

## Basic awareness

- Despite improvement in business conditions, **foreign direct investments in Japan** have been **concentrated in certain major metropolitan areas**, such as Tokyo. However, other regions possess various regional resources and outstanding labor forces, including unique companies with technical capabilities, distinctive industrial clusters, agricultural, forestry, and fishery products and tourism resources.
- It is vital to link the strengths of these regions to the sales channels, technologies, human resources, and know-how of foreign companies, thereby **generating new demand and innovation both in Japan and overseas, which leads to sustained energization of regional economies.**

## Support Program for Regional Foreign Direct Investment in Japan (“Support Program”) (May 2018)

- **JETRO** and related organizations have worked together to **support the efforts of 24 local governments to attract foreign companies** in order to ascertain the distinctive aspects of each region and **strategically attract foreign companies in the most effective manner for each region.**
- **Some of those local governments have reached the implementation stage of activities to attract foreign companies**, including formulating specific strategies to attract foreign companies.

## Next Step

- **Priority support given to local governments that have reached the implementation stage of activities to attract foreign companies (“priority local governments”) to steadily build up actual achievement in attracting foreign companies**
- **Further improvement of Japan’s overall business environment**

## Concrete support and promotion efforts

### (1) Strengthening of the “Support Program”

#### [1] Preferential support to priority local governments

##### Three deficiencies

- Deficiencies in name recognition outside Japan**
- Deficiencies in human resources that can implement activities to attract foreign companies**
- Deficiencies in coordination between policy measures**

##### Response

- Strengthening of top-to-top promotion projects**  
e.g. to hold a seminar inside/outside Japan where governors of priority local governments can implement top-to-top selling
- Strengthening of human resources for attracting foreign companies**  
e.g. to provide training for staff of priority local governments, reinforce JETRO system, reinforce collaboration between JETRO and regional financial institutions
- Strengthening of policy measures to attract foreign companies**  
e.g. - to propose to priority local governments optimal policy packages including effective use of subsidies for promoting regional reinvigoration  
- to further coordinate measures to attract foreign companies with other measures of stimulating inbound tourism demand and boosting agricultural, forestry, and fishery product exports

#### [2] Promotion of formulation of strategies and participation in Support Programs

- **Support local governments to formulate strategy to attract foreign companies**
- **Compilation of casebooks of successful stories of attracting investment from overseas** and dissemination of the information among local governments

### (2) Efforts to further improve Japan’s business environment

- Promote better understanding of doing business with foreign companies** by spreading information on successful FDI to companies and other entities
- Introduce online one-stop service for incorporation
- Accelerate and expand translation of Japanese laws by measures such as using AI
- Communicate the progress of Corporate Governance Reform
- Work toward improving Japan’s business environment and receiving appropriate evaluation, based on World Bank’s *Doing Business* ranking
- Ensure that past plans adopted by the Council for Promotion of Foreign Direct Investment in Japan are steadily implemented