

Introduction

Starting from July this year, the EU-Japan Centre in Tokyo will be regularly publishing “Industry and Policy News” from various Japanese language sources of potential interest, including newly released policy documents, surveys, and official statements, in the context of EU-Japan industrial cooperation. Upon request, the EU-Japan Centre can search and provide further detailed information on a topic of particular interest to our readers (enquiries and requests to be addressed by email to: Toshiro FUKURA/toshiro.fukura@eu-japan.gr.jp or Sam CLAYDON/sam.claydon@eu-japan.gr.jp).

The EU-Japan Centre intends to further expand such services with other types of industrial information, while avoiding duplication with the news provided for the EU institutions by other entities in the future.

Disclaimer: the headlines and summaries below are produced and unofficially translated by the EU-Japan Centre based on news releases and related official documents in Japanese (or in English when available) and should not be considered as official material.

JAPANESE INDUSTRY AND POLICY NEWS

LEGISLATION AND POLICY NEWS

Strategy on “Robot Revolution” revealed

Toward the realization of a new industrial revolution driven by robots, a goal set in the Japan Revitalization Strategy revised in 2014, the Government of Japan launched the Robot Revolution Realization Council. The council has held six meetings since September 2014 and compiled the results into a report titled “Japan’s Robot Strategy.” Based on the results of the discussions by the Council, the Government of Japan compiled a strategy and an action plan by sectors toward the realization of the Robot Revolution. The report stated that Japan should achieve Robot Revolution in order to keep a leading status of “Robotics superpower” by intensive use of robots.

http://www.meti.go.jp/english/press/2015/0123_01.html

SURVEY AND BUSINESS DATA

Annual Survey on Overseas Business Activities of Japanese corporations

On May 22, the Ministry of Economy, Trade and Industry (METI) published the results of the 44th Basic Survey on Overseas Business Activities of Japanese corporations.

The survey was conducted in July 2014. The trends of Japanese overseas affiliates in the fiscal year (FY) 2013 can be summarized as follows:

- The overseas production ratio for the manufacturing industry (based on all domestic companies, 22.9%) and the ratio of overseas capital investment (29.4%) marked a record high.
- Sales of overseas affiliates increased by 21.9% from the previous year. Ordinary profits, net income, and the amount of retained earnings increased. The amount of capital investment in the manufacturing industry increased for the fourth consecutive year (up by 21.8% as compared to the previous year).
- The total number of employees at overseas affiliates was 5.52 million people, a decrease of 1.2% as compared to the previous year. North America (some 650,000 people) registered a slight decrease of 1.9% while Europe (some 490,000 people) recorded a larger decrease of 7.1%.
- Research and development expenses in the manufacturing industry marked a record high of 500 billion yen. Payments from overseas affiliates to Japanese investors marked a record high of 3.2 trillion yen.

It is noteworthy that the share of Europe as a destination of Japanese new investment decreased from 13.7% to 10.6%, the sales of Japanese affiliates in Europe increased by 16.6% to reach 36.3 trillion yen.

http://www.meti.go.jp/statistics/tyo/kaigaizi/result/result_44/result_44.html (Japanese only. English translation is expected to be available later)

Japan's B to C E-Commerce market scale has grown to 12.8 trillion yen

The Ministry of Economy, Trade and Industry (METI) conducted the FY 2014 E-Commerce Market Survey to analyze the current state of the Japanese e-commerce (EC) market. According to the survey, the market scale of domestic B to C (business-to-consumer) EC expanded to 12.8 trillion yen (up by 14.6% from the previous year) in 2014. In addition, the domestic market scale of B to B (business-to-business) EC in a narrow sense (*1-1) expanded to 196 trillion yen (up by 5.0% from the previous year)

and in a wide sense (*1-2) expanded to 280 trillion yen (up by 4.0% from the previous year).

As for the EC ratio (*2) for B to C-EC it is 4.37% (up by 0.52 percentage points from the previous year), for B to B-EC in a narrow sense it is 18.3% (up by 0.6 percentage points from the previous year), and for B to B-EC in a wide sense it is 26.5% (up by 0.6 percentage points from the previous year), showing that EC is on an increasing trend and that the computerization of commercial transactions continues to advance.

*1. Domestic e-commerce is defined as follows in this survey:

1) E-commerce in a narrow sense

Transactions that are conducted (purchase orders are issued) via computer network systems using Internet technologies and whose contract amounts are captured also via such systems.

2) E-commerce in a wide sense

Transactions that are conducted (purchase orders are issued) via computer network systems and whose contract amounts are captured also via such systems.

*2. The EC ratio in this survey refers to the ratio of the e-commerce market scale to the total amount of overall commercial transactions. The subjects for calculating the EC ratio for B to C-EC and B to B-EC are selected respectively from merchandising businesses and business types except "other" in an industrial classification system.

http://www.meti.go.jp/english/press/2015/0529_02.html

JETRO's Survey on the International Operations of Japanese Firms for FY2014

The following trends were observed from the answer of 2,995 companies participated in a survey of the Japan External Trade Organization (JETRO).

- (1) The more involved in global business development, the larger benefit from depreciation of yen.
- (2) Major obstacles to export growth are sluggish overseas demand, competition and transfer of production overseas.
- (3) SME motivations to expand overseas and domestic business on the rise.

English version of the report was published in April (original Japanese report published on February 25).

<http://www.jetro.go.jp/en/news/releases/2015/142a2191f56e68bc.html>

JETRO adopted 8 new projects to support under the Regional Industry Tie-Up

(RIT) program in fiscal 2015 (original information in Japanese only)

Japan External Trade Organization (JETRO) provides support for business-purpose exchange between industrial clusters in Japan and overseas for a total of three years. Among 8 newly adopted projects, which were announced on April 8, four cases involve European participation as follows:

German state of Baden Wurttemberg and Ibaraki prefecture (Automotive), Baden Wurttemberg and City of Kitakyushu (Industrial machinery), German Life Science Nord and Hyogo prefecture (Life science) and French Cosmetic Valley and Saga prefecture (Cosmetics).

JETRO introduced this type of support in fiscal 2007 and it extended assistance to more than 50 international region-to-region/cluster-to-cluster exchange projects, resulting in many business tie-ups.

<http://www.jetro.go.jp/news/releases/2015/20150408114-news.html>

COMPANY NEWS

Automobile: Toyota and Mazda Team Up for environmental and safety technology development

Toyota Motor Corporation and Mazda Motor Corporation announced that they entered an agreement to build a mutually beneficial long term partnership on May 13.

According to a joint press release, a special committee will be set up to evaluate how best to utilize each company's respective strengths. The committee will encourage broad and meaningful collaboration across a range of fields, including environmental and advanced safety technologies.

<http://newsroom.toyota.co.jp/en/detail/7871861/>

Air transportation: ANA to launch Tokyo-Brussels service

All Nippon Airways (ANA) announced on June 1 that they would start a direct flight service between Tokyo and Brussels this autumn. ANA sees the new destination of Brussels as one of the most important cities in Europe, home to the principal institutions of the European Union and many Japanese companies. There has been no direct flight connecting the two cities after a failure of Belgian airline SABENA in 2001.

<http://www.ana.co.jp/eng/aboutana/press/2015/150601.html>

Renewable energy: Kyocera launches world's biggest floating solar power station

Kyocera Corp. started operating the world's biggest floating solar power station in western Japan (near Hyogo prefecture) on June 11. It produces around 2,680 megawatt-hours of electricity per year, meeting the demand of approximately 820 typical households, Kyocera said.

http://global.kyocera.com/news/2015/0503_khfp.html