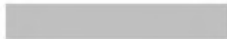




EUROPEAN UNION
Delegation to Japan



Art. 4.1(b)

Tokyo, 13 September 2017

DELJPN (2017)

EU COMMERCIAL COUNSELLORS' MEETING

WEDNESDAY, 13 SEPTEMBER 2017, 10.00-12.00, EUROPA HOUSE

Out of scope



2. EPA - Update on the forthcoming steps

DEL referred to the May 16th decision of the Court of Justice of the European Union regarding the FTA signed between the EU and Singapore. The Court decision stipulates that the provisions of the agreement relating to non-direct foreign investment and those relating to dispute settlement between investors and States do not fall within the exclusive competence of the EU – hence is a shared competence between the EU and the Member States. This implies that the EU-Singapore FTA cannot, as it stands, be concluded without the participation of the Member States. President Juncker will take stock of these developments in his "State of the Union" speech later today. In the context of the speech, a comprehensive trade package will also be published, including the mid-term report of the "Trade for All" communication.

Regarding the EU-Japan EPA, a "political" agreement in principle was reached in July, encompassing key EU offensive issues (agriculture, market access, etc.) and the key issue of cars on Japan side. Nevertheless, not all issues have been solved, and both sides hope to be able to conclude the areas that still need discussion by the end of the year. To this end, there will be a Chief Negotiators meeting in Tokyo the week of October 9 – along with meetings of the relevant working groups - while a subsequent meeting is tentatively scheduled for mid-November in Brussels. Overall, the process looks rather promising. Once an agreement is reached, it normally takes about two years for the entire process to be completed, which entails translation in 24 languages, legal scrubbing, signature by the Council and consent of the European Parliament. For the EU-Japan EPA, these steps are run in parallel so as to speed up the process, with the legal scrubbing and translation work already underway for the completed chapters.

Art. 4.1(b)

Once the negotiations have been concluded, we will start already working on implementation of the agreement, even before the ratification process is over and the agreement actually enters into force. Member states play a very important role in the implementation of the Agreements. The EU has started to pay much more attention to effective implementation of its FTAs. Many EU FTAs are either close to entry into force (Canada in September, Vietnam and Singapore within one year) or making good progress (Mexico, Philippines, Mercosur, starting with Australia/New Zealand) and it is important to be able to demonstrate that these FTAs work well and deliver negotiated benefits to EU operators.

FTA implementation has been discussed with MS in Brussels several times at TPC this year, and also with Trade Ministers in May. In this meeting Ministers acknowledged the importance of the joint work between MS and Commission on implementation of the agreements, in particular the work in partner countries between MS and EU delegation should be reinforced and Ministers called this reinforced engagement to start without delay. So it is very important for the European Commission and MS states to be fully engaged in the implementation efforts to ensure that the EPA delivers all of its potential, and that this work starts before EPAs enter into force.

In response to a question by a MS on the availability of information on the agreement in principle, DEL indicated that DG TRADE had already made public a large amount of information on web site and stressed that in addition, the whole agreement will be made public once it is concluded (the way it was for CETA). Regarding the issue of how companies can benefit from FTAs, discussions are underway in Brussels to come up with more guidance to companies on how to best use trade agreements, in particular for SMEs.

In addition, DEL stressed that both MOFA and MAFF have released information on the EPA as well. The Japanese translation of the MOFA document has been distributed to HoMs and the MAFF document is currently being translated.

Out of
scope