

Case Examples of How the Assistance Measures Provided for the Comprehensive Special Zone Can Be Utilized

Regulatory Exemption Measures

Based on an exemption made for the National Property Law, the gratuitous conveyance of the former "Vocational Museum" from the national government to the Kyoto Prefectural government was made possible, laying the groundwork needed to prepare the "Keihanna Open Innovation Center @ KYOTO (KICK)." In addition to acting as a space used for research projects performed in collaboration between industry and academic institutions, this center is also used as the venue for such large-scale events as the "Kyoto Smart City Expo," etc., and efforts are being made to establish this center as a hub for global open innovation with a key focus placed on development in the field of smart communities.



Keihanna Open Innovation Center @ KYOTO

Measures to Provide Financial Assistance

By utilizing the Comprehensive Special Zone Adjustment Fund (*), preparations were made to establish the "Kobe Center for Medical Innovation," a new drug development innovation hub located at the KOBE Biomedical Innovation Cluster. With the aim of accelerating research and development of innovative pharmaceuticals and regenerative medicine, etc., this center offers tenant office space and access to cell culturing facilities that can be used for product development for such fields as regenerative medicine for pharmaceutical companies and new drug development startup companies, etc., while at the same time providing a soft infrastructure support system to aid in the matching up of tenant companies and in providing assistance to bring potential products to market.



Kobe Center for Medical Innovation

Measures to Provide Tax Incentives

With the aim of strengthening industrial global competitiveness, this policy may be used by select corporate entities to receive corporate tax breaks. Such tax breaks can be used to provide relief from taxes arising from the acquisition of equipment, such as machinery, devices, and research facilities etc., which are being purchased for the explicit purpose of engaging in business operations that align with the Comprehensive Special Zone Plan, and such tax measures are being used to provide support to corporations engaged in activities related to the field of life sciences, etc., which are housed within the Saito Life Science Park in Ibaraki City, Osaka Prefecture, for example, in addition to support being provided for numerous business efforts being conducted throughout the area that encompasses Kyoto Prefecture, Osaka Prefecture, and Hyogo Prefecture.

Measures to Assist in Interest Payments

For cases where it is necessary to receive a loan from a financial institution in order to conduct business operations that will contribute to the advance of the Comprehensive Special Zone, it may be possible to receive a Comprehensive Special Zone Assistive Interest Subsidy. Within Osaka Prefecture, this policy is being utilized to help in the establishment of production technologies related to the manufacture of nucleic acid pharmaceuticals, among other efforts, and it contributes to the facilitation of smooth business operations by reducing the interest payment burden placed on such businesses.

Steps for Receiving Assistance Measure Benefits

Designation as a Comprehensive Special Zone

*In order to receive capital investment, the business office, etc., in question must be designated by the national government as being located in a special zone.

Creating and Receiving Approval for a Comprehensive Special Zone Plan

*A plan must be established by consulting with the relevant local government offices, and said plan must be approved by the national government.

Individual Procedures for Applying for Various Assistance Measure Benefits

*The necessary procedures must be followed in order to receive designation as a corporation that qualifies for tax exemption, etc.

Coordination with the National Strategic Special Zones

In the Kansai region, the entire area that encompasses Kyoto Prefecture, Osaka Prefecture, and Hyogo Prefecture is designated on a national level as the Kansai Area National Strategic Special Zone, which is being promoted to "establish a global innovation hub that is focused on the fields of health and medicine," among other fields (May of 2014). In regards to future regulatory reforms to further promote the growth of business operations within the Kansai Innovation International Strategic Special Zone, we aim to coordinate our efforts with other designated national strategic special zones as needed, in order to make such reforms a reality.

■ Direct all inquiries to:

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Utilizing the Vast Potential of the Kansai Region to Enhance the Global Competitiveness of Japan

Kansai Innovation International Strategic Comprehensive Special Zone



Utilizing the Special Zone to Spark Innovation



<http://kansai-tokku.jp/>

Kansai Innovation International Strategic Comprehensive Special Zone

By acting as the forerunner to drive development and growth within Japan in the fields of life sciences and energy, we aim to seize the initiative to lead the entire Asian market.

In the Kansai Innovation International Strategic Special Zone, national/local government and business associations work in unison with each other to provide support to corporations that are planning to develop new business operations in 6 key fields (pharmaceuticals, medical devices, advanced medical technologies, preemptive medicine, battery technologies, and smart communities). In addition to preferential regulatory

exemption measures, comprehensive measures are being implemented to provide such corporations with support in the form of financial aid, tax breaks, and support for interest payments.

Harima Science Garden City Zone



- New drug development and next-generation energy saving materials development that utilizes the cutting edge scientific technology infrastructure provided by such facilities as the "SPRING-8" large-scale radiation facility and the "SACLA" X-ray free-electron laser facility, etc.

KOBE Biomedical Innovation Cluster Zone



- Practical application of cutting edge medical technologies
- Practical application of medical devices
- Support for research and development involving medical devices
- Establishing a foundation for preemptive medicine
- Innovative new drug development that utilizes the "K" supercomputer

Kansai International Airport Zone



Hanshin Port Zone



- Enhancement of freight collection capacity in order to maintain and further reinforce the status of these ports among other ports on major shipping routes
- Creating container freight demand, etc., by promoting the region as a prime industrial location

- Establishment of a comprehensive hydrogen utilization model for airports
- World class quality pharmaceutical logistics system
- Expansion of cargo transportation network

North Osaka Zone



- New drug development
- Creation of innovative medical devices
- Establishment of advanced medical technologies, such as regenerative medicine and BNCT (boron neutron capture therapy), etc.
- Establishment of a smart community business model

Kyoto City Zone



- Research and development in the fields of new drug development, medical devices, and regenerative medicine that actively makes use of the city's prime location, which houses some of the top research institutions in the world for the field of life sciences, such as Kyoto University, in addition to related corporations

Keihanna Science City



- Preparations necessary to actively utilize the former "Vocational Museum" as a smart community open innovation center
- Promotion of demonstration projects to establish a next-generation energy/social system

Osaka Station Area Zone



- Promoting the development of business operations in fields related to the environment and medicine, etc., and promoting the establishment of a new industry creation hub in Asia centered around the Knowledge Capital (knowledge creation hub)

Yumeshima / Sakishima Zone



- Business operations focusing on technologies related to the environment and energy, such as the construction of an electrical power infrastructure system that makes use of renewable energy, etc., and efforts to facilitate the functions of the Battery Strategic Research Center, etc.



● Please note that even if a corporation is located in an area other than the ones listed above, there are cases where said corporation may still be eligible to receive Comprehensive Special Zone assistance measure benefits. If you are considering to start a business, please feel free to consult with us.