

Chapter 4 Promoting Regional Revitalization

Section 1 Approaches to Regional Revitalization

In order to properly respond to the declining birth rate/aging population to put a brake on population declines, while correcting the excessive concentration in Tokyo Area and maintaining vitality of Japanese society in the future by securing a comfortable living environment in each region, the Basic Policy for Overcoming Population Decline and Vitalizing Local Economy in Japan 2016 was formulated in 2016 and the Overcoming Population Decline and Vitalizing Local Economies: Comprehensive Strategy was revised, in accordance with the Act for Overcoming the Population Decline and Vitalizing Local Economy in Japan passed in November 2014. Also, with the aim of deepening the regional revitalization, the relocation of governmental organizations and the promotion of local universities has been examined, and information, personnel and financial support for the promotion of specific initiatives based on the regional comprehensive strategy has been provided to local governments.

In April 2016, revisions to the Regional Revitalization Act were passed. The revisions incorporate such things as the establishment of a Regional Revitalization Promotion Fund that encourages forward-thinking elements of local government projects undertaken voluntarily and independently, the establishment of a Regional Revitalization Support Tax System that encourages corporate donations to regional revitalization projects implemented by local governments, and measures to promote a Japanese version of Continuing Care Retirement Communities that aim to build communities that enable middle-aged and elderly people to relocate as they desire, and to live healthy, active lives as they interact with local residents of multiple generations.

With respect to the regulatory National Strategic Special Zones, the two years before the end of fiscal 2015 were designated as a Concentrative Initiative Period to achieve regional revitalization through regulatory reforms, so-called “reforms of regulations that had been difficult to change due to stiff opposition” have been realized in various fields such as mediate, childcare, employment, education, agriculture, urban renaissance or community development. In addition, a total of 10 districts were designated and specific projects that use these regulatory reform items have been visibly implemented in these districts. Furthermore, the two years before the end of fiscal 2017 were designated as a Concentrative Reform Enhancement Period, six fields to be tackled on a priority basis were defined, and the remaining reforms of regulations, which had been difficult to change due to stiff opposition, have been implemented.

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

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

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

Section 2 Promoting Measures Supporting Regional Revitalization

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

(1) Supporting Local Regional Revitalization Efforts

Regional revitalization is not an effort to be taken uniformly throughout Japan; it involves individual regions capitalizing on their distinct resources and characteristics to tackle their own distinct challenges to overcome depopulation. As local governments continue to devise plans for measures, promote projects and verify effects in line with their own individual strategies, the national government has continued to play the supporting role of providing assistance on information, personnel and financial aspects.

To provide assistance on information aspects, the government provides the Regional Economy and Society Analyzing System (RESAS), which takes big data from the public and private sectors regarding regional economies and makes it visible and intuitive. The system is used to fully understand the current state and challenges of each region; analyze strengths, weaknesses and future visions; set basic targets and KPIs, and establish PDCA cycles, thereby supporting the regional revitalization efforts of local governments, private companies, residents, NPOs and others.

To provide assistance on personnel aspects, regional revitalization colleges train and secure the human resources required for regional revitalization, while the government provides support through the regional revitalization concierge, which sets up a consultation desk at each ministry and the regional revitalization personnel support system in which government, private company and other organizations' personnel are dispatched to small local governments.

To provide assistance on financial aspects, we are providing support through such efforts as a regional revitalization promotion subsidy that consistently and continuously supports multi-year, forward-thinking projects undertaken by local governments, and a regional revitalization support tax system that provides preferential treatment in the form of tax credits for corporate donations to regional revitalization efforts undertaken by local governments (a corporate version of *furusato nozei*, which is a system of remitting local taxes to regional municipalities of the remitters' choice), thereby enabling regions to make consistent efforts toward regional revitalization from medium- and long-term perspectives.

The MLIT is engaged in similar efforts as well. To promote further approaches to individualistic and charming regional planning across Japan, the MLIT awards regional activities related to favorable social overhead capital with Handmade Hometown Prizes (Minister of MLIT Prizes). In FY2016, the MLIT hosted the "Handmade Hometown Prize Grand Prix 2016: Refined, Shining, Hometown Pride," the first event of its kind. At the event, 22 prize-winning groups (2 for grand prize division, 20 for general division) gathered to give presentations, and judges selected the Grand Prix and best presentation prizewinners in each of the grand prize and general division. Furthermore, the information was sent by newsletter as good case examples that are useful for regional development^{Note}.

(2) Promoting Use of Know-how and Funds Originating from Private Sectors

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

In its bid to realize and maintain the concept of sustainable community development with community participation through maintenance and betterment of community charms and vitalities, the MLIT supports projects related to the diffusion and promotion of know-how, etc., that is possessed by private associations with experience in the practice of community development activities and that leads to continuing sources of certain profitability in the course of such activities, so that such knowledge can be horizontally extended to other associations about to embark on similar activities, or to experimental approaches, etc., relevant to ingenious, advanced private community development activities.

In addition, consideration is in progress toward the realization of measures aimed at combatting aging expressways

Note Regional Planning Information System-Repis website: <http://www.mlit.go.jp/sogoseisaku/region/chiiki-joho/index.html>
As of the end of FY2016, there were 1,899 subscriptions to the online magazine (as of the end of March 2017).

in conjunction with urban redevelopment, using the Tsukiji River and other sections of the Metropolitan Expressways as model cases, on the basis of the Road Act amended in FY 2014 that allows for usage of upper open spaces over roads.

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

In FY2015, the Act to Partially Amend the Act on Special Districts for Structural Reform, which enables private-sector operators to operate toll roads managed by public corporations, was passed and enacted. Since October 2016, toll roads in Aichi Prefecture have been operated by the Aichi Road Concession Corporation, established by Maeda Group which is represented by Maeda Corporation.

Figure II-4-2-1

Example of a Private Urban Redevelopment Project Accredited by the Minister of MLIT: OGAL Center in Shiwa Town, Shiwa District, Iwate Prefecture



Source) MLIT

2 General Endeavors to Build an Intensive Urban Structure

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

With the aim of pushing forward initiatives of municipalities toward the realization of compact cities, the Act on Special Measures concerning Urban Regeneration was amended in 2014 to create the appropriate location plan system for encouraging establishment of residential and urban functions with economic incentives. As of the end of FY 2016, 348 municipalities made specific efforts on creating appropriate location plans, of which 100 cities prepared and published the appropriate location plan.

In addition, we are working to improve support measures in line with actual needs, formulate and horizontally develop model cities, and make the outcomes of efforts visible through the Compact City Formation Support Team (secretariat: MLIT), which comprises relevant ministries and agencies, so that these initiatives of municipalities will be promoted as comprehensive efforts in coordination with various relevant measures concerning healthcare/welfare, housing, realignment of public facilities and the optimum use of government owned facilities.

In FY2016, we organized the overall collection of support measures into a list, which was provided to municipalities, and worked to improve the required support measures based on actual needs and other information obtained through briefing sessions for local governments, block consultation meetings and the like. In addition, we released the “Collection of Cases of Preceding Efforts,” a collection of positive cases from individual projects that contribute to the formulation of compact cities, and provided consulting toward the formulation of model cities in response to the sizes of cities and the core themes of town building. Furthermore, we created and publicized guidelines regarding the numbers of steps taken by pedestrians, a piece of data that could serve as an indicator of the effects of compact cities, and created guidelines regarding the full understanding of demographically categorized behavior data to encourage the establishment of optimal facilities and the like by government and private-sector operators alike.

3 Urban Planning and Infrastructures Development Taking Advantage of Regional Characteristics

(1) Emergency Development of Urban Planning Roads Instrumental in Encouraging Private Investment

The development of urban planning roads is instrumental in facilitating urban reconstruction because it encourages the reconstruction, etc., of roadside buildings. For those routes under construction whose completion is bottlenecked because of small plots of land yet to be purchased, the local governments (project-implementing entities) have announced their pledges to complete the construction within a certain period of time (completion time declaration routes; as of April 2016, 142 routes were declared by 70 project-implementing entities) to speed up the development of the project benefits.

(2) Developing Transport Nodes

Transport nodes, such as railway stations and bus terminals, are very convenient and have great potential as the core of urban reconstruction, because they attract numerous people to use the various kinds of transport facilities that converge upon them.

The MLIT leveraged the implementation of transport node improvement projects, urban and regional transport strategy promotion projects, integrated railway station improvement projects, and other projects at the transport nodes, such as the Shinjuku St. South Exit District, and in the surrounding areas, in order to improve the ease with which passengers transition from one means of transportation to another, to consolidate the urban areas disrupted by railways, to improve station functions, and to streamline urban traffic and augment the functions of these transport nodes.

The MLIT also encouraged the upgrading the station facilities for the general goals of safe and comfortable regional living through building child-support and medical facilities on the premises of existing railway stations. This idea was developed from the viewpoint of regional concentration, which brings medicine, work, and living into closer vicinity.

(3) Strengthening Connections between Modes of Transportation (Modal Connections)

The MLIT is enhancing inter-modal connections, focusing on buses, to create environment with a variety of easy-to-use transportation modes and encourage the flow of people and goods and local revitalization.

Compared to other countries and other transportation modes (i.e. railway and aviation), environment for buses in Japan is very poor from the users' point of view. When promoting user-oriented road measures for boosting stock effects in the future, it is important that the road measures also include efforts to accelerate the improvement of the convenience of public transportation, including buses, while taking into account the state of the network between expressways, railways, Shinkansen and other modes of transportation in regional areas.

Under these circumstances, as an effort focused on buses, we implemented the Basuta (Shinjuku Expressway Bus Terminal) Project to improve the convenience of bus hubs by making full use of ITS and PPP, thereby strengthening inter-modal connections, realizing the revitalization of regions, and improving productivity in the strengthening of disaster responses.

In Ichihara City, Chiba Prefecture and Hamamatsu City, Shizuoka Prefecture, car-sharing vehicles are available in parking lots near expressway bus stops to strengthen the connection between expressway buses and car-sharing. This serves

Figure II-4-2-2

Example of a Transport Node Improvement Project (Shinjuku Station South Exit)



Source) MLIT

as a pilot program to verify the possibilities of regional revitalization and tourism promotion through the expansion of the areas frequented by expressway bus riders.

In April 2016, Shinjuku Expressway Bus Terminal, the largest bus terminal in Japan, opened at the South Exit of Shinjuku Station. Shinjuku Expressway Bus Terminal was developed through a public-private partnership initiative in which infrastructure was developed under a road project (for National Route 20), while the private bus terminal operates the facility. The bus terminal is directly connected to railways, and 19 expressway bus stops formerly located near the West Exit of Shinjuku Station are now concentrated in one place. This initiative will continue into the future, further improving convenience through the full-scale operation of convenience stores and the addition of benches and the like, and strengthening measures against traffic jams on National Route 20.

As for car-sharing and bicycle-sharing, which are new modes of transportation, we are promoting efforts that strengthen connections with other modes of public transportation while making effective use of roadway spaces.

We built Japan's first on-road car-sharing station adjacent to the Otemachi Subway Station in Chiyoda City, Tokyo, and are implementing a pilot program to verify the possibilities of encouraging the use of public transportation. We are also implementing a separate pilot program to verify the effects of locating a bicycle-sharing port, which would be the first in the metropolis, on the national route near this car-sharing station. We will take into account the results of these pilot programs while continuing discussions toward improving convenience for road users through the effective use of roadway spaces.

(4) Wide-area Development of Infrastructures to Induce Firm Location

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

(i) Airport development

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

(ii) Port and harbor development

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

(iii) Railway development

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

(iv) Road development

The MLIT is strengthening Japan's international competitiveness by accelerating and facilitating logistics, and from

the perspective of regional revitalization, is forming a new network of trunk highways, such as high-standard arterial highways.

(5) Accelerating the Development of Transport Infrastructures

Regarding the method for determining whether considerations for awarding sectional surface rights, etc., related to projects authorized to use the deep underground pursuant to the Act on Special Measures Concerning Public Use of Deep Underground (Deep Underground Act) are to be treated as transferred income or not, the FY2015 tax reform has taken measures to have such considerations set based on the vertical range of the sectional surface rights, etc., in which the profit from use is limited, instead of one-fourth of the land price. This measure taxes, as transfer income, a certain amount of the considerations for awarding sectional surface rights, etc., relevant to the projects that are implemented as an integral part of a project accredited under the Deep Underground Act. Granting a special credit of 50 million yen for exchanges on expropriation, etc., promotes the earlier appearance of project effects.

(6) Promoting Community-conscious Projects and Programs

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

Located roadside, a Michi-no-eki is a facility that combines a mix of roadside amenities, including parking spaces and restrooms, sources of information, including highway and regional information, and a forum of regional partnerships, which encourages interaction between a region and users of the roads in that region and between regions. As of October 2016, there were 1,107 registered Michi-no-eki.

Efforts have progressed in recent years to set up Michi-no-eki as hubs of regional revitalization nationwide, attracting many visitors by featuring local specialties and tourist resources, thereby creating regional employment, reactivating economies, and helping improve resident services. As a framework to provide focused support to

these efforts in coordination with relevant organizations, the priority Michi-no-eki system was created in FY2014. In addition to six national model michi-no-eki and 35 priority michi-no-eki selected then, 38 priority michi-no-eki were newly selected in FY2015. In FY2016, a new theme (category) “services for residents” was added, and six model Michi-no-eki were selected for this theme.

(ii) Creation of hubs through the use of expressway rest areas

Expressway rest areas originally designed only for users of expressways are now used for local areas through “welcome gates,” “highway oases,” and the like in recent years to promote regional revitalization. To encourage those efforts, we are collaborating with relevant organizations to provide support in line with the progress of those efforts.

(iii) Improvement of road management through public-private partnerships

Past efforts to work together with regions in the course of road management include cooperation with private groups and others through the Volunteer Support Program (VSP) and the like. In April 2016, the Road Act was amended and a road cooperation organization system was created in an effort to further improve road management through cooperation with private groups and others who would resolve common road-related problems, take targeted action to address the needs of road users, and voluntarily implement other activities.

Figure II-4-2-3

FY2016 Model Michi-no-Eki Selected for the Resident Services Category



Source) MLIT

Road cooperation organizations can enhance road management by implementing activities for raising public awareness of benefits of roads and through profits from these activities. In addition, road cooperation organizations are undertaking measures to streamline and facilitate administrative procedures regarding the construction and maintenance of roads and their exclusive use of roads.

(iv) Support system for river-town planning

In order to revitalize rivers that show various shapes from the mouth to the source and communities connected to them, we are promoting the formation of favorable spaces where rivers and towns integrate by formulating plans for river-town planning that utilizes rivers with practical use of resources; such as landscape, history, culture and foundation for tourism; and inventive wisdom of the district, under coordination among municipalities, private businesses, local residents, and river administrators. By FY2016, 169 locations had been registered in the support system for river-town planning.

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

Those individuals who possess an expert knowledge of river environments and who are zealous for the good river development are appointed as river environment preservation monitors to help create and preserve river environments and carry out meticulous activities aimed at ensuring and promoting orderly river usage. Love river monitors are also at work in order to gather information about river management, such as illegal garbage dumping in to river or defects in river facilities, to report that information to river administrators and to promote the philosophy of river protection.

Furthermore, the MLIT designates private organizations, etc., that pursue voluntary activities relevant to the maintenance of rivers, the preservation of river environments, or other types of river management as river cooperation organizations, and legally accredits them as organizations working in conjunction with river administrators, with a view to promoting organized voluntary activities and driving diverse modes of river management tailored to specific regional conditions.

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

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

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

(vii) Regional promotion built around ports

Those facilities at which continuous approaches to regional development are performed have been accredited and registered as Minato (Port) Oases by the Port and Harbor Bureau Director General in order to promote community development around core ports to help revitalize local areas through exchange among local residents and promotion of tourism (93 ports as of March 31, 2017).

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

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

With the aim of regional revitalization, further utilization as venues for providing services to increasing numbers of passengers from oceangoing cruise ships and the like is expected, while “Operating Guidelines for Minato Oases” were developed to encourage registration and boost recognition of Minato Oasis facilities, and to contribute to further regional development.

Additionally, efforts are ongoing to develop livelier cooperation between the public and private sectors, including

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

To implement structural and non-structural mixes of efforts designed to form self-reliant wide-area blocks and to revitalize the regions through buoyant human or material traffic, the MLIT has granted subsidies to 163 plans on the basis of wide-area regional revitalization infrastructures development plans prepared by prefectures. Of these plans, 88 have been worked out by multiple prefectures working in accord and cooperation in a bid to revitalize even wide areas.

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

In order to implement smooth and speedy transition from the planning stage to the implementation stage, at the time of private sector decision-making without missing opportunities for infrastructure development projects that have been worked out in a partnership between the public and private sectors to contribute to wide-area regional strategies, subsidies were provided to local governments in 2016 for 34 feasibility studies including outline designs and implementation of PPP/PFI.

(iii) Promoting regional planning with diverse entities interworking

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

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

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

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

(2) Promotion, etc. of regional center formation**(i) Developing centers of self-reliant growth of diverse wide-area blocks**

In core cities^{Note} based on the Multi-Polar Patterns National Land Formation Promotion Act, business facilities are being relocated and various other functions are being concentrated as we continue to promote development. In addition, the MLIT has driven the construction of Tsukuba Academic City to pursue urban revitalization by taking advantage of an accumulation of science and technology in accordance with the Act on Construction of Tsukuba Science City. Furthermore, environmentally friendly cities are being built along the Tsukuba Express railroad line by leveraging the characteristics of Tsukuba Science City as the pace of urban development accelerates. In the Kinki Metropolitan area, on the other hand, the construction of Kansai Science City is underway to form a new foothold for the deployment of cultural, academic and research activity in accordance with the Kansai Science City Construction Promotion Act. Further efforts to promote the science city continue in a partnership among the ministries concerned, local governments, economic circles and so on pursuant to the Basic Policy for the Construction of Kansai Science City. In addition, the MLIT promotes the implementation of a development plan based on the Act on Development of Osaka Bay Areas to create a district that is replete with the facilities of a global city, good living amenities and more.

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

(ii) Promoting Small Station development within a village area

In some hilly and mountainous areas and other regions with declining and aging population, it is increasingly difficult to maintain life service functions, including shopping and healthcare, and community functions. Therefore, in regions that have multiple villages, including elementary school districts, we are promoting the formation of small stations in which required functions and bases of regional activities are concentrated within walking distance, and transportation networks with nearby villages are secured.

Specifically, we support the realignment and consolidation of life service functions leveraging unused facilities, and are working on penetration and boosting awareness in coordination with relevant ministries.

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

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

(3) Actions on Land for Which Owners and Their Whereabouts Are Difficult to Find

A review meeting organized by MLIT for measures on Land For Which Owners and Their Whereabouts Are Difficult to Find published Guidelines, which help local governments make it easier to find ways to detect owners of lands and utilize the lands, and proposed summaries of countermeasures in March 2016.

The meeting revised the guidelines and implemented a follow-up to the proposal in March 2017, and the MLIT took action to raise public concerns of the guidelines.

5 Promoting Regional Partnerships and Interaction

(1) Forming a Trunk-line Network to Support Regions

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

(2) Promoting Human Interaction between Cities and Rural Agriculture, Forestry and Fisheries Communities

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

(3) Promoting Regional Settlement, etc.

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

The MLIT also supports the utilization of vacant houses and buildings by local governments through the appropriation of General Social Infrastructures Development Subsidies to address a wide range of regional issues.

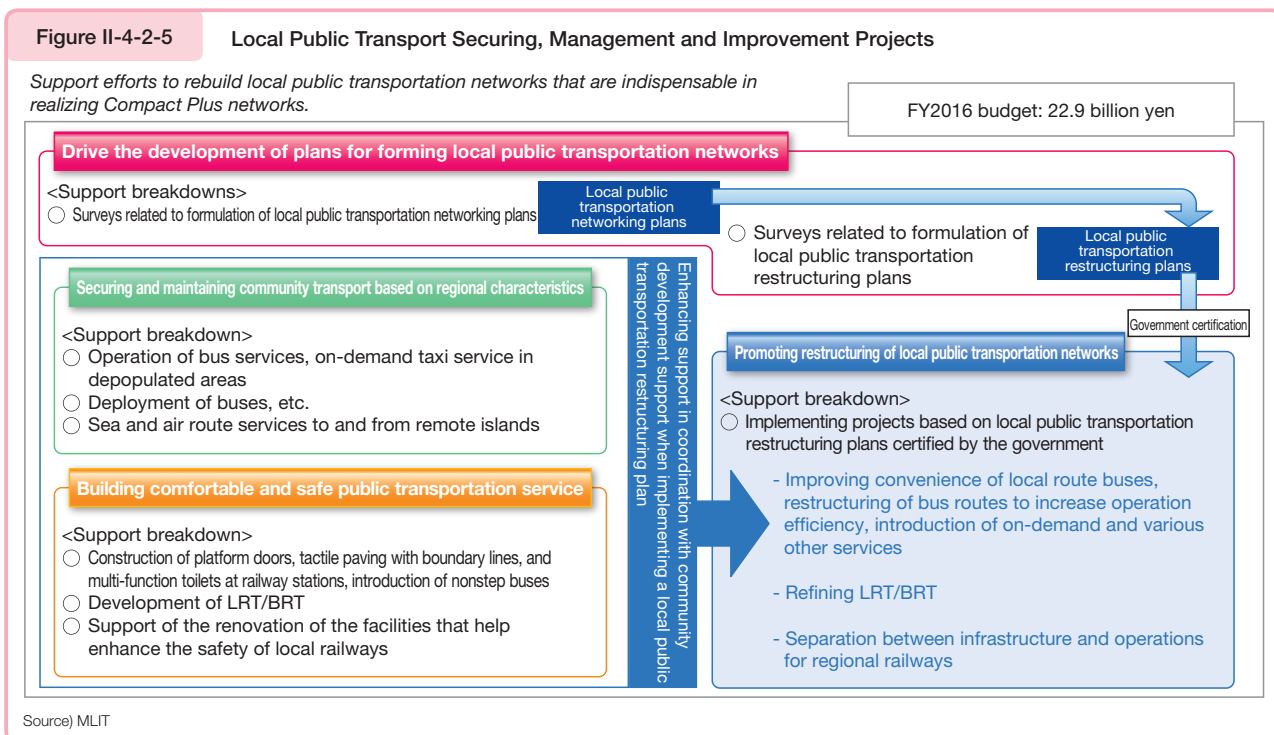
(4) Introduction of Local Design License Plate

To promote regions and tourism and to foment a sense of unity in regions, and based on proposals from municipal governments, we have decided to allow individual regions to issue license plates with designs that feature regional characteristics, starting around October 2018.

6 Securing Means of Regional Transport

(1) Securing, Maintaining and Improving Means of Regional Transport

Maintaining day-to-day means of regional transport is of vital importance to the revitalization of regional communities. Out of this recognition, the MLIT supports efforts directed at forming comfortable and safe public transport, as by securing and maintaining community transport, such as regional bus routes and sea and air routes to remote islands, in collaboration with diverse stakeholders, developing facilities that help add to the safety of local railways, and implementing barrier-free measures. In FY 2016, we facilitated the realization of efficient and sustainable local public transportation by enhancing support in the realignment of local public transportation, leveraging the framework of the Act on Revitalization and Rehabilitation of Local Public Transportation Systems.



(2) Activating Regional Railroads and Supporting Safety Assurance, etc.

While regional railroads not only support the livelihood of the local residents living along the railroads as a means of their daily transport but also play an important role in providing them with public transport of critical importance in

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

supporting regional interaction between tourist resorts. However, their management is in an extremely tough situation. For this reason, the MLIT supports not only the maintenance of safety facilities by implementing local public transport securing, management and improvement projects or offering tax incentives, but also the construction, etc., of new stations on local routes that have high potential needs for railway use by implementing projects designed to activate trunk railways, etc.

(3) Subsidizing Local Bus Routes

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

(4) Maintaining and Revitalizing Regional Air Routes

Regional air routes face many challenges. Regional airlines must deal with vulnerable business infrastructure, high cost structures due to operating small numbers of aircraft, canceled flights due to problems with aircraft and other factors, and a limited ability to expand due to their collaboration with certain major airlines. Major airlines must deal with mismatches between aircraft and demand, such as when they use large craft that seat over 100 people, and limits to internal support as a result of intensifying competition on high-demand routes.

Furthermore, there is concern over a variety of issues that could appear in the future, including updating old, small aircraft once they are no longer being manufactured, the increased supply of aircrafts inevitably due to those updates, and the difficulty of securing pilots and other human resources.

In response to the need to seek out some way for regional airlines to engage in initiatives better than those taken in the past to make regional air routes sustainable, and in light of the issues described previously, a Committee on Sustainable Regional Air Transportation was formed and has continued discussions since June 2016.

(5) Supporting Transport to and from Remote Islands

Air routes to remote islands are vital means of transportation in the daily lives of islanders, but transport demand on the 292 routes totaled 43 million passengers in FY2015, a 12% decrease over the past decade. Furthermore, depopulation and aging of the population is more severe on remote islands than in mainland Japan, making it extremely difficult to operate these routes. Therefore, the running costs of those sea routes that are anticipated to be in the red and for which no alternative routes are available are subsidized by local public transport securing, management and improvement projects (121 subsidized routes). Also, fare discount subsidies for island residents and support in building ships with better operational efficiency are provided.

Furthermore, based on the Basic Plan on Transport Policy (February 2015), the operation of bus transportation with land and sea connection that enables the elderly and those who have walking problems to use a ferry while riding a bus began in April 2015, and 10 business operators were providing this service as of the end of FY2015.

To sustain air transportation to remote islands, air carriers extending their air routes to remote islands are granted comprehensive support (budget: airframe purchase grants, operational cost grants, tax and public dues, landing fee alleviation, aviation fuel tax alleviation and so on). Starting from FY2012, airfare discounts for isolated islanders have been subsidized on the air routes eligible for operational cost grants as part of expanding support to transport to and from remote islands.

In FY2016, 54 remote island air routes were in service.

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

Section 3 Promoting the Private Urban Development

1 Promoting Urban Development by Private Sectors

(1) Promoting Urban Development by Private Sectors Based on the Specific Urban Renaissance Emergency Development Area Program

While rapidly growing Asian nations have resulted in a proportionate decline in Japan's international competitiveness, it has become an essential task to provide a powerful boost to the development of the urban areas in the nation's major cities, a source of impetus to the national growth, in a partnership between the public and private sectors to turn them into attractive urban centers that lure businesses, human resources and more from overseas. To this end, the MLIT established the system of Specific Urban Renaissance Emergency Development Areas to enhance urban international competitiveness of the designated areas, and 13 areas nationwide are now designated as such (as of March 2017). In 10 of them (as of the end of March 2017), development plans were formulated by councils formed in a partnership between the public and private sector. The International Competition Base City Development Project has also been launched to provide prioritized, concentrated support to the development of urban center infrastructures in accordance with development plans.

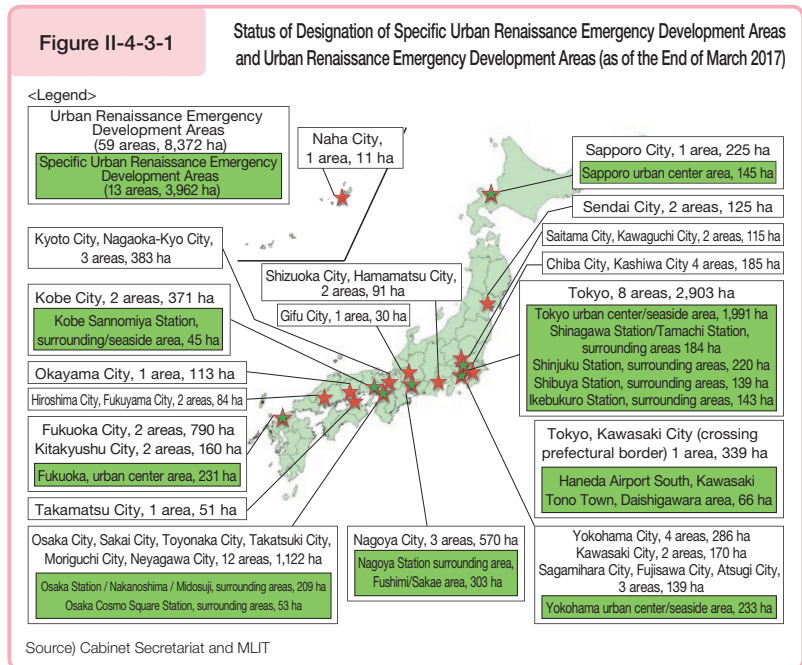
Financial support (mezzanine support services^{Note}) that is extended by MINTO (Organization for Promoting Urban Development) to private projects that develop functionalities for augmenting the international centripetal force of foreign language-ready medical care facilities and the like was enhanced to support the formation of global business and living environments. At the same time, we are providing comprehensive support for the improvement of urban functions that contribute to improving international business environments, etc., in terms of both non-structural and structural measures, through the Project Supporting the Enhancement of International Competitiveness and City Sales.

As of the end of March 2017, a total of 59 Urban Renaissance Emergency Development Areas were registered in government-ordinance-designated cities and prefectural capitals, including Tokyo and Osaka, hosting a variety of urban development projects by private sectors in steady progress. Mezzanine support services supporting the procurement of middle-risk funds are carried out by MINTO.

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

Note

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



(2) Status of Application of the Measures to Support Urban Reconstruction Projects

(i) Zoning for Special Urban Reconstruction Districts

A Special Urban Reconstruction District is a new concept of an urban district, with greater latitude for zoning (exempt from existing zoning restrictions). A total of 81 Special Urban Reconstruction Districts were zoned as of the end of March 2017, 56 of which had been proposed by private entrepreneurs, etc.

(ii) Accreditation of private urban reconstruction project plans

Private urban reconstruction project plans accredited by the Minister of Land, Infrastructure, Transport and Tourism (107 plans as of the end of March 2017) are financially supported by the Organization for Promoting Urban Development or by granted tax incentives.

(3) Promoting the Formation of Larger Blocks

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

2 Approaching National Strategic Special Districts

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

Section 4 Promoting Localized Promotion Measures

1 Measures Directed at Heavy-snowfall Areas

The MLIT promotes the availability of transportation, the development of facilities related to living environments and conservation of national land, and the availability of people responsible for snow disposal and other measures for heavy-snowfall areas based on the Act on Special Measures concerning Countermeasures for Heavy-snowfall Areas in an effort to contribute to the economic development and improvement of residents' lives in regions where the inevitable, annual accumulation of snow inhibits improvement of residents' standards of living and industrial development. Note that 532 municipalities have been designated as heavy-snowfall areas (201 of which have been designated as special heavy-snowfall areas), and that these municipalities account for the vast area of 51% of Japan's land area (the special heavy-snowfall areas account for 20%).

2 Promoting Remote Islands Development

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

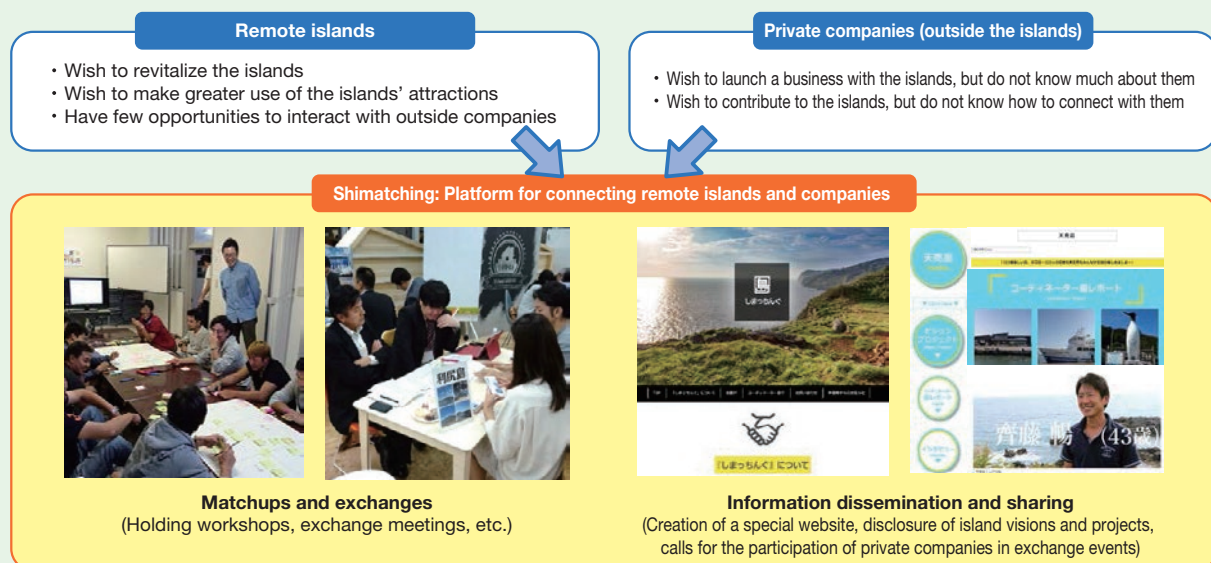
Column

“Shimatching”—Matching remote Islands and Companies

Description of “Shimatching”

The remote islands of Japan face various issues, such as the decline and aging of their populations, but at the same time, they are blessed with rich natural environments, time-honored cultures, and other such treasures that are not found on the main island. To revitalize the remote islands, it would also be effective to incorporate outside knowledge to utilize their unique regional resources.

Based on this awareness, an initiative was launched in 2016, with the aim of revitalizing the remote islands by providing a matchup forum that enables remote islands and companies to connect with each other and launch new businesses. The initiative was called “Shimatching,” a term that combines “shima,” the Japanese word for island, and “matching.”



Source) MLIT, Shimatching special website (<http://shimatching.mlit.go.jp/>)

The Shimatching system

In a workshop held in September 2016 in preparation for holding a matchup and exchange event for remote islands and private companies, MLIT coordinators visited the islands to gain each understanding of their present situations and the issues they face, identify the advantages of the islands, and provide support in creating visions and projects that would effectively convey the thoughts of the islands to interested companies.

The Shimatching 2016 (Autumn) exchange event that was organized in Tokyo in October was attended by a total of 89 participants, including representatives from 12 remote islands and 45 companies and organizations. Business talks and exchanges were held regarding the development of new products, tourism promotion, and the development of successors, with a view to commercializing the ideas in the next fiscal year and beyond.

Overview of the Shimatching 2016 (Autumn) exchange event

1. Date & time: Oct. 29, 2016 (Sat.), 13:00 – 17:30
2. Place: Yahoo! JAPAN Coworking Space LODGE
3. Participation: Remote islands – 31 members from 12 remote islands
Companies and organizations – 58 members from 45 companies and organizations
Total – 89 participants
4. Participating islands

(1) Rishirito Island (Feshi Town, Hokkaido Pref.)	(2) Teurito Island (Haboro Town, Hokkaido Pref.)
(3) Sadogashima Island (Sado City, Niigata Pref.)	(4) Sakushima Island (Nishio City, Aichi Pref.)
(5) Kasaoka Islands (Kasaoka City, Okayama Pref.)	(6) Osakikamijima Island (Osakikamijima Town, Hiroshima Pref.)
(7) Kutsuna Islands (Matsuyama City, Ehime Pref.)	(8) Ainoshima Island (Kitakyushu City, Fukuoka Pref.)
(9) Ikinoshima Island (Iki City, Nagasaki Pref.)	(10) Nakadorijima Island (Shinkamigoto Town, Nagasaki Pref.)
(11) Fukuejima Island (Goto City, Nagasaki Pref.)	(12) Iojima Island (Mishima Village, Kagoshima Pref.)

*Members from remote islands included administrative personnel, members of regional revitalization teams, NPOs, local businesses, fishery cooperatives, and representatives of community associations

5. Description:
 - (1) Presentations by remote islands
 - (2) Presentations by companies
 - (3) Matchup exchange meeting



Source) MLIT

Achievements of Shimatching

Okishima Island (Omi-hachiman City, Shiga Pref.) participated in Shimatching, and subsequently commercialized an ice cream product called “Okishima no yasashii ice cream” through the coordinated efforts of Okishima Elementary School, the local government, local councils, Coop Okinawa, Coop Shiga and Ikeda Bokujo, a dairy farm. As the children of the island originally came up with the idea for the product, they staffed a special sales event and sold all 600 items that were prepared for the event on the same day. The project members said part of the sales will be used to promote the island.

In this way, Shimatching provides a forum for matchups, exchanges, and information dissemination and sharing as a means for supporting people who are striving to revitalize the remote islands of Japan.

3 Promoting and Developing the Amami Islands and Ogasawara Islands

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

4 Promoting Peninsulas

To support peninsula promotion measures through peninsula promotion plans developed by prefectural governments based on the Peninsular Areas Development Act, the MLIT implements projects to encourage wide-area cooperation on peninsular development in peninsula promotion measure implementation areas (as of April 2016, 23 areas (194 municipalities in 22 prefectures)), assists efforts to contribute to the facilitation of exchanges that leverage resources and characteristics of peninsular areas, promoting industry and regional settlement, and promoting industry and developing roads that encircle peninsulas.

Section 5 Promoting Comprehensive Development of Hokkaido

1 Promoting the Hokkaido Comprehensive Development Plan

(1) Promotion of the Hokkaido Comprehensive Development Plan

Japan has pursued an active policy of developing Hokkaido to help resolve the problems facing the nation and to achieve powerful regional growth by taking advantage of the excellent resources and characteristics of Hokkaido.

Presently, under the 8th term Hokkaido Comprehensive Development Plan, which covers the period from FY2016 to

roughly FY2025 and was adopted by a Cabinet decision in March 2016, the government is promoting various measures with the goals of creating local communities where people can shine, industries that look to the world, and strong, sustainable national land that presents an image of Hokkaido that is recognized the world over.

The Hokkaido Development Subcommittee, which conducted investigations and reviews toward the development of the plan, put forth important points to remember, such as “establishing a system that faithfully inspects and maintains the progress status of new plans through the activities of the Hokkaido Development Subcommittee and others, and in so doing, strives to share numerical targets so that stakeholders, namely residents of Hokkaido, can work together to push forward with efforts toward the realization of the new plans, in referring to those numerical targets in the course of inspecting and maintaining the progress status.”

Toward that end, a plan promotion task force was established under the direction of the Hokkaido Development Subcommittee, and was convened in December 2016 and March 2017. The task force reviewed numerical targets for efforts to support food, tourism and production spaces, as well as challenges and the measures to take to achieve the targets, planned progress management and other matters, and organized numerical targets and other data to report to the subcommittee.

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

Chapter 1 Significance of Plan Developed	Chapter 4 Key Measures of the Plan
<p>Section 1 Background of Hokkaido Development</p> <ul style="list-style-type: none"> - Hokkaido development was promoted under special a development policy to contribute to the safety and development of Japan as a whole. - Growth industries are growing, with exports including foods doubling and the number of foreign tourists topping 1 million. On the other hand, the economy and population are shrinking. Concerns exist in relation to areas in which networks have yet to be developed and to the maintenance of regional communities. <p>Section 2 Trends of the Time Facing Japan</p> <p>(1) Coming of the era of drastic population declines (2) Further globalization and changes in international environments (3) Imminent large-scale disasters</p> <p>Section 3 Significance of New Hokkaido Comprehensive Development Plan</p> <ul style="list-style-type: none"> - Fundamental significance of Hokkaido development: contributing to the resolution of Japan's tasks to be addressed by leveraging resources and characteristics of Hokkaido - There is the risk that it may become difficult for Hokkaido to maintain its production space, which contributes to Japan by providing strength in such areas as food and natural environments, due to a rapidly declining and aging population. - The next ten-year period is critical, with the survival of production space and region at stake. - In addition, the period could provide opportunities for the region to leap forward with the opening of the Hokkaido Shinkansen, the extension of the expressway network to eastern Hokkaido, and the 2020 Tokyo Olympic and Paralympic Games. - By utilizing these opportunities, create a leading example of local communities where people can have good lives without losing vitality, regardless of drastic population declines. 	<p>Section 1 Formation of local communities where people can shine</p> <p>(1) Maintaining and enhancing settlement and human interaction environment toward the keeping and formation of Hokkaido-type regional structures</p> <p>(i) Formation of basic zones (ii) Production space in rural areas (iii) Urban districts in rural areas (iv) Core cities in basic zones (v) Sapporo Area (vi) Promotion of areas around the borders</p> <p>(2) Promoting the hiring and convection of a variety of human resources toward enhanced value creation capabilities of Hokkaido</p> <ul style="list-style-type: none"> - Create a society of mutual assistance, secure an active population - Human convection with North Japan and overseas - Find and develop human resource for regional development. <p>(3) Steady promotion of Northern Territory neighboring region (4) Promoting the Ainu Culture, etc.</p>
<p>Chapter 2 Plan Goals</p> <ul style="list-style-type: none"> ○ Catch-phrase: The World's Hokkaido ○ Vision: Creating a world-standard value creation space with 2050 in sight. <p><<3 Goals>></p> <p>(1) Local communities where people can shine (2) Industries that look to the world (3) Strong and sustainable national land</p>	<p>Section 2 Promotion of Industries that Look to the World</p> <p>(1) Promotion of the agriculture, forestry and fishery industries, and the food-related industries</p> <p>(i) Promotion of the agriculture, forestry and fishery industries through innovation (ii) Higher added value of foods and comprehensive base development (iii) Overseas development of foods (iv) Vitalization of rural areas utilizing regional resources</p> <p>(2) Formation of world-class tourism sites</p> <ul style="list-style-type: none"> - Create appealing world-class tourism areas, further boost tourism consumption by foreign visitors - Conditioning the Environment to Host Foreign Tourists - Strategic efforts toward an era of inbound tourists - Promote venues for MICE, and attract foreign business guests <p>(3) Developing industries that take advantage of regional strengths</p> <ul style="list-style-type: none"> - Leverage the north's superiority - Further development of industry accumulation - Vitalize regional economies, including local consumption industries - Promote investments within the region - Develop human/logistics networks that support industries
<p>Chapter 3 Basic Policy on Plan Implementation</p> <p>Section 1 Plan Period: 10 years from FY2016 to FY2025</p> <p>Section 2 Basic Strategic Approaches</p> <ul style="list-style-type: none"> ○ Maintaining and forming regional structures specific to Hokkaido <ul style="list-style-type: none"> - Forming basic zones where people's daily lives take place in a three-layered structure: Production space, urban district and core city. - Sapporo Area: Lead Hokkaido as a whole, leveraging its concentration. ○ Enhancing Hokkaido's value creation capabilities <ul style="list-style-type: none"> - People are resources in an era of declining population. - Improve regional value creation capabilities by developing and utilizing human resources and attracting a variety of people. <p>Section 3 Plan Implementation Strategies</p> <p>(1) Forming multi-layered platforms through industry-academia-government-finance collaboration</p> <ul style="list-style-type: none"> - Develop regional or Hokkaido-wide industry-academia-government-finance collaboration platforms based on themes, such as human resources development or regional development, and manage the efforts in a sustainable manner. <p>(2) Pioneering and proactive adaptation of innovations—promotion of Hokkaido Initiatives</p> <ul style="list-style-type: none"> - Adjust for population declines using the power of technology, and resolve regional issues innovatively without being caught up on adverse effects. <p>(3) Strategic social infrastructure development</p> <ul style="list-style-type: none"> - Demonstrate the stock effects of social infrastructure to the maximum extent. Ensure the strategic maintenance of infrastructure and enhance efforts to use it smartly, leveraging technological development. <p>(4) Plan management</p> <ul style="list-style-type: none"> - Management cycle: “Planning → implementation → evaluation → improvement” ; Conduct comprehensive inspections in roughly five years' time 	<p>Section 3 Formation of strong and sustainable national land</p> <p>(1) Formation of sustainable local communities that co-exist with rich and abundant nature</p> <p>(i) Securing sustainability of the environment and economy/society</p> <ul style="list-style-type: none"> - Formation of a society that co-exists with nature - Formation of a recycle-oriented society - Formation of a low-carbon society <p>(ii) Realization of an energy supply/demand structure that has a low environmental impact</p> <ul style="list-style-type: none"> - Efforts toward further adoption of renewable energy - Efforts based on Hokkaido's regional characteristics, such as heating source and automobile fuels <p>(2) Contributing to the development of a strong national land and formation of a safe and secure social infrastructure</p> <p>(i) Responding to more severe and more diversified disasters</p> <ul style="list-style-type: none"> - Develop systems for protecting human lives - Respond to disasters during winter - Respond to large-scale natural disasters, such as earthquake/tsunami disasters and volcanic eruptions - Respond to flood and landslide disaster risks due to such causes as climate changes <p>(ii) Contributing to stronger national land for Japan as a whole</p> <ul style="list-style-type: none"> - Secure backup site functions in times of national-scale disaster - Secure a stable supply of foods in times of disaster <p>(iii) Safe and secure utilization of social infrastructure</p> <ul style="list-style-type: none"> - Promote countermeasures against an aging infrastructure - Promote traffic safety measures - Develop human resources that support the creation of a strong national land

Source) MLIT

(2) Promoting Measures that Support Plan Realization

The new plan was formulated to respond to various impending issues facing Japan, namely the coming of an era of full-scale population decline, further development and changes to the international environment due to globalism, and major disasters. We are promoting the following types of measures.

(i) Local communities where people can shine

In addition to establishing regional social structures that enable people to continue to live a long time across Hokkaido, covering vast production spaces that form communities dispersed in wide areas on a scale different from other regions, to city areas, it is also important to promote lively convection by attracting a variety of people to Hokkaido, where the population is declining faster than in other regions in Japan. To this end, we will drive forward with measures such as the formation of wide-area transportation networks, including national-grade trunk highways, focused support for Michi-no-eki (roadside stations), the development of comfortable living environments better suited to raising children and caring for elderly people, the consistent provision of transportation to and from remote islands, and the development of the Hokkaido Value Creation Partnership Activity, which is a wide-area, cross-cutting support and cooperation system for human resources engaged in regional development.

(ii) Industries that look to the world

Hokkaido has competitive advantages in the agriculture, forestry, and fishery industries; the food and tourism related industries; and other industries for export to other regions in the country and other countries; and it is important to develop these industries. Therefore, we are promoting, among other measures, the enhancement of productivity through a larger division of farmland and other means, creation of a comprehensive base for food by attracting food companies from outside Hokkaido, development of inbound tourism through the Scenic Byway Hokkaido program, which implements the creation of scenery, regions and tourism spaces, holding international conferences (MICE) in Hokkaido, and strengthening the functions of the New Chitose Airport and strategic international bulk ports including Kushiro Port.

(iii) Strong and sustainable national land

Hokkaido, which has beautiful and magnificent natural environments and abundant renewable energy sources, is expected to take a leading role in forming a sustainable regional society. Ensuring safety and security is the foundation of economic social activities, and it is important for the region to minimize damages in the event of a disaster and contribute to strengthening Japan as a whole. Therefore, we are promoting, among other measures, the preservation and regeneration of lakes and wetlands; public awareness related to the formation of a hydrogen society through Hokkaido's platform for developing hydrogen communities; fundamental flood control measures, namely the Hokkaido Emergency Flood Control Project devised in response to damage caused by a series of typhoons in August 2016; anti-seismic social infrastructure; regional support in the event of a disaster by dispatching TEC-FORCE (Technical Emergency Control Force); establishment of maintenance cycles aimed at extending the service life of social infrastructures; and efforts to enhance the safety and reliability of transportation in winter.

Column

Promoting Driving Trips to Foreign Visitors

Hokkaido is a popular tourist destination, particularly for visitors from East Asia and Southeast Asia, and received some 1.9 million foreign visitors in 2015. Accompanying the recent increase in travelers who prefer independent trips, a rapidly increasing number of visitors is opting to tour the sights of Hokkaido by rental car. To ensure that foreign visitors enjoy a safe, comfortable and pleasant driving trip, the Hokkaido Bureau and the Hokkaido Regional Development Bureau of MLIT are implementing various initiatives in cooperation with relevant authorities in both the public and private sectors.

In addition to distributing a "Must-have Handbook for Driving in Hokkaido," prepared last fiscal year, the bureaus opened an English version of the "Road Information in Hokkaido" website in fiscal 2016 that pro-

vides information about road closures along national roads in Hokkaido, and have also begun to display road information boards in English.

Furthermore, given the increasing numbers of foreign visitors making driving trips in Hokkaido, a two-year experiment was launched in 2016 to more equally spread the travel demand among the regions and across the seasons. By offering special benefits to travelers visiting rural tourist facilities by rental car, the experiment aimed to attract more foreign visitors to the rural areas of Hokkaido. In the first year, a preliminary experiment was conducted from October to November. According to questionnaire responses, some travelers modified their travel plans after learning about the experiment, so it could be said that the experiment had a definite effect in attracting visitors. Based on this result, the experiment is planned to be implemented in fiscal 2017 on a larger scale.

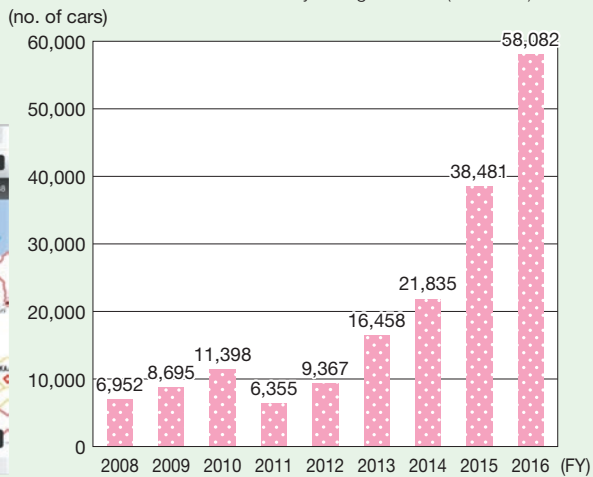
Approximately 10% of all foreign visitors to Japan visit Hokkaido, and the number of visitors making driving trips in the prefecture is expected to increase in the future. In order for Hokkaido to become a world-class tourist destination and to play a major role in promoting Japan as a leading tourism country, steady improvements will continue to be made to accommodate the increasing number of foreign visitors on driving trips.

Website on Road Information in Hokkaido (English Version)



Source) MLIT

Number of Cars Rented by Foreign Visitors (Hokkaido)



Source) Prepared by the MLIT based on a survey by the Hokkaido District Rent-a-car Association

2 Promoting Distinctive Regions and Cultures

(1) Promoting the Regions Neighboring the Northern Territories

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

More specifically, the MLIT pursues a mix of structural and non-structural measures to build appealing regional communities in these neighboring regions, including the promotion of agricultural and fishery industries, implementation of public-works projects for development of transportation systems, supporting the implementation of non-structural measures by providing subsidies for project implementation expenditures, such as for Northern Territory neighboring region revitalization.

(2) Promoting the Ainu Culture, etc.

In accordance with the Basic Policy on the Development, Management, and Administration of a Space Symbolic of Ethnic Harmony for Promoting the Restoration of Ainu Culture adopted by a Cabinet decision on June 13, 2014, we will

continue with the development of symbolic spaces toward the realization of 1 million visitors, through such efforts as opening a National Park for Ethnic Harmony and memorial facilities by 2020, and with the dissemination of information to people outside Japan in an effort to strengthen PR activities for the Ainu culture and the like toward the opening of the symbolic spaces to the public.

In accordance with the Act on the Promotion of Ainu Culture, and Dissemination and Enlightenment of Knowledge about Ainu Tradition, we are working on public awareness activities, such as the creation of Space Symbolic PR posters or the expansion of exhibitions of Ainu craftworks, etc., at airports under the “I ran karap te” (an Ainu greeting meaning “how are you”) Campaign implemented through industry-academia-government collaboration.

Figure II-4-5-2

Lake Poroto and Ainu Traditional Houses



Source) Ainu Museum