

Council for Promotion of Foreign Direct Investment in Japan

Working Group for Revising Regulations and Administrative Procedures

Final Report (Summary)

April 24, 2017

This Report compiles discussions on a revision of regulations and administrative procedures pointed out as being complicated concerning foreign companies' investments and business development in Japan, and concrete measures that are (to be) conducted by each government agency.

1. Incorporation and registration of companies

- Enabled 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
 - **Allowed persons entrusted by the foreign incorporator to become account holders for the payment, in addition to the incorporator or the representative director at incorporation.** [Ministry of Justice; implemented]
 - (2) Expand the range of financial institutions for the payment
 - Clarified that **accounts at overseas branches of Japanese banks are included.** The megabanks have already established a framework accordingly. [Ministry of Justice and Financial Services Agency; implemented]
 - Accepted the following, regarding a signature certificate (substitution for a seal certificate) necessary for registration and other procedures in addition to the existing way of acquiring it in the applicant's country and Japan (consul of home country in Japan):
 - (1) **Allow acquiring it in the country where the applicant currently resides.**
 - (2) **Allow preparing it by notary in Japan if the consul of home country in Japan does not issue a signature certificate,** even if a signature certificate can be acquired in the applicant's home country or resident country. [Ministry of Justice; implemented]
 - Requested the megabanks to establish a support system, such as listing of available branches, information sharing, and appropriate processing of clerical affairs, so that **the procedure for opening bank accounts after the corporate foundation** can be carried out smoothly. The megabanks have established the support system and have also opened contact points for consultation. [Financial Services Agency; implemented]
- <Other measures>
- Opened a website to publish the whole text of each notification concerning incorporation and procedures for foreigners. [Ministry of Justice; implemented]
 - Clarified cases where Japanese translation of documents in foreign languages to be submitted for filing an application of registration can be omitted. [Ministry of Justice; implemented]
(Example: the portions of the minutes of a meeting of a foreign company's board of directors other than those related to the application)
 - Made any tally signature unnecessary for the procedure for certifying the article of incorporation. [Ministry of Justice; implemented]

2. Status of residence

- Proceed with necessary preparations for **beginning an online system in FY2018** for procedures related to status of residence without going to a contact point. [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 Cards for Highly-skilled Foreign Professionals” that can be issued the most quickly in the world. [Ministry of Justice; April 2017]
 - Review the requirements for points-based system for highly-skilled foreign professionals* (such as addition of evaluation items). [Ministry of Justice; April 2017]
* The system includes preferential treatment, such as full-time employment of the spouse 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; Fall in 2017]
- Clarify and disseminate the information necessary for acquiring the status of residence in the case where a foreigner comes to Japan for business trip. [Ministry of Justice; Summer in 2017]

3. Promote one-stop administrative procedures

- **Expand the operations handled by the Tokyo One-Stop Business Establishment Center.**
 - (1) Made it possible to file electronic applications in six fields, including registration, taxation, and pension, and to accept applications at all booths. [Cabinet Office, etc.; implemented]
 - (2) Added “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) [Cabinet Office, etc.; implemented] and gradually extend the application period to five years after corporate foundation by around April 2018 (* six months after corporate foundation at present). [Cabinet Office, etc.]

4. Provision of information in foreign languages and consultation for foreign companies

- Strengthen the provision of information in foreign languages highly needed for business activities and living. [Each government agency]
(Examples: manuals on main operation of e-Tax, explanations about main tax returns and notifications, guides to social insurance, information on living environment and policies for accepting highly skilled foreign professionals, Financial Market Entry Consultation Desk)
- Use **the website of JETRO as the portal site for information in foreign languages** supplied by each government agency. Each government agency cooperates with JETRO for disseminating information and providing consultation. [Each government agency]

5. Import

- 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 merged in FY2017.)
- Improve the provision of information to improve the convenience of importers. [Ministry of Finance, Ministry of Health, Labour and Welfare]
(Examples: information on legal procedures necessary for each imported commodity (website of Japan Customs; implemented); an estimated number of tableware samples necessary for import inspection, the items to be included in the testing report and other notices. (website of the Ministry of Health, Labour and Welfare; April 2017))