

## 【Customs Act】

### Provisions concerning AEO (Export)

#### (Restriction of Locations Where Foreign Goods are Placed)

##### Article 30

- (1) Foreign goods may not be placed in a location other than a bonded area. However, this shall not apply to the following goods.
- (i) Wrecked goods.
  - (ii) Goods that the Director-General of Customs permitted to place in a designated area for a designated period as the goods are deemed to be difficult or significantly inappropriate to place in a bonded area.
  - (iii) Postal items, goods seized under provisions of The code of Criminal Procedure (Act No. 131 of 1948), and other goods specified by Cabinet Order.
  - (iv) Postal correspondences that the Director-General of Customs approves to place it in a location other than the bonded area in view of enforcement. Postal correspondence shall be as defined in Article 2(3) (Definition) of the Act on Mail Correspondences by Private Corporation (Act No. 99 of 2002), the same shall apply in Article 74 (Goods as its Import is Permitted), Article 78-2 (Application, mutatis mutandis of Provisions regarding Postal Correspondence), and Article 122(1) and (2) (Seizure of Postal Items, etc.).
  - (v) Goods for which an authorized export declaration prescribed in Article 67-3(2) (Special Provisions of Export Declaration) was made and that were granted export permission by the Director-General of Customs (hereinafter referred to as “authorized export declaration goods”).
- (2) Notwithstanding the provision of the preceding paragraph, the goods listed in Article 69-11(1) (i) to (iv), (v)-2, (vi) and (viii) to (x) (Import Prohibited Goods) (limited to those arrived for purposes other than import, and excluding those goods listed in item (ix) of the same paragraph which infringe only layout-designs) may not be placed in a bonded area.

#### (Permission of Export or Import)

##### Article 67

A party exporting or importing goods shall declare the name, quantity and price of the goods (quantity and price to be taken as a bases for duty assessment (limited to Specific Industrial Products prescribed in Article 8-2(1)(ii) (Preferential Tariff, etc.) of Act on Interim Measures concerning Customs, in case of specially declared goods)) and other necessary matters to the Director-General of Customs, pursuant to the provision of Cabinet Order, to have those goods inspected appropriately, and to receive permission.

#### (Timing for Export Declaration or Import Declaration)

##### Article 67-2

- (1) Export or import declaration shall be done after storing goods in a bonded area or a customs designated area (which shall mean a bonded area or an area designated by the Director-General of Customs pursuant to the provision of Article 30(1)(ii) (Restriction of Locations Where Foreign Goods are Placed), the same shall apply in item (i)). However,

this shall not apply to any case which falls under any of the following items.

- (i) When the Director-General of Customs authorizes declaration not storing the goods at a bonded area or a customs designated area pursuant to the provision of Cabinet Order.
  - (ii) When an authorized importer or a non-authorized importer delegating its customs clearance to an authorized customs broker submits an import declaration (excluding declaration of Specific Industrial Products prescribed in Article 8-2(1)(ii) (Preferential Tariff, etc.) of Act on Interim Measures concerning Customs) pursuant to the provision of Cabinet Order.
- (2) The import declaration falls under any of the items of the preceding paragraph shall be done after reporting the cargo information pursuant to the provision of Article 15(1) or (7) (Procedure for Port Entry) or after submitting documents including the cargo information pursuant to the provision of Article 15(2), 15(8), 18(2) or 18(4) (Simplified Procedure for Port Entry and Departure) to Customs.

#### (Special Provisions of Export Declaration)

##### Article 67-3

- (1) A party exporting goods and granted authorization by the Director-General of Customs beforehand (hereinafter referred to as “authorized exporter”), or a party delegates its customs clearance pertaining to export of the goods to an authorized customs broker (hereinafter referred to as “non-authorized exporter delegating its customs clearance to an authorized customs broker”) may notify that the party wishes paragraph (1) of the preceding Article not to be applied, when the party files an export declaration. In this case, the provision of the same paragraph shall not apply to the said declaration.
- (2) Authorized export declaration (which shall mean those export declarations of an authorized exporter, not applied paragraph (1) of the preceding Article pursuant to the provision of the preceding paragraph, the same shall apply hereinafter) or authorized delegated export declaration (which shall mean those export declarations of a non-authorized exporter delegating its customs clearance to an authorized customs broker, not applied paragraph (1) of the preceding Article pursuant to the provision of the preceding paragraph, the same shall apply in paragraph (5) and Article 79-3(3)) shall be declared to the Director-General of Customs whose jurisdiction covers the places where the exporting goods are stored or open port/Customs airport or port/airport other than open port/Customs airport where the goods will be loaded. In this case, the non-authorized exporter shall delegate the cargo transportation to authorized logistics operators from the places where the exporting goods are stored to open port/Customs airport or port/airport other than open port/Customs airport where the goods will be loaded.
- (3) The provision of paragraph (1) shall not apply to the export declaration pertaining to the goods prescribed in Article 70(1) (Certificate or Confirmation) and specified by Cabinet Order.
- (4) A party applying for authorization under paragraph (1) shall submit an application form describing the names of the goods and other necessary matters to the Director-General of Customs.
- (5) Other necessary matters regarding application of each provision of the preceding paragraphs, including reporting items on authorized export declaration or authorized delegated export declaration, shall be prescribed by Cabinet Order.

(Requirements for Authorization)

Article 67-4

The Director-General of Customs shall verify if the following criteria are satisfied in the authorization process of paragraph (1) of the preceding Article.

- (i) An applicant who requests the authorization shall not fall under any of the following cases.
  - (a) The applicant is a person who was punished or received an administrative penalty for the violation of any provisions of this Act, Customs Tariff Act or other Acts related to customs, or any orders based on these Acts, and 3 years have not passed since the day of the completion or cease of such punishment or execution of administrative penalty.
  - (b) The applicant is a person who was punished for the violation of any export-related provisions of other laws and regulations prescribed in Article 70(1) or (2) (Certificate or Confirmation), and 2 years have not passed since the day of the completion or cease of such punishment (excluding persons fall under (a)).
  - (c) The applicant is a person who was punished for imprisonment without work or severer punishment for the violation of any provisions of laws and regulations other than those prescribed in (a) and (b), and 2 years have not passed since the day of the completion or cease of such punishment.
  - (d) The applicant is a company whose board member, representative or employee falls under (a) to (c).
  - (e) The applicant is a person whose authorization had been revoked pursuant to the provisions of Article 67-9(i) or (ii) (b) (Revocation of Authorization) and 3 years have not passed since the date of such revocation.
- (ii) The applicant is capable of making an authorized export declaration through the electronic data processing system, and is capable of conducting the related operations in an appropriate and reliable manner pertaining to export of goods subject to authorized export declaration (including operations regarding cargo control up to its loading onto the foreign trading vessels for export, the same shall apply in the following item).
- (iii) The applicant has a Compliance Program which includes matters specified in Ordinance of the Ministry of Finance as matters to be compliant with this Act or other laws and regulations, which the applicant (including board members in case the applicant is a corporation), representatives, managers and employees shall observe, regarding the operations pertaining to export of goods subject to authorized export declaration.

(Order for Improvement)

Article 67-5

The Director-General of Customs may request authorized exporters to take necessary measures to improve the Compliance Program prescribed in item (iii) of the preceding Article or operations related to the said program or to newly establish the Compliance Program prescribed in the same item, when he/she finds necessary for the proper application of this Act, due to the improper operations of an authorized exporter, such as an authorized export declaration not observing this Act.

(Maintenance of Books, etc.)

Article 67-6

- (1) An authorized exporter shall, pursuant to the provision of Cabinet Order, maintain books in which names, quantities, prices and other necessary matters of authorized export declaration goods are recorded, and preserve such books and documents produced or received during transaction pertaining to the authorized export declaration goods and other documents specified by Cabinet Order (referred to as “books and documents” in Article 67-8(2) (Lapse of Authorization) and Article 67-9(i) (Revocation of Authorization)).
- (2) Omitted

(Report of Quitting the Status as an Authorized Exporter)

Article 67-7

An authorized exporter may submit a report to the Director-General of Customs who issued authorization set forth in Article 67-3(1) (Special Provisions of Export Declaration), informing that authorized status is no longer necessary pursuant to the provisions of Cabinet Order.

(Lapse of Authorization)

Article 67-8

- (1) The authorization set forth in Article 67-3(1) (Special Provisions of Export Declaration) shall be terminated when any of the followings applies.
  - (i) When the report prescribed in the preceding Article is submitted.
  - (ii) When an authorized exporter dies, and an application pursuant to the provision of Article 48-2(2) (Succession of Permission), as applied mutatis mutandis pursuant to Article 67-10 (Application, mutatis mutandis of Rules concerning Succession of Permission), is not submitted within the due date specified in that Article, or determination not to issue an authorization set forth in that Article is made.
  - (iii) When dissolution of an authorized exporter occurs.
  - (iv) When an authorized exporter begins to take bankruptcy procedures.
  - (v) When the Director-General of Customs revokes the authorization.
- (2) Even when the validity of authorization under Article 67-3(1) is terminated, the party that received the authorization or its heir (in case where the corporation that received authorization no longer exists by a merger, a corporation after the merger or a corporation newly established by the merger) may not be waived the responsibility pertaining to authorized export declaration goods with export permission before its termination. The responsibility includes maintenance and preservation of books and documents pursuant to the provision of Article 67-6 (1) (Maintenance of Books, etc.) and other matters specified in this Act and other Acts related to customs.

(Revocation of Authorization)

Article 67-9

The Director-General of Customs may revoke the authorization set forth in Article 67-3(1) (Special Provisions of Export Declaration), when any of the followings applies

- (i) When the requirement of maintenance or preservation of books and documents prescribed in Article 67-6(1) (Maintenance of Books, etc.) is not found to be observed in accordance with the provision of Cabinet Order prescribed in the same Article, or when a false statement is found in the books and documents.
- (ii) When the authorized exporter falls under any of the following categories.

- (a) Article 67-4(i) or (ii) (Requirements for Authorization) becomes not satisfied
- (b) An order for improvement made by the Director-General of Customs pursuant to the provision of Article 67-5 (Order for Improvement) is not observed.

(Application, mutatis mutandis of Rules concerning Succession of Permission)

Article 67-10

The provisions of Article 48-2(1) to (5) (Succession of Permission) shall apply mutatis mutandis to an authorized exporter. Necessary adjustments in terms of technical interpretation for this case shall be prescribed by Cabinet Order.

(Revocation of Export Permission)

Article 67-11

- (1) An authorized exporter may apply for revocation of already-granted export permission, to the Director-General of Customs who granted the export permission, when the export permission is no longer necessary because of the cancellation of export or other reasons.
- (2) The Director-General of Customs may revoke the export permission pertaining to authorized export declaration goods before the goods are loaded on the vessel, when the application pursuant to the provision of the preceding paragraph was made, or when he/she finds necessary for the proper application of this Act.
- (3) The Director-General of Customs may have customs officers inspect the authorized export declaration goods, when he/she finds necessary for the revocation of the export permission pursuant to the provision of the preceding paragraph.

(Report regarding Loss of Authorized Export Declaration Goods, etc.)

Article 67-12

The provision of main clause of Article 34 (Disposal of Foreign Goods) shall apply mutatis mutandis to the case when authorized export declaration goods stored in an area other than a bonded area are disposed of, and the provision of Article 45(3) (Responsibility for Payment of Customs Duty, etc.) shall apply mutatis mutandis to the case when authorized export declaration goods stored in an area other than a bonded area are lost. In these cases, the term “to Customs” in the main clause of Article 34 shall be deemed to be replaced with “to the Director-General of Customs who granted the export permission”, the term “a party who has an license to operate a bonded area” in Article 45(3) shall be deemed to be replaced with “an authorized exporter pertaining to the said authorized export declaration goods”, and the term “the Director-General of Customs” in the same Article shall be deemed to be replaced with “the Director-General of Customs who granted the export permission”.

(Documents Need to be Attached with Export and Import Declaration)

Article 68

- (1) An invoice shall be attached to an import or export declaration. However, this shall not apply to the cases where the Customs finds there is a reason not to be able to attach the invoice, authorized export declaration or import declaration pertaining to specially declared goods (except when the Director-General of Customs finds the attachment of an invoice is necessary for judgment of granting permission), or other cases specified by Cabinet Order as the cases that shall not require the attachment.
- (2) When it is found to be difficult to determine the basis for duty assessment of imports based

on the invoice set forth in the preceding paragraph, it falls under the proviso of the preceding paragraph, or benefit pursuant to the special provisions of treaties concerning customs shall apply, Customs may request submission of necessary documents, such as contracts or other documents for duty assessment, or documents specified by Cabinet Order for the application of the said benefit.

## 【Order for Enforcement of the Customs Act】 (Cabinet Order)

### Provisions concerning AEO (Export)

#### (Reporting Items on Authorized Export Declaration/Authorized Delegated Export Declaration) Article 59-5

In the application of Article 58 pertaining to export declaration (limited to declaration filed by an authorized exporter) pursuant to the provision of Article 67 (Permission of Export or Import) of Customs Act, that Article 67-3(1) (Special provisions of Export Declaration) of Customs Act shall apply, the term “the following items” in Article 58 shall be replaced with “intention not to apply the provision of Article 67-2(1) (Timing for Export Declaration or Import Declaration) of Customs Act and the following items”, and the term “to be omitted, and require verbal declaration for the carrying luggage (excluding those goods which fall under means of payment or securities listed in item (i) of paragraph(1) of Article 8-2 (Notification of Import or Export of Means of Payment, etc.) of Foreign Exchange Order (Cabinet Order No. 260 of 1980), or precious metal listed in item (ii) of the same paragraph) owned by travelers or crew members” shall be replaced with “to be omitted”.

#### (Designation of Goods Special Provisions of Export Declaration shall Not Apply) Article 59-6

Goods specified by Cabinet Order prescribed in Article 67-3(3) (Special Provisions of Export Declaration) of Customs Act shall be as follows:

- (i) Goods listed in the middle column of row 1 of appended table 1 of Export Trade Control Order (Cabinet Order No. 378 of 1949) (excluding goods in the following item).
- (ii) Goods exporting to areas or countries designated in appended table 4 of Export Trade Control Order, which need permission prescribed in Article 48(1) of Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949) or approval prescribed in Article 2(1) of Export Trade Control Order, for their exportation.

#### (Application Process for Authorization as an Authorized Exporter, etc.) Article 59-7

(1) The following matters shall be included in the application form prescribed in Article 67-3(4) (Special Provisions of Export Declaration) of Customs Act.

- (i) Home/business address and personal/business name of the applicant for the authorization under Article 67-3(1) of Customs Act (referred to as “the applicant” in paragraphs (3) and (4)).
- (ii) Name of goods for export declaration pursuant to the provision of Article 67-3(1) of Customs Act
- (iii) When it falls under any of Article 67-4(i)(a) to (e) (Requirements for Authorization) of Customs Act, the facts related to the applicability of the clauses.
- (iv) Other matters that should be noted.

(2) Compliance Program defined in Article 67-4(iii) of Customs Act shall be attached to the application form set forth in the preceding paragraph.

- (3) Registration certificate as a corporation shall be attached to the application form set forth in paragraph (1), if the applicant is a corporation.
- (4) The Director-General of Customs shall notify the applicant in writing of the authorization, and if not authorized, of the said fact and the reasons thereof.
- (5) The exporter authorized under Article 67-3(1) of Customs Act (hereinafter referred to as “authorized exporter”) shall report to the Director-General of Customs who authorized the exporter, without delay of any changes to the matters pertaining to the authorization listed in item (i) of paragraph (1).

(Matters to be Described in Books, etc.)

Article 59-8

- (1) Authorized exporter shall equip with books, in which names, quantities, prices, personal/business names of consignees, dates of permission, and the permission numbers of authorized export declaration goods (which shall mean authorized export declaration goods prescribed in 30(1) (v) (Restriction of Locations Where Foreign Goods are Placed) of Customs Act, the same shall apply hereinafter).
- (2) Documents specified by Cabinet Order prescribed in Article 67-6(1) (Maintenance of Books, etc.) of Customs Act shall be contracts, invoices, packing lists, price lists, and documents produced by manufacturers or sellers describing deals with exporters. In the case that the said authorized export declaration goods fall under the goods prescribed in Article 70(1) or (2) (Certificate or Confirmation) of Customs Act, the documents shall be those prove the permission and/or approval prescribed in paragraph (1) of the same Article, certificate of completion of inspection or documents that prove the fulfillment of all the conditions prescribed in paragraph (2) of the same Article, and/or other documents that describe the nature and shape of authorized export declaration goods.
- (3) When all or part of the matters to be described in the books set forth in paragraph (1) are included in the export permission or other documents set forth in the preceding paragraph, such matters may be omitted from the books.
- (4) An authorized exporter shall organize the books under paragraph (1) and documents under paragraph (2) (including the export permission when the preceding paragraph shall apply, the same shall apply in the following paragraph), and store for 5 years after the date of export permission, at the head office or the principal office of the exporter, or the office or other similar facilities or business/residence address of the authorized exporter, which deal with the trade of authorized export declaration goods.
- (5) In the case that the documents under paragraph (2) were submitted to the Director-General of Customs pursuant to the provisions of Custom Act and other laws and regulations concerning Customs, paragraphs (3) and (4) shall not apply after the submission.
- (6) The provision of Article 4-12(7) shall apply mutatis mutandis to the technical interpretation of the provisions of the Act on Electronic Storage of Books, when provisions of the Act on Electronic Storage of Books are applied mutatis mutandis to authorized exporter pursuant to the provision of Article 67-6(2) of Customs Act.

(Procedure for Report of Quitting the Status as an Authorized Exporter)

Article 59-9

The provision of Article 4-13 shall apply mutatis mutandis to the report prescribed in Article 67-7 (Report of Quitting the Status as an Authorized Exporter) of Customs Act. In



this case, the term “authorized importer” in Article 4-13(1) shall be replaced with “authorized exporter”, “Article 7-2(1) (Special Declaration) of Customs Act” in Article 4-13(2) shall be replaced with “Article 67-3(1) (Special Provisions of Export Declaration) of Customs Act”, and “Article 7-2(1) of Customs Act” shall be replaced with “Article 67-3(1) of Customs Act”.

(Procedure for Revocation of Authorization)

Article 59-10

The provision of Article 4-14 shall apply mutatis mutandis to the case when the authorization prescribed in Article 67-3(1) (Special Provisions of Export Declaration) of Customs Act was revoked pursuant to the provision of Article 67-9 (Revocation of Authorization) of Customs Act.

(Notification concerning Disposal of Authorized Export Declaration Goods)

Article 59-12

The provision of Article 29 shall apply mutatis mutandis to the report prescribed in main clause of Article 34 (Disposal of Foreign Goods) of Customs Act, as applied mutatis mutandis pursuant to Article 67-12 (Report regarding Loss of Authorized Declaration Goods, etc.) of Customs Act. In this case, the term “Goods that are going to be disposed” shall be replaced with “The export permission number of goods that are going to be disposed, and the goods themselves”.

In addition, the provision of Article 38-2 of Customs Act shall apply mutatis mutandis to the report prescribed in Article 45(3) (Responsibility for Payment of Customs Duty, etc.) of Customs Act, as applied mutatis mutandis pursuant to Article 67-12 of Customs Act. In this case, the term “Name and address of the bonded area where foreign goods were stored” shall be replaced with “Export permission number of foreign goods”.

**【 Ordinance for Enforcement of the Customs Act 】**

(Ordinance of the Ministry of Finance)

Provision concerning AEO (Export)

(Items to be Described in the Compliance Program)

Article 9

The matters specified in Ordinance of the Ministry of Finance prescribed in Article 67-4(iii) (Requirements for Authorization) of Customs Act shall be as prescribed respectively in the following items.

(i) In a case where the applicant for authorization is a corporation:

(a) The following items to establish the necessary framework for compliance of laws and regulations:

1. The name of the department that manages operations prescribed in 2 to 4 and the name of the responsible personnel and his/her title.
2. The name of the department that conducts operations regarding authorized export declaration (which shall mean authorized export declaration prescribed in Article 67-3(2) (Special Provisions of Export Declaration) of Customs Act, the same shall apply hereinafter), and the name of the responsible personnel and his/her title.
3. The name of the department that conducts the operations regarding cargo control of authorized export declaration goods (which shall mean authorized export declaration goods prescribed in Article 30(1)(v) (Restriction of Locations Where Foreign Goods are Placed) of Customs Act), and the name of responsible personnel and his/her title.
4. The name of the department and the name and title of the personnel in charge of internal audit regarding compliance of laws and regulations.

(b) Concrete description of the operations and process of departments described in (a)1 to 4.

(c) The names of the rules and their objectives, which stipulate the matters to be followed by the board members, representatives, managers and other employees, in order to assure the compliance of laws and regulations (excluding Customs Act and other customs related laws and regulations).

(d) Matters related to the management and guidance of operations conducted by the business partner of the applicant, in a case where the applicant delegates its operation, such as authorized export declaration and cargo control, to its business partner.

(e) Communication channels with Customs and crisis management when a case in breach of laws and regulations occurs.

(f) Matters concerning the development, maintenance and management of books and documents (which shall mean books and documents prescribed in Article 67-6(1) (Maintenance of Books, etc.) of Customs Act, the same shall apply hereinafter in this Article).

(g) Matters concerning the financial conditions.

(h) Matters concerning education and training necessary for observation of laws and

regulations, for the board members, representatives, managers and other employees.

- (i) Matters concerning punitive measures.
- (j) Other matters that should be noted.
- (ii) In a case where the applicant for authorization is not a corporation:
  - (a) Matters for compliance of laws and regulations, as listed below:
    1. The name of the responsible personnel for the operations prescribed in 2 to 4.
    2. The name of the personnel who conducts authorized export declaration.
    3. The name of the personnel who conducts cargo control of authorized export declaration goods.
    4. The name of the personnel who conducts internal audit regarding compliance of laws and regulations.
  - (b) The concrete description of the operations and processes prescribed in (a)1 to 4.
  - (c) The names of the rules and their objectives that regulate the matters to be followed in order to assure the applicant's compliance of laws and regulations (excluding Customs Act and other customs related laws and regulations).
  - (d) Matters related to the management and guidance of the operations conducted by the business partner of the applicant, in a case where the applicant delegates its operation, such as authorized export declaration and its cargo control, to its business partner.
  - (e) Communication channels with Customs and crisis management when a case in breach of laws and regulations occurs.
  - (f) Matters concerning the development, maintenance and management of books and documents.
  - (g) Matters concerning the financial conditions.
  - (h) Other matters that should be noted.