

Mining market in Japan

Japan is a country with few natural resources that looks to resource-rich nations such as Canada to supply the vast majority of its needs. Japanese trading houses, smelters and mining companies have investments all over the world and import raw materials to Japan for refinement and smelting. Sales of the finished products are to both domestic manufacturing sectors and international customers. In addition, some Japanese companies sell their outputs directly from foreign mines to foreign buyers.

Key opportunities for Canadian mining suppliers

Artificial software applications

Canadian expertise in artificial intelligence (AI) software applications for mine safety and energy efficiency may be of interest to Japanese trading houses and mining-related companies looking to establish technology partnerships for use in their offshore mining projects.

Environmental solutions

Environmental solutions incorporating AI technology are also of interest, including AI solutions to improve outcomes for:

- exploration
- development and operations
- arsenic recovery (technology)
- soil stabilization (materials)

Innovative mining technology

Other innovative technologies of interest to Japanese companies include:

- real-time, sensor-based ore sorting
- data analytics software
- mine-to-mill solutions for energy savings

Notable challenges for Canadian mining suppliers in Japan

- The language barrier to enter the Japanese market is very high. Promotional materials must be available in Japanese and English.
- Japanese customers normally insist that foreign suppliers use a local agent or representative for products or services promotion and for maintenance and after-sales services. These services are particularly important to maintaining good relationships with Japanese customers.
- Cost competitiveness and clear technological advantages are key selling considerations for Japanese companies.

Industry highlights	
Open on restricted basis Export Development Canada's position	0.21% Global exploration share
78 World Bank Ease of Doing Business score	Gold, copper and silver lead Japan's mining sector
Can\$38.2 million Japan ranks 56th overall in Canadian mining assets abroad	3 Canadian companies operating in Japan
1.8% 5-year compound annual growth rate of industry	- 6% 5-year production compound annual rate of change
US\$89.0 billion National mining revenues	

Japan business landscape

- Japan is a country with few natural resources, and it has no basic metals and nor critical minerals mines. Japan's only operating mines are gold mines.
- Japanese trading houses, smelters and mining companies have investments all over the world and import raw materials to Japan for refinement and smelting. Japanese trading houses and mining companies normally form joint ventures with foreign mining operators. In most cases, the Japanese companies' share is minor and therefore they have little (if any) authority over procurement decisions. Opportunities for Canadian mining suppliers do exist, however, where a Japanese company is a majority stakeholder.
- Trade and economic relations between Canada and Japan are steadily expanding. Japan is the world's third-largest national economy, one of Canada's most-important economic and commercial partners and Canada's largest source of bilateral foreign direct investment in Asia.

Request a meeting

To learn more about the mining industry in Japan, please request an in-person meeting with a Trade Commissioner on the Business-to-Trade Commissioner scheduling platform ahead of PDAC 2022. <https://go.b2b-2go.com/en/canadapdac-2022/>