

Fiscal Year 2023  
Trends Concerning Land

Fiscal Year 2024  
Basic Measures Concerning Land

Abstract

June 2024

Ministry of Land, Infrastructure, Transport and Tourism

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Trends Concerning Land in FY 2023 and Basic Measures Concerning Land in FY 2024 are created based on the provisions of Article 11, paragraphs (1) and (2), of the Basic Act for Land (Act No. 84 of 1989).

## Part 1: Trends Concerning Land

### Trends Concerning Land in FY 2023

Part 1 discusses trend in land prices, land transactions, land use, the real estate market, and the real estate investment market, etc. in FY 2023.

In FY 2023, the national average for all uses in Land Market Value Publication increased for the third consecutive year. With the ongoing normalization of socioeconomic activities after the COVID-19 pandemic, a gradual pickup has continued.

### Section 1: Trends in Land Prices

#### (Trends in land prices in 2023)

According to the Land Market Value Publication by Ministry of Land, Infrastructure, Transport and Tourism (hereinafter referred to as the “MLIT”), as of January 1, 2024, land prices for the average for all uses, residential land and commercial land increased for the third consecutive year, while growth rates expanded.

Concerning the land prices in three major metropolitan areas, the average volatility of all, residential and commercial land rose for the third consecutive year, while growth rates expanded in all three areas. In the Tokyo and Nagoya metropolitan areas, all of the average values for all use, residential, and commercial land rose for the third consecutive year, and the growth rates expanded, and in the Osaka metropolitan area, the average values for all use and residential land rose for the third consecutive year, while commercial land rose for the second consecutive year, and the respective growth rates expanded.

In the regional areas, all of the average values for all use, residential, and commercial land rose for the third consecutive year, the growth rates of all use and commercial land expanded, and the growth rate of residential land was the same as that of the previous year. In four major cities of the regional areas (Sapporo City, Sendai City, Hiroshima City, and Fukuoka City), values rose for the 11th consecutive year for all of the averages of all use, commercial, and residential land rose, and although the growth rates of all use and residential land shrank, the growth rate of commercial land expanded. As for the rest of the country, excluding the four major cities of the regional areas, average values for all use, residential and commercial land increased for the second consecutive year, while growth rates expanded.

As for the land prices across the country, while economic conditions have been making a mild recovery, although there are some differences depending on the region and use, the underlying upward trend has become stronger as the land prices in three major metropolitan areas and regional areas continued to rise, the growth rates in the three major metropolitan areas expanded, and the growth rates in the regional areas were on an expansion trend.

As for residential land, in urban centers and areas with excellent convenience and living environment, demand for housing acquisition remains robust, and land prices continue to rise. With the rise in land prices in the three major metropolitan areas and four major cities of the regional areas, the range of the rise in the surrounding areas has been expanding and, particularly in the cities surrounding the four major cities of the regional areas, there are some spots where land prices rose high.

As for commercial land, since demand for store space continued on a recovery trend following the recovery of the flow of people, and since demand for office space has been steady, the recovery trend in land prices has been progressing. In the regions where redevelopment projects have been progressing, the rise in land prices has been continuing because of a sense of expectancy, and in tourist spots where tourists have been returning and downtown areas where recovery of the flow of people has been progressing, a significant recovery in land prices has been observed.

In the area where a major semiconductor manufacturer expanded its factory, demand for residential sites for its employees, including affiliated companies, and demand for affiliated companies' office sites are strong, and residential land, commercial land, and industrial land rose high. On the background of the expansion of the e-commerce market, demand for large logistic facility sites is strong and in the industrial land with easy access to expressways, some spots rose high.

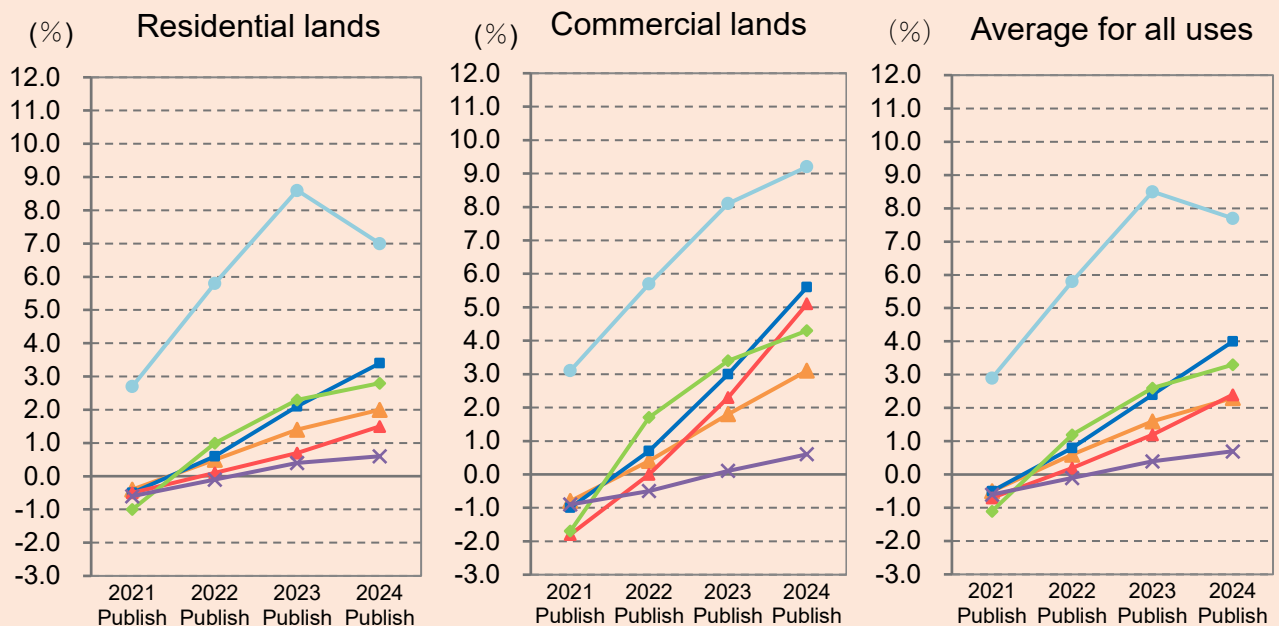
Figure

**Changes in land price volatility (annual)**

(%)

	Residential lands				Commercial lands				Average for all uses			
	2021 Publish	2022 Publish	2023 Publish	2024 Publish	2021 Publish	2022 Publish	2023 Publish	2024 Publish	2021 Publish	2022 Publish	2023 Publish	2024 Publish
Nationwide	▲ 0.4	0.5	1.4	2.0	▲ 0.8	0.4	1.8	3.1	▲ 0.5	0.6	1.6	2.3
Three major met. areas	▲ 0.6	0.5	1.7	2.8	▲ 1.3	0.7	2.9	5.2	▲ 0.7	0.7	2.1	3.5
Tokyo area	▲ 0.5	0.6	2.1	3.4	▲ 1.0	0.7	3.0	5.6	▲ 0.5	0.8	2.4	4.0
Osaka area	▲ 0.5	0.1	0.7	1.5	▲ 1.8	0.0	2.3	5.1	▲ 0.7	0.2	1.2	2.4
Nagoya area	▲ 1.0	1.0	2.3	2.8	▲ 1.7	1.7	3.4	4.3	▲ 1.1	1.2	2.6	3.3
Regional areas	▲ 0.3	0.5	1.2	1.2	▲ 0.5	0.2	1.0	1.5	▲ 0.3	0.5	1.2	1.3
Sapporo, Sendai, Hiroshima,	2.7	5.8	8.6	7.0	3.1	5.7	8.1	9.2	2.9	5.8	8.5	7.7
Others	▲ 0.6	▲ 0.1	0.4	0.6	▲ 0.9	▲ 0.5	0.1	0.6	▲ 0.6	▲ 0.1	0.4	0.7

— Nationwide 
 — Tokyo area 
 — Osaka area 
 — Nagoya area 
 — Sapporo, Sendai, Hiroshima, Fukuoka 
 — Regional areas 
 — Others



Source: MLIT "Land Market Value Publication"

Note 1: Region Classifications are as follows:

Three major metropolitan areas: Tokyo, Osaka, and Nagoya

Tokyo area: Cities including existing cities and suburb improvement zones based on Metropolitan Area Improvement Act

Osaka area: Cities including existing cities and suburb improvement zones based on Kinki Area Improvement Act

Nagoya area: Cities including urban improvement areas based on Chubu Area Development and Improvement Act

Regional area: Regions besides the three major metropolitan areas

Other: Cities besides Sapporo, Sendai, Hiroshima, and Fukuoka among regional area

Note 2: FY 2021 Publish: FY 2021 Land Market Value Publication (Jan. 1, 2020–Jan. 1, 2021)

FY 2022 Publish: FY 2022 Land Market Value Publication (Jan. 1, 2021–Jan. 1, 2022)

FY 2023 Publish: FY 2023 Land Market Value Publication (Jan. 1, 2022–Jan. 1, 2023)

FY 2024 Publish: FY 2024 Land Market Value Publication (Jan. 1, 2023–Jan. 1, 2024)

Note 3:   Decrease rate reduced from a year earlier, increase rate expanded from a year earlier

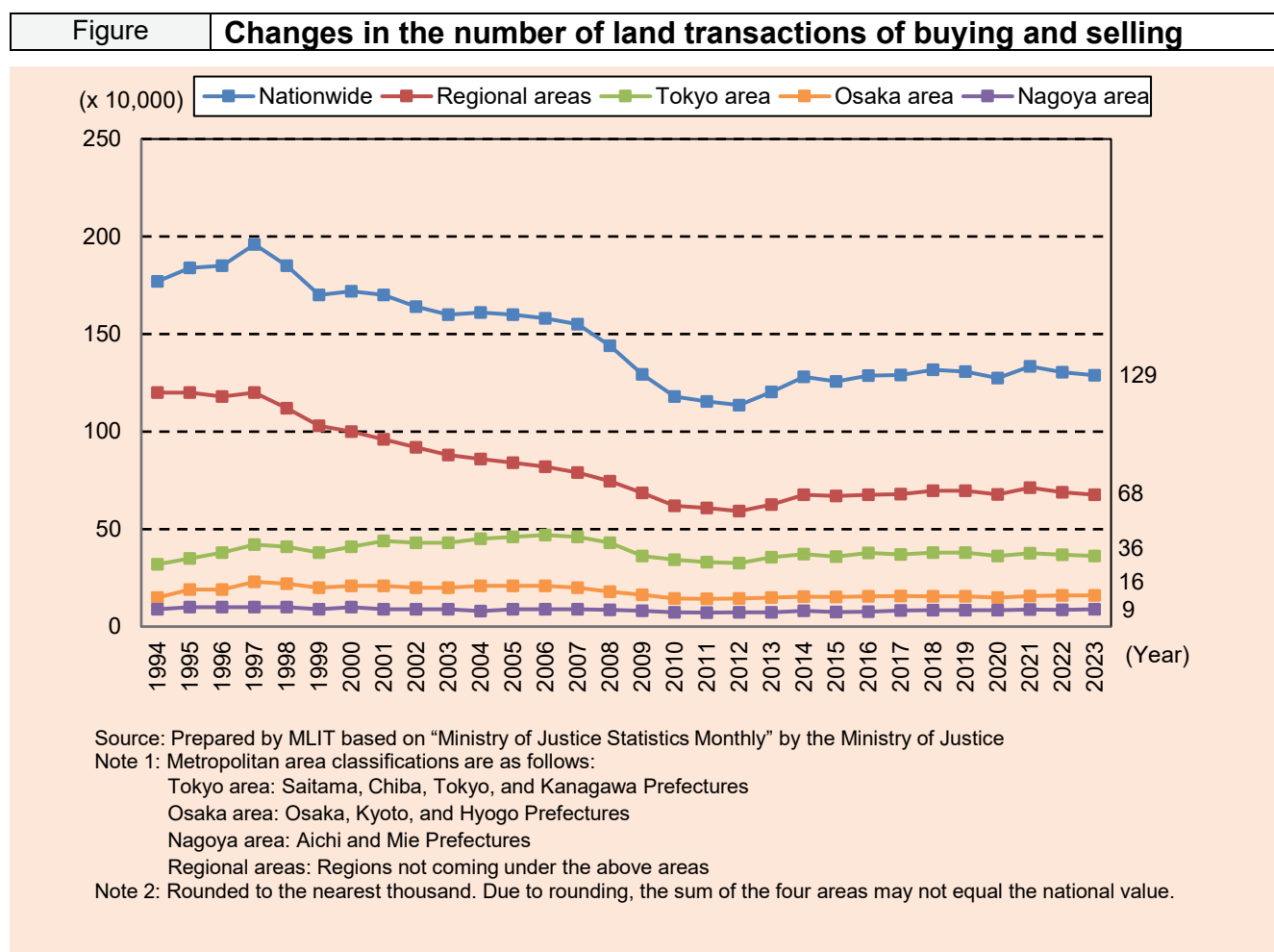
  Decrease rate expanded from a year earlier, increase rate reduced from a year earlier

  Unchanged from a year earlier

## Section 2: Trends in Land Transactions

### (Changes in the number of land transactions)

According to “Ministry of Justice Statistics Monthly” by the Ministry of Justice, the number of transfers of ownership registered through the purchase and sale of land in 2023 was approximately 1.29 million nationwide, remaining almost unchanged.

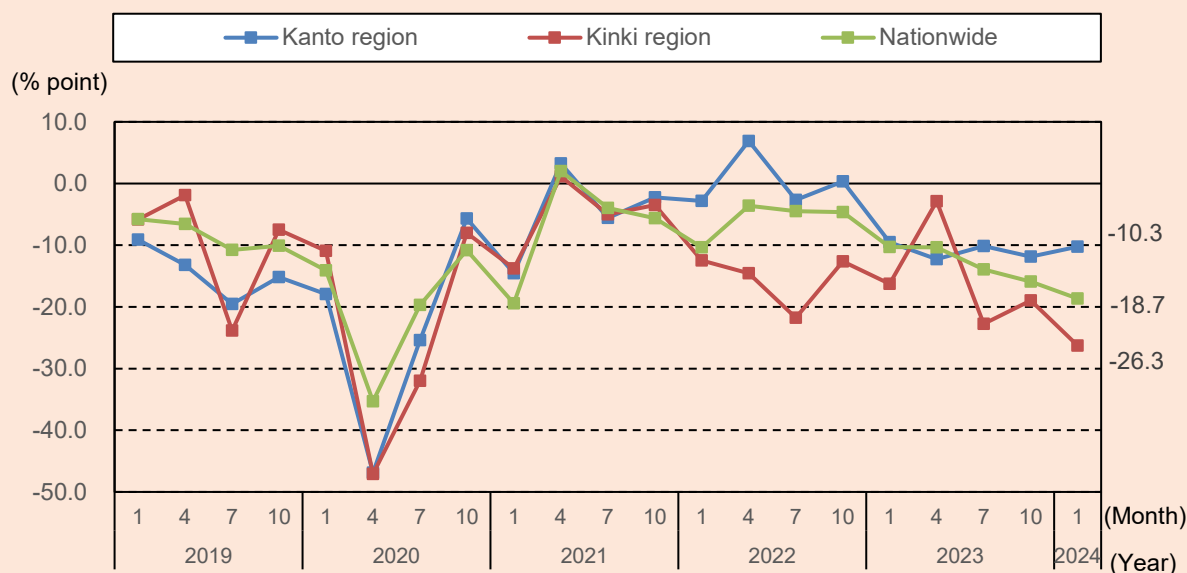


### (Attitudes toward land transactions by corporations)

As for corporate attitudes toward land transactions, according to the “DI Survey of Real Estate Market Conditions” conducted by Real Estate Institute, National Federation of Real Estate Transaction Associations, the diffusion index (DI: The index for the number of land transactions at the time of the survey compared to three months earlier, is calculated by subtracting the sum of [the percentage of companies that responded “Significantly decreased” and the percentage of companies that responded “Slightly decreased”] multiplied by 1/2, from the sum of [the percentage of companies that responded “Significantly increased” and the percentage of companies that responded “Slightly increased”] multiplied by 1/2), the DI for current land transactions turned negative for all regions in January 2024, reaching -10.3 points in the Kanto region, -26.3 points in the Kinki region, and -18.7 points in the nation as a whole.

Figure

DI on perceived state of current land transactions



Source: Prepared by MLIT on "DI Survey of Real Estate Market Conditions," by Real Estate Institute, National Federation of Real Estate Transaction Associations.

Note 1:  $DI = ("Significantly\ increased" * 2 + "Slightly\ increased" - "Slightly\ decreased" - "Significantly\ decreased" * 2) / 2$

Note 2: Figures for "Significantly decreased," "Slightly decreased," "Slightly decreased," and "Significantly decreased" are percentages of valid responses for "Significantly increased," "Slightly increased," "Slightly decreased," and "Significantly decreased," respectively.

Note 3: Target areas includes the following

Kanto region: Ibaraki, Tochigi, Gunma, Saitama, Chiba, Tokyo, and Kanagawa Prefectures

Kinki region: Shiga, Kyoto, Osaka, Hyogo, Nara, Wakayama Prefectures

### Section 3: Trends in Land Use

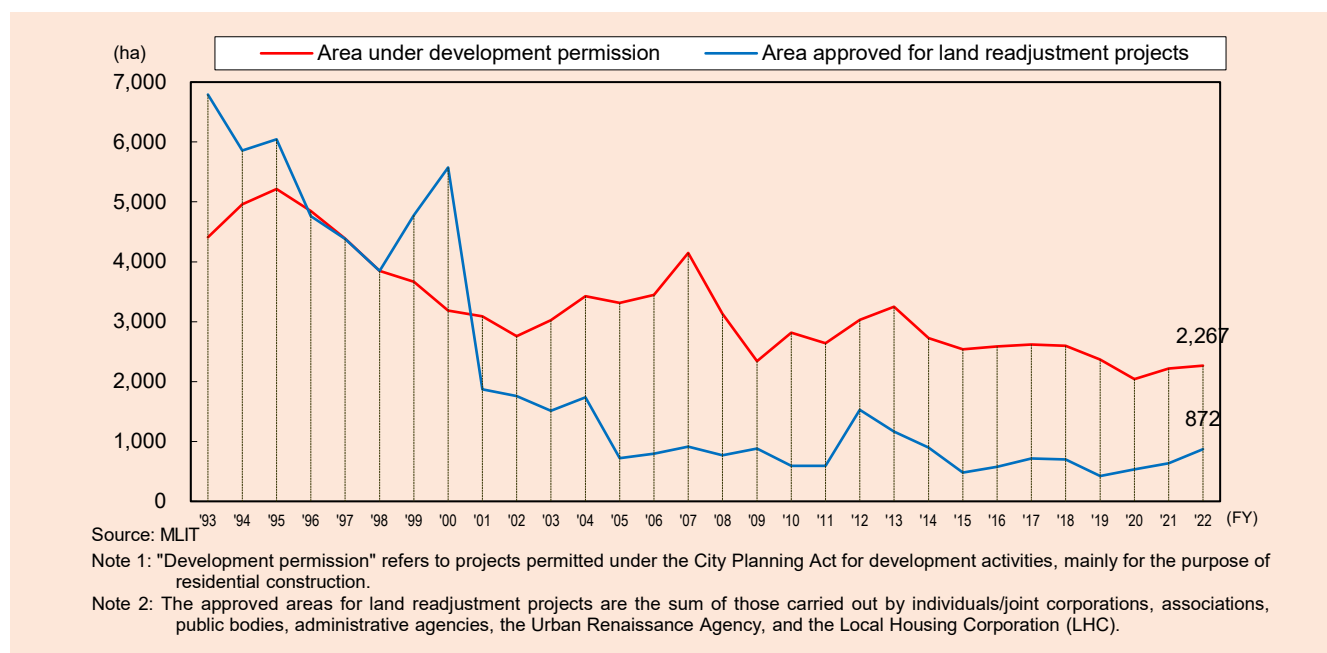
(Overview of land use, etc.)

As of 2020, the total area of Japan was approximately 37.80 million hectares. Forestland accounts for the largest portion (25.03 million hectares), followed by farmland (4.37 million hectares). When combined, forestland and farmland account for about 80% of the national land area. In addition, developed land, such as residential and industrial land, amounts to 1.97 million hectares, roads occupy 1.42 million hectares, surface water, rivers, and canals cover 1.35 million hectares, and fields total 0.31 million hectares.

(Changes in land use)

FY 2022, the area with development permission was 2,267 ha and the area with land readjustment projects approval was 872 ha.

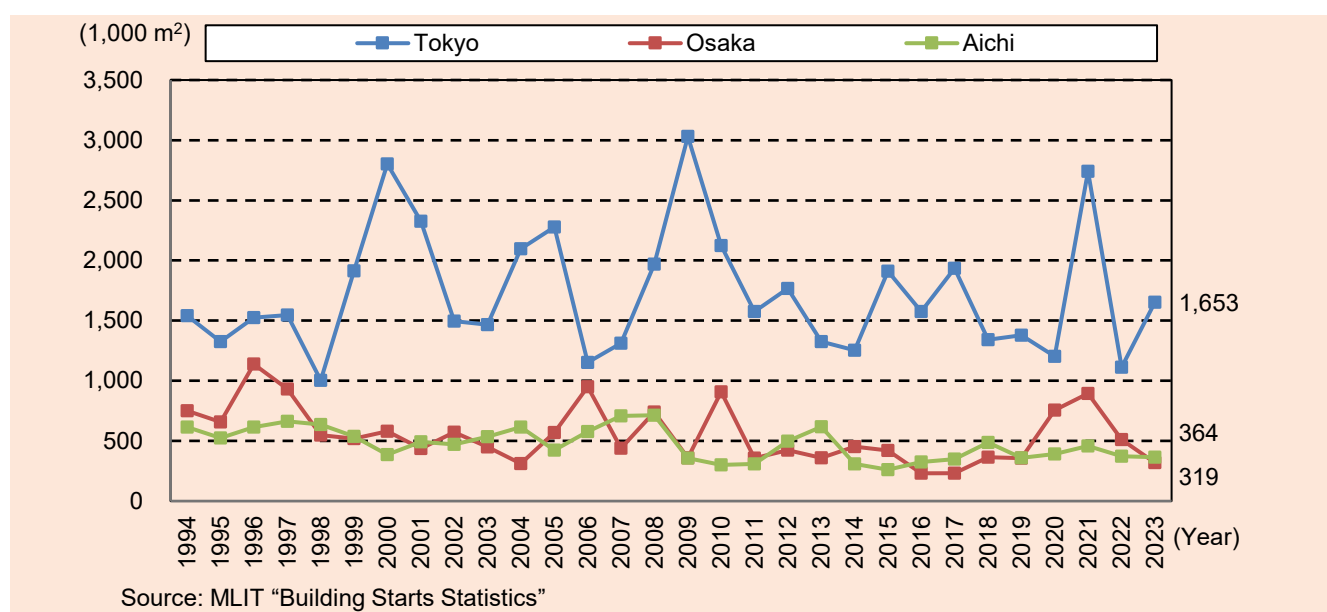
Figure	<b>Changes in the area under development permission and the area approved for land readjustment projects</b>
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(Changes in real estate availability, etc.)

In terms of gross office floor areas of building starts by city in 2023, Tokyo had approximately 1,653, 000 m<sup>2</sup> (up 48.6% y/y), Osaka approximately 319,000 m<sup>2</sup> (down 37.6% y/y), and Aichi approximately 364,000 m<sup>2</sup> (down 2.1% y/y), and areas increased in Tokyo from the previous year but decreased in Osaka and Aichi.

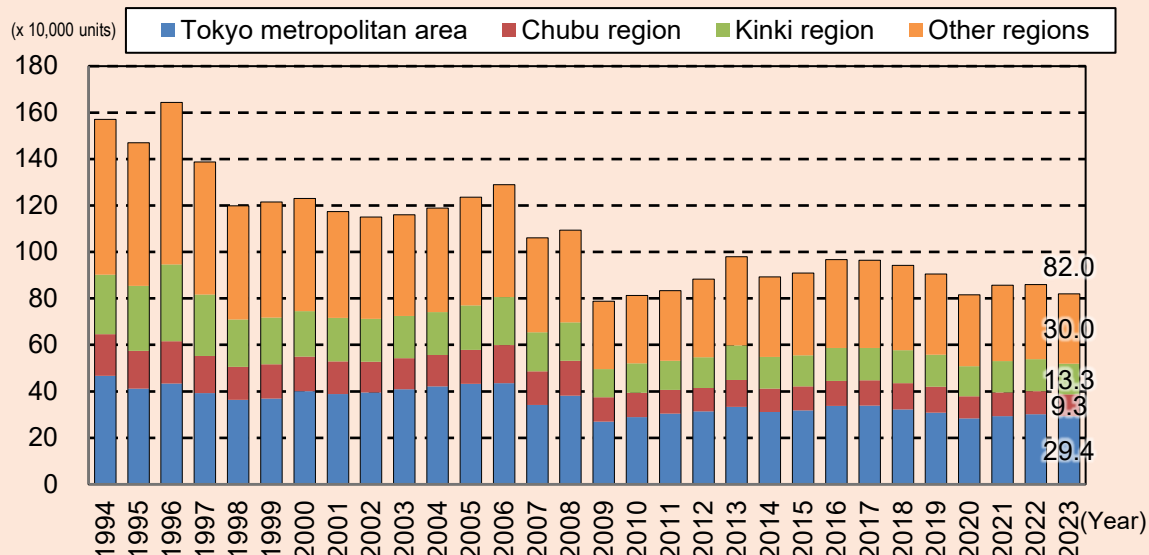
Figure	<b>Changes in gross office floor area of building starts by city</b>
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The total number of new housing starts in 2023 was approximately 820,000 units, down 4.6% from the previous year. The numbers in all areas decreased from the previous year.



Figure

**Changes in the total number of new housing starts by area**

Source: MLIT "Building Starts Statistics"

Note 1: Area divisions are as follows:

Tokyo metropolitan area: Saitama, Chiba, Tokyo, and Kanagawa Prefectures

Chubu region: Gifu, Shizuoka, Aichi, Mie Prefectures

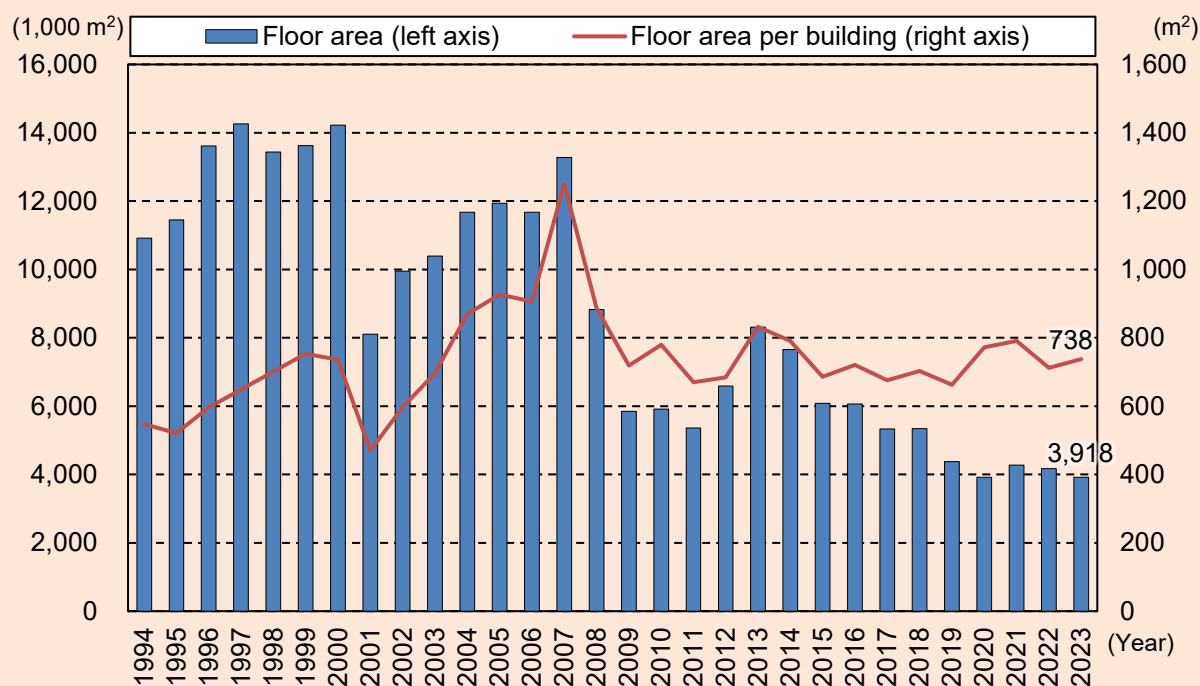
Kinki region: Shiga, Kyoto, Osaka, Hyogo, Nara, and Wakayama Prefectures

Other regions: Areas other than the above

Note 2: Totals may not match due to rounding.

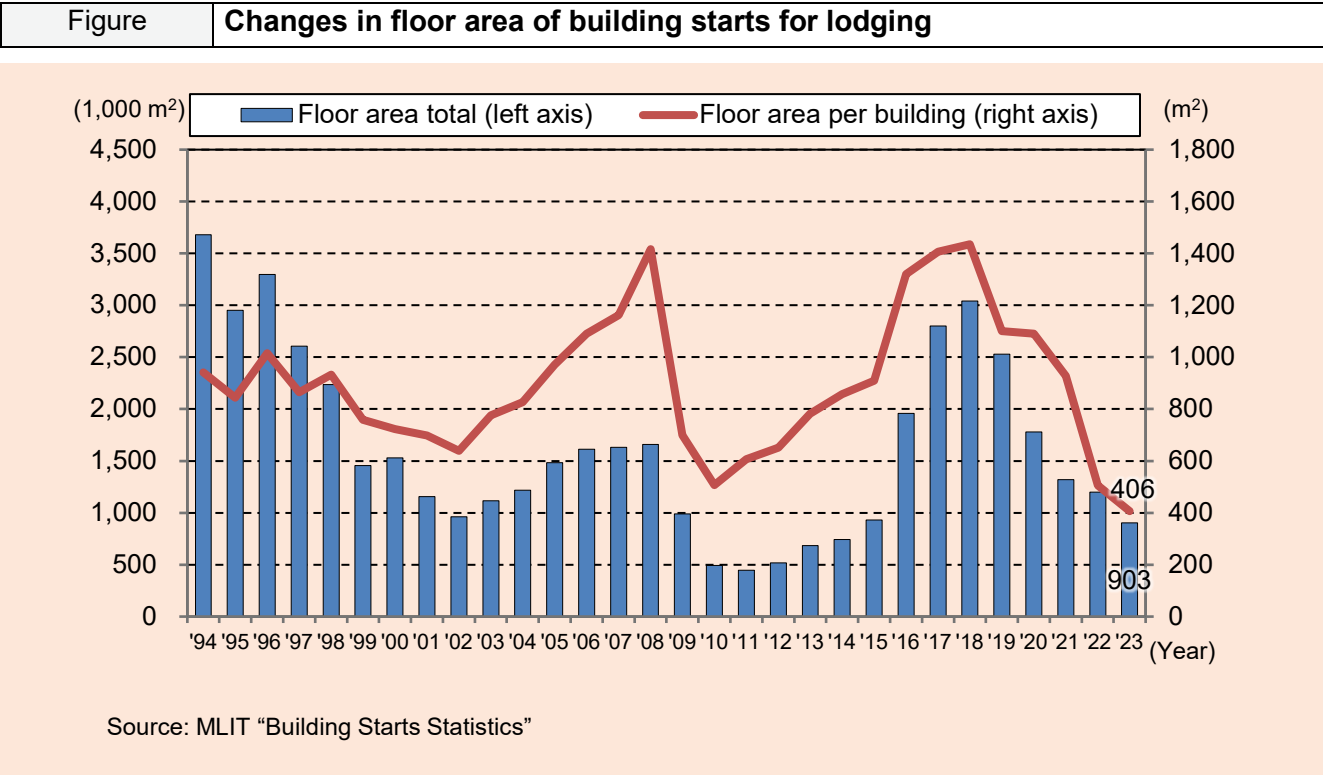
In 2023, the gross floor area of store starts was approximately 3,918,000 m<sup>2</sup> (down 6.1% y/y), floor space per building was 738 m<sup>2</sup> (up 3.6% y/y), and although the gross floor area of store starts decreased from the previous year, floor space per building increased.

Figure

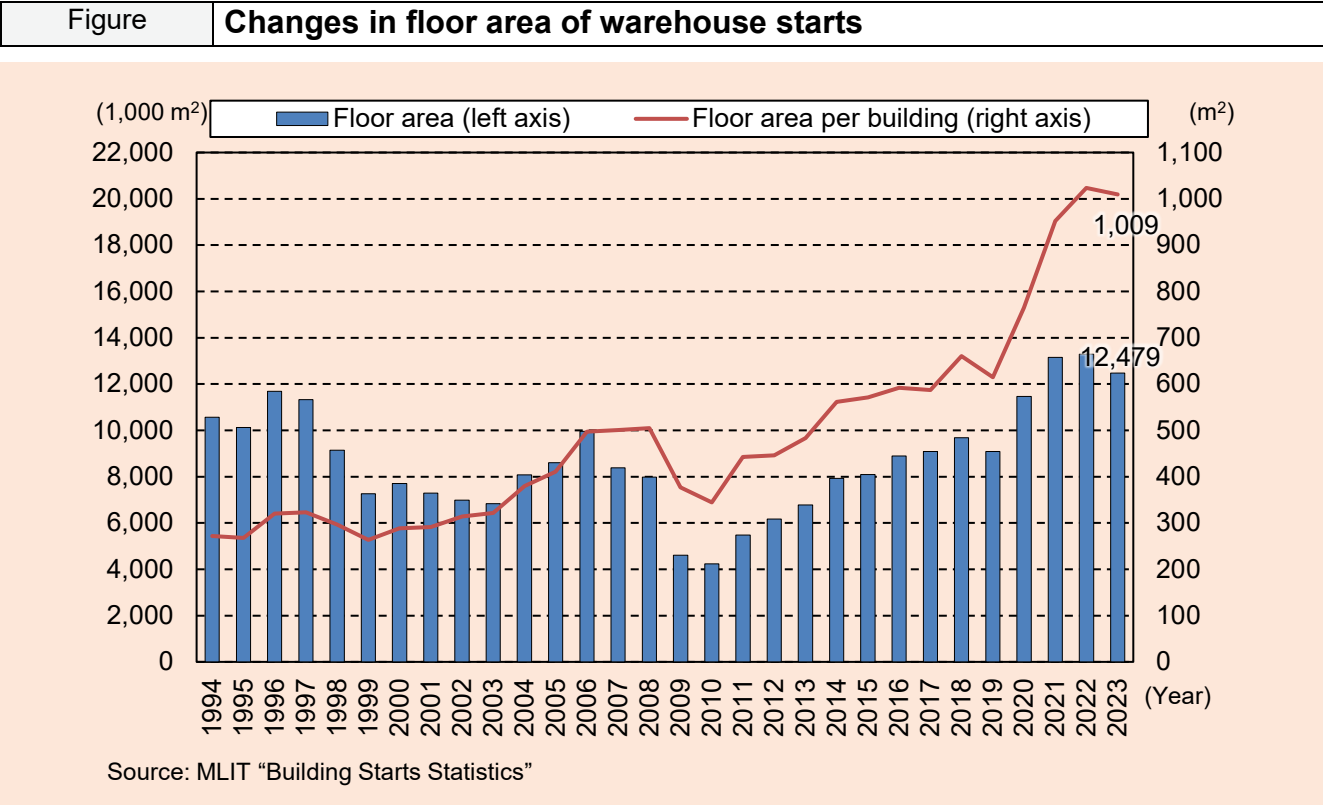
**Changes in floor area of store starts**

Source: MLIT "Building Starts Statistics"

In 2023, the gross floor area of building starts for lodging was approximately 903,000 m<sup>2</sup> (down 24.8 % y/y), and the floor area per building was 406 m<sup>2</sup> (down 19.7% y/y), both decreasing from the previous year.



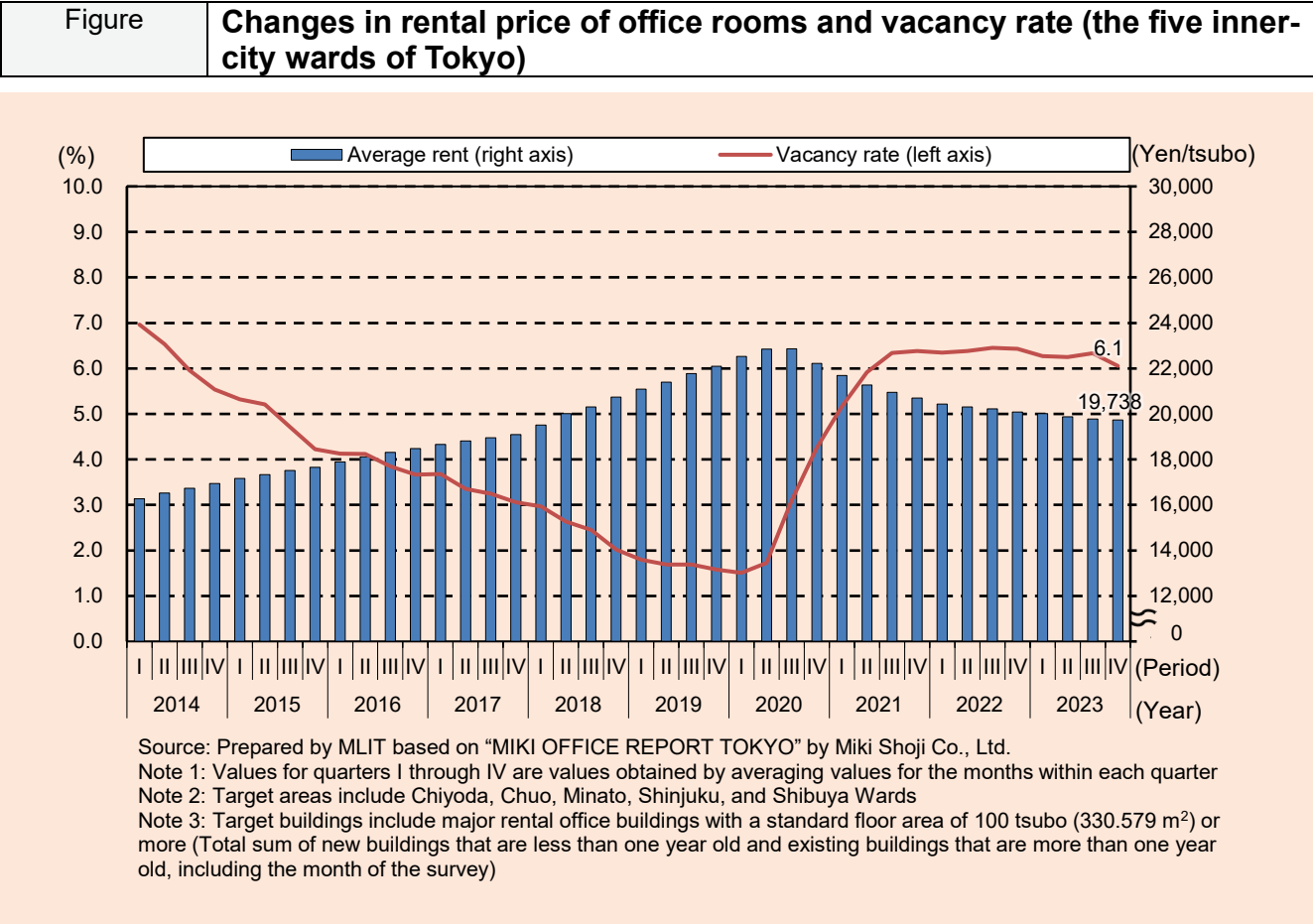
In 2023, the floor area of warehouse starts was approximately 12,479,000 m<sup>2</sup> (down 6.1% y/y), and the floor area per building was 1,009 m<sup>2</sup> (down 1.4% y/y), both decreasing from the previous year.



Section 4: Trends in the Real Estate Market

(Trends in the office market)

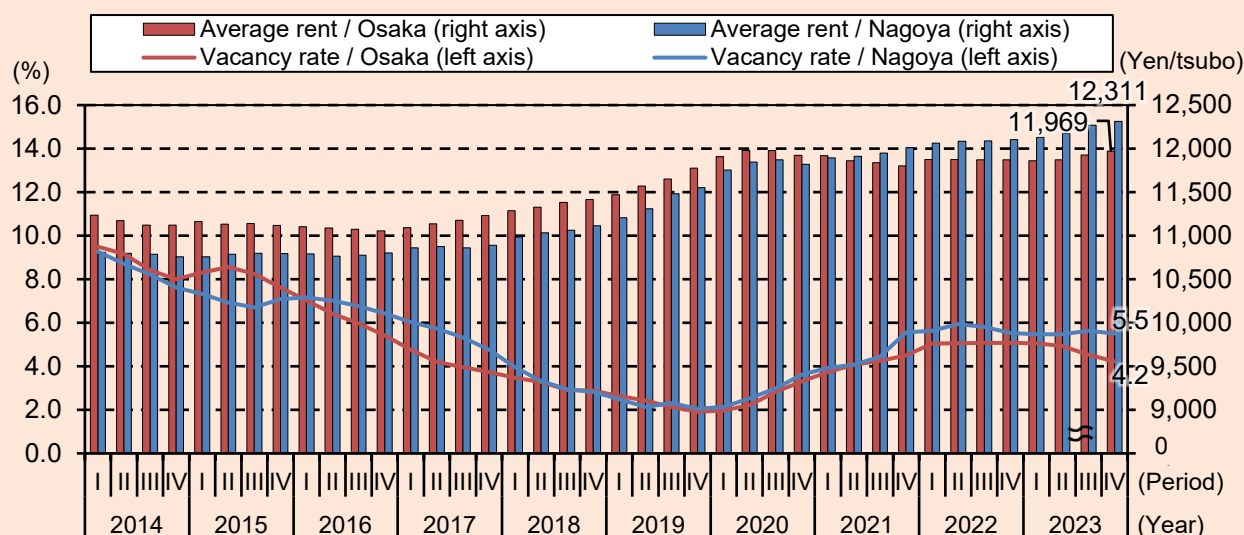
The gross office building vacancy rate in the five inner-city wards of Tokyo (Chiyoda, Chuo, Minato, Shinjuku, and Shibuya), which had been rising since Quarter II (April to June) of 2020, has remained almost flat since Quarter III (July to September) of 2021, and was at 6.1% in Quarter IV (October to December) of 2023. Average asking rents for office buildings peaked in Quarter III (July to September) of 2020 and have continued to decline since then, but the level of decline has slowed since 2022.



The gross office building vacancy rate in Osaka has been declining since Quarter II (April to June) of 2023. In Nagoya, after the vacancy rate had declined from Quarter III (July to September) to Quarter IV (October to December) of 2022, it has remained almost flat. Average asking rents for office buildings continued to remain almost flat in Osaka; however in Nagoya, they have been slightly rising since Quarter II (April to June) of 2023. Average asking rents for office buildings have remained almost flat in Osaka, whereas in Nagoya, they have continued to rise since 2021. In Nagoya, they have continued to rise since 2021.

Figure

## Changes in rental price of office rooms and vacancy rate (Osaka and Nagoya)



Source: Prepared by MLIT based on "MIKI OFFICE REPORT OSAKA" and "MIKI OFFICE REPORT NAGOYA" by Miki Shoji Co., Ltd.

Note 1: Values for quarters I through IV are values obtained by averaging values for the months within each quarter

Note 2: Target areas include the following:

Osaka: Umeda, Minamimorimachi, Yodoyabashi/Honmachi, Semba, Shinsaibashi/Namba, Shin-Osaka Districts

Nagoya: Meieki, Fushimi, Sakae, Marunouchi Districts

Note 3: Target buildings include the following:

Osaka: Major rental office buildings with a total floor area of 1,000 tsubo (3305.79 m<sup>2</sup>) or more

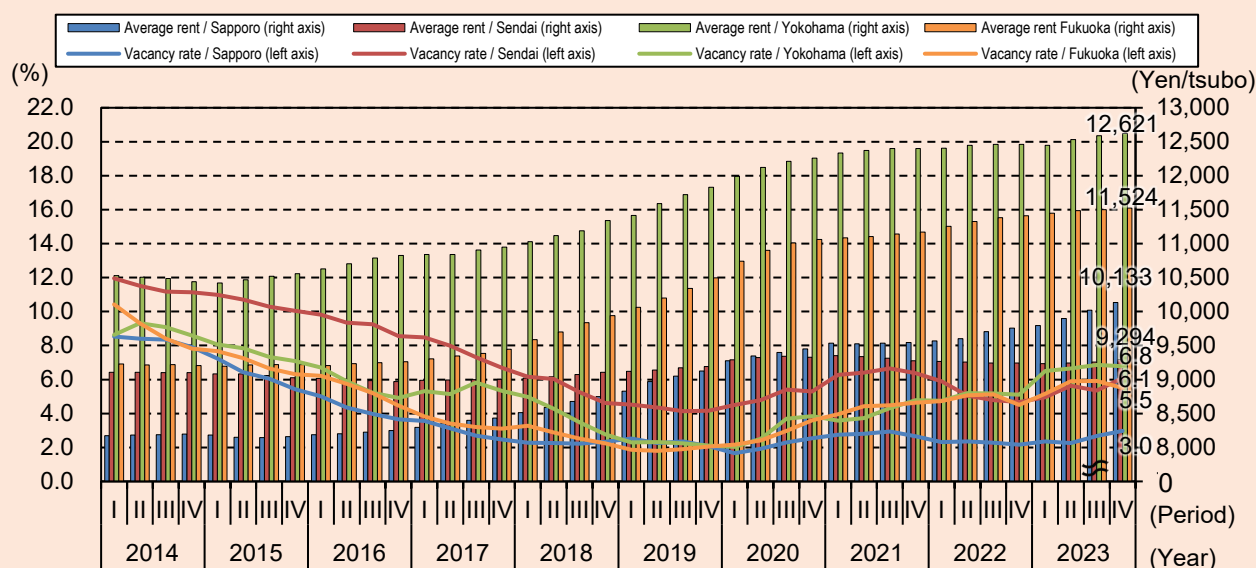
Nagoya: Major rental office buildings with a total floor area of 500 tsubo (1652.89 m<sup>2</sup>) or more

(Total sum of new buildings that are less than one year old and existing buildings that are more than one year old, including the month of the survey)

The gross office building vacancy rate in Sapporo and Sendai had declined from Quarter IV (October to December) of 2021 to 2022 but had been on an upward trend in 2023. The gross office building vacancy rate in Yokohama had risen from Quarter I (January to March) of 2023 to Quarter III (July to September). The gross office building vacancy rate in Fukuoka had once declined in Quarter IV (October to December) of 2022 and risen until Quarter II (April to June) of 2023; however, it had declined in Quarter IV (October to December). Average asking rents for office buildings showed an upward trend in all cities.

Figure

## Changes in rental prices of office rooms and vacancy rate (Sapporo, Sendai, Yokohama and Fukuoka)



Source: Prepared by MLIT based on "MIKI OFFICE REPORT SAPPORO," "MIKI OFFICE REPORT SENDAI" and "MIKI OFFICE REPORT FUKUOKA" by Miki.com Co., Ltd.

Note 1: Values for quarters I through IV are values obtained by averaging values for the months within each quarter

Note 2: Target areas include the following:

Sapporo: Ekimae-Dori and Odori-Koen, Ekimae-Tozai, Minami 1-jo Inan, Soseigawa River Higashi / Nishi 11-chome, Kitaguchi Districts

Sendai: Ekimae, Ichibancho, Prefectural Government and City Hall, Eki-Higashi, Office Districts

Yokohama: Kannai, Yokohama Station, Shin-Yokohama, Minato Mirai 21 Districts

Fukuoka: Akasaka / Daimyo, Tenjin, Yakuin / Watanabe Dori, Gion / Gofukumachi, Hakata-Ekimae, Hakata Eki-Higashi/ Eki-Minami Districts

Note 3: Target buildings include the following:

Sapporo: Major rental office buildings with a total floor area of 100 tsubo (330.579 m<sup>2</sup>) or more

Sendai: Major rental office buildings with a total floor area of 300 tsubo (991.73 m<sup>2</sup>) or more

Yokohama: Major rental office buildings with a total floor area of 500 tsubo (1652.89 m<sup>2</sup>) or more

Fukuoka: Major rental office buildings with a total floor area of 100 tsubo (330.579 m<sup>2</sup>) or more

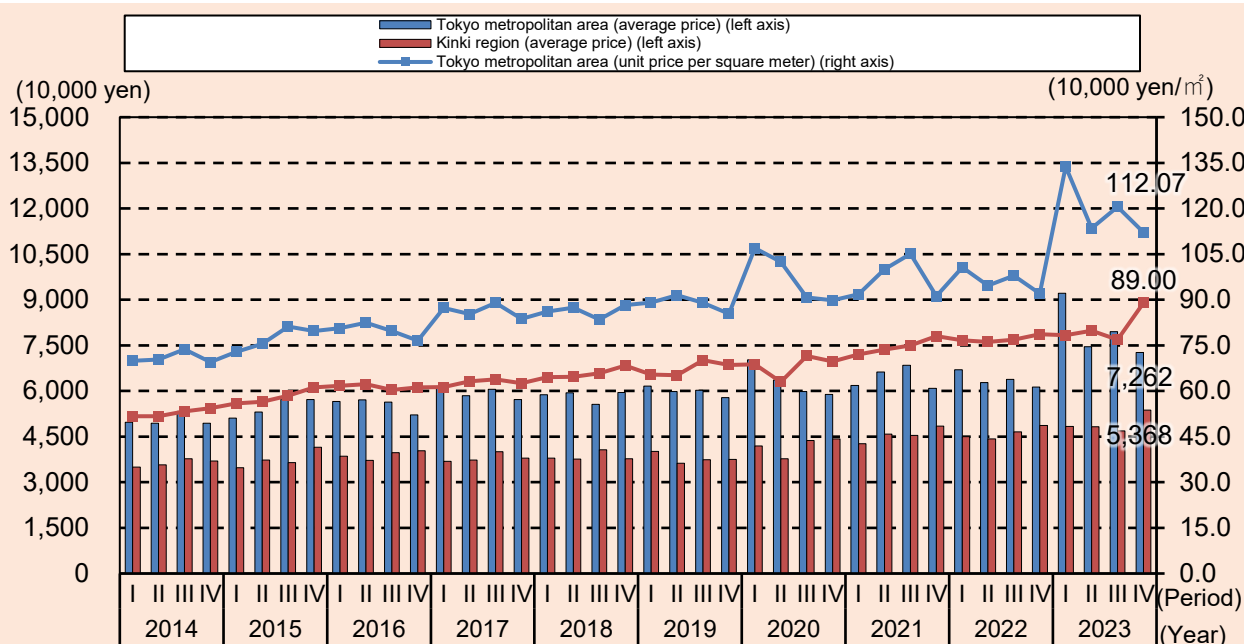
(Total sum of new buildings that are less than one year old and existing buildings that are more than one year old, including the month of the survey)

### (Trends in the residential market)

The unit price per square meter of newly built condominiums in 2023 exceeded 1.3 million yen in the Tokyo metropolitan area during Quarter I (January to March), but dropped to the 1.1 million yen level yen in Quarter IV (October to December). It rose to the range of upper 800,000 yen in the Kinki region during Quarter IV (October to December). As for the average price, both the Tokyo metropolitan area and the Kinki region have generally followed the same trend as that of the unit price per square meter.

Figure

## Changes in newly built condominiums in the Tokyo metropolitan area and the Kinki region



Source: Prepared by MLIT based on "Trends in the Market for Condominiums Newly Built for Sale in the Tokyo Metropolitan Area" and "Trends in the Market for Condominiums Newly Built for Sale in the Kinki Region" by Real Estate Economic Institute Co., Ltd.

Note: Metropolitan area classifications are as follows:

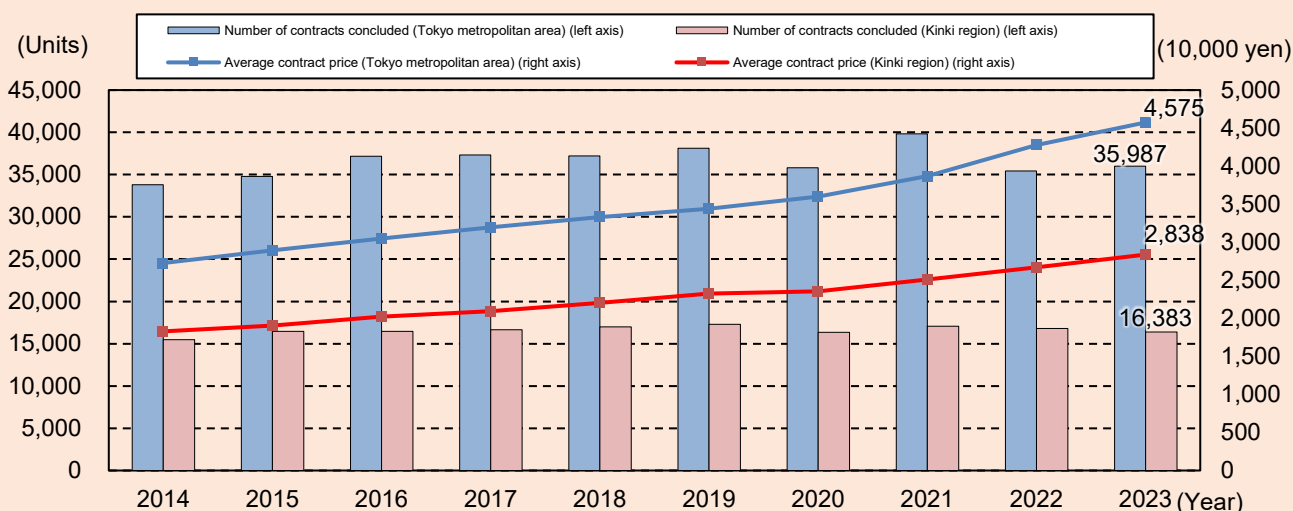
Tokyo metropolitan area: Saitama, Chiba, Tokyo, and Kanagawa Prefectures

Kinki region: Shiga, Kyoto, Osaka, Hyogo, Nara, and Wakayama Prefectures

The average price of contracts closed for preowned condominiums in 2023 showed an upward trend, with 45.75 million yen (up 7.0% y/y) in the Tokyo metropolitan area and 28.38 million yen (up 6.3% y/y) in the Kinki region. The number of contracts closed was 35,987 in the Tokyo metropolitan area (up 1.6% y/y) and 16,383 in the Kinki region (down 2.6% y/y), and they increased in the Tokyo metropolitan area from the previous year but decreased in the Kinki region from the previous year.

Figure

## Changes in the number of contracts concluded and the average price of preowned condominiums in the Tokyo metropolitan area and the Kinki region



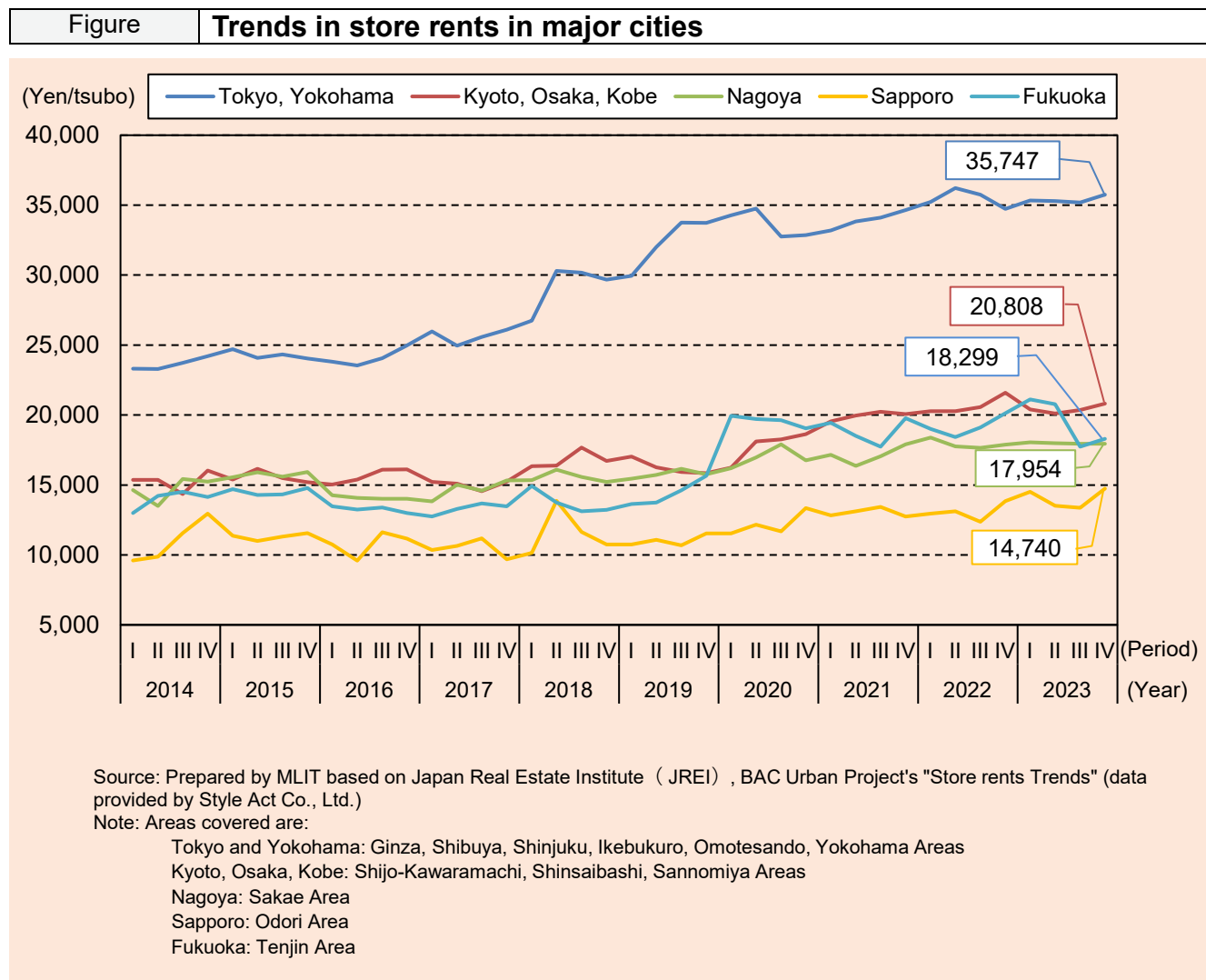
Source: Prepared by MLIT based on "Monthly Market Watch" and "Annual Market Watch" published by Real Estate Information Network for East Japan, and "Monthly Report" published by Kinki Real Estate Information Network System

Note 1: Metropolitan area classifications are same as figure above.

Note 2: Properties with floor spaces of 350 m<sup>2</sup> or less are included for the Kinki region.

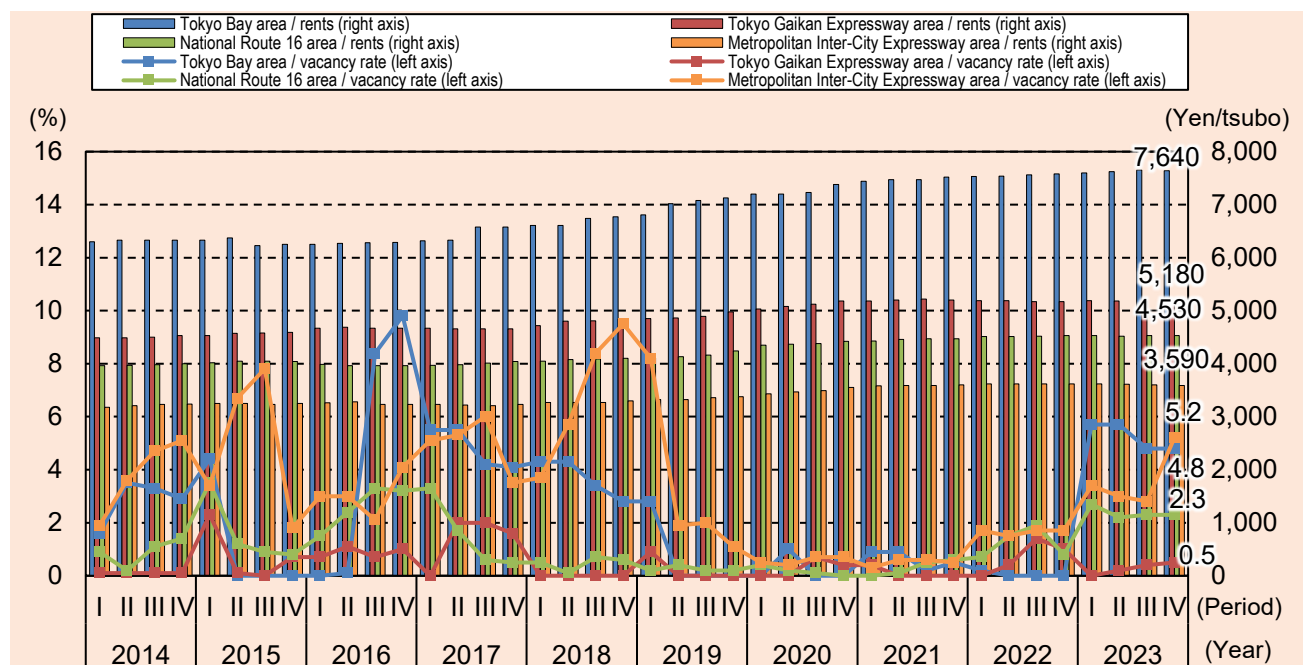
(Trends in the markets for stores, accommodations, and logistics facilities)

Store rents in major cities for Quarter IV (October to December 2023) rose in Tokyo, Yokohama, Nagoya, and Sapporo; specifically, 35,747 yen per tsubo in Tokyo and Yokohama (up 2.9% y/y), 20,808 yen per tsubo in Kyoto, Osaka, and Kobe (down 3.6% y/y), 17,954 yen per tsubo in Nagoya (up 0.4% y/y), 14,740 yen per tsubo in Sapporo (up 6.4% y/y), and 18,299 yen per tsubo in Fukuoka (down 9.1% y/y).



In 2023, rents for logistics facilities in all areas remain unchanged. The vacancy rates rose in the Tokyo Bay area, the Route 16 area, and the Metropolitan Inter-City Expressway area during Quarter I (January to March) of 2023, and the Metropolitan Inter-City Expressway area further rose during Quarter IV (October to December) at 5.2%.

Figure	<b>Rents and vacancy rates of logistics facilities in the Tokyo metropolitan area</b>
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Source: Prepared by MLIT based on data released by CBRE K.K.

Note 1: Vacancy rates are based on logistics facilities that have been completed more than one year.

Note 2: Tokyo Bay Area: Core area along the coast of Tokyo Bay.

Tokyo Gaikan Expressway area: Area surrounded by the Tokyo Outer Ring Road, excluding the Tokyo Bay Area.

National Route 16 area: Semi-donut-shaped area from outside the Tokyo Outer Ring Road to the area along the ring road and National Route 16.

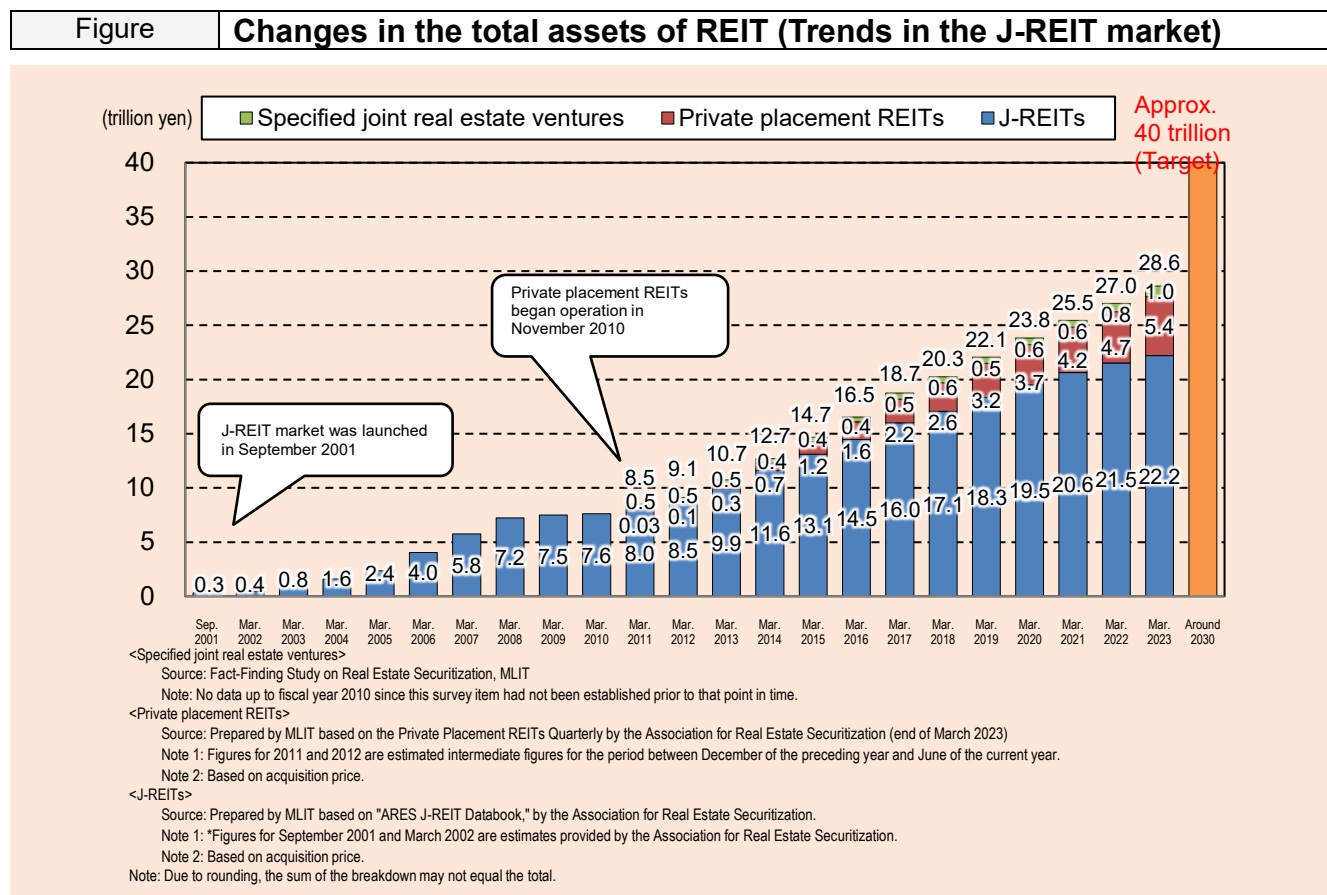
Metropolitan Inter-City Expressway area: Area outside the National Route 16. (The Tokyo Gaikan Expressway and Metropolitan Inter-City Expressway, which run through Tokyo, Saitama, Ibaraki, and Chiba Prefectures, are at the center of this area)



## Section 5: Trends in the Real Estate Investment Market

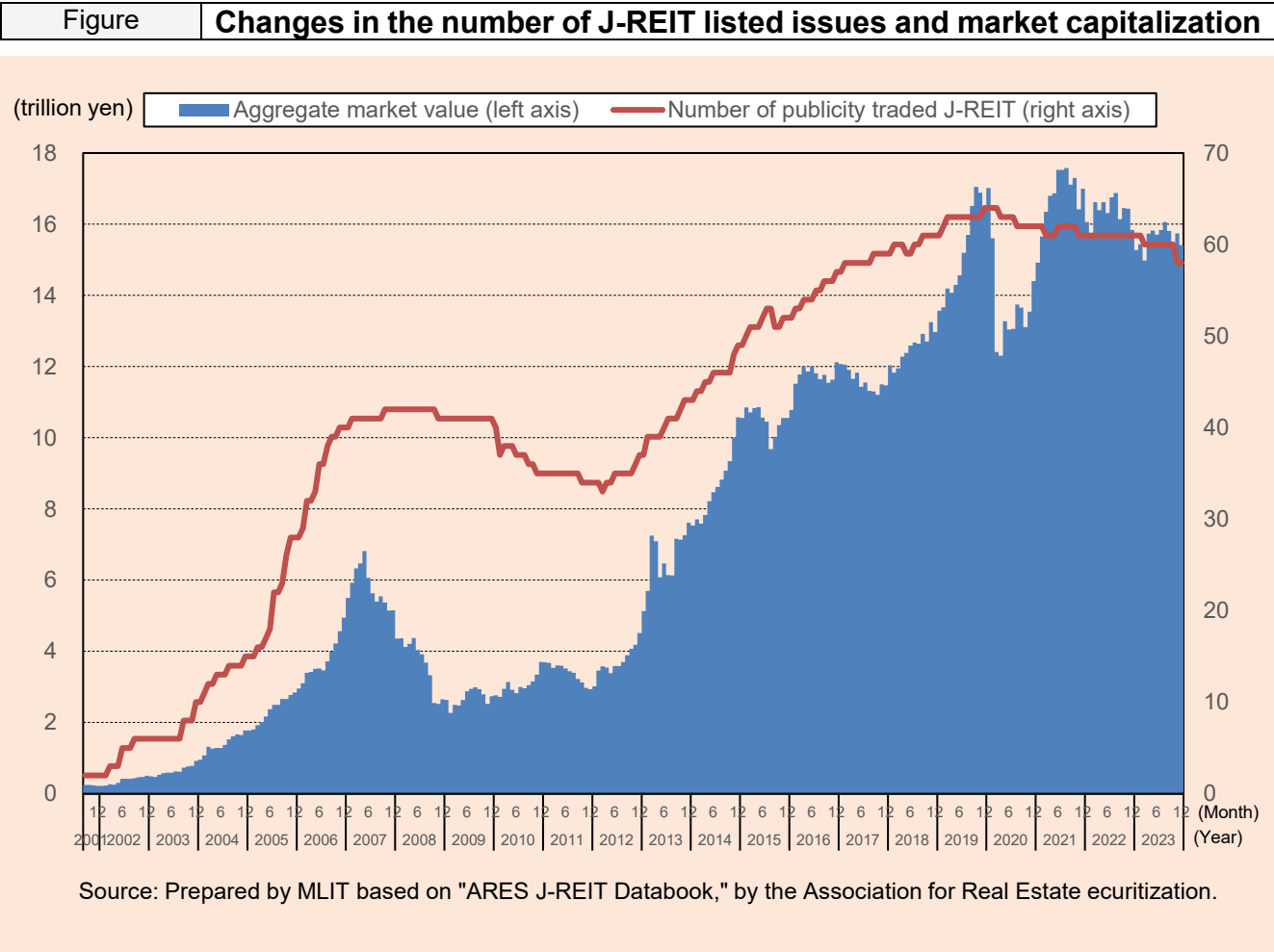
### (Trends in the real estate securitization market)

MLIT has set a target of increasing the total assets of REITs to approximately 40 trillion yen by around 2030. As of March 31, 2023, total assets were approximately 29 trillion yen in terms of acquisition value, of which offices accounted for 26.1%, warehouses 21.0%, residences 20.2%, commercial facilities 10.3%, hotels and inns 3.5%, and healthcare facilities 2.0%.

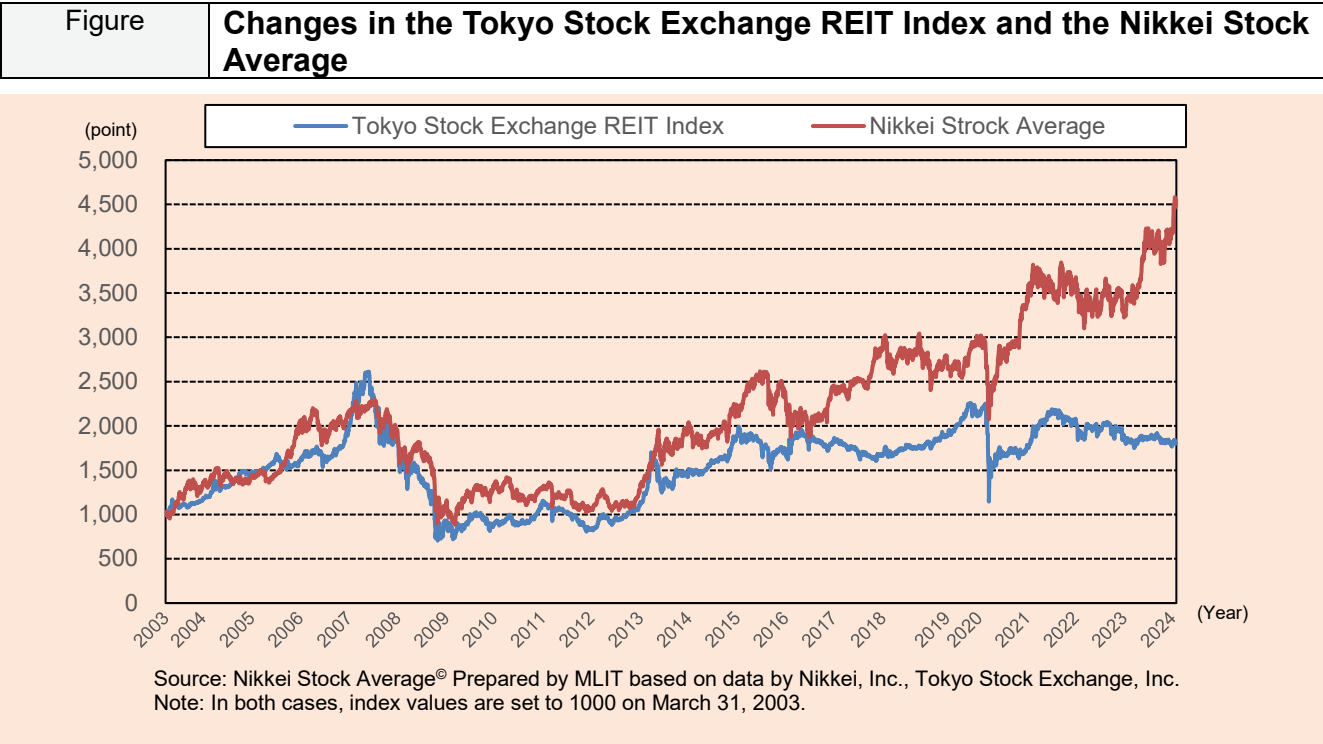


(Trends in the J-REIT market)

As of the end of December, 2023, 58 various stocks for J-REIT were listed on the Tokyo Stock Exchange, and the current aggregate market value of real estate investment trusts was about 15.4 trillion yen.



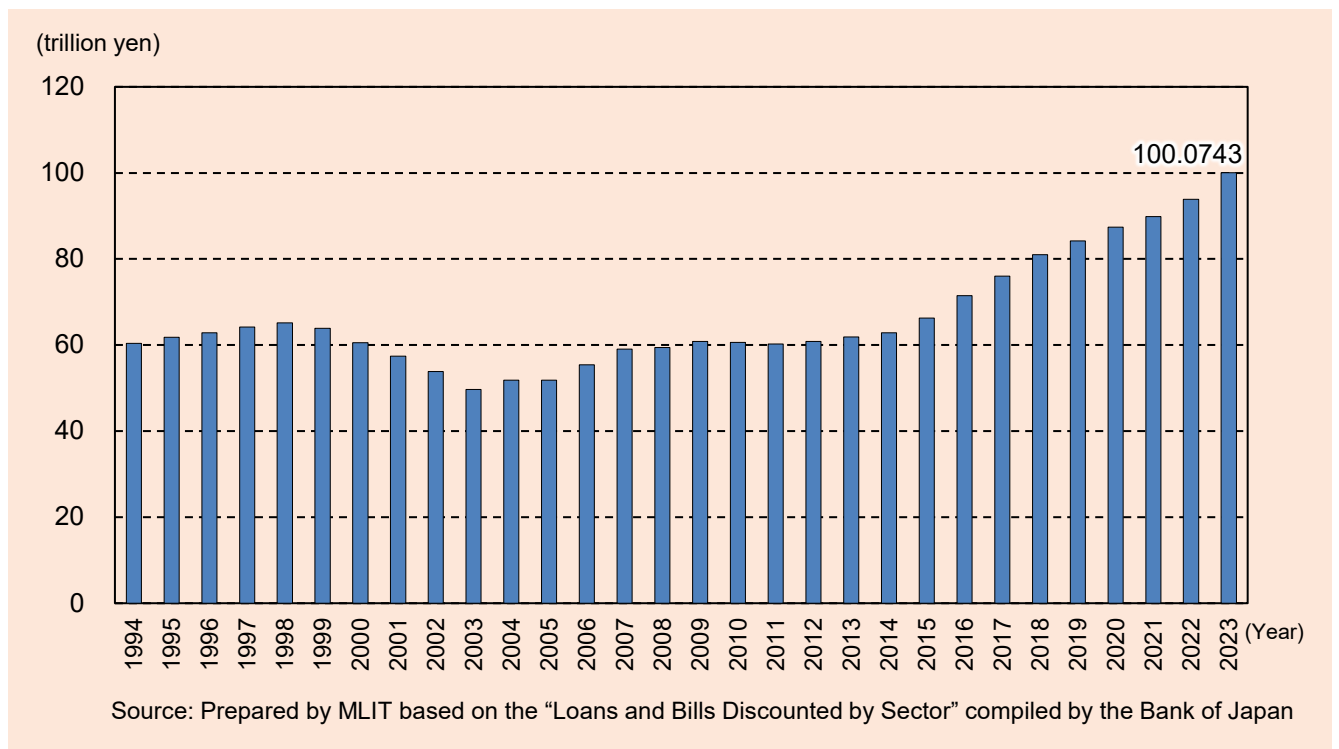
The trend of the Tokyo Stock Exchange REIT index that indicated the price movements of the entire J-REIT market is also affected by the trend of the entire investment market, and the index had fluctuated around 1,800 points in 2023.



(Trends in the amounts outstanding of loans and bills discounted to the real estate industry)

The amounts outstanding of loans and bills discounted from banks to the real estate industry, according to the Loans and Bills Discounted by Sector compiled by the Bank of Japan, continued to show a marked upward trend, reaching a record high of 100,074.3 billion yen in 2023.

Figure	<b>Changes in the amounts outstanding of loans and bills discounted to the real estate industry</b>
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## Section 6: Attitudes toward Ownership, Use and Management of Land and Real Estate

For people, owning land is not only for the purpose of residential land, etc., which is the foundation of their lives, but also as an asset.

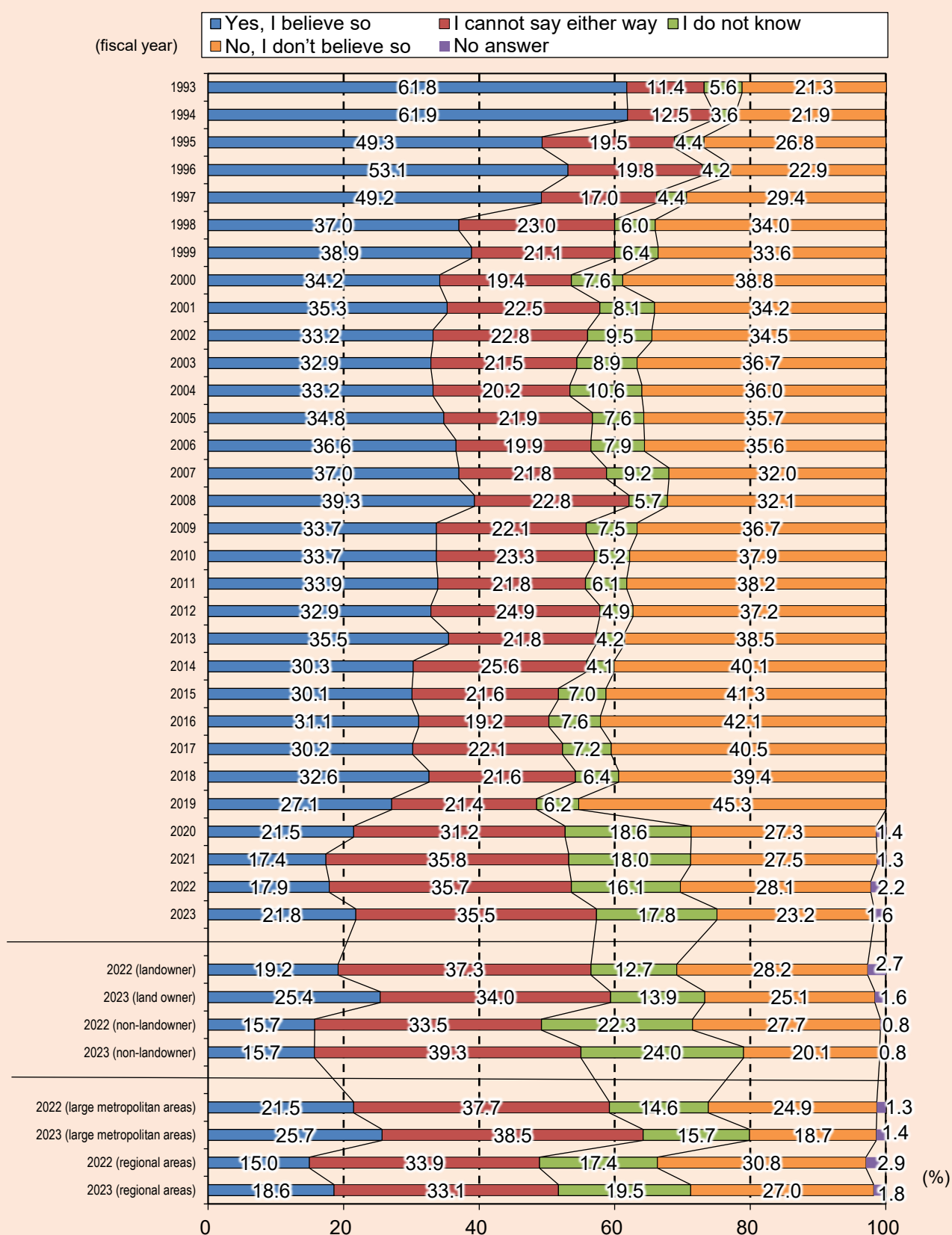
The Public Awareness Survey on Land Issues is conducted by MLIT every year. Due to the impact of the COVID-19 pandemic the 2020 survey was conducted using the postal method instead of the interview method that had been employed in the past. Also, from FY 2021, the survey method was expanded to accept online responses in addition to the postal method.

According to the FY 2023 survey, in response to the question "Do you think land is a profitable asset compared with deposits/savings or stocks?," 21.8% of respondents answered "Yes," 23.2% of those answered "No," and 35.5% of those answered "No opinion." Since the 2009 survey, the percentage of "No" responses has continued to surpass the percentage of "Yes" responses.

Of these responses, 25.4% of respondents who owned land answered "Yes," while 15.7% of those who did not own land answered "Yes," showing that the percentage of respondents who answered "Yes" was higher among landowners. By metropolitan area, 25.7% of respondents living in metropolitan areas answered "Yes," while 18.6% of those living in regional areas answered so, showing that the percentage is higher in metropolitan areas than in regional areas.

Figure

## Is land a profitable asset compared with deposits/savings or stocks?



Source: Public Awareness Survey on Land Issues, MLIT

Note: Large metropolitan areas: Tokyo, Osaka, and Nagoya

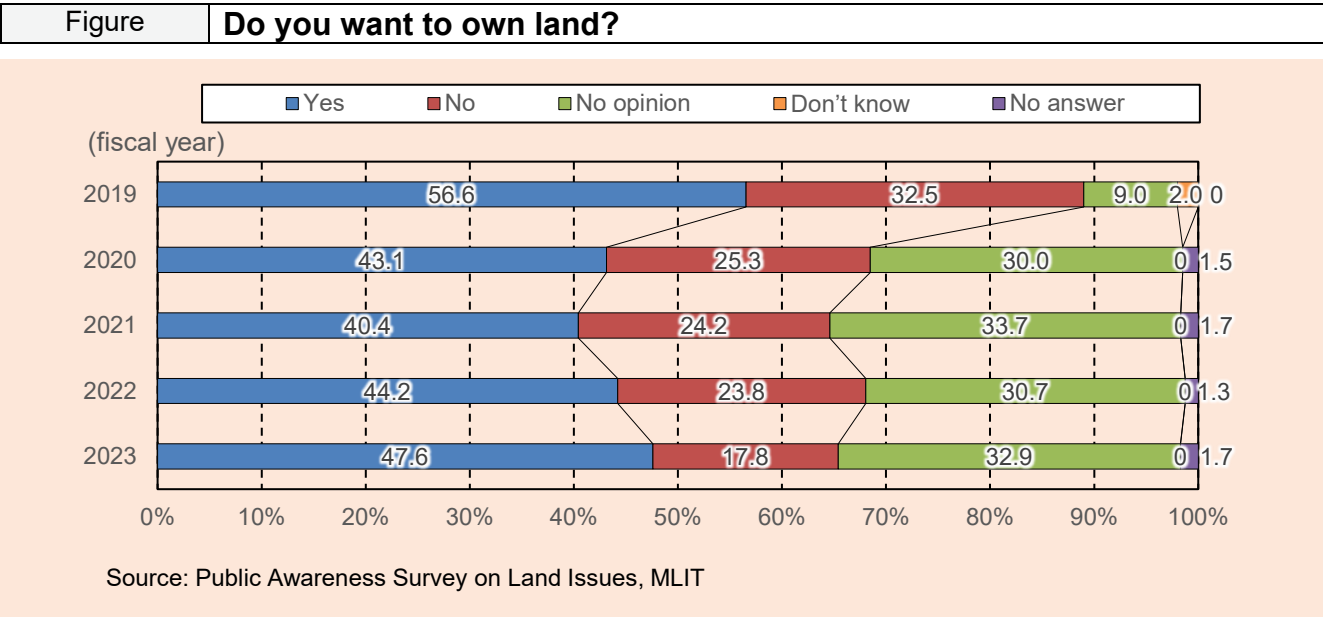
Tokyo area: Cities including existing cities and suburb improvement zones based on Metropolitan Area Improvement Act

Osaka area: Cities including existing cities and suburb improvement zones based on Kinki Area Improvement Act

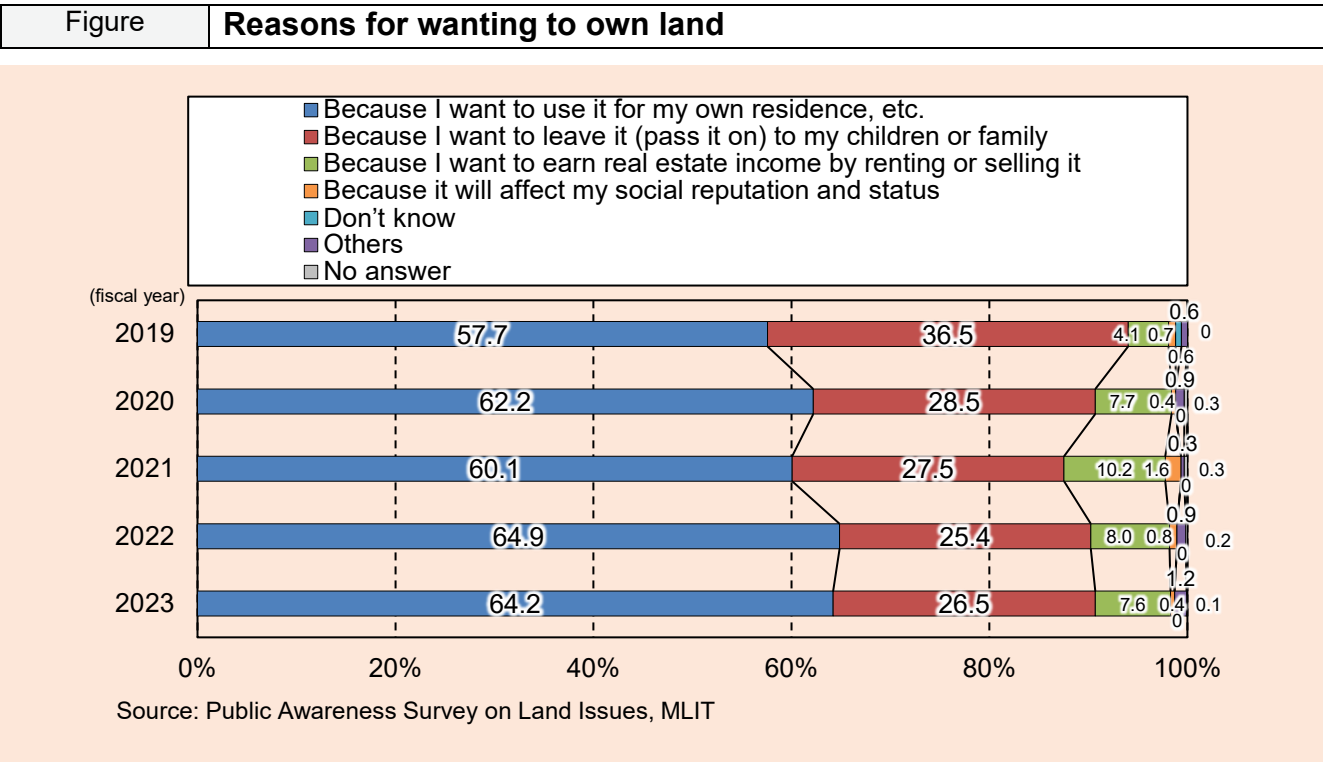
Nagoya area: Cities including urban improvement areas based on Chubu Area Development and Improvement Act

Regional area: Cities other than large metropolitan areas

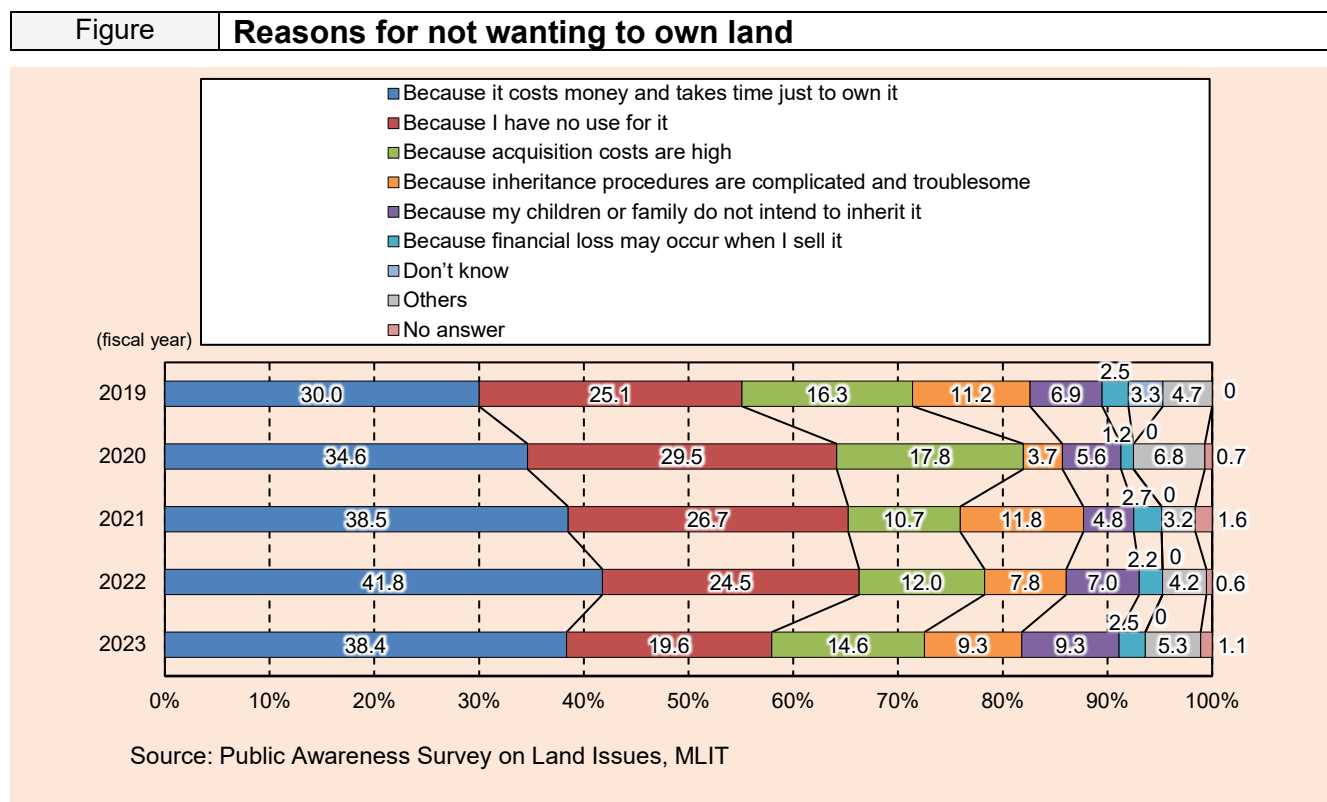
In response to the question "Do you want to own land?" 47.6% of respondents answered "Yes," while 17.8% answered "No." Also, 32.9% answered "No Opinion."



Asked why "I want to own land," the highest percentage of respondents (64.2%) answered "I want to use it for my own residence, etc.," followed by "I want to leave it (pass it on) to my children or family" (26.5%).



In addition, asked why "I don't want to own land," the highest percentage of respondents (38.4%) answered "Because it costs money and takes time just to own it," followed by "Because I have no use for it" (19.6%).





## Section 7: Initiatives toward Sustainable Land Use and Management

Japan has already become a full-scale depopulating society, and population decline has been accelerating centered on the regional areas. In particular, a decrease in the youthful population and productive-age population, an increase in the elderly population, and the regionally uneven distribution of the population have been progressing. Such demographic changes have a significant impact on not only the decrease in demand for land but also land use and management.

The primary theme of the land policy has shifted from a large supply of housing land to countermeasures for speculative transactions/soaring land prices, control of excessive use, and proper management. In recent years, insufficient management of land, abandonment of housing land, and the associated occurrence of external diseconomy have come to the surface as policy issues.

With respect to the countermeasures for vacant houses and countermeasures for owner-unknown land, although a certain outcome on the progress of the policy and the establishment of the system has been achieved, how the specific initiatives targeting land as a whole, such as vacant houses, should be proceeded has become an issue.

Also, under the policy system centered on the conversion into housing land on the past premise of the population increase and the expansion of economy, “Housing land” has been the final utilization form of land, which is, in fact, irreversible, and while underuse of land has become an issue, a policy shift has been demanded.

On the background to the decrease in demand for land, with respect to land, which has become vacant land, managing it by people, instead of leaving it as it is, is important in maintaining and continuing the residential measures in the community. Therefore, by developing vacant land into squares, green spaces, and disaster-prevention open spaces and by the community utilizing them, initiatives to facilitate the local community formation and the initiatives for local governments to provide support for the integration of adjacent land and the communal utilization of vacant land have been implemented.

By devising land utilization measures, creating bustle is also important for revitalization of the community. Therefore, initiatives to reorganize vacant land and vacant houses that have been compositely occurring and to develop hub facilities for tourism and the community, as well as the initiatives to utilize unused forests and to develop facilities that have the function as the green infrastructure have been implemented.

In the hilly and mountain areas, responding to the declined land management level is important. Therefore, initiatives of the National Land Management Concept to prioritize national land management, as well as the initiatives toward the prevention and resolution of the occurrence of deserted agricultural land by conservation, including extensive management through discussions involving the entire community, have been implemented.

In order to smoothly proceed with the initiatives for such land utilization and management, funding, development of the information infrastructure, and development of specialized human resources will be required. Therefore, initiatives to raise funds by issuing Green Bonds for businesses for sustainable management of natural resources and land use, initiatives to develop information infrastructure using big data that will contribute to land utilization, and initiatives for human resource development by implementing seminars to learn expertise and by cooperating with experts have been implemented.

As land utilization and management have issues according to the characteristics of the community, it is necessary to proceed with the initiatives toward the formation of a sustainable local community by the persons concerned cooperating for the respective issues.

## 1. Effective Utilization of Vacant Land in Communities

### (1) Utilization of Vacant Land as Squares and Green Spaces

As the direction of utilization of vacant land in an urban area, there are various directions, but the use as precious open spaces in residential areas is considered first. By maintaining greenery in a good condition, such as agricultural use, functions as the conservation of biodiversity, mitigation of the heat-island phenomenon, and the green infrastructure, such as rainwater infiltration can be achieved. By utilizing open spaces as community spaces where local residents and related population can gather, value improvement of the entire community can be expected.

In fact, cases of utilization as the local community spaces, regardless of private land or public land, can be confirmed.

#### (i) Kashiniwa System (Kashiwa City, Chiba Prefecture)

The Kashiniwa System is “Kashiwa no Niwa (Kashiwa’s garden)” and refers to the shared garden in the community. The system is to increase gardens where everyone can enjoy and turn the entire city into a garden.

The Kashiniwa System consists of two pillars that are the Kashiniwa Information Bank and Kashiniwa Open to the Public.

The Kashiniwa Information Bank is to consolidate information on the landowners who would like to lease land, citizens’ groups who would like to use it, companies that would like to support activities, and by matching their respective needs, create new public spaces alternative to parks. For those engaged in activities who make an application, a general incorporated foundation Kashiwashi Midori no Kikin offers a subsidy. For lenders of land, there is an advantage of entrusting land maintenance and management within the scope of an agreement with the person engaged in activities.

Also, Kashiniwa Open to the Public is the system to register personal gardens, woodlands, and vacant land in the city to be able to be opened to the public as open gardens or gardens in the community where everyone can use. Kashiniwa Festa wherein Kashiniwas in the city are opened to the public all together is held every year and creates an opportunity for the citizens to deepen exchanges while enjoying through the visit to and use gardens in the community.

#### (ii) Kanadokoro (Kawasaki City)

Kanadokoro is an improved square by the joint research project of a private university and Kawasaki City for the purposes of viewing vacant land, which is expected to increase or become normalized as Kawasaki City’s resource toward the building of a society in harmony with nature, developing technology to design vacant land as the green infrastructure, which can be utilized by the citizens, and contributing to the local community.

To make it as the “Square developed by the community,” local resident participation-type initiatives were implemented in the opening event, such as covering the entire square with the planting of trees and creating parks, painting the wood decks, and making benches. After that, while promoting an understanding of management and operation, as well as building a relationship of trust by establishing a space, which would become a playground for local children, such as swales (the planted area on the retaining wall side), periodic holding of a market, and transmitting information using social networks and bulletin boards, further use by the local residents has been encouraged, leading to the revitalization of the local community.

With respect to daily management, in addition to the local residents managing the vegetable garden, the structure and method that students from the university laboratory make responses once a week

have been established, and the operation has been streamlined. As for repairing in the tangible aspect, they have been devising ways that do not require a large amount of funds for activities, such as making responses little by little with DIY in the daily management work. Also, with respect to the events, such as workshops utilizing the vegetable garden, a market, and labor saving concerning operational burden has been ensured by rationalizing the scale.

## (2) Integration of Adjacent Land and Communal Utilization of Vacant Land through Support of Local Governments

With respect to vacant houses and vacant land of which the owners do not have an intention to use, on the basis of “Encouraging the sale, rent, communal use of usable vacant houses and vacant land, demolish useless vacant houses, and encourage the utilization of land,” Kobe City considers that providing support for decision-making, such as utilization and disposal, early by presenting specific options is important, and while cooperating with experts, private companies, and groups who have know-how, the city is aimed at encouraging the updating of the city and creating vitality through the proper use and management of vacant houses and vacant land to realize a safe and secure city and create a good living environment.

As the measures concerning vacant land, subsidization for the integration of adjacent land, a bank to use vacant houses and vacant land in communities, and the development of disaster-prevention open spaces in the city have been implemented.

Subsidization for the integration of adjacent land is to subsidize the cost required for integration when integrating adjoining lands and using it as a unit in order to promote the resolution of vacant houses and vacant land by integrating small land (less than 100 m<sup>2</sup>), which is difficult to distribute alone, or land that does not abut the road with adjacent land.

As a subsidy for a buyer, brokerage commission to a real estate broker, the cost for registration for the transfer of ownership, the cost for a survey and clear indication, and registration necessary for land consolidation are the expenses subject to subsidization, and as a subsidy for a seller, the brokerage commission to a real estate broker and the cost for a survey and clear indication, and registration necessary for the sale are the expenses subject to subsidization, and the upper limit of the subsidy is 500,000 yen.

This system has been used for 69 cases from October 2018 when the system began to December 2023.

Also, with respect to the bank to use vacant houses and vacant land in communities, information provided from “Owners of vacant houses who have agreed on using the houses for communal activities” and “Groups who wish to utilize the vacant houses for an exchange hub in the community or public-interest activities” are disclosed on a website and at the counter, opportunities to introduce (match) both parties are created, and support for the initial cost and development cost is provided. These houses or land cannot be used for residential purposes or for profit.

This system has been used in 24 cases from October 2018 to December 2023, such as vacant land that had not been properly managed was developed as a vegetable garden managed by a local group.

### (3) Utilization of Abandoned School Buildings and Sites

With the decrease in the number of pupils and students associated with the low birthrate, approximately 450 abandoned school facilities have occurred, and approximately 80% of the currently existing abandoned school facilities have been utilized for various purposes.

The Ministry of Education, Culture, Sports, Science and Technology launched “~Leading to the Future~ Everyone’s Abandoned School Project” to promote the utilization of such abandoned school facilities and the initiatives to create a collection of cases of utilizing abandoned schools and disclose it on a website.

For example, in Kyonan Town, Chiba Prefecture, the former Hota Elementary School is utilized as the first roadside station in Japan for which the name of “Elementary School” was used. The cumulative number of customers in the entire facility from the opening in December 2015 to fiscal 2022 was approximately 1.9 million, which was the number of persons who passed the cash registers. Also, cumulative sales in the entire facility until FY 2022 were 3.96 billion yen, which was equivalent to approximately three times larger than the 1.3 billion yen, which was the amount paid for the construction project. The station has become a place for job creation and revitalization of the regional economy and produces effects as the facility that plays a prominent role.

In Izumo City, Shimane Prefecture, a fish tank was installed in the martial arts gym of the former Hikari Junior High School, which has been utilized as an on-land thread-sail filefish farming facility. By conducting the on-land closed recirculating aquaculture system that circulates artificial seawater while purifying it using a filtration system, there are advantages, such as less environmental burden than seawater culture and no parasites in the fish. The gymnasium arena, which is located on the upper floor of the martial arts gym, is a designated evacuation center, and at the time of a disaster, the installed power generator can be used for charging evacuees’ mobile phones, which is helpful for local citizens.

Furthermore, in Kunisaki City, Oita Prefecture, the school building part of the former Musashinishi Elementary School was renovated and has been utilized as a new base for the development and manufacturing of nondestructive testing equipment and by newly building and operating a factory at the ground site, securing of the place for making adjustments prior to shipment of large equipment and shortening of processes have been achieved. These initiatives are advantageous for both sides because customer trust in the company has improved, and the city has been able to achieve regional revitalization by the industrial development and promotion of settlement.

By abandoned schools being actively utilized like these, not only the short-term effects, such as reduction of the maintenance cost and public facility maintenance cost but also the effects of maintenance and revitalization of the local community and industrial development are expected.

Figure	<b>Cases of Utilizing Abandoned Elementary Schools</b>
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[Urban exchange facility/roadside station: Hota Elementary School]		[Kunisaki Business Office, KJTD Co., Ltd.]	
			
Source: (Left) Kyoritsu Solutions Co., Ltd. PKP East Japan Division, Urban exchange facility/roadside station Hota Elementary School		(Right) Kunisaki Business Office, KJTD Co., Ltd.	

## 2. Creation of Bustle Utilizing Land

### (1) Integrated and Comprehensive Promotion of the Countermeasures for Vacant Houses and Owner-Unknown Land

Integrally putting effort into the countermeasures for vacant houses and owner-unknown land is effective in maintaining regional functions and communities, as well as revitalizing economy. On the occasion of the submission of the Bill to Partially Amend the Act on Special Measures Concerning the Promotion of Countermeasures for Vacant Houses, etc. (decided by the Cabinet on March 3, 2023) to the regular Diet session, the Integral and Comprehensive Promotion of the Countermeasures for Vacant Houses and Countermeasures for Owner-Unknown Land, etc. (Policy package) was put together.

#### (i) Plan/structure

By integrally formulating the countermeasures for vacant houses and the countermeasures for owner-unknown land, it is expected that the sharing of the present status and issues concerning vacant houses and owner-unknown land with consideration of the response policy within the Administrative Department will be encouraged, and the countermeasures for vacant houses and the countermeasures for owner-unknown land will be promoted in a cooperative and effective manner.

#### (ii) Search for owners

Related information, such as the owners of vacant houses, for countermeasures for vacant houses under Article 10 of the Act on Special Measures for Promoting Countermeasures against Vacant Houses, etc. (Act No. 127 of 2014; hereinafter referred to as the “Vacant House Act”) and related information, such as landowners, for land utilization and management under Article 43 of the Act on Special Measures for the Facilitation of Use of User-Unknown Land (Act No. 49 of 2018; hereinafter referred to as the “Owner-Unknown Land Act”) can be internally used, respectively, for a purpose other than the purpose of holding, such as the imposition of the fixed property tax, and as the landowner-related information held by the department and agency in charge of vacant houses can be used by the department and agency in charge of land, the search for landowners is expected to become more efficient.

#### (iii) Utilization

If an inherited vacant house is transferred and if a buyer did the seismic reinforcement work/removal after being transferred in order to prevent vacant houses from occurring and encourage early utilization, and if the transferred land is 5 million yen or less (8 million yen or less in a district of a local government that made the owner-unknown land countermeasure plan), treatment to deduct the transfer income has been established. In the Vacant House Act amended in 2023, the vacant house utilization promotion district system has been established and measures, such as the rationalization of the adjacent road regulations and use application regulations, can be taken.

#### (iv) Appropriate management and disposal

In the Vacant House Act, if it is necessary for appropriate management of a vacant house, it has become possible for the mayor of a municipality to file a claim for appointment of an administrative person to the court in the absentee property management system, the inherited property liquidation system, the owner-unknown building management system, and the insufficiently managed land and building management system. On the other hand, in the Owner-Unknown Land Act, the mayor of a municipality can file a claim for the order for owner-unknown land management and the order for insufficiently managed land management concerning owner-unknown land to the court. Based on these systems, with respect to a building on the land concerning the claim of the orders above under the Owner-Unknown Land Act, when it is found to be necessary for appropriate management, concurrently by claiming the order for

management of the insufficiently managed building (limited to insufficiently managed houses or the specified vacant houses etc.) or the order for management of the owner-unknown building as well under the Vacant House Act, insufficiently managed vacant houses and owner-unknown land in the community can be addressed efficiently.

(v) Support for local governments and owners

Both countermeasures are supported by the project to comprehensively support vacant houses and the subsidy for the project on countermeasures for owner-unknown land.

The Ministry of Land, Infrastructure, Transport and Tourism has established the unified consultation desks for local governments in the regional development bureau and has been giving recommendations for the promotion of countermeasures through the utilization of the systems above.

The Ministry of Justice has been cooperating and proceeding with the countermeasures for owner-unknown land, such as making it obligatory to apply for inheritance registration, which came into effect on April 1, 2024, making it obligatory to apply for address change registration, which will come into effect on April 1, 2026.



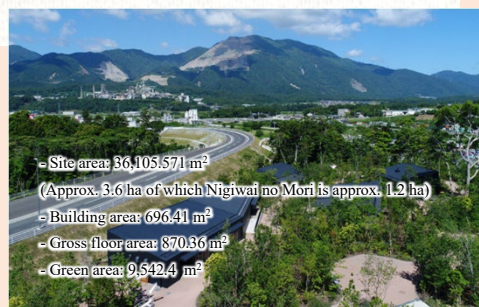
## (2) Turning Unused Deserted Forest into an Open Space (Nigiwai no Mori)

Nigiwai no Mori (bustling forest) used to be a deserted forest (a grove of mixed trees), but Inabe City in Mie Prefecture bought and developed it as a green space along with the development of the city hall building while making use of the existing trees. A commercial facility was developed on the premises, and while taking advantage of the existing natural environment, it forms good design that the facility is located in the green space.

Furthermore, Nigiwai no Mori is characterized by not only being a commercial facility for attracting customers but also functioning as a base for town development and human development, such as agriculture promotion, promotion of occupations/engagement in agriculture, commerce/tourism promotion, and the promotion of civic collaborations. In fact, events have been held by cooperating with various groups, such as local junior high school/high school students, and business operators in the city, and it has been used as a base for communal activities.

Operation of the facility is implemented by the general incorporated association Green Creative Inabe (the deputy mayor is the representative director, and a total of twelve staff members of which three staff members were dispatched from the government, and eight staff members were recruited from those who are not affiliated with the government [as of November 2023]), which was established as a 100%-owned company of the city. This company's primary business is commissioned business from the government, and while being a contact desk for the public-private partnership, they assume public facility management and operation, as well as the promotion operation, and coordinate the use of the facility by local companies and groups and run a select shop.

The effect measurement has been conducted for Nigiwai no Mori as a green infrastructure in the "Support for the Pioneering Green Infrastructure Model Formation" and the following have been confirmed: (1) the disaster-prevention/reduction function by the rain water storage and the reduction of the deserted forest area; (2) the environment conservation function, such as the carbon dioxide (CO<sub>2</sub>) absorption and the improvement of comfortableness; and (3) the regional development function, such as attracting customers from outside the city, promoting migration within the city.



Source: Inabe City, Mie Prefecture

### (3) Urban Function/Resident Induction by the Proper Location Planning

Based on the “Town, People, and Work Creation Comprehensive Strategy” (decided by the Cabinet on December 27, 2014), the government has established the Compact City Formation Support Team (team leader: the Ministry of Land, Infrastructure, Transport and Tourism), which consists of relevant ministries and agencies, and while utilizing the proper location planning system, it has been providing support for municipal initiatives to proceed with the compact town development in a cross ministry and agency manner.

The Proper Location Planning is to induce residence and various urban functions, such as medical care, welfare, childcare support, commerce and has been utilized as a new option for developing a compact town. As of December 31, 2023, 537 cities have prepared and released the Proper Location Planning, and the Ministry of Land, Infrastructure, Transport and Tourism has put together these initiatives as a collection of cases.

For example, to maintain the population density within the residential induction area, Takaoka City in Toyama Prefecture subsidizes housing acquisition by the UIJ-turn families, families with small children, newly married families, and Ono City in Fukui Prefecture has enhanced the downtown living promotion, such as consolidating four housing complexes located outside the residential induction area into two housing complexes within the residential induction area. Furthermore, Mutsu City in Aomori Prefecture has been proceeding with initiatives to control development in the suburban areas by setting the Residential Adjustment Area in the areas surrounding the use districts receiving development pressure, and Ube City in Yamaguchi Prefecture has been ensuring disaster prevention/reduction by excluding the assumed flooding areas from the residential induction areas.

Also, in order to create bustling activities in the downtown, Matsumoto City in Nagano Prefecture abolished part of the municipal parking lots in the hub area and developed a core museum that consolidated storage facilities scattered within the city, including merged communities. Takaoka City in Toyama Prefecture has been supporting those who wish to start a business in vacant stores and vacant land in the city center and has been promoting the effective utilization of underutilized real estate and vacant land, such as subsidizing the acquisition of adjacent land in the city center. Furthermore in Mutsu City in Aomori Prefecture, the Special Use Restriction District was set in the entire area outside an urban planning zone and has restricted the location of a store, which is 500 m<sup>2</sup> or more, and Wakayama City in Wakayama Prefecture abolished the ordinance (the Design System for Collective 50 Buildings) in Item 11 of Article 34 of the City Planning Act (Act No. 100 of 1968).

In the future, by proceeding with the idea of the Compact Plus Network to put effort into the formation of the life service functions, residential induction, and public transportation network by collaborating with each other, the securing of healthy and comfortable livelihoods, making it an attractive town even for the young adult segment and families with small children, making it possible to conduct sustainable city management in the aspects of finance and economy, and promoting disaster-resistant town development are expected.

### 3. Response to the Decline in the Land Management Level

#### (1) Promotion of Appropriate National Land Management in Depopulation Society

Japan is in the stage of becoming a depopulation society, and with the decreased demand for land, there have been growing concerns about the decline in the national land management level and an increase in inefficient land use. Toward the formation of sustainable national land, it is imperative that ways to appropriately manage national land under a declining population should be built, and initiatives to prevent devastation of national land should be promoted.

As one of these initiatives, in light of the discussions in the National Land Management Expert Committee of the Planning and Promotion Subcommittee of the National Land Council, the Ministry of Land, Infrastructure, Transport and Tourism put together the National Land Management Concept in June 2021. The National Land Management Concept indicates how to appropriately manage national land under a declining population in a cross-sectoral and integrated manner, which is the guiding principle of national land not only in the State but also in prefectures, municipalities, and communities.

In the National Land Management Concept, under the idea that, in light of all land, it is difficult to invest labor and costs the same as before under a declining population; a grasp of the current circumstances and future prospects concerning population; land management conditions at each level of prefectures, municipalities, and communities; and formulation of the management concept in which the future vision, the way land management ought to be, and necessary initiatives were incorporated, and the decision was made to promote such policies. In formulating the management concept, it is characterized by land to be preferentially maintained and the way such land is managed will be mapped as the Management Conception Picture. In particular, it is expected that practical initiatives in municipalities and communities with a focus on the hilly and mountainous areas, as well as the margins of cities where depopulation and the aging of society has been progressing and issues concerning national land management has become serious, will progress.

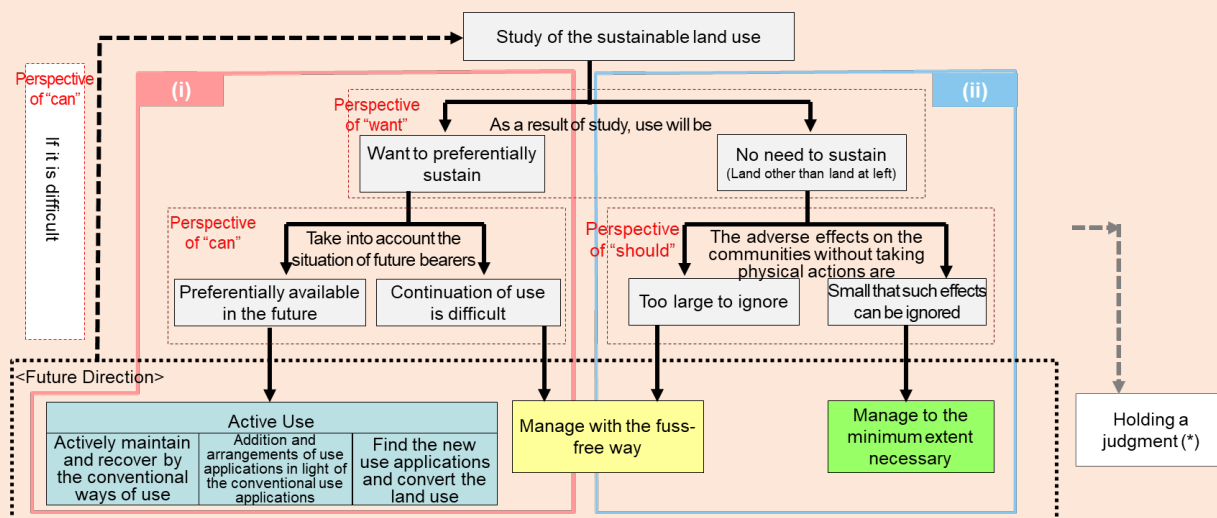
In specifically studying the management concept, since it is important to not only think about land use and management but also integrally think about them as issues of the communities, such as the maintenance of the living environment, revitalization of communities, in studying the management concept in communities, it has been decided that residents within the community have discussions and study/share resources, issues, the future vision, specific initiatives in the community.

Also, in studying the prioritization of land to maintain and the land management method, in light of land that should be preferentially maintained but where it is difficult to continue to manage in the future given the situation of bearers, it is important to study management (extensive management) as the fuss-free way. As specific cases of extensive management, for example, in agricultural land, there are various methods, such as mowing using a self-propelled grass mower, in addition to grazing and growing bee plants, and selecting an appropriate method based on the characteristics of the community or where the land is considered preferable.

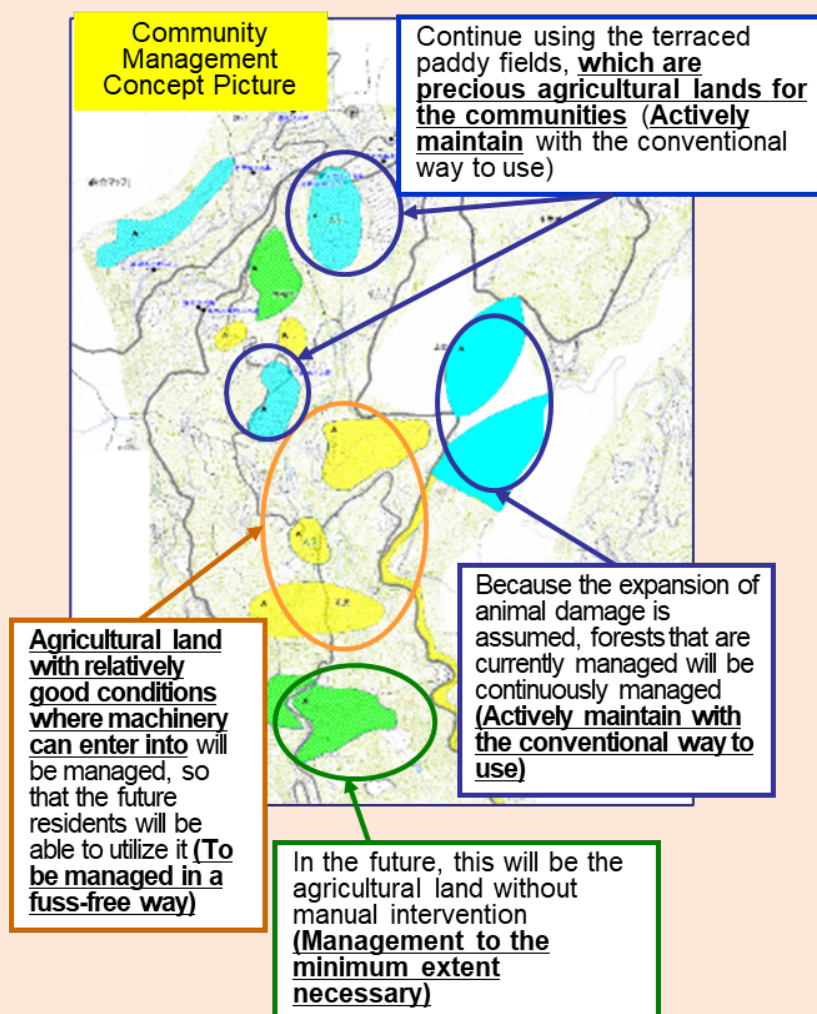
In the Sixth National Land Use Plan (National Plan) (decided by the Cabinet on July 28, 2023), this management concept will be promoted nationwide. The Ministry of Land, Infrastructure, Transport and Tourism has been promoting the formulation of the management concept through the implementation of model formation surveys, holding of human resource development training, preparation of a guide, and transmission of information on the Portal Site for the National Land Management Concept, and so far, two cases of the municipal management concept (Toei Town in Aichi Prefecture and Ukiha City in Fukuoka Prefecture) and two cases of the communal management concept (Tamugino District in Tendo City,

Yamagata Prefecture and Iori Area in Nakajo District in Nagano City, Nagano Prefecture) have been formulated (as of March 2024).

Figure	<p><b>(Up) Flowchart of the Study of Sustainable Land Use and Management/</b></p> <p><b>(Down) Example of the Management Concept Picture</b></p>
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(\*) There may be land for which a judgment will be put on hold, such as whether or not continued use is possible and the way to use cannot be judged at the stage of studying the future direction. The government does not necessarily need to classify all lands. Regarding the lands for which judgments are put on hold, the current land use and management situations will be maintained at the moment.



Source: MLIT

## (2) Initiatives for the Prevention and Resolution of the Occurrence of Deserted Agricultural Land

As the circumstances surrounding agriculture in Japan, generations aged 60 or older account for over 50% of agricultural workers, and as they age and retire in the future, there are concerns over the further weakening of the agricultural production base without the appropriate inheritance of management resources, such as agricultural land and agricultural techniques. Also, the agricultural population has been decreasing in the hilly and mountainous areas where the aging of population has been progressing, and there are concerns over the difficulty in maintaining not only agricultural production but also the local communities.

While the agricultural land area in Japan expanded by approximately 1.14 million ha through the development of land for agricultural use and reclamation in the half century from 1961 to 2023 as approximately 2.93 million ha of agricultural land was ruined because of the conversion into industrial land, roads, and housing land, the area has decreased from 6.086 million ha to 4.297 million ha. In order to secure the stable supply of food and demonstration of multifaceted functions, agricultural land, which is the base for domestic agriculture, must be secured in the future.

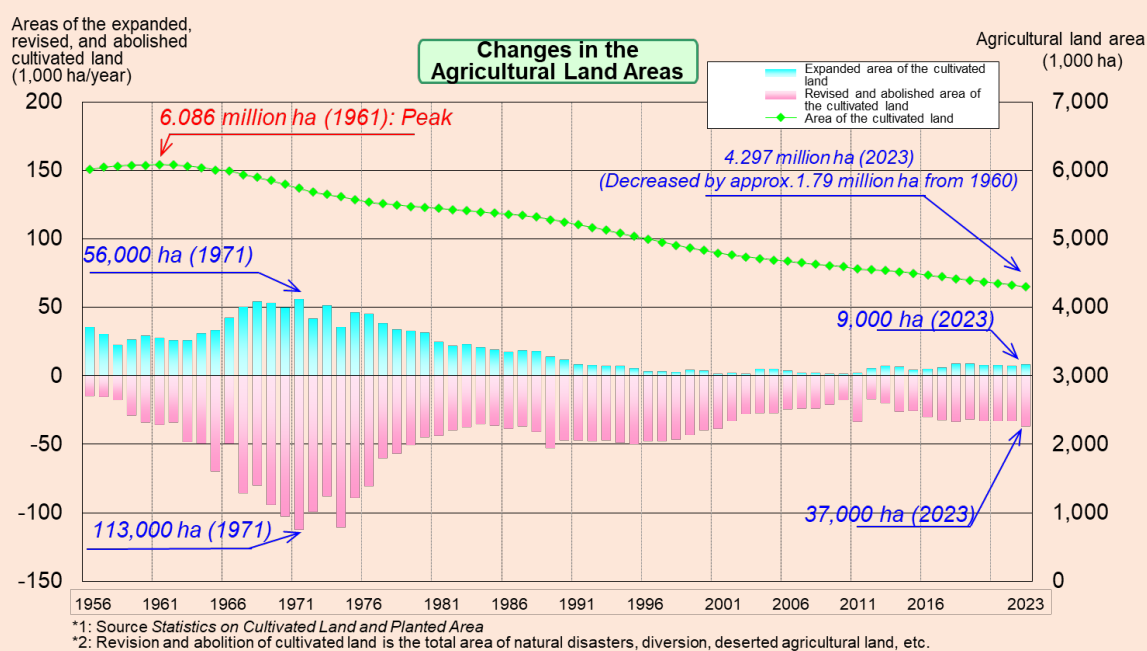
The main factors in the decrease in the agricultural land area are the devastation of agricultural land and conversion into nonagricultural use where deserted agricultural land area had been on an increasing trend in and after 2013 and peaked in 2017, but has stayed at around 14,000 ha since 2018. In order to proceed with the securing and effective use of prime agricultural land, it is necessary to conduct the appropriate operation of the agricultural land system and promote the prevention and resolution of the occurrence of deserted agricultural land.

With respect to the causes of deserted agricultural land, according to the results of the questionnaire survey conducted with municipalities, as the factors focused on the land conditions, the percentage of “Natural conditions are bad, such as areas in the mountains, paddy fields at valley bottom” was the highest, and the percentage was high particularly in the hilly and mountainous areas. Also, as the factors focused on the agricultural landowners, the percentage of “Aging and illness” was the highest, followed by the percentage of “A labor shortage.” Other than the aforementioned, “Damage caused by wildlife” was also cited. With respect to the places where deserted agricultural land has been regenerated, while there are many cases in “Urban areas and areas around villages” and “Agricultural land where agricultural fields have already been developed,” there tends to be fewer cases of deserted agricultural land that had been regenerated in the mountainous areas.

In the Basic Plan for Food, Agriculture, and Rural Areas (decided by the Cabinet on March 31, 2020), from the perspective of the prevention and resolution of deserted agricultural land, the following have been decided: (1) promotion of discussions on the future agricultural land use in communities and villages utilizing the multifunctional payment system and the system of direct payments for hilly and mountainous areas and support for joint activities; (2) reduction of damage to agricultural crops by the countermeasures for damage caused by wildlife; (3) promotion of integration and consolidation of agricultural land by the cropland intermediary management project; and (4) effective utilization of infrastructure development. In conjunction with this, in order to effectively and sustainably proceed with the countermeasures for deserted agricultural land in a strategic manner, the decision has been made to study the methods in order to efficiently understand the circumstances of agricultural land; to survey and analyze the causes and areas of occurrence of deserted agricultural land and the resolution status; to comprehensively study the measures to use diverse agricultural land, such as organic agriculture, grazing, forage production and the way the mechanism to implement them ought to be by establishing the Ideal Agricultural Policy and Land Use Project; and to implement the necessary measures.

Figure

## Changes in floor area of agricultural lands



Source: MAFF



#### 4. The Foundation that Supports Land Use and Management

##### (1) Finance toward the Land Utilization

When utilizing land, financing will be important, and as the case that the system has been established, the Green Bond has been drawing attention. The Green Bond is issued by companies and local governments, and specifically, it is a bond that (1) use of the procurement fund is limited to a green project, (2) the procurement fund is surely tracked, and (3) transparency of the aforementioned has been secured through reporting after issuance.

As a green project, a project for renewable energy; project for energy saving; project for prevention and management of pollution; project for sustainable management of natural resources and land use; project for biodiversity; project for clean transportation; project for sustainable water resource management; project for adaptation of climate change; project for products, manufacturing technologies and processes, and environment-conscious products that correspond to circular economy; and a project for green buildings have been cited.

As the issuers of the Green Bond, the following are assumed: (1) general business operators that procures the fund for the green project to be implemented by themselves, (2) financial institutions that procure funds for investments in and finance loans for green projects, and (3) local governments that procure funds for green projects.

Also, as the investment actors for the Green Bond, the following are assumed: (1) institutional investors who have expressed their intention to make ESG investments, such as a pension fund, insurance companies; (2) management institutions entrusted with management of ESG investments; and (3) private investors who are interested in the use of funds and would like to make investments.

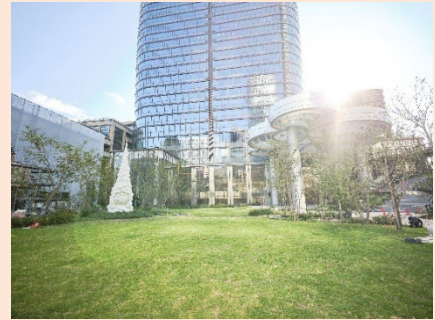
Advantages of issuing Green Bonds are as follows: (1) sophistication of sustainability management; (2) acquisition of social support through the appeal of activeness concerning the promotion of a green project; (3) enhancement of the financing foundation by building relationships with new investors; and (4) possibility of financing with relatively favorable conditions, and various actors, such as local governments, financial institutions in the communities, private business operators, related entities are in cooperation with each other and proceed with the initiatives.

For example, Osaka City has appropriated the Green Bonds to the town development (Project to Develop the Disaster-Prevention Park Block in the Ofuka Town District) in the Umekita Second Phase Area to develop approximately 4.5 ha of an urban park on the site of the cargo yard in front of Osaka Station. In this district, construction work has started on a full scale in May 2022 with the aim of advanced opening of the park in September 2024 and opening of the entire park around the spring of 2027, which falls under a large-scale urban greening that adopted the idea of green infrastructure technologies and is an initiative that will contribute to the enhancement of disaster prevention and reduction, countermeasures for heat, water resource circulation, restoration of the natural landscape, and formation of the ecological network.

Mori Building Co., Ltd., has also appropriated the Green Bonds to Azabudai Hills. This district opened in 2023 and by greening the entire premises, including the roof of the low-rise part, by taking advantage of the landscape having differences in height, it realized approximately 2.4 ha of the green space, including approximately 6,000 m<sup>2</sup> of the central square, developed the landscape where water and green are connected, and created a place of rest and relaxation filled with nature.

Figure

**(Left) Town Development in the Umekita Second Phase Area / (Right) Azabudai Hills**



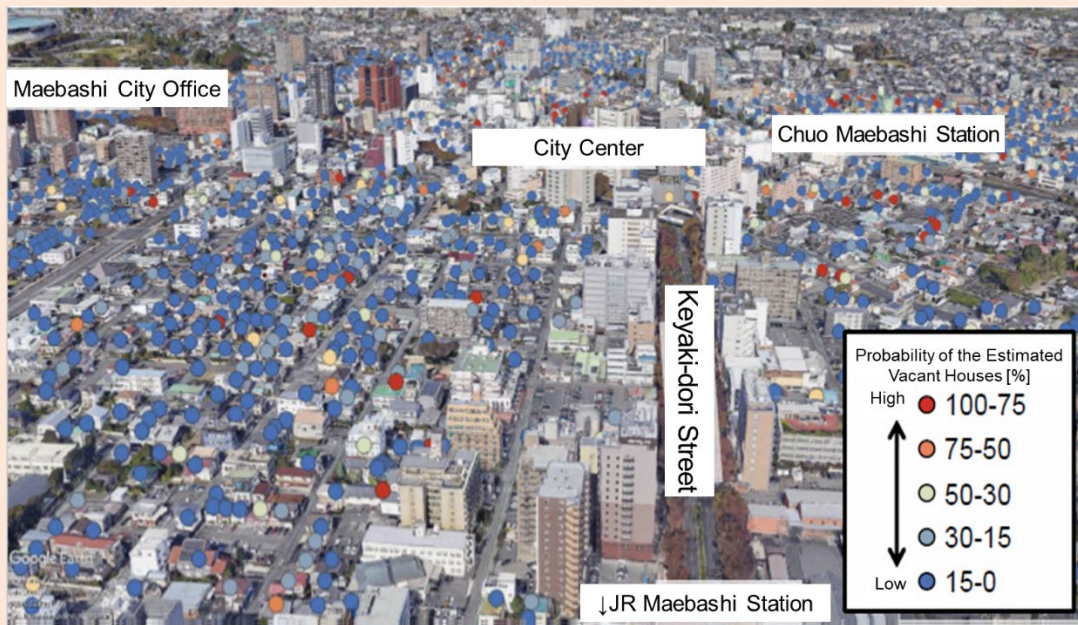
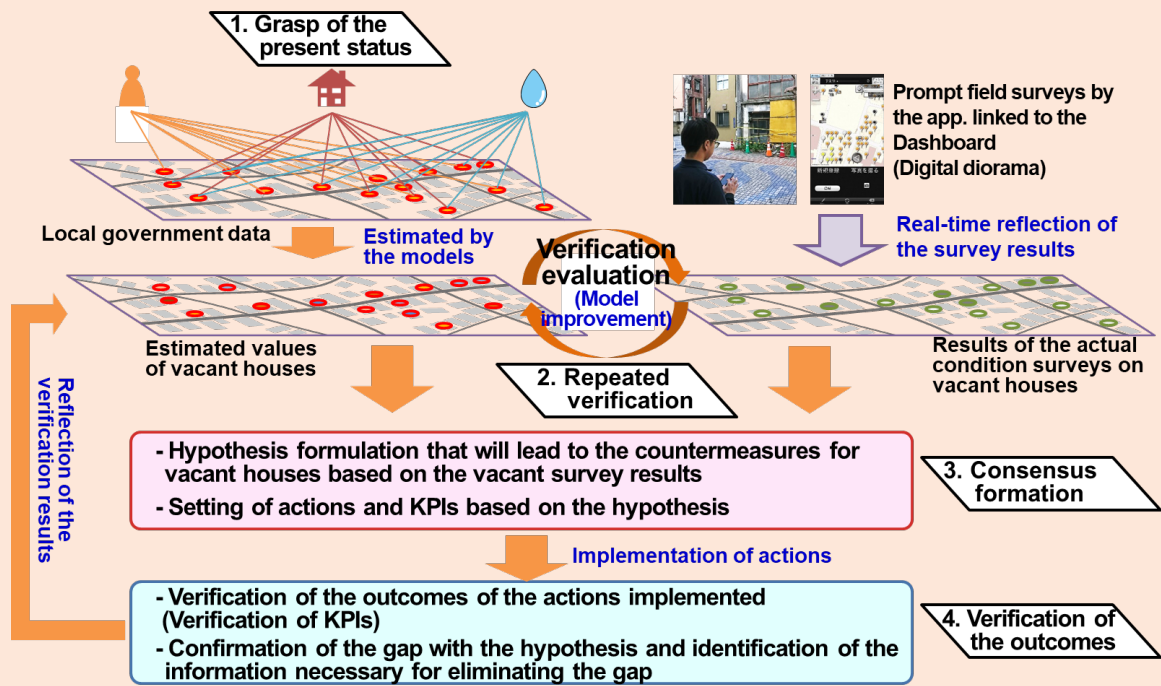
Source: (Left) Osaka City / (Right) Mori Building Co., Ltd.

## (2) Development of the Information Infrastructure of Land

Based on the Maebashi City Vacant House Countermeasure Plan, Maebashi City in Gunma Prefecture specified the prioritized districts and the most prioritized districts through the three-year actual condition survey in order to understand the trends in the number of vacant houses. As for the most prioritized districts, while the decision was made to conduct surveys over a short period of time, toward the sustainable implementation of the actual condition survey, issues in three aspects of the budget, time, and judgment have come to the surface.

Therefore, by utilizing the Basic Resident Register data, fixed asset tax rolls data, and closed data, such as water usage by the city and by estimating and visualizing the vacant house conditions, the city conducted a demonstration experiment of the actual condition survey system that could understand and estimate the conditions (improvement of the budget and time) and that could supplement survey staff members' judgments using big data (improvement of judgments) without outsourcing the actual condition survey. Accordingly, they found that there was the possibility of implementing effective and efficient surveys focusing only on buildings where they have trouble making judgments without visually confirming all buildings one by one and flexibly using the survey results according to the purposes.

Furthermore, by utilizing a drone and enhancing big data for use in making determinations, the possibility of grasping the current circumstances of the vacant house rate using AI was also confirmed.



Estimated Results of the Vacant House Rates

Source: Maebashi City, Gunma Prefecture

### (3) Development and Management of Specialized Human Resources Concerning Land Utilization and Management

To properly and rationally use and manage land, it is important to take into account natural, social, economic, and cultural conditions and local residents' opinions, in addition to the individual land conditions, and to cooperate with experts who have expertise in order to respond to complex rights relations and land use restrictions.

The Land Policy Promotion Coordination Council, which was established in 10 blocks nationwide and consists of the state, local governments, related professional associations, holds workshops and lecture sessions to disseminate various systems concerning land, implements practical courses that contribute to land utilization and management, responds to consultations, and provides know-how.

Under the Act Partially Amending the Civil Code and Related Acts (Act No. 24 of 2021), part of the Immovable Property Registration Act (Act No. 123 of 2004) was amended, which made it obligatory to apply for inheritance registration, and countermeasures for reducing the burden of registration procedures were implemented. Through the dissemination of these new systems, taking the opportunity to develop human resources who will put effort into various issues on land is also demanded.

In urban areas where worsening of the living environment has been progressing, such as hollowing-out because of the increase in vacant land triggered by inheritance, a number of narrow roads, and small housing, by utilizing underused or unused real estate through the matching of land, business coordination, and the building of an appropriate management system, it is necessary to promote the resolution of narrow roads, development of public spaces, and improve the living environment. Tsuruoka Land Bank, which is a specified nonprofit corporation in Tsuruoka City in Yamagata Prefecture, consists of experts in the community and administrative officers and builds the consultation system in the community and shares information on vacant houses and vacant land as a corporation promoting the smooth use of owner-unknown land while cooperating with the city. By taking on the functions of matching coordination for redistribution to the real estate market toward the utilization and management of land and management on behalf of owners, they aim for the vibrant town development.

On the other hand, a vacant land problem that comes to the surface frequently occurs in rural areas, and because these areas tend to have a shortage of experts compared to urban areas, initiatives toward the securing of bearers involved in land utilization and management, including the increase in related population, are required. For example, Tabayama Village in Yamanashi Prefecture has designated Umebachi Hudousan Co., Ltd., which was founded by a university student who migrated by taking the opportunity of a course at the university, as a corporation promoting the facilitation of owner-unknown land use and has been promoting initiatives for countermeasures for vacant houses and vacant land, such as conducting activities in cooperation toward the utilization of owner-unknown land and underused or unused land in the village.



Source: MLIT

## Part 2: Basic Measures Concerning Land in FY 2023

(omitted)

## Part 3: Basic Measures Concerning Land in FY 2024

### Chapter 1: Measures to Ensure Appropriate Land Use and Management

#### Section 1: Promotion of Proper Use of Land under Land Planning

- (1) Based on the Third National Land Spatial Strategy (National Plan), which was decided by the Cabinet in July 2023, while being based on the strategic perspective in national land development, such as the Formation of Regional Living Areas where Digital and Real Fuse Together, and National Land Use and Management under a Declining Population, the government will comprehensively put effort into the related initiatives through the mutual collaboration. Also, an interim report of the new Regional Plan will be released around winter of FY 2024.
- (2) Based on the Sixth National Land Use Plan (National Plan), which was decided by the Cabinet in July 2023, the necessary study of land use and national land management, as well as the plan, will be effectively promoted while utilizing various indices with Optimal National Land Use and Management to Realize the Interest in the Entire Community, Smart National Land Use and Management in Light of the Land's Original Disaster Risk, Securing of the Healthy Ecosystem Leading to National Land Use and Management, National Land Use and Management DX, and National Land Use and Management through the Participation of Diverse Actors and Public-Private Partnership being the basic policies.

In addition, the government will take necessary measures, such as surveys and provision of information, to modify prefectural and municipal plans based on the National Plan.

Moreover, based on the fact that the decline in the level of national land management under a declining population is positioned in the Sixth National Land Use Plan (National Plan) as a major issue to be addressed in the future, the government will promote efforts in municipalities and regions through model projects and seminars in accordance with the National Land Management Concept (June 2021), which indicates how to appropriately manage national land under a declining population and promote efforts in the national land use and management DX to ensure the efficiency and sophistication of national land use and management.

#### Section 2: Promoting the Appropriate Land Use in City Planning

- (1) It will continue to promote the appropriate use of the land use system, including the zoning system for urbanization zones and urbanization control zones; the regional district system, including use zones, special use zones, and specific use restricted zones, and zone planning system. In order to realize healthy and comfortable living for residents and sustainable urban management amidst a declining population and an aging society with fewer children, the government will also support municipalities in developing location optimization plans based on the Act on Special Measures concerning Urban Renaissance (Act No. 22 of 2002) to promote the formation of compact cities.
- (2) In accordance with the Act on Partial Revision of the Act on Special Measures concerning Urban Renaissance, etc. (Act No. 43 of 2020), to cope with natural disasters that are becoming more severe and more frequent, the government will promote appropriate land use in cooperation with disaster prevention measures by: (i) reducing the number of new locations in disaster-prone areas, (ii) promoting

relocation from disaster-prone areas, and (iii) promoting disaster prevention measures in the Habitation Encouragement Zones of the Location Optimization Plan.

- (3) The government will formulate a regional public transportation plan in conjunction with the Location Optimization Plan, implement projects related to the plan, promote the formation of a regional public transportation network led by local governments, and encourage appropriate land use guidance in conjunction with the compact cities policy.

### Section 3: Promotion of Regional Development and Urban Renewal

#### 1. Promotion of Regional Development

Based on the Comprehensive Strategy for the Digital Garden City State Initiative (2023 revised edition) approved by the Cabinet in December 2023, the government will accelerate digitalization in each region and realize the Digital Garden City State Initiative, which aims for bottom-up growth from the local to the national level.

#### 2. Promotion of Urban Renewal

For the Urgent Urban Renewal Areas designated (52 regions as of March 31, 2024) under the Act on Special Measures concerning Urban Renaissance, the government will promote the active utilization of various support measures in such areas as special provisions for urban planning, taxation for private urban development projects certified by the Minister of Land, Infrastructure, Transport and Tourism, as well as financial support by a general incorporated foundation Organization for Promoting Urban Development..

In addition, the government establishes and publicizes candidate areas for Urgent Urban Renewal Areas.

#### 3. Promotion of Utilization of the Know-how of Private Corporations

In order to promote Local PFI, which is a project bringing many advantages for local economic society, such as participation of local companies, expansion of transactions, creation of job opportunities, utilization of locally produced timber, development of local human resources, the Guide for Diverse Effects of the PPP/PFI Projects and a Collection of Cases will be utilized.

### Section 4: Promotion of Town Development and Enhancement of Disaster Resistance

#### 1. Promotion of Earthquake Countermeasures and Tsunami Countermeasures

Toward the reconstruction town development from the 2024 Noto Peninsula Earthquake, the government will provide support for plan development to be conducted by the affected local governments through the damage situation surveys and building of the support system.

#### 2. Promotion of Measures for Water-Related Disasters

- (1) Considering the recent increase in the severity and frequency of water-related disasters, the following measures will be implemented based on the concept of "river basin management," in which all stakeholders in a basin work together to implement flood control measures in the entire basin.

- (i) In accordance with the Act for Partial Revision of the Act on Countermeasures against Flood Damage of Specified Rivers Running Across Cities (Act No. 31, 2021, commonly known as the "River Basin Management Act") in FY 2021, the government will continue to strengthen river basin management plans and systems and promote measures to prevent flooding as much as possible, reduce the damage, and quickly restore and reconstruct the area.



(ii) In view of the frequent occurrence of torrential rains and the progress in the use of underground space to reduce flood damage in urban areas, the government will promote comprehensive flood control measures on a priority basis, targeting areas with histories of inundation or areas that are at risk of inundation damage of a specified scale. These measures include hardware improvements such as sewer trunk lines and stormwater storage and infiltration facilities; publication of inland water hazard maps and real-time rainfall information; soft measures by providing information on disasters such as water levels in sewer trunk lines; installation of watertight panels at entrances to underground malls, and efforts by residents themselves using disaster information.

In addition, the government will promote the designation of flood damage prevention zones by local governments, as well as encourage the construction of stormwater storage and infiltration facilities by the private sector, and promote measures to control runoff.

Furthermore, even in the event of a large-scale earthquake, assurances should be given that sewage systems perform their expected functions during an earthquake (i.e., toilet functions at disaster prevention centers and disinfection functions at sewage treatment plants), to reduce the impact on the health of residents and social activities. Aiming for these, the government will promote comprehensive earthquake response measures that combine "disaster prevention," (which includes earthquake-resistant pipeline facilities and water treatment facilities connecting disaster prevention centers and sewage treatment plants) and "disaster mitigation" (which minimizes damages in the event of a disaster).

(2) Regardless of the purpose or use of the land on which the embankment is to be conducted, to ensure the smooth operation of the Act on the Regulation of Housing Land Development (Act No. 191 of 1961), which comprehensively regulates dangerous fills under a uniform nationwide standard, in addition to the dissemination of the details of guidelines necessary for safety measures in order to designate regulated areas, the government will make efforts toward the prevention of disasters caused by fills, such as providing assistance and support, in other words, the necessary recommendations, information provision, concerning prompt designation of regulated areas, basic surveys to understand the existing fills, and safety measures against dangerous fills by the local government.

#### Section 5: Promotion of Use of Underused or Unused Land

- (1) By using special tax treatment measures for personal long-term capital gains when transferred underused or unused land, which was expanded by the tax system revision in FY 2023, transfer of more underused or unused land to those who try to use this shall be promoted.
- (2) Through the utilization and promotion of specified joint real estate ventures, the development of an environment supporting crowdfunding, restoration, of local idle real estate by using special tax treatment measures, for specified joint real estate ventures, the proper use and transactions of underused or unused land and real estate shall be promoted.

Also, through the utilization of voluntary funds that expect the development of specific areas and individual activities through crowdfunding, smooth financing shall be promoted for projects to restore local land and real estate.

#### Section 6: Utilization of Land Owned by the Public Sector

With the reform time schedule for the New Plan to Advance Economic and Fiscal Revitalization 2023 (decided by the Council on Economic and Fiscal Policy in December 21, 2023) calling for promoting the

optimal use of national and public properties, the government will optimize the use of national and public properties in cooperation with local governments by sharing information on national and public properties in certain areas and establishing coordination for the optimal use of such properties, such as proceeding with the discussions toward the formulation of the optimal use plan while respecting the opinions of local governments.

#### Section 7: Promotion of Housing Measures

To promote efforts by municipalities based on the Act for Partial Revision of the Act on Special Measures concerning Promotion of Measures against Vacant Houses (Act No. 50 of 2023), the government will support the comprehensive measures to mitigate vacant houses, which are implemented by municipalities based on the Plan for Measures against Vacant Houses, such as abolition, utilization of vacant houses, and surveys, studies, or repair work for utilization of vacant houses with a high model nature by specified nonprofit corporations, private businesses.

#### Section 8: Promotion of Town Development for Coexistence of City, Greening, and Agriculture

While enhancing the activities of the "Green Infrastructure Public-Private Partnership Platform," the government will promote the implementation of green infrastructure through public-private partnerships and cross-sectoral cooperation, and encourage the appropriate use of land and real estate. To implement disaster prevention and mitigation utilizing ecosystems, the government will provide technical support to local governments for preparing and utilizing the "Ecosystem Conservation and Restoration Potential Map" released in FY 2022, and planning and initiatives based on its nationwide base map.

#### Section 9: Appropriate Conservation of Farmland

Based on the Act for Partial Revision of the Act on Reinforcement of the Agricultural Management Framework (Act No. 56 of 2022), local farmers work together and have discussions, formulate the local plan that clarifies the future vision of farmland use to aim for, and proceed with the consolidation of farmlands utilizing the cropland intermediary management institution toward the realization of the plan.

#### Section 10: Ensuring Appropriate Conservation and Utilization of Forests

To ensure sufficient achievement of the multi-functionality of forests, the government will promote the implementation of appropriate afforestation, tree thinning by forest owners through the operation of the forest planning system based on the Forest Act (Act No. 249 of 1951) and promote public interest-oriented management and administration of state-owned forests, which account for approximately 30% of the total forest area in Japan.

#### Section 11: Promotion of Measures Concerning Environment Conservation

The Basic Environmental Plan provides the general outlines of comprehensive and long-term measures for environmental conservation based on the Basic Act on the Environment (Act No. 91 of 1993). The Sixth Basic Environment Plan (approved by the Cabinet on May 21, 2024) sets forth six priority cross-sectional strategies as the direction for the future development of environmental policy, with specific measures providing integrated solutions to several different issues. For example, in Improvement of Value as the National Land Stock Based on Natural Capital; by maintaining, restoring, and enhancing natural capital, such as the use of national land to maintain, restore, and enhance natural capital; the promotion of the

independent and distributed national land structure; the realization of cities and communities where well-being/high quality of livelihood can be actually felt; the development of the information structure that will contribute to the sustainable use, conservation, and improvement of the value of national land; and by integrally promoting measures toward the national land development to ensure sustainable utilization, a favorable relationship between people and nature shall be rebuilt and Green National Land where blessings of nature can be continuously enjoyed shall be created. In the Plan, as the place for practice and implementation of the integrated improvement of the environment, economy, and society, Regional Circular and Ecological Sphere shall be positioned.

In FY 2024, the government will promote land policies for environmental conservation through the formulation and implementation of various land policies and projects based on the Plan. In addition, the government will work with the Basic Environmental Plan on various plans related to land which stipulate matters concerning environmental preservation.

## Section 12: Promotion of Maintenance and Improvement of Historic Districts and Creation of Favorable Landscapes

To promote town development that makes the most of the historical atmosphere and sentiment of the region, based on the "Act on Maintenance and Improvement of Traditional Scenery in Certain Districts" (Act No. 40 of 2008), the government will promote the approval of plans for the maintenance and improvement of historic landscapes and support for initiatives based on those plans. In addition, the government will support the renovation of buildings that serve as scenic and historical resources to promote the formation of a favorable landscape and the maintenance and improvement of historic districts.

## Section 13: Promotion of Measures to Ensure Appropriate Land Management

### 1. Measures against Insufficiently Managed Land that Adversely Affects the Surrounding Area

The government will provide support for the measures, such as guidance and recommendations, for insufficiently managed vacant houses to be implemented by municipalities based on the Revised Vacant House Act and the proxy execution system concerning the specified vacant houses in an emergency by improving guidelines. In addition, the government will provide support for the initiatives, such as the disposal of vacant houses, to be implemented by municipalities based on the Vacant House Countermeasure Plan.

### 2. Ensure Appropriate Land Management for Private Sector (Review of fundamental civil laws)

The Act Partially Amending the Civil Code and Related Acts (Act No. 24 of 2021) became effective on April 1, 2023, which includes the following: Establishment of the owner-unknown land management system, specializing in the management of owner-unknown land; establishment of management system for insufficiently managed land in order to cope with increasing insufficient management of land; and a review of fundamental civil laws, including review of the provisions on the relationship between adjacent lands for the smooth and proper use of adjacent lands, and the government will continue to ensure the dissemination of the details of the new system.

## Section 14: Promotion of Measures for the Owner-unknown Land

- (1) In light of the occurrences of owner-unknown land, the "Real Property Registration Act" (Act No. 123 of 2004) was partially amended by the "Act Partially Amending the Civil Code and Related Acts," creating a new system that makes it obligatory to apply for inheritance registration and reduces the burden of

registration procedures. The government will put effort into the proper and smooth operation of the new systems, such as the dissemination of the details of making it obligatory to apply for inheritance registration, which came into effect on April 1, 2024, the certificate of the owned real estate record system, which has been decided to come into effect on February 2, 2026, making it obligatory to apply for the address change registration, which has been decided to come into effect on April 1, 2026.

- (2) In accordance with the "Act on Vesting of Land Ownership Acquired through Inheritance or Bequest in the National Treasury" (Act No. 25 of 2021), which came into effect on April 27, 2023, the government will ensure the proper and smooth operation of a system whereby persons who have acquired land by inheritance or other means can give up ownership and vest the land to the state under certain conditions.
- (3) The Act Partially Amending the Civil Code and Related Acts came into effect on April 1, 2023, which includes a review of fundamental civil laws, such as a mechanism for the smooth and appropriate use of co-owners-unknown land, and a system that allows the use of other people's land for the installation of lifeline conduits, and the government will ensure the dissemination of the details of the new system after the Act came into effect in conjunction with the dissemination of the revised Guidelines for Responding to Owner-Unknown Private Roads.

#### Section 15: Survey of Land Use and Regulation from the Perspective of National Security

Based on the Act on the Survey of Land Use and Regulation of Land Use in the Vicinity of Defense-Related Facilities and Other Important Facilities and in Remote Border Islands (Act No. 84 of 2021), the government will steadily conduct land use surveys in the watch and special watch areas.

## Chapter 2: Measures for Land Transactions

### Section 1: Improvement of Real Estate Transaction Market

To comprehensively promote measures to develop and revitalize the real estate distribution market, the government will take the following measures:

- (1) Based on the revision (2022) of the Real Estate Brokerage Act (Act No. 176 of 1952) that enable the provision of documents in real estate transactions by electromagnetic means, the government will continue to promote the development of an appropriate environment for real estate transactions to be conducted online, such as the launch of a website for business operators where DX-related information is consolidated, provision of information to consumers.
- (2) To implement real estate IDs in society, the government will verify the issues concerning the utilization of real estate IDs and horizontally develop the use cases by further proceeding with the demonstration project in the fields of real estate, logistics.
- (3) The government will promote transactions by matching supply with demand through the promotion of the utilization of the "National Vacant Homes/Vacant Land Bank," which allows for easy searching across local governments on vacant land and houses identified and provided by local governments.
- (4) The government will promote the distribution of existing houses by creating a market environment in which sellers and buyers can do business with confidence through the promotion of the utilization of building condition studies (inspections) and the Safe R-Housing System, which indicates that the house exists and its building condition has been studied.

### Section 2: Improvement of Real Estate Investment Market

The government will disseminate the *Handbook for the Promotion of Usage and Utilization of Specified Joint Real Estate Ventures* (FTK), which outlines the significance of specified joint real estate ventures, advantages of utilization, good examples, and key points for success. It will also promote the development of human resources who are familiar with real estate securitization and the formation of high-quality real estate stock in local regions by encouraging participation in the meetings attended by local stakeholders and others, as well as building a network of cooperation after selecting communities and holding seminars on real estate securitization.

### Section 3: Land Tax Measures

To ensure steady progress of economic recovery from the COVID-19 pandemic while promoting liquidity in and effective use of land, the following tax measures will be implemented in the FY 2024 tax reform:

- (1) With respect to fixed property tax concerning land: (i) the current burden adjustment measures and (ii) the ordinance reduction system which enables municipalities to reduce a certain tax burden will be extended for three years (until March 31, 2027).
- (2) With respect to real estate acquisition tax: (i) Preferential measures for the tax base for real estate acquisition tax concerning the acquisition of housing land evaluation land (1/2 deduction) and (ii) preferential measures for the tax rate of real estate acquisition tax concerning the acquisition of land (preferential 3%, main rules 4%) will be extended for three years (until March 31, 2027).
- (3) Preferential measures for stamp tax concerning a real estate transfer contract will be extended for three years (until March 31, 2027).

### Section 4: Support for Global Business Development in Real Estate Markets

Through training programs for government officials of Association of Southeast Asian Nations (ASEAN) countries, the government will support the development and dissemination of systems that contribute to the improvement of the business environment in the countries where Japanese real estate companies operate. In addition, the business environment will be improved by utilizing bilateral frameworks and international negotiations to ensure legal stability and improve systems and operations for local business implementation.

## Section 5: Proper Operation of Land Transaction System

In order to eliminate the adverse effects of speculative land transactions and soaring land prices on the lives of the people, and to ensure proper and reasonable land use, the government will continue to implement basic land transaction regulation surveys to collect information on land transactions, and strive for the proper operation of the land transaction regulation system, based on the National Land Use Planning Act (Act No. 92 of 1974).

## Chapter 3: Measures for Implementing Surveys and Providing Information on Land

### Section 1: Promotion of National Land Surveys

Based on the Seventh Ten-Year Plan for the National Land Survey Project starting in FY 2020, as for cadastral surveys conducted by municipalities, the government will promote the introduction of procedures to facilitate smooth surveying (even in cases where the owner of the land is unknown), and efficient survey methodology according to the regional characteristics. Cadastral surveys will also be promoted by providing priority support for those surveys conducted in areas with high policy impact, such as areas where social infrastructure development is planned.

To proceed with the cadastral development particularly in urban areas where the cadastral survey progression rate is low, the government will also implement initiatives toward the establishment of the cadastral development model in urban areas, such as the methodology to combine the survey on the public-private borders and the private survey results, and promote the introduction of advanced and efficient methodologies for the utilization of remote sensing data, such as airborne laser surveys and the utilization of survey data by the MMS.

In addition, the government will support the utilization of survey results other than cadastral surveys prepared by private businesses and public works departments of local governments for cadastral development, assuming that the survey results are as accurate as or more accurate than cadastral surveys.

Furthermore, to promote smooth cadastral surveys, the government will disseminate the system and methods, and support to municipalities by dispatching experienced experts to provide them with advice on how to overcome survey-related challenges.

In addition, in light of the report (March 2024) toward the acceleration of cadastral surveys in the subcommittee to review how to appropriately conduct national land surveys of the planning committee of the land policy committee of the National Land Council held in FY 2023, the government will implement the necessary measures.

### Section 2: Promotion of Development of National Land Information

With respect to the digital national land information, a review meeting consisting of experts was established in October 2023, and they have been proceeding with the review of the method to understand the needs of the private sector, how to efficiently develop it. The government will conduct data development in light of such reviews. The government will also improve, operate, and enhance the Digital National Land

Information Download Website in order for the developed data to be used more.

### Section 3: Development of the Land Registration System

- (1) The government will focus intensively on the Legal Affairs Bureau's mapping project for urban areas for which lot numbers are not adequately registered and other areas requiring urgent mapping across the nation (i.e., major cities and key areas of regional hub cities).
- (2) The "Real Property Registration Act" was partially amended by the "Act Partially Amending the Civil Code and Related Acts," creating a new system that makes it obligatory to apply for inheritance registration and reduces the burden of registration procedures. The government will put effort into the proper and smooth operation of the new system, such as disseminating the details of making it obligatory to apply for inheritance registration that came into effect on April 1, 2024.

### Section 4: Promotion of Information on Real Estate Transactions

- (1) With the aim of contributing to the formation of appropriate land prices, the results of the 2025 Land Market Value Publication will be published as an analysis of trends in land prices, based on the results of 26,000 standard lots throughout Japan. Also, the 2024 prefectural land price survey will be published based on the results of the analysis of land price trends conducted by each prefectural governor. For major cities (i.e., the three major metropolitan areas), which tend to indicate land price trends in advance, quarterly land price trends for 80 intensively used land areas will be published in the "Land Price LOOK Report."
- (2) The Comprehensive Land Information System will be developmentally dissolved from FY 2024, and a new system (Real Estate Information Library) will be released. In addition to the real estate transaction price information, diverse information on real estate, such as disaster risk information, urban planning information, and school zone information, will be displayed on the said system by overlapping them on the same map.

### Section 5: Promotion of Provision of Information on Disaster Risk

The government will promote the maintenance, disclosure, and utilization of information in order to make it available in geospatial areas, and the smooth implementation of measures related to land use, management, and transaction through the development of technology for "i-Urban Revitalization," which visualizes urban information through three-dimensionalization. This information includes: disaster risk information, such as areas estimated to be inundated, and disaster history of the land in the area, which contributes to disaster management and damage reduction according to the needs of society.

## Chapter 4: Comprehensive Promotion of Land-related Policies

While not only the population but also the number of households is expected to take a downward turn, the government will change the Basic Land Policy (decided by the Cabinet on May 28, 2021) based on the Basic Act for Land (Act No. 84 of 1989) within 2024 and aim for the realization of sustainable land use and management according to the change in structures surrounding land.

### Section 1: Collaboration and Cooperation between National and Local Governments

Toward the formation of the local platform to create a place for the collaboration of local stakeholders consisting of industry, academia, government, and finance, the government will put effort into individual

dialogues with prefectures and local financial institutions with a view to developing it to all prefectures by FY 2026. Also, the government will hold opinion-exchange meetings with mayors of municipalities to encourage the development of PPP/PFI projects in local governments, in addition to developing human resources and creating opportunities for public-private dialogue by dispatching experts and holding training and seminars for local government officials and local businesses. In order to formulate the rules for preferential studies, which are the mechanism to preferentially study the introduction of the PPP/PFI methods and establish their operation, the government will put effort into individual dialogues with local governments.

## Section 2: Collaboration and Cooperation with Experts in Related Fields

The Urban Renaissance Agency will utilize its know-how and technology to provide technical assistance in the development of concepts and plans for town development projects.

## Section 3: Dissemination of Basic Philosophy on Land

In addition to the publication of the White Paper on Land, a contest on the subject of land will be held to encourage people to think about the land around them and deepen their understanding of the land system. In addition, through the Land Month of October (October 1 is Land Day), in which educational booklets and other materials are distributed and lectures on land-related themes are held, the government, in cooperation with related organizations, will disseminate basic land-related principles and introduce various land-related policies and systems.

## Section 4: Securing of Funds and Farmers

By utilizing the designation system for corporations promoting the smooth use of owner-unknown land and the subsidy system for projects based on the owner-unknown land countermeasure plan, the government will promote the efforts of organizations that assume functions such as matching and coordinating for appropriate land use and management, and management on behalf of landowners, while planning to establish a local consultation system and share information on vacant land and houses in the community.

# Chapter 5: Measures for Recovery/Reconstruction from the Great East Japan Earthquake

## Section 1: Measures in Relation to Land Use

### 1. Measures concerning residential land

The government will support for the development of land and communal facilities through urban redevelopment projects in order to develop housing for disaster victims, welfare facilities, and commercial facilities in an integrated manner.

### 2. Measures concerning agricultural land

Based on the "Basic Guidelines for Reconstruction in Response to the Great East Japan Earthquake from the Second Reconstruction and Revitalization Period" (decided by the Cabinet on March 9, 2021, reviewed on March 19, 2024), the government will implement projects for disaster recovery of agricultural land and facilities and land readjustment in conjunction with these projects. In addition, the government will support the formulation of plans necessary for the development of agricultural infrastructure, based on the recovery policy of the region's agricultural infrastructure.



### 3. Efforts for realignment of land use

In accordance with the Reconstruction Improvement Plan System of the Act on Special Zones for Reconstruction in Response to the Great East Japan Earthquake (Act No. 122 of 2011), the government will promote the smooth and rapid implementation of various projects, including the development of urban areas and agricultural production infrastructures (which are necessary to promote town/regional development for reconstruction), by utilizing special provisions, such as one-stop processing of procedures related to licensing and zoning, and relaxation of standards for such licensing.

## Section 2: Measures in Relation to Housing

### 1. Support for public housing for disaster victims

Local governments provide public housing for disaster victims who are unable to reconstruct or acquire housing on their own, and will continue to implement special measures to support costs related to rent reduction and transfer.

### 2. Support for reconstruction of individual residences

The government will continue to reduce interest rates and extend the principal deferment periods for housing loans for disaster reconstruction by Incorporated Administrative Agency Japan Housing Finance Agency in order to support the reconstruction of residences of disaster victims and also provide loans for building lots for disaster reconstruction in order to support cases where housing lots have been damaged.

## Section 3: Promotion of Land Utilization Efforts by Disaster-Affected Municipalities

The government will respond to individual local issues in detail through hands-on support, from the planning stage to the land utilization stage, for the utilization of developed residential land by land readjustment projects and other projects for promoting mass relocation for disaster prevention. While coordinating reconstruction measures with general measures and making comprehensive use of government-wide measures, it will also support the efforts of affected local governments.

## Section 4: Measures in Relation to Land Information

### 1. Promotion of clarification of land boundaries

In order to contribute to the further promotion of recovery/reconstruction in the areas affected by the Great East Japan Earthquake and the Kumamoto Earthquake of 2016 (Iwate, Miyagi, Fukushima, and Kumamoto prefectures), the government will implement the Legal Affairs Bureau map creation project.

### 2. Provision of information on land transactions to ensure appropriate transactions

To ensure appropriate land transactions in the disaster-affected area, the government will provide, upon request from Miyagi Prefecture, Fukushima Prefecture and Sendai City, registration information on land transactions to Fukushima Prefecture and Sendai City and transaction price information to Miyagi Prefecture, Fukushima Prefecture and Sendai City.

## Section 5: Tax Measures

The government will continue the tax measures at each stage of land acquisition, holding, and transfer as they are necessary to promote the reduction of burdens on victims of the Great East Japan Earthquake as well as efforts toward recovery and reconstruction.