

Chapter 4 Promoting Regional Revitalization

Section 1 Approaches to Regional Revitalization

In order to properly respond to the declining birth rate/aging population to put a brake on population declines, while correcting the excessive concentration in Tokyo Area and maintaining vitality of Japanese society in the future by securing a comfortable living environment in each region, the Basic Policy for Overcoming Population Decline and Vitalizing Local Economy in Japan 2015 was formulated in 2015 and the Overcoming Population Decline and Vitalizing Local Economies: Comprehensive Strategy was revised, in accordance with the Act for Overcoming the Population Decline and Vitalizing Local Economy in Japan passed in November 2014. Also, with the aim of deepening the regional revitalization, the relocation of governmental organizations and the idea of the Japanese version of Continuing Care Retirement Communities were examined, and information, human and financial support for the development of the regional comprehensive strategy was provided.

In June 2015, the Regional Revitalization Act was revised to include measures to create compact villages small stations that maintain various life services to promote sustainable regions in hilly and mountainous areas, as well as support measures to relocate head office functions to rural areas aimed at ensuring stable and quality jobs in rural areas.

With respect to the National Strategic Special Zones, regulatory reforms in such areas as education, healthcare and employment were added to the amended Act on National Strategic Special Districts passed in July 2015, and in August of the same year, three districts (Senboku-shi, Sendai-shi, Aichi) were added as Regional Vitalization Special Zones, the secondary designation of the National Strategic Special Zones. In January 2016, the designation was further expanded to include three districts (Hiroshima and Imabari-shi, Chiba-shi, and Kitakyushu-shi) as the tertiary designation. By implementing specific projects in all districts designated and visibly realizing regulatory reforms in areas where changes were difficult to make due to strong oppositions, further efforts were promoted for regional revitalization.

The MLIT pushes forward the development of tourism regions, having the Japanese version of the Destination Marketing/Management Organization (DMO) as its core, creating various regional contents and establishing an environment to receive tourists to realize a high-quality tourism nation under the keywords of “region” and “consumption.” The MLIT also drives efforts to create jobs by promoting the securing and development of human resources engaged in the construction, shipbuilding, transportation and other industries that underpin regional economies.

Furthermore, with the aim of reviving regional communities, we are pushing forward efforts to make regional cities compact and create transportation networks, form small station and allied core metropolitan areas, and develop houses and towns for multi-generation residents in coordination with the comprehensive regional care system in suburban metropolitan areas. We are also promoting multi-habitation in earnest and establishing an environment for making relocation easier by facilitating distribution of existing homes in order to create new flows of people into rural areas.

The MLIT has also been driving nationwide urban renaissance, as through the development of public and public-benefit facilities in a public-private partnership, as well as urban renaissance aimed at enhancement urban international competitiveness leveraging private vitalities.

Section 2 Promoting Measures Supporting Regional Revitalization

1 Efforts Directed at Augment Regional and Private Self-reliance and Discretion

(1) Expanding and improving on administration on various subsidies

By providing the “Regional Renovation Infrastructures Reinforcement Subsidies” aimed at developing facilities of similar functions in a unified manner, and grants for regional rehabilitation strategies for driving effective efforts with regional ingenuity and devices to address issues faced by the regions, regional vitalization is promoted in view of reconstruction.

In addition, smooth and effective development of regional comprehensive strategies by local governments and implementation of good measures relating to this were supported through the advance-type grants for regional revitalization. Furthermore, we have started discussions on creating new types of grants to support autonomous and proactive efforts of local governments to deepen regional revitalization.

(2) Supporting local regional revitalization efforts

In addition to (1) above, the Regional Economy and Society Analyzing System (RESAS) was developed and enhanced and disseminated to the public as information support.

Also, human support is provided through, among other programs, the regional revitalization concierge that sets up a consultation desk at each ministry and the regional revitalization personnel support system in which government, private company, and other organizations’ personnel are sent to small-sized local governments. In December 2015, the Regional Revitalization Human Resources Plan was formulated, setting forth the policy of securing and developing specialized human resources who take roles in regional revitalization in joint efforts of the public and private sectors.

Regional activities relating to favorable social overhead capital are awarded with Handmade Hometown Prizes by ministers to promote further approaches to individualistic and charming regional planning across Japan. In FY 2015, marking the 30th anniversary of the program, the selection review was conducted by holding open presentations with the presence of organizations gathered from across Japan, and 22 award winners, including a regional development with cherry blossoms and Japanese dog’s tooth violet (carried out by the local project team of greening in Ya community) were selected (7 for grand prize division and 15 for general division). Furthermore, the information was sent by newsletter as good case examples that are useful for regional development ^{Note}.

(3) Promoting use of know-how and funds originating from private sectors

Excellent private urban redevelopment projects, such as those linked with an urban renaissance and development project undertaken by a local public entity and accredited by the Minister of MLIT are entitled to investment, joint implementation or any other form of support granted from general incorporated foundation Organization for Promoting Urban Development (hereinafter simply called MINTO). Support is also extended to a resident participation community development fund, which subsidizes community development projects carried out with local resident participation or the like.

The MLIT supports those projects relating to the diffusion and promotion of know-how, etc. that is possessed by private associations advanced in the practice of community development activities and that leads to continuing sources of certain profitability in the course of such activities so it can be horizontally extended to other

Figure II-4-2-1

Example of a private urban redevelopment project accredited by the Minister of MLIT
Katamachi Kirara



Source) MLIT

Note Regional Planning Information System-Repis website: <http://www.mlit.go.jp/sogoseisaku/region/chiiki-joho/index.html>
As of the end of FY 2015, there were 1,653 subscriptions to the online magazine (as of the end of March 2016).

associations about to embark on similar activities, or those experimental approaches, etc. relevant to ingenious, advanced private community development activities, in its bid to make the concept of sustainable community development with community participation come true through maintenance and betterment of community charms and vitalities and get it come to stay.

In addition, consideration is in progress toward the realization of measures aimed at combatting aging expressways in conjunction with urban redevelopment, using the Tsukiji River and other sections of the Metropolitan Expressways as model cases, on the basis of the Road Act amended in FY 2014 that allows for usage of upper open spaces on roads.

Moreover, public-private partnership efforts leveraging road spaces are pushed forward in order to create forums for regional activity/exchanges and maintain/improve road quality.

2 General Endeavors to Build an Intensive Urban Structure

Compact cities and development of surrounding transportation networks such as by rebuilding public transportation networks should be worked on continuously with the mid- to long-term perspectives as they are effective policy means to realize specific administrative purposes such as maintaining and improving convenience of lives of residents, revitalizing regional economies by enhanced productivity in the service industry, and reducing administrative costs by improved efficiency in administrative services.

With the aim of pushing forward initiatives of municipalities toward the realization of compact cities, the Act on Special Measures concerning Urban Regeneration was amended in 2014 to create the appropriate location plan system for encouraging establishment of residential and urban functions with economic incentives. As of the end of FY 2015, 276 municipalities made specific efforts on creating appropriate location plans, of which one city prepared and published the appropriate location plan.

In addition, the Compact City Formation Support Team was established (secretariat: MLIT) in March 2015 which provides support across ministries so that these initiatives of municipalities will be promoted as comprehensive efforts in coordination with various relevant measures concerning healthcare/welfare, housing, realignment of public facilities and the optimum use of government owned facilities.

The Team responds to consultation from municipalities and collects their issues/needs by holding briefing sessions for municipalities, block consultation meetings and the like as one-stop services, and shares the issues and other information collected with relevant ministries to examine support measures in light of coordination with other relevant measures. Also, in order to yield multifaceted effects of compact cities, relevant ministries will support initiatives of municipalities in a unified manner by such means as putting together model cases of good initiatives that would serve as useful reference for other municipalities and sharing information on specific effects and details of initiatives in a visible manner.

3 Urban Planning and Infrastructures Development Taking Advantage of Regional Characteristics

(1) Emergency development of urban planning roads instrumental in encouraging private investment

The development of urban planning roads is significantly instrumental in facilitating urban reconstruction because it encourages the reconstruction, etc. of roadside buildings. For those routes under construction whose completion is bottlenecked because of only a small lot of land yet to be purchased, the local governments (project implementing entities) announce their pledges to complete the construction within a certain period of time (completion time declaration routes; as of April 2015, 139 routes were declared by 71 project implementing entities) to speed up the development of the project benefits.

(2) Developing transport nodes

Transport nodes, such as railway stations and bus terminals, hold a high degree of convenience and potential as the core of urban reconstruction, because they attract numerous people to use the various kinds of transport facilities that converge upon them.

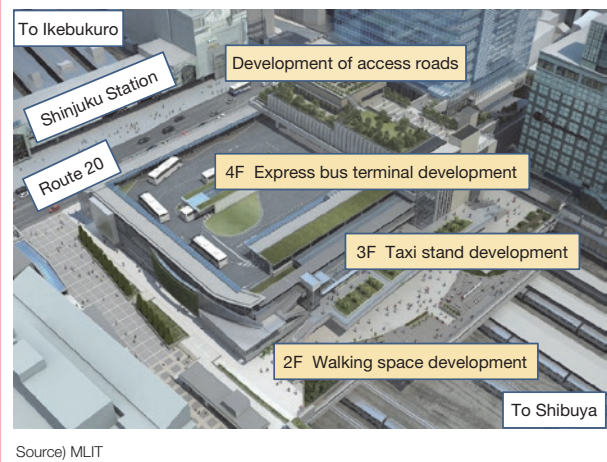
The MLIT leveraged the implementation of transport node improvement projects, urban and regional transport strategy promotion projects, integrated railway station improvement projects, and other projects at the transport nodes, such as the

Shinjuku St. South Exit District, and in the surrounding areas to improve the ease with which passengers transition from one means of transportation to another, to consolidate the urban areas disrupted by railways, to improve station functions, and to streamline urban traffic and augment the functions of these transport nodes.

The MLIT also encouraged upgrading the station facilities for the general goal of safe and comfortable regional living by building child-support and medical facilities at the premises of existing railway stations. This idea came from the viewpoint of regional concentration, which brings medicine, work, and living into closer vicinities.

Figure II-4-2-2

Example of a transport node improvement project
(Shinjuku Station South Exit)



Column

Shinjuku Expressway Bus Terminal – various improvements in the infrastructure to enhance the convenience of Shinjuku Station south exit –

Koshu Highway (Route 20) facing the south exit of Shinjuku Station is one of the five main highways developed by Ieyasu Tokugawa in the Edo period and was bustling with people as the first post town, Naito Shinjuku, on the Koshu Highway that started from Nihonbashi Bridge.

Shinjuku remains bustling in the current Heisei era. The surroundings of the south exit of Shinjuku Station have the most passengers in Japan and are chronically congested with numerous cars and pedestrians coming and going. Improvement of the area around the south exit has been an urgent issue to ease the congestion and raise the level of convenience.

○ Replacement of Shinjuku Overpass of Koshu Highway

Shinjuku Overpass, which is supporting Koshu Highway stretching over railroads, was constructed in 1925.

Replacement had been discussed for a long time from the viewpoints of deterioration and resistance to earthquakes. As the result, the replacement project started in fiscal 1994 and was completed nearly 20 years later in fiscal 2012 by which the 80-year-old deteriorated overpass was renewed to a strengthened structure.

Comparison of the aged bridge with that after maintenance



Old bridge built in 1925

Steel truss structure



Replaced bridge in 2012

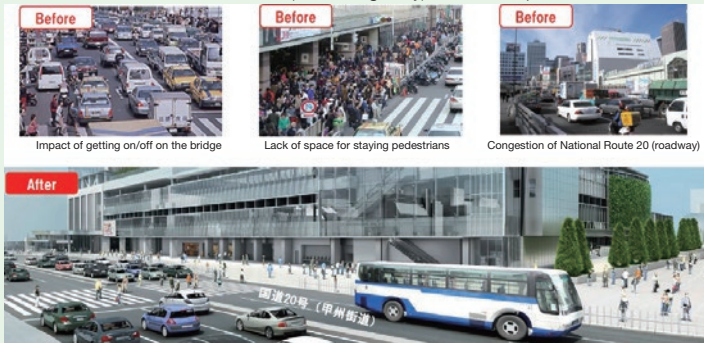
Steel framed concrete structure

Source) MLIT

o Development of transport nodes

In the surroundings of the south exit of Shinjuku Station, where about 60,000 cars and 140,000 pedestrians pass by per day, there was a shortage of comfortable spaces and issues of traffic congestion and accidents associated with passengers of taxis and private vehicles. In addition, even though the area functions as important transport nodes that represent the Tokyo metropolitan area, bus stops of highway route buses were interspersed in the Shinjuku area, so transfers among transport services, such as railways, highway route buses, and taxis, were not convenient. To solve this situation, safe, secure, and comfortable spaces for pedestrians have been created and the function as transport nodes enhanced by effectively utilizing the artificial grounds that were used as the operation yard for the replacement project of Shinjuku Overpass and by improving the function as transport nodes.

National Route 20 (Koshu Highway) after development



Source) MLIT

Consolidated major highway bus stops around Shinjuku Station



Overview of Facilities at Shinjuku South Exit Traffic Terminal

<<Facility Overview>>

- Location: Shinjuku 4-chome, Shinjuku-city to Yoyogi 2-chome, Shibuya-city
- Facility area: approx. 1.47 ha
- Structure: Eight stories aboveground, two stories underground
Steel construction, partially steel-framed reinforced concrete structure
- Use: 4F Express route bus related facilities
3F Taxi stand, etc.
2F Station facilities, pedestrian plaza

4F Express route bus related facilities

(Image)

3F Taxi stand, etc.

(Image)

2F Station facilities, pedestrian plaza

(Image)

Source) MLIT

In October 2015, the public was invited to create a nickname for the Shinjuku South Exit Transportation Terminal, and in January 2016, it was decided to be “Shinjuku Expressway Bus Terminal.” The terminal opened on April 4 in the same year. Since then, it has been expected to bring stock effects from this improvement project, such as decreases in traffic congestion and accidents, higher convenience brought about by the integrated bus terminal, and the liveliness of the attached commercial facilities, and to lead to more efficient operation control with use of IT.

(3) Wide-area development of infrastructures to induce firm location

Competition, collaboration, and regional buoyancy in East Asia should benefit greatly by inviting and accumulating internationally competitive growing industries in the individual regions. Motivated by this recognition, measures have been promoted to support expanding regional employment and more buoyant economy by concentrating investment on the development of those infrastructures that are truly needed to carry out unique regional approaches, such as developing airports, ports and harbors, railroads and wide-area expressway networks.

(i) Airport development

Aviation network connecting distant cities at home and abroad are greatly instrumental in revitalizing regional communities, boosting the tourism industry and corporate economic activities. It is expected that the aviation sector will play a key role to boost Japanese economy taking advantage of global economic growth, in particular booming economy in Asia. In an effort to enhance Japan's international competitiveness and regional competitiveness in the hinterlands of the airports, MLIT has been making efforts to enhance airport capacities and relocate or change the internal layout of airport terminal area in order to improve user-friendliness.

(ii) Port and harbor development

In Japan, which is surrounded by the sea, the majority of international trades are conducted by marine transportation, and domestic marine transportation serves important roles in logistics and interactions between regions. Ports and harbors are the gateway for international trades and support Japanese industries as places of corporate activities. In order to enhance international competitiveness of Japanese industries by improving logistics efficiency and to maintain and create employment and income, international logistics terminals are being developed at ports and harbors that underpin regional key industries.

Column

Registration of Miike Port, constructed in 1908 and still in operation, as a World Heritage Site

On July 5, 2015, the “Sites of Japan's Meiji Industrial Revolution: Iron and Steel, Shipbuilding and Coal Mining” were inscribed on the World Heritage List. The Sites of Japan's Meiji Industrial Revolution consist of industrial heritages testifying that from the late 19th century to the early 20th century, Japan had laid the foundation for an industrial nation and had been rapidly industrialized in heavy industries, such as iron and steel, shipbuilding, and coal mining, which later became key industries in Japan, and that the transfer from the West to the non-West had been successfully achieved. One of the component parts is Miike Port (in Omuta-shi, Fukuoka), which was constructed in 1908, and is still in operation as a port supporting the regional economy.

Miike Port on the Omuta Coast was developed to accommodate large ships for more efficient transportation of Miike charcoal, which was produced in Miike coal mines facing the Ariake Sea. In the port, port facilities were systematically placed, including a large sediment control groin with a hummingbird shape to overcome the influence of sand and mud brought by the shallow Ariake Sea, a dock with a lock to cope with the different tide levels.

Takuma Dan, a leader of the port construction, had visited coal shipping ports around the world ahead of the construction. He brought together the most advanced civil engineering and the wisdom of ports in the Meiji era in Japan and put them into the development of harsh natural environment of the Ariake Sea in order to have Miike Port developed by Japanese engineers.

As for the port construction, Takuma Dan said as follows: “Coal mines will not last forever. If they are lost, this town will go back to a field. If a port is constructed, industries will be promoted here. If there is a port, it

will serve as the foundation of the town for 100 years or so.”

Exactly as these words say, Miike Port is still being operated as a port supporting regional economic and industrial activities. This is a case that demonstrates that the port development brings about long-term effects on the regional economy, such as establishment of enterprises and increases in employment.

Full View of Miike Port



Source) MLIT

(iii) Railway development

The nationwide network of trunk railways is the lifeblood of passenger and freight transport, accelerating interaction between blocks and between regions, encouraging industrial location, and activating regional economies to energize regional living. Rail freight transport, in particular, plays a dominant role in moving industrial commodities that support regional economies.

(iv) Road development

Most newly built plants are located within 10 km from an expressway interchange in order to promote the efficient logistic flow of products and materials, transportation convenience, and so on. The formation of a new network of trunk highways, such as arterial high-standard highways, is being promoted to strengthen international competitiveness and to further regional independence and industrial growth through accelerating and facilitating logistics.

(4) Accelerating the development of transport infrastructures

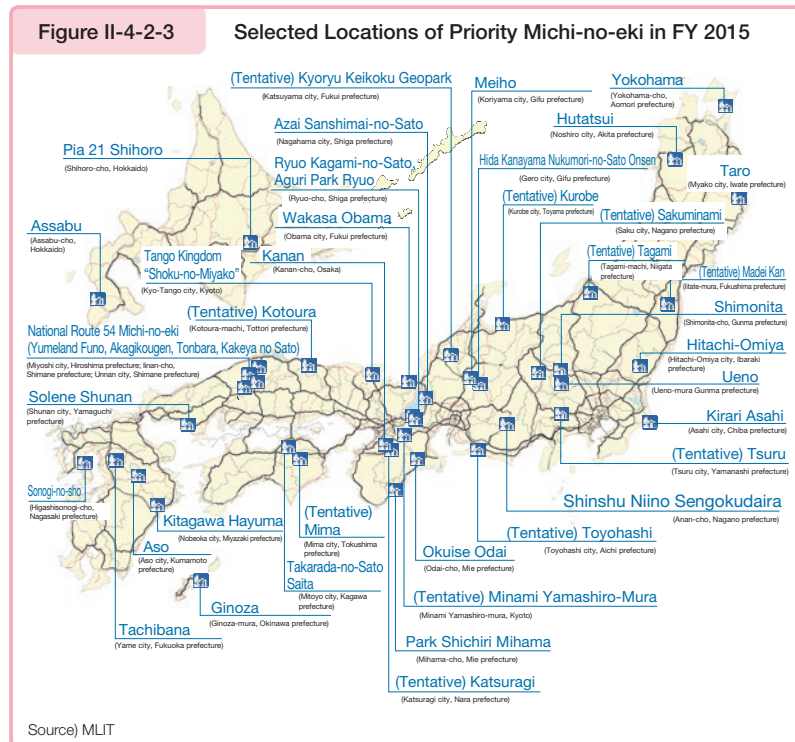
Regarding the method of determining whether considerations for setting sectional surface rights, etc. relating to projects authorized to use deep underground pursuant to the Act on Special Measures concerning Public Use of Deep Underground (Deep Underground Act) are to be treated as transferred income or not, the FY 2015 tax reform took a measure to have the considerations set according to the vertical range of the sectional surface rights, etc. in which the profit from use is limited, instead of one fourth of the land price. This measure taxes, as transfer income, a certain amount of the considerations for setting sectional surface rights, etc., relevant to the projects that are implemented as integral part of a project accredited under the Deep Underground Act, granting a special credit of 50 million yen for exchanges on expropriation, etc..

(5) Promoting community-conscious projects and programs

(i) Michi-no-eki (Roadside Station)

Located roadside, a Michi-no-eki is a facility that combines a mix of roadside amenities, including parking spaces and restrooms, sources of information, including highway and regional information, and a forum of regional partnerships, which encourages interaction between a region and users of the roads in that region and between regions. As of March 2016, 1,079 Michi-no-ekis are registered.

Efforts have progressed in recent years to set up Michi-no-ekis as hubs of regional revitalization nationwide by attracting many visitors through featuring local specialties and tourist resources, thereby creating regional employment, reactivating economies, and helping improve resident services. As a framework to provide focused support to these efforts in coordination with relevant organizations, the priority Michi-no-eki system was created in FY 2014. In addition to six national model michi-no-ekis and 35 priority michi-no-ekis selected then, 38 priority michi-no-ekis were newly selected in FY 2015.



(ii) Support system for river-town development

In order to revitalize rivers that show various shapes from the mouth to the source and communities connected to them, we are promoting the formation of favorable spaces where rivers and towns integrate by formulating and registering plans for river-town development that utilizes rivers with practical use of resources; such as landscape, history, culture and foundation for tourism; and inventive wisdom of the district, under coordination among municipalities, private businesses, local residents, and river administrators.

(iii) Managing rivers with resident participation to suit regional characteristics

Those individuals who possess an expert knowledge of river environments and who are zealous for the idea of good river development are appointed river environment preservation monitors to help create and preserve river environments and carry out meticulous activities aimed at ensuring and promoting orderly river usage. Love river monitors are also at work, collecting information about river management, such as locating cases of illegal garbage dumping into rivers and detecting flaws in the river facilities, and promoting the philosophy of river preservation.

Further, with the inauguration of a river cooperation organization designation program, the MLIT designates those private organizations, etc. that pursue activities voluntary relevant to the development, maintenance, etc. of river environments as river cooperation organizations and legally accredits them as an organization working in conjunction with a river administrator, with a view to promoting their organized voluntary activities and driving diverse modes of river management tailored to specific regional conditions.

(iv) Supporting efforts to take advantage of the regional features of the seaside

With the aim of stimulating the use of the seaside and enhancing its charms as tourist resources, we support seaside environment development projects in which active seaside usage plans are formulated and seaside preservation facilities are developed according to the plans.

Since a seaside cooperation organization designation program was inaugurated, the MLIT will designates those

corporations and associations that are accredited to be capable of voluntarily conducting various activities, such as cleaning and planting seashores for preservation, protecting rare species of animals and plants along the seaside, getting prepared for natural disasters and hosting sessions of environmental education, and implementing proper and positive coastal management, as seaside cooperation organizations to reinforce the ties of collaboration with localities and thus to enhance coastal management to suit regional characteristics.

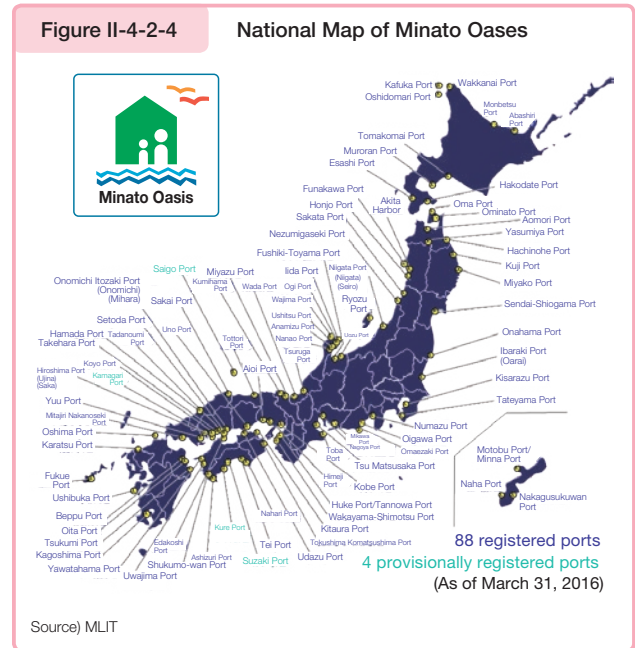
(v) Regional promotion built around ports

Those facilities at which continual approaches to regional development are carried on have been accredited and registered as Minato (Port) Oases by Regional Development Bureau Director Generals and others to promote community development around the core of ports to help revitalize localities by promoting exchanges of local residents and tourism (as of March 31, 2016, 88 ports).

Diverse events with resident participation taking advantage of regional characteristics and ingenuities are being held at the Minato Oases nationwide, bustling with numerous local residents and tourists.

In addition, the All Japan Sea-kyu Gourmets Competition, an event featuring local specialty food, held at the National Council on Minato Oases, an organ aimed at encouraging exchanges, etc. among the administrators of the Minato Oases nationwide, attracted a large number of participants.

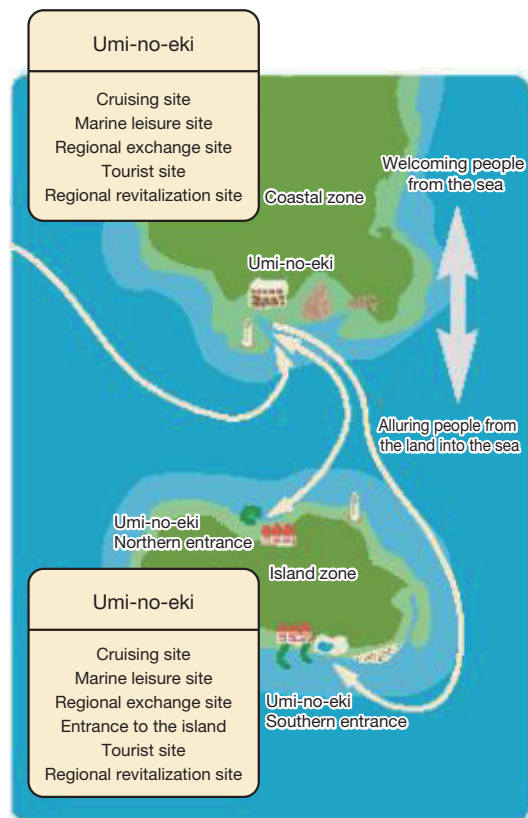
With the aim of regional revitalization, further utilization as venues for providing services to increasing passengers of oceangoing cruise ships and the like is expected.



(vi) Building centers of marine leisure

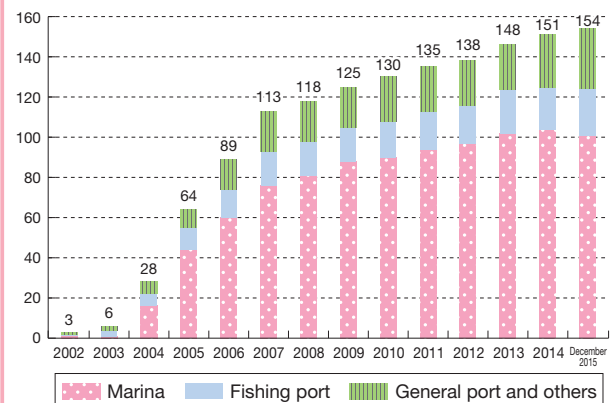
The MLIT not only drives the construction of Umi-no-Eki Stations as marine leisure sites that leverage existing port facilities, marinas, fish arenas (fishing + arena) and the like (as of the end of December 2015, 154 Umi-no-eki available) but also provides support, etc. to diverse, regionally distinctive efforts in progress at Umi-no-eki, such as cruising by rental boats, sale of marine products, a hands-on experience with fishing and sponsoring of events.

Figure II-4-2-5 Schematic of an Umi-no-eki Station



Source) MLIT

Figure II-4-2-6 Changes in the Number of Umi-no-eki Registered



Source) MLIT

(6) Promoting the maintenance of cadastral maps positively

Cadastral surveys are conducted by municipal authorities to determine the boundaries of individual lots of land, which contribute to smoother land transactions, private development and infrastructure development, as well as faster disaster prevention and restoration/reconstruction from disasters. The MLIT not only provides financial support to cadastral surveys, develops public-private boundary information in urban areas and preserves boundary information in mountain villages under direct state control to accelerate cadastral surveys, but also promotes the utilization of non-cadastral survey results.

The MLIT also supports the implementation of cadastral surveys in the regions devastated by the Great East Japan Earthquake in conjunction with restoration and reconstruction projects and refurbishes government-private boundary information under the government's direct control in the areas that could be inundated by Nankai Trough Earthquakes once they occur and drives the maintenance of land registers in the areas that could be hit by massive natural disasters, thereby contributing to safe and secure regional developments.

(7) Deep underground utilization

Regarding deep underground utilization, deep underground utilization council is leveraged to exchange information on deep underground space in addition to technical discussions on smoother examination.

4 Self-Reliance and Revitalization of Wide-Area Blocks, and Formation of National Land

(1) National land and regional development for creation of convection promoting national land

To achieve regional revitalization and sustainable growth, it is important to deploy measures in an integrated manner while drawing out regional wisdom and devices. Therefore, with the aim of forming convection promoting land that

encourages innovations by dynamically inducing convection across Japan under the National Spatial Strategies and Regional Plans, measures are being taken according to the characteristics of regions while working to form multi-layered national land and regional structures. The MLIT also works on strategies for regional revitalization through public-private partnerships and government support in developing foundations that underpin private sector activity and measures to drive forward autonomous and sustainable regional development with cooperation among various entities.

(i) Promotion of infrastructure development for wide-area regions and revitalization

To implement structural and non-structural mixes of efforts designed to form self-reliant wide-area blocks and to revitalize the regions through buoyant human or material traffic, the MLIT has granted subsidies to 145 plans on the basis of wide-area regional revitalization infrastructures development plans prepared by prefectures. Of these plans, 70 have been worked out by multiple prefectures working in accord and cooperation in a bid to revitalize even wide areas.

(ii) Promoting the development of infrastructures for regional revitalization with partnership between the public and private sectors

In order to support smooth and speedy transition from the planning stage to the implementation stage, at the time of private sector decision-making without missing opportunities for infrastructure development projects that have been worked out in a partnership between the public and private sectors to contribute to wide-area regional strategies, a system was created in FY 2011. In FY 2015, 18 surveys were supported, including reviews of specific project methods such as the possibility of introducing PFI.

(iii) Promoting regional planning with diverse entities interworking

In its bid to further self-supporting, sustainable community development through the interworking of local diverse entities, the MLIT supports efforts to: (a) gain absolute assessments of the social values of community development activities, and (b) build a support system with various entities interworking with one another to craft project-type community development activities (regional businesses).

(iv) Formation of vibrant economic and living zones through allied core metropolitan areas

In metropolitan areas that have a certain size of population and economy, the formation of allied core metropolitan areas that aim to lead economic growth, consolidate and strengthen high-level city functions and enhance services related to people's daily lives is promoted.

Originally metropolitan areas in scope (61 areas) were mainly regional ordinance-designated cities and core cities (population of 200,000 or more), in FY 2015, the Overcoming Population Decline and Vitalizing Local Economies: Comprehensive Strategy (revised in 2015, adopted by a Cabinet decision on December 24, 2015) added metropolitan areas centering on adjacent two neighboring cities with population of more than 100,000 each to the scope under certain conditions.

(2) Promotion, etc. of regional center formation

(i) Developing centers of self-reliant growth of diverse wide-area blocks

In accordance with the Multi-Polar Patterns National Land Formation Promotion Act, the development of core cities ^{Note} is pushed forward by relocating business facilities and concentrating various other functions in the core cities, helping ease excessive concentration in downtown Tokyo to some extent. The development of core cities will continue further. In addition, the MLIT has driven the construction of Tsukuba Academic City to pursue urban revitalization by taking advantage of an accumulation of science and technology in accordance with the Act on Construction of Tsukuba Science City. Furthermore, environmentally friendly cities are being built along the Tsukuba Express railroad line by leveraging the characteristics of Tsukuba Science City as the pace of urban development accelerates. In the Kinki Metropolitan area, on the other hand, the construction of Kansai Science City is underway to form a new foothold for the deployment of cultural, academic and research activity in accordance with the Kansai Science City Construction Promotion Act. Further efforts to promote the science city continue in a partnership among the ministries concerned, local governments, economic

Note A core city is a city located outside the wards of Tokyo that should serve as the core of a reasonably wide area surrounds its location (There are 14 core cities.).

circles and so on pursuant to the Basic Policy for the Construction of Kansai Science City. In addition, the MLIT promotes the implementation of a development plan based on the Act on Development of Osaka Bay Areas to make a district that is complete with the facilities of a global city, good living amenities and more.

(ii) Promoting Small Stations development within a village area

There are hilly and mountainous areas and other regions with declining and aging population where it is increasingly difficult to maintain life service functions, including shopping and healthcare, and community functions. Therefore, in regions that have multiple villages including elementary school districts, we are promoting the formation of small station where needed functions and bases of regional activities are gathered in walking distances and transportation networks with near villages are secured.

Specifically, we examine the overall regional framework for developing small station, support the realignment and consolidation of facilities leveraging existing public facilities, and work on penetration and boosting awareness in coordination with relevant ministries.

(iii) Reviews of the relocation of the Diet and other organizations

The MLIT aids the Diet in its reviews of the relocation of the Diet and other organizations based on the Act for Relocation of the Diet and Other Organizations by conducting surveys on the relocation of the Diet, disseminating information to the nation and so on.

(iv) Examination of measures on land for which whereabouts of owners is difficult to find

From April 2015, this issue was examined at the *review meeting for measures on land for which whereabouts of owners are difficult to find*, and the guidelines for assisting the search of owners, approaches to the use of land and other field measures as well as the final summary of the meeting were published in March 2016.

5 Promoting Regional Partnerships and Interaction

(1) Forming a trunk-line network to support regions

To achieve safe, comfortable travel to the central part of an area that has urban functions, such as medical care and education, the MLIT supports the elimination of bottlenecks by widening existing roads and developing road networks. Furthermore, in order to promote the integration of merged municipality, the development of roads that connect the central area of a municipality to each of its centers, such as public facilities, bridges, and so on, is being promoted by implementing municipal merger support road development projects in collaboration with the Ministry of Internal Affairs and Communications.

(2) Promoting human interaction between cities and farming, mountain and fishing villages

The MLIT forms axes of human wide-area interaction and partnership through the development of trunk road networks, supplies housing and housing lands to help realize a country life, develops ports and harbors to serve as centers of human interaction and more. It also promotes the creation of new breeds of tourism, such as green tourism, and the activities of “All Right! Nippon Conference” and so on in collaboration with the Ministry of Agriculture, Forestry and Fisheries and other ministries concerned to promote human interaction between cities and farming, mountain and fishing villages.

(3) Promoting regional settlement, etc.

In order to support information dissemination by municipalities that work on expanded interactions and relocation to rural areas through hands-on exchange programs for young people in rural areas, such information is put together in the MLIT website. Information about dual habitation is also being disseminated ^{Note}.

The MLIT also supports the appropriation of General Social Infrastructures Development Subsidies for the utilization of vacant houses and buildings and disseminates information about the measures taken by local governments in connection with house replacement and dual-area residence, information about nationwide banks of vacant houses and to address the issues of a wide range of regional issues.

(4) Introduction of local design license plate

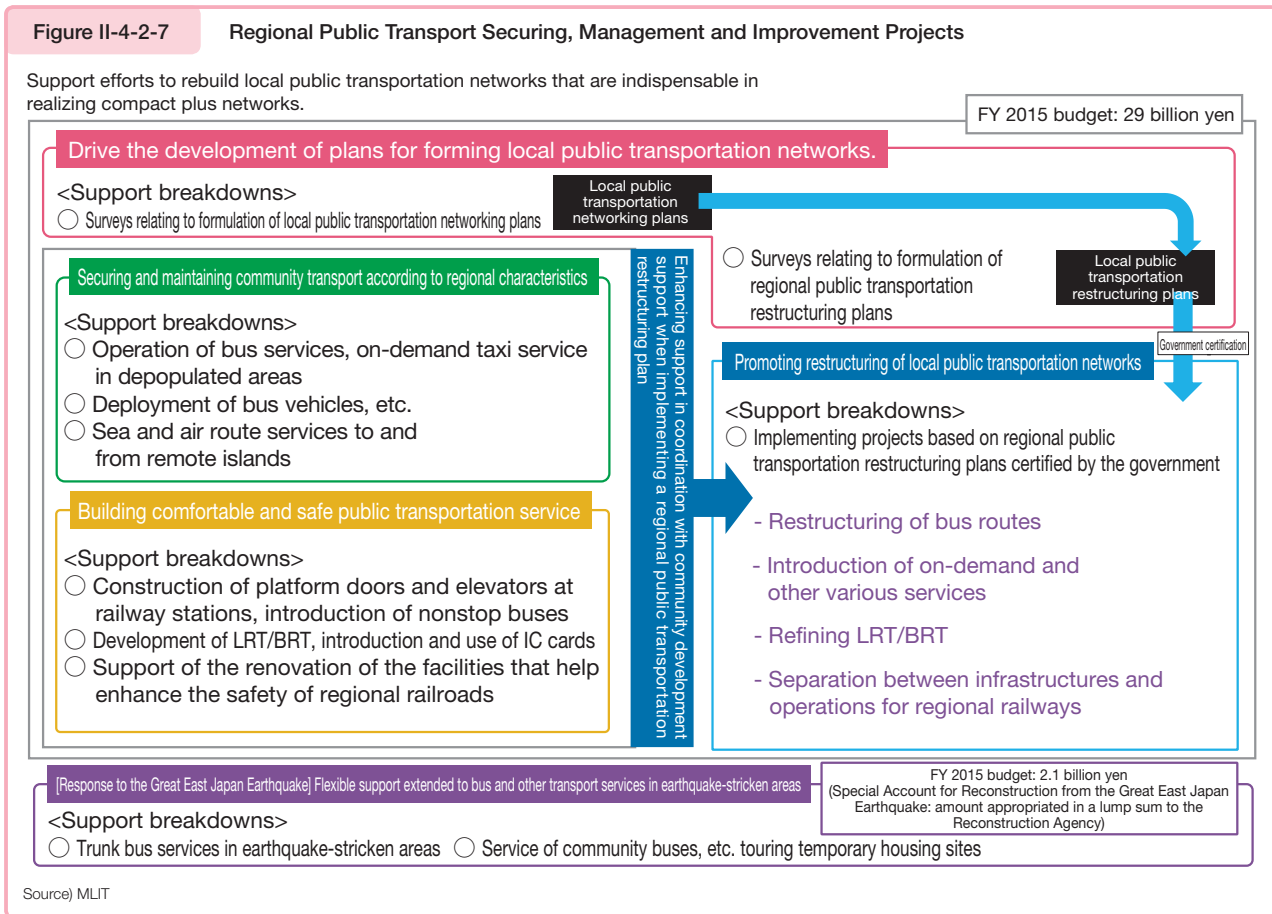
Upon passing of the Act to Partially Amend the Road Transport Vehicle Act and the Act on National Agency of Vehicle Inspection that incorporates the exchange system for design license plate according to the wishes of car users, we started examinations in August 2015 for issuance of license plates with designs that feature regional characteristics.

6 Securing Means of Regional Transport

(1) Securing, maintaining and improving means of regional transport

Maintaining day-to-day means of regional transport is of vital importance to the revitalization of regional communities. Out of this recognition, the MLIT supports efforts directed at forming comfortable and safe public transport, as by securing and maintaining community transport, such as regional bus routes and sea and air routes to remote islands, in collaboration with diverse stakeholders and developing facilities that help add to the safety of local railways. In FY 2015, we facilitated the realization of efficient and sustainable local public transportation by enhancing support in the realignment of local public transportation, leveraging the framework of the Act on Revitalization and Rehabilitation of Local Public Transportation Systems.

Note MLIT regional Revitalization website: http://www.mlit.go.jp/kokudoseisaku/chisei/kokudoseisaku_chisei_mn_000016.html



(2) Activating regional railroads and supporting safety assurance, etc.

While regional railroads not only support the livelihood of the local residents living along the railroads as a means of their daily transport but also play an important role in providing them with public transport of critical importance in supporting regional interaction between tourist resorts. However, their management is in an extremely tough situation. For this reason, the MLIT supports not only the maintenance of safety facilities by implementing regional public transport securing, management and improvement projects or offering tax incentives but also the construction, etc. of new stations on those local routes that have high potential needs for railway use by implementing projects designed to activate trunk railways, etc..

(3) Subsidizing regional bus routes

Securing and maintaining means of regional public transport, such as public buses, for the benefit of local residents, particularly those with limited access to transport, such as elderly people and schoolchildren, is of critical importance. To help secure and maintain optimal networks of regional transport tailored to specific regional characteristics and conditions, the government has a policy of providing integrated support to the availability of regional transport services (such as inter-regional bus transport networks ^{Note} or bus, demand-responsive and other forms of regional transport closely related to trunk transport networks) under a scheme of shared responsibility with local governments. For other routes, relevant financial measures are taken to enable local governments to maintain them at their own discretion.

Note Broad-area trunk bus routes whose maintenance has been justified at a conference and that meets government-established criteria (spanning multiple municipalities, with at least three runs of service a day).

(4) Supporting transport to and from remote islands

To sustain air transportation to remote islands, air carriers extending their air routes to remote islands are granted comprehensive support (budget: airframe purchase grants, operational cost grants, tax and public dues: landing fee alleviation, aviation fuel tax alleviation and so on). Starting from FY 2012, airfare discounts for isolated islanders have been subsidized on the air routes eligible for operational cost grants as part of expanding support to transport to and from remote islands.

Remote island sea routes, a vital means of transport to support islanders' daily living, are now extremely tough to economically manage. The running costs of those sea routes for daily life that are anticipated in the red and for which no alternative routes are available are subsidized by regional public transport securing, management and improvement projects. Also, fare discounts subsidies for island residents and support in building ships with better operational efficiency are provided.

Furthermore, based on the Basic Plan on Transport Policy (February 2015), the operation of bus transportation with land and sea connection that enables the elderly and those who have walking problems to use a ferry while riding on a bus started from April 2015, and 10 business operators are providing the service as of the end of FY 2015.

In FY 2015, 54 remote island air routes were in service, when compared with 289 sea routes available at the end of FY 2014 (119 of which are grant-maintained air routes).

Section 3 Promoting the Private Urban Development

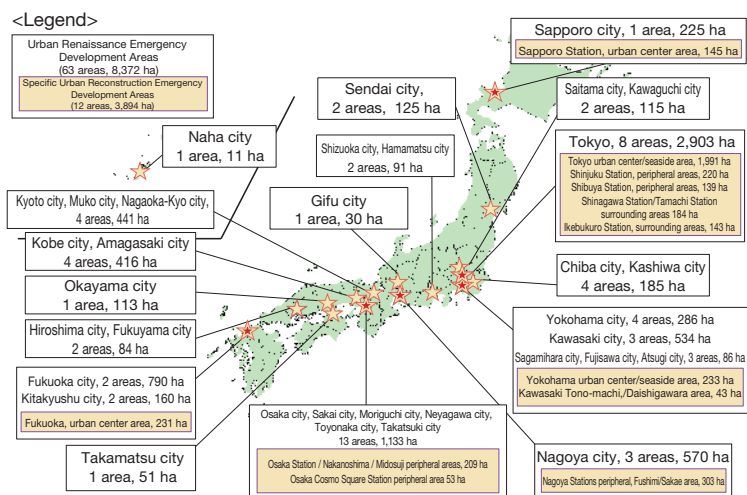
1 Promoting Urban Development by Private Sectors

(1) Promoting urban development by private sectors based on the Specific Urban Reconstruction Emergency Development Area program

While rapidly growing Asian nations have resulted in a proportionate decline in Japan's international competitiveness, it has become an essential task to provide a powerful boost to the development of the urban areas in the nation's major cities, a source of impetus to the national growth, in a partnership between the public and private sectors to turn them into attractive urban centers that lure businesses, human resources and more from overseas. To this end, the MLIT established the system of Specific Urban Reconstruction Emergency Development Areas to enhance urban international competitiveness of the designated areas, and 12 areas nationwide are now designated as such (as of March 2016). In nine of them (as of the end of March 2016), development plans were formulated by councils formed in a partnership between the public and private sector. The International Competition Base City Development Project has also been launched to provide prioritized, concentrated support to the development of urban center infrastructures in accordance with development plans.

Figure II-4-3-1

Status of Designation of Special Urban Renaissance Emergency Development Areas and Urban Renaissance Emergency Development Areas (As of the end of March 2016)



Source) Cabinet Secretariat and MLIT

In FY 2014, financial support (mezzanine support services^{Note}) that is extended by MINTO (Organization for Promoting Urban Development) to private projects that develop functionalities for augmenting the international centripetal force of foreign language-ready medical care facilities and the like was enhanced to support the formation of global business and living environments. At the same time, Project Supporting the Improvement of International Business Environments, etc. and City Sales was inaugurated to provide comprehensive support, in terms of both non-structural and structural measures, to the betterment to urban facilities that make for better international business environments, etc. and to city sales.

As of the end of March 2016, a total of 63 Urban Reconstruction Emergency Development Areas were registered in government-ordinance-designated cities and prefectural capitals, including Tokyo and Osaka, hosting a variety of urban development projects by private sectors in steady progress. Mezzanine support services supporting the procurement of middle-risk funds are carried out by MINTO.

The bill to amend the Act on Special Measures Concerning Urban Renaissance etc. submitted to the Diet in February 2016 includes such measures as extending the application deadline for minister approval of private urban reconstruction projects, providing financial support on international conference and other venues that contribute to enhanced international competitiveness, establishing a system for the arrangement of continued supply of energy to buildings and hospitals within the areas not only during peace times but also times of disasters, and expanding the deregulation measure of allowing construction of buildings above roads or underground to cover all Urban Reconstruction Emergency Development Areas.

(2) Status of application of the measures to support urban reconstruction projects

(i) Zoning for Special Urban Reconstruction Districts

A Special Urban Reconstruction District is a new concept of urban district, with greater latitude of zoning, which is exempt from existing zoning restrictions. A total of 79 Special Urban Reconstruction Districts were zoned as of the end of March 2016, 56 of which had been proposed by private entrepreneurs, etc..

(ii) Accreditation of private urban reconstruction project plan

Private urban reconstruction project plans accredited by the Minister of Land, Infrastructure, Transport and Tourism (91 plans as of the end of March 2016) are financially supported by the Organization for Promoting Urban Development or granted tax incentives.

(3) Promoting the formation of larger blocks

Since many of the central areas of Japan's major cities have been organized into blocks through the implementation of postwar reconstruction land adjustment projects, etc., the scales of these blocks, with the structure of the local streets, are not fully responsive to the prevailing needs, etc. for land usage, transport infrastructures, and disaster preparedness. To reinforce the international competitiveness of the big cities, revitalize local cities, and seek advanced and effective land usage to fill present-day needs, the MLIT promotes the aggregation of land that has been segmented into multiple blocks, the consolidated usage of sites and restructuring of public facilities.

2 Approaching National Strategic Special Districts

In addition to the special exemptions from the Building Standards Act, the Road Act, the City Planning Act and the like introduced as regulatory reforms in the Act on National Strategic Special Zones passed in December 2013, the amendment to the Act on National Strategic Special Zones passed in July 2015 included special exemptions concerning establishment of nursery schools in city parks. Utilizing these special exemptions, specific projects are being implemented in Tokyo Area, Kansai Area, Fukuoka city, and Okinawa, visibly driving forward reforms of regulations that had been difficult to change due to stiff oppositions.

Note A mezzanine support service is defined as among all services that involve the development of public facilities with environmentally friendly architectural structures and sites, those that are accredited by the Minister of Land, Infrastructure, Transport and Tourism and that are entitled to the procurement of a middle-risk fund (such as a loan granted with an option to leave principal and interest subordinated) by MINTO are defined as "mezzanine support services."

Section 4 Promoting Localized Promotion Measures

1 Measures Directed at Heavy Snowfall Areas

The MLIT not only promotes the availability of transport and the development of the living environment and national land management facilities under the Act on Special Measures concerning Countermeasures for Heavy Snowfall Areas but also conducts surveys for safe, comfortable community planning. As of April 2015, 532 municipalities were specified as heavy-snowfall areas (201 of which were designated as special heavy-snowfall areas).

2 Promoting Remote Islands Development

The MLIT is supporting remote islands development pursuant to the remote islands development plans formulated by the prefectures in accordance with the Remote Islands Development Act not only by appropriating lump-sum budgets for the implementation of public works projects, but also extending Remote Islands Rejuvenation Grants, to encourage settlement in remote islands, as by fostering industries and increasing employment, accelerating the scope of exchanges, as by promoting tourism, improve and consolidate safe and secure settlement conditions and so on.

3 Promoting and Developing the Amami Islands and Ogasawara Islands

In addition to implementing the development of social infrastructures through promotion and development projects, etc. based on the Act on Special Measures for Promotion and Development of the Amami Islands and Act on Special Measures for Promotion and Development of the Ogasawara Islands, the MLIT leverages grants, etc. to assist with regional efforts directed at boosting employment and encouraging settlement by promoting tourism, agricultural and other industries suited to regional characteristics in pursuit of more self-supporting, more sustainable growth.

4 Promoting Peninsulas

Based on the Peninsular Areas Development Act as extended and amended in April 2015, prefectures prepared revised peninsular development plans, which received consent of the competent minister in February 2016 upon deliberation at the National Land Development Council. Furthermore, in addition support provided in establishing circulation roads in peninsulas and promoting industries, a project for promoting peninsulas with wide-area cooperation is newly established to assist facilitation of exchanges leveraging resources and characteristics in peninsulas, promotion of industries, and non-structural projects that contribute to settlement.

Section 5 Promoting Comprehensive Development of Hokkaido

1 Promoting the Hokkaido Comprehensive Development Plan

(1) Formulation of the New Hokkaido Comprehensive Development Plan

Japan has pursued an active policy of developing Hokkaido to help resolve the problems facing the nation and to achieve powerful regional growth by taking advantage of the excellent resources and characteristics of Hokkaido. In response to various changes in circumstances surrounding Hokkaido development, a new plan was developed with deliberations held at the National Land Development Council's Hokkaido Development Subcommittee (including the planning taskforce) from January 2015, and the new plan was adopted by a Cabinet decision in March 2016.

The new plan, which covers a period from FY 2016 to roughly FY 2025, promotes various measures with the goals of forming the world's Hokkaido that has local communities where people sparkle, industries that look to the world, and strong and sustainable national land.

Figure II-4-5-1 Overview of New Hokkaido Comprehensive Development Plan

Chapter 1 Significance of Plan Developed

Section 1 Background of Hokkaido Development

- Hokkaido development was promoted under special development policy to contribute to the safety and development of Japan as a whole.
- Growth industries were budding with exports including foods doubling and the number of foreign tourists topping 1 million. On the other hand, the economy and population are shrinking. Concerns exist in relation to areas where networks have yet to be developed and maintenance of regional communities.

Section 2 Trends of the Time Surrounding Japan

- (1) Coming of the era of drastic population declines
- (2) Further globalization and changes in international environments
- (3) Imminent large-scale disasters

Section 3 Significance of New Hokkaido Comprehensive Development Plan

- **Fundamental significance of Hokkaido development:** contributing to the resolution of Japan's tasks to be addressed by leveraging resources and characteristics of Hokkaido.
- There is the risk that it becomes difficult for Hokkaido to maintain its **production space**, which contributes to Japan by providing strength of Hokkaido, such as foods and national environments, due to a rapidly declining and aging population.
- The next ten-year period is critical with the **survival of production space and region** at stake.
- Also, the period could provide **opportunities for the region to leap forward** with the opening of Hokkaido Shinkansen, the extension of expressway network to eastern Hokkaido, and 2020 Tokyo Olympic and Paralympic Games.
- By utilizing these opportunities, create a leading example of local communities where people can have good life without losing vitality regardless of drastic population declines.

Chapter 2 Plan Goals

- Catch-phrase: **The World's Hokkaido**
- Vision: Creating **the world standard value creation space** with 2050 in sight.

<<3 Goals>>

- (1) Local communities where people sparkle
- (2) Industries that look to the world
- (3) Strong and sustainable national land

Chapter 3 Basic Policy on Plan Implementation

Section 1 Plan Period: 10 years from FY 2016 to FY 2025

Section 2 Basic Strategic Approaches

- Maintaining and forming regional structures specific to Hokkaido
 - Forming **basic zones** where people's daily living takes place in **three layered structure: production space, urban district and core city**.
 - **Sapporo Area:** lead Hokkaido as a whole, leveraging its concentration.
- Enhancing Hokkaido's value creation capabilities
 - **People are the resources** in the era of declining population.
 - Improve regional value creation capabilities by developing and utilizing human resources and attracting various people.

Section 3 Plan Implementation Strategies

- (1) Forming multi-layered platforms through industry-academia-government-finance collaboration
 - Develop regional or Hokkaido-wide **industry-academia-government-finance collaboration platforms** according to themes, such as human resources development and regional development, and manage the efforts in a sustainable manner.
- (2) Pioneering and proactive adaptation of innovations—promotion of Hokkaido Initiatives
 - Cover population declines with **technologies** and resolve regional issues innovatively without being caught up with adverse effects.
- (3) Strategic social infrastructure development
 - Demonstrate the **stock effects** of social infrastructure to the maximum extent. Ensure strategic maintenance of infrastructure and enhance efforts to use it smartly, leveraging technological development.
- (4) Plan management
 - Management cycle of "planning → implementation → evaluation → improvement", conducting comprehensive inspections in roughly five years' time.

Source) MLIT

Chapter 4 Key Measures of the Plan

Section 1 Formation of local communities where people sparkle

- (1) Maintaining and enhancing settlement and human interaction environment toward the keeping and formation of Hokkaido-type regional structures.
 - (i) Formation of basic zones
 - (ii) Production space in rural areas
 - (iii) Urban districts in rural areas
 - (iv) Core city in a basic zone
 - (v) Sapporo Area
 - (vi) Promotion of areas around the borders
- (2) Promoting securing and convection of various human resources toward enhanced value creation capabilities of Hokkaido
 - Create society of mutual assistance, secure active population.
 - Human convection with North Japan and overseas.
 - Find and develop human resource for regional development.
- (3) Steady promotion of Northern Territory neighboring region
- (4) Promoting the Ainu Culture, etc.

Section 2 Promotion of Industries that Look to the World

- (1) Promotion of the agriculture, forestry and fishery industries, and the food-related industries
 - (i) Promotion of the agriculture, forestry and fishery industries through innovation
 - (ii) Higher added value of foods and comprehensive base development
 - (iii) Overseas development of foods
 - (iv) Vitalization of rural areas utilizing regional resources
- (2) Formation of tourism sites of the world standard
 - Create appealing world-class tourism areas, further boost tourism consumption of foreign visitors
 - Conditioning the Environment to Host Foreign Tourists
 - Strategic efforts toward the era of inbound tourists
 - Promote venues for MICE, and attract foreign business guests
- (3) Developing industries that take advantage of regional strength
 - Leverage the north's superiority
 - Further development of industry accumulation
 - Vitalize regional economies including local consumption industries
 - Promote investments within the region
 - Develop human/logistics networks that support industries

Section 3 Formation of strong and sustainable national land

- (1) Formation of sustainable local communities that co-exist with rich and abundant nature
 - (i) Securing sustainability of the environment and economy/society
 - Formation of society that co-exist with nature
 - Formation of recycle-oriented society
 - Formation of low-carbon society
 - (ii) Realization of an energy supply/demand structure that has low environmental impact
 - Efforts toward further adoption of renewable energy
 - Efforts based on Hokkaido's regional characteristics such as heating source and automobile fuels
- (2) Contributing to development of strong national land and formation of safe and secure social infrastructure
 - (i) Responding to severer and more diversified disasters
 - Develop systems for protecting human lives
 - Respond to disasters during winter
 - Respond to large-scale natural disasters such as earthquake/tsunami disasters and volcanic eruptions.
 - Respond to flood and landslide disaster risks due to such causes as climate changes.
 - (ii) Contributing to stronger national land for Japan as a whole
 - Secure backup site functions at times of national-scale disaster
 - Secure stable supply of foods at times of disaster
 - (iii) Safe and secure utilization of social infrastructure
 - Promote countermeasures against aging infrastructure
 - Promote traffic safety measures
 - Develop human resources that support the creation of strong national land

(2) Promoting Measures that Support Plan Realization

The new plan was formulated to flesh out specifics of the Grand Design of National Spatial Development towards 2050 in order to respond to various issues surrounding Japan including the coming of drastic population declines in a medium- to long-term perspective. The measures to be promoted include the following.

(i) Local communities where people sparkle

In addition to establishing regional social structures that enable people to continue to live over a long period of time across Hokkaido, covering from vast production spaces that form communities dispersed in wide areas in a scale different from other regions to city areas, it is also important to promote lively convection by attracting various people to Hokkaido whose population is declining ahead of other regions in Japan. To this end, we will drive forward, among other measures, promotion of the agriculture, forestry and fishery industries and the food and tourism related industries, utilization of Michi-no-eki (Roadside Station), creation of bustling and relaxing spaces where people gather, development of communities that are suitable for raising children and comfortable to live, formation of wide-area transportation networks including national high-grade trunk highways, and development of the Hokkaido Value Creation Partnership Activity, which is a wide-area and cross-cutting support and cooperation system for human resources engaged in regional development.

(ii) Industries that look to the world

Hokkaido has competitive advantages in the agriculture, forestry, and fishery industries; the food and tourism related industries; and other industries for export to other regions in the country and other countries; and it is important to develop these industries. Therefore, we will promote, among other measures, the enhancement of productivity by larger division of farmland and other means, creation of a comprehensive base for food by attracting food companies from outside Hokkaido, formation of appealing tourism regions that leverage regional resources, including nature, sceneries, foods, snow, history and culture, by attracting inbound tourism through the Scenic Byway Hokkaido program that encourages round tours and traveling by car, holding of international conferences (MICE) in Hokkaido and the strengthening of functions of New Chitose Airport and strategic international bulk ports including Kushiro Port.

Figure II-4-5-2

Familiarization trip implemented to promote food tourism in Hokkaido by foreign visitors (November 2015, Shibetsu-cho, hands-on salmon caviar making)



Source) MLIT

(iii) Strong and sustainable national land

Hokkaido, which has beautiful and magnificent natural environments and abundant renewable energy sources, is expected to take leading roles in forming sustainable regional society, and it is important for the region to minimize damages in the event of a disaster and contribute to strengthening of Japan as a whole. Therefore, we will promote, among other measures, preservation and regeneration of lakes and wetland, public awareness relating to the formation of hydrogen society through Hokkaido's platform for developing hydrogen communities, fundamental flood control measures and anti-seismic social infrastructure, regional support in the event of a disaster by dispatching TEC-FORCE (Technical Emergency Control Force), establishment of maintenance cycles aimed at extending the service life of social infrastructures, and efforts to enhance safety and reliability of transportation in winter.

2 Promoting Distinctive Regions and Cultures

(1) Promoting the regions neighboring the Northern Territories

Targeting the Northern Territory's neighboring regions where desirable development of regional society is inhibited because of unresolved territorial issues, we are promoting necessary measures in a comprehensive manner under the Seventh Northern Territory Neighboring Regions Revitalization Plan (FY 2013 to FY 2017), which is based on the Act on Special Measures concerning Advancement of Resolution of Northern Territories Issues.

More specifically, the MLIT pursues a mix of structural and non-structural measures to build appealing regional communities in these neighboring regions, including the promotion of agricultural and fishery industries, implementation

of public-works projects for development of transportation systems, supporting the implementation of non-structural measures by providing subsidies for project implementation expenditures, such as for Northern Territory neighboring region revitalization.

(2) Promoting the Ainu Culture, etc.

We are examining action programs, such as hands-on exchanges relating to the tradition of the Ainu in symbolic spaces, in accordance with the Basic Policy on the Development, Management, and Administration of a Space Symbolic of Ethnic Harmony for Promoting the Restoration of Ainu Culture adopted by a Cabinet decision on June 13, 2014. In addition, in light of the effect of the 2020 Tokyo Olympic and Paralympic Games, we will strengthen promotion activities toward the opening of the symbolic space to the general public such as by dissemination of information to overseas people and enhancing exhibitions at airports and other places, setting the goal of 1 million people for the number of visitors to the symbolic space.

In accordance with the Act on the Promotion of Ainu Culture, and Dissemination and Enlightenment of Knowledge about Ainu Tradition, we are working on public awareness activity such as the implementation of “i ran karap te” an Ainu greeting meaning “how are you” Campaign with industry-academia-government collaboration.

Figure II-4-5-3

Lake Poroto and Ainu traditional houses



Source) Ainu Museum