

2023 City of Yokohama
Outline of Business Location Incentive Program for
Next Generation Priority/Growth Fields
 – Financial assistance for companies establishing operations in Yokohama –

*Applications for this fiscal year will be accepted until 31 January 2024(Application deadline has been extended).

● **Expanding in the City of Yokohama for the First Time**

① **Program Overview** (*See p.2 for the detailed requirements)

Eligible Fields	Requirements	Facilities	Subsidy Amount (Maximum)
<ul style="list-style-type: none"> ◆ Child-rearing ◆ Mobility ◆ Decarbonization <p><small>*See p.6 for detailed information on the eligible fields.</small></p>	<p>[Floor area] At least 50 m² and* [Personnel] At least 3 employees</p> <p><Special cases for service offices> [Floor area] At least 10 m² and* [Personnel] At least 3 employees</p>	Offices (See p.2)	Up to 5.0 million yen
<p style="text-align: center; border: 1px solid black; padding: 2px;">Other Growth Fields</p> <ul style="list-style-type: none"> ◆ Digital Transformation ◆ Environment ◆ Healthcare/medical ◆ Innovative solutions ◆ MICE <p><small>*See p.6 for detailed information on the eligible fields.</small></p>	<p>[Floor area] At least 50 m² and* [Personnel] At least 3 employees</p> <p><Special cases for service offices> [Floor area] At least 10 m² and* [Personnel] At least 3 employees</p>		Up to 2.5 million yen
			Up to 2.5 million yen
			Up to 1.25 million yen

*Special exceptions for locations outside city center or foreign companies:

In either special case, only one of the two requirements (floor area or personnel) needs to be satisfied. (For details, see p.3)

● **Expanding Within Yokohama (Expansion/Relocation Special Cases)**

Eligible Fields	Requirements	Facilities	Subsidy Amount (Maximum)
<ul style="list-style-type: none"> ◆ Child-rearing ◆ Mobility ◆ Decarbonization <p><small>*See p.6 for detailed information on the eligible fields.</small></p>	<p>[Floor area] Floor area of the facility has increased by at least 50m² and [Personnel] The number of employees has increased by at least 3 people</p>	<ul style="list-style-type: none"> • head offices • R&D Centers 	Up to 2.5 million yen
<p style="text-align: center; border: 1px solid black; padding: 2px;">Other Growth Fields</p> <ul style="list-style-type: none"> ◆ Digital Transformation ◆ Environment ◆ Healthcare/medical ◆ Innovative solutions ◆ MICE <p><small>*See p.6 for detailed information on the eligible fields.</small></p>		<ul style="list-style-type: none"> • R&D Centers 	Up to 1.25 million yen

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② Subsidy Requirements/Subsidy Contents

- If a company in the fields of child-rearing, mobility, and decarbonization locates in Yokohama for the first time

This subsidy program is for **non-Yokohama companies** ^{(*)1} establishing **offices** ^{(*)2} in Yokohama for the first time.

[Subsidy amount] Total of ① and ② shown below Up to 5.0 million yen

① Basic amount 500,000 yen per 50m² floor area (Up to 2.5 million yen)

② Additional amount 500,000 yen per 50m² floor area (Up to 2.5 million yen)

<Special cases for service offices^{(*)3}>

[Subsidy amount] Total of ① and ② shown below Up to 2.5 million yen

① Basic amount 100,000 yen per 10 m² floor area (Up to 1.25 million yen)

② Additional amount 100,000 yen per 10 m² floor area (Up to 1.25 million yen)

[Floor area/personnel] Floor area ^{(*)4} in their new location in Yokohama or number of employees ^{(*)5}, must fit the requirements shown in the system outline (p.1).

[Function of facilities] : Offices ^{(*)2}

- If a company in other growth fields locates in Yokohama for the first time

This subsidy program is for **non-Yokohama companies** ^{(*)1} establishing **offices** ^{(*)2} in Yokohama for the first time.

[Subsidy amount] 500,000 yen per 50m² floor area (Up to 2.5 million yen)

<Special cases for service offices^{(*)3}>

[Subsidy amount] 100,000 yen per 10 m² floor area (Up to 1.25 million yen)

[Floor area/personnel] Floor area ^{(*)4} in their new location in Yokohama or number of employees ^{(*)5} must fit the requirements shown in the system outline (p.1)

[Function of facilities] : Offices ^{(*)2}

- If a company in the fields of child-rearing, mobility, and decarbonization expands within Yokohama (Expansion/Relocation Special Cases)

This subsidy program is for companies which have **offices** ^{(*)2} in Yokohama and are expanding existing functions/establishing new facilities.

[Subsidy amount] Total of ① and ② shown below Up to 2.5 million yen

① Basic amount 500,000 yen per 50m² floor area (Up to 1.25 million yen)

② Additional amount 500,000 yen per 50m² floor area (Up to 1.25 million yen)

[Floor area/personnel] Floor area ^{(*)4} in their new location in Yokohama or number of employees ^{(*)5}, must fit the requirements shown in the system outline (p.1) .

[Function of facilities] Head office, R&D center, or childcare-related facility (limited to the child-rearing field).

- If a company in other growth fields expands its R&D facilities in Yokohama (Expansion/Relocation Special Cases)

This subsidy program is for companies which have **offices** ^{(*)2} in Yokohama and are expanding existing functions/establishing new facilities.

[Subsidy amount] 500,000 yen per 50m² floor area Up to 1.25 million yen

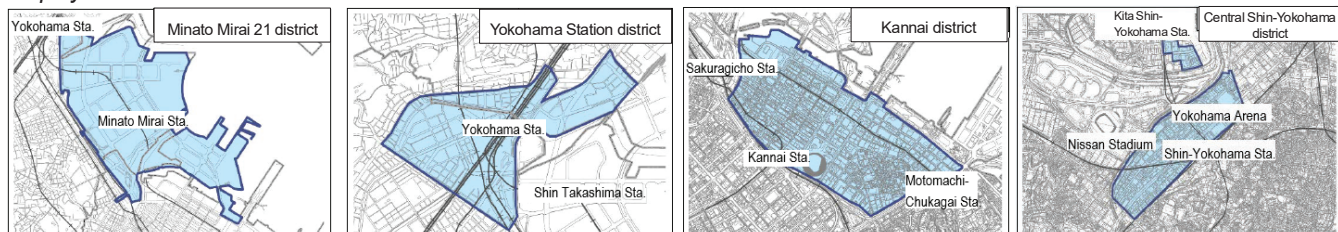
[Floor area/personnel] Floor area ^{(*)4} in their new location in Yokohama or number of employees ^{(*)5} must fit the requirements shown in the system outline (p.1)

[Function of facilities] R&D center

● Special Cases for Locations Outside City Center or Foreign Companies

When expanding into districts outside of the specific **city center areas**⁽⁶⁾ pictured below, or **first investment by foreign-affiliated companies**⁽⁷⁾, only one of the two requirements of floor area and personnel shown in the Program Overview (p.1) need to be fulfilled.

E.g. The requirement "At least 50m² floor area and at least 3 employees" would become "At least 50m² floor area or at least 3 employees."



(*1) Non-Yokohama Companies: This refers to companies (public companies, limited partnerships, unlimited partnerships, limited liability company or Japanese branches of foreign companies (excluding representative offices)) that have not established a R&D Center, head office, branch, place of business, or other similar facility in Yokohama.

(*2) Offices: This refers to R&D Centers, head offices, offices, childcare-related facilities (limited to the child-rearing field) and other similar facilities which are used for the business. (Factories, warehouses, stores (excluding childcare-related facilities), etc. are not included.)

(*3) Special cases for service offices: Applicable when a company moves into a service office based on a contract for two years or more which includes additional services related to the use of the office. It is also a requirement that the service office can be registered as a corporation and that it generally recruits tenants.

(*4) Floor Area: This refers to sections in offices other than storehouses used to store goods, display spaces/showrooms, shops that provide services or sell products (excluding childcare-related facilities), and food/drink facilities.

In special cases for service offices: This refers to a separate or partitioned space that can be locked in service offices, etc.

(*5) Employee count: This refers to workers eligible to receive employment insurance.

(*6) City Center Areas: This refers to Minato Mirai 21 district, Yokohama Station district, Kannai district, and central Shin-Yokohama district.

(*7) First Investment by Foreign-Affiliated Companies: This refers to when the investment is from a foreign-affiliated company that does not yet have a place of business in Japan.

③ Business Plan Summary Submission (Prior to Closing of Lease Contract*)

Note that subsidy cannot be applied for if the necessary documentation has not been submitted at least one day prior to closing of lease contract*.

*In the special case of a service office, the contract refers to one which includes additional services related to the use of the office, and in other cases it refers to the lease contract for the building.

[Following submission of form 1]

- Contact our staff after closing your lease contract.
- When applying for an expansion/relocation special case: before relocating, please obtain "Applicable Establishment Ledger Header 1" from the Hello Work office to which your area is assigned. This document will be required at the time of application in order to confirm the number of employees. (After the relocation, you will be required to submit the "Applicable Establishment Ledger Header 1" again to prove the number of employees after the start of the business.)

④ Application for Subsidies (After the start of the business)

The following documents, including the grant application form, must be submitted after the start of the business.

*After the start of the business, the staff member in charge will conduct an on-site inspection of the business site, etc.

The main documents to be submitted are as follows.

- Grant application document and report of actual results (City of Yokohama form)
- Financial statements (the last 2 fiscal years) : Balance Sheet, Income Statement and Breakdown of Selling, General and Administrative Expenses
(Note) If the financial statements for the last 2 fiscal years cannot be confirmed, or if the company has been insolvent for 2 consecutive fiscal years, the company will not be eligible for the grant.
- List of names of executives, etc. (City of Yokohama form): Names, dates of birth, genders, and addresses of all executives
(Note) We will inquire with the Kanagawa Prefectural Police as to whether or not the company may be considered a crime syndicate.
- Documents to prove the number of employees at the office, etc.: Applicable Establishment Ledger Header 1
- A copy of the notification of incorporation/establishment of a corporation or similar document
- A copy of the lease agreement (In case of a special cases for service offices, a copy of the service agreement)

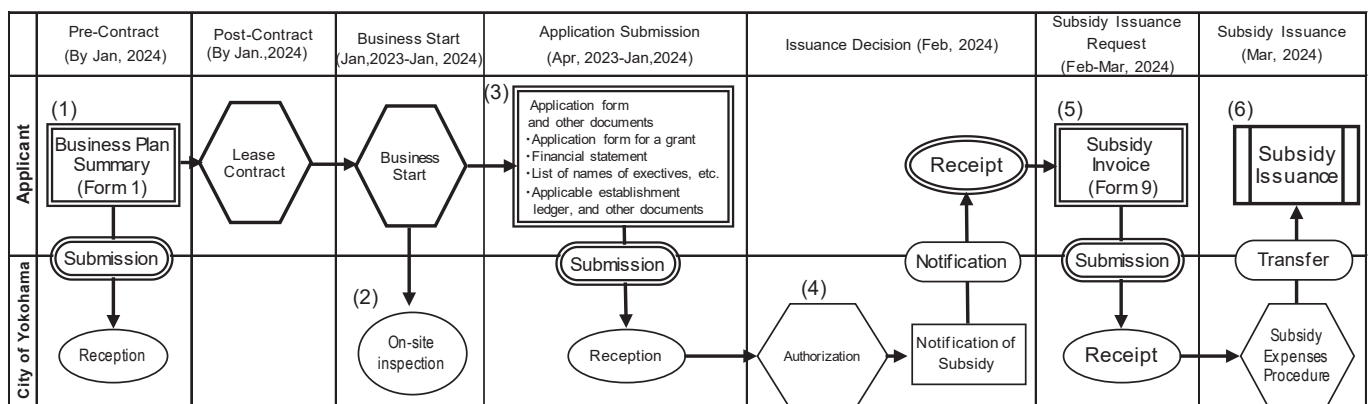
*Application deadline : January 2024 (please submit as soon as possible.)

⑤ Procedural Flow and Schedule

The procedures and schedule up until the granting of the subsidy are roughly as follows.

- (1) Submission of "Business Plan Summary" (Form 1): By January 2024
(At least one day prior to day of closing lease contract)
- (2) On-site inspection of business sites, etc. by our staff: April 2023-January 2024 (Following Business start)
- (3) Subsidy Application: April 2023-January 2024 (Following Business start)
- (4) Authorization, Notification of Subsidy Issuance/Subsidy Amount Issued: February 2024
- (5) Submission of "Subsidy Invoice": February-March 2024
- (6) Subsidy Payment: End of March 2024
(Subsidy transferred to designated bank account of applicant)

<Procedural Flow>



A press release will be issued in late March

⑥ Notes (Be sure to read this)

(1) Obligation to continue operation (2 years) and report on the implementation status

① During the period of obligation for continuing operation, the business must continue to operate at the business site where the company has established itself.

*Period of obligation to continue operation: From the starting date until the day on which two years have passed.

*Starting date: The date when the requirements (p.1-2) are met at the relevant business site, etc., and operations related to the business plan summary have started

② During the period of obligation to continue operation, the status of operation shall be reported annually in the month containing the stating date by submitting following documents.

- Status Report (Form No. 10)
- List of names of executives (Form No. 5)
- Most recent tax return for corporate citizens' tax (copy)

(Note) If these obligations are violated, the grant decision will be cancelled and the grant money must be returned.

※A 10.95% annual surcharge will be added to the grant to be returned.

(2) Calculation of subsidy amount

If the total amount in the application exceeds the budgeted amount, the amount of the grant will be proportionally divided within the budgeted amount, and the amount applied for will be reduced.

(3) Cannot be used in conjunction with other programs

If the applicant has applied for any of the following, application for this grant (submission of a business plan summary) will not be permitted. ※Cannot be used in conjunction with other programs.

- Application for Yokohama City Startup Location Promotion Subsidy (Submission of a business plan summary)
- Application for certification based on the City of Yokohama Ordinance on Support Measures in Specified Fields for Promoting the Location of New Businesses (Ordinance for Promoting the Location of New Businesses)

**⑦ List of Eligible Fields for Subsidy Program for New Business Facilities in Next Generation
Priority/Growth Fields**

Field	Eligible Businesses	
	Category	Major business (examples)
Child-rearing	Manufacturing of childcare products	Development and manufacturing of childcare products, child seats, children's clothing, food, medical equipment, etc.
	Child-rearing Digital Transformation	Online childcare services, development and operation of childcare support applications
	Learning (limited to those that contribute to improving the child-rearing environment in the city)	Operation of facilities for school children with high-quality educational programs, development of software and hardware for learning, and distribution and publication of learning content
	Human resources development	Development of human resources for childcare services
	Proxy services	Housekeeping, babysitting *Only those that the mayor deems that the safety of users and children can be adequately guaranteed based on the actual performance, etc. related to said business.
Mobility * Excluding those using fossil fuels	Next-generation transportation	Development, system construction, implementation, etc. of next-generation transportation, and digital transformation of automobiles (automated driving, driver assistance services, etc.)
	Improvement of traffic safety	Digital transformation of road systems, traffic safety measures using big data
	Next-generation mobility	Next-generation vehicles, drones, personal mobility, green slow mobility, etc.
Decarbonization	Energy	Renewable energy (solar, wind, geothermal, tidal, biomass, etc.)
		Non-fossil energy (hydrogen, e-Fuel, ammonia, fusion power generation, etc.)
		Next-generation power management (including next-generation storage batteries and next-generation semiconductors)
		Securing rare metal resources
		Transformation of industrial energy supply and demand structure
	Carbon recycling	CCS Business
Decarbonized materials	Development and production of decarbonization materials	
Other growth fields	Promotion of digital transformation	Medical digital transformation, big data analysis and utilization of geospatial information, digital transformation of communications, construction of common infrastructure for information collection, storage, analysis, and provision, realization of distributed digital society, prompt and reliable information provision and evacuation guidance through digital transformation technology, automation of work, simplification of information sharing, and data utilization through digital transformation technology, digital town/digital city, consignment development of systems
	Reduction of environmental impact	Next-generation lighting equipment, energy conservation in buildings (ZEB, ZEH), etc., control and development of CFC emissions, recycling of plastic resources, technologies related to environmental load reduction (highly efficient gas turbine combined cycle power generation systems, etc.)
	Health and medical care	Medical products, medical devices and equipment, medical and nursing care robots, wellness(ME-BYO), genetic testing contract service business
	Innovation promotion	AI technology, biotechnology, quantum technology, materials, space, ocean, and semiconductor industrial base resilience, etc.
	MICE-related	General planning and management services (PCO), secretariat of academic societies and associations, etc. (limited to those with a proven track record as specified in Appendix 5, etc.)

Executed in November 2023