

Fiscal Year 2015 Subsidy Program for Global Innovation Centers

Note: This is the outline of the Program. For more information, please refer to the Application Guidelines of Subsidy Program for Global Innovation Centers.

Item	Details
Program Purpose	<p>This subsidy program subsidizes the cost of companies from overseas for setting up innovation centers, experimental studies and feasibility studies (F/S) in collaboration with Japanese companies and other organizations in Japan with the aim of drawing investments and excellent management resources from overseas by promoting location of high value-added sections of overseas companies such as R&D facilities, and making Japan a high value-added hub and innovation base for global value chains.</p>
Subsidized Projects	<ol style="list-style-type: none"> 1. Establishment of global innovation centers : Establishment of R&D sites including the accompanied facilities such as manufacturing, sales or administration. However, the relocation and consolidation of existing sites in Japan are not eligible for the subsidy. 2. Experimental studies : Experiments being conducted by a foreign company in collaboration with Japanese companies or organizations, such as research and data collection in order to achieve practical application of technologies, products and services in Japan, which are already being put to practical use, or are expected to have practical application in foreign countries, such as the country where the foreign company's headquarters is located. 3. Feasibility studies (F/S) : Activities such as market research conducted by a foreign company in collaboration with Japanese companies or organizations, in order to achieve practical application of technologies, products and services in Japan, which are already being put to practical use, or are expected to have practical application, in foreign countries, such as the country where the foreign company's headquarters is located. <p>Note: Candidate companies can apply for two or more projects pertaining to "establishment of global innovation centers", "experimental studies", or "feasibility studies (F/S)" at one time.</p>
Eligible Companies	<p>Companies eligible for the subsidy shall be private business operators incorporated in Japan, which meet all the requirements below.</p> <ol style="list-style-type: none"> 1. The subsidized company must be a company whose parent company, or ultimate parent company, is a corporation founded or organized under the law of foreign country and currently engaged in active operations. The research related to the subsidized project must be connected to regenerative medicine or IoT. The subsidized company must have favorable prospects of capital or business collaboration with Japanese companies, universities, public research institutions, or other organizations. The investment plan submitted for this subsidy program should not have been announced or commenced before the cabinet decision on the FY2015 Supplementary Budget Plan made on December 18, 2015. <p>Note: Candidate companies (including branch offices in Japan) do not need to have corporate status in Japan at the time of application for this subsidy program. After the grant notification, however, the companies must have corporate status in Japan by the time they petition for the grant.</p>
Subsidized Costs	<ol style="list-style-type: none"> Establishment of global innovation centers : Design, facility purchase and rental, equipment and machinery, construction, surveying and tests, etc. → Subsidy rates : Up to one-third Experimental studies : Costs for researchers' employment, business trips, outsourcing, tests, equipment and machinery, interpretation and translation, etc. → Subsidy rates : Up to two-thirds Feasibility studies (F/S) : Costs for researchers' employment, business trips, outsourcing, interpretation and translation etc. → Fixed amount (up to JPY 10 million) <p>Note: Lease fees for equipment and facilities will be subsidized until the project period. Temporary deposits such as collateral or guaranties are not applicable. The subsidy will not cover the costs of office supplies, furniture and other office equipment. Removal costs (costs to demolish existing buildings or clear existing facilities), exterior work costs, and other construction costs not related to R&D sites and the accompanied facilities (such as manufacturing, sales or administration) are not applicable.</p>
Project Period	<p>In principle, the projects shall be completed by Friday February 3, 2017. (Not only the operations but also all the related payments shall be completed by the subsidized company.)</p>

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Criteria	<p>1. Basic items</p> <ul style="list-style-type: none"> Requirements for the subsidy, implementation structure, eligibility as a subsidy project operator, validity of costs and time schedule, etc. <p>2. Innovativeness of the project for the subsidy</p> <ul style="list-style-type: none"> Technologies, products or services of the candidate project for the subsidy shall have innovativeness. The industrial base in Japan for technologies, products or services of the candidate project for the subsidy shall not yet have been fully developed at the most advanced level. <p>3. High value- added quality of the candidate project</p> <ul style="list-style-type: none"> The technologies, products or services of the candidate project shall bring about high value-added quality. The candidate project will not overlap or will not have similarity to research conducted by Japanese companies. <p>4. Applicability of the technology, products or services</p> <ul style="list-style-type: none"> There are favorable prospects that the technologies, products or services of the candidate project for the subsidy can be put to practical use in Japan and they will bring about economic ripple effects. <p>5. Promotion of overseas development by Japanese companies</p> <ul style="list-style-type: none"> There are favorable prospects that collaboration with domestic companies, universities, public research institutions, or other organizations will promote the overseas development by Japanese companies. Collaboration with Japanese small or medium companies is especially desirable. <p>6. Ripple effects on regional economies (applies only to projects setting up a center.)</p> <ul style="list-style-type: none"> Establishment of a center shall bring about a positive impact on the regional economy. <p>7. Employment of human resources (applies only to projects setting up a center.)</p> <ul style="list-style-type: none"> It appears likely that new employment of five or more people will be created at the center to be established by the candidate project. The candidate project for the subsidy shall include employment of highly skilled foreign personnel or resident/loaned personnel from overseas.
Obligations of Subsidized Companies	<ol style="list-style-type: none"> The subsidized companies shall obtain approval in advance if they intend to make any changes to the allocation of the subsidized costs or contents of the subsidized project or to suspend or terminate the subsidized project after the decision to grant a subsidy is made. If a progress report on the subsidized project is requested during the year of the subsidy grant, the subsidized companies shall provide a report without delay. <u>When the subsidized project is completed, the subsidized company must provide a report on the status of the continuing operations related to the subsidized project for three years after the end of the subsidized project.</u> The subsidized companies shall continue to manage and not dispose (use contrary to the purpose of the subsidy grant) the acquired assets. With regard to accounting related to the subsidized project, the subsidized companies shall prepare evidential documents providing detailed balance sheets of the project, and retain such the documents for five years after the end of the Japanese government's financial year during which the subsidized project was completed.
Period of Application	<ul style="list-style-type: none"> Public Announcement: Tuesday, February 16, 2016 to Friday, September 9, 2016 (12:00 p.m. Japan Time) Submission deadline for the fifth screening is added. Period for Acceptance of Application Forms: First screening: Thursday, March 10, 2016(12:00 p.m. Japan Time) (second screening: 12:00 p.m. Friday, May 13, 2016, third screening: 12:00 p.m. Friday, July 8, 2016, fourth screening: 12:00 p.m. Friday, September 9, 2016, fifth screening: 12:00 p.m. Friday, October 14, 2016.) Applications and Inquiries Secretariat for Subsidy Program for Global Innovation Centers Invest Japan Department Japan External Trade Organization (JETRO) 6th Floor, Ark Mori Building 6F, 12-32 Akasaka 1-Chome, Minato-ku, Tokyo 107-6006, Japan Tel: 03-3582-5234 (Note) Application forms should be sent or brought in directly to JETRO (General Information Desk at 6th floor) .