



JIFFA Attends FIATA HQ Meeting

International Exchange Committee

Japan International Freight Forwarders Association Inc. (JIFFA) traveled to Switzerland to attend the 2023 HQ Meeting of the International Federation of Freight Forwarders Associations (FIATA) in March 2023. Contacting and interacting with various overseas organizations is an important activity of JIFFA, as part of which it was present at the meeting in Geneva.

Most FIATA members are industry organizations of various countries and regions, although some are individual enterprises. From Japan, three organizations are affiliated, including JIFFA. There are two occasions a year on which FIATA members gather from around the world. One is the World

(MTI), in particular, handles subjects that have much to do with JIFFA member freight forwarders. At an MTI meeting, reports were unveiled by three subgroups—Working Group Sea, Working Group Rails and Working Group Road—as MTI covers many extensive areas of business.

At the FIATA 2023 HQ Meeting, many in-house organizations exchanged views on the Import Control System 2 (ICS2), which has been introduced in European nations. The system requires the provision of information on the security and safety of commodities before they arrive in destinations in the European Union (EU) member states. In March 2021, the ICS2 was applied to all



postal and express consignments, and in March 2023, goods in air traffic were covered. The system is scheduled to become applicable to goods in maritime and inland waterways as well as road and rail traffic in March 2024. For these reasons, it attracted attention from meeting participants. The U.K. is, meanwhile, working to develop a customs system on its own to ensure security and safety. The ICS2 can have major effects on maritime freight forwarders. JIFFA will, therefore, continue to garner information on the system and forward it to its members.

JIFFA intends to continue efforts to interact with various overseas organizations in years to come.



Congress, which members take turns to held in the countries and regions they represent; the other is the HQ Meeting, which is held in March at FIATA's headquarters in Geneva. FIATA resumed its in-person HQ Meeting in 2022, but at that time, JIFFA only attended it online. As such, it was the first time in four years when JIFFA had taken part in a FIATA event in person.

FIATA consists of committees in charge of judicial affairs, information, education and so on, just like JIFFA does. At committee meetings, reports are made on past activities and future activity plans.

FIATA also has various in-house bodies. Multimodal Transport Institute



JIFFA REPORT 2023 Summer

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Issued in September 2023

JIFFA Holds 12th General Assembly

Japan International Freight Forwarders Association Inc. (JIFFA) held its 12th general assembly at 4 p.m. on Thursday, June 8, 2023. Out of the association's 521 regular members, 137 gathered at the Primavera banquet room in the Dai-ichi Hotel Tokyo in Minato Ward, while 247 were present by proxy for a total of 384 attendances.

JIFFA Chairman Junichiro Watanabe gave the opening address at the beginning of the general assembly and was elected by the attending members to preside over the meeting.

At the beginning of the general assembly, Executive Director and Secretary-General Hisanao Kawachi gave briefings on 1-1) a fiscal 2022 business report and 2-1) a fiscal 2022 account settlement report. The latter report was approved after an audit was made by Auditor Shuji Yamaguchi. Then, 1-2) fiscal 2023 business and income and expenditure budget reports were unveiled. As for 2-2) the directors to leave their positions, the retirement of seven was discussed and approved. The meeting unanimously agreed on 2-3) the

provision of retirement benefits to retired full-time executives. After the general assembly, the directors convened their 51st meeting, at which Mr. Chihiro Sugiyama and Mr. Tsuneo Suzuki were elected as new Vice-Chairman and Senior Executive Director, respectively.

In fiscal 2023, JIFFA plans to organize courses for qualifying international intermodal transport specialists in Tokyo and Osaka, workshops for new and midcareer employees in Tokyo and a practical English correspondence course in Tokyo. Also, online English presentations will be put on the table. Other events in review include an introductory Chinese course, a seminar on a Southeast Asian language, a survey on overseas logistics affairs, a basic course to learn JIFFA's transport terms and conditions and e-learning and other workshops. JIFFA intends to organize a logistics field trip for school children, take part in internship programs in the logistics industry and create an educational video. The association will also share information on the International Federation of Freight



Chairman Junichiro Watanabe

Forwarders Association (FIATA) with its members; promote its transport-related documents; hold activity briefing sessions in Fukuoka, Kobe and Nagoya; participate in the Ministry of Land, Infrastructure, Transport and Tourism (MLIT)'s committee and working group for promoting port and harbor computerization; consider holding logistics seminars; and attend meetings convened by the MLIT, the Cabinet Office, the Japan Customs and other governmental ministries and agencies, industry group and others.

Chairman Watanabe's opening address is outlined below.

I am giving the opening address for the 12th general assembly of Japan International Freight Forwarders Association Inc. (JIFFA).

First, I am informing you that we are smoothly advancing all activities despite various changes in circumstances surrounding us. I would like to take this opportunity to be deeply grateful to you all for always supporting and helping us.

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Public Relations Committee Holds Seminar on '2024 Problem'

Japan International Freight Forwarders Association Inc. (JIFFA)'s Public Relations Committee held an online seminar on March 1, 2023 to discuss the so-called 2024 problem in logistics. The seminar, at which Managing Director Hiroaki Oshima of NX Logistics Research Institute and Consulting, Inc. gave a lecture, was attended by as many as 350 individuals from JIFFA members, which indicated that freight forwarders are deeply concerned about the anticipated problem.

Labor shortages are escalating in the logistics industry. It is a pressing issue for freight forwarders to address them. Truck driver shortages are also a serious issue

due to worsening labor conditions and various other factors. As part of Tokyo's work-style reform act, the amount of overtime premiums that small and medium businesses pay to employees who work 60 hours or more a month was raised from 25% to 50%. In April 2024, in addition, an annual cap of 960 overtime hours for truck drivers will take effect. As such, the logistics industry is feared to suffer severe adverse impacts, such as leftover cargo resulting from weakened transport capacity and overall cost increases from higher wages.

As discussed in the online seminar, trucking companies alone cannot solve the 2024 problem. Cooperation from



shippers and all of the other interested parties is inevitable. These ideas were shared by many of the attendees.

JIFFA will continue to transmit information on issues in which member freight forwarders are highly interested.

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Looking back at the last one year, the economy was always decelerated. It began with surges in resource prices due to Russia's invasion of Ukraine. It was followed by accelerations in global inflation. To keep it from escalating, governments imposed belt-tightening policies. The Japanese economy, for its part, did not fully return to a recovery track, as import prices went up under the influence of the weakening of the Japanese yen.

As such, the total volume of NVOCC cargo handled in fiscal 2022 by JIFFA member freight forwarders only minutely grew from the previous fiscal year, as it was impacted by slowdowns in the global economy, or more specifically, the Chinese economy. Although exports increased 2.2 %, imports decreased 0.2%. In total, they amounted to 123.37 million tons, which slight increase 0.7%. Although the improvement was minute, we have maintained year-on-year growth in throughput for two back-to-back years. The volume itself was greater than pre-pandemic levels. It was accomplished as all of our members made relentless efforts, for which I would like to show my profound respect.

JIFFA's membership is growing every year. In fiscal 2022, there was an increase of 11 new members from the previous fiscal year. We welcomed two more in and after April, and

as of June 1, our regular members numbered 548, consisting of 521 regular members as well as 16 supporting enterprises and 11 supporting organizations. JIFFA is expanding constantly, and I believe that we are leading the recovery of the Japanese economy in the future.

The coronavirus pandemic has made various adverse impacts over the last three years, such as supply chain disruptions as well as container and shipping space shortages, which have generated delays in marine cargo transport. However, such problems are finally going away, and I am sure that JIFFA's activities will return to what they were before the COVID-19 pandemic.



We will continue this fiscal year to promote support for human resource development, mainly by proceeding with education and training programs. We plan to resume our suspended overseas logistics surveys. We will also continue to work hard to contribute to the development of the freight forwarding industry by holding various seminars, addressing digitalization, cooperating with relevant governmental ministries and agencies and so forth.

Before finishing my opening address, I would like to humbly ask each affiliated freight forwarder and each committee member to continue to support and help us to further enlarge our business operations.

Exports Turn Upward, Imports Slightly Fall Due to Yen Depreciation Forwarding Committee

Japan International Freight Forwarders Association Inc. (JIFFA) member freight forwarders moved a combined 61.729 million tons of cargo to and from Japan in the second half of fiscal 2022 (October 2022-March 2023), which increased a minute 0.4% from the corresponding six months of the previous fiscal year.

Shipments to and from Japan plunged in the first half of fiscal 2020 due to lockdowns worldwide and the state of emergency declaration in Japan, both of which resulted from the coronavirus pandemic. However, they have been on the rise since returning to the 60-million-

ton line in the second half of fiscal 2020.

Exports from Japan turned upward, increasing 5.8% to 24.941 million tons. They surged in the first half of fiscal 2021, rebounding from a severe decline a year earlier, but continued to shrink year on year afterward. Imports to Japan, on the other hand, fell 2.9% to 36.788 million tons owing to steep rises in raw material prices and the depreciation of the Japanese yen. Due to Russia's invasion of Ukraine, cargo volume with the CIS plummeted, and total imports and exports fell by 68.1% to 84,000

tons. Ranked third were exports to Europe, which remained robust, swelling 9.8% to 2.302 million tons. They were followed by those to South Korea, which plunged 13.1% to 1.608 million tons, continuing to mark a double-digit contraction for two halves in a row. At the bottom of the top five were shipments to Vietnam, which bumped up a notch from sixth by growing a notable 26.7% to 1.531 million tons. Those to Taiwan rose from seventh to sixth by expanding a more remarkable 28.7% to 1.486 million tons. Exports to other parts of Asia almost doubled, soaring 94.1% to 1.479 million tons to finished in seventh place. Those to Thailand shrank a minute 0.3% to 1.459 million tons, going down to eighth place.

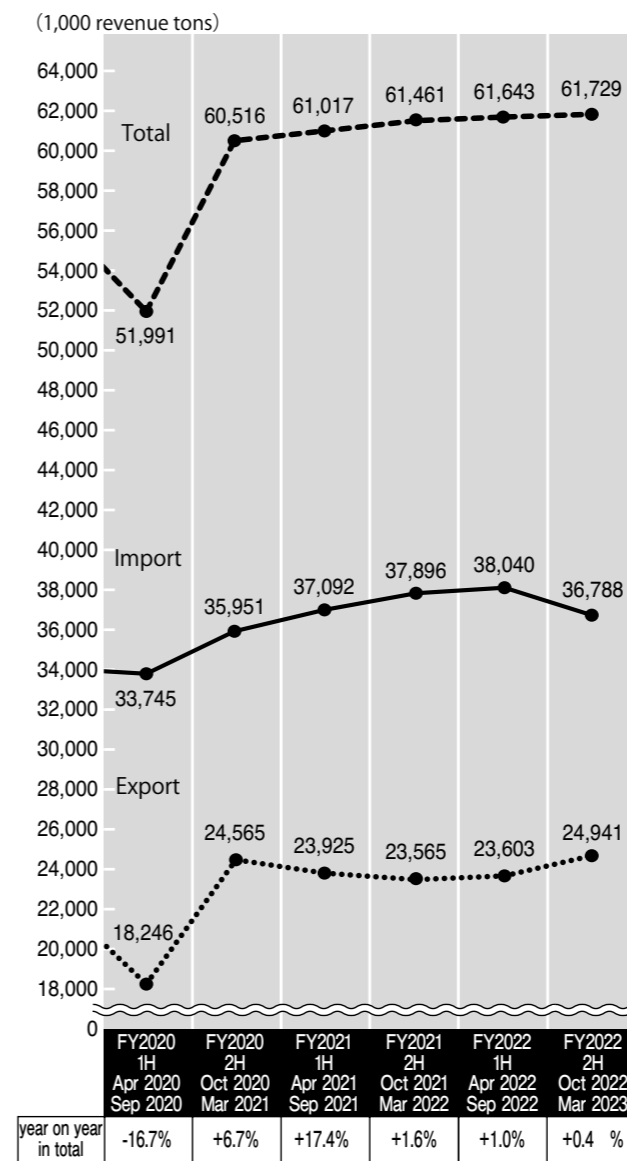
In terms of TEU, exports to China amounted to 250,195 TEUs, up 0.6%, holding the leading share of the pie. As for exports to other destinations, those to the U.S. came to 121,283 TEUs, down 0.8%; to South Korea, 96,041 TEUs, down 0.7%; to Europe, 89,068 TEUs, down 7.2%; and to Thailand, 78,501 TEUs, up 1.7%.

(2) Imports

In October 2022-March 2023, imports to Japan decreased 2.9% to 36.788 million tons. They suffered their first year-on-year decline since the second half of fiscal 2020.

Imports from China slid 2.4% to 18.529 million tons but managed to come on the top of the list. The second largest source was Vietnam, from which 3.242 million tons were imported, which contracted 4.4%. Those from Europe, in contrast, swelled a significant 29.1% to 3.055 million tons. Ranked fourth and fifth places, imports from Thailand and the U.S. were both stagnant, which waned 4.8% to 2.265 million tons and 5.5% to 1.785 million tons, respectively.

On a TEU scale, imports from China



(1) Exports

In the second half of fiscal 2022, JIFFA members carried 24.941 million tons of exports from Japan, which improved 5.8% year on year. Quantitatively, exports were even greater than in the second half of fiscal 2020, when they exceeded pre-pandemic levels.

Accounting for the largest part of the total, exports to China picked up 5.7% to 5.093 million tons, which remained on an upward trend for two consecutive terms from the first half. Coming in second, in contrast, those to the U.S. turned downward, decreasing 6.5% to 2.838 million

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JIFFA Attends JALoT-Organized FY2022 Logistics Business Seminar in Tokyo

Public Relations Committee

Japan International Freight Forwarders Association Inc. (JIFFA)'s Public Relations Committee held a job fair for job-hunting students as part of the fiscal 2022 seminar for studying the logistics business organized in Tokyo on Feb. 3, 2023 by the Japan Association for Logistics and Transport (JALoT). More than 100 such student gathered at Tokyo Metropolitan Industrial Trade Center Hamamatsucho-Kan in Minato Ward, where the seminar took place, visiting booths of enterprises and organizations affiliated with the JALoT.

The seminar was given in six 30-minute sessions. In the first three sessions, JIFFA outlined sea and airfreight forwarding services at its booth in partnership with the Japan Air cargo Forwarders Association (JAJA). In the last three sessions, JIFFA then held online discussions to encourage students to exchange views with JIFFA and/or JAJA members including NRS Corp.; Kintetsu World Express, Inc. (KWE); Overseas Courier Service Co., Ltd. (OCS); and VANTEC HTS Forwarding, Ltd., which was renamed LOGISTEED Express, Ltd. in

April. The attending students asked many questions as the online discussions were a precious opportunity to directly speak with first-line workers in charge of freight forwarding in other countries. The students heard from their discussion partners what hardships they have had and what job satisfactions they have acquired in their places of work, prehistories of their overseas assignments and so on.



JIFFA will continue to support human resource development activities.



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were down 3.3% to 799,334 TEUs; from Vietnam, down 2.8% to 119,357 TEUs; from Europe, up 3.3% to 116,306 TEUs; from Thailand, up 0.9% to 94,349 TEUs; and from South Korea, down 9.5% to 83,795 TEUs.

(3) Export-Import Total

JIFFA-affiliated freight forwarders transported a total of 61.729 million tons of cargo to and from Japan in the second half of fiscal 2022, which increased 0.4% from a year earlier and has continued to grow year on year since the second half of fiscal 2020.

Japan's leading trade partner was China, with 23.622 million tons moved between the countries, which fell 0.7%. Europe stepped up from third to second

place, and 5.357 million tons were exported to and imported from the region, which ballooned a remarkable 20%. Shipments to and from Vietnam increased 3.8% to 4.773 million tons, rising from fourth to third. On the other hand, freight to and from the U.S. slid 6.1% to 4.623 million tons, falling from second to fourth place. Thailand finished in fifth, with exports to and imports from the Southeast Asian nation totaling 3.724 million tons, which declined 3.1%.

In TEU terms, exports to and imports from China amounted to 1.05 million TEUs, down 2.4%; to and from Europe, 205,374 TEUs, down 1.5%; to and from the U.S., 182,871 TEUs, down 5.5%; to and from South Korea, 179,836 TEUs, down 5%; and to and from Vietnam, 178,050 TEUs, up 0.2%.

(4) Fiscal 2022

In fiscal 2022, JIFFA members exported 48.544 million tons of international intermodal cargo from Japan, which increased 2.2% from the previous fiscal year, thanks to a recovery in freight movement in the second half from sluggishness in the first half. On the other hand, imports declined 0.2% to 74.282 million tons. Unlike exports, they were brisk in the first half but turned down in the second half, impacted by the depreciation of the Japanese yen and other factors. In total, they transported 123.372 million tons to and from Japan. Although there was only a marginal growth of 0.7%, it was a year-on-year improvement for the second consecutive fiscal year.

JIFFA Holds FY2022 Courses for Qualifying International Intermodal Transport Specialists

Education Committee

Japan International Freight Forwarders Association Inc. (JIFFA)'s Education Committee organized its annual courses for qualifying international intermodal transport specialists in Tokyo and Osaka in October-November 2022. The courses were given in a total of 30 lectures on 10 days during the periods from Oct. 6 to Nov. 22 in Tokyo and from Oct. 19 to Nov. 29 in Osaka.

In fiscal years 2020 and 2021, the courses were organized on a smaller scale to prevent coronavirus infections, only assembling one-half of their normal enrollment limits. In fiscal 2022, however, the courses finally returned to normal, but students were still encouraged to fully take infection-prevention measures, such as wearing masks and taking their body temperatures and washing and sanitizing their hands when entering classrooms.

On Dec. 14, the final examinations were given in both Tokyo and Osaka for

224 course attendees, 221 of which passed them and became qualified as international intermodal transport specialists. The highest score gained was 96 points out of 100, while the average was 78.78 points. Now, JIFFA has produced a total of 6,509 international intermodal transport specialists so far.

On Jan. 25, 2023, JIFFA held a ceremony at its head office in Tokyo to honor five top performers. JIFFA Chairman Junichiro Watanabe himself conferred international intermodal transport specialist certificates to them, saying he hopes they will become important members of the industry by making the most of the knowledge they had from the



courses. Chairman Watanabe and the students were later joined by the chairman and vice-chairman of the Education Committee for a meeting, at which the students expressed their impressions of the courses.



JIFFA Honors Top Performers at FY2022 Chinese, English Courses

Language Training Committee

Japan International Freight Forwarders Association Inc. (JIFFA) held a ceremony on Jan. 31, 2023 to confer certificates of completion to students who had made outstanding performances at the final examinations of its foreign language learning courses.

JIFFA's Language Training Committee commenced its annual introductory Chinese and practical English correspondence courses in June 2022 at the association's head office in Tokyo. The Chinese course was made up of 15 classes with one class given on one day, while the English course consisted of 36 lectures with three provided on each of 12 days. The Chinese and English courses both continued until October.

After the final examinations were conducted for both courses, the Education Committee's grading board convened a meeting to pick up top performers. The Chinese course was

attended by three students, all of which passed the final examination. The English course was given to 23 students, more than half of which attended all of the 36 lectures and 20 of which passed the final examination.

The ceremony was held at a conference room in JIFFA's head office to honor the top performers—one from the Chinese course and three from the English course. Certificates of completion were granted to them by JIFFA Chairman Junichiro Watanabe. "I show my respect to you all for working so hard as to be honorably recognized today, although you might have keenly felt how hard it is to continue to learn a foreign language and made efforts to do so," he said. "I am sure you will make the most of the assets that you acquired from

the courses in your daily business routines."

After the ceremony, the students were joined by individuals from six freight forwarding newspaper publishers. In a mixed atmosphere of nervousness and happiness, they enjoyed a pleasant time with the visiting newspaper people, talking about why they had attended the language courses, what hardships they encountered during the coronavirus pandemic and while taking the courses, how they managed cooperation at home and work, what career goals they will pursue in the future and so on.



JIFFA Holds FY2023 Workshops for New Employees

Education Committee

Japan International Freight Forwarders Association Inc. (JIFFA)'s Education Committee held its annual workshop in May 2023 for new employees of its member freight forwarders and those who had been newly assigned to freight forwarding-related business tasks.



In the first part, the Education Committee gave a lecture on May 24 at a conference room of the Sampo Kaikan Hall in Tokyo. Attendees, 90% of which had joined their companies within the last two months, learned basics of the international freight forwarding business, such as technical terms, export and import flows, Incoterms, transport document contents and the importance of insurance. The committee played a DVD that JIFFA had produced on the forwarding of international seagoing cargo. The visual aid, which had just been updated for the first time in 15 years, was introduced to the lecture to help the students

understand how shipments are carried from Japan to overseas.

In the second part, the Education Committee joined hands with the Tokyo Metropolitan Government (TMG)'s Bureau of Port and Harbor to take the attendees to local logistics facilities on May 25-26.

The party first called at Tokyo Freight Station, a railway freight terminal operated by Japan Freight Railway Co. near the Port of Tokyo's Oi Container Terminal. After having a look around the entire facility from its rooftop, they went around it on a bus. They were allowed to see at a very close range how freight cars are loaded with cargo.

The party then moved to Aomi. At the Exhibition Room of the Tokyo Waterfront Area, known more commonly as Tokyo Minatorie, the students had a lecture on the Port of Tokyo from Bureau of Port and Harbor officials. They also had an opportunity to learn the history of the port at the exhibition room. From an observation room, they enjoyed a view of the Port of Tokyo' terminals and saw containerhips and other large vessels coming in and out of the port.

The second part of the program came to an end when the party visited Berths Y1 and Y2 of the Port

of Tokyo's Container Terminal in the Outer Central Breakwater area, where there are the port's latest facilities. From an observation area on the fifth floor and the rooftop, they enjoyed a view of the entire terminal.



7th Update of NACCS to Become Available (Oct. 2025) Draft Compiled for Details

IT Committee

In preparation for the commencement of the seventh update of Nippon Automated Cargo and Port Consolidated System (NACCS), Japan International Freight Forwarders Association Inc. (JIFFA)'s IT Committee has attended meetings of a dedicated committee as well as a subordinate working group and sub-working group at Nippon Automated

Cargo and Port Consolidation System, Inc.

The IT Committee was present at the first meeting of the dedicated committee in August 2019 as a member. It has since joined 20 working group and three ACL sub-working group meetings. After the fifth meeting of the dedicated committee on Feb. 2 and a meeting of NACCS' information handling and operating

council, a draft was compiled for detailed specification of the seventh version of NACCS.

Preparatory work is ongoing to make the seventh version of NACCS go into operation in October 2025. An agreement on the draft will be a major milestone. Specific details are described on NACCS' BBS.

NACCS is scheduled to begin briefing sessions in April. JIFFA, for its part, intends to gather information and give it to members.

JIFFA Holds Workshop on Present, Future of Chinese Economy

International Exchange Committee

Japan International Freight Forwarders Association Inc. (JIFFA)'s International Exchange Committee held a workshop on March 14, 2023 to discuss the Chinese economy, focusing on how it is developing now and will advance on post-pandemic days.

President Xi Jinping of China secured a third term in office in October 2022. At a time when the nation is raising its international presence in both economy and diplomacy, its policies are facing a turning point. Beijing has, for example,

taken several steps to place its economy, damaged by the coronavirus pandemic, on a recovery track, such as lifting its zero-COVID policy and discontinuing centralized quarantine for inbound travelers.

JIFFA-affiliated freight forwarders do much business in China, which is also Japan's greatest trade partner. The workshop was organized for these reasons, at which Mr. Kodai Kataoda from the Japan External Trade Organization (JETRO)'s Research &

Analysis Department gave a lecture. JIFFA received applications to attend the event from so many people, which counted more than 200, as to indicate that member freight forwarders were highly interested in it.

About the same time, the government of China convened its 14th National People's Congress in Beijing on March 5-13. As such, discussions were held on the nation's latest policies at the workshop, such as economic growth targets, which helped it provide attendees with more up-to-date information.

JIFFA will continue to disclose information on overseas affairs in a variety of ways.

JIFFA Goes on Logistics Field Trip to Kobe with Children in Spring

Public Relations Committee

Japan International Freight Forwarders Association Inc. (JIFFA)'s Public Relations Committee went on a field trip to the Port of Kobe on March 27, 2023. It was the first such event in three years as several previous events had been cancelled due to the coronavirus pandemic. The committee launched the project in 2007 to take children of employees from JIFFA-affiliated companies to logistics facilities.

The 2023 field trip started on board the Royal Princess with support from Kobe Bay Cruise Co., Ltd., the city of Kobe's Port and Harbor Bureau and the Kobe Tourism Bureau. After having a briefing on the Port of Kobe, attending school children observed submarine dockyards, Kobe International Airport and container terminals from the cruise ship. They enjoyed a view of Mount Rokko from a deck on the third floor of the Royal Princess. They had a fresh impression of the Port of Kobe as it must

have looked very different from the port they usually see. Blowing in bracing sea breeze, they had a pleasant time.

After having lunch, the children were relocated to Kamigumi Co., Ltd.'s fruit and vegetable warehousing complex. They had a lecture on fruit distribution and storage, the bond system and temperature management. Questions were asked by the students one after another. One asked why bananas there were green, not yellow, while another was curious about how green bananas turn yellow. The lecture was so interesting as to attract their parents, too. The attendees learned the distribution of foodstuffs they are familiar with in their daily lives is made on many ideas and much hard work.

Then, the children moved to the Kobe International Container Terminal (KICT), the last place to visit in the 2023 program. Staff members of Shosen Koun Co., Ltd. outline the terminal on a monitor and gave a briefing on the terminal's latest facilities from the top of a building. The children also enjoyed a bus tour around the terminal. They were taken

near water where safety is ensured and took commemorative photos there. It must have been very exciting to view a gantry crane from underneath. They were highly impressed to see containers neatly loaded on board a gigantic containership. Their shining eyes seemed to beautifully reflect the future of logistics.

