Questions and Answers about "Startup Visa Kyoto"

1 About the system of the "Program to Promote Startup Businesses by Foreign Nationals in the Kyoto Prefecture National Strategic Special Zone"

#### Q.1 Who is eligible?

(A.1)

Foreigners who wish to start a new business in Kyoto Prefecture within 6 months after landing in Japan are eligible to apply.

In principal, foreigners already residing in Japan with a different status of residence are not eligible to apply. (Excluding the "Student" or "Designated Activities (Notification No. 44) " status of residence)

### Q.2 What is this system about? How does it differ from the normal status of residence "Business Manager" recognized by the Regional Immigration Bureau?

(A.2)

This system was established as a special case under the "Business Manager" status of residence. Normally, in order for a foreign entrepreneur to obtain the "Business Manager" status of residence, he or she must set up an office, as well as hire at least two employees (\*) or have a certain amount of capital.

(\*) Aside from Japanese nationals, those who obtain the status of permanent resident, spouse or child of a Japanese national, spouse or child of a permanent resident, or long-term resident. Please contact the regional immigration bureau for more details.

Under this system, we provide international entrepreneurs a chance to obtain a status of residence which allows them to stay in Kyoto for 6 months for the purpose of launching a startup business. Within 6 months after landing in Japan, the applicant must meet the above conditions required to start, and prepare a sound business plan that is deemed appropriate for strengthening international competitiveness and establishing a base for international economic activities in Kyoto. For those who are recognized as eligible, a Startup Visa (the tentative "Business Manager" status of residence) will be approved for a period of six months. Normally, the status of residence is authorized by the Regional Immigration Bureau, but under the project, another step, which is receiving a certificate from Kyoto Prefecture, is needed before going to the Regional Immigration Bureau.

If you think that you already meet the requirements for the regular status of residence of "Business Manager", we suggest that you contact directly the Regional Immigration Bureau. If you are thinking of starting a business in Kyoto Prefecture, and if the necessary preparation is ready to be completed within 6 months, we encourage you to apply through the "Program to Promote Startup Businesses by Foreign Nationals in the Kyoto Prefecture National

Strategic Special Zone (Startup Visa)" system.

### Q.3 If I do not intend to acquire the status of residence of "Business Manager", can I get some advice or help to start a business?

#### (A.3)

This system, centered around the Kyoto Overseas Business Center and its affiliated organizations, not only provides support for issuance of the status of residence of "Business Manager", but also provides comprehensive support including advice from external experts regarding entrepreneurship and management, legal support from administrative scriveners when establishing a corporation, and support for housing and general living.

Also, at the consultation and support desk, we have a concierge who was involved in setting up a company in Silicon Valley in the United States, so we can provide advice based on real experience.

\*Please make sure to schedule an appointment in advance if you want to consult with us regarding applying for the startup visa or starting a business.

Visits without an appointment (including online format) will not be accepted.

### Q.4 Is it guaranteed to receive the "Business Manager" status of residence if I receive a "Certificate of Confirmation of Business Startup Activities" from Kyoto Prefecture? (A.4)

The "Certificate of Confirmation of Business Startup Activities" issued by Kyoto Prefecture puts you in a favorable position to receive a certification of status of residence by the Regional Immigration Bureau, but it does not guarantee that you will be certified for the "Business Manager" status of residence. The final decision will be made by the Regional Immigration Bureau.

## Q.5 What elements are important for consideration in the "Plan for Business Startup Activities". Is there a chance that my application for the "Certificate of Confirmation of Business Startup Activities" may be declined?

#### (A.5)

"Plan for Business Startup Activities" and other related documents are evaluated from the perspective of whether or not there is a high probability that they will be certified under the normal "Business Manager" status of residence within 6 months startup business preparatory period. We will carry out the "confirmation of business startup activities" for those plans that have a sufficient probability.

For that purpose, it is important to include the following information in the "Plan for Business Startup Activities" and other relative documents to be submitted in an easy-to-understand manner.

• What kind of business do you want to start? [Business description]

• Which area of Kyoto do you want to start in? [Business implementation area]

• What kind of preparation and activities are necessary to start your business? [Specific plans until the start of business]

• How much money do you need to start a business (startup preparation activities)? How much capital is required to certify the status of residence "Business Manager" 6 months later. How will you raise funds? (Funds for preparatory activities for starting a business, funds when applying for renewal "Business Manager" status of residence, and how to raise each type of funds)

• When and where will you set up a business office? [Location and timing]

• If setting up a company, who will be the corporate officer(s) and what role will they play? [Corporate officer]

• What is the size of the business? [Business scale]

• Have you secured your place to stay during the startup business preparatory period before you start your business? Do you have sufficient money to live on? [Location of residence, Amount of funds for living]

Please note that we cannot carry out the "confirmation of business startup activities" if we do not see high feasibility from the documents that you have submitted.

### Q.6 I currently live outside of Japan. I am thinking of coming to Japan in the future. Can I apply?

(A.6)

Yes, you can. Please contact the consultation and support desk by email first.

### Q.7 I currently live in Kyoto Prefecture with the status of residence " Student", but I plan to move to another prefecture soon. Can I still apply?

(A.7)

There are no restrictions on the applicant's current address. However, after obtaining the status of residence as "Business Manager" (Startup Visa), the preparation activities should take place in Kyoto Prefecture, and the newly set up office must be established in the area, too. If you live in an area that is not suitable for carrying out the preparation for the startup business in Kyoto Prefecture during the 6 months period, it will be difficult for us to assess the "confirmation of business startup activities".

### **Q.8 I plan to establish an office outside of Kyoto Prefecture. Can I use this system?** (A.8)

This system is for foreign entrepreneurs who wish to start a business and set up an office in Kyoto Prefecture in the future, therefore, you are not eligible for the system.

### Q.9 I am currently staying at a hotel for a short period. What address should I fill in the application form?

#### (A.9)

The address must indicate where you can be reached during your 6 months stay. If it changes, be sure to contact the consultation and support desk (JETRO Kyoto Trade Information Center) with the updated address so that we can contact you anytime.

< The Consultation and Support Desk (JETRO Kyoto Trade Information Center)> Address: KYOTO KEIZAI CENTER 3rd floor, 78 Shijyo-dori Muromachi-higashiiru kankobokocho, Shimogyo-ku, Kyoto 600-8565, Japan Tel: 075-341-1021 (Weekdays 9am~6pm) Email: <u>KYO-startup@jetro.go.jp</u>

### Q.10 I do not plan to start my own business (not to be involved with the business), but my family (relatives) plans to start a business in Kyoto Prefecture. Can I apply? (A.10)

This system is intended for those who will newly start their own business (managers, executives, etc.), so family members or acquaintances cannot be included in the application. Moreover, even if you or other family members are planning to work as employees, you/they are not eligible for the system. However, it is possible that you/they may fall under other statuses of residence, please consult with the Regional Immigration Bureau.

### Q.11 I plan to take over the company that my acquaintance runs. Can I also use this system?

#### (A.11)

This system is intended for foreign entrepreneurs who will newly start a business, therefore you are not eligible for the system if you are taking over an existing company. For inquiries regarding statuses of residence, please contact the Regional Immigration Bureau.

### Q.12 I plan to start a joint business with two or more people. How should we apply? (A.12)

Status of residence is certified individually; each person must prepare and submit an application form separately. Under joint management, items from "2. Business Outline" to "5. Funding Schedule" of the Plan for Business Startup Activities may have the same contents, but it is still necessary to create application documents and apply for it separately.

# Q.13 I plan to start a business with two or more people, but only I will be involved in management, and the other people will work as employees, how should we apply? (A.13)

This system is intended for foreign entrepreneurs who wish to start their own business (as a manager), employees will not be covered by the system. Whether or not you are "involved in management" will be determined by how substantial your investment in the business (investment ratio) is, and your role in the business.

### Q.14 How long is the "Certificate of Confirmation of Business Startup Activities" valid for?

(A.14)

It is valid for 3 months. Please submit the certificate along with other required documents to the Regional Immigration Bureau and apply for the "Business Manager" status of residence within the period of validity. For more details, including the required period of the procedure, please contact the Regional Immigration Bureau directly.

### 2 About application procedure

### Q.15 Where can I get the application form?

(A.15)

Please download the application form https://www.kyoto-obc.jp/en/startupvisa/sougyou/.

### Q.16 Where should I submit the application form?

(A.16)

Please submit the Plan for Business Startup Activities and other required documents to the consultation and support desk indicated below.

Please note that pre-consultation before applying is mandatory. Please make sure to get in touch with the Consultation and Support Desk first by e-mail.

< The Consultation and Support Desk (JETRO Kyoto Trade Information Center)> Address: KYOTO KEIZAI CENTER 3rd floor, 78 Shijyo-dori Muromachi-higashiiru kankobokocho, Shimogyo-ku, Kyoto 600-8565, Japan Tel: 075-341-1021 (Weekdays 9am~6pm) Email: <u>KYO-startup@jetro.go.jp</u>

### Q.17 How long does it take to get a result after submission?

#### (A.17)

It takes 2 to 3 months from the application for "Pre-consultation" to the issuance of the "Certificate of Confirmation of Business Startup Activities". It may take longer depending on the progress of the business plan. Please allow a sufficient period for your plan and apply in advance for "Pre-consultation".

In addition, in order to obtain the "Business Manager" status of residence under Startup Visa Kyoto system, it is necessary to complete the required procedures at the Regional Immigration Bureau with the necessary documents attached to the "Certificate of Confirmation of Business Startup Activities" issued by Kyoto Prefecture. For more details on the required procedures, please contact the Regional Immigration Bureau directly.

### Q.18 If anything changes, such as my address, contact information, or business description after submitting the application, what do I need to do?

(A.18)

For a change of address (contact information), you need to submit a "Notification of Change" (Form 2). Please fill in the form with the changes and submit it to the consultation and support desk (JETRO Kyoto Trade Information Center) by e-mail.

\*Please download Form 2 from URL: https://www.kyoto-obc.jp/en/startupvisa/sougyou/ If we are in the process of issuing a "Certificate of Confirmation of Business Startup Activities", any changes you make to the business content will affect the approval process. Please contact the consultation and support desk (JETRO Kyoto Trade Information Center) immediately.

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Q.19 How will I be notified of the results? Where can I get the "Certificate of Confirmation of Business Startup Activities"? Is there a fee? Also, how do I know if I failed to receive the "Certificate of Confirmation of Business Startup Activities"?

(A.19)

You will be contacted by telephone or e-mail if the "Certificate of Confirmation of Business Startup Activities" is issued. Please come and collect the certificate at the consultation and support desk (JETRO Kyoto Trade Information Center). This is free of charge.

If the Certificate of Confirmation of Business Startup Activities " is not issued, we will notify you with a " Notification of the Results of Business Startup Activities Confirmation ".

#### 3 About filling in the Plan for Business Startup Activities and other forms

#### Q.20 Where can I get a help if I do not know how to fill in the forms?

(A.20)

Please contact the consultation and support desk (JETRO Kyoto Trade Information Center). Please make a reservation in advance if you plan to visit us in person.

< the consultation and support desk (JETRO Kyoto Trade Information Center) > Address: KYOTO KEIZAI CENTER 3rd floor, 78 Shijyo-dori Muromachi-higashiiru kankobokocho, Shimogyo-ku, Kyoto 600-8565, Japan Tel: 075-341-1021 (Weekdays 9am~6pm) Email: <u>KYO-startup@jetro.go.jp</u>

### Q.21 If I run out of space to fill out some information in the downloaded documents, what should I do?

(A.21)

You can edit the word document (insert lines, etc.) and fill out more information.

# Q.22 Can I fill in the documents in my own language? If you have appendix documents (originals) and they are not in Japanese or English, do I need to get a translated version in Japanese or English?

(A.22)

Any application forms must be in Japanese or English. Please write your name in English alphabet or Kanji (Hiragana, Katakana).

If you are submitting documents other than Japanese or English (copy of certificate, etc.), please provide the translation either in English or Japanese.

### Q.23 The overall picture of the business to be implemented is not clear yet. Is it okay to leave it as blank where I cannot fill in?

(A.23)

The plan should include contents that ratify what is feasible and possible as regards to planning. Do not enter anything that is not true or that is very unlikely to be true. It is OK to leave it blank if you are not sure, but the judgement will be made based on the contents of the plan, so we recommend you to carefully consider your plan before applying.

#### the Business" in the Plan for Business Startup Activities?

#### (A.24)

If you start a business by yourself (100% own investment), descriptors such as "representative director", "general manager", and "overseeing the entire business as a representative" are appropriate. If you start a business (apply for startup business) together with someone else who is a foreign national, or if you have a Japanese manager, please contact us.

Q.25 If I plan to start a business without creating a company, what should I fill out for "Capital (or Own Funds)" regarding "1. Overview of Applicant, (5) Startup business plan, (e) Capital (or Own Funds)" in the Plan for Business Startup Activities? (A.25)

If you are a sole proprietor, please state the amount of funds that has been prepared specifically for starting the business as "Capital (or Own Funds)".

In general, when conducting business as a corporation such as a stock company, the business registration date shall be the business start date, and if the business is not a corporation and is started as a personal business, the business start date shall be the date when the "Notice of Start of Business" is submitted (to the tax office). The business start date can also be the date when the first sales are recorded.

Q.26 Since I'm new to Japan, I can't come up with a specific content or amount (level) of the sales outlets, sales unit price, and breakdown of costs required in "2. Business Outline" in the Startup Preparation Activity Plan. What should I do?

#### (A.26)

Starting a new business requires a lot of capital and a lot of work, and the risk of failure is not small. We would suggest you to apply after having gained sufficient knowledge in your area of expertise as well as having a concrete vision of your business.

Q.27 Regarding "2. Business Outline, (5) Reasons for Profitability (Innovative Technology/Products/Services, Business Model, etc.)" in the Plan for Business Startup Activities, I do not intend to conduct the business for making profit, in that case, what should I say in the form?

#### (A.27)

Even if you do not anticipate the business to generate profits, it might still be eligible if it is meant to "strengthen the international competitiveness of Kyoto Prefecture's industry, expand employment, contribute to the local economy, and build the foundation for international economic activities."

However, as a general understanding, profit should come from a good size of business and

that element is recognized as business probability, so we cannot guarantee that your plan will be accepted. If what you would like to run is not in relation to a for-profit business, please contact the Regional Immigration Bureau for more information and other possible statuses of residence.

### Q.28 I plan to start a business right away. Is it still necessary to write a schedule for the coming 6-months for "3. Scheduled Entrepreneur Activities" in the Plan for Business Startup Activities?

(A.28)

In that case, please fill out the details of your business development activities (sales activities, production activities, etc.), sales figures, and financing plans after starting the business.

### Q.29 I do not know the anticipated sales figures or expenses in the future. What should I fill out for "4. Profit Plan" in the Plan for Business Startup Activities? In addition, how should I itemize the breakdown of sales and expenses?

#### (A.29)

It may be difficult to predict the amount of future sales and expenses, but that information is essential for determining the sustainability of the business for the purpose of confirming the Plan for Business Startup Activities. Please state some figures that are in line with the nature of the business (average unit price, number of customers, etc.).

For the breakdown of sales and expenses, please state some general items (items that cost a lot, items that show the characteristics of the business, etc.), for anything else, state as "Others".

# Q.30 I intend to work during the period of stay permitted by this system in order to save some money for starting a business and cover my living costs. In that case, do I still need to describe how I plan to raise the capital?

#### (A.30)

The period of stay permitted by this system is for the purpose of the business startup activities. An act of working (non- qualified activity), such as working for a company is not allowed. It will be difficult to confirm the startup preparation activity if the necessary funds for the coming year of living and business startup activities are not secured in advance. The same judgment will be applied regarding the expected capital that is required for renewal a status of residence as "Business Manager" in 6 months later.

#### 4 Miscellaneous

### Q.31 I have never used a personal seal. I think it takes time to create one in Japan. Is it mandatory to stamp it on the documents?

#### (A.31)

You may use your signature for this application. As a general rule, please use the same signature as the one in your passport.

For your reference, having your own personal seal may help when opening a bank account, which is one of the business startup activities going forward.

# Q.32 Could you be more specific on the meaning of documents that prove the applicant's address for the 6 months upon his/her arrival in Japan or after having changed his/her status of residence?

(A.32)

If you plan to rent a place to stay, provide a copy of your rental agreement or rental application. If you plan to stay at a long-stay accommodation, provide a copy of the confirmation of reservation. If you plan to stay at your acquaintance's house or apartment, provide a document created by the person who lives in the house or the apartment to authorize your stay, along with a document that proves the person's address (rental contract, etc.).

# Q.33 Could you be more specific on the meaning of documents that prove the applicant's accommodation of the 6 months after landing in Japan or having changed the status of residence and the documents that state the business funds to carry out the Plan for Business Startup Activities?

(A.33)

The living expenses are assumed to be all of your expenses (approximate: about 1.1 million yen) that covers your stay for 6 months and the cost of a one way flight for returning to your home country in case you cannot stay in Japan. The living expenses may vary depending on the individual household situations, but we ask you to attach a document that confirms a certain bank balance.

The business funds refer to the expenses to carry out a business during business startup activities, and you may be asked to provide some documents that show enough of a bank balance.

Ultimately, the system is meant to allow you to stay for 6 months for business startup activities towards the goal of renewal a nomal "Business Manager" status of residence. In order to do that, it is necessary to hire at least 2 full-time employees (aside from Japanese nationals, permanent residents, spouses of Japanese nationals, spouses of permanent residents, etc., who are residents with the status of residence of a permanent resident) or to secure a certain amount of capital (5 million yen or more.)

In principle, working (non-qualified activities) in parallel with business startup activities is not permitted, therefore it is important to save the necessary amount of funds before applying for this project. That financial element is also crucial for the screening process of the confirmation.

### Q.34 I heard that under this system the status of my progress will be checked regularly even after I have been granted the status of residence. What exactly am I expected to do?

(A.34)

During the period of obtaining a status of residence under this system and conducting business startup activities, an interview will be conducted by the consultation and support desk concierge once every two months to confirm the progress of your plan. At that time, you may be required to submit necessary documents (passbooks that show the status of your living expenses and business funds, contract status regarding the leasing of business establishments and the employment of employees, a certificate of the registered matters, articles of incorporation, etc.).

If we see some foreseeable difficulties to continue your business from the materials that we have given, we may instruct the applicant to return home. (See also Question 40.)

In addition, if you have established a corporation using a co-working space or shared office that is approved by Kyoto Prefecture as a place of business, and have obtained the first renewal of your status of residence "Business Manager" (Startup Visa), please continue to respond to the bimonthly "progress check, etc.". You may be asked to submit the necessary materials before the renewal.

### Q. 35 From what point in time should I start for my resume? What should I do if there are too many entries (academic background and work history) to fill in?

(A.35)

There are no specific rules but you should include some contents that support the feasibility of the new startup business you are proposing, such as major courses of study and areas of research at school, experience and achievements at work, etc. If you need more space, you can create some to accommodate the information.

### **Q.36 Can I use an agent to complete the application procedures on my behalf?** (A.36)

An agent as described below can submit the application documents on behalf of the applicant. Please note that in principal we do not accept applications by post.

< Persons who can submit documents >

#### (a) Applicant themselves

(b) An attorney to appoint the application with regards to setting up a business when the applicant is outside of Japan (in cases of a corporation, it should be a member of staff)
(c) An attorney at law or administrative scrivener who has notified the director of the regional immigration services bureau exercising jurisdiction over the area where the bar association or the administrative scrivener association to which the attorney or the administrative scrivener belongs is located through the association

If the application documents are to be submitted by a person falling under (b) or (c), please also submit documentation that shows the relationship between this person and the applying foreign national, and that verifies this person is in such a position.

### Q.37 What kind of procedures are expected when the period of Startup Visa ("Business Manager" status of residence) expires?

(A.37)

If you wish to continue to stay in Japan to manage your business after the expiration of the Startup Visa ("Business Manager" status of residence), please follow the procedures for renewing your status of residence as "Business Manager" (regular) at the Regional Immigration Bureau. If it is difficult for you to continue the business startup activities during the six month period for the Startup Visa ("Business Manager" status of residence), or if renewal of your status of residence to "Business Manager" (regular) is denied, you must return to your home country. Please secure funds for your return travel expenses (equivalent to a one-way ticket to your home country) separately from the startup business funds. Please also refer to the answer to Question 41.

#### Q.38 Does my business fall under the Business Target?

(A.38)

The purpose of the program is to strengthen the international competitiveness of Kyoto Prefecture's industries, increase employment, promote circulation to the local economy, and develop Kyoto as an international economic hub. Here are the targeted areas of business.

(1) Manufacturing fields such as traditional industries and advanced industries

- (2) Al  $\cdot$  IoT  $\cdot$  Information and communication field
- (3) Environment Energy field

(4) Life science  $\cdot$  wellness field

(5) Social business field

- (6) Culture · art · content field
- (7) Agriculture, Forestry and Fisheries  $\cdot$  Fields related to Kyoto's food culture

(8) Tourism field (Excludes tourist souvenir sales facilities, restaurants, etc. that are mainly used by tourists)

(9) Other fields approved by the Governor of Kyoto Prefecture.

Trade-related business must be those that will strengthen the international competitiveness of Kyoto Prefecture's industries. (Example: Businesses that contribute to the development of overseas sales channels for products produced in Kyoto Prefecture, business that utilizes the functions of Maizuru Port, etc.)

# Q. 39 When I sent an email about "Pre-consultation ", I received a reply asking me to submit the business plan presentation materials and the "Plan for Business Startup Activities" (Form 1-2). Do I have to submit it before I apply? Also, can I use an alternative style of writing for the business plan?

(A.39)

Before proceeding to the application stage, we will check how feasible your business will be at the "Pre-consultation" stage of screening from the business plan presentation materials and the "Plan for Business Startup Activities" (Form 1-2), so be sure to submit both when requested. Please fill out your business plan in the provided format (Form 1-2). Any other formats will not be accepted. If you do not respond or submit to this request, it will be difficult to confirm your business startup activities.

### Q. 40 If I have to give up the business startup activities after receiving my visa, what should I do? (For example, in the case of sudden illness, lack of funds, etc.)

(A.40)

Please let us know the reason of your decision at the "The Consultation and Support Desk". If there is nothing we can do to help you there, your business startup activities will have to be terminated.

You are required to return to your home country before the expiration date of your period of stay. Please contact us and let us know your departure date and destination at "The Consultation and Support Desk" (JETRO Kyoto Trade Information Center) at least one week before you leave Japan.

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\* As stated in the written pledge, all responsibilities for the applicant's business startup activities and life during the stay, as well as any profits or losses incurred during the implementation of business startup activities, are attributed to the applicant, and the

applicant will be responsible for compensation for any damages caused to third parties during the entrepreneurial preparatory activities and life during the stay.

### Q.41 I was unable to obtain "Business Manager" status of residence. What should I do?

(A. 41)

Unfortunately, you will have to return to your home country before the expiration date of your current approved period of stay. Please contact the "The Consultation and Support Desk" (JETRO Kyoto Trade Information Center) at least one week before you leave Japan to let us know your departure date and destination.

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