive (currently only for products, soon to be regulated on menus), 2) Transitional period is 7 years.

	Geographical Indication	Geographical Collective Trademark
Agricultural Food/Beverages Product	Ministry of Agriculture, Forestry, and Fisheries	Patent Office
Alcohol	National Tax Agency	

Regional Protective Standards in Japan – Overview (2)

- Interim measure period for alcohol is 5 years
- Any products subject to GI protection under EU-Japan EPA is protected under the GI Act.
- Protection of GI products under the EU-Japan EPA differs from the current GI Act. For example, "Prosciutto di Parma" is protected under the current system, and must have a Japanese GI label. For GI products protected under the EU-Japan EPA, if it's reported illegal to the Ministry of Agriculture, Forestry, and Fisheries, there will be necessary penalties (fees or product improvement) upon investigation and circumstances, but Japanese GI labels are unnecessary.
- "Prosciutto di Parma" actually needs a GI label to be imported into Japan, but because the product package had been made long ago, Parma Ham Association and the Ministry has agreed to a transition period (not made public). Manufacturers are aware of this, and plans to repackage them with Japanese GI labels from April 1st, 2018.

	Geographical Indication	Geographical Collective Trademark
Agricultural Food/Beverages Product	Ministry of Agriculture, Forestry, and Fisheries	Patent Office
Alcohol	National Tax Agency	

Overview of the GI System (Act) for Agriculture Products (1)

<Key Points>

- Official supervisor (Authoritative Ministry) is the Ministry of Agriculture, Forestry, and Fisheries
- Of subject are agricultural, forestry and fisheries food and beverage products.
- If product's quality, reputation, history, or other established characteristic can be attributed to the place of production, the name of the place does not need to be included. Thus, even if a particular area is not the administrative unit of said product, as long as there is a link like the above, it could be considered as so.
- Can be combined with the Regional Collective Trademark Standard (Ex. Parma Ham)

Overview of the GI System (Act) for Agriculture Products (2)

<Procedures>

- Manufacturers, representatives, and processors apply for registration.
- Points for review are: 1) Name (geographical indication), 2) Place of Production, 3) Features, 4) Production method, 5) Links with the production area, 6) Production records, etc.
- The process from application to registration: 1) Application from manufacturers, representatives, and processors to the Ministry of Agriculture, Forestry, and Fisheries, 2) The Ministry publicizes application details on their website, hearing investigation from a third party for 3 months, 3) hearing investigation from an expert, 4) hearing investigation stakeholders, if required, 5) Registration, 6) Public announcement.
- Possible for numerous organization/association to register. Registration license tax (90,000yen/registration) can be divided amongst organizations/associations. Any manufacturers added to the registry pay 90,000yen/registration separately. If applied, but not approved for registration, registration license tax is not needed.
- Unless the product is deleted from the registry, there are no renewal fees.

Overview of the GI System (Act) for Agriculture Products (3)

<Labels under the following conditions are prohibited>

- Products manufactured outside the region are prohibited to label as below.
- Ex. For Hokkaido: Hokkaido Parma Ham/Parma Ham (Made in Hokkaido)/Parma-style Ham/Parma Ham-style Prosciutto/Parma Ham type/Parma Ham imitation, etc.
- No transliterations or translations

Using it for anything other than on the product itself is prohibited (Ex. Ads)

<Exceptions>

- Even if the geographical names are included, if the product is manufactured in different places in Japan and lacks correlation with the original region, then the product is out of subject under the GI Act.
- If registered before receiving orders for regional labeling, the current trademark can continue to be used.
- If the product with the same or similar name has been used prior to the geographical labeling registration, and there was no illegal intentions, the product name can continue to be used
- The name included in the geographical label can be displayed as the place of production.

GI Products (Agricultural Product) Required Information

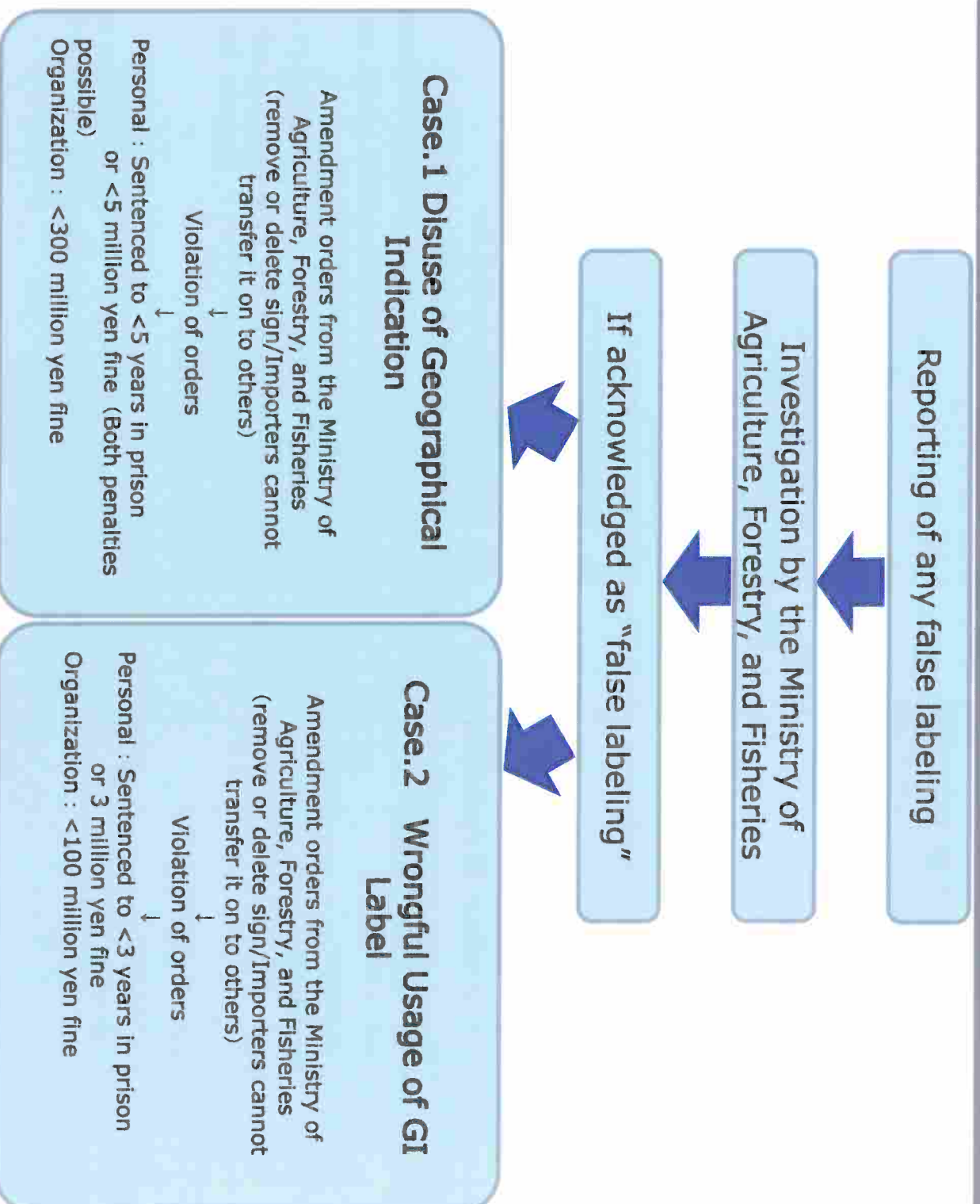
Ex. Prosciutto di Parma

1. Registration Number
2. Registration Date
3. Application Number
4. Application Date
5. Name of Registrant
6. Address of Registrant
7. Representative of Registrant
8. Website of Registrant
9. Agricultural Product Category
10. Name Agricultural Product
11. Place of Production of Agricultural Product
12. Characteristics of specific Agricultural Product
 - a. Overview
 - b. Appearance
 - c. Size
 - d. Color
 - e. Taste and smell
 - f. Ingredient
 - g. Additives

13. Production methods of specific Agricultural Product
 - a. Selection of ingredients
 - b. Procedure into processed product
 - c. Slicing/packing
14. Reasons why the properties of the product can be attributed to the place of production
15. Records of proof of production in that region (Record proving that the product was produced in the region)
16. Regional Collective Trademark registration
 1. Presence/Absence of Registration
 2. Name of person/organization with trademark rights
 3. Trademark Registration
 4. Trademark Registration Number
 5. Trademark Registration Date (Includes renewal)
 6. Name of person/association which can be entitled to the use of trademark
 7. Date of authorization by the trademark owner
17. If the information on the specification differ from information written in #1~13, provide further detail.
18. Picture of the product

(Source : Ministry of Agriculture, Forestry, and Fisheries HP)
※Prosciutto di Parma is also registered in the Regional Collective Trademark

Penalties for Agricultural Products Under GI System



Regional Collective Trademark System and Geographical Indication System

<Geographical Indication Protective Standards in Japan>

	Geographical Indication	Regional Collective Trademark
Agricultural food/beverages product	Ministry of Agriculture, Forestry, and Fisheries	Patent Office
Alcohol		

National Tax Agency

Geographical Indication

- System in which the name of an agricultural product has a feature that can be linked with the place or production, is registered and protected under quality standards and common property of the region.

Regional Collective Trademark

- System in which local brand names are registered as trademark rights, and the registrant has exclusive use over it.

Differences

	Geographical Indication (GI)	Regional Collective Trademark
What is protected	Agricultural products, food, and beverages	All products, services
Names subject to protection	If the product's quality, reputation, established characteristic can be linked to the region of production, names do not need to be included	Regional name+Product name
Registrants	Manufacturer・Processor organizations (those without juridical personality accepted)	Agricultural associations, commercial society, chamber of commerce, NPO corporations
Registration Requirements	- relationship between product quality/feature and place of production - must have been produced for a consecutive period (should be 25 years)	- link between regional name and product (place of production) - trademark is well known among consumers

Regional Collective Trademark System and Geographical Indication System

	Geographical Indication (GI)	Regional Collective Trademark
Method of Use	Geographical Indication must be used together with the GI label (Obligatory)	Necessary to indicate registered trademark (Strictly speaking, it is not necessarily obligatory, for failure of indicating registered trademark will not necessarily be a penalty)
Quality Control	• Formulation • Registration • Public notice of quality control standards related to place of production • Compliance of quality control standards by manufacturers • processors is managed by related organizations and supervised by Country	• Product and its quality is under responsibility of the trademark rights holder
Effects	Illicit use of Geographical Indication label or similar/identical one is prohibited	Illicit use of registered trademark or similar/identical one is prohibited
Areas in Effect	Any agricultural/fishery products (or processed products using them as ingredient) in the same category as those already registered	Products • Services, or ones similar/identical that are to specify upon application
Control Measures	Regulation of illicit use by the country	Injunction or damage claim by trademark rights holder
Fees • Protection Period	Registration: 90,000 yen No renewal procedures (registered unless revoked)	Application • Registration: 49,600 yen (10 years) Renewal: 48,500 yen (10 years)
Place of Application (Authoritative Ministry)	Ministry of Agriculture, Forestry, and Fisheries	Patent Office

GI System for Liquor Products – Overview (1)

<Key Points>

- Authoritative Ministry is the National Tax Agency
- Of subject are "liquor products" under liquor tax act Article 1(2) (Over 1% and can be consumed directly, or diluted/mixed)
- Geographical Indication names cannot be used for liquor products produced at places not mentioned in the label. Even if the product is produced in the location indicated, it cannot be used if productions standards are not met.
- If Geographical Indication is going to be used, GI to be indicated as "GI_{○○}".

<Methods>

- Statement from the place of production
- Requirements are 1) characteristics are attributable to the geographical origin, 2) properly controlled to manage the characteristic of the liquor
- Process: 1) Gather opinions from companies of place of production, 2) Company of place of production submits statement to National Tax Agency, 3) Details of statement is reviewed 4) If requirements are met, National Tax Agency decides the name, scope of geographical area, categorization of the liquor product, and production standards. 5) Minimum 30 days to seek public opinions, 6) Make available to public

GI System for Liquor Products – Overview (2)

<Labels under the following conditions are prohibited>

- Products manufactured outside the region are prohibited to label as below.
- Example (In case of Tokyo): High Quality Sake Tokyo/Tokyo Shochu (grown in Kanagawa Pref.) /Tokyo-style Shochu/Shochu Tokyo-type/Tokyo Shochu imitation, etc.
- Any transliterations or translations prohibited
- Using it for anything other than on the product itself is prohibited (Ex. Using it for Ads is prohibited)

<Exceptions>

- Continued use is possible, if the trademark has already been in use prior to the day of designation for application/registration
- When the National Tax Agency designates a geographical indication to the product whose name already been in use prior to GI and is not a registered trademark, continued usage is possible within a necessary minimum range on the condition that public notice indicating so is made simultaneously with the designation.
- Geographical Indication types of the following: Using Yamanashi Prefecture grown grapes, the wine label produced in Nagano Prefecture needs to read “Using Yamanashi Prefecture grown grapes”

International Geographical Indication Protected Under the GI System for Liquor Products

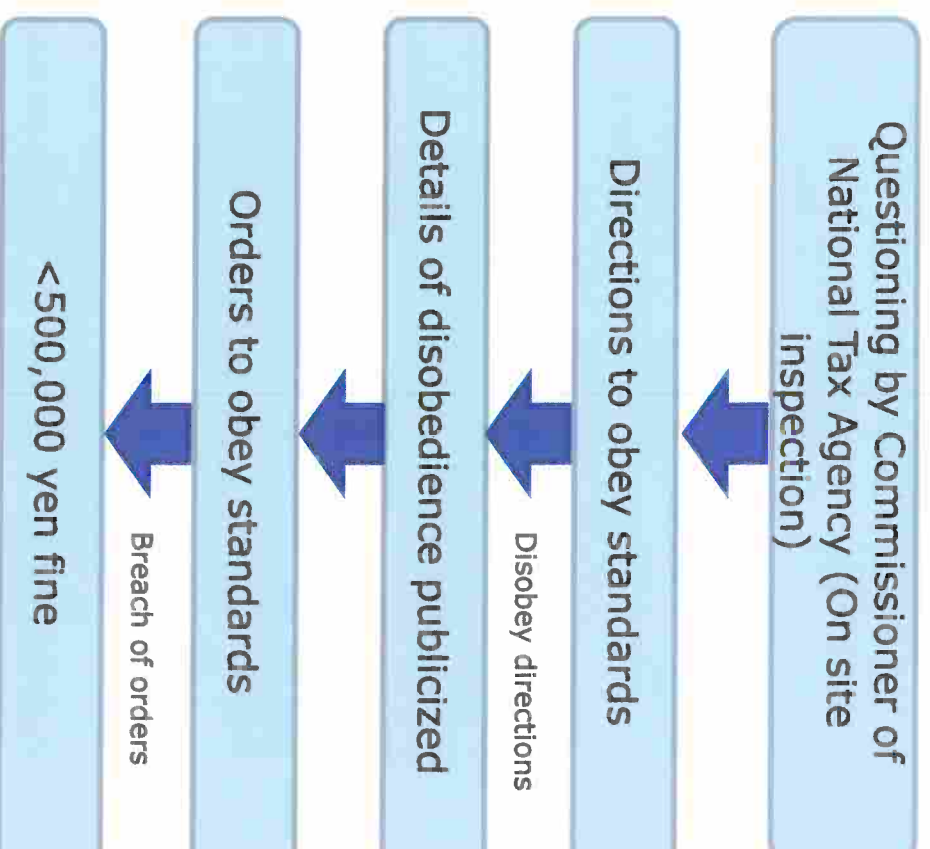
- For Mexico, only Tequila and Mezcal were under GI Protection when the pact first came into effect in 2005, but in 2008, Sotol, Bacanora, and Charanda were added.
- Process to add liquor products for GI Protection are the same for Japan-EU EPA as well.

Name	Place of Production	Liquor Product Category	Basis
テキーラ/Tequila	Republic of Mexico	Distilled Spirits	Pact between Japan and Republic of Mexico to strengthen economic cooperation
メスカル/Mezcal	Republic of Mexico	Distilled Spirits	Pact between Japan and Republic of Mexico to strengthen economic cooperation
ソトール/Sotol	Republic of Mexico	Distilled Spirits	Pact between Japan and Republic of Mexico to strengthen economic cooperation
バカノラ/Bacanora	Republic of Mexico	Distilled Spirits	Pact between Japan and Republic of Mexico to strengthen economic cooperation
チャランダ/Charanda	Republic of Mexico	Distilled Spirits	Pact between Japan and Republic of Mexico to strengthen economic cooperation
チリ産ピスコ/Pisco Chilieno (Chilean Pisco)	Republic of Chile	Distilled Spirits	Pact between Japan and Republic of Chile for strategic economic purposes
ピスコ・ペルー/Pisco Perú (Pisco Peru)	Republic of Peru	Distilled Spirits	Pact between Japan and the Republic of Peru for economic cooperation

(Source: National Tax Agency HP <https://www.nta.go.jp/shiraberu/senmonjoho/sake/hyoji/chiri/chiran.htm/> as of Jan. 2018)

Penalties for Liquor Products Under the GI System

- For agricultural products, any penalties against illicit GI labeling are determined individually
- For liquor products, penalties are determined under an existing general guideline.



※If fined, license of selling liquor products is revoked

Japan-EU EPA: Point of Agreement on GI

	Key Points	In Summary
Mutual Protection	GI products listed by the partnering country is under GI protection of the country from when the pact is in effect	Italian GI products listed are under Japanese GI protection from the effective date of the agreement (Japanese GI Act in effect)
Level of Protection	Below are considered infringements on GI: - Mislead consumers as if the product is produced at a place indicated - Product specification does not satisfy GI Specification (Document explaining product quality control standards and production methods) - True origin is indicated ✓ Transliterated or translated ✓ Expressed using words like “~type, ~style, ~kind” - Not only directly on products, but on ads and services are subject to regulations	Example of infringement on GI: - Indicating a cheese product as “made in Hokkaido”, or having another country’s flag on the package, even though an Italian cheese is used - Directly translating “Mozzarella di Bufala Campana” as “Campana region Mozzarella di Bufala Style” as product label
Not Under Protection	Below are not under GI Protection (as of Jan 2018) - Plant species and Animal pedigree names - Common name	
Relationship with Trademark	Once the agreement is in effect, the trademark application is not accepted if it is identical or similar to the one protected under GI, thus is misleading.	
Transitional Period	7 years from the day the agreement is in effect is the transitional period. However, this is not applicable if it infringes the Japanese GI Act. - If a cheese that has been determined to be processed within the EU is going to be cut/sliced, etc. in Japan, the regulations written on the EU statement is not applicable for 7 years. It needs to be reviewed within 3 years after the agreement is in effect, and a revision/solution needs to be decided before the transitional period ends.	“Cheese decided to be processed within the EU” refers to Parmigiano Reggiano, Asiago, Fontina, Mozzarella di Bufala Campana, Grana Padano, Pecorino Toscano, Taleggio - Due to the production and preservation methods, the above cheeses will be impossible to cut/repack in Japan. However, this is still possible for the 7 year period and can be done as before. There are 3 options after this period: 1) Extend the transitional period, 2) cut/repack becomes impossible, 3) Cut/repack as before will become definite. (Undetermined as to which it will be at this time)
Products Added to the List	After receiving a list of new products to add from the partnering country and an passes an official review, said product is protected under GI.	

Italian GI Food Product Under Protection Due to Japan-EU EPA (1)

- Due to the Japan-EU EPA, there are 44 new Italian products under GI Protection (18 food products, 26 liquor products)
- Types of food products: 10 cheese, 5 ham/sausage, 2 balsamic vinegar, 1 apple
- If ones with ★ target consumption in Japan, they can be cut/repacked during the 7 year period. This should be reviewed within 3 years after EPA in effect, during when revisions on statements need to be considered.
- Japan Imported Cheese Promotion Association has written a letter to respective Ministries and Embassies to appeal the significance of cutting, packaging, etc. within Japan of the following cheese with the★ (See the next page)

New Italian food product under GI protection due to Japan-EU EPA (1)

No.	GI Products	Protection type	Category	Notes
1	★ <u>Asiago</u> (アジアーゴ)	DOP	Natural cheese	
2	★ <u>Fontina</u> (フォントイーナ)	DOP	Natural cheese	
3	<u>Gorgonzola</u> (ゴールゴンゾーラ)	DOP	Natural cheese	
4	★ <u>Grana Padano</u> (グラナパダノ)	DOP	Natural cheese	"Grana" "Padano" can be used separately
5	★ <u>Mozzarella di Bufala Campana</u> (モッツァレッタ ブファラ カンパーナ)	DOP	Natural cheese	"Mozzarella" can be used on its own
6	★ <u>Parmigiano Reggiano</u> (パルミジアーノ レッジヤーノ)	DOP	Natural cheese	English translation "Parmesan" accepted
7	<u>Pecorino Romano</u> (ペコリーノ ロマーノ)	DOP	Natural cheese	"Pecorino" "Romano" can be used separately
8	★ <u>Pecorino Toscano</u> (ペコリーノ トスカーノ)	DOP	Natural cheese	"Pecorino" can be used on its own "Toscano" cannot be used on its own
9	<u>Provolone Valpadana</u> (プロヴォローネ ヴァルパダーナ)	DOP	Natural cheese	"Provolone" can be used on its own
10	★ <u>Taleggio</u> (タレッジョ)	DOP	Natural cheese	

(Source: Ministry of Agriculture, Forestry, and Fisheries' decisions made under "Geographical Indication Protection System (GI)")

Italian GI Food Products Under Protection Due to Japan-EU EPA (2)

New Italian food product under GI protection due to Japan-EU EPA (2)

No.	GI Products	Protection type	Category	Notes
11	Bresaola della Valtellina (ブレザオラ デッラ ヴァルテッリーナ)	IGP	Ham	
12	Prosciutto di San Daniele (プロシュット デイ サン ダニエレ)	DOP	Ham	
13	Prosciutto Toscano (プロシュット トスカーノ)	DOP	Ham	
14	Mortadella Bologna (モルタデッラ ボローニャ)	IGP	Sausage	"Mortadella" "Bologna" can be used on its own
15	Zampone Modena (ザンポーネ モデナ)	IGP	Sausage	
16	Aceto Balsamico di Modena (アチエート バルサミコ デイ モデナ)	IGP	Sausage	
17	Aceto balsamico tradizionale di Modena (アチエート バルサミコ トラディッツィオナーレ デイ モデナ)	DOP	Balsamic Vinegar	
18	Mela Alto Adige / Südtiroler Apfel (メーラ アルト アディージェ / スティロール アプフェル)	IGP	Apple	

Italian GI Food Products Under Protection Due to Japan- EU EPA (3)

<Reasons why the Japan Imported Cheese Promotion Association asks for permission to slice, grate, package, etc. domestically in Japan>

- To adapt to Japanese consumers' preference, it's necessary to prepare smaller portions than those sold in the European Market.
- It's essential for import cheese distributors to conform to sanitary requirements of retail stores, which necessitates to cut, repack, and slice in Japan. This is a necessary process to sell cheese in Japan, as most food stores/retailers have no salesperson to cut cheese at the customers' request.
- If these are not possible, Japan cannot sell Italian GI cheese, thus have no option but to find a replacement, including non-GI, which would have a negative impact on Italy as well.

(Source: Ministry of Agriculture, Forestry, and Fisheries' decisions made under "Geographical Indication Protection System (GI)")

Italian GI Liquor Products Under Protection Due to Japan-EU EPA

New Italian liquor product under GI protection due to Japan-EU EPA (1)

No.	Country	Name	Liquor Category
89	Italy	Grappa (グラッパ)	Distilled spirits - other liquor product
90	Italy	Asti (アスティ)	Wine
91	Italy	Barbaresco (バルバレスコ)	Wine
92	Italy	Bardolino (バルドリノ)	Wine
93	Italy	Bardolino Superiore (バルドリノ・スペリオール)	Wine
94	Italy	Barolo (バローロ)	Wine
95	Italy	Bolgheri/Bolgheri Sassicaia (ボルゲリ/ボルゲリ・サッシカイア)	Wine
96	Italy	Brachetto d'Acqui / Acqui (ブラケット・ダクイ/アクイ)	Wine
97	Italy	Brunello di Montalcino (ブルネッロ・ディ・モンタルチーノ)	Wine
98	Italy	Campania (カンパニア)	Wine
99	Italy	Chianti (キアンティ)	Wine
100	Italy	Chianti Classico (キアンティ・クラシコ)	Wine

*Above are products listed to receive public opinion. The results may be announced before the agreement is in effect, but undetermined at this time.

(Source: "Geographical Indication Protection through Japan-EU - EPA" list presented by National Tax Agency, July 12, 2017)
<http://search.e-gov.go.jp/servlet/PcmFileDownload?seqNo=0000161548>

Italian GI Liquor Product Under Protection Due to Japan-EU EPA

New Italian liquor products under GI protection due to Japan-EU EPA ㊦

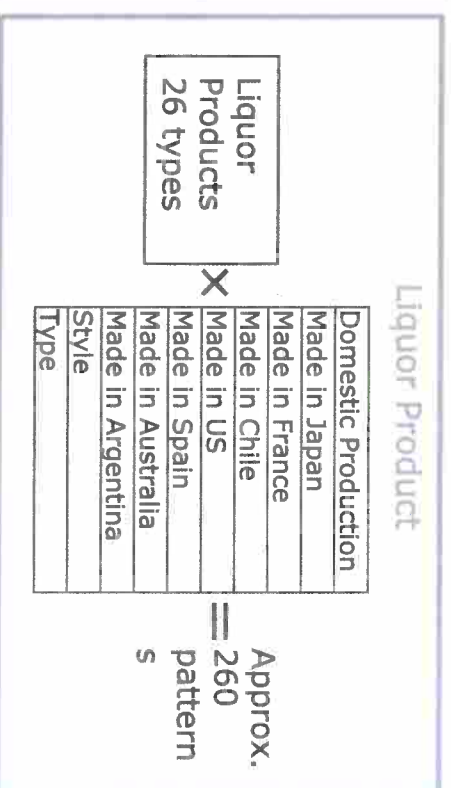
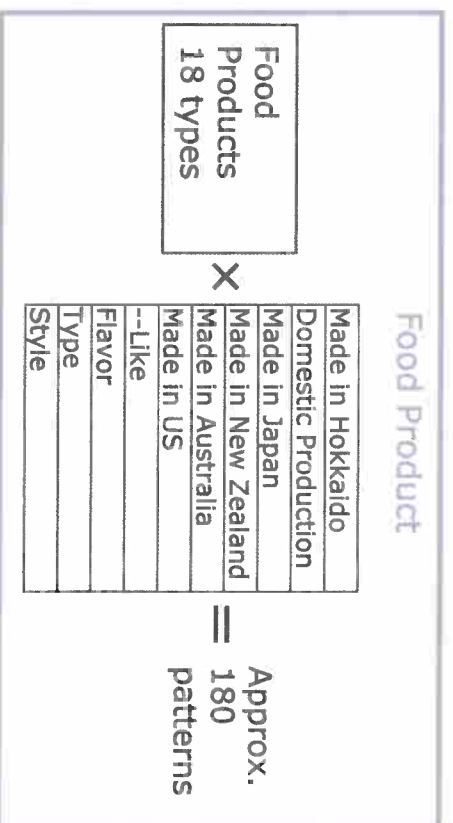
No.	Country	Name	Liquor Product Category
101	Italy	Conegliano - Prosecco/Valdobbiadene - Prosecco/ Conegliano Valdobbiadene - Prosecco (コネリアーノ・プロセッコ/ヴァルボビアーネ・プロセッコ/ コネリアーノ・ヴァルボビアーネ・プロセッコ)	Wine
102	Italy	Dolcetto d'Alba (ドルチェット・ダルバ)	Wine
103	Italy	Franciacorta (フランチャコルタ)	Wine
104	Italy	Lambrusco di Sorbara (ランブルスコ・デア・ソルバーラ)	Wine
105	Italy	Lambrusco Grasparossa di Castelvetro (ランブルスコ・グラスパロッサ・デア・カステルヴェトロ)	Wine
106	Italy	Marsala (マルサーラ)	Wine
107	Italy	Montepulciano d'Abruzzo (モンテプルチアーノ・ダブルツツォ)	Wine
108	Italy	Prosecco (プロセッコ)	Wine
109	Italy	Sicilia (シチリア)	Wine
110	Italy	Soave (ソアーヴェ)	Wine
111	Italy	Toscana/Toscano (トスカーナ/トスカーノ)	Wine
112	Italy	Valpolicella (ヴァルポリチェッラ)	Wine
113	Italy	Vernaccia di San Gimignano (ヴェルナッチャ・ディ・サン・ジミニャーノ)	Wine
114	Italy	Vino Nobile di Montepulciano (ヴィノ・ノビレ・ディ・モンテプルチアーノ)	Wine

114 Above are products that are to receive GI protection. The results may be approved before the agreement is in effect. But undetermined at this time.

(Source: "Geographical Indication Protection through Japan-EU - EPA" list presented by National Tax Agency, July 12, 2017)
<http://search.e-gov.go.jp/seriet/pcmFileDownload?seqNo=0000161548>

1. Status of protection of the Italy made PDO/PGI products in Japan
2. Presence or absence of imitation products of Italian foods (PDO/PGI products in particular) in Japan
3. Italian Food and Beverage categories that would have advantages by conclusion of EPA/FTA

- Methods below were used to perform research on infringed products of GI
 - Internet based research
 - Searched: Designated Product Name x 10 key words below
 - Infringed products presence and absence/detail on top 30 hits through Google search



- Store Researches
 - Sales situations at major supermarkets and specialty stores in Tokyo and Osaka were surveyed

Store Name
Angelina (Kodama)
Itto-Yokadao_Grand Tree Musashi-
Kosugi
Summit Higashinakano Branch
Fuji Garden_Nikoshinchi Branch
LIFE_Nakanosakaue Branch
Seijo Ishii Chofu Branch
Tokyu Store_FutakotamagawaBranch

Store Name
Meiji-ya_Kyohashi Branch
Meiji-ya_Futakotamagawa Branch
Aoki_Toshu Lalaport
AEON Style_Himonya

Store Name
KOHO_Minamimorimachi Branch
SANKO_Karahori Branch
Ikari Super_JR Osaka
Umeda Hankyu
LIFE_Sakaisuji-honmachi
Hankyu OASIS Uehonmachi Branch

Research Results on Infringed Labeling of Geographical Indication by Category

- No obvious *cases of Infringed labelling of Geographical Indication was largely found
*e.g. Japan-made Gorgonzola, Japan-made Parmigiano Reggiano, etc.
- Food Products:
 - Cheese:
 - "US-made Gorgonzola" was confirmed infringed. However, there was no confirmation of infringed products that were made in Japan. Until a few years ago, there had been records of small-scale enterprises selling asiago cheese as "Hokkaido-made Asiago", but has been discontinued already.
 - There were few confirmed products where the cheese was from Italy, but was processed (cut/repack) in Japan. These Italian cheese were cut smaller and repacked by companies that handle imported goods, or large retailers.
 - Some processed foods (pasta sauce, pizza) had geographical indications (names) mentioned within the product name or the ingredients. Some products showed no indication that it was "made in Italy". This wouldn't be determined immediately as infringed as long as authentic ingredients are used, but it's possible that rules upon labeling will be changed hereafter. (Ex. Products must read "Italy made Gorgonzola", or producers need to be notified beforehand, etc.)
 - Ham • Dried Sausages:
 - Some products labelled "Mortadela Bologna" were confirmed, even though such products were using pork grown in Japan and/or beef grown in Australia.
 - Balsamico:
 - Some products with final process (bottling) done in Japan were confirmed. Basically, it was common to sell products where everything (up to bottling) was done in Italy.
 - Apple:
 - Distribution of Italian apples throughout Japan could not be confirmed.
- Liquor Products
 - Grappa (Distilled Spirits):
 - Used as a name for distilled spirits made with grapes. Infringed cases where regional breweries labeling "Japan-made Grappa" in their product name or product description were confirmed.
 - Wine:
 - No infringed products were confirmed.

Geographical Indication: Product items that were confirmed (possibly) infringed

- Whether a product is infringed or possibly infringed can be determined by the following 3 patterns:
 - A) The product's origin is not Italy
 - B) The product's origin is Italy, but final process (cut/repack) is in Japan
 - C) Used as ingredient in processed food products. (No issues in labeling/indicating upon standard, but needs to be confirmed and acknowledged when enforcing rules and regulations in future)
- Confirmed infringed/Possibly infringed products based on the above 3 patterns:

	Category	Name/Item	A	B	C
Food Product	Cheese	Gorgonzola	○		○
		Parmigiano Reggiano		○	○
		Asiago		○	
		Grana Padano		○	
		Taleggio		○	
	Salami	Mortadela Bologna	○		
	Condiment/ Seasoning	Aceto Balsamico di Modina		○	
	Distilled Spirits	Grappa	○		
Liquor Product					

Infringed or Possibly Infringed Products Example: Cheese

A) Place of origin is clearly not Italy.

Gorgonzola



種類別: ナチュラルチーズ、原材料
名: 生乳、食塩、めん羊乳、内容量: 680g、賞味
期限: 容器上部に記載、保存方法: 4℃以下で保
存してください。原産国名: アメリカ、輸入者:
コストコホールセールジャパン株式会社
神奈川県川崎市川崎区池上新町3-14

Product Name	American Crumble Gorgonzola Blue Cheese 680 g
Place of Origin	The United States
Processor	Costco Wholesale Japan
Product Confirmed at	Amazon Japan

*Yellow: Reason why product is deemed infringed

Infringed or Possibly Infringed Products Example: Salami

A) Place of production is clearly not Italy.

Santo Amaro Mortadela Bologna Sausage



商品詳細	
原材料	国産豚肉、オーストラリア産牛肉、澱粉、乳清たん白、食塩、 香辛料、砂糖、カゼインNa、調味料(アミノ酸)、リン酸塩 (Na)、酸化防止剤(V.C)、保存料(ソルビン酸)、発色剤(亜硝酸 Na)(原材料の一部に大豆を含む)
内容量	150g
賞味期限	製造より1ヶ月
保存方法	4度以下(冷蔵)で保存してください。

Product Name	Santo Amaro Mortadela Bologna Sausage Slice
Place of Production	Japan
Processor	Santo Amaro Ltd.
Product confirmed at	Kyoudai Market

Infringed or Possibly Infringed Products Example: Cheese

B) Place of production is Italy, but the final process (cut/repack) is in Japan
Parmigiano Reggiano



Product Name	Parmigiano Reggiano
Place of Origin	Italy
Producer	(Japan) IKARI Supermarket Cheese Center
Product Confirmed at	IKARI Supermarket JR Osaka Branch

Product Name	Parmigiano Reggiano "Otusmami Parmj"
Place of Origin	Italy
Producer	(Japan) IKARI Supermarket Cheese Center
Product Confirmed at	IKARI Supermarket JR Osaka Branch

Product Name	Parmigiano Reggiano
Place of Origin	Italy
Producer	(Japan) Hankyu Department Store Hankyu Umeda main store B2F Antica Italia
Product Confirmed at	Umeda Hankyu

*Other similar infringed products were found
 *Yellow: Reason why product is deemed infringed

Infringed or Possibly Infringed Products Example: Cheese

B) Place of Origin is Italy, but final process of (cut/repack) is done in Japan
Parmigiano Reggiano



Product Name	Parmigiano Reggiano
Place of Origin	Italy
Producer	(Japan) Tokyo Daily
Product Confirmed at	Ito-Yokado Grand Tree Musashi-Kosugi Branch

Product Name	Parmigiano Reggiano
Place of Origin	Italy
Producer	(Japan) Union Cheese
Product Confirmed at	Ito-Yokado Grand Tree Musashi-Kosugi Branch

Product Name	Parmigiano Reggiano Cheese Chips
Place of Origin	Italy
Producer	(Japan) Tokyo Daily
Product Confirmed at	Ito-Yokado Grand Tree Musashi-Kosugi Branch

*Other infringed products similar were found

*Yellow: Reason why product is deemed infringed

Infringed or Possibly Infringed Products Example: Cheese

B) Place of origin is Italy, but final process (cut/repack) is done in Japan

Grana Padano



Product Name	Grana Padano
Place of Origin	Italy
Producer	(Japan) Hankyu Department Store Hankyu-Umeda Branch B2F Antica Italia
Product Confirmed at	Umeda Hankyu

Product name	Grana Padano
Place of Origin	Italy
Producer	(Japan)
Product Confirmed at	LIFE Nakanosakaue Branch

Product Name	CHESCO Collection Grana Padano
Place of Origin	Italy
Producer	(Japan) Union Cheese
Product Confirmed at	Meiji-ya Futakotamagawa Branch

*Yellow: Reason why product is deemed infringed

Infringed or Possibly Infringed Products Example: Cheese

B) Place of origin is Italy, but final process (cut/repack) is done in Japan

Asiago



Product Name	Asiago Cheese Chips
Place of Origin	Italy
Producer	(Japan) Tokyo Daily
Product Confirmed at	Ito-Yokado Grand Tree Musashi-Kosugi Branch

Taleggio



Product Name	Taleggio DOP
Place of Origin	Italy
Processor	IKARI Supermarket Co. Cheese Center
Product Confirmed at	IKARI Supermarket JR Osaka Branch

*Yellow: Reason why product is deemed infringed

Infringed or Possibly Infringed Products Example: Cheese

C) Indicated as a part of “Ingredients” in processed food products Gorgonzola



Product Name	Italian Pizza – Four Cheese
Place of Origin	Not listed
Producer	(Japan) JC Comsa Co.
Product Confirmed at	KOHO Minamimori-cho Station

Product Name	Gorgonzola Spread
Place of Origin	"15% Italy-made Gorgonzola" written
Producer	(Japan) FFC
Product Confirmed at	Ito-Yokado Grand Tree Musashi-Kosugi Branch, LIFE Nakanosakaue Branch

Product Name	Rolf's Cheese Fondue
Place of Origin	Not listed
Producer	(Japan) Hoko
Product Confirmed at	Hankyu OASIS Uemoto-Cho Branch

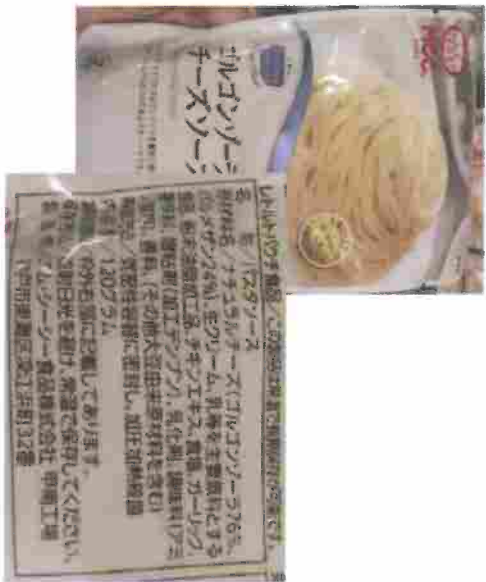
*Yellow: Reason why product is deemed infringed

Infringed or Possibly Infringed Products

Example: Cheese

C) Indicated as a part of “Ingredients” in processed food products

Gorgonzola



Product Name	Gorgonzola Cheese Sauce
Place of Origin	No indication of whether Italy-made cheese is used.
Processor	MCC Foods Co.
Product Confirmed at	Meiji-ya FutakotamagawaBranch



Product Name	Three Cheese Cream Pasta
Place of Origin	Indication of using Gorgonzola found on back of package. No indication of whether Italy-made cheese is used.
Processor	Asahi Group Foods Co.
Product Confirmed at	Meiji-ya FutakotamagawaBranch

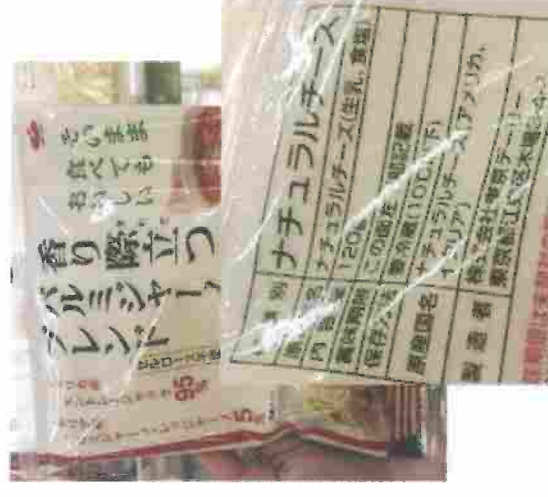
*Yellow: Reason why product is deemed infringed

Infringed or Possibly Infringed Products

Example: Cheese

C) Indicated as a part of "Ingredients" in processed food products

Parmigiano Reggiano



Product Name	2 year aged Parmigiano Reggiano Carbonara	Product Name	Fragrant Parmigiano Blend
Place of Origin	No indication of whether Italy-made cheese is used.	Place of Origin	The US, Italy, "5% Italy-made Parmigiano Reggiano used" written
Producer	(Japan) Aden Co.	Producer	(Japan) Tokyo Daily
Product Confirmed at	Hankyu OASIS Uemoto-cho Branch, LIFE Sakaisujji-Honcho Branch	Product Confirmed at	Tokyu Store Futakotamagawa Branch

Product Name	Parmigiano Reggiano Spread	Product Name	Parmigiano Reggiano Blend
Place of Origin	"12% Italy-made Parmigiano Reggiano used" written on package	Place of Origin	The US, Italy, "5% Italy-made Parmigiano Reggiano used" written
Producer	(Japan) FFC Co.	Producer	(Japan) Tokyo Daily
Product Confirmed at	Ito-Yokado Grand Tree Musashi-Kosugi Branch	Product Confirmed at	Tokyu Store Futakotamagawa Branch

*Yellow: Reason why product is deemed infringed

Infringed or Possibly Infringed Products

Example: Balsamico

- One product which is refilled in Japan was confirmed.
- There are some products without EU GI can be confirmed



Product Name	Aceto Balsamico di Modena IGP
Place of Origin	Italy Indication that it was bottled in Japan
Processor	(Japan) Nakano Print・Maru-san Foods Factory
Product Confirmed at	SANKO_Karahori Branch, SUMMIT Higashinakano Branch



Product Name	Aceto Balsamico di Modena IGP Mazzetti Extra Aceto Balsamico
Place of Origin	Italy
Importer	Mitsubishi Foods
Product Confirmed at	KOHO Minamimori-cho Branch
※Unclearified	Could not confirm the EU Certification mark

(Reference) Italy-made Ham Product

Example: Ham・Sausage

- It was seen that Italy made uncured ham are commonly sold in Japan as "Italy made Prosciutto", etc.
- There are smaller scaled companies which produce and sell ham within Japan using the method of producing Parma Ham, but there are no issues upon labeling.



Product Name	Italy-made Prosciutto	
Place of Origin	Italy	
Processor	(Japan) Carnepone	
Product Confirmed at	Ito-Yokado Grand Tree Musashi-Kosugi	

(Not infringed)

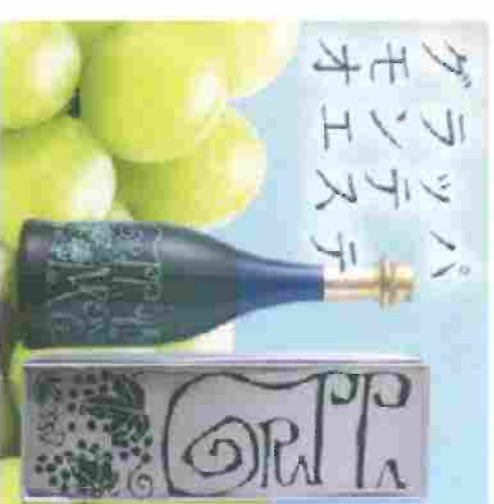
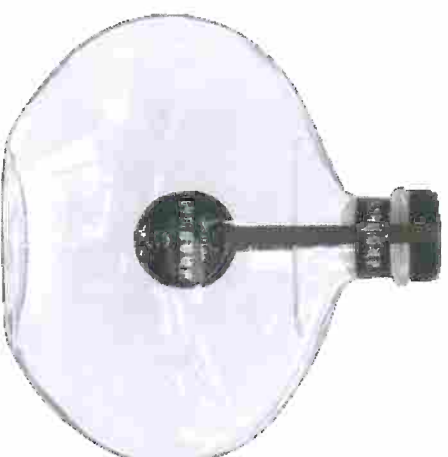


Product Name	Pärsüt
Place of Origin	Japan
Producer	Bon DABON Co.

(Not infringed)

Infringed or Possibly Infringed Products Example: Grappa/Wine

- Grappa refers to "Grape Distilled Spirits", and has been used in product names and descriptions by regional sake breweries.
- No infringed products were confirmed for wine.



Product Name	Japanese Grappa (White Brandy)
Place of Origin	Japan
Producer	Katashimo Winery
Product Confirmed at	On the company website

Product Name	Uchida Grappa (Koshu)
Place of Origin	Japan
Producer	Shirayuri Winery
Product Confirmed at	On the company website. "Domestic Grappa" written under product description.

Product Name	Grappa Monte Oeste 720ml White Brandy
Place of Origin	Japan
Producer	Nishiyama Sake Brewery
Product Confirmed at	On the company website. "Japanese Grappa" written on the product.

*Yellow: Reason why product is deemed infringed

1. Status of protection of the Italy made PDO/PGI products in Japan
2. Presence or absence of imitation products of Italian foods (PDO/PGI products in particular) in Japan
3. Italian food and beverage categories that would have advantages by conclusion of EPA/FTA

Major Food Products Imported From Italy (2015 Research Results)

Tariff of imported food products from Italy (Current, and after EPA in effect). Imports overview list

Category	Type	Current System (Tariff rate)	After EPA in effect	EU share (overall comparison)	Italy Share (Compared to rest of EU)	Italian Import
Macaroni/ Spaghetti	Macaroni/Spaghetti	30.0yen/kg	Tariff reduction in stages after effective date, and "elimination" at 11 th year	50%	94%	67,849.1 t
	Pasta	30.0yen/kg	Tariff reduction in stages after effective date, and "elimination" at 9 th year	78%	90%	215.0 t
Wine	Bottled wine	15%, or 125yen/l, whichever is cheaper (minimum rate is 67yen/l)	Immediately eliminated	59%	32%	32,093.4kt
	Sparkling wine	182yen/L	Immediately eliminated	82%	23%	6,755.7kt
Cheese	A) Using it with Japan made cheese not in agreement 1) Soft type	Tariff 22.4%~40.0% ※Rates differ depending on type ※Currently no differentiation between 1)soft type and 2) hard type	"Tariff rate quota" is applied * If within limit, Tariff reduction in stages after effective date, and "elimination" at 16 th year * If exceeding limit, current tariff rates apply Tariff reduction in stages after effective date, and "elimination" at 16 th year	34%	12%	8,684.2 t
	A) Using it with Japan made cheese not in agreement 2) Hard type			32%	13%	8,390.5 t
Processed Tomato Products	B) Using it with Japan made cheese part of agreement	Tariff 0% Tariff rate quota system with "Partly Domestic" requirement applied	Tariff 0% (Tariff rate quota system with "Partly Domestic" requirement applied, keeping the current system) * Tariff rate quota system with "Partly Domestic" requirement indicates a tariff quota system on condition of mixing Japan-made cheese with imported cheese into process cheese products	32%	14%	8,607.1 t
	Pureed Tomato・ Paste	16.0%	Tariff reduction in stages after effective date, and "elimination" at 6 th year	48%	15%	5,577.5 t
	Tomato Juice	17.0%~21.3%	Tariff reduction in stages after effective date, and "elimination" at 6 th year	11%	0%	0.0 t
	Ketchup・Tomato Sauce	21.3%~29.8%	Tariff reduction in stages after effective date, and "elimination" at 11 th year	37%	1%	34.2t
	Modified tomato	9.0%~13.4%	Tariff reduction in stages after effective date, and "elimination" at 6 th year	42%	73%	4,485.9 t

※1) Listed in decreasing order of Italian import by category (Units used for wine is kl).

※2) Share and amount imported from 2016 (Jan~Dec)

※3) Imports for cheese (3 types) have overlapping HS code, so figures may be counted twice.

Major Food Products Imported From Italy (2015 Research Results)

Tariff of imported food products from Italy (Current, and after EPA in effect), Imports overview list

Category	Type	Current System (Tariff rate)	After EPA in effect	EU share (overall comparison)	Italy Share (Compared to rest of EU)	Italian import
Salumi	Modified pork products (ham, bacon, etc. that are under gate price system)	Gate Price System	1) Gradual reduction of tax rate (Gate Price System) First year at ▲50%, then gradual yearly reduction, "elimination" at 11 th year 2) Safeguard	46%	80%	3,298.2 t
Chocolate	Chocolate snacks	10.0%	Tariff reduction in stages after effective date, and "elimination" at 11 th year	43%	21%	2,336.2 t
Biscuits	Sweet biscuit	20.4%	Tariff reduction in stages after effective date, and "elimination" at 11 th year	93%	66%	6.7 t
	Biscuit, cookies, crackers (sweetened)	15.0%	Tariff reduction in stages after effective date, and "elimination" at 6 th year	29%	8%	324.4 t
Cooking oil	Biscuit, cookies, crackers(sugar-free)	13.0%	Tariff reduction in stages after effective date, and "elimination" at 6 th year	26%	75%	842.9 t
	Soybean oil	Crude: 10.9 yen/kg Refined: 13.2 yen/kg	Tariff reduction in stages after effective date, and "elimination" at 6 th year	0%	15%	2.2 t
	Rapeseed oil	Crude: 10.9 yen/kg Refined: 13.2 yen/kg	Tariff reduction in stages after effective date, and "elimination" at 6 th year	2%	1%	1.5 t
	Rice oil	Crude: 8.5 yen/kg Refined: 10.4 yen/kg	Tariff reduction in stages after effective date, and "elimination" at 11 th year	0%	100%	25.7 t

※1) Listed in decreasing order of Italian Import by category (Units used for wine is kt).

※2) Share and amount imported from 2016 (Jan~Dec)

※3) Imports for cheese (3 types) have overlapping HS code, so figures may be counted twice.

Import Food Products From Italy of Possible Expansion after EPA (1)

《Macaroni/Spaghetti and Pasta (contains eggs)》

- Average import price of macaroni, spaghetti, and pasta (contains eggs) imported into Japan from Italy in 2016 was 141.9yen/kg*¹ (Derived from Trade Statistics of Japan). Its current tariff is 30.0yen/kg, the average import price including the tariff is 171.9yen/kg. Therefore, more benefits expected from the current tariff being about 20% of the import value, which will be reduced in stages until "elimination" after EPA is effective.

- Total supply volume of macaroni, spaghetti, and pasta (contains eggs) in Japan in 2016 was 278,295t*² (Japan-Pasta Association). Of this, the import from Italy accounted for 24.5%, and the import share from Italy of total imports was 46.9%.

- Because macaroni, spaghetti, and pasta (contains eggs) imports from Italy account for 1/4 of Japanese demands, and close to 1/2 of Japanese imports, this amount is thought to increase after the tariff reduced in stages and eliminated once EPA is effective.

※1) Relevant HS Code: 1902.19.093, 1902.19.094, 1902.11.000 ※2) Derived from adding import volume and subtracting export volume to domestic production volume.

《Wine》

- Regardless of import prices, tariffs for wine are currently 67~125yen/ℓ(15% or 125yen/ℓ, whichever is cheaper and minimum 67 yen/ℓof tariff). Therefore, there are more benefits from tariff elimination through cheaper table wine than expensive wine.

- Average import prices of bottled wine imported*³ into Japan from Italy in 2016 was 484.7yen/ℓ(Derived from Trade Statistics of Japan). For example, for an average import price of wine at 485yen/ℓ, the current tariff is 72.8yen/ℓ.

- Therefore, Italy made wine demands, mainly those of cheaper table wines, may grow in Japan.

※3) Relevant HS Code: 2204.21.020

(Note) Because prices are set depending on company's marketing strategies, the tariff reduction may not directly reflect onto retail prices.

Import Food Products From Italy of Possible Expansion after EPA (2)

《Cheese》

- Current cheese tariffs are 22.4%~40.0% of import prices. Therefore, there will be larger benefits from expensive cheese as the tariff to be reduced in stages and “eliminated” once the EPA is effective.
- Average import price of cheese imported from Italy to Japan in 2016 ※4 was 895.8yen/kg (Derived from Trade Statistics of Japan). The average price for all cheese imported into Japan in the same year was 420.0yen/kg, and imported cheese from the EU was 470.4yen/kg.
- Unit import price of cheese from Italy are higher amongst other import products, so benefits from tariff rate to be reduced (to elimination) are large.
- Therefore, it can be assumed that Import cheese from Italy may strengthen its price competitive power.

※4) Relevant HS Code: 0406.10.020, 0406.10.090, 0406.20.100, 0406.20.200, 0406.30.000, 0406.40.090, 0406.90.090

Note) Because prices are set depending on company's marketing strategies, the tariff reduction may not directly reflect onto retail prices.

Macaroni/Spaghetti and Pasta (contains eggs)

Although tariffs for macaroni, spaghetti, and other pastas (contains eggs) will be eliminated, an elimination period has in put in place.

Current after EPA in effect tariffs

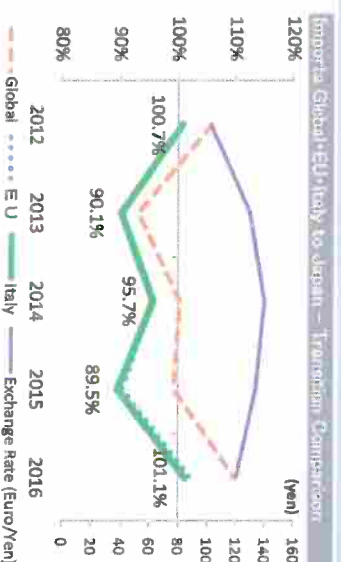
Type	HS Code	Current System (Tariff rate)	After in effect
Macaroni · Spaghetti	1902.19.093 1902.19.094	30.0yen/kg	→ Tariff reduced in stages and "eliminated" at 11 th year
Pasta (contains eggs)	1902.11.000	30.0yen/kg	→ Tariff reduced in stages and "eliminated" at 9 th year

Imports

Type: Macaroni·Spaghetti

Imports from Italy to Japan - Transition		
Year	Imports	Year-to-Year
2012	86,970.9 t	100.7%
2013	79,360.6 t	90.1%
2014	74,983.6 t	95.7%
2015	67,086.1 t	89.5%
2016	67,849.1 t	101.1%

HS Code
1902.19.093
1902.19.094



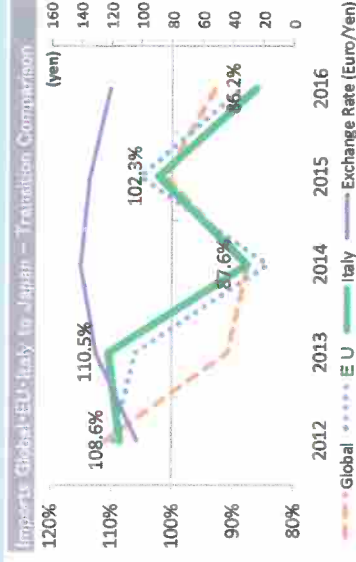
Macaroni/Spaghetti, and Pasta (contain eggs)

Imports

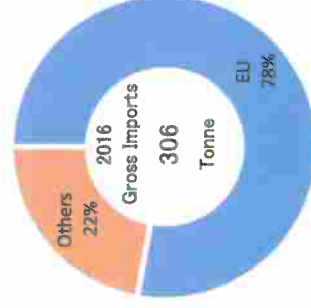
Type: Pasta (contains eggs)

Year	Import	Year-to-year
2012	251.9 t	108.6%
2013	278.4 t	110.5%
2014	244.0 t	87.6%
2015	249.8 t	102.3%
2016	215.0 t	86.2%

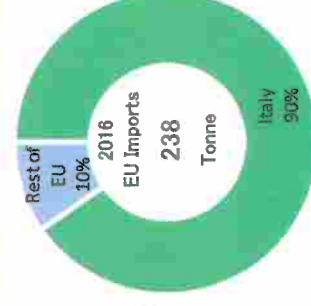
HS Code
1902.11.000



EU's Share of Total Imports to Japan



Italy's Share Within the EU

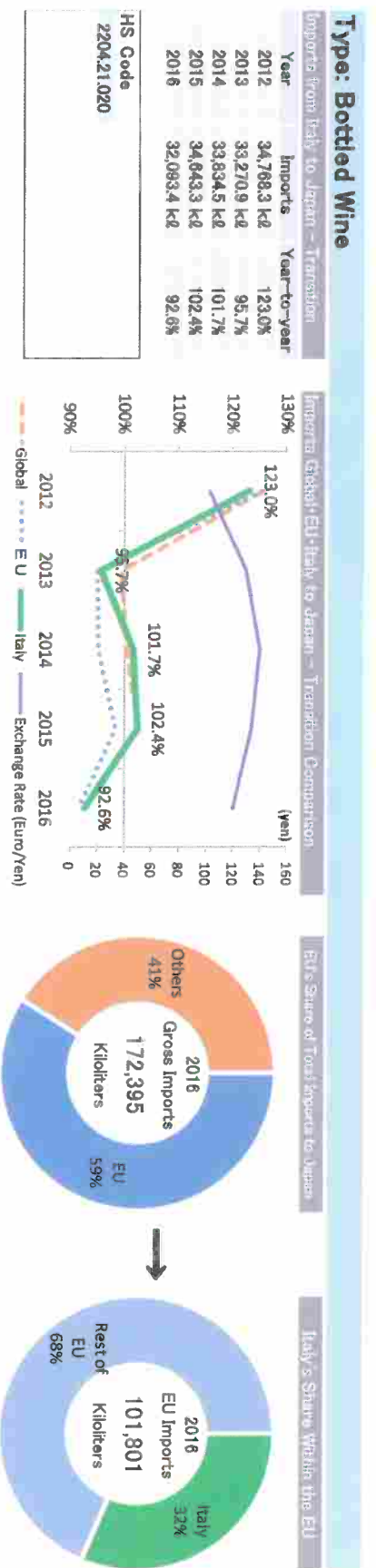


Wine: tariff for wine will be immediately eliminated

Current tariff rate and after EPA tariff rates.

Type	HS code	Current System (Tariff Rate)	After EPA
Bottled Wine	2204.21.020	15%, or 125yen/l (Whichever is cheaper) However, if that tariff is below 67yen/l, then the tariff 67yen/l (minimum borderline)	Immediately eliminated
Sparkling Wine	2204.10.000	182yen/l	Immediately eliminated

Imports



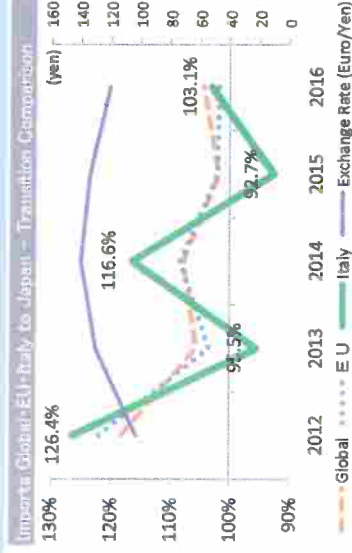
Wine

Imports

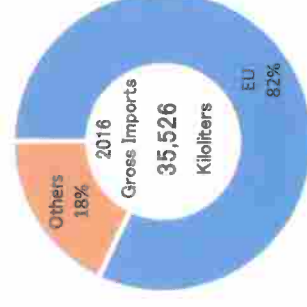
Type: Sparkling Wine

Year	Imports	Year-to-year
2012	6,357.2 kℓ	126.4%
2013	6,068.2 kℓ	95.5%
2014	7,073.8 kℓ	116.6%
2015	6,555.6 kℓ	92.7%
2016	6,755.7 kℓ	103.1%

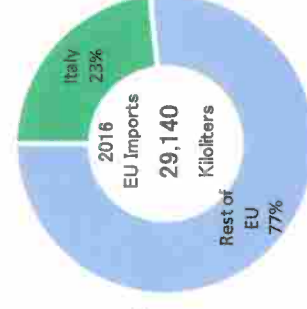
HS Code	2204.10.000
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EU's Share of Total Imports to Japan



Italy's Share Within the EU



Cheese

- For “Soft type” cheese, tariff rate quota system is applied.
- For “Hard type” cheese, although tariff will be eliminated, elimination period will be set
- For processed cheese tariff rate quota system with “Partly Domestic” requirement maintained to be applied

Current Tariff Rate and after EPA Tariff Rate

Type	HS code	Current System	After EPA
A) Using Japan-made cheese is not required 1) Soft type	0406.10.020 0406.30.000 0406.10.090 0406.40.090 0406.20.100 0406.90.090	Tariff Rate 22.4%~40.0% * Tariff Rate differs depending on cheese type. * Current system: No differentiation between 1) Soft type and 2) Hard type.	→ Separated to Soft type and Hard type * “Tariff Rate Quota” applied: * Within quota, tariff is reduced in phases after effective date, “eliminated” at 16 th year * Outside quota, current tariff rate is applied Tariff is reduced in phases after effective date, and “eliminated” at 16 th year
A) Using Japan-made cheese is not required 2) Hard type	0406.10.090 0406.90.090 0406.20.200	Tariff Rate 0% Tariff Rate Quota System with “Partly Domestic” requirement applied	→ Tariff Rate 0% (Keep the current system) Tariff Rate Quota System with “Partly Domestic” requirement applied
B) Using Japan-made cheese is required	0406.10.090 0406.40.090 0406.90.090	Tariff Rate 0% Tariff Rate Quota System with “Partly Domestic” requirement applied	→ Tariff Rate 0% (Keep the current system) Tariff Rate Quota System with “Partly Domestic” requirement applied

Tariff Rate Quota and Tariff Rate Quota System with “Partly Domestic” requirement:

- “Tariff Rate Quota” determines the quantity quota. The first year was at 20,000t. The 16th year at 31,000t.

After the 17th year will depend on consumption trends within Japan.

- The tariff rate of the quota above will be lowered in phases, eliminated at the 16th year.
- Current tariff rates apply for those outside the quota.
- “Tariff Rate Quota System with “Partly Domestic” requirement indicates a tariff quota system on condition of mixing Japan-made products with imported products.
- For processed cheese, it should be made with a ratio of domestic cheese: imported cheese = 1:2.5

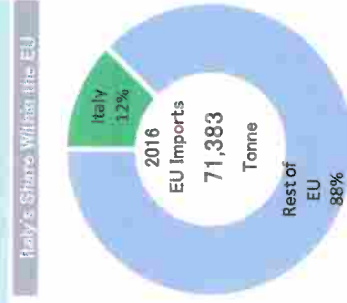
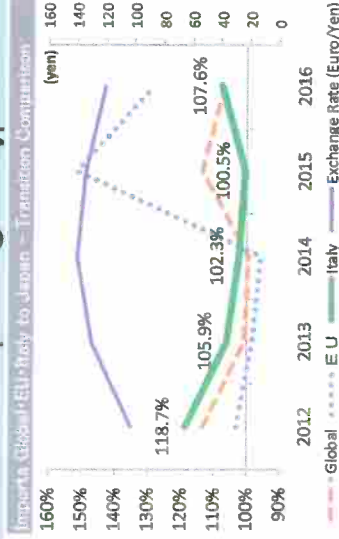
Cheese

Imports

Type: A) Using Japan-made Cheese Not Required ①Soft type

Year	Imports	Year-to-year
2012	7,412.8 t	118.7%
2013	7,850.8 t	105.9%
2014	8,032.7 t	102.3%
2015	8,069.9 t	100.5%
2016	8,684.2 t	107.8%

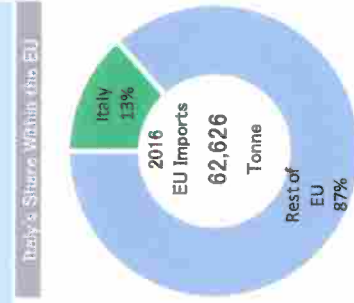
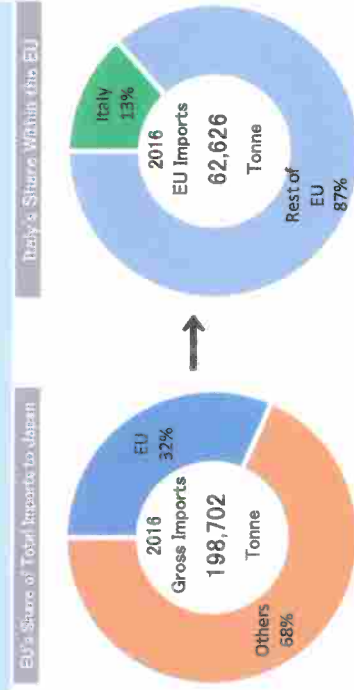
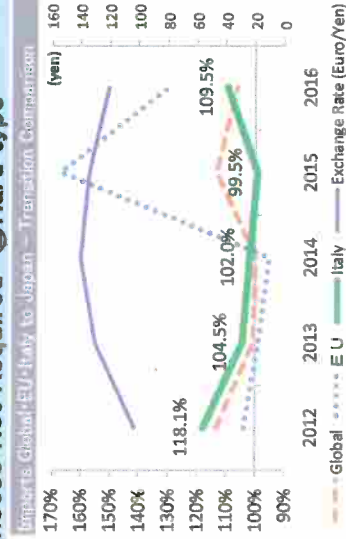
HS Code	Imports
0406.10.020	0406.40.090
0406.10.090	0406.90.090
0406.20.100	
0406.30.000	



Type: A) Using Japan-made Cheese Not Required ②Hard type

Year	Imports	Year-to-year
2012	7,228.3 t	118.1%
2013	7,556.8 t	104.5%
2014	7,705.7 t	102.0%
2015	7,665.2 t	99.5%
2016	8,390.5 t	109.5%

HS Code	Imports
0408.10.090	
0408.90.090	
0406.20.200	



Cheese

Imports

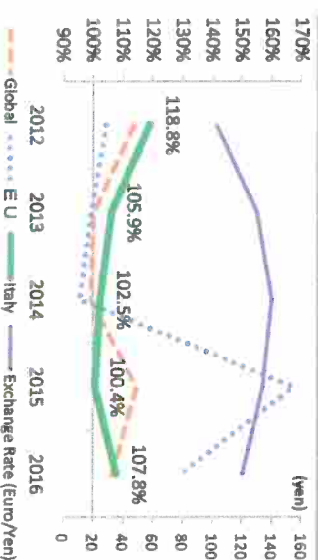
Type: B) Using Japan-made Cheese Required

Imports from Italy to Japan - Transition

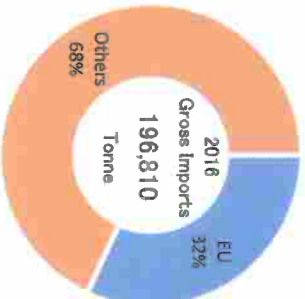
Year	Imports	Year-to-year
2012	7,331.2 t	118.8%
2013	7,763.8 t	105.9%
2014	7,955.4 t	102.5%
2015	7,985.0 t	100.4%
2016	8,607.1 t	107.8%

HS Code
0406.10.090
0406.40.090
0406.90.090

Imports Global/EU-Italy to Japan - Transition Comparison



EU's Share of Total Imports to Japan



Italy's Share Within the EU



Processed Tomato Products

For processed tomato products, although tariff will be eliminated, elimination period will be set.

Current Tariff Rate and after EPA Tariff Rate

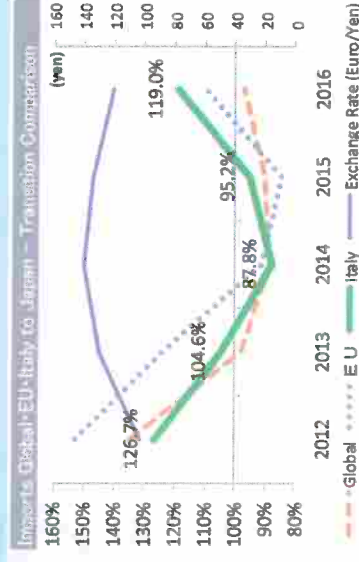
Type	HS code	Current System (Tariff Rate)	After EPA
Pureed Tomato • Paste	2002.90.219	16.0%	Tariff reduced in stages and “eliminated” at 6 th year
	2002.90.229		
Tomato Juice	2009.50.100	Tomato Juice (Sweetened): 29.8%	Tariff reduced in stages and “eliminated” at 6 th year
	2009.50.200	Tomato Juice (Unsweetened): 21.3%	
Ketchup • Tomato Sauce	2103.20.010	Ketchup: 21.3%	Tariff reduced in stages and “eliminated” at 11 th year
	2103.20.090	Tomato Sauce: 17.0%	
Modified Tomato	2002.90.290	9.0% ~ 13.4%	Tariff reduced in stages and “eliminated” at 6 th year
	2003.10.211		

Imports

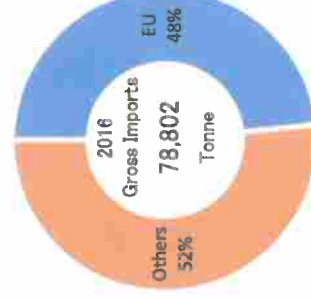
Type: Pureed Tomato • Paste

Year	Imports	Year-to-year
2012	5,364.4 t	126.7%
2013	5,609.5 t	104.5%
2014	4,923.1 t	87.8%
2015	4,686.1 t	95.2%
2016	5,577.5 t	119.0%

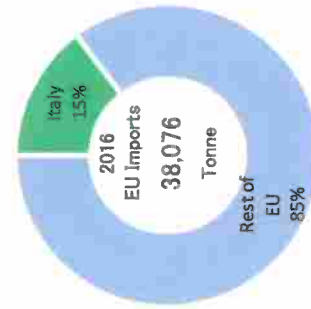
HS Code
2002.90.219
2002.90.229



EU's Share of Total Imports to Japan



Italy's Share Within the EU



Processed Tomato Products

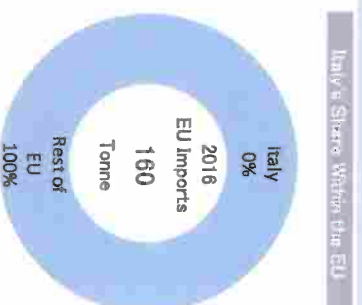
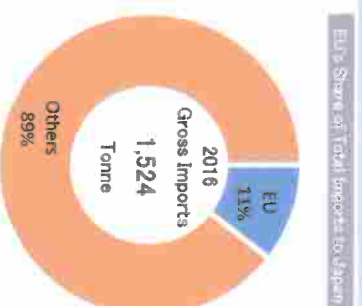
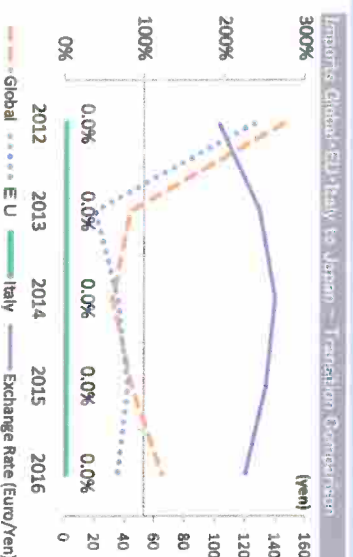
Imports

Type: Tomato Juice

Imports from Italy to Japan - Transition			
Year	Imports	Year-to-year	
2012	0.0 t	—	
2013	0.0 t	—	
2014	0.0 t	—	
2015	0.0 t	—	
2016	0.0 t	—	

Kilo imports of tomato juice from Italy

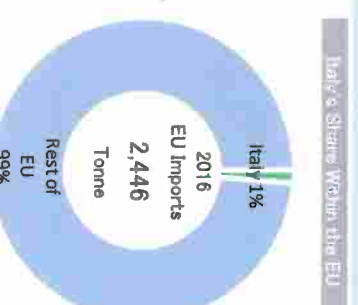
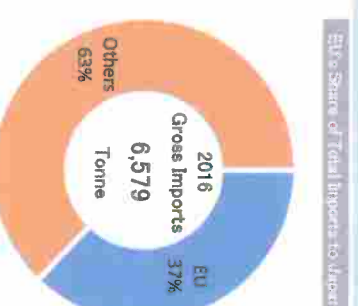
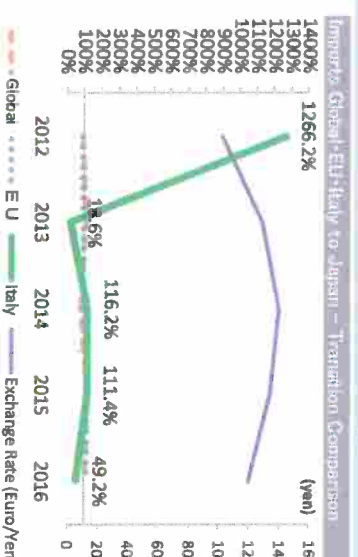
HS Code
2009.50.100
2009.50.200



Type: Ketchup • Tomato Sauce

Imports from Italy to Japan - Transition			
Year	Imports	Year-to-year	
2012	288.3 t	1266.2%	
2013	53.6 t	18.8%	
2014	62.3 t	116.2%	
2015	88.5 t	111.4%	
2016	34.2 t	49.2%	

HS Code
2103.20.010
2103.20.090



Processed Tomato Products

Imports

Type: Processed Tomato Products

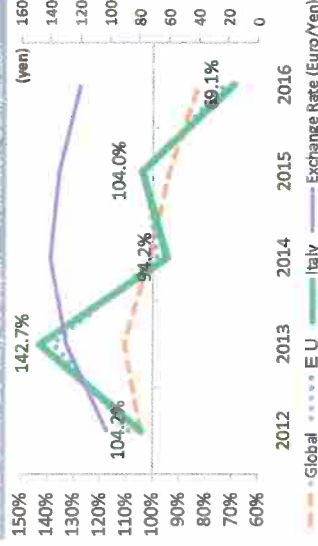
Imports from Italy to Japan - Transition

Year	Imports	Year-to-year
2012	4,640.5 t	104.2%
2013	6,822.3 t	142.7%
2014	6,241.5 t	94.2%
2015	6,493.4 t	104.0%
2016	4,485.9 t	69.1%

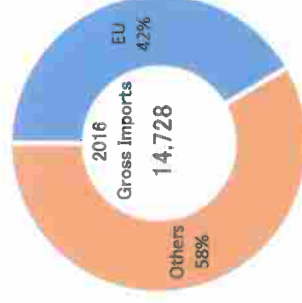
HS Code

2002.90.290
2003.10.211

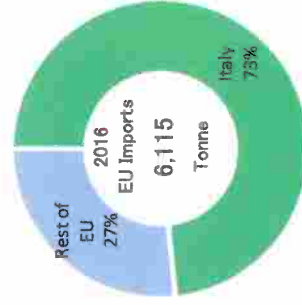
Imports Global+EU+Italy to Japan - Transition Comparison



EU's Share of Total Imports to Japan



Italy's Share Within the EU



Salumi

Salami under the current system refers to gate price ham, bacon, and other processed pork products. After EPA is in effect, tariff rates will be reduced in stages, eliminated at the 11th year. However, if there's a sudden increase in imports, a safe guard system of raising the tariff to pre-EPA of 45%~85% is set.

Current Tariff Rate and after EPA Tariff Rate

Type	Relevant HS code	Current System (Tariff Rate)
Processed Pork Products (Ham, Bacon, and other Gate Price products)	0210.11.010	1602.41.011
	0210.11.020	1602.41.019
	0210.12.010	1602.42.011
	0210.12.020	1602.42.019
	0210.19.010	1602.49.210
	0210.19.020	1602.49.210
	0210.99.011	1602.49.220
	0210.99.019	

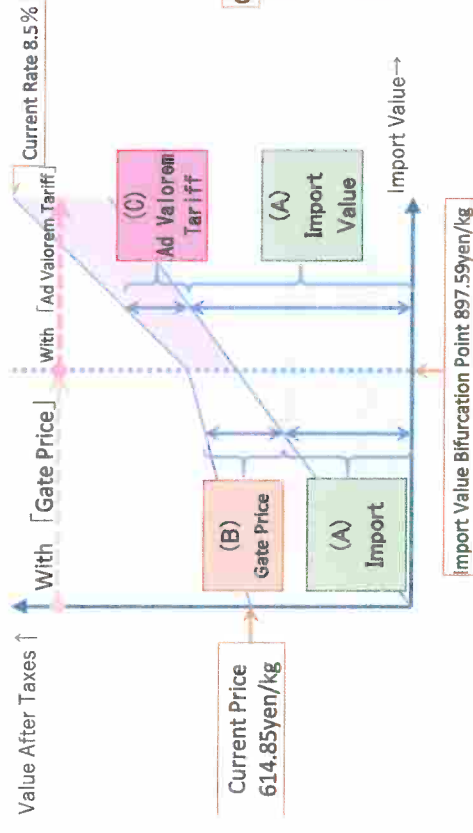
- Gate Price
Gradual reduction of tax rate
First year at▲50%, then gradual yearly reduction, "elimination" at 11th year
【Refer to information on following pages "Figure 2 Gate Price"】
- Safe guard
If there is a sudden rise in imports, safe guard is imposed to protect Japanese producers
【Refer to information on following pages "2) Safe guard (after EPA)"]

【Tariff Classification関税適用区分】

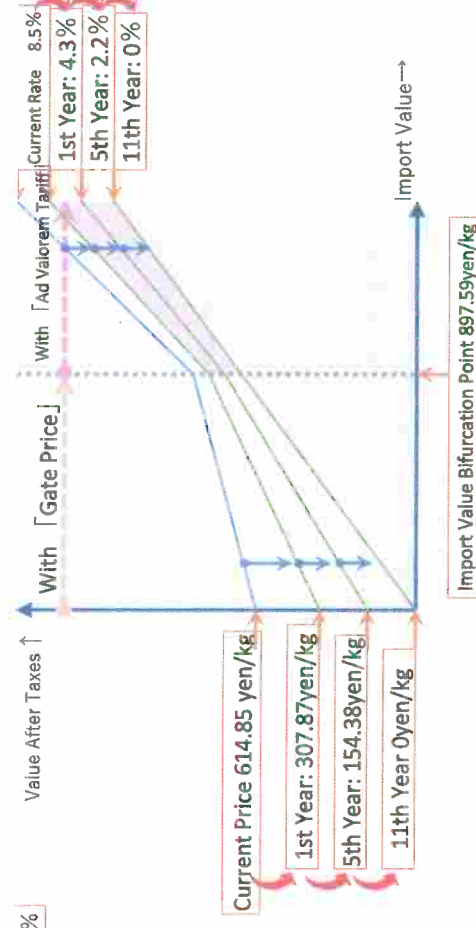
Current			
Without Safe Guard		Imports Under Safe Guard Reference Value	
Import Value ↓ Import Value ↑ Bifurcation point 897.59yen/kg	↓ Import Value ↑ Below bifurcation point	↓ Ad Valorem Tariff applied	↓ Gradual decrease of Tariff, eliminated during the 11th year
↓ [Gate Price] applied		↓ Gradual decreases of [Gate Price], eliminated during the 11th year	
(Refer to Fig. 1)		↓ (Refer to Fig. 2)	
After EPA		After EPA	
Imports Above Safe Guard Reference Value		Imports Above Safe Guard Reference Value	
If total imports from April to March of the following year exceeds Safe Guard Reference Value, additional tax rates apply for the surplus amount		Tariff rates set based on current Ad Valorem Tariff	
↓ (Refer to Fig. 3)		Tariff rates set based on current Gate Price	
		↓ (Refer to Chart 1-2)	

■ Gate Price System and Ad Valorem Tariff

【Figure 1: Gate Price System(Present)】



【Figure 2: Gate Price System(After in effect)】



【"Gate Price System" and "Ad Valorem Tariff" Equations】

	(B) Gate Price System If the import value is below the bifurcation point (897.95yen/kg)	(C) Ad Valorem Tariff If the import value is above the bifurcation point (897.59yen/kg)
Current	614.85-0.6 × (A) Import value	(A) Import value × 8.5%
1st - 4 th year (up to)	307.87-0.3 × (A) Import value	(A) Import value × 4.3%
5 th - 10 th year (up to)	154.38-0.15 × (A) Import value	(A) Import value × 2.2%

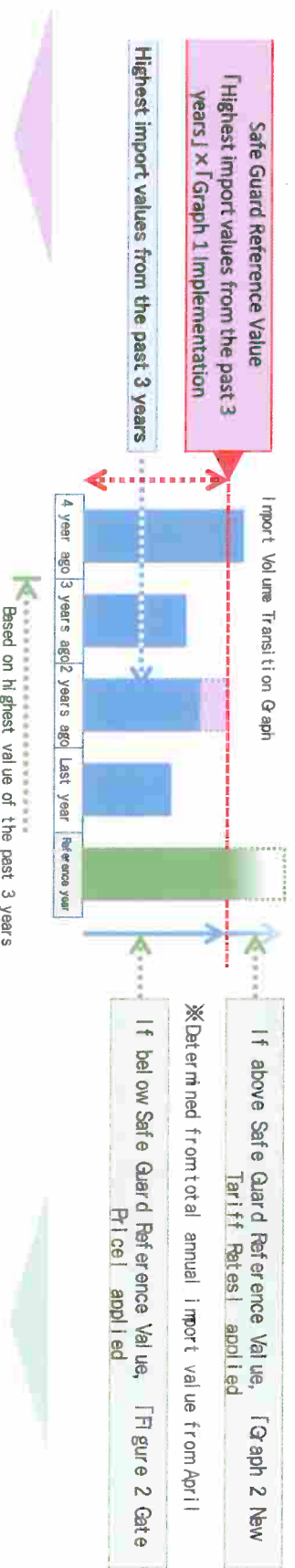
Example) If import value is 800yen/kg during 1st year after date of effect: Value after tariff=867.87yen/kg
 (=307.87-0.3x800+800 Gate Price applied)

If import value is 1,000yen/kg during 5th year after date of effect: Value after tariff=1,022yen/kg
 (=1,000x2.2% Ad Valorem Tariff applied)

■ Safe Guard Reference Value and rates after date of effect

- Once in effect, "Fig. 2 Gate Price System" is applied. However, Safe Guard is also set.
- Safe Guard applied only when the highest import value of the past years exceeds the reference value (Graph 1).
- If above Safe Guard reference value, corresponding tariff rates for surplus imports applied (Chart 2).
- Safe Guard period for the said year applies until the end of the fiscal year (March). From April, "Fig. 2 Gate Price System" is applied again.

【Figure 3 Import Volume Transition and Safe Guard Reference Value】



【Chart 1 Before Safe Guard System】

1st~2nd year	3rd~6th year	7th~11th year
115%	118%	121%

【Chart 2: After Safe Guard System】

1st ~ 4th year	5th ~ 9th year	10th ~ 11th year
85% of before EPA in effect	60% of before EPA in effect	45% of before EPA in effect

Examples:

If import volume 2 years ago (3rd year after date effective) was 100,000t (Fig. 3):

Safe Guard Reference Value for year in reference=118,000t (=100,000t x 118%).

For import volumes of reference year of up to 118,000t, (B) Gate Price (or if above import value bifurcation point (897.59yen/kg), (C) Ad Valorem Tariff) is applied.

If import volume for reference year is above 118,000t, tax rate of 85% of before date effective (previous page "1) -a gate price" is applied for the surplus imports.

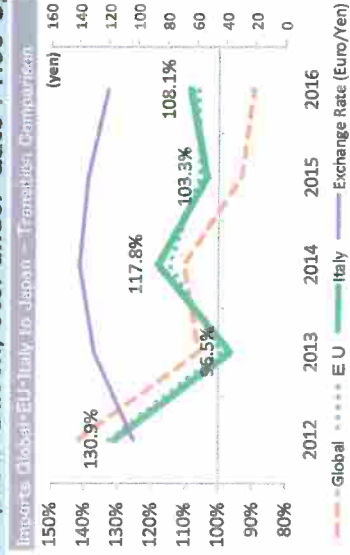
Salumi

Imports

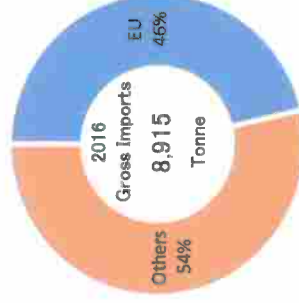
Type: Processed Pork Products (Ham·Bacon, etc. under Gate Price System)

Imports from Italy to Japan - Transition		
Year	Imports	Year-to-year
2012	2,588.2 t	130.9%
2013	2,508.0 t	96.5%
2014	2,953.6 t	117.8%
2015	3,052.0 t	103.3%
2016	3,298.2 t	108.1%

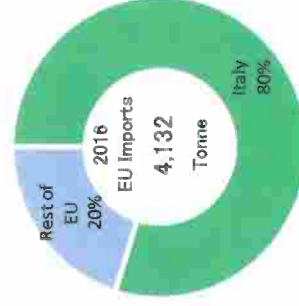
HS Code	2010.11.010	0210.19.020	1602.42.011
0210.11.020	0210.99.011	1602.42.019	
0210.12.010	0210.99.019	1602.49.210	
0210.12.020	1602.41.011	1602.49.220	
0210.19.010	1602.41.019		



EU's Share of Total Imports to Japan



Italy's Share Within the EU



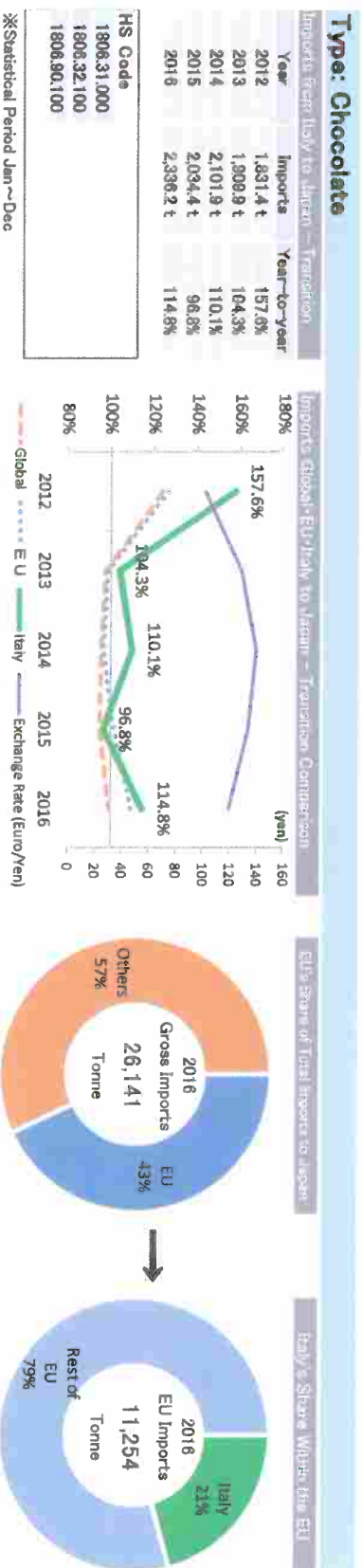
Chocolate

Although tariffs will be eliminated, an elimination period will be set.

Current Tariff Rates and after EPA Tariff Rates

Type	HS code	Current System (Tariff Rates)	After EPA
Chocolate confectionery	1806.31.000	10.0%	Tariff reduced in stages and "eliminated" at 11 th year
	1806.32.100		
	1806.90.100		

Imports



Biscuit

Although tariffs will be eliminated, an elimination period will be set.

Current Tariff Rates and after EPA Tariff Rates

Type	HS code	Current System (Tariff Rates)	After EPA
Sweet Biscuit	1905.31.000	20.4%	Tariff reduced in stages and "eliminated" at 11 th year
Biscuit, cookies, crackers (sweetened)	1905.90.312	15.0%	Tariff reduced in stages and "eliminated" at 6 th year
Biscuit, cookies, crackers (unsweetened)	1905.90.322	13.0%	Tariff reduced in stages and "eliminated" at 6 th year

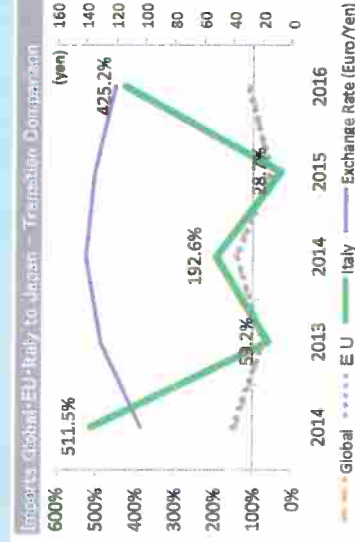
Imports

Type: Sweet Biscuits

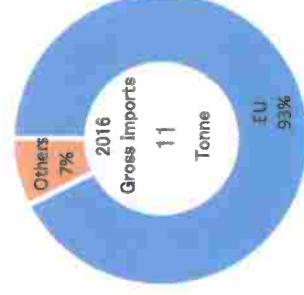
Year	Imports	Year-to-year
2014	4.8 t	511.5%
2013	2.8 t	58.2%
2014	5.5 t	192.6%
2015	1.8 t	28.7%
2016	6.7 t	425.2%

HS Code	1905.31.000
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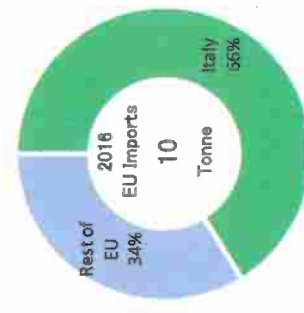
※Statistical Period Jan~Dec



EU's Share of Total Imports to Japan



Italy's Share Within the EU



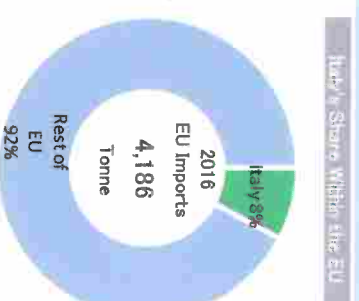
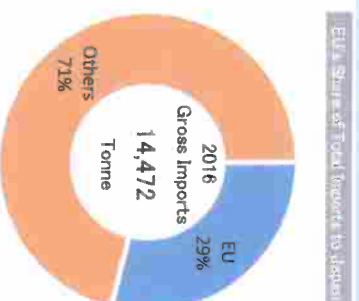
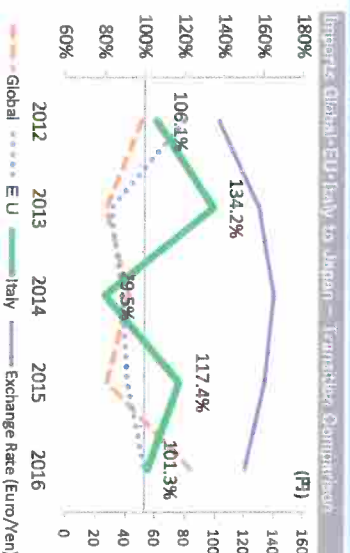
Biscuit

Imports

Type: Biscuits, Cookies, Crackers (Sweetened)

Imports From Italy to Japan - Transition			
Year	Imports	Year-to-Year	
2012	255.6 t	106.1%	
2013	342.9 t	134.2%	
2014	272.6 t	78.5%	
2015	320.2 t	117.4%	
2016	324.4 t	101.3%	

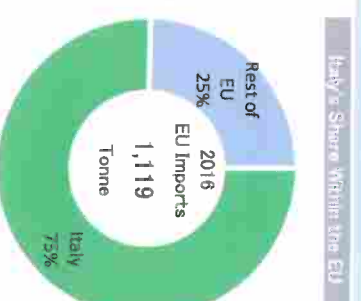
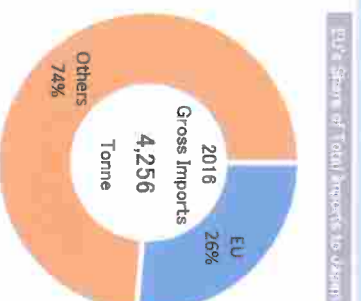
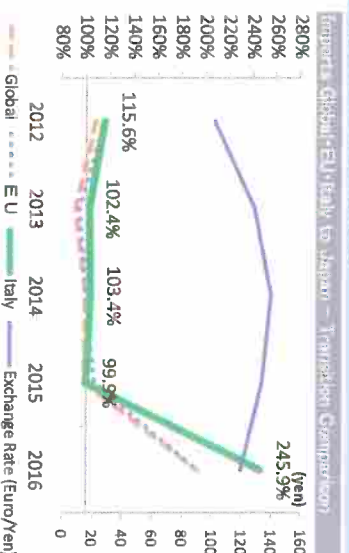
HS Code
1905.90.312



Type: Biscuits, Cookies, Crackers (Unsweetened)

Imports From Italy to Japan - Transition			
Year	Imports	Year-to-Year	
2012	323.8 t	115.6%	
2013	331.6 t	102.4%	
2014	343.0 t	103.4%	
2015	342.8 t	99.9%	
2016	842.9 t	245.9%	

HS Code
1905.90.322



Cooking Oil

Although tariffs will be eliminated, an elimination period will be set.

Current Tariff Rates and after EPA Tariff Rates

Type	HS code	Current System (Tariff Rates)	After EPA
Soybean Oil	1507.10.100	Crude: 10.9yen/kg	Tariff reduced in stages and "eliminated" at 6 th year
	1507.90.000	Refined: 13.2yen/kg	
Rapeseed Oil	1514.11.100	Crude: 10.9yen/kg	Tariff reduced in stages and "eliminated" at 6 th year
	1514.19.000	Refined: 13.2yen/kg	
Rice Oil	1515.90.410	Crude: 8.5yen/kg	Tariff reduced in stages and "eliminated" at 11 th year
	1515.90.420	Refined: 10.4yen/kg	

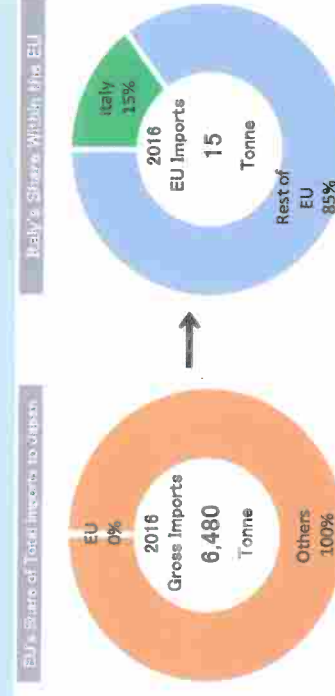
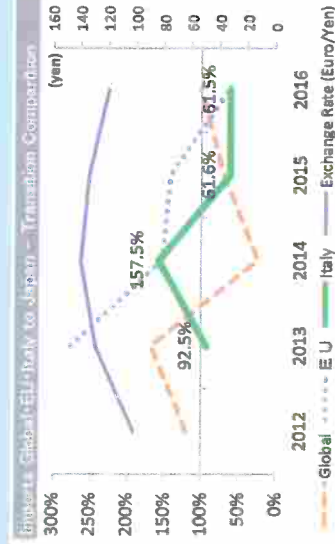
Imports

Type: Soybean Oil

Year	Imports	Year-to-year
2012	4.0 t	—
2013	3.7 t	92.5%
2014	5.8 t	157.5%
2015	3.8 t	61.6%
2016	2.2 t	61.5%

※Import in 2011 was 0t

HS Code	
1507.10.100	
1507.10.200	
1507.90.000	



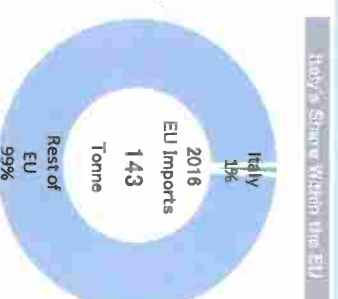
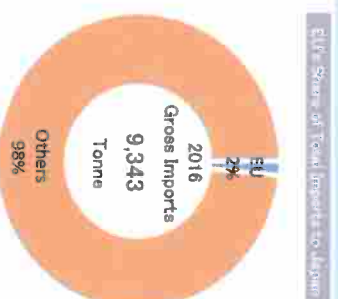
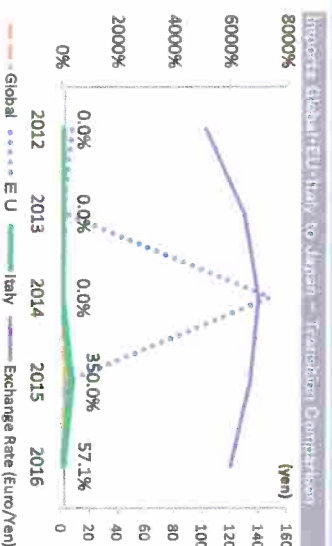
Cooking Oil

Imports

Type: Rapeseed Oil

Imports From Italy to Japan - Transition			
Year	Imports	Year-to-Year	
2012	0.0 t	—	
2013	0.0 t	—	
2014	0.8 t	—	
2015	2.7 t	350.0%	
2016	1.5 t	57.1%	

HS Code
1514.11.100
1514.11.200
1514.19.000



Type: Rice Oil

Imports From Italy to Japan - Transition			
Year	Imports	Year-to-Year	
2012	3.3 t	63.4%	
2013	4.5 t	137.3%	
2014	7.0 t	156.8%	
2015	23.5 t	335.0%	
2016	25.7 t	109.7%	

HS Code
1515.90.410
1515.90.420

