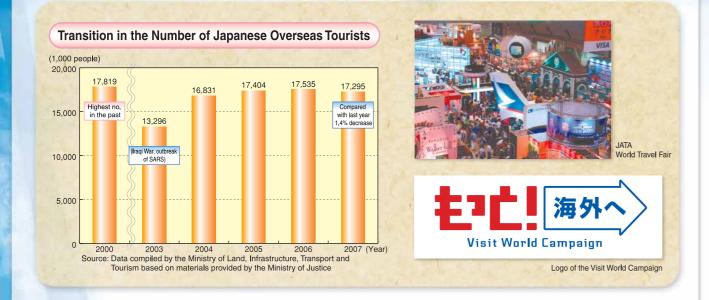
Promoting International Tourism

In preparation for increasing the number of Japanese travelers going overseas to 20 million by 2010, we will provide support for tourism promotion through official development assistance (ODA) to developing countries and the expansion of bilateral exchange programs during the Tourism Exchange Year.

Furthermore, we will continue to promote international tourism by Japanese through close cooperation with organizations in the private sector involved in the Visit World Campaign, such as the Japan Association of Travel Agents (JATA).



Fostering Human Resources Capable of Contributing to the Promotion of Tourism in Japan

In order to realize the creation of a Tourism Nation, one of the most important items to consider is fostering human resources. Especially, considering the changes in the form of tourism taking place today, and the rising intensity of competition in the international sphere, there have been rapid changes in the management environment related to the tourism industry, bringing about the demand for human resources capable of responding to these changes. Viewed from a different angle, in the field of education, such as at universities, there has been a similar demand for educational courses that meet the needs of the related industries. Therefore, in January of 2007, we established the Industry-Academia-Government Study Committee for Fostering Human Resources, and we are now engaged in strengthening the cooperation and liaison between the related industries, educational facilities and government organizations.

In addition, fostering human resources for the development of tourism in the local districts is a major theme, and we will continue to provide support for that purpose through a variety of efforts. As an example, there are "Tourism Charisma Lectures,"

lectures on know-how by experts who have succeeded in local district development programs, such as a trial program called the "Local District Tourism Producer," which was designed to match human resources with local districts where there is a lack of talented

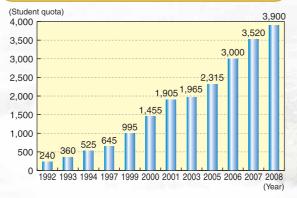


districts where there is a lack of talented experts, and the A view of a Tourism Charisma Lecture 2007

A view of a Tourism Charisma Lecture 2007

A participation-type program featuring "moshio-zukuri," the production of salt using an ancient method (Kure City, Hiroshima Pref.)

Transition in the Student Quota in Tourism-related Departments at Universities



formation of a human resources network for use by groups involved in local district planning.

On the other hand, from the viewpoint of fostering tourism and affection for the local districts, we will also provide support for educational activities, such as programs where children and

students can function as volunteer guides, etc.



Shukunegi tourism volunteer guide (Sado City, Ogi Municipal Junior High School, Niigata Pref.)

Building A Tourism Nation

~ National Planning for a Country that Residents Can Take Pride in and Feel Attached to ~



Kasumigaseki 2-1-3, Chiyoda-ku, Tokyo 100-8918 TEL: 03-5253-8111 FAX: 03-5253-1563 URL: http://www.mlit.go.jp/kankocho/en/

Greetings



Through the efforts and good offices of all concerned, the Japan Tourism Agency was initiated on the 1st of October, 2008, and all of the staff of the Agency deeply feel that it is our duty and honor to meet the great expectations held by all.

We realize that our basic appointed mission is to promote Building a Tourism Nation, that is, the revitalization of Japan through tourism, and achieve the goals inscribed in the Tourism Nation Promotion Basic Plan. This is a vast, complex task, a mission that can only be achieved through close cooperation and liaison with many related authorities and both government and private organizations. Therefore, we consider that structural change will be necessary to achieve our allotted task, and to that end we are determined to proceed under the motto of "an open Tourism Agency" and develop a new degree of awareness and a new culture fitting for the Japan Tourism Agency that is speedy, efficient, based on a philosophy stressing results. Our goals for the year 2020 include the attraction of 20 million foreign tourists and we fully intend to do our best to realize that goal and also to develop the related necessary policies in a bold and energetic manner. We would respectively like to ask you for your continued support and cooperation in the years to come.

Commissioner of the Japan Tourism Agency
Yoshiaki Hompo

The Events Leading to the Establishment of the Japan Tourism Agency

2003	Jan. 31	Prime Minister Koizumi announces in a policy address that "by 2010 Japan will double the number of foreign tourists to 10 million"
	Apr. 1	Start of the Visit Japan Campaign
	Apr. 24	Council on Building a Tourism Nation compiles its report
2004	May 24	First meeting of the Strategy Council for Tourism Nation Promotion
2006	Dec. 13	Legislation passed in the Diet established the Tourism Nation Promotion Basic Law (passed unanimously)
2007	Jun. 29	Cabinet approves the Tourism Nation Promotion Basic Plan
2008	Apr. 25	Passage of the "Law for the Partial Revision of the Ministry of Land, Infrastructure, Transport and Tourism Establishment Act" related to the establishment of the Japan Tourism Agency
	May 16	Passage of the "Tourism Region Development Act"
	Oct. 1	Japan Tourism Agency Inaugurated

The Significance of the Establishment of the Japan Tourism Agency

The establishment of the Japan Tourism Agency will make it possible to plan and conduct comprehensive promotion for building a tourism nation.

In regard to foreign countries

The Japan Tourism Agency will represent the government of Japan, strengthening diplomatic efforts and the capability to publicize effectively.

In regard to the other ministries and agencies

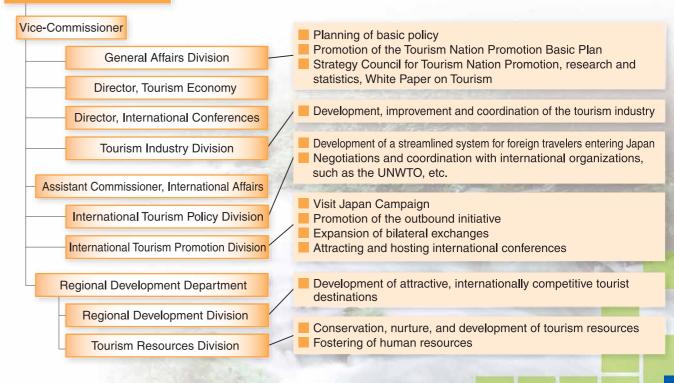
Through a display of leadership, vertical division will be eliminated, strengthening the government organization.

In regard to the local districts and the citizens

The Japan Tourism Agency will provide a one-stop tourism resource.

The Organization of the Japan Tourism Agency

Commissioner



2

Promoting International Tourism

Promotion of the Visit Japan Campaign

In order to reach the goal of having 10 million foreign tourists visit Japan by 2010, the public and private sectors are working together to promote the Visit Japan Campaign, which provides support for publicizing the attraction of Japanese tourist destinations overseas and the creation of attractive tourismrelated products.

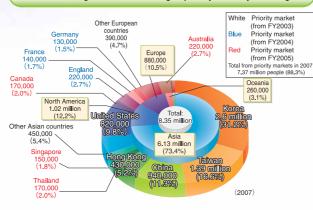


Transition in the Number of Foreign Travelers Visiting Japan



Source: Japan National Tourist Organization

Number of Foreign Travelers Visiting Japan by Country and Region



Priority Markets

Campaigns are being conducted in 12 target countries or regions with many travelers visiting Japan. Surveys are also conducted in promising and emerging markets (India, Russia, and Malaysia).



Projects to Increase Recognition

Projects to publicize the attraction of tourism in Japan

- Inviting foreign media to Japan and support for media coverage
- Advertising through foreign TV commercials
- Setting up booths with information on Japan at overseas travel exhibitions







- France, Michelin Guide, Japanese version Project to invite writers (2006)
- Picture, top right: Participation in ITB Berlin, an international travel fair held in Germany (Mar. 2007)
- Picture, lower left: in Honk Kong (Aug. 2008)

Projects to Attract Visitors

Projects geared toward developing and supporting sales of attractive travel packages to Japan

- Inviting foreign travel agencies to Japan, and conducting travel business meetings
- Joint advertisement of travel packages to Japan
- Expansion of educational travel to Japan and bilateral youth visits and exchange





Hong Kong: Joint travel agency



Conducting the Yokoso! Japan Travel



veen Taiwan and Japan (Sept. 2007)

Development of a Streamlined System for Foreign Travelers

Along with the efforts to publicize the appeal of Japan overseas, we are working in close cooperation with the related authorities and organizations in order to develop a streamlined system for foreign travelers visiting Japan and create a national environment friendly to tourist travel. This system will promote and facilitate streamlining the

procedure for the issuance of visas, as well as entrance and exit procedures, the enrichment of signs in foreign languages in the public transportation system, and the expansion of areas in which credit cards, etc. issued overseas can be used, etc.



Attracting and Hosting International Conferences

Attracting and hosting international conferences contributes to the expansion of international exchange and the vitalization of the local districts. Furthermore, many foreign countries have stressed the importance of attracting and hosting international conferences, and considering it as a major industry, have initiated aggressive promotion programs. In Japan as well, in May of 2007, the

Program for International Exchange Promotion through Hosting and Attracting International Conferences was drawn up in order to create a promotion system capable of strengthening Japan's recognition and presence internationally as well as to provide support for attracting and hosting such conferences.

Comparison of International Conferences 2002 2003 2004 2005

Support for Attracting and Hosting Conferences

Support for Attracting Conferences

Support for Seminars and receptions for decision makers and the promotion of bilateral exchange programs, etc. in regard to international conferences hosted by the various ministries and government agencies



Creation of the necessary soft infrastructure Drawing up a strategy manual for attracting international conferences, etc.



The Tourism Nation Promotion Basic Law and Tourism Nation Promotion Basic Plan

The Tourism Nation Promotion Basic Law

opposition parties, the Tourism Nation Promotion Basic Law was enacted in December of 2006. In regard to this basic law, it is considered that "the realization of a tourism nation will be an indispensable element in the socio-economic development of Japan

With the complete agreement of the party in power and the in the 21st century," and it is considered that there are four basic policies that will act as columns in that realization. Furthermore, as specified in this Law, the Japanese government is required to develop a basic plan for the realization of a "Tourism Nation."

[Four Basic Policies]

- Development of Attractive, Internationally Competitive Tourist Destinations
- Strengthening the Japanese Tourism Industry to Make it Competitive Internationally and Fostering Human Resources Capable of Contributing to the Promotion of Tourism in Japan
- Promotion of International Tourism
- **Development of the Environment Required for the Promotion of Tourism**

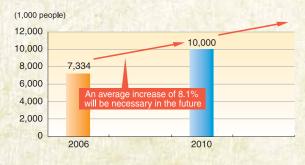
The Tourism Nation Promotion Basic Plan

Based on the Tourism Nation Promotion Basic Law, the "Tourism Nation Promotion Basic Plan" was approved at a Cabinet meeting held on the June 29, 2007. The Tourism Nation Promotion Basic Plan describes 5 fundamental items required for the realization of Building a Tourism Nation.

- Target period: 5 years
- Perform annual checks and a review in approximately 3 years

No. of Foreign Travelers Visiting Japan

Increase the number of foreign travelers visiting Japan to 10 million by 2010, and eventually increase this number to match the number of Japanese travelers going overseas



No. of Japanese Travelers Going Overseas

Increase the number of Japanese travelers going overseas to 20 million by 2010



Amount Spent by Tourists in Japan

Increase the amount spent by tourists in Japan to 30 trillion yen by 2010 29 7 trillion ver 2.2 trillion



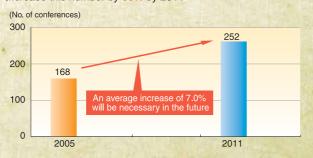
No. of Nights Spent Per Japanese During **Domestic Trips**

Increase the number of nights per year to 4 nights by 2010



No. of International Conferences

Increase this number by 50% by 2011



Supporting the Development of Attractive, Internationally Competitive Tourist Destinations

Support for tourist destinations "attractive for accommodation-type visits" - the Tourism Region Development Act

Along with the expected increase in the number of tourists worldwide in the future, in order to assure that the economy of the local districts is self-sustaining, it is necessary to increase both the number of times foreign tourists visit Japan, staying overnight, and the number of days and nights spent in Japan.

Accordingly, in order to promote the development of tourist destinations that support accommodation-type tourism exceeding 3 days and 2 nights, the Tourism Region Development Act was passed in May of 2008, coming into force in July of the same year.

The passage of the Tourism Region Development Act into law meant that a wide variety of both government and private organizations would be involved in the development process and the efforts to vitalize the economy of the local districts through the expansion of the accommodation-type tourism and efforts to increase the number of repeated visits and the number of people involved in bilateral exchange programs. Thus, along with the increase in the tourist population, these organizations will be involved in increasing the vitality of the economics of the local districts.

Main Points Related to the Development of a Tourism Region

About 2/3 of the amount spent by domestic travelers (approximately 15 trillion yen) is spent

on travel with accommodations. There is a lot of diversity in regard to those

There are limits to the number and scale of programs that can be implemented at each individual tourism destination.

involved in the promotion of tourism.

It is necessary to increase the attraction of accommodation-type visits.

Based on the Tourism Region Development Act, if the "Tourism Region Development Implementation Plan[®] submitted jointly by the various organizations in the private industries is approved by the Minister of the Ministry of Land, Infrastructure, Transport and Tourism, support

Vitalization of the economy of the local districts through the expansion of travel with accommodations, which is highly effective economically

General programs featuring coordination and liaison between the tourism industry and other local industries (statutory councils)

Promotion of cooperation and liaison between local districts (formation of tourism regions)

Aiming for accommodation-type tourism exceeding three days and two nights through comprehensive programs that include the development of districts stressing the promotion of accommodation-type visits (accommodation promotion districts)

for local district projects will be conducted systematically, through subsidiary funds for the costs of the tourism region development projects, special exemptions to the laws related to the travel industry, and grants for agricultural, forestry, fishing village-related vitalization projects.

Tourism Region Development Illustration

Enriching Tourist Guides and the

Provision of Information

Promoting the efficient utilization of Tourism Resources Development of tourism-related products taking advantage of attractive tourism resources

Transportation

 Introduction of discounts for tours Planting along roadsides

Fishery-Related Participation-type Programs

Development of participation-type bilateral exchange program facilities Development of agricultural









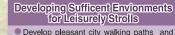


Providing Sufficient Menus for Participation-type tour.



City C





enrich the guidance facilities







Increasing the Attraction of Accommodations

 Introduce a system for meals separate from the lodging facilities Introduce common hot springs entrance tickets

to lodgers at the lodging facilities



