The Japan Chamber of Commerce and Industry
Organization, Roles, and Activities

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Managing Director
The Japan Chamber of Commerce and Industry
### I. Outline of the Chambers of Commerce and Industry Organization

The organization includes 1.33 million member businesses, supporting efforts to strengthen the vitality of SMEs and overall community economic stimulation.

- **Member firms (1.33 million)**
  - 34.8% of commercial and industrial firms in each zone are members of the chamber of commerce and industry.
  - The vast majority of members are SMEs and small businesses.
- **Local chambers of commerce and industry (514)**
  - Roles of chambers of commerce and industry:
    - Working toward comprehensive improvement and development in commerce and industry in each zone as general economic organizations in the community, and contributing to improving the general welfare of society.
- **Japan Chamber of Commerce and Industry (JCCI)**
  - Roles of the JCCI:
    - Contributing to the promotion of commerce and industry in Japan through the sound development of chambers of commerce and industry, by activities including general coordination of chambers of commerce and industry nationwide, representing their views, and partnership with economic organizations in Japan and overseas.

#### Breakdown of member firms

- **SMEs**: 94.4%
- **Major and second-tier firms**: 5.6%

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**Tadashi Okamura**
Chairman, Japan Chamber of Commerce and Industry
Tokyo Chamber of Commerce and Industry
Advisor, Toshiba Corp.

Note: Vice-chairmen of the JCCI comprise of chairmen of the chambers of commerce and industry in Osaka and other major cities.
Ⅱ. History and Mission of Chambers of Commerce and Industry in Japan

1. 1867 (Meiji restoration) to 1945 (End of WW2)
   - Organizations that gather consensus information from merchants: mainly opinions, requests, and proposals
     ⇒ Contributed to establishing equal commercial terms with western powers and the revision of unequal treaties (1911)
     (1909: A business delegation dispatched from six CCIs including Tokyo to the U.S.)

2. 1945 (End of WW2) to 1970 (High growth period)
   - Restoration of the Japanese economy damaged by war
     ⇒ Activities focusing on support for small- and medium-sized enterprises (SMEs) accounting for an overwhelming share of the Japanese industry (Fostering of industrial human resources: qualifying exam in business skills, business management consultation and financial support to small businesses, promotion of regional business, etc.)

3. 1990’s to Present Day
   - Change of basic principles in SME policies
     From reduction of disparities to development and support for SMEs that are diverse and energetic
     • New efforts: Urban development, CO₂ reduction campaigns, etc.
     • Expansion of Management Consultation: Support for IT management, globalization
     • Diversification of Policy Proposal: Proactively advocating in areas such as economic policies, social-security systems, taxation system reform, energy and environmental issues, and decentralization of power, as well as the SME and trade fields

⇒ CCIs play diverse activities in accordance with changes of the times
II. History and Missions: Chambers of Commerce and Industry in Japan


(1) Four characteristics of the chamber of commerce and industry: Chamber DNA

1) Community orientation: based on the community
2) Comprehensiveness: membership consists of commercial and industrial interests from a variety of industries and business types
3) Public nature: a private-sector organization with a public nature, established pursuant to the Chamber of Commerce and Industry Law
4) International nature: chambers of commerce and industry have been organized in various countries around the world

(2) Main missions of the chamber of commerce and industry

1) Policy recommendations: Presenting opinions to national and local governments based on the opinions of SMEs
   - Proactive communication with member firms through member visits and holding various conferences
   - Expressing opinions on a wide range of subjects, from economic policy and recovery measures, social-security systems, taxation systems, economic cooperation, education, the environment, and other important policy issues affecting Japan at its core to individual measures relating to SMEs (at the city, prefecture, regional bloc, and national levels)

2) Strengthening the vitality of SMEs: Management support to increase numbers of healthy SMEs and help them develop
   - Thorough support for addressing SME management issues
   - Support for the challenges of starting-up new businesses and management reforms
   - Support for the internationalization of SMEs, to address economic globalization
   - Carrying out qualifying examinations to develop industrial human resources suited to the needs of today

3) Community economic revitalization: Activities to protect communities through cooperation between government and the public
   - Support for revitalization of urban areas
   - Promoting industry by utilizing community resources, developing and strengthening community brands, and promoting tourism
   - Maintaining local communities and promoting social welfare
III. Specific Business Activities of Chamber of Commerce and Industry

1. Policy Proposal

Survey and research activities

➢ "LOBO" Survey investigates business conditions making use of the CCI network, releasing nation-wide findings of the business situations by region/area every month.

➢ Gather opinions of small- and medium-sized enterprises (SMEs) through various surveys, and applies to opinion offering activities

Opinion offering activities

➢ Set up committees for issues ranging from important policies in Japan to individual policies for SMEs such as social security system, tax system, business tie-ups, and educational environment, and formulate opinions and policy proposal.

➢ Directors including Mr. Okamura visit related organizations such as the Japanese government and offer opinions through discussions with cabinet ministers and other officials.
Ⅲ. Specific Business Activities of Chamber of Commerce and Industries

2. Strengthen vitality of SMEs

**Business and financial support**

- Management Consultant allocated to local CCIs around the country (about 3,500 consultants) provide counseling at CCI offices or visiting SMEs.
- In-depth business support on issues related to human resources, labor, finance, tax, bookkeeping, etc. (Provides advice to about 1.84 million cases every year.)
- “Marukei” Loan
  Based on formal recommendations from CCI, Japan Finance Corporation (JFC) provides loans without collateral or guarantors for micro-enterprises.

**Outline of “Marukei” Loan**
- No collateral or warranty required
- Loans up to 15 million yen
- Interest rate: 1.85% (as of December 2011)
- Pay-back period: 7 to 10 years

**Business launch support**

- Hold hands-on intensive training lectures at more than 70 CCIs.
- “Sogyo-juku” seminar program (1999 to 2010): Participated by more than 58,000 people wanting to start up business, of whom 25% actually launched business; the program contributed significantly to business start-up rate in Japan.
Manufacturing

- **Tsubame Chamber of Commerce and Industry (Niigata Prefecture)**
  
  To revitalize the local metalworking industry, established within the chamber a joint order-acceptance system called the “Migakiya Syndicate.”
  
  At present, more than 40 businesses participate. Establishing a community brand through promoting efforts including training the next generation of metalworkers and research and development on polishing technologies.
  
  http://www.migaki.com/

- **Fukui Chamber of Commerce and Industry (Fukui Prefecture)**
  
  Established in 2003 the “Complaint/Claim Expo” business “treasure-hunting” site intended to link complaints and claims to development of new products for businesses. Already the database includes information on more than 40,000 cases.
  
  http://www.kujou906.com/

- **Ota Chamber of Commerce and Industry (Gunma Prefecture)**
  
  Specialist advisors with experience in improving the plants of major firms visit small and medium-sized manufacturing firms in the Ota area to provide direct guidance on various issues such as process improvements, reducing inventories, and product quality improvements, while observing work processes. In principle, advisors provide guidance for three months, free of charge.

Providing opportunities for business interaction

Expanding exchange through use of data on 300,000 companies over the Internet

- **Osaka Chamber of Commerce and Industry (Osaka Prefecture): The Business Mall**
  
  Users who register free of charge can search for companies that could become business partners or trading partners. Premium members can use features such as premium placement in the advertising section of the home page and greater exposure for their images.

  Expanding exchange through use of data on 300,000 companies over the Internet

- **Tokyo Chamber of Commerce and Industry (Tokyo): Business Exchange Plaza**
  
  Supporting identification of business opportunities and partners through broad-ranging exchange of information and personal interaction among participating firms, by providing a venue where member firms from different industries can get together.
Ⅲ. Specific Business Activities of Chambers of Commerce and Industry

3. Diverse Activities Aimed at Community Economic Revitalization

### Promoting economic exchange through means such as bilateral economic committees

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### Issuance of certificates of origin

- **Issuance of trade-related certificates**
  - Number issued in FY2010: **Approx. 770,000 at 357 chambers**
  - Certificates of origin included in the above: **Approx. 600,000**
  - The remainder were signature certificates, invoices, etc.

- **Issuance of special EPA-based certificates of origin**
  - Number issued in FY2010: **Approx. 101,000**
  - Number issued by country (top two):
    - (1) Thailand (44,000)
    - (2) Indonesia (24,000)

### Urban Development and Tourism

- **Toyama (Toyama Prefecture)**
  - Deploying efforts toward realization of a compact city, with a town management organization (TMO) established in FY2000 by the city, the chamber of commerce and industry, and others. In addition to introduction of a light-rail transit system for public transportation, also enthusiastically developing urban residences and other projects.

- **Aomori (Aomori Prefecture)**
  - Putting into practice urban development to facilitate pedestrian traffic, making it easy even for the elderly to live and walk around in the district, focusing on development of public and residential facilities, with an urban center revitalization committee centered on the Aomori Chamber of Commerce and Industry playing a central role.

- **Otaru (Hokkaido)**
  - Activities include the “Otaru Tourism University” intended to improve the customer service of people employed in the tourism industry and projects such as the Otaru Snow Light Path.
IV. Collaboration with Other Organizations Supporting SME

CCIs make use of the policies of governmental agencies (state, prefectures, and municipalities), and tie up with financial organizations and specialists on a routine basis to accurately support the various business challenges faced by SMEs.

**Financial organizations**
- Public financial organizations
- Credit guarantee associations
- Private financial organizations

**Specialists**
- SME management consultants, tax consultants, lawyers, social insurance labour consultant, IT coordinators

**Other SME-related organizations**
- Societies of Commerce and Industry, National Federation of Small Business Associations, National Federation of Shopping Center Promotion Associations

**Partnerships in policy proposal activities**
- Consults
- Resolve issues

**Partnerships in spreading and implementing various policies**
- Grants, Subsidies
- Support business startups
- Human Resource development, etc.

**National government**
- METI, Small and Medium Enterprise Agency
- Organization for Small & Medium Enterprises and Regional Innovation, JETRO

**Local governments**
- Prefecture government
- SME support centers
- Municipalities

**SMEs**