

Issues and Requests Relating to Foreign Trade and Investment - Netherlands

	Category	No	Issue	Issue Details	Requests	References
9	Restrictive Export/Import Trade, Duty, and Customs Clearance	(1)	Import Licence	- <u>Export licence is required in Japan under CITES to export to the Netherlands crocodile-skin watchband (CSW). In addition, importers must obtain import licence. It takes much time and work to export CSW to the Netherlands.</u>	- It is requested that GON: -- <u>repeals the requirement for import licence in Netherland for import of CSW, and</u> -- <u>dispenses with export/import licence requirement for samples under the ATA Carnets.</u>	- Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)
		(2)	Arbitrary Implementation of HS Code Classification	- The construction equipment manufacturing business is classified into finished products, semi-finished products and parts for sales. Especially noteworthy is the requirement for parts by parts evidence on semi-finished products employed for manufacturing finished products. While articulate distinction is difficult to make, an enterprise has obtained approval on duty free import from the competent authority, subject to submission of monthly report, which however, requires substantial workload and time for preparation.	- It is requested that GON improves the tariff exemption measures.	
12	Exchange Controls	(1)	<u>Rapid Exchange Fluctuations</u>	- <u>Radical exchange fluctuations prevail. As it stands, member firm's subsidiary (MFS) benefits from exchange gain on a direct export transaction in yen. Nevertheless, negotiation for raise in price is difficult. In a transaction with its parent company, the prevailing Yen depreciation enables MFS to offer special prices to its customers. However, MFS runs on a thin margin, so that if the exchange rate swings toward appreciation of Yen, it will instantly show operational loss: such is the severity of the fluctuation band.</u>	- It is requested that GOP takes step to: -- <u>stabilise foreign exchange fluctuations, and</u> -- <u>holds the fluctuation band within a few percents in 6-months.</u>	
16	Employment	(1)	<u>Amended Labour Law</u>	- <u>Since July 2015, the dismissal terms have become more stringent on account of employers' economic reasons for longterm employees. (fixed-term employment contract ; 3 times (number of times to sign the contract), 3 years (duration of the employment contract), 3 month (duration of the interruption) to 3.3.6)</u> <u>Previously, at the outset, employers had the choice of venues between summary court and UMW route. However, since July, it has become necessary for employers to first obtain permission under the UWV route, to give a dismissal notice to employees.</u>	- <u>The onus upon employers gets heavier for dismissal of employees under Indefinite employment term from business reorganisation.</u> - <u>Some kind of relaxation is necessary in the employment terms for planning employment of local workers.</u>	- <u>Article 7:669 Lid 1 Dutch Labour Law (enforced on 1 July 2015)</u>