

# VI

## Investment Promotion Activities of JETRO

As the central organization for attraction of inward investment, JETRO started its initiatives to promote inward FDI in earnest in 2003. JETRO's strength is in its network spreading domestically and abroad: the Tokyo headquarters, JETRO Osaka, 44 regional offices in Japan and 73 overseas offices in 54 countries worldwide (as of October 1, 2017) are working together every day to support foreign companies that are interested in investment in Japan and business expansion of foreign-affiliated companies in Japan.

### 1. Achievements of JETRO

During the period from 2003 to the end of March 2017, JETRO has provided support for about 16,000 foreign/foreign-affiliated companies for their projects pertaining to their investment in Japan, of which about 1,600 have successfully established or expanded operations in Japan (Chart 6-1).

**Chart 6-1 Investment projects supported by JETRO & successful startups/business expansion of foreign/foreign-affiliated companies (FY2003-2016)**

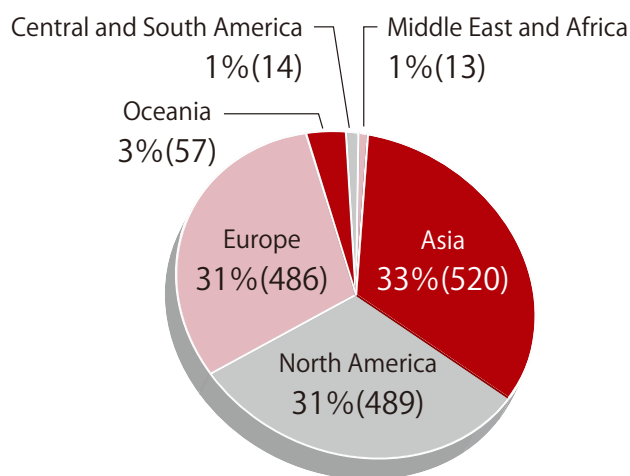
Supported projects	Successful startups/business expansion of foreign/foreign-affiliated companies
Total <b>15,972</b> projects	Total <b>1,579</b> projects
FY2016 <b>1,775</b> projects	FY2016 <b>174</b> projects

Looking at the regions of the parent companies of the firms that succeeded in establishing/expanding operations in Japan, North America, Europe and Asia account for approximately one-third each (Chart 6-2). At the end of FY2016, foreign companies' startups from Asia for the first time reached the top in the accumulated total. By country/region, the US far outstripped other countries/regions (Chart 6-3). By industry, three categories of "ICT/telecommunications," "Services (including tourism, restaurants and education)" and "Electric/electronic and precision devices" constitute about 60% of all investment projects (Chart 6-4).

By prefecture, about 60% of foreign-affiliated companies in Japan are headquartered in Tokyo, continuing their overconcentration in the Japanese capital. There has been no change in this tendency in recent years (Chart 6-5). However, according to a survey of foreign-affiliated companies conducted by JETRO from May to June 2017, more than 60% of the candidate prefectures were other than Tokyo for foreign-affiliated companies' secondary investment. Supporting expansion of foreign companies to these regions has become an important issue for regional revitalization.

In FY2016, JETRO supported 1,775 projects leading to the establishment/expansion of 174 business bases (Chart 6-1). 76 out of the 174 are projects by Asian companies, which shows trends of expansion of investment from Asia in recent years (Chart 6-6). Tapping into the momentum of fast-growing Asian companies will continue to be a key to expansion of investment in Japan. By industry, expansion was conspicuous in tourism and related services (e.g., airline, home lodging service, retail, restaurant, etc.) in response to the rapid increase in foreign tourists visiting Japan.

**Chart 6-2 Successful investment projects supported by JETRO (by region, FY2003-2016)**



[Note] Number of projects in ( ).

**Chart 6-3 Successful investment projects supported by JETRO (by country/region, top ten countries/regions, FY2003-2016)**

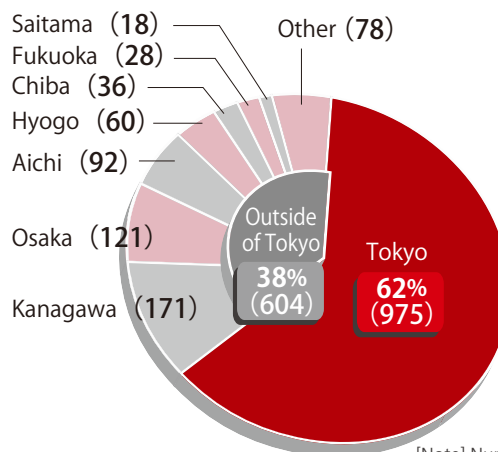
Rank	Country/region	Number of Project
1	US	453
2	China	183
3	Germany	130
4	Korea	109
5	UK	94
6	France	81
7	Singapore	53
8	Taiwan	52
9	Australia	49
10	Hong Kong	46

**Chart 6-4 Successful investment projects supported by JETRO (by industry, top five industries, FY2003-2016)**

Rank	Industry	Number of Project
1	ICT/telecommunications	361
2	Services (including tourism, restaurants and education)	317
3	Electric/electronic and precision devices	291
4	Vehicle and parts	94
5	Medicine/medical devices	85

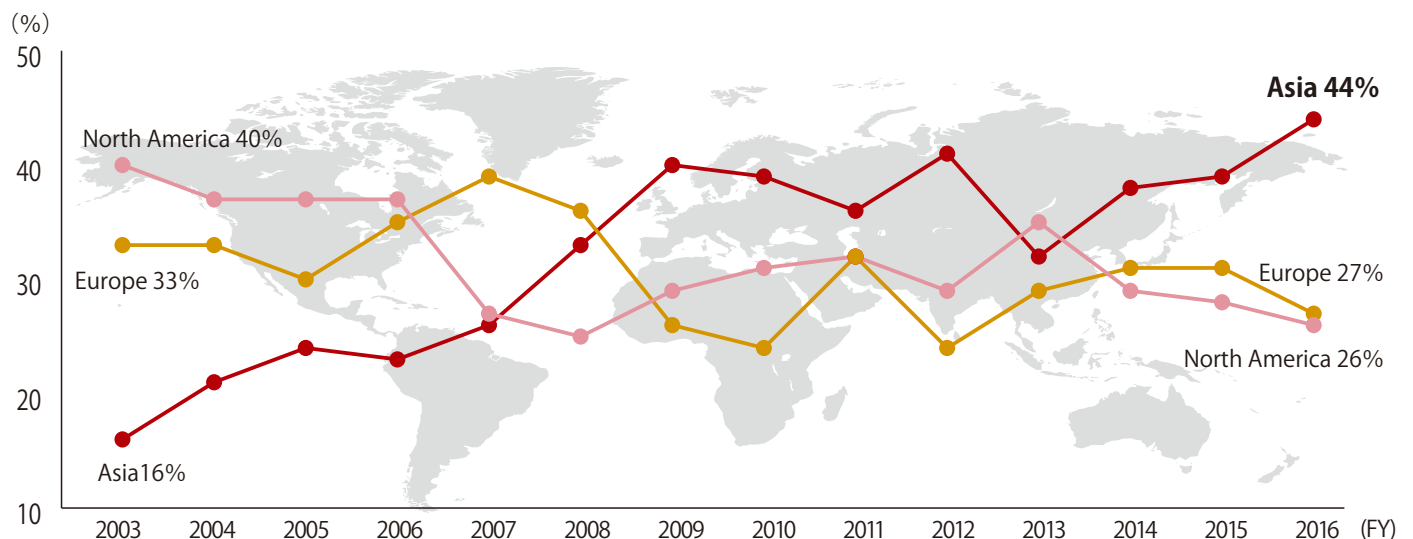
[Note] Classification is partly different from that of "Invest Japan Report 2016."  
 "ICT/telecommunications" includes software.  
 "Electric/electronic and precision devices" includes hardware such as machinery and parts and electric/electronic parts.

**Chart 6-5 Successful investment projects supported by JETRO (by prefecture, FY2003-2016)**



[Note] Number of projects in ( ).

**Chart 6-6 Changes in the ratio of successful investment projects supported by JETRO (by region)**



## 2. Outline of JETRO's investment promotion activities

JETRO's investment promotion activities are wide-ranging from information dispatch and publicity projects to identification of and support for companies interested in investment in Japan (primary investment), support for business expansion by foreign-affiliated companies in Japan (secondary investment) and support for local governments' effort to attract investment (Chart 6-7).

Focuses of recent activities include: (1) attraction of R&D centers and other high-value added sites, (2) enhanced activities to attract Asian enterprises, (3) intensified approach to foreign-affiliated companies in Japan and (4) intensified attraction activities in cooperation with local governments. Efforts for improvement of the business environment through contribution to the Working Group for Revising Regulations and Administrative Procedures of the government are also one of the key pillars in recent years.

The part below introduces the four pillars of JETRO's activities to expand investment in Japan: (1) dispatching information on the attractiveness of Japan, (2) supporting individual FDI projects in Japan, (3) promotion of secondary investment and contribution to regional revitalization and (4) approach toward improvement of the business environment.

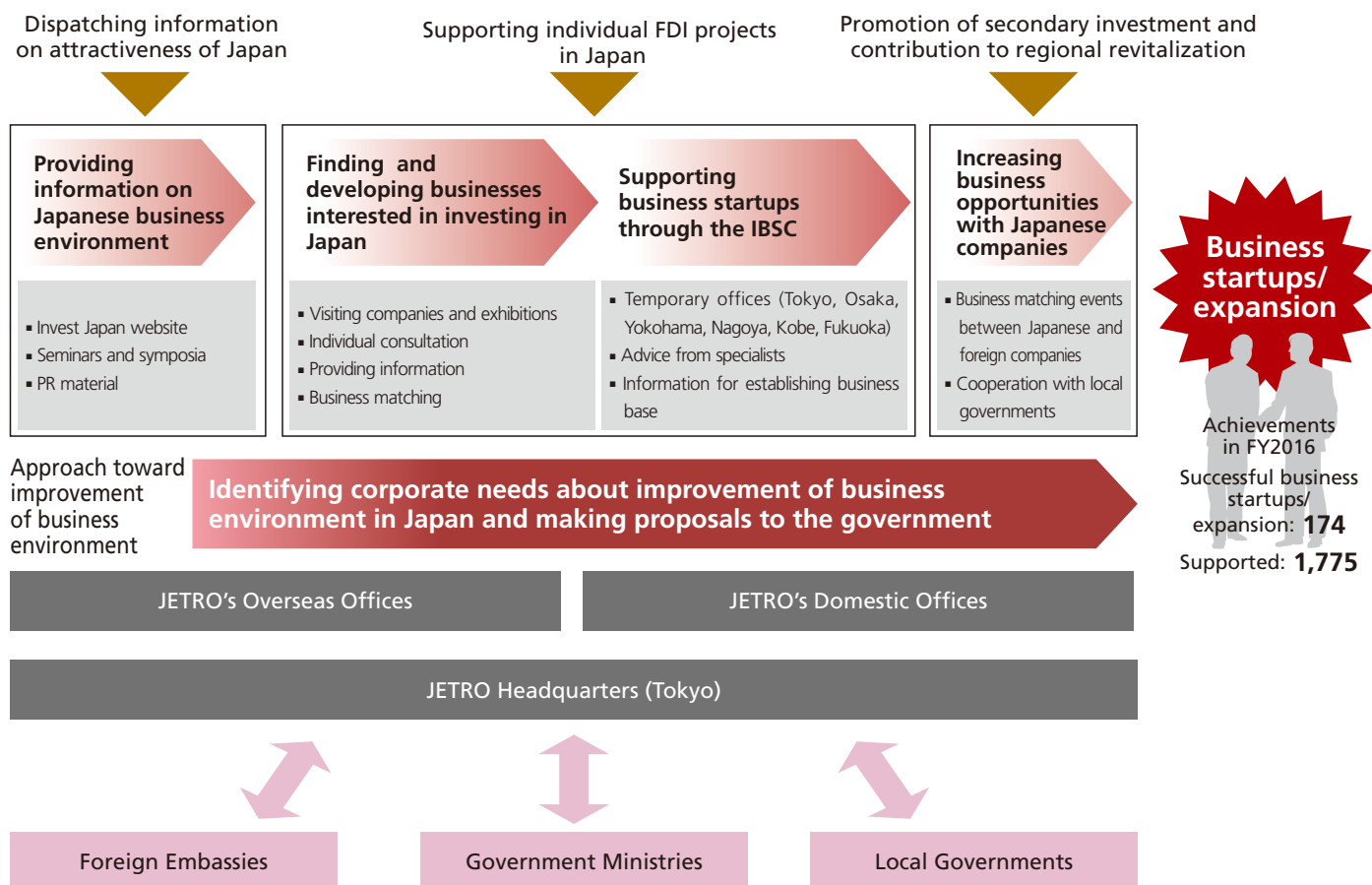
## (1) Dispatching information on attractiveness of Japan

### ① Top-level sales and overseas seminars/symposia

To encourage foreign companies' entrance to the Japanese market, it is necessary to let them know the investment environment and business opportunities in Japan. Using its network, JETRO is making a strong effort to disseminate information around the world. In FY2016, JETRO held 163 seminars/symposia on investment in Japan and encouraged foreign enterprises and government officials to invest in Japan (Chart 6-8).

At the Invest Japan Seminar held in Brussels (Belgium, in May 2016) and the Invest Japan Symposium in New York (US, in September 2016), Prime Minister Abe took the platform for top-level sales to foreign companies. The symposium held in New York gathered more than 300 participants. Mayors also attended the seminar and symposium to introduce the attractiveness of their respective regions mentioning the particular examples of foreign companies that expanded into the region and also publicized their incentive programs including subsidies and establishment of industrial parks. In addition to these seminars and symposia, in September 2017, JETRO co-hosted a roundtable conference with the Japanese government

Chart 6-7 JETRO's activities to promote inward FDI





Prime Minister Abe speaking at the Invest Japan Symposium in New York



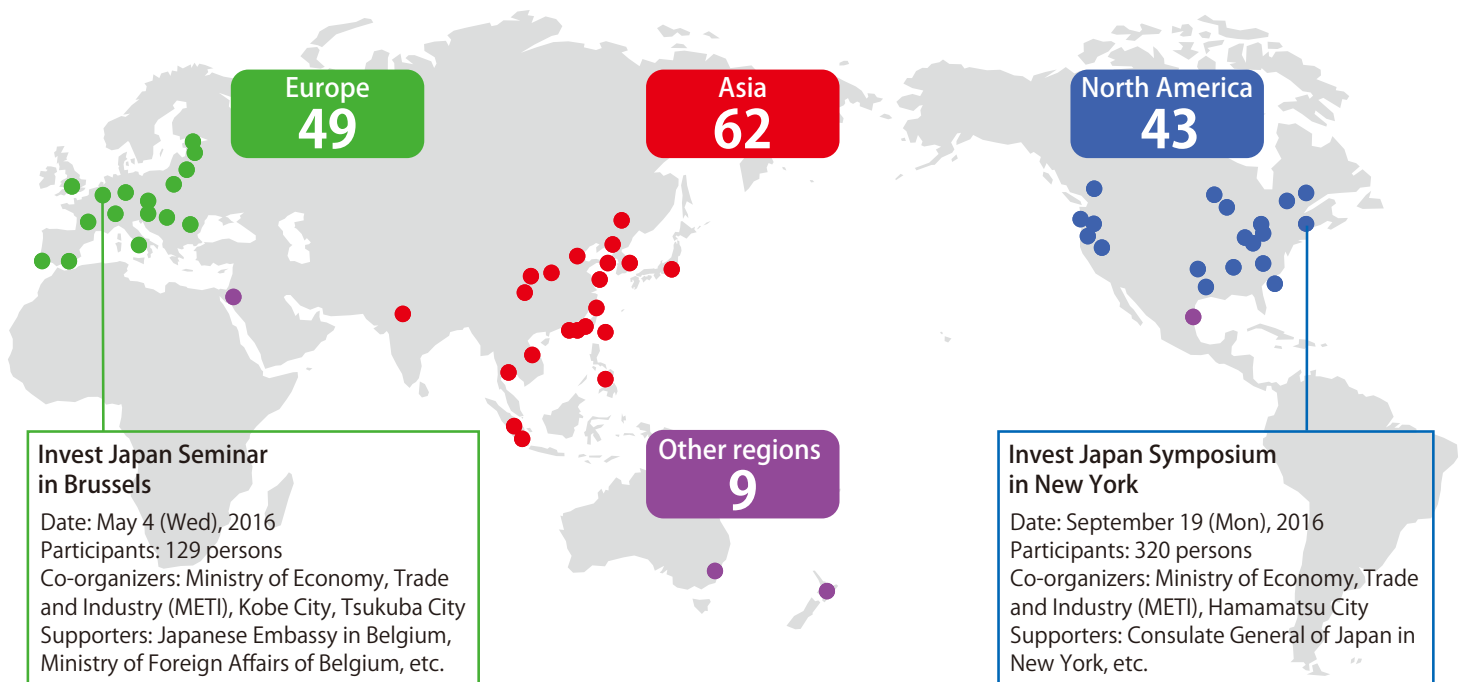
Prime Minister Abe making an appeal for investment in Japan at a roundtable conference with US investors and business leaders

in New York City, US where Prime Minister Abe met with the world-renowned investors and business leaders.

In recent years, JETRO has intensified promotions activities for the attraction of Asian enterprises in particular. JETRO held 62 seminars in Asia including the first large-scale seminar in Korea in FY2016. By region, the number of seminars in Asia was the largest. JETRO is also strengthening information dissemination in Mexico, Central and Eastern Europe, Israel and other new regions where investment in Japan is expected to increase. In June 2017, the first seminar on investment in Japan was held in Ireland to commemorate the 60th anniversary of establishment of diplomatic relations between the two countries. In these seminars and symposia, JETRO conveyed the “attractiveness of Japan as an investment destination” including the favorable position of the Japanese market, deregulation and JETRO’s support directly and in a comprehensive manner. The efforts were focused on companies highly interested in investment in Japan by setting themes tailored to the major industries, etc. of the country where the seminars/symposia were held.

**Chart 6-8 Seminars/symposia on investment in Japan held in FY2016**

In FY2016, JETRO held 163 seminars/symposia on investment in Japan in major cities in the world including top-level sales by Prime Minister Abe.



## ② Websites and other PR media for investment in Japan

JETRO is regularly sending out information through a variety of media including websites (Chart 6-9), email newsletters and pamphlets. Through the media JETRO introduces the attractiveness of the Japanese market, incentive information and success stories of foreign/foreign-affiliated companies investing in Japan. JETRO also provides information on investment in Japan including information on procedures for setting up business and various support programs of JETRO. Major contents of the websites and other PR media are organized by theme in Chart 6-10.

For example, “Laws & Regulations on Setting up Business in Japan” compiles information and procedures for registration, visas, tax, personnel/labor and trademark/design systems related to company establishment in Japan in seven languages. The total number of accesses to “How to Set up Business in Japan” exceeded 400,000 in FY2016 (the largest among JETRO Invest Japan websites) showing a strong need for such information. Furthermore, in response to the adoption of the “Policy Package for Promoting Foreign Direct Investment into Japan to Make Japan a Global Hub” by the Council for Promotion of Foreign Direct Investment in Japan (May 2016), JETRO created English forms for written application concerning procedures for incorporation of a company and examples of items listed and posted them on the website.

Final report by the Working Group for Revising Regulations and Administrative Procedures that was set up under the council (April 2017) decided to use JETRO Invest Japan websites as official portal sites for information in foreign languages provided by ministries and agencies.

## (2) Supporting individual FDI projects in Japan

### ① Platform to support individual companies

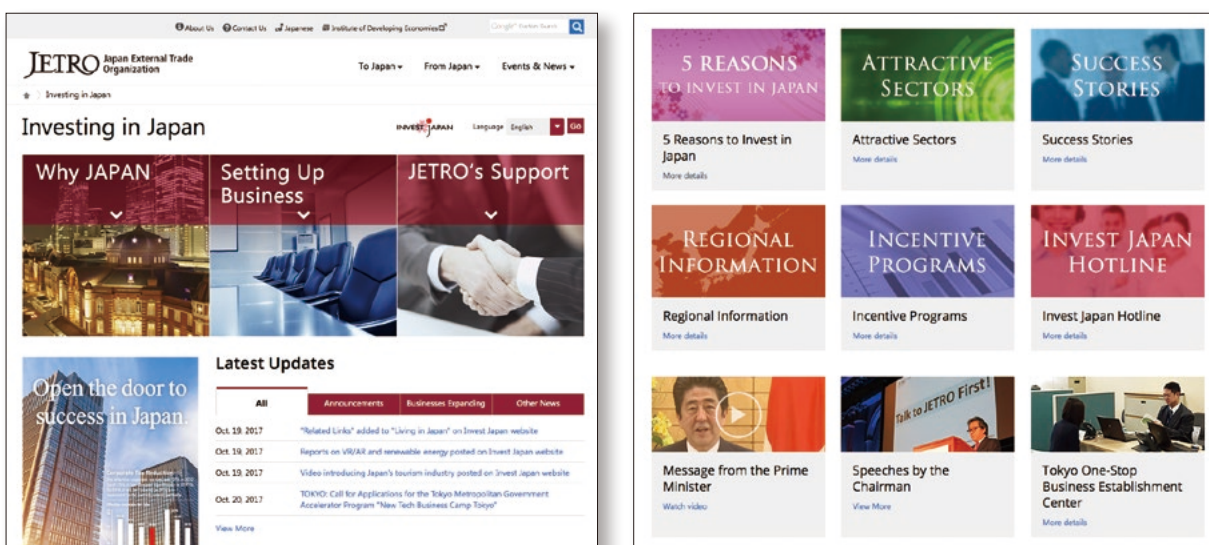
The strong point of JETRO’s activities is that overseas and domestic offices and headquarters work together and closely cooperate to support individual companies. In recent years, JETRO has enhanced the platform to find potential projects abroad. Now about 200 staff members in Japan and abroad are working to attract foreign investment. In FY2017, JETRO introduced the “Personal Advisors System for Foreign Companies” (to be described later).

Overseas offices are conducting proactive attraction activities including active collection of information on companies with a prospect of investment in Japan and individual approach and follow-up. They also cooperate with diplomatic missions abroad, overseas offices of Japanese local governments and trade/investment promotion organizations of other countries by holding seminars and jointly visiting industry groups to provide information on the investment environment in Japan and identify prospective companies.

In Japan, the Tokyo headquarters, JETRO Osaka and domestic offices provide foreign companies interested in doing business in Japan and foreign-affiliated companies planning investment expansion in Japan with information on the market by industry and regulations concerning permits/licenses through individual consultation by dedicated staff of JETRO and market specialists. JETRO also holds networking events for companies.

Follow-up for foreign-affiliated companies attracted to Japan is also essential for expansion of investment in Japan. Based on the survey of foreign-affiliated companies conducted by JETRO, many of them

Chart 6-9 JETRO Invest Japan Websites <https://www.jetro.go.jp/en/invest/>










are eager to expand investment in Japan. It is believed that there is a big need for support for investment expansion. In April 2015, JETRO set up a new section, the Foreign Affiliate Support Division, to support secondary investment by foreign-affiliated companies that already have a presence in Japan. The division provides finely tuned support tailored to individual needs of foreign-affiliated companies considering business expansion including additional investment/employment and business development into local regions. The service includes provision of incentive information and introduction to local governments.

Also since April 2015, six foreign staff members have been assigned to desks at JETRO headquarters dedicated to North America, China, Taiwan, Korea, ASEAN and India. The staff members respond to inquiries from companies of these countries/region in their respective languages and based on the understanding of the business and culture of the country/region so that companies can have a consultation in a relaxed manner.

In order to enhance the platform to attract companies to local regions, JETRO newly set up the Invest Japan Division at JETRO Osaka in April 2016. The division is working at attracting companies

**Chart 6-10 Major contents of the Invest Japan websites, pamphlets, etc.**

Theme	Contents on websites and pamphlets	Outline and languages used
<b>Attractiveness of Japan, information of Japanese market</b>  <a href="https://www.jetro.go.jp/en/invest/pamphlets.html">https://www.jetro.go.jp/en/invest/pamphlets.html</a>  For "Attractive Sectors": <a href="https://www.jetro.go.jp/en/invest/attract.html">https://www.jetro.go.jp/en/invest/attract.html</a>	 <p><b>Why Japan? "5 Reasons to Invest in JAPAN"</b></p>	<ul style="list-style-type: none"> <li>- Introduces Japan's attractive investment environment.</li> <li>- As five reasons to invest in Japan, "An Ever-growing Economy," "A Sophisticated Market," "An Innovation Hub," "Business-Friendly Infrastructure" and "A Comfortable Living" are introduced.</li> <li>- In Japanese, English, German, French, Chinese (simplified), Chinese (traditional), Korean, Russian and Spanish.</li> </ul>
	 <p><b>Attractive Sectors</b></p>	<ul style="list-style-type: none"> <li>- Introduces the features of three attractive sectors (Electricity and Renewable Energy, Life Science and ICT) as promising industries.</li> <li>- In Japanese and English.</li> </ul>
	 <p><b>Talk to JETRO First</b></p>	<ul style="list-style-type: none"> <li>- Easy-to-understand information on the market and the business and living environment in Japan.</li> <li>- In 17 languages: English, German, French, Italian, Spanish, Portuguese, Hungarian, Polish, Russian, Chinese (simplified), Chinese (traditional), Korean, Thai, Vietnamese, Arabic, Turkish, Persian and Hebrew.</li> </ul>
<b>Attractiveness of local regions</b>  <a href="https://www.jetro.go.jp/en/invest/pamphlets.html">https://www.jetro.go.jp/en/invest/pamphlets.html</a>	 <p><b>Why Invest in Japan's Local Regions? -Unlimited Business Opportunities Await-</b></p>	<ul style="list-style-type: none"> <li>- Introduces attractive investment environment in Japan's local regions.</li> <li>- Explains the advantages of the investment environment Japan's local regions offer: "Why1 : -Business Opportunity Beyond Tokyo-," "Why2 : -Leverage the Power of Innovation-," "Why3 : -Safe &amp; Secure Business Environment-."</li> <li>- In Japanese, English, German, French, Chinese (simplified), Chinese (traditional) and Korean.</li> </ul>
<b>Information on regions/local governments</b>  <a href="https://www.jetro.go.jp/en/invest/region.html">https://www.jetro.go.jp/en/invest/region.html</a>	 <p><b>Regional Information</b></p>	<ul style="list-style-type: none"> <li>- In-depth profiles of Japan's regions, highlighting major industries and clusters—including size, attractive features and level of R&amp;D functions—as well as other aspects of the general business environment.</li> <li>- Introduces industry information, business environment, logistics infrastructure, living environment and incentives of the regions of 80 local governments across Japan.</li> <li>- Enables search by prefecture and their target industry and view comparison of data of local regions.</li> <li>- In Japanese and English.</li> </ul>
<b>Stories of foreign companies successfully entering the Japanese market</b>  <a href="https://www.jetro.go.jp/en/invest/success_stories.html">https://www.jetro.go.jp/en/invest/success_stories.html</a>	 <p><b>Success Stories</b></p>	<ul style="list-style-type: none"> <li>- Based on interviews conducted with foreign companies that have successfully come into the Japanese market. The series introduces the companies' experiences entering the Japanese market, their future business plans, and the merits of doing business in Japan.</li> <li>- In Japanese and English.</li> </ul>
<b>How to set up business in Japan</b>  <a href="https://www.jetro.go.jp/en/invest/setting_up.html">https://www.jetro.go.jp/en/invest/setting_up.html</a>	 <p><b>Laws &amp; Regulations on Setting Up Business in Japan</b></p>	<ul style="list-style-type: none"> <li>- Compiles information and procedures for registration, visas, tax, personnel/labor and trademark/design systems related to company establishment in Japan.</li> <li>- In Japanese, English, French, German, Chinese (simplified), Chinese (traditional) and Korean.</li> </ul>

[Note] For details, see JETRO Invest Japan website.

to the Kansai area in cooperation with the headquarters, overseas offices and the domestic offices in the vicinity. In addition, JETRO deployed Invest Japan Coordinators at Sendai, Yokohama, Nagoya, Kyoto, Osaka, Hiroshima and Fukuoka. They work exclusively for attraction of enterprises to local regions and build a broad-area network with foreign-affiliated companies in major regions in Japan. At the headquarters, JETRO has set up a regional support team for consulting service to increase efforts for attraction of foreign investment to local regions in cooperation with local governments.

## ② Target fields in FDI

JETRO positions 6 target fields: (1) Environment and Energy (2) Life science (3) Tourism (4) Service (5) ICT and (6) Manufacturing

and Infrastructure where growth is expected and foreign companies have a strong interest. It also focuses on projects highly contributing to Japanese economy including establishment of business sites involving a large-scale employment/investment, projects with large ripple effects on the regional economy and setting up of sites to export Japanese products.

JETRO is stepping up its efforts to attract R&D centers by calling attention to the large pool of researchers, technological strength and favorable business environment complying with rules for intellectual property rights in Japan. In the survey of foreign-affiliated companies, "Existence of good partners, companies or universities with outstanding technology or products" and "High quality of R&D" are ranked high as "attractiveness of doing business in Japan."

## Foreign staff members assigned to desks dedicated to specific country/region

ByungHo Lee  
(Korea desk, from Korea)

### <Strength of JETRO's support for foreign-affiliated companies>

Free consultation and services at IBSC are strong points unique to JETRO. I think JETRO's services have appeal especially to SMEs with limited manpower and funds.

Chuanming Liu  
(Taiwan desk, from Taiwan)

### <Attractiveness of (business environment of) Japan>

Japanese companies place importance on business partnerships. Keeping promises on both sides and promptly sharing information to business partners are also part of the attractiveness of Japan's business environment.

Matt Stephens  
(North America desk, from the US)

### <Strength of JETRO's support for foreign-affiliated companies>

The organization and the team offer a wealth of knowledge and experience gained through assisting a great number of foreign companies across a wide range of industries. By leveraging our network of domestic offices throughout Japan, we are able to propose a variety of options for business base locations at a national level.



Swastik Kulkarni  
(India desk, from India)

### <Attractiveness of (business environment of) Japan>

You can develop long-term business relationships with Japanese companies. Japan shares with India a business practice of long-term transaction based on a trust relationship. This is of great appeal for Indian companies in Japan that treat Japanese companies not just as "customers" but as "partners for cooperation."

KieWai Khoo  
(ASEAN desk, from Singapore)

### <What I am trying to do in my support service>

When explaining Japan's regulations to foreign-affiliated companies, I focus on differences with their country and (disclosable) examples of other companies that have established business base in Japan. I am trying to develop trust relationships by thinking of information and support that the company may need and making proposals before being asked.

Li Li  
(China desk, from China)

### <Characteristics of direct investment in Japan from my country>

Investment is increasing from both service and manufacturing industries. Because they are considering sales expansion into advanced countries through Japan, investment from China will accelerate in many fields within the next five years.

Examples of projects supported by JETRO

 <p><b>Service</b></p>	<p><b>honestbee (Singapore)</b></p> 
<p>The company provides personal shopping services with a focus on fresh food and groceries. After customers place their orders through an application it has uniquely developed, honestbee fulfills the customers' desired orders and requests and delivers them in as short as one hour to customers' homes, saving them both time and labor. Featuring a business model based on a sharing economy where individuals such as mothers, students, housewives and those with spare time can find productive and flexible work, as well as working together with brick and mortar businesses in Japan to expand their reach both geographically and in the online realm, the company set up a business site in Tokyo in February 2017.</p> <p>JETRO provided a temporary office at IBSC Tokyo and helped the company to find an office. The company also used IBSC for training of its new recruits. Regarding the unconventional system of employment of proxy shoppers and deliverers (registered "bees"), JETRO also provided information on labor management and arranged consultation with labor and social security attorneys and other specialists many times. Consistent hands-on support in areas indispensable for the company's business model was provided, including staff recruitment through introduction of human resource platforms for students and business matching with stores that are prospective business partners.</p> <p>The company's business is expected to help customers in their daily life and also promote employment and vitalize economy in the communities. For the future, honestbee plans to leverage its business model of "service + logistics" to expand the service area while expanding the service from B2C to B2B.</p>	

 <p><b>Environment/ Energy</b></p>	<p><b>Infrastruttura (Italy)</b></p> 
<p>This is a company engaged in planning and construction of renewable power generation plants (for PV and wind power) around the world. The company established Hergo Sun Japan in Tokyo in 2012 to enter the PV power generation business in Japan. In March 2016, the company completed its construction of a 1MW class PV power plant in Chichibu City, Saitama Prefecture and started operation.</p> <p>JETRO has been providing continuous hands-on support from the time when the company was considering expansion to Japan. For the establishment of the business sites, in addition to the temporary office at IBSC Tokyo and consultation on company registration and tax affairs, JETRO provided the company aiming to do business in Japan for the first time with information on laws and regulations related to construction of solar/wind power plants as well as business opportunities in Japan.</p> <p>At the same time, JETRO introduced an industry group related to solar power generation business and supported the selection of land suitable for power plants, providing advice on the flow up to the conclusion of an incidental contract with a power company to untangle the company's concerns about the establishment of its first large-scale power plant in Japan. Furthermore, toward the establishment of a power plant in Chichibu City, JETRO arranged interviews with the local government for inquiry on specific administrative procedures. These efforts enabled the company to gather a variety of information. The company plans to develop its new projects including PV and wind power generation business in other local regions in Japan.</p>	

 <p><b>Life science (Regenerative medicine)</b></p>	<p><b>Agilis Biotherapeutics (US)</b></p> 
<p>This is a biopharmaceutical company which has world-leading technologies and know-how in gene therapy using AAV vectors (viruses that introduce the therapeutic gene into the target cell) for a rare disease (AADC deficiency: involuntary movement due to abnormality of neurotransmitters, dysautonomia). In August 2016, the company together with a Japanese company (Gene Therapy Research Institution) established a joint corporation Agilis GTRI Japan with the aim of strengthening the foundation of gene drug development in Asia.</p> <p>JETRO provided various services including consultation on establishment of the joint venture, introduction of administrative scriveners and arrangement of interviews with local governments taking advantage of the local network. The adoption for JETRO's "Subsidy Program for Global Innovation Centers" accelerated the establishment of the joint venture and projects and in February 2017 the company set up an R&amp;D center in the Life Innovation Center in Kawasaki City.</p> <p>For the future, the company plans to start preparation for international joint clinical studies in the facility upon approval of its GCTP compliance which is a standard for production and quality management of regenerative medicine products.</p>	

 <p><b>Tourism</b></p>	<p><b>Scoot (Singapore)</b></p> 
<p>An LCC of the Singapore Airlines Group that started service in 2012 has expanded its routes to 60 cities in 17 countries up to date, which includes Narita/Kansai – Singapore route. The company started a regular service between Singapore and New-Chitose in October 2016. The aim is to incorporate demand dramatically increasing among tourists from Southeast Asia in recent years for travel to Hokkaido, a popular destination for Singaporeans. The company, with the cooperation of JETRO, will also undertake export of Hokkaido's fresh farm and marine products popular also in Singapore through freshness-keeping high-speed transportation using Boeing 787s that can load cargo over 10 tons. Scoot is also considering export to Southeast Asia, India and Middle East.</p> <p>JETRO helped the company to start the service by introducing an administrative scrivener who knows well the special tax practices unique to the airline industry, for example. At the start of the service to New-Chitose, JETRO, jointly with the International Enterprise Singapore, held an event commemorating the launch of the service concomitantly with an event commemorating the 50th anniversary of the establishment of diplomatic relations between Japan and Singapore to widely publicize the service among the Japanese media. Scoot announced the opening of the Kansai – Honolulu route in October 2017, and JETRO also cooperated in its public relations activities.</p>	



### ③ Providing office space and free consultation - Invest Japan Business Support Center (IBSC)

JETRO has set up Invest Japan Business Support Centers (IBSCs) in six major cities (Tokyo, Yokohama, Nagoya, Osaka, Kobe and Fukuoka) (Chart 6-11). The centers provide office space for preparation for establishing a company in Japan. Foreign companies considering investment in Japan can use the space free of charge for up to 50 business days. There are experienced and dedicated staff and specialists providing one-stop free consultations on legal, labor, tax and other systems and procedures for establishment of business base.

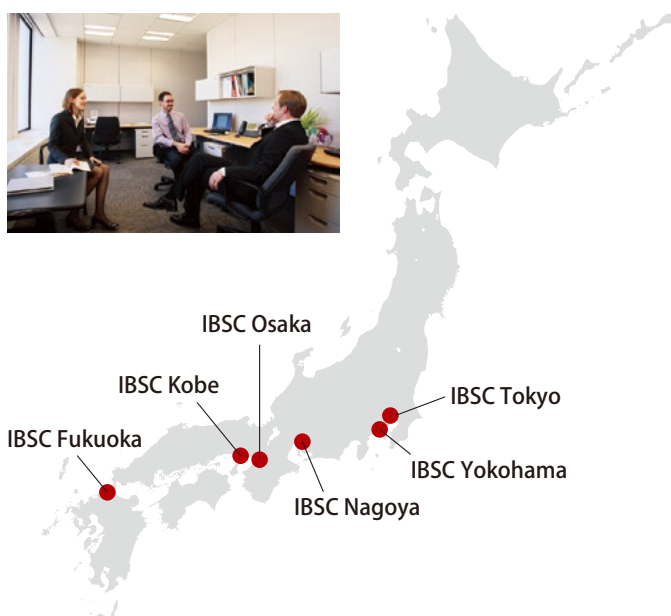
#### Comments from companies using IBSC (from JETRO “Success Stories”)

Tinhvan Outsourcing Japan  
(Vietnam, ICT, Used IBSC Tokyo)



“After coming to Japan, JETRO’s free-of-charge temporary office was particularly helpful. The support enabled us to significantly reduce the time and cost required for the incorporation and also gave us confidence in our investment in Japan — something we had first expected to be a challenge.” (Mr. Nguyen Ich Vinh, CEO)

Chart 6-11 Locations of Invest Japan Business Support Centers (IBSCs)



### ④ Investment support through Global Alliance Scheme

JETRO is also implementing projects to promote expansion of overseas sales channels and open innovation by Japanese mid-ranking companies and SMEs by encouraging foreign companies’ investment in them and participation in their management. In FY2015, the investment support through Global Alliance Scheme was established, where JETRO serves as a coordinator who relays requests of foreign companies to the Organization for Small & Medium Enterprises and Regional Innovation, JAPAN (“SME Support, JAPAN”), the Central Bank for Commercial and Industrial Co-operatives (“Shoko Chukin Bank”), the Small and Medium Business Investment & Consultation CO., LTD. (“SBIC”) and local financial institutions in order to help investment partnership between foreign and Japanese companies.

#### (3) Promotion of secondary investment and contribution to regional revitalization

##### ① Supporting networking of international students and foreign-affiliated companies

As part of its support for foreign-affiliated companies, JETRO held the first “Exchange Students/Global Talent & Foreign-affiliated Company Networking Event” in October 2017. A panel discussion on the “appeal of working for a foreign-affiliated company in Japan,” booth exhibitions (poster sessions and networking time) and presentations by foreign-affiliated companies, and career seminars for global talents were conducted at the event. About 70 foreign-affiliated companies with business bases in Japan and about 240 students including exchange international students from 30 countries/regions participated in the event. JETRO received positive feedback from the companies such as “the event was a meaningful opportunity to interact with global talent from various backgrounds as well as other companies participating in the event.”

These days when aggravation of the labor shortage is pointed out all over Japan, many companies feel “Lack of human resources who can communicate in foreign languages” in the survey of foreign-affiliated companies, and about 60% of the companies answered “Yes, we will employ international students.” “Support for recruitment of bilingual talent” is mentioned as support/service they expect from JETRO and local governments, which indicates strong latent needs for support for recruitment of international students. Creation of such networking opportunities is believed to be effective also for the policy issue: increase the share of international students who find jobs within Japan to 50% by FY2020.



“Exchange Students/Global Talent & Foreign-affiliated Company Networking Event”

### ② Networking events to support business expansion in Japan

JETRO provides opportunities for business matching and networking events to help foreign companies enter the Japanese market and expand investments in Japan by increasing cooperation with Japanese companies.

In April 2016, JETRO held the first “JETRO Invest Japan Networking Event,” inviting foreign-affiliated companies located in Japan. This event was the first time for JETRO to provide a networking opportunity for the foreign-affiliated companies which have already established a presence. The event received many participants: 190 people from foreign-affiliated companies and a large number of people from foreign embassies in Japan, foreign governmental organizations, Japanese government ministries and agencies as well as local governments, and they actively exchanged information. The event also served as an opportunity to deepen their understanding of the Invest Japan promotion initiatives conducted by the Japanese government and JETRO.

The second JETRO Invest Japan Networking Event is scheduled for December 2017.



The first “JETRO Invest Japan Networking Event”  
(Speech by Mr. Risberg, Chairman of  
the European Business Council in Japan (EBC))

JETRO is also working to create opportunities for networking among companies in specific fields. For example, it held the “New Markets in Asia - Business Matching Event with Asian Cross-border EC Companies” in Tokyo in October 2016. This was followed by the “Business Matching Event with Asian Cross-border EC Companies” in Osaka in February 2017. Also, eight cross-border EC companies from China and Taiwan had individual business talks with about 200 people from Japanese companies interested in overseas sales expansion.

### ③ Collaboration with local governments to attract foreign investment to local regions

Since FY2016 JETRO has been providing training programs on the attraction of foreign investment for local governments and also advice concerning their strategy planning for this purpose. JETRO, in cooperation with Regional Bureaus of Economy, Trade and Industry implements a working-level training program for local officials in charge of attraction of foreign companies, including officials of local governments and Chambers of Commerce and Industry, for them to gain better understanding and learn skills and knowledge necessary for attracting investments. In FY2016, a basic session (lectures to introduce basic skills and knowledge to attract foreign companies), an application session (practice of presentation for attraction of investment and lectures by representatives of foreign governments and foreign-affiliated companies in Japan) and a practice session (for those selected from among applicants, the local governments and JETRO domestic offices jointly plan projects to attract foreign investment in Japan), gathering 185 participants from 68 governments, 19 participants from 12 governments and 5 governments/groups respectively.

In addition to the training program above, JETRO provides “skill improvement training” for enhancement of local sales strength in 2017. The training aims to develop materials to convey the appeal of the region in foreign languages and other sales tools. Collaboration between JETRO and local governments is expanding from public relations and information dissemination to support for setting up of businesses. The work for smooth attraction of investment to local regions utilizing their strengths will be continued.



Training program for local governments on attraction of foreign companies (basic session, in Hiroshima)

## Subsidy Program for Global Innovation Centers

column

From January 2016 to March 2017, JETRO implemented the Subsidy Program for Global Innovation Centers using METI's subsidy (FY2015 supplementary budget). The program subsidized costs of highly novel and high value-added projects (IoT, regenerative medicine) implemented by foreign-affiliated companies in cooperation with Japanese companies, universities, etc. 16 projects were adopted including establishment of R&D centers,

experimental studies and feasibility studies (F/S) conducted in Japan (Chart 6-12). Using this scheme, three companies established new R&D centers in Japan while others customized systems that had not been introduced to Japan, or worked on development of the world's first system of the kind jointly with Japanese companies (see also Chapter 3 for activities of the companies using the subsidy).

**Chart 6-12 List of 16 projects adopted for the Subsidy Program for Global Innovation Centers (in Japanese alphabetical order)**

No	Company name	Nationality of parent company	Industrial field	Project category	Content
1	iWave Japan	India	IoT (Transportation)	Experimental study	Development of a remote railway signal monitoring system via the Internet
2	Agilis GTRI Japan	US	Regenerative medicine	Establishment of global innovation center	Research and development for the production of AAV vectors targeting gene therapy of AADC deficiency and Parkinson's disease
3	Analog Devices	US	IoT (Agriculture)	Experimental study	Development of smart agricultural system by sensing technology highly integrated with Japanese farmer's techniques
4	Ericsson Japan	Sweden	IoT (Communication)	Experimental study, feasibility study	Development of LED street light "Zero Site-J" which incorporates wireless and antenna-based signaling
5	Elekta	Sweden	IoT (Medicine)	Feasibility study	Research on commercialization of a cloud computing system for radiotherapy
6	GE Healthcare Japan	US	IoT (Manufacturing, medicine)	Experimental study	Improvement of factory productivity and asset optimization in hospitals using industrial IoT platform and sensing technology
7	Siemens Healthcare	Germany	Regenerative medicine	Experimental study	Monitoring of regenerative medical treatment by latest 7T-MRI
8	Skymind	US	IoT (Finance)	Experimental study	Development of an application to detect fraud in the financial system using AI technology (deep learning)
9	Space-Time Engineering Japan	US	IoT (Disaster response)	Experimental study, feasibility study	Development of information sharing system utilizing multimedia contents for disaster medical response
10	CENIT Japan	Germany	IoT (Manufacturing)	Experimental study	Optimization of factory production line through virtual factory built in cyber space (factory CPS)
11	Laboratory of Hi-Think	China	IoT (Manufacturing, welfare)	Establishment of global innovation center, experimental study, feasibility study	Development of IoT operation system (IPv6, compact high-performance machine learning, a welfare service for the elderly)
12	Pfizer Japan	US	IoT (Medicine)	Feasibility study	Platform construction based on clinical trial data, drug discovery research and algorithm creation technology through data analysis
13	Philips Japan	Netherlands	IoT (Medicine)	Experimental study	Development of remote digital pathology report system
14	Philips Japan	Netherlands	IoT (Medicine)	Establishment of global innovation center, experimental study	Research and development of remote intensive care patient management program
15	LOOP Japan	Canada	IoT (Tourism)	Experimental study	Development of electric vehicle sharing system with built-in type touch screen display device linking tourist information
16	w00rk	UK	IoT (Architecture)	Feasibility study	Feasibility study of IoT laboratory function service "IoT OEX" which enables data sharing analysis by tenants

[Note] For details on each project, see [https://www.jetro.go.jp/en/invest/incentive\\_programs/info.html](https://www.jetro.go.jp/en/invest/incentive_programs/info.html)

**(4) Approach toward improvement of business environment**

**① Investment Advisor Assignment System and the Working Group for Revising Regulations and Administrative Procedures**

As the government is actively working to improve the business environment in Japan, it is critically important to reflect the opinions of enterprises in its policies. In order to establish a system for enterprises to smoothly consult with the government, the “Investment Advisor Assignment System” was created in 2016. In this system, State Ministers act as advisors to foreign companies that have made important investments in Japan. Furthermore, as a result of discussions by the Working Group for Revising Regulations and Administrative Procedures set up under the Council for Promotion of Foreign Direct Investment in Japan, specific improvement requests made by foreign/foreign-affiliated companies were promptly reflected in policy (e.g., Expansion of the scope of holders of bank accounts for Proof of payment, online procedures for status of residence, for details see Chapter 2). JETRO was also a member of the working group and made proposals. In addition, it was decided to use JETRO’s Invest Japan websites as portal sites for information in foreign languages provided by ministries and agencies ([https://www.jetro.go.jp/en/invest/gov\\_support.html](https://www.jetro.go.jp/en/invest/gov_support.html)). List of medical institutions, banks, mobile operators, electric/gas utilities accessible in foreign languages is posted on JETRO’s Invest Japan website in English (<https://www.jetro.go.jp/en/invest/living.html>).

**② Personal Advisors System for Foreign Companies**

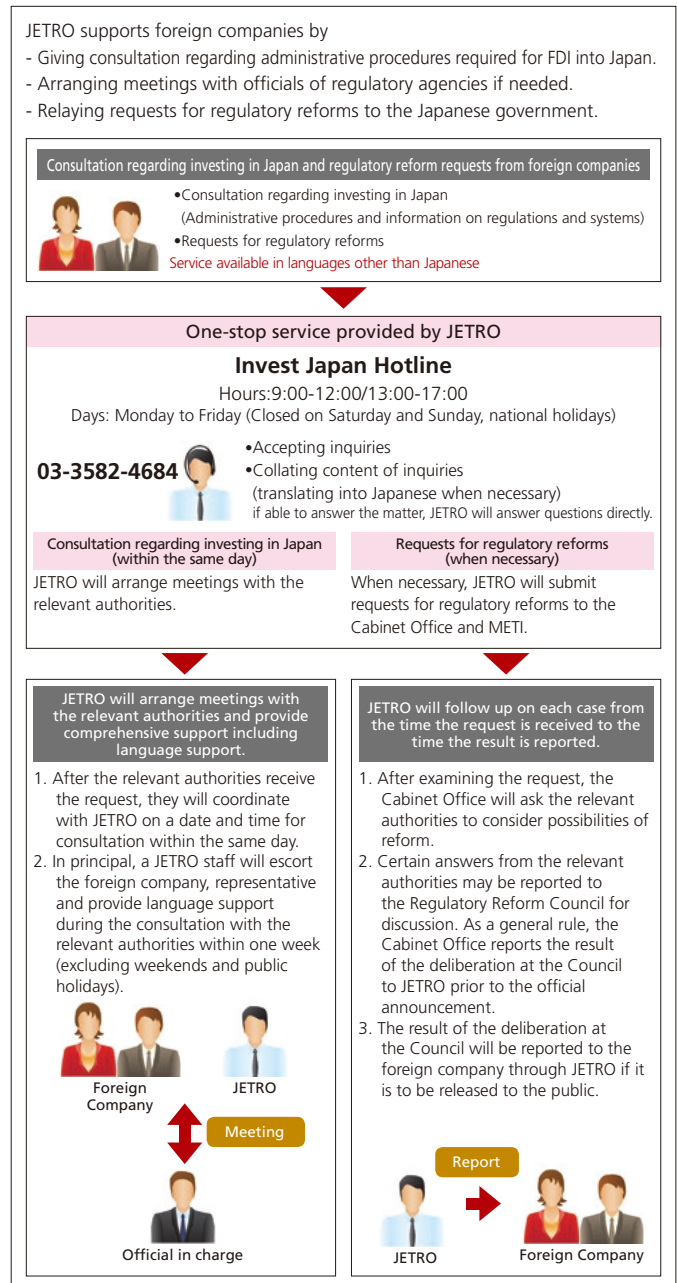
With the “Personal Advisors System for Foreign Companies” introduced in FY2017, staff members in charge of attracting investment at JETRO aim to provide about 1,000 companies with finely tuned support (including provision of information in English) and speedy solutions in relation to regulations and administrative procedures in cooperation with related ministries and agencies.

They will proactively identify corporate needs such as “there are regulations and procedures posing an obstacle to business” and “we need information on incentives of the central/local governments” in order to advance follow-up services for foreign-affiliated companies and further improve the business environment in Japan from the enterprise perspective.

**③ Invest Japan Hotline**

JETRO has set up the Invest Japan Hotline (Chart 6-13) to provide consultations on investment in Japan, responding to inquiry about regulations and receive requests for regulatory reform from foreign companies (in Japanese and English). JETRO makes proposals to the government and arranges interviews with relevant ministries/agencies according to the content of the consultation. It provides comprehensive support including presence at meetings, follow-up on the requests for regulatory reform and feedback on the results.

**Chart 6-13 Invest Japan Hotline**  
<https://www.jetro.go.jp/en/invest/hotline.html>



## The Government's Efforts and JETRO's Inward FDI Promotion Activities in 15 Years

2003	Jan	The government decided on the target to "double the inward FDI stock compared to the value as of the end of 2001 in 5 years."
	May	The government held up "Invest Japan" as a slogan and set up "Invest Japan Offices" in the relevant ministries. The "Invest Japan Business Support Center (IBSC)," a one-stop center for information about investing in Japan, was set up in JETRO.
2006	Mar	The government set up a new goal to "double the ratio of inward FDI stock to its GDP (to about 5%) by the end of 2010."
2007	May	The regulation on "flexible merger consideration (triangular merger)" in the Companies Act was enforced.
2010	Jun	The "New Growth Strategy" was approved by the Cabinet (aiming to "double the flow of people, things and money into Japan.")
2011	Jan	"Subsidy Program for Projects Promoting Asian Site Location in Japan" was created (the secretariat was placed in JETRO).
	Aug	The "Comprehensive Special Zone Law" was enforced (creating industrial clusters in regions through taking preferential measures such as tax and regulation reforms).
	Dec	The "Great East Japan Earthquake Reconstruction Special Zone Law" was enforced (providing incentives such as tax/regulatory reforms for investment in the affected areas). "Program for Promoting Japan as an Asian Business Center and Direct Investment into Japan" was approved. Goals were set to increase the numbers of high added-value business bases and to double the number of employees at foreign-affiliated companies.
2012	Apr	Effective corporate tax rate was lowered (40.69% → 38.01%).
	May	The Points-based Preferential Immigration Treatment for Highly Skilled Foreign Professionals was started.
2013	Jun	The "Japan Revitalization Strategy" was approved by the Cabinet (setting up a clear goal to increase the inward FDI stock to 35 trillion yen by 2020, and indicating the strengthening of industrial specialist program and Invest Japan Hotline in JETRO).
2014	Mar	The special corporate tax for reconstruction was abolished (effective corporate tax: 38.01% → 35.64%).
	Apr	The Council for Promotion of FDI in Japan was founded.
	Jun	The "Japan Revitalization Strategy (Revised in 2014)" approved by the Cabinet (clarifying the role of JETRO to cooperate with Japanese embassies and local governments to attract FDI into Japan).
2015	Mar	The second meeting of the Council for Promotion of FDI in Japan was held. Prime Minister Abe announced the "Five Promises for Attracting Foreign Businesses to Japan."
	Apr	The "Tokyo One-Stop Business Establishment Center (TOSBEC)" was opened in the Tokyo Area of the National Strategic Special Zones (in JETRO Tokyo HQ).
	Jun	The "Japan Revitalization Strategy (Revised in 2015)" was approved by the Cabinet (clarifying the role of JETRO to enhance PR & dispatch of information and to work on promotion of target fields by cooperating with Japanese embassies and local governments).
	Sep	The "New Three Arrows" of Abenomics was announced, aiming to create a strong economy, more support for childcare and social security.
2016	Feb	The Subsidy Program for Global Innovation Centers was established (JETRO served as the secretariat).
	Apr	Effective corporate tax rate was lowered (32.11% → 29.97%). The third meeting of the Council for Promotion of FDI in Japan was held.
		The "Investment Advisor Assignment System" was established. In the system, State Ministers act as advisors to companies that have made significant investments in Japan.
	May	The fourth meeting of the Council for Promotion of FDI in Japan was held. The "Policy Package for Promoting Foreign Direct Investment into Japan to Make Japan a Global Hub" and establishment of the Working Group for Revising Regulations and Administrative Procedures were approved by the Council.
	Jun	The "Japan Revitalization Strategy 2016" was approved by the Cabinet (increasing the promotion activities and support for individual companies through the strengthening of JETRO's structure).
2017	Apr	The Working Group for Revising Regulations and Administrative Procedures adopted the "Final Report." The "Japanese Green Card for Highly-Skilled Foreign Professionals" system was established.
	May	The fifth meeting of the Council for Promotion of FDI in Japan was held.
	Jun	The "Growth Strategy 2017" was approved by the Cabinet (introducing the "Personal Advisors System for Foreign Companies" to JETRO).

2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016

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JETRO HQ (Akasaka, Tokyo)



JETRO Invest Japan Business Support Center (IBSC)

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<https://www.jetro.go.jp/en/invest/>

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# [ JETRO's Global Network ]



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