AICHI PREFECTURE

Main City: Nagoya
Area: 5,153 km² [2]

Geographical / Landscape description:
Located near the centre of the Japanese main island of Honshu, Aichi Prefecture faces the Ise and Mikawa Bays to the south and borders Shizuoka Prefecture to the east, Nagano Prefecture to the northeast, Gifu Prefecture to the north, and Mie Prefecture to the west. The highest spot is Chausuyama at 1,415 m above sea level.
The western part of the prefecture is dominated by Nagoya, Japan's third largest city, and its suburbs, while the eastern part is less densely populated but still contains several major industrial centres.
As of 1 April 2012, 17% of the total land area of the prefecture was designated as Natural Parks. [2]

Climate:
Aichi prefecture’s climate is generally mild, since located in a plain, Nagoya can be record some relative hot weather during summer. [2]

Time zone:
GMT +7 in summer (+8 in winter)

International dialling code: 0081

Recent history, culture
Aichi prefecture is proud to be the birth place of three main figures that led to the unification of Japan between the 16th and 17th century: Oda Nobunaga, Toyotomi Hideyoshi, and Tokugawa Ieyasu. Due to this, Aichi is sometimes considered as the home of the samurai spirit. Many commemorative museums and places can be found in the prefecture retracing the history behind the three figures.
In 2005 Aichi hosted the universal exposition. [2][3]

Economic overview
Aichi has a particularly strong concentration of manufacturing-related companies, especially in the transport machinery industry (automobiles, airplanes, etc.); since 1977 until today, Aichi has maintained the No.1 position in Japan in terms of the value of its total shipments of manufactured products. Among 24 industry sectors for which statistics are kept, Aichi is No.1 in Japan for 11 of them. It boasts a gross production in excess of 340 billion dollars, surpassing Denmark in terms of economic scale.

Aichi is already home to more than 500 foreign-backed firms and continues to develop business activity. In 2005, the Central Japan International Airport was opened and the World Exposition (Aichi Expo) was held in the prefecture. These two events represent Aichi’s deepening commitment to cultural, human and information exchange with the world, to strengthening its central position globally in industrial technology, and to promoting an even strong concentration of industries within the prefecture. [4]
Economic Indicators

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<tr>
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<th>Aichi Prefecture</th>
<th>All Japan</th>
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<tbody>
<tr>
<td>Population (2013) [1]</td>
<td>7,428,000</td>
<td>127,350,000</td>
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<td>Unemployment rate (2012) [5]</td>
<td>3.7%</td>
<td>4.3%</td>
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<td>GPD (2010) [6]</td>
<td>6.4% of Japan’s</td>
<td>495 trillion Yen</td>
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Infrastructure

Road/railways
Various expressways run through the prefecture making the prefecture a vital part of the national infrastructure. With Nagoya Station at its centre, Aichi provides access to every region in Japan via its radial network of train lines, including the Tokaido shinkansen (bullet train) line (which provides access to Tokyo in approximately 90 minutes and Osaka in approximately 50 minutes), the JR Tokaido line, Chuo main line, Kansai main line, the Nagoya Railroad, and Kinki Japan Railroad. [7]

Shipping
The major ports in Aichi are Port Nagoya, Port Mikawa, and Port Kinu-ura. Port Nagoya is Japan’s No. 1 port in terms of trade and freight volume and has been designated as a “Super Central Port” due to it being one of the top international ports worldwide. Port Mikawa is Japan’s No. 1 port in terms of automobile imports and is a key hub linking Japan with countries overseas. [7]

Civil Aviation
Opened in 2005, the Chubu Centrair International Airport quickly became one of the busiest airports of Japan. Many international routes to major Asian countries, USA, Middle East and Europe (Germany and Finland) [8]

Living Environment
With both rich urban and natural environments, good infrastructures, mountains & coastline and lower housing and other living costs compared to Tokyo or Osaka, Aichi prefecture is a pleasant place for living. [9]

Major types of economic activities

Agriculture, natural resources
Aichi has a well-developed agriculture; especially the flower industry is leader in Japan thanks to what Aichi gained the nickname of “Kingdom of Flowers”. 46% of the prefecture is forested making it an important place for lumber distribution and processing. An important fishing industry with clamps and prawn as main products. [10]

Manufacturing
In 2011, the manufacturing industry's shipment value was principally composed of transport machinery (48.4%), iron & steel (6.9%) and electrical machinery (4.5%). Notably, Aichi’s output is almost twice that of the prefecture in second place, making the prefecture the prime area for Japan’s manufacturers. [11]
Aichi’s manufacturing industry is driven by the automotive and aerospace sectors. With one of the world’s largest concentrations of automotive and automotive-related companies, (Toyota Motor Corporation is headquartered in Toyota City) Aichi’s total shipment amount for transportation equipment and machinery makes up about 40% of the national total (putting it at the top) and puts it in the position of Japan’s automotive industry leader. [12]
Since 2011 a project for creating Asia’s number one Aerospace Industrial Cluster took shape aiming to rank within the world’s top 3 hubs of the aerospace industry. Due to the presence of the Nagoya Flight Research Center this project is in progressing rapidly. [13]
R&D, Innovation, Scientific research

Because of its concentration of automotive and aerospace industries, R&D in Aichi is boosted by private companies operating in those sectors. Public organisations too are supporting this process with various projects like the Toyota Next-generation Energy Mobility City. [12]

Many R&D centres are located in Aichi like the Aichi Center for Industry and Science Technology (regrouping structures researching on ceramics, food, textiles and general industrial research), Nagoya Flight Research Center, Japan Fine Ceramics Center, Nagoya Municipal Industrial Research Institute, Ichinomiya Fashion Design Center, the Institute for Molecular Science or the Plasma Center for Industrial Applications, the Aichi Synchrotron radiation Center.

Opportunities for EU Investors / Exporters / Importers

Promising sectors for cooperation

Long-established industries: automotive industry, aerospace industry, transportation machinery, machine tools, electronics, agriculture, forestry, fisheries. [4][14]

Financial/logistic support

*Subsidy program to support R&D
*Subsidy program to promote investments in the Cutting-Edge Sectors of the 21st Century
*Tax incentives
*Loan program
*Land lease system
*Subsidy support coming from the Greater Nagoya Initiative (GNI) covering:
- Costs for procedural requirements for establishing the company
- Expenses for personnel recruitment, brokerage costs of an office or market research
*Various kind of consultation services provided by the Aichi-Nagoya International Business Access Center in order to support foreign companies wishing to locate in the Aichi-Nagoya region

More information:
http://www.pref.aichi.jp/ricchitsusho/e/fund.html
http://www.i-bac.jp/i_bac/index.html

Setting up a business in Aichi

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Aichi Prefecture
Aichi Center for Industry and Science Technology
http://www.aichi-inst.jp/en
Aichi Synchrotron radiation Center
Ichinomiya Fashion Design Center
http://www.fdc138.com
Institute for Molecular Science
http://www.ims.ac.jp/index.html
Japan Fine Ceramics Center
http://www.jfcc.or.jp/en/22en_intro/
Japan Smart City Portal
http://jscp.nepc.or.jp/en/
Nagoya Flight Research Center
http://www.jaxa.jp/about/centers/nagoya/index_e.html
Nagoya Municipal Industrial Research Institute
http://www.nmiri.city.nagoya.jp/
Plasma Center for Industrial Applications
Aichi Prefecture Tourism Association
http://www.aichi-kanko.jp/

Sources and footnotes
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