Key points of the Draft of the METI-related FY 2016 Budget Request

1. Accelerating reconstruction of Fukushima and other earthquake-stricken areas
   - Support for the return and new livelihoods of affected residents [Requested by the Reconstruction Agency]
   - Restoration project for joint facilities for SME associations (group subsidy)
   - Promotion of the “Fukushima Innovation Co-Creation” scheme (such as robot testing zones, facilities for joint use, R&D and testing)
   - Creation of subsidies for the location of businesses for supporting their self-reliance and return
   - Promotion of efforts for rehabilitating the businesses, occupations, and livelihoods of disaster victims and for supporting their self-reliance [Requested by the Reconstruction Agency]
   - Support for the sustenance of business operation that survived from the nuclear accident [Requested without specifying the amount (new)]
   - Steady implementation of the policy “For Accelerating the Reconstruction of Fukushima from the Nuclear Disaster” [Requested by METI]

2. Realizing growth through innovations – Productivity revolution by investment for the future –
   - Innovation of industrial structures and economic society by utilizing IT, IoT, Big Data, artificial intelligence, robot technologies, My Number (Social Security and Tax Number System), and cybersecurity
     - Acceleration of R&D for IoT, Big Data, and artificial intelligence and promotion of their utilization through social system demonstration project
     - Various projects for introduction of robots
     - Acceleration of R&D for new-generation intelligent robot technologies by entities including the National Institute of Advanced Industrial Science and Technology (AIST), etc.
     - Fundamental strengthening of cybersecurity measures relating to governmental bodies and private companies
   - Improvement of resilience of business operators that play key roles in innovation: strengthening of the growth potential of SMEs and mid-ranking (core regional) enterprises and ventures
     - Strengthening of the growth potential of SMEs and mid-ranking (core regional) enterprises (promotion of the Project on Three Kinds of Visceralization)
     - Formation of entire ecosystems in coordination with the world and support for R&D-oriented ventures that involve domestic and foreign venture capital
     - Subsidies for business startups and second startups that promote Validates of regional economies
   - Collaboration between the government and private sector for the promotion of investment for the future
     - Enhancing the gap-bridging function between industry and academia and promotion of the opening of innovation opportunities by entities including AIST, etc.
   - Strengthening of human capital (encouraging women’s success, developing service management talent through business- and academia collaboration, and supporting human resources for future)
     - Internal globalization of Japan for the Tokyo 2020 Olympic and Paralympic Games
     - Promotion of efforts towards future society such as the realization of a hydrogen society, next-generation transportation systems and artificial intelligence taking advantage of the Tokyo 2020 Olympic and Paralympic Games
   - Promotion of foreign direct investment to Japan focusing on promoting fields and the establishment of new links between global human resources by utilizing technical cooperation

3. Improving sustainability of economic society [79.3 billion yen (56.6 billion yen)]
   - Realization of regional economies and SMEs
     - Strengthening of management support systems mainly led by the Yonago Support Centers that serve as comprehensive consultation centers for SMEs and micro enterprises
     - Support for the development of sales channels for micro enterprises that play key roles in the dynamism of regional economies
     - Promotion of production and sales channels and the development of services through joint development by enterprises including universities and the strengthening of strategies regarding intellectual property and standardization
     - Discovery of human resources in urban areas and diverse human resources inside and outside regions, introductions of these human resources to entities including SMEs, and support for their retention
     - Development of goods and sales channels by utilizing regional resources and support for the revitalization in cities and shopping districts
     - Establishment of new grants for regional revitalization
   - Revitalization of the field of healthcare
     - R&D by the Japan Agency for Medical Research and Development (AMED) (medical-engineering collaboration, regenerative medicine research, nursing care using robotic devices)
     - Establishment of business models for related health services not covered by public insurance and demonstration for the promotion of health-related investments by companies
   - Additional and requests relating to public-based finance and credit enhancement: 32.1 billion yen, requests relating to measures for securing the smooth transfer of consumption tax and appropriate business transactions: 5.2 billion yen, etc.

4. Growing with other countries as one world [19.0 billion yen (15.1 billion yen)]
   - Support for exports of infrastructure and the acquisition of markets in emerging countries
     - Strategic development of international standards and support for the overseas expansion of the medical care industry, content industry, SMEs, etc.
   - Additional, grants for the Japan External Trade Organization (JETRO), etc.

5. Making efforts for the realization of a best-mix of energy sources
   - Energy conservation
     - Substantial expansion of investments to advanced energy conservation scheme by the industrial sector and creation of simple streamlined systems for each facility
   - Renewable energy
     - Measures for reduction in or exemption from the fuel tax rates under the Feed-in Tariff Scheme (FIT)
   - Fossil energy
     - Promotion of the securement of resources and reduction of carbon emissions
     - Realization of a hydrogen energy oriented society (support for the introduction of Ene-Farm and fuel cell vehicles (FCV), establishment of hydrogen refueling stations, etc.)
     - Establishment of resilient energy supply chains
     - Facility optimization and business restructuring for facilities such as refineries and strengthening of risk response capabilities for disasters at facilities such as refineries and service stations
     - Steady implementation of the policy “For Accelerating the Reconstruction of Fukushima from the Nuclear Disaster,” establishment of safe nuclear power infrastructure, and support for regions where nuclear power plants are located

Additionally, Special Account for Patents: 149.2 billion, Special Account for Trade Reinsuriance: 223.5 billion, Total Amount of FY 2016 Budget Request: 1,743.7 billion (a 16.6% increase compared to the FY 2015 Initial Budget)

* Figures in parentheses represent the initial budget for FY 2015

Reference 1-2