

# **Outline of Subsidy for Projects to Stimulate Direct Investment in Japan**

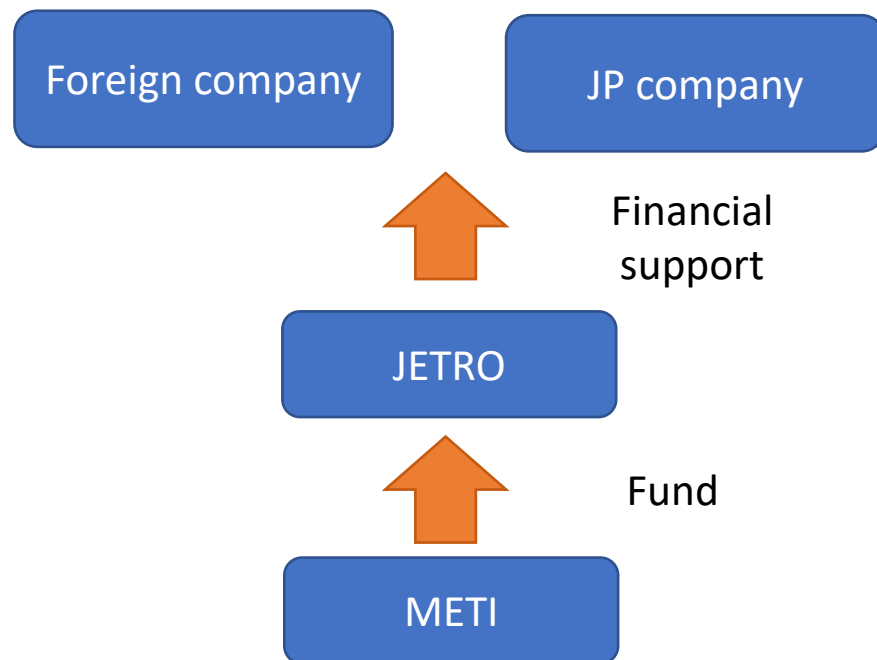
**March 2024**

**Japan External Trade Organization (JETRO)**

# Subsidy for Projects to Stimulate Direct Investment in Japan

This subsidy program covers the cost of demonstration projects by foreign and foreign-affiliated companies in Japan for introducing and developing innovative technologies and business models in Japan through collaboration between foreign companies/foreign-affiliated companies in Japan and Japanese companies/research institutions (\*).

(\*) Including foreign companies incorporated in Japan (limited to companies in which foreign investors hold more than 1/3 of the shares and the largest foreign investor holds 10% or more of the shares).



## **【Place of implementation 】**

Japan

## **【Fields】**

- Manufacturing
- Healthcare
- Green
- Other fields including digital-related areas (mobility, fintech, wholesale/retail trade etc) that contribute to the introduction of technologies, business models.

## **【Project Requirements】**

- The foreign-affiliated company in Japan or the foreign collaboration partner of Japanese companies must have a specific project for investment, business expansion, or collaboration in Japan, and the implementation of the project must promote the investment or creation of collaborative partnership projects in Japan.
- The contractor must have an adequate internal system in place for the project implementation.
- The Japanese collaboration partners must be proactively involved in the implementation of the project (in the case of Type 2).
- The foreign-affiliated company in Japan must be a company in which foreign investors own more than 1/3 of the shares of that Japanese corporation, and in which the largest foreign investor has a stake of 10% or more (In the case of participation by a foreign-affiliated company in Japan)

## **【Additional Project Requirements】**

- The project have technological novelty or contribute to the introduction of a new business model.
- The project contribute to solving Japan's economic and social problems.
- The project contribute to policy areas such as supply chain resilience.
- The project contribute to the revitalization of the region or promotion of FDI in the region.
- The foreign collaboration partner or foreign-affiliated company in Japan to collaborate is a start-up company with technological innovativeness.
- Foreign capital accounts for the majority of the foreign-affiliated companies participating in the project.
- The project is highly feasible in terms of investment in Japan and formation of collaborative partnership projects.

## 【Maximum Subsidy Amount, Subsidy Rates】

Small and medium companies	maximum 20 million yen, less than one-half of the subsidy-eligible expenses
Large companies	maximum 20 million yen, less than one-third of the subsidy-eligible expenses

- ※The amount of expenses to be borne by each project will be determined after reviewing the details of the project.
- ※The subsidy amount will be determined after the project is completed and the use of the contracted amount is inspected.
- ※If the work stipulated in the contract is not completed, no payment of any expenses can be made.

## 【Subsidized Expenses】

Expenses for machinery and equipment, subcontracting and outsourcing, travel, fixtures, supplies, personnel, auxiliary personnel, advertising, and other expenses necessary to implement the project.  
etc.

**【Number of projects to be selected】**

Approx. 17 projects (small, medium and large enterprises in total)

**【Application Period】**

March 29 to May 9, 2024

※All applications will be submitted online. Please apply well in advance.

**【Project period】**

From date of contract to Jan 31, 2025

**【Deadline】**

May 9, 2024, 12:00

**【Announcement of Selected Projects】**

Mid-June 2024 (scheduled)