

Council for Promotion of Foreign Direct Investment in Japan

Working Group for Revising Regulations and Administrative Procedures

Immediate Report (Summary)

December 22, 2016

This Immediate Report compiles government measures established through discussions on a revision of regulations and administrative procedures pointed out as being complicated concerning foreign companies' investments and business development in Japan.

1. Incorporation and registration of companies

- Enable foreign companies to prepare a payment certificate and incorporate a subsidiary stock company without opening its own bank account in Japan, by means of the following measures:
 - (1) Expand the range of holders of accounts for payment of contribution in money
 - Consider **allowing persons entrusted by the foreign incorporator to become the account holder for payment certificate, in addition to the incorporator or the prospect representative director at the time of the foundation**, and apply around by the end of this fiscal year. [Ministry of Justice; scheduled within FY2016]
 - (2) Expand the range of financial institutions for payment
 - Clarify through notification that **accounts at overseas branches of Japanese banks are included**. [Ministry of Justice; within 2016]
 - Request megabanks to develop such a framework promptly. [Financial Services Agency; October 2016]
 - Consider enabling an applicant to acquire a signature certificate (substitution for a seal certificate) necessary for registration and other procedures by the following measures in addition to the existing way of acquiring it in the applicant's country and Japan (consul of home country in Japan):
 - (1) **Allowing acquisition of a signature certificate in the country where the applicant currently resides**. [Ministry of Justice; June 2016]
 - (2) **Allowing acquisition of a signature certificate from a notary in Japan if the consul of home country in Japan does not issue a signature certificate**, although it can be acquired in the applicant's home country or resident country. [Ministry of Justice; within FY2016]
 - Request megabanks to develop a framework, such as listing of capable branches, sharing of information, and handling of appropriate clerical work, so that **the procedure for opening bank accounts after the corporate foundation** can be carried out smoothly. Megabanks develop such a framework by around the end of this year. [Financial Services Agency]
- <Other measures>
- Open a website to publish the whole text of each notification concerning incorporation. [Ministry of Justice; September 2016]
 - Clarify cases where Japanese translation of documents in foreign languages to be submitted for filing an application of registration can be omitted. [Ministry of Justice; within FY2016]
(Example: the portions of the minutes of a meeting of a foreign company's board of directors other than those related to the application)
 - Make tally signature unnecessary for the procedure for certifying the article of incorporation. [Ministry of Justice; within FY2016]

2. Status of residence

- Proceed with necessary preparations for **beginning an online system in FY2018** for procedures related to status of residence. [Ministry of Justice]
- Consider **publishing data on actual necessary periods** and introducing a system for enabling applicants to **check the status of progress online** so that applicants can forecast how long procedures will take. [Ministry of Justice]
- To facilitate the acceptance of highly-skilled foreign professionals:
 - Establish “Japanese Green Card for Highly-Skilled Foreign Professionals” that can be issued the most quickly in the world. [Ministry of Justice; within FY2016]
 - Review the requirements for points-based system for the highly-skilled foreign professionals* (such as addition of evaluation items). [Ministry of Justice; within FY2016] * The system includes preferential treatment, such as restriction on spouse's employment and being accompanied by domestic workers.
 - **Consider reviewing the requirement for the acceptance of domestic workers** accompanying highly skilled foreign professionals (domestic workers who have been employed overseas should **enter Japan simultaneously**) **so that highly skilled foreign professionals can have their domestic workers come to Japan after entering Japan**. [Ministry of Justice]

3. One-stop administrative Services

- **Expand the operations handled by the Tokyo One-Stop Business Establishment Center**. [Cabinet Office, etc.; within 2016]
 - (1) Make it possible to file electronic applications in six fields of clerical work, including registration, taxes, and pensions, and to accept applications at all booths.
 - (2) Add “engineer, specialist in humanities, international services” to the types of status of residence that can be handled (*at present, only “business manager” and “intra-company transferee” are applicable) and gradually extend the application period to five years after corporate foundation by around April 2018 (* six months after corporate foundation at present).

4. Provision of information in foreign languages

- Strengthen the provision of information in foreign languages highly needed for business activities or living. [Each government office]
(Examples: manuals on main operations of e-Tax, explanations about main tax return forms and notifications, guide to social insurance)
- Use **the website of JETRO as the portal site for information in foreign languages** supplied by each government office.

5. Import into Japan

- Reduce companies' burden of classification of statistical codes of commodities by streamlining of “national subdivisions”. [Ministry of Finance, etc.]
(Examples: T-shirts in FY2017, to consider reviewing other apparel and clothing in FY2018. The national subdivisions of toys are planned to be merged when the Customs Tariff Law are amended in FY2017.)
- Improve the provision of information for the convenience of importers. [Ministry of Finance, Ministry of Health, Labour and Welfare; within FY2016]
(Examples: information on legal procedures necessary for each imported commodity (website of Japan Customs); an estimated number of tableware samples necessary for import inspection, the items to be included in the testing results report and other notices. (website of the Ministry of Health, Labour and Welfare))