The top priority issue regarding the Japanese economy is to pave the way toward a GDP 600 trillion yen economy by making sure that deflation is behind us and our economy is revitalized. Achieving the above is also a prerequisite for building the economy and the society envisaged in Keidanren’s vision statement entitled “Toward the Creation of a More Affluent and Vibrant Japan.”

For that purpose, energetic implementation of the growth strategy whose pillar consists of 10 Strategic Public-Private Joint Projects—listed in “Japan Revitalization Strategy 2016” announced by the Japanese government—is required. Both the public and private sectors must mobilize all the expertise and resources available to ensure that all the projects, starting from Society 5.0 and the stimulation of consumer spending, are fully executed.

At the same time, it is also essential to pursue domestic structural reform. We should not hesitate to tackle head-on painful reforms such as the ones involving our social security system and fiscal consolidation so as to dispel anxiety and offer the prospect of a bright future to the people.

Turning our eyes overseas, we note a rise in anti-globalization sentiment and protectionism leading to opaqueness in the political and economic situations. It is Japan’s major responsibility to put a halt to those negative trends and to lead the development of a free and open global economic order.

Keidanren will further strengthen its cooperation with the political leadership to tackle these critical policy issues and contribute to the stable and sustained development of the domestic and global economies. We appreciate your continued support.

Chairman

SAKAKIBARA Sadayuki
**Main Proposals and Reports**

**2016**

- **April**
  - Recommendations on international taxation based on the BEPS project
  - Suggestions for the improvement of public statistics
  - Toward the revitalization of a new economic society
  - Revolution of economic society through deepening “Society 5.0”
  - Strengthening public-private coordination to respond to major disasters (Photo 1)
  - Basic thinking on future education reform
  - Toward the formulation of the third basic plan for the promotion of education

- **May**
  - Current status/progress and initiatives concerning active participation of senior white-collar employees
  - Requests for FTA negotiations between Japan, China and South Korea as well as the East Asia Regional Economic Comprehensive Economic Partnership (ECEP)

- **July**
  - Requests for the establishment of an environment for the promotion of data utilization
  - Toward the realization of Society 5.0
  - Toward the realization of “equal pay for equal work”
  - Toward the formulation of the third basic plan for the promotion of education

- **September**
  - Economic partnership agreement for the utilization of regional economies – Hokkaido Economic Federation/Shikoku Economic Federation
  - Joint letter concerning Japan-EU EPA
  - Accelerating exports and overseas expansion
  - Proposal for strengthening the competitiveness of Japan’s agriculture
  - Recommendations on tax reform for Fiscal 2017
  - Opinions on the review procedures for the Anti-Monopoly Act and the substitute system

- **October**
  - Keidanren’s approach to medical and nursing-care system reform
  - Opinions on current specific reform items
  - Proposal for global warming countermeasures under the Paris Agreement

- **November**
  - Requests for expansion of the government’s R&D investments to realize Society 5.0
  - Recommendations to formulate a vision for the space industry
  - Toward the overseas expansion of a strategic infrastructure system
  - Fundamental approach to facilitating employment of workers from overseas

- **December**
  - Keidanren Fiscal 2016 regulatory reform requests
  - Joint statement for Japan-EU regulatory cooperation

**2017**

- **January**
  - Summary of the 2017 report of the committee on management and labor policy
  - Opinion on electric power system reform

- **February**
  - Revitalization of Japan through realizing Society 5.0
  - Action plan toward the creation of a future society
  - Request for the establishment of electronic government toward Society 5.0

- **March**
  - Recommendations on the promotion of the use of electronic information in the field of waste disposal
  - Keidanren’s view on Brexit

**Main Activities**

- **2016**
  - **April**
    - B7 Tokyo Summit meeting held and Joint Recommendations delivered to Prime Minister Abe
    - Held briefing on “Athens,” an employment support program for top athletes
  - **May**
    - Fourth Japan-Arab Economic Forum held (Morocco)
    - Keidanren mission to the United States and Canada
  - **June**
    - Asia Entrepreneurship Awards 2016 held
    - Mission to Moscow
    - Held matching meeting with the Japan Agricultural Corporation Association – Platform for coordination between business and agricultural communities
  - **July**
    - Joint conference on global taxation issues held with OECD
    - Held “Keidanren Global Career Meeting”
    - Seventh Asia Business Summit (Singapore)
  - **August**
    - Held Summer Forum 2016 (Photo 2)
    - Held work-life balance reform seminar
    - Adopted “Senior Executives’ Declaration of Workplace Reform”
    - Held event to develop female human resources in science & technology fields
  - **September**
    - Held meeting with JA group leadership
    - Called for autumn priority initiatives to encourage the taking of annual leave
    - Mission to Central America (visited Mexico and Cuba)
    - Mission to Vietnam
    - Participated in the Sixth Tokyo International Conference on African Development (TICAD VI, Kenya)
  - **October**
    - Held Japan Contents Integrated Meeting
    - Representatives of the delegation to China met with Vice Premier Zhang Gaoli (Beijing) (Photo 3)
    - China Council for the Promotion of International Trade
  - **November**
    - Held business summit between Keidanren and Federation of Korean Industries (Seoul)
    - European Regional Committee Mission (visited Slovenia, Slovakia and Finland)
    - Held corporate ethics month – corporate ethics tsp seminar (Tokyo and Osaka)
  - **December**
    - Second Japan-China Entrepreneurs and Former Senior Government Officials Dialogue held (Beijing)
    - Delegation dispatched to COP22 (Morocco)
    - India-Japan Business Leaders Forum held and Joint Report delivered to Prime Minister Shinzo Abe and Indian Prime Minister Narendra Modi (Photo 4)
    - Launching Tokyo University - Keidanren venture collaboration
    - Keidanren Global Dialogue Project delegation visited the U.S.

- **2017**
  - **February**
    - Held meeting with JIP (Japanese Trade Union Confederation)
    - Events relating to the 1st Premium Friday held
    - Joint Report delivered to Prime Minister Abe and Indian Prime Minister Narendra Modi
  - **March**
    - “Down with damaging rumors! Let’s visit and enjoy the food!” (Held Tohoku Support symposium)
    - Held economic diplomacy symposium
    - Attended B7 Summit Meeting (Rome) (Photo 5)
Toward the Creation of a More Affluent and Vibrant Japan

In January 2015, Keidanren released its vision statement, Toward the Creation of a More Affluent and Vibrant Japan.

Japan being poor in natural resources, the keys to its revitalization are innovation and globalization.

This vision puts forth four attributes that Japan should possess by 2030: 1. Affluent and vibrant national life; 2. A population of not less than 100 million living in attractive cities and localities; 3. Solid foundation for strong economic growth; and 4. Contributing to world prosperity by providing solutions to global problems.

The vision presents specifics and details on issues which the government, businesses, and people of Japan should focus on in order to achieve these attributes.

Issues for Achieving Four National Attributes presented in Keidanren’s Vision

<table>
<thead>
<tr>
<th>Overall policy issues</th>
<th>Individual policy issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promote science, technology and innovation policy</td>
<td>Affluent and vibrant national life</td>
</tr>
<tr>
<td>Incorporate overseas vitality</td>
<td>Ensure business environment on equal footing with international standards</td>
</tr>
<tr>
<td>Develop and vitalize local economies</td>
<td>Reform corporate tax system</td>
</tr>
<tr>
<td>Utilize foreign talent</td>
<td>Reform infrastructure policies</td>
</tr>
<tr>
<td></td>
<td>Improve critical Infrastructure</td>
</tr>
<tr>
<td></td>
<td>Achieve fiscal soundness</td>
</tr>
<tr>
<td></td>
<td>Comprehensively reform social security and tax systems</td>
</tr>
<tr>
<td>Create a vibrant working environment for everyone</td>
<td>Vitalize financial and capital markets</td>
</tr>
<tr>
<td>Promote diverse workstyles</td>
<td>Work for development of human resources, revitalization of education and university reform</td>
</tr>
<tr>
<td>Promote empowerment of women in the workforce</td>
<td>Work for disaster prevention/reduction and national resilience</td>
</tr>
<tr>
<td>Utilize information and communications technology</td>
<td>Work for economic reform</td>
</tr>
<tr>
<td>Promote business startups</td>
<td>Promote electronic administration</td>
</tr>
<tr>
<td>Establish “Japan Brand”</td>
<td>Introduce regional administrative system (“shoho-sei”) which will contribute to formation of expanded economic zones</td>
</tr>
</tbody>
</table>

As we work to achieve these four national attributes, we will strive to establish a society where hard work is rewarded. Through our efforts, we hope that Japan becomes a nation in which the younger generation can take pride, exercise their can-do spirit, and carve out a future full of hope, as well as a nation trusted and respected by the world.

Keidanren’s Vision

Incorporate overseas vitality

Promote science, technology and innovation policy

Ensuring a sustainable and prosperous future

Sustainable Development

Contributing to the prosperity of the world by providing solutions to global problems

Contribute to environment, resources, water and energy fields

Contribute to disaster prevention/reduction

Contribute to health and medical fields

Contribute to eradication of absolute poverty, hunger and epidemics

The vision presents specifics and details on issues which the government, businesses, and people of Japan should focus on in order to achieve these attributes.

Keidanren Annual General Assembly

Fiscal 2017 KEIDANREN’s Policy

Establishing a Solid Path for Achieving GDP of 600 Trillion Yen

(Resolution of the Keidanren Annual General Assembly held on May 31, 2017)

One of the priorities for Japanese economy is to ensure that it recovers from deflation and achieves economic revitalization so that it can establish a solid path for achieving GDP of 600 trillion yen. It is also essential to create the economy and society envisioned in Keidanren’s vision "Toward the Creation of a More Affluent and Vibrant Japan.”

Keidanren’s Policy

Affluent and Vibrant Japan

We should strive to achieve economic growth and job creation through the revitalization of the local economy. Keidanren has called on the Abe administration to exercise strong leadership for G7 economic order. Keidanren expects the Abe administration to exercise strong leadership for 57 members to stand united to counter anti-globalization and protectionism.

There are also special projects that Japan should take on by using all national resources, such as the success of national events, including the Tokyo Olympic and Paralympic Games and the World Expo, along with the acceleration of the earthquake disaster reconstruction efforts and the creation of a “New Tohoku.”

Keidanren has reached the major milestone of its 70th anniversary. This year, Keidanren will resolutely take on the following priority policy tasks based on its proven achievements over 70 years, while further strengthening its coordination with the political community. In particular, promoting “innovation” and “globalization,” together with encouraging corporate workstyle reform, will contribute to the stable and sustainable development of both the Japanese and global economies. Keidanren will also continue to actively pursue its own internal reforms.

For more details, see the following Keidanren website:

http://www.keidanren.or.jp/en/policy/index01.html
Keidanren is energetically engaged in its activities for recovering from deflation and achieving economic revitalization as well as achieving GDP of 600 trillion yen as its priority tasks. Under Abenomics, the Japanese economy is steadily recovering, and the current priority issue is how to strengthen its medium- to long-term growth power. Last year the government launched the 2016 revision of the Japan Revitalization Strategy in which the 10 Strategic Public-Private Joint Projects were incorporated based on Keidanren’s recommendation. First and foremost, it is important to promote the Fourth Industrial Revolution and “Society 5.0” in order to facilitate productivity revolution and innovation. For other fields including health, medical, environment, energy, sports, agriculture and tourism, it is vital to realize projects as soon as possible. Keidanren will take the initiative to pursue the 10 Strategic Public-Private Joint Projects in close coordination with the government. As business community initiatives to recover from deflation and revitalize the economy, Keidanren continues to work on the overall improvement of labor conditions, including wage increases. As a result of these efforts, monthly wages in large companies increased by 7.155 yen or 2.19% (the initial preliminary survey result) as for the payment of bonuses, a majority of survey responses were similar to the previous year, when bonuses recovered the high standard of the pre-Lehman crisis years. All these factors indicate the momentum of salary hikes since 2014 continues into this year.

### Promote proactive: agriculture and exports

6th Industry Market: 10 trillion yen (Fiscal 2020)

Promotion of individual industries' efficiency

Seeking solutions to individual issues

Promotion of individual industries' efficiency

A society that lives with various constraints such as limitations on space and time

A society liberated from various constraints

Optimization of the entire society through the integration of cyber space and real space (total optimization)

Utilization of data as new resources

Efficient use of natural resources

Solutions for complicated social issues

Realization of affluence for society and people

5 viewpoints for selecting priority fields

Proposing Action Plans for those five priority fields

World of Society 5.0 to be realized
Promotion of Workstyle Reform

As the labor force population declines, in order to achieve sustainable growth, it is necessary to ensure each employee’s health, increase productivity and encourage creativity by creating a workplace environment where diverse workers such as women, young people and seniors find it easy to work. In particular, it is essential to bring working hours down to levels comparable with other countries and to encourage workers to take annual paid leave, of which the average usage is less than 50%, while improving the quality of work.

Keidanren has been promoting workstyle reform by declaring Fiscal 2016 to be the “Year of Workstyle Reform.” In July 2016, 62 organizations, including major business organizations, adopted the Senior Executives’ Declaration on Workstyle Reform, declaring the promotion of reform through strong initiatives implemented by senior executives. In addition, the Annual Leave 3! 4! 5! Campaign led by senior executives (encouraging workers to take three more days’ annual paid leave a year, creating four consecutive days off by combining weekends, holidays and annual leave, and ensuring that no employee takes less than five days’ annual leave a year) was conducted in August in order to encourage workers to take more annual paid leave.

In particular, to prevent excessive workloads, it is important for senior executives to demonstrate leadership in terms of mindset reform within their companies and overall work review with strong intentions to eradicate excessive working hours and never to let death from overwork occur. In November, we requested all member companies and organizations to take measures to absolutely prevent overwork. In addition, Keidanren participates in the government’s Council for the Realization of Workstyle Reform as a representative of the business sector. Based on actual conditions at companies, we actively engage policy issues such as the realization of equal pay for equal work and the introduction of overtime limits.

Meanwhile, regarding recruitment activities for university students and others who will join companies in Fiscal 2017, we decided to maintain the current schedule under which the start of public relations activities is set at March 1 of the year prior to the academic year in which students are scheduled to graduate or complete their graduate courses, and the start of recruitment activities is set at June 1 of the academic year in which students are scheduled to graduate or complete their graduate courses. As for those who will join companies in Fiscal 2019, we announced in April 2017 that the current schedule would be observed. The government is requesting that companies other than Keidanren members also comply with the starting schedule and take the academic schedule seriously even though more than 450 economic and industrial organizations nationwide.

Acceleration of regional revitalization and post-disaster reconstruction after the Great East Japan Earthquake

The recovery of the Japanese economy cannot be achieved without the vitalization of regional economies. Keidanren will contribute to enhancing the growth potential of regional economies, including the promotion of agriculture and tourism, the core industries of the regions, and the recovery from the earthquake.

Specifically, we have been implementing Keidanren’s Action Plan for Regional Revitalization, which was published in September 2015. We have been seeking to gain an understanding of policy issues related to regional economies and to reflect those issues in government measures through economic council meetings with various regional business organizations in Japan and visits to regional companies, etc. In September 2016, we concluded Partnership Agreements on Vitalization of Regional Economies with the Hokkaido Economic Federation and the Shikoku Economic Federation from the perspective of deepening and strengthening cooperation with regional economic organizations, and have been promoting matching initiatives between Keidanren member companies and regional companies.

In the agricultural sector, where, with the government’s efforts toward new innovation, we are focusing on strengthening cooperation so as to continue to connect the seeds and needs of both parties at the local level. Projects such as increasing the efficiency of agricultural management and developing high value-added products are already in progress, and it is expected that good examples will be created and expanded broadly in the future.

Regarding the tourism industry, which is one of the important pillars of the growth strategy, we also compiled recommendations on the occasion of the revision of the Tourism Nation Promotion Basic Plan and strongly encouraged the government to create an advanced tourism nation through the creation of new markets and the promotion of annual leave reform.

As six years have now passed since the Great East Japan Earthquake, it is necessary to promote regional revitalization by accelerating efforts toward reconstruction. In particular, the recovery of the agriculture, forestry, fishery and tourism industries, which are greatly susceptible to reputation damage, is an urgent issue. Keidanren will continue to do everything possible to build a new Tohoku through measures such as holding symposiums to overcome reputational damage and calling for the increased consumption of local products.
| Active approach to global warming and energy issues |

Keidanren has been making active, voluntary efforts to address the issue of global warming, which is a critical challenge for all humanity. The Paris Agreement, which came into effect in November 2016, is an important international framework under which all countries, including developing countries, promise to take global warming countermeasures. The Paris Agreement adopted a “pledge & review” approach under which member states shall set targets themselves and increase effectiveness through periodic reviews. This approach is identical to Keidanren’s voluntary action plan, which has achieved positive results. Keidanren will continue its commitment to the reduction of greenhouse gas emissions on a global scale through the promotion of Keidanren’s Commitment to a Low Carbon Society as well as active participation in international conferences such as the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP), and will seek broader understanding of the efforts by the Japanese business community.

Regarding energy policies, which are inextricably linked to the global warming issue, it is important to balance the goals of energy security, economic efficiency and environmental suitability based on the premise of safety (S+SE). From this perspective, it is necessary to continue to utilize nuclear energy as an important baseload power source through various measures such as resuming the operation of nuclear power plants whose safety has been confirmed and where the understanding of the local people has been obtained. In addition, from the viewpoint of securing a stable energy supply at affordable prices, we will follow the progress of energy system reform with interest.

| Promotion of educational reform |

In the present day, where globalization is progressing and uncertainty from rapid change is increasing, it is necessary to have the individual ability to find and define problems based on one’s own awareness and to seek out solutions independently without asking for answers from others, the ability to present one’s views logically, the ability to communicate in foreign languages, a broad-based education, and respect for diversity and the ability to collaborate with people with different social and cultural backgrounds on projects. It is also necessary to learn broader subjects including humanities and social sciences even when majoring in science and engineering, or to acquire basic knowledge of advanced technologies and math and science even when majoring in humanities and social science. In addition, as we enter a super smart society in the near future, it is also essential to acquire the ability to utilize information effectively.

In order to nurture these talents and abilities, it is not adequate to merely reform university education, but it is also necessary to promote educational reform in primary and secondary education, which will lead to the development of the human resources required for a new era.

Keidanren will strengthen educational support in which companies and educational institutions collaborate by developing various activities such as scholarships, joint employment seminars, internships, dispatching lecturers to companies and educational institutions collaborate by developing various activities such as scholarships, joint employment seminars, internships, dispatching lecturers to universities and curriculum development in collaboration with universities.

| Approach to biodiversity |

Since its establishment in 1992, the Keidanren Nature Conservation Fund has been providing funds to nature conservation projects operated by NGOs and promoting an environment for the business community to take on nature conservation and biodiversity conservation issues, through interactions between companies and NGOs as well as the publication of the Declaration of Biodiversity by Keidanren and its action policy. In 2017, we are promoting a special grant project through our fund to commemorate the 25th anniversary of the fund’s establishment. Specifically, we will support human resource development activities that will contribute to biodiversity conservation carried out by NGOs in the Asia Pacific Region over the next three years in order to contribute to the achievement of the Aichi Targets adopted at the 10th Conference of the Parties to the Convention on Biological Diversity (COP10), and the Sustainable Development Goals (SDGs) of the United Nations.

Keidanren will continue to contribute to the mainstreaming of biodiversity issues through a variety of activities, including this project.

| Strengthening collaboration for creating and nurturing startups |

As economic society changes dramatically in Society 5.0, full-scale open innovation that goes beyond industry-academia barriers is vital for creating new key industries and businesses. In encouraging this innovation, it is necessary to promote collaboration among multiple businesses and universities beyond individual industry-university collaboration as well as to create and develop startups that will play a key role in innovation and new industry creation, and to promote collaboration between companies and venture companies.

Keidanren has been promoting collaboration between regional venture companies and major companies through the Startup City Promotion Consortium, a consortium of local governments such as Fukuoka City. We established the University of Tokyo-Keidanren Startups Development Forum with the University of Tokyo in November 2016 and will promote industry-academia dialogue by using this forum as the main venue to create best practices of industry-academia collaboration for the creation and development of startups that will contribute to the creation of new key industries and innovative technologies. We also aim to expand this initiative to other universities and enable companies from a wide range of industries to participate in the future.
Promotion of women’s active participation in the workforce

The promotion of women’s active participation in the workforce is an important growth strategy for the Japanese economy and society to accomplish sustainable growth as well as a management strategy for companies to survive in an intense global competition. Accordingly, the Japanese business community has been strongly promoting it in close coordination with the government. Keidanren has called on member companies to develop and publish voluntary action plans concerning the appointment of women to their boards and managerial positions as a sign of their leadership’s commitment to take the lead in promoting women’s active participation. In addition, we offer a range of human resources development programs for different career stages. In particular, we have also established Keidanren’s Female Executives Network for the increasing number of female executives, in order to promote opportunities for exchange among female executives from Japan and abroad such as implementing the Leadership Mentor Program with Keidanren executives as mentors, and dispatching a delegation consisting of female executives from various companies to the U.S. (Washington D.C. and New York) to exchange views on trends and policies on women’s empowerment in the U.S. and Japan. In addition, we have also held Diversity Management Seminars, co-sponsored with the Cabinet Office, for company managers and conducted Women’s Challenge Support Courses to support the career development of young women who are managerial position candidates. In addition, we are also promoting the development of female talent in the field of science and technology in cooperation with the Cabinet Office and the Ministry of Education, Culture, Sports, Science and Technology.

Promotion of disaster prevention and mitigation as well as social contributions, including support for disaster-affected areas

The Japanese archipelago is prone to natural disasters, including massive earthquakes such as those that struck Kumamoto, as well as major storms and floods. It is expected to suffer natural disasters on a larger scale in the near future. Accordingly, Keidanren is taking steps for disaster prevention and mitigation as well as national resilience against disasters so that people can engage in their economic activities with a sense of security. Specifically, the following actions are being taken:

1. “Software” measures such as reinforcement of Business Continuity Plans (BCP) by individual companies and business groups/supply chains as well as implementation of a range of disaster prevention exercises following World Tsunami Awareness Day
2. “Hardware” measures such as enhancement of social infrastructures and anti-earthquake reinforcement
3. Closer public-private coordination taking advantage of ICT such as the disaster information coordination system

Following natural disasters such as the Kumamoto earthquakes in April 2016 and Typhoon No. 10 in August, Keidanren has been engaged in support activities for disaster-affected areas and disaster victims by calling for donations and support for the “Uru Uru Pack” relief supply project, while coordinating with support organizations and other groups operating locally.

Closer coordination with political leaders

Japan is facing a critical moment in order to ensure that it recovers from deflation and attains GDP of 600 trillion yen. Aided by major changes in the international environment, our country needs to take the lead to maintain and further develop a free and open global economic order for the creation of a world economy that is able to maintain sustainable growth.

At a time like this, it is more important than ever for economic leaders to coordinate closely with political leaders, and these two functions should serve as a joint driving force to promote initiatives toward the revitalization of Japan. Based on an understanding of this approach, Keidanren is seeking to strengthen political-economic cooperation by actively initiating:

1. Proposals that will help to improve economic vitality and people’s lives.
2. Communications with political parties and politicians, and
3. Economic diplomacy based on close coordination between the public and private sectors.

In Fiscal 2016, as many as 17 policy dialogues were held with the main cabinet members and party executives. These collaborative policy efforts between the economic and political leaders have achieved considerable progress in addressing the country’s priority challenges through setting concrete growth strategy targets such as Society 5.0 by way of the formulation of “10 Strategic Public-Private Joint Projects” and workstyle reform. The “Business People Political Forum,” a related organization of Keidanren, holds presentation seminars inviting prominent politicians and experts, thus performing activities that are designed to raise the political awareness of business leaders.
Toward the success of the Tokyo Olympic and Paralympic Games

The Tokyo Olympic and Paralympic Games in 2020 will be the perfect opportunity for Japan to gain attention from all over the world. As a matter of course, Japan needs to achieve great success in this event. On top of this, the event should serve as an opportunity for Japan to demonstrate its full recovery from the Great East Japan Earthquake and promote its qualities such as its safe, high quality products, services and infrastructure, and its culture and traditions.

The preparations for the Games are in full swing. It is essential to leverage this momentum to spread the movement beyond the host city of Tokyo and throughout every region in Japan, and expand the positive economic cycle nationwide. Furthermore, it is important to build a post-2020 Games legacy for the future in the form of technological innovation, the promotion of investment from overseas, an increase in foreign tourists and the establishment of exercise habits as part of people’s daily lives.

For the success of the Tokyo Olympic and Paralympic Games and the 2019 Rugby World Cup, Keidanren is engaged in supporting activities for athletes and sports officials nationwide as well as in increasing corporations’ employment opportunities for athletes, while striving to establish sports as a growth industry. “All Japan Business Committee for the 2020 Olympics and Paralympics,” which is formed by Keidanren and other economic groups, is taking the initiative to build the post-2020 legacy in extensive fields such as the promotion of Japan as a technology-based nation, the creation of a barrier-free society, and regional revitalization.

To maintain and further develop a free and open international economic order, Keidanren actively conducts economic diplomacy in close coordination with various national economic federations. In April, prior to the G7 Ise-Shima Summit, Keidanren hosted the B7 Tokyo Summit by inviting G7 business community leaders to Keidanren Hall to discuss the world economy, trade and investment, the digital revolution and global issues. The conclusions of the discussion were formalized as the B7 Joint Recommendations, which was delivered to Prime Minister Shinzo Abe.

The Japan-U.S. alliance, the linchpin of Japanese diplomacy, is essential not only for the security of our country but also for the stability and prosperity of the world, including the Asia-Pacific region. Accordingly, Keidanren is energetically engaged in strengthening the Japan-U.S. relationship. Specifically, the U.S.-Canada mission was organized in May for the purpose of following up on the large-scale mission sent in 2015 (approximately 100 members dispatched to 14 cities in 10 states), where the mission members exchanged views to strengthen the relationship with high-ranking federal government officials of both countries, state government officials and business community members. From the end of November to December, our delegation visited Washington D.C. right after the U.S. presidential election as part of our International Dialogue project. They held discussions with members of Congress and policy experts, including at think tanks, to gain an understanding of the direction of the new administration and to better leverage Keidanren’s future U.S. initiatives. Under the new Trump administration, the direction of U.S. national policy is a focus of our attention more than ever. Against this backdrop, Keidanren will construct a stronger relationship with the U.S. by working on information collection and analysis of U.S. policies as well as promotion of Japanese businesses’ contributions to the U.S. economy.

As for the relationship with the EU, it is notable that Keidanren sent a mission in October. Moreover, toward the earliest conclusion of an ambitious and comprehensive and high quality Japan-EU EPA, we continue to exchange views on non-tariff measures and regulatory cooperation through dialogues between the major industry associations of Japan and the EU.

As for the Japan-Russia relationship, capitalizing on President Vladimir Putin’s visit to Japan in December, the Japan-Russia Business Dialogue was held, with the participation of both countries’ political and business leaders, and contributed greatly to enhancing the environment for business expansion between the two countries.

Promotion of economic diplomacy 1: To maintain and further develop a free and open international order.

Chairman Sakakibara delivering remarks on the occasion of the Japan-Russia Business Dialogue (December 2016)

Chairman Sakakibara delivering remarks on the occasion of the Japan-Russia Business Dialogue (December 2016)
Promotion of economic diplomacy 2: Toward closer economic relations at a national and regional level

As Asian countries continue to achieve stable economic growth, their geographical proximity and close relationships with Japan make it more important for Japan to further strengthen its economic relationships with them. In 2016, economic missions were sent to China, ROK and Vietnam, and we co-hosted the Asia Business Summit (in Singapore), a gathering of the business communities of 12 leading countries and regions in Asia. Moreover, Keidanren held talks with Indian Prime Minister Narendra Modi, Filipino President Rodrigo Duterte and Myanmar State Counsellor Aung San Suu Kyi in Tokyo, thus actively engaging in exchanges with political leaders and business communities of leading Asian nations. For the closer bilateral relationship with China, Keidanren sent a joint delegation to China with the Japan-China Economic Association and Japanese Chamber of Commerce in September. In November, the “Japan-China Entrepreneurs and Former Government Officials Meeting” (Japan-China CEO Summit), a framework launched in 2015, was held in Beijing, where the delegation members talked with Chinese Premier Li Keqiang, thereby contributing to improving the Japan-China relationship from the business community standpoint.

Toward a closer relationship with Africa, which has achieved extraordinary economic growth in recent years backed by its rich natural resources and abundant workforce, TICADVI (the Sixth Tokyo International Conference on African Development) was held in Kenya in August. International Conference on African Development (TICAD VI) (August 2016)

Welcome lunch held for Myanmar State Counsellor Aung San Suu Kyi (November 2016)

TICAD VI (the Sixth Tokyo International Conference on African Development) (August 2016)

7th Asia Business Summit (July 2016)

Welcome lunch held for Myanmar State Counsellor Aung San Suu Kyi (November 2016)

TICAD VI (the Sixth Tokyo International Conference on African Development) (August 2016)
Related Organizations
- Special Activities
- Foreign Policy
- Social Policy
- Innovation Policy
- Industrial Policy
- Macro-Economic Policy
- Relations Activities
- Regional and Bilateral Relations Activities
- Special Committees
- Meeting of the Policy Board
- Meeting of Councillors
- General Assembly
- Board of Directors
- Policy Committees
- Meeting of Principals of Regional Employers’ Associations

Condensed Balance Sheets (As of March 31, 2017) (Millions of yen)

<table>
<thead>
<tr>
<th>Items</th>
<th>Current fiscal year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Current assets</td>
<td>2,853</td>
</tr>
<tr>
<td>2 Non-current assets</td>
<td></td>
</tr>
<tr>
<td>(1) Specific assets</td>
<td></td>
</tr>
<tr>
<td>Accumulated assets for replacement of office facilities</td>
<td>7,850</td>
</tr>
<tr>
<td>Accumulated assets for replacement of conference room facilities</td>
<td>6,486</td>
</tr>
<tr>
<td>Other accumulated assets</td>
<td>2,100</td>
</tr>
<tr>
<td>Total of specific assets</td>
<td>16,437</td>
</tr>
<tr>
<td>(2) Other non-current assets</td>
<td></td>
</tr>
<tr>
<td>Buildings</td>
<td>6,316</td>
</tr>
<tr>
<td>Land</td>
<td>3,513</td>
</tr>
<tr>
<td>Other</td>
<td>4,516</td>
</tr>
<tr>
<td>Total of other non-current assets</td>
<td>14,346</td>
</tr>
<tr>
<td>Total of non-current assets</td>
<td>30,783</td>
</tr>
<tr>
<td>Total of assets</td>
<td>33,637</td>
</tr>
</tbody>
</table>

II Liabilities

1 Current liabilities

Total of current liabilities

683

2 Non-current liabilities

Total of non-current liabilities

856

Total of liabilities

1,540

III Net assets

General net assets

32,096

(of which the amount appropriated to specific assets)

16,437

Total of net assets

32,096

Total of liabilities and net assets

33,637

Statement of Changes in Net Assets (From April 1, 2016 to March 31, 2017)

In Fiscal 2016, Keidanren’s ordinary income was 6,536 million yen. Ordinary expenses were 4,971 million yen, the breakdown of which was 3,453 million yen for project expenses and 1,518 million yen for administration expenses. The amount of the ordinary accounts balance calculated by taking into account the gain/loss on valuation of assets and others was 1,550 million yen. The ordinary accounts balance is appropriated to the accumulation of specific assets, etc. for the future replacement of facilities, etc.
KEIDANREN’s History and Overview

| History of KEIDANREN

**Keidanren 1946 >> 2017**

The Japan Federation of Economic Organizations (Keidanren) was established in August 1946, immediately after the end of World War II, with the aim of reconstruction and recovery of the Japanese economy. Keidanren’s first Chairman was Ichiro Ishikawa (1946-56). In April 1948, the Japan Federation of Employers’ Associations (Nikkeiren) was launched with the objective of establishing appropriate relations between labor and management, with the motto “Employers, Be Righteous and Strong”. Nikkeiren’s first Representative Executive Director was Kanichi Moroi (1948-66).

Since then, the two organizations have contributed to the development of the Japanese and global economies through maintaining and stimulating a liberal economic model and taking on internal and external challenges that the business community faced, such as trade liberalization, promotion of free competition, measures for addressing energy and environmental issues, promotion of private sector economic diplomacy, wage negotiations, and establishment of stable labor-management relations. Keidanren’s Chairman Taizo Ishizaka (1956-68) emphasized that the business community must take the high road of liberalization, and helped achieve capital liberalization.

In 1966, the original Keidanren Kaikan building was completed, and the organization continued its further development.

Keidanren Chairman Toshio Doko (1974-80) used his experience gained through work on the streamlining of production sites to streamline government (administrative reform). Since the tenures of Keidanren Chairman Doko, Nikkeiren Chairman Bunpei Otsuki (1979-87), and Nikkeiren Chairman Eiji Suzuki (1987-91), the major roles of Keidanren and Nikkeiren in contributing to administrative and financial reforms have been recognized by the Japanese people.

Japan, although having achieved the vigorous economic growth, then entered a period of trade friction. In order to overcome this situation, various concepts, such as “Philosophy of Endurance” by Keidanren Chairman Yoshihiro Inayama (1985-86); “Co-existence” by Keidanren Chairman Gakui Hirae (1990-94); and “Attractive Japan” by Keidanren Chairman Shoichiro Toyoda (1994-98); were established in an attempt for Japanese companies to be accepted by the international community as good corporate citizens.

As Japanese companies engage in business activities on a global scale, Keidanren’s activities are also expanding from within Japan to the world stage.

| Overview of KEIDANREN

**Name:** Ippan Shadan Hojin Nippon Keizai Dantai Rengokai (KEIDANREN, Japan Business Federation)

**Objectives:** The objectives of Keidanren as a comprehensive economic organization are to contribute to the self-sustained development of the Japanese economy and the improvement of the lives of citizens, by drawing out the dynamism of corporations as well as that of the individuals and communities that support them.

**Established:** August 16, 1946

**Authorized as an incorporated association:** June 29, 1961

**Transition to a general incorporated association:** March 30, 2012

**Representative Directors:** SAKAKIBARA Sadayuki, Chairman

**Directors:** 25

(Chairman: 1, Vice Chairs: 18, Director General: 1, Senior Managing Directors: 4, Managing Directors: 5)

**Auditors:** 2

**KEIDANREN is a corporation with an Accounting Auditor.**

**Membership:** Corporate members: 1350, Group members: 156, Special members: 32, Total: 1538 members (as of March 31, 2017)

**Secretariat:** Staff members: 227 (including temporary staff, as of April 1, 2017)

**KEIDANREN or Japan Business Federation**

Keidanren Kaikan, 1-3-3, Otemachi, Chiyoda-ku, Tokyo 100-8188

Kansai Office: Nakano-shima Dai Building, 3-3-23 Nakano-shima, Kita-ku, Osaka 530-6108

Keidanren U.S.A: URL: http://keidanren.us/

Keidanren U.S.A: URL: http://www.keidanren.or.jp/