



2018 Japan-American Governors Forum Presentation

International Investment Environment in **Ibaraki Prefecture**

2018. AUG. 27 (Mon)

Governor of Ibaraki Prefecture - **Kazuhiko Oigawa**

Introduction to Ibaraki Prefecture

○ General Statistics (As of October 1st, 2017)

Item	Number	Note
Population	2.892 Million	11 th in Japan
Land Area	6,097km ²	24 th in Japan
<u>Inhabitable Area</u>	<u>3,975km²</u>	<u>4th in Japan</u>



Aerial photo of Hokota city

○ Broad Industry Base

◆ Agriculture

- **Agricultural output is ranked 2nd** in Japan following Hokkaido, 490.3 Billion Yen.

◆ Manufacturing, High-tech and Material

- Robot industry in **Tsukuba**
- Hitachi, global electronic company, has major factories and R&D center in IBARAKI
- The Kashima coastal industrial area is a center for heavy and petrochemical industries such as **Nippon Steel & Sumitomo Metal**

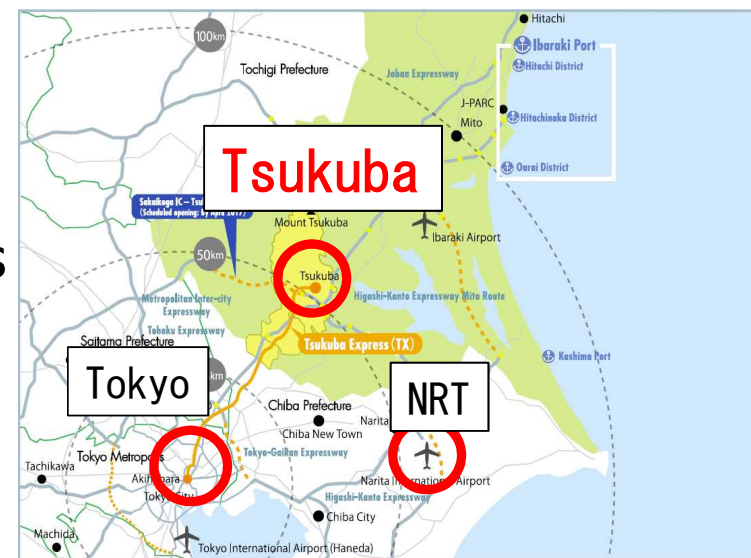


Kashima Seaside Industrial Zone

Five Reasons to Establish an R&D Site in Ibaraki Prefecture



- 1 Easy access to Tokyo, and to Narita International Airport
 - 45 minutes by Tsukuba Express to **Tokyo** from **Tsukuba**.
 - 55 minutes by expressway to **Narita International Airport** from **Tsukuba**.
 - Established network of expressway
- 2 An ideal environment for R&D
- 3 A reasonable start-up costs and running costs
- 4 High-quality of life and convenient living
- 5 A sufficient support system



An ideal environment for R&D ~Tsukuba Science City~

- 1/3 of national research institution is located here
- **Concentration of highly skilled personnel** (as of 2017 June)

Researchers	20,758
Ph.D. holders	7,995
Foreign researchers	7,277

- **G20 (2019)**
Trade and Digital Economy Ministerial meeting



An ideal environment for R&D

~ Birthplace of World's Endless Innovations ~

○ **3 Research Corporations ※ in Tsukuba are Designated National Research and Development Agency** (2016, Oct. 1st)

- National Institute of Advanced Industrial Science and Technology (AIST)
- RIKEN (Science and research institute)
- National Institute for Material Science (NIMS)

○ **Designated International Strategic Zone** – one of 7 zones designated by the national government in 2011

① Legislative support (easing regulations)
② Taxation support measures (corporate tax exemption)
③ Fiscal support measures (prioritized in national budget)
④ Financial support measures (assistance in funding)



「HAL® for Lower Limb」
CYBERDYNE Inc.

A Sufficient Support System and Incentives

○ Investment promotional activities

1 Seminar for Foreign Companies

[Ibaraki Foreign Investment Promotion Conference] was hosted under the cooperation of administrative, JETRO, research organizations, support organizations, universities and finance institution.

2 PR and one stop portal service

- Providing general information through portal site
- Marketing activities

Accepting requests for investigating tour, PR, prefecture visits and counselling services from foreign businesses considering new establishment.

3 Benefits for foreign businesses setting up in Ibaraki Prefecture

① Establishment fund subsidy (Within 50%, **up to 2 million yen**)

② R&D expenses subsidy (Within 25%, **up to 2 million yen**)

③ Rent subsidy (Within 50%, **up to 2.4 million yen**)

○ The top sales (2018.Feb)
(Right) Ibaraki Foreign Investment Seminar



(Bottom right)
Visit to the prefectural government by prospective incoming foreign business



A Sufficient Support System and Incentives 2



○ Subsidy for headquarter relocation

(max 5 billion yen)

To promote innovations in the field of AI or IoT research facilities and headquarter offices.

○ Prefectural Tax Exemptions

Prefectural tax (corporate enterprise tax and real estate acquisition tax) exemptions for companies constructing new factories within the prefecture.

○ 50% Exemption on Industrial Water rates

Companies that are subjects to new establishments within the designated areas in the prefecture may benefit from the 50% exemption of Industrial Water rates.





IBARAKI

Thank you very much for your attention!