



TRADE FACILITATION IN JAPAN

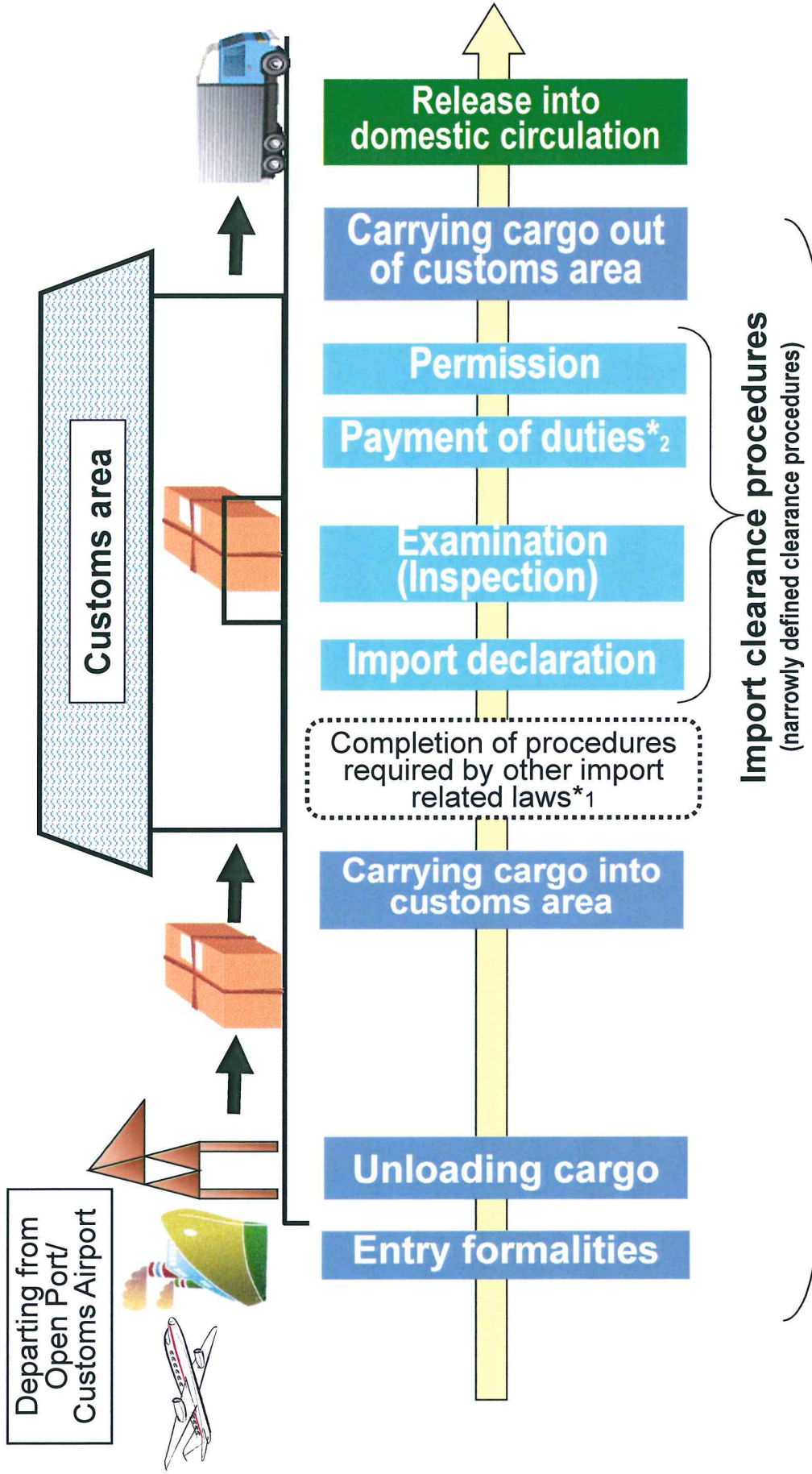
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Yuichi Okumura

Customs and Tariff Bureau
Ministry of Finance, Japan

- **Domestic Process**
 - ✓ Submitted to Diet for approval on 10 March 2015.
 - ✓ Passed by the House of Representatives on 23 April and the House of Councilors on 15 May, respectively.
- **The 6th WTO member to accept the TFA.**
 - ✓ Notification of Acceptance to WTO on 1 June 2015
- **National Committee on Trade Facilitation**
 - ✓ Established this April
 - ✓ 5 relevant Ministries

Trade Facilitation: Basic flow of General Cargo (importation)



Various customs formalities (broadly defined clearance procedures)

*1 Certain goods to be imported require permission or approval according to relevant laws and regulations other than Customs Law.

*2 Customs also collect payable consumption tax and other excise taxes, such as liquor tax, at the time of import clearance.

Major TF measures implemented in Japan

Transparency and Predictability

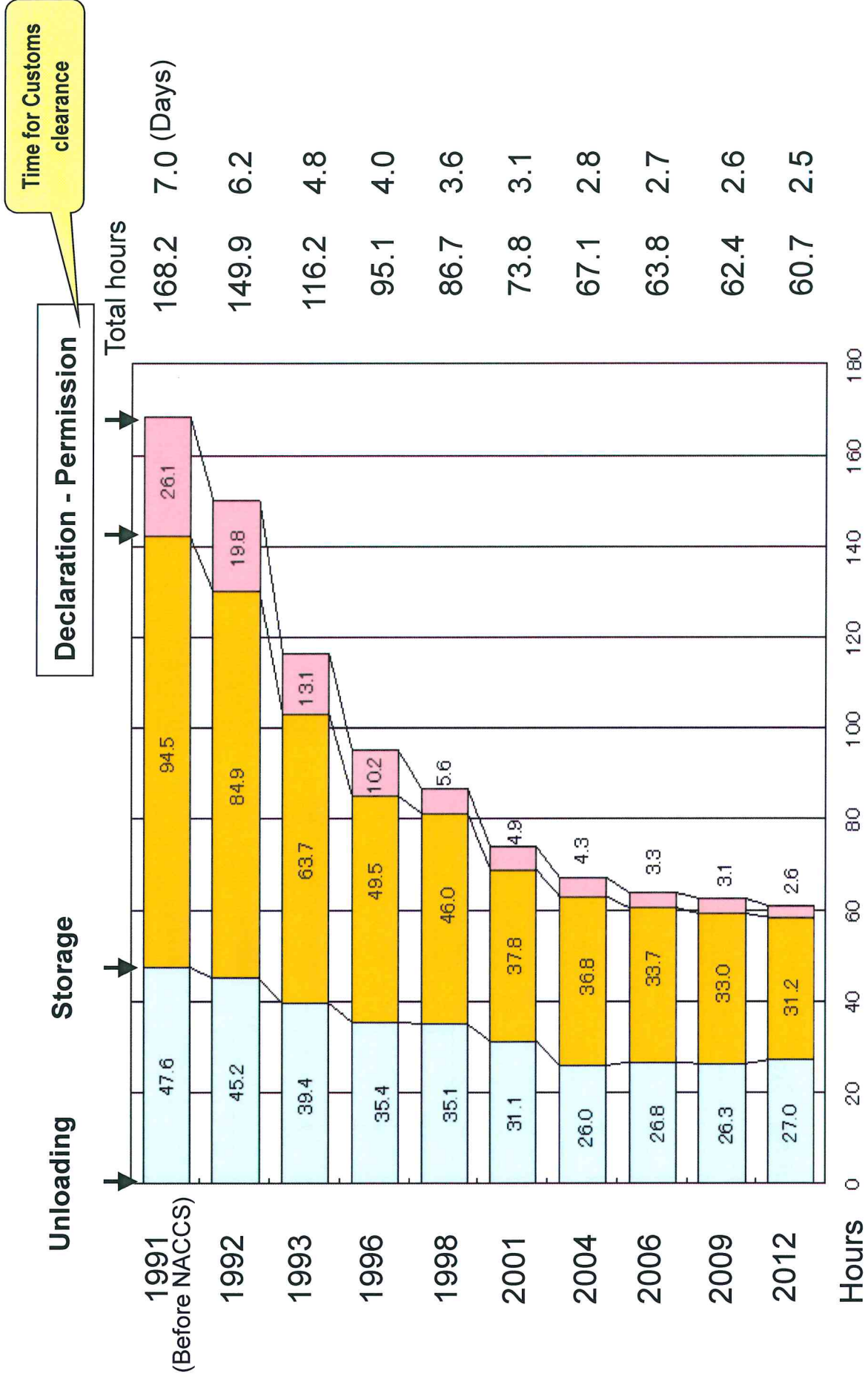
- Publication of relevant laws/regulations
- Advance ruling
 - Tariff classification(1966)
 - Rules of origin(1995)
 - Customs valuation(2005)
 - Relief or exemption of customs duties(2015)
- Setting up inquiry points
- Uniform application and interpretation of relevant laws/regulations
- Appeal system etc.

Simplification and Expeditiousness

- Customs Database for risk management(1991)
- Pre-arrival examination
 - Importation(1991)
 - Exportation(2001)
- Immediate permission upon arrival of goods(1996)
- Development of Single Window(2003~2013)
- AEO Program(2001~)
 - 24 hours operation(2003)
 - e-payment(2004)
- Abolish the fees imposed during non-office hours(2008)
- Simplification of procedures/documentation
 - Paperless for OGA documents(2013)
- Release of goods by depositing security
- Time Release Study etc.

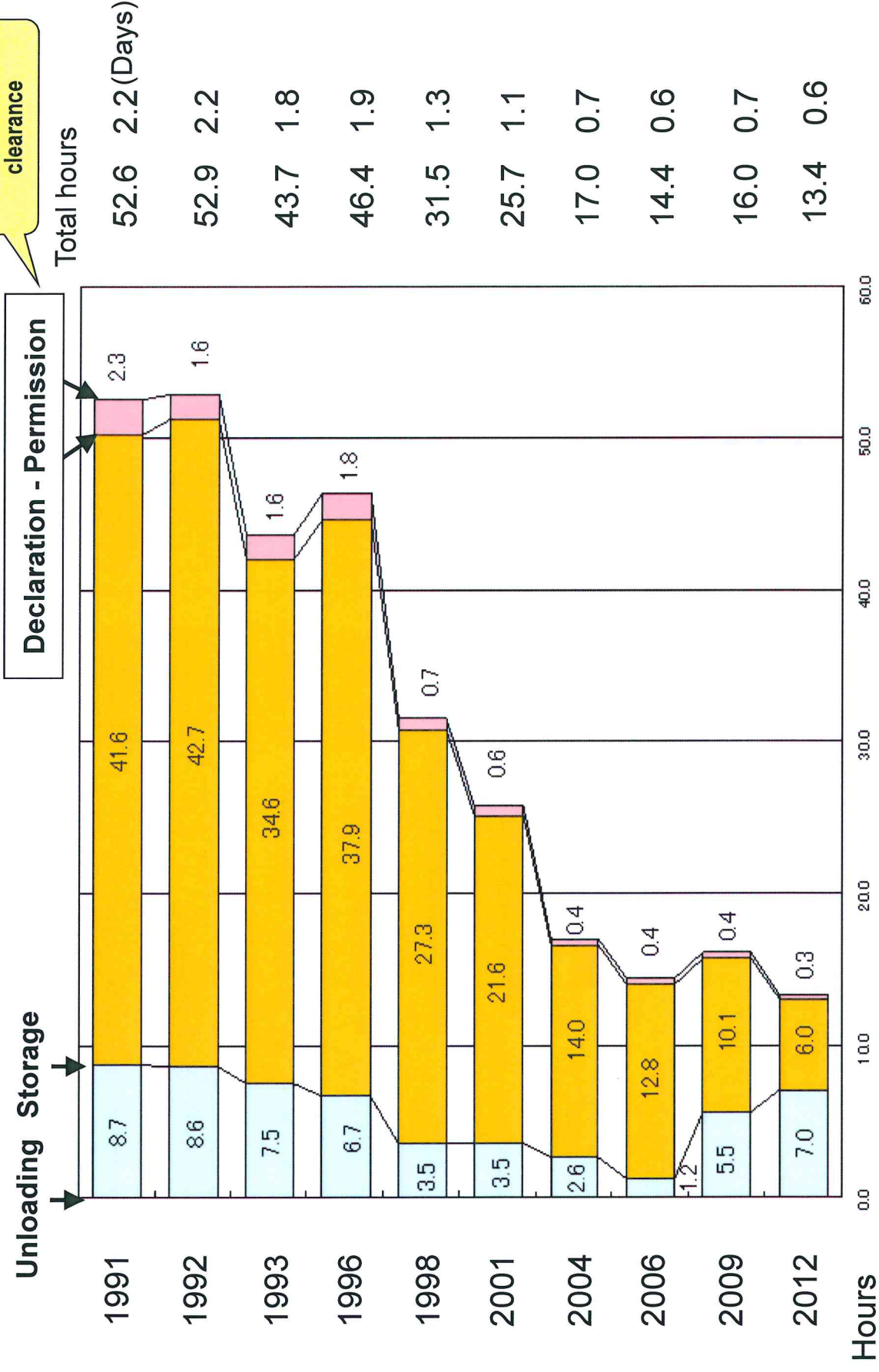
Note: The above lists are not intended to be exhaustive.

Impact of TF Measures: Time Release Study on Imported Sea Cargo



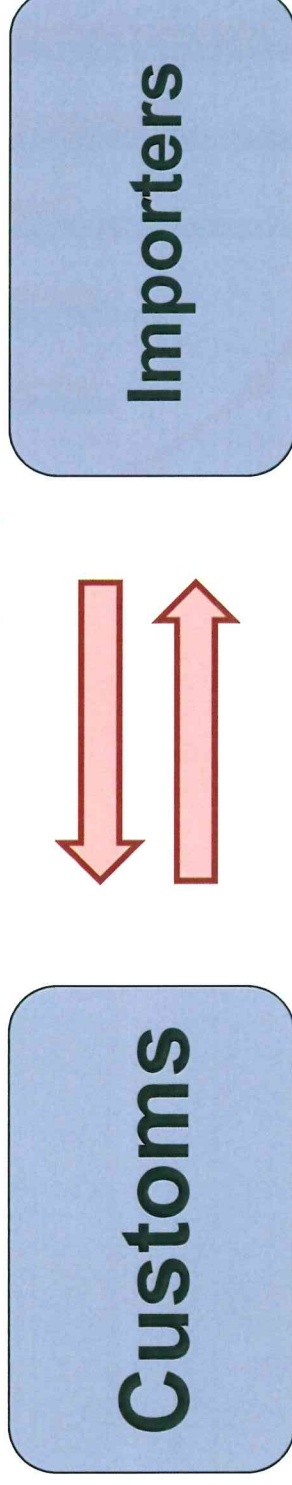
Impact of TF Measures: Time Release Study on Imported Air Cargo

Time for Customs clearance



Impact of TF measures: Advance Ruling

Submit an inquiry

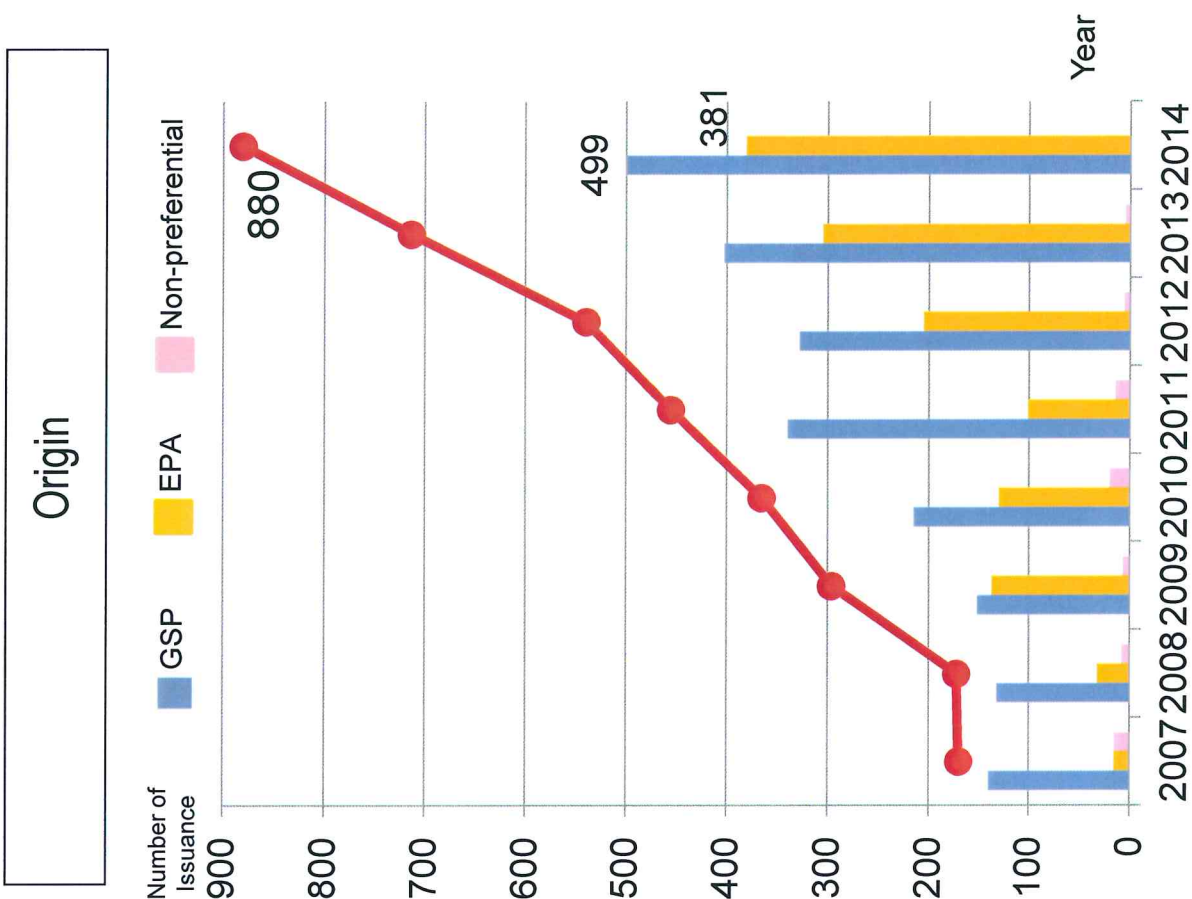
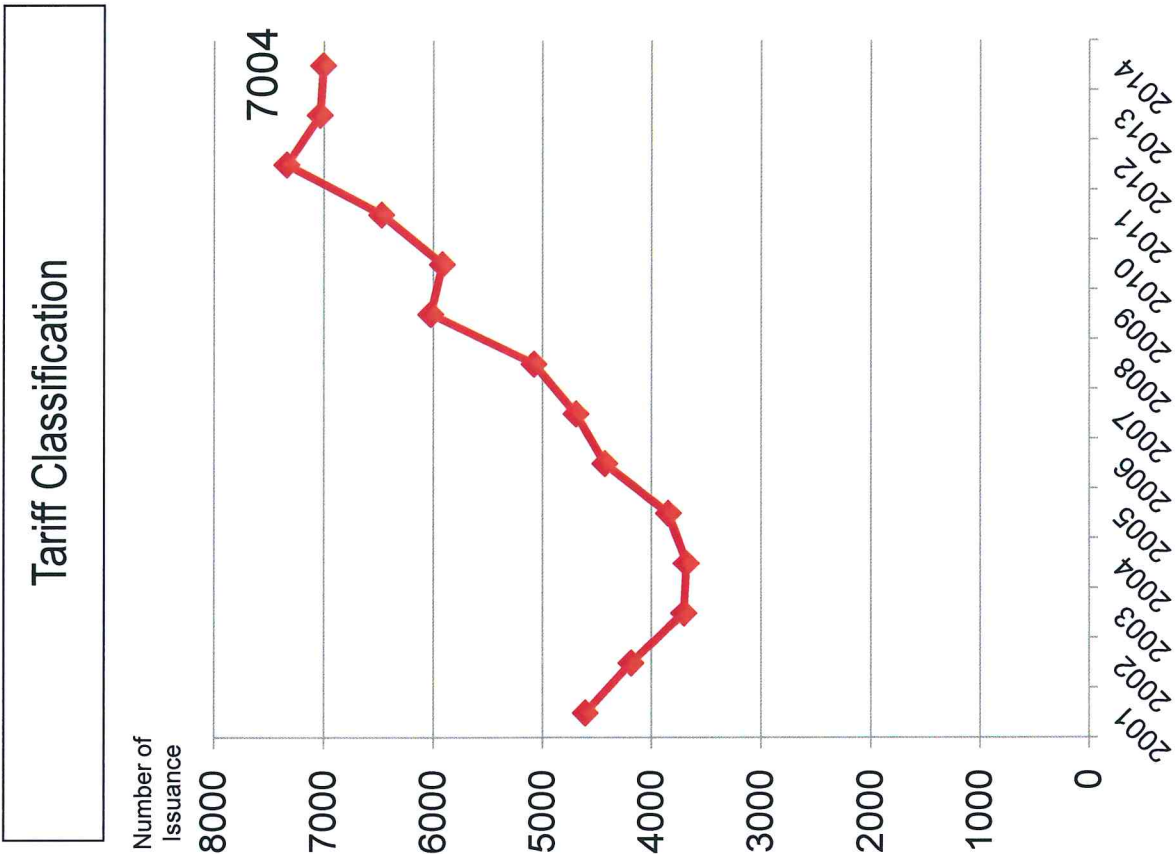


Issue Advance rulings

- ✓ Under the Advance Ruling, importers and other related parties are able to submit an inquiry on the tariff classification, the origin status, customs valuation, relief or exemption from customs duties of the goods scheduled to be imported, and receive the ruling.
- ✓ It allows an importer to make cost calculation accurately and facilitates sales plans since the duty rate is known in advance.
- ✓ It also expedites the customs clearance of the goods because classification, valuation, and origin of goods are known before import declaration.
- ✓ Issued rulings in writing will be binding on Customs at the time of import during an effective period of three years maximum from the date of issuance, except when the treatment changes due to the revision of laws and regulations and other specific reasons.

* Oral responses or responses via e-mails are not regarded as official rulings on customs examination.

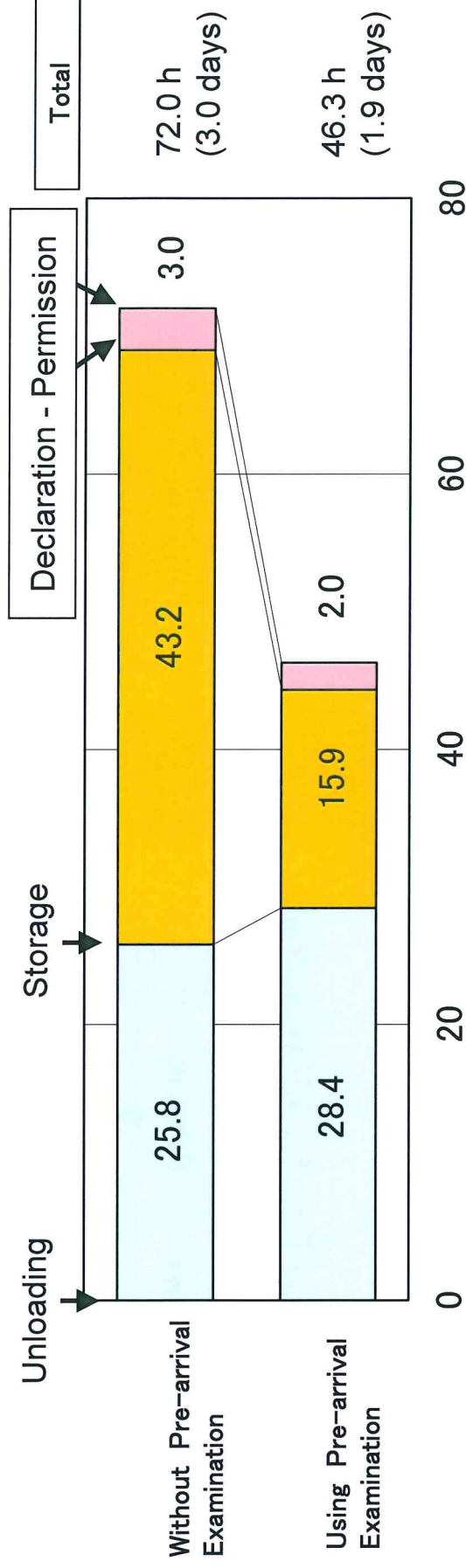
Impact of TF measures: Advance Ruling (Classification and Origin)



Impact of TF measures: Pre-arrival Examination

- Examines customs related documents before the cargo arrival
- Reduce clearance time because the necessary documentary examination is already done before the cargo arrival (Import declaration needs to be made afterward)

□ With/without Pre-arrival Examination

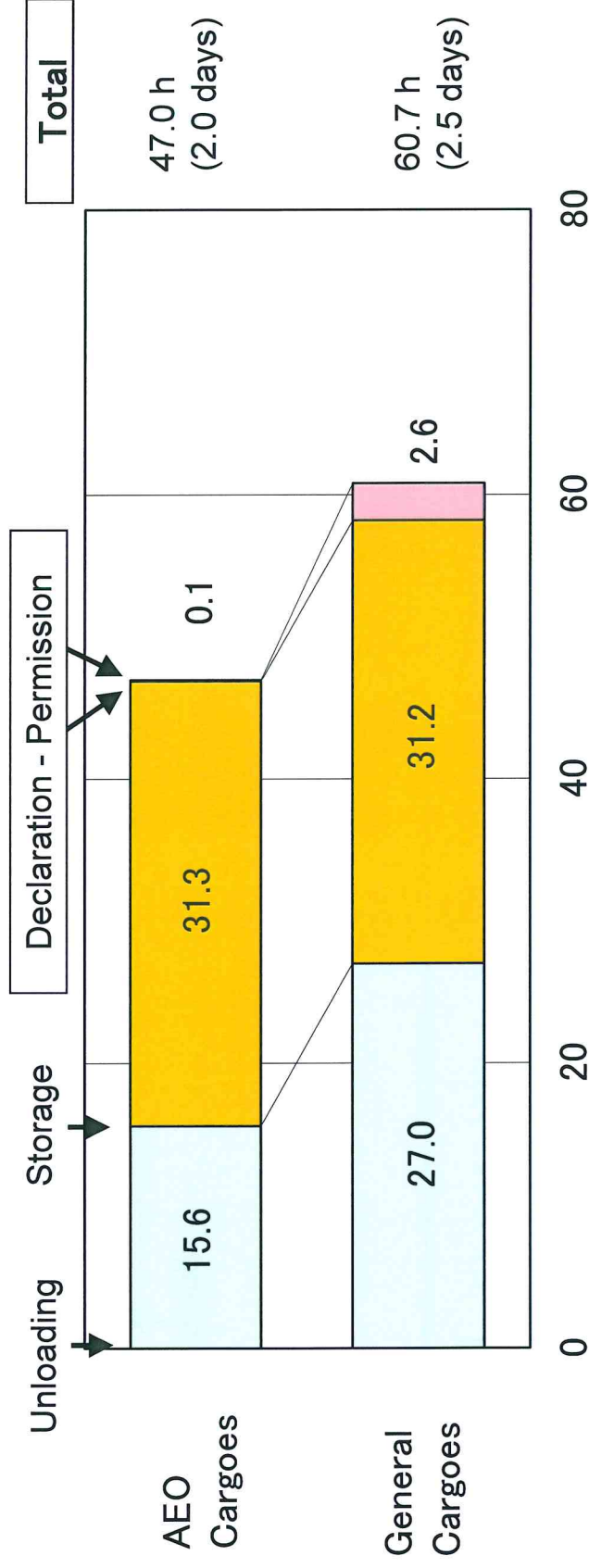


(10th TRS, 2012)

Impact of TF measures: AEO

- AEO(Authorized Economic Operator) is an operator who has been approved by Customs administration as complying with appropriate supply chain security standards.
- AEO can declare duties after receiving their cargo. AEO is allowed to enjoy reduced clearance time by compliance-reflected examination and inspection.

□ Average Lead Time for AEO/General Cargoes



(10th TRS, 2012)

Contact Points for Assistance and Support

- Japanese embassies serve as the contact points. Any developing country interested in obtaining assistance should contact the Japanese embassy, whose list can be found at:

http://www.mofa.go.jp/about/emb_cons/mofaserv.html

- For reference, a summary of information on the process and mechanisms for requesting assistance and support for capacity building can be found at:

http://www.jica.go.jp/english/our_work/types_of_assistance/index.html

