

## Measures taken until now on foreign direct investment in Japan

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Cabinet Office

### 1. Historical background of the policy on foreign direct investment in Japan

- In June 1994 the Japan Investment Council (JIC) and the JIC Expert Committee were established.
- In March 2003, the 6<sup>th</sup> meeting of the JIC set the goal to double the foreign direct investments in the Balance of Payments as of the end of 2001 within five years and approved the “Program for the Promotion of Foreign Direct Investment in Japan.”
- In March 2006, the 7<sup>th</sup> meeting of the JIC set a new goal in which the foreign direct investments in the Balance of Payments in Japan will be about 5% of GDP that would be doubled by 2010.
- In June 2006, the 8<sup>th</sup> meeting of the JIC approved the “Program for Acceleration of Foreign Direct Investment in Japan (FDI Acceleration Program)” to achieve the new goal.
- At present, each ministry/agency is taking measures which are included in the Program.

### 2. FDI Acceleration Program (adopted by the meeting of the JIC held in June 2006)

- A comprehensive program consisting of 74 measures covering three categories to attain the goal to double foreign direct investments in Japan by 2010

#### Main issues of the “FDI Acceleration Program”

- ① To induce economic growth driven by local areas and improve the quality of life
  - To support the whole process, that is, luring foreign capital to Japan, setting up an enterprise and developing a business, towards building a new business by using local resources
  - To promote collaboration between domestic and overseas industrial clusters
- ② To improve the investment environment to win the global competition
  - To implement steadily the three-way merger system and study the possibility of taking related taxation measures
  - To improve the predictability of medical device evaluation procedure
  - To expand the acceptance of qualified foreign researchers and technologists
- ③ Public relations activities both within and without Japan
  - To hold meetings on foreign direct investment in local areas of Japan
  - To dispatch investment missions to overseas countries and hold seminars on foreign direct investment in Japan