

# Action Plan for Attracting Human and Financial Resources from Overseas 【PROVISIONAL TRANSLATION】

Decision by the Council for Promotion of  
Foreign Direct Investment in Japan on April 26, 2023

## I. Basic Views

Since the 1990s, the integration of production, manufacturing, logistics, and markets has advanced along with the development of globalization. In this period, our share of overseas production had increased to pursue expected high-growth there and to take advantage of the lower labor and production costs in the face of weak domestic demand and harsh competition from emerging countries with deflation following the collapse of the bubble economy, while the markup rate of domestic companies declined. Partly because of the corporate behavior, domestic investment in our country has remained relatively low compared to Europe and the United States, and the sluggish domestic investment has led to stagnant labor productivity, contributing to a vicious cycle of stagnant wages and continued deflation, which considered to be factors in the economic downturn.

In order to overcome the long-term vicious cycle, and now that current circumstance of the post-COVID19 economy is undergoing major changes, it is important to boldly expand domestic investment under public-private partnerships, such as bringing Japanese companies' production bases back to Japan, while creating a virtuous cycle of sufficient price pass-through that ensures appropriate markup and wage increases, and to strategically promote foreign direct investment in Japan and the further recruitment of human resources in an integrated manner.

In particular, in order to promote technological progress, which is supposed to be the most effective means to achieve sustainable growth, active interaction of people, goods, money and ideas between Japan and other countries is needed. However, inward direct investment from foreign countries into Japan is much smaller than that from Japan to foreign countries<sup>1</sup>, and it is extremely small in comparison with other countries based on the size of their economies. Activating the inward direct investment in Japan is a major key to revitalizing the domestic economy.<sup>2</sup>

Accepting foreign investment and human resources is expected to lead to the establishment of a new management model responsive to the time change and a reform of Japan's old-fashioned economic structure including workstyle and labor market reforms, in addition to spurring innovation through the introduction of new ideas and know-hows. For the local economy, in addition to creating new jobs, including high-paying ones, it would contribute to the rise in the attractiveness of the local economy through the creation of new industries supporting the region and the increased strength to generate innovation.

Furthermore, in recent years, with the conventional international order being transformed, the world is at a turning point in its history; the importance of economic security has increased owing to fragile supply chains and unstable energy supply, and various risks such as climate change and the declining birthrate and aging population are emerging as factors for our economic constraint. Under these circumstances, as both public and the private sectors go hand in hand, developing an economic model

---

<sup>1</sup> The outward direct investment position stood at 268.7 trillion yen and the inward direct investment position stood at 46.6 trillion yen at the end of 2022. These are preliminary figures (primary estimates).

<sup>2</sup> At a special session hearing of the Council on Economic and Fiscal Policy, there was the view that the cash surplus in terms of macro-economy of Japan is expected to shrink as the population ages. In addition, the fact that inward direct investment is less than outward foreign direct investment would be a factor of deflation.

that will enable the country to compete successfully with other countries, not just to pursue cost cutting, but to establish our country's position as a base for production and research including interaction of knowledge is required. The model should also be established to ensure economic security protecting important goods and technologies, and to maintain a robust supply chain for enhancing resilience so that shocks do not escalate into crises while ensuring economic growth.

For this framework, GX investment of more than 150 trillion yen over the next 10 years through public-private collaboration has been pursued, and the central government has announced its bold support for up-front investment of 20 trillion yen and has set a target of increasing the amount of investment in startups to more than 10 times the current level (10 trillion yen) in FY2027. While investment and reform efforts are underway in the areas of GX, DX, innovation, and startups, et cetera, a major industry organization indicated that Japan would achieve capital investment of 115 trillion yen every year in FY2027, creating momentum for domestic investment at a record level comparable to that during the economic bubble era.

Amid the realignment of global supply chains, expectation from other countries for Japan's technologically superior companies to increase supply has been rising. The real effective exchange rate fell to the second lowest level on record in October 2022, and the business environment has been improving in Japan such as the gap between domestic and foreign prices of industrial goods and services has narrowed. It should be kept in mind that we take advantage of this opportunity in order to attract investment from overseas as well as the return of production bases of domestic companies.

Based on the above recognition and with wages on the rise for the first time in 30 years and Japanese companies showing willingness to increase domestic investment, we will create a virtuous cycle of sustained growth and distribution by proactively bringing in people, goods, money and ideas from abroad, while first, strengthening growth potential through the expansion of domestic investment and promotion of research and development, and second, realizing wage increases by securing markup rates through price pass-through as "the two wheels of a cart."

In addition, competition for obtaining highly educated and skilled human resources is intensifying around the world. On the other hand, amid the growing importance of social issues such as climate change and an aging population, as seen in the example of carbon neutrality which will require huge amounts of capital investment and technology development worldwide to achieve the 2050 goal<sup>3</sup>, the importance of developing markets that enable financing to achieve a sustainable society (sustainable finance) as well as smooth labor mobility has increased. Investment in startups is also active. To keep up with these trends, it is necessary to be active in attracting talented human resources and abundant funds from overseas with the aim of reforming the advanced foreign talent acceptance system to a level comparable to that of the rest of the world, strengthening the function as a core international financial center of the Asian region, expanding inbound tourism befitting a new era, and making our country one of the world's leading clusters of startups as the largest Asian startup hub, and becoming a base for international circulation of smart people.

In doing so, the key will be to ensure "predictability" in the eyes of foreign investors and highly skilled people with interest in Japan. It includes not only enhancing transparency in the operation of investment-related systems, but also requires greater visibility into the market areas and market sizes that are expected to expand in our country in the future, and also into the quality and volume of human resources that are expected to be necessary. In addition, it is important to visualize the basic policies, targets, strategies, etc. of policies in the market areas where growth is expected in our country, being

---

<sup>3</sup> The International Energy Agency (IEA) estimates that achieving carbon neutrality in 2050 will require an increase in global investment to 4.2 trillion USD a year by 2030.

shared by various domestic and foreign players in both public and private sectors, and to promote actions with PDCA in relation to inward direct investment.

From the perspective of revitalizing the local economy, it is also necessary to strengthen mechanisms to attract and retain investments that take advantage of local characteristics and strengths. For this reason, national and local governments are required to establish platforms that organically and integrally coordinate and merge various public and private initiatives aimed at setting strategic areas and long-term visions, developing and securing demands in local sites and markets, domestic and foreign funds, and necessary human resources.<sup>4</sup> These efforts need to accompany moves towards tailor-made and meticulous responses that get to grips with the diversity of industries, investment countries, and domestic regions.

The year before last, our country set a target of doubling its inward foreign direct investment stock to 80 trillion yen in 2030, with the aim of bringing in overseas dynamism in a meaningful way, and has just begun taking steps to achieve this goal. However, as mentioned above, as change in the economic and social environment at home and abroad is taking place, the government comes to consider it as an opportunity for growth, thus it will aim for the higher goal of achieving 100 trillion yen of inward foreign direct investment stock at an earlier possible date by accelerating our efforts. To achieve this goal, the government has formulated the “Action Plan for Attracting Human and Financial Resources from Overseas” with “Priority Actions,” and implement it as soon as possible, which will lead to sustained growth of the national economy and revitalization of the local economy.

In addition, it is necessary to establish a PDCA mechanism to follow up on the progress of these actions by setting KPIs for each critical area, analyze and verify issues to be solved and measures to be taken, and further strengthen the actions. For this, strengthening the system for attracting human resources and investment overseas (by establishing a new system for finding inward foreign direct investment projects through collaboration at the level of the heads of diplomatic missions overseas and JETRO overseas offices), strengthening the system for following up on foreign direct investment projects in local areas in Japan (by establishing a new system for attracting measures and follow-up for retention and follow-up investments in each region), and establishing a Task Force for Attracting Human and Financial Resources from Overseas which is a cross-ministerial task force at the level of Vice Ministers will be set to strengthen drastically the system of the PDCA cycle that continuously assesses the results and issues of overseas and regional attraction activities of foreign direct investment and the progress of the related measures in each field, leading to new priority actions for attracting human resources and funds from overseas.

In particular, this year is the time when our country will host the G7 Hiroshima Summit as the chair country and the Special Summit on the 50 Year Anniversary of ASEAN-Japan Friendship and Cooperation. Through a variety of opportunities related to these events, in the post-COVID19 macroeconomic environment, which is considered to be an opportunity to expand investment, we will launch policies in a comprehensive manner and actively disseminate our message to the world.

---

<sup>4</sup> For example, in Kyushu and Kumamoto, 45 institutions (as of December 2022), including JASM, Kyushu University and National Institute of Technology, Kumamoto College, have joined together to form the Kyushu Semiconductor Human Resource Development Consortium, which promotes the development and retention of semiconductor human resources.

## II. Specific Initiatives

### 1. Stimulating investment in strategic sectors and restructuring global supply chains in light of the changes in the international environment

#### **Focus (1): Organic collaboration between promoting investment and enhancing the attraction of local areas and human resources development in important fields such as semiconductors, DX, GX, and bio-healthcare**

- Strategic development of specific industrial location projects with a medium-term vision utilizing investment attraction schemes such as the Semiconductor Fund (aiming to create jobs by promoting industrial location in local areas), and nationwide development of a human resource development consortium through industry-academia-government collaboration

#### **(1) Promoting investment and enhancing the attraction of local areas in important fields such as semiconductors, DX, GX, and bio-healthcare**

- In strategically important fields such as semiconductors, DX, GX, and bio-healthcare, the following investment promotion and support measures will be utilized, and specific industrial location and research and development projects with a medium-term vision will be established in each region of the country, including overseas companies. Aiming to generate employment and other benefits from industrial location projects in these areas, the measures will be used to further promote investment and attract investment in local areas. [Ministry of Economy, Trade and Industry, Ministry of Internal Affairs and Communications]
  - Advanced Semiconductor Production Infrastructure Fund
  - Program Budget to Support Bolstering Supply Chain of Critical Items in Response to the Economic Environment Changes (Fund)
  - Developing biopharmaceutical manufacturing sites to strengthen vaccine production (Fund)
  - The bio-manufacturing revolution fund
  - Regional hub development for data centers
  - Post 5G Information Communication System Infrastructure Strengthening Research and Development Project (Fund)
  - Innovative information and communications technology (Beyond 5G (6G)) endowment business
  - Green Innovation Fund
- In order to attract human resources and capital from abroad, it is important to expand domestic investment and to spur the domestic market. To this end, the government will promote the continuous expansion of domestic investment by fostering momentum through the Public-Private Partnership Forum for Increasing Domestic Investment. [Ministry of Economy, Trade and Industry]
- With the aim of creating medical ventures, the Medical Innovation Support Office (MEDISO<sup>5</sup>) matches venture companies with experts in diverse fields, such as laws and regulations and marketing, and provides detailed consultation and support for the practical application of new products subject to the PMD Act.<sup>6</sup> In order to attract human resources and funds from overseas in the medical and healthcare fields, MEDISO will strengthen its public relations activities to overseas venture and academia by introducing MEDISO's content and our country's leading medical ventures at international trade shows overseas and will expand its support system by increasing the number of specialists who can give advice in multiple languages at MEDISO. Through these efforts, the government aims to increase the number of overseas ventures supported through MEDISO to more than 20 in 2023. [Ministry of Health, Labour and Welfare]

<sup>5</sup> Abbreviation for Medical Innovation Support Office (medical venture total support office)

<sup>6</sup> Act on Securing Quality, Efficacy and Safety of Pharmaceuticals and Medical Devices (Act No. 145 of 1960).

- In order to attract foreign human and financial resources in the food-tech sector, the government will promote matching of foreign agriculture, forestry and fisheries and food-related companies with Japanese companies and research institutes through the efforts of the Council for Public-Private Partnership in Food Technology. In order to promote these initiatives, the government aims to increase the opportunities for overseas companies to publicize information for Japanese companies and to have more than 10 overseas companies disseminate information in 2023. [Ministry of Agriculture, Forestry and Fisheries, Ministry of Economy, Trade and Industry]

## **(2) Nationwide expansion of human resource development consortium through industry-academia-government collaboration**

- Leading examples such as the Kyushu Semiconductor Human Resource Development Consortium will be developed nationwide to organize the human resource needs and skills needed for each industry based on the characteristics of industrial clusters in each region, and regional industry-academia-government collaborations will take the lead in human resource development. [Ministry of Economy, Trade and Industry]
- In order to develop and secure human resources with specialized knowledge in specific fields, such as semiconductors and storage batteries, in accordance with the local industrial structure and needs, a consortium will be formed through industry-academia-government collaboration, and a comprehensive approach will be taken to develop human resources in the region, including education at universities, etc., recurrent education for working people, and vocational training for those who have left their jobs. [Ministry of Education, Culture, Sports, Science and Technology, Ministry of Economy, Trade and Industry and Ministry of Health, Labour and Welfare]

## **(3) Supporting the incorporation of overseas vitality by taking advantage of regional strengths**

- In order to drastically strengthen the follow-up system for investment projects in the local areas, "Follow-up Council for Regional Investment Promotion (tentative name) will be newly established in order to provide not only support at the stage of overseas companies' selection of potential investment destinations but also long-lasting support up to the stage where overseas companies have completed their investment and settled themselves in the region. Based on the perspective of regional branding, the council will discuss measures for promoting each region and follow-up measures for settlement and secondary investment. In FY2023, such discussion will begin in some regions (Examples: Hokkaido, Kinki, Kyushu, etc.) ahead of other schedule. [Ministry of Economy, Trade and Industry]
- In order to attract investment to local areas, it is important for local stakeholders such as administrative agencies, financial institutions, and local business operators to acquire the know-how and skills to connect local resources to business and increase local added value. To this end, the government will newly establish a Regional Dispatch Scheme to dispatch JETRO Specialists and experts in the procedures for establishing regional offices, in order to develop regional human resources with planning and presentation skills. In addition, based on the needs of the local community, training related to industries, procedures and public relations for local government and other local stakeholders will be expanded. [Ministry of Economy, Trade and Industry]
- In Global Open Innovation Project, which matches overseas companies with Japanese companies and universities according to different industries, matching in the digital field, in addition to the healthcare field, will begin in FY 2023. [Ministry of Economy, Trade and Industry]

- In the matching project by regions and industries, from FY2023, the government will expand matching opportunities between foreign affiliated companies in Japan and local companies in order to facilitate overseas companies settling down and increase follow-on investment by overseas companies that have already established operations in Japan. [Ministry of Economy, Trade and Industry]
- For Japanese local companies that are unfamiliar with partnerships and collaborations with overseas companies and the use of inbound M&As transactions, the government will strengthen support for such partnership and collaboration in Japan, through conducting promotions, as well as advising and mentoring from licensed professionals (accountants, tax attorneys, etc). [Ministry of Economy, Trade and Industry]
- Through the Grants for Digital Garden City Nation Initiative, support will be provided to local governments to promote overseas companies and attract them to the region. It will also take various opportunities such as international publicity and the Expo 2025 Osaka, Kansai, Japan to publicize its attractiveness as a regional investment destination in connection with the Vision for a Digital Garden City Nation. [Cabinet Secretariat, Cabinet Office]

## 2. Strategies for the formation of Asia's largest startup hub

### **Focus (2): Strengthening of concentrated support for startup ecosystem base cities**

- Concentrated support centered on eight base cities through support for commercialization of research results from universities in collaboration with overseas accelerators and VCs (more than 5,000 projects in five years) by the Japan Science and Technology Agency (98.8 billion yen), increased investment in domestic and overseas VCs by SME Support Japan (20 billion yen), and R&D-oriented startup support by NEDO (100 billion yen).
- In order to strengthen networks between the overseas ecosystem (New York, London, Singapore, etc.) and the startup communities focusing on the eight base cities in Japan, pitch events will be continuously conducted overseas to promote foreign investment and collaborations between foreign and Japanese companies, including startups.

### **Focus (3): Improving the convenience of visas (startup visas) for foreign nationals aiming to start businesses in Japan**

- Extension of the maximum period of stay, improvement of the visa issuance process (not only local governments but also accelerators can go through procedures to confirm eligibility for visa issuance), relaxation of business establishment requirements (nationwide expansion of special provisions allowing co-working spaces as business establishments and expansion of applicable facilities), and flexibility in business size requirements
- Early opening of bank accounts (Request and follow up with financial institutions to provide resident accounts, etc., without waiting for six months after arrival), etc.

### **(1) Creating promising startups in our country startup ecosystem, attracting foreign startup venture capital and investors**

- Using a newly created fund (98.8 billion yen) for the Japan Science and Technology Agency (JST), the project will support the commercialization of research results from universities in more than 5,000 projects in five years, mainly in eight start-up and ecosystem hub cities, with the participation of overseas accelerators and venture capital firms. In particular, with an eye on the global expansion of business, the government will promote collaboration with overseas companies and investors, including the establishment of collaboration systems with overseas base cities, mentoring support from overseas accelerators and venture capital firms, and the establishment of business strategies aimed at capturing international markets and the development of overseas

clients. [Ministry of Education, Culture, Sports, Science and Technology]

- The Organization for Small & Medium Enterprises and Regional Innovation and Japan Investment Corporation invest in global venture capital funds, including those overseas, that have the financial resources and know-how to expand overseas, and through venture capital funds invest in domestic startups, such as those in startup ecosystem hub cities, to support global expansion. [Ministry of Economy, Trade and Industry]
- A new fund of 100 billion yen (20 billion yen per year) for five years, three times larger than the current fund (6 billion yen per year), will be established in the New Energy and Industrial Technology Development Organization (NEDO) in March 2023 to strengthen support for domestic R&D-oriented startups, such as start-up ecosystem hub cities, by expanding the upper limit of subsidies, expanding the menu of support, and expanding the number of venture capital firms eligible for support, including overseas venture capital firms. [Ministry of Economy, Trade and Industry]
- The government will expand support for practical application development not only in infectious diseases but also in drug discovery, where funding is difficult. The government will build partnerships with key players such as government agencies, academia, accelerators, and other start-up support agencies, focusing on major overseas venture ecosystems, including drug discovery, and the government will strengthen connections between domestic and overseas ecosystems through support from the government and JETRO. [Ministry of Economy, Trade and Industry]
- From FY 2023, the government will strengthen networks between the overseas startup ecosystem (New York, London, Singapore, etc.) and the startup community, including the eight domestic startup ecosystem hub cities. In FY 2023, the government will have pitch events in at least three overseas cities, to introduce startups located in these hub cities to the overseas ecosystem players, including foreign investors, as well as continuously provide information on the Japanese market and domestic projects, and carry out networking activities. [Ministry of Economy, Trade and Industry]
- JETRO will propose overseas companies, including startups found and sourced with J-Bridge<sup>7</sup> to enter into Japanese market through support program for investment in Japan, strengthen the Invitation program of overseas companies to Japan from the perspective of supporting the materialization of their investment plans, promote collaboration between foreign and Japanese companies, including startups, and attract such overseas companies to Japan. [Ministry of Economy, Trade and Industry]
- Organize events to invite the world's leading venture capital firms, institutional investors, and prominent entrepreneurs to strengthen the ties between foreign and Japanese startup stakeholders through business matching and other means. [Ministry of Economy, Trade and Industry]
- With the support of overseas accelerators, the Global Startup Acceleration Program, which conducts business strategy development, mentors with experts, and expands the network for domestic startups, will be expanded by enhancing courses for entrepreneurs seeking global expansion in collaboration with overseas companies and investors. Specifically, the government will consider the establishment of a new equity course that requires investment from overseas

---

<sup>7</sup> J-Bridge; Japan Innovation Bridge.

accelerators as a condition for participation. The overall program aims to have more than 1,000 cumulative participants by FY 2029. The government will also use this program as an opportunity to further promote the recruitment of overseas accelerators to our country. [Cabinet Office, the Ministry of Economy, Trade and Industry]

- For young people who aspire to start a business and those who support startups, the government will send 1,000 people for five years to various cities in the United States, Israel, Singapore, Northern Europe, etc., and conduct internship training at startups, venture capitalists, accelerators, etc. [Ministry of Economy, Trade and Industry]
- With the aim of establishing a Global Startup Campus through the introduction of public and private funding, which will combine deep-tech-specific research and incubation functions in international standards, in FY2023, the government will promote feasibility studies with top overseas universities with which cooperation is expected and the examination of buildings that will be required. In addition, in order to accelerate efforts to build networks and create startups with overseas universities, the government will promote international joint research with top overseas universities and other institutions with which the government is expected to cooperate. [Cabinet Secretariat, Cabinet Office]
- By preparing and disseminating model contracts in line with global standards, taking into account the actual practice of foreign investors, the government will promote a world-class environment in which foreign investors and global top talent, both domestic and foreign, can easily operate in our country's startup ecosystem. [Ministry of Economy, Trade and Industry]
- The Japanese Institute of Certified Public Accountants (JICPA) will revise its Practical Guidelines by the end of June 2023, and other measures will be taken to promote the introduction of fair value assessment (mark-to-market) of private equity held by funds, to enable international comparison of the performance of Japanese venture capital firms, and to attract foreign investors, with the aim of clarifying the points to be noted in the audit of investment assessment when using international guidance on the mark-to-market valuation of venture capital funds. [Financial Services Agency]

## **(2) Relaxation of residency requirements for foreign entrepreneurs and investors**

- In December 2022, the government allowed the use of both the National Strategic Special Zone Foreign Entrepreneurship Promotion Program (hereafter referred to as the "Special Zone Startup Visa") and the METI Foreign Entrepreneurship Promotion Program (hereafter referred to as the "METI Startup Visa"), and extended the maximum period of stay (maximum 1 to 1.5 years). [Cabinet Office, the Ministry of Justice and Ministry of Economy, Trade and Industry]
- The METI Startup Visa will allow not only local governments but also private organizations, such as state-approved venture capital firms and accelerators, to go through the process of verifying eligibility for the visa, and will be operational during FY2023. [Cabinet Office, the Ministry of Justice and Ministry of Economy, Trade and Industry]
- Regarding special provisions such as co-working spaces of Special Zone Startup Visa, the government will consider nationwide extension including making such provisions also applicable in the METI Startup Visa program and expansion of applicable facilities to university research facilities, etc., and get early conclusions. [Cabinet Office, the Ministry of Justice and Ministry of Economy, Trade and Industry]
- With regard to the business scale requirements under the status of residence of "Business and Management," the government will consider whether or not to use paid stock acquisition rights,



including convertible equity, and a mechanism to enable business operators to obtain the information necessary to utilize the existing special treatment system. [Cabinet Office, Ministry of Justice]

- The request was made to financial institutions in February this year to allow a foreign entrepreneur with a startup visa to open a resident account or an account equivalent to a resident account, when he/she applies to a domestic financial institution to open a bank account if the foreign entrepreneur meets the requirements such as the presentation of a certificate of confirmation of the plan of entrepreneurial preparation activities issued by the business operator for recognition of the status of residence, even if 6 months or more have not passed since his/her entry into Japan, or when he/she has not worked in an office in Japan. The government will follow up regularly to ensure its effectiveness.[Cabinet Office, Financial Services Agency, Ministry of Finance]
- Facilitate the granting of status of residence to foreign angel investors. [Ministry of Justice, Ministry of Economy, Trade and Industry]

### **3. Attracting highly skilled foreign professionals, and improving the system for establishing a center for global knowledge exchange**

#### **Focus (4): Creation of a new visa status system at a world-class level to attract highly skilled foreign workers. establishment of a base for international brain circulation. etc.**

- The government has newly established the Japan System for Special Highly - Skilled Professionals (J-Skip), which allows us to accept individuals with top-level abilities among highly qualified personnel, and the Japan System for Future Creation Individual Visa (J-Find), which allows us to attract young people with high potential. Special highly – skilled Professionals will be allowed enhanced preferential treatment, such as the availability of priority lanes at airports.
- Consideration of the addition of the fields that will accept the status of residence of "Specified Skilled Worker" and the simplification of procedures, and consideration of how the technical intern training system and the specified skills system should be.
- Creation of a Global Startup Campus that combines research functions with international standard incubation functions
- Establish new targets for the acceptance of foreign students and the domestic employment rate of foreign graduates, and improve the environment

#### **Focus (5): Reviewing issues including taxation and regulations to attract highly skilled foreign professionals**

- For expanding the acceptance of highly skilled foreign professionals, will assess and examine issues, including taxation, regulations, and other institutional aspects, and take necessary measures

### **(1) Promoting the acceptance of highly - skilled foreign professionals, including the establishment of a new visa status system at a world-class level**

- In order to accommodate the top level of highly - skilled professionals, the Japan System for Special Highly - Skilled Professionals (J-Skip) was newly established and has been in operation since April 2023. Separate from the existing the points - based system for highly - skilled professionals, the status of residence of "Highly - Skilled Professional (No. 1)" is also granted to those with a certain level of academic or work experience and annual income. It will then allow for a one-year transition to a "Highly - Skilled Professional (No. 2)" position, relax the number of foreign domestic workers employed, expand the types of jobs spouses can work in full-time, and grant more preferential treatment than currently available, such as airport priority lanes. For expanding the acceptance of highly skilled foreign professionals, the government will assess and

examine issues, including taxation, regulations, and other institutional aspects, and take necessary measures. [Cabinet Secretariat, Ministry of Justice and Ministry of Economy, Trade and Industry]

- In order to attract young people with high potential, the government has newly established the Japan System for Future Creation Individual Visa (J-Find), which has been in operation since April 2023. Outstanding alumni of overseas universities will be able to engage in job-hunting and entrepreneurial preparation activities in our country for up to two years. [Ministry of Justice]
- To attract international remote workers (so-called "digital nomads"), identify and study issues, including visa and residency status, and take necessary actions. [Cabinet Secretariat, Cabinet Office, Digital Agency, Ministry of Internal Affairs and Communications, Ministry of Justice, Ministry of Foreign Affairs, Ministry of Finance, Ministry of Health, Labour and Welfare, Ministry of Land, Infrastructure, Transport and Tourism]
- To provide continuous, hands-on support from recruitment to active engagement of Highly-skilled Foreign Professionals in Japanese companies. The government will support the retention of Highly-skilled Foreign Professionals rooted in the local community through the hands-on support based on JETRO's Platform for Promotion of Active Participation by Highly-skilled Foreign Professionals to solve problems related to the success of foreign human resources. In addition, by forming the Consortium for Highly-skilled Foreign Professionals Promotion Area among industry, academia and local government, the government will also provide the opportunities to those people to be employed in local companies through the expansion of matching [Ministry of Economy, Trade and Industry]
- In order to help Japanese companies and Japanese affiliated companies recruit highly skilled foreign workers, the government will hold about 10 job fairs (joint job fairs) mainly in Southeast Asia, aiming to attract more than 5,000 participants in total and more than 300 companies in total in FY 2023. [Ministry of Economy, Trade and Industry]
- In order to encourage collaboration between overseas human resources with advanced technology and expertise and Japanese startups, the government will cooperate with the private sector to create an environment in which overseas human resources can play an active role, such as creating opportunities for exchanges of human resources related to advanced technology in Japan and abroad and supporting appropriate information dissemination. [Digital Agency]

## **(2) Considerations on the shape of the technical intern training system and the specified skills system**

- In light of the interim report on the promotion of regulatory reform (December 22, 2022, Council for the Promotion of Regulatory Reform), the government will consider the addition of fields to which the status of residence of "Specified Skills" is applied, and will take measures as soon as a conclusion is reached. In addition, the government will consider further revisions to simplify the procedures for periodic notification by organizations to which the specified skilled workers belong, and will take necessary measures. [Ministry of Justice, Cabinet Office]
- The Advisory Panel of Experts on Ideal Form of the Technical Intern Training Program and the Specified Skilled Worker System will examine the implementation status of the technical intern training program and the specified skilled worker system, identify issues, and consider measures to properly accept foreign human resources. [Ministry of Justice, Ministry of Health, Labour and Welfare]

### **(3) Establishing a base for international brain circulation and supporting exchange and retention of international students**

- With the aim of establishing a Global Startup Campus through the introduction of public and private funding, which will combine deep-tech-specific research and incubation functions in international standards, in FY2023, the government will promote feasibility studies with top overseas universities with which cooperation is expected and the examination of buildings that will be required. In addition, in order to accelerate efforts to build networks and create startups with overseas universities, the government will promote international joint research with top overseas universities and other institutions with which the government is expected to cooperate. [Cabinet Secretariat, Cabinet Office] (reposted)
- The government will set specific indicators up to 2033, such as the number of Japanese students studying abroad (500,000), the number of foreign students accepted (400,000), and the domestic employment rate of foreign students (excluding those who go on to further education in Japan) after graduation (60%), and will strengthen efforts to promote exchange and support the retention of foreign students. [Cabinet Secretariat, Ministry of Education, Culture, Sports, Science and Technology]
- The government will promote measures to support young people to study abroad, such as the development and promotion of Tobitate! Study Abroad Initiative through public-private collaboration to encourage motivated students to study abroad. [Ministry of Education, Culture, Sports, Science and Technology]
- Through cooperation with the JICA Development Studies Program, the government will promote the acceptance of international students from developing countries to graduate schools in Japan, support the acquisition of master's and doctoral degrees, promote internships at domestic companies, and implement programs to understand the Japanese development experience. [Ministry of Foreign Affairs]
- Promote job placement and entrepreneurial support for foreign students at universities and other institutions through programs to promote the employment of foreign students. [Ministry of Education, Culture, Sports, Science and Technology]
- The government will establish a new system to certify high-quality vocational schools, and promote the development of the domestic employment environment by flexibly accommodating foreign students who have completed their course at an accredited school to change their residence status to "Engineer / Specialist in Humanities / International Services" and treating them on an equal basis with foreign students who have graduated from universities, etc. [Ministry of Justice, Ministry of Education, Culture, Sports, Science and Technology]
- Strengthen cooperation to support employment and retention of foreign students by forming consortiums made up of local governments, universities and economic organizations. [Ministry of Economy, Trade and Industry]
- Through collaboration between companies and educational institutions, opportunities for matching foreign students with companies will be expanded by promoting foreign students' participation in internships in Japan and enhancing practical education programs. [Cabinet Secretariat, Ministry of Education, Culture, Sports, Science and Technology, Ministry of Health, Labour and Welfare, Ministry of Economy, Trade and Industry]

- The government will promote the various opportunities of application for foreign students through year-round recruitment, fall recruitment, internship programs, etc., through requests to economic organizations in cooperation with relevant organizations. The government will also request economic organizations to prevent acts that impede students' freedom to choose an occupation (so-called "owahara"), taking advantage of the weakness of students who want to be employed , and to respond to complaints and consultations from students. [Cabinet Secretariat, Ministry of Education, Culture, Sports, Science and Technology, Ministry of Health, Labour and Welfare, Ministry of Economy, Trade and Industry]
- In Hello Work (employment service center), etc., the environment will be improved by strengthening consultation support functions and bases for employment, including multilingual services. [Ministry of Health, Labour and Welfare, Ministry of Economy, Trade and Industry and Ministry of Education, Culture, Sports, Science and Technology]
- The government will strategically promote collaboration and student exchanges with universities in important countries and regions for our country, with quality assurance, through the Inter-University Exchange Project to strengthen the global reach of university education in our country, as well as the acceptance of outstanding foreign students. [Ministry of Education, Culture, Sports, Science and Technology]
- In order to develop internationally competent global human resources, the government will drastically strengthen universities that are committed to thorough internationalization, such as enhancing classes in foreign languages and English education, creating an environment in which Japanese and foreign students can learn together, and developing and promoting staff familiar with international operations. [Ministry of Education, Culture, Sports, Science and Technology]
- JV-Campus, an online international education platform from Japan that serves as a common platform for internationalization of universities in our country, will enhance its educational content aimed at attracting, acquiring, educating and retaining talented foreigners, in collaboration with industry, and strengthen its hub function for attracting foreign students. [Ministry of Education, Culture, Sports, Science and Technology]

**4. Improving the business and living environment to attract human resources and investment from overseas**

**Focus (6): Dissemination of information and improvement of market environment to enhance Japan's position as an international financial center**

- Developing an environment for sustainable corporate growth through accelerating corporate governance reform (compilation of the Action Program, encouragement of management that is conscious of cost of capital and stock price, expansion of English disclosure in the prime market, etc.)
- Promoting GX investments and loans in Japan and Asia with the aim of becoming a GX financial hub in Asia, and improving the market environment for sustainable finance
- New promotional activities, such as the expansion of channels for major overseas media and the launch of Japan Week (tentative name) project to intensively invite overseas asset managers to Japan.
- With regard to identifying tax issues for Japan to become an international financial center, the government will take measures to review them as necessary, including identifying procedural issues related to the activation of cross-border investment.
- Consider necessary measures based on "Progress Report for Enhancing Asset Management Business 2023."

### **Focus (7): Creating a business environment that attracts foreign investment**

- Facilitate alternative dispute resolution procedures to encourage faster resolution of corporate international disputes
- Strengthen cooperation between JETRO's Invest Japan Business Support Center and licensed professionals (accountants, tax attorneys, etc.) to provide integrated multilingual and online responses to various consultations on regulations and systems as requested from overseas companies. The relevant ministries and agencies will strengthen cooperation with JETRO and will facilitate English-language responses for procedures relating to deregulation, etc.

### **Focus (8): Creating a living environment in the region to attract foreign talent and funds**

- Educational environment: Promotion of development of international secondary educational institutions in local areas, consideration of clarification of high school entrance requirements for graduates of international schools (equivalent to junior high schools), establishment of special quota for foreigners in high school entrance examinations in all prefectures
- Health care environment: Creation of a national platform to provide multilingual medical information, including multilingual hospitals (FY2024)
- Urban environment: Accelerating the implementation of smart cities under the Digital Garden City Nation Initiative (100 regions by 2025), improving the environment through national strategic special zones

### **Focus (9): Initiatives to expand inbound tourism**

- Formulating action plans suitable for the new era to expand inbound tourism
- Consideration of institutional environment for the recruitment of international remote workers (so-called "digital nomads")
- Expansion of Visit Japan Web (adding functions such as reading passport information), promotion of MICE (number 1 international conference held in Asia in 2025 (over 30% share of major countries))

## **(1) Realization of an international financial center**

<Developing an environment for sustainable corporate growth through accelerating corporate governance reform, etc.>

- A forum will be established to hear a wide range of opinions from stakeholders, including overseas investors, and an Action Program will be compiled by around June 2023 to promote corporate governance reforms in terms of substance. [Financial Services Agency]
- The government will steadily promote market reforms by the Tokyo Stock Exchange (TSE) and create an environment for listed companies to increase their corporate value. Specifically, the TSE requests the management of listed companies on the Prime Market and Standard Market to (1) conduct an analysis of the current status of the company's capital profitability and market valuation by the board of directors, (2) formulate policies and specific targets for improvement, and formulate and disclose the timing of implementation of measures to be taken, and (3) implement initiatives, on an ongoing basis and urges to take steps to realize management with an awareness of capital costs and share prices. The TSE also urges listed companies on the Prime Market to develop systems and initiatives to promote constructive dialogue with shareholders, and to disclose the status of implementation of dialogue between management, etc. and shareholders. In addition, the TSE will promote the expansion of documents subject to disclosure in English and the elimination of the time lag between Japanese and English contents, with a view to making the disclosure of necessary information in English mandatory in the Prime Market in the fall of 2023 in line with the end of the transitional arrangements. [Financial Services Agency, Ministry of Economy, Trade and Industry]

- The government will formulate "SX (Sustainability Transformation) brands" to highlight advanced listed companies that are committed to long-term and sustainable corporate value enhancement, which will lead to an influx of foreign capital. (The selection results will be announced in the spring of 2024.) [Ministry of Economy, Trade and Industry]

<Improving the market environment for sustainable finance>

- Efforts will be made to improve the market environment for sustainable finance, such as enhancing ESG Bond Information Platform in collaboration with the Japan Exchange Group (JPX), improving the environment for promoting transition finance (enhancement of sector-specific technology roadmaps, etc.), enhancing companies' disclosure of sustainability-related information, etc., enhancing ESG-related hybrid financial instruments, promoting impact investments, and promoting GX investments and loans in Japan and Asia with the aim of Japan's becoming a GX financial hub in Asia (formation of the Asia GX Consortium (tentative name), etc., involving public and private sectors in ASEAN, etc.). [Financial Services Agency, Ministry of Economy, Trade and Industry and Ministry of the Environment] [Financial Services Agency, Ministry of Economy, Trade and Industry and Ministry of the Environment]

<Proactive promotional activities, etc.>

- The government will effectively and strategically expand the public relations channels of major overseas media, organize overseas promotional events in conjunction with diplomatic missions overseas, launch Japan Week (tentative name) project to intensively invite overseas asset managers to Japan, and expand the website dedicated to international financial center, while actively approaching overseas business operators directly and hearing their needs, etc., and always accurately identifying potential needs and issues related to expanding into Japan. [Financial Services Agency, Ministry of Economy, Trade and Industry and Ministry of Foreign Affairs]
- Strengthen the functions and structure of the Financial Market Entry Office, which conducts registration screening and supervision in English, and provide administrative services that are more closely aligned with overseas financial operators. Support will be expanded by adding asset managers, etc to the scope of the credit guarantee system. [Financial Services Agency, Ministry of Finance and Ministry of Economy, Trade and Industry]
- With regard to identifying tax issues for Japan to become an international financial center, the government will take measures to review them as necessary, including identifying procedural issues related to the activation of cross-border investment. [Financial Services Agency]
- Consider necessary measures based on "Progress Report for Enhancing Asset Management Business 2023." [Financial Services Agency, relevant ministries and agencies]

**(2) Increased predictability of investments**

- Regarding the purpose and content of the Economic Security Promotion Act, etc., and regarding the specific procedures of the system under this Act, in addition to fully disseminating, publicizing and providing information to the public, including business operators, the government will actively promote two-way communication depending on measures through, for example, the establishment of consultation desks that provide meticulous responses to consultations from those subject to the measures and the publication of Q&As on the implementation of the measures. In doing so, the government will prepare materials that accurately convey the purpose of the law to Japan and overseas. In addition, the implementation status of the system under this Act will be disclosed to the public, including the Diet, and a full explanation will be provided. [Cabinet Office]

- With regard to the investment screening system based on the Foreign Exchange and Foreign Trade Act, the government will be continuing to raise awareness of and provide information on the screening system to foreign investors and businesses etc., in addition to ongoing efforts to provide them with consultation for procedures of prior notification etc. [Ministry of Finance]
- The government will raise the predictability of the private sector and create an environment in which investments can be executed in a planned and stable manner, by clearly committing to the presentation of a long-term vision and multi-year support, including the announcement of a "Pro-Growth Carbon Pricing Concept" that includes an upfront investment support of 20 trillion yen as the government to achieve GX (Green Transformation) investment of more than 150 trillion yen over the next 10 years through public-private collaboration, and a target to increase the amount of investment in startups to more than ten times the current level (10 trillion yen) by FY2027. [Ministry of Economy, Trade and Industry, Cabinet Secretariat, relevant ministries and agencies]

### **(3) Improvement of business environment**

- Promote the digitization of regulations and administrative procedures by using cutting-edge digital technology. About 10,000 cases of analog regulations will be cleared in the two years to June 2024. As part of these efforts, a package of bills to promote digital regulatory reform was approved by the Cabinet on March 7, 2023 and submitted to the Diet. [Digital Agency]
- In cooperation between JETRO and the Japanese Bankers Association, procedural precautions for opening corporate bank accounts in Japan were published on the JETRO website in March 2023. The government will disseminate this information and provide support for overseas companies to open corporate bank accounts in Japan smoothly. [Financial Services Agency, Ministry of Economy, Trade and Industry]
- The government will review the manner in which the address of a corporation's representative is indicated in a commercial registration, including when the information is viewed digitally, in light of the purport and purpose of the system, taking into consideration the balance between the public interest gained by allowing the information to be viewed and the protection of individual privacy. [Ministry of Justice, Digital Agency]
- The government has taken measures to exclude certain crypto assets that are issued and continuously owned under the certain transfer restrictions by issuers, from a year-end mark-to-market valuation for corporate tax. Other crypto assets will also be subject to necessary review by relevant ministries and agencies, including legal and accounting treatment. [Financial Services Agency, relevant ministries and agencies]
- In order to improve the location environment for companies, the government will work on forming ports that will be chosen by shippers and shipping companies, by promoting port development, DX and GX, and improving the international competitiveness of ports. [Ministry of Land, Infrastructure, Transport and Tourism]
- The government will further accelerate the process of translating Japanese laws and regulations into foreign languages by establishing a new translation system that makes use of AI during the current fiscal year and fully introducing it in FY 2024. With this, the government aims to reduce the average number of days required from when a law is promulgated (or amended) until an English translation is made available to 1/3 or less of current levels during 2024 (this was approximately 1,160 days on average from FY 2017 to FY 2021). The government will also actively publicize these efforts internationally. [Ministry of Justice]

- Japan is lagging behind in using ADR<sup>8</sup> (arbitration and mediation) even among Asian countries. The government has been striving to promote the use of ADR by bringing the legal system updated with the latest international standards, ensuring the effectiveness of ADR, and laying the foundation for the active use of international arbitration. Specifically, the government will establish a system to enable execution of settlement agreements resulting from mediation and orders for interim measures, and take measures such as making Japanese translations not compulsory in the court procedure related to execution orders of arbitral awards and settlement agreements resulting from mediation, as well as provide training programs for arbitrators and arbitration practitioners in international arbitration and raise awareness of the business sector in Japan and overseas. [Ministry of Justice]
- JETRO's Invest Japan Business Support Center will further strengthen its collaboration with licensed professionals (accountants, tax attorneys, etc.) and other specialists, respond to inquiries and consultations regarding regulations and systems and requests for improvement requested from overseas companies, and provide a multilingual and online centralized response to various consultations related to launching a business in Japan. Relevant ministries and agencies will strengthen their collaboration with JETRO and work to facilitate English-language responses, including publication in English of the system of various related procedures towards regulatory review and deregulation (public comments, no-action letters, gray-zone elimination system, sandbox system of regulations, etc.), in order to create an environment for collecting requests from overseas businesses. With regards to the submission of opinions under public comment procedures, the relevant ministries and agencies will consider allowing the submission of opinions in languages other than Japanese on the condition that the Japanese translation will be promptly submitted, provided that the foreign corporation, etc. submitting comments is recognized as an interested party depending on each relevant case. [Cabinet Secretariat, Cabinet Office, Ministry of Internal Affairs and Communications, Ministry of Economy, Trade and Industry, relevant ministries and agencies]
- Taking the opportunity of the G7 Hiroshima Summit, the meeting with G7 members' chambers of commerce in Japan will be newly established to strengthen the dissemination of information on measures for foreign direct investment in Japan and to collect requests from overseas business operators. [Ministry of Economy, Trade and Industry]
- In accordance with the National Infrastructure Development Plan for Digital Garden City Nation, the government will work to promote the development of optical fiber, 5G, and data centers in order to achieve the world's best telecommunications environment. [Ministry of Internal Affairs and Communications]
- Consultation support will be provided to companies that intend to introduce telework, and efforts will be made to raise awareness of telework, in addition to demonstrations being conducted to solve local issues through telework, with the aim of further promoting telework in local areas where its adoption rate is low. Consideration will be advanced to establish a new KPI related to telework adoption rates. [Ministry of Internal Affairs and Communications]
- In order to create a new exchange market amid the widespread use of telework, the government will accelerate the efforts of local communities and companies in the field of workation. More specifically, in addition to building social momentum, the government will support both the introduction of the system in companies that are senders and the development of an acceptance environment in communities that are recipients through model demonstration projects. [Ministry of Land, Infrastructure, Transport and Tourism]



- By FY2026, 2.3 million people will be trained to accelerate digital transformation using specialized digital knowledge and skills and will lead efforts to solve local issues through digitalization. Establish a platform for developing digital human resource, place emphasis on the digital field of vocational training, train digital human resources in higher education institutions, and promote the return of digital human resources to local communities. [Cabinet Secretariat, Ministry of Health, Labour and Welfare, Ministry of Education, Culture, Sports, Science and Technology, Ministry of Economy, Trade and Industry, relevant ministries and agencies]
- The government will analyze the effects on management improvement and reform in cases of inbound M&A transactions and joint venture with overseas companies, and disseminate the results thereof. In addition, from the perspective of supporting foreign and foreign affiliated companies in securing human resources, the government will expand opportunities to communicate the actual situation of foreign affiliated companies and specific depictions of working at such companies through web content and events to human resources sought by foreign affiliated companies, including university students and graduates. [Ministry of Economy, Trade and Industry]

#### **(4) Improvement of living conditions for foreigners**

##### <Improvement of educational environment for children of foreigners>

- As TSMC opens a production base in Kumamoto Prefecture, it has become an issue to improve the educational environment for the children of its foreign employees who come to Japan. With the aim of using this case as a pilot case and developing it laterally, the government will study the implementation of a model project to develop an educational environment for children that is attractive to highly skilled foreign workers, and promote the use of existing measures. [Ministry of Education, Culture, Sports, Science and Technology]
- Necessary measures will be taken to facilitate inter-school connections in order to make it easier for foreign children who have completed international school courses that meet certain requirements and children who have returned to Japan to be admitted to senior high school as those who are deemed to have the same or higher academic ability than those who have graduated from junior high school. In addition, the government will promote the establishment of international secondary education institutions and promote the establishment of special quotas for foreigners in high school entrance examinations in all prefectures in order to strengthen support at the senior high school level, which is important for foreign children to play an active role in Japanese society in the future. [Ministry of Education, Culture, Sports, Science and Technology]
- In the Grand Design and Action Plan for a New Form of Capitalism (approved by the Cabinet on June 7, 2022), the government set a target of increasing the number of International Baccalaureate (IB) authorized and candidate schools to 200 or more by the end of FY 2022, and as a result of efforts to promote the utilization of the IB, the number of schools reached 207 as of March 14, 2023, thus achieving the target. On the other hand, there are 23 prefectures in which no IB authorized and candidate schools are yet located, and efforts will be made to further promote the spread of the IB, with the aim of expanding it nationwide. [Ministry of Education, Culture, Sports, Science and Technology]
- Enhance the dissemination of information on international schools, including overseas boarding schools, and assess the actual situations. JETRO will strengthen the dissemination of information that contributes to the establishment of life and businesses for foreigners in Japan, including international schools. [Ministry of Economy, Trade and Industry, Ministry of Education, Culture, Sports, Science and Technology]

- As about 10,000 foreign children in Japan are said to be likely not attending school, the government will support local governments that monitor and promote the enrollment of foreign children, and promote the development of educational environments, including the establishment of Japanese language instruction systems in schools. [Ministry of Education, Culture, Sports, Science and Technology]
- In order to respond to the diverse Japanese language learning needs arising from the rapid increase in the number of technical intern training, specific skills and business-related foreign residents, from FY 2024, the government will aim to establish a certification system for Japanese language institutions and a certification system for Japanese language teachers working there, as well as to institutionalize the provision of Japanese language education programs at accredited Japanese language institutions, establish a system for the dissemination of multilingual information by the government regarding accredited Japanese language institutions, and develop training bases for registered Japanese language teachers. [Ministry of Education, Culture, Sports, Science and Technology]

<Establishing an environment for accepting foreign patients in medical institutions>

- A national platform to provide multilingual (English, Chinese, Korean) information on medical functions of hospitals and other medical institutions that can be handled in multiple languages (a nationwide search site for medical function information systems) will be established in FY2024. In addition, efforts will be made to further improve the environment for accepting foreign patients, such as promoting the use of telephone interpreters for medical institutions that deal with foreign patients, providing remote interpretation services for minor languages, and supporting the deployment of medical interpreters and medical coordinators who engage in acceptance of foreign patients to core medical institutions that accept foreign patients. Through these initiatives, the number of hospitals capable of providing multilingual services will be increased to more than 1,000 by FY2025. [Ministry of Health, Labour and Welfare]
- With regard to the lifting of the ban on the practice of medical activities by foreign doctors under the National Strategic Special Zone System, (1) in the case of accepting foreign doctors based on a bilateral agreement, if an attempt is made to expand the scope of medical examinations, the number of doctors, and medical institutions under the agreement, a proposal can be made from the local government of the special zone without being bound by bilateralism, and the scope of medical examinations can be expanded with the approval of the counterpart country, and (2) with regard to the conclusion of an additional bilateral agreement on the practice of medical examinations by foreign doctors for foreigners in general, after receiving a proposal from the local government of the special zone, when the conclusion of the bilateral agreement is decided after negotiations with the other country, the government will take necessary measures to conduct the National Examination for Medical Practitioners in English, in coordination with the other country, in order to take into account the needs of the local government of the special zone, and develop it laterally by expanding the target countries and the number of doctors and medical institutions. [Cabinet Office, Ministry of Health, Labour and Welfare]

<Improvement of urban environment>

- With the aim of realizing cities and regions that are attractive to people from overseas, the government will accelerate the implementation of smart cities by promoting smart city-related projects in various places of the country to solve regional issues through collaboration of relevant ministries and agencies under the Digital Garden City Nation Initiative. (It aims to have 100 smart cities by 2025.) In addition, regarding Super City National Strategic Special Zones, etc., the government will strongly promote the early implementation of advanced services in multiple fields,

accompanied by bold regulatory reforms, by adding new regulatory exemptions to district plans, including those related to startup support and strengthening the provision of information on the quality control of data provided by the data linkage infrastructure. [Cabinet Office, Digital Agency, Ministry of Internal Affairs and Communications, Ministry of Economy, Trade and Industry, Ministry of Land, Infrastructure, Transport and Tourism, relevant ministries and agencies]

- In order to facilitate the securing of housing for foreigners, as part of JETRO's support for foreign and foreign-affiliated companies at its Invest Japan Business Support Center, JETRO will introduce real estate agents who are accustomed to dealing with foreigners, and will further enhance information about operators who can support in foreign languages on the various service provider platforms (Experts Finder) that support the establishment of a base in Japan, which are posted on JETRO's website. [Ministry of Economy, Trade and Industry]

## **(5) Initiatives to expand inbound tourism**

- An action plan suitable for the new era will be drawn up by the decision of the Basic Policy on Economic and Fiscal Management and Reform in June to expand inbound tourism based on the Tourism Nation Promotion Basic Plan (approved by the Cabinet on March 31, 2023). [Ministry of Land, Infrastructure, Transport and Tourism]
- To attract international remote workers (so-called "digital nomads"), identify and study issues, including visa and residency status, and take necessary actions. [Cabinet Secretariat, Cabinet Office, Digital Agency, Ministry of Internal Affairs and Communications, Ministry of Justice, Ministry of Foreign Affairs, Ministry of Finance, Ministry of Health, Labour and Welfare, Ministry of Land, Infrastructure, Transport and Tourism] (reposted)
- In accordance with the Tourism Nation Promotion Basic Plan (approved by the Cabinet on March 31, 2023), in order to promote the invitation and hosting of MICE<sup>8</sup>, the government will work as one to encourage and support the invitation and hosting by issuing invitation letters from relevant ministers and holding receptions at diplomatic missions overseas, as well as aim to strengthen Japan's attractiveness by disseminating information on the strengths and attractions of our country, strengthening promotional activities for MICE by the Japan National Tourism Organization (JNTO) and other organizations, and supporting MICE hosting activities in domestic cities. In addition, in order to connect the added value derived from human interaction associated with MICE to industrial promotion and innovation promotion, the government will promote cooperation among relevant ministries and agencies, such as strengthening the use of MICE in growth areas. Through these efforts, the government aims to regain the status of the largest host country amongst the major Asian countries<sup>9</sup> by 2025, especially with regard to the number of international conferences held. [Ministry of Land, Infrastructure, Transport and Tourism, relevant ministries and agencies]
- In order to enhance our country's international competitiveness, the government will maintain and strengthen its air network by promoting open skies and enhance airport functions by developing international hub airports. In addition, in order to improve the environment of business jet availability, the government will enhance optimization of various regulation, including extending the period of flight application, also improve the airport facility such as establishment of independent passenger's facility for business jet. [Ministry of Land, Infrastructure, Transport and Tourism]

---

<sup>8</sup> Abbreviation for Meeting (meeting of companies, etc.), Incentive Travel (incentives and training trips conducted by companies, etc.), Convention (international conferences held by international organizations, groups, academic societies, etc.), and Exhibition/Event (exhibition, trade fair, event).

<sup>9</sup> The top five countries/regions in the number of international conferences held in the Asia-Pacific region based on statistics from the International Congress and Convention Association (ICCA): Japan, China, South Korea, Australia, and Taiwan.

- In addition to establishing a world-class international cruise hub, the government will promote efforts to encourage a cruise to visit Japan, taking the opportunity of the resumption of international cruise operations, in order to revitalize the regional economy of our country. [Ministry of Land, Infrastructure, Transport and Tourism]
- The government will strengthen cooperation between the Japan National Tourism Organization (JNTO) and diplomatic missions overseas in promoting inbound tourism to Japan in order to expand inbound tourism. In doing so, even in countries and regions where JNTO overseas offices are not established, the overseas offices of JNTO in charge of the relevant countries and regions will cooperate with diplomatic missions overseas in the relevant countries and regions to promote visiting Japan. [Ministry of Land, Infrastructure, Transport and Tourism, Ministry of Foreign Affairs]
- International visitors can use the Visit Japan Web (a web service for immigration procedures) to facilitate procedures for quarantine, immigration, and customs declaration. In addition, this spring, the government implemented (1) OCR reading of passport information, (2) surrogate input by third parties such as agencies, and (3) linkage with the JAPAN eVISA system to further improve convenience. In addition, necessary enhancements have been made so that it can be used not only for immigration procedures but also for consumption tax-exempt purchase procedures. The government will continue to take user feedback into account and expand the functions as needed. [Digital Agency, relevant ministries and agencies]
- In order to improve the reception environment for foreign visitors to Japan, the government will strengthen the functions to accept foreign patients visiting Japan, such as the installation of translation equipment in medical institutions, strengthen the crisis management response capabilities of tourist facilities, such as the enhancement of multilingual support during disasters, and support the improvement of the reception environment for transportation services, such as the spread of cashless payments in transportation. [Ministry of Land, Infrastructure, Transport and Tourism]
- In customs procedures, the government will continue to expand and improve the necessary functions of electronic declaration gates, etc., which enable electronic declaration of personal belongings, as well as to improve the convenience of foreign visitors to Japan by introducing state-of-the-art technology. [Ministry of Finance]
- In regard to procedures for entering the country with a pet, the government will make it known both in Japan and abroad that an electronic inspection certificate pertaining to quarantine has been approved as a result of amendments to laws and regulations. [Ministry of Agriculture, Forestry and Fisheries, Digital Agency]

**5. Fundamentally strengthening all-Japan's efforts for the mechanism to attract investment and to follow-up this Action Plan, and globally disseminating these undertakings.**

**Focus (10): Fundamentally strengthening the mechanism of all-Japan's efforts to attract investment and follow-up**

- Strengthening the mechanism to attract human resources and investment from overseas. (Newly establishing "FDI Task Force" for finding investment opportunities through collaboration at the level of heads of diplomatic missions overseas and JETRO overseas offices.)
- Strengthening the follow-up system for investment projects in the regions (establishment of Follow-up Council for Regional Investment Promotion (tentative name) to discuss measures to attract investment by regions and follow up for retention and follow-on investment; the project will start in some regions (examples: Hokkaido, Kinki, Kyushu, etc.) ahead of schedule), strengthening the matching of local companies by industry with foreign and foreign affiliated companies (beginning in the digital field), and establishing new expert dispatch schemes and expanding training.
- Establishing "the Task Force for Attracting Human and Financial Resources from Overseas" (tentative name), a cross-ministries task force at the State Ministers level to annually follow-up the progress including the results of the FDI Task Force and take new priority actions.

**Focus (11): Enhancement of global information dissemination through events such as the G7 Hiroshima Summit**

- Enhancement of global information dissemination taking the opportunities of the G7 Hiroshima Summit and the Special Summit on the 50 Year Anniversary of ASEAN-Japan Friendship and Cooperation, etc. (e.g., holding a business summit with top-level participation of foreign companies in strategic fields)

**(1) Promotion of direct investment in our country through investment promotion activities**

- From March 13, mask wearing in Japan has become subject to individual judgment, and from May 8, the border measures such as COVID19 testing or presentation of proof of inoculation will be eliminated. Taking this opportunity, the following initiatives will be implemented as part of a large-scale promotion aimed at attracting human resources and capital in order to show that Japan continues to welcome investment from the world. [Ministry of Economy, Trade and Industry]
  - Provide support for feasibility studies in Japan conducted by overseas companies and others in the manufacturing, healthcare, environment, digital, green, and other fields.
  - In order to accelerate investment planning, the government will expand the scale of inviting and matching foreign corporate management-level personnel etc, while considering the needs of overseas companies and local stakeholders.

**(2) Fundamentally strengthening all-Japan's efforts for the mechanism to attract and follow-up**

<Fundamentally strengthen the mechanism to attract human resources and investment from overseas>

- In order to fundamentally strengthen the mechanism to attract human resources and investment from overseas, as a first step, the FDI Task Force(tentative name) will be established in five countries, namely, the United States, the United Kingdom, Germany, France and Australia, through collaboration at the level of heads of diplomatic missions overseas and JETRO overseas offices, with the aim of starting operations in June 2023. Specifically, the government will work with other overseas governments' relevant ministries and agencies as necessary, encouraging the heads of diplomatic missions overseas to engage with executives of major local companies and relevant government agencies, and to provide accompanying support for overseas companies seeking to expand into Japan. Through these efforts, the government aims to attract projects from overseas

companies<sup>10</sup> and will set a KPI for the FDI Task Force (for example, the number of cases of assistance) for the period up to FY 2026. (The KPI up to FY2030 will be considered based on the performance up to FY 2026.) In addition, the government will consider expanding the number of countries and regions where task forces will be established in the future, taking into account the experience of the task forces initiated in advance. [Ministry of Foreign Affairs, Ministry of Economy, Trade and Industry and relevant ministries and agencies]

<Fundamentally strengthen the government-wide follow-up system>

- In order to drastically strengthen the follow-up system for investment projects in the regions, “Follow-up Council for Regional Investment Promotion(tentative name)” will be newly established in order to provide not only support at the stage of overseas companies' selection of potential investment destinations but also long-lasting support up to the stage where overseas companies have completed their investment and settled themselves in the region. Based on the perspective of regional branding, the conference will discuss measures for promoting each region and follow-up measures for settlement and follow-on investment. In fiscal 2023, such discussion will begin in some regions (Examples: Hokkaido, Kinki, Kyushu, etc.) ahead of schedule. [Ministry of Economy, Trade and Industry] (reposted)

<Fundamentally strengthen the government-wide follow-up system>

- As a follow-up system for the overall efforts to attract foreign human resources and funds, the Task Force for Attracting Human and Financial Resources from Overseas (tentative name) will be newly established across ministries at the State- Ministers level to follow up on the progress of the Action Plan and identify issues and institutional barriers to attract foreign human resources and funds, including employment-related systems. In particular, it will collaborate with the FDI Task Force (tentative name), the Follow-up Council for Regional Investment Promotion(tentative name), and JETRO to follow up on the results of overseas and regional attraction activities. Based on the information obtained through these efforts, new actions will be taken to attract human resources and funds from overseas. [Cabinet Office and relevant ministries and agencies]
- In order to further facilitate the provision of information on regulations and systems for foreign and foreign affiliated companies, as well as information on support systems available to foreign and foreign affiliated companies, the government will strengthen the information provision system of the Office of Invest Japan through collaboration between relevant ministries and agencies and JETRO. In addition, the provision of such information will improve the predictability of business in Japan. [Cabinet Office and relevant ministries and agencies]

**(3) Enhancement of global information dissemination through events such as the G7 Hiroshima Summit**

- In order to raise awareness of overseas companies' entry into Japan as well as partnerships and collaborations with Japanese companies, the government will carry out multiple activities in collaboration with overseas PR companies, etc., such as promotion in more than 10 countries and regions through foreign media, digital marketing using websites and SNS, etc., and effectively promote business opportunities in Japan to overseas business people. [Cabinet Office, Ministry of Economy, Trade and Industry, relevant ministries and agencies]
- Seizing the opportunity of various economic and diplomatic meetings in the run-up to this year's G7 Hiroshima Summit and related ministerial meetings and related events, the Special Summit

---

<sup>10</sup> This includes not only greenfield investments but also collaborations between foreign and Japanese companies.

Meeting on the 50 Year Anniversary of ASEAN-Japan Friendship and Cooperation, and the Expo 2025 Osaka, Kansai, Japan, various promotions will be conducted at the top level, such as promoting the attractiveness of Japan and holding meetings to promote foreign direct investment in Japan. In particular, given that Japan holds the G7 presidency in 2023, the government will pursue promotional opportunities to attract bold foreign investment to Japan, including inviting top foreign business leaders to Japan (e.g., holding business summits with top-level participation from overseas companies in strategic fields). JETRO will hold domestic and international events aimed at attracting foreign and foreign affiliated companies to invest in Japan for the purpose of disseminating information and networking. [Cabinet Office, Ministry of Foreign Affairs, Ministry of Economy, Trade and Industry, relevant ministries and agencies]

- Taking the opportunity of the G7 Hiroshima Summit, the G7 Foreign Chambers of Commerce Collaboration Meeting will be newly established to strengthen the dissemination of information on measures for investment in Japan and collect requests from overseas business operators. [Ministry of Economy, Trade and Industry] (reposted)