

“Tourism Vision to Support the Future of Japan”

“Tourism Vision to Support the Future of Japan” was announced by the Japanese government on 30th March, 2016. The government aims to double the current target of the number of foreign tourists visiting Japan to 40 million by 2020. With this, the amount of money spent by foreign tourists to Japan is estimated to more than double from about JPY 3.5 trillion in 2015 to JPY 8 trillion by 2020. The government considers tourism as a pillar of PM Abe’s growth strategy to revitalize regional economies and achieve GDP target of JPY 600 trillion.

Point 1

10 reforms in 3 viewpoints to become advanced tourism destination Double number of visitors to 40 million by year 2020

- “Tourism Vision to support the Future of Japan” states tourism should be a main pillar for Japanese economic growth and regional revitalization. The Vision sets up 10 reforms from 3 viewpoints. It also explains we should, by developing tourism, create job in local regions, foster human resources in the sector and make tourism industry more productive with international competitiveness. In addition, it expresses that the government will promote in collaboration with both public and private sectors to materialize “advanced tourism destination”.
- Three viewpoints are; “to enhance tourism resources appeal for local revitalization”, “to evolve tourism to a core industry by reforming the business and improving international competitiveness” and “to improve soft infrastructures for the world’s best comfortable travel”.

Point 2

What is new 10 reforms? Opening of the Akasaka Palace State Guest House to public and so on

- Out of the 10 reforms, highly realistic measures and innovative experiments are (a) “opening of attractive communal facilities to the public” such as the Akasaka Palace State Guest House, (b) to use “cultural treasures” as tourism resources rather than “preservation”, (c) shakeup of more than 60 year old regulation related to tourism business such as translation guides and travel companies, and (d) relaxation of visa requirements which allows inbound tourists to long-stay and expand local spending”.
- Other measures which will draw attention are; improvement of free Wi-Fi environment available at local Japanese-style inns, developing “cashless society” where tourists can do with credit/debit cards and to refurbish immigration inspection areas to attract tourists.

“Quantitative Goal of Tourism Vision to Support the Future of Japan”

	Year 2020	Year 2030
Number of foreign tourists visiting Japan	40 million (about 2 times)	60 million (about 3 times)
Amount of inbound tourism consumption	JPY 8 trillion (over 2 times)	JPY 15 trillion (over 4 times)
Cumulative total night of stay by foreigners in local region	70 million nights (less than 3 times)	130 million nights (over 5 times)
Number of repeaters of foreign tourists	24 million (about 2 times)	36 million (about 3 times)
Amount of Japanese tourists’ consumption in Japan	JPY 21 trillion (about +5%)	JPY 22 trillion (about +10%)

(Note) Numbers in () are change compared to actual result of year 2015. Exception is “Amount of Japanese tourists’ consumption in Japan”, which is a comparison against past 5 years average.

(Source) SMAM, based on available material of the Japanese government.

■ 5 countries such as China are subject to relaxation of visa requirements

Among these measures, focus will be on relaxation of visa requirements as it has a significant positive impact based on the past experience. China, Philippines, Vietnam, India and Russia are subject to upcoming relaxation of visa requirements. Particularly China will be the driver due to recent sharp increase in number of travelers to Japan and size of consumption amount per person.

■ Improvement of lodging facilities is an awaiting solution

Improvement of lodging facilities is an awaiting solution. In order to achieve the target of receiving 40 million foreign tourists visiting Japan, it is indispensable to diversify lodgings in local regions, make use of low-occupancy-rate Japanese-style inns and relaxation of rules of renting private homes and rooms, as occupancy rate for hotels, especially in metropolitan districts, are currently extremely high.

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