2. Each Party shall have in place electronic systems for the management by its customs authority of the applications referred to in paragraph 1 once they have been granted or recorded.

3. The customs authority of each Party shall decide on granting or recording the applications referred to in paragraph 1 within a reasonable period of time from the submission of the applications.

4. Each Party shall provide for the applications referred to in paragraph 1 to apply to multiple shipments.

5. With respect to goods imported or exported, customs authority of each Party shall have the authority to act upon its own initiative to suspend the release of or detain suspect goods in the customs territory of that Party.[1]

6. Article 4.9 covers detection of suspect goods referred to in this Article.

7. Without prejudice to its laws and regulations relating to the privacy or confidentiality of information, a Party may authorise its customs authority to provide a right holder with information about goods, including a description and the quantities thereof, and if known, the name and address of the consignor, importer, exporter or consignee, and the country of origin of the goods, whose release has been suspended, or which have been detained.

8. A Party may adopt or maintain procedures by which its competent authorities may determine, within a reasonable period after the initiation of the procedures described in paragraphs 1 and 5, whether the suspect goods are infringing. In such case, the competent authorities shall have the authority to order the destruction of goods following a determination that the goods are infringing. A Party may have in place procedures allowing for the destruction of suspect goods without there being any need for the formal determination on the infringement, where the persons concerned agree or do not oppose to destruction.

9. If a Party requests right holders to bear the costs actually incurred for the storage or destruction of the goods whose release has been suspended, or which have been detained in accordance with paragraphs 1 and 5, those costs shall correspond to the services rendered for the storage or destruction of the goods.

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[1] For the purpose of this paragraph, Japan may provide for penalties to be applied in cases of customs transit or transhipment of infringing goods. For that purpose,
(a) "customs transit" means the customs procedure under which goods are transported under customs control from one customs office to another; and
(b) "transhipment" means the customs procedure under which goods are transferred under customs control from the importing means of transport to the exporting means of transport within the area of one customs office which is the office of both importation and exportation.