SMEs in JAPAN

What are SMEs?

(i) a company whose capital/total investment does not exceed three hundred million yen or a company/individual whose regular workforce does not exceed 300 persons and engaged in manufacturing, construction, transportation or any other kind of business (other than at ii,iii,iv)

(ii) a company whose capital/total investment does not exceed one hundred million yen or a company/individual whose regular workforce does not exceed 100 persons and engaged in wholesale trade

(iii) a company whose capital/total investment does not exceed fifty million yen or a company/individual whose regular workforce does not exceed 100 persons and principally engaged in service industry

(iv) a company whose capital/total investment does not exceed fifty million yen or a company/individual whose regular workforce does not exceed 50 persons and primarily engaged in retail trade.

Major SME Policies:

Management Support:

Start-ups and ventures: assisting to start a business or venture owners trying to improve their operations in financing

Business innovation: assisting SMEs undergoing business innovation in funding

Business revitalization: supports SMEs efforts to revitalize their business through the SME Revitalization Support Committee

Employment and Human resource: supports SMEs for human resource development and resolution of business challenges offering training and dispatching experts

Trade practice and public procurement: promotes fair subcontracting practices and the development of SMEs sized subcontractors

Business stability: assists SMEs in maintaining stable operations by supporting them for bankruptcy and natural disasters, as well as by lending them to develop a business continuity plan

Technological innovation, IT and energy efficiency: to assist SMEs committed to technological development, IT utilization and higher energy efficiency by providing subsidies, financial assistance and relevant information
**Intellectual property**: to support SMEs intellectual property strategies by implementing measures to protect intellectual property and measures to combat damage caused by counterfeiting

**Financial Support:**

**Safety-net guarantee programme**: supports SMEs whose business stability is threatened by external factors (e.g. a major customer restricted operations or application for rehabilitation procedures, the impact of a disaster, failure of the main bank) by making additional credit guarantees available

**Safety-net loans**: to provide loans to SMEs temporarily facing cash-flow problems due to a radical change in the business environment, the bankruptcy of a major customer, or the streamlining of the main bank

**Fiscal support:**

**Taxation**: to provide information and advice on various tax measures to support SMEs

**Accounting**: providing information on SME accounting, which helps SMEs to enhance their capability to analyze management, ensure financing and increase order intake

**Companies Act**: providing information on Companies Act, which additionally includes systems that bring significant benefits to SMEs such as the accounting adviser system

**Commerce and Regional support:**

**Revitalization of commerce**: supports efforts to improve the attractiveness of small and medium merchants, shopping districts and city centre.

**Regional industries**: invigorates regional industries, such as locally based industries and traditional handicrafts, by providing subsidies and low-interest loans

**Collaboration between agriculture, commerce and industry**: comprehensively assists business activities conducted by organic partnerships between SMEs and those engaged in agriculture/forestry/fisheries through the effective use of their business resources

**“Meet and Experience Regional Attractiveness campaign**: aggressively increase the publicity of attractive regional products