## PART II : Pilot implementation for export from Indonesia to Japan

1. Objectives
✓ To confirm whether NACCS (Japan Customs' clearance system) can correctly receive live e-CO data issued by the certificate issuing body of Indonesia.
✓ To confirm whether Japan Customs officials and importers, including customs brokers can properly use e-COs in NACCS

2. Participants
✓ The certificate issuing body of Indonesia: Ministry of Trade, Indonesia
✓ The customs authority of Japan: Japan Customs
✓ Exporters in Indonesia and their counterpart importers, including customs brokers, in Japan who wish to use e-COs

3. Schedule
1st May – 25th June 2023 : Pilot implementation
26th June 2023 – : Full implementation

4. Handling of a CO during the pilot implementation from 1st May 2023
 a. Issuance of an e-CO
✓ From 1st May 2023, an exporter in Indonesia may apply for the issuance of either an e-CO or a CO on paper.
✓ Exporters may apply for the issuance of e-COs by the request of their counterpart importers who wish to use the e-COs.
✓ Exporters and importers are expected to communicate in advance of the pilot to determine whether and when they will use e-COs or COs on paper. (See note below)
  Note: Importers in Japan who are not yet ready for using e-COs in NACCS or who do not have access to NACCS need to continue to use COs on paper. They need to request exporters in Indonesia to apply for COs on paper.

 b. For import Customs clearance procedures in Japan
✓ An importer including a customs broker in Japan needs to input the following two data elements to access an e-CO in NACCS.
  i. the e-CO certification number; and
  ii. the first invoice number (in full-digits) of the first item inputted in the e-CO
✓ During 1st May – 31st May 2023, exporters in Indonesia are required to share an electronic copies of the e-CO data downloaded from the system of the certificate issuing body of Indonesia with importers in Japan (See the Attachment for a sample of a copy of e-CO data under JIEPA), which include the above data elements.
✓ After the review date of the pilot, i.e. from after 1st June 2023, Japan Customs

may require only an e-CO if Japan Customs concludes there are no serious problems in the e-CO during the piloting from 1$^{st}$ May until 31$^{st}$ May. Any changes in handling of an e-CO in Japan Customs will be notified to the Indonesian side in advance.

  c. Submission of an e-CO in import declaration in Japan

✓ For import declaration during the pilot implementation from 1$^{st}$ May until 31$^{st}$ May 2023, an importer including customs brokers, in Japan need to submit:
i. an e-CO; and
ii. a copy of the e-CO data downloaded from the system the certificate issuing body of Indonesia.

✓ An e-CO will be the basis for granting preferential treatment. If there are minor defects in an e-CO received in NACCS, such as a lack of some data elements or discrepancy between i. the e-CO and ii. An electronic copy of the e-CO data, Japan Customs may check the validity of the e-CO to grant preferential treatment referring to the information on ii.

5. Handling of an e-CO after the full implementation (26$^{th}$ June 2023-)

✓ For import declaration after the full implementation, Japan Customs no longer requires importers including customs brokers to submit an electronic copy of the e-CO data. An importer including a customs broker may claim preferential treatment by submitting only an e-CO.

✓ An exporter in Indonesia still need to notify an importer in Japan of the following two data elements of an e-CO so that the importer can access their e-CO in NACCS:
i. the e-CO certification number; and
ii. The first invoice number of the first item in the e-CO.
An exporter in Indonesia may notify such information by sharing a copy of the e-CO data downloaded from the system of certificate issuing body of Indonesia or by sending the two data elements by e-mail etc. to an importer in Japan.

✓ Importers in Japan who do not have access to NACCS or who wish to use COs on paper for some reasons still may request exporters in Indonesia to apply for COs on paper even after the full implementation.