

Subsidy Program for Global Innovation Centers

Updated: March 18, 2016

NO.	Categories	Question	Answer
1	Requirements	Can a company apply for two or more projects?	Yes, it can.
2	Requirements	If a foreign company which already has a corporation in Japan or which is willing to make subsequent investment in Japan, intends to conduct experimental studies in collaboration with Japanese companies or universities, would it be eligible for the subsidy?	Yes, it would be eligible.
3	Requirements	If a candidate company or its partner company is subsidized by or applying for other grant programs provided by the Japanese government (including governmental organizations), is it permitted to submit a petition for this subsidy?	In principle, dual petitions for this subsidy and other grant programs provided by the Japanese government for the same project are not permitted.
4	Requirements	Are there any restrictions to the size of the eligible company?	No, there are no restrictions to the size. However, the company's financial status and eligibility are examined through its submitted financial statements (Balance Sheet and Income Statement).
5	Requirements	Are there any restrictions to the size of the partner company?	No, there are no restrictions to the size. However, collaboration with Japanese small or medium-sized companies is desirable.
6	Requirements	One of the requirements is to have collaboration with Japanese companies or universities. What does "collaboration" regard to?	When the candidate company is doing research activities together with the partner, it is regarded as "collaboration". However, if the partner is just a subcontractor who contracts for a job from the candidate company, then it is not regarded as "collaboration".
7	Requirements	By when does "collaboration" have to be established?	In principle, "collaboration" has to be fixed by the time of grant petition (after the selection).
8	Requirements	Is joint application permitted?	No. Application must be filed independently.
9	Requirements	Are there any definitions for "regenerative medicine" and "IoT"?	(Please contact JETRO if anything is unclear.) <Definition of regenerative medicine> "Regenerative medicine" refers to technologies, products or services which conduct reengineering, restoration or development of body structure; give treatment or disease prevention therapy by using human or animal cells which are cultured or processed in any other way; or make practical use of or support studies of this area. Concretely, it includes regenerative medicine products (cellular and tissue-based products), related equipment and consumable products and the like, as well as cells for research in drug discovery. <Definition of IoT> "IoT" refers to technologies, products or services by which all things such as automobiles, home appliances, robots and facilities are connected to the Internet and exchange information; facilitate digitization leading up to automation; and create new added value. It includes technologies, products or services which utilize big data, AI (artificial intelligence), etc.
10	Requirements	Must the global innovation center be set up in Japan?	Yes, it must be set up in Japan.
11	Requirements	If the final goal is commercialization in Japan, is it permitted to do some of the research activities outside Japan?	Only the research activities inside Japan are eligible for the subsidy.
12	Eligible costs	Are the expenses caused abroad (for example, translation costs, etc.) eligible for the subsidy?	Yes, they are. However, the subsidy is paid only in JPY. The expense needs to be converted into Japanese currency at the exchange rate of the day of expenditure.
13	Eligible costs	Can a company purchase versatile equipment, furniture and general-purpose property?	No. Furniture and other items for general use are ineligible for the subsidized costs.
14	Eligible costs	Is the cost for setting up an office in Japan in preparation of future investment in a facility eligible for the subsidy?	Establishment of R&D sites including accompanying facilities such as for manufacturing, sales or administration is eligible for the subsidy. However, the establishment of an office in preparation for these facilities is not eligible.
15	Eligible costs	Would a factory (R&D site with production base) which is already set up in Japan be eligible for this subsidy (in cases such as the expansion of production lines)?	No, it would not be eligible.
16	Eligible costs	Are there any rules and regulations for travel expenses (business trips)?	If the candidate company has its own official regulations, travel expenses will be paid according to the regulations. If the company does not have its own regulations, then the travel expenses will be paid according to JETRO's regulations.
17	Eligible costs	If the project is not completed by February 3, 2017, would the subsidy be paid partially for the part completed by then?	The subsidy would not be paid if the project is not completed even if the company's plan at the time of grant petition and decision was to complete the project by February 3, 2017.

Subsidy Program for Global Innovation Centers

Updated: March 18, 2016

NO.	Categories	Question	Answer
18	Eligible costs	Would in-house purchases (purchases from other sections within the company) be covered by the subsidy?	If the subsidized costs include in-house purchases (including purchases from subsidiaries or other members of the same company group), it is not suitable for the purpose of this subsidy to include purchases which contribute to the company's own profit. Therefore, in the case of in-house purchases, cost price (production cost prices of the product concerned, etc.) can only be included.
19	Obligations	There is a column in the application forms where the company has to fill in high value-added aspects and expected ripple effects of the project. Is it required to report the results of these aspects through the Subsidized Project Result Report? In addition, is it required to submit the details of the intellectual properties (including patents) obtained as a result of the research?	The company is required to report to JETRO on the status and results of high value-added aspects and the ripple effects of the project through the Subsidized Project Result Report, as well as through the progress reports during the year and the reports of continuing operations after the subsidized project is completed. Further, while the report on the details of the intellectual properties are not required in principle, JETRO may ask questions or ask for additional reports after examining the content of the report to check if the subsidy is being used appropriately.
20	Submitted documents	Does the company have to submit documents to indicate the conclusion of a memorandum of understanding on "collaboration" with Japanese companies or organizations?	Submission of documents to indicate the conclusion of a memorandum of understanding on "collaboration" with Japanese companies or organizations is desirable, but it is not mandatory.
21	Submitted documents	How detailed should documents be that justify incurred costs?	Please attach price estimates, product catalogs, etc. as evidences for the incurred costs.
22	Submitted documents	What should the company do when it does not have a corporate seal or representative seal for the right-upper part of the Application Form 1 at the time of application? Is e-signing permitted?	A representative seal can be substituted by a signature in pen. E-signing is not permitted.
23	Submitted documents	How should personnel costs be calculated? What documents should be attached to justify personnel costs?	Personnel costs are calculated by <time unit price X number of work hours>. In principle, the time unit price is calculated by Actual Unit Price Calculation (time unit price = (total annual amount paid + annual legal welfare expenses) ÷ theoretical annual total working hours) or Health Insurance Grade Unit Price Calculation. Please refer to p. 10 and after of the "Guidelines on Administrative Work Regarding the Subsidy Project" (only in Japanese at the moment), on the website of the Ministry of Economy, Trade and Industry. http://www.meti.go.jp/information_2/downloadfiles/2015_hojo_manual.pdf Please submit substantiating documents such as salary regulations and documents that show the actual annual salary of relevant personnel. (However this does not need to be submitted at the time of application since it is private information.)
24	Submitted documents	Are there any limits to the amount of personnel costs? Are there any limits to the ratio of personnel costs within total costs?	There is no upper limit set for personnel costs or their ratio.
25	Submitted documents	If the most recent parent company is a Japanese company, is it permitted to submit this Japanese company's financial statements when three years have not passed since the establishment of the candidate company? (Does it not have to be the financial statements of the foreign ultimate parent company?)	Yes, it is permitted.
26	Schedule	Can the subsidy be paid before the project (estimated payment) ?	In principle, the subsidy shall be paid after the project is completed and the amount is confirmed.
27	Schedule	When will the subsidy be paid?	Payment of the grant will be made after the amount has been decided according to the investigation of expenditure. The subsidy will be paid at the end of March 2017, at latest.
28	Schedule	Are there any deadlines for the time of grant petition after the selection?	There are no deadlines, but the grant petition should be done as soon as possible after notification of the selection results. If the petition is late, the project period will be shortened which sometimes leads to the incompleteness of the project.
29	Screening and selection	If the project was not selected, will the reason be disclosed to the company?	No. It will not be disclosed.
30	Screening and selection	It is said that the names of the selected companies will be announced on the website, but is it possible to anonymize?	No. As a rule the names of the selected companies will be announced on the website.
31	Screening and selection	If the project was not selected, can the company try again for a second time?	The same company can apply again after revising the plan of the project.
32	Screening and selection	If the project was not selected, will the submitted documents be returned?	The submitted documents will not be returned. They will be properly disposed of by JETRO.

Subsidy Program for Global Innovation Centers

Updated: March 18, 2016

NO.	Categories	Question	Answer
33	Screening and selection	Who are the third party screening panel?	The names of the screening panel will not be announced in public. It will comprise of experts in associated fields.
34	Screening and selection	Does the screening criteria "promotion of overseas development by Japanese companies" indicate overseas development by the partner companies? Does "overseas development" refer to "exporting services and products," or "establishing a base abroad"?	Yes, it indicates the overseas development of partner companies. "Overseas development" refers to either "exporting services and products" or "establishing a base abroad".
35	Screening and selection	Are there any maximum limit to the number of projects selected or to the amount of money per project ?	There are no maximum limit to the number of projects selected. With regard to the maximum amount of money, it is up to 10 million yen for the feasibility studies(F/S) . There are no maximum limit for establishment of global innovation centers and experimental studies.
36	Screening and selection	If the total amount of the grant subsidy reaches 1.0 billion yen and application is closed, how will it be announced?	It will be announced through JETRO's website.
37	Others	Can JETRO provide matching opportunities for candidate companies and Japanese companies/organizations?	JETRO does not provide matching opportunities focused specifically for this Subsidy Program, but is open to any inquiries and provides various services to assist companies. Please contact the Foreign Affiliate Support Division in JETRO Headquarters in Tokyo or JETRO offices (worldwide and nationwide) near your company.
38	Others	Is it possible to sign a non-disclosure agreement between a subsidized company and JETRO?	Since JETRO is a governmental organization, and is entrusted with special duties, it is required by law to protect confidentiality. JETRO does not sign non-disclosure agreements because if it betrays confidence without a just cause, it will already be punished under the law.
39	Others	To whom do the rights and licenses of the work belong?	Rights and licenses of the works belong to the subsidized company. However, the assets acquired by the subsidy must be managed under the Regulations Concerning the Grant of Subsidy. If the company disposes of the acquired assets because they are no longer necessary after the project is completed, a part of or the entire subsidy shall be returned. In the case that assets are used contrary to the purpose of the subsidy, the company is also required to return a part of or the entire subsidy.