

Japan's Regional Strength

Okayama Prefecture has developed as a transport hub for western Japan and has fostered the growth of a range of industries and economic and cultural activities. It is also a center for manufacturing technology, with industries concentrated at such sites as the Mizushima Coastal Industrial Complex. This article introduces efforts to encourage foreign investment in the prefecture.

Okayama Prefecture: Clear Signs of Regional Revitalization

“Rather than shutting the door to what comes from overseas, Okayama Prefecture always remains open to the outside world. By letting in international capital, technologies, and tourists, as well as stimulating exchange of human resources, I would like to develop Okayama into a wealthy region by making maximum use of its potential,” explains Ryuta Ibaragi, governor of Okayama Prefecture.

After working for a foreign management consulting firm, he earned an MBA at Stanford University, and went on to hone his practical experience working in tough business environments both in Japan and in other countries. His knowledge of international business has shaped his active efforts to attract companies to the area.

Okayama Prefecture is an ideal place for business. One reason for this is the excellent climate; it is warm and there is little rain, and the prefecture is known as the “land of sunshine.” The abundant water sources mean that there is a good supply of industrial water, ensuring smooth manufacturing operations.

The prefecture's convenient transport connections are another strength. They include an extensive expressway network, Shinkansen, Japanese high-speed train, and other rail links, daily flights to Seoul and Shanghai from Okayama Airport, and eighteen regular international container services a week along seventeen routes from the Port of Mizushima. These connections allow for business expansion in Japan and continental Asia.

The superb business environment has brought many of Japan's leading companies in the steel, automobile, chemical, oil refining, shipbuilding, and other industries to Okayama Prefecture. Efforts aimed at boosting foreign investment in Japan include plans to work particularly on encouraging industries in the fields of ultra-precision equipment, biotechnology, medicine, welfare, health, and the environment. With the same goal in mind, the prefecture is also focusing on production and research in the growth fields of new energy, next-generation vehicles, and aerospace.

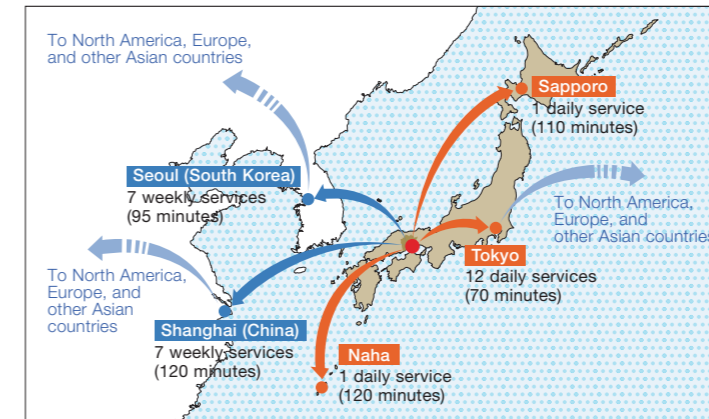
Specific policies for attracting overseas corporations to relocate to the area include setting up a subsidy system to encourage the transfer of head office functions to Okayama (JPY 500,000 [USD 4,200] per person up to a maximum of JPY 25 million [USD 210,000]) and promotion of the development and establishment of new industrial parks to take in companies. In addition, the prefecture plans to create new port facilities and reinforce the international competitiveness of the Port of Mizushima to coincide with the fiscal 2017 start of operations of a foodstuffs complex with a total investment of JPY 27 billion (USD 225 million) at Tamashima Harbor Island in the port.

While putting in place structures to welcome foreign companies, Okayama Prefecture is also actively developing overseas markets for its agricultural products. Under the Okayama brand, it is proactively advertising the Shimizu white peach, Muscat and Pione grapes, and other fruits for which the region is already known throughout Japan for its exceptional harvest. The governor himself visited various locations last year, including Malaysia and Singapore, to promote agricultural products and is working to bolster sales in Asia.

“The more overseas businesses actively invest, the more they will gain. And through deeper mutual exchange, I believe that both Okayama and Japan itself will become richer.”

Okayama Prefecture Web Site
<http://www.pref.okayama.jp/page/298932.html>

Okayama Airport's Excellent Connections to Asia



Regular international container routes from the Port of Mizushima



South Korea	Busan, Incheon, Ulsan, Pohang
China	Shanghai, Dalian, Qingdao, Xiamen, Fuzhou, Ningbo, Tianjin
Vietnam	Ho Chi Minh City, Da Nang
Taiwan	Kaohsiung, Taichung, Taipei

Fruits grown in Okayama are popular with overseas consumers



The prefecture holds Okayama Fairs, mainly in Asia, such as in Hong Kong, Taiwan, Singapore, Malaysia, and Indonesia, where it actively promotes Shimizu white peaches, Muscat grapes, and other Okayama-grown fruits.

Basic facts and figures



The population of Okayama Prefecture is around 1.92 million. The prefecture is located 180 kilometers (110 miles) west of Osaka and serves as a transportation hub in the Seto Inland Sea. A total of 16 million people live within two hours' travel time by expressway. Manufacturing accounts for a large proportion of the industrial sector, with many of Japan's top material, fiber, and machine processing companies located in the area.

Development of a new industrial district attracts foreign businesses



The Okayama Research Park industrial district aims to increase the level and added value of the prefecture's industry. The prefectural government plans to establish additional similar business districts, promote strategic efforts to attract businesses, and bring top businesses to the area. Total investment in land for industrial use last fiscal year was JPY 68 billion (USD 567 million). Available employment opportunities are expected to increase by 900.



Governor Ryuta Ibaragi

Governor Ibaragi was born in 1966 in Okayama Prefecture. After graduating from the Faculty of Engineering at the University of Tokyo in 1990, he joined a foreign management consulting firm. In 1995, he earned an MBA at Stanford and in 1998 became chairman of his family's company, Tenmaya Co., Ltd. In 2012, he was elected as governor of Okayama Prefecture.