
Outline of Intellectual Property Strategic Program 2025

~IP Transformation~

June, 2025

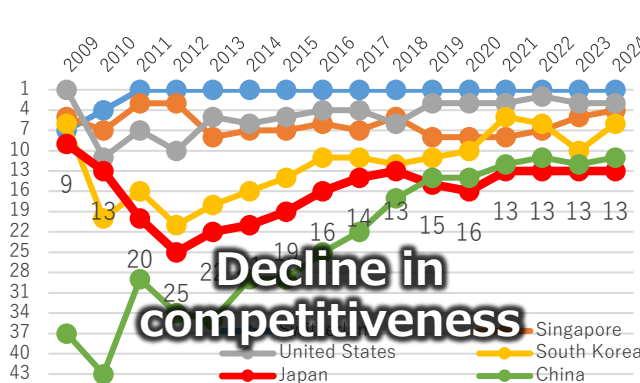
Basic Understanding

Japan's competitiveness status

- Though promoting IP strategies in light of environmental changes and trends in major countries, Japan's competitiveness is on a long-term downward trend.
- The contents industry and Cool Japan-related industries have developed significantly.

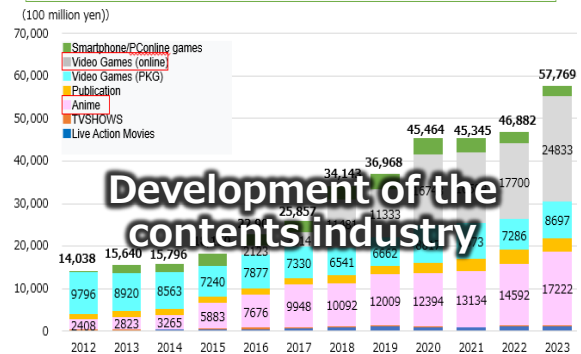
*WIPO's Global Innovation Index (2024) ranks 13th, behind South Korea (6th) and China (11th).

Global Innovation Index (GII) ranking



Source: WIPO "Global Innovation Index 2024"

Trends in the Overseas Market Size of Japanese Content and Breakdown by Category

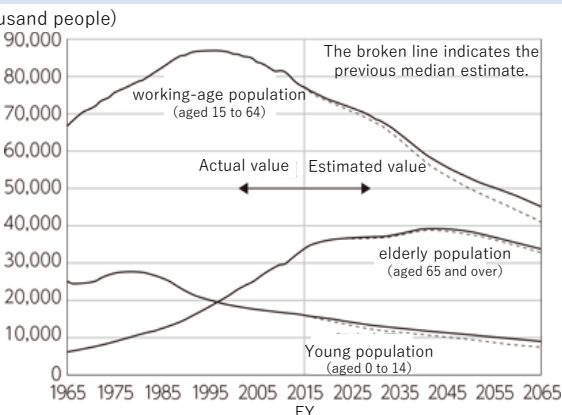


Source: Prepared by Cabinet Office, Secretariat of Intellectual Property Strategy Headquarters, based on Human Media Co., Ltd.'s "Japan and Global Media and Content Market Database (2024)"

Future environmental changes and intellectual property strategy directions

Decline in innovative human resources

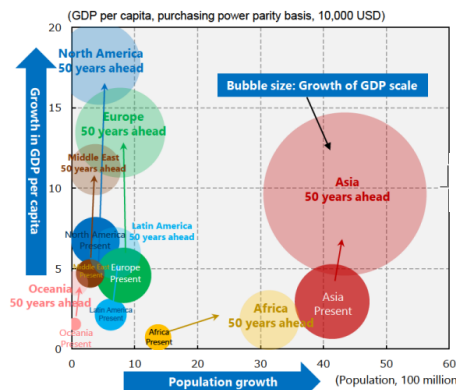
With the decline in population, innovative human resources (IP creative human resources) are also projected to decrease.



Source: Ministry of Internal Affairs and Communications (MIC), "White Paper on Information and Telecommunications: 2021 Edition"

Global market growth

While the domestic market is plateauing, the global market continues to grow.



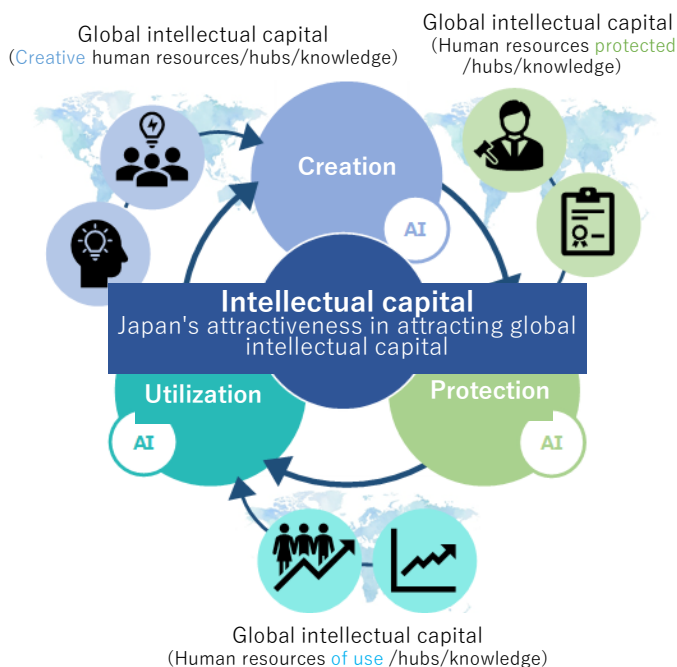
Source: Ministry of Economy, Trade and Industry (METI) "White Paper on International Economy and Trade 2024" Summary Edition (July 2024)

- Over the next 10 years, innovation human resources will decrease due to population decline, and the domestic market will reach its peak. Meanwhile, the global market will continue to grow. Rapid development of AI technology and major changes in socio-economic systems are expected.
- It is necessary to consider the direction of the IP strategies in light of Japan's current competitiveness and future environmental changes.

IP Transformation ~Solving issues with IP power and earning profits both domestically and internationally~

- Maximize the utilization of Japan's intellectual capital (e.g., technological capabilities, content strengths, national brand power), attract and accumulate global intellectual capital. **Aim to establish a “new intellectual creation cycle” that leverages intellectual capital to solve social challenges both domestically and internationally (IP Transformation).**

IP Transformation (image diagram)



Three pillars for realization

First pillar: Strengthening competitiveness as an innovation hub

- It is necessary to create an environment that will attract **top-level researchers, entrepreneurs, and other innovative, IT, and creative human resources from overseas to Japan.**
- To this end, the government will work to (1) strengthen creative human resources and achieve diversity, (2) promote investment in intangible assets such as intellectual property, and (3) establish intellectual property systems and mechanisms that have international appeal.

Second pillar: Utilization of AI and other advanced digital technologies

- To build a robust intellectual creation cycle even amid declining population, **it is necessary to promote the utilization of AI to improve productivity and accelerate creative activities.**
- To this end, efforts will be made to address the concerns of creators and rights holders and clarify the intellectual property system and operational concepts for inventions and creations.

Third pillar: Capturing global markets

- To capture the global market, based on the “New Cool Japan Strategy,” **promote the overseas expansion of Cool Japan-related industries** and, based on the newly formulated “New International Standardization Strategy,” **strategically and vigorously promote international standardization** through industry-government-academia collaboration.

KPIs

- By 2035, aim to rank among the top four countries in the WIPO Global Innovation Index.*1
- By 2035, increase the ratio of intangible assets to market capitalization in the Japanese market (Nikkei 225) to 50% or more.*2

*1 Japan currently ranks 13th in the WIPO Global Innovation Index (2024). Japan's highest ranking in the past was 4th (2007).

*2 As of 2020, intangible assets accounted for 32% of the market capitalization in the Japanese market (Nikkei 225). The figures for the US market (S&P 500), Chinese market (Shanghai Shenzhen CSI 300) and South Korea (KOSDAQ COMPOSITE INDEX) were 90%, 44% and 57%, respectively.

Intellectual Property Strategic Program 2025 –IP Transformation–

IP Transformation

- Maximize the utilization of Japan's intellectual capital (e.g., technological capabilities, content strengths, national brand power), attract and accumulate global intellectual capital. **Aim to establish a “new intellectual creation cycle” that leverages intellectual capital to solve social challenges both domestically and internationally (IP Transformation).**

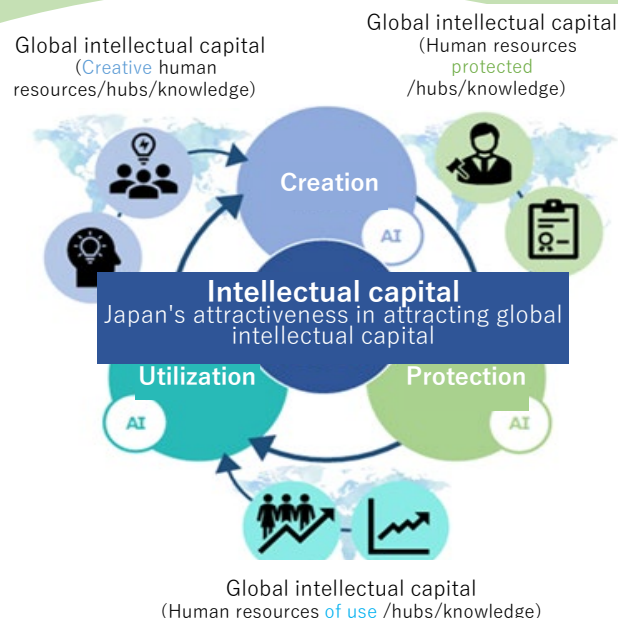
Creation

Value creation through investment in IP and intangible assets

To promote investment and utilization of IP and intangible assets, efforts will be made to further disseminate and instill the concept of IP and intangible asset governance guidelines. Efforts will be made to thoroughly disseminate information on the innovation center taxation system so that businesses can actively utilize it, while reviewing the scope of the system based on its implementation status and effectiveness.

AI and intellectual property rights

Through the “AI Guidelines for Business” and other measures, encourage AI business to take the initiative in disclosing information, and while clarifying the operation of AI-related systems, promoting international cooperation and ensuring transparency that contributes to ensuring effectiveness. Promptly considering and clarifying the definition of inventors of AI-utilizing inventions.



Protection

Prevention of technology leakage

Strengthen awareness activities to prevent the leakage of trade secrets. Implement measures to prevent technology leakage at each stage, from entry to exit, for R&D projects conducted with government funding.

Strengthening measures against piracy and counterfeit products

Promote stricter enforcement of customs regulations, consider appropriate institutional measures to deter intellectual property infringement, and strengthen international cooperation and enforcement against piracy.

Strengthening the industrial property rights system and operation

Take necessary measures, including legal reforms, regarding cross-border patent infringement on networks and design protection in virtual space.

Intellectual property protection in the region

Consider formulating and promoting measures to enhance the earning power of SMEs through intellectual property (IP), including improving IP management literacy and strengthening IP protection.

Cool Japan, Contents

Follow-up on Cool Japan Strategies

To achieve the goal of expanding overseas sales to over 50 trillion yen by 2033, promote regional revitalization utilizing Cool Japan through the “Plan for a Virtuous Cycle of Contents and Regional Revitalization.” Accelerate the PDCA cycle between the public and private sectors with the goal of achieving 20 trillion yen in overseas sales for the entertainment and contents industry by 2033.

Industry-academia collaboration/startups

Promote the dissemination of university IP governance guidelines and guidelines for handling IP when researchers leave or retire. Consider necessary measures such as collecting, analyzing, and publishing best practices. Support the dispatch of IP personnel and the development of IP human resources, which are important for the commercialization of startups.

Utilization

New International Standardization Strategy

Formulate the “New International Standardization Strategy” including the selection of strategic and key domains, with the aim of solving issues facing the international community and Japan, contributing to economic security, and creating new markets through international standards. Strengthen systems through the establishment of public-private partnerships and other measures.

Key Points of the Intellectual Property Strategic Program 2025 (Main Issues)

1. Intellectual Property System in the Age of AI and Digital Technology

- Based on the concept of the AI law that aims to promote innovation and respond to risks, **“promote the advancement of AI technology”** and **“appropriately protect intellectual property rights”** will be pursued simultaneously.
 - To respond to the concerns of rights holders and creators, promote initiatives that combine legal, technological, and contractual measures, and consider methods for **ensuring transparency in AI development**.
 - From the perspective of securing incentives for AI developers, **consider the definition of the inventors of AI-based inventions**.
- Realize **“world-leading intellectual property systems”** that attract domestic and foreign companies.
 - Take necessary measures, including legal revisions, to respond to DX, such as **cross-border patent infringement on networks (Patent Act)** and **strengthening design protection in virtual space (Design Act)**.

2. Formulation of the New International Standards Strategy and promotion of rule formation

- **“The New International Standards Strategy”** was formulated in 2025, 19 years after the previous strategy. The strategy identified the 17 key domains for international standardization. In particular, Japan will prioritize the allocation of public and private resources to **the 8 strategic domains identified as requiring urgent actions (environment and energy, quantum, digital and AI, bioeconomy, etc.)**, aiming to take the lead in shaping rules for the global market.

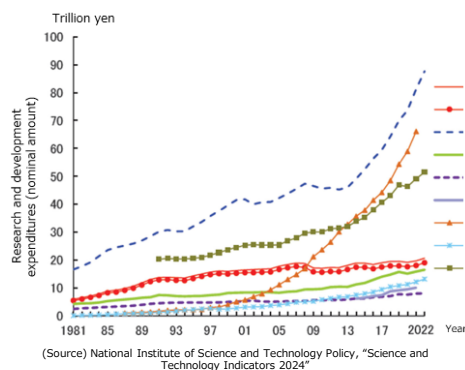
3. Formulation of the plan for a positive cycle of content and regional revitalization

- To accelerate region-wide initiatives such as anime tourism and location incentives, establish the **“Plan for a virtuous cycle of content and regional revitalization”**. To promote Regional Revitalization 2.0, the Cool Japan Strategy Headquarters will **select approximately 200 locations nationwide by 2033** and promote the creation and sharing of successful cases.
- To implement a PDCA cycle to achieve the goal of **expanding the overseas market size of the entertainment and content industry to 20 trillion yen** by 2033, through public and private collaboration.

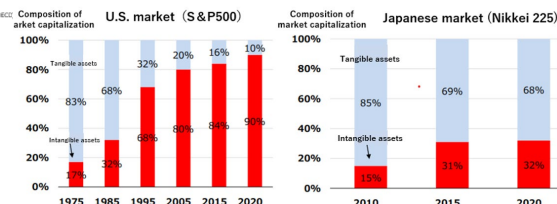
- ◆ R&D investment is essential for sustainable growth and solving social issues.
- ◆ It is important for companies to create value based on intellectual property and intangible assets as well as to logically and strategically communicate how their intellectual property will impact society overall.
- ◆ It is necessary to visualize the process of valuing intellectual property and intangible assets and to change the corporate mindset so that R&D is viewed as an “asset” rather than a mere “expense.”

Current situation and challenges

- While total R&D expenditure is increasing in major countries, **Japan's total R&D expenditure is stagnating.**
- **Japanese companies have lower intangible assets as a percentage of market capitalization** than US companies.
- Some point out that **Japanese companies do not sufficiently understand or utilize their IP and intangible assets, which are their strengths.**



Trends in total R&D expenditures in major countries



(Source) Council of New Form of Capitalism Realization (5th Session) Material 1, p. 50 (2022)

Ratio of intangible assets to market capitalization

KPI

- Based on the numerical targets set in the 7th Science and Technology Innovation Basic Plan, KPI will be set when appropriate.

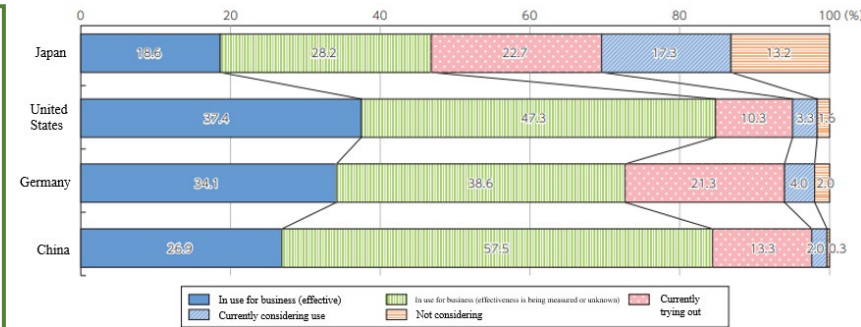
Future plans (direction)

- Aiming to promote investment and utilization of IP and intangible assets, **further disseminate and promote the concept of IP and intangible asset governance guidelines.**
- Make thorough efforts to raise awareness of the innovation box regime so that businesses can actively utilize it, and **review the scope of the system** based on its enforcement status and effectiveness.
- Strengthen international collaboration to promote impact investment in the global health field, **while promoting efforts to standardize the measurement and management of the impact of investment.**

- ◆ To establish a licensing market for AI learning content and ensure compensation returns to rights holders, specific measures are needed to promote transparency, including information disclosure by AI operators regarding learning data. For example, **it is important to promote appropriate disclosure by AI operators** through AI Business Operator Guidelines.
- ◆ When AI is used in the invention creation process, there are no **clear criteria for what constitutes an inventive contribution for the developers of the AI to be recognized as inventors**, thus requiring consideration to **clarify the status of AI developers**.

Current situation and challenges

- While the AI market size and research expenditure for AI are increasing, **the utilization of generative AI in the operations of Japanese companies is not progressing compared to overseas countries**.
- **The lack of opportunities to obtain compensation returns to rights holders** and the lack of information disclosure by AI operators are causing litigation risks for AI users, **making them reluctant to utilize AI**.
- When AI is used in the invention creation process, **there are no clear criteria for what constitutes an inventive contribution for the developers of the AI to be recognized as inventors**.



(Source) Ministry of Internal Affairs and Communications (MIC), "White Paper on Information and Telecommunications, 2024"

Utilization status of generative AI in business (assistance with emails, meeting minutes, document creation, etc.)

KPIs

- Increase the AI utilization rate of Japanese companies to roughly 100%.
- Promote clarification of AI-assisted inventions and promote R&D using AI (increase research funding in the AI field).

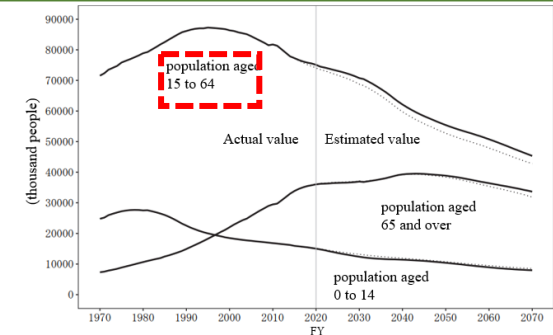
Future plans (direction)

- Encourage AI business operators to take the initiative in disclosure through measures such as the AI Business Operator Guidelines, and **ensure transparency that contributes to collateral while promoting international efforts in the implementation of AI-related systems**.
- The Patent System Subcommittee of the Intellectual Property Committee of the Industrial Structure Council will consider and **clarify the definition of inventors of AI-assisted inventions**.

- ◆ **Significant decline in innovation human resources (intellectual creative human resources), including young researchers in Japan.**
- ◆ **Amid growing international competition to attract highly skilled human resources, strengthen the development of innovation human resources, attract foreign human resources, and promote diversity to enhance the workforce foundation involved in creative activities.**

Current situation and challenges

- The number of PhD holders per million population in Japan is low compared to other countries, **and the percentage in the industrial sector is also low compared to the United States.**
- It is necessary to **encourage IP creation education** as a way to spark interest and involvement in IP creation activities.
- It is important **to promote the acceptance of highly skilled foreign human resources** and to have Japanese people gain diverse experiences overseas.



The broken line indicates the previous median estimate.
(Source) National Institute of Population and Social Security Research, "Japan's Future Population Estimates: 2023 Estimates"

Trends in innovation human resources

KPIs

- Raise the number of PhD holders per million population to the world's highest level by 2040.
- Expand initiatives related to IP education involved in IP creation, protection, and utilization. (Number of cases of initiatives)
- Promote the recruitment of innovative human resources and increase the number of highly skilled foreign human resources. (Number of non-Japanese residents (highly skilled professionals 1 [a] and [b])

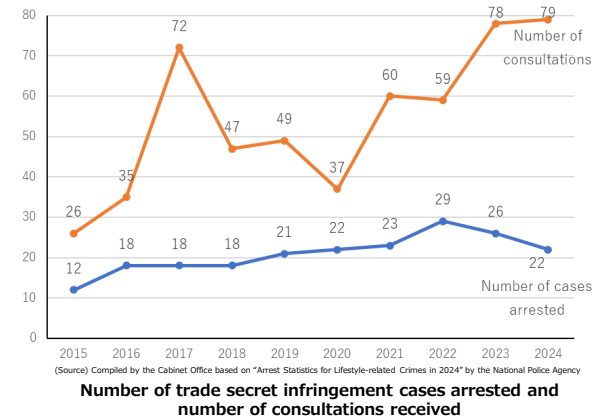
Future plans (direction)

- **Disseminate and promote the "Guidebook for Promoting the Active Participation of Doctoral Human Resources in Private Companies" and "Case Studies of Doctoral Human Resources Role Models Thriving in Companies" created in fiscal 2024.**
- Facilitate the dissemination and implementation of intellectual property creation education through initiatives including **the "Support Program for Schools Developing Intellectual Property Capabilities."**
- **To secure talented young human resources, including graduates from top universities in Southeast Asia and India,** conduct surveys on issues related to employment in Japan and specific needs of companies, and consider specific measures based on the results.

- ◆ The necessity of ensuring security against information leaks in research and development is required in universities, etc., as well as in companies, promoting further measures to prevent the leakage of trade secrets, etc.
- ◆ **Appropriate enforcement and periodic review of measures to prevent the leakage of technologies that have an impact on national security.**

Current situation and challenges

- **The number of consultations received regarding trade secret infringement is on the rise, making it essential to ensure security against information leaks in R&D.**
- With the growing importance of security, it is essential to **take measures to prevent the leakage of security-related technology. Appropriate enforcement of measures against technology leakage and investigation and analysis of target technologies** are necessary.



KPI

- Prevent information leaks and ensure information security, in order to prevent technology leakage (keep track of the number of trade secret infringement cases arrested or consultations received).

Future plans (direction)

- Strengthen **awareness activities aimed at preventing the leakage of trade secrets** by promoting awareness of the "Handbook on the Protection of Confidential Information" and the revised "Guidelines for the Management of Trade Secrets."
- Appropriately enforce the "Public-Private Dialogue Scheme to Technology Management" (enacted in December 2024) and review it as necessary through surveys and analysis of target technologies.
- Implement **measures to prevent technology leakage from the entry stage to the exit stage**, for R&D projects conducted with government funding.

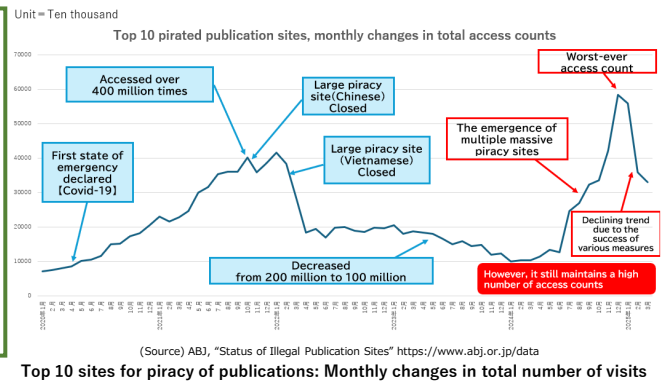
Strengthening Measures Against Piracy and Counterfeit Products

Protection

- ◆ **As damage caused by overseas piracy sites targeting overseas markets expands** and methods become more sophisticated, **the government, in close cooperation with the private sector, will strengthen measures against piracy through close coordination and information sharing to appropriately support private entities' initiatives.**
- ◆ **As the damage caused by counterfeit products becoming increasingly serious, conduct reviews including the need for further measures to deter infringement based on the stricter border controls** and the results of the review of the effectiveness of the revision of the method for calculating damages (revision of the Patent Act in 2019).

Current situation and challenges

- The total number of visits to the top 10 websites for piracy of publications bound for Japan remained high at around 300 million, showing that the situation remains unpredictable.
- **Measures against the negative ecosystem of cross-border piracy are necessary.**
- **The number of IP infringement cases involving counterfeit goods seized by customs exceeded 33,000 in 2024, a record high.**
- **Review the effectiveness of the revised method for calculating damages (2019 amendment to the Patent Act) and consider whether further measures are necessary to deter infringement.**



KPIs

- Reduce access to pirated publications from Japan (the lowest number in the last five years was about 100 million hits).
- Promote border measures to curb damage caused by counterfeit products (keep track of the number of intellectual property infringements seized by customs).

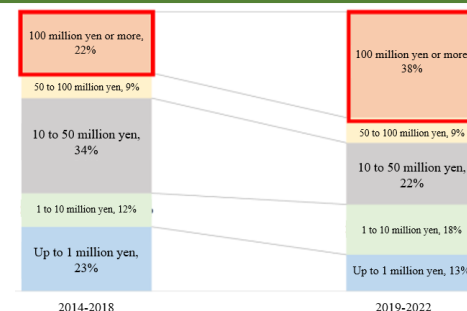
Future plans (direction)

- Through the Liaison Conference of Public and Private Sector Practitioners on Countermeasures against Piracy, **the government, in close cooperation with the private sector, will promote initiatives based on the "Comprehensive Menu and Work Schedule for Countermeasures Against Online Piracy."**
- To address piracy-related damages originating overseas and targeting overseas markets, the government, in close cooperation with the private sector, will work to raise awareness and strengthen international cooperation and enforcement in overseas markets, and promote the distribution of legitimate products.
- Implement strict border controls against counterfeit products and pirated products through collaboration between relevant ministries and agencies based on the 2022 revisions to the Trademark Act and Customs Act, which **makes counterfeit products brought into Japan by overseas businesses by mail and other means subject to customs enforcement.**
- While verifying the effectiveness of the revision of the method for calculating damages (2019 revision of the Patent Act), consider **appropriate institutional measures to deter IP infringement**, including improving the function of patent marking, and **take necessary measures, including amendments to laws.**

- ◆ Toward the realization of an internationally appealing IP system, it is important to adapt to the digitalization of industrial property rights systems, in addition to their globalization, thus examining the ideal industrial property rights system for the DX era.
- ◆ It is also essential to review and improve dispute resolution mechanisms for deterring infringement, verify the effectiveness of revisions to damage calculation methods, as well as **examine appropriate institutional measures for deterring IP infringement.**

Current situation and challenges

- Along with establishing its position as an innovation hub, **further globalizing patent application procedures** is necessary.
- To realize an IP system with international appeal, consideration should be given to **not only globalization but also digitalization, including institutional reforms.**
- **Reviewing and improving dispute resolution mechanisms to deter infringement is also essential.**



(Source) Prepared by Japan Patent Office (JPO) based on "Statistics" on the IP High Court website
Amount awarded in lawsuits claiming damages for patent infringement (Tokyo District Court and Osaka District Court)

KPI

- Promote the enhancement of litigation systems toward IP systems with international appeal (grasp the upward trend in the amount awarded after 2019, and the number of cases accepted for ADR).

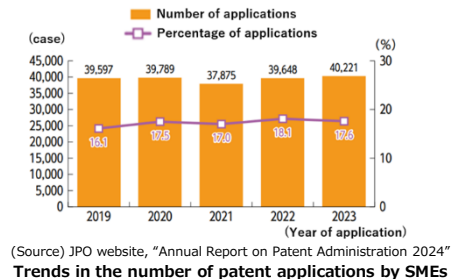
Future plans (direction)

- Conduct **surveys on user needs regarding foreign language written application systems** for promoting innovation.
- **Regarding cross-border patent infringement in network environments**, consider clarifying the requirements for recognizing cross-border exploitation of network-related inventions as actual domestic exploitation, **and take necessary measures including revision of laws.**
- **Consider the necessity of revising the design system based on the actual state of business and design creation in virtual space**, and on the direction of institutional measures, **taking necessary measures including revision of laws.**
- While verifying the effects of the revision of the method for calculating damages (revision of the Patent Act in 2019), consider **appropriate institutional measures to deter intellectual property infringement**, including improving the function of patent marking, as well as **take necessary measures including amendments to laws.**

- ◆ **Strengthen support measures that enable companies to earn through IP** by the promotion of IP utilization and protection among SMEs in rural areas, and by the creation of an environment conducive to AI and DX promotion through the review of IP systems.
- ◆ Discuss the formulation of the **"Ministry of Agriculture, Forestry and Fisheries' Intellectual Property Strategy 2030"** with a view to **"earning" from overseas** through IP protection and utilization in the agriculture, forestry, fisheries, and food sectors.

Current situation and challenges

- **The percentage of SMEs that have obtained patents is less than 18%** due to a lack of knowledge about intellectual property and the regional uneven distribution of support personnel such as patent attorneys.
- To enable SMEs to secure resources for sustainable wage increases while creating innovation and expanding added value, **it is necessary to enhance their "earning power" through IP, which is the source of such innovation and added value.**
- Amid growing demand for agricultural, forestry and fishery products and food in overseas markets, it is necessary to promote the appropriate protection and utilization of IP in preparation for risks such as the outflow of excellent varieties.



KPIs

- To encourage SMEs to earn income from IP, encourage more than 14,000 SMEs to file new applications for patents, etc.
- Increase the value of exports of agricultural, forestry and fishery products and food from about 1.5 trillion yen in 2024 to 5 trillion yen by 2030.

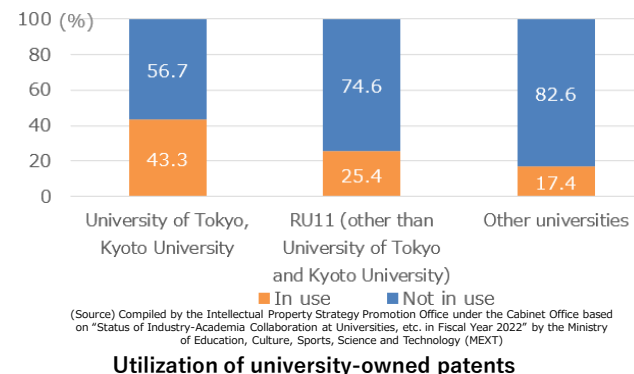
Future plans (direction)

- In addition to the Small and Medium Enterprise Agency, the "IP management support network" will be expanded to gain a broader understanding of IP transactions and to **improve the "IP management literacy" of SMEs and support organizations and provide efficient support for management consultation.**
- Consider formulating and promoting measures to enhance the "earning power of IP" among SMEs **(including improving IP management literacy, promoting IP utilization, including the formation of regional bases, and strengthening IP protection, including improving the functionality of patent indications).**
- **Promote initiatives such as training human resources responsible for agricultural IP and enhancing on-site support systems** to strengthen IP management of agricultural, forestry, and fishery products in Japan.
- To facilitate the export of agricultural, forestry, and fishery products and foodstuffs, **promote the early establishment of a breeders' rights management organization, and consider the development of a framework for the thorough management of excellent varieties in agricultural production.**
- In light of the EU's decision to include handicrafts as GI products, **monitor EU trends and consider whether to introduce GI in Japan.**

- ◆ With the aim of maximizing opportunities for the social implementation of university IP and creating a virtuous cycle of funding, make progress in promoting the proliferation of university IP governance guidelines and understanding the actual state of industry-academia collaboration, and **consider necessary measures such as collecting, analyzing, and releasing exemplary cases.**
- ◆ To build IP strategies that are important for the commercialization of startups, promote initiatives such as providing strategy-building support for startups, while **supporting the dispatch of IP professionals and the training of intellectual property strategy support professionals through public-private collaboration.**

Current situation and challenges

- **Maximizing opportunities for the social implementation of university IP and further improving the virtuous cycle of funding are required**
 - About 80% of patents held by universities are unused. Opportunities for implementation can be expanded.
 - With the increasing mobility of researchers, guidelines for the handling of intellectual property upon the transfer or retirement of researchers at universities, etc. need to be promoted.
 - There are scattered cases of rigid contract negotiations that do not allow any changes.
- There is a shortage of IP professionals who can support the proliferation of IP in the startup ecosystem and the development of IP strategies for startups.



KPIs

- Encourage maximization of opportunities for social implementation of intellectual property through dissemination of University Intellectual Property Governance Guidelines (social implementation examples and understanding of the current situation)
- Promote the development of startups through intellectual property support measures (grasp the current situation, including startup support satisfaction and case studies)

Future plans (direction)

- In addition to disseminating the University Intellectual Property Governance Guidelines and the Guidelines for the Handling of Intellectual Property upon the Transfer or Retirement of Researchers at Universities, etc., conduct surveys on the actual state of industry-academia collaboration and **consider necessary measures such as collecting, analyzing, and releasing exemplary cases.**
- **Provide seamless IP support** at each phase of commercialization, from the discovery of seeds to the formulation of exit strategies.
 - Human resources dispatch support: iAca (IP support project for the social implementation of research achievements at universities, etc.), IPAS, VC-IPAS
 - Human resources development support: Improvement of training based on skill maps for IP support professionals

- ◆ **The New International Standards Strategy** has been formulated to solve issues facing the international community and Japan, contribute to economic security, and create markets through international standards.

Current situation and challenges

- Although progress has been made in international standardization efforts, **awareness reform in industry, academia, and government, as well as the development of specialized human resources, are still in their infancy.**
- Cross-cutting standardization has expanded recently in areas such as digitalization, generative AI, climate change, economic security, and systems. Europe, the United States, and China have each formulated the international standards strategies and are strongly promoting standardization.
- **It is essential for Japan to actively participate in international standardization activities** to ensure both national security and greater access to global markets.

Future plans (direction)

[Point 1: Strengthening leaders in international standards]

- To lead international standardization activities, initiatives will be promoted, **including engaging with the business and academic communities, developing and strengthening relevant human resources and specialized services, and strengthening international networking and cooperation with other countries.**

[Business community, academia, and government] Change management awareness, support for standardization in R&D, subsidies, and public procurement

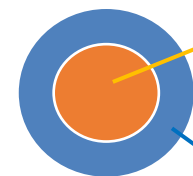
[Specialized human resources and services] Strengthen human resource development systems, support overseas cooperation and facility development to strengthen testing and certification authorities

[International cooperation and networks] Active participation in international organizations, promotion of international mutual recognition, and invitation of international conferences

[Establishment of public-private partnership forums] Establishment of a headquarters through public-private partnership, information sharing between the public and private sectors, and overseas public-private networks

[Point 2: Selection of strategic and key domains]

- **17 key domains** that are important to the international community and Japan, and where international standards can be a key success factor, have been selected. Based on the urgency of response, **eight strategic domains have been selected from among the key domains.**
- In the future, resources will be concentrated and allocated by the public and private sectors.



Strategic domains

key domains

- | | |
|--|---------------------------------|
| (1) Environment & energy | (5) Mobility |
| (2) Food, agriculture, forestry, & fisheries | (6) Information & communication |
| (3) Disaster Prevention | (7) Quantum |
| (4) Digital & AI | (8) Bioeconomy |
| (9) Nursing & welfare | (12) Space |
| (10) Infrastructure | (13) Semiconductors |
| (11) Fusion | (14) Materials |
| | (15) Resources |
| | (16) Ocean |
| | (17) Medical & healthcare |

[Point 3: Economic security]

- Based on the perspectives of ensuring autonomy, securing, maintaining, and strengthening superiority and indispensability, and maintaining and strengthening the international order, Japan will utilize international standards through cooperation with allied countries and responses to the inflow of goods and services from countries of concern. (This covers key areas of economic security in the strategic domains and key domains.)

◆ To promote the utilization of data, comprehensive discussions are conducted in Japan to **promote the development of an environment for data utilization.**

Current situation and challenges

- In the EU and other regions, **systems for data utilization are rapidly being developed** in fields including healthcare, finance, and industry, consistently with personal information protection laws.
- **It is necessary to implement data handling rules** based on the “Guidance for Platform Data Handling Rules Ver. 1.0” (established in April 2022), which serves as a reference for implementing data handling rules.
- The new international standards for national accounts (2025 SNA) have adopted the recording of data as fixed capital.

KPI

- Establish KPIs at an appropriate time in the future, based on progress in discussions on data utilization across the government.

Future plans (direction)

- Encourage the use of Guidance for Platform Data Handling Rules ver1.0.
- **Prepare basic policies on the future of data utilization systems in Japan by June 2025.**
- **Promote the understanding and management of data as a source of corporate value**, in addition to R&D expenses and IP, as part of efforts to enhance the value of IP and intangible assets and promote investment. The newly formulated “New International Standardization Strategy” aims to promote the establishment of rules related to data as one of its strategic domains.

	Data protection	Data utilization (individual-based [primary use], society-based [secondary use])	
EU	GDPR (2016)	Data Act (2023)	Data Governance Act (2021)
		Data Space Concept (2020)	
		EHDS (Medical, 2025)	PSD3 (financial settlement, under consideration)
Japan	Personal Information Protection Act		
USA	Federal HIPAA (Federal Law, Medical, 1996)	GLBA Act (Federal Law, Finance, 1999)	Autonomous data integration and utilization within private companies (large-scale digital platforms)
	Each state CCPA (California) etc. (General Law, Special Law)		



(Source) Compiled by the Intellectual Property Strategy Promotion Office under the Cabinet Office based on “Progress and Further Measures for Digital Administrative and Fiscal Reform” (February 20, 2025, 9th Digital Administrative and Fiscal Reform Conference materials)

Comparison of legal systems in Japan, the US, and the EU

Implementation of New Cool Japan Strategy

- ◆ By positioning Cool Japan-related industries as key industries, aim to achieve a total overseas expansion of 50 trillion yen or more by 2033 and increase the percentage of Japan fans by 10 points.
- ◆ To promote Regional Revitalization 2.0 utilizing Cool Japan, strengthen collaboration between concerned government ministries, local governments, and private organizations, and promote interdisciplinary collaboration that maximizes the use of local resources.

Current situation and challenges

- Based on the latest figures for Cool Japan-related industries, the total overseas expansion amounted to **27.1 trillion yen, an increase of 8.0 trillion yen, or 41.92%, from the previous year's actual figures.**
- The percentage of people who like Japan as a country **is 56.2% on average worldwide**, 60.3% in Asia, and **31.0%** on average in Europe, the United States, and Australia.
- **Compared from a global perspective (dollar basis), travel revenue as a percentage of GDP is higher in Japan than in the United States, and about 2.5 times higher in the United Kingdom and France.** Intellectual property royalties are **on an upward trend and their share of GDP is significantly exceed those of the United States, and are almost the same as those of Germany, which has a similar GDP.**

		Current survey figures(trillion yen)	Change (%)	Previous survey (trillion yen)
Overseas expansion of content (overseas market size)		5.8 (2023)	23.22	4.7 (2022)
Amount of travel spending by foreign visitors to Japan (inbound tourism)		8.1 (2024)	53.39	5.3 (2023)
Food	Export value of agricultural, forestry and fishery products and food	1.5 (2024)	3.64	1.5 (2023)
	Sales of local subsidiaries of food manufacturers*	7.3 (2023)	109.00	3.5 (2022)
Fashion	Export of textiles and textile products	1 (2023)	2.85	0.9 (2022)
	Overseas sales of major fashion manufacturers	1.8 (2023)	26.83	1.4 (2022)
Cosmetics	Export of cosmetics	0.6 (2023)	-21.05	0.8 (2022)
	Overseas sales of major cosmetics manufacturers	1.0 (2023)	-4.77	1.0(2022)
合 計		27.1	41.92	19.1

*The previous survey recorded "overseas sales of major food manufacturers" based on a survey conducted by the Cabinet Office, but from this survey, "sales of local subsidiaries of food manufacturers" based on the "Survey of Basic Overseas Business Activities" conducted by the Ministry of Economy, Trade and Industry (METI) is used.

Overseas expansion of industries related to Cool Japan

KPIs

- The economic effect of Cool Japan-related industries, including overseas expansion of content, inbound tourism (amount of travel spending by foreign visitors to Japan), overseas expansion of agricultural, forestry, and fishery products, and overseas expansion of fashion and cosmetics, will exceed 50 trillion yen by 2033.
- To increase the number of fans of Japan, the percentage of people in each country and region who "I love Japan" will be increased by 10 percentage points by 2033.

Future plans (direction)

- Select regional initiatives that promote economic ripple effects through public-private partnerships centered on content, **designate them as Content Regional Revitalization Bases, and aim to officially identify approximately 200 locations nationwide by 2033** to revitalize regional economies.
- Promote the development of experiential and high value-added offerings that meet global demand, and **expand overseas markets** through market-oriented branding. In addition, address risks associated with international political and economic conditions and strengthen outreach capabilities to expand Japan's global fan base.

(Reference 1) Creating a Virtuous Cycle of Regional Revitalization Through Content

- Against the backdrop of the growing global popularity of anime and other content, the number of foreign visitors to related places, such as locations that appear in anime, has been increasing recently. The popularity of content is having a ripple effect on other fields such as inbound tourism and food.
- Leveraging content to enhance the appeal of regions, attract high-value-added inbound tourists, and achieve regional revitalization.

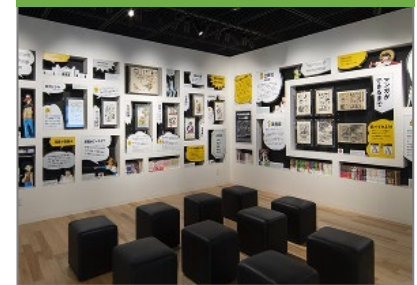
Expo 2025 Osaka, Kansai, Japan Anime and Manga Tourism Festival Exhibiting Regions



Ashikaga Scramble City Studio



Yokote City Masuda Manga Museum



By promoting anime tourism, location incentives, the establishment of museums and art galleries, and the creation of locally-based content and related products, as well as the creation of bases that generate high-value-added using the appeal of content, through collaboration between relevant government ministries, local governments, and the business community, aim to create a virtuous cycle of successful cases and expanded inbound tourism.



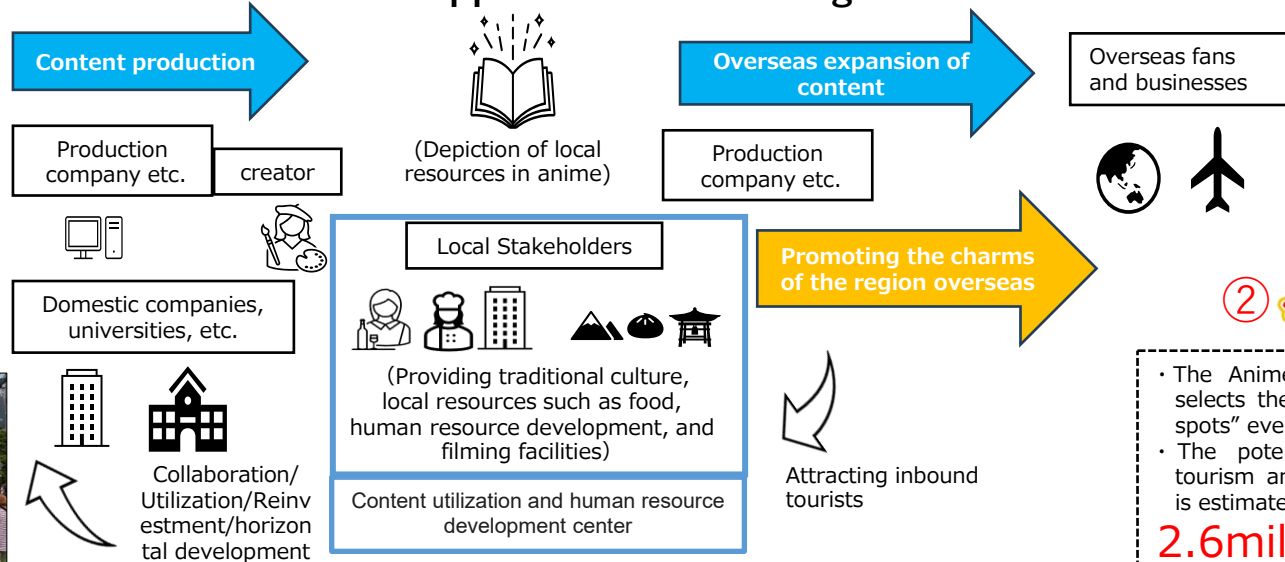
Formulation of a Virtuous Cycle of Content and Regional Revitalization Plan
Selection of about 200 locations nationwide by 2033
(Designated by the Cool Japan Strategy Council)

- Designation of Content Regional Revitalization Bases (tentative name)
- Priority support for initiatives originating from content that integrate the entire region, mobilizing all relevant measures
- Elimination of overtourism by facilitating travel within the entire prefecture

- ◆ Support location incentives and promote the creation of "pilgrimage" for filming in order to revitalize regional areas through the use of movies and videos (awards will be given)
- ◆ Promote location-based tourism and anime tourism through close cooperation between the government and the private sector
- ◆ Develop a "National Center for Media Arts" (tentative name) and refine tourism content that utilizes cultural resources
- ◆ Develop tourism content that utilizes local resources, cultivate appropriate sales channels, and provide comprehensive support for information dissemination
- ◆ Support initiatives to revitalize regional areas through the use of content

(Reference 2) Virtuous Cycle of Content and Regional Revitalization Plan

<Create economic opportunities in the region>



- The Anime Tourism association selects the "Japanese Anime 88 spots" every year.
- The potential scale of anime tourism among inbound tourists is estimated to be

2.6million people, with domestic consumption of 400 billion yen.

(As of 2016: 24 million international visitors to Japan)

200 locations nationwide selected (by 2033)
An average economic ripple effect of about 5 billion yen per location is expected.
Approx. 1 trillion yen

(3) A bustling hub

- Kyoto International Manga Museum: about 300,000 visitors per year
- Shigeru Mizuki Road: about 1.5 million visitors per year
- Oita Hita "Attack on Titan Museum" 5.5 billion yen in 3 years, over 300,000 visitors (40% of whom are foreign nationals)
- Ghibli Park: 1.8 million visitors per year



Attack on Titan at HITA Museum ANNEX

(4) Collaboration product development

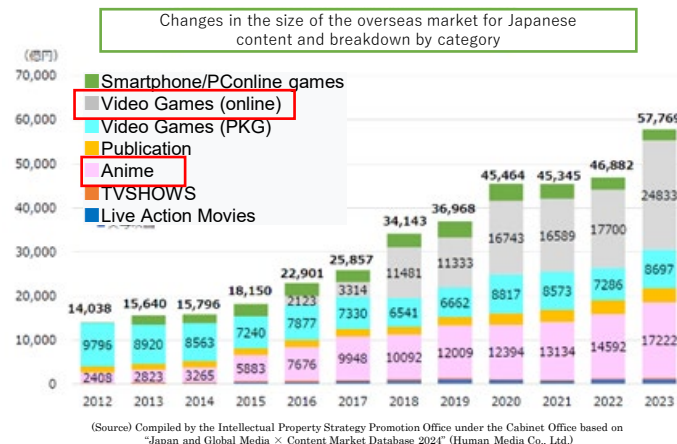


Collaboration product between Attack on Titan and traditional crafts of Hita

- ◆ Clarify the goal of **expanding the overseas market size of the entertainment and content industry to 20 trillion yen by 2033.**
- ◆ **As a command center, the Content Industry Public-Private Council** will hold strategic discussions to promote the content industry and **implement a PDCA cycle between the public and private sectors.**

Current situation and challenges

- In 2023, the domestic and overseas market size of Japan's content industry was larger than that of the semiconductor industry, making it one of Japan's core industries. (**Domestic: 13.3 trillion yen, overseas expansion: 5.8 trillion yen**).
- **The global market expanded significantly by 26.1% between 2019 and 2023.** The scale of overseas expansion in Japan between 2022 and 2023 grew at a rate of 15% (dollar basis).
- Major challenges remain, including the ability to expand business overseas, structural reforms to support digital business, and strengthening human resources to support the content industry.



KPIs

- Expand the overseas market for Japanese content to 20 trillion yen by 2033.
- Regarding the promotion of digital archives, aim to bring the scale, scope, and convenience of Japan Search to the same level as Europeana by 2035.

Future plans (direction)

- **Consider further clarification of the role of the command center.**
- **Grasp the current situation of the business environment, including tax systems** in other countries, and **examine effective support measures for the content industry**, such as the film industry.
- **Examine solutions to various issues related to the improvement of the working environment** for the production of films produced under the guidelines for appropriate film transactions established by the Japan Film Production Organization.
- **Set targets for national archive institutions and Japan Search based on the digital archive strategy and follow up on their progress.**

Outline of Intellectual Property Strategic Program 2025

0. IP Transformation

1. “Creation” of Intellectual Property

- Value creation through investment in IP and intangible assets
- AI and intellectual property rights
- Strengthening creative human resources and realizing diversity

2. “Protection” of Intellectual Property

- Prevention of technology leakage
- Strengthening measures against piracy and counterfeit products
- Strengthening the industrial property rights system and operation
- Intellectual property protection in the region

3. “Utilization” of Intellectual Property

- Promoting social implementation through industry-academia collaboration
- Startup supports
- New international standardization strategy
- Realizing and improving data distribution and utilization environment

4. Follow-up on New Cool Japan Strategies

- Implementation of the New Cool Japan Strategy
- Content strategies

Intellectual Property Strategic Program
2025

~IP Transformation~

June 3, 2025

Intellectual Property Strategy Headquarters