

Category: Information Issued: April 19, 2016

## Application for Incentive Programs to collect container cargo has started !!

As the designated port operating company, Yokohama-Kawasaki International Port Corporation will continue to carry out integrated operations of the container terminals in the Ports of Yokohama and Kawasaki in order to enhance the international competitiveness of the ports.

We will be starting the incentive programs for the purpose of collecting more cargo to the Ports of Yokohama and Kawasaki. We look forward to receiving a lot of applications for the programs from shippers, logistics companies, etc. as well as for the subsidy programs offered by the City of Yokohama and the City of Kawasaki.

## 1 Incentives for shipping route expansion

(1) New route startup & Additional port calls Eligible Project: Projects deploying ships on all shipping routes except for Japan-Korea routes Eligible Operator: Ocean going shipping companies or agents in Japan Consignment Fee: Part of costs incurred for a port call Ex.) When port cost is ¥2.5 million/call Image: Base rate ¥2.5 mil. x Subsidy rate 80% (1st year) = ¥2.0 mil./call *Subsidy rate for the first year is 80%, and it is reduced from the second year onward by 20% every year (planned)
<ul> <li>(2) Maintenance of existing shipping route services</li> <li>Eligible Project: Projects deploying ships on trunk routes, South American routes, Australian routes and part of Asian routes</li> <li>Eligible Operator: Ocean going shipping companies or agents in Japan</li> <li>Consignment Fee: Part of costs incurred for a port call</li> <li>Ex.) When a ship of 50,000 GT calls at the port once a week (52 calls/year) on the South American routes</li> <li>⇒ Base rate ¥135,000/call x 52 weeks = ¥7,020,000</li> </ul>
<ul> <li>(3) Enlargement of ships</li> <li>Eligible Project: Projects deploying ships on all shipping routes except for Japan-Korea routes</li> <li>Eligible Operator: Ocean going shipping companies or agents in Japan</li> <li>Consignment Fee: Part of additional costs for a port call incurred by enlargement of ships</li> <li>Ex.) When deploying a ship with a capacity of 12,000TEU switched from conventional 8,000TEU on the Australian routes brings about an increase in the port cost by ¥1.0 mil.</li> <li>⇒ Base rate ¥1.0 mil. x Subsidy rate 80% (1st year) = ¥800,000/call</li> <li>*Subsidy rate for the first year is 80%, and it is reduced from the second year onward by 20% every year (planned).</li> </ul>

## 2 Cargo collection incentives for individual proposal

(1) Coastal feeder services
Eligible Project: Coastal feeder route startup, increasing the number of ships calling at the port, enlargement of ships, etc.
Eligible Operator: Coastal shipping companies, etc.
Consignment Fee: Part of costs required for each project (*Amount: to be fixed after negotiation)
Ex.) When increasing the number of feeder routes between Sendai and
Yokohama is costly for the first year
(2) Enhancement of railway transport
Eligible Project: Increasing the number of freight train services, etc.
Eligible Operator: Railway operators, etc.
Consignment Fee: Part of costs required for each project (*Amount: to be fixed after negotiation)
Ex.) When increasing the number of freight train services between Utsunomiya
and Yokohama-Honmoku is costly for the first year
(3) Additional cargo collection
Eligible Cargo: Newly handled cargo, switched cargo from other ports
Eligible Operator: Shippers, forwarders, ocean going shipping companies, etc.
Consignment Fee: To be fixed after negotiation based on ¥5,000/TEU

\*There are certain requirements to meet, such as increasing the amount of container cargo and maintaining the shipping route services for no less than 1 year after the contract expires, etc.

\*Applicants may be provided with subsidies from the City of Yokohama or the City of Kawasaki instead, depending on shipping routes or details of support requested.

Contact

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