

OECD Trade Facilitation Indicators – Japan

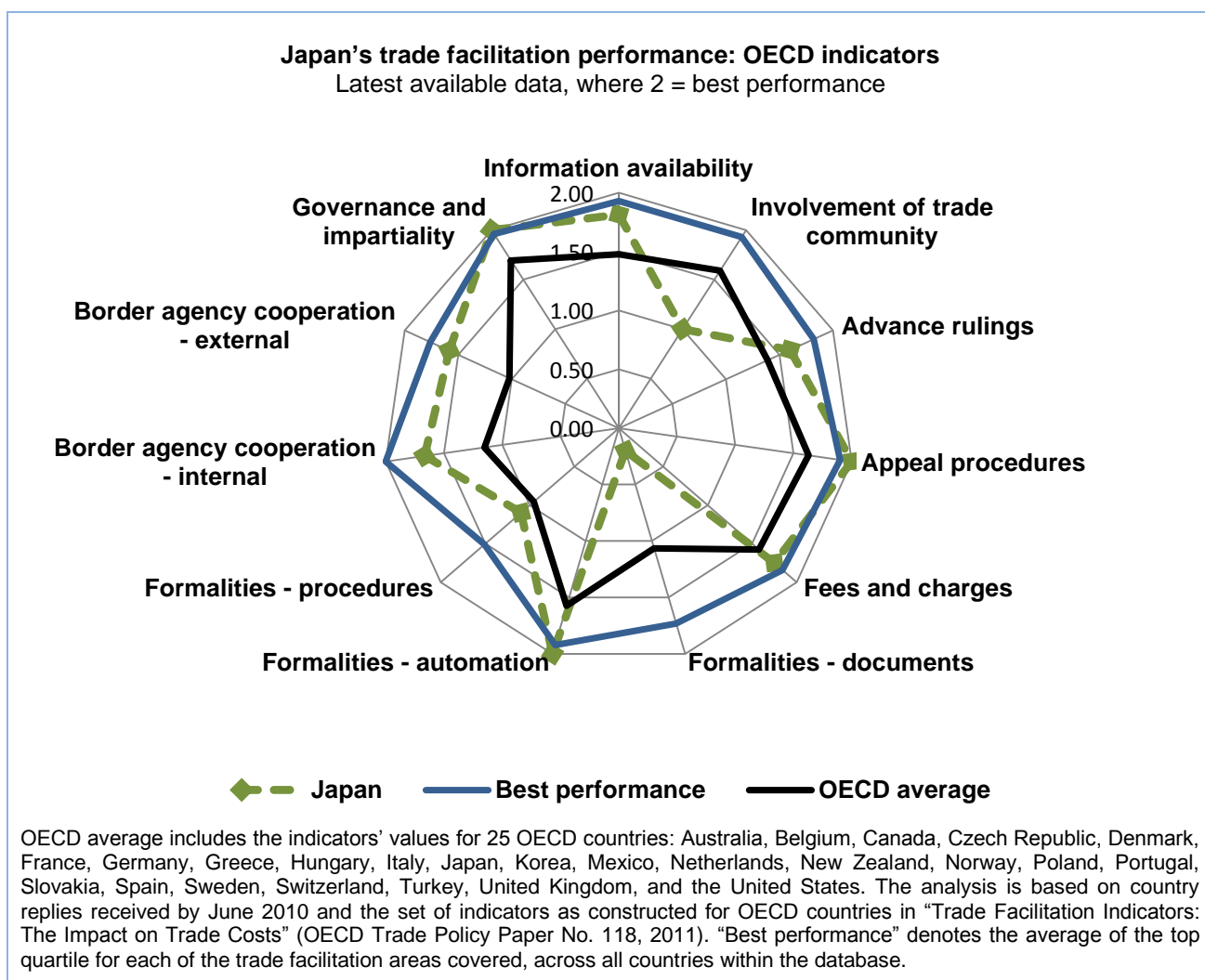
To help governments improve their border procedures, reduce trade costs, boost trade flows and reap greater benefits from international trade, OECD has developed a set of **trade facilitation indicators** that identify areas for action and enable the potential impact of reforms to be assessed.

Estimates based on the indicators provide a basis for governments to prioritise trade facilitation actions and mobilise technical assistance and capacity-building efforts for developing countries in a more targeted way.

OECD analysis shows that trade facilitation measures can benefit all countries in their role as exporters as well as importers, allowing better access to inputs for production and greater participation in the international trading system.

Japan's trade facilitation performance

- Japan performs significantly better than the OECD average in the areas of **information availability, appeal procedures, automation, border agency co-operation (internal and external), governance and impartiality**, and relatively on par with the OECD average for **advance rulings, fees and charges, and streamlining of procedures**, according to the OECD trade facilitation indicators.
- Japan's performance for the **involvement of the trade community** is slightly below the OECD average. Japan performs significantly less well than the OECD average on the **simplification and harmonisation of documents**.



Areas for action in trade facilitation

OECD quantitative analysis for the group of developed countries, which includes Japan, shows that the areas with the greatest impact on increasing bilateral trade flows and reducing trade costs are: **information availability, advance rulings, fees and charges, automation and streamlining of procedures.**

Taking into account the trade flow increase and costs reduction potential of the policy areas highlighted by the quantitative analysis, Japan would benefit from continued improvements in the following areas:

Advance rulings:

- Increase the duration of time for which advance rulings are valid.

Formalities – Documents:

- Provide for the acceptance of copies in the border process.
- Reduce the number of documents required for import and export, as they are higher than the OECD average.

Formalities – Procedures:

- Publish the average clearance time in a consistent manner and on a periodic basis, for all major Customs offices.
- Continue overall simplification of procedures in terms of both time and costs.

OECD Trade Facilitation Indicators

OECD has developed the following indicators to assess trade facilitation policies.

- *Information Availability*: Publication of trade information, including on internet; enquiry points.
- *Involvement of the Trade Community*: Consultations with traders.
- *Advance Rulings*: Prior statements by the administration to requesting traders concerning the classification, origin, valuation method, etc., applied to specific goods at the time of importation; the rules and process applied to such statements.
- *Appeal Procedures*: The possibility and modalities to appeal administrative decisions by border agencies.
- *Fees and Charges*: Disciplines on the fees and charges imposed on imports and exports.
- *Formalities-Documents*: Simplification of trade documents; harmonisation in accordance with international standards; acceptance of copies.
- *Formalities-Automation*: Electronic exchange of data; automated border procedures; use of risk management.
- *Formalities-Procedures*: Streamlining of border controls; single submission points for all required documentation (single windows); post-clearance audits; authorised economic operators.
- *Internal Co-operation*: Co-operation between various border agencies of the country; control delegation to Customs authorities.
- *External Co-operation*: Co-operation with neighbouring and third countries.
- *Governance and Impartiality*: Customs structures and functions; accountability; ethics policy.

Further reading

Read about the methodology, sources and findings from the OECD trade facilitation indicators in these two papers, available on our website: oecd.org/trade/facilitation

- **Trade Facilitation Indicators: The Potential Impact of Trade Facilitation on Developing Countries' Trade** (OECD Trade Policy Paper No. 144, 2013)
- **Trade Facilitation Indicators: The Impact on Trade Costs** – covering OECD member countries (OECD Trade Policy Paper No. 118, 2011)