

Statement on the treatment of starch products in the EU-Japan FTA

23 January 2018

Further to Starch Europe <u>statement</u> issued on 20 July 2017 on the political agreement concluded between EU and Japan on a Free Trade Agreement, the full text of the agreement was published on 8 December 2017 and Starch Europe has now analysed the provisions related to starch products.

According to the provisions of the EU-Japan Economic Partnership agreement, EU starch producers will indeed benefit from improved market access conditions to the Japanese market. Starch Europe welcomes this achievement that opens a strategic market for EU starch producers. Thanks to this deal, starch products will either benefit from progressive phasing out of custom duties, or secured duty-free quota allowing to access the Japanese market, if fulfilling specific conditions.

The provisions of this FTA are notably positive for sorbitol and finishing agents that will benefit from the immediate liberalisation of access to the Japanese market as from the entry into force of the agreement. Mannitol and some modified starches will be liberalised over 5 years, whereas most starch-based sweeteners will be subject to phasing out of custom duties over 10 years. With regard to native starches, the agreement secures duty-free quota of native wheat starches (3 700 tonnes) to progressively increase over 5 years.

Nevertheless, the level of the quota granted to native potato starch (6 400 tonnes, shared with other native starches – except native wheat starch), which was Starch Europe primary objective, remains low, which constitutes a disappointment.

Overall, we welcome the outcome of the negotiations and encourage Member States and the European Parliament to ratify the agreement as soon as possible.

END

For further information, please contact:

Claire Grosbois, Economic Affairs Officer

claire.grosbois@starch.eu

Phone number: +32 2 289 67 62