

Check Sheet for the Compliance Program

The Authorized Importer	
The Authorized Exporter	

This is an unofficial translation of the Check Sheet for the Compliance Program (Effective April 1, 2008).
Only the original Japanese text has legal effect, and this translation is to be used solely as reference material to aid in the understanding of Japanese text.

A. Establishment of the Framework

No	Description	Self assessment and comments		For Customs use
	<p>Are the following core elements specified?</p> <p>i. The compliance program of the applicant (hereinafter referred to as “the CP”) is established to specify its measures as appropriately performing the operations for authorized importers’/exporters’ declaration systems (hereinafter referred to as “the operations”).</p> <p>ii. The operational coverage of the CP.</p>	<p>YES NO</p>		
	<p>Is an executive with enough authority such as a board member designated as a superintendent for the implementation of the CP?</p> <p>Note: It is required to check the following elements related to personal security.</p> <p>i. Does the person have a possible connection with designated crime organization?</p> <p>ii. Does the person have a possible connection with organizations that have significant influence on internal/external security?</p>	<p>YES NO</p>		
	<p>Are authority and responsibility for the relevant sections and the responsible staff in each section clearly specified to administer performance of the CP?</p> <p>Note 1: The section in charge of overall control of the operation (hereinafter referred to as “the overall control section”) and the section in charge of “performing internal audits” should be independent from other sections while other sections may discharge various duties of the operations other than overall control and internal audit within the same section according to their business circumstances. In this case, however, these facts shall be clearly specified in the CP.</p> <p>Note 2: It is required to check the following elements related to personal security.</p> <p>i. Does the person have a possible connection with designated crime organization?</p>	<p>YES NO</p>		

	ii. Does the person have a possible connection with organizations that have significant influence on internal/external security?			
	For each relevant section, are the following measures taken?			
	i. The responsible staff in each section has enough knowledge and experience and is delegated enough authority to properly perform his/her duties.	YES NO		
	ii. The coverage of work, authority and responsibility of each employee is clearly specified and the appropriate number of employees is allocated in relation to the proper performance of the operations.	YES NO		
	iii. The appropriate framework is established to ensure communication and information sharing among the relevant sections.	YES NO		
	If part or all of the operations are delegated to third parties, is the adequacy of this delegation sufficiently examined in relation to the proper performance of the CP and are the contracted parties properly selected? Note: Contracts with such parties like Authorized Warehouse Operators and Authorized Logistics Operators such as carriers and forwarders or Regulated Agents authorized by the Ministry of Land, Infrastructure and Transport for compliance purposes are recommended.	YES NO		

B. Operations of Relevant Sections

(a) Overall control section

No	Description	Self assessment and comments		For Customs use
	Does the overall control section have enough authority and responsibility for management of the operations from the viewpoint of compliance?	YES NO		
	Is the overall control section in charge of the following works in relation to proper implementation of the CP?			

	i. Development of the internal control framework and the CP (including review and improvement).	YES NO		
	ii. Direction to, and communication and coordination with other relevant sections in relation to operations.	YES NO		
	iii. Consultation with other relevant sections or customers in terms of the operations.	YES NO		
	iv. Provision of assistance to internal audit in terms of compliance status.	YES NO		
	v. Development of crisis-management framework.	YES NO		
	vi. Planning and implementation of in-house education and training.	YES NO		
	vii. Determination of the adequacy of delegating part of the operations to third parties and investigation of the credibility of third parties in the selection process.	YES NO		
	viii. Instruction and supervision of the contracted parties in terms of the operations.	YES NO		
Note: All the works above may not be covered, if the internal control framework of applicant is confirmed as eligible to ensure appropriate implementation of the CP.				

(b) Operating sections (Sections other than the overall control section and internal audit section)

No	Description	Self assessment and comments		For Customs use
	Is competent staff with appropriate knowledge and experience available in accordance with the responsibilities of each section?	YES NO		
	Are the following measures taken in each section in order to properly perform the operations?			

i. Development and establishment of an operation processing structure.	YES NO		
ii. Preparation of a manual of operational procedures.	YES NO		
iii. Establishment of communication channels used for direction and reporting within the section.	YES NO		
iv. Identification of a contact point in the section to communicate with Customs and other relevant authorities	YES NO		
v. Establishment of a mechanism to assess the legality of operations.	YES NO		
vi. Raising awareness of employees on compliance and the CP.	YES NO		
vii. Establishment of a framework to take action(s) on operational procedures to reflect the recommendations from internal audit.	YES NO		
viii. Establishment of a framework including operational procedures to check if each customs procedure relevant to the operations complies with the requirements of the Customs Law, and other trade control laws and regulations, which could include establishment of a legality assessment section.	YES NO		
Note: All the measures above may not be covered, if the internal control framework of applicant is confirmed as eligible to ensure appropriate implementation of operations.			

C. Implementation of Customs Procedures

(a) Basic elements

No	Description	Self assessment and comments		For Customs use
	Is a list (or its substitute document) of cargoes processed under the operations (hereinafter referred to as the import/export list) created and properly maintained? The list includes items listed below, i. Description of goods and marks and numbers of cargoes. ii. The title and contents of trade control laws and regulations applied to the cargoes if available. iii. Tariff classification, tariff rate and shipper's name and address for import cargoes. iv. Tariff classification and consignee's name and address, for export cargoes. v. Other relevant information.	YES NO		
	Is a framework available to share the import/export list with the overall control section and to submit the import/export list to Customs in a timely manner when requested?	YES NO		
	Are protocol and/or framework established to take the actions below? i. Revision and check of the list according to the revision of relevant laws and regulations. ii. Timely updates of the import/export list for cargoes to be processed under operations which are not originally stated in the list.	YES NO		

(b) Customs procedures related to the cargoes processed under the authorized importers' declaration system

No	Description	Self assessment and comments		For Customs use
	Are protocol and/or a framework available to ensure the following elements for making declarations relevant to the cargoes processed under the authorized importers' declaration system (hereinafter referred to as "the import declarations")? i. Implementation of the appropriate import declaration, i.e.	YES NO		

	<p>matching the import declaration with relevant documents including invoice and the import list.</p> <p>ii. Preparedness for requests by Customs for submission of relevant documents and cargo inspection.</p>			
	<p>Are protocol and/or a framework developed to appropriately submit relevant documents, such as request for clearance and invoice to customs brokers who are delegated for the import declarations?</p> <p>Note: A contract with an Authorized Customs Broker is recommended.</p>	<p>YES NO</p>		
	<p>As for duty payment declaration for authorized importers' declaration system (hereinafter referred to as "the duty payment declaration"), are protocol and/or a framework developed to ensure the following elements?</p> <p>i. Lodgment of the duty payment declaration by the deadline stipulated in the Customs Law.</p> <p>ii. Preparing the correct duty payment declaration, i.e. preparing the duty payment declaration based on relevant documents including the import permission and import list.</p>	<p>YES NO</p>		
	<p>Are protocol and a framework for immediate response to an order by Customs to offer security deposit established?</p>	<p>YES NO</p>		

(c) Customs procedures related to cargoes processed under the authorized exporters' declaration system

No	Description	Self assessment and comments	For Customs use
	<p>Are protocol and/or a framework established to make an authorized export declaration appropriately, i.e. matching the export declaration with relevant documents including invoice and the export list?</p>	<p>YES NO</p>	
	<p>Are protocol and/or a framework developed to appropriately submit relevant documents, such as request for clearance and invoice to customs brokers who are delegated for the authorized export declarations?</p> <p>Note: A contract with an Authorized Customs Broker is recommended.</p>	<p>YES NO</p>	

	Are protocol and/or a framework established to appropriately prepare for requests by Customs for submission of relevant documents and cargo inspections?	YES NO		
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D. Implementation of Cargo Control

No	Description	Self assessment and comments		For Customs use
	<p>Are protocol and/or a framework established at storage facilities owned or managed by the applicant (hereinafter referred to as "the storage facilities") to ensure the following?</p> <p>i. Timely and proper control of the inventory of cargoes controlled under the operations (hereinafter referred to as "the controlled cargoes").</p> <p>ii. Appropriate management of the controlled cargoes in and out of the storage facilities.</p>	YES NO		
	For the controlled cargoes in transit, are protocol and/or a framework established to appropriately check the route and the mode of transportation, as well as to properly track the movement of the cargoes?	YES NO		
	<p>For the controlled cargoes in the following situations, are protocol and/or a framework established to verify such situations in a timely and appropriate manner?</p> <p>i. For the cargoes processed under the authorized importers' declaration system, the status of unloading from foreign vessel/aircraft, carrying into/out of port/airport facility and other bonded area (hereinafter referred to as "the port facility"), and movement from the port facility to the storage facilities .</p> <p>ii. For cargoes processed under the authorized exporters' declaration system, the movement to the port facility from the storage facilities, the status of carrying into/out of the port facility, and loading onto foreign vessel/aircraft.</p>	YES NO		
	Are the following measures implemented at the warehouse of the controlled cargoes?			

	i. Checking traffic of both persons and vehicles and cargoes' being brought in and out, in order to conduct tight security controls.	YES NO		
	ii. Recordkeeping of the checks stated above for a designated time period.	YES NO		
	iii. Sufficient physical security equipment provided including appropriate locking devices, barrier, fencing and lighting. Placement of guards, including setup of video surveillance camera(s), and periodic patrolling.	YES NO		
	iv. Distinction between the controlled cargoes and other cargoes.	YES NO		
	v. Necessary measures, such as a reporting system to the overall control section, if any anomaly is found in the stored cargoes.	YES NO		
	If the applicant delegates the duties of cargo control to third parties, such as forwarders and warehouse operators, does it check whether their framework of cargo control satisfies the elements of (1) to (4) before it starts delegation? Note: Contracts with such parties like Authorized Warehouse Operators and Authorized Logistics Operators such as carriers and forwarders or Regulated Agents authorized by the Ministry of Land, Infrastructure and Transport for compliance purposes are recommended.	YES NO		

E. Framework for Internal Audit

No	Description	Self assessment and comments	For Customs use
	Is a framework for internal audit established to ensure appropriate implementation of the CP? Are the following measures taken to properly conduct internal audit?		
	i. Selection of an appropriate auditor.	YES NO	

	ii. Appropriate selection and clear identification of audited sections.	YES NO		
	iii. Appropriate setup and clear identification of the audit criteria.	YES NO		
	iv. Appropriate setup and clear identification of the timing of audit.	YES NO		
	v. A framework of continual review for sophistication of audit methods.	YES NO		
	Note: All the measures above may not be implemented, if the framework for internal audit of the applicant is confirmed as eligible to ensure appropriate implementation.			
	Are the following frameworks taken against the results of internal audit?			
	i. A framework to report to the superintendent and the overall control section.	YES NO		
	ii. A framework for ensuring communication with the audited sections immediately after compiling the internal audit report and proper implementation of recommendations on necessary remedies.	YES NO		

F. Compliance Program of Trade Control Laws and Regulations (hereinafter referred to as “the CP of other laws and regulations”)

No	Description	Self assessment and comments	For Customs use
	If the CP of other laws and regulations is established, are the title and purpose of the CP clearly specified? This includes cases in which all or part of the operations are delegated to the contracted parties, and that the CP is established by those parties. This is also applied to section F. (2) as follows.	YES NO	

	<p>Are protocol and/or a framework established for the following elements?</p> <p>i. Immediate reporting to Customs on the changes of those CP, if such changes are related to customs procedures, cargoes, or cargo logistics.</p> <p>ii. Immediate reporting to Customs on any accident or misconduct in implementing those CP, if such accident or misconduct is related to customs procedures, cargoes, or cargo logistics.</p>	<p>YES NO</p>		
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G. Instruction to the Contracted Parties

No	Description	YES NO	Self assessment and comments	For Customs use
	<p>Is it clearly specified in the contract or other documents with the contracted parties including affiliates relevant to the operations, customs brokers, forwarders, and warehouse operators, to which all or part of the operations are delegated, that they have a responsibility to appropriately perform the delegated operations?</p>	<p>YES NO</p>		
	<p>Is a framework established to ensure proper implementation of operations by contracted parties in order to satisfy the requirements for applications to authorized importers'/exporters' declaration systems of applications regarding customs procedures and cargo control? Note: It is desirable that the above framework be clearly specified in a contract.</p>	<p>YES NO</p>		
	<p>Are protocol and/or a framework established for communication with, instruction to, and supervision of contracted parties to verify the situations of contracted parties and to ensure appropriate operations by those parties?</p>	<p>YES NO</p>		

H. Communication Channel with Customs

No	Description	YES NO	Self assessment and comments	For Customs use
	<p>Is any person or section designated as a contact point with Customs?</p>	<p>YES NO</p>		

	<p>Are protocol and/or a framework established to immediately communicate with and, as appropriate, report to Customs in the following occasions?</p> <ul style="list-style-type: none"> i. Change of information on the applicant stipulated in the Customs Law, including that of name and address. ii. Any accident related to cargoes processed under the operations. iii. Any inappropriate conduct including misconduct processed under the operations. iv. Immediate transmission of information on the communication and inquiry from Customs to relevant sections 	<p>YES NO</p>		
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I. Reporting and Crisis Management

No	Description	Self assessment and comments		For Customs use
	<p>Is the following reporting mechanism within the organization established?</p> <ul style="list-style-type: none"> i. Reporting to the responsible staff within each section. ii. Reporting from the responsible staff to the overall control section. iii. Reporting from the overall control section to the superintendent for the implementation of the CP. iv. Reporting from the responsible staff of a section to the responsible staff of relevant sections. 	<p>YES NO</p>		
	<p>Are protocol and/or a framework established to ensure immediate reporting to the responsible staff as stated in I. (1), and investigation of the causes as well as taking remedial and preventive measures in the following occasions?</p> <ul style="list-style-type: none"> i. Any accident related to the cargoes processed under the operations. ii. Any inappropriate conduct including misconduct processed under the operations. 	<p>YES NO</p>		

J. Keeping and Maintenance of Books and Records

No	Description	Self assessment and comments		For Customs use
	<p>Are the following measures implemented in terms of keeping and maintenance of books and records related to the operations?</p> <p>i. Clear identification of the relevant sections and responsible staff in charge of keeping and maintenance of books and records.</p> <p>ii. Establishment of protocol and framework for the appropriate keeping and maintenance of books and records.</p> <p>iii. Establishment of protocol and framework to immediately respond to requests for access to books and records from Customs.</p>	<p>YES NO</p>		
	<p>If the keeping and maintenance of books and records are electronically processed in the authorized manner, are the following measures appropriately implemented?</p> <p>i. Availability of documents outlining an electronic processing system for the bookkeeping and maintenance (hereinafter referred to as "the system"), and its operating manual.</p> <p>ii. Establishment of a management framework for the system, including an identification of relevant staff in charge of system management and program modification and its superintendent.</p> <p>iii. Immediate provision of any content stored in the system in a readable form in response to any requests by Customs.</p>	<p>YES NO</p>		

K. Financial Affairs

Description	Self assessment and comments		For Customs use
<p>Are the following measures taken in relation to financial affairs?</p> <p>i. Clear identification of section and responsible staff that are in charge of keeping and maintenance of accounting and financial records.</p>	<p>YES NO</p>		

ii. Establishment of a framework for an accounting audit.	YES NO		
iii. Establishment of protocol and framework for reporting to Customs on situations which may hamper the fulfillment of the payment obligation of customs duty or national taxes.	YES NO		

L. Education and Training

Description	Self assessment and comments	For Customs use
Are the following measures taken in terms of education and training for the operations?		
i. Establishment of a framework to plan education and training programs and to implement those programs in a periodic and continuing manner.	YES NO	
ii. Clear identification of section and responsible staff that are in charge of the planning and implementation of education and training programs.	YES NO	
iii. Provision of sufficient contents and hours of education and training for raising awareness of managers and workers on the CP and customs procedures as well as developing additional expertise.	YES NO	

M. Punitive Measures

Description	Self assessment and comments	For Customs use
Are punitive regulations established for any misconduct of workers against the CP or relevant laws? Are protocol and/or a framework established for the strict enforcement of the regulations?	YES NO	