

From: [REDACTED] (TRADE)

[Art. 4.1(b)]

 Ref. Ares(2017)4031279 - 14/08/2017

Sent: 2 May 2017 11:19

To: [REDACTED] (TRADE)

Subject: W: WTO violations under Japan's Tobacco Excise Tax Law and Tobacco Business Law

Attachments: 013\_11\_05 WTO EU Japan\_BAT Letter to Commissioner Karel De Gucht.pdf; Various Requirements Under Japans Tobacco Business Law Are Inconsistent With Japans WTO Obligations.pdf

From: HANNONEN Marjut (CAB-DE GUCHT)

Sent: Tuesday, November 26, 2013 9:05 AM

To: [REDACTED] (TRADE); [REDACTED] (TRADE); [REDACTED] (TRADE); [REDACTED] (TRADE)

Cc: [REDACTED] (TRADE); [REDACTED] (TRADE)

Subject: FW: WTO violations under Japan's Tobacco Excise Tax Law and Tobacco Business Law

FYI, I have not been in direct contact with him.

Regards,

Marjut

From: [REDACTED]@bat.com]

Sent: Monday, November 18, 2013 10:03 AM

To: HANNONEN Marjut (CAB-DE GUCHT)

Cc: [REDACTED]@bat.com

Subject: WTO violations under Japan's Tobacco Excise Tax Law and Tobacco Business Law

Dear Ms. Hannonen,

I write with reference to my letter dated 5 November 2013 to Commissioner De Gucht concerning the inconsistency between important aspects of Japan's tax and business regulatory environment for tobacco products and the WTO Agreements.

As indicated to Commissioner De Gucht and as detailed in the attached paper that was sent to your colleagues, Messrs. [REDACTED], British American Tobacco is concerned by Japan's excise tax regime, domestic leaf purchase obligation and retail price approval system. These measures, which are imposed under Japan's Tobacco Excise Tax Law and Tobacco Business Law, ensure unwarranted protection to Japan Tobacco, the sole domestic producer of tobacco products, at the expense of Union producers. With over €2 billion of exports in 2012, the EU is the largest exporter of tobacco products to Japan but Japan Tobacco continues to control over 60% of the market.

The concerns of the Union industry should be raised with Japan during the Tokyo Summit as the EU and Japan are negotiating an ambitious free trade agreement. Before additional market access concessions can be envisaged, Japan should remove all existing non-tariff barriers that violate its obligations under the WTO Agreements and limit access to the profitable Japanese market for EU goods.

I remain at your disposal should you require any additional information concerning this important matter before the Tokyo Summit.

Yours sincerely,

[REDACTED]  
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----- Forwarded by [REDACTED] BATCo on 18/11/2013 10:00 -----

From: [REDACTED]/BATCo  
To: Karel.DE-GUCHT@ec.europa.eu [Art. 4.1(b)]  
Cc: jean-luc.demarty@ec.europa.eu, joao-luis.aguiar-machado@ec.europa.eu, peter.balas@ec.europa.eu, mauro.petriccione@ec.europa.eu, Ditte.JUUL-JOERGENSEN@ec.europa.eu, [REDACTED]  
[REDACTED]  
[REDACTED]@BAT

Date: 05/11/2013 17:40  
Subject: WTO violations under Japan's Tobacco Excise Tax Law and Tobacco Business Law (Letter via e-mail in advance)

Dear Commissioner.

In advance of regular postal service please allow us (British American Tobacco) to e-mail you a letter on "WTO violations under Japan's Tobacco Excise Tax Law and Tobacco Business Law" and an additional annex to the letter attached.

BAT has brought to the attention of the Commission services the absence of consistency of Japan's Tobacco Excise Tax Law and Tobacco Business Law with Japan's obligations under the WTO Agreements and the limits that the measures in force impose on the Union industry in seeking to introduce new brands and revise price levels on the Japanese market.

BAT would welcome a meeting with your Cabinet to present in more detail the restrictions it faces in Japan. We look forward to hearing from you and have attached the detailed paper which has also been shared with the Commission services

Yours sincerely,

[REDACTED]  
[REDACTED]  
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