

Okinawa Prefecture Basic Plan for Tourism Promotion
(Fifth Plan)
Outline

1 Significance of Developing the Plan

Okinawa Prefectural Government (OPG) has positioned tourism as a leading industry in Okinawa's economy and has been making various efforts to promote it. As a result, the prefecture is now regarded as one of the best tourist and resort destinations in Japan. However, the tourism industry in Okinawa is recently facing tough realities due to the sluggish growth in the number of inbound tourists against the backdrop of various factors such as the unstable world economy, the global outbreak of the H1N1 flu, occurrences of conflicts and terrorism, and the Great East Japan Earthquake.

In order to ensure the sustainable development of tourism in Okinawa under such circumstances, it is required to take proactive measures in various ways including strategically exploiting overseas markets, developing into an eco-friendly destination, and establishing Okinawa's tourism brand. Therefore, OPG has set up the Okinawa Prefecture Basic Plan for Tourism Promotion, and other relevant plans, to take various strategic and aggressive approaches based upon these plans.

2 Nature of the Plan

The Plan has been drawn up according to Article 7 of the Okinawa Prefectural Ordinance on Tourism Promotion (Ordinance No. 39 of 1979) to define basic directions for tourism development.

The Plan presents a vision of Okinawa's tourism 10 years from now that all those involved in Okinawa's tourism, including its citizens, should recognize, and offers basic policies to achieve the vision through concerted efforts of relevant parties.

3 Period of the Plan

The Plan targets a period of 10 years from FY2012 to FY2021.



Outline of Plans Related to Tourism in Okinawa

Okinawa 21st Century Vision

Future Goal of Okinawa in 2030
Drawn up in March 2010

Okinawa 21st Century Vision Master Plan (Period of the Plan: FY2012-FY2021)

A comprehensive basic plan inclusive of all previous areas of promotion of Okinawa, which also serves as the Okinawa Promotion Plan defined in the Act on Special Measures for the Promotion and Development of Okinawa.

Drawn up in May 2012

Okinawa 21st Century Vision Implementation Plan (Period of the Plan: FY2012-FY2021)

A plan that clarifies what OPG will do based on various schemes set out in the Okinawa 21st Century Vision Master Plan and the Okinawa Prefecture Basic Plan for Tourism Promotion.

Okinawa Prefecture Basic Plan for Tourism Promotion

(Period of the Plan: FY2012-FY2021)

A plan that presents basic directions in the field of tourism promotion, based on the Okinawa 21st Century Vision Master Plan.

Drawn up in May 2012

Visit Okinawa Plan (Period of the Plan: Single Fiscal Year) (Drawn up every fiscal year)

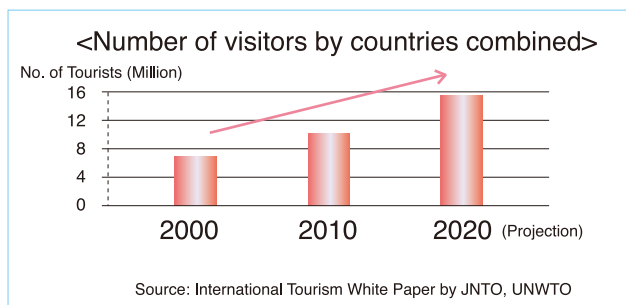
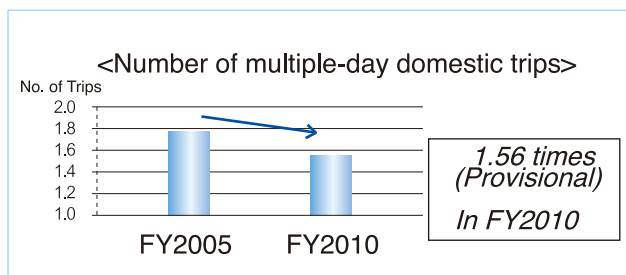
A specific action plan drawn up to attract tourists, based on the Okinawa 21st Century Vision Master Plan and the Okinawa Prefecture Basic Plan for Tourism Promotion, with target figures for each fiscal year.

Drawn up in May 2012

4 Domestic and International Trends in Tourism

Currently more than 90% of the tourists to Okinawa are Japanese. In Japan, however, the number and the length of domestic multiple-day trips per head are on the decline as well as travel-related spending per household.

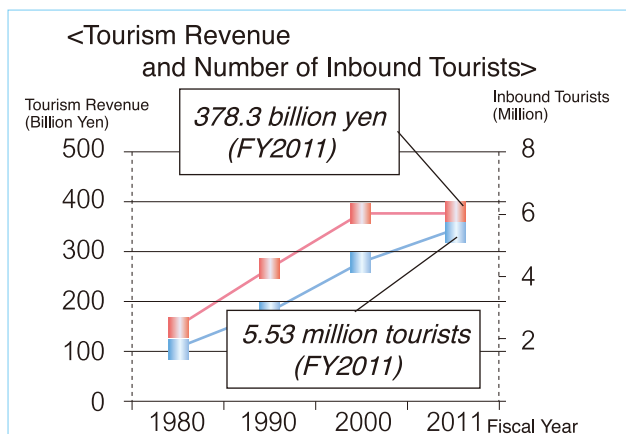
On the other hand, the number of tourists is increasing in the world as a whole, and the growth is expected to continue in the future. In light of this, the Government of Japan has set a target of receiving 25 million foreign visitors by early 2020, and 30 million visitors beyond that.



5 Situations of Tourism in Okinawa

Although the tourism-related revenue and the number of inbound tourists saw steady growth since 1972, this growth has slowed in the recent years, standing at around 4 billion yen and 5-6 million visitors, respectively. In addition, the number of nights stayed in Okinawa shows a declining trend, and in recent years, the figures have remained on the same level. Average spending in the prefecture per tourist has slowly been declining as well.

Air routes that are crucial to attract tourists have been shrinking since FY2007 for domestic flights. However, international air routes are expanding with the addition of two routes in FY2011, for Beijing and Guam, to the existing routes for Seoul, Taipei, Hong Kong and Shanghai, making the total number of international air routes to six.



6 Issues of Tourism in Okinawa that Need to be Addressed over the Next 10 Years

Considering the outer and inner situations of tourism in Okinawa, we have identified, as follows, issues that need to be addressed over the next 10 years in order to materialize the vision of Okinawa's tourism in 10 years, which is the goal of the Plan.

Issues of Tourism in Okinawa that Need to be Addressed over the Next 10 Years

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|--|--|
| 1. Responding to international competitions among tourist destinations | 4. Establishing a basis for sustainable tourism |
| 2. Responding to environmental problems | 5. Furthering understanding of tourism among citizens |
| 3. Playing a role as a mainstay industry | 6. Promoting the development of human resources that can contribute to tourism development |

7 Future Goal

We aim to establish Okinawa as a “world-class tourist and resort destination” through various efforts based on the Plan and other relevant plans.

“World-class tourist and resort destination” is defined as Okinawa being equipped with basic qualities as a sophisticated tourist destination. Together with the charm and allure of Okinawa’s unique properties, the goal consists of being broadly recognized inside and outside Japan as “OKINAWA”, a prime tourist and resort destination that stands out among other travel destinations competing in the Asia-Pacific region.

8 Key Value

Three core factors of Okinawa’s attraction are Nature: Okinawa’s sea, forests, and biodiversity; Culture: Okinawa’s history and performing arts; and People and Environment: Okinawa’s safety, relief, and comfort.

By increasing the competitive advantage through the full utilization of such factors, we will make a fully attractive tourist destination branded as OKINAWA.

9 Target Frame

We aim to achieve the following target figures in 10 years from now, by aggressively implementing various measures in the Plan.



Future Goal

World-class tourist and resort destination

Upon Materialization of the Future Goal

Tourists can:

visit destinations meeting their interests and needs, relax and enjoy memorable experiences and interactions that are unique to Okinawa.



Tourism Industries can:

obtain a stable revenue from tourism, play a leading role in the prefectural economy, and form a proud and responsible sector.



Citizens in Okinawa can:

enjoy full benefits of tourism from the viewpoint of health to social and economic aspects, recognize the value of tourism in Okinawa, and actively participate in the development of an attractive tourist destination.



Tourism Resources can be:

highly appreciated along with natural and cultural resources, utilized and preserved in an appropriate manner responding to local situations.



Figures to be Achieved by FY2021

1. Revenue from tourism: ¥1 trillion

4. Cumulative total number of nights stayed by tourists:
40.27 million nights (31.52 million nights by domestic tourists, and 8.75 million nights by international tourists)

2. Spending in the prefecture per tourist: ¥100,000

5. Number of inbound tourists: 10 million (including two million international tourists)

3. Average days per visit: 5 days
International tourists are assumed to travel by air.

10 Strategic Directions

We will materialize the future goal in 10 years by implementing measures based on the following basic directions. The complete version of the Plan offers detailed descriptions for each measure.

1 Offering a wide variety of attractive tourism experiences

<Basic Directions>

We will provide high quality tourism experiences unique to Okinawa while keeping a balance between preservation and succession, and utilization of “Nature” and “Culture”, two of the core factors of tourism in Okinawa. With such core images in the basis, we will exploit a new market by developing various tourism options that combine sports, medical services, and Okinawa’s culture and performing arts.



<Development of Measures>

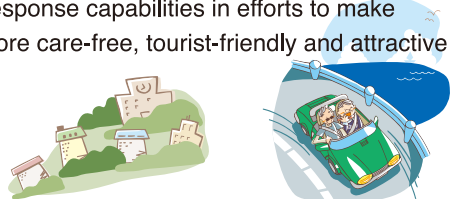
- (1) Develop an Okinawan version of nature tourism
- (2) Promote an Okinawan version of culture tourism
- (3) Develop a variety of tourism options
- (4) Consider the introduction of quality assurance
- (5) Promote the differentiation of regions

2 Preparation of a basic tourism environment

<Basic Directions>

In order to ensure that tourists can stay in Okinawa with a sense of safety, security and comfort, we will improve the qualities of basic transportation and information infrastructures, and develop human resources engaging in tourism.

We will also promote the development of scenic views appropriate for tourist destinations, tourism environments unique to Okinawa, and universal designs, and will enhance emergency response capabilities in efforts to make Okinawa a more care-free, tourist-friendly and attractive destination.



<Development of Measures>

- (1) Promote the improvement of transportation networks
- (2) Work to enhance information infrastructure
- (3) Nurture human resources engaging in tourism
- (4) Promote the development of scenic tourist destinations
- (5) Promote universal designs
- (6) Enhance emergency response capabilities

3 Securing the stability of the tourism industry

<Basic Directions>

We will promote the sustainable development of the tourism industry with stable tourism revenue by promoting the increase of spending by tourist in the prefecture and the length of visits, and maintaining the number of inbound visitors all year round by leveling off seasonal fluctuations.

In addition, we will further increase the significance of tourism as a leading industry by enhancing spillover effects on related industries and maintaining employment opportunities.

<Development of Measures>

- (1) Promote measures to ensure tourism revenue
- (2) Work to enhance spillover effects on related industries
- (3) Promote measures to maintain and secure employment opportunities
- (4) Promote measures for the formulation of a responsible industry sector

