

Chapter 2

Deploying Land, Infrastructure, Transport and Tourism Administration Tailored to Urges of the Times



Section 1 Driving the Implementation of a National Land Policy Package

The implementation of a comprehensive national land policy package has been driven on the basis of a full package of measures designed to guide the work of national spatial land planning; namely, National Spatial Strategies (national plan) (2008 Cabinet decision), which envisions “the construction of a national land where diverse regional blocks develop autonomously and the creation of a beautiful national land where life is comfortable” as a new vision of national land, Global Regional Plans (2008 Minister decision), which summarize the regional strategies of the individual global blocks and the specific approaches they take to implement the strategies and the Fourth National Land Use Plan (national plan) (2008 Cabinet decision), which is committed to a key principle of sustainable land management. The implementation of these plans is being monitored from year to year to get them consolidated among the stakeholders concerned with National Spatial Strategies.

About six years since the formulation of National Spatial Strategies (national plan), Japan is confronted with drastic changes, such as intensifying competition between nations and cities in pace with progressive globalization and imminent possible threats from huge natural disasters, such as right-under-capital earthquakes and the Nankai Trough Megaquake, as well as a rapidly shrinking population in an aging society with falling birthrates, with the population predicted to halve in about 60% of all the regions in 2050 and elderly people accounting for about 40% of the total population. To address these changes, it is necessary to share the sense of crisis and then put together the wisdom of the public people to conceive national land policies from long-term perspectives.

Since October 2013, a new, mid-to-long-term (about 2050) “National Land Grand Design Plan” had been explored to determine the future course of national land and community development through sessions, etc. of expert panels. In March 2014, a general outline of the Plan was publicized.

Views and opinions on this outline will be collected from broad sources, including locals, to discuss it in further detail so the new “National Land Grand Design Plan” will be finalized.

Section 2 Driving the Implementation of Third Priority Plans for Social Infrastructure Development

Priority Plans for Social Infrastructure Development are formulated to drive the efficient and prioritized implementation of social infrastructure development projects in accordance with the “Act on Priority Plan for Social Infrastructure Development.”

The Third Priority Plan for Social Infrastructure Development (FY2014 to FY2016), approved at an August 2012 Cabinet meeting, envisioned what the ideal form of medium-to-long-term social infrastructure development should be to address a variety of issues, such as tight fiscal situations and proceeded to set forth four priority goals based on the standard of selection and concentration (namely, “mitigation of large-scale or broad-based disaster risks” “reinforcement of nation’s industrial and economic foundations and international competitiveness,” “realization of a sustainable and vital national land and regional development” and “precise maintenance, management and renewal of social infrastructures”) in its continual bid to develop social infrastructures in true need.

The effectiveness of plans is ensured by conducting follow-ups. The planning group of the transport policy committee under the Social Infrastructure Improvement Council and Transport Policy Council worked to determine the status of achievement of the goals declared in the Priority Plans, the status of implementation of projects and measures and so on.

Section 3 Promoting the Implementation of Transport Policy

1 Basic Act on Transport Policy

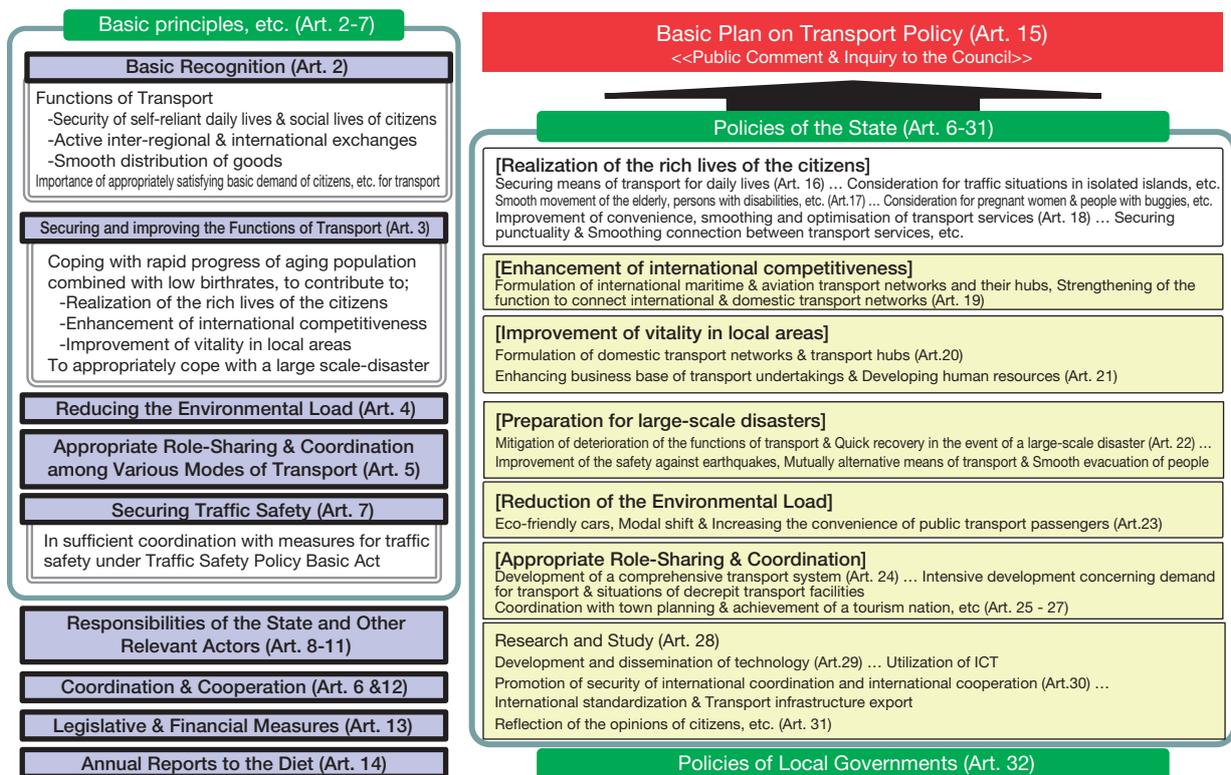
The Basic Act on Transport Policy was promulgated and enforced in December 2013 as a key legislation that defines the basic principles of the transport policy, stipulates the policies to be taken to implement these principles and the responsibilities of the State and local governments, and so on.

The Basic Act on Transport Policy is meant to establish a framework that formulates and implements policies on transport with integrated support from relevant parties in order to meet the needs of the present age for transport. It stipulates the basic principles in promoting transport policies, such as realizing the rich lives of the citizens, enhancing international competitiveness, improving vitality in local areas and getting prepared for large-scale disasters, and the basic policies that need to be implemented to realize these principles, in recognition of the value of properly fulfilling the basic demand for transportation among the public, etc..

The Act goes on to lay down the responsibilities of the State and local governments for formulation and implementation of policies on transport, the responsibilities of the operators and the role of the citizens in cooperating on implementation of the policies, and coordination and cooperation among these parties, etc.. Further, the Government is set to formulate a “Basic Plan on Transport policy”, a fundamental scheme relating to policies on transport, and to articulate key guidelines and goals of the policies on transport as well as measures to be taken by the Government, and so on.

The Government is committed to tackling various tasks relating to transport policies in a concerted effort to promote implementation of policies on transport in a comprehensive and systematic manner.

Figure II-2-3-1 Structure of Basic Act on Transport Policy



Source) MLIT

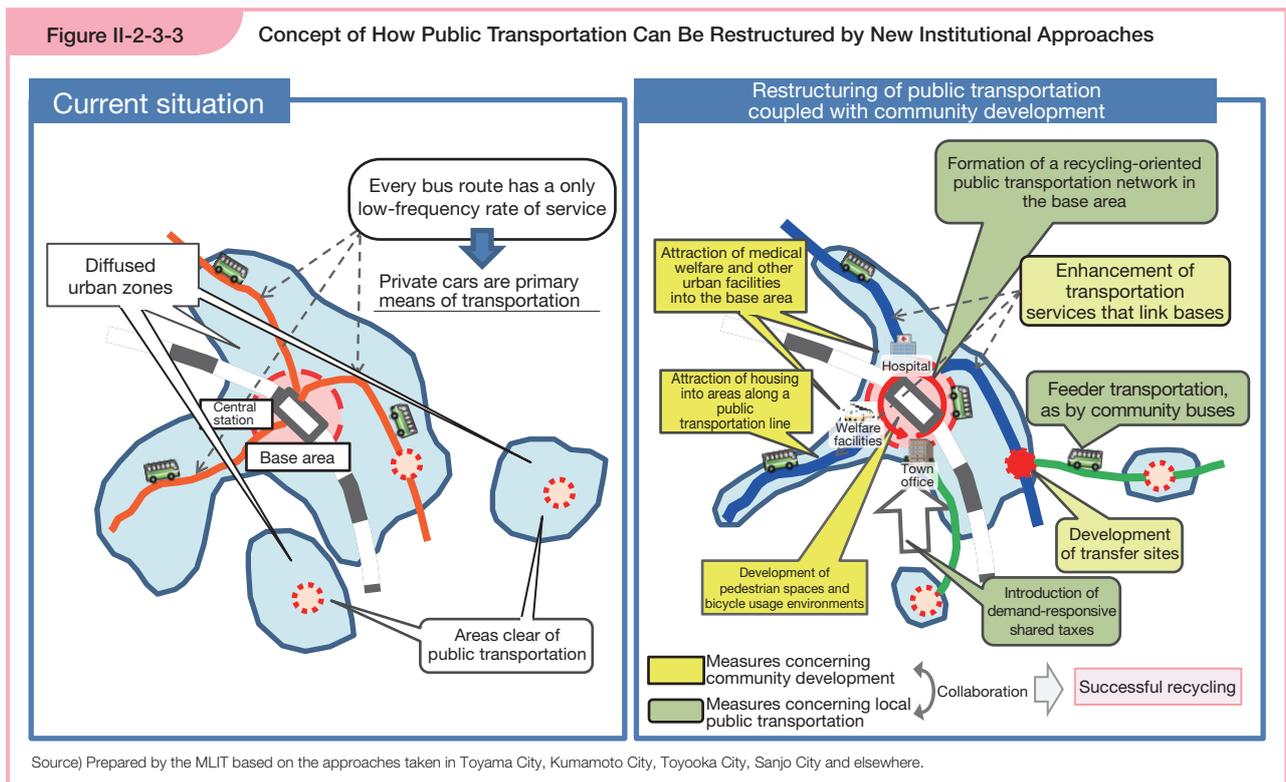
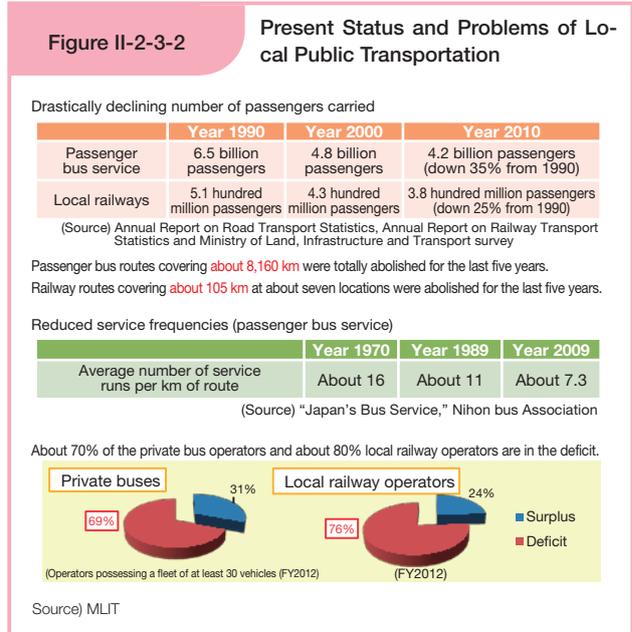
2 New Institutional Approaches to Enhanced Local Public Transportation

While population progresses to decline in an aging society with falling birthrates, concerns grow over downsized public transport networking and a degraded quality of services particularly in localities. In the meantime, local public transportation is of vital importance particularly to those who are unable to drive car, such as students and elderly people. Keeping up and even consolidating local vitalities also calls for enhancing local public transportation in coordination with a compact community development endeavor.

As the management climate continues to grow harder on the undertakers of local public transportation than ever, the traditional framework dependent on private operators would no longer be fit to fill the social needs for local public transportation. An urgent task looms, therefore, to build a new framework for implementing an optimal localized solution to transport networks and transport services in the initiative of the local governments responsible for total local administration by maintaining reasonable shares of responsibility with the stakeholders, with consensus from them and from viewpoints of community development, tourism vitalization and so on.

Under the circumstances, the Local Public Transportation Group of Transport System Section of the Traffic Policy Council came up with an intermediate recommendation titled “Basic Philosophy Concerning New Institutional Approaches to Enhancing Local Public Transportation,” in January 2014 after having met five times since September 2013.

Responsive to this move, the Ministry of Land, Infrastructure and Transport submitted the Bill for Making Partial Amendments to the Act on Revitalization and Rehabilitation of Local Public Transportation Systems to the 186th session of the Diet to get it resolved in May 2014.



Section 4 Driving the Implementation of Ocean Policy (Oceanic State)

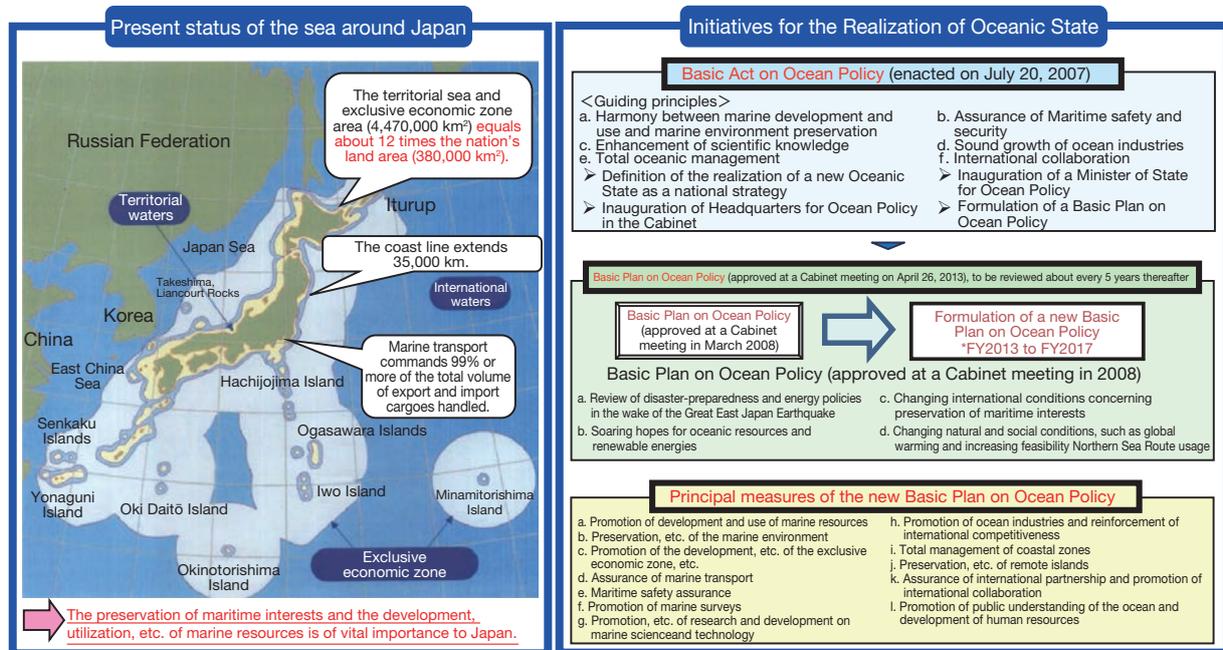
A nation surrounded by sea on its four sides, Japan recognizes the vast expanses of surrounding sea as a frontier, which urges the nation to grow into an “oceanic state” in its true sense. The Ministry of Land, Infrastructure and Transport has been driving the implementation of ocean policies by working in conjunction with the governmental agencies concerned pursuant to the “Basic Plan on Ocean Policy” based on the “Basic Act on Ocean Policy” as many of the administrative fields relevant to oceans fall under its jurisdiction.

The first version of the Basic Plan on Ocean Policy came as a Cabinet decision in March 2008 with the understanding that it would be reviewed about every five years. In April, 2013, a new Basic Plan on Ocean Policy was approved at the Cabinet meeting.

In the current context of disaster preparedness and energy policies having been refurbished in the wake of Great East Japan Earthquake, soaring hopes for oceanic energies and mineral resources, such as methane hydrates, and changing social conditions, including international climates concerning the preservation of maritime interests, the new Basic Plan on Ocean Policy is organized of four approaches and directions designed to let Japan grow into an oceanic state: a. International collaboration and contribution to the international community, b. Wealth and prosperity derived from oceanic development and usage, c. Transition from a sea-guarded state to a sea-protecting nation and d. Challenging an untrampled frontier.

The Ministry of Land, Infrastructure and Transport is also geared at driving the implementation of the ocean policies at a steady pace according to the guidelines stipulated in the new Basic Plan on Ocean Policy. Specifically, it is committed not only to encouraging the usage of renewable oceanic energies, oceanic resources, etc., ensuring efficient marine transportation of energies, etc. and revitalizing ocean industries, but also bolstering the structural strength of the Japan Coast Guard to protect Japan’s sovereignty and territorial land and waters and further to conditioning the environments for supporting oceanic frontiers, etc. as by promoting the maintenance and management of exclusive economic zones, implementation of ocean surveys, etc., protecting low-water lines that justify Japan’s exclusive economic zones and developing footholds on Okinotorishima Island and Minamitorishima Island.

Figure II-2-4-1 Driving the Implementation of Ocean Policy



Source) MLIT

Section 5 Efficient, Prioritized Deployment of Measures

1 Driving Improvement of the Total Cost Structure of Implementation of Public-Works Projects

With tight financial status, etc. in the background, the whole government is pursuing to improve the cost of implementation of public-works projects. The Ministry of Land, Infrastructure and Transport formulated a Program for Improving the Cost of Implementation of Public-Works Projects in March 2008 in its bid to improve the total cost structure. The Program values the concept of maximizing VFM ^{Note 1}, in addition to the actions already taken, and uses a “total cost improvement factor” to “evaluate the improvement of the social cost structures of environmental load abatement, etc.,” “the improvement of life-cycle cost structures using longer-lived facilities” and “the improvement of cost structures through technical innovations by private businesses.” It aims to boost the total cost improvement factor by 15% over a five-year period from its FY2007 level. In FY2012, the MLIT and the associated agencies, etc. realized a total cost improvement factor of 11.7%.

2 Ensuring the Quality of Public Works and Promoting Proper Tendering and Contracting for Public-Works Projects

(1) Review of the comprehensive evaluation bidding method ^{Note 2}

The “Act on Promoting Quality Assurance in Public-Works Projects” (hereinafter called “Quality Assurance Act”) enforced in April 2005 requires the quality of public works to be “assured by signing a contract that is generally superior in both terms of price and quality with due consideration given to economics and diverse non-pricing factors taken into account.”

The practice of a comprehensive evaluation bidding method has been promoted after enforcement of the Quality Assurance Act to such extent that it has penetrated almost all of the construction works carried out under direct supervision of the MLIT since FY2007, and all prefectures, government-ordinance-designated cities and 62.5% of all the municipalities have introduced the method.

As more efforts continue to broaden the scope of its application, its problems have loomed, such as increased burdens on the competition participants and purchasers and deviations from the guiding principles of the method. To resolve these problems, remedial measures have been put into action, including polarization of the construction directly supervised by the Ministry into two alternative approaches starting from FY2014, namely, the “construction capability evaluation type”, whereby contractors’ construction capabilities are evaluated, and the “technical proposal evaluation type”, whereby technical proposals submitted by the contractors, as well their construction capabilities, are evaluated.

(2) Introduction of the regional maintenance contract method

In August 2011, amendments to the “Guidelines on the Measures Taken to Promote Proper Tendering and Contracting for Public-Works Projects” were approved at a Cabinet meeting to fuel further improvement of the tendering and contracting system, ushering in the “Regional Maintenance Type Contracting Method” as a new method of contracting to help acquire supporters of regional maintenance projects (disaster recovery, snow clearance and infrastructure maintenance and management projects) and to encourage the central and local governments, etc. to leverage diverse methods of ordering, such as blanket ordering to cover both design and construction and construction-managed ordering.

(3) Approaches to assuring quality in the construction stage

Other ongoing efforts include the promotion of information sharing between contractor and contractee to assure the quality of work objects, and the trial practice of “in-process inspections,” which verify the status, etc. of construction works across the flow of construction processes, and “quality certifications by third parties under contract from the builders.”

Note 1 Value for Money, or the concept of providing the most valuable service for investment in the implementation of a public-works project, from inception, through planning, to maintenance and management, with due consideration being given to its economics.

Note 2 The method of selecting a successful bidder by giving a comprehensive evaluation to pricing and non-pricing factors.

(4) Review of varied tendering and contracting options, etc.

From now on, it would be necessary to maintain, manage and upgrade social capital stocks keeping in balance with the development of social capitals in true need. In the meantime, concerns over the future strategic maintenance, management and upgrade of social capital stocks mount as diminishing construction investment has left local constructors in ruins, forcing them to take orders dumped amid stiffening market competition, with the result of constrained subcontractors, a declining population of young workers entering the industry and so on.

Administrators of social capitals are also urged to properly respond to the challenges of diversified and sophisticated needs for infrastructure services with their limited supply of human resources, dictating a drastic overhaul of the ways jobs get done, including shares of responsibility between the public and private sectors.

Filling this need calls for building a stable construction, production and management system that properly gets the jobs of servicing infrastructures, such as planning, surveying, designing, constructing and maintaining and managing them, getting prepared for natural disasters and so on, for maintaining proper shares of responsibility between the public and private sectors and between the private sectors and also for the introduction, use, etc. of varied tendering and contracting options tailored to the needs of the times and characteristics of the public-works projects.

To this end, the “Conference on the Future Concept of the Construction Production and Management System for Fulfilling Contractees’ Responsibilities” has met since November 2013 to explore the concept of implementing the integrated work flow of social capital development, from planning to design, construction and management, from contractees’ viewpoints with the results of reviews of a tendering and contracting system reform for assuring the quality of infrastructures and securing their supporters made at the Subcommittee on Basic Problems, Construction, Construction Workshop, Industry Workgroup, Central Council on Construction Contracting Business and Social Infrastructure Development Council (measures to be immediately taken compiled in January 2014).

The Amended Quality Assurance Act, which came into effect in May 2014, provides for the introduction and use of varied tendering and contracting options, including methods for negotiating technical proposals and step-by-step screening.

Section 6 Forming a New Phase of Relationships between the Central and Local Governments and Private Sector

1 New Phase of Relationships between the Central and Local Governments

The implementation of measures, etc. on a nationwide scale or from nationwide perspectives has been driven to approach vital tasks that have a direct bearing upon national life, such as forming an animated economic society and establishing safety and security for the regions, etc. with keeping appropriate shares of responsibility between the central and local governments.

Under the circumstances, the MLIT has been working towards the decentralization of power, including reviews of obligations and conformances and transfers of paperwork routines and authorities.

The “Act on the Formulation of Legislations Relevant to the Promotion of Reforms for Enhancing Local Autonomy and Independence (Third Decentralization Legislation)” was enacted and enforced in part in FY2013 in connection with reviews, etc. of obligations and conformances. In addition, the Cabinet passed decisions on the transfer of certain paperwork routines and authorities involved in the registration, etc. of paid passenger transport services using privately owned automobiles from the central government to the local one seeking these services, those involved in the formulation, etc. of urban plans on town planning areas from the prefectural government to designated cities (only those relating to urban planning areas within a single designated city) ,and so on. Then the resultant bill for the Fourth Decentralization Legislation was submitted to the Diet and resolved in May 2014 based on those decisions.

2 Driving Public-Private Partnerships, etc.

The formation of new scheme of PPP (Public-Private Partnership)/PFI and concrete proposals has been promoted to develop, maintain and manage social infrastructures of real need by expanding the utilization of private funds under stringent financial conditions. Further, the preparation of PPP/PFI project proposals pertaining to the restoration of the areas stricken by the Great East Japan Earthquake is being propelled.

Proposals that had been filed as a means of driving the implementation of public-private partnership projects were compiled into agenda of deliberation to explore ways to use a mixed concession program for public facilities, etc.

A total of 31 innovative public-private partnership support projects were adopted and feasibility studies, etc. were conducted in Hamamatsu City to explore the sewage projects by utilizing the concession program for public facilities, etc.

In addition, 14 public-private partnership support projects designed to facilitate recovery from the Great East Japan Earthquake were adopted and feasibility studies, etc. were conducted in Kesenuma City, Miyagi Prefecture to implement an earthquake recovery community development project, involving a supply of disaster public housings, in a public-private partnership.

Section 7 Policy Evaluations, Project Evaluations and Interactive Administration

1 Driving Policy Evaluations

Pursuant to the “Ministry of Land, Infrastructure, Transport and Tourism Basic Plan for Policy Evaluations,” the three key schemes of evaluating policies, namely, policy assessments (Project Evaluation Method), policy checkups (Performance Evaluation Method) and policy reviews (Comprehensive Evaluation Method) have been defined in a bid to achieve the following three goals: realization of efficient and high-quality nation-oriented administration; promotion of performance-centric administration; and thorough perfection of accountability to the nation. At the same time, individual public-works projects, individual research and development issues, regulations and special taxation measures have been subjected to policy evaluations to suit specific policy characteristics. In August 2013, policy checkups were made on 13 policy goals using 44 measure goals and 181 performance indicators. Further, 36 new measures were subjected to policy assessment at the time of the request for FY2014 budget appropriation on the basis of directions, etc. for the improvement of policies evaluated. In March 2014, policy reviews were conducted on three subjects ^{Note 1}.

2 Implementation of Project Evaluations

A fully integrated scheme of evaluating individual public-works projects is built in place to enhance the efficiency and transparency of their implementation. Under this scheme, new public-works projects are evaluated upon initial adoption and then reevaluated and post-evaluated upon completion. Evaluation results, including cost-effectiveness back data on new adoption, reevaluation and post-evaluation, are compiled into project evaluation charts to help confirm their background, which are posted on the Internet or the like ^{Note 2}.

The Ministry of Land, Infrastructure, Transport and Tourism also conducts its own planning stage evaluation for new projects under its direct supervision in preparation for their evaluation upon initial adoption.

3 Driving Administrative Management Open to the Nation and Interactive Administration

(1) Land, Infrastructure, Transport Hotline Station

In driving the land, infrastructure, transport and tourism administration that has a close bearing on people’s lives, it is important to gain a broad insight into the views, requests and other voices of the people and deploy administrative measures that are directly linked to the people. To this end, the Land, Infrastructure, Transport Hotline Station is open, collecting about 1,100 views a month on the average.

Note 1 Ministry of Land, Infrastructure, Transport and Tourism Policy Evaluation Website <http://www.mlit.go.jp/seisakutokatsu/hyouka/index.html>

Note 2 Project Evaluation Website <http://www.mlit.go.jp/tec/hyouka/public/index.html>
Project Evaluation Chart <http://www.mlit.go.jp/tec/hyouka/public/jghks/chart.htm>

(2) Releasing information to consumers, etc.

In addition to the traditional schemes of administrative guidance, the “Negative Information Search Page” is available from the Ministry of Land, Infrastructure, Transport and Tourism Website, which contains a summary history of the administrative penalties imposed on the business operators in the past in connection with buildings, such as houses, and public transportation facilities, to ensure safety and security through proper selection by consumers and market supervision.

(3) Making the process of social infrastructure development program formulation more transparent

Driving the implementation of a social infrastructure development plan calls for winning understanding and cooperation from local residents to ensure transparency and fairness from its stage of inception afterwards. Comprehensive studies have been made from various perspectives, such as social, economical and environmental, to encourage the participation of various entities, including local residents and also guidelines that set forth basic concepts of the reasonable formulation of plans are extensively used to add to further transparency.

Section 8 Approaches to Hosting Tokyo 2020 Olympic and Paralympic Games

At the September 7, 2013 plenary meeting of the International Olympic Committee (IOC), Tokyo was chosen to host the 2020 32nd Olympic Games and 16th Paralympic Games. At a meeting of the cabinet ministers concerned held on September 10 of the same year, the government confirmed its commitment to developing and supporting a relevant framework for hosting the Olympics in an alliance of the competent offices and agencies.

The Ministry of Land, Infrastructure and Transport, with its eyes already set on building a national land tailored to the years 2040 and 2050, will follow a consistent policy of implementing projects designed to facilitate smooth movement of a growing number of foreigners forecast to visit Tokyo and other parts of Japan, making communities friendly to anybody, including the elderly and physically challenged, and staying completely disaster-preparedness for possible major natural disasters.

For example, the Ministry will be working in accord with the Tokyo Organizing Committee of the Olympic and Paralympic Games and the Tokyo metropolitan government and other stakeholders in the implementation of measures, such as constructing access roads to the arenas and athletes’ villages, filling the demand for transportation to and from the metropolitan airports, the gateways to Japan, facilitating access, providing multilingual versions of guide signs, releasing visitor information, keeping lodging facilities better conditioned for hosting foreign tourists.