

As a major trading country Japan will actively promote trade facilitation measures. Free and fair trade is one of the essentials for global economic growth

International Activities



The 8th Japan-EU Joint Customs Cooperation Committee (Tokyo)



Free and fair trade is one of the essentials for global economic growth. Japan has promoted the multilateral free trading system, whose foundation has been mainly formed by the World Trade Organization (WTO).

Besides, Japan has also actively promoted bilateral and plurilateral economic partnership.

Meanwhile, there are trends which should be noted, including those related to the implementation of trade restrictive measures by some countries in the context of the COVID-19 crisis. Against this backdrop, we continue, cooperating with related ministries, to work on maintaining and reinforcing the multilateral free trade system formed on the ground of WTO, in order to develop free, fair, and open international rules.

In addition, as a major trading country Japan will actively promote trade facilitation measures in customs-related fields.

contents	Activities for Development of International Trade	P42
	International cooperation	P44
	Japan Customs at the Forefront of Customs Capacity Building	P46

Trade Negotiations

The Customs and Tariff Bureau, as an authority responsible for customs legislation and administration, continues to promote the maintenance and strengthening of multilateral free trade system, with a primary focus on the WTO, in cooperation with other relevant ministries

and contributes to orderly development of international trade by promoting economic partnerships with such regions as the Asia-Pacific region, East Asia and Europe.



11th WTO Ministerial Conference
The copyright-holder: the World Trade Organization

Activities in the field of WTO

The WTO is at the core of a multilateral trading system. In order to respond to any protectionism measures and to mitigate possible damage to domestic industries, we have worked on maintaining and strengthening multilateral trading system through WTO policy tools, including the dispute settlement system, safeguard measures, or discussions at the Trade Policy Reviews.

In recent years, the WTO members have made various efforts toward the WTO reform, based on the understanding that the WTO has not sufficiently dealt with protectionism, unfair trade practices and new challenges caused by technological innovation. For example, there have been ongoing discussions among the WTO members on the reform of the WTO dispute settlement system including Appellate Body and

the international rulemaking on trade-related aspects of electronic commerce.

Trade Facilitation Agreement (TFA), which entered into force in February 2017, is the first multilateral agreement concluded by all WTO members since the WTO was established in 1995 and regarded as one of the important outcomes of the Doha Round.

TFA is expected to contribute to global trade facilitation through enhancing transparency and acceleration of customs procedures.

We continue to encourage other WTO members to implement the TFA provisions properly, in tandem with partners including relevant international organizations, and the WTO members who are in the process of ratifying it to finish the process.

Main element of TFA Note: Japan has implemented all the measures required by TFA	Expected Results
(1) Measures to be implemented by members Measures enhancing transparency: - Publishing descriptions of procedures on the internet; - Issuing advance rulings on issues including goods' tariff classifications prior to the importation Expediting or simplifying measures: - Adopting pre-arrival declaration/processing and risk-based post-clearance audit; - Endeavouring to establish /maintain a single window for border procedures (2) Special treatment for developing country members - They can decide dates for implementation on their own; - They can request support for capacity building (3) Application of WTO dispute settlement procedures	<input checked="" type="checkbox"/> Supporting Japanese enterprises engaging in offshore productions <input checked="" type="checkbox"/> Expanding trade and investment by reducing total trade costs; and <input checked="" type="checkbox"/> Promoting further strengthening of the multilateral trading system; TFA contributes to the sustainable development and growth of both Japanese and World economy.
TFA benefits both developed and developing countries: to reduce difficulty operating in developing countries such as lack of clarity on trade procedures (for developed countries) and to increase trade and investment resulted from improved border procedures (for developing countries).	

Promoting Economic Partnership

21 EPAs and related initiatives between Japan and 24 countries/regions have been entered into force or signed as at June 2023.

The RCEP Agreement, which is Japan's first EPA with China and Korea, entered into force in January 2022. As a result, the ratio of the amount of trade with countries with which EPAs are in effect in proportion to Japan's total amount of trade reaches approximately 78%, including the CPTPP Agreement (CPTPP), which entered into force in December 2018, the Japan-EU EPA in February 2019, Japan-U.S. Trade Agreement and Japan-U.S. Digital Trade Agreement in January 2020 and the Japan-UK CEPA in January 2021.

Such enhancements of economic partnership are expected to lead to Japan's economic growth and demonstrate Japan's will to promote free trade to the world. Japan will continue to promote negotiations on other economic partnerships.

In addition, considering the prospect of expansion of EPA utilization, the Customs

and Tariff Bureau will promote the utilization by providing traders further supports continually.

"Follow-up on the Growth Strategy" which the Japanese cabinet decided in June 2021 notes, "the government will also promote other economic partnership negotiations speedily taking into account strategic perspectives. Domestically, the government will work to promote the utilization of the EPA, and as part of such effort, promote the development of a business environment related to trade, including the digitalization of certificates of origin, while considering the systems of partner countries."

Taking into consideration above-mentioned policies of the government, the Customs and Tariff Bureau will promote economic partnerships with such regions as the Asia-Pacific, East Asia and Europe in its capacity of overseeing customs legislation and administration.



RCEP Agreement Signing Ceremony (15 November 2020) (Photo: Prime Minister's Office of Japan)

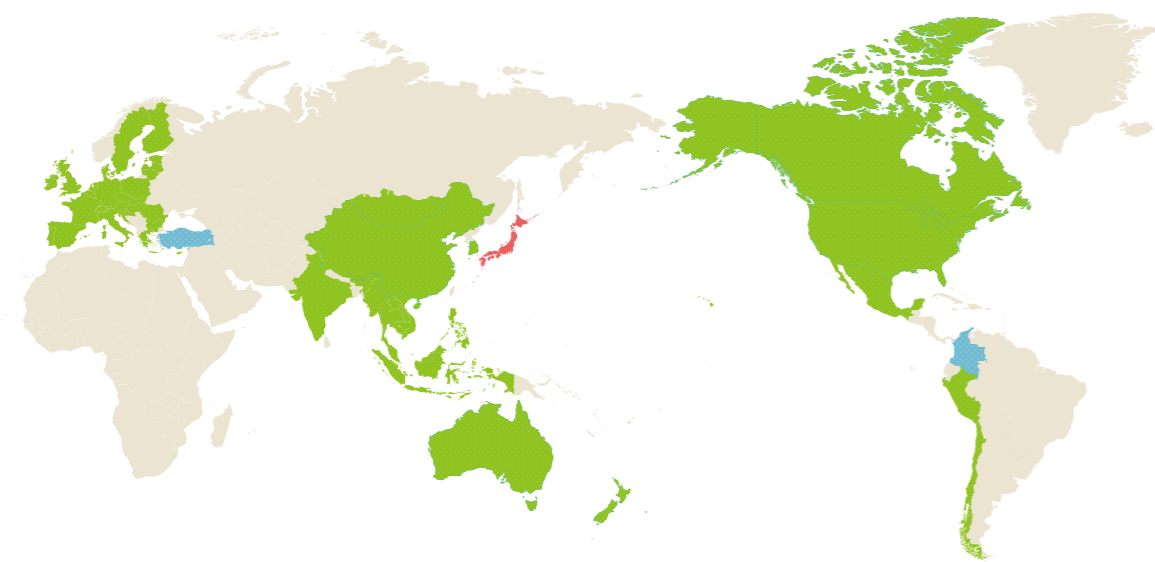
The Ministry of Finance constitutes Japan's economic partnership negotiation team along with the Ministry of Foreign Affairs, the Ministry of Agriculture, Forestry and Fisheries, and the Ministry of Economy, Trade and Industry.

As an agency which is in charge of customs administration, such as maintaining safeguards or duty quotas and enacting the necessary domestic legislation for EPA, the Customs and Tariff Bureau participates in the negotiations on economic partnership in areas such as customs procedures, information exchange, customs co-operation, trade facilitation, rules of origin, market access of products under MOF's jurisdiction (alcohol, tobacco and salt), intellectual property border measures, and non-tariff border measures.



Japan-UK CEPA signing ceremony (23 October 2020) (Photo: MOFA)

Japan's Negotiations on Economic Partnership



Concluded or Signed	Singapore, Mexico, Malaysia, Chile, Thailand, Indonesia, Brunei, ASEAN, Philippines, Switzerland, Vietnam, India, Peru, Australia, Mongolia, TPP12, CPTPP, EU, U.S., UK, RCEP
Negotiating	Colombia, Japan-China-ROK, Turkey

[As of June, 2023]

Japan's EPA/FTAs in progress

as of June, 2023

In Force

- Singapore (November 2002 (September 2007 Amendment)) ● Mexico (April 2005 (April 2012 Amendment))
- Malaysia (July 2006) ● Chile (September 2007) ● Thailand (November 2007) ● Indonesia (July 2008)
- Brunei (July 2008) ● ASEAN (December 2008 (August 2020 Amendment)) ● Philippines (December 2008)
- Switzerland (September 2009) ● Vietnam (October 2009) ● India (August 2011) ● Peru (March 2012)
- Australia (January 2015) ● Mongolia (June 2016) ● CPTPP (December 2018) ● EU (February 2019)
- U.S. (January 2020) ● UK (January 2021) ● RCEP (January 2022)

Signed

- TPP12 (February 2016)

Under Negotiation

- Colombia ● Japan-China-ROK ● Turkey (Negotiations suspended: GCC, Korea, Canada)

(Note1) TPP12 (Trans-Pacific Partnership Agreement) : Canada, Australia, Singapore, Chile, Japan, New Zealand, Brunei, United States, Vietnam, Peru, Malaysia, Mexico (12 countries)

(Note2) CPTPP (Comprehensive and Progressive Agreement for Trans-Pacific Partnership) (CPTPP) : Canada, Australia, Singapore, Chile, Japan, New Zealand, Brunei, Vietnam, Peru, Malaysia, Mexico (11 countries)
In Force : Canada, Australia, Singapore, Japan, New Zealand, Mexico (December 2018) , Vietnam (January, 2019) , Peru (September, 2021) , Malaysia (November, 2022) , Chile (February, 2023)

(Note3) RCEP (Regional Comprehensive Economic Partnership) : ASEAN (Indonesia, Cambodia, Singapore, Thailand, Philippines, Brunei, Vietnam, Malaysia, Myanmar, Laos) , Japan, China, Korea, Australia, New Zealand (15 countries)
In Force : Brunei, Cambodia, Laos , Singapore, Thailand, Vietnam, Japan, China, Australia, New Zealand (January 2022), Korea (February 2022) , Malaysia (March 2022) , Indonesia (January, 2023) , Philippines (June 2023)

(Note4) GCC (Gulf Cooperation Council) : United Arab Emirates, Oman, Qatar, Kuwait, Saudi Arabia, Bahrain

Activities for Development of International Trade

Japan Customs is engaged in strengthening the relationship with foreign customs toward the sound development of international trade.

APEC (Asia-Pacific Economic Cooperation)



Facilitating trade in the Asia-Pacific region

APEC is a forum to discuss economic cooperation in the Asia-Pacific region with a focus on liberalization and facilitation of trade and investment. Delegates from Customs and Tariff Bureau have been participating in the APEC activities, especially those of the Sub-Committee on Customs Procedures (SCCP) under the Committee on Trade and Investment (CTI), to promote trade facilitation through the harmonization and simplification of customs procedures and to secure international supply chain in the region. To be specific, Customs and Tariff Bureau has been contributing to the promotion of the trade facilitation and Customs Reform and

Modernization in the APEC region by taking initiative in the promotion of digitalizing customs procedures and the enhancement of capacity of risk management in the areas such as border enforcement on intellectual property rights and against illicit trafficking.



2020 APEC Sub-Committee on Customs Procedures (SCCP) Meeting (Malaysia, Putrajaya)

Customs Cooperation

Mutual assistance with foreign Customs Administrations including enhanced exchange of information

Aiming to promote more effective border enforcement against illegal goods, such as illicit drugs, the Customs and Tariff Bureau is actively building cooperative framework by such measures as concluding an agreement (Customs Mutual Assistance Agreement) which facilitates exchange between Customs information and to strengthen cooperation in the area of trade facilitation. As of March 2022, Japan has built such frameworks of mutual assistance with 39 countries and regions around the world.

Dialogues with foreign customs administrations

The Customs and Tariff Bureau is actively engaged in dialogues with foreign customs administrations at various ranks as well as on different occasions, such as on the margins of regular meetings at the WCO, with a view to strengthening effective partnerships with them. The 9th Joint Customs Cooperation Committee (Japan-EU) was held in Belgium at June 2019. The 6th Tripartite (Japan-China-Korea) Customs Heads' Meeting were held in Tokyo at November 2017. The meetings discussed on a wide range of customs-related topics and reaffirmed the importance of the strengthening of customs cooperation.



ASEM (Asia-Europe Meeting)

Advancing further cooperation between Asia and Europe



ASEM is a process of dialogue and cooperation between Asia and Europe in a wide range of areas including politics, economy, culture and society. Delegates from Customs and Tariff Bureau have actively participated in ASEM Customs Directors-General/Commissioners Meetings (DGs meetings) and the Working Group on Customs Matters (AWC). At their

13th DGs meeting in Vietnam in 2019, DGs agreed on priority areas and actions for the next two years (2020-2021), including effective and efficient border enforcement by utilizing disruptive technologies for which Japan acts as a coordinator of the members. The next DGs meeting and AWC meeting have been postponed since the spread of COVID-19.



13th ASEM Customs Directors General/Commissioners Meeting (Vietnam, Ha Long)

International cooperation among Customs administrations

Japan Customs contributes to further growth of international trade through harmonization and unification of customs procedures internationally as well as enhanced international cooperation.

World Customs Organization (WCO)



Activities in the WCO

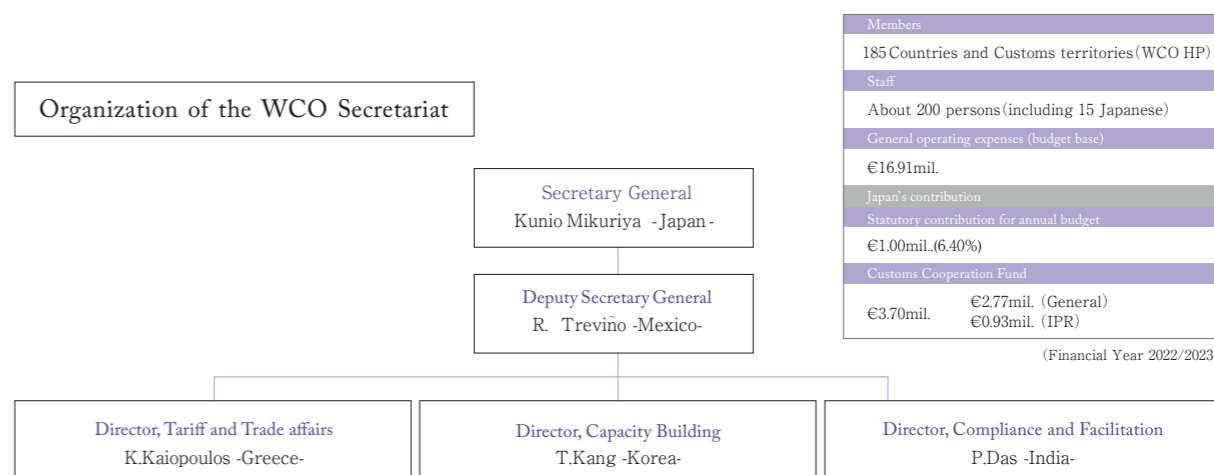
As the volume of international trade grows, harmonization and unification of tariff classification and customs procedures as well as promotion of international cooperation have become increasingly important. For example, differences in customs procedures in exporting and importing countries lead to extra work and trading costs. International cooperation is also essential in addressing issues that significantly affect national safety and economy, such as illicit drugs and goods infringing intellectual property rights. The WCO is the sole intergovernmental organization on customs matters tackling these issues from early years.



Profile of the WCO

The WCO, its headquarters located in Brussels, Belgium, is an intergovernmental organization established in 1952 to contribute to development of international trade by promoting harmonization and unification of customs procedures among its Members. The primary tasks of the WCO are as follows; (1) The WCO drafts and revises conventions related to customs classification and customs procedures and provides a unified interpretation of these conventions. (2) The WCO drafts and promotes guidelines on security and facilitation of international trade. (3) The WCO considers

technical matters on the WTO conventions on customs valuation and rules of origins for their unified interpretation and application. (4) The WCO promotes international cooperation among its Members for control and enforcement on illicit drugs and IPR infringing goods as well as customs capacity building. Japan joined the WCO in 1964 and since then, the Customs and Tariff Bureau, MOF has enhanced international cooperation among customs administrations to promote harmonization and unification of customs procedures in cooperation with the WCO.



Contribution by Japan

In January 2009, Dr. Kunio Mikuriya from Japan, assumed the post of WCO Secretary General as the first from Asian countries, and it is third term (until December 31, 2023). There are 15 Japanese officials including Mr. Mikuriya in the WCO whose total number of staff is about 200. Japan has been making a significant contribution to formulation and implementation of policy at the WCO by providing human resources.

In terms of financing, Japan is the third-largest financial contributor to the WCO, providing 6.40% of the total amount of statutory contribution behind the United States (22.0%) and China (11.76%) in 2022/2023, and also the second largest donor to the Customs Cooperation Fund of the WCO, which is the financial resource for customs capacity building, providing 19.6% of the total amount of voluntary contribution behind the United States (24.9%) in 2021/2022. The Asia-Pacific

Regional Office for Capacity Building (ROCB) of the WCO in Thailand with its Head dispatched from Japan Customs actively undertaking activities including needs survey, planning and implementing workshops, and coordination with other donors in the region, in order to provide effective and efficient capacity building activities to customs officials of the developing Members in the region.

With growing needs for security and facilitation of international trade, the WCO plays more important roles, and Japan Customs continues its active contribution to the WCO.



Secretary General: Kunio Mikuriya

Japan Customs at the Forefront of Customs Capacity Building

Japan Customs is a leading administration in providing capacity building activities to Customs administrations of developing countries.

Customs Capacity Building

As part of Official Development Assistance (ODA) activities, Japan Customs organizes and implements the Capacity Building Program in conformity with the needs from Customs administrations of developing countries. The Program includes the acceptance of customs officers from developing countries and the dispatch of experts of Japan Customs, some of whom are Accredited Customs Experts of the WCO. In addition, selected Customs officials from developing countries enroll in National Graduate Institute of Policy Studies (GRIPS) and Aoyama Gakuin University (AGU) in Tokyo, through the WCO's Japan Customs Cooperation Fund, and academically review their Customs policy. Expert Trainers of Japan Customs Training Institute play their important role in their lectures. Moreover, in particular to the ASEAN countries that have strong economic ties with Japan, Japan Customs has been dispatching long-term Customs experts in close cooperation with Japan International Cooperation Agency (JICA), and providing them with technical assistance to their efforts on Customs modernization.

These experts provide knowledge and skills, and further enhance cooperative relations with Customs administrations of developing countries. The capacity building programs, supporting the efforts toward reform and modernization of Customs administrations of developing countries, contributes to further facilitation of

international trade through simplification and harmonization of Customs procedures etc., and to enhancing enforcement against smuggling and the fight against terrorism. Japan Customs is also promoting the implementation of the WTO TFA in developing countries in need through the Capacity Building Program. As concrete outcomes, Japanese experts have supported and witnessed the establishment of Advance Ruling system in some ASEAN countries. The development of "Master Trainers" in the African region and Pacific islands is another excellent outcome of the Program. These Trainers nurtured their fellow officials who can contribute to smooth Customs clearance for better business and trade environments. In addition to those activities, Japan Customs organizes policy dialogue with high-level executives of Customs administrations of developing countries aiming at effectively contributing to the institutional development and to further enhancing network with those administrations.

As the Government issued the measures for resuming Cross-Border Travel as a transition from the travel restriction due to the spread of COVID-19, Japan Customs also resumed "face-to-face" technical assistance activities, with a careful consideration of domestic circumstances and abroad. In its implementation, online environment is properly leveraged for more effective and efficient assistance.



Seminar on Enforcement for Bangladesh Customs

WCO Fellowship Program

Workshop on Risk management and Passenger control for Thai Customs

WCO Regional Training Centre

In June 2004 the Customs Training Institute (CTI) in Japan was designated as the WCO Regional Training Centre (RTC) * in the Asia-Pacific region. Since then, the CTI has hosted a number of WCO regional workshops in cooperation with the WCO Regional Office for Capacity Building (ROCB) in Bangkok.

The WCO Asia/Pacific Regional Workshop on Data Management and Analysis against Illicit Trade was held in March 2023 and 32 participants attended the workshop from 21 Customs administrations.

* WCO Regional Training Centres: The RTCs host Workshops for WCO Member Administrations. Currently, 33 RTCs are operating in the world and ten of them are in the Asia-Pacific region. (Japan, China, Fiji, Hong Kong China, India, Indonesia, Iran, Korea, Malaysia, and Thailand)

In addition, the CTI contributes to promote Customs reform and modernization through the WCO Scholarship Programme conducted at the GRIPS and AGU for Customs officials from overseas. The CTI lecturers share knowledge and skills required for Customs reform and modernization and the CTI arranges on-site visit to Japan Customs to show the practices on how Customs related international standards are implemented.

The CTI continuously contributes to enhance the ability of customs officials to realize Customs missions as the WCO RTC through collaboration with the WCO, the ROCB and other relevant agencies.



WCO Regional Workshop

WCO Regional Customs Laboratory

By virtue of the Memorandum of Cooperation for the establishment of WCO Regional Customs Laboratory (RCL) for the Asia Pacific (A/P) region signed by the WCO and Japan Customs in June 2014, the Central Customs Laboratory (CCL) was designated as the world's first WCO RCL. Since then, the CCL has contributed to promote capacity building for Customs Laboratories of the members particularly in the Asia Pacific region.

The CCL has engaged in the capacity building activities such as assisting foreign Customs administrations in establishing their own laboratory and enhancing their chemical analysis technics. Collecting and disseminating the good practices on Customs chemical analysis is also the CCL's major activities as an information sharing. Then, the CCL accept about 4 trainees from foreign Customs administrations in regional as well as non-regional members and provide practical training on Customs analysis every year. The CCL also provide the technical assistance by our experts for oversea Customs to support Customs administrations which aim to establish and further enhance their own Customs laboratories.

In November 2016, WCO Regional Workshop on Customs chemical analysis was held, attended by a total of 29 participants from 23 A/P members and 5 experts from other regional members. In April 2023, a meeting of Heads of the WCO Regional Customs Laboratories in A/P region was held with 24 members including representatives of 5 Regional Customs Laboratories.

Through these activities, a network of Customs laboratories is being developed within and between regions, which helps to promote further mutual cooperation.



WCO RCL Professionals Programme

Type of Capacity building

Dispatch of Experts to Other Countries

Long-term Expert: Term of experts is about two years.
7 experts sent to 6 countries as of March 2023
143 experts delivered lectures to 17 countries and regions in FY2022.

Customs officials from developing countries

Hosted workshops* and delivered lectures to 218 officials from 43 countries in FY2022.

High-level Policy Dialogue

Policy dialogues with high-level executives of Customs administrations of developing countries