

Japanese Experience on Developing AEO

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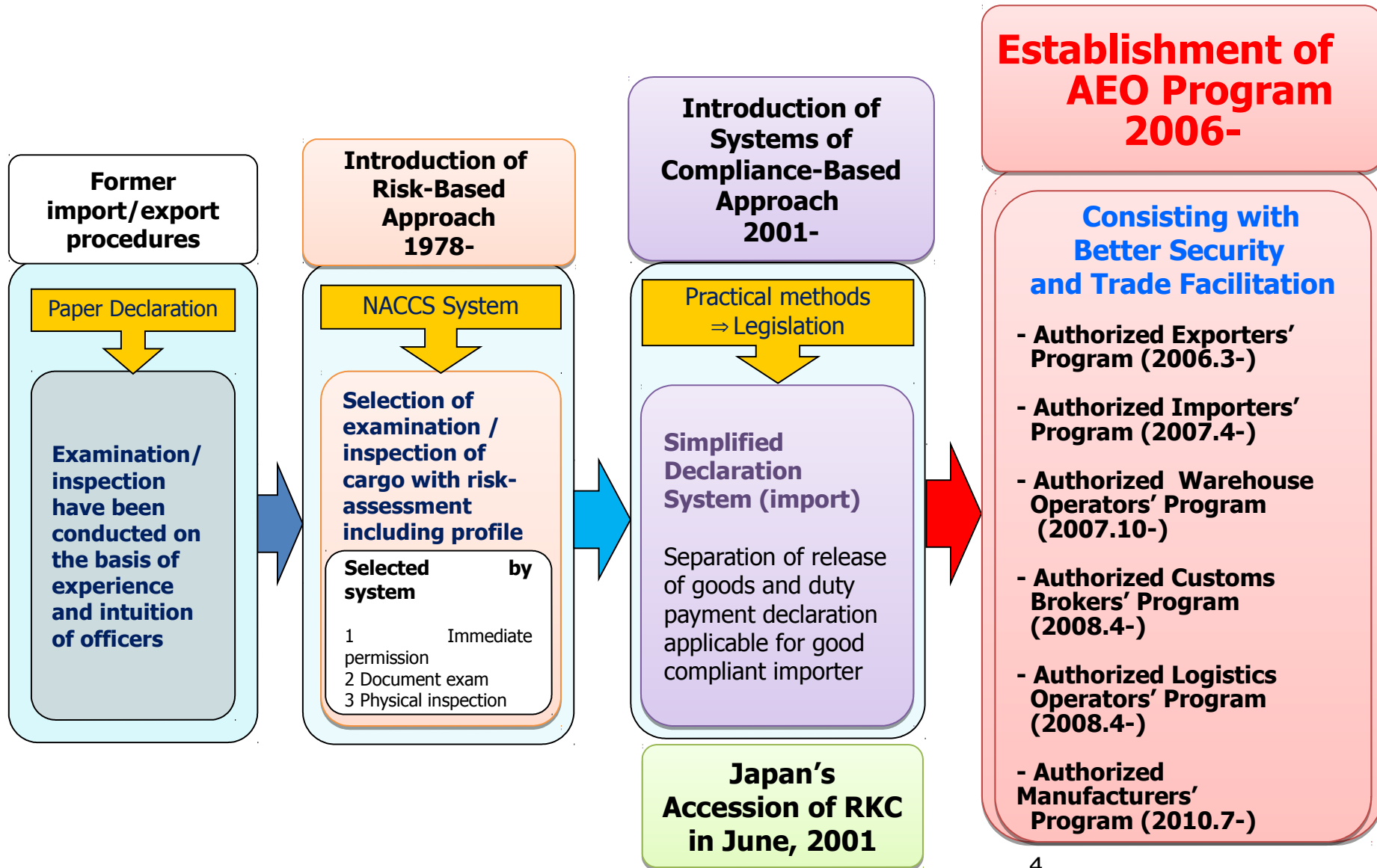
Outline

- 1. Overview of Japan's AEO program**
- 2. Expansion of Japan's AEOs**
- 3. Benefits of Japan's AEOs**

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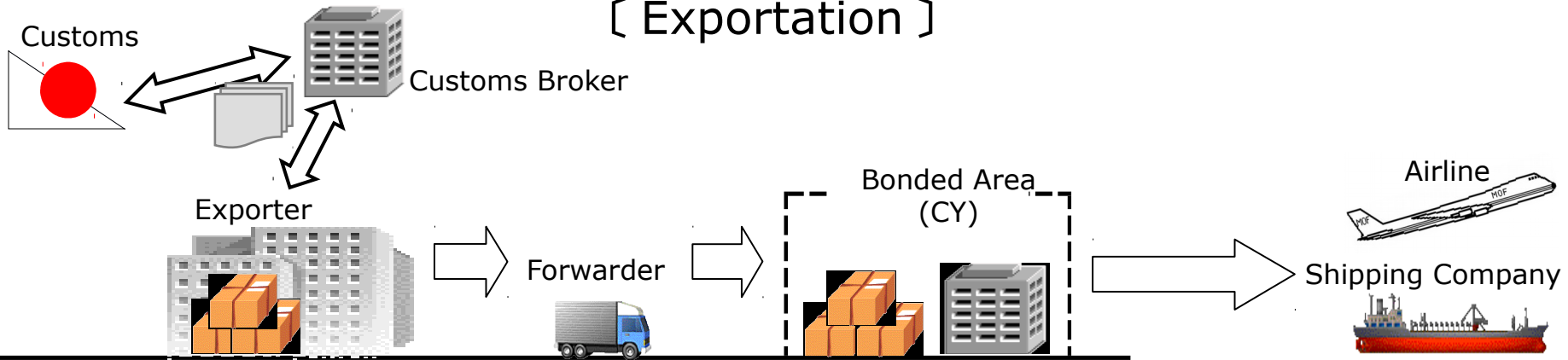
1.1 Development of

Risk and Compliance-based Approaches (Overview)

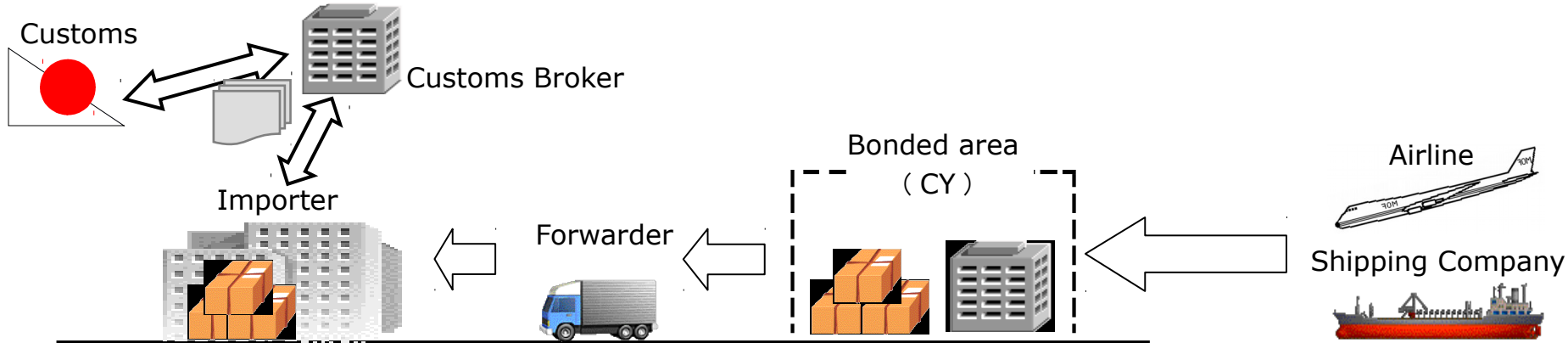
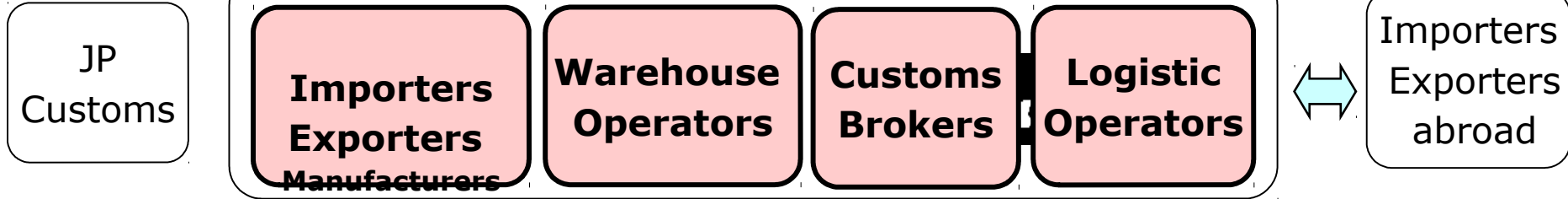


1.2 Scope of Japan's AEO Program

[Exportation]



Type of Operators in Japan's AEO

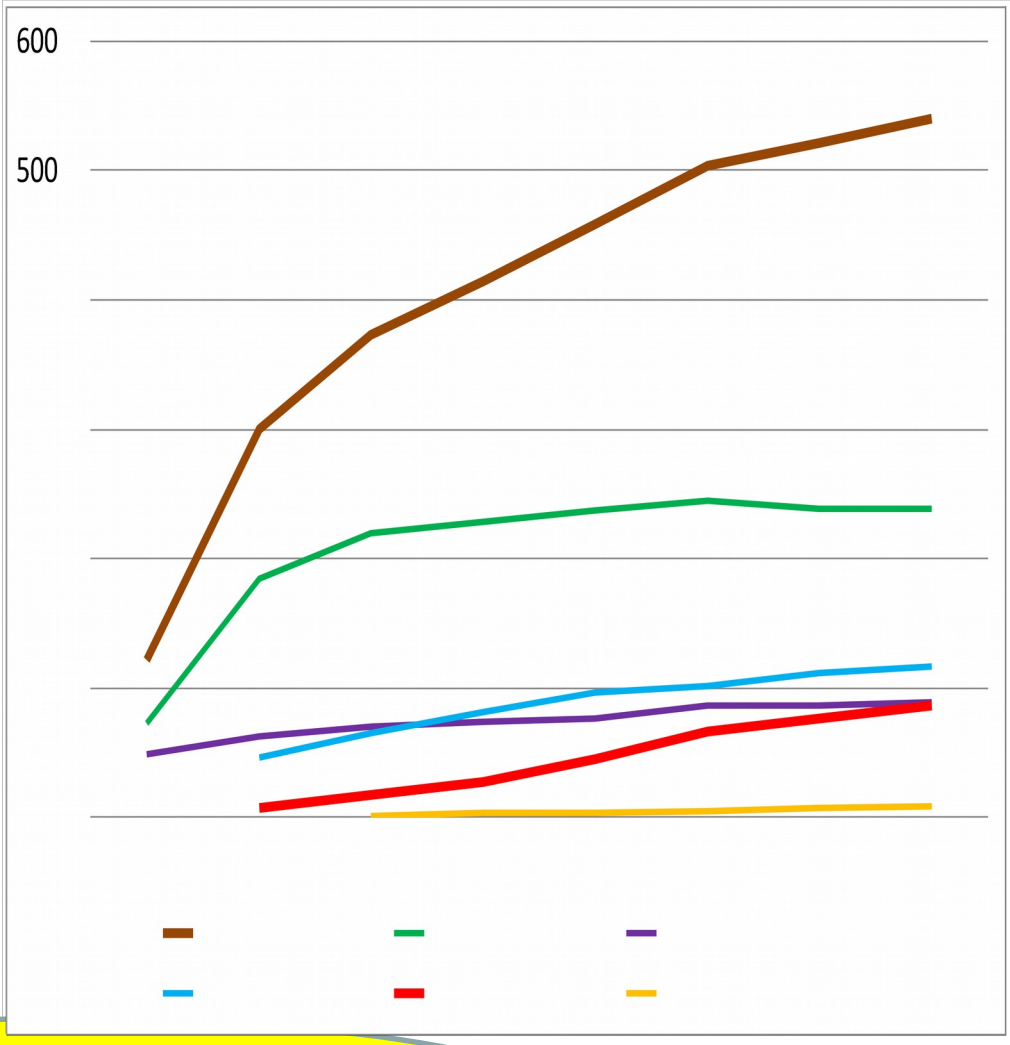


[Importation]

1.3 Current Situation

(as of Feb 9, 2015)

Exporters (2006.3 ~)	238 Exporters
Importers (2007.4 ~)	89 Importers
Warehouse Operators (2007.10 ~)	117 Warehouse Operators
Customs Brokers (2008.4 ~)	90 Customs Brokers
Logistic Operators (2008.4 ~)	8 Logistic Operators
Manufactures (2009.7 ~)	—



Total: 542 AEOs

1.4 Requirements of Japan's AEO Program

Consistent with “WCO SAFE FoS”

- **Organizational Set-up**
- **Contracting parties (Business Partners) Requirement**
- **Cargo/Conveyance/Premises Security**
- **Due Customs Procedures**
- **Consultation/Cooperation/Communication with Customs**
- **Crisis Management**
- **Education/Training**
- **Internal Audit**

etc._

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2.1 – Expansion of AEO scheme

- **JP Customs gradually expands its AEO scheme**
 - **Exporter <2006.3~>**
 - **Importer <2007.4~>**
 - **Warehouse operator <2007.10~>**
 - **Customs Broker <2008.4~>**
 - **Logistic operator < 2008.4 ~>**
 - **Manufacture <2010.7~>**

All Key players are covered !

- **Why does JP Customs expand its AEO scheme**
 1. **Comprehensive approach**
 2. **Cover international supply chain**
 3. **Involve related Customs procedures**
 4. **Bring synergy effect**
 5. **Ensure further trade security**
 6. **Expedite international trade**

Aim more effective and beneficial !

2.3 – Challenges of Expansion

- **JP Customs has faced**
 - 1. Design appropriate program (criteria, benefits etc.) for each operator**
 - 2. Amend Customs laws and regulations**
 - 3. Build Customs' operational capacity**
 - 4. Draw the attention of the operators**

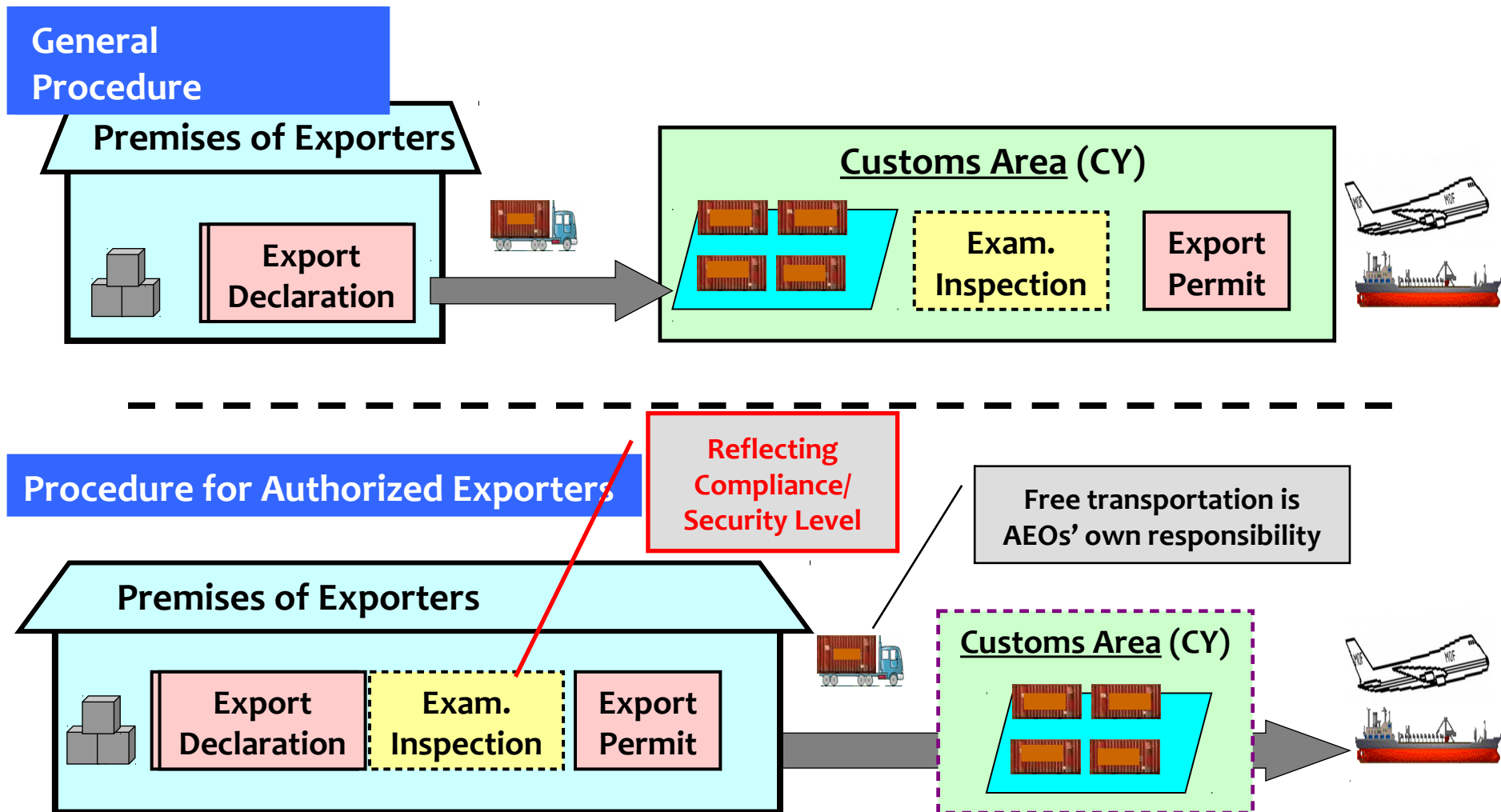
Clear Benefits are required !

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3.1 Benefits of Japan's AEOs: Exporters

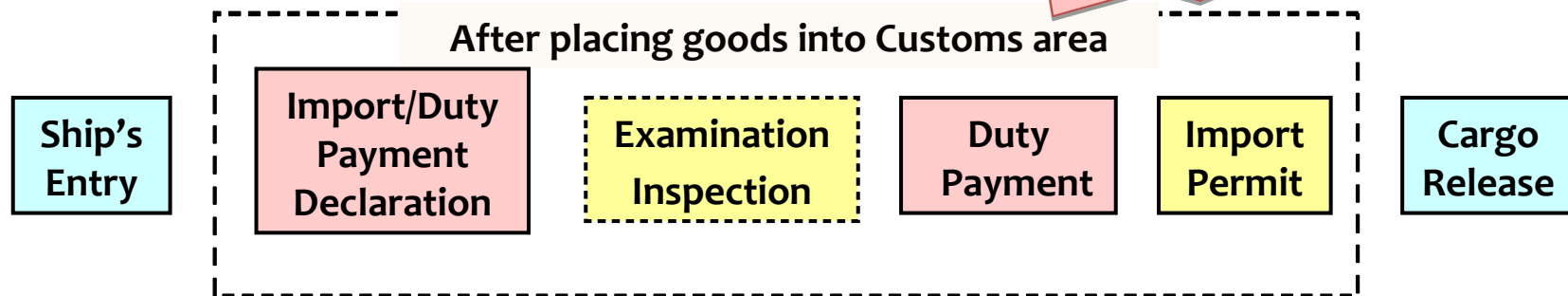
- The requirement to store goods in the Customs area is waived
- Reduced examination and inspection



3.2 Benefits of Japan's AEOs: Importers

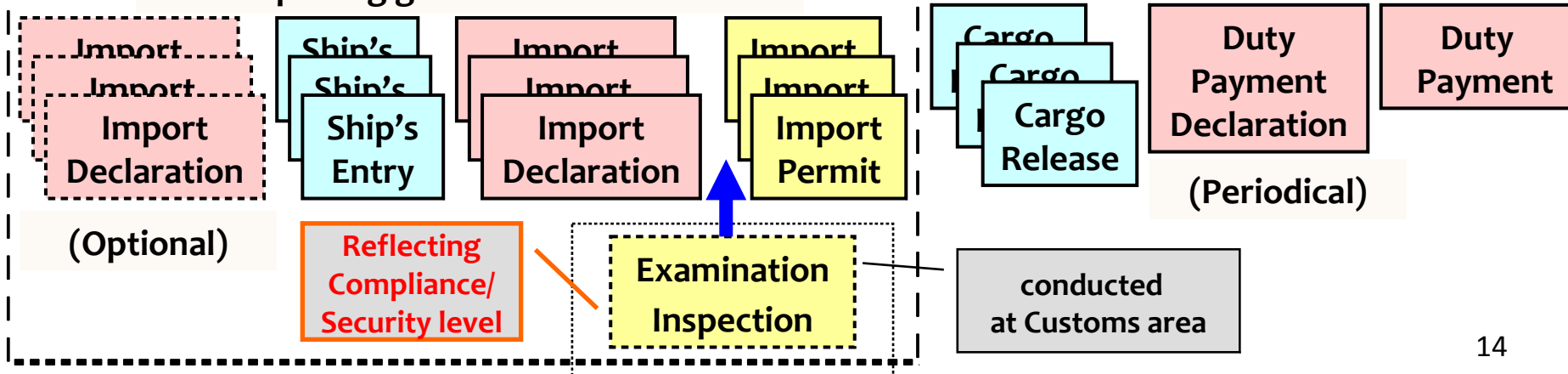
- Reduced examination and inspection
- Pre-arrival lodgement of import declaration and permission
- Release of cargo before duty/tax payment declaration and duty/tax payment
- Periodical lodgement of duty/tax payment declaration

General Procedure



Procedure for Authorized Importers

Before placing goods into Customs area

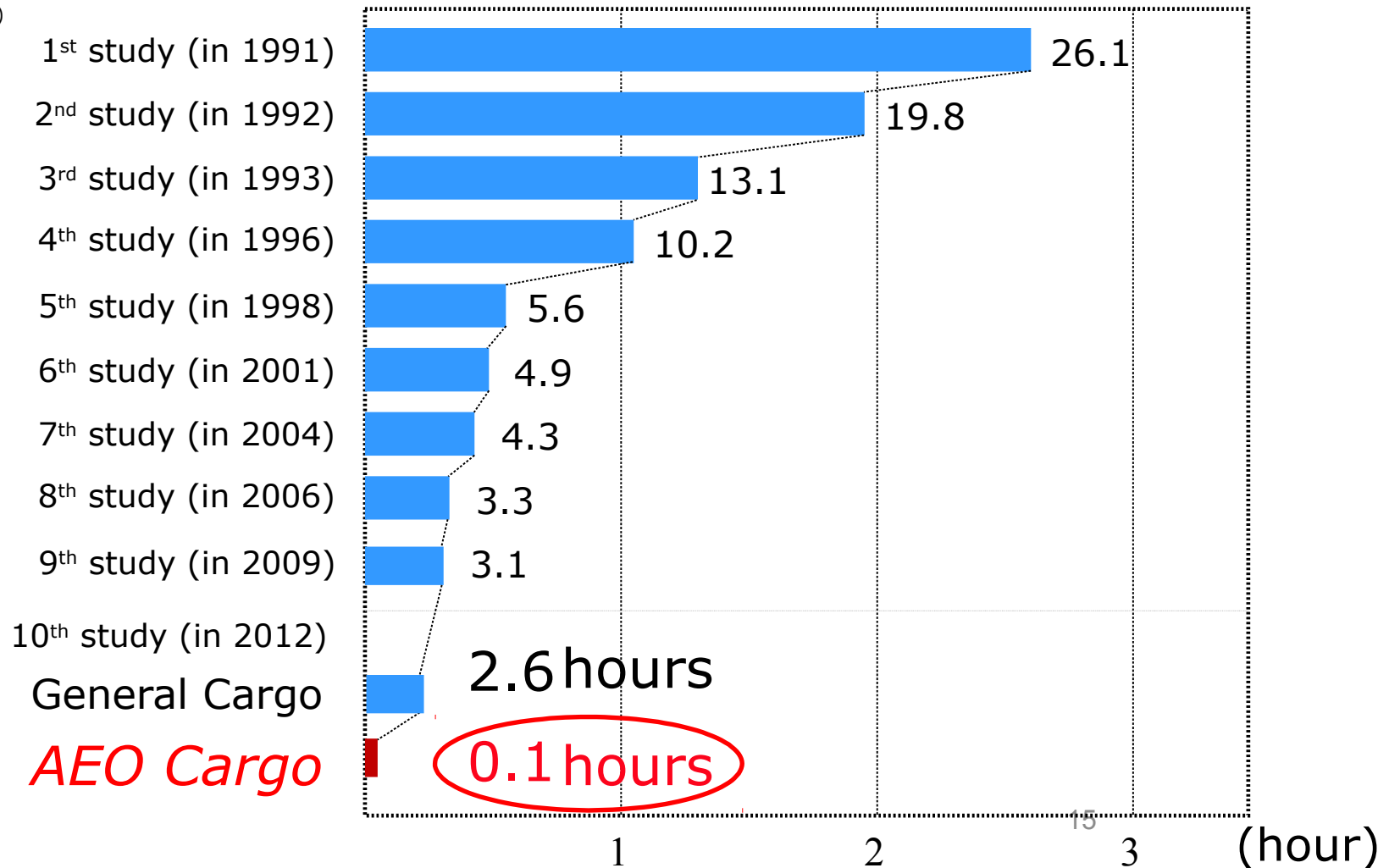


3.3 Benefits of Japan's AEOs: Effects of AEO Importers

Mean Time required for a time period from Customs declaration to Import permit (Time Release Study by Japan Customs)

【 Maritime Cargo 】

(General Cargo)



3.4 Benefits of Japan's AEO Program: Other Operators

AEO Warehouse Operators :

- Establishment of a new Customs warehouse only by notification
- Compliance reflected reduced audit
- Free monthly fee

AEO Logistics Operators :

- Customs transit without permission from Customs

AEO Customs Brokers :

- Pre-arrival lodgment of import declaration
- Periodical lodgment of duty/tax payment declaration
- Waive the requirement to store goods in the Customs area for export declaration
- Selection of Customs offices to lodge export/import declarations

AEO Manufacturers :

- Waive the requirement to store goods in the Customs area for export declaration for cargo manufactured by AEO Manufacturers

Thank you!



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