

Outline of the Action Plan to Implement the Growth Strategy

Provisional

- The government will accelerate and strengthen the implementation of the growth strategy, known as “the Japan Revitalization Strategy”, which is the third arrow of Abenomics, launched to change people’s expectations into actions.
- Through the discussions held after the formulation of the strategy, details and directions of the structural reforms regarding the following major related measures, such as the submission of bills at the next extraordinary Diet session, have been embodied or these measures have been decided to be implemented ahead of schedule. The government will firstly press on such measures.

[Related Bills to be Submitted at the Next Extraordinary Diet Session]

Bills for the Industrial Competitiveness Enhancement Act, related Acts on National Strategic Special Zones, the Act to Revise the Companies Act, the Act to Revise the Pharmaceutical Affairs Act, etc., the Act to Ensure the Safety of Regenerative Medicine, etc., the Act to Amend the Electricity Business Act, related Acts for the Development of Farmland Intermediary Management Institutions, and the Act on Renewable Energy in Rural Areas

1. Infrastructure Development for Regulatory and Institutional Reforms

Boldly promote structural reforms with the three-area approach: on a region-wide basis, on a corporation basis, and on a nation-wide basis

- Creation of National Strategic Special Zones as a breakthrough to change Japan’s economic society, and bold regulatory and institutional reforms in such fields as medicine, education, agriculture, and city-planning
 « on a region-wide basis: a bill for related Acts on National Strategic Special Zones »
- Establishment of the Special System for Corporate Field Tests to support business expansion to new fields through special regulatory measures on a corporation basis
 « on a corporation basis: a bill for the Industrial Competitiveness Enhancement Act »
- Establishment of the System to Eliminate Regulatory Gray Zones to check legality of new business to facilitate business expansion in new fields
 « on a nation-wide basis: a bill for the Industrial Competitiveness Reinforcement Act »
- Further promotion of structural reforms through collaboration between the Council for Industrial Competitiveness and the Council for Regulatory Reform

2. Promotion of Private Investment and Industrial Metabolism

Generally mobilize all measures for the development of business environments, including tax incentives, etc. in order to encourage companies to invest their management resources for the future

- New tax incentives to promote capital investment that enhances productivity
- New tax incentives to promote business reorganization
- New tax incentives for corporations investing in venture funds
- Promotion of the introduction of highly independent outside board members [a bill for the Act to Revise the Companies Act]
- Review of the portfolio and governance of public and quasi-public fund investment, etc.

3. Employment System Reform and Enhancement of Human Capital

Accelerate initiatives for enhancing human capital and reforming the employment system, and promote university reform, including reform of the payroll system

- Speeding up of the utilization of private-sector human resource businesses
- Swift implementation of the zero child care-waiting list project and development of an environment where men and women can balance work and child-rearing, etc.
- Reform of the Points-based Preferential Immigration Treatment for Highly Skilled Foreign Professionals and shortening of the periods of stay for permitting permanent residence for those professionals [submission of a bill for revising the Immigration Control and Refugee Recognition Act at the next ordinary Diet session]
- Strengthening of functions of universities to create innovations and promotion of university reform [in relation to a bill for the Industrial Competitiveness Enhancement Act]

4. Creation of Strategic Markets through Structural Reforms, etc.

Create new markets that will boost Japan’s economic growth through regulatory and institutional reforms as well as opening up markets that have been dominated by the public sector

- Reform of healthcare and medical markets and establishment of the Japan Medical Research and Development Agency (provisional) [bills for the Act to Revise the Pharmaceutical Affairs Act, etc. and the Act to Ensure the Safety of Regenerative Medicine, etc.]
- Strengthening of agricultural competitiveness through consolidation of farmland, etc. [a bill for the related Acts for the Development of Farmland Intermediary Management Institutions (provisional)]
- Reform of electricity system and promotion of the introduction of renewable energy [bills to amend the Electricity Business Act and the Act on Renewable Energy in Rural Areas]

5. Implementation of Growth Strategy at Regional Level and Innovation of SMEs and Small Businesses

Implement the growth strategy by the united efforts of the central government and local governments and promote initiatives for the innovation of SMEs and small businesses

- Establishment of the Council on Regional Industrial Competitiveness sequentially at a regional level and promotion of full-scale local efforts involving the industry, academia, the public sector, financial institutions, and others
- Support for the promotion of business startups, etc. in local areas [a bill for the Industrial Competitiveness Enhancement Act]
- Development of a framework to energize SMEs and small businesses [submission of a basic bill for the promotion of small businesses at the next ordinary Diet session]