

Tax & Legal Weekly Alert

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In this issue:

EU-Japan Free Trade Agreement will enter into force on the 1st of February, 2019

Signed on 17th of July at Tokyo, the FTA will reduce or remove most part of the customs duties applicable for the trade of goods originating from the two territories. Registration in the REX system is necessary in order to be able to issue the proof of origin.

Changes regarding the management of packaging and packaging waste

On 14 January 2019 the Law on the approval of Government Emergency Ordinance no. 74/2018 was published, which brings changes to the management of packaging and packaging waste.

At the same time, on 15 January 2019, the order approving the authorization procedure, annual approval and withdrawal of the operating right of the organizations that implement the obligations of extended producer responsibility was published.



EU-Japan Free Trade Agreement will enter into force at 1st February 2019

When entering into force, the Agreement will remove most of the customs taxes applicable to the trade of goods originating from EU member states and Japan.

Among the goods that will have customs taxes reduced or gradually removed, we mention:

- wines (a 15% customs tax is currently applicable);
- dairy products (a 30% customs tax is currently applicable);
- motor vehicles (a 10-16% customs tax is currently applicable);
- fruits;
- cosmetics/textile products.

In order to be able to take advantage of preferential treatment (either reduced or no customs duties at import) the goods must have been wholly obtained or sufficiently processed (in EU or Japan).

The proof of origin, which must be used according to the Agreement, is the "origin statement" that can be issued on the invoice or on any other commercial document. Thus, for being able to issue such a statement of origin, the importers/ exporters have to be registered in the Registered Exporter system (REX).

What does this mean for you?

If you purchase goods originating from Japan it is possible that, starting with the 1st of February, 2019, you can benefit from reduced or even no customs taxes. We recommend that you require from the suppliers the proof of origin and to ensure that they are registered in REX system.

If you export goods originating from EU towards Japan, we recommend that you register in the REX system as soon as possible in order to be able to issue the origin declaration.

For further questions regarding the aspects mentioned in this alert, please contact us.



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Changes regarding the management of packaging and packaging waste

The Law approving the Emergency Ordinance no. 74/2018 provides, among others, the following amendments to the ordinance initially published on 19 July 2018:

- It is specified that as of 31 March 2019, the value of 0.5 RON / package is applied to reusable primary packaging with volumes between 0.1l and 3l;
- The percentage of return of reusable packaging, to be achieved by taking them over, was decreased from 90% to 80%;
- It was introduced the obligation that, until 1 January 2021, a return guarantee system to be established, extending to non-reusable primary packaging of glass, plastic or metal for wines and spirits;
- It has been added that economic operators can fulfil their obligations of extended producer responsibility individually also for packaging of products imported/ intra-Community acquired for their own use or consumption;
- It is mentioned that the recycling objectives for wood include the quantity of wood packaging that is repaired for reuse;
- It is reintroduced the recycling objective for PET of 45% from the quantity of PET packaging placed on the market.

Order no. 1362/2018 regarding the approval of the authorization procedure, annual approval and withdrawal of the operating right of the organizations, which implement the obligations of extended producer responsibility, establishes the conditions that must be fulfilled by these organisations in order to be authorized and mention that they are required to start authorization procedures within 90 days since the publication of this order.

How will these changes impact you?

We recommend that in the next period you analyse the impact of these changes upon the management of packaging and packaging waste.

At the same time, we recommend that you ensure that the organization implementing the extended producer responsibility with whom you have a responsibility transfer agreement, fulfils the conditions set out in the order approving the authorization procedure, annual approval and withdrawal of the operating right of the organizations that implement the obligations of extended producer responsibility and will not have its right to operate withdrawn after the 90 days period.

[For more details, please do not hesitate to contact us.](#)



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