

Outline of Subsidy for Projects to Stimulate Direct Investment in Japan

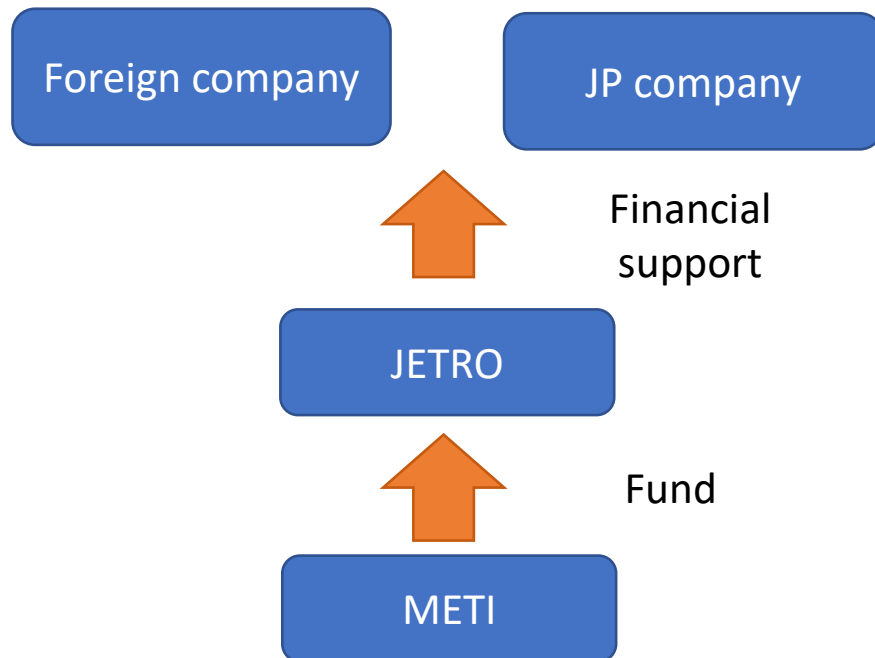
March 2024

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)