1.4. Development and Administration of Ports and Harbors

In Japan, the maintenance and administration of ports and harbors is governed mainly by the Port and Harbor Law, the Law Concerning Dissolution of Port Development Authorities and Succession of Their Functions, and the Emergency Measures Law for Port and Harbor Development. In addition, activities carried out in ports and harbors must adhere to the following laws:

- Immigration-Control and Refugee-Recognition Act (Ministry of Justice)
- Quarantine Law (Ministry of Health, Labour and Welfare)
- Plant Quarantine Law (Ministry of Health, Labour and Welfare)
- Livestock Infectious Diseases Prevention Law (Ministry of Agriculture, Forestry, and Fisheries)
- Customs Law (Ministry of Finance)
- Foreign Exchange and Foreign Trade Control Law (Ministry of Finance, Ministry of Economy, Trade and Industry)
- All laws related to the prevention of environmental pollution (Ministry of Environment, Ministry of Land, Infrastructure and Transport)

The Port and Harbor Law outlines the following major roles for the national government (Ministry of Land, Infrastructure and Transport) and the port management bodies:

Central Government’s Role in Port Management
- Policy formulation for the development and administration of nationwide ports and harbors
- Establishment of necessary laws and regulations
- Providing advice and guidance on port administration and operation to port management bodies
- Authorizing development plans for major ports
- Financial assistance for port management bodies in relation to port construction projects
- Implementation of port construction projects (projects under the direct control of the central government)
- Improvement and maintenance of shipping channels outside the port area
- Establishment of technological standards for planning, design, and construction of ports and harbors
- Surveys and research concerning port technology
Major Roles of Port Management Bodies

- Formulation of port development/management plan
- Construction and maintenance of port facilities
- Permission for and restrictions on facility use in port management districts (marine districts, land districts)
- Leasing and management of port facilities
- Setting and collecting fees for use of port facilities
- Establishing conditions for providing port services
- Land reclamation in harbor districts
- Environmental protection in ports and harbors
- Statistics collection for ports and harbors
- Marketing and promotion of ports and harbors
At present, the majority of port management bodies are comprised of local governments or municipal governments.

**Types of Ports and Harbors and Port Management Bodies (As of April 2005)**

<table>
<thead>
<tr>
<th>Division</th>
<th>Total number</th>
<th>Port Management Bodies</th>
<th>Article total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Prefectures</td>
<td>Municipalities</td>
</tr>
<tr>
<td>Specially designated major ports</td>
<td>23</td>
<td>12</td>
<td>8</td>
</tr>
<tr>
<td>Major ports</td>
<td>105</td>
<td>85</td>
<td>16</td>
</tr>
<tr>
<td>Local ports (including harbors of refuge)</td>
<td>951 (35)</td>
<td>522 (29)</td>
<td>366 (6)</td>
</tr>
<tr>
<td>Total</td>
<td>1,079</td>
<td>619</td>
<td>390</td>
</tr>
</tbody>
</table>

Notes:  
- Specially designated major ports: Especially significant major ports that serve as a base for the international marine transport network  
- Major ports: Ports that serve as bases for the international marine transport network or the domestic transport network, as well as other ports that are significantly related to the interests of the nation  
- Local ports: All ports not classified as major or specifically designated  
- Harbors of refuge: The main purpose of these harbors is to allow small vessels to anchor during heavy windstorms or rainstorms. Established by government decree, they are not intended for the loading and unloading of cargo or passengers.  
- Article 56 Ports: These ports have been decreed by the prefectural governor as marine districts without any district boundaries, in order to ensure the absolute minimum necessary regulation, and have been set aside for use as ports in the future.

Port management bodies provide for unified administration of Japan’s ports. Development and maintenance, however, is performed by three different bodies depending on the characteristics of facilities.

<table>
<thead>
<tr>
<th>Maintenance bodies</th>
<th>Characteristics of maintained facilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Central government or port management bodies</td>
<td>Public use facilities</td>
</tr>
<tr>
<td>2 Local port terminal corporations</td>
<td>Container terminals reserved for the use of specific entities</td>
</tr>
<tr>
<td>3 Private companies</td>
<td>Private port facilities</td>
</tr>
</tbody>
</table>

In Japan, public use facilities are most common. Depending on the port’s importance and nature, it may be deemed necessary for the central government itself to develop the facilities (national government projects). The share of maintenance expenses borne by the national government differs accordingly.
Port maintenance by local port terminal corporations is implemented according to a formula under which a portion of the operating fees is paid by leasing wharves. The central government and port management bodies support local port terminal corporations through interest-free loans to these development corporations and partial public provision of facilities. There are plans to reduce the local port terminal corporations’ wharf lease fees through such support.

Furthermore, in order to promote the systematic development of port facilities, the port management bodies of certain major ports set forth policies for port planning. The national government also draws up five-year plans for implementation goals for the development of port facilities nationwide.

In March 2000, the Port and Harbor Law was revised in order to raise the international competitiveness of Japan’s ports and provide more detailed policies for environmental protection. The revision also involved a reassessment of the national government’s share of maintenance expenses in order to develop the facilities that are most vital to the nation and to specific regions in an efficient and focused manner.

### 1.5. Cargo Volume

Tokyo Bay (six harbors, including Yokohama and Tokyo), Osaka Bay (five harbors including Kobe and Osaka) and Ise Bay (five harbors including Nagoya) are known as the Three Major Bays. These bays handle approximately 35% of all port cargo in Japan.

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Exports</td>
<td>417</td>
<td>1,482</td>
<td>5,990</td>
<td>15,255</td>
<td>17,114</td>
<td>20,324</td>
<td>22,975</td>
<td>14,896</td>
</tr>
<tr>
<td>Imports</td>
<td>1,366</td>
<td>9,221</td>
<td>49,301</td>
<td>67,581</td>
<td>79,783</td>
<td>93,416</td>
<td>94,929</td>
<td>45,190</td>
</tr>
<tr>
<td>Domestic freight</td>
<td>10,072</td>
<td>33,290</td>
<td>88,160</td>
<td>123,824</td>
<td>127,895</td>
<td>120,127</td>
<td>112,604</td>
<td>39,266</td>
</tr>
<tr>
<td>Domestic ferries</td>
<td>-</td>
<td>-</td>
<td>41,804</td>
<td>84,202</td>
<td>100,406</td>
<td>83,903</td>
<td>79,484</td>
<td>9,638</td>
</tr>
<tr>
<td>Total</td>
<td>11,854</td>
<td>43,994</td>
<td>185,255</td>
<td>290,862</td>
<td>325,198</td>
<td>317,770</td>
<td>309,991</td>
<td>108,991</td>
</tr>
</tbody>
</table>

(Unit: ten thousand tons)

Source: Ports Viewed in Terms of Figures 2005, p. 9, p. 12