



## **EBC Liquor Committee**

### **Position Paper**

Bruno Yvon  
Chairman, Liquor Committee  
European Business Council

October 2017



### **Members and Meeting schedule**

Art. 4.1(b)

#### Chairman

- Bruno Yvon (MHD Moet Hennessy Diageo K.K.)

#### Meeting Members

-  (Pernod Ricard Japan K.K.)
-  (Heineken Kirin Japan K.K.)
-  (Diageo Japan K.K.)
-  (EBC)
-  (MHD Moet Hennessy Diageo K.K.)
-  (Pernod Ricard Japan K.K.)

#### Meeting Schedule

- Quarterly Meeting: Mar/June/Sep/Dec

Lot codes (traceability information) fulfil an important role in any effective and efficient product recall or withdrawal process. In the case of a serious health threat, delays to such processes could endanger consumers: a rapid, targeted and efficient response is vital in order to protect them and preserve their confidence in the supply chain. In September 2014, the National Tax Agency (NTA) issued a notice to eight liquor industry organisations emphasising the importance of lot codes. In addition, the NTA included these concerns in its liquor sales management training material in April 2017, and in July 2017, METI, MHLW, and MAFF issued a similar notice to 28 organisations that engage in sales and distribution of liquor. However, whilst these steps are significant, the notices and training have no binding force to prohibit the import and sales of any such products with lot codes that have been erased, tampered with or covered up.

- o Our Recommendation:
  - The Government of Japan should issue legislation, reinforced by penalties, that forbids the wholesale or retail of liquor bottles whose lot codes have been erased, tampered with or covered up.

## Tariff on wine and white spirits

Tariffs on wine will be abolished at the entry into force of the EU-Japan EPA. The temporary zero tariff on white spirits, rum, gin, vodka and liqueurs should be made permanent.

- o Our Recommendation:
  - The EBC urges Japan to completely remove all tariffs on wine as anticipated.
  - The EBC urges Japan to change the tariff lines for white spirits to become permanently zero.

A labeling standard for Japanese wine was established in October 2015. Improvements have been made to the definition of wine. A loose wine definition opens the door for different products to be sold as “wine” misleading Japanese consumers and creating unfair competition for European wines, which meet the international accepted definition.

- o Our Recommendation:
  - Japan should implement the wine definition in conformity with international specifications as used in the EU and the US and endorsed by the International Federation of Wines and Spirits.

The mutual protection of GIs agreed upon through the EU-Japan EPA will ensure protection of geographical indications for 139 liquor products from the EU.

- o Our Recommendation:
  - The EBC urges and looks forward to the smooth implementation of the EU-Japan EPA.



## Pernod Ricard Japan K.K.

Pernod Ricard Japan K.K. is 100% subsidiary of Pernod Ricard Asia S.A.S and imports and distributes Pernod Ricard brands.

【ESTABLISHED】 January 31<sup>st</sup>, 1990

【CAPITAL】 200 million Yen

【HEAD OFFICE】34F Sumitomo Fudosan Iidabashi First Tower, 2-6-1 Koraku, Bunkyo-ku, Tokyo 112-0004

【OFFICES】 Sapporo, Sendai, Tokyo, Nagoya, Osaka, Hiroshima, Fukuoka

【MAIN BRANDS】Chivas Regal, The Glenlivet, Jameson, Martell, Havana Club, Absolut, DITA, pernod, Ricard, Perrier Jouet, G.H. Mumm, Café de Paris, Jacob's Creek



## Heineken Kirin Japan K.K.

Heineken Kirin Japan K.K. is a joint venture between Heineken and Kirin Beer and a management company of production of Heineken Beer by Kirin Beer Licensee and marketing it in Japan market.

【ESTABLISHED】 August 1983 (Heineken Japan K.K.), March 2010 (Heineken Kirin Japan K.K.)

【MAIN BRAND】 Heineken





## Liquor Tax Increase

	Actual tax per kl	Actual tax per 350ml can	Timing	New tax on Oct. 2026	New tax per 350ml can
Beer	220,000 yen	77 yen	Oct 2020, Oct 2023, Oct 2026	157,000 yen	55 yen
Happoshu	134,250 yen	47 yen	Oct 2026		
New genre	80,000 yen	28 yen	Oct 2020, Oct 2023, Oct 2026		
Sake	120,000 yen	42 yen / 86.4 yen (720ml)	Oct 2020, Oct 2023	100,000 yen	35 yen
Wine (incl. Sparkling)	80,000 yen	28 yen / <b>60 yen (750ml)</b>	Oct 2020, Oct 2023		72 yen (720ml)
RTD	80,000 yen	28 yen	Oct 2026		<b>75 yen (750ml)</b>

FYI: Whisky, Cognac, Spirits: 400,000 JPY/kl (40 degree)