

Financial Cooperation from the Private Sector

The Japan Foundation is able to operate its international cultural exchange programs thanks to the generosity of financial contributions from businesses, organizations, and individuals throughout the private sector. Since its establishment, the Foundation has received endowments amounting to approximately ¥900 million from 77 companies, organizations, and individuals. Donations for its annual programs also form a vital source of support.

Donations fall into two broad categories: general donations, which fund the Foundation's cultural exchange programs, and designated donations, which are accepted with the understanding that they will be used to subsidize specific cultural exchange programs operated by public interest organizations at home and abroad. From the establishment of the Foundation through the end of FY2006, donations amounted to ¥2,295.94 million in general donations and ¥63,063.09 million in designated donations.

1. General Donations

General donations fund programs run by the Japan Foundation. There are two categories for general donations: the "General Donation System," in which both the timing and amount of the donation are at the donor's discretion, and the "Membership System," in which a fixed donation is made each year through membership dues. The details of these categories are set out in (1) and (2) below.

During FY2006, the Foundation received a total of 1,181 general donations from the above two categories, amounting to ¥18.07 million.

(1) General Donation System

This system is for corporate and individual donations in which the timing and amount of the donation are at the donor's discretion. At the donor's request, the donation can be put to the uses in A or B below.

A. Donations for program expenses

These donations are allocated to expenses for Foundation programs during the same fiscal year in which the donation was received. According to the donor's wishes, the donation can be allocated to expenses for a particular project during the fiscal year, or to programs in general.

The donors for program expenses in FY2006 were as follows:

- IFI JAPAN (donation for the exhibition "KATAGAMI – Paper Stencils and Japonisme")
- Bank of Tokyo-Mitsubishi UFJ, Ltd. (donation for the "Invitation Program for Chinese High School Students for Long-term Study")
- 2,316 members of the JR Tokai Monitor Club (donation for programs in general)
- One individual (donation for programs in general)

B. Donations to operational funds (private endowments)

These donations are deposited in the Foundation's funds, and the interest accrued is allocated in perpetuity for program expenses.

Donations in the form of private endowments were made by the following organizations or people in FY2006.

- The Supporters' Committee for "Toshiko Akiyoshi 60th Anniversary Charity Concert"
- One individual

In the case of private endowments, a corporate or individual benefactor who so desires may establish a special program with a name of the benefactor's choosing. These programs are implemented in consultation with the Foundation and are termed "special benefactions."

Such special benefaction programs established to date are detailed in C to F below.

C. Uchida Fellowship

- a. Benefactor: The late Mr. Uchida Genko
- b. Fellowship Content: Young musicians are invited to Japan from the United States, Europe, and other regions and given the chance to work with renowned Japanese musicians and those active in the field of music, including participation in joint performances or collaborating on joint works. In FY2006, two fellows were invited, one from Canada and one from the United States.
- c. Department responsible: Performing Arts Division, Arts Department

D. Japanese Studies Fellowship Program offered by Takasago Thermal Engineering

- a. Benefactor: Takasago Thermal Engineering Co., Ltd.
- b. Fellowship Content: In order to promote Japanese studies in Southeast Asia, this scholarship provides funds to allow young Japanese studies researchers from Southeast Asia to visit Japan for research. In FY2006, the fellowship was awarded to a scholar from Malaysia researching comparative education.
- c. Department responsible: Asia and Oceania Division, Japanese Studies and Intellectual Exchange Department

E. The Takeshi Kaiko Memorial Asian Writers Lecture Series

- a. Benefactors: The late Mrs. Kaiko Hatsuko and the late Ms. Kaiko Michiko (family of the writer Kaiko Takeshi)
- b. Content of the Lecture Series: In order to promote literary exchanges by introducing Asian authors and works that are little known in Japan to the general public, this program invites Asian authors and others involved in literature to come to Japan, for approximately two weeks, to organize lectures and opportunities for interaction and dialogue throughout the country. In FY2006, Dian Yun from Singapore was invited to Japan, and lectured on the theme of "Sense of Loss and Drifting of Singapore's Chinese" in Osaka, Tokyo, Sendai, and Hakodate.
- c. Department responsible: Community Leaders and Youth Exchange Division, Cultural Affairs Department

F. Ken Watanabe Memorial Fund: Contribution of Books

- a. Benefactor: Mr. Watanabe Yukinobu (father of Mr. Watanabe Ken, a Ministry of Foreign Affairs official who died in a traffic accident during training in the United States)
- b. Content of Contribution: Donation of Japanese studies books to the Tianjin Academy of Social Sciences; in FY2006, a total of 191 books were donated.
- c. Department responsible: Asia and Oceania Division, Japanese Studies and Intellectual Exchange Department

(2) Membership System

Fixed donations are received in the form of membership dues and are allocated to a variety of programs implemented during the fiscal year in which the donation was made.

The "Corporate Membership System" is for contributions from companies and organizations, while the "JF Supporters Club" is for contributions from individuals and groups.

A. Corporate Membership System

Fixed-sum donations are received each year from companies and organizations in the form of membership dues. The members comprise Regular Members, who are asked to donate at least ¥100,000 yen, and Special Members, who are requested to donate at least ¥500,000.

Donations are allotted to cultural exchange programs taking place in the year in which the donations are made. Members can enjoy privileges such as access to the Foundation's library, receiving the Foundation's publications, and invitations to lectures and other events sponsored or co-sponsored by the Foundation.

As of the end of FY2006, members included:

- (a) Special members
 - Kodansha Ltd.
 - Shochiku Co., Ltd.
 - Electric Power Development Co., Ltd.
 - Mizuho Bank Ltd.
 - Bank of Tokyo-Mitsubishi UFJ, Ltd.
 - Wacoal Corp.
- (b) General members
 - Ikenobo
 - Idemitsu Kosan Co., Ltd.
 - Insho-sha
 - Ushio Inc.
 - NHK International Inc.
 - Katolec Corp.
 - Kansai Urban Banking Corp.
 - Kinokuniya Company Ltd.
 - Kyoei Fire & Marine Insurance Co., Ltd.
 - Kodansha International Ltd.
 - Kodokan Judo Institute
 - International Hospitality Conference Service Association
 - Kokusai Service Agency
 - Komazawa University
 - Urasenke Tradition of Tea

Sakura Motion Picture Co., Ltd.
 Shiseido Co., Ltd.
 Japan Echo Inc.
 Publishers Association for Cultural Exchange
 Shorinji Kempo Organization
 Starlanes Travel Service Corp.
 All Japan Kendo Federation
 Dai-Ichi Mutual Life Insurance Company
 Daiichi Seiwa Jimusho Co., Ltd.
 Daikin Industries, Ltd.
 Daiwa Securities SMBC Co., Ltd.
 Dentsu Inc.
 The Tokyo Commodity Exchange
 Tokyo Studio Co., Ltd.
 Tokyo Business Service Co., Ltd.
 Nikko Cordial Securities, Inc.
 Motion Picture Producers Association of Japan, Inc.
 Nippon Origami Association
 Japan International Cooperation Center
 Nomura Securities Co., Ltd.
 Bikon Co., Ltd.
 Bijutsu Shuppan Design Center Co., Ltd.
 Hitachi Ltd.
 Video Pedic Inc.
 Fuji Xerox Co., Ltd.
 Honda Motor Co., Ltd.
 Bonjinsha Inc.
 Matsushita Electric Industrial Co., Ltd.
 Mizuho Investors Securities Co., Ltd.
 Mizuho Securities Co., Ltd.
 Sumitomo Mitsui Banking Corp.
 Mitsubishi UFJ Securities Co., Ltd.
 Meiji Shoin Holdings
 Mori Building Co., Ltd.
 Youth for Understanding International Exchange

B. JF Supporters Club

Fixed donations are received from individuals and groups in the form of membership dues. Funds from membership fees (¥1,000 for Friends, ¥3,000 for Associates, and ¥10,000 for Partners) are allocated to general programs in the fiscal year in which they were received. Members, depending on their membership type, are invited to events and can enjoy privileges such as discounted or free publications, etc.

2. Designated Donations Program

Under this program, individual and corporate donations to support the international cultural exchange programs of public interest organizations at home and abroad are received by the Foundation with the understanding that they will be used to subsidize specific cultural exchange projects. By providing funds to public interest organizations to support international cultural exchange programs through the Foundation, donors are eligible to receive tax privileges on their donations.

Eligible programs include personnel exchanges, overseas Japanese studies and Japanese-language education; the staging of performances and exhibitions; the holding of seminars, etc.; projects to produce audiovisual materials for introducing Japanese culture overseas; the development of facilities for educational and cultural activities and the purchase and provision of related goods; and research and studies necessary for international cultural exchange. A deliberative council of external experts decides upon the recipients of designated donations.

During FY2006, the Designated Donations Program received ¥694.94 million from 776 individuals and 493 companies or groups. The monies were received in 44 payments. These funds were used to subsidize the 30 programs outlined in (1) below. Examples of major projects in 2006 are detailed in (2).

(1) Programs supported during FY2006

- Development for the Rotary Ambassadorial Scholarships and other Rotary Foundation Educational Programs ① (U.S.)
- Development for the Rotary Ambassadorial Scholarships and other Rotary Foundation Educational Programs ② (U.S.)
- The University of Alberta Prince Takamado Japan Canada Memorial Fund (Canada)
- Japanese Legal Studies Program of University of Michigan Law School (U.S.)
- Establishment of the Kichiemon Ishikawa Memorial Fund for Comparative Japanese Law (U.S.)
- “Perfect Designs” projects to support the Clark Center’s future (U.S.)
- Nagashima Ohno and Tsunematsu Scholarship Fund, Columbia Law School (U.S.)
- Nagashima Ohno and Tsunematsu Program for Japanese Law and Culture at the University of Chicago Law School (U.S.)
- Nagashima Ohno and Tsunematsu Program for Japanese Law and Culture at Duke Law School (U.S.)

- Nagashima Ohno and Tsunematsu Japanese Law Program, Michigan Law School (U.S.)
- Dartmouth College Japan Studies Fund (U.S.)
- Japan Return Programme Nihongo Summit 2006 (Japan)
- LSH Asia Scholarship (Japan)
- Project Fund for Sprachzentrum fur Japanisch e.v. (Germany)
- 9th Asia-Pacific Congress on Deafness and 40th Annual Conference of the Japanese Deaf Education Association (Japan)
- Toshiko Akiyoshi’s 60th Anniversary Charity Concert (Japan)
- The Japan-Korea Festival 2006 (Korea)
- Shitennoji Wasso (Japan and Korea)
- Music from Japan Festival 2007 (U.S.)
- 13th Honolulu Festival (U.S.)
- World Partnership Forum in Nagaoka (Japan)
- Commemorative Events on 120th Anniversary of Japan-Thailand Diplomatic Relations 2007 (Thailand)
- Project of the Japanese Executive Committee for Japan-India Friendship Year (India)
- Project for “Kyosabori” Japanese Woodenware Exhibition (Czech Republic)
- Modern Tea House Project in Frankfurt (Germany)
- Reconstruction of a Japanese House in National Museum of Ethnology of France (France)
- Restoration Project for the Old Residence of Soetsu Yanagi (Japan Folk Crafts Museum) (Japan)
- KEEP International Training and Exchange Center Project (Japan)
- Asian University for Women (Bangladesh)
- Conservation work of the Japanese House and Garden “Shofuso” in Philadelphia (U.S.)

(2) Examples of projects during FY2006

- A. 9th Asia-Pacific Congress on Deafness and 40th Annual Conference of the Japanese Deaf Education Association
- Organizer: 9th Asia-Pacific Congress on Deafness and 40th Annual Conference of the Japanese Deaf Education Association
 - Designated donation (amount of designated subsidy): ¥13.545 million
 - Program Content: This event constituted the joint convocation of the 9th Asia-Pacific Congress on Deafness (APCD), which engages in international cultural exchanges on education for people with hearing disabilities in the Asia-Pacific, and the 40th Annual Conference of the Japanese Deaf Education Association, whose membership comprises instructors from approximately 100 schools for the deaf around Japan. The theme of the joint event was “Sharing, Innovating, and Passing on Expertise in Education for the Deaf,” and 1,064 Japanese participants joined 137 participants from 16 other countries for the four-day conference. Various events were held, including plenary lectures, research reports, visits to lessons at schools for the deaf, and meetings on research collaboration. The event provided a valuable opportunity for experts in deaf education in the Asia-Pacific region to deepen mutual understanding, engage in dialogue, and share their opinions on future directions for deaf education

B. Music from Japan Festival 2007

- Organizer: Music from Japan, Inc. (MFJ)
- Designated donations (amount of designated subsidy): ¥6.22 million
- Program Content: The Music from Japan Festival is held in the United States, and invites outstanding Japanese modern musicians. This was the festival’s 32nd season, and a wide variety of performances took place. The New York Music Festival featured a lecture and concert by Joji Yuasa, entitled “The World of Joji Yuasa,” which included a piece specially commissioned for the festival, as well as a concert featuring Biwa master Junko Tahara, entitled “Masters of Tradition: The Junko Tahara Biwa Ensemble.” The “Masters of Tradition” concert also toured Washington, D.C.; Nashville, Tennessee; Urbana-Champaign, Illinois; and Mahopac, New York. A total of 1,841 people attended the concerts, and the Festival was once again very well received, with coverage in both Japanese and U.S. newspapers and magazines.

3. Tax Privileges

The Japan Foundation is a “Designated Public Benefit Organization” (or *Tokutei Koh-eki Zoushin Houjin*), in accordance with Article 77 of the Corporate Tax Enforcement Order and Article 217 of the Income Tax Enforcement Order. Therefore, donations to the Foundation are subject to the following tax privileges.

(1) Corporations

Deductible expenses may be declared in addition to the standard deduction for donations.

The upper limit for financial losses associated with the donation is calculated using the following formula:

Upper limit of financial loss = {(amount of capital) × (period of months / 12 × 0.0025) + (amount of income for fiscal period in question × 0.025)} × 0.5

(2) Individuals

An amount equal to the donation minus ¥5,000, up to 40% of gross income, is tax deductible. Donations of inherited assets are also eligible for tax privileges.