

# Cabinet Decision on the Bill for the Act of Partial Revision of the Trade Insurance and Investment Act

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A Cabinet Decision has been made on the Bill for the Act of Partial Revision of the Trade Insurance and Investment Act. The bill will be submitted to the ongoing 208th ordinary session of the Diet.

## 1. Purpose of the bill

The COVID-19 pandemic has revealed the risks facing Japanese companies' foreign trade. Moreover, the environment surrounding trade is changing rapidly, including the development of multilayered global supply chains and international division of labor. In light of these factors, the Trade Insurance and Investment Act will be revised based on various perspectives, including taking action toward the following: (1) addressing challenges in light of COVID-19; (2) strengthening supply chains; and (3) strengthening international cooperation. The aim is to develop an environment that will further support Japanese companies seeking to expand internationally.

## 2. Outline of the bill

The main matters covered by the bill's measures are as follows:

### (1) Addressing challenges in light of COVID-19

Expand the applicable grounds for supplementing trade insurance for additional costs due to suspension of plant construction work (new costs that arise after signing the insurance policy), so that they also include extraordinary risks including infectious diseases.

### (2) Strengthening supply chains

Expand trade insurance to include losses suffered by Japanese companies due to losses suffered by their indirect investment (re-investment).

### (3) Strengthening international cooperation

Expand Nippon Export and Investment Insurance (NEXI)'s work to include investing in foreign corporations that conduct insurance business similar to trade insurance.

## Division in Charge

Trade Finance Division, Trade and Economic Cooperation Bureau

### Related website

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