

Business Registry Reforms in Japan

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Japan's issues (among others)

- Low economic growth since 1990s
 - Average GNP growth rate for 2010-2019 around 1.3%
 - Entry rate around 5%, compared to US's 10% and PRC's 20%
- Gender inequality
 - 121st (out of 153 countries) in WEF's Global Gender Gap Index 2020 (115th for economic participation and opportunity)
 - Female entrepreneurs account for 19% of new businesses in 2019
- Inefficient administrative procedures with limited use of ICT
- All exacerbated by the Covid-19 outbreak

Japan's progress on business registry

- Continental-law system, formalistic (but not substantial) verification by registrars
- **Online registration** available (since 2004)
- **Online notarization** of articles of incorporation (since March 2019)
 - Notarization is required for stock companies, but not for LLCs
- **Fast-track** for incorporation of stock companies and LLCs
 - Within 3 days (since March 2018)
 - Within 24 hours for companies with five or less managers (since March 2020)
- **One-stop service** for starting a business
 - Tax and social security (since January 2020)
 - Business registry (expected to join in February 2021)
- **Sharing of registered information** among administrative agencies (expected to start in October 2020)

In short...

- Business registry reform is relevant for developed economies like Japan as well
- UNCITRAL Legislative Guide on Key Principles of a Business Registry as a good source of ideas
- States should take the outbreak of Covid-19 as an opportunity to accelerate its reforms on business registry