



Corona Flashsurvey #4

Tokyo | June 2020



 **PartnerForBusiness**

Key findings – Results of the surveyed companies

Effects of the entry ban

79%

see their **turnover endangered** as **ongoing projects cannot be completed** or **new projects cannot be initiated**

78%

regard the **entry ban** into Japan as a **significant burden** for their business.

39%

expect a **loss of revenue solely due to the entry ban** into Japan

47%

state that their **regional HQ functions are affected**

Thereof ...

27%

expect actions by the Government of Japan to **compensate for additional cost** incurred related with the entry ban including **tax relief measures**

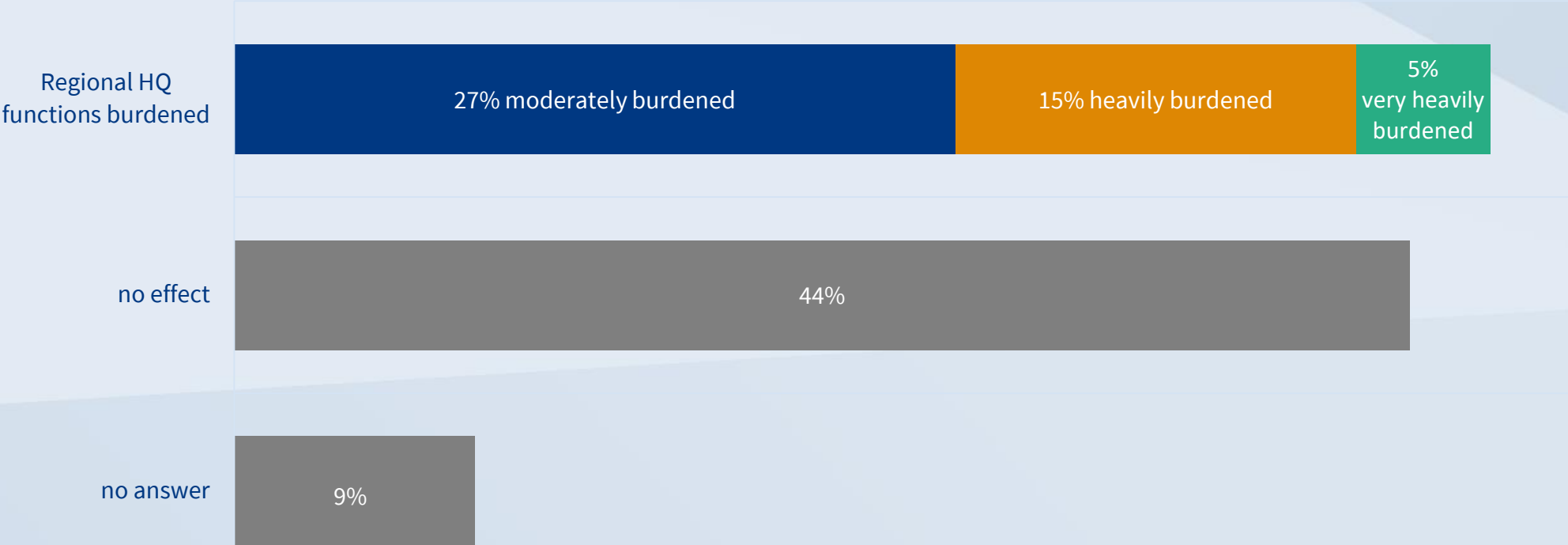
Entry ban influences business/operations significantly

To what extent does the entry ban now imposed on Europeans (Germans) entering Japan burden your business and/or operations?



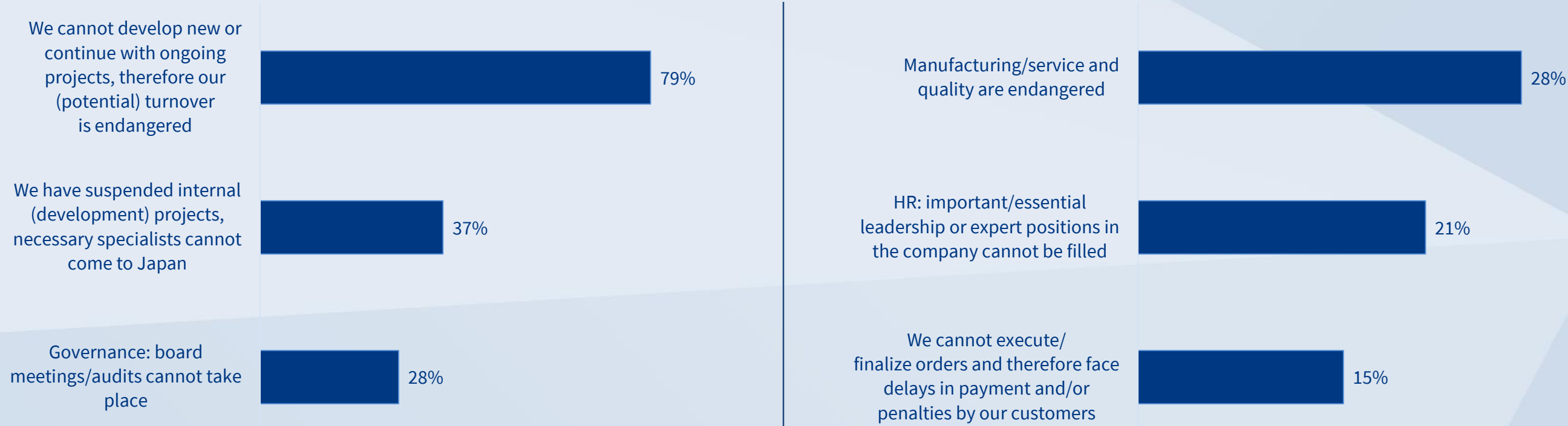
German subsidiaries with HQ functions affected

German companies maintain some of their regional HQ functions in Japan. To what extent do the entry bans imposed on Asian countries burden your business?



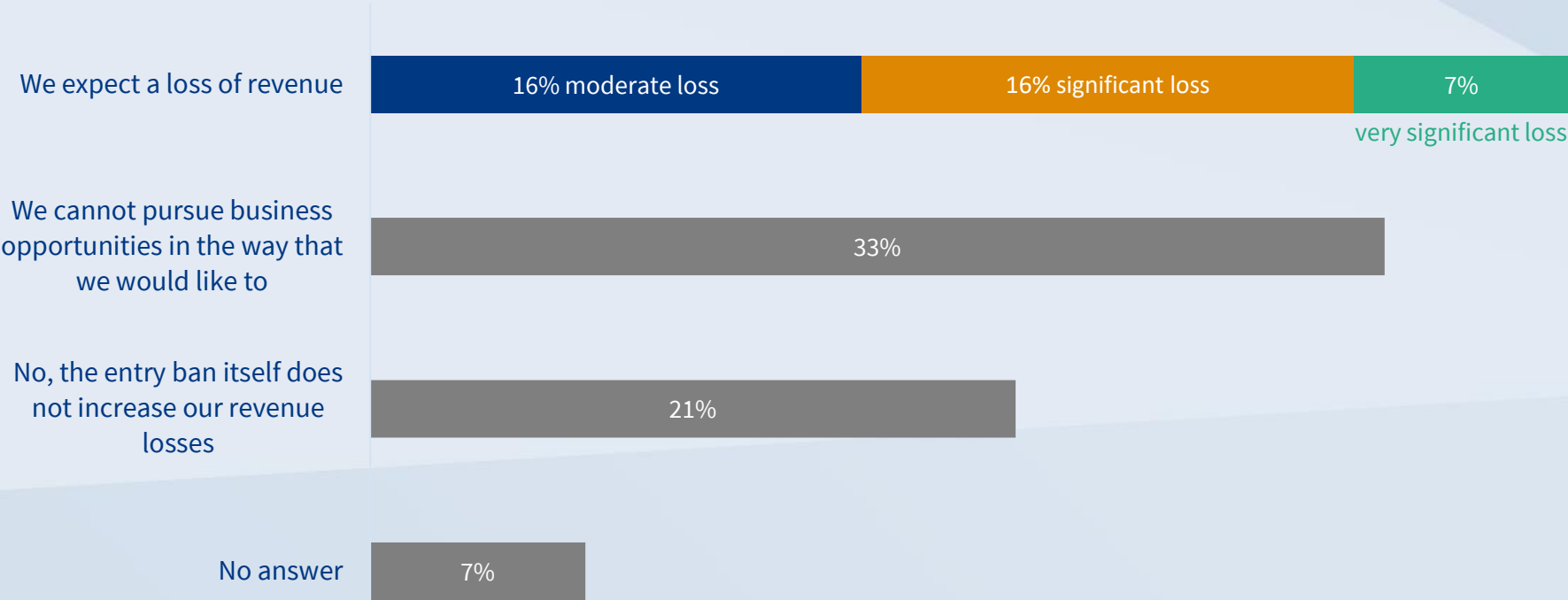
Project development/execution mostly affected

Which areas of your company are specifically affected by the entry ban?



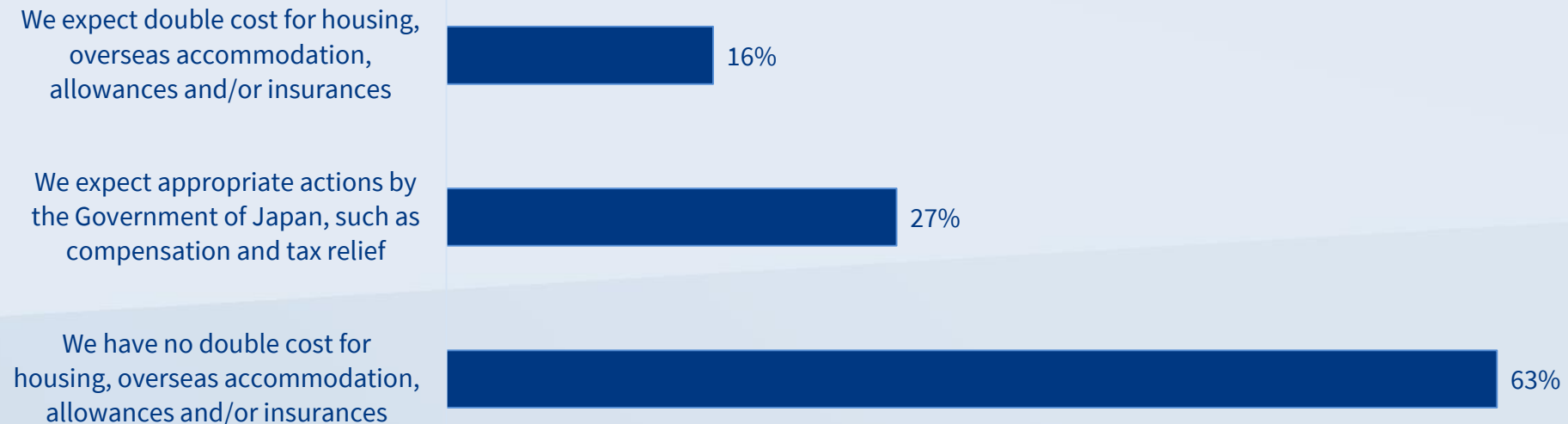
More than 1/3 of companies expect loss of revenue

For your business, do you anticipate an increased loss of revenue solely due to the entry ban for Germans into Japan?



1/4 expect compensation for additional cost

Due to the current situation, employees may be forced to maintain two households in parallel. Companies continue to pay housing, health and other social insurance contributions for their staff (banned from returning to Japan). How do you think about relief measures, such as compensation, tax relief, etc. for affected employees and for your company?



Voices

” Being able to bring in experts from Germany is essential to support our Japanese business partners (commissioning of equipment, technical discussions on new projects which cannot be done in the necessary depth online, etc.).

” The entry ban is delaying/stopping exchange of personnel in all areas from specialists to executives. Japan became less attractive as a country.

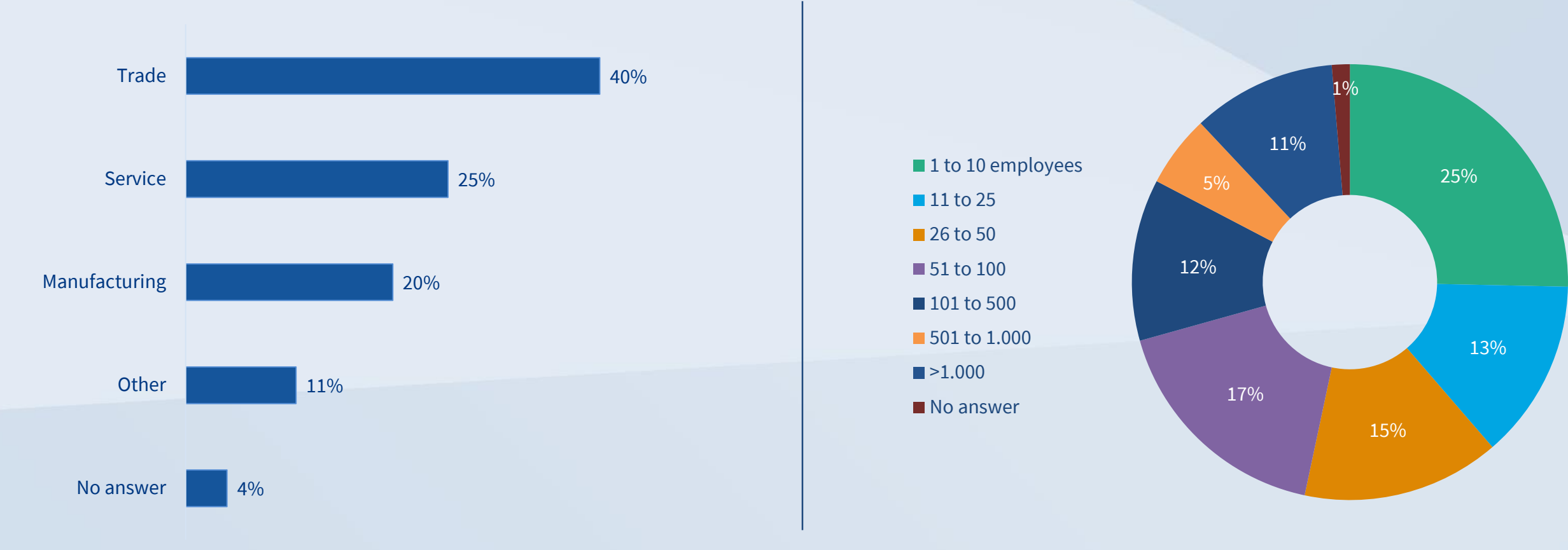
” The private/personal impact is just as important as the business impact. Under such conditions, where foreigners are disadvantaged by the Japanese authorities, there is great uncertainty that once the travel ban is lifted, it may be imposed again arbitrarily at any time in the future.

” It is not our own revenue which we are concerned about but the ability to guarantee smooth production for our customers who trust and rely on our machines.

” The current policies by the government are only working contrary to what Japan was trying to present itself as a key bridge into Asia.

Profile of the companies surveyed

No. of German companies in Japan surveyed: 383 | Response rate: 25% | Period: June 3–5, 2020



German presence in Japan

12.480 German companies export to Japan.



450 German companies with own subsidiary in Japan.

German direct investment (stock):

13,9 billion EUR

German-Japanese trade: **44,7 billion EUR**

Germany is the **No. 1** European exporter to Japan



10 German companies among the **Top 100** foreign investors in Japan.

They create **30.000 jobs.**



Thoughts

” The Government of Japan invests so much money into the support of its economy, why does Japan not do as much to safely open its borders again?

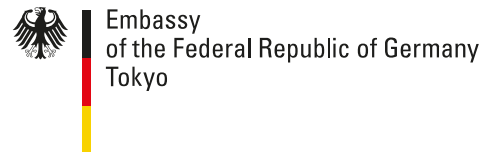


Marcus Schürmann
Delegate of German Industry and Commerce in
Japan | CEO AHK Japan | mschuermann@dihkj.or.jp

” Neighboring countries demonstrate at best, how solutions can be found to restart trade and travel. Protecting one's own country is a matter of course and is highly respected. Complying with rules and regulations shall leave the door open to find practical solutions to restart international cooperation. Great achievements of the past years are increasingly put into question. As one of the key global players, Japan must act now!

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German Chamber of Commerce and Industry in Japan (AHK Japan)
KS Sanbancho Bldg. 5F., Sanbancho 2-4, Chiyoda-ku, Tokyo 102-0075, Japan
info@dihkj.or.jp | www.japan.ahk.de

