



Fukuoka Growth

02 Engine of Regional Economy

Growth Potential of Fukuoka City

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Information & Strategy Office

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Version1.1

Photo: Fukuoka City

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⑦STOCKHOLM
①COPENHAGEN

⑭PARIS

⑧MUNICH ⑤WIEN
⑥ZURICH

A Most Livable City in the World

Fukuoka 12th Most Livable City in the World 2013

Fukuoka city ranked 12th in the annual rankings of the "World's Most Livable Cities" announced by London-based lifestyle magazine "Monocle".

Since 2008 Fukuoka city has been placed in the top 25 cities, and is steadily moving upwards in rankings.



Evaluation of Fukuoka City for Quality of Life 2013; MONOCLE

Fukuoka has been hidden under other large cities in Japan, but is attracting attention as the compact urban city located in Kyushu. The 1.5 million population is small for a large city, and people enjoys relaxing urban life with enough green space. Also, the distance to Tokyo, Shanghai and Seoul are almost the same, which makes Fukuoka city the convenient base for an enterprise aiming to go into Asia. Fukuoka has clean air, mountains and sea close by, thriving food culture and art scenes, and institutes of world-class high-tech companies. However, Fukuoka still needs some improvements including to halt a talent drain of college graduates, to set up a bicycle rental system, to promote local farmers, and to make better use of seaside property.

Electric car charging points: 52

Culture: 175 film screens, 60 theatres, 50 galleries and 9 museums.

Bookshops: 567

Green space: 76 square meters per person

Street life: Streets are safe to walk and have enough streetlights. Although few cafes or restaurants have outdoor terrace seats, beer gardens in summer are popular.

Monocle fixes: Fukuoka needs to lure more multinational corporations that are looking for a base in Asia. Also Fukuoka needs to prevent a talent drain.

⑪HONG KONG

⑮SINGAPORE

⑨SYDNEY

⑨AUCKLAND

②MELBOURNE

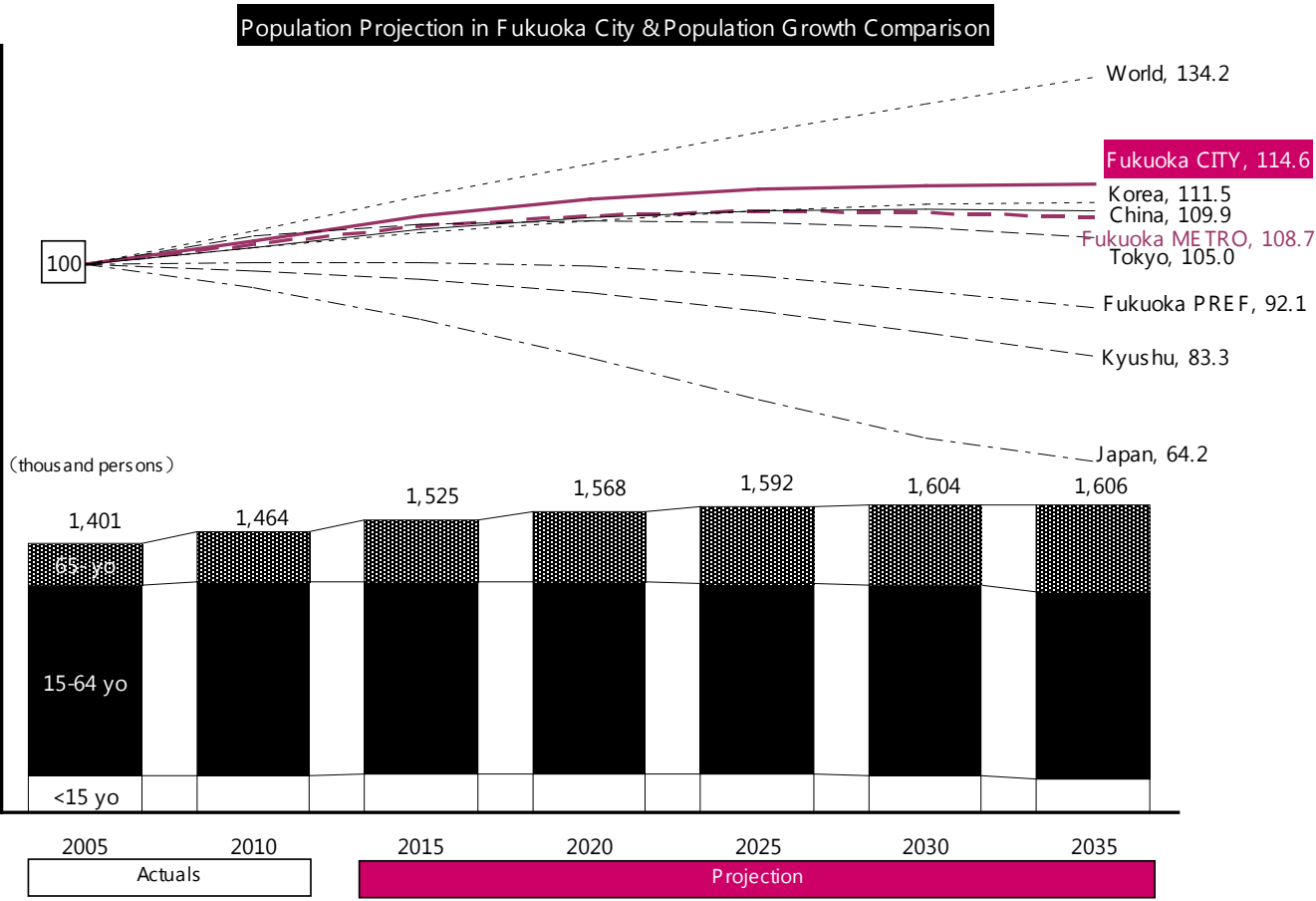
Population in Fukuoka city is projected to grow for next 20 years, which is nationally remarkable as population in Japan has been and will greatly decline. Although population declines in whole Kyushu region, concentration in Fukuoka city is expected to accelerate.

While cities are driving the world economy, monopolar concentration into the capital city is still continued in Japan, exceptionally among developed countries. In order to enhance sustainability and resilience of the national economy, each metropolitan area in Japan needs to drive economic growth autonomously in original and creative ways and resultantly position itself in global economy. Also, the core city of the metropolitan area is expected to take a role of leading the surrounding area with a strong hub function and a control function.

Compared with Hokkaido region which is a provincial economic area located at the north tip of Japan, Kyushu has larger economic scale, higher industry accumulation, and a more diversified industry portfolio. With these economic activities and foundation, the Fukuoka city's economic activity majoring in service industry seems prospering.

Fukuoka city is expected to attract more people and investments by raising its presence in the world as a core city of Kyushu economic region.

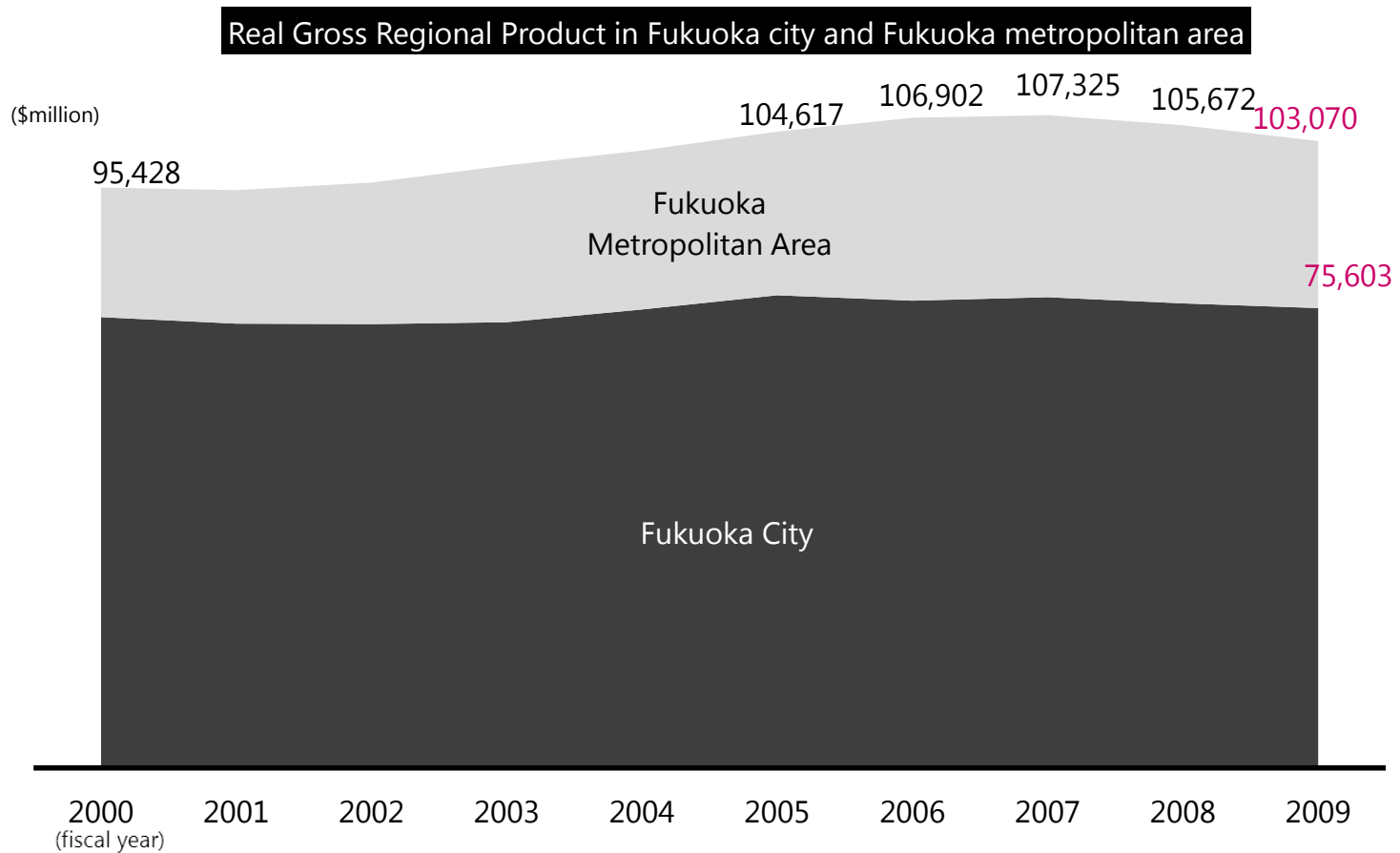
Projected growth in population over next 20 years.



While population tends to decrease in Japan, population in Fukuoka city is forecasted to increase over next 20 years. Working age population (15-64 years old) is also expected to keep the current level for the time being.

Fukuoka METRO=Fukuoka Metropolitan Area; Fukuoka PREF=Fukuoka Prefecture; Tokyo=Tokyo 23 wards.
 Note: Population growth rate is based on the amount in 2005 set as 100; Data for Kyushu and Fukuoka Prefecture are estimated data from Kyushu Economic Research Center; Data for Fukuoka Metropolitan Area are added data of projected data from Kyushu Economic Research Center and estimated data from Fukuoka city; Data for Tokyo 23 wards are estimated data from Tokyo Metropolitan; Data for Japan are from National Institute of Population and Social Security Research; Data for World and other countries are from estimated data from the United Nations. World Population Prospects. The 2012 Revision; Fukuoka Metropolitan Area (9 cities and 8 towns in total) includes Fukuoka city, Chikushino city, Kasuga city, Onojo city, Munakata city, Dazaifu city, Koga city, Fukutsu city, Itoshima city, Chikushi-gun Nakagawa town, Kasuya-gun Umi town, Sasaguri town, Shime town, Sue town, Shingu town, Hisayama town, Kasuya town.
 Sources: United Nations; National Census; Fukuoka City. Population Forecast.

Approx. \$100 Billion of Gross Regional Product in Fukuoka Metropolitan Area.



Gross regional product (GRP) in Fukuoka city is approximately \$75 billion, which is more than 70% of GRP in the Fukuoka metropolitan area.

GRP=Gross Regional Product.
 Note: Data for Fukuoka Metropolitan Area is estimated from nominal amount. Fukuoka Metropolitan Area (9 cities and 8 towns in total) includes Fukuoka city, Chikushino city, Kasuga city, Onojo city, Munakata city, Dazaifu city, Koga city, Fukutsu city, Itoshima city, Chikushi-gun Nakagawa town, Kasuya-gun Umi town, Sasaguri town, Shime town, Sue town, Shingu town, Hisayama town, Kasuya town. 1 US dollars=93.57 YEN by IMF for GRP (2009).
 Sources: Fukuoka Prefecture; Fukuoka city (FY2009)

Competitive scale of Fukuoka economy in the world.

World Major Cities GRP & Population Comparison (2008)

Estimated GDP in 2008 (\$bn at PPPs)	500-		Chicago London Paris	Tokyo New York Los Angeles
	300-<500	Washington DC Boston Dallas/Fort Worth Atlanta San Francisco/Oakland	Philadelphia Hong Kong	Osaka/Kobe Mexico City Sao Paulo Buenos Aires, Moscow
	<300	Houston Detroit Seattle Singapore Sydney Fukuoka Metropolitan Area	Miami Seoul Toronto Madrid Fukuoka Prefecture	Shanghai Mumbai (Bombay) Rio de Janeiro
Population (millions)		2-<5	5-<10	10-

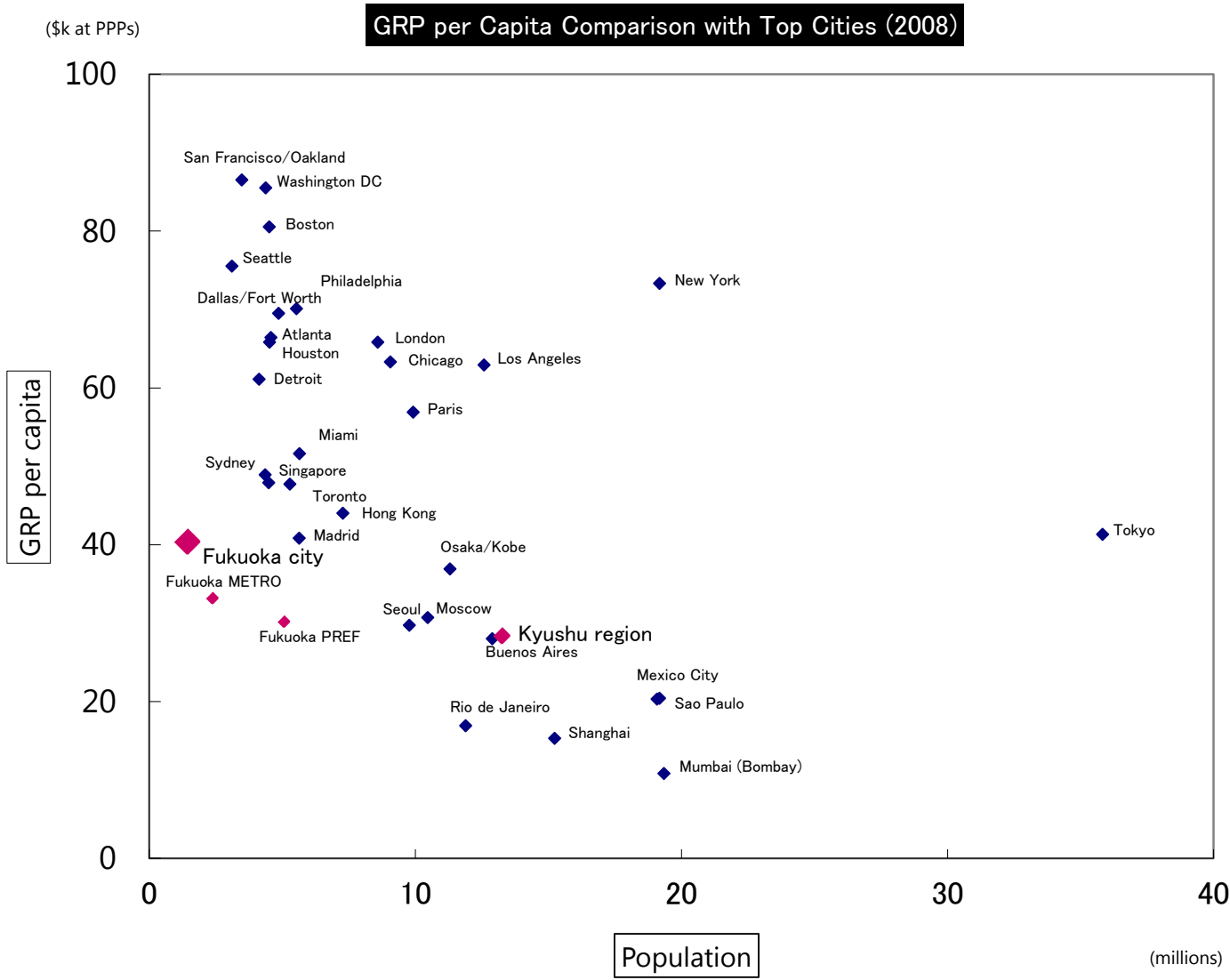
Fukuoka city is the center of economy in Kyushu region. Comparing GRP (Gross Regional Product) in global scale, Kyushu has the competitive economic scale with major large metropolitan regions.

GRP=Gross Regional Product; PPPs=Purchasing Power Parities.

Note: Data of Kyushu and Fukuoka Prefecture (2008) are added to data from PricewaterhouseCoopers, "Global city GDP rankings 2008-2025" and compared. 1 Yen=116.8458138 US dollars by OECD Purchasing Power Parities for GDP (2008). As a reference, ratio of "GRP : Population" for Fukuoka City is "58 : 1.43", for Fukuoka Metropolitan Area is "79 : 2.37". Fukuoka Metropolitan Area includes Fukuoka city, Chikushino city, Kasuga city, Onojo city, Munakata city, Dazaifu city, Koga city, Fukutsu city, Itoshima city, Chikushi-gun Nakagawa town, Kasuya-gun Umi town, Sasaguri town, Shime town, Sue town, Shingu town, Hisayama town, Kasuya town.

Sources: PricewaterhouseCoopers . "Global city GDP rankings 2008-2025". PricewaterhouseCoopers UK Economic Outlook November 2009; Cabinet Office, Government of Japan (Nominal 2008)

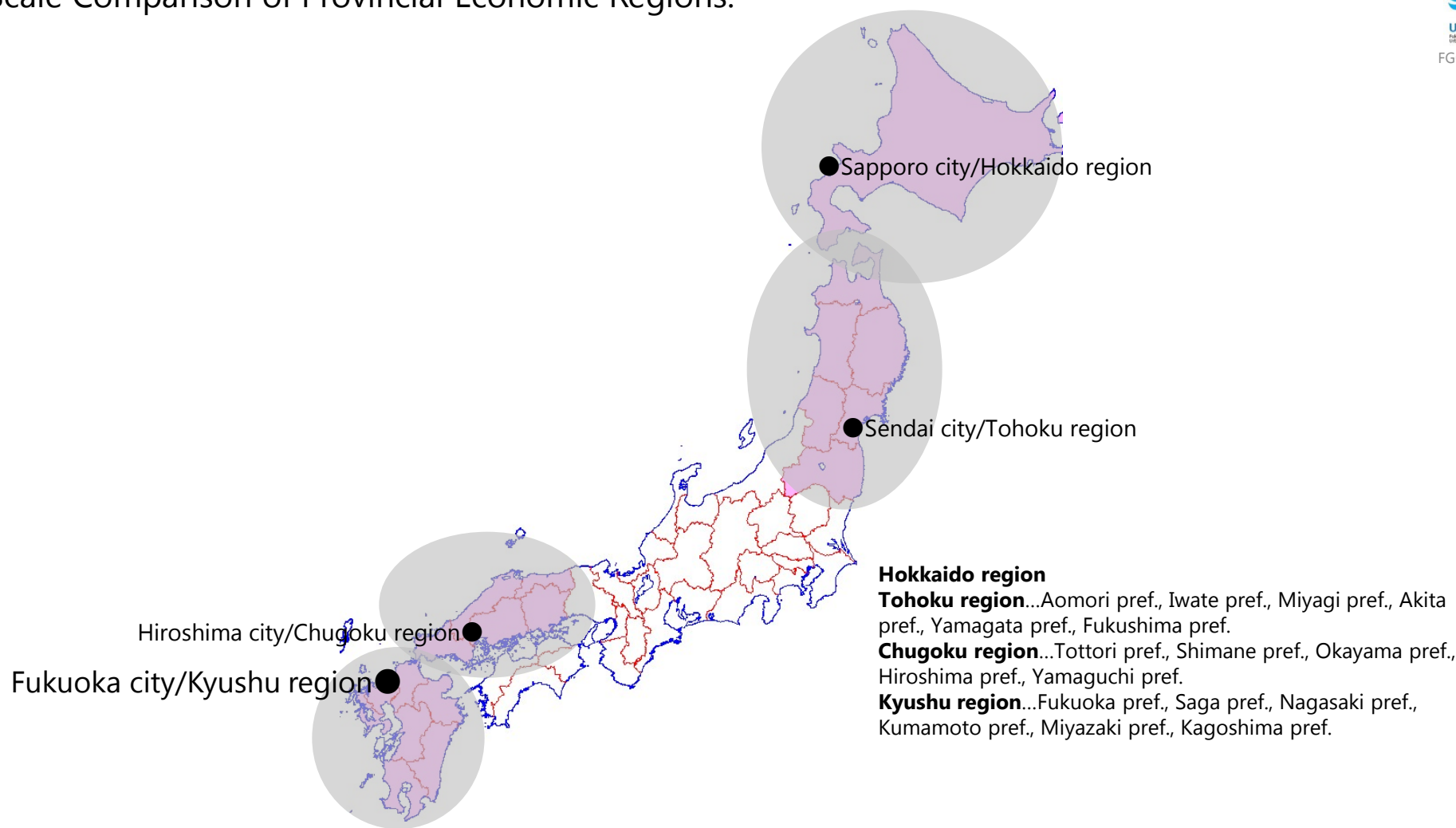
Relatively high economic status among Asian cities.



Although the difference of GRP per capita between Fukuoka city and the world's top cities is still large, Fukuoka city has the highest amount in Kyushu.

Fukuoka METRO=Fukuoka Metropolitan Area; Fukuoka PREF=Fukuoka Prefecture; GRP=Gross Regional Product; PPPs=Purchasing Power Parities.
 Note: 1 Yen=116.8458138 US dollars by OECD Purchasing Power Parities for GDP (2008). Fukuoka Metropolitan Area (9 cities and 8 towns in total) includes Fukuoka city, Chikushino city, Kasuga city, Onojo city, Munakata city, Dazaifu city, Koga city, Fukutsu city, Itoshima city, Chikushi-gun Nakagawa town, Kasuya-gun Umi town, Sasaguri town, Shime town, Sue town, Shingu town, Hisayama town, Kasuya town.
 Source: PricewaterhouseCoopers . "Global city GDP rankings 2008-2025". PricewaterhouseCoopers UK Economic Outlook November 2009; Cabinet Office, Government of Japan (Nominal 2008)

Scale Comparison of Provincial Economic Regions.



We will take a look at the status of Japan’s major provincial economic regions including Fukuoka city, Sapporo city, Sendai city, Hiroshima city and other urban cities besides Japan’s three large metropolitan areas.

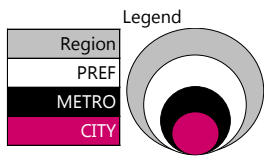
Note: Data for each metropolitan area are summary data of municipalities consisting each metropolitan consortium.
 Fukuoka Metropolitan Area (9 cities and 8 towns in total) includes Fukuoka city, Chikushino city, Kasuga city, Onojo city, Munakata city, Dazaifu city, Koga city, Fukutsu city, Itoshima city, Chikushi-gun Nakagawa town, Kasuya-gun Umi town, Sasaguri town, Shime town, Sue town, Shingu town, Hisayama town, and Kasuya town. Sapporo Metropolitan Area (6 cities, 1 town, and 1 village in total) includes Sapporo city, Ebetsu city, Chitose city, Eniwa city, Kitahiroshima city, Ishikari city, Ishikari-gun Tobetsu town, Shinshinotsu village. Sendai Metropolitan Area (5 cities, 8 towns, and 1 village in total) includes Sendai city, Shiogama city, Natori city, Tagajo city, Iwanuma city, Watari-gun Watari town, Yamamoto town, Miyagi-gun Matshushima town, Shichigahama town, Rifu town, Kurokawa-gun Taiwa town, Osato town, Tomiya town, and Ohira village. Hiroshima Metropolitan Area (10 cities and 6 towns in total) includes Hiroshima city, Kure city, Takehara city, Otake city, Higashihiroshima city, Hatshukaichi city, Akitakata city, Etajima city, Aki-gun Fuchu town, Kaita town, Kumano town, Saka town, Yamagata-gun Akiota town, Kitahiroshima town, Iwakuni city (Yamaguchi pref.), and Yanai city (Yamaguchi pref.).

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Scale Comparison of Provincial Economic Regions 1 "Land Area" : Hokkaido and Tohoku has large land area.

(km²)

	Total land	Fukuoka/Kyushu	Sapporo/Hokkaido	Sendai/Tohoku	Hiroshima/Chugoku
	Habitable land				
Region		42,193	78,421	66,952	31,922
		15,336	22,207	20,350	8,433
PREF		4,979		7,286	8,480
		2,775		3,145	2,291
METRO		1,170	3,540	1,649	5,767
		682	1,427	821	1,520
City		342	1,121	786	905
		230	440	341	292



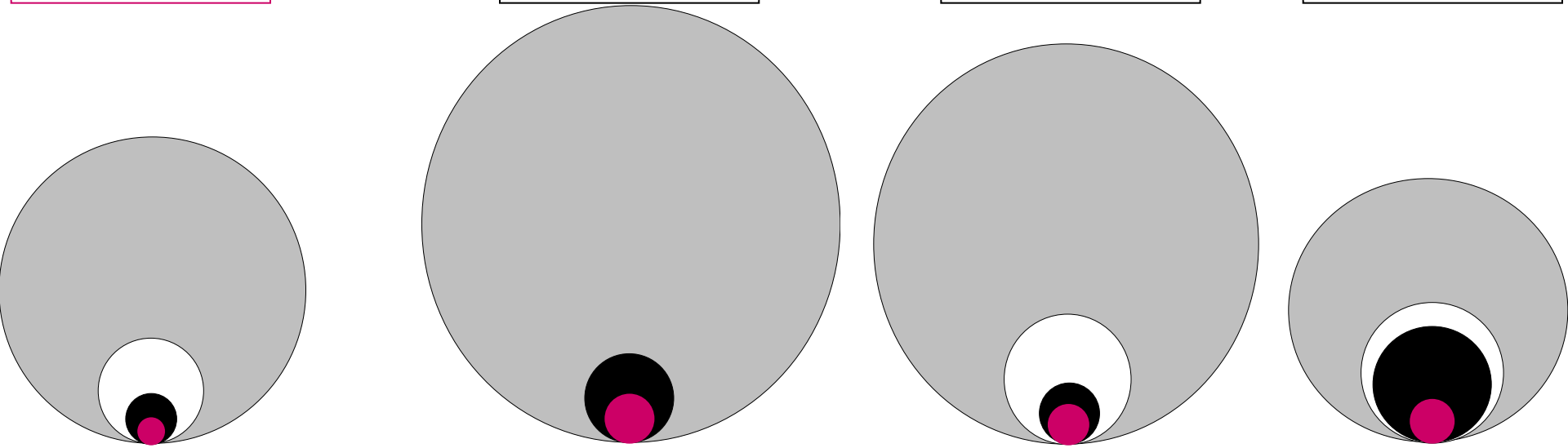
Total Land Area

Fukuoka city /Kyushu region

Sapporo city /Hokkaido region

Sendai city /Tohoku region

Hiroshima city /Chugoku region

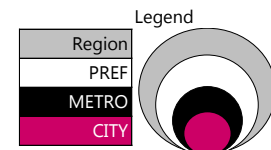


Total land area in Hokkaido and Tohoku region is large. Hokkaido land area is almost twice as large as Kyushu land area.

Scale Comparison of Provincial Economic Regions 2 "Population" : Large population size in Kyushu and high density in Fukuoka city.

(persons)

	Fukuoka/Kyushu	Sapporo/Hokkaido	Sendai/Tohoku	Hiroshima/Chugoku
Region	13,113,035	5,444,307	9,109,171	7,479,616
PREF	5,087,484		2,325,759	2,841,889
METRO	2,458,911	2,335,333	1,549,845	2,244,060
City	1,500,899	1,913,545	1,065,019	1,181,758



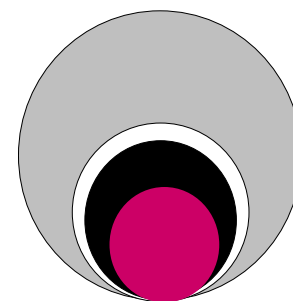
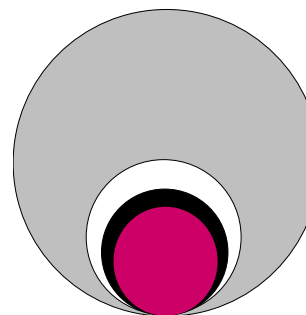
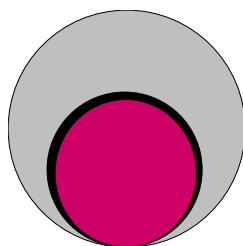
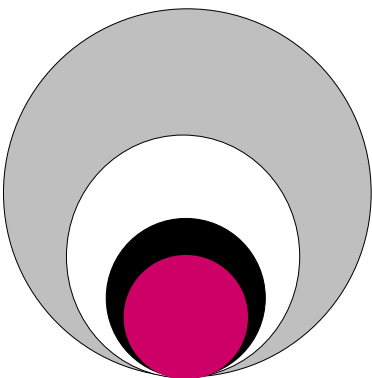
Population Scale

Fukuoka city
/Kyushu region

Sapporo city
/Hokkaido region

Sendai city
/Tohoku region

Hiroshima city
/Chugoku region



Although the size of land area in Kyushu region is smaller among provincial economic regions, population scale in Kyushu is the largest and is more than twice as large as the population in Hokkaido region.

The share of Fukuoka city's land area is only 0.8% in Kyushu region, but its population share is 11.4%, which indicates the high population density in Fukuoka city.

METRO=Metropolitan Area; PREF=Prefecture.

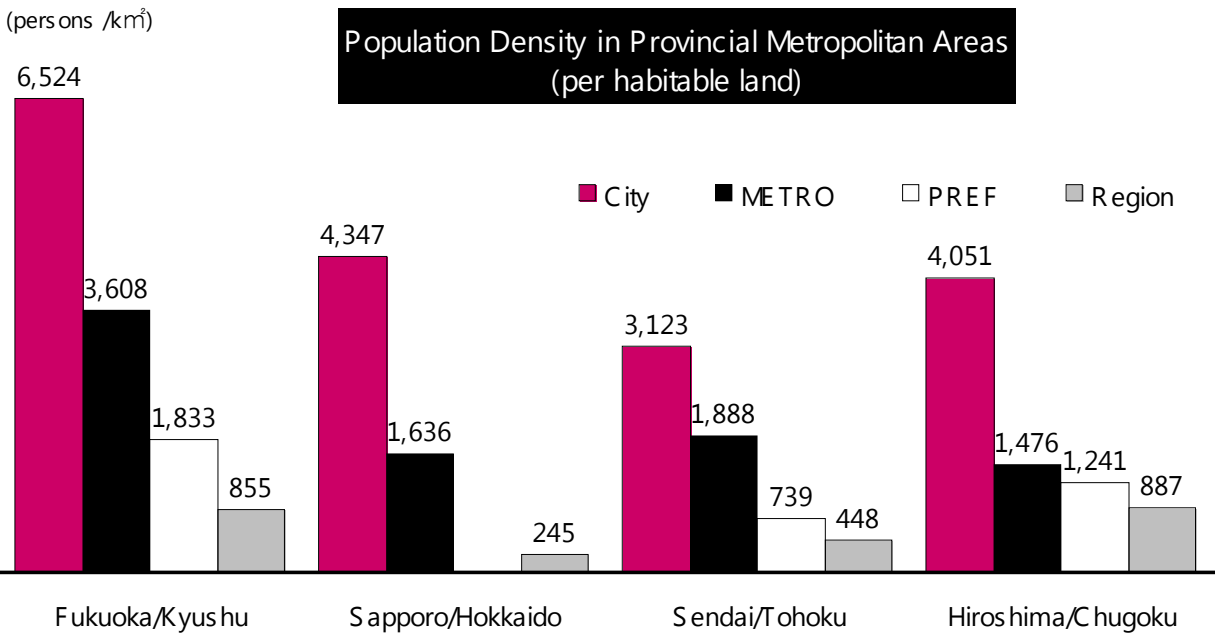
Note: Figure for Hokkaido is from data published on March 2013; for other areas is from estimated data published on May 2013.

Sources: Statistics Japan; Hokkaido region, Miyagi prefecture, Hiroshima prefecture, Yamaguchi prefecture, Fukuoka prefecture; Each cities.

Scale Comparison of Provincial Economic Regions 3 "Population Density" : Large population size in Kyushu and high density in Fukuoka city.

(persons per km²)

	per Total land	Fukuoka/Kyushu	Sapporo/Hokkaido	Sendai/Tohoku	Hiroshima/Chugoku
	per Habitable land				
Region		311	69	136	234
		855	245	448	887
PREF		1,022		319	335
		1,833		739	1,241
METRO		2,101	660	940	389
		3,608	1,636	1,888	1,476
City		4,392	1,707	1,355	1,305
		6,524	4,347	3,123	4,051



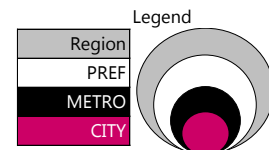
Population density in Kyushu region is high especially in Fukuoka city and Fukuoka metropolitan area. Population density per habitable land exceeds 6,000 people in Fukuoka city.

METRO=Metropolitan Area; PREF=Prefecture.
 Note: Data for Hokkaido is the data on March 2013; for other area on May 2013.
 Sources: Statistics Japan; Hokkaido region, Miyagi prefecture, Hiroshima prefecture, Yamaguchi prefecture, Fukuoka prefecture; Each cities.

Scale Comparison of Provincial Economic Regions 4 "Gross Regional Product" : Large GRP in Kyushu and high integration density in Fukuoka city.

(million YEN)

Real Gross Regional Product	Fukuoka/Kyushu	Sapporo/Hokkaido	Sendai/Tohoku	Hiroshima/Chugoku
Region	47,184,900	19,237,476	35,720,101	30,482,523
PREF	18,962,222		8,879,473	11,921,556
METRO	9,776,918	8,274,468	5,444,119	8,677,494
City	7,074,197	6,544,241	4,069,067	4,612,310



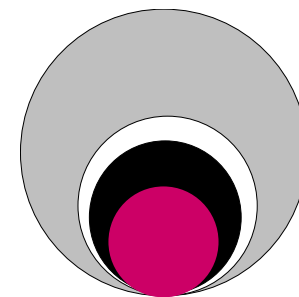
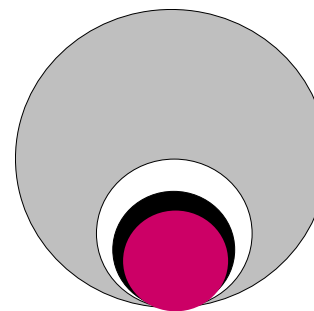
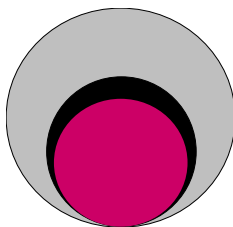
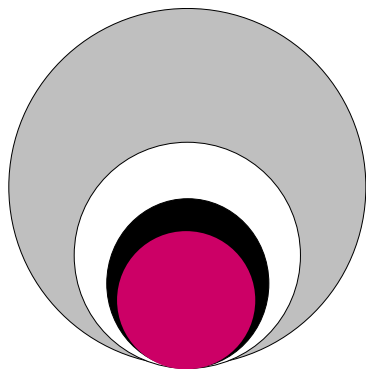
Regional Product

Fukuoka city
/Kyushu region

Sapporo city
/Hokkaido region

Sendai city
/Tohoku region

Hiroshima city
/Chugoku region



As well as the population scale, Gross Regional Product in Kyushu region is the largest among provincial economic regions, and the GRP in Kyushu is more than twice as large as the GRP in Hokkaido region and is larger than Tohoku region and Chugoku region by 10 trillion YEN.

Fukuoka city is becoming stronger as a hub of Kyushu economy. Scale of Kyushu economy is the largest among provincial economic regions in Japan, and Fukuoka city has been developing supported by these large backbones.

METRO=Metropolitan Area; PREF=Prefecture.

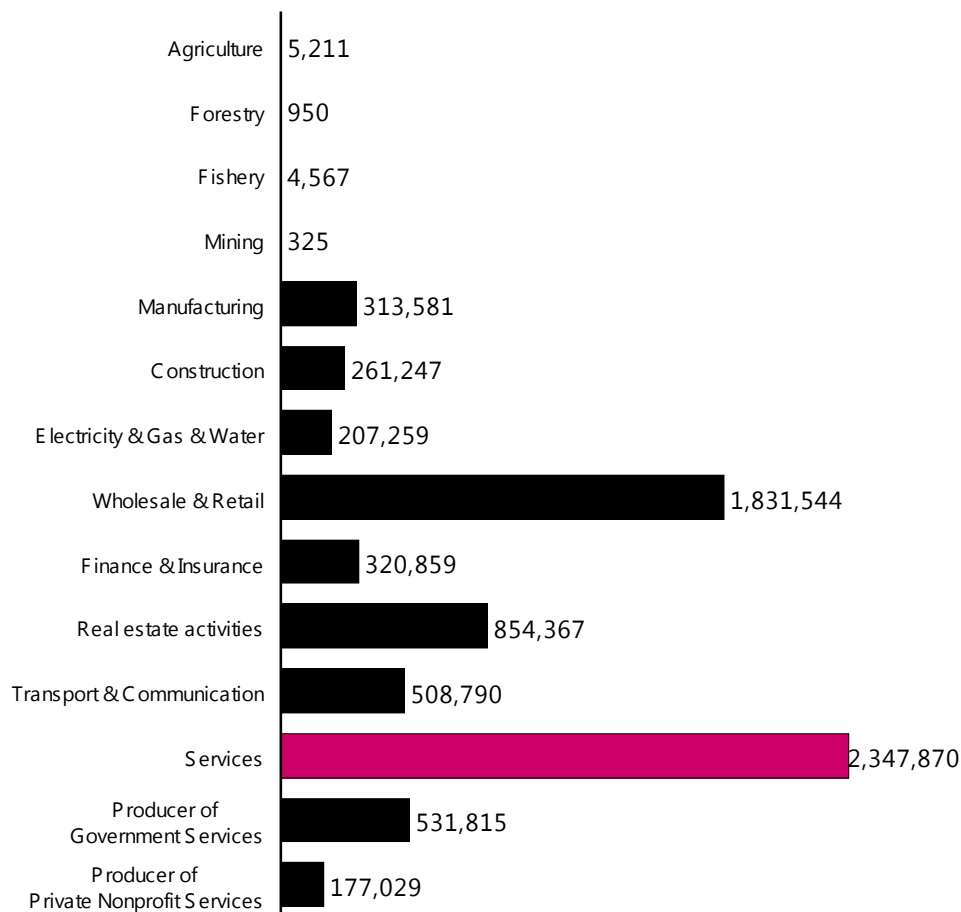
Note: Data for Fukuoka Metropolitan Area is estimated from nominal amount. Figure is based on 2009 fiscal year data.

Sources: Cabinet Office, Government of Japan; Hokkaido region, Miyagi prefecture, Hiroshima prefecture, Yamaguchi prefecture, Fukuoka prefecture; Each cities.

The key industry, Service Industry is growing.

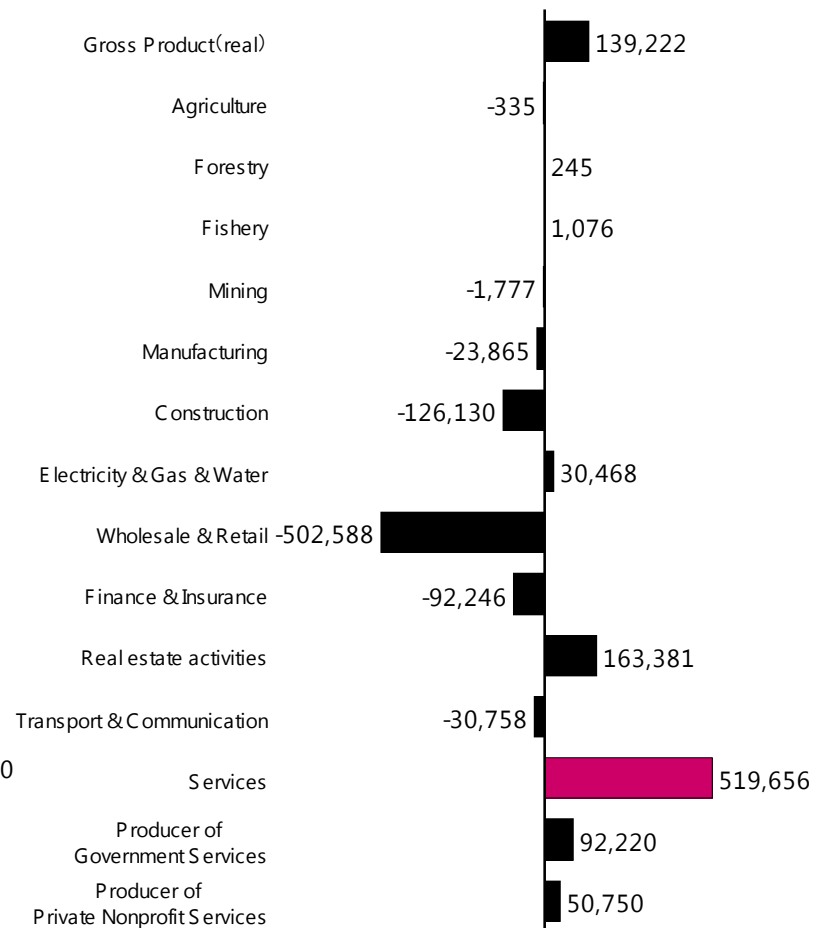
Real Gross Regional Product in Fukuoka city by economic activity
(2009)

(million YEN)



Growth amount of Gross Regional Product by economic activity
(2000 to 2009)

(million YEN)

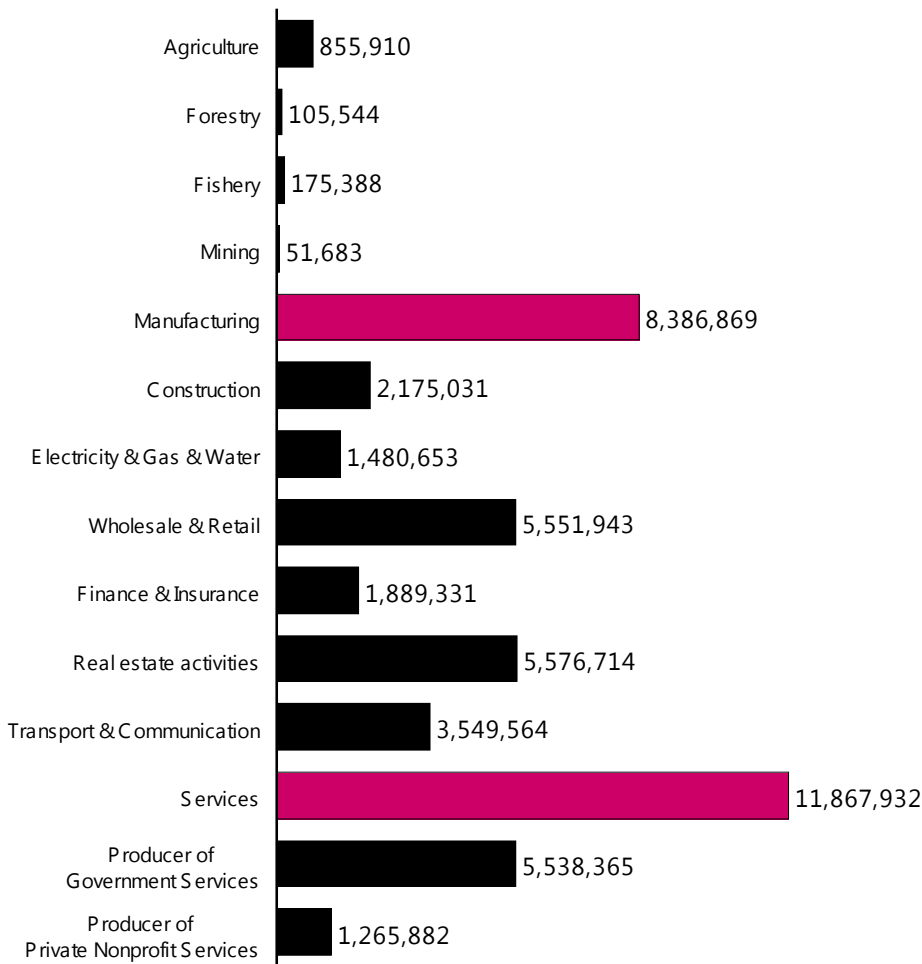


Fukuoka city is a place mainly with commerce and service industries. In 2000 the production amount of commerce decreased, however, the production amount of service industry has grown larger.

Steady growth in manufacturing and service industries in Kyushu.

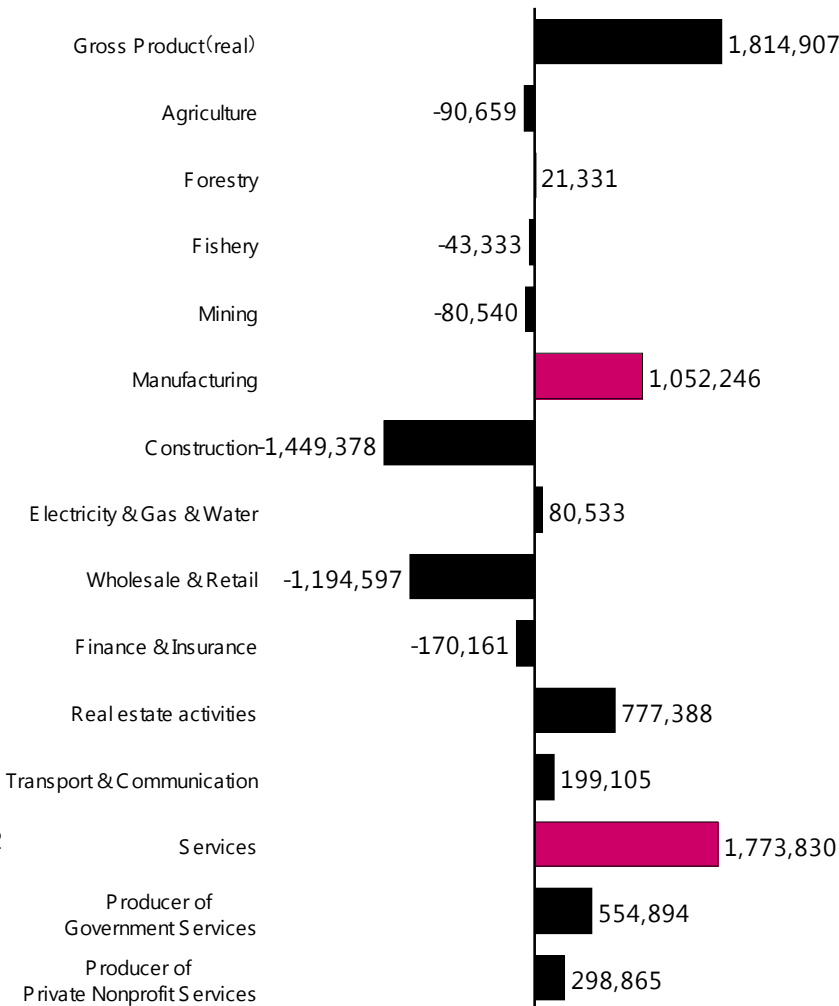
Real Gross Regional Product in Kyushu by economic activity (2009)

(million YEN)



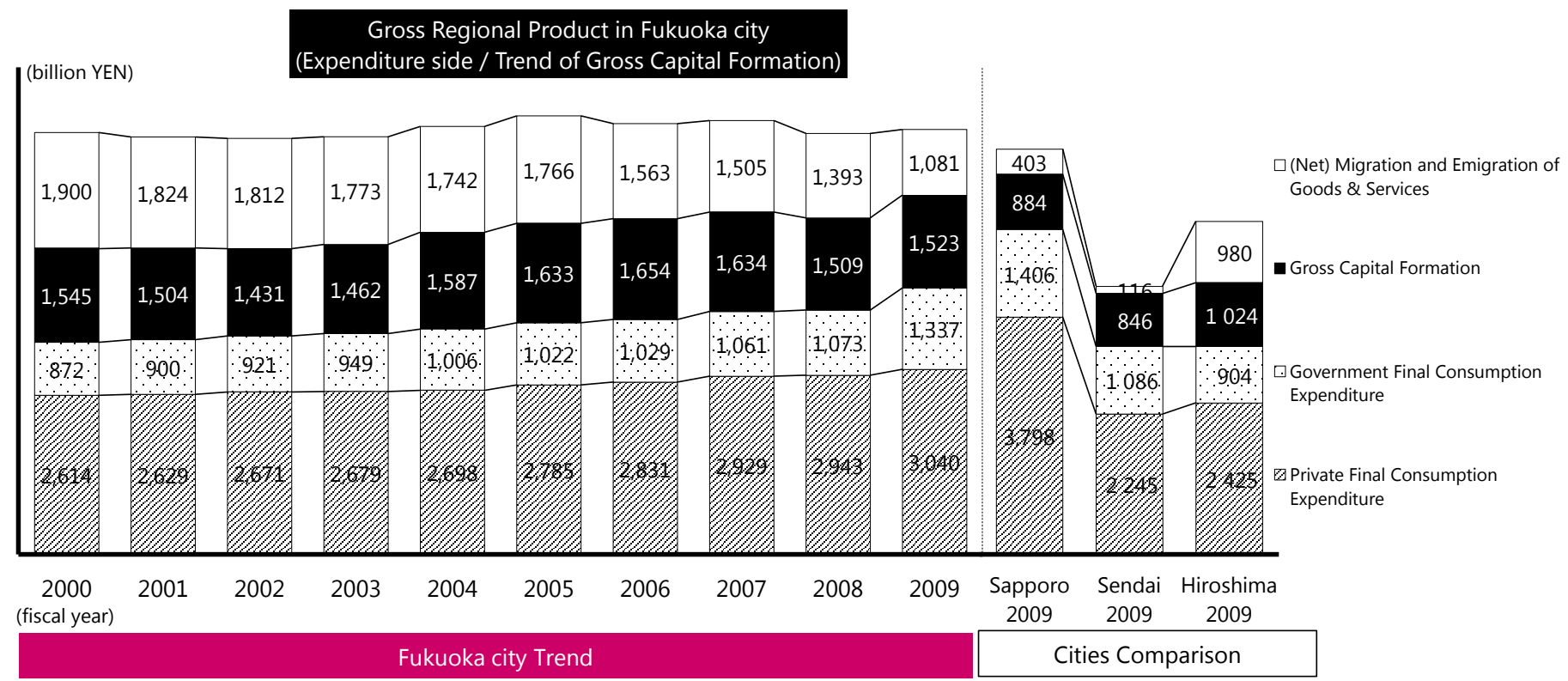
Growth amount of Gross Regional Product by economic activity (2000 to 2009)

(million YEN)



In Kyushu economy, share of manufacturing and service industries are high. These two industries are continuing to grow remarkably in recent years.

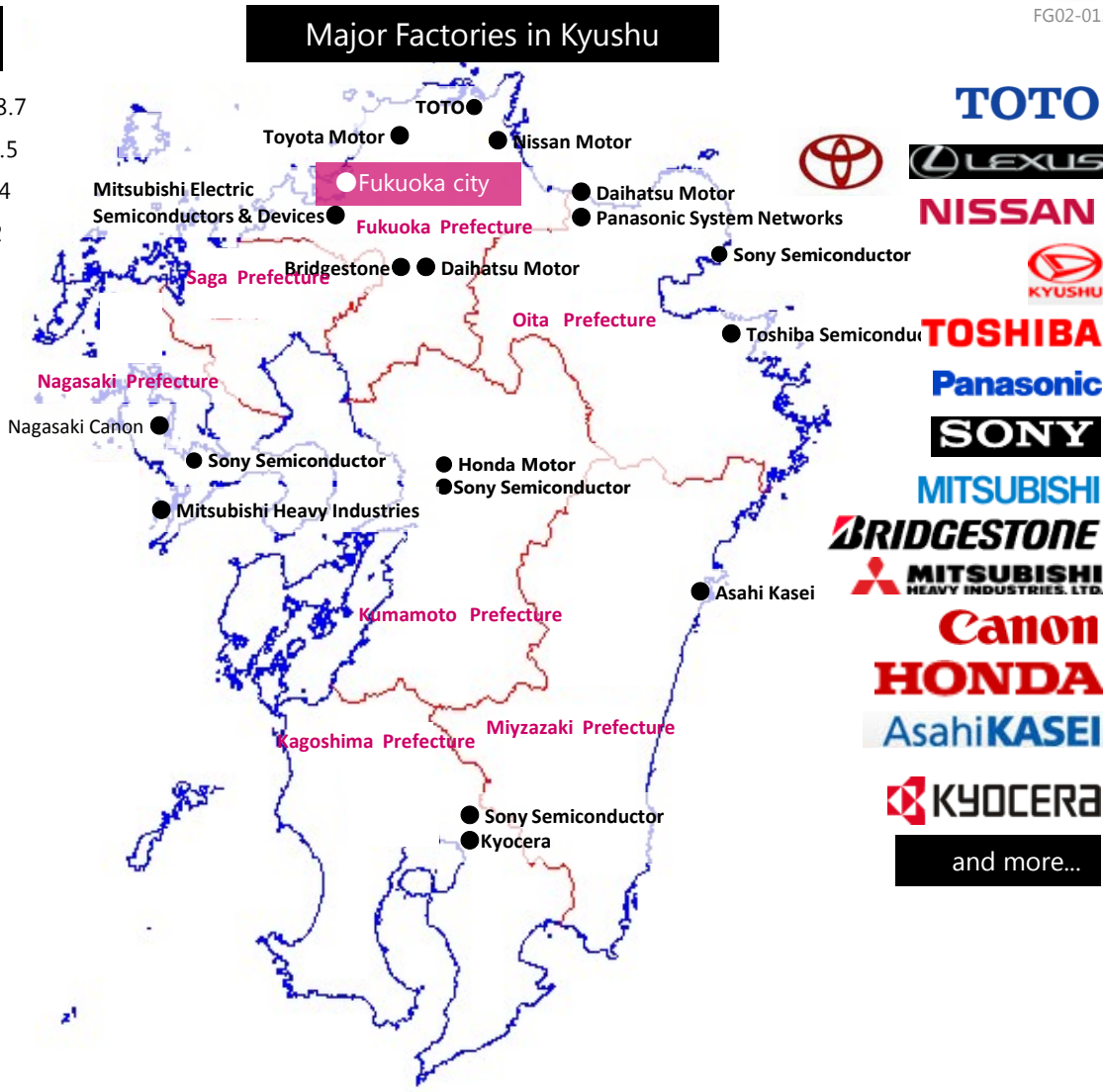
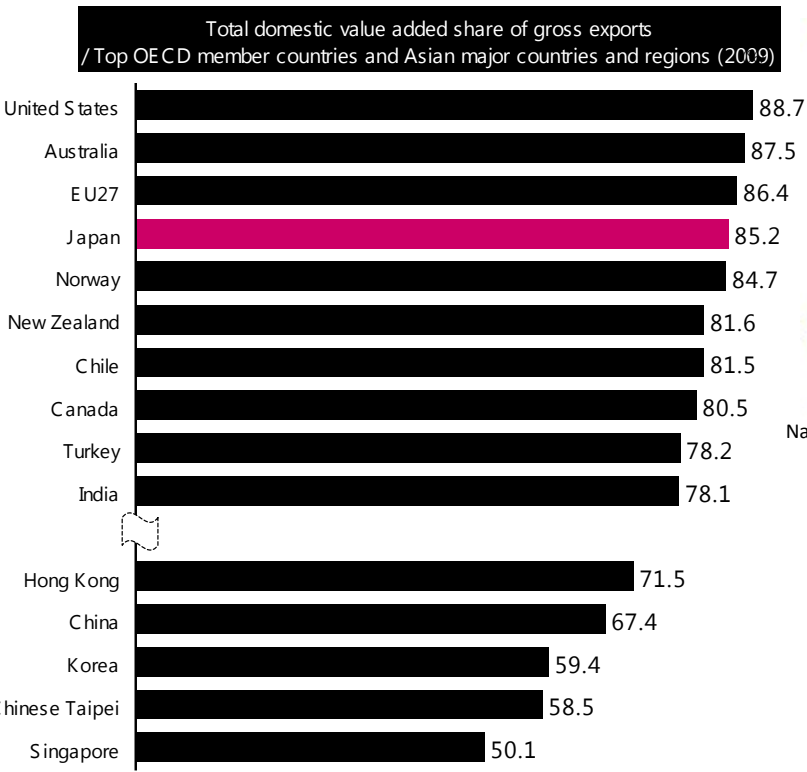
Steady capital investment in private sector.



In Fukuoka city, the amount of "Gross Capital Formation" majoring private capital investment has been shifting steadily at the scale of 1.5 trillion Yen. Economic activities in Fukuoka city are not excessively relying on public investment.

Sources: Fukuoka city; Sapporo city; Sendai city; Hiroshima city.

Kyushu region creating high value.



Domestic value added share of gross exports in Japan is one of the highest in the world, and is very high compared to other Asian countries. As a hub of Kyushu economy, Fukuoka city attracts many people and investments. Many of the major factories and research institutes located in Kyushu region are closely associated with economic activities in Fukuoka city.

Research & Development institutes in Kyushu

●Fukuoka Prefecture●

Innovation Plaza Fukuoka of the Japan Science and Technology (JST) Agency
Research Center for Hydrogen Industrial Use and Storage, National Institute of Advanced Industrial Science and Technology
Fukuoka Industrial Technology Center
Fukuoka Agricultural Research Center
Fukuoka Forest Research and Extension Center
Fukuoka Fisheries and Marine Technology Research Center
Fukuoka Research Center for Recycling Systems
Kitakyushu Asian Center for Low Carbon Society
Fukuoka Hydrogen Energy Product Testing Research Center
Fukuoka Institute of System LSI Design Industry
Fukuoka Bio Incubation Center
Joint Research Center of the Kitakyushu Science and Research Park
Experimental Center for Social System Technologies
Research Center for Three-Dimensional Semiconductors
Kyushu University
Kyushu Institute of Technology
The University of Kitakyushu
Kyushu Kyoritsu University
Kyushu Sangyo University
Faculty of Humanity-Oriented Science and Engineering of Kinki University
Kurume Institute of Technology
Nishinippon Institute of Technology
Fukuoka University
Fukuoka Institute of Technology
Graduate School of Waseda University

●Nagasaki Prefecture●

Unzen Station of the National Center for Seeds and Seedlings
Saikai National Fisheries Research Institute of the Fisheries Research Agency
Industrial Technology Center of Nagasaki
Ceramic Research Center of Nagasaki
Nagasaki Prefectural Institute of Fisheries
Nagasaki Agricultural and Forestry Technical Development Center
Fruit and Tree Research Division of the Nagasaki Agricultural and Forestry Technical Development Center
Animal Husbandry Research Division of the Nagasaki Agricultural and Forestry Technical Development Center
Nagasaki University
Nagasaki Institute of Applied Science

●Kumamoto Prefecture●

Kumamoto Station of the National Livestock Breeding Center
National Agriculture and Food Research Organization
Kyushu Research Center of the Forestry and Forest Products Research Institute
Kyushu Regional Breeding Office of the Forest Tree Breeding Center of the Forestry and Forest Products Research Institute
Kumamoto Industrial Research Institute
Kumamoto Prefectural Agricultural Research Center
Kumamoto Prefecture Forestry Research and Instruction Station
Kumamoto Prefectural Fisheries Research Center
Kumamoto University
Sojo University
Kumamoto Campus of Tokai University
Aso Campus of Tokai University

●Saga Prefecture●

National Institute of Advanced Industrial Science and Technology (AIST) AIST Kyushu
Saga Ceramics Research Laboratory
Industrial Technology Center of Saga
Saga Prefectural Fruit Tree Experiment Station
Saga Prefectural Animal Husbandry Experiment Station
Saga Prefectural Genkai Fisheries Research and Development Center
Saga Prefectural Ariake Fisheries Research and Development Center
Saga Prefectural Forestry Experiment Station
SAGA Light Source, Kyushu Synchrotron
Light Research Center
Saga University

●Oita Prefecture●

The Oita Prefectural Institute of Public Health and Environmental Science
Oita Industrial Research Center
Oita Prefectural Agriculture, Forestry and Fisheries Research Center
Oita University
Nippon Bunri University

●Miyazaki Prefecture●

Miyazaki Station of the National Livestock Breeding Center
Miyazaki Prefectural Forestry Technology Center
Miyazaki Prefecture Industrial Technology Center
Miyazaki Prefecture Foods Development Center
Miyazaki Agricultural Research Institute
Miyazaki Livestock Research Institute
Miyazaki Prefectural Fisheries Experimental Station
University of Miyazaki
Minami Kyushu University

●Kagoshima Prefecture●

Research Center for Medicinal Plant Resources, the National Institute of Biomedical Innovation
Kagoshima Station of the National Center for Seeds and Seedlings
Kagoshima Prefectural Institute of Industrial Technology
Kagoshima Prefectural Oshima-Tsumugi Instruction Center
Kagoshima Prefectural Institute for Agricultural Development
Kagoshima Prefectural Forestry Technology Center
Kagoshima Prefectural Fisheries Technology and Development Center
Kagoshima University

