
NEWS RELEASE

DG Group Provides “Cloud Pay,” a Unified QR Code Payment Solution as a Customs Duty Payment Method at 6 Major Japanese Airports

~Supporting Better Convenience for Customs Duty Payers and Smoother Customs Procedures~

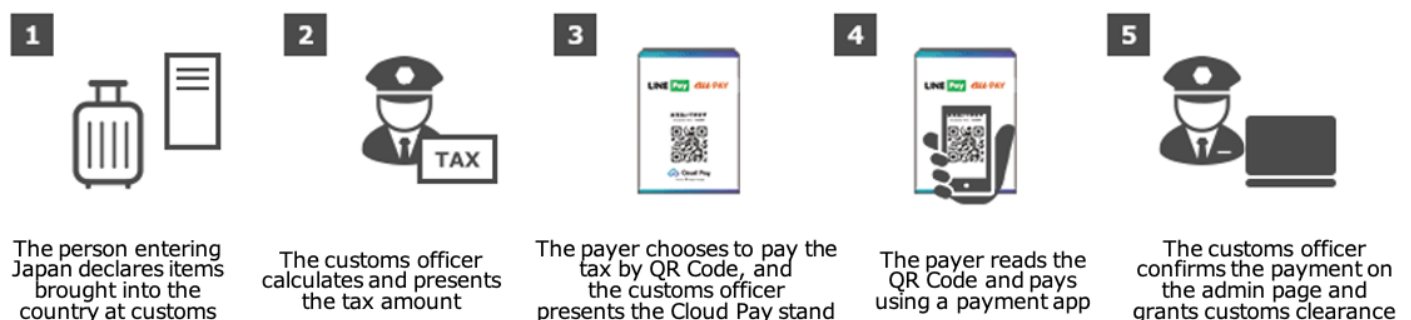
The DG Group, centered on Digital Garage, Inc. (TSE first section: 4819; HQ: Tokyo; Representative Director, President Executive Officer and Group CEO: Kaoru Hayashi; DG), provides [“Cloud Pay,” a unified QR Code payment solution](#) for cashless tax payments, including customs duty payments at airports for personal items that exceed the duty-free range. The Ministry of Finance and Japan Customs will start accepting cashless tax payments at 6 airports*₁ on July 19, 2021 (Haneda, Narita, Kansai, Chubu, New Chitose and Fukuoka), including customs duties on personal items brought into Japan that exceeded the duty-free range. 2 types of payment options, au Pay and LINE Pay, will be provided via “Cloud Pay” from July 19, 2021 to March 31, 2022.

■ Outline of cashless tax payments for customs duties, etc.

People entering Japan must pay taxes (according to tax rates that vary by item type and other factors) when bringing in and importing items that exceed the duty-free range, including cigarettes, alcohol and other items. Japan Customs will begin using “Cloud Pay” to accept cashless tax payments, including customs duties, at 6 major airports.

During customs procedures at the time of entry, the amount of tax due will be determined if the entrant is carrying goods that exceed the duty-free range. If the entrant chooses QR code payment as the tax payment method, the customs officer will present the “Cloud Pay” QR code stand. When the QR code on the stand is scanned with the smartphone of the entrant and the payment is executed with the au Pay or LINE Pay app, the customs officer confirms the result of the payment on the dedicated admin page and grants customs clearance.

[Tax payment process with Cloud Pay]



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Previously, these taxes were paid at a bank inside the customs inspection station or by giving cash to a customs officer. In recent years, more electronic payments are being taken for national taxes and other types of taxes on the Internet. Japan Customs is also building systems and promoting work processes for electronic payments as a way to offer better convenience to payers and to achieve smoother customs clearance procedures. As part of these efforts, Japan Customs has adopted cashless payment using smartphone for tax payments related to personal items brought into Japan.

■ About “Cloud Pay”

With “Cloud Pay,” multiple types of QR Code and barcode payment services can be offered just by displaying a single QR Code in the store. This service utilizes the MPM format*₂ in which customers scan a QR Code at the store to pay. Since this requires no new equipment including POS terminals and no system upgrades, participating merchants can introduce multiple Japanese and overseas QR Code payment services at once without any installation burden or costs.

This format offers many benefits. For instance, transactions for various payment methods can be managed on the app for participating merchants, which helps reduce the number of people required for administration and accounting tasks. In addition, consumers feel no confusion about which QR Code to scan when paying.

■ Future developments

The DG Group has supported the promotion of cashless payments in the public fund realm, including payment collection by administrative authorities such as national tax payments at convenience stores*₃ and payments for patents and other fees to the Japan Patent Office*₄. The government is currently focusing on public administration digitalization, for which online services have been delayed, and is rapidly implementing digitalization throughout Japan.

DG is implementing “DG FinTech Shift,” a Group strategy that integrates payments and data. With DG Financial Technology playing a central role in the payment business to accelerate and drive the Group strategy, DG will create next-generation businesses across the group combining strong payment infrastructure with the Group’s many businesses and services, and implement co-creation with stakeholders, to promote DX in Japan and contribute to a sustainable society.

*1: As for Naha Airport, customs duty payment using “Cloud Pay” at customs will be available once inbound international flights resume.

*2: MPM: A type of QR Code payment format in which users scan in-store QR Codes with their mobile devices

*3: Related release: [“ECONTEXT Launches the QR Code-Based National Tax Collection Service at Convenience Stores to the National Tax Agency”](#) (December 19, 2018)

*4: Related release: [“VeriTrans \(Currently DG Financial Technology\) Launches Credit Card Payment Services for Patent and Other Fee Payments to the Japan Patent Office”](#) (April 1, 2019)

* “Cloud Pay” is the only unified QR Code payment solution in Japan provided in the BtoBtoC model. “Cloud Pay” is a registered trademark of Digital Garage, Inc.

* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.

* “au PAY” is a registered trademark of KDDI CORPORATION.



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Digital Garage, Inc.

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[About DG Financial Technology] <https://www.dgft.jp/>

DGFT is a payment service provider offering comprehensive payment services to online business operators, including E-Commerce, as well as stores and other face-to-face business operators. As a member of the DG Group, it provides support in the payment and financial fields for cashless payments and DX by business operators. VeriTrans Inc. was renamed to “DG Financial Technology, Inc. (DGFT)” in April 2021. DGFT will continue contributing to the sustainable growth of society through its infrastructure businesses that are useful to society, by providing highly convenient functions and services to participating merchants and consumers (who are the end users), as well as reliable, safe, and pleasant payment experiences.