

Issues and Requests Relating to Foreign Trade and Investment - Spain

Category	No	Issue	Issue Details	Requests	References
4	Restrictions on Withdrawal Of Operations	(1) Restricted Withdrawal	- GOS imposes exit tax on withdrawal.		
9	Restrictive Export/Import Trade, Duty, and Customs Clearance	(1) Import Licence	- <u>Export licence is required in Japan under CITES to export to Spain crocodile-skin watchband (CSW). In addition, importers must obtain import licence. It takes much time and work to export CSW to Spain.</u>	- <u>It is requested that GOS:</u> -- <u>repeals the requirement for import licence in Spain for import of CSW, and</u> -- <u>dispenses with export/import licence requirement for samples under ATA carnet.</u>	- Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)
		(2) <u>Issues Over Operation of EORI Numbers</u>	- There exists disharmony among the EU member states in handling <u>EORI (Operator Registration and Identification) Numbers, which are uniform numbers, assigned by individual EU member states' customs authorities to business operators (companies, branches) and individuals, and used upon customs declaration. The problems have arisen over inability to use the EMORI No., due to disharmony in handling among the EU member states.</u>	- <u>It is requested that EU taxation and customs union will harmonise operation of the EORI numbers.</u>	
14	Taxation Systems	(1) Irrational Change in Retroactive Application of Fit System	- It has become difficult to maintain the profitability at the investment point, due to the retroactive change in Feed-In-Tariff (FIT) System passed at the end of 2012 and Amendment in the Taxation System (enforced from 1 January 2013). More precisely, the scheduled application of FIT, namely 7% on sales tax on electricity sold, and application of FIT on gas assisted solar power generation will no longer apply in their entirety. - GOS's Unilateral Review of the Feed-in Tariff (FiT) Scheme (including its Effective Retroactive Application) results in loss of legal stability and credibility of Spain as a candidate country for foreign investment.	- It is requested that GOS rescinds and repeals the retroactive change in the systems (including the taxation system) that affects the Nation's reputation. - It is requested that GOS takes steps to compensate the initially expected return on investment (ROI).	- RD15/2012 - GOS is currently reviewing the method for calculating the adequate profit level.
16	Employment	(1) Heavy Social Security Cost Upon Employers	- <u>Social security cost rate is higher upon employers.</u>	- <u>It is requested that GOS reduces the employer's contribution rate of social security cost.</u>	- Labour law of Spain
		(2) Compulsory Accompaniment of Local Licenced Tourist Guide	- Tour guides accompanying tourists from Japan are unable to provide explanation in the Sightseeing Spots classified in the Monuments (including Museums, etc.), unless also accompanied by a Local Licenced Tour Guide (LLTG). It means additional cost to the tourists.	- It is requested that GOS repeals the LLTG requirement in the principle of reciprocity as such requirement is unheard of in Japan.	- Regulations promulgated at the level of each Autonomous Body, Municipal, Town, and Village.

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17	Implementation of Intellectual Property Rights ("IPRs")	(1)	Private Copying Remuneration System	Consumers are compelled to absorb the increased burden of so called "copy levy", which is levied in each country on the main unit of the multi-function peripheral equipment (MFP) and the single-function peripheral equipment (SFP), creating the gaps in ultimate price among the same EU Euro territories.	It is requested that GOS cuts down the levy rate and ultimately reduces the copy levy.	Copy Levy
23	Inefficient Administrative Procedures, Regimes and Practices	(1)	Inconvenience from Marking in Catalan Language	Notices from Catalonia autonomous community government are frequently written in the Catalanian Language only, defying foreigners' comprehension. It is an excessive burden for foreigners to study languages not widely used internationally.	It is requested that GOS takes steps to use dual languages in Castilla or English in parallel with Catalolian.	