43	Sector:	Transport	
	Sub-Sector:	Railway Transport	
	Industry Classification:	JSIC 421	Railway transport
		JSIC 4851	Railway facilities services
	Obligations Concerned:	National treatment (Article 8.8)	
	Level of Government:	Central Government	
	Measures:	Foreign Exchange and Foreign Trade Law (Law No. 228 of 1949), Article 27[1]	
		Cabinet Order on Foreign Direct Investment (Cabinet Order No. 261 of 1980), Article 3	

Description: Investment liberalisation

1. The prior notification requirement and screening procedures under the Foreign Exchange and Foreign Trade Law apply to foreign investors who intend to make investments in railway transport industry in Japan.
2. The screening is conducted from the viewpoint of whether the investment is likely to cause a situation in which national security is impaired, the maintenance of public order is disturbed, or the protection of public safety is hindered.
3. The investor may be required to alter the content of the investment or discontinue the investment process, depending on the screening result.
4. The manufacture of vehicles or parts and components for the railway transport industry is not included in railway transport industry. Therefore, the prior notification requirement and screening procedures under the Foreign Exchange and Foreign Trade Law do not apply to the investments in the manufacture of these products.

[1] For greater certainty, for the purposes of this reservation, the definition of "inward direct investment" provided in Article 26 of the Foreign Exchange and Foreign Trade Law applies with respect to the interpretation of this reservation.