

EU-Japan EPA Guidance

Importer's knowledge

1. Legal basis

Chapter 3: Rules of Origin and Origin Procedures

ARTICLE 3.16 (Claim for preferential tariff treatment)

1. --
2. A claim for preferential tariff treatment shall be based on:
 - (a) --
 - (b) the importer's knowledge that the product is originating.
3. A claim for preferential tariff treatment and its basis as referred to in subparagraph 2(a) or (b) shall be included in the customs import declaration in accordance with the laws and regulations of the importing Party. (...).

ARTICLE 3.18 (Importer's knowledge)

Importer's knowledge that a product is originating in the exporting Party shall be based on information demonstrating that the product is originating and satisfies the requirements provided for in this Chapter.

ARTICLE 3.19 (Record keeping requirements)

1. An importer making a claim for preferential tariff treatment for a product imported into the importing Party shall, for a minimum of three years after the importation of the product, keep:
 - (a) --
 - (b) if the claim was based on the importer's knowledge, all records demonstrating that the product satisfies the requirements to obtain originating status.

ARTICLE 3.21 (Verification)

1. --
2. The information requested pursuant to paragraph 1 shall cover no more than the following elements:
 - (a) if a statement on origin was the bases of the claim referred to in subparagraph 2(a) of Article 3.16, that statement on origin;
 - (b) the Harmonized System-code of the product and origin criteria used;
 - (c) a brief description of the production process;
 - (d) if the origin criterion was based on a specific production process, a specific description of that process;

- (e) if applicable, a description of the originating and non-originating materials used in the production process;
- (f) if the origin criterion was 'wholly obtained', the applicable category (such as harvesting, mining, fishing and place of production);
- (g) if the origin criterion was based on a value method, the value of the product as well as the value of all the non-originating or, or as appropriate to establish compliance with the value requirement, originating materials used in the production;
- (h) if the origin criterion was based on weight, the weight of the product as well as the weight of the relevant non-originating materials or, as appropriate to establish compliance with the weight requirement, originating materials used in the product;
- (i) if the origin criterion was based on a change in tariff classification, a list of all the non-originating materials including their tariff classification (in 2-, 4- or 6- digit format depending on the origin criteria); or
- (j) the information relating to the compliance with the provision on non-alteration referred to in Article 3.10.

3. When providing the requested information, the importer may add any other information that it considers relevant for the purpose of verification.

4. --

5. If the claim for preferential tariff treatment was based on the importer's knowledge referred to in subparagraph 2(b) of Article 3.16, after having first requested information in accordance with paragraph 1 of this Article, the customs authority of the importing Party conducting the verification may request information from the importer if that customs authority considers that additional information is necessary in order to verify the originating status of the product. The customs authority of the importing Party may request the importer for specific documentation and information, if appropriate.

ARTICLE 3.24 (Denial of preferential tariff treatment)

1. Without prejudice to paragraph 3, the customs authority of the importing Party may deny preferential tariff treatment, if:

- (a) within three months after the date of the request for information pursuant to paragraph 1 of Article 3.21:
 - (i) no reply is provided; or
 - (ii) if the claim for preferential tariff treatment was based on the importer's knowledge as referred to in subparagraph 2(b) of Article 3.16, the information provided is inadequate to confirm that the product is originating;
- (b) within three months after the date of the request for information pursuant to paragraph 5 of Article 3.21:
 - (i) no reply is provided; or
 - (ii) the information provided is inadequate to confirm that the product is originating;

2. The customs authority of the importing Party may deny preferential tariff treatment to a product for which an importer claims preferential tariff treatment where the importer fails to comply with requirements of this Chapter other than those relating to the originating status of the products.

2. Guidance

‘Importer’s knowledge’ allows the importer to claim preferential tariff treatment merely based on its own knowledge about the originating status of imported products. This knowledge is based on information in the form of supporting documents or records provided by the exporter or manufacturer of the product, which are in the importer’s possession. This information provides valid evidence that the product qualifies as originating. As an importer is making a claim using his own knowledge, no statement on origin is used and no exporter or producer needs to be identified and take any action pertaining to the preferential origin of goods in the exporting Party.

The importer using ‘importer’s knowledge’ does not need to be registered in the REX database.

In the European Union, the claim for preferential tariff treatment and its basis are included in the customs declaration for release for free circulation of the products concerned.

For products for which preferential tariff treatment within the framework of the EU-Japan Economic Partnership Agreement is claimed on the basis of ‘importer’s knowledge’, specific information shall be included under **Data Element 2/3** (Documents produced, certificates and authorisations, additional references), as an ‘additional reference’. The code to be used under that data element for ‘importer’s knowledge’ is “U112”.

The importing customs authorities verifying the correctness of a claim for preferential tariff treatment based on importer’s knowledge, following an initial request for information from the importer on a specific number of data elements, may request additional information including specific documentation and information.

Since no exporter or producer in the exporting Party is involved in the claim in the importing Party, no request for administrative cooperation shall be made by the importing authorities to the authorities in the exporting Party.

The importer shall keep, for a minimum period of three years, all records demonstrating that the products for which preferential tariff treatment is claimed are originating. The time limit shall be calculated from the date when preferential tariff treatment is claimed.

The customs authorities of the importing Party may deny preferential tariff treatment following a verification of the claim where:

- after 3 months following the initial request for information on a specific number of data elements; and
 - after 3 months following the request for additional information;
- no reply is provided by the importer or where the reply provided is inadequate to proof the originating status of the product for which preferential tariff treatment is claimed.

Introduction

How to make a claim for preferential tariff treatment based on ‘Importer’s knowledge’ (Article 3.16)

Verification of a claim based on ‘import’s knowledge’ (Article 3.21)

Record keeping requirements (Article 3.19)

Denial of preferential tariff treatment (Article 3.24)