

JAPANESE INDUSTRY AND POLICY NEWS

FEBRUARY 2016

LEGISLATION AND POLICY NEWS

METI and Fukushima Prefecture Conclude an Agreement on the Development and Operation of Robot Testing Fields

On January 21, 2016, Ministry of Economy, Trade and Industry (METI) and Fukushima Prefectural Government concluded an agreement on the development and operation of the Robot Testing Fields and the International Industry-Academia-Government Collaboration Facilities for Robots.

The Robot Testing Fields and the International Industry-Academia-Government Collaboration Facilities for Robots are to be developed starting in FY 2016 (April 2016-March 2017) as bases that will play core roles under the Fukushima International Research Industrial City Framework.

This agreement stipulates that by the end of FY 2015 (March 2016) the planning committee jointly established by METI and the Fukushima Prefectural Government will compile a detailed grand design such as the functions of the facilities, and that the Fukushima Prefectural Government will develop these bases with financial support from the national government.

http://www.meti.go.jp/english/press/2016/0125_04.html

SMEA Compiles an Export Support Handbook for SMEs

The Small and Medium Enterprise Agency (SMEA) has prepared a handbook which gives introduction to various support measures for business operators who are interested in developing their businesses overseas. The handbook groups the measures into the following three categories: “understand and survey,” “plan and prepare,” and “expand overseas.” For each support measure, the handbook presents information about consultation desks which are readily available for consultations, and a QR code, by which one can access the relevant webpage with a smartphone.

In addition to having been uploaded to the SMEA’s “Mirasapo” webpage, the handbook is to be distributed at various outlets as Regional Bureau of Economy, Trade and Industry, the Japan External Trade Organization (JETRO), and the Organization for Small & Medium Enterprises and Regional Innovation, Japan (SMRJ) throughout Japan.

In addition, SMEA compiled “success stories” of Japanese small and medium sized enterprises in expanding their business overseas and uploaded it also to the “Mirasapo” webpage.

http://www.meti.go.jp/english/press/2016/0125_03.html

<https://www.mirasapo.jp/features/policy/vol39/index.html> (Japanese language only)

SURVEY AND BUSINESS DATA

Japan's Population Shrinks for the First Time

Japan's population as of Oct. 1, 2015 stood at 127.11 million, falling 0.7% from 2010, according to preliminary figures from the latest census which were released on February 26. It marks the first contraction for the Japan's population since the census began in 1920.

Among Japan's 47 prefectures, only 8 prefectures including Tokyo recorded an increase. Tokyo's population is the largest with 13.51 million inhabitants.

Population of “Tokyo region” which includes Tokyo, Kanagawa, Saitama and Chiba prefectures reached more than 1/4 (28.4%) of nation's total.

<http://www.stat.go.jp/data/kokusei/2015/kekka.htm> (Japanese language only)

Agricultural Export Recorded Historical High in 2015

According to the Ministry of Agriculture, Forestry and Fisheries, Japanese export of agriculture, forestry and fishery products in 2015 reached 745.2 billion yen. It is a jump of 21.8% from the previous year, renewing the past record of 611.7 billion yen of that year. Japanese government had set an export target amount of 700 billion yen by 2016 which was achieved one year earlier.

Export figures by group of products were 443.2 billion yen (increase of 24.2%) for agricultural products, 26.3 billion yen (+24.8%) for forestry products and 275.7 billion yen (+18.0%) for fishery products.

By destination, Hong Kong was the first with 179.4 billion yen (+33.5%), followed by the United States (107.1 billion yen, +14.9%) and Taiwan (95.2 billion yen, +13.8%). Exports to the European Union was 40 billion yen, recording a 20.5% increase from the previous year.

http://www.maff.go.jp/j/shokusan/export/e_info/pdf/27_jisseki_sokuhou.pdf

(Japanese language only)

Number of SMEs and Micro Businesses Remains Stable

According to the Small and Medium Enterprise Agency (SMEA), the total number of small and medium sized enterprises (SMEs) and micro businesses in Japan was 3.81 million in July 2014. It is a decrease of 44,000 entities, corresponding to 1.1% reduction as compared to two years before. SMEA sees the situation is stabilized as number of decrease is much smaller than that was registered during three years for 2009-2012, which amounted to 350,000.

Top three prefectures with most numerous SMEs and micro businesses are Tokyo (447,659 companies), Osaka (292,993) and Aichi (220,767)

<http://www.meti.go.jp/press/2015/01/20160129002/20160129002.html>

(Japanese language only)

COMPANY NEWS

Nippon Steel & Sumitomo Metal to Buy Nissin Steel to Address Severe Market Conditions

Japan's biggest steelmaker, Nippon Steel & Sumitomo Metal Corp. (NSSMC), announced on February 1 that it would buy Nissin Steel Co., the fourth largest company in the same industry, in an attempt to address falling demand and tougher price competition amid China's economic slowdown.

NSSMC is already the largest shareholder in Nissin Steel with a stake of 8.3%. NSSMC plans to increase its share to the range of 51% and 66%. Nissin Steel is expected to become a subsidiary of Nippon Steel around March 2017 after obtaining approval from authorities, but its shares will remain listed on the Tokyo Stock Exchange.

http://www.nssmc.com/en/ir/library/pdf/20160201_040.pdf

Shiseido to Build 1st Domestic Plant for Cosmetics in 40 years

Shiseido Company announced on February 3 that it would build a new plant in Ibaraki, Osaka prefecture to manufacture basic skin care products in order to cater to the growing demand in Japan and boost sales in Asia. It is Shiseido's first cosmetic manufacturing plant in Japan since Kakegawa factory in Shizuoka prefecture established in 1975.

Investment for the new plant and a distribution base in Ibaraki is estimated at

around 40 billion yen with operations expected to begin in fiscal 2020. The factory will replace Shiseido's existing plant in Osaka, boosting the company's annual output of basic skin care products 1.5-fold to 100 million with the help of cutting-edge robot technology.

<https://www.shiseidogroup.com/news/detail.html?n=0000000000037>