100 Questions for Trading with Japan

April 2014

ASEAN PROMOTION CENTRE ON TRADE, INVESTMENT AND TOURISM





Under the activity of ASEAN-Japan Centre in FY2013, this book was translated from Japanese into English based on the book "100 Questions for Trading with Japan" issued by Manufactured Imports and Investment Promotion Organization (MIPRO).

This material has been prepared based on the information collected in the summer of 2012. The contents might be changed due to the amendments of laws etc., for details, please contact to the address at the end of the book for further information.

Preface

The ASEAN-Japan Centre is pleased to introduce the book "100 Questions for Trading with Japan" and expresses our gratitude to the Manufactured Imports and Investment Promotion Organization (MIPRO) for sharing this invaluable book which was designed to serve Japanese importers and foreign exporters. This book is written in a question-and-answer form covering the rules and regulations, which govern operations such as customs procedures, foreign payments, etc. Further, the book also takes into account various business sectors, which are of great attention to foreign exporters towards the Japanese market. This may serve as a useful tool for stakeholders from ASEAN member states who wish to export their products into Japan.

Since the content of the book was originally designed in Japanese language for Japanese companies, however, readers who are foreigners outside Japan may sometimes "get a feeling" of touching a regulation/instruction/advice for a Japanese entity. For example, a popular phrase "please contact the relevant authority in the nearest prefecture/city where your office is located for further details" is really for a Japanese businessperson rather than for a foreign one. Nevertheless, this book contains many important rules and regulations and relevant information for both Japanese importers and foreign exporters.

Laws may be revised from time to time. Please contact appropriate government agencies, related organizations, and customs of Japan to confirm matters before launching your business.

The ASEAN-Japan Centre hopes the book "100 Questions for Trading with Japan" will be able to help ASEAN companies in their trading with Japan, thus further expanding economic relations between ASEAN and Japan.

April 2014

Trade and Investment Division
ASEAN-Japan Centre

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The English translations used in this book are solely as reference material to aid in the understanding of Japanese laws and regulations.

We shall not be responsible for the accuracy, reliability or currency of the legislative material provided in this handbook, or for any consequence resulting from use of the information in this handbook. For all purposes of interpreting and applying the law to any legal issue or dispute, users should consult the original Japanese texts published by the official agencies concerned.

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- 5. List of Customs Brokers Associations
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I. Backgrounds

I. Backgrounds

Q1. Can I freely sell goods imported from abroad in Japan?

A1:

You can, in principle, freely sell goods you import from abroad. There are, however, some items whose importation is banned or others for which you need permission or analytical tests for their importation. In deciding what goods to import, you must check the laws and regulations that govern their importation and sale. Please refer to the following information.

Goods whose importation is banned under the Customs Law

- (1) Narcotic drugs, psychotropic drugs, cannabis, opium, opium poppies, stimulants, and opium smoking utensils;
- (2) Pistols, rifles, machine-guns, cannons, and their bullets and pistol parts;
- (3) Explosives;
- (4) Gunpowder;
- (5) Specific materials specified in the Chemical Weapons Law;
- (6) Pathogens, etc., prescribed in the Infectious Disease Law;
- (7) Forged, altered, or fake currency, banknotes, notes, or securities, and counterfeit cards;
- (8) Books, pictures, sculptures and other articles which are harmful to public order or morals;
- (9) Child pornography;
- (10) Articles that violate patents, utility model patents, design rights, trademark rights, copyrights, rights pertaining copyrights, integrated circuit arrangement use rights or breeder's rights
- (11) Articles listed under Laws stipulated in Sections 1-3, Clause 1, Article 2 of the Unfair Competition Prevention Act.

Regulations by Foreign Exchange and Foreign Trade Act and by Import Trade Control Order

The importation of some articles is restricted in the interest of protecting domestic industries and promoting trade policies. In order to import such articles, you need to apply for an import quota and for approval from an appropriate agency.

Some marine products and substances (CFC, etc.) regulated by the Montreal Protocol need to have an import quota assigned and approval. In addition, items governed by the Washington Convention, nuclear power related items, machinery/weapons, gunpowder, and chemicals, etc., require import approval. In order to import these items, please contact the Ministry of Economy, Trade and Industry in advance and check them.

Other items whose importation is restricted by laws

Some items require permission, approval or tests before clearing customs.

Food Sanitation Law: foods, eating utensils, toys, etc.

Pharmaceutical Affairs Law: cosmetics, medicine, etc.

Plant Protection Law: plants, seeds, fruits, etc.

Domestic Animal Infectious Disease Control Law: processed meat products, etc.

Liquor Tax Law: liquors, etc.

Q2. Can I freely sell goods I personally imported?

A2:

Private Import and Small-lot Import

Private imports refer to imports for the purpose of using it by yourself, or being used by your family members or your relative ones. Although the quantity allowed to be recognized as personal import varies according to each type of goods, as long as it is within this limit and it does not belong to the prohibited import categories regulated by the laws, it is, in principle allowed to be imported freely. However, the responsibility lies with you when using imported goods you bring.

Conversely, small-lot import refers to imports with the purpose of selling it to third parties, even if the quantity and value are low, it is still considered as imports for business purposes. For goods imported for business purposes, the importer takes the responsibility for making the safety of the consumer as the first priority.

Depending on the product, it is necessary to obtain a permit or notify an appropriate authority during importation, gain approval for the importation of each item or completing other procedures based on the respective rules and regulations. From the perspective of providing the consumers with the information to correctly identify the products during selling, there are items that need to be properly labeled; hence, it is necessary to confirm these beforehand. (\Rightarrow For the rules and regulations and procedures for each of the product by category, please refer to [Part II. Import Procedures by Product Category])

Therefore, small-lot import can be performed as shown by going through various legal procedures, if the product is imported as private import without going through the various legal procedures, and is then sold to a third party, or distributed to an undetermined number of people as advertising, please note that the same legal procedures as small-lot import are required.

Product Liability Law and Consumer Product Safety Law

The Product Liability (PL) Law stipulates that the importer is liable for imported goods. You need to take out PL insurance or obtain a warranty from the overseas manufacturer as a precaution. (\Rightarrow For details regarding the PL Law, please refer to Q99)

Moreover, the Consumer Product Safety Law for daily goods stipulates that the importer/seller is obligated to report and collect goods if an accident occurs due to a defect in the imported product. (⇒For details regarding the Consumer Product Safety Law, please refer to Q100)

I. Backgrounds

Q3. What customs duties do I have to pay when I import products?

A3:

Customs duties are defined as duties levied on imports in general. Customs duties, consumption tax and local consumption tax are, in principle, levied on imported goods. In such cases, the base on which taxes are calculated is called the "tax base" and the rate of taxation is called the "tax rate". For customs duties, the value or quantity of imported goods must be used as a tax base. An ad valorem duty is applied against the dutiable value of the imported goods whereas a specific duty is imposed based on the quantity of the imported article which are so-called "value-based duty" or "quantity-based duty", respectively.

Types of customs duties

Tariffs and duty rates are roughly classified as follows:

General rates are basic rates applied over a long term.							
Temporary rates are applicable for a certain period of time, in place							
of general rates, in the case where general rates cannot be applied							
temporarily.							
Preferential rates apply to goods originating in designated developing							
countries or regions which satisfy certain conditions, such as country-							
of-origin status, etc.							
Special preferential rates apply to goods originating in least							
developed countries (LDC) among countries or regions subject to the							
preferential rates. The rates are all zero. You need to submit the							
country of origin certificate for special preferential rate application.							
Conventional rates are established in the agreements (Concessions)							
that stipulate the upper limits of rates applicable to World Trade							
Organization (WTO) member countries and regions.							
These rates only apply to goods originating in countries with whom							
Japan has concluded an Economic Partnership Agreement (EPA).							
When the total customs value of cargo imported as personal effects or							
separately sent goods does not exceed 100,000 yen, this simplified							
tariff schedule applies.							

Priority in tariff applications

In principle, customs duties are applied based on the priority order, namely preferential rate, conventional rate, temporary rate, and general rate. However, preferential rates are only applicable if requirements stipulated by the laws are satisfied. Conventional rates apply when such rates are lower than temporary rates or general rates.

Calculation of tariff amounts

The specific calculation method used is as follows: CIF price = Good's price + Freight + Insurance premium. (When the exchange rate from US dollar to Japanese Yen is 78.83 Yen/US dollar). For example, if you import whose CIF price is 3,000 US dollar and the tariff rate is 8.4%, 3,000 US dollar \times 78.83 = 236,490 Yen. 236,000 Yen (rounding up to 1,000 Yen) \times 0.084=19,824 Yen \Rightarrow Customs duty 19,800 Yen (1) (rounding up to 100 yen) (1).

Q4. What kinds of expenses do I have to pay besides the price of goods when importing and selling goods?

A4:

When you import goods, you need to pay various other costs in addition to the purchasing costs. The main costs are listed below. It is advisable to plan your import and sale while keeping these expenses in mind.

(Main purchase costs)

- (1) Purchase price Differs according to terms of trade (⇒ Refer to Q63 for terms of trade)
- (2) Transportation expenses

 These expenses refer to the local transport charges from the external supplier to the exporting country's ports or airports, the expenses from the exporting country's ports or airports to the importing country's ports or airports etc.

 In addition to these costs, they also include the domestic transport costs from the ports or airports of arrival. The costs vary according to the transportation methods.

(⇒ For transportation methods and costs, please refer to 【III. 3 Transportation and Customs Clearance】)

- (3) Transportation insurance fees
- (4) Customs duties (⇒ For customs duties, please refer to Q3 and Section [III. 4 Tariffs])
- (5) Consumption taxes
- (6) Import customs clearance expenses (Customs clearance expenses (customs clearance fees, test fees, CFS charges, test witness fees, etc.), customs clearance fees

(⇒ Please refer to Section [III. 3 Transportation and Customs Clearance] for customs)

- (7) Communication expenses
- (8) Payment-related charges (exchange rates, remittance charges)

(⇒ For payment methods, please refer to Q5 and Section [III. 5. Settlement])

In addition, items that are subject to the Food Sanitation Law, Pharmaceutical Affairs Law, the Electrical Appliance and Material Safety Law, etc., and require inspection might need to pay the inspection fees separately.

I. Backgrounds

Calculation of Consumption Tax < Continuation of the example to the left>

4% consumption tax will be levied on the sum (rounding up to 1,000 yen of the CIF price and the rounded up customs value.

 $236,490 \text{ yen} + 19,800 \text{ yen} = 256,290 \text{ yen} \Rightarrow 256,000 \text{ yen (rounding up to 1,000 yen)}$

 $256,000 \text{ yen} \times 0.04 = 10,240 \text{ yen} \Rightarrow 10,200 \text{ yen (rounding up to 100 yen)}$

Local consumption tax (25% of consumption tax)

 $10,200 \text{ yen} \times 0.25 = 2,550 \text{ yen} \Rightarrow 2,500 \text{ yen (rounding up to 100 yen)}$ (3)

The tax payment at the time of customs clearance is \bigcirc Tariff amount 19,800 yen $+\bigcirc$ Consumption tax amount 10,200 yen $+\bigcirc$ Local consumption tax amount 2,500 yen, making it a total of 32,500 yen.

Q5. How can I pay for goods imported from a company overseas?

A5:

The following table shows payment methods currently used in import transactions

(⇒For payment methods details, please refer to Q85)

Payment Means	Payment Method	Outline					
	L/C	L/C stands for "Letter of Credit". With an L/C, the importer's bank guarantees to pay to the exporter via the exporter's bank when the importer purchases goods from the exporter.					
		It is also so-called the collection. Exporter authorizes his bank to collect the receivable trade from importer by providing documents.					
Documentary bill	D/P, D/A	There are two types of documents namely Document against payment (D/P) and Document against acceptance (D/A). In D/P, the importer obtains shipping documents after paying for the bill drawn up by the exporter.					
		In D/A, the importer obtains shipping documents after accepting the bill drawn up by the exporter by promising payment on a due date.					
	International remittance from a bank	You ask your bank for remittance. Some bank branches do not handle international remittance. Charges differ from bank to bank.					
Transfer of foreign exchange	International remittance from the Japan Post Bank Co., Ltd.	You ask the Japan Post Bank for remittance. There is the remittance to the recipient's address method (address remittance method) and remittance to the bank account or postal transfer account method (bank/postal account remittance method). Depending on the country to which you remit, the intermediate charge and account registration charge may be subtracted from the amount you remit.					
Credit card	International credit card	You pay with your Visa, Master, or American Express card, etc.					

I. Backgrounds

Q6. What are the laws for importing and selling products?

A6:

In pursuing an import business, it is very important to learn whether the goods you will import are subject to laws and regulations. If they are subject to laws and regulations, the procedures might differ according to the relevant laws and regulations; hence, make sure you should check these in advance. Furthermore, intellectual property rights have been applied upon many products in recent years, please be aware of infringement risks.

The laws and regulations listed below apply to many products that are imported in small-lots.

(⇒ For details, please refer to Section 【 II. Import Procedures by Product Category 】)

[List of the main laws and regulations for import and sale]

Category	Main applicable laws and regulations for importing	Main applicable laws and regulations for selling goods
	goods	regulations for setting goods
General Food Products	Food Sanitation Law	Food Sanitation Law, JAS Law
Spices	Plant Protection Law, Food Sanitation Law	Food Sanitation Law, JAS Law
Ham, sausage, etc. and other processed foods	Domestic Animal Infectious Diseases Control Law, Food Sanitation Law	Food Sanitation Law, JAS Law
Wine, beer, alcoholic drinks, etc.	Liquor Tax Law, Food Sanitation Law, The Liquor Industry Union Law	Liquor Tax Law, Food Sanitation Law, Liquor Industry Union Law
Tea, black tea, coffee, etc.	Plant Protection Law, Food Sanitation Law	Food Sanitation Law, JAS Law
Rice, wheat, etc.	Laws related to the demand and price stability of staple food (Food Control Law), Food Sanitation Law	Food Control Law, Food Sanitation Law, JAS Law
Health food	Food Sanitation Law	Food Sanitation Law, JAS Law, Health Promotion Law
Tableware, cookware	Food Sanitation Law	Food Sanitation Law, Household Goods Quality Labeling Law
Clothing		Household Goods Quality Labeling Law, laws related to the regulations of household appliances that contain harmful substances.

Leather products (shoes, bags, clothing, etc.), fur products	Washington Convention	Household Goods Quality Labeling Law
Home appliances		(Depending on the appliances) Electrical Appliance and Material Safety Law, Food Sanitation Law, Household Goods Quality Labeling Law, the Consumer Product Safety Law, the Radio Law, Water Law, Energy Conversation Law, Home Appliance Recycling Law, etc.
Pharmaceuticals, quasi-drugs, cosmetics, medical equipment	Pharmaceutical Affairs Law	Pharmaceutical Affairs Law
Flower seeds, bulbs, etc.	Plant Protection Law, Plant Variety Protection and Seed Law, Foreign Exchange and Foreign Trade Law (Import Trade Control Order)	Plant Variety Protection and Seed Law, law related to the protection of wild animals and plants that are at risk of extinction.
High-pressure gas, gas containers, etc. (Filing lighters, etc.)	High Pressure Gas Safety Law	Consumer Product Safety Law (Lighter)
General Chemical	Laws related to the regulation of the evaluation of chemical substances and manufacture (Chemical Substance Control Law)	Laws related to the regulation of the evaluation of chemical substances and manufacture (Chemical Substance Control Law)
Gunpowder, explosives, fireworks, etc.	Explosives Control Law	Explosives Control Law
Pet food for dogs and cats	Laws regarding the safety of companion animal feed (pet food) (Feed safety Law for pets)	Laws regarding the safety of companion animal feed (pet food) (Feed safety Law for pets)
Toys	Food Sanitation Law	
CD, DVD	Copyright Law, trademark Law	Copyright Law, trademark Law
Dog, cat, raccoon, fox, skunk	Rabies Prevention Law	Rabies Prevention Law

I. Backgrounds

The main legislation relating to imported goods in general

Measurement Law

- Display of Quantity Contents
- Premiums and Representations Law (Law against Unjustifiable Premiums and Misleading Representations):
 Prohibition of misrepresentation
- Law for Promotion of Effective Utilization of Resources (Law related to the promotion of effective utilization of resources)
- Containers and Packaging Recycling Law (Law related to the promotion of the separate collection and recycling of containers and packaging)
- PL Law (Product Liability Law)

If it is proved that the damages suffered in the body or property is caused by a product defect, this law allows the victims to seek compensation from the manufacturer, in the case of imported products, it is stipulated that the importer is responsible for the damages.

 $(\Rightarrow$ For details, please refer to Q99)

• Consumer Product Safety Law: Regulates obligations of reporting and recovery when defects in the imported products take place and they are under responsibility of the importer and seller.

(⇒ For details, please refer to Q100)

• The Customs Law, the Tariff Law, the Temporary Tariff Measures Law.

Q7. What points should I be careful when selling imported goods on my web store?

A7:

Check whether permission/authorization is necessary

For sale of some goods (e.g. liquor, medicine, etc.), Japanese laws stipulate that permission and authorization are needed regardless of whether the outlet is a web store or an ordinary store. As for liquor, the sale on a web store is considered as mail-order sale. You need the mail-order liquor retailer license, which is different from the license for liquor sales at a store. For details, please contact an appropriate customs office that handles your business.

Guidelines for e-commerce in mail-order business

The Japan Direct Marketing Association (JADMA) sets basic guidelines that online retailers should comply with based on the Law on Specified Commercial Transactions and other related laws. According to these guidelines, online retailers must display the following items at an appropriate place in their stores.

- * Name of the company, trademark, shop name;
- * Name of the representative or the name of the person responsible for the said display;
- * Address of the major sales office, telephone number, fax number, and e-mail address where customers and other people can be sure to make contact;
- * Contents of qualifications (permits) stipulated by the laws concerning the business, if any;
- * Selling price of the products, expenses other than product prices (show transportation fees, charges, etc. in monetary units);
- * Delivery time of products (time period or deadline);
- * Effective term of application, if any;
- * Application methods;
- * Conditions for returning products;
- * Sales volume limits and other conditions;
- * Payment time and methods;

Precautions regarding expressions used in advertisements

As a caution unique to online sale, you need to be careful of expressions used in your advertisements. At a web store, unlike a regular store, customers cannot actually see or touch the products, and the expressions used in advertisements can easily become exaggerated because of the retailer's strong desire to show the advantages of his/her products. You cannot use expressions which might lead customers to mistakenly think that your products are better or more advantageous than they really are.

You should be careful, in particular, not to exaggerate the truth when communicating the good points about your products. As for health food products and supplements, there have been many violations of the Pharmaceutical Affairs Law. You should be especially careful to avoid such violations.

1. Foods

II. Import procedures by product category

1. Foods

Q8: Please explain the procedures for importing and selling food products.

A8:

Procedures under the Food Sanitation Law

As per the Food Sanitation Law, for all imported food products to be sold in Japan, a "Notification Form for Importation of Foods" must be submitted to a Food Product Quarantine Station of the Ministry of Health, Labour, and Welfare (MHLW) at the time of importation. Together with this Notification, documents covering raw materials, additives and manufacturing procedures must be prepared in advance for submission.

Upon the receipt of this Notification, a food sanitation inspector will examine based on information indicated in the Notification for Importation of Food Products, including exporting country, specific import items, manufacturer or manufacturing sites, raw materials, production methods and whether or not additives are used, etc. By reviewing import achievement and import violation record of the same food of the importer, a food product which is not required to be examined by the inspector, the Notification Form shall be stamped to indicate "Notification Completed".

In case the product inspection is required as determined by the inspector, inspection method and inspection items shall be determined. After examination, conformable products shall have import notification returned to the respective importers in order to attach to the Notification for Importation of Goods.

Batches of food products which are determined to be non-conformable shall not be imported to Japan. Detailed information of the nonconformities shall be provided to importers at a Food Products Quarantine Station and subsequent handling of these items shall be directed by the Food Products Quarantine Station. In such situation, the goods might be discarded, returned, or repackaged for other purposes.

Prior Consultation

Especially, "Food importing advisory service" is available for individual counseling of importation at Quarantine Stations with huge import volumes. Due to different standards of additives usage, there are cases that specific additives can be used in foreign countries might not be approved for usage in Japan. In order to determine if the imported food products comply with the Food Sanitation Law, a complimentary advisory is available at the Food Quarantine Station before official import. However, prior consultation could be different from prior examination or approval. Prior notification system could be considered given prior examination is preferred.

Plant Protection Law/ Domestic Animal Infectious Diseases Control Law

Procedures for importing vegetables, fruits and crops and those for raw meats and processed meat products, etc., have to be subject to the Plant Protection Law and the Domestic Animal Infectious Diseases Control Law, respectively. These procedures shall be completed prior to food quarantine.

Standard of Radioactive Materials in Food Products

Ministry of Health, Labour and Welfare has set a provisional standard for radioactive materials in food products in the wake of the incident of nuclear power plant, earthquake and

tsunami in Northeast Japan. Attempts have been made to prevent food products exceeding the provisional standard of radioactive materials from being distributed into Japan's local market. Furthermore, in order to ensure the food safety and security, for a long-term outlook, new standard as shown below were set for execution since 24th April 2012.

New standards of Cesium radiation (Unit: Vector/kg)

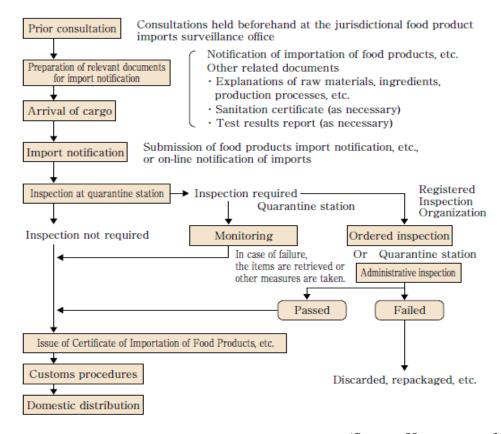
Food Category	General Food	Infant Food	Milk	Drinking Water
Standard	100	50	50	10

- * It includes radioactive Strontium and Plutonium.
- * Preparation time for rice/beef and soybean are 6 months and 9 months, respectively.

Labeling Requirements when selling

When selling food products in Japan, product's label content and writing must be in Japanese language following the relevant laws and regulations as well as of local prefectures.

Flow of Notification for Importation of Food Products



(Source: Home page of MHLW)

Related Information:

Ministry of Health, Labour and Welfare (Food Product Imports Surveillance): http://www.mhlw.go.jp/topics/yunyu/tp0130-1.html Ministry of Health, Labour and Welfare (Correspondence to radioactive material in food): http://www.mhlw.go.jp/shinsai_jouhou/shokuhin.html

Ministry of Agriculture, Forestry and Fisheries Plant Protection Station: http://www.maff.go.jp/pps/Ministry of Agriculture, Forestry and Fisheries Animal Quarantine Station: http://www.maff.go.jp/aqs/

Notification Form Minister of Health, L								lucts d address of importer (O	r na	me of	impo	rting co	rporati	on and	its address)												
Notification Receipt Number Notification type	*1			Planned		rt		me dress lephone Number)							Classification of Cargo		tive/A	Appara -Packa		Im	ontinu iport	ous	Y•N		Sanitary Certificate Number		
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Name and Code of Country of Production		Regis	tratio	n Numbe	er of Ir	nporter	r Resp	ponsible for Food Sanitation	1					Descrip	otion of Article										processed food, describe its ingredients and their codes.		
Name, Address and Code of Manufacturer														(Numbe	er of Units) d Volume								Ш		If the cargo includes utensils, , container/packages or toys, describe the raw materials and their		
Name, Address and Code of Manufacturing														(Weigh		+							K	g	codes. If the cargo includes food with*	*2	 \exists
Factory															of Package	++									additives, describe the names and		
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Ship Name or Flight							Nan	me and Code of Submitter					П	process code.	sing, and its												
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Classification of Cargo	Food / Appara Packag	tus/ /C			tinuou ort	Y•	N N	Sanitary Certificate Number If the cargo includes processed food,							Classification of Cargo	Appa	aratus	ood Ad s / Packa		Co	ntinuo port		Y•N		Sanitary Certificate Number		
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Usage and its Code Kind of Package and							If w	ff the cargo includes food with additives, describe the names and codes of additives.	[*] 2						d Volume									d	container/packages or toys, lescribe the raw materials and their codes.		
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Registration Number 2								additives, describe the names and codes of additives.	k2						and its Code									I	f the cargo includes food with *2	2	
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Registration Number 3							fl	Playor agents are excluded for either case.)						Registra	ation Number 1	Ц								a	f the cargo includes manufacturing gents in the additives, describe the	•	
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processed food, describe the method of manufacturing or]											Registra	ration Number 3										Additives used as flavoring agents are excluded for either case.)		
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*2: When the article in the cargo includes food additives that are generally supplied in food or drink and regulated by the relevant statutes, describe the names of the substances used. When the article includes manufacturing agents in the additives, excluding flavour agents or food additives that are generally supplied in food or drink, write the names of the agents.

The seal of importer can be substituted by a signature of importer.

Q9: Please explain the procedures for importing and selling tea.

A9:

Tea categories

Tea is divided into the following categories:

Non-fermented tea: Green teaSemi-fermented tea: O-long tea

Fermented tea: Black tea

In addition, there is mates tea for which tea leaves are not used and herbal tea that incorporate combinations of various herbs.

Notes to keep in mind when making Import Procedures

In general, individually packaged tea is not subject to plant quarantine.

However, plant quarantine based on the Plant Protection Law is necessary for the importation of unheated tea. In this case, a Plant Inspection Certificate (also known as Phytosanitary Certificate) issued by a governmental body of the exporting country has to be submitted, accompanied with the manufacturing flow chart and an invoice if necessary). An application for import inspection of plant and/or prohibited imports is needed and a physical inspection takes place. After fulfilling this inspection step, you can go ahead in next procedures based on the Food Sanitation Law.

During importation, documents such as the ingredients list, the manufacturing process chart, and the table of additives, etc., have to be attached to the Notification for Importation of Food Products submitted to the quarantine station of Ministry of Health, Labour and Welfare.

As per the Food Sanitation Law, criteria for the chemical residual in tea is set forth and tea is not allowed for importing into Japan if such criteria is not met. Upon the first tea importation, the quarantine station would instruct the importer for self inspecting upon chemical residual. Therefore, prior to importation, you should study in details the situation of using chemical in the production areas as well as make consultations with the expected quarantine stations and relevant organizations.

Among herbal teas, it requires checking in advance concerning sanitary issues of food products and radiation sterilization in the exporting country since some of them are likely to contain inedible plants in Japan. In addition, attention must be given to the fact that such particular tea might contain ingredients which are considered as medicine as per the Pharmaceutical Affairs Law in Japan. It is prohibited to promote effects or benefits of tea which is used as a food product. Promotion and advertisement of health benefits of a tea which is considered pharmaceutical one are prohibited since they will lead to violation to the Pharmaceutical Affairs Law.

Labeling Requirements when selling.

When selling tea in box in Japan, box labeling shall be subject to the Food Sanitation Law and the Quality Labeling Standard under JAS Law.

Related Information:

Ministry of Health, Labour and Welfare (Food Sanitation Law): http://www.mhlw.go.jp/topics/yunyu/tetsuzuki/index.html
Ministry of Agriculture, Forestry and Fisheries (JAS Law): http://www/maff.go.jp/j/jas/index.html
Consumer Affairs Agency, Government of Japan (Food Product Labels): http://www.caa.go.jp/foods/index.html
Plant Protection Station, Ministry of Agriculture, Forestry and Fisheries: http://www.maff.go.jp/pps
The Japan Food Chemical Research Foundation (Positive List System for Agriculture Chemical Residual in Foods): http://www.ffcr.or.jp
Bureau of Social Welfare and Public Health, Tokyo Metropolitan Government (Health Foods Navigation):
http://www.fukushihoken.metro.tokyo.jp/anzen/supply/point.html

Q10: Please explain the procedures for importing and selling coffee beans

A10:

When is Plant Quarantine Required?

Unheated raw coffee bean is subject to plant quarantine. At the port of entry where plant quarantine station exercises jurisdiction, documents such as the Certificate of Plant Inspection (Plant Quarantine Certificate, also known as Phytosanitary Certificate) issued by the governmental quarantine institution of the exporting country and Invoice have to be attached for the submission of the "Application for Inspection of Plant and Prohibited Imports". As a result of inspection, a "Certificate of Conformance" is issued if the raw coffee bean is pest-free. It will be rejected if pest is found. However, according to the Food Sanitation Law, a Certificate of Conformance can be issued upon completion of disinfection process.

When is Plant Quarantine Not Required?

It only requires procedures based on the Food Sanitation Law because plant quarantine is not necessary for roasted coffee bean. Relevant documents for submission include a list of ingredients, a manufacturing process chart, a table of additives, etc., have to be attached to a Notification for Importation of Food Products. Those documents are submitted to a Quarantine Station of the Ministry of Health, Labour and Welfare. As a result of passing examination and inspection at the quarantine station, the Notification will be stamped as "Approved" and it allows further proceed to customs clearance.

=> (Please refer to Q8 for detailed procedures based on the Food Sanitation Law)

According to the Food Sanitation Law, criteria for agricultural chemical residuals in coffee bean are determined as ingredient specification of coffee beans. Upon the first importation of coffee beans the quarantine station would instruct the importer for self inspecting upon chemical residual. Therefore, prior to importation, you should study in details the situation of using chemical in the production areas as well as make consultations with the expected quarantine stations and relevant organizations.

Labeling Requirements when selling

When selling coffee in box or package in Japan, box/package labeling shall be subject to the Food Sanitation Law and the Quality Labeling Standard under JAS Law.

In addition, companies are allowed to display organic JAS mark given that those companies produce organic coffee based on JAS standards which were qualified by the relevant authority.

=> (For details, please refer to Q23 Labeling requirements for Food Products and Q24 Labeling requirements for Organic Food Products)

Furthermore, "Fair Competition Codes for labeling of Regular Coffee and Instant Coffee" is established as the voluntary standard of the industry.

Related Information:

Ministry of Health, Labour and Welfare (Food Import Procedures): http://www.mhlw.go.jp/topics/yunyu/tetsuzuki/index.html
Ministry of Agriculture, Forestry and Fisheries (JAS Law): http://www/maff.go.jp/j/jas/index.html
Consumer Protection Affairs Agency (Food Product Labels): http://www.caa.go.jp/foods/index.html
Ministry of Agriculture, Forestry and Fisheries (JAS Organic Standard): http://www.maff.go.jp/j/jas/jas_kikaku/yuuki.html
Plant Protection Station, Ministry of Agriculture, Forestry and Fisheries: http://www.maff.go.jp/pps
The Japan Food Chemical Research Foundation (Positive List System for Agriculture Chemical Residual in Foods): http://www.ffcr.or.jp

Q11: Please explain the procedures for importing and selling biscuits, chocolates and other confectionaries.

A11:

Procedures for importing Biscuits

Biscuits, crackers, cookies, buns, pies and pretzels, etc., are processed foods and are categorized as biscuit type. And their importation requires procedures based on the Food Sanitation Law.

Relevant documents need to be submitted to a Food Quarantine Station under the Ministry of Health, Labour and Welfare include ingredients list, manufacturing process chart, table of additives, etc., have to be attached to a Notification for Importation of Food Products. Given the fact that various additives are incorporated into biscuits, the criteria for the usage of additives in Japan have been set in attempts to determine whether a particular additive is allowed in Japan or not. There is a possibility that aromatics, emulsifiers, antioxidants, sweeteners, baking powders, etc., are required for inspection. Therefore, although the additives in your biscuits are suitable as per the Japanese criteria for additive usage, it is advisable that you should make a thorough confirmation of detailed ingredients, production methods and usage of additives in advance.

Procedures for importing Chocolates

Chocolates are made of cocoa bean, sugar and dairy products. As per the Fair Competition Codes in Japan, chocolates are categorized into the following namely chocolates, semi-chocolates, chocolate pastries, semi-chocolate pastries and food products mixed with chocolates, etc. In addition, as per the relative amount of cocoa in a food product, chocolates and mixed chocolates are divided into the following types: chocolate dough, milk chocolate dough, semi-chocolate dough and semi-milk chocolate dough. When you import such products, as per the Food Sanitation Law, relevant documents such as the list of ingredients, the manufacturing process chart, the table of additives, etc. have to be attached to a Notification for Importation of Food Products and submitted to a Food Products Quarantine Station under the Ministry of Health, Labour and Welfare. Inspection prior to importation is required in order to determine whether it violates regulations of additives in Japan, particularly unspecified colorings, preservatives and emulsifiers, etc.

In addition, biscuits and chocolates, that contain nuts in different types, might be subject to inspection for a form of poison named Aflatoxins.

Labeling Requirements when selling

According to the Food Sanitation Law and the JAS Law, common standards within the industry are determined as the following: the "Fair Competition Codes in relation to Labeling of Biscuits" for biscuits, the "Fair Competition Codes in relation to Labeling of Chocolates" for chocolates, and the "Fair Competition Codes in relation to Labeling of Food Products which contains chocolate".

Moreover, as per the Food Sanitation Law, it must be addressed when ingredients of eggs, milk, wheat, buckwheat, peanuts, shrimps, and crabs, etc., that contain allergens are used.

Related Information:

Ministry of Health, Labour and Welfare (Procedures of Importation): http://www.mhlw.go.jp/topics/yunyu/tetsuzuki/index.html Ministry of Agriculture, Forestry and Fisheries (JAS Law): http://www/maff.go.jp/j/jas/index.html Consumer Affairs Agency, Government of Japan (Food Product Labels): http://www.caa.go.jp/foods/index.html Japan Biscuit Association: http://www.biscuit.or.jp/top.html Chocolate & Cocoa Association of Japan: http://www.chocolate-cocoa.com

1. Foods

012: Please explain the procedures for importing and selling alcoholic beverages.

A12:

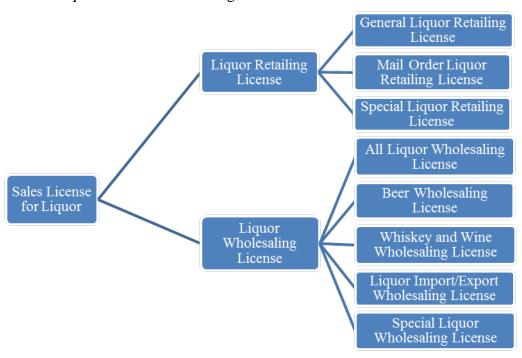
Import Procedures

Based on the Food Sanitation Law, importations of wine, beer, whiskey and brandy, etc., requires submission of the Notification for Importation of Food Products with attached documents, including the list of ingredients, the manufacturing process chart and the table of additives, etc., to the Food Product Quarantine Station under the Ministry of Health, Labour and Welfare. => (Please refer to Q8 for details of import procedures)

Food additives are often used in wine such as food preservatives. And hence, inspection is required in attempts to determine whether the usage of unspecified food additives happens or not. Upon completion of inspection by the Food Products Quarantine Station, customs clearance is declared following by payment of tariffs, consumption tax and liquor-contentbased tax for beverage.

Sales License for Liquor

As per the Liquor Tax Law, sale of liquors requires a dealership license which is granted by the Director of the local tax office. This license includes liquor retailing license (for consumers, café and bar restaurants, or confectionery manufacturers, etc.) and liquor wholesaling license (for liquor distributors or manufacturers, etc.). In addition, this license is also classified by categories and methods of liquor sale. Therefore, consultation in advance with the local tax office is recommended. For instance, wine for sales to consumers via internet requires mail order retailing license.



Transportation

In order to preserve flavor and quality of liquor, proper storage during transportation is very important. During shipping transportation from Europe to Japan via Suez Canal, the vessel must across the equator. And hence, internal temperature of a regular dry container that has been placed on the deck is likely to reach 70°C when the storage deck exposed to direct sunlight, whereas its humidity rate might come up to 100%. Containers in a ship can be put

into the ship's hatch (so internal temperature of a regular container remains approximately 30°C). However, it is not the cargo owners who determine where the container is located but the shipping company.

Therefore, in order to prevent flavor and quality of wine from being damaged due to hot and humid environment, frozen storage facilities such as refrigerated containers are required, so internal temperature of a container remains in the range of +/- 20°C during the shipping process. Fifteen degree (15°C) is an ideal internal temperature set for a container.

Once the container is unloaded at the entry port of Japan, it can remain in a container yard where the power supply is connected for frozen storage facilities. However, extra changes will occur for a few days (3 days in general). Hence, it is recommended to move the container to the bonded warehouse with cooling storage, following by customs clearance procedures.

A 20-feet refrigerated container provides a loading capacity up to approximately 17 tons in weight and 25 cubic meters in volume. In the case of wine, this allows capacity up to approximately 1,200 to 1,300 carton boxes which contains regular bottles (you should deduct approximately 20% of cubic capacity in attempts to facilitate the flow of cooling air in the container). In principle, consolidated cargo shipping service is not provided to refrigerated containers, so in quantitative terms, it is necessary to always reserve at least one whole container.

In making arrangements for transportation, it must be made explicitly clear to the shipping company the exact port to which the cargo is to be hauled. Upon entering into a product sales contract, designate explicitly the port where you will be accepting the product (that is, a port to which ships from Europe directly enter and unload on a routine basis, for example, CIF Yokohama).

Labeling Requirements when selling

In order to sell alcoholic beverages in Japan, the following items, among others, must be clearly indicated in accordance with the Food Sanitation Law: type of alcoholic beverage, name and address of importer, cubic capacity of the container, alcohol content, receiver, and food product additives. Moreover, for imported beer and whiskey, quality labeling guidelines have been established based on the Fair Competition Codes.

Related Information:

Q13: Please explain the procedures for importing and selling mineral water.

A13:

Based on the Food Sanitation Law, mineral water is defined as "refreshing water that contains only water as a raw material with infused carbon dioxide and calcium, in which a very strict standards and criteria of ingredients, production methods and preservation are set accordingly. Prior to of the importation of mineral water, preliminary examination is required to determine composition of water resources, sampling method and manufacturing facilities of bottling tasks. Consultation with Food Products Quarantine Station of Ministry of Health, Labour and Welfare is recommended upon preparation of required following documents.

Standards of Manufacturing

- (1) Analytical results showing that the source water complies with the production standards of drinking water and with source water standards.
- (2) Detailed illustration of manufacturing process (processes from retrieval of water at source water to bottling).
- (3) Sterilization/Disinfection methods:

Cases in which disinfection is achieved by methods other than heating;

Ultraviolet sterilization: UV exposure dose (µw.sec/cm²); transmissibility (%)

Ozone sterilization: Dissolved ozone (mg/l); processing time (minute)

In the case of sterile filtration, filter mesh size is required.

Standards of Ingredients

Analytical examination of all ingredients content is required upon products' arrival as importation. Criteria have to be fulfilled including water turbidity, sediment, arsenic level, lead, cadmium, zinc, coliform, enterococus (Ecoli bacteria) and pseudomonas pyocyanea. Also, package of products which does not perform sterilization of carbon dioxide pressure, has to response negative to enterococcus and pseudomonas pyocyanea.

In addition, the imported product has to obey to the "Criteria for Mineral Water" as per "the Positive List of Agricultural Chemical Residuals" in which define all allowable and disallowable food additives and criteria for usage in Japan. Upon importation, relevant documents must be attached to the Notification for Importation of Food Products when applying for inspection to the Food Product Quarantine Station under the Ministry of Health, Labour and Welfare. After all requirements are fulfilled, it is possible to accelerate the process of issuing the "Certificate of Conformance".

Furthermore, in response to the incident of Fukushima Daiichi Nuclear Plant Disaster which occurred on 11th March 2011 and caused insufficient supply of drinking water for infants, a regulation titled "Inspection upon Imported Mineral Water" was issued by the Division of Imported Food Products Evaluation and Licensing, Pharmaceutical and Food Safety Bureau, under the Ministry of Health, Labour and Welfare (applicable since August 2012).

Labeling Requirements when selling

The Food Sanitation Law and JAS Law set legal requirements for product's label when you want to sell mineral water. Besides, the "Guidelines for Descriptive Labeling of Mineral Water" was also issued. In addition, detailed nutrient facts and calories should be indicated as per the "Nutrient labeling standards" based on the Health Promotion Law.

Related Information:

Ministry of Health, Labour and Welfare (Food Sanitation Law): http://www.mhlw.go.jp/topics/yunyu/tetsuzuki/index.html
Ministry of Agriculture, Forestry and Fisheries (JAS Law): http://www/maff.go.jp/j/jas/index.html
Ministry of Health, Labour and Welfare, "Inspection upon Importation of Mineral Water":
http://www.mhlw.go.jp/stf/houdou/2r98520000016u30-img/2r98520000017fsx.pdf
Consumer Affairs Agency, Government of Japan (Food Product Labels): http://www.caa.go.jp/foods/index.html
Bureau of Social Welfare and Public Health (Overview of Food Sanitation/Nutrient Labelling Standards):
http://www.fukushihoken.metro.tokyo.jp/anzen/hoei/hoei_016/hoei_16b.html

Q14: Please explain the procedures for importing and selling processed meat products (e.g. hams, sausages, bacons, etc.)

A14:

Animal Quarantine

With respect to importation of processed meat products, potential source countries eligible for imports have been determined by the Domestic Animal Infectious Diseases Control Law. They are still subject to animal quarantine during importation if the products are classified as "Specified Quarantine". Attachment of a Certificate of Sanitation issued by the governmental institution of the exporting country is necessary when you submit an "Application for Import Inspection" to an Animal Quarantine Station in Japan.

Attention must also be directed to the exporting country. Importation of processed beef products from Bovine Spongiform Encephalopathy (BSE)-affected countries and poultry from bird-flu-affected countries are not allowed to Japan. Hence, please contact the Animal Quarantine Station for updated information.

Certificate of Import Quarantine is issued upon approval of animal quarantine, following by procedures pursuant to the Food Sanitation Law. When submitting a Notification for Importation of Food Products to a Quarantine Station under the Ministry of Health for Labour and Welfare for inspection purpose, it is necessary to attach such documents as the list of ingredients, the manufacturing process chart, and the list of additives, etc.

Reminders for Imports

According to the Food Sanitation Law, there is a common requirement for processed meat. That is the rate of silver nitrate used in a kilogram of processed meat must not be more than 0.070g. Under the same law, there are separate ingredients standards for:

(1) Dried meat products (e.g. beef jerky, salami, sausage, etc.); (2) Uncooked meat products (e.g. country ham, sausage); (3) Specially cooked meat products (e.g. roasted beef); (4) Cooked meat products (e.g. boneless ham, pressed ham, bacon). Categories of imported meat products have to be determined prior to importation and you should investigate the regulatory standards that apply.

Labeling Requirements when selling

With respect to labeling, there are processed food product labeling standards set forth by the Food Sanitation Law and JAS Law. Moreover, separate labeling requirements are provided for processed meat products which include bacon, ham, pressed ham, mixed pressed ham, sausage, mixed sausage, chilled patty and chilled meatball, etc. Besides, the "Fair Competition Codes Covering Labeling for Ham and Sausage" set by the industry as voluntary standards.

Q15: Please explain the procedures for importing and selling marine processed products.

A15:

Import Quotas

Marine products that require import quotas (IQ) are determined by the Import Control Order under the Law on Foreign Exchange and Foreign Trade. IQ of this product is allocated by the Ministry of Economy, Trade and Industry (METI). There are two ways in allocating import quotas for trading companies: the allocation based on performance and the first-come-first-served basis. For the first-time application for IQ, the IQ is allocated on the first-come-first-served basis. In addition, the amount of IQ, the qualification of the applicant as well as the time for IQ application differ according to types of products needed for IQ and methodology for IQ allocation, hence identification of marine product imports is necessary through the Table for imported marines.

It requires submission of two copies of an "Application for Import Quotas" to Agricultural and Marine Products Division, Trade Management Department, Trade and Economic Cooperation Bureau, Ministry of Economy, Trade and Industry. Upon acceptance of Certificate of Import Quotas, submission of "Application for Imports Approval" to the Special Bureau of Industrial Economy or Trade Office is mandatory in order to receive the acceptance of Import License (IL).

In addition, imports from specific countries of origin or special shipment regions require double approvals (Specific Areas Regulations) for some relevant marine items. For detailed information, please contact the Agriculture-Marine Section, the Trade Management Division, the Trade and Economic Cooperation Bureau under the Ministry of Economy, Trade and Industry or enter the website of this Ministry.

Marine Products that Require Import Quotas (Fiscal Year 2012)

Anchovy and saury, yellowtail, squid, scallop, salted kelp, seafood, dried rose and monostroma nitidum seaweed, herring, sardine, saury, mackerel, cod fish eggs, dried cuttlefish, kelp used in food preparation, dried seaweed as well as seaweed used in food preparation, no-sugar added seaweed, herring and squid from Pacific Ocean, etc.

Upon importation of all types of processed marine products, it is necessary to submit a Notification for Importation of Food Products with all relevant documents attached for the quarantine inspection based on the Food Sanitation Law. Prior consultation with the Quarantine Station might be required since documents and product categories for different importing countries vary. Based on each product which needs inspection, sanitary inspection and permission for importation will be evaluated within the bonded area. In case the imported products are not eligible, they are subject to disposal or returned by the importer. => (For detailed information import procedure based on the Food Sanitation Law, please refer to Q8)

Labeling Requirements when selling

Selling processed food products requires them to be labeled based on the Food Sanitation Law and "The quality standards labeling for processed foods" as per the JAS. Moreover, distinctive labeling requirements are set for different categories of products such as sea urchin, sea urchin mixtures, dried seaweed, salted seaweeds, dried bonito flakes, anchovy and processed are provided. Apart from the above-mentioned compulsory regulations, there is the "Fair Competition Codes in relation to Labeling on Mustard Seasoned Cod Roe" and the "Fair Competition Codes in relation to Labeling on Seaweed Food Products" set by the industry. Those determine all relevant criteria for labeling as voluntary standards in this business sector. => (For detailed information, please refer to Q23)

Related Information:

Ministry of Economy, Trade and Industry (Import Quotas): http://www.meti.go.jp/policy/external_economy/trade_control/
Ministry of Health, Labour and Welfare (Food Sanitation Law): http://www.mhlw.go.jp/topics/yunyu/tetsuzuki/index.html
Ministry of Agriculture, Forestry and Fisheries (JAS Law): http://www/maff.go.jp/j/jas_gaiyou.html
Consumer Affairs Agency, Government of Japan (Food Product Labels): http://www.caa.go.jp/foods/index.html
Federation of Fair Trade Conferences: http://www.jfftc.org/
National Fair Trade Conference for Mustard Seasoned Cod Roe: http://www.mentaiko-ftc.org/index.html

Q16: Please explain the procedures for importing and selling spices and herbs. A16:

Spices refer to flavor plants which include leaves, stems, barks, roots, root stocks, flowers, buds and seeds, etc., with distinct aroma used for flavoring or preserving food. They are categorized into two types namely spices and herbs. Spices refer to all parts of plants (except roots, leaves and flowers) whereas herbs refer to roots, leaves and flowers.

Reminders when fulfilling Import Procedures for Spices and Herbs

According to the Plant Protection Law, importation of spices and herbs requires plant quarantine. However, dried spices sealed in boxes or packages are not subject to plant quarantine. And dried leaves depending on dry degree, are also not subject to plant quarantine. Consultation with a Plant Quarantine Station at the importing port might be necessary since processing methods of herbs varies.

Upon plant quarantine and inspection, the submission of a Notification for Importation of Food Products requires documents such as invoice and packing list, etc., and it needs to be attached with a Phytosanitary Certificate issued by the governmental institution of the exporting country.

Procedures according to the Food Sanitation Law will be processed after the plant quarantine is approved. In order to apply for inspection, attached documents such as the list of ingredients, the manufacturing process chart and the table of additives are required when submitting the Notification for Importation of Food Products to a Food Product Quarantine Station under the Ministry of Health, Labour and Welfare.

Upon importation of spices and herbs, prior checking is very necessary as follows: (1) Is radioactive sterilization performed? (Advanced confirmation with the manufacturer in written form); (2) Do they meet the criteria for agricultural chemical residuals? (3) Is Mycotoxin detected? (4) Is sulfur dioxide excessive in dried herbs?

Labeling Requirements for Spices and Herbs

When selling spices and herbs in boxes or packages, they are required to be labeled based on the Food Sanitation Law and "The quality standards labeling" as per the JAS. For fresh herbs and vegetables, please refer to the "Fresh Food Quality Labeling Standards" while processed food products refer to the "Processed Food Quality Labeling Standards".

Q17: Please explain the procedures for importing and selling cheese.

A17:

There are more than 1000 varieties of natural cheese and processed cheese worldwide. Natural cheese is categorized into four types depending on product's water content as shown below:

- Soft cheese: Cream cheese, Camembert cheese;
- Semi-soft cheese: Roquefort cheese, Blue cheese;
- Hard cheese: Cheddar cheese, Gouda cheese;
- Extra hard cheese: Parmesan cheese, Romano cheese.

Tariff Quota System for Cheese

Tariff Quota System ensures application of low tax rate or tax free (primary tax rate) on imported goods within the limit of import volume, which attempts to supply affordable imported goods to consumers; high tax rate (secondary tax rate) is applied when import volume exceeds initial limit of import volume which attempts to protect domestic manufacturers in the country.

Natural cheese which is used as raw material for processed cheese is subject to tariff quota system.

Import Procedures for Cheese

According to the Food Sanitation Law, importation of cheese requires submission of a Notification for Importation of Food Products to a Food Products Quarantine Station under the Ministry of Health, Labour and Welfare along with attached documents such as the list of ingredients, the manufacturing process chart, and the table of additives. Soft cheese and semi-hard cheese under the requirements of Listeria monocytogenes, are subject to compulsory inspection in accordance with the production and preservation standards based on the Food Sanitation Law. Exporting countries of cheese that subject to inspection are shown below: (applicable since July 2012):

- Natural cheese in both soft and semi-soft types from France, Switzerland, Italy, Denmark and the United States, as well as Gorgonzola cheese of soft cheese and semi-soft cheese types from Italy =>Listeria monocytogenes

(Except: France - in which the Certificate of Listeria monocytogenes issued

by the Governmental body is attached;

Denmark – in which manufacturers of natural cheese for exporting are approved by the Governmental body.)

- Natural cheese of soft cheese as well as semi-soft cheese types from France
 - =>under inspection of the Enterohemorrhagic Escherichia coli O103.
- Natural cheese from Italy
 - =>under inspection of the Enterohemorrhagic Escherichia coli O26.

Improper manufacturing and storage methods of natural cheese are likely to cause mold and/or yeast. Thus, transportation know-how about management of temperature and humidity is mandatory for each and every type of cheese.

Labeling Requirements when Selling

Labeling requirements based on the Food Sanitation Law and JAS Law are mandatory. Furthermore, allergic ingredients must be indicated since milk ingredients are used. In addition, the "Fair Competition Codes in relation to labeling standards upon natural cheese, processed cheese and cheese products" is issued as voluntary standards for the industry.

Related Information:

Ministry of Health, Labour and Welfare (Food Sanitation Law): http://www.mhlw.go.jp/topics/yunyu/tetsuzuki/index.html
Ministry of Agriculture, Forestry and Fisheries (JAS Law): http://www/maff.go.jp/j/jas/index.html
Consumer Affairs Agency, Government of Japan (Food Product Label): http://www.caa.go.jp/foods/index.html
Federation of Fair Trade Conference relating to labeling of natural cheese, processed cheese and cheese-related foods: http://www.jfftc.org
Fair Competition Codes in relation to Cheese: http://www.jfftc.org/cgi-bin/data/bunsyo/A-4.pdf

018: Please explain the procedures for importing and selling salt.

A18:

There are regulations on salt import as prescribed in the Salt Business Law. According to the Salt Business Law, "salt" is defined as "a solid substance which consists of at least 40% and important the Salt Business Law, "salt" is defined as "a solid substance which consists of at least 40% and important the Salt Business Law. sodium chloride", excluding Chile saltpeter, kainite and sylvinite and minerals as specified in the Ordinance by the Ministry of Finance. Customs registration and approval by the Director General of the Customs for selling salt is mandatory upon importing and selling (specific sales) salt. In addition, the importation and sale of "salt for only special usage" require the notification of "Dealership of salt for special usage" to the Director General of Customs.

What is "Salt for Special Usage"?

- (1) Salt prescribed as drug, quasi-drug or cosmetic according to the Article 2, the Pharmaceutical Affairs Law;
- (2) Sodium Chloride reagent;
- (3) Salt used for bacteria cultivation for the purposes of scientific and/or academic research:
- (4) Salt served as a catalyst in copper plating processing;
- (5) Salt containing zinc, iron or other metals to be used for the formation of cubes, spheres, etc.:
- (6) Salt containing less than 60% sodium chloride, in which components other than sodium chloride are difficult to be separated easily;
- (7) Salt sold on a trial basis which attempts to limit its sale volume of not more than 100 tons per annum.

Please consult with an Economic Finance Bureau in the nearest prefecture/city for detailed information of Salt Business Law.

Food Sanitation Law and Pharmaceutical Affairs Law

Obligation to the Food Sanitation Law is mandatory for the importation and sale of salt.

=> (For detailed procedures please refer to Q8)

On the other hand, salt used for bathing additives is considered to be quasi-drug and may be governed by the Pharmaceutical Affairs Law. If salt is used as cosmetics or drugs, such salt is listed as the governing object of the Pharmaceutical Affairs Law; hence, Permit and Notification are required for salt importation. In order to specify a salt category, please make consultation with Division of Pharmaceutical Affairs in the nearest prefecture/city for detailed procedures of importation.

=> (For detailed procedures for importing cosmetics and drugs please refer to Q33 and Q37)

Labeling Requirements when selling Salt

Importing and selling salt as food products require descriptive labeling requirements as per the Food Sanitation Law and the JAS Law. In addition, the Fair Competition Codes in relation to the Edible Salt has been set as the voluntary standards for business within the industry.

Related Information:

1. Foods

Q19: Please explain the procedures for importing and selling sugar.

A19:

As sugar price is regulated by the Government of Japan, it is generally inconvenient to small import business.

Act on Price Control of Sugar and Starch

It is unlikely for the general public to import sugar in small amount as sugar price is controlled by the Government. According to the Law on Price Control of Sugar and Starch, specified importation of unrefined sugar, refined sugar, rock sugar and cubed sugar, etc., require submission of an "Application for Purchase and Sale of Imported Sugar" to the Agriculture and Livestock Industries Corporation (an independent administrative institution). And after that the applicant will receive the "Permit for Purchase and Sale" from the institution. Therefore, prior consultation with this institution is necessary for sugar importation.

Regulation on Tariff Quota Allocation

According to the Tariff Quota System, the Ministry of Agriculture, Forestry and Fisheries applies low tariff rate or tariff free (primary tax rate) on imported sugar within the import volume limit. Based on such volume limit (cap), import quota is allocated for applicant for sugar import. On the other hand, high tax rate (secondary tax rate) is applied when import volume exceeds initial limit of import volume which attempts to protect domestic manufacturers. In case imported sugar is subject to the primary tax rate, it is necessary to submit an "Application for Tariff Quota Allocation" to the Ministry of Agriculture, Forestry and Fisheries and then get the approval of a "Certificate for Tariff Quota" by the Ministry.

Food Sanitation Law

Imported sugar for selling is also governed by the procedures under the Food Sanitation Law. For customs clearance, the list of ingredients, the manufacturing process chart and the table of additives are required to attach to submission of a Notification for Importation of Food Products to a Food Product Quarantine Station under the Ministry of Health, Labour and Welfare located at the entry port.

Notification for Importation of Food Products is not required for importing unrefined sugar and molasses sugar. In addition, according to the Food Sanitation Law, sugarcane and beet are prohibited for import if they do not meet the criteria of agricultural chemical residuals set in the Positive List System.

Labeling Requirements for Sugar

The importation and sale of sugar as food product require descriptive labeling based on the Food Sanitation Law and JAS Law. => (For details please refer to Q23).

It is prohibited to label the imported sugar as "organic" if inspection for such sugar product disapproves. => (For details please refer to Q24).

Related Information:

Ministry of Agriculture, Forestry and Fisheries (Ordinance on Price Control of Sugar and Starch): http://www.maff.go.jp/j/seisan/tokusan/kansho/index.html
Ministry of Health, Labour and Welfare (Food Sanitation Law): http://www.mhlw.go.jp/topics/yunyu/tetsuzuki/index.html
Ministry of Agriculture, Forestry and Fisheries (JAS Law): http://www/maff.go.jp/j/jas/index.html
Consumer Affairs Agency, Government of Japan (Food Product Labels): http://www.caa.go.jp/foods/index.html
Agriculture and Livestock Industries Corporation (an independent administrative institution): http://www.alic.go.jp/
The Japan Food Chemical Research Foundation (Pesticide Residue Positive List System): http://www.ffcr.or.jp/

Q20: Please explain the procedures for importing and selling honey products.

A20:

Procedures for Imports

Procedures for importing and selling honey products require obligation as per the Food Sanitation Law. Attachments of the list of ingredients, the manufacturing process chart and the table of additives, etc., are necessary when submitting a Notification for Importation of Food Products to a Food Product Quarantine Station under the Ministry of Health, Labour and Welfare.

For honey, Japan has issued the reference criteria on anti-biotic residual applicable to animals and agricultural chemical residual. Please be noted that if a honey product does not match such criteria, it is not allowed for being imported into Japan.

In some countries and in some cases, anti-biotics are used to treat specific illness upon bees; hence, anti-biotic residual may exist in bees. In Japan, besides the regulated and standardized chemicals, food products are not allowed to contain anti-biotics. Therefore, before making importation, importers should make self-examination of honey products in terms of antibiotics and additive residuals by contacting a Food Product Quarantine Station under the Ministry of Health, Labour and Welfare.

In addition, royal jelly and propolis are used for health improvement. However, it is also prohibited to promote medical benefits of such products as the supplementary drugs or quasi-drugs during the process of selling. Please contact the Division of Pharmaceutical Affairs at the prefecture/city for details.

Honey itself is not subject to inspection of plant quarantine. However, the bee is subject to "compulsory animal quarantine". Hence, honeybee is identified for specific inspection that requires detailed condition of bee larvae, processed comb honey and lumps of propolis if larva or honeybee is part of the mixture contents of honey products. In this situation, for importing to Japan, it requires to have a Certificate of Inspection issued by the Governmental body of animal quarantine from the exporting country.

Importation of Inedible Honey Products

The importation and sale of honey products for cosmetic usage (either cosmetic products or quasidrugs) are subject to the Pharmaceutical Affairs Law. In the case of cosmetic products, it requires (1) Manufacturing management and sale permit; (2) Manufacturing permit; (3) Notification for Importation of relevant products, whereas quasi-drugs require (1) Manufacturing management and sale permit; (2) Manufacturing permit; (3) Approval of manufacturing and selling items; and (4) Approval by foreign manufacturers in overseas.

Categories of Honey and Labeling Requirements for Selling

According to the principles of fair competition under the Premiums and Representations Law (the Law against Unjustifiable Premiums and Misleading Presentations), honey is categorized as follows: (1) honey; (2) refined honey; (3) processed honey with sugar; and (4) bee larvae.

Content ratio of fructose and glucose not less than 60% are used as a factor to differentiate the natural honey and artificial honey.

The importation and sale of honey products require descriptive labeling based on the Food Sanitation Law and JAS Law. Besides, the "Fair Competition Codes in relation to labeling upon different types of Honey" has been set for natural honey while the "Fair Competition Codes in relation to Royal Jelly" has been set for royal jelly as voluntary standards within the industry.

Related Information:

Ministry of Health, Labour and Welfare (Food Sanitation Law): http://www.mhlw.go.jp/topics/yunyu/tetsuzuki/index.html
Ministry of Agriculture, Forestry and Fisheries (JAS Law): http://www.maff.go.jp/j/jas/index.html
Consumer Affairs Agency, Government of Japan (Food Product Labels): http://www.caa.go.jp/foods/index.html
Animal Quarantine Station (Domestic Animal Infectious Diseases Control Law): http://www.maff.go.jp/aqs/
Tokyo Health Safety Research Center (Manufacture, Distribution, and Importation of Cosmetics):
http://www.fukushihoken.metro.tokyo.jp/kenkou/iyaku/sonota/cosmetics/cosme/index.html
Federation of Fair Trade Conferences in Honey (Fair Competition Codes in relation to honey labelling):
http://www.honeykoutori.or.jp/

Q21: Please explain the procedures for importing and selling health foods.

A21:

What are Health Foods?

In Japan, health foods are not legally defined. Health foods available in Japan market are categorized into types of "Food with Health Claims" which meet some certain conditions of Japan (including special health supplements and/or food with nutrient function claims) and "Regular Health Foods" (general foods outside of the above-mentioned category).

Difference between Food and Drugs

In foreign countries outside Japan, health foods are sold as specific health supplements. However, some food ingredients are not accepted to be used for food or considered as either drugs or quasi-drugs in Japan. Therefore, before importing health foods, it is necessary to study and define ingredients of such health foods.

It is required to obtain lists of product ingredients from overseas vendors and check (1) the list of nature of components/ingredients used in exclusive pharmaceutical drugs (drug Lists) and (2) the list of recognized food ingredients for medical claims but not advocated (non-drugs lists) from the official website of the Japan Food Chemical Research Foundation. By this way, food and drugs are identified based on ingredients.

In case a product appears in the list of drugs, it is considered as drug and its procedure for importing and selling are based on the Pharmaceutical Affairs Law.

In case a product is in the non-drugs list, it shall be considered as imported food and its import procedure involves the following conditions:

- (1) The product is not shaped like a medicine (in which ampoule is not recognized as a kind of food shape);
- (2) The product is not advertised to promote medical claims;
- (3) The product is not advocated to pharmaceutical usage in terms of methods and dose basis.

Regardless of products named in either list, consultation with the medical authority in relevant prefecture/city is recommended. Clarification of the nature of ingredients as follows is required: scientific names of ingredients; spare parts used; pharmacological and/or physiological effects; drugs toxicity; narcotic/anti-hypnotic effects; and previous samples of ingredients recognized as health supplements or pharmaceutical drugs in Japan or overseas, etc.

Procedures for Imports

According to the Food Sanitation Law, after all relevant ingredients are approved as foods, it requires submission of a Notification for Food Products Import to a Food Product Quarantine Station under the Ministry of Health, Labour and Welfare prior to customs clearance. In addition, it requires attached documents such as the list of ingredients and the manufacturing process chart based on the Pharmaceutical Affairs Law which attempts to further describe differences between medical drugs and foods.

Additives of food colorings and food preservatives used in other countries might be prohibited in Japan and the standards of usage could be varied. And hence, it requires clarification upon the Food Additives List in advance with the Japan Food Chemical Research Foundation. Prior to consultation with the Quarantine Station, an examination conducted on voluntary basis at the specific Governmental Inspection Body designated by Ministry of Health, Labour and Welfare is necessary in order to obtain an Inspection Certificate.

Labeling Requirements when selling

Descriptive labeling standards are mandatory in accordance with the Food Sanitation Law and JAS Law upon processed food as well as Measurement Act, etc. Clearly, descriptive labeling is also required for allergens and genetically modified food products. Moreover, advertisements or promoting health claims of food products are prohibited.

Labeling Requirements for Food with Health Claims

In categories of health foods, foods with health claims are considered as food products that meet criteria of food safety standards and effectiveness regulated by the Government. Health supplement foods are classified into two types: a Special Health Supplement (specific approval by the Ministry of Health, Labour and Welfare is required) and a Food with Nutrient Function Claims (currently there are 5 varieties of mineral and 12 types of nutrient contents under inspection). When a food product contains a specific portion of above-mentioned ingredients (no minimum or maximum limit by Japan), labeling for nutrient content and amount is eligible without being inspected separately.

An example of Labeling for Foods with Nutrient Function Claims

Food with Nutrient Functions Claims (Calcium)

Calcium is a type of nutrient necessary for formation of bones and teeth.

Product Name XXX

Labeling of Nutrient Contents (per serving size of 120ml)

Energy XXX kcal

Protein XXX g
Fats XXX g

Carbohydrate XXX g

Sodium XXX mg
Calcium 400 mg

57 Percent Daily Values (PDV) for Calcium.

Please consume one serving only per day.

Related Information:

Q22: Please explain the procedures for importing and selling frozen food products.

A22:

Frozen food products are categorized into types of frozen fruits, frozen vegetables and frozen cooked foods.

<Procedures for importing Frozen Vegetables and Fruits>

- (1) According to the Plant Protection Law, frozen vegetables and frozen fruits require inspection at the quarantine station upon importation. The importer is responsible for preparing a "Phytosanitary Certificate" issued by a governmental body at the exporting country in advance to attach to an "Application for Inspection upon Imported Plants and Banned Products". For imported vegetables, it is necessary to submit to the Plant Quarantine Station at the port of entry a Paper which certified the imported vegetables are under proper frozen (at temperature 17.8°C or lower) storage methods. After inspection, a Certificate of Approval will be issued if no pest detected in the plants.
 - However, among frozen vegetables, fungi of matsutake and ishitake are not subject to the plant quarantine in accordance with the Plant Protection Law.
- (2) After the plant quarantine is fulfilled, the next step proceeds to the food product quarantine. When submitting a Notification for Importation of Food Products to a Food Product Quarantine Station, it is necessary to attach the list of ingredients, the manufacturing process chart and the table of additives. If the product is decided to be inspected, the results of the inspection shall determine whether the permit for import is issued or not.
 - According to the Food Sanitation Law, frozen vegetables are classified into different types based on their processing methods. Fresh vegetables which are stored in their original shapes or are cut into small pieces for storing in boxes or packages shall be processed in the same way as fresh vegetables. Please do not use additives for the purposes of dying or bleaching.

< Procedures for importing Frozen Food Products>

According to the Food Sanitation Law, for frozen food products with content of above 50% meat, they are required to meet the criteria for ingredients standards (bacteria count, negative Bacillus coli, etc.), and the preservation standards (at temperature -15°C or lower), they are also in accordance with the standards of "products specifically processed from meat".

In addition, attention should be given to the criteria of food additives usage in Japan.

Labeling Requirements when selling

Product labeling must be in compliance with the standards of quality labeling based on the Food Sanitation Law and the JAS Law. Moreover, the sets of standards have been promulgated such as the "Quality Labeling Standards of Frozen Cooked Food Products" (such as fried foods, fried fishes, fried shrimps, fried squids, fried oysters, croquettes, cutlets, dumplings, spring rolls, frozen beef patties, meatballs, fish balls, frozen fish patties, rice, noodles, etc.) and the "Quality Labeling Standards for Frozen Vegetables". In addition, genetically modified food products such as frozen corns and frozen potatoes require labeling based on relevant criteria.

Q23: Please explain the requirements for food product labeling.

A23:

Requirements for mandatory food product labeling in Japan

Imported foods as well as locally-produced foods sold in Japan are required to be labeled in accordance with the Food Sanitation Law, the JAS Law, the Measurement Law, and the Health Protection and Promotion Law, etc. Food products which are not lokaled and probability and the are obviously probability and the second products which are not lokaled to the labeled in the law of the la are obviously prohibited for the purpose of selling and displaying in business. In addition to following Laws, requirements for labeling standards in different prefectures based on the Premiums and Representations Law, the Pharmaceutical Affairs Law and the Specified Commercial Transactions Law are shown as follows:

Name of Law	Products Subject to Labeling	Labeling Items	Jurisdictional Ministry					
Food Sanitation Law	 Margarine Alcohol beverages Drinking water Processed meat products Fish hams and fish sausages, whale bacons Tofu containing cyanide Frozen food products Irradiated food products Retort pouch food products Eggs Packaged food products Genetically modified ingredients and their products Health supplements 	 Name of product Expiry Date Name and address of manufacturer (distributers or importers) Contents of additives Contents of allergens (e.g. specific ingredients of egg, milk, wheat, buckwheat noodle, peanut, shrimp, crab, etc.) Storage methods Effects of health supplements Effects of genetic modified food products (e.g. soybean, corn, potato, rapeseed, alfalfa, cottonseed, etc.) 	Ministry of Health, Labour and Welfare (Consumer Affairs Agency in terms of labeling)					
Law Concerning Standardization and Quality Labeling of Agricultural and	- Additives Fresh food products Marine products	Name of productCountry of origin (for imported product)Name of product	Ministry of Agriculture, Forestry and Fisheries (Consumer					

1. Foods

1. F 0005			<u> </u>	1.00 . 1
Forestry Products (JAS Law)			- Country of origin (for imported product)	Affairs Agency in terms of labeling)
			- Defrost and cultivation	indening)
		Animal	- Name of product	
		products	- Country of origin (for imported product)	
Law on Standardization			- Name of product, ingredients	
and Quality Labeling of Agricultural and			- Country of origin (for imported products)	
Forestry Products			- Net weight	
(JAS Law)			- Expiry date	
			- Name and address of manufacturer	
		Brown rice	- Name of product	
		and	- Ingredients	
		polished rice	- Net weight	
			- Manufacturing date	
			- Name, address and contact number of distributors	
	Genetically modified foods and relevant processed food products (e.g. soybean, corn, potato, rapeseed, alfalfa, cotton seed and tofu, etc., 32 types of processed food products category)		 - "Genetically modified food" should be specified. - Major ingredients should be specified for processed food products 	
Measurement Law	-	by relevant		Ministry of Economy, Trade and Industry
Health Protection and Promotion Law (Nutrient Content Labeling Standards)	Processed food products and eggs		Calorie, protein, lipidCarbohydrateSodium and nutrient contents	Ministry of Health, Labour and Welfare (Consumer Affairs Agency in terms of labeling)

^{*}Standards of quality labeling require individual descriptive labeling standards.

In addition, there exists some Random Labeling as follows:

It depends on manufacturers since food content labeling is not mandatory. They include:

- JAS Mark: JAS standards in relation to contents and effects of food products as well as agricultural and forestry products have to be regulated by the JAS Law.
- Fair Competition Codes: According to the Premiums and Representations Law and given the approval from the Federation of Fair Trade Conferences, voluntary rules on promotion gifts or promotion labeling in relation to labeling criteria are made by manufacturers or relevant groups of companies.
- Guidelines are made by the industry associations.

Q24: Please explain the precautions for selling imported organic food products labeling in Japan.

A24

Foreign products sold in Japan cannot have "organic" mark labeled. Agricultural products/processed products which do not conform to organic JAS cannot be marked as "organic".

With respect to the certification of organic agricultural/processed products in accordance with JAS Law, only enterprises whose productions or processing methods recognized by organic JAS certification system are allowed to have their products labeled as "Organic JAS Mark" upon distribution. There are two methods for labeling the "Organic JAS Mark" upon imported organic food products:

- (1) A food product of a foreign producer which has been recognized by the authorized institution in Japan or by an authorized foreign agency is allowed to display the label of "Organic JAS Mark" on the relevant organic food product for the purpose of distribution in Japan.
- (2) An importer has his/her imported organic food product recognized by the authorized institution in Japan is allowed to display the label of "Organic JAS Mark" on the relevant organic food product for the purpose of distribution in Japan.

The prerequisite is to present the attached verification form issued by a governmental body which indicates its qualification at the same standards for agriculture and forestry verification enforced in Japan. By April 2012, upon organic agricultural products, the following countries have promulgated ordinances/decrees which are equivalent to the Article 15(2), JAS Law: 27 countries within European Union (EU), Australia, the United States, Argentina, New Zealand and Switzerland.

In addition, animal products and animal processed food products are subject to the "Organic JAS Mark" labeling in accordance with method (1) above.

II. Import procedures by product category 2. Apparels & fashion goods & general merchandise

2. Apparels & fashion goods & general merchandise

Q25: Please discuss the importation and sale of apparels.

Q25: Please discuss the importation and sale of apparels.

A25

Washington Convention

In principle, there are no restrictions on clothing imports. However, clothing made by specific materials such as leathers and furs might be subject to restrictions under the "Washington Convention" which aims to "protect certain species of wild plants and animals that constitute an irreplaceable part of nature from being used excessively in international trade". This requires approval or confirmation for imports in accordance with the Import Trade Control Order under the "Foreign Exchange and Foreign Trade Law" given the Washington Convention is involved.

Please consult with the Wild Fauna and Flora Trade Inspection Office, Division of Trade and Economic Corporation Bureau under the Ministry of Economy, Trade and Industry for details of relevant procedures. Prior confirmation of the formal scientific name for a particular material used in apparel manufacture is mandatory to see whether it is governed by the above-mentioned Convention.

Chemical substances such as formaldehyde or dieldrine are sometimes used in final stage of apparel manufacturing process. Therefore, the Law "governing the Household Products Containing Harmful Substances" defines standards of using specific chemical substances in apparel manufacturing. The sale and/or display of a particular item is prohibited if it fails to comply with the relevant law.

For example, formaldehyde standard for inner wears, pyjamas and socks is 75 ppm or lower, for clothes of the infants below 24-month-old is 16 ppm or lower. Dieldrin standard for the cover of pastry box, inner wears, gloves, socks, middle clothes is 30 ppm or lower.

Importation of Branded Apparels

Cautions are necessary when importing branded apparels in order to avoid violations of intellectual property rights such as trademark rights, design rights, patent, utility rights, etc. Apparels infringing intellectual property rights such as imitation of revistered trademarks, conied designs and false

property rights such as trademark rights, design rights, patent, utility rights, etc. Apparels infringing intellectual property rights such as imitation of registered trademarks, copied designs and fake character goods without consent of the right owners are considered illegal and prohibited for importation as per the Customs Law. Such illegal goods are discarded and in some cases, punishments will be done.

In addition, given criteria upon trademark rights are met, the importation and sale of branded apparels are considered legal, for example, the product is provided by the brand owner. However, caution is required when importing licensed products since it is difficult for a third party to assess authenticity of the products.

Labeling Requirements when selling

Upon sale of apparels, obligation to the "Ordinance on Textile Product Quality and Labeling" based on the Household Products Quality Labeling Law is mandatory which also further requires the following to be indicated on product labeling: (1) Composition of fibers; (2) Household laundry and handling instructions (expressed by image); and (3) Names and contact information of the labeler, etc.

In addition, it is prohibited to mislead consumers by displaying unjustifiable premium in accordance with the Premiums and Representations Law. => (For details please refer to figure of apparels in Q26)

Related Information:

Ministry of Economy, Trade and Industry (Convention on International Trade in Endangered Species of Wild Fauna and Flora): http://www.meti.go.jp/policy/external_economy/trade_control/boekikanri/cites/

Consumer Affairs Agency, Government of Japan (Household Products Quality Labeling Law): http://www.caa.go.jp/hinpyo/index.html National Institute of Health Sciences (Criteria for Control of Household Products Containing Harmful Substances): http://www.nihs.go.jp/mhlw/chemimcal/katei/kijyun.html

Japan Patent Office (Trademark Rights, Design Rights): www.jpo.go.jp/indexj.htm

2. Apparels & fashion goods & general merchandise

026: Please explain the requirements for labeling when selling clothing.

A26

The Ordinance on Textile Product Quality and Labeling under the Household Products Quality Labeling Law is mandatory upon the sale of 35 types of apparels from textile product category as shown below. It requires labeling in Japanese language for imported apparels sold in Japan.

Yarn, textile fabric, knit fabric, lace fabric, upper garment, trousers, skirt and dress, pull over, cardigan and sweater, outing shirt, open-neck shirt, polo shirt, blouse, apron, cooking coat business wear, working wear, overcoat, topcoat, spring coat, rain coat, baby wear, inner wear, pyjamas, socks, Japanese socks, gloves, handkerchief, blanket, bed sheet, towel, short Japanese overgarment and kimono, muffler, scarf and shawl, lap blanket, curtain, carpet, cover sheet, futon/thick bed quilt, blanket cover, futon cover, pillowcase, bed spread, table cloth, tie, swimming wear, belt, decorative string for kimono, etc.

Labeling Items for Textile Products

- Name and composition materials of fiber: Specific name for fiber and its relevant (1) mixture ratio.
- (2) Home laundry and handling instructions: Displaying symbols (or pictures) with sewing to indicate the ways of handling textile products in accordance to the Japan Industrial Standards (JIS) L0217. Labeling is made so that it cannot be torn off. The best way is to sew it directly to the product.
- Waterproof (labeling rules for clothing with rain resistance, among others). (3)
- (4) Names and contact information of the labeler.

However, with respect to no.(2), it requires labeling display for underwear and outerwear as well as shirts, etc. However, labels including laundry and handling instructions are generally not mandatory for tie, kimono accessories and some other products which are not stressed much for the way of using such as socks and handkerchiefs.

In addition, no. (3) above is not required for other jackets other than raincoat.

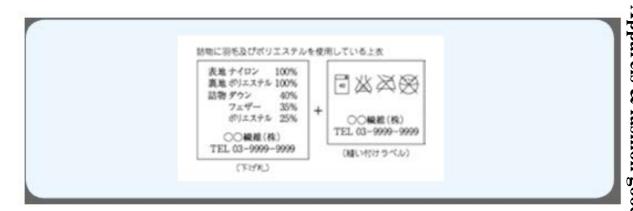
Country-of-Origin Labeling as per the Unjustifiable Premiums and Prevention Methods for Misrepresentation (the Premiums and Representations Law)

Labeling display by country-of-origin that misleads consumers is prohibited. The label should be described in Japanese language and displayed in readable position.

(*) Source: Homepage of Consumer Affairs Agency

II. Import procedures by product category 2. Apparels & fashion goods & general merchandise

An example of labeling display of apparels:



The English version of this Japanese label is as follow:

Polyester Feather Products

1 01	y cotter i ca		1100
Nylon	100%		
Polyester	100%		F
			1
Down (material used	40%		1/6
for air jackets)			
Feather	35%	+	
Polyester	25%		T. (
			Texti
Garment Joint Stock Cor	mpany		
Tel: 03-9999-9999			
	Nylon Polyester Down (material used for air jackets) Feather Polyester	Nylon 100% Polyester 100% Down (material used 40% for air jackets) Feather 35% Polyester 25% Garment Joint Stock Company	Polyester 100% Down (material used 40% for air jackets) Feather 35% + Polyester 25% Garment Joint Stock Company



(Ticket) (Enclosed label)

2. Apparels & fashion goods & general merchandise

Q27: Please explain the procedures for importing and selling clothing for children.

A27

Reminders for Imports

Similar to adult's clothing, there are no restrictions on importation of children's clothing. However, it is subject to the Washington Convention if materials such as fur and/or leather contained in the products in which an Exporting Permit issued by the Governmental body of the exporting country is mandatory upon importation. => (For details please refer to Q29)

In addition, the Customs Law prohibits importation of counterfeited products which involve in imitation of branded products, etc., leading to infringement of intellectual property rights. Such products are considered illegal and are prohibited from being imported. => (For details please refer to Q25)

Reminders for Selling

Criteria are set for specific chemical substances used in textile products for infants below the age of 2-year-old (such as diapers, diaper cover, drool cover, innerwear, hats, bedding, nightwear, gloves, socks, intermediate garment, outer garment, etc.) in accordance with the Law on Household Products Containing Hazardous Chemical Substances.

- Formaldehyde: Differential light absorption of prescribed testing method is 0.05ppm and lower or 16ppm and lower.
- DTTB: 30ppm and lower.
- Dieldrin (insecticide): 30ppm and lower.
- Compound of tin: No detection identified by defined testing method.
- Organic mercury compound: No detection identified.

Prior to importing and selling a product, product sampling of hazardous substances is required for inspection to detect content of chemicals. And then, it is suggested to keep relevant documents such as the certificate of inspection for future reference. In order to prevent a specific hazardous substance from contacting other clothing, packaging of polyethylene bag is mandatory when products are ready for selling.

Labeling Requirements when selling

According to the "Ordinance on Quality Labeling of Textile Products" based on the Household Products Quality and Labeling Law, indications of the following are required: (1) Composition of textile; Guidance for home laundry and handling (display of picture); and (3) Name and address or contact number of the labeler. => (For details please refer to Q26)

Related Information:

II. Import procedures by product category 2. Apparels & fashion goods & general merchandise

028: Please explain the procedures for importing and selling secondhand clothing.

Permission for Trading Secondhand Clothing

As per the Law on Secondhand Products Dealership, trading or exchange of secondhand clothing for commercial purposes requires permission from a Public Safety Commission in a city or prefecture which attempts to prevent stolen goods from being involved in the trading factivities.

The Law on Secondhand Products Dealership defines second-hand products as "products used once; new products for trade-in; same products passed and owned by different people and old product with some repair" such as art piece, apparels, watches, jewelries, automobile and books, etc., of 13 different product categories. Below describes situation in which whether a permit for dealing secondhand clothing is necessary or not.

When Permission for Dealing Secondhand Products is Necessary

- Buy and sell secondhand products; repair and sell usable things, or rent;

- Never buy secondhand products but only receive commission upon the sale (Brokerage);

- Exchange with another secondhand product;

- Buy secondhand products within a country and then for export abroad;

- Execute the above-mentioned activities on the Internet.

When Permission for Dealing Secondhand Products is Not Necessary

- Selling own products via auction => (purchase for the purpose of selling in the future)

- Selling own products via auction => (purchase for the purpose of selling in the future is excluded);
- Selling a product which received for free in the past;
- Selling secondhand products and receiving commission from another party;
- Re-buying the products from whom the products were sold to;
- Selling products which were bought by yourself overseas (except the case of selling imported products by other importers).

In addition, permission is not mandatory for flea market opening to the public, but trading or exchanging secondhand products in a professional group requires a "Permit of Secondhand Products Market". Moreover, a "Notification of Secondhand Product Auction" is necessary for auction activities on the Internet and it requires to be posted on or linked the official website of a Public Safety Commission at a city or prefecture.

Upon application for a Permit of Secondhand Product Dealing, it requires a registration with the Crime Prevention Division of the Police Station that has jurisdiction over the area and further obtains a permit from the Public Safety Commission. Please be noted that if you have more than one selling place, permissions from all prefectures or cities involved are mandatory.

2. Apparels & fashion goods & general merchandise

Q29: Please explain the procedures for importing and selling shoes.

A29

Shoes are classified into shoes made of leather or of materials other than leather and sport shoes and in which leather ones should be noted.

Washington Convention

Restrictions set by the Washington Convention (the legislation on protecting wild fauna and flora from extinction) apply to leather shoes depending types of leather used. Processed goods made of animal or plant substances are categorized in Appendix II and III of the Washington Convention can be traded for commercial purposes. However, for importing products classified in Appendix II, it requires the original copy of form for export permit (CITES) issued by a governmental body at an exporting country. And for Appendix III an original export permit and/or certificate of origin are required. In addition, a certificate issued by Minister of Economy, Trade and Industry must be obtained prior to customs clearance in case of importing products made from animals and plants mentioned at Article 7-(6), Section 3 of the Notification for Import.

Please consult with the Wild Fauna and Flora Trade Inspection Office, Trade Management Department, Trade and Economic Cooperation Bureau, Ministry of Economy, Trade and Industry for details of shoes materials in the product you are trading whether they involved in the Washington Convention or not.

Customs Duties and Tariff Quotas for Leather Shoes

Please be noted that tariff rates must be considered when leather shoes are imported. Such rates might be higher or lower depending on which leather part is used as well as where the exporting country is. Generally, the tariff rate is at 30% or 4,300 yen per pair (according to the Economic Partnership Agreement as at 1st April, 2012), whichever figure is higher.

Leather shoes are among high tariff rate items. However, in order to harmonize between the demand of consumers for cheap price products and protection of the domestic production, leather shoes are subject to the tariff quota system.

According to the Tariff Quota System, duty-free or low duty rate (primary tariff rate) is applied to imports with limited volume in order to provide imported products at cheap price to domestic consumers. On the other hand, it is subject to high duty rate (secondary tariff rate) if imports exceed the targeted volume which attempts to protect the domestic manufacturers.

A new application to tariff quota requires the importer or vendor to conduct leather shoes manufacture, sale and importation with specific volume in previous year which was equal or higher than the volume requested in the application. Please visit the homepage of the Ministry of Economy, Trade and Industry for details on tariff quota petition which is normally publicized in early March every year for the next fiscal year.

Labeling Requirements when selling

According to the "Ordinance on Quality Labeling of Miscellaneous Products" under the Household Goods and Labeling Law, the sale of leather shoes which involve synthetic leather, synthetic resin or relevant mixture, adhesive material of glue, etc., is subject to the following: (1) List of materials used for leather composition; (2) List of used materials of shoes bottom; (3) Pressure resistance level of the shoe bottom; and (4) Name, address or contact numbers of the labeler.

In addition, sport shoes are subject to the "Fair Competition Codes in relation to Labeling upon sport shoes" as the voluntary standards for the industry.

Related Information:

Ministry of Economy, Trade and Industry (Tariff Quota): http://www.meti.go.jp/policy/external_economy/trade_control/boekikanri/kanwari Ministry of Economy, Trade and Industry (Washington Convention):

http://www.meti.go.jp/policy/external_economy/trade_control/boekikanri/cites/cites_about.html

Consumer Affairs Agency, Government of Japan (Household Products Quality Labelling Law): http://www.caa.go.jp/hinpyo/index.html

Import procedures by product category 2. Annarels & fashion goods & general

II. Import procedures by product category 2. Apparels & fashion goods & general merchandise

Q30: Please explain the procedures for importing and selling bags.

A30

Bags are categorized according to types of material used such as leather, synthetic fiber (e.g. nylon) cotton, hemp or relevant materials (e.g. rattan and bamboo), beads and polyvinyl chloride, etc.

Among the above-mentioned bags, the Import Control Order under the Foreign Exchange and Foreign Trade Law (the Foreign Exchange and Trade Law and Wildlife Protection Law) may be applied depending on each leather category.

There are no special restrictions on bags except imported leather bags which are subject to the "Foreign Exchange and Foreign Trade Law" (the Import Control Order) as well as the Washington Convention. Imported products that use materials of animals are subject to restrictions in accordance with the Appendix in the Washington Convention based on Import Control Order. Details of restrictions include the following:

- (1) Products for imports and exports with commercial purposes are prohibited (Appendix I, the Washington Convention);
- (2) Products that require prior confirmation with the Ministry of Economy, Trade and Industry as well as export permit issued by a governmental body of an exporting country (Appendix II, Washington Convention);
- (3) Products that require prior confirmation by the Ministry of Economy, Trade and Industry of Japan (specified in the Appendix III of the Washington Convention) as well as export permit issued by a governmental body of an exporting country, original copy of certificate of origin and manufacturing certificate, etc. However, artificially bred plants and animals are not subject to the above-mentioned regulations.

When an import is initiated, it is very difficult to determine whether such an imported product is derived from artificially bred animals or plants and is subject to the aforesaid convention if general name (so-called name, Japanese name or English name) is written. Therefore, prior determination of scientific name must be conducted and such scientific name must be available into the invoice. Please consult with the Wild Fauna and Flora Trade Inspection Office, Trade Management Department, Division of Trade and Economic Corporation, Ministry of Economy, Trade and Industry for information of scientific names (both Japanese name and English name) of imported leather bags to be displayed on product invoice, particularly in attempts to determine if the animals are artificially bred.

In addition, importation of fake products of branded ones or imitations is prohibited by the Customs Law, in which the products are subject to forfeit as punishment, or penalty of fine imposed to importers if necessary.

Labeling Requirements when selling

According to the Ordinance on Quality Labeling of Miscellaneous Industrial Products under the Household Products Quality Labeling Law, the sale of leather bags which involve cow skin, horse skin, pig leather, sheep leather and goat leather, etc., is required to indicate the following details: (1) Types of leather used; (2) Methods of handling and storage; and (3) Name, address and/or contact information of labeler.

In addition, it is prohibited to mislead consumers by displaying faked labeling and unjustifiable premium in accordance with the Premiums and Representations Law although the law does not require the country of origin to be written.

Related Information:

2. Apparels & fashion goods & general merchandise

031: Please explain the procedures for importing and selling jewelries.

A31

There are no restrictions on imports for jewelries. However, accessories containing ivory, coral and tortoiseshell, etc., are subject to restrictions in accordance with the Washington Convention. If such materials are used, scientific names for labeling display of jewelries on invoice or relevant documents are mandatory.

Three categories shown below in accordance with the Washington Convention involve restrictions on wild fauna and flora as well as processed products that contain any spare parts of animals or plants. Artificially bred animals/plants or those wild fauna/flora which were traded before the Convention's validity are not subject to restriction of the Convention. However, their Certificates of Origin must be attached.

	Appendix I	Appendix II	Appendix III
Criteria set for Appendix	Endangered species influenced by business trading.	Species that are not endangered at present yet but facing issues of extinction if no further restrictions are given.	Species protected within one member country in which support from another member country is required.
Regulation Contents	~ Trading for academic and research purpose is permitted. ~Trading for commercial purpose is prohibited. ~ Permit forms issued by relevant authorities from both importing and exporting countries are necessary.	~ Trading for commercial purpose is permitted. ~ Exporting Permits issued by relevant authorities of exporting countries are required.	~ Trading for commercial purpose is permitted. ~ Exporting Permit and Certificate of Origin or Certificate of Manufacturing issued by relevant authorities of exporting country are required.
Species of Restricted Plants and Animal	Giant panda, gorilla, orangutan, Saussurea costus (a plant with flower in aster family), etc.	Parrot, coral, lions, cacti, orchids, Euphorbia Helioscopia (a plant with flower in Spurge family), etc.	Walrus (Canada), Mustela sibirica - a mammal in Mustelidae family (India), coral (China), etc.

Source: Homepage of Ministry of Economy, Trade and Industry

Items listed in Appendix I are prohibited to trading for commercial purposes while items listed in Appendix II require approval (Prior Confirmation with the Customs System) from Ministry of Economy, Trade and Industry prior to declaration for import customs. Submission of exporting Permit and relevant original copies of documents to the Customs upon importation in accordance with the Washington Convention is mandatory. Certificate of Country-of-Origin issued by a governmental body at the importing or the exporting country is required.

II. Import procedures by product category 2. Apparels & fashion goods & general merchandise

In addition, importation of fake products of branded jewelries or imitations is prohibited by the Customs Law, in which products are subject to forfeit as punishment, or penalty of fine imposed to importers if necessary.

Labeling Requirements when selling

There are no restrictions on jewelries except specific materials of ivory, coral and tortoiseshell, etc., are used, which are subject to the Endangered Species Law. However, application for distribution is possible if specific requirements of artificially bred animals/plants for commercial purposes are met. For details, please check with Department of Environment, Wild Fauna and Flora and Tourism Division.

Hall Mark or Grade Mark as voluntary standard has been established for jewelries since there is no obligation on displaying and labeling requirements on jewelries as per the legislation. "The Rising Sun Flag" and "The Dignity Sign" are generally marked based on the System (of inspection) for Precious Metal Product Quality under the governance of the Treasury Bureau, the Ministry of Finance. There are no restrictions on jewelries except specific materials of ivory, coral and

2. Apparels & fashion goods & general merchandise

Q32: Please explain the procedures for importing and selling sunglasses.

A32

Reminders for Import Procedures

There are no restrictions for glasses imports. However, importation of branded sunglasses of fake products or imitations is prohibited by the Customs Law, in which products are subject to forfeit as punishment or penalty of fine imposed to importers if necessary.

Frame parts of glasses made of tortoiseshell, etc., are subject to restriction in accordance with the Washington Convention, in which import approval or import confirmation based on the Import Trade Control Order under the Foreign Exchange and Foreign Trade Law is mandatory. Please consult with the Trade Inspection Division, Department of Trade Management under the Ministry of Economy, Trade and Industry for more details.

According to the Pharmaceutical Affairs Law for medical devices, orthotics glasses require a "Permit for Third-Class Medical Device Manufacturing and Sale" as well as an "Authorization Permit for Medical Device Manufacturing". In case a health device is produced abroad, it requires an "Approval for Foreign Manufacturers" for manufacturers from overseas and, a "Notification for Management of Manufacturing and Distribution" upon importation and sale.

Labeling Requirement for Selling

According to the "Miscellaneous Industrial Products Quality Labeling Standards" of the Household Products Labeling Law, the sale of glasses requires details as shown below: (1) Name of product; (2) Materials of lens; (3) Materials of frames; (4) Visible rays transmittance; (5) Ultraviolet rays transmittance; (6) Precautions for use; and (7) Name, address and/or contact information of labeler.

II. Import procedures by product category 3. Cosmetics and Quasi-drugs

3. Cosmetics and Quasi-drugs

Q33: Please explain the procedures for importing and selling cosmetics.

A33

According to the Pharmaceutical Affairs Law, importing cosmetic products tend to be more complex for first-time importers. Required procedures for importation and sale are shown as follows:

Prior to importation and sale of cosmetics, it is required to obtain a Permit for "Cosmetics Manufacture and Dealership" and a Permit for "Cosmetics Manufacturing Industry". The "Cosmetics Manufacture and Dealership" refers to the vendors' responsibilities for the whole process of cosmetics manufacture and distribution in Japanese market while the "Cosmetics Manufacturing Industry" refers to solely manufacturers of cosmetic products. Imported cosmetics are not produced in Japan but still require a Permit of Cosmetics Manufacturing Industry since all details of packaging, labeling, storage methods and manufacturing process are required by the Pharmaceutical Law. are required by the Pharmaceutical Law.

Comparison of the two permits:

Permit for "Cosmetics Manufacture and Dealership"

- Domestic distribution of cosmetic products \Rightarrow OK
- Domestic packaging, labeling and storage of cosmetic products ⇒ NOT OK

Permit for "Cosmetics Manufacturing Industry"

- Domestic manufacturing of cosmetic products \Rightarrow OK
- Domestic distribution of cosmetic products \Rightarrow NOT OK

For registration of above-mentioned permits, please consult with the Authorities of Pharmaceutical Affairs at the nearest prefecture/city where your office or manufacturing plant is located.

Documents Required for Application of Manufacture and Dealership Permit

- Application for manufacture and dealership permit;
- Certified copy of business registration (in case of company);
- Business statement;
- Health statement of the applicant (in case of company: the officer in charge);
- Documents of employment upon the officer in charge of manufacture and sale;
- Verified documents for manufacture and sale qualifications of the officers in charge;
- Organizational chart (in case of company);
- Documents with indication of quality as well as safety control for cosmetics manufacture and sale (GQP);
- Documents of safety management for post-manufacture and sale (GVP);
- Blueprint for storage facilities (in case the product is stored at your warehouse); and
- Arrangement plan and location map.

Documents Required for Application of Cosmetic Manufacturing Industry Permit

3. Cosmetics and Quasi-drugs

- Application for cosmetic manufacturing industry permit;
- Certified copy of business registration (in case of company);
- Business statement;
- Health statement of applicant (in case of company: the officer in charge);
- Documents of employment upon the engineers in charge;
- Verified documents for manufacturing qualifications of the engineers in charge;
- Outline of facility structures;
- Overview of the usage of other related equipment and machinery (for agency testing purpose);
- Copies of leasing contracts upon equipment and machinery (in case of leasing)
- Arrangement plan of equipment and machinery;
- Ground plan (with attached 3D figure if shelves and/or lockers are used); and
- Location map

Vendors of cosmetic manufacture and sale have to submit a "Notification for Foreign Cosmetics Manufacture", a "Notification for Manufacture and Dealership" and an "Imports Notification for Manufacture and Dealership of Cosmetic" upon the process of manufacture and sale. The flow of cosmetics importation and sale is shown below.

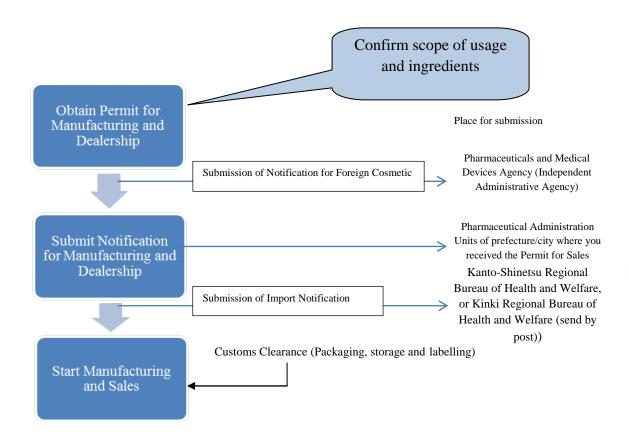
Ingredients of Cosmetic Products

Criteria for mixed content of cosmetic products vary between Japan and other countries and hence, a cosmetic is permitted overseas but might be prohibited in the Japanese market. It is recommended to study in advance the list of ingredients in comparison with the cosmetics criteria in Japan.

These cosmetic standards are established in two ways: the Positive List and the Negative List which specify ingredients prohibited or restricted in the mixed content of cosmetics. Ingredients not mentioned in the lists might be allowed for cosmetics manufacturing by the producers but the importers are responsible to verify the imported products' safety. Please check the cosmetic standards mentioned at Article 331 under the Proclamation on Cosmetic Standards by the Ministry of Health, Labour and Welfare and the Table 1-4 of this Proclamation.

II. Import procedures by product category 3. Cosmetics and Quasi-drugs

Flow of Cosmetics Importation and Sale



Labeling Requirements for Sale

Labeling standards for cosmetics are defined based on the Pharmaceutical Affairs Law (aerosols which contain cosmetic liquid are labeled in accordance with the High Pressure Gas Safety Law). According to the Pharmaceutical Affairs Law, labels of all imported cosmetic products must have the following information in Japanese language: (1) Importer's name and address; (2) Manufacturing number or code; (3) Ingredient lists; (4) Expiry date, etc. Indication of all ingredients is mandatory. Label is displayed on the product itself or relevant area of the package/box. In case the product is too small for being labeled, a labeling tag can be attached to the product which lists the most used ingredient among others. Please refer to the homepage of the Japan Cosmetic Industry Association for names of ingredients labeling. In addition, the "Fair Competition Codes in relation to Labels of Cosmetic Products" has been established as voluntary standards within the industry. => (For details of cosmetics labeling please refer to Q34).

Related Information:

Kanto-Shinetsu Regional Bureau of Health and Welfare: http://kouseikyoku.mhlw.go.jp/kantoshinetsu/index.html
Kinki Regional Bureau of Health and Welfare: http://kouseikyoku.mhlw.go.jp/kinki/index.html
Department of Health and Welfare of Kinki: http://kouseikyoku.mhlw.go.jp/kinki/index.html
Tokyo Health Safety Research Center (Pharmaceutical and Cosmetic Law):
http://www.fukushihoken.metro.tokyo.jp/kenkou/iyaku/sonota/cosmetics/cos_yaku/index.html
Pharmaceuticals and Medical Devices Agency (Independent administrative agency): http://www.pmda.go.jp/
Japanese Cosmetic Industry Association: http://www.jcia.org/

3. Cosmetics and Quasi-drugs

034: Please explain the procedures for importing and selling toothpaste.

A34

Toothpaste is categorized into cosmetic toothpaste which contains only essential ingredients for tooth brushing and medical toothpaste with pharmaceutical ingredients which is also classified as quasi-drug toothpaste in the category of quasi-drugs.

Import Procedures for Quasi-Drugs

Importation of medical toothpaste requires Permits for "Quasi-Drugs Manufacturing" and "Quasi-Drugs Manufacturing Dealership" (Permits classified for packaging, labeling, and storage) in accordance with the Pharmaceutical Affairs Law. Besides, an "Approval for Manufacturing Dealership" of each item is mandatory. Manufacturing tasks of packaging, labeling display, inspection and storage, etc., for an imported product require a permit for "Quasi-Drugs Manufacture and Dealership" whereas a "Foreign Manufacturer Authorization" is necessary for manufacturing overseas.

In order to obtain approval for a permit, you should submit an Application to the Pharmaceutical Administration Office in the nearest prefecture/city where your office is located. In the attempt to obtain a Permit for manufacture and/or manufacture and distribution, it is required to submit the following documents: (1) an Application for Permit; (2) a verified Copy of Business Registration; (3) Health Statement for practice of the Applicant; (4) Organizational chart; (5) Verified qualifications of the officer in charge for the manufacture and distribution (e.g. qualifications as a pharmacist is necessary); (6) Documents related to Management of Quality Control; and (7) Documents related to Safety Management System for After-sales, etc., On the other hand, prior to customs declaration for manufacturing dealership, it is necessary to submit a "Notification for Importation" to either Kanto-Shinetsu Regional Bureau of Health and Welfare, or Kinki Regional Bureau of Health and Welfare. Please consult with the Pharmaceutical Administration Office at the nearest prefecture/city for detailed procedures. => (Please refer to Q33 for detailed import procedures of cosmetics)

Labeling Requirements when selling

Labeling requirements for toothpaste vary depending on the product is cosmetic toothpaste or quasi-drug toothpaste. Please see the following table for details:

Import procedures by product category 3. Cosmetics and Quasi-drugs

II. Import procedures by product category 3. Cosmetics and Quasi-drugs

Display List of Items for Labeling Quasi-Drugs and Cosmetics Toothpaste

Display List of Items	ioi Labellig Quasi-Di	ags and Cosmettes 10	othpaste
Displayed Items	Quasi-Drugs	Cosmetics	Reference
Name and address of manufacturer and distribution vendors (Note 1)	©	©	
Character letter of "Quasi-Drugs"	©		
Name of product	©	©	Names for common use.
Manufacture number/code	©	©	So called "lot number"
Weight/content capacity or net weight of each type	©		
Ingredient names	0	©	Full ingredients list is required for cosmetics.
Expiry Date	0	0	Display is only required for notified items.
Fact specified by the Article 42 of the Law	0	0	Standards for feminine hygiene products and cosmetics, etc.
Name of vendors who obtained permits for foreign manufacture	0	0	
Name and quantity of active ingredients	0		GMP targeted quasidrugs.
Usage methods and dosage and relevant cautions, Pharmacopoeia and criteria standards for handling	©	©	Possible to attach an instruction as a separate paper to the product or on the surface of the box/package
Prohibited description (Note 2)	0	©	

②: Subject to compulsory labeling requirements.

o: Subject to compulsory labeling for applicable items.

3. Cosmetics and Quasi-drugs

Notes

- 1: Office address of the supervisor in charge of general manufacture/sale.
- 2: It is prohibited to make an incorrect label in a way that might cause misleading or misunderstanding in terms of non-approved effects, risks of hygiene in accordance with usage method, capacity or expiry date.

Moreover, the "Fair Competition Codes in relation to toothpaste labeling" is established as a voluntary standard within the industry.

Related Information:

II. Import procedures by product category 3. Cosmetics and Quasi-drugs

035: Please explain the procedures for importing and selling soaps.

A35

Among different types of soaps, soap for body cleaning is referred as "bath soap" and is subject to the Pharmaceutical Affairs Law.

Bath soaps are categorized into bath soaps (cosmetic) and medical soaps (quasi-drug) according to different contents of ingredients as well as health effects. Importation and sale of cosmetic soaps require a Permit for "Management of Cosmetics Manufacture and Dealership", a "Notification for Management of Manufacture and Dealership", a "Notification for Foreign Cosmetic" and a "Notification for Importation". Tasks of packaging, labeling, and storage conducted in Japan after importation of products also requires a Permit for "Cosmetic Manufacture". Acquisition of a Permit for "Cosmetic Manufacture and Dealership" requires the following criteria: (1) Employing a qualified General Supervisor in charge of manufacture and trading; (2) Eligible Quality control management; and (3) Eligible Safety Management after Sales. Moreover, in the attempt to obtain a Permit for "Cosmetics Manufacture", various conditions have to be fulfilled for example, to employ "a qualified pharmacist", etc. => (For details please refer to Q33, Imports for Cosmetics)

Importation of medical soaps requires a Permit for "Quasi-Drugs Manufacture" and a Permit for "Quasi-Drugs Manufacture and Dealership" (permit classification of packaging, labeling, and storage) in accordance with the Pharmaceutical Affairs Law. Moreover, an "Approval for Management of Manufacture and Dealership" of each item is mandatory. In addition, when the manufacture is taken place overseas, its imported products to Japan require a "Foreign Manufacturer Authorization" in order to get a Permit for "Quasi-Drugs Manufacture and Dealership". => (For detailed procedures for importing quasi-drugs toothpaste, please refer to **O**34)

Please consult with the Pharmaceutical Administration Office at the nearest prefecture or city where your office is located for relevant Applications and Permits in accordance with the Pharmaceutical Affairs Law. Please refer to the homepage of the prefecture/city for details.

On the other hand, other types of soaps such as laundry soap and soap for kitchen usage are not governed by this Law. However, selling such soaps requires labeling standards upon miscellaneous industrial products as per the "Household Products Quality Labeling Law". Such standards include (1) Name of product; (2) Ingredient content; (3) Acidity; (4) Purpose for usage (5) Net Content; (6) Dose of usage; and (7) Cautions for application.

Labeling Requirements for Selling

Apart from the compulsory standards set forth by the Pharmaceutical Affairs Law, the "Fair Competition Codes in relation to Cosmetic Soaps" has been established as voluntary standards within the industry.

Related Information:

3. Cosmetics and Quasi-drugs

Q36: Please explain the procedures for importing and selling fragrances.

A36

In general, fragrances are categorized into types of perfumes and eau de Cologne. However, in wider sense, fragrances also refer to types of cosmetics, toiletries, household products and perfumes, etc.

According to the Pharmaceutical Affairs Law, the importation and sale of cosmetic fragrances which are categorized as perfumes and eau de Cologne, in a narrow sense, require Permits for "Cosmetic Manufacture" and Permits for "Cosmetic Manufacture and Dealership", "Notification for Foreign Cosmetic" and "Notification for Importation".

In order to obtain a Permit for manufacture and/or manufacture and distribution of fragrances, many conditions are mandatory. You are required to submit the following documents (1) an Application for Permit; (2) a verified Copy of Business Registration; (3) a Health statement of the applicant; (4) the Organizational chart; (5) Verified qualifications of the supervisor for general manufacture and distribution (e.g. qualification as a pharmacist is necessary); (6) Management of quality control; and (7) Safety management system for after-sales, etc. Moreover, prior to customs declaration for manufacture and dealership, it is also necessary to submit a "Notification for Importation" to either Kanto-Shinetsu Regional Bureau of Health and Welfare, or Kinki Regional Bureau of Health and Welfare. => (For details of cosmetics imports please check Q33)

Please consult with the Pharmaceutical Administration Office in the nearest prefecture/city where your office is located for detailed procedures. In addition to two (2) types of fragrances as specified in the above narrow sense, other fragrances are classified into two types: miscellaneous category and quasidrugs category. The miscellaneous category is not subject to the Pharmaceutical Affairs Law. For detailed specification please consult with the Pharmaceutical Administration Office in the nearest prefecture/city where your office is located. => (For information please refer to Q34, Importation of quasi-drugs toothpaste)

Furthermore, importation for fragrances in the form of aerosol such as spray-type room fragrances is exempted from the High Pressure Gas Safety Law if it meets the standards set forth in the Law. Therefore, upon customs clearance, it is necessary to attach a verified copy of "Analysis Test Approval" that meets exemptions criteria of the Law. The "Analysis Test Approval" refers to the summarized results that indicate exempted requirements for inspection, as shown in the following: (1) Aerosol capacity; (2) Ingredients content; (3) Propellant excretion mechanism of fuel in the dual-structure container; (4) Internal pressure of the container; (5) Withstand pressure of container; (6) Types of high-pressure gas; (7) Existence of toxic gas; (8) Filling factor; and (9) Gas leakage, etc.

According to the Pharmaceutical Affairs Law, selling cosmetic fragrances requires labeling display of full ingredient content such as (1) name of the manufacturer and the distributor and (2) manufacture number or code, etc. In addition, the "Fair Competition Codes in relation to Cosmetics" has been established as the voluntary standards within the industry.

Besides, selling quasi-drugs fragrances are subject to labeling regulations based on the Pharmaceutical Affairs Law. => (For details please refer to Q34, Importation of toothpaste)

Reminders for Transportation of Fragrances

Fragrances with more than 60% alcohol content are considered dangerous products that require cautions upon transportation. Domestic and international parcel delivery and international express mail are prohibited upon transportation of this product. Therefore, such fragrances must be handled strictly as hazardous substance in cargo transport.

Related Information:

Kanto-Shinetsu Regional Bureau of Health and Welfare: http://kouseikyoku.mhlw.go.jp/kantoshinetsu/index.html
Kinki Regional Bureau of Health and Welfare: http://kouseikyoku.mhlw.go.jp/kinki/index.html
Bureau of Social Welfare and Public Health, Tokyo Metropolitan Government (Manufacture, manufacture dealership and import of quasidrugs): http://www.fukushihoken.metro.tokyo.jp/kenkou/iyaku/sonota/
Pharmaceuticals and Medical Devices Agency: http://www.pmda.go.jp/
Japan Cosmetic Industry Association: http://www.jcia.org/n/

II. Import procedures by product category 3. Cosmetics and Quasi-drugs

Q37: Please explain the procedures for importing and selling bathing agents.

A37

Bathing agents are categorized into the following according to ingredient contents:

Types of Bathing Agent	Major Ingredients	Dosage Forms
Inorganic salt agent	Mainly minerals combined with	Powder; granule.
	moisturizers, pigments, aroma essence,	
	and other additives.	
Carbon dioxide agent	Combination of organic acids and	Tablet; granule.
	carbonate of sodium carbonate and	
	sodium bicarbonate, with moisturizers,	
	pigments, aroma essence, and other	
	additives.	
Medical plant (herbal) agent	Combination of unaltered medical	Tablet; granule; liquid;
	herbals with minerals after removal of	crude drug.
	herbal essence.	
Enzymatic agent	Combination of enzyme with minerals.	Powder; granule.
Refreshing agent	Minerals and carbon dioxide as basic	Powder; tablet.
	ingredients which give cool and	
	refreshing feeling after bath.	
Skin care agent	Combination of minerals and	Powder; liquid.
_	moisturizers.	-

Source: Homepage of the Japan Bath Additive Industry Association

According to the Pharmaceutical Affairs Law, almost all bathing agents are considered quasi-drugs, and hence, the importation and sale of bathing agents require permits for "Quasi-Drugs Manufacturing Industry" and "Quasi-Drugs Manufacture and Dealership", as well as "Approval for Management of Quasi-Drugs Manufacture and Dealership". Health claims of minerals in bathing agents have to be specified based on the regulated standards for imported manufacture of bathing agents. Tasks of packaging, labeling, and storage of imported products requires a "Permit for Manufacture and Dealership". Please consult with the Pharmaceutical Administration Office in the nearest prefecture/city where your office is located for details.

In addition, "Permit for Foreign Manufacture" is necessary for foreign manufacturers. Such permit is granted by the Ministry of Health, Labour and Welfare while the Pharmaceutical and Medical Devices Agency makes inspection before granting a permit.

Moreover, it is also necessary to submit a "Notification for Importation" to either Kanto-Shinetsu Regional Bureau of Health and Welfare, or Kinki Regional Bureau of Health and Welfare prior to customs clearance.

Labeling Requirements when selling

Selling bathing agents requires labeling obligations in accordance with the Pharmaceutical Affairs Law (please refer to Q34 for details). Moreover, the regulations on promoting effects and indications for usage of bathing agents (in the forms of powder, granule, tablet, soft capsule and liquid) include the following:

Heat rush, dry skin, bruises, stiffed shoulders, sprains, neuralgia, eczema, frostbite, hemorrhoid, hypersensitivity to cold, back pain, rheumatism, recovery from fatigue, chapped skin, poor circulation before and after childbirth, pimples, etc.

Related Information:

Kanto-Shinetsu Regional Bureau of Health and Welfare: http://kouseikyoku.mhlw.go.jp/kantoshinetsu/index.html

Kinki Regional Bureau of Health and Welfare: http://kouseikyoku.mhlw.go.jp/kinki/index.html

Bureau of Social Welfare and Public Health, Tokyo Metropolitan Government (Manufacture, manufacture dealership and import of quasi-

drugs): http://www.fukushihoken.metro.tokyo.jp/kenkou/iyaku/sonota/bugaihin/index.html

Pharmaceuticals and Medical Devices Agency: http://www.pmda.go.jp/

Japan Bath Additive Industry Association: http://www.jbia.org/

3. Cosmetics and Quasi-drugs

Q38: Please explain the procedures for importing and selling aroma oils.

A38

Aroma oils are defined and categorized depending on their usage, therefore, criteria for the importation and sale also vary according to different usage of the products.

There are no restrictions upon the importation and sale of aroma pod fragrance used for air scent spraying as it is categorized as miscellaneous product. However, it might be considered cosmetic product if its label display of health claims or effect of the fragrance on product packaging. In this sense, import procedures might have to be conducted based on the Pharmaceutical Affairs Law.

Aroma oil for massage use is considered as cosmetic product since it involves direct contact with human skin. Hence, its import procedures have to be conducted based on the Pharmaceutical Affairs Law. => (For detailed procedures for importing cosmetics please refer to Q33)

Aromatherapy products for bath use are generally considered as quasi-drugs according to their purpose of usage and content of ingredients. Therefore, they require import procedures upon quasi-drugs based on the Pharmaceutical Affairs Law. => (For detailed procedures for importing quasi-drugs, please refer to Q34)

Please consult with the Pharmaceutical Administration Office in the nearest prefecture/city where your office is located for detailed specifications on aromatherapy products.

Reminders on Labeling

Cosmetic aromatherapy products and quasi-drug aromatherapy products are subject to compulsory labeling based on the Pharmaceutical Affairs Law.

Furthermore, it is prohibited to promote health claims for cosmetic aromatherapy products such as effects of aromatherapy treatment (disallowed for cosmetic products since disease cannot be treated by "aromatherapy treatment"), improved blood circulation and recovery of fatigue skin, etc.

II. Import procedures by product category 4. Home electrical Appliances

4. Home electrical Appliances

Q39: Please explain the procedures and regulations for importing and selling home electrical appliances.

A39

Procedures in accordance with the Electrical Appliances and Material Safety Law

Upon the importation and sale of electrical appliances, the Electrical Appliance and Material Safety Law requires (1) a "Notification of Business Activity"; (2) Confirmation of compliances with technical standards and voluntary examination; and (3) Inspection of Conformity Assessment (only subject to specific electrical appliances). Labeling display of "PSE Mark" is necessary for product sale.

Electrical appliances that come under the Law fall into the following categories applicable by August 2012:

- "Specified Electrical Appliances and Material" (116 items);
- "Electrical Appliances other than Specified Electrical Appliances and Material" (341 items).

Before importing electrical appliances into Japan, you must determine whether the products you plan to import come under the Electrical Appliances and Material Safety Law, and if so, what category they fall into under the Law.

The major electrical appliances are as follows:

	Electrical wire, wiring fixtures, current limiters, electro thermal devices (e.g.
	electrical seats, electrical water heaters, electro thermal inhalators and,
Specified Electrical	heaters for ornamental fish), electro motive application devices (e.g.
Appliances (116	electrical pumps, disposers, electrical massage units, electro motive toys),
items)	electronic devices (e.g. high-frequency hair removers), AC electrical devices
	(e.g. magnetic therapeutic devices, DC power supply devices), portable
	generators, etc.
Specified Non- Electrical Appliances (341 items)	Electric wire, fuses, wiring fixtures, conduit, electro thermal devices (e.g.
	electric carpet, electric stove, electric kotatsu, hot plate and electric over),
	electro motive application devices (e.g. electrical refrigerator, electrical dish
	washer, fans, sweepers), optical and optics application devices (e.g.
	electrical stand, fluorescent lamp), electronic devices (e.g. electronic clock,
	interphone, electronic music instruments), AC electrical devices (e.g.
	furniture with electrical outlets attached, light dimmer) and, lithium-ion
	batteries, etc.

Source: Abstracted from the homepage of the Product Safety Division, Ministry of Economy,

Trade and Industry

If you intend to start importing electrical appliances, you must submit a "Notification of Business Start-up" to Ministry of Economy, Trade and Industry (METI) or local Department of Economy, Trade and Industry within 30 days after the start of business operations. Self-inspection (regulated by Ministry of Economy, Trade and Industry) is necessary to examine technological standards of imported products and all relevant documents of identified inspection have to be kept for records in upcoming 3 years. In addition, specified electrical appliances require product suitability examination by a registered test facility with a view to obtaining a certificate of suitability from the facility and such certificate needs to be kept in record for future reference.

4. Home electrical Appliances

Other Regulations Related to the Importation

Home electrical appliances of juice mixers, coffee makers and rice cookers, etc., in which materials have direct contact with food are subject to the Food Sanitation Law. Therefore, upon the importation of products, it is mandatory to submit a "Notification for Food Product Import" to a quarantine station with attached documents (such as a certificate of inspection and documents indicating functions, shapes, colors and materials of products) for undergoing an inspection. After getting approval, such the set of documents would be stamped as the "Certificate of Notification for Foods Import" for next steps during customs declaration. => (For detailed procedures of the Food Sanitation Law please refer to Q8). Labeling required when selling

Electrical appliances which comply with quality standards and product self-inspections are required to display following items in a prescribed format prior to sale in Japanese market:

- If it is the special electrical appliances group: (1) PSE Mark; (2) Name of Authorized Organization for Products Inspection and Registration; (3) Name of Notified Enterprise; (4) Specifications of the Products, etc.
- If is not the special electrical appliances group: (1) PSE Mark; (2) Name of Notified Enterprise; (3) Specifications of the Products, etc.

Labeling System for Long-term Product Safety Use

Since April 2009, standards of product's wear and tear as well as product's durability for usage by design standards have been established for 5 imported items, namely fans, air-conditioners, ventilation fans, electrical washing machine (excluded washing cum drying machine) and cathode-ray TV (CRT).

Labeling in accordance with the Home Appliance Products Quality Labeling Law

According to the "Labeling Requirements Procedure for Electrical Machinery and Equipment" as per the above-mentioned law, labeling display is required for 17 items shown as following, which is set for only commercial use. However, the electric appliances designed for a certain special field are not governed by this regulation.

The list of mandatory labeling includes: Electrical washing machine, JAR styled rice cooker, electric blanket, vacuum cleaner, electrical refrigerator, electric ventilation fan, air-conditioner, television receiver, electrical; juice mixer, electrical panel heater, electrical kettle, electrical roaster, electrical razor, microwave oven, table lamp for fluorescent lighting fixtures, electrical hot plate and, electrical coffee maker.

Please refer to the "Home Appliance Products Quality Labeling Law" at the homepage of the Consumer Affairs Agency, Government of Japan for detailed product labeling display.

Fair Competition Codes

The followings have been established within the industry of home electrical appliances on a voluntary basis: the Fair Competition Codes in relation to Labeling of Manufacture of Home Electrical Appliances; the Fair Competition Codes in relation to Premiums Provision for Home Electrical Appliances Industry; and the Fair Competition Codes in relation to Labeling in Retail Business of Home Electrical Appliances.

Fair Competition Codes is applicable to members of the Fair Trade Council and is not compulsory. Complying such above-mentioned regulations will not violate the Premiums and Representation Law.

Related Information:

Consumer Affairs Agency, Government of Japan (Household Products Quality Labelling Law): http://www.caa.go.jp/hinpyo/index.html Ministry of Health, Labour and Welfare (Food Sanitation Law): http://www.mhlw.go.jp/topics/yunyu/tetsuzuki/index.html Home Electric Appliances Fair Trade Conference: http://www.eftc.or.jp/

II. Import procedures by product category 4. Home electrical Appliances

Q40: Please explain the regulations for importing and selling lighting fixtures.

A40

Regulations of the Electrical Appliances and Material Safety Law

The importation and sale of lighting fixtures such as incandescent lamp, fluorescent lamp, desk lamp, household lamp, household hanging type fluorescent light, hand lamp and decorative lamp, etc., are classified into to the group of Electrical Products out of Special Electrical Home Appliances in accordance with the Electrical Appliance and Material Safety Law. Since 1st July 2012, LED fluorescent lamp and LED lamp have been added into the group of electrical home appliances.

It is mandatory to submit of a "Notification for Importation of Electrical Appliances" to the Ministry of Economy, Trade and Industry (METI) or relevant presiding office of Economy, Trade and Industry which governs the importer's office within 30 days since the business operation commenced. Besides, the importer has to undergo the product suitability test (regulated by the METI) to examine technical standards of the imported product and inspection as per the Ordinance of METI. All relevant documents of the identified inspection have to be kept for records in upcoming 3 years.

On the other hand, labeling requirements for selling in Japan market include the following items: PSE Mark; Name of vendor/importer; and Technological standards of the product, etc.

Other Regulations for Selling

<Household Products Quality Labeling Law>

According to the Quality Labeling Regulations for Electrical Household Machinery and Equipment, table lamp of fluorescent light fixture requires indications of the following: (1) Application for usage and illumination; (2) Form of fluorescent lamp; (3) Total flux; (4) Power consumption; (5) Energy consumption efficiency; (6) Precautions; and (7) Name of labeler (name or transaction name), etc.

<Act Concerning Rational Use of Energy (Electricity Conservation Law>

The Law clearly mentions that particular equipment with high consumption of power is specified in attempts to encourage energy-saving system (Top Runner Standards). Main light source of fluorescent lamp is referred as specific equipment in which importation of more than 30,000 units of lighting fixtures requires these products to comply with national standards of performance in terms of energy conservation by the targeted fiscal year. According to the Household Products Quality Labeling Law, products and catalogs for lighting fixtures other than table lamp of fluorescent lighting fixtures require display of (1) Name and model of product; (2) Types of fluorescent lamp; (3) Name of segment; (4) Total flux; (5) Power consumption; (6) Energy consumption efficiency; (7) Precautions for usage; and (8) Name of importer.

< Fair Competition Codes in accordance with the Premiums and Representations Law>

The followings have been established within the industry on the voluntary basis: Fair Competition Codes in relation to Labeling in Manufacture of Home Electrical Appliances; Fair Competition Codes in relation to Premiums Provision for Home Electrical Appliances Industry; and Fair Competition Codes in relation to Labeling in Retail Business of Home Electrical Appliances.

Fair Competition Codes are applicable to members of the Fair Trade Council. Complying with such above-mentioned regulations will not violate the Premiums and Representation Law.

Related Information:

Ministry of Economy, Trade and Industry (Safety Guide for Electrical Home Appliances):

http://www.meti.go.jp/policy/consumer/seian/denan/index.htm

Consumer Affairs Agency, Government of Japan (Household Products Quality Labelling Law):

http://www.caa.go.jp/hinpyo/index.html

The Energy Conservation Center, Japan (Energy Conservation Law):

http://www.eccj.or.jp/law/pamph/outline_revision/index.html

Home Electric Appliances Fair Trade Conference: http://www.eftc.or.jp/

4. Home electrical Appliances

Q41: Please explain the procedures for importing and selling cell phones.

A41

There is no special restriction on importation of mobile phones and PHS, etc., but only subject to regulations of the "Telecommunications Business Law" as well as the "Radio Law" upon the sale of products.

Import procedures in accordance with the Telecommunications Business Law

According to the Regulations of Terminal Equipment – the Ordinance of the Ministry of Internal Affairs and Communications, connections to telecommunication network service (NTT, DoCoMo, au, Softbank, etc.) in Japan via mobile phones or PHS require compliance with general safety standards as well as suitability of terminal for mobile phone (mobile phone terminal standards). In principle, user must test the connection service provided by telecommunications carriers and confirm whether the terminal equipment is in compliance with technical standards as per the Telecommunications Business Law.

However, equipment can be connected without testing connection service provided by telecommunications carriers in case its technical standards are recognized by registered authorities in accordance with the Ordinance by Ministry of Internal Affairs and Communications and is stamped a mark -Technical Conformity Mark.

Identifications of terminal equipment standards must be conducted in one of the three following methods:

- (1) Technical Standard Conformity Certification: An authorized agency receives an operational license from the Ministry of Internal Affairs and Communications (or a foreign authorized agency is recognized by the Ministry of Internal Affairs and Communications of Japan). The authorized agency examines technical standards of the terminal equipment on one-by-one basis to make conclusion whether it conforms to the Law's criteria;
- (2) Design Certification: The authorized agency determines suitability of terminal equipment in terms of technical standards and performance according to product design as well as quality control methods upon production stage; and
- (3) Self-check Technical Standard Conformity: Confirmation to Ministry of Internal Affairs and Communications in case product testing is conducted by the manufacturers or importers on self-basis.

Import procedures based on the Radio Law

According to the Radio Law, Radio Station is a wireless station. Before joining the broadcasting system, a wireless equipment requires testing by the Ministry of Internal Affairs and Communications on one-by-one basis and, a license for broadcasting is necessary. However, given that "Specific Wireless Equipment" such as mobile phones and PHS, etc., have obtained certified technical standards, procedures for license application is simple or, license for PHS is not required.

For details, please consult with Division of Radio and Environment, Telecommunication Bureau, Department of Integrated Telecommunication Infrastructure, the Ministry of Internal Affairs and Communications.

Labeling Requirements when selling

Based on the Telecommunications Business Law, it is mandatory to display a technical standards mark with attached symbol and certification (for authentication or identification) as well as number labeling on terminal equipment connected to network lines. In addition, certified label format is required for equipment which in terms of technical standards conforms with the Radio Law.

Related Information:

Homepage on radio use of the Ministry of Internal Affairs and Communications (Telecommunications Business Law; Radio Law): http://www.tele.soumu.go.jp/

Japan Approvals Institute for Telecommunications Equipment (Certification of Technical Standards): http://www.jate.or.jp/

II. Import procedures by product category 5. General merchandise

5. General merchandise

Q42: Please explain the regulations and procedures for importing and selling general merchandisers.

A42

There is a number of general merchandise which are not subject to regulations. But there are cases in which a permit or a notification is required depending on the items. Various laws are applicable at the times of importation and sale. Attention should be given to the following regulations:

<Pre><Pre>cedures of import>

Food Sanitation Law

Product category: Porcelain food containers, glass food containers, spoons, forks, knives, pots and frying pans, etc.

Import procedures: Prior to importation and customs clearance, it requires submission of a "Notification for Importation of Food Products" with attached documents of specifications of product materials, colors and shapes, etc., to a Quarantine Station under the Ministry of Health, Labour and Welfare. For tableware products, inspection is required to determine whether standards for effluence of lead and cadmium are met, and those items that satisfy criteria can go through customs. => (For detailed procedures based on the Food Sanitation Law, please refer to Q8)

Pharmaceutical Affairs Law

Product category: Cosmetics, essential oils, bathing agents, soaps, etc.

Procedures:

- Importation of cosmetic products requires a permit for "Cosmetics Manufacture and Dealership" as well as a permit for "Cosmetics Manufacturing Industry."
- Essential oils for the use of aroma pod or spray-type room fragrance are considered as general merchandize in which no restrictions on products are applied while essential oils for massage use which involve direct contact to human skins refer to cosmetics.
- Bathing agents are considered as quasi-drugs product according to their functions and ingredients.

=> (For detailed procedures based on the Pharmaceutical Affairs Law, please refer to Q33-38)

Washington Convention (CITES)

Accessories made of coral and ivory as well as leather products made of snakes and crocodiles skins are subject to the Washington Convention. Submission of an original copy of "Export Permit" issued by a governmental institution of the exporting country (or in case the product falls in the Appendix III of the Washington Convention, it also requires a Certificate of origin) which is necessary upon the importation. (For details of the Washington Convention, please refer to Q30)

<When selling>

Household Products Quality Labeling Law

With respect to kitchenware, labeling is mandatory based on the "Quality Labeling Regulations for Miscellaneous Industrial Products" and "Quality Labeling Regulations for

5. General merchandise

Synthetic Resin Processed Products" which have been established. For products made from linens, selling requires "Quality Labeling Regulations for Textile Products". Please take note of materials and usage instructions. => (For details on Household Products Quality Labeling Law please refer to Q26)

Law on the Control of Household Products Containing Harmful Substances

The manufacturer and importer of home appliances must fully observe the harmful characteristics of chemicals contained in such manufactured or imported appliances. Precautions must be taken to protect people's health to the highest extent. This Law regulates 20 concerned substances such as formaldehyde, dieldrin, DTTB, organic mercury, etc. It is noted that sometimes, such substances are contained in different types of bathing agents, chemicals and cleaning products for kitchen and bathroom use, etc.

Consumer Product Safety Law

As per the Law, specific consumer products which are potentially harmful for life and body require labeling display of "PSC Mark" upon selling as conformed technical standards. Selling in the Japanese market such consumer products without PSC Mark may result in product forfeit and accident reports are required if any accident happens. This list of products includes (1) Specified consumer products that require self-inspection (such as household pressured kettles and cookers, riding helmets, climbing ropes, oil water heaters, oil bath kettles, oil stoves, etc.); and (2) Specified consumer products that require inspection by a third-party institution (such as beds for infants, portable laser application equipment, circulation tools for hot bathtubs, lighters, etc.) => (For detailed Consumer Product Safety Law, please refer Q100)

Related Information:

Ministry of Health, Labour and Welfare (Procedures of Importation based on the Food Sanitation Law):

http://www.mhlw.go.jp/topics/yunyu/tetsuzuki/index.html

Bureau of Social Welfare and Public Health, Tokyo Metropolitan Government (Pharmaceutical Affairs Law):

http://www.fukushihoken.metro.tokyo.jp/kenkou/iyaku/sonota/

Ministry of Economy, Trade and Industry (Washington Convention):

 $http://www.meti.go.jp/policy/external_economy/trade_control/boekikanri/cites/cites_about.html$

Ministry of Health, Labour and Welfare (Act on Control of Household Products Containing Chemical Substances):

http://www.nihs.go.jp/mhlw/chemical/katei/kateiindex.html

Consumer Affairs Agency, Government of Japan (Food Products): http://www.caa.go.jp/foods/index.html

Ministry of Economy, Trade and Industry (Consumer Products Safety Law): http://www.meti.go.jp/policy/consumer/seian/shouan/index.htm

II. Import procedures by product category 5. General merchandise

043: Please explain the procedures for importing and selling tableware.

A43

Regulations based on the Food Sanitation Law

Importation and sale of tableware are subject to regulations based on the Food Sanitation Law depending on content of materials used. Furthermore, tableware made of glass, ceramic, enameling, plastic, rubber and metal tube, etc., is subject to "Specification Criteria for Utensils" on individual basis. Such criteria are mandatory for product importation and sale. With respect to tableware made of glass, ceramic and porcelain, cautions are required for enameling tableware surface (specifically glass and ceramic made tableware) given elution standards of lead and cadmium are set.

In addition, based on the Food Sanitation Law, tableware made of other materials (such as paper or wood) is subject to specifications according to types of materials. Submission of a Notification for Importation of Food Products requires (1) Attached documents of producer's name and location of manufacturing plant, as well as specifications of product materials, shapes and colors; and (2) Attached certificate of self-inspection of the product to a quarantine station under the Ministry of

Attached certificate of self-inspection of the product to a quarantine station under the Ministry of Health, Labour and Welfare. For the product which undergone inspection and approval already, the Notification of Product Import will be returned with a stamp on it following by next procedures of customs clearance.

Inspection of Tableware

Prior to official importation, in order to avoid risks of failing the product examination as per the Food Sanitation Law, it is recommended to prepare copies of product catalogs, and conduct prior consultation (complementary) with a product Quarantine Station under the Ministry of Health, Labour and Welfare.

For the first-time importation, in principle, instructions for self-examination upon necessary items will be provided by the Quarantine Station. Examinations (fee payment required) are conducted by "Foreign Official Inspection Agency at the Exporting countries" (indicated list) or "Registered Inspection Agency" of Ministry of Health, Labour and Welfare of Japan.

For registration by list of items, if you register a Statement for certifying test result upon a sample which satisfies a certain number of conditions, such results would be accepted for official importation. However, it is recommended to send a product sample to the Registered Inspection Agency via an international courier or shipping service, with properly sealed packaging of the product. In case the same product made by the same manufacturer (with same materials, additives, colors, etc.) is imported for over one time, after the first-time importation passes customs clearance successfully when the Notification for Importation of Products together with the Statement for certifying test result are submitted, the next importation is entitled to be waived a product examination for a limited period (e.g. 3 years or unlimited period). However, a products made by the same producer but with different materials, different shapes and different colors, etc., is required for examination depending on each type of product. For detailed import procedures, please consult with a contact person of a Quarantine Station at the nearest office.

Labeling Requirements when selling

Selling tableware is subject to the Food Sanitation Law and the Premiums and Representations Law. On the other hand, the reinforced glass tableware and heat-durable tableware are regulated by the Regulation on industrial product quality labeling under the Household Products Quality Labeling Law, as shown at the following:

- Reinforced glass tableware, label needs to include: (1) Product name; (2) Type of reinforcement; (3) Precaution for usage; and (4) Name, address and/or contact number of the labeler.
- Heat-durable tableware, label needs to include: (1) Product name; (2) Use segment; (3) Difference of heat temperature; (4) Precaution for usage; and (5) Name, address and/or contact number of the labeler.

Ministry of Health, Labour and Welfare (Procedures of Importation – Food Sanitation Law):

http://www.mhlw.go.jp/topics/yunyu/tetsuzuki/index.html

Consumer Affairs Agency, Government of Japan (Premiums and Representations Law):

http://www.caa.go.jp/representation/index.html#m01

Consumer Affairs Agency, Government of Japan (Household Products Quality Labeling Law): http://www.caa.go.jp/hinpyo/index.html

5. General merchandise

Q44: We want to import and sell wooden utensils and antique tableware. Please explain the precautions must be taken.

A44

Procedures for importing Wooden Utensils

Importation and sale procedures of wooden utensils are the same as those of glass/porcelain tableware in accordance with the Food Sanitation Law. A product examination at a Quarantine Station under the Ministry of Health, Labour and Welfare requires (1) Submission of a Notification for Importation of Food Products; and (2) Attached documents of producer's name and location of manufacturing plant, as well as specifications of product materials, its shapes and its colors. If inspection result requires an examination upon the product, it is necessary to undergo an examination at a Quarantine station or a registered Agency under the Ministry of Health, Labour and Welfare. In some cases, monitoring inspection by a Quarantine station is compulsory (Ordered Inspection). Any fees incurred are to be paid by the importer. The Notification for Importation of Food Product is certified upon approval of product inspection, following by procedures of customs clearance.

A wooden utensil which contains any materials of plants or substances mentioned in the Washington Convention requires an Export Permit issued by a Public or Governmental agency of the exporting country. Such Permit needs to be certified at customs clearance during the process of exporting and importing. Depending on country and types as well as shapes of imported wooden utensils, an Import Approval Paper by Ministry of Economy, Trade and Industry is required prior to importation. And hence, before making importation, you should confirm it.

Since usual (popular) name is difficult to define whether a material/product is governed by the Washington Convention, prior identification and conformation of the formal scientific name for each particular material used are mandatory. Such scientific name should be written in the invoice/receipt also. Please consult with the Wild Fauna and Flora Trade Inspection Office, Trade Management Department, Trade and Economic Corporation Bureau, Ministry of Economy, Trade and Industry for details of relevant procedures.

Procedures for importing Antique Tableware

The importation and sale of an antique tableware (which was bought from overseas) are subject to the regulations promulgated under the Food Sanitation Law. It is only considered as an antique if the product has been made over 100 years. And hence, investigation is necessary in attempts to determine relevant antique spans. And if the product is used as a tableware, it also needs to be examined as per the Food Sanitation Law.

Moreover, if you sell a tableware as an ornament or decoration item, a Letter of Confirmation must be presented to the Quarantine Station. If such Letter is accepted, the procedure promulgated in the Food Sanitation Law is not required. However, final judgment comes from the Quarantine Station. Therefore, you should consult the Food Supervision Division, Quarantine Station, Ministry of Health, Labour and Welfare for more details.

Related Information:

II. Import procedures by product category 5. General merchandise

045: Please explain the procedures for importing and selling kitchenware.

A45

Types of Kitchenware

Kitchenware involves a wide range of items ranging from cooking utensils of buckets, strainers and chopping boards to household appliances of electrical kettles and coffee makers, etc. Upon the importation and sale of products, obligation to procedures based on the Food Sanitation Law is compulsory since it involves direct contact of food and human's mouth.

Import Procedures based on the Food Sanitation Law

Prior to the importation and customs clearance, it requires the submission of a "Notification for Importation of Food products" with attached documents such as specifications of product materials, colors and shapes, etc., to a Quarantine Station under the Ministry of Health,

materials, colors and shapes, etc., to a Quarantine Station under the Ministry of Health, Labour and Welfare. For cooking utensils, prior to customs clearance, inspection is required to determine whether the product matches the criteria of separation of lead and cadmium. => (For detailed procedures based on the Food Sanitation Law, please refer to Q8)

Continuous Importation of an Identical Food Product

Although situation varies depending on different items, whenever the same kitchen product (of the same manufacturer, the same materials, the same additives, the same colors, etc.) is to be imported repeatedly, if a 3-year (or unlimited) import schedule is submitted to the food quarantine station and the item(s) pass examination, arrangements can be made to import the product within a specific time period without a notification (these are cases of continuous importation of identical food products, etc.).

Electrical Appliances and Material Safety Law

Importation of home electrical appliances for kitchen use such as coffee makers and juice mixers, in addition to the aforesaid Food Sanitation Law, national standards have also been set by the Electrical Appliances and Material Safety Law.

Generally, a home electrical appliance contacts with a plug is governed by this regulation because almost all electrical appliances used in the kitchen are designated as "home electrical appliances other than specified electrical appliances". Importation of an electrical appliance requires (1) a "Notification of Business" to the government authority; (2) Compliance with all standards must be confirmed; and (3) IA voluntary examination must be undertaken. Labeling display of "PSE Mark" is necessary for marketing. => (For details of the importation and sale of Home Electrical Appliances, please refer to Q39)

Consumer Product Safety Law

Home-use pressured cooker and induction-heating rice cooker are determined as "Specified Products" in the Consumer Product Safety Law. Hence, the voluntary inspection by the manufacturer and/or importer is required in attempts to determine whether the technical standards established within the country are met. If a product is not able to have label of "PSC Mark", such product is not eligible for being sold. => (For detailed Consumer Product Safety Law, please refer to Q100)

Labeling Requirements when selling

For those kitchen products that are utensils made of synthetic resins or plastics (e.g. baskets, trays, water bottles, buckets, containers, cutting boards, etc.), the labeling must comply with the "Ordinance on Quality Labeling Regulations for Synthetic Resin Products" in the Household Products Quality Labeling Law. For reinforced glass products, heat-durable

5. General merchandise

products, thermos bottles, utensils coated with wooden lacquer or resin, aluminum foils, pans, etc, labeling are subject to "Ordinance on Quality Labeling Regulations for Miscellaneous Industrial Products".

On the other hand, for home electrical appliance, in addition to the "PSE Mark", labels must indicate: (1) Manufacture code; (2) Name of vendor submitting the notification; (3) Name of the office for the registered examination centre (for only Specified Electrical Appliances); and (4) rated voltage and (5) rated current.

Moreover, according to the "Labeling Requirements for Electrical Machinery and Equipment" in the Household Products Quality Labeling Law, labeling display requirement for each item varies. Those home electrical appliances include: electrical washing machine, JAR rice cooker, electric blanket, vacuum cleaner, electrical refrigerator, electric ventilation fan, air-conditioner, television receiver; juice mixer, electrical panel heater, electrical kettle, electrical roaster, electrical razor, microwave oven, table lamp for fluorescent lighting fixtures, electrical hot plate and electrical coffee maker.

Related Information:

II. Import procedures by product category 5. General merchandise

Q46: Please explain the procedures for importing and selling toys.

A46

For toys that could come in contact with infants and toddlers (children under 6 years-old), import and sale procedures as per the Food Sanitation Law are required. Specifically, such toys include those contacting with infants and toddlers such as mouth pacifiers and toy clarinets. In addition, they also include building blocks, toy animals, dolls, clay, blocks and balls, toys used for a toy house, etc. Toys should be considered in a comprehensive manner which are not only for the purpose of serving infants and toddlers or age-based labeling, but should also take into account of the toy's design and its packaging, comments by consumers on telecommunications, the shop's location and displayed performance, etc. Prior to importation, please consult with a Quarantine Station under the Ministry of Health, Labour and Welfare with a copy of product catalog for further information.

Upon the importation of such above-mentioned product, it is mandatory to submit a Notification for Importation of Food Product to a Quarantine Station under the Ministry of Health, Labour and Welfare.

Indoor decorative items of folk arts and sport products are not categorized as the specified group of toys. Some products which small children play with as toys are not covered by this product category.

Toys that operate on AC electrical current (e.g. electro thermal toys, electro motive toys, electric vehicle and other devices that use electromotive power, which are referred as "Special Home Electrical Devices") are subject to regulations promulgated in the Electrical Appliances and Material Safety Law. In addition, electrical amusement devices, or others such devices that use electricity are categorized as "devices other than special electrical devices". => (For detailed on the importation and sale of home electrical appliances, please refer to Q39)

Industry-wide Voluntary Standards and Labeling

Japanese Toy Safety Standards have been drafted by the Japan Toy Association as industry-wide voluntary restrictions covering the sale of toys. The "ST Mark" is labeled on toys to indicate that they satisfy standards for targeted children at or below the age of 14-year-old. For products with "ST Mark", a system has been established so that if a consumer is injured by such a product, for instance, the consumer can receive compensation for damages.

On products without the "ST Mark" such as swings, sliding boards, tricycles or roller skates etc., the "SG Mark" can be labeled to indicate that the product complies with approval standards by the Consumer Product Safety Association. Compensations for damages can be provided upon accidents occurred to products with "SG Mark" display.

In the case of toy fireworks, the "SF mark" can be labeled to show that the product has passed a safety examination and standards examination as set forth by the Japan Pyrotechnics Association. If an accident occurs involving fireworks having this mark, compensation for damages will be paid.

Related Information:

Ministry of Health, Labour and Welfare (Imported Food Monitoring Business): http://www.mhlw.go.jp/topics/yunyu/tp0130-1.html Ministry of Economy, Trade and Industry (Electrical Appliances and Material Safety Law): http://www.meti.go.jp/policy/consumer/seian/denan/index.htm

Consumer Safety Guide: http://www.no-trouble.go.jp/

The Japan Toy Association: http://www.toys.or.jp/

Consumer Product Safety Association: http://www.sg-mark.org/ Japan Pyrotechnics Association: http://www.hanabi-jpa.jp/

5. General merchandise

Q47: Please explain the procedures for importing and selling household detergent.

A47

According to the Household Product Quality Labeling Law, household detergents are categorized into the following: Synthetic detergents (for laundry, kitchen and other purposes etc.); Soaps (for laundry and kitchen); Detergents for residential cleaning or furniture; and Detergents for laundry, kitchen or residential cleaning, etc.

Food Sanitation Law

The importation of detergents for kitchen (to clean vegetables, fruits, or tableware) is subject to the Food Sanitation Law which requires ingredient specifications and application standards. However, it is not mandatory to notify the Quarantine Station.

Ingredients in detergents for kitchen usage as regulated consist of neutral PH, non-oxygen and bleach substance. Fragrances and colorings should not be used other than those allowed by the Food Sanitation Law.

The Law on Household Products Containing Harmful Substances

Among seventeen (17) types of hazardous chemical substances specified in the Law which related to detergents based on acid content (hydrochloric and sulphuric acid), if the acid ratio is at 10% or lower and alkali ratio (potassium hydroxide and sodium hydroxide) is at 5% or lower, it needs to be put into a predetermined container.

Moreover, detergents which exceed the above-mentioned cap of content are subject to application of the Poisonous and Deleterious Substances Control Law.

Household Product Quality Labeling Law

According to the "Regulation on Quality Labeling of Miscellaneous Industrial Products" under the Household Product Quality Labeling Law, selling detergents require indications of the following: (1) Product name; (2) Ingredients; (3) Acidity; (4) Functions; (5) Net weight; (6) Dosage for usage; (7) Precautions for usage; and (8) Labeler's name, address and/or contact number.

It is not an obligation, however, based on the Industrial Standardization Law, quality standards for detergents used in kitchen and laundry have been set. And hence, labeling display of "JIS Mark" is permitted for detergents which meet requirements of labeling. On the other hand, the "Fair Competition Codes in relation to labeling on Household Detergents and Household Soaps" has been established as voluntary standards within the industry.

Related Information:

http://www.nihs.go.jp/mhlw/chemical/katei/kateiindex.html

Consumer Affairs Agency, Government of Japan (Law on Household Product Quality Labeling):

http://www.caa.go.jp/hinpyo/outline/outline_01.html

Japan Soap and Detergent Industrial Association: http://jsda.org/w/web_jftc/sekkensenzai_ftc.html

II. Import procedures by product category 5. General merchandise

048: Please explain the procedures for importing and selling towels and

linens.

A48

Import Procedures

There is no special restriction on importation for towels and linens used for beds, kitchens and toilets. However, cautions are necessary when importing branded towels and linens in order to avoid violations of intellectual property rights such as trademark rights or design rights, etc. According to the Customs Law, importation of towels and linens infringing intellectual property rights such as imitation of registered trademarks, copied designs and fake goods is prohibited and is seized for being disposed at customs. In some cases, strong punishments will be done by forfeiting imitated brands involved. In addition, please be cautious when importing licensed products because for some cases, it is difficult for a third party to assess importing licensed products because for some cases, it is difficult for a third party to assess authenticity of the products.

Upon customs clearance, HS code of the product is divided by material. Therefore, customs procedures shall be completed smoothly if a list of materials is submitted by the importer to the customs agency.

Labeling Requirements when selling

According to the "Ordinance on Quality Labeling of Textile Products" of the Law on Household Product Quality Labeling, labeling upon towels and linens is must include the following items: (1) Composition of textile; (2) Name and contact address of labeler; and (3) Laundry and other handling instructions (for bed sheets, blanket covers, futon cover and pillowcase.) However, dish towel without pile is not subject to the regulation of this Law.

Textile composition is displayed at hang tag or label which can be easily found and readable. A tag of laundry, iron and usage instructions need to be attached to product so that it cannot be dropped out, and it is normally woven into the product. In accordance with the Law on Premiums and Representatives, labeling of country-of-origin is required in attempts to avoid confusing judgment or misstatement at point of purchase. => (For details in the Law on Household Products Quality Labeling, please refer to Q26)

II. Import procedures by product category

- 5. General merchandise
- 6. Others

Q49: Please discuss the important points for importing and selling CDs, DVDs and books.

A49

In importing CDs, DVDs, and books, ample caution must be exercised so as not to infringe upon intellectual property rights such as copyrights, design rights, author-related rights, etc. Due attention must also be given to the fact that importation of improper products such as pirated editions or of articles that endanger public morals is forbidden by the Customs Law.

Copyrights

Copyrights are rights held by the creator of a book or literature work. There are two categories of copyrights: (1) Copyrights to protect holders' welfare in terms of character; and (2) Copyrights to protect the holders' welfare in terms of physical property. The term copyright is used as a generic term but it refers to a diversity of rights. More specifically, the term copyright (physical property right) includes such things as the rights to make copies, to make motion pictures, to distribute things, to give or loan things, and to transfer things. In many countries including Japan, it is not required to fulfill the procedures of application and registration procedures because when a book/literature work appears, it is implicitly attached with its copyright at that time.

For music CDs and books, the author is recognized as having the right of transfer. However in Japan, once the book or CD has been transferred, this right expires (become exhausted or dissolved) at the time of being transferred. This is promulgated in the Law on Copyright. Accordingly, music CDs and books purchased overseas and imported into Japan are permitted for sale in Japan provided that they are legitimate work or articles. However, as per the "Decree on Measures to Prevent Music Recorded CDs from being re-imported", a music CDs with its label for selling abroad is prohibited for importing back to sell within a limited period of time.

On the other hand, the situation is different for videotapes of movies and DVDs, as copyrighted movies have the right of distribution, not the right of transfer. "Distribution" refers to the transfer or loan of something to the general public irrespective of whether the Law is for free or for compensation.

In the Copyright Law, "Rights of Distribution" is applicable only to cinematographic work (including movies, TV shows, game software, videos of sports and exercise, etc.) "Right of Distribution" differs from "Right of Transfer" in a sense that distribution right is assumed yet exhaustion of rights. In the past, there were cases in Japan in which it was adjudged that the sale in Japan of movie videos imported in parallel from overseas was a violation of the copyright holder's distribution right, and precluded the sale of such items. In addition, not only for movies and books but also for other literature work, incorporation of Japanese translation into the literature work without agreement of its creator is considered copyright violation.

Video and DVD Standards

Please be cautious that standards for videos and DVDs vary from country to country. Therefore, if a product's standard is different, it may not be used in Japan.

Videos: Different video formats are available, namely NTSC, PAL and SECAM. NTSC format is used in Japan.

DVDs: Players and disks of DVDs are regulated by regional codes. If code number of a disk and code number of a player do not match together, you cannot use it. Different regional codes by country/region are considered as copyright protection measures in a sense that parallel importation of unreleased movies DVDs from overseas are permitted provided that such movies are released oversea cinemas are not affected. Only DVDs of Region 2 or Region-Free can be used with most modern players in Japan.

Region 1	USA, Canada
Region 2	Japan, Europe, Middle East, South Africa, Egypt
Region 3	South Asia, Southeast Asia, Hong Kong
Region 4	Australia, Central America, South America
Region 5	Former Soviet Union, South Asia, African nations
Region 6	China

II. Import procedures by product category

5. General merchandise

Q50: Please explain the parallel imports.

A50

What are Parallel Imports?

Parallel imports refer to the practice of importation, through routes other than recognized proper import agencies, etc., by the holders of trademark rights, copyrights or other rights or by licensees who have obtained approval from such rights holders, of products to be purchased and sold by third parties.

In principle, import and sales of products without permission from the rights holders are subject to violation of intellectual property rights. However, according to the court of Japan, it is usually concluded that "parallel importation of brand-name products (products under trademark rights) is not subject to infringement provided some specific requirements are met". Based on the court's decision, Customs practices have been amended by an Ordinance accordingly in attempts to allow customs clearance for parallel imports which meet all relevant requirements. For some cases, although parallel imports are approved by the customs already for entering Japan, they are still subject to sales injunction requested by the rights holder, if it is specified that requirements are not met in a proper way in later stage.

However, decisions regarding the extent to which a domain is recognized as being the same in a legal or economic sense or, regarding the scope of homogeneous quality are to be made on a case-by-case basis.

Requirements for Parallel Imports involving Trademark Rights

- The products must be genuine items with attached trademarks in a suitable manner; (1)
- (2) Both the rights holders from overseas and the rights holders in Japan respecting the product(s) must be the same party, or they have to be in a relationship such that they can be viewed as being the same entity economically and legally (for example, jointstock company);
- (3) The product(s) in question must be of the same quality as other products provided by the rights holder in Japan.

Patent Rights

With respect to products highly involving patent rights such as home electrical appliances and cameras, etc., necessary requirements are not clearly defined as trademark rights. Caution must be exercised because it is an infringement of patent rights to conduct parallel importation of products, the sale of which has been declared unapproved in Japan. => (For details of copyrights, please refer to Q49)

Q51: Please discuss the importation and sale of dogs and other animals.

A51

Prior Notification System

Before importation, it requires prior checking to identify whether the expected type of animal is prohibited for imports in international trade or is applied with any other regulations. Among

According to the Law on Prevention of Infectious Diseases and Medical Care for Patients of Infections, almost all imported animals must undergo quarantine. The Domestic Animal Infectious Diseases Control Law regulates importations of even-toed ungular chickens, quails, ostriches, turkeys, ducks, geese, gulls and described animals Importation of Animals Importations of Agriculture. Force:

O the Rabics T to the Rabies Prevention Law, so these animals are also checked for rabies at the inspection facility.

However, there are animals from some regions which are prohibited for importation into Japan as stipulated in the Law on Prevention of Infectious Diseases and Medical Care for Patients of Infections.

Procedures of Animal Quarantine

- (1) According to the "Law on Domestic Animal Infectious Diseases Control" and the Law on Prevention of Infectious Diseases and Medical Care for Patients of Infections, prior to importation of animal, the importer needs to submit a "Notification of Animals Import" to a Animal Quarantine Station, Ministry of Agriculture, Forestry and Fisheries at the arriving port within the time limit (more specifically, time limit for submitting a notification of dogs' imports is 40 days prior to expected date of arrival; 90-120 days for even-toed ungulates and horses; and 40 to 70 days for birds. Submission of online notification via computerized processing system (ANIPAS) is allowed.
- Up to two days prior to arrival of a ship or airplane transporting animals, a "Petition (2) for Examination of Imports" must be submitted to an animal quarantine station that has jurisdiction over entry port. Submission via computerized processing system (ANIPAS) is allowed.
- Upon animals' arrival in Japan, examinations by a livestock health official in the ship (3) or airplanes in which they arrived are necessary. A petition for animal examination and relevant certificates (e.g. Health Certificate) issued by a governmental agency of the exporting country must be submitted for inspection. After passing inspection, those animals are delivered to the quarantine facilities.
- (4) Animals housed in mooring quarantine facilities are regulated to further inspection by animal quarantine officer. And the question of how long the animals will be kept in quarantine will vary depending on whether or not there is a health certificate and/or a rabies vaccination certificate.

II. Import procedures by product category

5. General merchandise

- (5) A Certificate of Imports Quarantine is issued for approved animals which indicate that there is no risk of spreading pathogens of infectious diseases under surveillance.
- In general, animals will be kept in quarantine facilities from 14 days to a maximum of (6) 180 days in attempts to verify health certificate of animals in which no suspicious rabies detected.

The importer does not have to pay any costs for animal imports quarantine. However, it is the importers' responsibilities for paying costs of transporting such animals to the quarantine facilities, feeding and veterinarian's work for health check at the quarantine facilities.

Import Procedures for Cats and Dogs

Importation of dogs and cats are subject to the Rabies Prevention Law, in which inspection is required for rabies examination. For dog, it also requires inspection of Leptospira Disease and Rabies. Currently, dogs and cats which used to be raised in Japan and then, were brought to overseas, now want to come back to Japan, are required the same procedures upon their arrival in Japan as the dogs and cats originating from overseas. Procedures vary according to designated regions with/without occurrence of rabies determined by the Ministry of Agriculture, Forestry and Fisheries.

< Requirements for Animals from Special Regions>

It requires:

- Mounting of microchip for identification of each animal; (1)
- (2) Submitting a pre-registration statement within 40 days prior to animals' arrival at Japan via vessels or airplanes;
- (3) Issuing a "received Notification of Animal Import Approval";
- (4) A clinical examination at exporting country prior to exporting animals; and
- A Quarantine Certificate issued by a governmental institution of the exporting nation. (5) It requires a minimum time for inspection if all requirements for animals' importation are met, or, it can take up to 180 days for verification in case documents provided for animals' inspection are insufficient. After the quarantine inspection fulfills successfully, in case imported dog is not registered in Japan, it requires that within 30 days since the arrival's date, the Certificate of Dog Import Quarantine must be submitted to the local office governing the dog's owner jurisdiction for official registration.

< Requirements for Animals outside the designated regions>

Apart from the above-mentioned procedures, it requires

- Inoculation of rabies vaccine of 2 times or above (prior to imports); (1)
- Examination of serum neutralizing antibody against rabies virus; and (2)
- (3) Post-antibody possession upon process of pre-export.

Import Notification System of Animal

In order to prevent human infection, imports of animals are subject to the regulations in accordance with "Import Notification System of Animal" based on the Law on Domestic Animal Infectious Diseases Control. As per this regulation, animals importing to Japan which do not require quarantine in advance include mammals of hamsters, squirrels, chinchillas, guinea pigs, ferrets, meekats, etc., and, birds of parakeets, parrots, pigeons and Java sparrows etc. Upon importations of these animals, details of the following are required: (1) Duplicated documents indicating types and numbers of animals; (2) "Certificate of Sanitation" issued by a governmental institution of the exporting country; and (3) Documents with identification of the importer.

Related Information:

Q52: Please discuss the importation and sale of shampoos for animals.

A52

Shampoos for animal are categorized depending on its labeling on ingredient contents and effects which include "drugs for animals" or "quasi-drugs for animals" or "miscellaneous products". In case the shampoo is governed by the Pharmaceutical Affairs Law, its importation and sale require a permit for manufacturing and distribution of veterinary medical products (quasi-drugs for animals). In addition, approval of each product is necessary.

In case the imported shampoo is a miscellaneous product, there is no special restriction on importation and sale. However, promotion (marketing) of effect claims of such product is prohibited.

The first and foremost is to receive a confirmation from the Surveillance Supervisor,

Pharmaceutical Feed Safety Section, Animal Health Division, Food Safety Consumer Affairs Bureau, Ministry of Agriculture, Forestry and Fisheries prior to importation of animal shampoos. At this time, necessary documents need to be submitted for clarification. And hence, attached documents required include ingredients lists, product brochures and labeling displays, etc.

Procedures for Veterinary Drugs and Quasi-Drugs

- It is necessary to make an application for "Permit for Manufacturing and Distribution (1) of Animal Quasi-Drugs" to the Animal Health Division, Food Safety Consumer Affairs Bureau, Ministry of Agriculture, Forestry and Fisheries. Please be noted that application can be submitted at prefectural/city office since autonomous government body differs in each case; in greater Tokyo, it is the Pharmaceutical Affairs and Sanitation Section, Industry Bureau;
- (2) Next, it is necessary to have approval for each category. Your application for approval needs to be sent to Veterinary Drug Inspection Office under the Ministry of Agriculture, Forestry and Fisheries;
- After importation, if you want to have a product labeling displayed in Japanese (3) language or want to change the product's package, it is necessary to make an application for a Permit for Manufacturing and Distribution of Animal Quasi-Drugs and send to a relevant office in city/prefecture. In greater Tokyo, the application is submitted to the Pharmaceutical Affairs and Sanitation Section, Industry Bureau, Ministry of Agriculture, Forestry and Fisheries. However, if the label of imported products was printed in Japanese language overseas, it is not necessary to make such application.
- "Foreign Manufacturer Certification" is mandatory for each manufacturer upon imported products. Such documents need to be sent to the Animal Health Division, Food Safety Consumer Affairs Bureau, Ministry of Agriculture, Forestry and Fisheries.

Labeling Requirements for Selling

Sales of animal drugs and quasi-drugs are subject to labeling regulations based on the Pharmaceutical Affairs Law.

Q53: Please discuss procedures for importing and selling pet foods.

A53

In case when viscera and meat of cows, pigs, chickens (under the designated group of animals to be quarantined) are used as ingredients for pet foods, they shall be subject to inspection of animal quarantine station upon importing.

Pet Foods Safety Act

Since December 2009, imports and sales of pet foods must comply with the "Act on Protection of the Safety of Companion Animal Feed" (Pet Foods Safety Act) which came into effect since June 2009 and involve comprehensive nutrient diets, general pet foods, snacks, gums, supplements, and mineral water, etc. Pet foods which are used not for dogs and cats, catmint (herbs stimulating cats' sensory neurons) and toys for pets, containers of pet foods, pet foods and drinks served in pet shops, etc., are not governed by this Act. In addition, veterinary drugs and veterinary quasi-drugs which are governed by the Pharmaceutical Affairs Law are not governed by this Act.

According to the Pet Foods Safety Act, it is prohibited to produce, import and sell foods for dogs and cats which are non-conformable to specifications and production method as specified by the Minister of Agriculture, Forestry and Fisheries and Minister of Environment.

Notification

All economic entities, whether corporate or individual, doing business in pet foods importation or production are required to make notification prior to doing these activities. The authority for notification is the Agricultural Administration Office of the Ministry of Agriculture, Forestry and Fisheries at the prefecture/city where the head office of such entity is located.

Preparation of attached records

Entities doing business in pet foods importation, production or wholesales (excluding retailers) are required to keep records or electronic files indicating name and quantity of pet foods which were sold already (in case of imported foods, it is necessary to specify date of import, country of exporter, name of exporter, package, country of manufacturer, name of manufacturer, ingredients of pet foods, etc.).

Labeling

It is required to have labeling in Japanese language with the following items: (1) name of pet food, (2) expiry date, (3) ingredients, (4) country of origin, (5) name and address of the vendor. (However, pet foods manufactured in and before November 2010 are exempted from this regulation).

Pet Foods Safety Criteria

Pet foods shall comply with the following criteria: (1) specifications and (2) production method (applicable to pet foods manufactured since December 2009).

On-site inspection

In order to verify records as well as confirm the conformity of imported or manufactured pet foods, the Food and Agricultural Materials Inspection Center (FAMIC), an independent administrative body, is entitled to conduct on-site inspection for the importers, the manufacturers and the dealers. On-site inspection shall be conducted without prior notice and with regulations of punishment to violators.

In addition, the "Fair Competition Codes in relation to labeling on pet foods" were issued by the Pet Food Fair Trade Association. Apart from the mandatory labeling in accordance with the Pet Foods Safety Act, the label shall specify intended uses (whether it is comprehensive nutrient, snack or food for other purposes), net weight, method of supply and ingredients.

Related Information:

Ministry of Agriculture, Forestry and Fisheries (Act on Protection of the Safety of Companion Animal Feed):

http://www.maff.go.jp/j/syouan/tikusui/petfood/index.html

Ministry of the Environment (Act on Guaranteeing Pet Food Safety): http://www.env.go.jp/nature/dobutsu/aigo/petfood/outline.html Pet Food Fair Trade Association: http://www.pffta.org/index.html

Q54: Please discuss the importation and sale of flowers and seeds.

A54

Firstly, it is necessary to identify whether flowers and seeds to be imported are governed by the Washington Convention, or belong to designated species in the Law on Preventing Ecosystem Damage caused by special alien species (the Invasive Alien Species Act).

Regulations under the Plant Protection Act

Import and sales of flowers and seeds require plant quarantine as per the Plant Protection Act. Plant quarantine is conducted upon arrivals of imported plants in the forms of cargo, portables or parcels, at entry ports in attempts to prevent disease-causing insects from entering into Japan through exportimport routes. Based on result examination, actions might be taken to remove possible poisons. Imported plants are categorized in the three following categories:

- (1) Products forbidden for imports: Including soils from anywhere overseas, plants with attached soils, rice straw or unhulled rice (Taiwan and Korean Penisula excluded), raw fruits from Europe, South America, Australia, Africa, etc.; apple, pear and peach from North America;
- (2) Imports requiring examination: Included are seeds, saplings, bulbs, cut flowers, fruits, vegetables, crops, beans, lumber, spices and Chinese herbal medicines;
- (3) Imports not requiring examination: Included are products such as furniture, and hermetically sealed items processed with spices.

In which, import of flowers and seeds belonging to no.(2) as mentioned above requires "Phytosanitary Certificate" issued by the governmental authority in the country of exporter. This Certificate shall be submitted together with the "Application for import inspection to products forbidden for imports" to Plant Quarantine Station under the Ministry of Agriculture, Forestry and Fisheries. At the Quarantine Station, after inspecting whether each plant carries pests or soil, a Certificate of Conformity will be issued for satisfactory plant for customs clearance. On the other hand, in case of any detected pest, removing pest shall be conducted before customs clearance. Since only selected quarantine stations at the seaports or airports of destination are entitled to conduct inspections, prior confirmation matters with a quarantine station should be obtained.

Regulations under the Plant Variety Protection and Seed Law

The Plant Variety Protection and Seed Law defines the generation of new plant varieties and that the generator of new plant varieties (flowers and agricultural products) shall possess the right to create new varieties (right of the creator) by registering such new varieties. In case of production, transfer and import or export of "varieties", "cultivated products" and "processed products" as a business doing without permission of the creator, the import might be stopped and compensation shall be paid to the creator.

Procedures for selling

According to the "Ordinance on designated seeds and seedlings" under the Plant Variety Protection and Seed Law, upon sales of designated seeds and seedlings (whose labeling is required by Minister of Agriculture, Forestry and Fisheries to include some specific items for easy quality identification), within 2 weeks after starting business, the dealer of seeds and seedlings shall make notification of his business to Minister of Agriculture, Forestry and Fisheries. However, farmers and "retailers" selling directly to some specific households are generally exempted from this regulation.

In addition, upon sales of the products, the label shall include: (1) Full name (name of company or individual) and address of the dealer of the variety to be labeled, (2) Category and variety, (3) Place of manufacturing (country of origin for imported products), (4) date of harvesting or service life and percentage of sprouts for seeds, (5) Quantity (Weight, volume, number, etc.), (6) Items as regulated by other Circulars such as (a) Package, (b) Documents attached to each seed, (c) In case of goods in bulk, information should be shown in a visible place on the products.

For details of "Specified Plant Seeds System", please refer to the homepage of the Ministry of Agriculture, Forestry and Fisheries or consult with New Variety Generation Division, Foods Production Bureau, Ministry of Agriculture, Forestry and Fisheries.

Related Information:

Ministry of Agriculture, Forestry and Fisheries: http://www.maff.go.jp/pps/
Ministry of Economy, Trade and Industry (Washington Convention):
http://www.meti.go.jp/policy/external_economy/trade_control/boekikanri/cites/
Nature Conservation Bureau, Ministry of Environment (Invasive Alien Species Act): http://www.env.go.jp/nature/intro/
Ministry of Agriculture, Forestry and Fisheries (Plant Varieties and Seeds Act): http://www.hinsyu.maff.go.jp/

II. Import procedures by product category

5. General merchandise

Q55: Please discuss the importation and sale of color contact lenses.

A55

Color contact lenses are used to change the color of eyeball for the purpose of fashion rather than sight adjustment. According to the Pharmaceutical Affairs Law in Japan, there are no regulations for importation and sales by March 2009 since colored lens are considered common merchandise rather than medical device. However, during using the product, health damages and an increase in eye diseases have been reported. As a result, since 4th November 2009, "colored contact lens which is not used for sight adjustment has become a medical device".

In terms of risk level, medical device is classified into Class I (low risk) to Class IV (high risk), and their required licenses also differ. In which, importation and sales of colored lens in Class III (Medical device under strict management) require the following procedures:

Required procedures for importation and sales of colored lens

Required permission	Authority for submission
License for manufacturing and selling management of medical device Class I	Pharmaceutical Authority in prefectures and cities
License for manufacturing medical device (license classification: package, marking, storage)	Pharmaceutical Authority in prefectures and cities
Confirmation of foreign manufacturer (required for foreign manufacturer in importing location).	Japan Pharmaceutical and Medical Devices Agency – Independent administrative body
(The importer is required to obtain necessary documents, e.g. foreign manufacturers. Quality management standard of Japan must be met as specified in QMS Circular.	
Approval of manufacturing and dealership	Japan Pharmaceutical and Medical Devices Agency – Independent administrative body
Import Notification	Kanto Shinetsu Regional Bureau of Health and Welfare or Kinki Regional Bureau of Health and Welfare
License for sales of medical devices requiring strict management	Pharmaceutical Authority in prefectures and cities

In order to obtain the above-mentioned permission under the Pharmaceutical Affairs Law, documents are required such as specifications of product, materials (biocompatibility), sterilization method and other relevant documents on product design and development and product fabrication.

For detailed procedures of application for permission of each Class, please consult with the relevant authority for submission.

Labeling for selling

According to the Pharmaceutical Affairs Law, labeling on product box, package or attached tag is mandatory when selling medical devices such as colored contact lens,

<Labeling items>

- (1) Full name or transaction name and address of manufacturer or distributor;
- (2) Name of product;
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- (3) Manufacturing number or symbol;
- (4) Weight, volume or quantity;
- (5) Expiry date;
- (6) Classification of medical devices requiring strict management, medical devices requiring management and general medical devices;
- (7) Usable times (in case of non-reusable lens);
- (8) Usage or other notices during using product.

For more information about labeling items of different products, please consult with Pharmaceutical Authority in relevant prefecture/city.

Related information:

II. Import procedures by product category

5. General merchandise

Q56: Please explain the rules and regulations for importing and selling lighters.

A56

Consumer Product Safety Act

Lighters are specified as "Special Items" in the Consumer Product Safety Act. A vendor conducting the manufacturing, importing or sales of lighters is required to apply for a notification before starting the business (the destination for submitting the notification is the Ministry of Economy, Trade and Industry or the Bureau of Economy, Trade and Industry in prefectures/cities). In the notification, it is also mandatory to include the ways of providing compensation for customers in case of the product defect including customers' lives or injuries towards their bodies (Liability insurance contract should state that the insurance covers at least 10 million yen per person plus 30 million yen per year).

In addition, it is necessary for the vendor to proactively conduct a self-inspection of whether his /her products match the criteria and such inspection records should be kept.

Lighter is also regarded as an "Extremely special Product" among special products; therefore, in addition to self-inspection by the vendor, it is mandatory for being inspected by the authorized governmental body to check the product's compliance with compulsory criteria.

For selling lighters, it is necessary to display the PSC mark as an indication that the products have passed required technical standards. In addition, since 27^{th} September 2011, it is impossible to sell a product without a PSC mark on it.

Furthermore, in case of a serious accident/injury happening, it is obliged to make a temporary report to the Consumer Agency within 10 days since the date of accident. (=> For details of Consumer Product Safety Act, please refer to Q100)

High-pressured Gas Safety Act

For a gas lighter with its gas content of over 30 cm2 in its vessel's capacity, inspection is required at the time of importation according to the High Pressure Gas Safety Act. However, for a lighter contains liquefied gas filled in a vessel at the content of less than 30 cm2 (gauge pressure lower than 0.8Mpa when the temperature is 35°C as specified by the Minister of Economy, Trade and Industry) is exempted from the above-mentioned law. And almost all lighters are included in this category.

During customs clearance for importing lighters, it is mandatory to attach a "Test Report" which was made to examine conditions for exempting from the law. This requires that the importer himself or the gas lighter manufacturer fill in the report and submit to an inspection agency in Japan or in a foreign country towards the objective that the liquefied gas meets the requirements set up by the Minister of Economy, Trade and Industry. This regulation is also the common procedure for general aerosol products (spray can, simplified stove cylinder, etc.).

For importing lighters from abroad

Disposable lighters and liquefied gas lighters are considered as dangerous items. It is necessary to follow the container standards, and to submit a "Declaration of Dangerous Goods" to the shipping company. In addition, not all airlines or shipping companies agree for transporting such goods, therefore it is highly suggested that you should make confirmation with the shipping company in advance. Furthermore, both international courier and international postage also reject transportation of lighters due to their dangerous aspects.

For the liquefied gas lighters, depending on manufacturer, gas is extracted from the lighters, and hence in this case, the manufacturer has to attach a document to prove that the lighters do not contain gas anymore. It can be said that this product is a difficult matter for transportation.

In addition, as defined in the Unfair Competition Prevention Act, fake goods or goods in trade fraudulence are not allowed for importation. Moreover, importation is not possible for products which infringe the Intellectual Property Rights (i.e. trademark, copyright, rights related to authors, patent rights, utility model rights, design rights, etc.), e.g. the use of misleading name or imitated form of product.

"Portable Lighter" (disposable lighter) is the subject of the SG Mark System implemented by the Customer Product Safety Association. It is possible to attach the SG (Safety Goods) mark to a product after passing an inspection by random. In case of an accident causing injury or death by a product defect and such product displays the SG Mark, compensation of maximum 100 million yen for the victim will be paid.

III. Foreign Trade Practices1. How to find suppliers for imports

III. Foreign Trade Practices

1. How to find suppliers for imports

Q57: How can I find suppliers from overseas?

A57

In order to successfully enhance import businesses, the key is to provide distinct and competitive products to marketplace. Various options of foreign suppliers from overseas can be found through great availability of advanced information and technologies. However, the following methods should be considered to effectively seek for overseas suppliers in case of small scale importing businesses.

Methods of Supplier Selection	Characteristics	
Exhibitions/trade fairs held overseas or in Japan	* This method is simple which may be applied to search for appropriate products provided by foreign companies participating in exhibitions or trade fairs in Japan;	
	* The most up-to-date information of the latest trend of the world can be gathered from a series of specialty exhibitions or trade fairs (e.g. interior goods, sundry goods, foods, etc.) held overseas.	
	Negotiations with potential foreign suppliers are possible in exhibitions or trade fairs held overseas.	
Embassies, Government offices and national trade organizations in Japan	* Details of exhibitions and relevant marketing information of local organizations involved with exporting to Japan are available on official websites provided by national trade organizations or commercial departments of embassies.	
Internet searching	* Searching for wholesalers via portal sites or companies' directories on the Internet.	
Local goods purchasing	* Searching for appropriate products by visiting stores, outlets or manufacturers overseas.	
Domestic trade organizations of Japan	* In addition to various investment business details of countries, the official website of Japan External Trade Organization (JETRO) also provides company business linking via TTPP system and international as well as domestic trade fairs information via "J-messe".	

Related information

III. Foreign Trade Practices 1. How to find suppliers for imports

Q58: What should I consider when searching for suppliers at exhibitions in Japan or overseas?

A58

How to Seek Suppliers?

In an attempt to seek the right suppliers, the majority of small-scale importations is conducted according to the procedures shown as follows:

- (1) Conduct marketing activities in foreign markets (e.g. searching of markets and products);
- (2) Select suppliers;
- (3) Identify Japanese laws and regulations for each category of products (upon imports and sales);
- (4) Decide and make product purchase orders;
- (5) Make payment (either pay in advance or by credit card);
- (6) Arrange transportation and insurance (of parcel post, courier service, maritime/air transportation);
- (7) Arrange customs broker for customs clearance of maritime/air transportation;
- (8) Receive cargo after customs clearance;
- (9) Prepare label of product quality and user manual in accordance with Japanese Laws (to maintain quality in compliance with PL Law); and
- (10) Conduct domestic marketing (e.g. sales campaigns).

Ordering at Exhibitions

Generally, domestic exhibitions in Japan are occasions where people exchange business cards and gather information while exhibitions overseas allow buyers to select and make purchase orders of products during trade fairs. It can be said that Europe and the United States have a cut-throat competition purchase system. The most important thing is to select proper suppliers who are highly professional, expertise and trustworthy.

Business goals and directions have to be clarified when purchasing products overseas. It is possible to say that quality of products as well as support from suppliers/partners are the most important things.

Ordering procedures

Exhibitors in Europe or the U.S. trade fairs issue sales notes (Purchase order) once products, quantity, payment methods as well as transportations are identified. The client shall keep a copy of sales notes, exhibitors' business cards and product catalogs for future reference. Shipping instructions of payment as well as transportation methods e.g. destinations of products, contact information, transportation methods, shipping companies and payment methods, etc., must be provided upon making purchase orders. In addition, please be noted that photography is prohibited in exhibition halls. In some situations, cameras are not allowed.

In order to purchase at exhibitions overseas, please refer to "Q&A on Visits and Purchases at Exhibitions Overseas" issued by MIPRO.

III. Foreign Trade Practices1. How to find suppliers for imports

Q59: How can I gather information of suppliers from Embassies or national trade organizations?

A59

Embassies and State Government Offices

Once the nations or regions to trade with are decided, please gather detailed information of the local economic or commercial policies from websites provided by embassies and government offices. In the case where Australia is selected, relevant information of Australian made products and inquiries can be accessed via the website of Australian Trade Commission. In Fukuoka, the trade center of Thai Embassy provides comprehensive information related to exhibitions held in Thailand such as lists of Thai exporters, export statistic records, regulations on exports, production conditions and product developments. Information of inquiries and exhibitions is also available on website provided by the U.S. Commercial Service in Japan.

In addition to embassies, governmental institutions as well as external trade organizations of many countries also provide details on international businesses. As an international organization, ASEAN-Japan Centre provides information of trade as well as investments with exporters from ASEAN countries. A database provided by Korea Trade-Investment Promotion Agency (KOTRA) can be accessed via "BUY KOREA" at http://www.buykorea.org. For detailed information of suppliers and local conditions, please consult embassies and national trade organizations.

The necessity of Information gathering

Online news and email services are available at almost all websites of embassies and national trade organizations. Information on trade fairs, references, market information of countries or suppliers may be accessed via websites of your desired countries. This is a very effective channel to collect detailed information.

Q60: How can I search and obtain information of suppliers on the Internet?

A60

Search Sites

We recommend search engines such as Yahoo and Google, etc., when searching product-related keywords in either English or other local languages. Local websites of Yahoo are available and keywords can be inserted. Please be noted the keyword "wholesale" tends to be more effective in the search of "wholesalers".

In addition, the specialized wholesalers search sites are also recommended. Detailed information as well as product categories of individual companies and/or wholesalers can be accessed by inserting the keyword of "wholesale". Therefore, such websites may be accessed to obtain more detailed information about company's particulars, homepage of companies, etc., than that of searching categories or products.

Company Directories

Based on search sites, company directories, names of products and/or companies can be searched. The world's largest company directories of "Kompass" and "Thomasnet" focus on American companies while "Europages.com" focuses on European companies. Company directories often publish links to government agencies, Embassies based in Japan and information on local Chamber of Commerce and Industry which can be very useful.

Online information can be accessed in different ways. Please be noted that information about this company is only found if this company is engaged in exporting its products to Japan. There are situations where this company is only engaged in selling its products domestically or regionally without exporting its products to Japan. Additionally, the reliability of the searched company should be considered during the transaction.

1. How to find suppliers for imports

Q61: How can I check a company's credibility?

A61

Foreign Companies' Credibility Check

Among global credibility research firms, the Dun & Bradstreet Corp. located in U.S. and Kompass Service (trade insurance company, the holding company of Kompass) located in Europe provide research services to evaluate credibility of companies.

According to the operation of the two companies above, the credibility of a company may be checked through its business, member of Board of Directors, date of establishment, net assets, number of employees, total credibility assessment, company history, financial status, business contents, payment status, transactions with banks, etc. In principle, the reports are provided in English. However, research report conducted by Coface Service may be translated into Japanese.

Dun & Bradstreet Corp. is represented by Tokyo Shoko Research, Ltd (TSR) and Coface Service is represented by Coface Service Japan. Please contact these companies for further information.

In addition, other credibility research firms are available in each country. The two firms mentioned above also cooperate with other foreign leading credibility research firms to provide credibility research services. Please carefully check contents of research services, price, etc., before ordering a research service.

Q62: Please explain the matching systems used on the Internet.

A62

Various linked Websites

There are numerous transaction matching systems via internet, which are regarded as an effective mean to connect suppliers and buyers. This is one of the methods searching for proper suppliers through matching systems on the Internet, as all domestic firms are linked and, suppliers who meet requirements for global as well as the Japanese marketplace are available in the matching systems.

Foreign supplier matching system is normally run by a Public Organization, for example, "TTPP" is managed by JETRO. Databases of more than 30,000 registered Japanese and foreign companies are available for complementary searching and browsing via TTPP System, which include import and export trading of products, business alliances, and technology exchange.

Cautions in using the Business Matching System

Once registering with websites for searching suppliers, inquiries from companies abroad either public organizations or private corporations will be received. However, it is not advised to trust or immediately deal transactions with those companies that contact you. Please make clear any information about investment capital source, number of employees, addresses of the company, etc., via company directories such as Kompass and/or Thomasnet, etc. In addition, you should also access the Home page of this company for further information. Alternatively, email-based transaction is also recommended to test the credibility of your potential business partner.

2. Contracts

2. Contracts

063: Please explain CIF, FOB and other relevant trade terms.

A63

Disputes may arise as trade terms vary according to countries and regions. Thus, Incoterms, a set of standard rules for international trades and interpretations were established by International Chamber of Commerce (ICC). According to the latest Incoterms 2010, obligations of both sellers and buyers are defined as follows:

Incoterms for all transport modes (both single modal and multimodal transportation):

III COTOTINIS	medicinis for an transport modes (both single modal and multimodal transportation).		
EXW	Ex Works	Cargo is delivered at the exporter's factory	
FCA	Free Carrier	Cargo is delivered to shipment party	
CPT	Carriage Paid To	Transportation cost is included	
CIP	Carriage and Insurance Paid To	Transportation cost and insurance premium are included	
DAT	Delivered At Terminal	Cargo is delivered at terminal of port	
DAP	Delivered At Place	Cargo is delivered at the named place of destination	
DDP	Delivered Duty Paid	Cargo is delivered and tax has been already paid	

Incoterms for Sea and Inland Waterway Transport Only:

FAS	Free Alongside Ship	Cargo is delivered to the side of the ship at anchor of the export port.
FOB	Free On Board	Cargo is delivered upon loading onto the ship.
CFR	Cost and Freight	FOB includes the costs of transportation to the import port.
CIF	Cost, Insurance and Freight	FOB including the costs of transportation to the import port and insurance premium.

What is FOB?

With indication of trade term of FOB (Free On Board), sellers in overseas bear all expenses of cargo, including expenses for customs clearance applicable to export goods and other expenses arising until the cargo is loaded on the vessel (price quoted by the seller has included these expenses). Buyers assume all costs of transportation fees and insurance premium upon arrival of cargo.

Determination of transportation method

Based on the trade term of FOB, the buyer must decide transportation modes and instruct the seller about details of vessel and port where the goods are loaded. The Incoterms stipulates that the buyer designates a transportation company and, the seller ships goods using the transportation company designated by the buyer.

Quantity, weight, volume and degree of urgency for the cargo have to be considered when transportation methods are decided. In the international parcel post, freight on delivery is not allowed, so please choose one of the following methods: (1) International courier service; (2) Consolidated air transportation; and (3) Consolidated maritime transportation, and inform the seller your preferred transportation method. While waiting for the arrival of cargo upon completion of shipment, the buyer must obtain information about used carriers (predesignated carrier may be selected by the seller in advance) and copies of bill of lading (B/L) or airway bill (AWB) as well as invoice. It is required for you to keep the original copy of B/L.

Among the transportation methods mentioned above, transportation method of (1) international courier service is a direct door-to-door courier service for delivering cargo, with export/import customs clearance involved. Transportation method (2) and (3) only provide transportation services, in which the buyer is required to assign a customs broker to expedite procedures of import customs as well as domestic transportation by providing necessary cargo information. As for transportation insurance, in situation of (1), a special contract with the international courier service provider can be requested while in (2) and (3), cargo can be insured by insurance companies. Your forwarder can arrange insurance if you request it.

2. Contracts

Q64: What does it mean when my foreign suppliers ask for my tax ID number?

A64

What is a Tax ID Number?

In the U.S., tax ID number refers to a taxpayer's number, which is required to enter on state tax payment sheet for tax collection upon sales to consumers. Tax ID number is not required for Japanese importers as they do not resell products in the U.S. In addition, a tax ID number is also referred to as resell number or resale number. Please reply "No" if you are requested for a tax ID number.

Types of Exports

There are two types of exports:

- (1) Direct exports, in which manufacturers directly ships products abroad;
- (2) Indirect exports, in which vendors export products that have been distributed in the country.

If you are requested for a tax ID number, please refer to the case (2). In case of indirect exports as in (2), in which buyers can request for resell number or, sells products with state taxes involved. Please be noted that some distributors do not sell products without resell number.

Complex Refund Procedures

State taxes are exempted for direct exports complied with the official procedures. While the paid taxes may be refunded to indirect exports. However, vendors generally tend to avoid claiming refunds due to complexity of procedures involved. Therefore, procedures of tax refund procedures are not often conducted in fact. Retailers except duty-free shops as well as mail-order businesses who obtain tax exemption usually export with state taxed included in product prices.

The names of such indirect taxes vary according to countries or regions. In Japan, it is referred to as consumption tax; in the U.S., it is known as state tax while in Europe, it is named as value added tax (VAT) based on domestic laws. Because these domestic laws cannot require tax payments from consumer overseas, exports are exempted.

065: What can I do to sign an agreement for imports of sole distributorship?

A65

What is an Import Sole Distributorship?

Import sole distributorship (sole sales) allows Japanese importers or distributors to sell goods on an exclusive basis after signing agreements that grant domestic sole distributorship with manufacturers overseas. A business with exclusive distributorship granted by a manufacturer is known as an exclusive importer or sole distributor.

Advantages of Sole Distributors

In exclusive import sales, transactions occur on the basis on person-to-person in contract, following by transferred ownership of imported products from person to person. Products are traded in the form of "sellout/buyout" between manufacturers and importers, in which no restrictions are imposed on domestic sales prices for importers. The importers have the rights to determine product prices.

Exclusive distributorship also ensures that manufacturers will not deal with other parties so the importers can monopolize their position in marketplace, which attempts to secure importers' sales position as well as to eliminate competitors from importing and selling products by same manufacturers. In return, sales profits for importers are guaranteed and it explains strong desires of almost all importers towards sole distributorship.

Cautions when Signing a Sole Distributorship Agreement

The importer should carefully examine current status and future prospect of the product prior to signing an agreement for exclusive distributorship, which includes the followings:

- (1) Terms and conditions concerning renewal and termination of the contract;
- (2) The product for the deal and, prohibitions of using the product from competitors;
- (3) Specified places for product distribution;
- (4) Terms of delivery and payment methods; and
- (5) Sales quotas, inventory amount, after-sales services, and sharing of advertisement costs, etc.

Q66: Do I need a written agreement for small-scale imports or transactions?

A66

What is a written agreement?

A written agreement records all intentions of both parties to ensure that the agreement is executed in accordance with their objectives and, to prevent misunderstandings or conflicts between the parties. Therefore, the inherit objectives of the agreement may not be obtained if the parties prepare the agreement without the agreement's important conditions or the agreement's terms and conditions are not clearly stated to prevent multiple interpretations of the agreement.

The primary role of a written agreement is to prove the existence and the content of the agreement to avoid disputes between involved parties. In situation where conflicts arise, it is served as a proof of negotiation to demand parties to act according to the agreement. This is the secondary role of as well as the genuine role of the agreement expected by both parties.

Agreement on Small-Scale Imports

In order to avoid misunderstandings or conflicts between a foreign supplier and a domestic importer, an agreement is required for small-scale imports. Among many different kinds of agreements of trade transactions, agreements of sales and purchases (also known as Sales Contracts or Purchase Orders) are most commonly used. English is the official language used for the agreements for parties from different countries. An agreement is composed of following terms:

- Buyer's name/ Contact address;
- Seller's name/ Contact address;
- Content of order (with descriptions of product such as product code, product name, size, color, unit price, quantity and price, etc.);
- Transportation methods, shipping time, transportation fees, insurance premiums and payment methods;
- Code of agreement;
- Date of agreement; and
- How to deal with defect products or product omissions, etc (which should be decided beforehand.)

The above details mentioned are available at the websites of foreign online stores. Please be noted that the websites are not agreements but considered equivalent to agreements as purchase orders are only made upon approval of relevant provisions stated on the websites. Please refer to the content provided on the websites carefully and, completely understand them before making any actual purchase orders.

Q67: What should I do if I find defective or insufficient goods in my imports?

A67

Types of Claims

When damages occur to imported products, direct claims against different counterparts are allowed, depending on parties who are responsible for the damages. Categories of claims include:

- (1) Transportation claims;
- (2) Insurance claims; and
- (3) Trade claims.

Transportation companies are responsible for the claims if any damage occurs during product transportation, please direct claim for damages to the transportation companies. Otherwise, please claim for compensation from the insurance company if product's damages are covered by insurance.

When defective products or insufficient products happen, etc., and violation of agreements are not covered by insurance companies, immediate shipments of alternative products or, full refunds for defective products can be requested, etc.

Importance of Agreements

In order to avoid conflicts with an exporter overseas, it is necessary for both parties to confirm and document terms of agreement for trade transactions. Solutions for product's damages or omissions have to be considered, e.g. which party is responsible for the transportation fees of returned goods; and whether refunds are available to the importer for defective goods, or the importer is given discount for defective goods, or payments to be settled in the next purchase orders, etc. Such agreements are essential for trade transaction dealt with overseas businesses.

Q68: What should I be aware of when I make online payment to suppliers overseas?

A68

Websites of the Suppliers

Websites of foreign companies overseas and purchase orders can be easily accessed on the Internet. Transactions with suppliers overseas can be conducted in speedy and convenient ways. However, there are several points that require buyers' attention when dealing transaction via the Internet.

Please check websites of suppliers according to the following points:

- (1) Suppliers' address, contact number, fax number and email;
- (2) Quantity for minimum order;
- (3) Payment methods;
- (4) Security of payments;
- (5) Transportation methods; and
- (6) Terms and conditions for product omissions, returned goods, etc.

Please contact via email for detailed inquiries of payment and transportation methods. It is necessary to completely understand all terms and conditions for product omissions and return of goods, etc.

Purchase Orders

Special order forms are provided by each company and customers are required to fill in blank boxes to make purchase orders. In some situations, box for indicating destination country is not provided since the orders are only accepted within the suppliers' countries, e.g. the U.S. and Canada, and hence, the suppliers only intend to trade within the regions of the U.S. and North America. However, it is possible to contact the suppliers via email and request if product delivery to Japan is available.

Please make sure that the page is secured when entering details of credit cards into the purchase order.

III. Foreign Trade Practices 3. Transportation and customs clearance

3. Transportation and customs clearance

*Q*69: Do customs clearance procedures differ by transportation methods?

A69

Procedures for customs clearance differ by the following transportation methods:

Transportation	Outline	Procedures for Customs Clearance	
Method	Outmic	Frocedures for Customs Clearance	
International parce post	Maximum weight limit of product is 30kg. Hazardous materials regulated by Universal Postal Convention are prohibited. Door-to-door delivery.	Parcels at taxable price that equals or below 200,000 Yen undergo customs clearance procedures at a customs clearance branch of Japan Post Service Co., Ltd. Tax-free parcels will be directly delivered to buyers. The taxable parcels will only be delivered when payments for duties and consumption taxes are made.	
		It is required to complete the ordinary import declaration procedures by the product holders for parcels at taxable price above 200,000 Yen. The procedures can be entrusted to a customs broker or Japan Post. Invoices and customs declaration forms issued by the senders are required for customs clearance.	
International couries service	Maximum products weight limit is up to hundreds of kg (depends on the courier service providers). Hazardous materials, valuable items, animals and plants might not be accepted. Door-to-door delivery.	Parcels are directly delivered. Parcel receivers are required to reimburse later payments of taxes made by the international courier service provider. (Payment may be made via bank transfer).	
Freight goods	No limit is applied for product weight and capacity. Basically, by airway and shipping transportations.	Fees occur when a customs broker is assigned for customs clearance procedures. The fees are charged at 11,800 Yen for cargo declared value that is equivalent to or less than 201,000 Yen, and 8,600 Yen for cargo declared value below 201,000 Yen. Domestic transportation companies are required for parcel delivery to shop in Japan.	

3. Transportation and customs clearance

070: In terms of transportation costs, what transportation methods are advantageous for the goods I buy overseas?

A70

What are Transportation Costs?

Calculation of transportation costs (logistic costs) involves details on product packaging types, number of packaging, weights and dimensions (length, width and height), etc. Not only the costs, but weight and size for each package are also limited according to transportation methods, hence, allowable product packaging regulation must be adhered. Procedures for customs clearance that are necessary for imported products and, all relevant costs including transportation costs must be considered upon product arrival in Japan. Calculation of product total costs as well as costs per item helps to identify the most advantageous transportation method.

International Parcel Post

While it may differ from country to country, a parcel which weights between 20 and 30 kg are allowed to deliver by the international parcel post. Airmail service includes ordinary air parcel post and express mail service (EMS). Customs clearance at branch office of Japan Post is required for parcel delivered by airmail service.

Taxable parcels that are equivalent to or below 200,000 Yen undergo customs clearance at branch office of Japan Post while tax-free parcels are directly delivered to importers. To receive parcels, taxable parcels require payment of duties and consumption taxes upon delivery of products.

Taxable parcels above 200,000 Yen require product holder to conduct ordinary import declaration procedures or, it can be done by a customs broker and Japan Post. Attached copies of invoice and customs declaration form from the senders are necessary. For details, please consult Japan Post or customs office.

International Courier Service

Costs of international courier service are not only determined by parcels weight, as cubic capacity is converted into weight according to coefficient calculation and, transportation costs are determined for whichever figure with larger weight. Customs clearance procedures are conducted by courier service providers upon arrival of parcels. It is necessary to provide copies of invoice to local courier service providers when requesting for parcel delivery. During customs clearance, international courier service provider will pay taxes if necessary and, the parcel receivers are required to reimburse it upon arrival of parcel.

Major international courier service providers include FedEx, DHL and UPS, etc., Buyers are allowed to entrust goods to branch office of these international courier service providers (located in the country where products are bought) to deliver goods to Japan. In addition, for greater convenience and reliability, it is recommended to deliver products via Japanese transportation companies (which branch office is available at where the products bought) who provide international courier service in the country.

Personal Belongings

Airlines companies do not charge transportation fees on personal belongings brought into Japan provided that it is within the weight limit set. Charges are only applied for overweight goods. Ordinary import customs procedures at the airport are required for personal belongings

III. Foreign Trade Practices 3. Transportation and customs clearance

brought into Japan for sales purpose. It is recommended to prepare detailed checklists, invoice of the goods, etc.

Local Transportation Status

There are situations where international courier service is unavailable in regions visited or, costs of product transportation to Japan are high. Transportation by consolidated shipping (less-than-carload-LCL) is recommended for nonperishable goods such as furniture and sundry dry goods.

Please carefully consider costs for each transportation method.

3. Transportation and customs clearance

Q71: Please explain international mail.

A71

International mail service includes EMS (Express Mail Service) and international parcel delivery service (air parcel, maritime parcel, and saving parcel) which are delivered on the basis of door-to-door. The standards for international transportation vary according to different countries but generally, maximum parcel weight limit is 30kg. Customs clearance shall be basically conducted by post service companies. For details, please consult Japanese Posts or local post offices.

What is EMS?

EMS provides faster delivery service for documents and parcels by the ordinary airmail. This service is offered by public agency of member countries of Universal Postal Convention. Feature of tracking system is provided by EMS in attempts to check delivery status of airmail. Currently, this delivery service covering up to 120 countries/regions is available at post offices in Japan.

From Shipping to Delivery

To send small parcels, please submit a customs declaration form CN23 ("Customs Declaration" for the U.S. and the U.K.; "Delaration en Douance" for France) at the post office together with the parcel. The customs declaration form is equivalent to the invoice required for ordinary freight forwarding, and descriptions of parcel e.g. contents of parcel, number of goods and prices are necessary (where copies of invoice have to be submitted separately with the customs declaration form if the taxable price costs are above 200,000 Yen). When an EMS is applied, it requires descriptions of parcel contents, number of goods and prices on "EMS label". Import/export customs clearance is conducted at international post offices of both senders and receivers based on the customs declaration form and/or EMS label.

Transportation Insurance

EMS determined a compensation system with maximum limit of 2 million Yen. Insurance premium for parcel at value below 20,000 Yen is complimentary while for parcel at value above 20,000 Yen, it requires an additional 50 Yen insurance premium for each incremental increase of 20,000 Yen of the parcel. Actual compensation is provided as per insurance premium paid. Please be noted that this insurance compensation is only applicable in specific countries. It is recommended to check premiums offered by EMS of countries involved. Please consult the clerk at post office for detailed transportation insurance and request for indication of parcel price to be insured, and make payment of insurance premium with transportation fees involved. Insurance premium costs 400 Yen for insured value below 20,000 Yen; with additional 50 Yen for each incremental increase of 20,000 Yen.

Please be noted the maximum sizes and weights of international parcels for EMS are limited.

III. Foreign Trade Practices 3. Transportation and customs clearance

Q72: Please explain the international courier service.

A72

Advantage of Using International Courier Service

The areas and countries with availability of international courier service are expanded due to increased number of international courier service providers in recent years. Speedy door-to-door delivery to all major cities within a country in one week's time is provided, in which parcels are delivered to importers' shops or receivers' residences after customs clearance. International courier service providers pay customs duties and consumption taxes on behalf of importers during customs clearance procedures and, importers are required to reimburse the payment upon arrival of parcels. This system is very convenient to LCL importers.

Parcels at weight from 70 to 100 kg are allowed because the weight limits of parcels vary according to international courier service providers. Some courier service providers determine size of parcels based on parcel length or other dimensions. Please check size and weight of parcels prior to delivery.

Precautions

Submissions of relevant documents to governmental agencies are necessary when items of delivery subject to the Food Sanitation Law or the Pharmaceutical Affairs Law, in which notification or authorization is required. Please be noted that some international courier service providers do not handle items such as animals, plants, fresh or frozen foods, and alcohol beverages, etc., which are subject to the Food Sanitation Law and/or the Pharmaceutical Affairs Law. Please consult particular international courier service providers for details.

Transportation Insurance

Insurance for international courier service is available and its premium calculation is shown as follows:

Insurance Premium = (Freight + Value of Parcel Declared) $x 1.1 \times 0.01$

Generally, value of parcel declared plus 10% of the declared value are guaranteed. However, the amount may vary depending on different international courier service providers. Please consult particular international courier service providers for more details.

Cash-on-Delivery Service

Cash-on-delivery service is offered by some international courier service providers given that an account number is registered beforehand. This is convenient for LCL freight.

3. Transportation and customs clearance

Q73: Please explain the cargo transportation.

A73

Cargo transportation is categorized into maritime cargo transportation and air transportation. Sizes of containers used for maritime cargo transportation are 20-feet and 40-feet while for air cargo transportation, the sizes and dimensions of the pallets and containers are determined by types of airplanes.

Consolidated Shipping

Shipping vessels accept cargos by containers. Less-than-carload (LCL) cargos of large dimension or heavy weight which are not accepted by international courier service providers can be forwarded in consolidated shipments.

Consolidated shipment service provided by maritime companies (who arrange maritime shipping) or consolidators (who specialize in shipping LCL cargos in one container) allows cargos of same destination to be collected into one container. However, this service is only available at major ports that handle large amounts of cargos. Please be cautious when packing your cargo using this service because it is possible to mix with other cargo items.

Some air cargo transportation companies also provide consolidated shipping service.

Information of Transportation Companies

Accessing information of maritime companies, schedules of shipping allocation as well as consolidators are difficult because it is not widely distributed via newspapers and magazines. It is the best to consult an entrusted customs broker responsible for particular procedures of customs clearance or, information can be accessed through keywords searching via the Internet. Relevant information is provided at websites specialized in transportation industry administration: websites of Japan Aircargo Forwarders Association, an industry organization (for air freight transportation); and International Freight Forwarders Association (an organization of international multimodal through transportation companies). Importers have the rights to determine transportation methods if they import goods as per FOB (Free On Board) and, after examining all relevant information obtained, importers direct the exporters their preferred method for cargo transportation. However, based on trade term of C&F (Cost and Freight) or CIF (Cost, Insurance and Freight), importers are only allowed to communicate how they would like the cargo to be shipped, as exporters determine the actual methods of transportation.

III. Foreign Trade Practices 3. Transportation and customs clearance

074: I am going to sell goods I have imported as personal belongings. What should I do for customs clearance?

A74

Imports of Personal Belongings

Souvenirs or goods for personal use bought from overseas are considered as imported personal belongings, in which submission of a simplified declaration form is required in case these goods exceed the tax-free limit. However, these goods are considered as commercial goods given that they are brought into Japan for purpose of sales, in which procedures for imported cargo are necessary. Goods with taxable price below 300,000 Yen require simplified customs clearance procedures while goods with taxable price above 300,000 Yen require import declaration for ordinary commercial cargo.

Import Procedures

Commercial goods brought from overseas do not require legal procedures, in which submissions of "Declaration Form for Personal Belongings and Separately Sent Goods" (C-5360) and invoice, as well as payment of customs duties and consumption taxes are necessary for goods with taxable price below 300,000 Yen upon customs clearance.

To request issue of permit for importation, submission of C-5340 or "Declaration for Import/Export of Consignment Goods (Personal Belongings or Separate Sent Goods)" is required. Download of format copy is available at customs website. If you are unable to prepare relevant documents in advance, please report the customs when returning from overseas.

In case passenger processing is unapproved due to goods taxable price above 300,000 Yen, please declare at passenger department of business customs.

Personal belongings have to be held up in bonded storage (fees are charged for storage) if procedures are regulated according to the Food Sanitation Law or the Pharmaceutical Affairs Law. Customs clearance procedures regulated by the Food Sanitation Law are necessary for kitchen utensils and, submission of a Notification for Foods Product Import to a food quarantine station under Ministry of Health, Labour and Welfare is required in attempts to examine if the products comply with elution standards of lead and cadmium. In case where inspection is required, please request for product samples during customs clearance and send the samples to a certified test center for product analysis, in which color tests may be conducted if necessary. Please be noted that testing standards differ depends on depth as well as dimensions of the utensils. Upon approval of food sanitation tests, submission of documents such as a Notification with "Notified" stamp as well as a Receipt number is required for import customs clearance.

In addition, entrusting specialized agency to conduct customs clearance procedures is allowed.

(=>Please refer to Q43 for detailed imports of kitchen utensils.)

3. Transportation and customs clearance

Q75: How can I find a customs broker?

A75

Cargo transportation of products can only be received with completed customs procedures upon product arrival at an entry port in Japan. Relevant customs procedures can be handled by importers individually or, by assigned customs broker (also known as forwarding agent.) In most cases, importers generally entrust customs brokers that link with transportation companies. However, importers are required to seek for independent customs brokers when the transportation companies only carry goods to seaports or airports.

Procedures of Customs Clearance

In order to obtain and use/dispose products imported from overseas, importers are required to go through customs clearance procedures (by the consignee in principle) upon cargo arrival in Japan. It is recommended to entrust customs brokers to handle relevant procedures since customs declaration requires specific knowledge and time for implementation.

How to Find a Customs Broker

Only customs brokers certified by customs office and registered as customs specialist which are approved by the government are allowed to act on behalf of importers and/or exporters. A national organization of "Japan Customs Brokers Association" has been established by customs brokers from different divisions of customs. Lists of customs brokers can be downloaded via database of "Customs Brokers Search System" in which brokers from Yokohama, Kobe and Osaka can be retrieved on the website of the association.

Procedures of customs clearance are closely related to logistics on how cargos would be handled. Customs brokers involve in truck transportation as well as warehousing businesses and they are equipped with knowledge of logistics inside and outside of Japan. Please check major transportation companies who are well developed nationwide (with customs clearance units available at Narita and other major airports) to seek for customs service providers. It is recommended to seek customs brokers according to types of business and regions.

III. Foreign Trade Practices 3. Transportation and customs clearance

Q76: What roles do forwarders play?

A76

Definition of Forwarders

In the era of conventional vessels, forwarders were known as customs brokers or forwarding agencies but, this term has become commonly used as vessels and air freights. However, by the expansion of container ships and by-air commodity shipment, the concept of forwarder is also enlarged. In a broad sense, a forwarder refers to a marine freight agency, air freight agency, customs broker, motor truck service provider, freight forwarder (consolidator), warehousing service provider, and shipping broker, etc., who handle international cargos entrusted by cargos holders. In a narrow sense, forwarders are determined as marine freight agency and airfreight forwarder (consolidator). Various types of forwarders initially played specific roles at ports. However, now, they provide more services e.g. warehousing providers handle customs clearance procedures and customs brokers deal in transportation, etc.

Roles of Forwarders

In the international logistics, exporters are referred to as shippers; importers are known as consignees while shipping companies as well as airlines companies are called carriers. Forwarders receive cargos from shippers, handle export customs procedures, and entrust the cargos to carriers. At destination ports, forwarders receive cargos, handle import customs procedures on behalf of importers (consignees) and deliver cargos to the importers. Various agencies are available at entry ports but some situations require more than one agency to conduct goods disposal and customs clearance. However, in general, shippers and consignees only request one forwarder to handle customs clearance and disposal of goods. More forwarders are only requested when it involves different roles and tasks.

Forwarders of marine freight and air freight are allowed to issue B/L and AWB respectively on their own. Master B/L issued by carriers is known as House B/L while Master AWB is referred to as House AWB.

3. Transportation and customs clearance

Q77: Can you suggest how to lower transportation costs for small-scale imports?

A77

International transportation methods for less-than-carload (LCL) cargos include the following:

- (1) Mail Airmail (e.g. parcel, express mail service (EMS), SAL, sea mail);
- (2) International courier service;
- (3) Air cargo Consolidated/individual cargo; and
- (4) Maritime cargo Consolidated cargo.

One of these four above-mentioned methods shall be chosen after you take a careful look at nature/ specifications and quantity of cargo.

Import/export customs procedures are necessary for international cargos transportation. When transportation method of (1) or (2) is considered, prior to cargo delivery to receivers, it require customs procedures at customs clearance branch of Japan Post or, it can be handled by courier service providers. When transportation method of (3) or (4) is considered, import customs procedures as well as cargo delivery can be conducted by importers or by customs brokers. In addition to (4), maritime cargo transportation fees are set at measurements in tons (1m³), in which transportation fees are relatively high for small volume cargo as the minimum charge is set per measurement ton.

Calculation of Transportation Costs

Calculation of transportation costs requires consideration of various elements including international transportation fees. Therefore, it is not a simple task. Transportation method of (1) or (2) mentioned above includes transportation fees to Japan and import/export customs clearance expenses as well as domestic delivery costs to importers. Please refer to the lists of charges for imported goods and calculate costs as per weights and dimensions of each parcel and quantity involved. Transportation method of (3) or (4) with maritime or air freight require payment of CAF or BAF depending on currency fluctuations or increases of oil prices, as well as customs clearance expenses at entry ports and fees charged on goods disposal at container freight stations.

Customs brokers are necessary to assist preparation of estimated transportation costs. In foreign trade transactions, product prices as well as dimensions and weights of cargos are essential data items which attempt to help calculation of transportation costs and determine the best transportation methods.

***CAF refers to "Currency Adjustment Factor" which means currency fluctuation premium rate.

***BAF refers to "Banker Adjustment Factor" which means fuel premium rate.

Transportation of Fragile Goods

Fragile goods such as chinaware and glassware have to be packed carefully and transportation method (1) is not recommended since mails are delivered in mailbags in which contents are unclear and careful handling cannot be expected. Please display an international caution label of "Handle with Care" on cargos when transportation method (2), (3) or (4) is applied. In attempts to guarantee reliability of transportation, it is recommended to insure products with high premiums.

III. Foreign Trade Practices 3. Transportation and customs clearance

Q78: Exporters from overseas request for an account number upon product's shipping process. What is an account number?

A78

Cash-on-Delivery Payment Method by International Courier Service Providers

Account number is the number required for cash-on-delivery method offered by international courier service providers. This method is suitable for delivery of small-scale imported goods since international courier service provides speedy transportation with simple procedures involved. Specific international couriers adopt cash-on-delivery system that allows transportation of parcels from overseas with detailed lists of fees charged, in which payment of transportation fees made by trading partners overseas is not required. Pre-registration with international courier service providers is required in order to obtain an account number. Please contact international courier service providers for details.

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3. Transportation and customs clearance

Q79: Which types of transportation methods should I consider for EXW transactions with foreign suppliers from overseas?

A79

Conditions of EXW

In Incoterms 2000, EXW, also known as ex-works, is a compilation of foreign trade transaction terms established by the International Chamber of Commerce (ICC) which is used in global trade transactions. It allows suppliers to deliver products at factories or manufacturing plants in exporting countries.

According to EXW, importers accept goods at exporters' factory or manufacturing plants and handle all procedures of export customs clearance as well as product transportation and import customs clearance. Importers bear all expenses involved. In general, importers entrust procedures of goods acceptance, customs clearance as well as transportation to forwarders while international courier service providers who provide cash-on-delivery payment method are considered for small-scale imports. Door-to-door delivery service throughout Japan is available upon completion of necessary customs procedures.

It is required for you to obtain copies of invoice issued where names of product suppliers are indicated upon export customs clearance.

Cautions

For full-course transportation by a single service provider, it requires international courier service who own branch or sales office in the exporting country since the local branch office of selected international courier service provider is responsible for collecting goods at shipping site of the exporter (which is known as "pick-up"). Therefore, it is necessary to obtain details of goods pick-up date as well as types of packing from the exporter in advance and, provide this information to the forwarder in charge. Please be reminded to inform the exporter beforehand about procedures and methods of transportation, as well as name of the carrier who is responsible for the goods pick-up.

When cash-on-delivery payment is considered, it is necessary to obtain an account number from the international courier service provider in Japan and notify the exporter overseas about the account number as well as the name of the international courier service provider involved. The exporter relays the account number to selected international courier service provider nearby, while the couriers collect goods and handle the procedures of transportation. However, the exporter is likely to assign another international courier service provider because there are no transactions dealt with the courier service assigned by the importers.

4. Tariffs

Q80: How can I check tariff rates?

A80

Current Tariff Schedules

Tariff rates for imports are determined based on Customs Tariff Schedules which are classified as per the Harmonized System Codes (HS Codes) which are divided by categories, sections, items, and sub-classifications. The first 6-digit HS code is applied for all countries in the world while the next 7-digit HS code is classified depending on each country. Such classification code is called code in the columns of tariffs (HS code). In the columns of tariffs, there are basic tariff rates, agreement tariff rates, preferential tariff rates and temporary tariff rates.

For detailed customs tariff schedules, please visit official website of customs.

Contacts

The methodology for classification in the tariff schedule is based on criteria of material, quality, design, etc.

Prior to importing products, it is advised to check customs tariffs based on HS code of products although it is not easy. In addition, information of product materials and product usage should be obtained from exporters, following by further contact with a local customs office in accordance with the Advance Classification Ruling System. This system ensures efficient procedures as HS code and tariff rates of relevant cargos are clarified upon import customs declaration. Therefore, you may quickly receive your cargos.

Please contact Japan Customs through following ways:

- (1) Q&A: Inquiry can be made with customs on question and answer basis (e.g. via telephone). However, this is only for reference, so it is not honored upon import clearance procedure;
- (2) Email: To make an inquiry based on Advance Classification Ruling System via email, please refer to "Inquiry Table concerning Advance Classification Ruling" and provide relevant details to specific customs issues posted on the website. Similar to Q&A, this is only for reference, so it is not honored upon import clearance procedure; and
- (3) Document report: Fill in "Inquiry Table concerning Advance Classification Ruling" and send it to the customs. A reply in written form will be sent to you by the customs. Validity of this reply table is 3 years. Customs tariff and HS code are honored upon import clearance if this reply letter from the customs is attached to your import declaration form.

Tariff rates applied may differ as per types of products as well as exporting countries. Therefore, please provide appropriate information on exporting countries and imported products (including raw materials) when using Advance Classification Ruling System.

III. Foreign Trade Practices

4. Tariffs

Q81: What is a preferential tariff and how can I apply for it?

A81

What is Preferential Tariff?

Preferential tariff is the one which supports developing countries in the world to launch their industrialization and economic development by applying lower rates of tariff upon specific products originating from developing countries. In order to be entitled to this preferential tariff, the following procedures should be conducted:

- (1) Upon declaring imported products bought from manufacturers, it is required to obtain original copy of form "Generalized System of Preferences, Form A" issued by customs or authorized chamber of commerce of country of origin, which identifies country-of-origin of the products.
- (2) Upon submission of documents related to customs clearance in Japan, Form A has to be attached to import declaration form.

However, identification of country-of-origin (of product materials) is difficult when products are bought from traders/distributors, thus it is unlikely to obtain Form A from a certified organization.

Omission of Form A

Application for preferential tariff without submission of Form A is permitted if the total costs of products including freight and insurance premiums (CIF) are equivalent to or below 200,000 Yen. However, please keep all relevant invoices and receipts including credit usage note in case customs may request for checking.

There are some cases when submission of Form A is not always necessary if identification of country-of-origin is available with proper detailed category of products such as product types and shapes, etc. Please consult with customs office prior to importing products from countries where preferential tariff is applicable.

According to Economic Partnership Agreement (EPA), bilateral tariff is preferential and applicable to products imported from specific countries and regions. Please check in advance to confirm whether your imported products enjoy preferential tariff rates and, obtain appropriate information required e.g. certificate of country-of-origin from trading partners involved. By July 2012, Japan concluded EPAs with Singapore, Mexico, Malaysia, Chile, Thailand, Indonesia, Brunei, the Philippines, ASEAN countries, Switzerland, Vietnam, India, and Peru.

Q82: Please explain simplified tariff rates.

A82

What are Simplified Tariff Rates?

In order to enhance simple and fast tax levying, simplified tariff rates are applied to imported cargos (for example: ordinary imported cargos, international mails, international courier parcels, etc.) with total taxable price equivalent to or below 100,000 Yen. Simplified tariff rates are divided into six (6) categories. Importers are allowed to apply for ordinary tariff rate since for some items, ordinary tariff rates are lower than simplified tariff rate and they can be applied for the whole imported parcel. However, partial application for each part is not allowed.

Besides, simplified tariff rates are not applicable when (1) the products are duty exempted; (2) crime related cargos; and (3) the products may cause negative influence on domestic industries of Japan (milk, cream, bean, cereal, meat originated products, leather, footwear, et.,). In these cases, ordinary tariff rates are applied.

Simplified Tariff Rates for Small-scale Imported Products (Article 3, Item 3 of Law on Tax)

No.	Products Categories	Tariff Rates
1	Alcoholic Beverages	
	(1) Wine	70 Yen/L
	(2) Distilled liquors e.g. Sochu	20 Yen/L
	(3) Wine cooler, defined Sake, apple cider, etc.	30 Yen/L
2	(1) Tomato ketchup and other tomato sauce products; cream and other edible fruit ice cream products	15%
	(2) Fur coats (with drop skin) and leather products, clothing accessories and others processed from fur and leather products.	
3	(1) Coffee and tea (exclude red tea)	
	(2) Glue and gelatin	15%
	(3) Fur coats (without drop skin)	
4	(1) Animal (only alive ones)	
	Meats and edible offal	
	Fishes and crustaceans; mollusks and other aquatic invertebrates	
	Dairy butter products, chicken eggs, and natural honey and animal-originated products for foods	
	(2) Edible vegetables, roots and tubers	
	(3) Edible fruits and peanuts; peels of citrus and melon	
	(4) Ginger (limited to those processed and preserved)	
	(5) Edible seaweeds	
	(6) Meat-processed products, fishes or crustaceans, mollusks	

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	and other aquatic invertebrates	10%
	Sugar and candies, at different types	
	Cocoa and preparations	
	Cereals, flours, starches, milk preparations, and bakery products	
	Preparations of vegetables, fruits, nuts, etc.	
	(7) Various food preparations	
	(8) Citric acid	
	(9) Combs made of bamboos	
	(10) Products made of straws and esparto; branch handcraft products	
	(11) Silks	
	(12) Plant textile fibers, woven fabrics and paper yarn textiles	
	(13) Knitted and crocheted fabrics	
	(14) Clothing and accessories (knitted and crocheted fabrics excluded)	
5	(1) Living trees and other plants roots and stems; cut flowers and leaves used for ornaments	
	(2) Mineral fuels and oils and relevant distillate; bituminous substances and mineral waxes	
	(3) Inorganic chemicals and precious metals, rare earth metals, radioactive elements, and isotopes organic/inorganic compounds	
	(4) Organic chemicals (citric acid excluded)	
	(5) Tanning and dyeing extracts, tanning derivatives, coloring pigments, paints, varnishes, putty mastics and inks, etc.	
	Essential oils, resinoid, perfume preparations and cosmetics	
	Soaps, organic surfactant, detergents, lubricant preparations, artificial waxes, polishes, candles, modeling paste, dental waxes and plasters for dental use	
	(6) Various industrial chemical products	
	(7) Plastic and equivalent products	3%
	(8) Fur and leathers as well as artificial made fur and leathers, and products made of these materials	
	(9) Impregnated, coated, covered and or laminated textile fabrics and industrial textile products	
	(10) Umbrellas, walking sticks, sheet canes	
	Feather products, artificial flowers, and human hair products	
	Products of stones, plasters, cements, asbestos, micas and others, etc.	

		ii Turiii
	(11) Glass as well as glass made products (glass beads excluded)	
	(12) Copper and copper made products	
	Nickel as well as nickel made products	
	Aluminum as well as aluminum made products	
	(13) Lead and lead made products	
	(14) Zinc and zinc made products	
	(15) Base metals and cermets as well as products made of these materials	
	e.g. tools, cutleries, spoons and forks made of base metals	
	Various products made of base metals	
	(16) Furniture, beddings and mattresses	
	(17) Toys, gaming equipment as well as sport equipment and relevant accessories	
6	(1) Animals products (excluding products corresponding to others)	
	(2) Salts, sulfurs, soils and stones, plasters, cements and limes	
	(3) Gels for medical use	
	(4) Rubber and its products	
	(5) Paper and paperboard made of pulp, and products made of these materials	Tax Free
	(6) Ceramic product	
	(7) Iron and steel	
	(8) Products made of irons and steels	
	(9) Tin and tin made products	
7	Any other products which are not mentioned above	5%

However, ordinary tariff rates are applied to the following items. And simplified tariff rates are not applicable when the products:

- (1) are duty exempted or non-tariffs;
- (2) are crime related cargo; and
- (3) cause negative influence to domestic industries of Japan those are not entitled to enjoy simplified tariff rates (see the table below):

Main product	s Categories
(1) Milk and cream	(12) Petroleum
(2) Beans (excluding green beans, soybean, peanut)	(13) Menthol
	(14) Draft leathers (not processed)
(3) Cereals	(15) Leather products
(4) Starches	(16) Cocoons and raw silks
(5) Peanuts and konyaku	(17) Knitted clothing
(6) Preparations of pork and beef	(18) Footwear
(7) Preparations of cocoa	(19) Personal jewelry, small decoration
(8) Preparations of cereals and starches	products (excluding products made from
(9) Preparations of food	base metal)
(10) Tobaccos	(20) Leathers-made watchbands
(11) Refined salts	(21) Spare parts for leathers-made belts

Simplified Tariff Rates on hand-carry and unaccompanied sent goods

Simplified tariff rates including consumption tax based on "Simplified Tariff Rate Schedules for hand-carry and unaccompanied sent goods" are applied to personal hand-carry and unaccompanied sent goods when a foreigner enters Japan. However, in many cases, the ordinary tariff rates for some products are lower than the simplified tariff rates. Therefore, you should take more information in advance.

Table of Simplified Tariff Rates on hand-carry and unaccompanied sent goods (Article 2, Item 3, the Law on Tax)

Tax rates are combined of tariffs and domestic consumption taxes such as excise tax.

However, underlined items of the following products are subject to special tax rates of liquor based on Special Taxation Measures Law.

Product Items	Tax Rates
(1) Alcohol beverages	500 Yen/L
- Whiskey and brandy	400 Yen/L
- Rum, gin and vodka	300 Yen/L
- Liqueur and Japanese Sochu, etc.	200 Yen/L
- Others (e.g. wine and beer)	
(2) Other products (excluding the duty-free products)	15%

(Tax on Tobacco and Special Tax on Tobacco)			
Cigarettes	11 Yen /cigarette		

Besides, goods such as watches and golf equipments, etc. are subject to consumption taxes and local excise taxes. However, the following items are not subject to simplified tariff rates and are imposed with ordinary tariff rates, consumption tax and others. Tax applicable to rice shall be paid as stipulated:

- Products with unit price above 100,000 Yen for a piece or a suit;
- Rice;
- Edible seaweeds, pineapple products, konjac potatoes, tobaccos (exclude paper-wrapped cigarettes), hunting rifles.
- Where there is no request to apply simplified tariff rate to all goods.

(Article 2.3 of the Law on Tax, Article 2.1 of the Ordinance for enforcement of the Law on Tax, Article 5.87, Article 2.88 of the Law on special tax, Article 3.8 of the Law on special measures to ensure the required financial capacity together with inheritance from debts in general accounting, etc.).

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4. Tariffs

Q83: Please explain the tariff quota system.

A83

What is Tariff Quota System?

The tariff quota system is a double tax rate system, in which tax-free or lower tax rates (primary tariff rate) are applied to imported products within a limited quantity in order to provide imported goods at affordable price for demanded stakeholders. However, in order to protect domestic manufacturers, imported products are charged at higher tax rates (secondary tariff rate) for the amount of imports exceeding the regulated import limits.

Product categories subject to this tariff quota system are decided based on the attempt to protect the domestic production. In 2011, twenty (20) categories of products with 29 tax frames were applied, e.g. leather shoes, natural cheeses, corns, wheat, beans (except red beans, green beans and soybeans) and starches, etc.

How to Apply Tariff Quota

Product categories eligible for tariff quota system are indicated at Industrial Economic Magazine and the official websites of Ministry of Economy, Trade and Industry; Ministry of Agriculture, Forestry and Fisheries; and JETRO World Business News. If you wish your products are allocated within tariff quota system, depending on product category, it is necessary to submit an "Application for granting Tariff Quota" to Ministry of Economy, Trade and Industry or Ministry of Agriculture, Forestry and Fisheries. Conditions for your application are present business operation and the trader is implementing a specific amount of import transaction with previously specified value, etc. Please check and confirm on the websites of relevant government agencies for details.

Besides, there are tariff quota systems among parties of the Economic Partnership Agreements (EPA). Currently, tariff quota system is applicable to specific imported product categories from Mexico, the Philippines and Chile, etc.

Q84: Please explain the method for determining the applicable tax rates.

A84

Tariff rates are determined based on imported product categories and country-of-origin. According to the lists of product categories specified by HS Convention, product category is determined in accordance with classification of product types, usage and materials. Please be noted that tariff rates for clothing and footwear, etc., vary depending on designs and materials used.

In principle, tax rates are applied based on the priority order of the following: preferential tax rates; agreement tax rates; provisional tax rates; and basic tax rates. However, preferential tax rates are only eligible when the imported products meet all customs regulations. While agreement tax rates are commonly applied when they are lower than provisional tax rates and basic tax rates. In addition, EPA tax rates by "Economic Partnership Agreement" are also available. These preferential tax rates are applied to imported products of country-of-origin involved in EPA with Japan.

The above-mentioned are the basic points of applicable tax rates. Simplified tax rates are generally applied as per transportation methods.

(=> For details, please refer to Q82 Simplified Tariff Rates.)

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5. Settlement

5. Settlement

Q85: What kinds of main payment methods are used for small-lot imports?

A85

Various payment methods are available in which the following payment methods are applied

for small-lot imports:

Payment Methods	Dwooduwos	Changes
Payment Methods	Procedures	Charges
International credit cards	- When purchasing products online, payment process requires details of (1) Credit card company; (2) Credit card number; (3) Expiry date; and (4) Signature on order form. - Send the Purchase Order to sellers via fax, mail, or email. Please check if the payment page on such website is secured, or ordering by fax is recommended (name of credit card issuer, validity, name of card holder, etc). If the security is not assured, it should be sent via FAX.	Additional 1% charged in accordance with the applicable exchange rate.
International remittance via bank	- Assign bank to remit money to exporter's bank account.	Approximately 3,000 Yen is charged but fees vary according to banks.
International remittance via post office	Following forms of international remittance are available: * "Remit cash to receiver's address": documents of exchange rate are sent and * "Remit cash to receiver's bank account/ Remit cash from sender's account to receiver's bank account": Remit cash to receiver's bank account": Remit cash to receiver's bank account or postal account.	Standard charge of 2,500 Yen regardless of remittance amount. Charge of 2,000 Yen shall be applied to remittance amount sent to the U.S.

Q86: What are the most frequently used methods of payment when purchasing at exhibitions?

A86

Payments made by international credit cards (e.g. VISA, MASTER, etc.) are common at international exhibitions or trade fairs, especially in Europe and the U.S. Prior to going abroad, please consult banks about spending limit of your credit cards. Please request banks to increase credit card limit to the maximum amount if necessary.

However, international exhibitions in Asian regions may not accept credit card payment, in which partial cash payment is required as deposit, and remit the balanced amount with costs of transportations in later stage when the goods arrive in Japan.

Not only international exhibitions, purchases overseas can also be made at outlet malls and flea markets, in which payment in local currency is most prevalent in this situation.

Submission of "Notification of Export/Import of Portable Payment Methods" to the customs is required upon departure to overseas when cash, checks, securities or bonds carried worth above 1,000,000 Yen. The same procedure is required when foreign currency equivalent to 1,000,000 Yen is carried upon arrival in Japan.

Please be noted that some countries restrict amount of cash to carry and declaration is required upon arrival in the countries.

Q87: What is PayPal, the payment method frequently used in online store transactions?

A87

PayPal is an online payment service provided by a subsidiary of eBay auction site. PayPal is an intermediate payment system in which bank accounts and number of credit cards of the users are protected, and not informed to the sellers.

Payment system via PayPal was initially created for individuals who participated in auctions and now, it is commonly used in the U.S., especially by local retailers. In Japan, due to high charges for overseas remittance by banks, PayPal is often used for auctions payments, personal transactions, as well as sending money to foreign students in Japan, etc.

Remittance procedures via PayPal are shown as follows:

- (1) Register a new account;
- (2) Register credit card number; and
- (3) Specify an email address of receiver, and start sending money via PayPal.

There are two types of PayPal accounts:

- (1) Personal Account: For individuals who buy goods online; Payment may be made only via PayPal in case of this type of account.
- (2) Business Account: For merchants with a company/group name. Payment may be made via PayPal and other methods in case of this type of account.

According to the PayPal website, when product order payment made via PayPal is not delivered, or received products are remarkably different from the descriptions, a program which provides compensation is available (terms and conditions are applied).

Q88: What are the important points to keep in mind for L/C, D/A and D/P payments?

A88

What is L/C Payment?

The Letter of Credit, or L/C, is a letter of guarantee that the importers' banks make payments for exportation in the place of importers. Exporters who obtain L/C feel secured to ship cargos even if it is the first transaction dealt with foreign importer and the importer is far away, as the bank guarantees the payment for the goods. In addition, from the perspectives of importers, L/C payment system eases financial burden on importers in paying for import because the importer is granted an import usance.

However, exporters are unable to receive payments from importers' banks if they do not prepare proper documents as per the conditions stated in the L/C. Thus, preparations of appropriate documents and possessing ample knowledge and experience in trading transactions are necessary. In addition, banks do not always issue L/Cs to importers because issuance of an L/C indicates provision of credit by the bank, in which significant funds and collaterals from importers are mandatory.

In L/C transactions, the exporter obtains a B/L after shipments of goods, prepares other shipping documents, issues a bill of exchange, and requests his bank to purchase the bill. With properly and correctly prepared documents, the exporter can receive payment for the goods exported. Shipping documents including the B/L will be sent to the importer via the bank. The importer made payment for the exported goods upon arrival of the documents, or promises payment on the due date based on the usance; and then obtains documents including B/L and receives the cargo.

What are D/A and D/P Payments?

D/A and D/P payments are similar to SWIFT payment in which a letter of guarantee is not provided for payments of goods. Shipping documents (a bill of exchange is still issued in this case as well) are sent to the importer via the bank. Instead of L/C, transaction terms between the parties are stipulated in an agreement. The exporter is required to submit documents to the bank and requests the banks to collect payments for the bill.

D/A refers to "Documents Against Acceptance". The importer makes payment upon arrival of a bill of exchange at the importer's bank by the due date, along with other shipping documents; and obtains the shipping documents. The importer shows the B/L to the shipping company, and receives the shipped cargo.

D/P refers to "Documents Against Payment". The importer makes payment for the cargo and receives the shipping documents upon arrival of the documents.

This method of payment requires the importer to make payment to receive the set of shipping document upon arrival of cargos.

III. Foreign Trade Practices

5. Settlement



1. Shipper's usance:

2. Bank's usance:

COLUMN

Import usance:

To extend the payment for an imported cargo in a certain period of time. Depending on who finances the import, there are two categories:

- 1. Shipper's usance: the importer is granted credit directly from the exporter overseas and provided a certain holding period for payment for imported cargo
- 2. Bank's usance:
- (1) Japanese loan (usance of bank)

A Japanese bank, e.g. the bank issued the L/C, shall be responsible for making payment to the exporter and extending the payment in a certain period of time for importers.

(2) The acceptance of foreign bank

Pursuant to L/C, the foreign bank who pays for the bill of exchange with due date based on the L/C accepts the bill and extends the payment in a certain period of time for the importer.

Q89: In attempts to avoid exchange risks, is it possible to settle contracts in U.S. dollars via a foreign bank account?

A89:

U.S. Dollar-denominated contracts

It is possible to make settlements in US dollars and if you have export contracts in US dollars with other dealers besides the current trading partner, you can avoid exchange risks by keeping your US dollar proceeds in a US dollar account and using them for settlements.

If the Japanese Yen becomes stronger against the US dollar (appreciation of the Yen), it is advantageous for the importer, but when the Yen becomes weaker against the US dollars, it directly affects import prices. Although it cannot be considered a mean of avoiding exchange risks, reserving US dollar futures is a general practice. For this purpose, it is necessary to make a statement of import prices for each transaction and to determine the prices at which a profit can be made. You order futures at times when conditions are profitable. Profit from exchanges cannot be expected but you can gain profit from business activities at this point.

And when the Yen is appreciating, understanding what prices are profitable allows you to wait for some time and order futures when the Yen starts to depreciate. It is advisable, however, not to pursue gains from foreign exchange too avidly. It is important to transact in foreign exchange exclusively as a trader, not as an exchange dealer.

Yen-Denominated Contracts and Offset Accounts

For avoiding exchange risks, Yen-dominated transactions enable the Japanese side to prevent the exchange risks. In transactions between Japan and other Asian countries, settlements in Japanese Yen are often witnessed. In such cases, however, the exporters face exchange risks. A weaker Yen could result in no profitability and force exporters to raise prices for their merchandise.

In conducting export-import transactions with another enterprise, if settlements are made through an offset account you can decrease payments in foreign currency and minimize such exchange risks.

Q90: The exporter overseas requires me to pay in advance via my bank for the first transaction but I would like to avoid possible risks such as not having my goods arrive after prepayment. What should I do?

A 90

Risks of Payment in Advance

Many exporters overseas refuse to export goods until full payments in advance are made by the importers. In order to avoid risks of not being able to receive payments for goods shipped, exporters generally request for full payment from importers, specifically those dealing first transaction.

On the other hand, importers face serious risks that they may not receive goods after full payments are made. It is suggested for importers to remit payments upon arrival of goods or, make payments by credit cards. It is acceptable to avoid full payment in advance specifically for first transaction as importers cannot confirm the exporters' credibility. In addition, to avoid risk of prepayment, importers are advised to request exporters to fax the invoice upon shipment of goods, which attempts to confirm the goods are shipped.

Solutions

Payments made by credit cards are also considered as payment in advance. Please request credit card companies or banks to investigate for the payment status if goods ordered are not delivered, then the cost can been withdrawn from bank account.

In situation where exporters do not accept payments by credit cards and insist on bank remittance, please negotiate with exporters to allow partial payments prior to arrival of goods, and pay for the remaining amount after arrival of goods. This is a feasible solution. However, bank charges for two times remittance are relatively high.

IV. Starting a Business 1. Company Establishment

IV. Starting a business

1. Company Establishment

091: I want to start-up a personal import business. Please discuss primary procedures required.

A91

Starting-up a Personal Import Business

You are required to check if specific notification or permission is needed for your business plan-Please confirm in the section on import procedures by items in this publication.

Registration is not required for personal import business. However, within one month of business operation, it is necessary to submit an "Application of Personal Business Start-up/Close" to prefectural tax office (National Tax Office: governs income tax) and; "an Application of Personal Business Startup/Close Notification" to competent tax office (local taxation authority: governs corporate revenue tax and residence tax).

Taxes

You are obliged by yourself to calculate taxes on income earned from business, and then make applications and pay taxes, accordingly. At the same time, daily transactions have to be recorded; revenues and expenses have to be calculated within one year; and apply for tax refund.

There are two types of tax refund forms: white refund form and blue refund form. When you file with a blue form, you are obliged to record an accounting book such as cashbook and expense book (a double entry of accounting General Ledger is acceptable). This process may be complicated, however, it is advantageous where your maximum business income of 650,000 Yen will be exempted from your income; your deficits can be carried forward to the next term (up to three years) and; salaries for employees who are your family members (tax payer as per blue form) and meet certain requirements can be seen as within total necessary costs. Surcharge progressive tax rates are applied to your income tax. When you apply for a blue refund form, please submit an "Application for Blue Refund Approval" to a competent tax office within two months since starting date of business start-up.

Employments

You can hire employees for your personal business in which it is necessary to submit a "Notification of the Set-up of a Salary Payable Office" to the competent tax office within one (1) month after opening your business. In addition, originally-deducted income tax shall be paid no later than 10th day of the next month. However, in case of less than 9 employees who receive payable salary, a special mechanism could be applied in which originally-deducted income tax shall be accrual paid 2 times per year, deducted from salary, e.g. wage payment, severance benefit. In this case, you have to submit an "Application for approving the special tax payment mechanism in terms of originally-deducted income tax payment deadline" to the tax office.

Other procedures required include Application for Labour Insurance, Application for Salary for Blue Refund Business Family Employees; and Application for Social Insurance, etc.

IV. Starting a Business

1. Company Establishment

Q92: Please explain the types of corporations in Japan.

A92

Company Law

According to the Company Law enforced since May 2006, it involves integration of joint venture companies and private limited companies; Increased flexibility of company management; Expansion of joint venture companies; Introduction of accounting advisor system; Elimination of minimum capitals; and Addition of new company form. As per the Company Law, legal persons (companies) are categorized into four types: Joint-stock company; general partnership; limited partnership; and limited liability company.

Types of Companies

Advantages of being an organized company include: (1) Greater credibility as compared to sole proprietorships; (2) Easier to gather fund and capital as investors take responsibilities based on capital contribution while sole proprietors are required to bear full responsibility for the business; and (3) Easier to write-off expenses since corporate tax rates are applied.

Each type of company is summarized as follows:

Joint-Stock Company (Kabushikikaisha): this is the most common and popular type of company. System of minimum capitals was abolished, in which companies can be established with capital of 1 Yen, by only one person. It is more suitable to be called as a company form when more investors participate as the stakeholders of the company.

General Partnership (Goumeikaisha): this is suitable for relatively small businesses with small number of employees, which are comprised of partners with direct unlimited liabilities. The previous Company Law required at least two partners to establish this form of company. Now, based on the latest Company Law, a company in this type can be established by only one person.

Limited Partnership (Goushikaisha): this is suitable for small businesses, in which partners involved are only responsible to limited liabilities based on amount of investments contributed.

Limited Liability Company (Goudoukaisha): this is a new form of company categorized by the new Company Law which comprised of only partners with limited liabilities and internal autonomous control of organization is allowed. It is expected that this company form will be adopted by those who plan to establish their own businesses or joint ventures.

Procedures for establishing different above-mentioned types of companies vary. Please consult with relevant authorities for detailed information.

IV. Starting a Business 1. Company Establishment

093: I want to incorporate and start an importing business. Please give an outline of the necessary procedures.

A93

For instance, to set-up a joint-stock company, the following procedures are necessary:

Decide business founders:

The company founders and the board of directors have to be decided. According to the Company Law, the required number of directors is one person or more.

Determine business content, name of company and address:

It is necessary to determine business content, name of company and address since you will be required to indicate relevant business content and objectives in the Articles of Association of the company (Charter of company) in later stage (as this document specifies the organizational structure and operation of the company, therefore, this document is the most important thing in the company establishment profile). The company's address generally refers to the location of the head office or residence of the company president which is indicated as the head office.

Prepare the Articles of Association of the company and obtain attestation from the notary public:

Please state the company name (check for similar names at Legal Affairs Bureau if necessary), address of the head office, business content and total amount of capitals when preparing articles of company. There are restrictions on expressions and contents e.g. it is necessary to provide clear and specified information. It is mandatory to have these articles of company attested by the notary public.

Deposit capitals and obtain a certificate for deposit of capitals:

It is required to deposit capitals into a bank. A certificate is issued for deposit of capitals.

Prepare documents for registration of company:

To apply for registration of a company, it requires submission of documents which include application form of registration, agreement by the founders, appointments of directors, head office address, statement of resolutions, consent of board of directors for taking office, the director's seal and certificate of registration, etc.

Apply for company registration: (6)

Please submit all necessary documents, including a registration application, the documents given in section No. 5 above, and the articles of association, etc., to the Legal Affairs Bureau.

Notify the tax office:

Within 2 (two) months of corporation establishment you have to submit the following documents: (1) Notification of the corporation establishment, and (2) the Blue Refund Approval Application, within three months or by the day prior to the accounting day of the first term, whichever is earlier, to the tax office. You must also submit a Business Start-up Application to the Tokyo Metropolitan Government within fifteen days or, an Application for Company Establishment to a relevant prefectural office or municipal office outside Tokyo, within one month after establishment of company. A corporate tax, corporate inhabitants' tax, corporate income tax, as well as consumption tax (if applicable) are to be levied. In addition, it also requires submission of different notifications concerning social insurance and employment insurance to the social insurance office, public employment security office, and Labour standards supervision office as soon as possible.

Documents and charges required for corporation's establishment as well as procedures after its establishment differ according to the type of corporation. Please contact the Legal Affairs Bureau for detailed information; the notary office for registration; the tax office for start-up notification; the social insurance office for notification of social insurance; the public employment security office and the Labour standards supervision office for employment related matters, respectively.

IV. Starting a Business

1. Company Establishment

Q94: I heard that for certain industries, notifications or permits, etc., are required, what are they?

A94

Major Types of Permit and Notification

Permits or approvals are required for many types of businesses, and proper qualifications are necessary for specific businesses. Some of them are shown in the following table. Please be noted that some businesses cannot be inaugurated without appropriate qualifications. Or this process for obtaining a permit may take some time. Moreover, conditions for a business start-up differ depending on the region or municipality. Therefore, be sure to check such conditions in advance as as to give requestly appropriate.

in advance so as to give yourself enough time for preparation. **Types of Business** Notification/Permit, etc. **Governing Governmental** Agencies shall be Public Health Centre Restaurant **Permit** issued in Sales of meats and fishes accordance with the Law on Food Manufacture of Safety confectionaries, snack Animal handling businesses **Permit** shall be issued Management Department in e.g. pet shops, accordance with the Law of the Prefecture or City on exports/imports of animals Welfare and Management of Animal Recycle shop Permit shall be Apply for a Permit at the issued in competent Police Station Online auction business accordance with the Law Used bookstore Regulations Enforcement on Secondhand Article Business Antiques store Imports and sales of Permit shall be issued in Apply for a permit from the cosmetics accordance with the Law on authorized department of prefectural pharmaceutical Pharmaceuticals Affairs administration (with attachment of the Japanese label) Sales of liquors Permit shall be issued in Tax office accordance with Law on Tax on liquors.

Notes: According to the Law Enforcement Regulations on Secondhand Article Business, "secondhand articles" means used articles, articles not yet used but traded for use by another person, and slightly modified articles which are categorized into thirteen items. Permit is not required for the sales of secondhand clothing or your own products bought from abroad. However, sales via your website require you to notify the public safety commission of your URL which will be listed on website of the commission. Refer to Q28 for more details.

(=>Refer to Q51 for more details of the import of animals.)

(=>Refer to Q33 for more detail of the import and sales of cosmetics.)

(=>Refer to Q12 for more details of the import and sales of liquors.)

2. Sales

Q95: A foreign company wishes to export processed foods to Japan and wants to know about effective marketing channels in Japan. Could you please give a synopsis of domestic distribution routes for food products in Japan?

A95

Complex Distribution Routes

Distribution channels of food products in Japan are complex where many middlemen and a number of routes are involved before the products reach to end-users. For instance, if you plan to sell your products at the specific outlets of a major distributor, you can only have your products displayed at such outlets by consigning them to be handled by a food product wholesaler who transacts with the major distributor. However, in many cases, even though the products can be wholesaled to a food product wholesaler, they have successfully sold their products at distributor outlets as a result of advertisements and sales campaigns done by the maker towards retailers and distributor outlets.

Important roles of wholesalers of food products in Japan's distribution include the followings: stockpile various food products from different producers; supply the same defect-free food products to retailers on a stable and regular basis; and provide efficient delivery of food products in attempts to satisfy retailers' needs, etc. In general, wholesalers reduce the risks of payment defaults between producers and retailers by collecting deposits from retailers. Currently, beyond these practical functions, there are many cases the wholesalers also support retailers by providing appropriate product information or proposing good locations for product sales, while also benefiting the producers by disseminating information of specific consumers' needs, etc.

With a view to penetrating into the food product market in Japan, the first step for foreign companies is to enter a trade contract with a food product wholesaler. For example, joining FOODEX held at Makuhari Messe, the largest food and beverage exhibition in Japan once every year, provides an important platform to foreign companies to present their products at the trade fair and, negotiate with potential food product wholesalers and retailers.

Consumers' Preferences in Japan

Japanese consumers' preferences on food products are characterized by increasing diversities. Not only Japanese foods but also Chinese and Western dishes and cuisines of other ethnics are also daily consumed in many Japanese homes. Moreover, recently, Japanese consumers tend to be more health conscious and emphasize more on food safety, which has brought about the increased demand for organic foods, additive-free foods, and special supplement products for health, etc. Even if food products by foreign companies are well received in their home territories, they will not be able to penetrate into the Japanese market unless they satisfy the tastes of Japanese consumers in terms of flavor, color, volume, size, additives, etc., and hence, prior to entering Japanese market, it is recommended to conduct a thorough market research to understand and satisfy Japanese consumers' tastes and needs.

IV. Starting a Business2. Sales

Q96: What points should be taken into consideration in setting prices?

A96

Determination of Selling Prices

Selling price is a decisive factor in determining whether a product can be sold on a market or not. Therefore, when determining a product price, the first thing you should to do is to make comparison among retail prices of similar products in attempts to identify whether your product is priced within the same range. It is also important to make an investigation to determine how much latitude available in setting your product's price as compared with your competitors. If there is broad latitude in price, there might be the wide diversification among products of the same type in terms of quality, functions, materials, colors, etc. Diversity in company strategies also involve where some products are sold at low prices that yield little or zero profits while others can be sold at high prices for a substantial profit. Another point to consider in setting price is the "price sensitivity" of the consumer strata being targeted. No matter how outstanding product functions may be, or how excellent the product is in quality, if its price is too high, consumers may look at it on display in the course of window-shopping but they will not purchase it.

Retail prices, of course, are determined at the stage of inventory stockpiling, but such prices also vary depending on specific sales routes. Inventory purchase prices, retail prices and profit rates vary depending on whether the product(s) will be imported and retailed directly or sold to other retailers, or whether certain quantities of the product will be sold to retailers or discount sales stores. After formulating marketing plans (especially marketing targets and marketing methods) in consideration of current sale prices (by volume or container) in Japan, retail prices must be determined based on such things as financial planning and calculation on import primary costs.

Expenses other than Product Costs

We shall now consider expenses other than product costs in the case of imports. These expenses vary depending on the terms of trade, but in the case of FOB, you should pay freight and insurance premium (In the case of CIF, freight or insurance premium is already included into the product cost).

In addition, other expenses such as tariff (import duty) and import consumption taxes which have to be paid right away upon arrival of goods. However, in case that imports from countries designated as subjects of special or preferential treatments, if a Certificate of Origin (Form A) is issued on an item by a governmental agency in the exporting country is submitted to the Japanese customs, there will be no import duty or very low tax rate applied as compared with tax rates under agreements, etc.

Since customs can have a huge impact upon the costs of imported goods, inquiries should be made in advance with the Customs office. In case of cargo transport by ship, the cheapest mode of transport is by single container size.

Consideration for warehousing fees and transportation costs within Japan are necessary if you do not possess your own warehouses in Japan. Of course, these expenses vary depending on sales targets. If items are to be sold in large lots and storage periods will be short, then the transportation costs will be relatively low. However, if sales of products will be close to the retail scale, they will require longer storage periods and higher transportation costs, in which forwarding arrangements are required in almost all cases. All the above-mentioned issues need to be considered in determination of sale prices and profits.

Q97: We want to concentrate primarily on wholesaling. What type of business operations should be developed?

A97

Advantages of Wholesales Businesses

Small-scale transactions in international trade such as small-lot imports that aim for wholesaling business tend to face many more obstacles in terms of the scale of stockpiling and of financing as compared to enterprises conducting large-scale importations. However, if wholesaling operations are developed in conjunction with small-lot imports, there are some advantageous when the volume of stockpiles from overseas can be increased.

Gross sales revenues are determined by multiplying sales quantities with unit price, and hence, sales revenues automatically grow larger thanks to the increase in sales volumes. In the perspective of small-lot imports, there are many companies handling small quantities of a diverse range of different product types. However, costs of stockpile as well as distribution prices can be reduced if a specific product can be obtained in large quantities. The key point is that you should differentiate own businesses and specialize in particular field of expertise in order to create uniqueness of your products. For this purpose, it requires understanding and cooperation from suppliers overseas in respect of product sales promotions, product makeup and packaging so that those elements satisfy needs of the Japanese market.

Financing

Sales increase also results in growth of financing burdens which require adequate financial support. In comparison to exports, import operations entail much larger financial burdens, including funds for product stockpiling, customs duties, transport costs and inventory obligations. Very careful financial planning is thus required.

IV. Starting a Business2. Sales

Q98: Please discuss matters pertaining to the establishment of contracts covering sales at online stores.

A98

Regulations on E-commerce Transactions and news products

As compared to regular commercial transactions, E-commerce transactions as witnessed at online stores make it difficult to clarify how civil law and other relevant laws (the civil law first) should be applied to them. Thus, the "Regulations on Electronic Commerce Transactions" drawn up by the Ministry of Economy, Trade and Industry (METI) served as the guidelines for e-commerce transactions.

Upon Arrivals of "Notification of Electronic Acceptance"

According to the Regulations on Electronic Commerce Transactions, a contract is made by an electronic commerce transaction, as witnesses at an online store, at the time when a "notification of electronic acceptance has arrived".

In another words, a contract is established upon completion of the followings: the online store receives an email order from a consumer; and the online store informs the consumer that a product order is received via an email reply, and this reply reaches the consumer. Specifically, the contract is established exactly upon the time of arrival of this reply to the consumer in a readable condition. Readable condition means a condition in which the letters of the message are not garbled or illegible. The moment that this message arrives in the consumer's e-mail inbox is considered as the "time of arrival".

Recently, it is more popular in a sense that introduction of an online system enables consumers to put requisite items into an order form that appears on his/her computer screen. After such order form is sent, the store side automatically sends a reply which includes the phrase: "Your order has been successfully received". In such cases, a contract is established at the time when a notification of order acceptance, which was sent by the online store, appears on the consumer's screen. Please note, however, that in case of orders place online, a confirmation screen must be displayed once so that the consumer can confirm that there is no mistake in data entry.

Please note that the Internet transactions are undergoing new developments, and hence, the aforesaid Regulations will be revised time by time in response to changes in status of international rules and in line with technological advances. Please be sure to always check for the most updated version of the Regulations.

Q99: Please discuss the Product Liability (PL) Law.

A99

Product Liability Law

Product Liability Law defines that an individual is allowed to seek for damage compensation from the product manufacturer or other responsible enterprises whenever it is proven the individual has suffered damage(s) to life/body/property caused by defect(s) of the product. More specifically, this Law stipulates that whenever anyone suffers damages to life, body or property as a result of defects in products that were manufactured, processed, imported, labeled and/or delivered by a maker or another enterprise, the said maker or enterprise shall be responsible for making reparations for damages thus incurred irrespective of the presence or absence of fault or error or absence of fault or error.

The Law also sets forth terms respecting waiver reasons why the maker or enterprise might fail to meet the said responsibilities and time limitations. In case of imported products, the importer shall bear the same responsibilities as the manufacturer.

Under the Law, products are defined as "manufactured or processed movable properties". However, real estates, unprocessed agricultural, forestry or fishery, electricity and software are not covered by the Law. In addition, defect-caused damages which only affect such product are not covered by the Law. Such damages may be referred in the Defect Liability or Default Liability in accordance with the applicable Civil Code.

In fiscal year 2010, there were 12,402 consultation cases of accidents associated with products, gathered by the Japan Consumer Information Center and other consumer information centers nationwide. Of these cases, 142 cases have resulted in legal suits over product liability (the data collected by the Japan Consumer Information Center by August 2011). The majority of the consultation cases involved in cosmetic products which caused damages to health or body, air-conditioning or other cooling and heating appliances which caused damages to assets.

Roles of Importers

For importers, it is crucial to pay close attention to safety and to make special efforts to insure it. It is expected, therefore, that importers will gather information on products beforehand from exporters in exporting countries overseas. And once the products arrive in Japan, it is the responsibility of the importer, as an enterprise, to conduct quality controls and product inspections, for instance, so that products delivered to the Japanese market will be safe. Moreover, it is also important for importers to take every step associated with product labeling, handling instructions and after-sale services so as to prevent the occurrence or spread of damages after products have been sold, etc.

Not less important, one of countermeasures for importers is to purchase some form of product liability insurance. Small to medium sized importers can take part in collective product liability insurance through the local chamber of commerce and industry or other business organizations. For details, please contact the nearest local chamber of commerce and industry, etc.

IV. Starting a Business

2. Sales

Q100: Please discuss the Consumer Product Safety Law.

A100

In the attempt to prevent damages to general consumers' life, and/or body, the Law regulates the manufacture and sale of "specific products" and set forth measures for gathering and supplying relevant information on accidents caused by defective products. "Consumer products" are defined as products that "for the most part, support daily lives of general consumers". And even if products are for commercial use, consumers can easily purchase them at home centers or elsewhere; any product that can be used at home is assumed to be a consumer product. However, items such as food products, marine vessels, automobiles and drugs, etc., are not categorized as consumer products.

Whenever a serious accident involving a consumer product occurred, the product manufacturer or importer is obliged to report the accident to the competent authority within ten (10) days since the date of the accident. Whenever the competent authority has received the report on serious accident involving a consumer product, the authority shall disclose the product's name, product form, details of the accident and other information in mass media to prevent further damages to other general consumers' lives and bodies.

Among consumer products, those pertaining potential risks which might result in damages to general consumers' lives and bodies, must be labeled "PSC Mark". The PSC Mark indicates relevant information as per technical standards set forth by the Ministry. Among categories of products need to be labeled PSC Mark, they include "Specified Product" which the manufacturer is obliged to certify and voluntarily test the product's conformity to the technical standards. The manufacturer also needs to make record and registration for future checking. For the product regarded as "Special Specified Product", the manufacturer is required to make proper report for the examination and allow inspection by a third party institution in order to obtain approval for product safety standards.

		Home-use pressured cookers and kettles	Limited to product design of inner capacity below 10 liters and, gauge pressure above 9.8 kPa.
	PS	Bike helmets	Limited to motorbikes or electric bikes
lucts	(PS)	Ropes for hiking	Limited to usage for body securing.
Specified Products		Oil water heaters	Limited to consumption of kerosene equal or below 70 kW and, capacity of heat exchanger below 50 liters.
S		Oil bath boilers	Limited to consumption of kerosene below 39 kW.
		Oil heaters	Limited to consumption of kerosene below 12 kW (equal or below 7kW for open-combustion form of natural ventilation.)

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	PS	Beddings for infants	Limited to child care beddings for infants below two-year-old, mainly used at home. Swing type beddings excluded.
fied Products		Portable laser application equipment (e.g. laser pointer)	Limited to those designed to display characters or graphics by irradiating from the outside (with only visible light laser beam).
Special Specified Products		Water circulatory systems for hot tubs (pipe water spraying bath, 24h bath)	<u>o</u>
		Lighters	Inclusive of all lighting devices for home-use (except lighters for cigarettes), with partial or full container of fuel made of plastic.

Furthermore, a consumer product deteriorates over time reducing product quality and functions. Those products which are considered to be potential to cause special damages to consumers' lives/bodies in general must be labeled as "Specified Maintenance Products".

In attempts to ensure consumer product safety, a regulation on "Specified Maintenance Products" is established in which the manufacturer is obliged to specify "usage time as per design standards" when making product design. This is considered the standard period of time for using the product without obstructing the operation safety in accordance with the standards. At the same time, obligation for determining "periodic testing interval" must be conducted to prevent damages due to product's quality reduction after a long time of usage; contact address must be specified in the product surface (label).

By April 2009, there were 9 categories of Specified Maintenance Products including: Instant gas water heaters (of city gas and LP gas); Indoor gas bath boilers (of city gas and LP gas); Oil water heaters; Oil bath boilers; Sealed combustion oil hot air heater; Built-in electric dishwashers; and Electrical dryers for bathroom use.

In order to prevent accidents caused by defective products, importers are responsible for providing products with proper safety standards to consumers. When an imported product accident occurs, it is required to make a report to the National Institute of Technology and Evaluation (NITE), an independent administrative organization.

APPENDIX

- (1) List of Customs Counselors at Customs Offices;
- (2) List of Quarantine Stations under Ministry of Health, Labour and Welfare / List of Food Notification & Reception Divisions;
- (3) List of Plant Quarantine Stations under the Ministry of Agriculture, Forestry and Fisheries;
- (4) List of Animal Quarantine Stations under the Ministry of Agriculture, Forestry and Fisheries;
- (5) List of Customs Brokers Associations; and
- (6) List of Regional Taxation Bureaus and Places of Jurisdiction

1. List of Customs Counselors at Customs Offices

Name	Office	Telephone number	Address
Hakodate	Customs Counselor	0138-40-4261	Hakodate Kowan Godochosha Bldg, 24-4, Kaigan- cho, Hakodate-city, Hokkaido, 040-8561
Customs	Sapporo Branch Customs	011-231-1443	Sapporo Dai Ni Godochosha Bldg, 10, Odori Nishi, Chuo-ku, Sapporo-city, Hokkaido, 060-0042
	Customs Counselor	03-3529-0700	Tokyo Kowan Godochosha Bldg, 2-7-11, Aomi, Koto-ku, Tokyo, 135-8615
	Haneda Customs Substation (Travelers, Hand Luggage)	050-5533-6962	CIQ Bldg, 2-6-4, Haneda Kuko, Ota-ku, Tokyo, 144-0041
	Haneda Customs Substation (Air Cargo)	050-5533-6988	Kamotsu Godochosha, 2-6-3, Haneda Kuko, Ota-ku, Tokyo, 144-0041
Tokyo Customs	Narita Branch Customs	0476-34-2128 ∼9	Narita Kuko Terminal No 2 Bldg, 1-1, Furugomeaza furugome, Narita-city, Chiba, 282- 8603
	Narita Air Cargo Sub- Branch	0476-32-6020	2159, Komainoazatennamino, Narita-city, Chiba, 282-8603
	Tokyo Overseas Mail Sub-Branch Customs	03-5665-3755	(Yubin Jigyo Kabushikigaisha Tokyo Kokusai Shiten Bldg 3F.) 3-5-14, Shinsuna, Koto-ku, Tokyo, 136-0075
	Oi Sub-Branch	03-3790-6803	4-1-10, Tokai, Ota-ku, Tokyo, 143-0001
	Customs Counselor	045-212-6000	Yokohama Dai Ichi Kowan Godochosha Bldg, 1-6-2, Shinko, Naka-ku, Yokohama-city, Kanagawa, 231-8401
Yokohama	Daikoku Futo Sub- Branch	045-506-8313	15 Banchi, Daikoku Futo, Tsurumi-ku, Yokohama- city, Kanagawa, 230-0054
Customs	HonmokuFuto Sub- Branch	045-625-5037	2, Honmoku Futo, Naka-ku, Yokohama-city, Kanagawa, 231-0811
	Kawasaki Overseas Mail Sub-Branch Customs	044-366-7766	Kawasaki Yubin Kyoku Bldg 1F, 1-3, Minami Watarida-cho, Kawasaki-ku, Kawasaki-city, Kanagawa, 210-0899
	Customs Counselor	052-654-4100	2-3-12, Irifune, Minato-ku, Nagoya, Aichi, 455-8535
	Shimizu Sub-Branch	054-352-6117	Shimizu Kowan Godochosha Bldg, 9-1, Hinodemachi, Shimizu-ku, Shizuoka-city, Shizuoka, 424-8670
Nagoya Customs	Chubu Airport Branch Customs	0569-38-7600	1-1, Sentorea, Tokoname-city, Aichi, 479-0881
	Chubu Overseas Mail Sub-Branch Customs	0569-38-1524	(Yubin Jigyo Kabushikigaisha Chubu Kokusai Bldg.) 3-13-2, SentoreamTokioname-city, Aichi, 479-0199

Name	Office	Telephone number	Address
	Customs Counselor	06-6576-3001 ~5	Osaka Kowan Godochosha Bldg, 4-10-3, Chikko, Minato-ku, Osaku, 552-0021
Osaka Customs	Kansai Kuko Customs	072-455-1600 ∼1	Kansai Kuko Chihou Godochosha Bldg, 1, Senshu Kuko Naka, Tajiri-cho, Sennan-Gun, Osaka, 549- 0021
	Nanko Sub-Branch Customs	06-6614-5345	7-1-41, Nanko Higashi, Suminoe-ku, Osaka-city, Osaka, 559-0031
	Osaka Overseas Mail Sub-Branch Customs	072-455-1850	(Yubin Jigyo Kabushikigaisha Osaka Branch Bldg 3F.) 1, SenshuKuko Minami, Sennan-city, Osaka, 549-8799
	Customs Counselor	078-333-3100	12-1, Shinko-cho, Chuo-ku, Kobe, Hyogo, 650- 0041
	Hiroshima Branch Customs	082-505-6927	Hiroshima Kowan Godochosha Bldg, 3-10-7, Ujinakaigan, Minami-ku, Hiroshima-city, Hiroshima, 734-0011
Kobe Customs	Rokko Island Sub-Branch Customs	078-857-0741	1, Koyochonishi, Higashi-Nada, Kobe-city, Hyogo, 658-0033
	Port-Island Sub- Branch Customs	078-303-3419	2-1, Minatojimanaka-cho, Chuo-ku, Kobe-city, Hyogo, 650-0046
	Customs Counselor	050-3530-8372	Moji Kowan Godochosha Bldg, 1-3-10, Nishi Kaigan Moji-ku, Kita Kyushu-city, Fukuoka 801- 8511
Moji	Hakata Sub-Branch	092-263-8235	Fukuoka Kowan Godochosha Bldg, 8-1, Okihamamachi, Hakata-ku, Fukuoka-city, Fukuoka, 812-0031
Customs	Fukuoka Kuko Customs	092-477-0101	Fukuoka Kuko Godochosha Bldg, 606, OazaKamiusui, Hakata-ku, Fukuoka-city, Fukuoka, 812-0005
	Fukuoka Overseas Mail Sub-Branch Customs	092-663-6260	(Yubin Jigyo Kabushikigaisha Shinfukuoka Branch Bldg.) 4-13-70, Kamata, Higashi-ku, Fukuoka-city, Fukuoka, 811-8799
Nagasaki Customs	Customs Counselor	095-828-8619	1-36, Dejima-cho, Nagasaki-city, Nagasaki 850- 0862
Okinawa District Customs	Customs Counselor	098-863-0099	Naha Kowan Godochosha Bldg, 2-11-1, Minato- cho, Naha-city, Okinawa, 900-0001

 ${\bf 2.} \ \ \, {\bf List\ of\ Quarantine\ Stations\ under\ Ministry\ of\ Health,\ Labour\ and\ Welfare\ /\ List\ of\ Food\ Notification\ \&\ Reception\ Divisions$

Quarantine Station / Notification desk	Address	Telephone number/ Fax	Place of Jurisdiction
Otaru Quarantine Station, Food Surveillance Division	Otaru Kowan Godochosha Bldg, 5-3, Minato-cho, Otaru-city, Hokkaido, 047- 0007	Bldg, 5-3, Minato-cho, Otaru-city, Hokkaido, 047- 0134-32-4304 0134-25-6069 Hokkaido (excluding the first distribution of the Clubert Quarantine Statistics)	
Chitose Airport Quarantine Station, Food Surveillance Divison	Shinchitose Airport Bldg, Bibi, Chitose-city, Hokkaido, 066-0012	0123-45-7007 0123-45-2357	Hokkaido (limited to Shinchitose Airport)
Sendai Quarantine Station, Food Surveillance Division	Shiogama Kowan Godochosha Bldg, 3-4-1, TeizanDori, Shiogama-city, Miyagi, 985-0011	Aomori, Iwate, Miyagi (excludin the area under the jurisdiction of the Sendai Airport Quarantine Station), Akita, Yamagata, Fukushima Prefecture	
Sendai Airport Quarantine Station, Food Surveillance Division	Sendai Airport New Passenger Terminal Bldg, Shimomasuda Azaminamihara, Natori-city, Miyagi, 989-2401	022-383-1854 022-383-1856	Miyagi Prefecture (limited to Sendai Airport)
Narita Airport Quarantine Station, Food Surveillance Division	2159, Komainoazatennamino, Narita-city, Chiba, 282-8691	0476-32-6741 0476-32-6742	Chiba prefecture (limited to Narita- city, Katori-gun Tako-cho, Sanmugunshibayamacho)
Tokyo Quarantine Station, Food Surveillance Division	Tokyo Kowan Godochosha Bldg, 2-56, Oumi, Koto-ku, Tokyo, 135-0064	03-3599-1520 03-5530-2153	Ibaraki, Tochigi, Gunma, Saitama, Tokyo (excluding the area under the jurisdiction of the Tokyo Airport Quarantine Station), Yamanashi, Nagano Prefecture
Tokyo Quarantine Station, Second Food Surveillance Division	Funabashi Kowan Godochosha Bldg, 32-5, Shiomi-cho, Funabashi-city, Chiba, 273-0016	0474-37-1381 0474-37-1585	Chiba Prefecture (limited to Nodacity, Kashiwa-city, Nagareyamacity, Matsudo-city, Kamagaya-city, Funabashi-city, Narashino-city, Urayasu-city, Ichikawa-city, Higashikatsushika-county (Shonancho))
Chiba Quarantine Sub-station, Quarantine Hygiene and Food Surveillance Division	Chiba Kowan Godochosha Bldg, 1-12-2, Chuoko, Chuo- ku, Chiba-city, Chiba, 260- 0024	043-241-6096 043-241-7281	Chiba (excluding the areas under the jurisdiction of Narita Airport Quarantine Station and Tokyo Quarantine Station Second Food Surveillance Division)

Tokyo Airport Quarantine Sub- station Hygiene and Food Surveillance Division	Tokyo International Airport Passenger Terminal Bldg, 3- 4-4, Haneda Kuko, Ota-ku, Tokyo, 144-0041	03-5756-4857 03-5756-4859	Tokyo (limited to Tokyo International Airport)	
Kawasaki Quarantine Sub-station, Food Surveillance Division	Kawasaki FAZ Distribution Center, 6-10, Higashiogishima, Kawasaki- ku, Kawasaki-city, Kanagawa, 210-0865		Kanagawa (Kawasaki-city) Prefecture	
Yokohama Quarantine Station, Food Surveillance Division	No. 2 Yokohama Dai Ni Kowan Godochosha, 1-1, Kaigandori, Naka-ku, Yokohama-city, Kanagawa, 231-0002	045-201-0505 045-212-0640	Kanagawa (excluding the area under the jurisdiction of Kawasaki Quarantine Sub-station) Prefecture	
Niigata Quarantine Station, Food Surveillance Division	Niigata Kowan Godochosha, 1-5-4, Ryugashima, Chuo-ku, Niigata-city, Niigata, 950- 0072	025-244-4405 025-241-7404	Niigata Prefecture	
Niigata Quarantine Station, Food Surveillance Division, Komatsu Airport Branch	Komatsu Airport Terminal, Yo 50 Banchi-saki, Ukiyanagimachi, Komatsu- city, Ishikawa, 923-0993	0761-21-3767 0761-21-3872	Toyama, Ishikawa Prefecture	
Nagoya Quarantine Station, Food Surveillance Division	11-1, Tsukiji-cho, Minato-ku, Nagoya, Aichi, 455-0045	052-661-4133 052-655-1808	Gifu, Aichi (excluding the area of jurisdiction under the Chubu Airport Quarantine Sub-station	
Shimizu Quarantine Sub-station, Food Surveillance Division	Shimizu Kowan Godochosha, 9-1, Hinodemachi, Shimizu-ku, Shizuoka-city, Shizuoka, 424-0922	054-352-4540 054-353-1364	Shizuoka Prefecture	
Chubu Airport Quarantine Sub- station, Food Surveillance Division	Chubu Kuko Kowan Godochosha, 1-1, Sentorea, Tokoname-city, Aichi, 479- 0881	HAGU XX XIU/	Aichi Prefecture (limited to Chubu International Airport)	
Yokkaichi Quarantine Sub-station, Quarantine Hygiene and Food Surveillance	Yokkaichi Kowan Godochosha, 5-1, Chitose- cho, Yokkaichi-city, Mie, 510-0051	059-352-3574 059-351-7666	Mie, Wakayama (limited to Shingu-city, Higashimuro-county) Prefecture	
Osaka Quarantine Station, Food Surveillance Division	Osaka Kowan Godochosha Bldg,4- 10- 3,Chikko,Minato- ku,Osaka 552-0021	06-6571-3523 06-6575-1803	Fukui, Shiga, Kyoto, Osaka (excluding area under the jurisdiction of Kansai Airport Quarantine Station), Nara, Wakayama (excluding area under the jurisdiction of Yokkaichi Quarantine Sub-station)	

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Kansai Airport Quarantine Station, Food Surveillance Division	Kansai Kuko Chiho Godochosha,1, Senshu Kuko Minami,Sennancity, Osaka, 549-0021	072-455-1290 072-455-1292	Osaka (limited to Kansai International Airport)
Kobe Quarantine Station, Food Surveillance Division	1-1, Toyahama,Hyogo-ku, Kobe, Hyogo, 652-0866	078-672-9655 078-672-9662	Hyogo (excluding area under the jurisdiction of Kobe Quarantine Station Second Food Surveillance Division), Okayama, Tokushima, Kagawa Prefecture
Kobe Quarantine Station Second Food Surveillance Division	Kobe Air Cargo Terminal 4-16, Koyochohigashi, Higashinada-ku, Kobe-shi, Hyogo, 658-0031	078-857-1671 078-857-1691	Hyogo Prefecture (limited to Kobe-city Higashinada-ku and Nada-ku)
Hiroshima Quarantine Station, Food Surveillance Division	Hiroshima Kowan Godochosha, 3-10-17, Ujinakaigan, Minami-ku, Hiroshima-city, Hiroshima, 734-0011	082-255-1379 082-254-4984	Hiroshima (excluding the area under the jurisdiction of Hiroshima Airport Quarantine Sub-station), Ehime, Kochi Prefecture
Food Surveillance Division, Sakai Branch	Sakai Kowan Godochosha, 9- 1, Showamachi, Sakaiminato-city, Tottori, 684-0034	0859-42-3517 0859-42-3613	Tottori, Shimane Prefecture
Hiroshima Airport Quarantine Sub- station, Hygiene and Food Surveillance Division	Hiroshima Airport Terminal, 64-31, Zennyuji, Hiraiwa, Hongo-cho, Mihara-city, Hiroshima, 729-0416	0848-86-8017 0848-86-8030	Hiroshima Prefecture (limited to Hiroshima Airport)
Fukuoka Quarantine Station, Food Surveillance Division	Fukuoka Kowan Godochosha, 8-1,Okihama- cho, Hakata-ku, Fukuoka- city, Fukuoka, 812-0031	092-271-5873 092-282-1004	Fukuoka (excluding the areas under the jurisdiction of Moji Quarantine Sub-station, Fukuoka Airport Quarantine Sub-station), Saga, Nagasaki (excluding the area under the jurisdiction of Nagasaki Quarantine Substation), Kumamoto, Oita Prefecture
Moji Quarantine Sub-station, Comprehensive Food Surveillance Official	Moji Kowan Godochosha, 1- 3-10, Nishikaigan, Moji-ku, Kita Kyushu-city, Fukuoka, 801-0841	093-321-2611 093-332-4129	Fukuoka Prefecture (limited to Kita-Kyushu-city, Nogata-city, Tagawa-city, Yamada-city, Yukuhashi-city, Buzen-city, Chukan-city, Onga-County, Kurate-County, Kaho-County, Tagawa-County, Kyoto-County, Chikujo-County)

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Comprehensive Food Surveillance Official, Shimonoseki Branch	Shimonoseki Kowan Godochosha, 1-7-1, Higashiyamato-cho, Shimonoseki-city, Yamaguchi, 750-0066	0832-66-1402 0832-66-8145	Yamaguchi Prefecture
Fukuoka Airport Quarantine Sub- station, Food Surveillance Division	Fukuoka International Airport Passenger Terminal Bldg, 739, Oazaaoki, Hata- ku, Fukuoka-city, Fukuoka, 816-0051	092-477-0208 092-477-0209	Fukuoka Prefecture (limited to Fukuoka Airport)
Nagasaki Quarantine Sub-station, Hygiene and Food Surveillance Division	(Nagasaki Zeikanchosha Bldg), 1-36, Dejima-cho, Nagasaki- city, Nagasaki, 850-0862	095-826-8081 095-826-8099	Nagasaki Prefecture (excluding Iki-city and Tsushima-city)
Kagoshima Quarantine Sub- station, Hygiene and Food Surveillance Division	Kagoshima Kowan Godochosha, 18-2-31, Izumi- cho, Kagoshima-city, Kagoshima, 892-0822	099-222-8670 099-223-5297	Miyazaki, Kagoshima Prefecture
Naha Quarantine Station, Food Surveillance Division	Naha Kowan Godochosha, 2- 11-1, Minatomachi, Naha- city, Okinawa, 900-0001	098-868-4519 098-861-4372	Okinawa Prefecture (excluding the area under the jurisdiction of Naha Airport Quarantine Sub- station)
Naha Airport Quarantine Sub- station, Hygiene and Food Surveillance Division	174, Azakagamizu, Naha- city, Okinawa, 901-0142	098-857-0057 098-859-0032	Okinawa Prefecture (limited to Naha Airport)

Source: Homepage of the Food Surveillance Operation, Ministry of Health, Labour and Welfare

3. List of Plant Quarantine Stations under the Ministry of Agriculture, Forestry and Fisheries

Yokohama Plant Protection Station					
Address:	No.2, Yokohama Godochodha Bldg., 5-57, Kita Naka Dori, Nakaku, Yokohama,Kanagawa 231-0003				
Contact:	General Affairs	Tel.: 045-211-7150	Fax: 045-201-2360		
	Imports	Tel.: 045-211-7152~4	Fax: 045-211-0611		
	Domestic & Exports	Tel.: 045-211-7155	Fax: 045-211-2171		

Nagoya P	Nagoya Plant Protection Station				
Address:	Nagoya Kowan Godochosha Bldg., 2-3-12, Irifune, Minato-ku, Nagoya, Aichi 455-0032				
Contact:	General Affairs	Tel.: 052-651-0111	Fax: 052-651-0115 (All		
	Imports	Tel.: 052-651- 0112 • 0113 • 0132	departments)		
	Domestic & Exports	Tel.: 052-651-0114			

Kobe Plant Protection Station					
Address:	No.2, Chiho Godochosha Bldg., 1-1, Hatoba-cho, Chuo-ku, Kobe, Hyogo 650-0042				
Contact:	General Affairs	Tel.: 078-331-2806	Fax: 078-332-2796		
	Imports	Tel.: 078-331- 2386 • 2376 • 4201	Fax: 078-391-1757 (Imports, Domestic &		
	Domestic & Exports	Tel.: 078-331-2384	Exports)		

Moji Plant Protection Station					
Address:	Moji Kowan Godochosha Bldg., 1-3-10, Nishi Kaigan Dori, Moji-ku, KitaKyushu-city, Fukuoka 801-0841				
Contact:	General Affairs	Tel.: 093-321-1404	fax 093-332-5189		
	Imports	tel 093-321-2601	fax 093-332-5182		
	Domestic & Exports	Tel.: 093-321-2809	fax 093-321-0481		

Naha Plan	Naha Plant Protection Station					
Address:	Naha Kowan Godochosha Bldg., 2-11-1, Minato-cho, Naha-city, Okinawa 900-0001					
Contact:	General Affairs Tel.: 098-868-0715 fax 098-861-5500 (All					
	Imports Tel.: 098-868-2850 departments)					
	Domestic & Exports	Tel.: 098-868-1679				

Source: Homepage of Plant Quarantine Stations, Ministry of Agriculture, Forestry and Fisheries

4. List of Animal Quarantine Stations under Ministry of Agriculture, Forestry and Fisheries

Fisheries	Postal		Telephone		
Name	Code	Address	number	Fax	Place of Jurisdiction
Animal Quarantine Service	235-0008	11-1,Hara-cho, Isogo-ku, Yokohama, Kanagawa	045-751-5973	045-751-5951	Kawasaki/Yokohama Port
Hokkaido Branch	066-0012	Shin Chitose International Flight terminal Bldg, Bibi, Chitose-city, Hokkaido	0123-24-6080	0123-24-6091	New Chitose / Hakodate / Obihiro / Kushiro Asahikawa Airport Wakkanai / TomakomaiMuroran Port / Port of Otaru / Ishikari Bay Port
Sendai Airport Branch	989-2401	Sendai Airport Terminal Bldg, Shimomasuda Azaminamihara, Natori- city, Miyagi	022-383-2302	022-382-5805	Aomori / Akita / Sendai / Yamagata Fukushima Airport Hachinohe / Ishinomaki Sendai / Shiogama / Akita Onahama Port
Shin Niigata Airport Branch	950-0001	Shin Niigata Terminal Bldg, 3710, Matsuhama- cho, Higashi-ku, Niigata- city, Niigata	025-275-4565	025-270-9741	Shonai / Niigata Airport Sakata / Niigata / Naoe tsu Port
Tokyo Branch	135-0064	Tokyo Kowan Godochosha, 2-7-11, Oume, Koto-ku, Tokyo	03-3529-3021	03-3529-3025	Tokyo Port, Chiba Port
Shimizu Branch	424-0922	Shimizu Kowan Godochosha, 9-1, Hinodemachi, Shimizu- ku, Shizuoka-city, Shizuoka	054-353-5086	054-353-7634	Shizuoka Airport, Shimizu Port
Narita Branch	282-0004	Narita Kokusai Kuko No.2 Terminal Bldg.,1-1, Furugome Aza, Furugome, Narita-city, Chiba	0476-34-2342	0476-34-2338	Narita International Airport/ Ibaraki Airport Kagoshima/Hitachinaka Port
Haneda Airport Branch	144-0041	Haneda Airport CIQ Bldg, 2-6-4, HanedaKuko, Ota-ku, Tokyo	03-5757-9752	03-5757-9758	Tokyo International Airport
Chubu Airport Branch	479-0881	Chubu Kuko CIQ Bldg. 5th floor,11, Sentorea, Tokoname-city, Aichi	0569-38-8577	0569-38-8585	Chubu International Airport, Mikawa Port, Yokkaichi Port
Komatsu Branch	923-0993	Komatsu Kuko Bldg, Ukiyanagi-cho, Komatsu- city, Ishikawa	0761-24-1407	0761-24-1341	Komatsu Airfield, Toyama Airport, Fushikitoyama/Kanazaw a Port
Nagoya Branch	455-0032	Nagoya Kowan Godochosha, 2-3-12, Irifune, Minato-ku, Nagoya-city, Aichi	052-651-0334	052-661-0203	Nagoya Airfield, Nagoya Port
Kansai Airport Branch	549-0011	CIQ Godochosha Bldg.,1, Senshu Kuko Naka, Tajiri-cho,Sennan-Gun, Osaka	072-455-1956	072-455-1957	Kansai International Airport, Wakayama Shimotsu Port

					Kochi/Takamatsu/Matsu
Komatsujima Branch	773-0001	Komatsujima Minato Godochosha, 1-11, Sotobira, Komatsujima- cho, Komatsujima-city, Tokushima	0885-32-2422	0885-32-2476	yama Airport Tokushima Airfield Kochi/Takamatsu/Matsu yama Tokushima Komatsushima/Imabari Port
Kobe Branch	651-0073	Kobe Bosai Godochosha Bldg.,1-4-3, Wakihama Kaigan Dori,Chuoku, Kobe, Hyogo	078-222-8990	078-222-8993	Kobe Airport Kobe/Amagasakinishino miyaashiya/Himeji Maizuru Port
Osaka Branch	552-0021	Osaka Kowan Godochosha, 4-10-3, Chikko, Minato-ku, Osaka-city, Osaka	06-6575-3466	06-6575-0977	Osaka Port
Okayama Airport Branch	701-1131	Okayama Kuko Terminal Bldg, 1277, Nichioji, Okayama-city, Okayama	086-294-4737	086-294-3275	Okayama/Tottori/Izumo Airport/ Miho Airfield/Sakai/Mizushi ma Port
Hiroshima Airport Branch	729-0416	Hiroshima Kuko International Flight Terminal Bldg, 64-31, ZennyujiHiraiwa, Hongo- cho, Mihara-city, Hiroshima	0848-86-8118	0848-86-8119	Hiroshima Airport, Hiroshima Port
Moji Branch	801-0841	Moji Kowan Godochosha Bldg.,1-3-10, Nishi Kaigan Dori, Moji- ku,Kita Kyushu-city, Fukuoka	093-321-1116	093-332-5858	Yamaguchiube/Kitakyus hu Oita Airport Kanmon/Oita Port
Hakata Branch	812-0031	Fukuoka Kuko Kowan Godochosha, 8-1, Okihama-cho, Hata-ku, Fukuoka-city, Fukuoka	092-262-5285	092-262-5283	Hakata/Karatsu/Hita katsuIzuhara Port
Fukuoka Airport Branch	816-0051	Fukuoka Kuko Bldg, 739 Ban, Oazaaoki, Hakata- ku, Fukuoka-city, Fukuoka	092-477-0080	092-477-7580	Fukuoka/Kumamoto/Sa ga Airport Yatsuhiro/Kumamoto Port
Nagasaki Airport Branch	856-0816	Nagasaki Kuko Bldg, 593, Minoshima-cho, Omura-city, Nagasaki	0957-54-4505	0957-20-7113	Nagasaki Airport Nagasaki/Imari Port
Kagoshima Airport Branch	899-6404	1590-5, Kareigawajiogisako, Hayato-cho, Kirishima- city, Kagoshima	0995-43-9061	0995-43-9066	Miyazaki/Kagoshima Airport Shibushi Kagoshima/Hosojima/K awauchi Port
Okinawa Branch	900-0001	Naha Kowan Godochosha, 2-11-1, Minatomachi, Naha-city, Okinawa	098-861-4370	098-862-0093	Naha/Ishigaki Port
Naha Airport Branch	901-0142	Naha Kuko Godochosha, 174, Kagamizu, Naha- city, Okinawa	098-857-4468	098-859-1646	Naha Airport

5. List of Customs Broker Associations

Name	Address	Telephone number/ Fax
Tokyo Customs Broker	Government Office, Aomi 2-7-	TEL: 03-3529-0728~9
Association	11, Koto-ku, Tokyo 135-0064	FAX: 03-3599-1541
Yokohama Customs	Yokohama Zeikan Shinko	TEL: 045-201-0614
BrokerAssociation	Bunkan Bldg.,1-6-1, Shinko- cho, Nakaku, Yokohama, Kanagawa 231-0001	FAX: 045-212-1992
Kobe Customs Broker	Seikatsu Yohin Shinko Center	TEL: 078-331-3996
Association	Bldg.,14-1,Shinko-cho, Chuoku, Kobe, Hyogo 650-0041	FAX: 078-331-1013
Osaka Customs Broker	Dai Ichi Osaka Ko Bldg.,2-1-2,	TEL: 06-6573-3896
Association	Chikko, Minato-ku, Osaka 552- 0021	FAX: 06-6573-3990
Nagoya Customs Broker	Port City Hall, Nagoya 1-11,	TEL: 052-661-1223
Association	Minato-ku, Nagoya 455-0033	FAX: 052-653-8319
Moji Customs Broker	Moji Kowan Godochosha Bldg.,	TEL: 093-321-6212
Association	1-3-10, Nishi Kaigan Moji- ku,Kita Kyushucity, Fukuoka 801-0841	FAX: 093-321-6212
Nagasaki Customs	Nagasaki Zeikan Bldg.,1-36,	TEL: 095-820-7228
BrokerAssociation	Dejimacho, Nagasaki-city, Nagasaki 850-0862	FAX: 095-820-7234
Hakodate Customs Broker	Kyoe Unyu Bldg., 22-5,	TEL: 0138-42-5010
Association	Kaigan-cho, Hakodate-city, Hokkaido 040-0061	FAX: 0138-42-5020
Okinawa Customs Broker	2-15-1, Minato-cho, Naha-city,	TEL: 098-866-6338
Association	Okinawa900-0001	FAX: 098-988-0995

Source: Homepage of Japan Customs Brokers Association

6. List of Regional Taxation Bureaus and Places of Jurisdiction

Name	Postal Code	Address	Telephone number	Place of Jurisdiction
Sapporo Regional Taxation Bureau	060-0042	Sapporo Daini Godochosha Bldg.10, Odori Nishi, Chuo- ku, Sapporocity, Hokkaido	011-231-5011	Hokkaido
Sendai Regional Taxation Bureau	980-8430	Sendai Godochosha Bldg., 3-3-1, Hon-cho, Aoba-ku, Sendai-shi	022-263-1111	Aomori, Iwate, Miyagi, Akita, Yamagata, Fukushima
Kanto-Shinetsu Regional Taxation Bureau	330-9719	No.1 Saitama Shintoshin Godochosha Bldg., 1-1, Shintoshin, Chuo-ku, Saitamacity, Saitama	048-600-3111	Ibaraki, Aogi, Gunma, Saitama, Nerima, Nagano
Tokyo Regional Taxation Bureau	100-8102	No.3, Otemachi Godochosha Bldg.,1-3-3, Otemachi, Chiyoda-ku, Tokyo	03-3216-6811	Chiba, Tokyo, Kanagawa, Yamanashi
Kanazawa Regional Taxation Bureau	920-8586	Kanazawa Hirosaka Godochosha Bldg., 2-2-60, Hirosaka, Kanazawa-city, Ishikawa	076-231-2131	Toyama, Ishikawa, Fukui
Nagoya Regional Taxation Bureau	460-8520	Nagoya Kokuzeikyoku Sogochosha Bldg.,3-3-2, Sannomaru, Naka-ku, Nagoya, Aichi	052-951-3511	Gifu, Shizuoka, Aichi, Mie
Osaka Regional Taxation Bureau	540-8541	No.3 Osaka Godochodha Bldg., 1-5-63, Otemae, Chuo-ku, Osaka	06-6941-5331	Shiga, Kyoto, Osaka, Hyogo, Nara, Wakayama
Hiroshima Regional Taxation Bureau	730-8521	No.1 Hiroshima Godochosha Bldg.,6-30, Hacchobori, Naka-ku, Hiroshimacity, Hiroshima	082-221-9211	Tottori, Shimane, Okayama, Hiroshima, Yamaguchi
Takamatsu Regional Taxation Bureau	760-0018	Takamatsu Kokuzei Sogochosha, 2-10, Takamatsu-city, Kagawa	087-831-3111	Tokushima, Kagawa, Aihime, Kochi
Fukuoka Regional Taxation Bureau	812-8547	Fukuoka Godochosha, 2-11- 1,Hakata Eki Higashi,Hakata-ku, Fukuokacity, Fukuoka	092-411-0031	Fukuoka, Saga, Nagasaki
Kumamoto Regional Taxation Bureau	860-8603	No.1 Kumamoto godochodha Bldg.,1-2, Ninomaru, Kumamoto-city, Kumamoto	096-354-6171	Kumamoto, Oita, Miyazaki, Kagoshima
Okinawa Regional Taxation Bureau	900-8554	9, Asahi-cho, Naha-city, Okinawa	098-867-3601	Okinawa

Source: Homepage of Regional Taxation Bureau

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