



JETRO Regional Revitalization Initiatives

Japan External Trade Organization (JETRO)

January 2021

1. JETRO's domestic and international network

- JETRO's activities include the promotion of direct investment in Japan, support for exports of Japanese agricultural, forestry and fishery products and food, and help for small and medium-sized enterprises looking to expand overseas. In addition to its Tokyo and Osaka head offices and IDE-JETRO, JETRO has a flexible domestic and overseas network consisting of 76 offices in 55 countries overseas and 49 trade information centers and branches in Japan.

Overseas bases

55 countries, 76 offices (as at 4/1/2020)

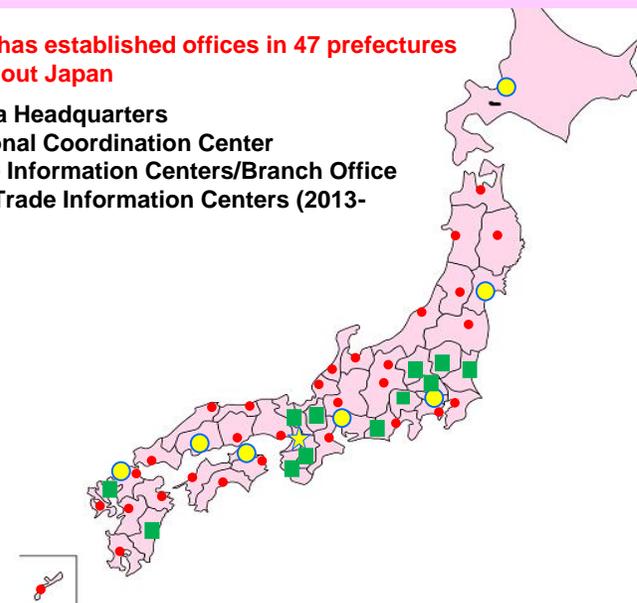


Japanese bases

Tokyo Headquarters, Osaka Headquarters, IDE-JETRO and Trade Information Centers (48 offices), 1 branch

JETRO has established offices in 47 prefectures throughout Japan

- ★ Osaka Headquarters
- Regional Coordination Center
- Trade Information Centers/Branch Office
- New Trade Information Centers (2013-2019)



2. Supporting innovative creation

(1) Investment in Japan (Promoting regional investment)

- As an organization offering a comprehensive range of services to support investment in Japan, JETRO is engaged in attracting foreign companies to do business in Japan, supporting the establishment of bases and the expansion of their operations.
- In addition, we actively work with local governments to promote investment by foreign companies and are focused on attracting foreign companies to contribute to the revitalization of the local economy.
- An integrated government initiative, “**Support Program for Regional Foreign Direct Investment in Japan,**” was approved at the Council for Promotion of Foreign Direct Investment in Japan. This program aims to help develop strategies to attract foreign companies, working with local governments to promote investment to leverage the potential of local regions. It currently provides intensive support to 29 local governments.

Summary of Support Program for Regional Foreign Direct Investment in Japan



[Example] Regional Business Conference (RBC)

[Held in 2020] Sendai, Miyagi Prefecture and Fukushima Prefecture
“Project to promote foreign direct investment in the Tohoku Region through Open Innovation to aid reconstruction post-the Great East Japan Earthquake and the development of new industries related to disaster prevention”

The purpose of this conference was to attract foreign investment in the Tohoku region through marketing the attractions of 1) Sendai as a business environment, focusing on the development of disaster prevention industries under the Sendai Framework for Disaster Risk Reduction initiative and 2) Fukushima, with an emphasis on the robot test field for verification and evaluation tests. An online preliminary briefing session was held for overseas companies with ICT expertise in the disaster prevention sector, drone-related capabilities or innovative technology know-how. An open innovation pitch event was scheduled for Q4.



▲ BOSAI-TECH application page



▲ (Reference) RBC Sendai last year

2. Supporting innovative creation

(2) Support for start-ups expanding overseas



- JETRO supports the global expansion of Japanese startups and is contributing to next-generation economic growth driven by innovation.
- We are keenly focused on supporting Japanese startups through links to the overseas business ecosystem. We collaborate with related organizations and universities to develop businesses in their startup growth stage, providing them with support tools further improved in quantity and quality.

As part of the Japanese government's growth initiative, the government and organizations such as JETRO and NEDO are collaborating to provide intensive support to around 140 certified startup companies selected for public/private backing under the **J-Startup** program in areas such as overseas expansion, and to other startup companies looking to expand globally.



[JETRO startup case study]

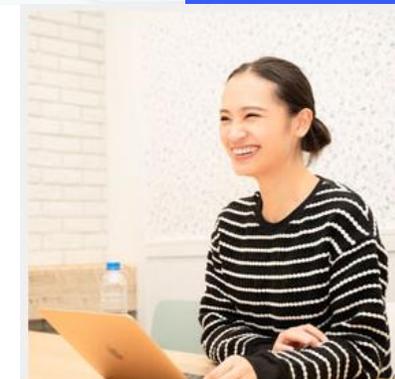
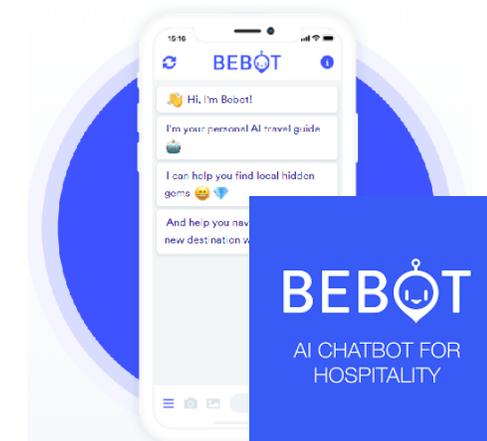
<Bespoke, Inc. (Tokyo)>



- Development of AI solutions for the inbound travel and tourism industry. Bespoke's AI-based Bebot chatbot gives foreign visitors to Japan real-time assistance for their travel queries through their smartphones. More than 10 million foreign visitors to Japan use the service every year.
- For overseas markets, Bespoke has developed solutions for transportation infrastructure, disaster and emergency communications for local governments and behavioral analysis (customer assistance).

Support initiatives

- Since February 2019, the Global Acceleration Hub (Silicon Valley) has provided mentoring and connection opportunities to Bespoke Inc.
- With the help of a hub mentor, Bespoke hired a former commissioner of the Chicago and Washington DC Departments of Transportation as an advisor. This enabled it to develop its go-to-market strategy in the US more effectively.
- In July 2019, Bespoke hired former GoogleX CFO as its Chief Commercial Officer and established its U.S. Subsidiary, with a headquarters in Silicon Valley. Bespoke, Inc. signed an agreement with the Washington Metro, USA.
- JETRO continues to work with Bespoke in the development of its business overseas.



CEO: Akemi Tsunagawa

3. Assisting Japanese SMEs with overseas expansion

(1) Support for overseas business negotiations

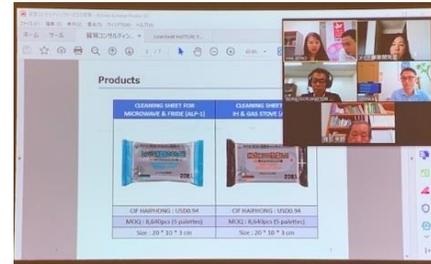
- JETRO leverages domestic and overseas networks to support the overseas development of small and medium-sized enterprises in overseas markets where strong demand and opportunities for economic cooperation provide strong growth prospects.
- We help companies improve sales through responding to new opportunities arising from the coronavirus pandemic and helping them to find new production bases via online introductions. Online services enable these businesses to overcome distance-based challenges to connect with local communities for business negotiations.

Matching buyers and sellers of hygiene products

- Business forum in Hanoi to match buyers and sellers (Fusion of offline (tradeshow) and online media (business negotiations)) focusing on hygiene products. 46 companies from all over Japan participated.



Hanoi Matching Permanent Exhibition (August-October 2020)



Virtual tour and online business meeting

- Event to connect four pottery companies in Saga Prefecture with Mexican buyers and participants in Latin America via an online broadcast. The Saga companies showcased their products, as well as giving a tour of their workshops and galleries. This raised the interest of buyers and the Latin American participants (the buyers' customers) and was a prompt for further negotiations and deals.

[Virtual Tour (Zoom)] (July 2020)



Matching buyers and sellers of food processing machines

- Food processing machine event in August in response to the growing demand for preserved foods for home storage and consumption, as well as countries' general requirements for consistent food supplies.
- 39 companies participated. The online event enabled buyers to engage with Sakhalin-based companies, who are typically hard to reach via conventional offline methods. Business negotiations took place with buyers from Asia, Europe and Russia.

3. Assisting Japanese SMEs with overseas expansion (2) Consortium for a New Export Nation

- The Consortium for a New Export Nation program brings together 1125* support organizations throughout Japan, including chambers of commerce and industry, commercial and industrial associations, local governments, financial institutions and JETRO to provide comprehensive support to small and medium-sized enterprises and other companies for overseas expansion.
- Although overseas business activities have been impacted by the pandemic, companies continue to look for expert opinions on their sales strategies. We are currently supporting around 900 companies with our online tools.

* As at December 2020



Consortium for a New Export Nation case study

Syu Innovative LAB (Natori, Miyagi Prefecture)



- Syu Innovative LAB is helping to alleviate poverty through collaborating with local dairy farmers in the dairy farming region of Rajasthan in India to help them manage their business.
- Syu Innovative LAB aims to help to modernize the Indian dairy industry and contribute to the sustainability of the Indian dairy market.

Support initiatives

- Advice to farmers on the most important varieties of cattle from the view point of management. India's large Hindu population precludes the introduction of imported species of cattle such as Holstein, which produce large volumes of fresh milk.
- Assessment and analysis of sales channels for food products and helps develop a business model which can be scaled up in future.
- Advice on business processes, including sale and purchase contracts for products and dairy cattle.
- A local subsidiary was established in March 2019. The first dairy farm started operation in September 2020. In future, the company aims to standardize its farming system and expand the number of dairy farms in operation.



3. Assisting Japanese SMEs with overseas expansion

(3) Community-driven support projects



Regional contribution projects

- JETRO's offices in Japan devise projects in collaboration with local governments and organizations to revitalize the local economy and resolve issues through overseas expansion, including exports of local products.
- 40 projects were undertaken in FY2020. These involve active agricultural/commercial/industrial collaboration and wide-area inter-prefectural cooperation, through utilizing digital.

[Fukuoka/Ibaraki Prefectures - Germany/Thailand] Project promoting SDG business in Kitakyushu and Hitachi

- Supporting cross-sectoral overseas Environment and Industry 4.0 business activities through ultra-wide-area cooperation between Kitakyushu and Hitachi.
- The original plan was to send out a mission from Japan to Environment and Industry 4.0 trade fairs in Germany, and to invite companies from Germany for business discussions. However, both these were cancelled due to the pandemic.
- The format was switched to online meetings and these were rescheduled for Q4. The Japan study group (online) was held in June.



Online study group
(FY2020)

Regional Industry Tie-up Programme (RIT)

- This programme supports business exchanges between domestic and overseas manufacturing clusters. It aims to contribute to the revitalization of local industries through creating export opportunities and technology alliances.
- In FY2020, JETRO has provided matchup support for four ongoing projects from FY2019, utilizing digital technology.

Fukushima, Fukushima Prefecture - Bangkok, Thailand [Medical and welfare-related equipment]

- In FY2020, the second year of the program, the focus field was expanded to include medical as well as welfare-related devices and equipment, providing diversified support for Fukushima businesses and Thai companies, in areas such as export, joint R&D and business development.
- Thai experts **gave an online** presentation about their requirements for the online exhibition, "Medical Creation Fukushima" (Q3).
- **An online business meeting** (or a delegation if travel restrictions permit) was scheduled for Q4.



Thai delegation business
meeting (FY2019)

3. Assisting Japanese SMEs with overseas expansion (4) Assistance for SMEs to expand into frontier markets

Support for overseas development of infrastructure systems

◆ Sharing information on Japanese infrastructure systems

JETRO helps promote foreign governments and companies to appreciate high-quality Japanese infrastructure technology through invitations to key overseas personnel and the sharing information of by experts dispatched from Japan.



◆ Dispatch of missions/business meetings

Where there is match between the key strengths of Japanese firms and local demand overseas, a delegation is formed with industry groups and other organizations to pursue business opportunities in more detail through visits to local infrastructure-related facilities and networking with local governments and companies. In FY2020, business meetings between local companies and organizations were held online because of the pandemic.

◆ Practical support for company projects

JETRO supports local market studies of infrastructure technology proposed by individual companies.

Experts who are familiar with the proposed technology are sent overseas to gather information on local issues, requirements, systems, etc. Local experts and counterparts are invited to take part. The business model for the proposed technology is verified accordingly.

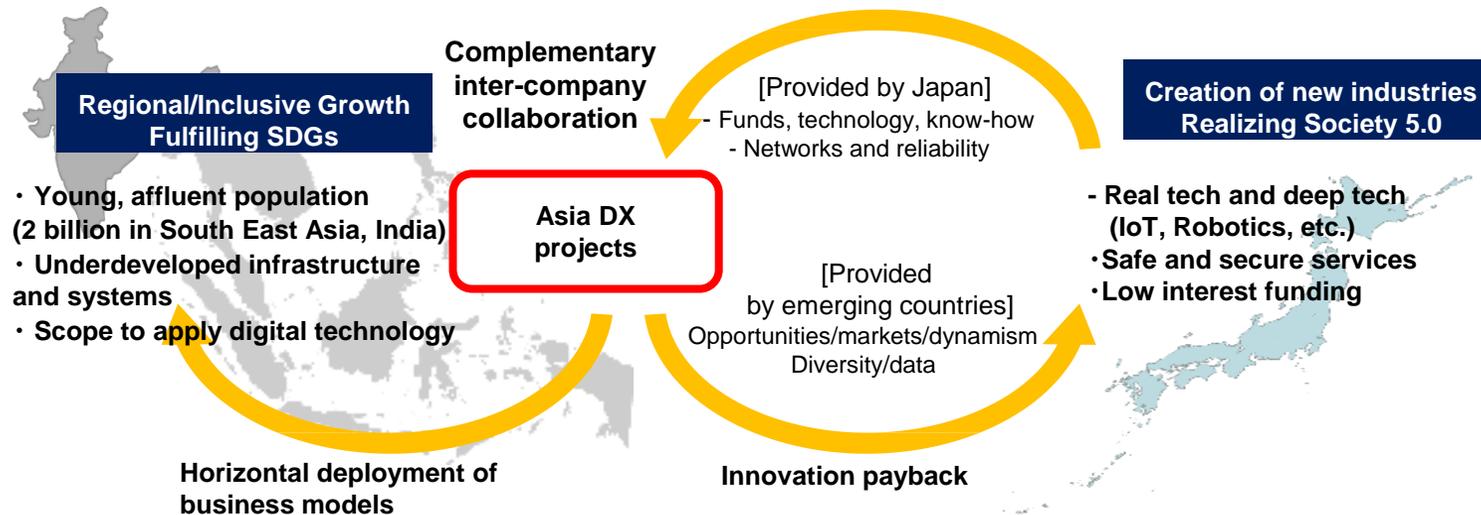


4. Other initiatives

Promoting digital transformation in Asia (ADX)



- Social reforms and digital transformation (DX) in Asia are advancing rapidly through digital technology. The emergence of key influential players is driving fundamental change in the market, as well as values and social structures.
- As mentioned in the Action Plan of the Growth Strategy (July 2020), Japan is promoting collaboration and open innovation between Japanese companies and emerging countries' companies as a catalyst for the transformation of Japanese corporate culture. The government is accelerating collaborative creation with companies in Asia (where DX has accelerated in response to the pandemic) to create new businesses.



<Examples of areas of new business opportunities>



4. Other initiatives

Promoting digital transformation in Asia



Despite concern that the business would slow due to the pandemic, many Japanese companies have shown a high level of interest in both the DX Platform programme and in supporting verification projects. Positive results are expected from these initiatives in future.

DX Platform Programme

- Launched in May in 6 ASEAN countries (Singapore, Indonesia, Malaysia, Vietnam, Thailand, Cambodia). Approximately 50 local startup companies pitched at these events, with audiences of around 4,000 people (25 events). After each event, overseas businesses and Japanese companies have been matched up.
- During the pandemic, this has been positioned as an important measure in ASEAN multi-/bilateral statements.

[Case study]

[Singapore] Singapore and Japan COVID-19 Tech Online Live (May-July, 4 events)

- More than 1,300 participants attended the launch webinar.
- Following this, there were three series of themed sessions.



Verification project support

- ① India DX Demonstration
Supporting projects in collaboration with Indian companies and others.
10 Japanese companies selected in August.
- ② ASEAN Asia DX Demonstration
Supporting joint pilot projects with ASEAN companies.
Submissions made for 55 projects from nine ASEAN countries, out of which 23 were taken up.
- ③ Advanced demonstration of ASEAN value chain
Support for advanced logistics and delivery of services using digital technology to strengthen and optimize the value chain impacted by the pandemic.