

Development Projects of Specified Facilities under the Law of Utilizing the Capability of the Private Sector

Purpose of the Law : To promote strong development of national economy and local society as well as international economic exchange by taking measures to utilize private sector in the development of the facilities designated as the specific facility for developing socio-economic infrastructure under the changes of the economic environment.

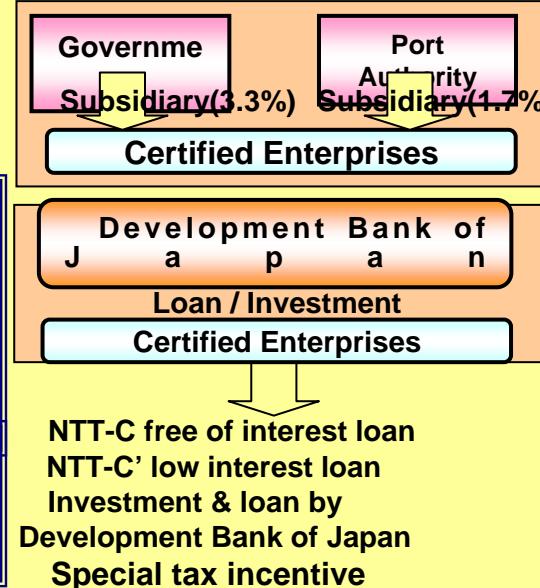
Minister concerned according to the Law, private enterprise apply to the Minister for the target facility development project in term of the advancement of the port and logistic.

Target Areas

In the port area or harbor side area, the target area should be designated as special port development area by the port authority and be suitable for the development policy in the area.

Size of the Facility

The facility designated in the basic policy of the Law.



Tenpozan Area at Osaka Port

Osaka Aquarium Kaiyukan, Museum Tenpozan, Sea gull Tenpozan Osaka (Port Culture & Communication Facilities)
(Advanced logistic infrastructure development facility)



Passengers Terminal Facilities: 15

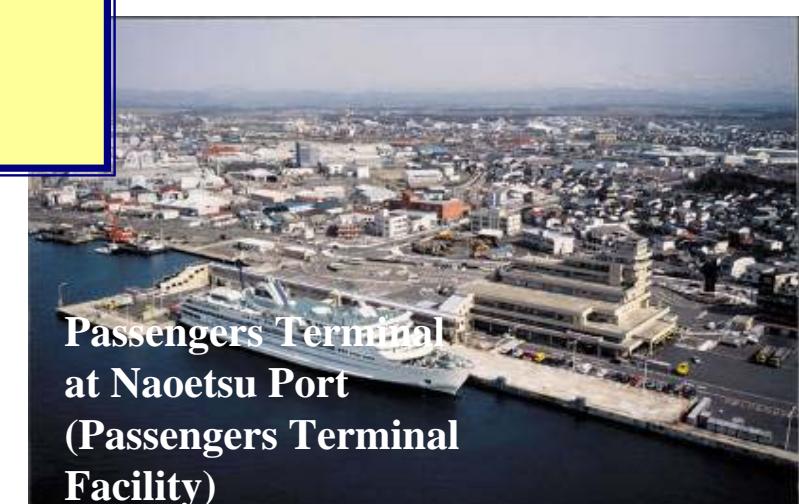
Port Culture & Exchange Facilities: 14

Port Business Facilities: 9

Port Exchange & Training Facilities: 3

Import Promotion & Advancement Facilities: 2

International Convention Facility: 1



Development projects of specified facilities under the law of utilizing the capability of the private sector [Passengers Terminal Facility]

Nanao Port Nanao Fisherman's Warf
[Noto Food Festival Market]



Operated by Kashimazu Corp.
Opened in September, 1991

In addition to the above, there are several projects such as Onahama Passengers Terminal (Iwaki Ra Ra My).

Nearly one million people visits the facility annually which is almost 20 times of the population of the area. As the result, local economy has been revitalized.

Beside the passengers terminal, There are “Noto Gourmet House” where visitors enjoy local food, “Noto Craft House” where local craft materials are sold, “Noto Seasonal Festival Museum” where visitors are able to experience seasonal festival atmosphere.

Public sector develops Nanao Marine Park (amenity-oriented waterfront greenary zone) etc. in the Fisherman's Warf area.

Development projects of specified facilities under the law of utilizing the capability of the private sector [International Convention Facility]

Yokohama International Peace Convention Facility [PACIFICO Yokohama]



The facility is a biggest class of international convention facility in the world. The facility was designed based on the image of the seashell. As it equips state of the art audio, lighting, simultaneous interpreter system and movable area, it is capable for the use of international conference, music concert, memorial event and corporate event.

This is a complex of convention facility with exhibition halls and hotel in the water front area of the “Minato-Mirai 21”, the newly developed city in Yokohama.

**Operated by PACIFICO Yokohama
Opened in July, 1991**

Public sector constructed entrance / exit of expressway, highroad, green area etc. based on the re-development project of “Minato-Mirai 21 plan”

Development projects of specified facilities under the law of utilizing the capability of the private sector [Port Business Facility]

Takeshiba Pier Building

[New Pier Takeshiba North & South Towers]



North
Tower

South
Tower

The building is designed specially for the businesses related to the port and harbor. It equips highly advanced information network system and the tenants can use such system effectively. The office spaces are configured to work well for the port and harbor businesses with panoramic view to the Tokyo bay.

Beside the office building, there are hotel, park and garden where people not only work but also dine, take a rest, have the pleasure. The area offers very attractive water front environment.

Operated by Takeshiba Area Development
Opened in November, 1991 (North Tower) and
August, 1996 (South Tower)

In addition to the above, there are several projects such as Retro Square Center Building at Moji Port and Center Building at Hakata Port.

In the area, passengers terminal and green lung in the central zone are developed by the public sector.

Development projects of specified facilities under the law of utilizing the capability of the private sector [Port Culture & Exchange Facility]

Osaka Aquarium Kaiyukan at Osaka Port



Operated by Osaka Water Front Development Co., Ltd.

Opened in July, 1990

In addition to the above, there are several projects such as JETTY, Nagasaki Sunset Marina, Sea-gull Harbor.

The aquarium has a 5400 ton fish tank which is biggest size in the world. Around the fish tank, the environment of the ring of fire from the pole to the subtropics is exhibited. In September 25th, 2003, the numbers of admission reached at about 40 million.

Around "Kaiyukan" (the name of aquarium), there are market place, Suntory Museum, Hotel Seagull, passengers terminal etc. which makes the area combined leisure spot.

Development projects of specified facilities under the law of utilizing the capability of the private sector [Port Exchange & Training Facility]

Fushiki-Toyama Port Sea of Japan Exchange Center



**Operated by Fushiki-Toyama Port Development Promotion Foundation
Opened in July, 1992**

In addition to the above, Enrum Marina Muroran, Marinoa (Nishi-Fukuoka Marina)

Sailing ship “Kaio-maru” and its sister sailing ship “Nihon-maru” were constructed at Kawasaki Shipyard in Kobe in 1930. Both are training ships at navigation training center of the Ministry of Transportation. “Kaio-maru” had voyaged about 50 times around the world and trained more than 11,000 young sailors. Because of the history of the above, the sailing ship has an atmosphere of dreams and romans. In the park, the ship has been conserved as the shape of the day and opened to the public. Also the ship is used as a marine school for the young people.

The passengers terminal was developed in the park by the public sector and opened in September 10th, 2003.

Urban Development Projects by the Private Sector Specific for the Utilization of the Real Estate in the Port and Harbor Areas

This measure is the project to develop public facilities such as green lung, roads etc. in the urban development project which is done by the private sector on condition that the project would utilize the real estate rationally and healthy, and increase the urban functions.

Target Facility

Public facilities in port area such as green lung, roads etc. in the development of mentioned below on condition that public investment would be more than 20% out of total development cost.

Passenger terminal, logistic complex facility, business facility, commercial facility and so on

Target Areas
The areas authorized as urban planning area, port area and harbor side area.

In three major cities the target is limited in the port development areas designated by the Law of Utilizing the Capability of the Private Sector and important comprehensive recycling

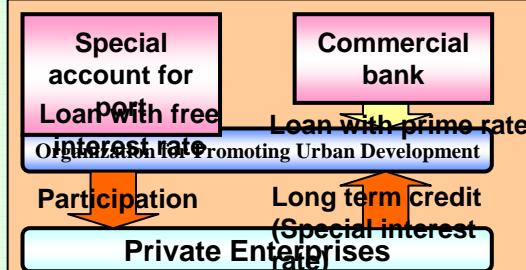
logistic port areas.

Size of the Facility

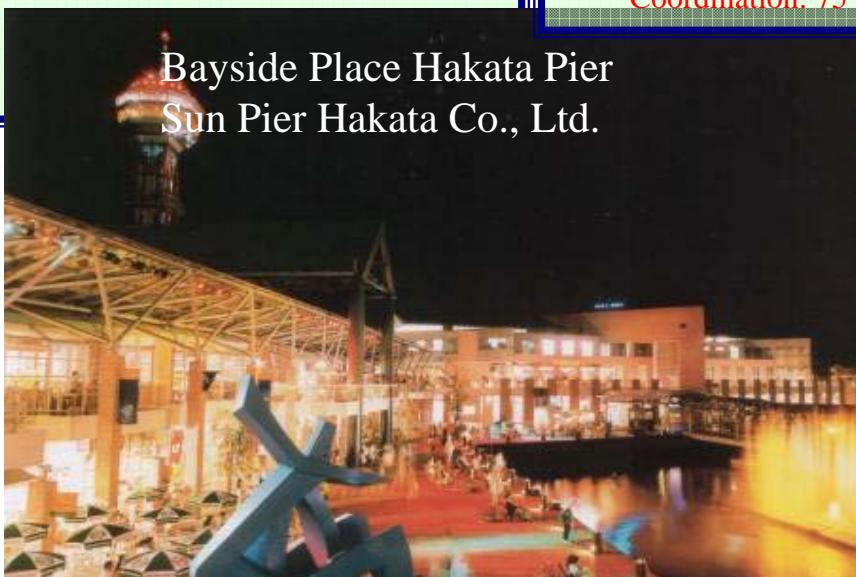
- Projected area including water surface: more than 2,000m²
- Projected space of the building facility: more than 2,000m²
- In the case the project would increase logistic function in the port area not in use or low usage: more than 1,000m²

Supporting measures

Participation



Coordination



Projects done: 87

Complex Logistic Facilities: 47
Passenger Terminal Facilities: 12
Marina Facilities: 2
Observatory Facility: 1
Commercial Facilities: 11
Lodging Facilities: 7
Convention Facility: 1
Business Facilities: 4
Parking Facilities: 2
Participation: 12
Coordination: 75

Urban development projects [Commercial Facility]

Hinode Area Re-development Plan at Shimizu Port [S-Pulse Dream Plaza]



This is a complex commercial facility composed by large sized seafood market, theme-park style restaurants, movie theater with highly advanced equipments, various kinds of amusement facilities, restaurants, general stores. It is a main complex facilities in the re-development of Hinode area and generates visits of tourists.

In the area, there are yacht harbor, amenity-oriented water front park, passenger terminal etc. which make the area very good atmosphere to enjoy the port and sea.

Operated by Suzuyo & Co., Ltd.

Opened in October, 1999

In addition to the above, there are several projects such as "Yume-site:", Seagull Harbor, Keihan Fisherman's Warf at Seto-ohashi.

Urban development projects [Marina Facility]

Mito Area Development Plan at Mikawa Port [Mikawa-Mito Marina]



This facility is one of the biggest marina in Japan. It has 2.5 ha of land site and 7.0 ha of water site. In the water site, seven mooring pier and header walk way of 260 meters long are consolidated. The facility is capable to moor large sized yacht.

Operated by Idemitsu Kosan Co., Ltd.

Opened in Dec., 1993

In addition to the above, there are several projects such as Marina Wave Otaru.

Urban development projects [Lodging Facility]

Bandaijima Re-development & Facility Plan at Niigata Port [Hotel Nikko Niigata]



**Operated by Niigata International Convention
Hotel Co., Ltd.
Opened in May,
2003**

In addition to the above, there are several projects such as ANA Hotel Kushiro and Hilton Otaru.

This is a complex facility composed by the Bandaijima building 140.5 meters high which is a tallest building in the Sea of Japan area, Niigata Convention Center and green lung.

International exhibition hall is a biggest in the Niigata prefecture for the use of exhibition, events and music concert etc. and it has conference rooms being able to use for the international conference with highly advanced equipments such as simultaneous interpretation booth applicable to six languages and large sized

Urban development projects [Port Exchange & Training Facility]

Katsunai Pier Re-development Plan at Otaru Port [Otaru Port Ferry Terminal]



The site of the ferry terminal has 18,761m² and the total building space is 6,663m². In the surrounding area, there are hotel (Hilton Otaru), commercial facility (Wing Bay Otaru) and marina facility (Marina Wave Otaru).

Operated by ShinNihonkai Ferry Co., Ltd.

Opened in April, 1994

In addition to the above, there are several projects such as New Moji Port Passenger Terminal, Bayside Place Hakata Pier etc..

Urban development projects [Observation Facility]

Beach Park Plan at Hakata Port [Fukuoka Tower]



The tower is 234 meters high which is tallest tower in Japan as a tower located close to the beach area. The tower is a symbolic monument in Fukuoka.

The observatory lounge in the top floor (123 high) is suitable for the entertainment parties etc. thanks to panoramic view, especially in the night, through the glass windows covering all round of the floor.

On the top of the tower, the multi use antennas for broadcasting / transmitting is equipped and is used for the TV and FM radio broadcastings as well as telephone communications. Operated by Fukuoka Tower Co., Ltd. as voice, video and data communication. Opened in January, 1990

Increase of Efficiency of Port Services by Utilizing PFI

[Outline and Effective Results]

Introduction of PFI method to container terminal in major international ports

Public support measures
Loan with free interest rate
Special bond
Special tax incentive

Development of public cargo handling facility management of container terminal

Utilization of funds, technologies and management know how of private enterprises

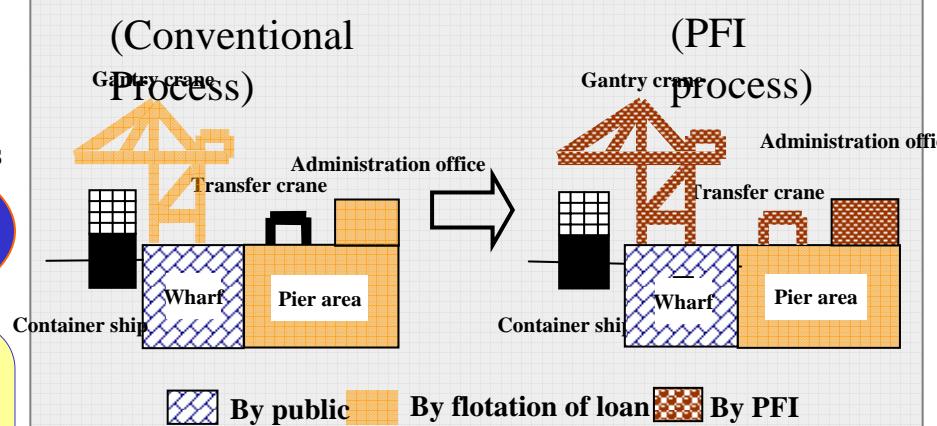
Clarification of responsibilities between public and private sectors and effective risk management of whole project

Reduction of the project cost by reducing life cycle cost

Supply of port services to strengthen international competitiveness

Economic revitalization by creating business chances for the private sector

[Development process of container terminal]



[Container terminal at Kita-Kyushu Hibiki Port]



Redevelopment of the Port by Urban Development Project

Enactment of Special Law of Urban Development (Proclaimed in June 1st, 2002)

- Assign target area of urgent development needed.
- Special measures to promote urban development projects

Deregulation, Financial support
sector)
Current situation

- Depression of the substitution by private sector
- Deterioration of the revetment and the seawall
- Lack of the public transportation

Case study (Chiba Port)



[Challenges]

Real estate not in use or low usage counts 5,000 ha and concentrates in three major ports and northern Kyushu areas.

- Change of the usage and inactiveness of the port facilities
- Change of the usage of the real estate and business activity in port area

About 40% of urgently needed development areas are concentrated in port area

Amendment of Special Law of Urban Development (Proclaimed in May 16th, 2003)

- Port facilities are additionally included in the target facilities using loan with free interest by the amendment.

Effective results

- Conversion to commercial and business facilities
- Prevention or minimization of the high tide disaster in urban areas
- Port development to realize amenity-oriented spaces



Development of port facilities by the method of the operation substituted by private sector

Increase of the attractiveness of the cities in innerland and

the international competitiveness

Re-configuration of port area by converting existing port facilities

Effective promotion of the usage of existing port facilities