

## Contents

1. **A Petition Asking for International Social Security Agreements**
2. **New Executive Managing Director of JFTC**
3. **Contributing to Society with Human Resources**  
----- Action for a Better International Community (ABIC) -----

## Japan Foreign Trade Council, Inc.

World Trade Center Bldg. 6th Floor,  
4-1, Hamamatsu-cho 2-chome,  
Minato-ku, Tokyo 105-6106, Japan  
Tel. (03) 3435-5960 Fax. (03) 3435-5979  
URL. <http://www.jftc.or.jp/>

## A Petition Asking for International Social Security Agreements

Japan Foreign Council, Inc., jointly with Keidanren and Japan Overseas Enterprises Association, addressed a petition to the government and political parties asking for further promotion of international social security agreements.

Most of advanced countries in the world have their own public social security schemes in which all residents, including foreigners, are required to participate. However, foreigners who eventually go back home after certain period of business assignment in overseas country need to keep paying social security premiums in home country during their absence, otherwise they may lose the right to receive their pension after retirement.

In most cases, international enterprises bear such additional costs, since quite often paid-up premiums may be eventually wasted because of shortage in minimum period required for maturity refund. Foreign companies in Japan have also similar problems.

But, such burden will be eliminated if two countries conclude a bilateral agreement to avoid double payments. Japan, so far, concluded such agreements with 7 countries, i.e., Germany, U.K., South Korea, U.S., France, Belgium and Canada, but far behind from other countries such as U.S., France and Canada in terms of number of agreements.

JFTC, Keidanren and Japan Overseas Enterprises Association conducted a survey on various other countries to investigate magnitude of double payments and suggested a priority of countries Japan should start negotiations for such international agreements. Based on such investigation, the following petition was submitted.

### “Promoting the Conclusion of More International Social Security Agreements”

October 17, 2006

**Japan Business Federation (Nippon Keidanren)**  
**Japan Overseas Enterprises Association (JOEA)**  
**Japan Foreign Trade Council (JFTC)**

The globalization of economy is making corporate activities increasingly borderless. The freer and more flexible business environments are inevitable for Japanese companies to compete with overseas rivals.

As such, we came up with requests on September 17, 2002 titled “Requesting the Early Conclusion of Social Security Agreements”, in which we pointed out that the duplicate payments of public social insurance premiums for overseas representatives impose heavy burdens on enterprises and thus requested Government of Japan promote agreements on social security with advanced countries as soon as possible to eliminate such problems.

Since then, Japan has concluded such agreements with the U.S. and four other countries, increasing to 7 countries it has signed to date. It is expected, as a result, that mutual economic exchanges with these countries will be deepened further in the future.

On the other hand, however, the U.S. has already concluded similar agreements with more than 20 countries, and France and Canada, even more than with 40 countries. Taking such fact into consideration, it is strongly desired that Japan, living via trading and investment, promote the conclusion of such agreements with more countries, with the following points in mind.

### 1) Further Promotion of Social Security Agreements

We recently conducted joint investigations on social insurance scheme in total 24 countries in ASEAN, EU and Latin America supported by local Japanese chambers of commerce. As a result, it revealed that duplication in payments exists in 13 countries and that burdens are heavy, particularly in Italy (total amount: ¥4.5 billion a year for Italy), the Czech Republic (¥2.9 billion), Brazil (¥2.14 billion), Spain (¥1.29 billion) and Hungary (¥300 million). The Japanese chamber of commerce in the Czech Republic submitted a petition desperately asking for the conclusion of such agreement to solve such problems.

We understand that Government of Japan is devoting itself to promote preliminary discussions or negotiations with various countries. We hope that Government of Japan will take the results of our investigations into consideration and make efforts to realize such agreements as soon as possible with more countries.

### 2) Implementation of a Comprehensive Exemption Law in Japan

After starting negotiation with counterpart country, it

takes substantial time until the social security agreement legally comes into effective. Even after signing agreement, the Diet bill for approval of such agreement and another Diet bill for approval of special exemption laws to harmonize with existing domestic laws have to go through examination separately and simultaneously.

However, according to our observation on the Diet process in the past, very tight schedule for discussions on many bills in the Diet session quite often forced those bills nearly to be left behind, though those bills were approved unanimously in the end.

Delays in approval process in the Diet would delay the implementation of agreements, which would force enterprises to keep shouldering additional costs that they do not have to in principle and cause huge losses.

Given the fact that such bills have all been approved unanimously in the Diet in the past, we request that the individual exemption laws so far being tailored to specific social security agreement on a country-by-country basis be combined into a single comprehensive exemption law to cover future social security agreements to come, so that necessary Diet approval can be focused only for social security agreement in the future.

## New Executive Managing Director of JFTC

Mr. Yoshinobu Nisaka joined Japan Foreign Trade Council, Inc. on October 5, 2006 and took the place of executive managing director after Mr. Keisuke Takanashi.

Mr. Nisaka joined the Ministry of International Trade and Industry (Ministry of Economy, Trade and Industry) after graduating from University of Tokyo, faculty of

economics in 1974. During his career at Japanese Government, he held various important posts including Director of Planning Division Economic Planning Agency, Deputy Director General for International Trade Policy of METI, Director-General for Manufacturing Industries of METI, Ambassador to Brunei.



### What is "SHOSHA"?

SHOSHA is consistently changing to meet the requirements of each era. Its function, activities and vision are explained in detail in English at <http://www.jftc.or.jp/shosha/english/index.html>

## Contributing to Society with Human Resources ----- Action for a Better International Community (ABIC) -----

More than six years have passed since Action for a Better International Community (ABIC), a private non profit organization, was established in April 2000 by the Japan Foreign Trade Council, Inc. (JFTC). ABIC has already solidified its foundation as an NPO and is now working to ensure further development toward the future.

Currently with about 1,600 registered members, who are mostly trading-firm retirees, ABIC makes it its mission to contribute to society domestically and internationally, in principle, by utilizing human resources with linguistic skills and global business experience. At the request of a company or organization, whether it is at home or abroad, ABIC can introduce them to an expert best suited to their specific needs for foreign language ability, functional skills, merchandise knowledge and other fields. Such experts provide the client with professional services at very reasonable prices.

Regarding activities related to foreign corporations, ABIC is helping them succeed in doing business with Japanese companies. For example, ABIC makes arrangements for interpreters for overseas exhibitors participating in trade shows held in Japan. Chosen from those with professional knowledge about each client's products and industry, the interpreters can serve concurrently as a business adviser. They are called, therefore, "bilingual business adviser" rather than mere "interpreter". During the "Health Ingredients Japan 2006" trade show held at Tokyo Big Sight on October 4-

6, 2006, as many as 12 bilingual business advisers were employed by foreign firms, setting a new record in the number of advisers per trade show.

Bilingual business advisers are also utilized by foreign enterprises when they visit Japanese corporations on business. By the same token, ABIC bilingual professionals are useful for such services as market research on a specific Japanese product or industry, lectures on the Japanese market for a particular kind of merchandise and comprehensive support to start up a business in Japan.

Last year, an ABIC member was appointed as an investment evaluator by a UN agency for drawing up an assessment report on the outcome of an aid project implemented in an African country. After visiting the project site for investigations and interviews, he completed it satisfactory based on the knowledge acquired during his tenure with a Sogo Shosha, a general trading company.

On a long-term contract basis, several members are employed by foreign manufacturers as representatives stationed in Japan, while others are working for the Tokyo office of foreign-affiliated corporations as an English-speaking accountant and for a factory in a Southeast Asian country as a superintendent. Now, ABIC hopes that more members will be employed by foreign embassies in Japan and government agencies both in Japan and abroad.



Bilingual business adviser at Canadian pavilion of "Health Ingredients Japan" in Tokyo



Bilingual business adviser attending a trade mission from Malaysia at a furniture shop in Kyushu, Japan



Indonesian-speaking interpreter assisting the medical activities of Japan Self-Defense Forces in Sumatra, Indonesia

Besides the above, ABIC members are engaged in various activities internationally and domestically. With regard to those of outside Japan, many ABIC members have been dispatched to developing countries as business advisers in connection with the programs of the Japan International Cooperation Agency (JICA), the Japan External Trade Organization (JETRO) or the like. Also, in response to requests from Japanese NGOs operating in developing countries, ABIC has been providing them with personnel who can support their social contribution efforts there as a local manager or representative. Further, with the "TSUNAMI" disaster due to the massive tidal wave along the Indian Ocean, three ABIC members well versed in the Indonesian language were sent to Sumatra last year as interpreters to help the medical activities of the Japan Self-Defense Forces.

When it comes to activities at home, ABIC has been introducing many personnel to small and medium-sized enterprises who intend to expand their business with foreign companies or plan to branch out into overseas markets. The SMEs' lack of their own such staff for international businesses is compensated by the ABIC experts with linguistic ability and global business experience.

On a long-term contract basis, ABIC professionals are engaged in such activities as market development for SMEs' products as business facilitators, or management and operation of SMEs as business advisers. While, on short-time basis, they deliver lectures about a foreign country's situation to company employees who are about to be assigned to the country, give lessons on foreign trade practices to SMEs' employees at seminar held by an industry group, translate pamphlets and the like from



Sales adviser visiting a prospective customer's fish-processing plant in Miyagi Prefecture, Japan

Japanese into a foreign language and vice versa, serve as an interpreter when an SME has visitors from abroad, and so on. Such professionals are often introduced to SMEs through municipal governments in Japan, since most of the governments have a public support system for the local SMEs to promote their business with foreign countries.

Meanwhile, ABIC sends many lecturers to various courses offered by universities, open colleges and other organizations. Included in the subjects for the lectures are foreign trade practices, international business and the global situation, corporate strategy for advancing into overseas markets, and much more. Also, to support educational programs for international understanding, ABIC members give class lectures at elementary schools as well as at junior and senior high schools. Each lecturer talks about a topic of a foreign country where they have resided. Further, ABIC offers charge-free Japanese language and Japanese culture classes to foreign



Lecturer talking at Ritsumeikan Asia Pacific University

students and their families.

Of course, ABIC members work as volunteers. It is remembered that on the occasion of 2002 FIFA World Cup Soccer, many ABIC members worked behind the scenes without charge, making the most of the Spanish, French and other languages which they had mastered during their stay in the respective countries on business.

Although its activity to introduce capable human resources is appreciated by society, ABIC is not necessarily satisfied with the present situation. In the course of expanding its activities in the future, it wishes to add new functions in addition to introducing human resources, so that it can further strengthen both the quality and quantity of its contribution to society.

ABIC welcomes any inquiry or question. Please e-mail us at [support@abic.or.jp](mailto:support@abic.or.jp).

---

### Action for a Better International Community

c/o Japan Foreign Trade Council, Inc.

6th Floor, World Trade Center Bldg.

4-1-2, Hamamatsu-cho, Minato-ku,

Tokyo 105-6106, Japan

Tel: +81-3-3435-5973 Fax: +81-3-3435-5979

URL: <http://www.abic.or.jp>

---

### New President of ABIC

Mr. Toshio Sampei joined JFTC as managing director, took the place of the president of ABIC on July 1, 2006 after Mr. Yasuo Yoshida.




---

## JFTC MONTHLY BULLETIN ON-LINE — Titles

JFTC publishes monthly bulletin covering wide variety of topics for the members and subscribers.

The following contents are available from the website (<http://www.jftc.or.jp>). though written in Japanese.

### From September issue

#### 1. Foreword: "Challenges towards hydrogen energy society of dream"

... Akiji Makino, Executive Director of JFTC, President, Iwatani International Corporation

#### 2. Special Articles: "Symposium on Future of Asia in 2015"

**Coordinator** ... Nobuhiko Shima, journalist

**Panelists** Kensuke Ebata, a visiting professor, Institute of World studies, Takushoku University

Heita Kawakatsu, Professor, International Research Center of Japanese Studies

Kwan Chi Hung, Senior Fellow, Nomura Research Institute

Akio Shibata, Director, Marubeni Research Institute

#### 3. The Angles: "Healthcare system in the U.S. and its implication to Japan"

... Megumi Kawaguchi, Senior Analyst, Research Group, Sojitz Research Institute, Ltd.

#### 4. International Letter: "From Guangzhou" ... Taiichiro Aoyama, representative office, Guangzhou, China, JFE SHOJI HOLDINGS, INC.

#### 5. Zoom-Up: "Marketing of composting system 『resQ45』 to relieve problem of cattle farmers"

... Susumu Maeda, Acting General Manager, Grain and Fat Dept. Toyota Tsusho Corporation

### From October issue

#### 1. Foreword: "Origin" ... Katsutaro Inabata, Executive Director of JFTC, President, Inabata & Co., Ltd.

#### 2. Special Articles: "New Business Incubation and Functions of Shosha"

##### – "Shosha's finance functions"

... Ichihiro Uesugi, Deputy Director, Policy Planning Division, Business Environment Department, Small and Medium Enterprise Agency

##### – "Japanese buyout market and Shosha's function" ... Keiichi Sugiura, President, Japan Buyout Research Institute

##### – "Expected functions of Shosha in new business incubation"

... Hideo Amamiya, General Manager, Global Credit Investment Department, Sumitomo Trust and Banking Co., Ltd

#### 3. Shosha's functions in new business development

##### – "Supporting medium and small companies in Japan"

... Hideki Yokoyama, General Manager, Department of Development Strategy, Itochu Corporation

##### – "Restructuring distribution system of automobiles" ... Hiroshi Hasegawa, Automotive Planning Dept., Automotive Division No.1, Sumitomo Corp.

##### – "Developing contents industry" ... Shinichi Uchiyama, General Manager, Sojitz Corporation

##### – "Corporate funding business" ... Kazuhiro Yasuda, Investment & Finance Dept., Finance, Logistics & New Function Division, New Business Development Group, Marubeni Corporation

##### – "Incubation of venture companies abroad" ... Osamu Nagao, President, MVC Co., Ltd., Mitsui & Co., Ltd.

##### – Reorganizing electronics & hi-tech industries

... Nagayoshi Kobayashi, Director of electronic industry related business, Innovation Center, Business Creation Dept., Mitsubishi Corporation

#### 4. International Letter: "Poverty in West Africa" ... Tetsu Kobayashi, General Manager, The Representative of Kanematsu Corporation Dakar

## REGULAR MEMBERS OF JFTC

### Companies (Total 46)

ASSOCIATED LUMBER & TRADING CO., LTD., CHORI CO., LTD., CBC CO., LTD., D. NAGATA CO., LTD., HANWA CO., LTD.  
 HITACHI HIGH-TECHNOLOGIES CORPORATION, INABATA & CO., LTD., ITOCHU CORPORATION, IWATANI INTERNATIONAL CORPORATION  
 JFE SHOJI HOLDINGS, INC., KANEMATSU CORPORATION, KINSHO CORPORATION, KOWA COMPANY, LTD., KYOEI SHOJI CO., LTD.  
 KYOKUTO BOEKI KAISHA, LTD., MARUBENI CORPORATION, MEIWA CORPORATION, METAL ONE CORPORATION, MITSUBISHI CORPORATION  
 MITSUI & CO., LTD., MORIMURA BROS., INC., NAGASE & CO., LTD., NIPPON STEEL TRADING CO., LTD., N. I. TEIJIN SHOJI CO., LTD.  
 NOMURA TRADING CO., LTD., NOSAWA & CO., LTD., OGURA TRADING CO., LTD., OKAYA & CO., LTD., SANKO MEDICAL SYSTEM CO., LTD.  
 SANKYO SEIKO CO., LTD., SEIKA CORPORATION, SHINYEI KAISHA, SMILE CORP., SOJITZ CORPORATION, SUMIKIN BUSSAN CORPORATION  
 SUMITOMO CORPORATION, T. CHATANI & CO., LTD., THE TOSHO CO., LTD., TOKYO BOEKI LTD., TOSHOKU LTD., TOHO BUSSAN KAISHA, LTD.  
 TOYOTA TSUSHO CORPORATION, Y. NISHIDA & CO., LTD., YAGI & CO., LTD., YAGI TSUSHO LTD., YUASA TRADING CO., LTD.

### Associations (Total 25)

COSMETIC IMPORTERS ASSOCIATION OF JAPAN, FUKUOKA FOREIGN TRADE ASSOCIATION,  
 INTERNATIONAL DEVELOPMENT ASSOCIATION OF THE FURNITURE INDUSTRY OF JAPAN, JAPAN AUTOMOBILE IMPORTERS ASSOCIATION,  
 THE JAPAN BANANA IMPORTERS ASSOCIATION, JAPAN CHEMICAL EXPORTERS' ASSOCIATION, JAPAN CHEMICAL IMPORTERS' ASSOCIATION,  
 JAPAN EEL IMPORTERS ASSOCIATION, JAPAN ELECTRONIC PRODUCTS IMPORTERS ASSOCIATION, JAPAN FISH TRADERS ASSOCIATION,  
 JAPAN FOREIGN TRADERS ASSOCIATION, INC., JAPAN MACHINE TOOL IMPORTERS' ASSOCIATION, JAPAN MACHINERY EXPORTERS' ASSOCIATION,  
 JAPAN OVERSEAS ROLLING STOCK ASSOCIATION, JAPAN PAPER IMPORTERS' ASSOCIATION, JAPAN SHEEP CASING IMPORTERS ASSOCIATION,  
 JAPAN SHIP EXPORTERS' ASSOCIATION, JAPAN TEXTILE EXPORTERS ASSOCIATION, THE JAPAN TEXTILES IMPORTERS ASSOCIATION,  
 JAPAN WATCH IMPORTERS' ASSOCIATION, JAPAN WINES AND SPIRITS IMPORTERS ASSOCIATION, KOBE FOREIGN TRADE ASSOCIATION,  
 KYOTO FOREIGN TRADE ASSOCIATION, THE RUBBER TRADE ASSOCIATION OF JAPAN, THE YOKOHAMA FOREIGN TRADE ASSOCIATION

### CHAIRMAN

Mikio Sasaki (Chairman – Mitsubishi Corporation)

### VICE CHAIRMEN

Shoei Utsuda (President & CEO – Mitsui & Co., Ltd.)  
 Nobuo Katsumata (President & CEO – Marubeni Corporation)  
 Motoyuki Oka (President & CEO – Sumitomo Corporation)  
 Eizo Kobayashi (President & CEO – ITOCHU Corporation)  
 Akio Dobashi (President & CEO – Sojitz Corporation)  
 Masaaki Furukawa (Chairman & CEO – Toyota Tsusho Corporation)

### EXECUTIVE MANAGING DIRECTOR

Yoshinobu Nisaka

### MANAGING DIRECTOR

Toshio Sampei