#### [Sharing the goals of local entities]

In a community development initiative, sharing its goals among the stakeholders concerned is a key to achieving maximum synergy effects of the initiative. That way, each stakeholder can clearly understand its own role in the initiative.

#### (Providing more open and interactive services)

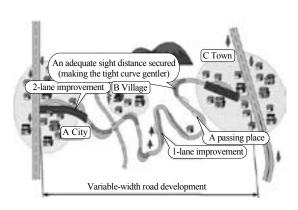
MILT aims to provide more open and interactive services. The following means; i) better use of The Regional Block Strategy Meeting ii) enhancing its accountability iii) improving transparency in the entire process of public works projects.

#### Section 3. Flexible and integrated approaches to making good use of innovative initiatives

#### [Flexible standards in response to local characteristics]

It is increasingly important to support and work with community development initiatives that demonstrate local ingenuity, characteristics and qualities. To that end, flexible standards should be established so that infrastructure and its services can accommodate local characteristics and goals. In other words, local rules should be introduced. In fact, MLIT put in place a rule in 2003 that allows for variable-width road development. MLIT also plans to diversify methods for improving the combined sewer system and conduct R&D of free gauge trains.

# A conceptual rendering of a variable-width road development plan



Gauge Change Train in a running test



#### [Flexible approaches to promote community and regional development]

MLIT needs to promote an approach for trial-basis impact assessment before full-fledged implementation. It also needs to study policy responses to ensure appropriate urban redevelopment and reasonable land use.

#### [Support measures that fully respect local autonomy and discretion]

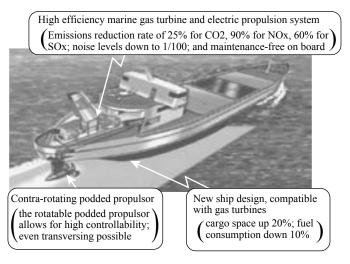
Support measures should be designed to: (i) ensure that local entities can exercise discretion and initiative to accommodate local conditions; (ii) allow for flexibility to reflect progress; (iii) respect intangible resources that constitutes the charm of the area concerned; and (iv) pursue efficiency and effectiveness with the introduction of methods and indexes for performance assessment.

MLIT is increasingly required to extend cross-sectoral support. The ministry should ensure that support recipients can enjoy latitude in deciding what approach to take, while calling for positive results from them.

## [Promoting leading-edge research]

MLIT continues to promote leading-edge research that cannot be conducted by the private sector alone but is important in enhancing the competitiveness of Japan's industry and infrastructure.

# <Next-generation coastal ship "Super Eco-Ship">



## [Reviewing regulations and procedures]

In relation to regulations and administrative procedures, some local entities have taken advantage of special zones for structural reform. Others have developed a "one window" procedure for prompter processing of things, as shown in the case studies.

MLIT is committed to helping improve the competitiveness of the private sector and making better use of national resources. For example, the ministry is promoting special zones for structural reform. It is also phasing in on-line administrative procedures for better service for the public and businesses.

#### [Taking advantage of market forces]

MLIT continues to stimulate development efforts by businesses though the best mix of taxes, subsidies and regulation. In addition, MLIT needs to take advantage of market forces to that end as well. The ministry should take the initiative to procure technologies, goods and services that help reduce social costs such as environmental impact.

