

# Japan

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*What motivated the establishment of your Single Window (SW)?*

## **Background**

With the globalization of the world economy, international active corporations have developed a new business model of the integral distribution management running from procurement to sales activities, so called the Supply Chain Management (SCM). Under the SCM, it is of vital importance that trading costs are minimized and that lead times be shorter and more predictable.

In response, Finance Minister of Japan proposed on August 28 2001 as the Shiokawa initiative, a Reform of International logistics, which included incorporating already existing Nippon Automated Cargo Clearance System (NACCS) and other already computerized trade related administrative procedure system into a comprehensive computer interface system, which would enable the submission of all trade related documents with a single transition.

\* The System was thereafter renamed Nippon Automated Cargo and port Consolidated System (NACCS), having been enabled to process various border procedures under the laws and regulations of the relevant ministries' jurisdictions.

The establishment of Single Window system was planned for 2003. According to a certain basic policy, the Government of Japan subsequently reconsidered what the system should be like, and then implemented the new system, having standardized users' identification codes, the layout of terminal screen and the manner of data entry. The new Single Window—we are supposed to have further and constant review of how it ought to be—will enable private air carriers to electronically send the relevant data (e.g., of airport entrance notices and clearance procedures) to administrative bodies for immigration and quarantine (or food sanitation) purposes in February 2010.

*What year was it established?*

The work on the Single Window System started in July 2003.

*What is the current status of the facility (study, pilot phase, running)?*

Running.

*How did the SW interface with already established systems (if any existed)?*

## **Establishment**

The Single Window system will link the current one-stop service system in Japan (NACCS), which allows completing multiple procedures on a single terminal to relevant systems of the government, but requires the data transmission to be made separately for each procedure. This will enable users to implement all the necessary procedures required under different laws and regulations at once by a single transmission.

*What process was followed in setting it up? Was there a pilot project?*

The first step towards a “single window” network for import and export related procedures among government systems was taken in February 1997 by linking the NACCS, which processed import/export related customs procedures for sea and air cargo to the Food Automated Import notification and Inspection Network System (FAINS), which processed food quarantine procedure.

Through this network, importers/exporters or customs brokers could access NACCS and FAINS from one single client PC. They could declare to customs the completion of other agencies' procedures, as stipulated in Article 70 of the Customs Law.

This scheme was expanded to:

- Food Automated Import notification and inspection Network System (FAINS), which processes food quarantine
- Animal quarantine Inspection Procedure Automated System (ANIPAS), which processes animal quarantine,
- Plant Quarantine Network, which processes plant quarantine (PQ-Network), and
- Japan Electronic open network Trade control System (JETRAS), which processes import and export license.

This was introduced in order to facilitate import/export procedures and has contributed to reducing the total period of time from vessel arrival to cargo delivery or from cargo arrival in port to vessel exit.

In 1999, NACCS expanded its service into port entry/exit procedures, and the Port EDI system was established in 1999 for Government Bodies and Harbour Masters.

In 2003, the Government of Japan introduced another facilitation to port entry/exit procedures. NACCS, Port EDI system and Crew Landing Permit Support System for Immigration were connected, and the NACCS and Port EDI became hub systems for port related procedures. Users can submit documents through either NACCS or Port EDI, and then data are duplicated and sent to other systems.

Port EDI was merged into NACCS in October 2008, at the time when newly upgraded NACCS or Nippon Automated Cargo and port Consolidated System started to operate. In addition, JETRAS is scheduled to be merged in February 2010.

## **Services**

*What services does the SW provide? What documents/information/process are covered?*

Operations applicable to Single Window (one-stop) service include:

- Operations applicable to Single Window (one-stop) service (import/export related procedures) and recipient (both marine and air cargo)
- Operations applicable to Single Window service (seaport related procedures) and recipient
- Operations applicable to One-Stop and recipient

**a) Operations applicable to Single Window (One-Stop) service (import/export related procedures) and recipient (both marine and air cargo)**

| Procedure                 |  | Recipient                               |
|---------------------------|--|---|
| Import-related procedures | Import declaration                       | Customs                                 |
|                           | Application for import animal inspection | Animal quarantine station               |
|                           | Application for import plant inspection  | Plant quarantine station                |
|                           | Import notification of foods             | Quarantine station                      |
|                           | Import approval (confirmation)           | Ministry of Economy, Trade and Industry |

| Procedure                 |  | Recipient                               |
|---------------------------|--|---|
| Export-related procedures | Export declaration                       | Customs                                 |
|                           | Application for export animal inspection | Animal quarantine station               |
|                           | Export approval (confirmation)           | Ministry of Economy, Trade and Industry |

**b) Operations applicable to Single Window service (seaport related procedures) and recipient**

| Procedure                           |                                | Recipient  |
|-------------------------------------|--------------------------------|--|
| Arrival notice                      |                                | Quarantine station, Immigration  |
| Arrival related                     | Vessel entrance statement      | Customs, Harbour master, Port management organization, Quarantine station, Immigration |
|                                     | Maritime Declaration of Health | Quarantine station   |
| Vessel clearance statement          |                                | Customs, Harbour master, Port management organization, Immigration                     |
| Vessel entrance/clearance statement |                                | Harbour master, Port management organization   |
| Crew manifest                       |                                | Customs, Quarantine station, Immigration   |
| Passenger manifest                  |                                | Customs, Quarantine station, Immigration   |

**c) Operations applicable to One-Stop and recipient**

| Procedure  | Recipient                    |
|--|------------------------------|
| Notification for usage of mooring facility, Application for designation of berthing place, Application for vessel's entering into port at night, Application for shifting from designated place in port, Notification for shifting from designated place in port, Application for cargo operation of dangerous cargo | Harbour master               |
| Applications for usage of moorage facility   | Port management organization |
| Quarantine Notification  | Quarantine station           |

*How many clients does the SW have at the present time?*

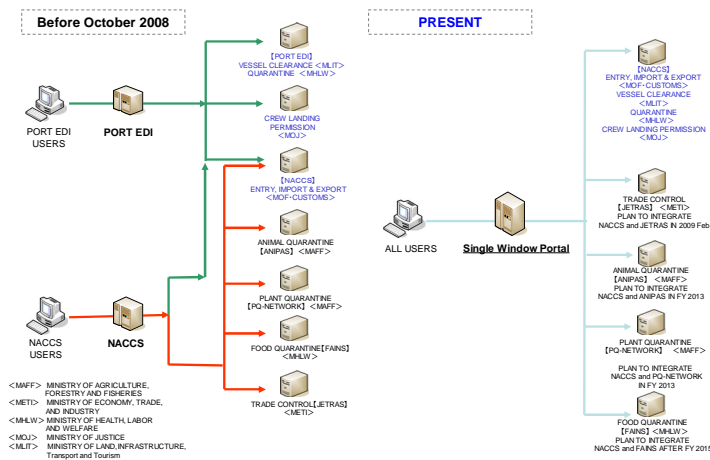
For one stop services in import / export clearance: (Customs broker + Warehouse).

For single window services in port clearance: (Agent + Carrier)

**Operational model**

How does it work? What is the operational model for the SW (describe the business process model)?

### Reengineering/Future of Single Window



Who are the main clients?

For import / export clearance: Customs brokers

For port clearance: Carrier's agents

Which public and private agencies are involved in the facility?

As indicated in the above diagram, six ministries participate in the Single Window System:

- Ministry of Economy, Trade and Industry
- Ministry of Agriculture, Forestry and Fisheries
- Ministry of Health, Labour and Welfare
- Ministry of Finance
- Ministry of Justice
- Ministry of Land, Infrastructure, Transport and Tourism

What is the business model? How is it financed (government, private sector, Private-Public partnership)?

### Business model

NACCS is run and steered by the private operational body, Nippon Automated Cargo and port Consolidated System, Inc. ("NACCS Centre"), the ownership of which is held by the Government as the sole shareholder.

What are the user fees (if any) and annual revenue? Model of payment (fixed price per year, price per transaction, combination, other model)?

Government (Customs) pays a fixed price for NACCS.

NACCS users pay a user fee for every transaction:

- import declaration
- export declaration
- port entry
- manifest (per one bill at lading)

### Technology

What technology is used?

Import Procedures:

- Own host machine which converts and manages messages
- Protocol: DINA

Port related Procedures:

- Common format
- Protocol: TCP/IP

*How are data submitted (electronically – what type of format/language, paper – what forms, combination – what kind of combination)?*

NACCS  
Protocol  
Import/Export clearance: TCP/IP, X.25, own format  
Port clearance: TCP/IP  
Process: SMTP, OLTP  
EDI Standard: own, Cargo-IMP, EDIFACT  
Character Set: Type A  
Language: English

*Where are data sent and lodged (government or private entity)?*

NACCS Centre: a private company, whose stock is totally owned by the Government.

*Who can submit data (importer, exporter, agent, customs broker)?*

Importers, exporters, customs brokers, warehouse for import procedures and vessel carriers or their agents for port related procedures.

### **Promotion and communication**

*How did you promote the facility?*

We promoted our measures by press release and our web sites. We also provided explanatory meetings for related parties all over the country.

*How were all stakeholders kept informed about the facility's progress?*

NACCS Centre publishes its annual report on the following website: <http://www.naccs.jp/>

*What kind of training was provided for users?*

NACCS Centre provides briefing sessions in order to get the client users informed of whatever it considers relevant.

*Do you provide any helpdesk or customer service?*

NACCS Centre has a helpdesk for customer support.

### **Judicial aspects**

*Is use of the facility obligatory or voluntary?*

Use of the facility is voluntary.

*Do participants need to sign a contract with provider/agency in order to*

NACCS participants need to sign-up and have their identification codes and passwords issued before they have an initial access to the system.

*participate?*

*Was specific legislation (or change of old legislation) necessary?*

Yes, it was.

*How is the privacy of information protected?*

For NACCS, the law prohibits employees of the operational body from leaking secret information. Should there be any violation regarding this, criminal penalty would apply. Government employees are also subject to the similar obligations.

*What is the role of international standards (UN/EDIFACT, UNLK, UNLOCODE, UN/CEFACT Single Window Recommendation, etc) in your SW?*

#### **Standards**

For import procedures, our own EDI standard is used. Our standard is based on UN/LOCODE, UN/Hazard code, and a couple of UNECE codes in NACCS.

For port procedures, our own EDI standard and UN/EDIFACT are used in NACCS.

*What are the benefits to clients and to participating agencies?*

#### **Benefits**

For import procedures, Single Window service has greatly contributed to the reduction of cargo release time.

For port related procedures, the service diminishes the necessity of sending the same message several times, now that it can be sent only once, enabling the vessel carriers or the agents to reduce their communication costs.

Furthermore both of them reduce personnel costs.

*What were the crucial success factors?*

#### **Lessons learned**

In accordance with the Optimization Plan for the services of import/export and port related procedures, which went public in March 2006, the Government of Japan went through inter-agency coordination and developed necessary schemes such as an integration of the relevant administrative systems for border services in pursuit of higher cost-effectiveness in running those facilities as well as enhancement of users' convenience.

*What are the plans for further development of the SW?*

#### **Future plans**

Our Single Window system will begin to cover airport-related procedures for customs, immigration and quarantine purposes in February 2010.

*Do you intend to make agreements concerning SW cooperation on the regional level?*

We are supposed to consider the possibility of cross-national linkage as between our Single Window system and the neighbouring countries' administrative systems for border procedures including what you may call ASEAN Single Window.

**Source for further information**

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N/A

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