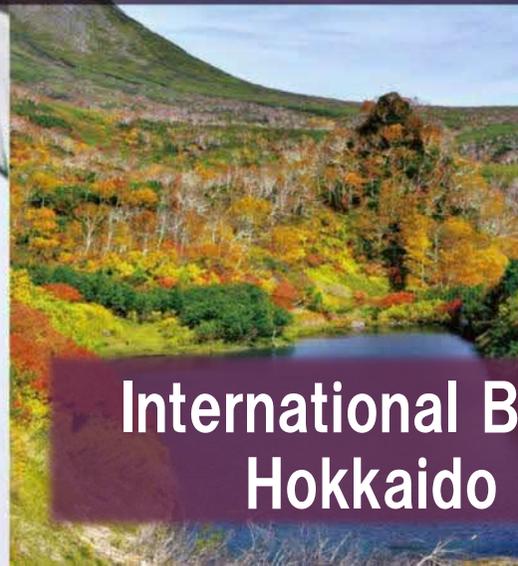




Promoting Investment in Hokkaido

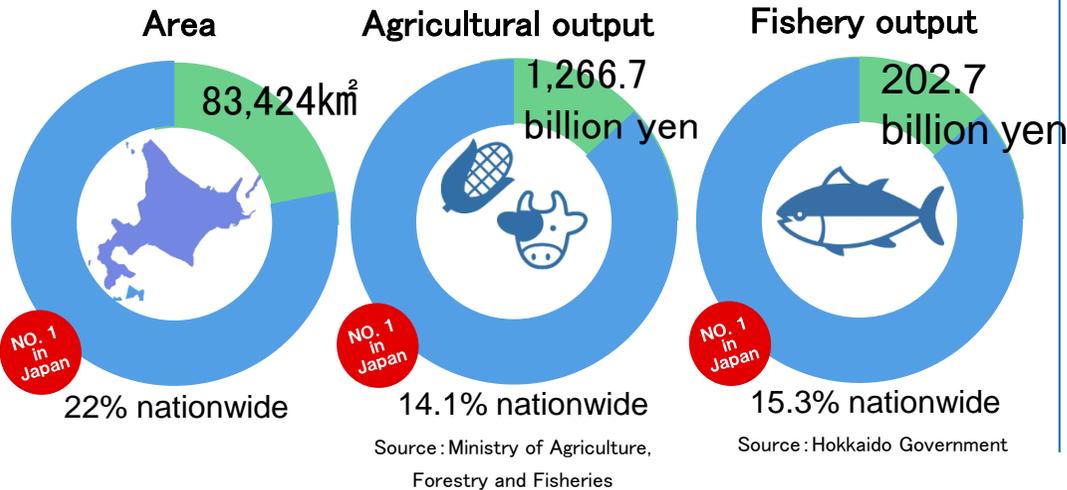
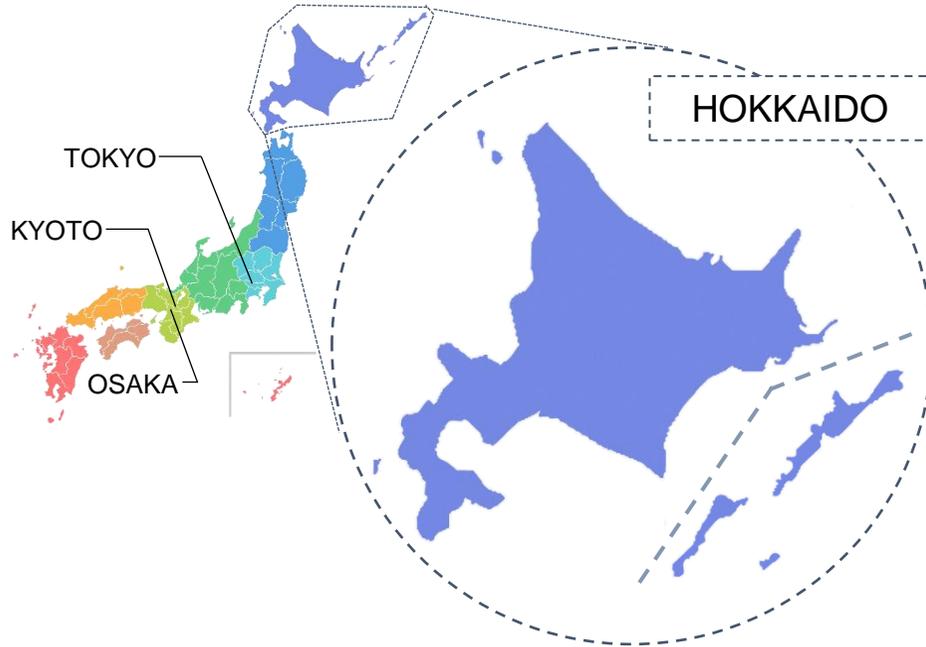
INVEST HOKKAIDO



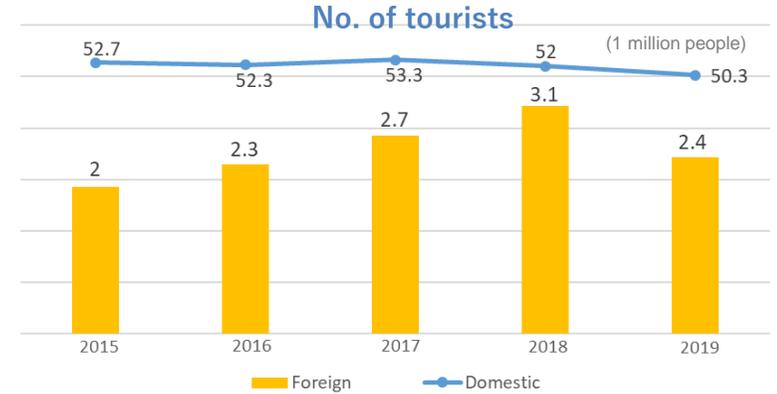
**International Business Division,
Hokkaido Government**

1. Hokkaido Overview

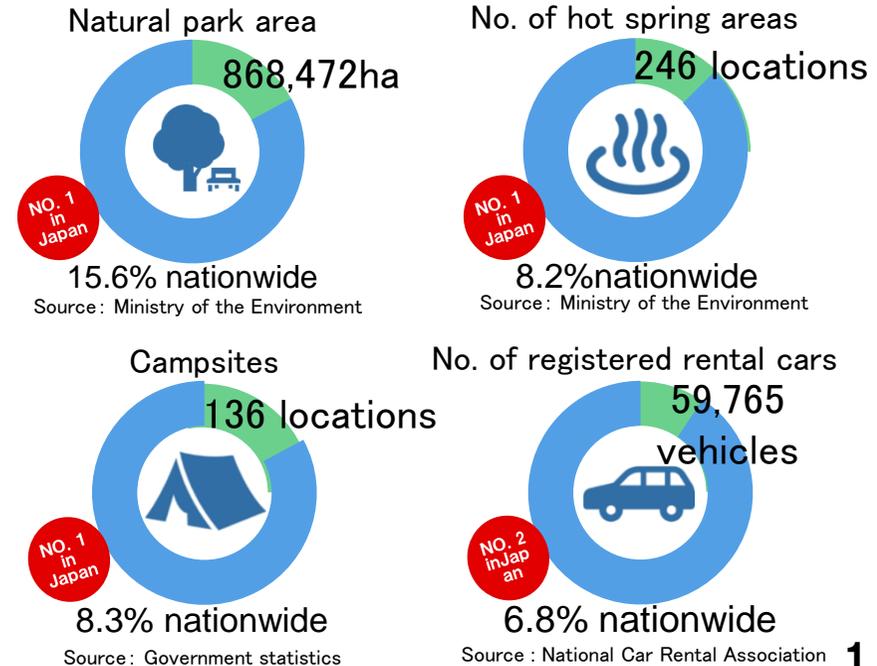
Overview



Domestic and Foreign Tourist Data



(The graph is created based on the report prepared by hokkaido)



2. Business Location

Multiplexed transportation infrastructure

- Air** 13 airports connecting to major domestic and international cities
- Sea** Ferries capable of mass transit
- Land** Hokkaido Shinkansen (4 hours from Tokyo to Hakodate)



A wide variety of satellite offices

Working vacation environments surrounded by natural beauty

Operator	facilities	Notes
Companies opening satellite offices	86	1st in the nation
Municipalities offering trial living homes (regional development initiative offering low-cost temp. housing)	114	—

Upper row: Data: Ministry of Internal Affairs and Communications "Survey on Opening Status of Satellite Offices" (March 2021)
Lower row: Hokkaido Government study (March 2020)



A satellite office in kamishihoro

Provision of various human resources

29 graduate universities, 39 universities and 4 technical colleges

- Hokkaido University
- Sapporo Medical University
- Hokkaido-Gakuen University
- Sapporo Gakuin University
- Hokkaido Information University
- Rakuno Gakuen University
- Chitose Institute of Science
- Asahikawa Medical University
- Kitami Institute of Technology
- Tokyo University of Agriculture
- Obihiro University of Agriculture and Veterinary Sciences
- Muroran Institute of Technology
- Future University Hakodate
- Hokkaido University Fisheries Sciences

- Medical / bio
- Agriculture and fisheries
- Tourism
- IT / power generation / machinery
- Architecture / civil engineering



Industrial parks that support corporate activities

Many inexpensive industrial parks



Average price of production land

Region	Price
Hokkaido	12,800 yen/m ²
National average	34,332 yen/m ²



Provided by the Ministry of Land, Infrastructure, Transport and Tourism

Testing and research institutes that support advancement

Hokkaido research institutes support

Hokkaido Research Organization

- Agricultural Research Department
- Fisheries Research Department
- Forest Research Department
- Industrial Technology Research Department
- Building Research Department
- Environmental and Geological Research Department



Achievements in joint research at Major Hokkaido universities (2020)

University name	No. of campuses
Hokkaido U	636
Obihiro U	89
Muroran IT	89
Kitami IT	65

Provided by the Ministry of Education, Culture, Sports, Science and Technology

A cool and comfortable living environment

Life stages where more allowance is created

Housing		Recreation		
Region	Price (¥/m ²)	Facility	No. of locations	Japan
Hokkaido	19,000 yen	Golf courses	146	3rd
Tokyo	354,000 yen	Ski slopes	27	2nd
Transportation		Beaches	44	7th
Region	Commute time	Bicycle courses	31	1st
Hokkaido	61min.	Parks	362	1st
Tokyo	94min.	Hot spring areas	243	1st
Medical		Hotels and accommodations	2,863	2nd
Region	No. of hospitals	Vacation rentals	598	4nd
Hokkaido	9.2			
Japan	5.7			

*Number of facilities per 100,000 people

Provided by the Ministry of Health, Labour and Welfare

Provided by the Japan Tourism Association (public interest incorporated foundation). *Tourism by the Numbers, 2021 Ed.*

3. Main Hokkaido Incentive Systems

*Requirements and conditions vary by system

Startup System

Allows foreigners engaged in entrepreneurial activities to remain in Japan for up to one year to prepare for such activities.



- Main target businesses
 - Agriculture, forestry and fisheries
 - Food industry
 - Tourism industry
- Status of residence
 - Designated activities

Regional Base Tax Incentive System

Grants preferential treatment in areas such as taxation to businesses that relocate or expand head office functions into Hokkaido.



- Main incentives
 - Reduction of office tax and special measures in the employment promotion tax system
 - Debt guarantee by the Organization for Small & Medium Enterprises and Regional Innovation
 - Differential prefectural (Hokkaido) tax rates

Subsidies from the Hokkaido Industrial Promotion Ordinance

Grants subsidies to businesses that build, expand or relocate head office functions, construct buildings or purchase machinery or equipment in Hokkaido.



- Main conditions
 - Region, industry
 - Minimum investment amount
 - Number of employees
- Grant details
 - Maximum investment amount: 10% (limits apply)

Comprehensive Small and Medium Enterprise Promotional Funding Loan System

Enables small and medium enterprises who are newly expanding factories, business establishments, tourism facilities, etc., to acquire low interest rate funds from financial institutions.



- Main funds
 - Founding loans
 - Expansion “step-up” loans (company location / tourism)
 - Loans to strengthen management/operations

4. Speculative Matching Companies (Hokkaido)



Government / Financial Institutions

1. Hokkaido Municipalities



Area introduction

Idle property / regional industry introduction

Provision of information on public subsidies, etc.

2. Regional Banks



Area introduction

Regional company introduction

Joint development of new businesses

3. Relevant Ministries and Agencies (National)



Area (extended) introduction

Proposals for regional (extended) companies and state-owned facilities

Provision of information on public subsidies, regulations, etc.

4. Hokkaido Government



Area (extended) introduction

Regional (extended) company proposals

Provision of information on public subsidies, regulations, etc.

Tourism Industry

5. Tourism Organizations / Companies



Area (tourism) introduction

Regional tourism company introduction

Joint development of new businesses

6. Accommodation Businesses



Provision of unused spaces

Joint development of new businesses

Development of new businesses with IT/AI

7. Transportation Businesses



Implementation of trial businesses

Joint development of new businesses

Development of new businesses with IT/AI

8. Outdoor Guide Companies



Joint development of stay-type products

Local guide introduction

Joint development of new activities

Food Industry

9. Product Promotion Companies and Affiliates



Regional (food) introduction

Regional food industry introduction

Joint development of food industry businesses

10. Food Industry Businesses



Local produce introduction

Joint development of new businesses

Development of new businesses with IT/AI

Other

11. Regional Consultant



Joint business plan development

Regional company introduction

Provision of information on subsidized projects, etc.

12. Specialist organizations



Joint business plan development

Regional company introduction

Support for notification/application to public institutions

Investment utilizing local resources



Development of new businesses

- Connecting primary industry to tourism businesses to create new businesses utilizing cutting-edge technology, such as automated driving.



Municipal support

- Introduction of companies that are candidates for partnership in Hokkaido
- Introduction of subsidies
- Introduction of idle properties
- Introduction of specialists

Development of new businesses that connect primary industry to tourism

- Establishment of regional tourism companies
- Planning and management of agricultural, fishing activities, etc., in collaboration with regional travel agencies

Development of new products (food products)

- Development of new products utilizing regional ingredients and establishment of production facilities
- Electronic sales of food and newly developed products
- Development of new businesses



Boutique hotels, Restaurants

- Establishment of boutique hotels, restaurants and cafes utilizing regional ingredients
- Establishment of organic restaurants



Construction of a food supply chain

- Creation of year-round agricultural and fishery businesses utilizing heat from hot springs (clean energy) and other local resources
- Construction of a Hokkaido food supply chain



6. Investment Examples 2

Investment utilizing idle properties, etc.

Education and research facilities

- Establishment of educational facilities for elementary and junior high schools
- Establishment of international schools in response to globalization



Municipal support

- Introduction of companies that are candidates for partnership in Hokkaido
- Introduction of subsidies
- Introduction of idle properties
- Introduction of specialists

Development of new business hubs connected to tourism

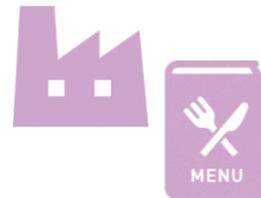
- Establishment of regional tourism companies
- Development of facilities and new activities, such as mountain biking trails, etc., that utilize abandoned railway lines, forest paths, etc.

Hotels, boutique hotels



- Development of hotels that operate in harmony with the region and are linked to regional tourism content
- Establishment of boutique hotels that utilize local ingredients

Restaurants food production facilities



- Establishment of restaurants and food production facilities that utilize regional ingredients
- Establishment of organic restaurants

Recreation vehicle parks, simple hotels



- Establishment of recreational vehicle parks
- Establishment of simple hotels for excursions connected to regional activities



Promotion of ESG investment

Efforts in solving regional Issues



- Development of products and services to solve regional issues

Municipal support

- Introduction of companies that are candidates for partnership in Hokkaido
- Introduction of subsidies
- Introduction of idle properties
- Introduction of specialists

Development of ESG businesses

- Development of environmentally-friendly products
- Development of businesses in consideration of regional and environmental sustainability



New business development of green sectors, etc.

- Development of new businesses with environmentally friendly technology, services, etc.

Restaurants, food product development



- Development and sale of food products in consideration of SDGs, etc.
- Establishment of organic restaurants

Increasing efficiency and reducing labor for existing businesses

- Introduction of clean fuel vehicles
- Development of new materials in order to reduce plastic waste



8. Looking to the future



Safe food

From a Japanese food base to an Asian food base



Food

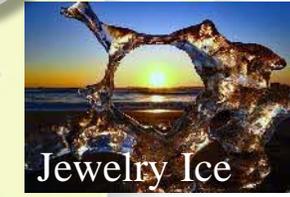
An Asian hub that is kind to both people and the environment and is working to attract investment

Four distinct seasons
Majestic earth

Tourism Leisure

Abundant tourism resources

Adventure resorts that exemplify Asia



Abundant natural environment and energy resources



Asian data centers and energy bases

