

Agenda for the Evolution of the Growth Strategy

Provisional

Mechanism to Realize Revolution in Productivity: Igniting Investment in Innovation

○ Institutional reform for the Fourth Industrial Revolution

- Redesign new systems for economic society in the IoT era (Develop foundations, incl. institutions/rules, human resources, technologies/innovations, and infrastructure)
- Clarify cooperative/competitive fields for winning international competition and create platforms
- Supply risk money and develop institutions to encourage M&As and business restructuring for the Fourth Industrial Revolution
- Industrialize sharing economy rapidly and soundly

○ Strengthening of power to create innovation and ventures

- Establish Designated National University system (tentative name) aiming for world's top level (Seedbed for creating new industries)
- Formulate the "Venture Challenge 2020 (tentative name)"

○ Further strengthening of corporate governance/ Promote medium- to long-term investment

○ Investment for the future through reform of "bed-rock" regulations

- National strategic special zones, self-driving, drones, medical diagnosis, robots, FinTech etc.

○ Tax reform to encourage investment in the future

- Pro-growth corporate tax reform, establishment of special measures for fixed asset tax on machinery and equipment

Producing of human resources with overwhelming challenging spirits

○ Reform of elementary and secondary education with an eye for the society in the future

- Utilize IT and private sector know-how, introduce the learning according to the proficiency level of individual children, and experiential and problem-solving learning
- Develop and strengthen IT literacy, including programming education
- Thoroughly develop the environment for IT access

○ Institutionalization of new higher education organizations for practical vocational education

- Provide knowledge /skills of vocational practices based on the needs of industries

○ Turning out of world's top level human resources responding to the Fourth Industrial Revolution era

- Interdisciplinary fusion, and cooperation of industry, government and academia by Distinguished Graduate Schools (tentative name) and Distinguished Researchers System, and development of human resources

○ Participation of diversified workers to break growth restraint

- Increase childcare arrangements and secure staff in charge for the "Elimination of Childcare Waiting Lists"
- Support further active engagement by women, elderly, and highly skilled foreign professionals

Expansion of Strategic Growth Markets for Nominal GDP of 600 trillion yen

○ Creation of high-quality healthcare industries

- Promote utilization of services outside public insurance coverage for health and prevention
- Medical diagnosis and individual healthcare utilizing IoT/BD/AI
- Develop and commercialize excellent drugs and medical devices made in Japan

○ Increase of investment in energy/environment

- Develop systems to encourage investment in thorough energy-efficiency and renewable energy technologies
- Create new energy businesses in IoT era (Establishment of negawatt trading markets etc.)

○ Manufacturing IoT revolution, robot revolution

Promotion of Local Abenomics

○ Reform of agriculture, forestry, and fishery industries and export promotion

- Consolidate farmland into large blocks through Public Intermediate Organization for Farmland Consolidation
- Package measures to improve productivity (ICT utilization, cooperation with distributors etc.)
- Achieve target of 1 trillion yen export in advance

○ Promotion of tourism/utilization of local resources incl. sports and culture

- Preparation for the age of post-20 million foreign visitors in Japan

○ Improvement of service industry productivity (Accommodation, transportation, restaurants/ready-to-eat meals businesses etc.), strengthening of competitiveness of medium enterprises and SMEs

○ Expansion of opening-up of public services and assets to the private sector through PPP/PFI etc.

Capture of Overseas Growth Markets

○ Support for overseas expansion of SMEs upon the conclusion of TPP

○ Acceleration of attracting foreign direct investment in Japan

○ Expansion of Infrastructure export

○ Promotion of Cool Japan Initiatives

○ Reform momentum through promotion of "Reform 2020" Projects

(Next-generation transportation systems, automatic driving technologies, distributed energy resources, leading-edge robotic technologies, healthcare services, showcasing Japan as a country of tourism, increased foreign direct investment in Japan)

- Specify projects including implementing bodies and venues
- Clarify global agenda to be solved.
- Design systems looking at "Post 2020", clarify necessary regulatory/institutional reforms and roadmaps