The situation now

The current developments around COVID-19 are challenging the management of companies around the globe, particularly in the areas of the supply chain and declining sales numbers. Business processes have to be realigned quickly. In this demanding situation, the question of financial and organisational support as well as guidelines from authorities are paramount. Many SMEs with limited resources find it difficult to obtain answers to questions with regard to financial and organisational support by themselves. AHK Japan has therefore compiled relevant information from the authorities on a national and prefectural level with a focus on Tokyo. As of now, the following support from authorities is in place:

National level

Ministry of Economy, Trade and Industry (METI)

Online Support
The Ministry of Economy, Trade and Industry (METI) is providing information about support measures for companies concerning the impacts of COVID-19 in a dedicated section of its website. The site comprises of a news section (“Latest information”), an outline of METI’s support measures and links to related websites of other ministries and agencies.

The support measures and guidelines of METI are described in detail in this document and in a PDF brochure (only in Japanese). They include, among others:

- Financial support for companies (loans and guarantees)
- Deregulatory measures in import and export procedures
- A set of requests concerning the business procedures conduct of companies in the current situation
- Technical support provided to organizations which intend to introduce telework

SME Financial Consultation Counter
In addition to this online support, METI has also opened a consultation counter, called the “SME Financial Consultation Counter”. At this counter, SMEs can inquire about finance-related matters linked to the developments around COVID-19.

Service hours: From 9:00 to 17:00 on weekdays, Saturdays, Sundays and holidays, Tel: 03–3501–1544

More Consultation Counters have been opened at the Japan Finance Corporation, Credit Guarantee Corporations, Chambers of Commerce and Industry and other organizations. Consultation Counter List (in Japanese)

Basic Policies for COVID-19 Disease Control by the Government of Japan (summary)
A PDF file with a summary of the Japanese government’s basic policies for COVID-19 disease control can be found here.

Ernst & Young Tax Co (EY)
A tax moratorium of up to one year will be available upon application for Corporate, Consumption and Withholding Tax as well as social security contributions. Taxpayers of any size qualify. Requirement is (i) that revenues (gross income) have decreased by 20% in comparison to the previous year’s corresponding period and (ii) that the taxpayer is experiencing difficulty making payments in a timely manner. The taxpayer is generally required to provide financial information (e.g. revenues, cash balance) to be eligible for a deferral.

However, an oral explanation may be acceptable if the relevant documentation cannot be provided. Most relevant for calendar year companies (which had paid their corporate tax in February already) is the moratorium for monthly consumption tax, withholding tax on salaries and social security contributions. At this point of time, it cannot be foreseen how quick the tax authorities will be able to process applications. More details can be found in the EY Global Covid-19 Stimulus Tracker.
Prefecture level – Tokyo

Tokyo Metropolitan COVID-19 info page for companies and those working in Tokyo

The Tokyo Metropolitan Government provides information summaries about support and guidelines concerning COVID-19 for companies, employees and self-employed in English language. However, the related links lead to websites which provide the relevant information only in Japanese language. The following support is described in more detail on the Tokyo Metropolitan Government page and on the linked pages.

Policy-based directed credits against COVID-19: Financing loan
Consultation Desk: 2-8-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo 19th floor north side of Tokyo Metropolitan Government Building 1, Tel: 03–5320–4877 (weekdays 09:00–17:00)

Expert advice for SMEs affected by COVID-19: free of charge
Contact Information: Tokyo Metropolitan Small and Medium Enterprise Promotion Corporation, Special consultation desk about new coronavirus: 03–3251–7881

Emergency Sales Channel Development Support (emergency measure regarding covid-19)
Application/Contact Information: Grants Division (4F Daito Building, 3-3 Kanda Neribu-cho, Chiyoda-ku, Tokyo Tel: 03–3251–7894 • 7895

- Small and medium-sized enterprises employees loans
- Dispatch of experts on management issues caused by COVID-19
- Project for the improvement of the employment environment in response to the COVID-19
- Implementing telework as a trial
- Subsidies for business continuity measures (telecommuting)

Contact Information: Tokyo Foundation for Employment Services, Workplace Environment Improvement Section Tel: 03–5211–2397 (weekdays 09:00–12:00, 13:00–17:00)
Telework online seminar
Special consultation desk for SMEs
Special consultation desk for sole proprietors including freelancers
Labor consultation hotline
Smooth Biz: The Tokyo model for new work styles and corporate activities

Other prefectures and cities

- Aichi Prefecture (Japanese; Google translate page viewer)
- Gifu Prefecture: Japanese (automated translation available)
- Mie Prefecture
- City of Osaka: Japanese (automated translation available)
- Oita Prefecture (English)
- Shizuoka Prefecture (Japanese)

Support in Japanese only

JETRO
COVID-19 crisis related information on global markets, COVID-19 consultation
COVID-19 SME consultation counter: 03–3582–5651 (weekdays 9:00–12:00, 13:00–17:00)

Japan Finance Corporation (JFC)
- COVID-19 Helpdesk (Business fund consultation dial): 0120–154–505 (weekdays 9:00–17:00)
- Information from JFC about credits of up to 60 Mio. JPY for small companies (usually up to 9 employees) and individual entrepreneurs: 国民生活事業 (“Kokumin seikatsu jigyō“)
- Application form, declaration of sales decrease, copy of final return and financial statements for the last two terms, certificate of registered matters and business overview should be submitted by post or at the JFC Office directly
- Information from JFC about direct loans of up to 300 Mio. JPY for middle sized companies: 中小企業事業 (“Chūshōkigō jigyō“)
- Application form, certificate of registered matters, Seal certificate of representative, Tax certificate, copy of final return and financial statements for the last three terms and materials that can track recent sales should be submitted by post or at the JFC Office directly
- Information from JFC about loans of up to 60 Mio. JPY for companies in the field of basic supply (services like cinemas or hotels, barbershops, grocery stores, restaurants, bars or cafes): 生活衛生関係営業 (“Seikatsu eisei kankei eigyō“)
- Application form, declaration of sales decrease, copy of final register and financial statements for the last two terms, certificate of registered matters and business overview should be submitted by post or at the JFC Office directly

Ministry of Health, Labour and Welfare (MHLW)
- Telework subsidy for SME
Telework Consultation Center: 0120–91–6479 (toll free), 03–5577–4724, 03–5577–4732 (in operation until May 31)

Subsidy for employees taking leave or caring for children during school closures
School leave subsidies/support money consultation call center: 0120–60–3999 (09:00–21:00, including weekends and holidays)

Short time salary subsidy
If a company has to introduce short time, it must continue to pay 60% of its employee's wages. However, the authorities can take over a large part of this short time allowance, as is explained here. The ratio of cost coverage by the authorities is defined by the company size and by the fact if the company has released employees from their contracts during the last 6 months: If employees have been layed off during the last six months, an SME can receive 80% of the allowance. Large enterprises can receive two thirds of it. If no employees have been layed off during the last six months, the rates are higher (SME: 90%, large enterprise: 75%) (see here).

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