



The Japan Report: A Geographical Review

May 2022



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JAPAN REPORT

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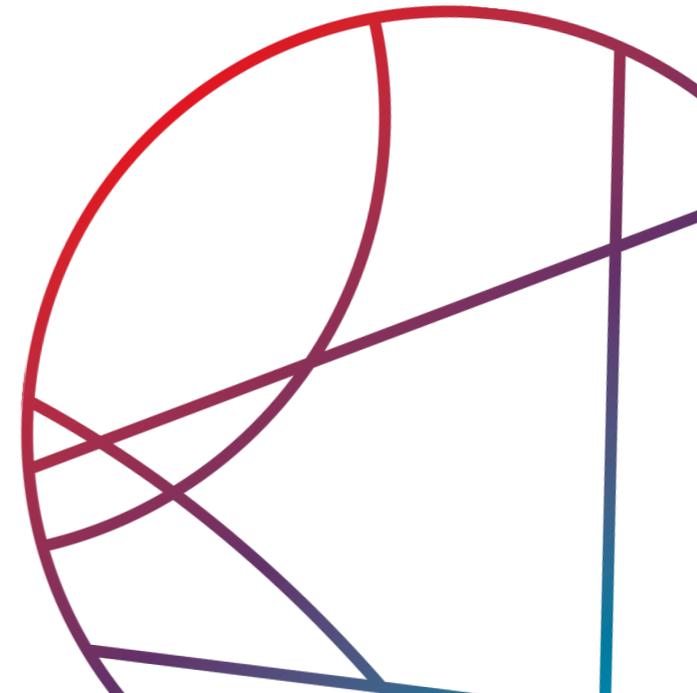
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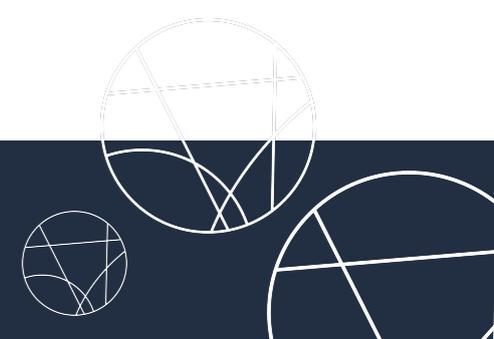
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Headlines



- Japan has the oldest population in the world, with the largest proportion of centenarians and the highest life expectancy, at a time when the overall population is declining.
- Despite being a geographically unstable region, with more than 100 active volcanoes, Japan is home to 126 million people and the world's most populous city, Tokyo.
- The economy is one of the largest in the world and has recently undergone reforms under former Prime Minister Shinzo Abe's *Abenomics*, designed to open up the economy.
- The healthcare sector, while remaining highly regulated, has undergone reforms in recent years, to encourage domestic innovation and foreign participation.
- The MedTech industry is one of the largest in the world, with a substantial domestic market while being dependent on imports, with many companies looking to address the issue of the ageing population.

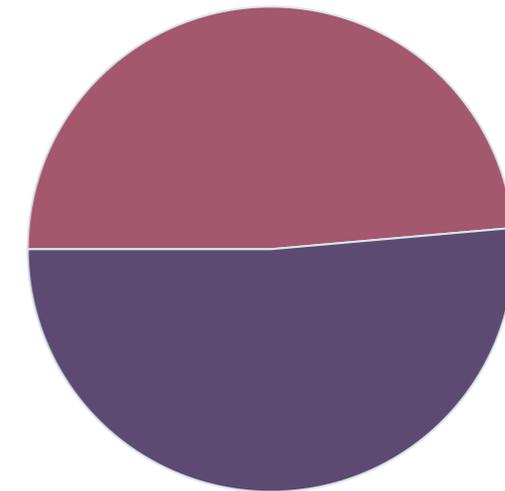


Population & Language



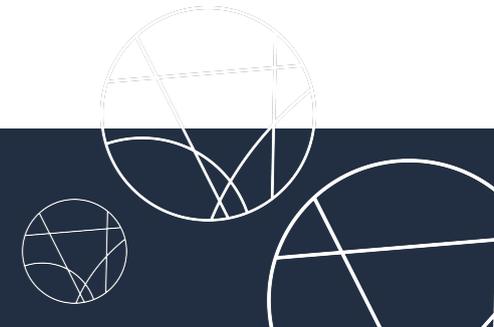
- In 2020, the population of Japan stood at 126 million. Japan's population is declining and has been since approximately 2011.
- Japan has the highest life expectancy at birth in the world, at 84.7 years (2020), often attributed to a diet rich in seafood and low in saturated fats.
- 29 per cent of the population are aged 65 and over, the highest proportion in the world. Japan is home to more than 80,000 centenarians.
- The Japanese language is considered to be a *language isolate* with no clear connections to any other language.
- Unlike many other languages in the region, Japanese is not a tonal language and consists of three different character sets.

Gender



Men 49 Women 51

Source: [World Population Review](#), [Statistical Bureau of Japan](#), [Statista](#), [European Parliament](#)



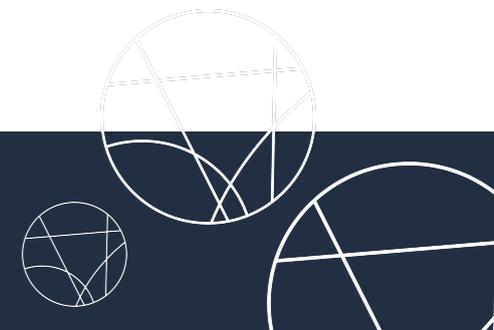
Geography



- Japan is an island country, consisting of four main islands and more than 3,000 smaller islands.
- The country is one of the world's most geographically unstable areas, with approximately 1,000 tremors annually.
- There are 108 active volcanoes in Japan. The highest, and most famous, is Mount Fuji.
- The capital, Tokyo, is the world's most populous city, classified as a megacity. Approximately 35 million people live in the Greater Tokyo Area. Japan is also home to the eighth largest city in the world, Osaka.
- Shinjuku is the world's busiest train station, with 3.6 million people using it every weekday.



Source: [Britannica](#), [Simon Fraser University](#), [Geography Realm](#), [Shinjuku Station](#)



Time Zones & Holidays



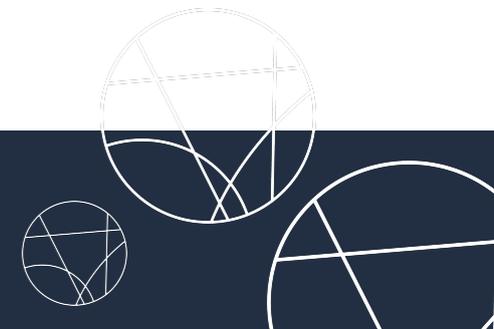
While not considered a national holiday, many people take days off between August 13-16 for Obon, to commemorate their ancestors

Holiday	Date
New Year's Day	January 1
Coming-of-Age day	January 10
National Foundation Day	February 11
The Emperor's Birthday	February 23
Vernal Equinox	March 20/21
Golden Week	April 29 – May 5
Marine Day	July 18
Mountain Day	August 11
Respect for the Aged Day	September 19
Autumnal Equinox Day	September 23
Health-Sports Day	October 10
Culture Day	November 3
Labour Thanksgiving Day	November 23



Japan observes Japan Standard Time all year (GMT +9)

Daylight saving is not used



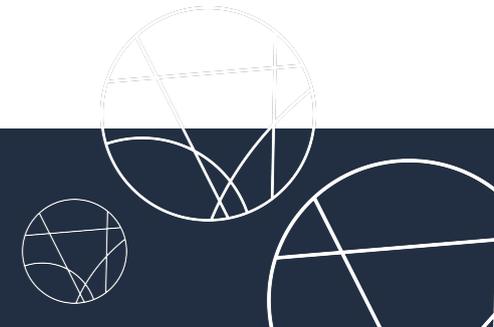
GDP & Economy



- The Japanese economy is the third largest in the world, with a GDP of ~\$5.1tn in 2020.
- Historically, manufacturing has been a key feature of the Japanese economy. Recently, economic developments have resulted in a concentration of high-value materials in Japan, with low-cost activities transferred to other Asian countries, anchoring Japanese technology in the Asian supply chains.
- There have been economic reforms, known as “Abenomics” after the former Prime Minister Shinzo Abe, designed to make the economy more open and flexible; his successor as Prime Minister Yoshihide Suga has said he would stick to these reforms.
- Japan is perceived to have a 'tight culture', with stronger, more rigid societal norms than seen in many other countries. This “tightness” impacts on all levels of life, including the economy and the response to the Covid-19 pandemic.



Source: [Asia Link Business](#), [The World Bank](#), [Brink News](#)



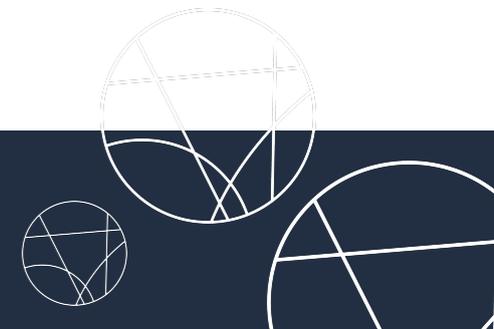
Politics



- Japan is a constitutional monarchy, with a parliamentary system of government based on a separation of powers.
- The Emperor is the symbol of the state and does not hold a political function. Since the enthronement of Emperor Naruhito in 2019, Japan has entered the *Reiwa* (beautiful harmony) age.
- The Prime Minister is the head of the Government.
- The Liberal Democratic Party has dominated the country's politics since it was founded in 1955, having ruled uninterrupted except for two brief periods.



Source: [The Economist](#), [European Parliament](#)



Healthcare & Regulations



The Pharmaceuticals and Medical Devices Agency (PDMA) is responsible for regulations pertaining to medical devices. Japan's health insurance programmes provide universal and low-cost healthcare, with plans varying according to the individual.



- The regulatory process can be time-consuming and costly but steps have been put in place to streamline the process.
- Reforms designed to encourage innovation and foreign participation as well as reduce the regulatory approval timelines have been introduced.
- A manufacturer outside Japan must register with the PMDA and designate a Marketing Authorization Holder (MAH) for product approval.
- Under the Product Liability Act, the main liability lies with the manufacturer bringing the final product to market.



- The medical device classification is based on Japanese Medical Device Nomenclature (JMDN) codes.
- General medical devices are marketed by submitting a notification to the Pharmaceutical and Medical Device Agency (PMDA).
- Devices must be listed on Japan's reimbursement scheme to qualify for reimbursement.
- The reimbursement rate is effective under all insurance schemes.

Source: [export.gov](#), [Intra Link Group](#), [Borgen Project](#)

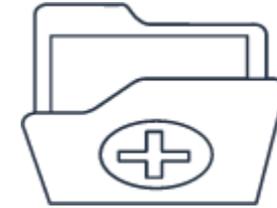


Clinical Information



Physicians

- In 2018, there were 2.57 physicians per 1,000 people in Japan, a ratio that has been increasingly steadily since the 1980s.
- The Japan Medical Association has approx. 170k members, or 55 per cent of all licensed physicians in Japan.

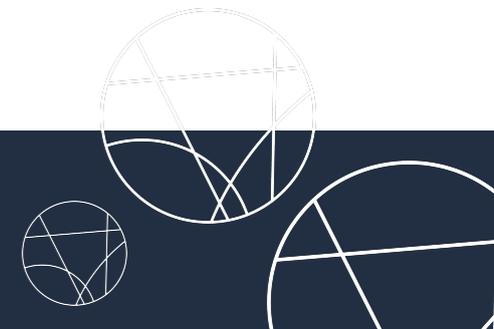


Hospitals

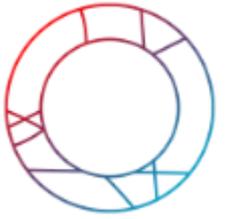
- Hospitals in Japan are defined by the number of beds they have, and facilities with 20 or more beds are referred to as “hospitals” while facilities with 19 or fewer beds are “clinics”.
- As of 2015, Japan had 8,480 hospitals and 169,732 clinics. The proportion of clinics has been increasing since 1987.
- Of these, the majority were private hospitals, with corporate clinics gaining prominence.



Source: [Japan Health Policy NOW](#), [World Bank](#), [Japan Medical Association](#)

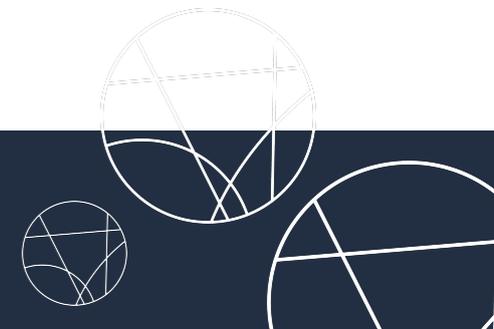


Medical Technology Industry



- Japan's market for medical devices and materials is among the world's largest, at ~\$29.3bn in 2018.
- According to the Ministry of Trade, Economy and Industry (METI) it is the 2nd largest medical device market in the world. The market is broadly divided into 3 categories: treatment, diagnostic and other.
- The market is dependent on imports, despite having a robust domestic market. Many major international players have a presence in Japan.
- Japanese companies have embraced the concept of open innovation and are increasingly looking beyond Japan's borders for new ideas and strategic partnerships.
- There is an increasing demand for advanced medical technologies, to face the ageing demographic profile. Trade shows are an invaluable way to engage with and identify contacts.

Source: [export.gov](#), [EMERGO By UL](#), [Intra Link Group](#), independent sources





THANK YOU

To access the full report with proprietary data and details regarding key players, specific market attitude and reimbursement costings, please get in touch with us.