

Trends of Initiatives in SDGs for Regional Revitalization

Shuzo Murakami

Emeritus Professor, The University of Tokyo

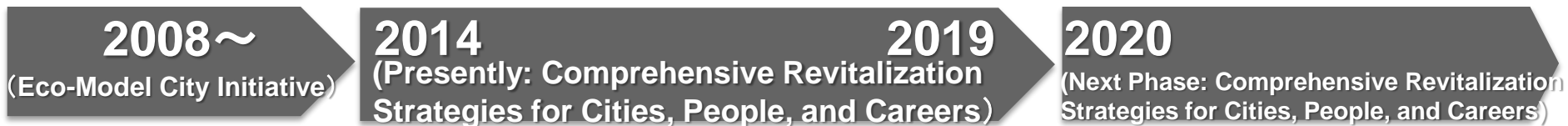
Chairperson of the Local Government SDGs Promotion Evaluation and Study Group

(Cabinet Office)

Chairperson of the SDGs for Regional Revitalization Finance Study Group

(Cabinet Office)

SDGs for Regional Revitalization Initiatives by Governments (Overview)



Eco-Model City
(2008)

Eco FutureCity
(2011)

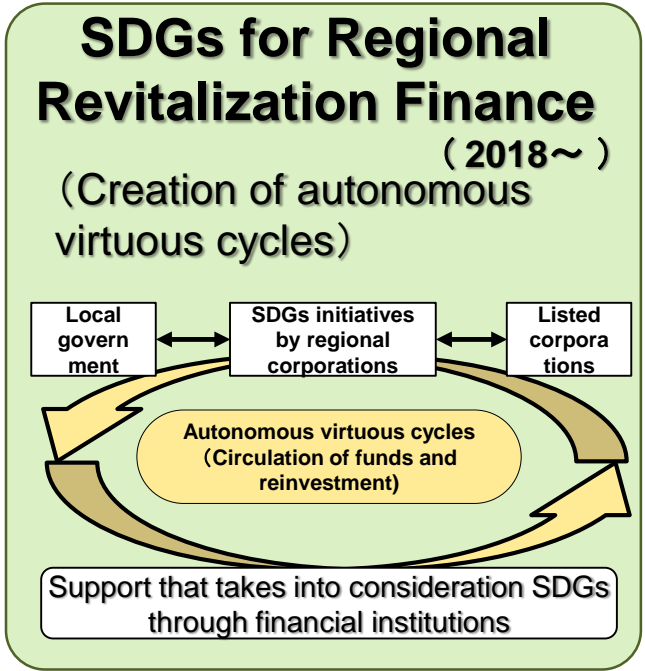
- Creation of
- Environmental value
 - Social value
 - Economic value

Local Government SDGs
Promotion Evaluation and
Study Committee
(2017)

SDGs FutureCity
(2018)

**SDGs Model
Projects**
(2018)

**Public-Private
Partnership
Platform**
(2018)



Local governments as key players Public-private partnership Involvement of private corporations as key players

Measures Under the Act on Revitalization of Cities, People and Careers (Cabinet decision)

1. Comprehensive Revitalization Strategies for Cities, People, and Careers (December 2018)

- ⇒ Making the **SDGs mainstream** in regional revitalization
- ⇒ Promoting **comprehensive initiatives** for economy, society, and environment
- ⇒ Creating **autonomous virtuous cycles** in the regions

2. Basic Policy for the Revitalization of Cities, People and Careers, 2019 (June 2019)

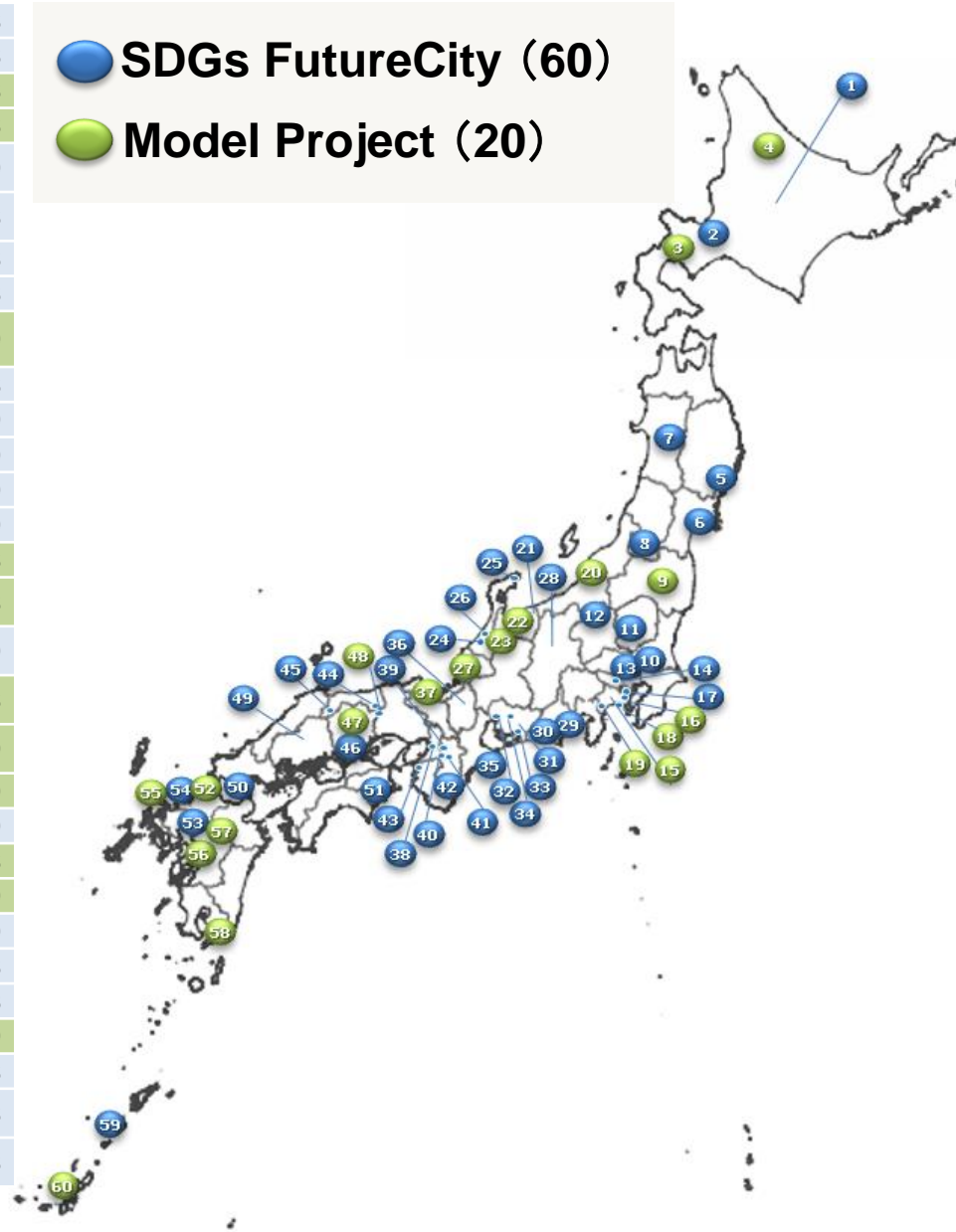
- ⇒ Creating **SDGs FutureCity** for the achievement of SDGs
- ⇒ Promoting involvement of the private sector through the **SDGs for Regional Revitalization Public-Private Partnership Platform**
- ⇒ Promoting **SDGs for Regional Revitalization Finance**
- ⇒ Further efforts to make the **SDGs mainstream** in the next phase of the **Comprehensive Strategy** (commencing FY2020)
Sustainable urban development such as the realization of **SDGs for regional revitalization**

List of the cities selected as SDGs FutureCity / Model Project

| | | |
|----|--------------------------------------|------|
| 1 | Hokkaido | 2018 |
| 2 | City of Sapporo, Hokkaido | 2018 |
| 3 | Niseko Town, Hokkaido | 2018 |
| 4 | Shimokawa Town, Hokkaido | 2018 |
| 5 | City of Rikuzentakata, Iwate Pref. | 2019 |
| 6 | Higashimatsushima City, Miyagi Pref. | 2018 |
| 7 | Semboku City, Akita Pref. | 2018 |
| 8 | Iide Town, Yamagata Pref. | 2018 |
| 9 | Koriyama City, Fukushima Pref. | 2019 |
| 10 | Tsukuba City, Ibaraki Pref. | 2018 |
| 11 | Tsukuba City, Ibaraki Pref. | 2019 |
| 12 | Minakami Town, Gunma Pref. | 2019 |
| 13 | Saitama City, Saitama Pref. | 2019 |
| 14 | Hino City, Tokyo | 2019 |
| 15 | Kanagawa Prefecture | 2018 |
| 16 | City of Yokohama, Kanagawa Pref. | 2018 |
| 17 | Kawasaki City, Kanagawa Pref. | 2019 |
| 18 | Kamakura City, Kanagawa Pref. | 2018 |
| 19 | Odawara City, Kanagawa Pref. | 2019 |
| 20 | Mitsuke City, Niigata Pref. | 2019 |
| 21 | Toyama Prefecture | 2019 |
| 22 | Toyama City, Toyama Pref. | 2018 |
| 23 | Nanto City, Toyama Pref. | 2019 |
| 24 | Komatsu City, Ishikawa Pref. | 2019 |
| 25 | Suzu City, Ishikawa Pref. | 2018 |
| 26 | Hakusan City, Ishikawa Pref. | 2018 |
| 27 | Sabae City, Fukui Pref. | 2019 |
| 28 | Nagano Prefecture | 2018 |
| 29 | City of Shizuoka, Shizuoka Pref. | 2018 |
| 30 | Hamamatsu City, Shizuoka Pref. | 2018 |

 **SDGs FutureCity (60)**

 **Model Project (20)**

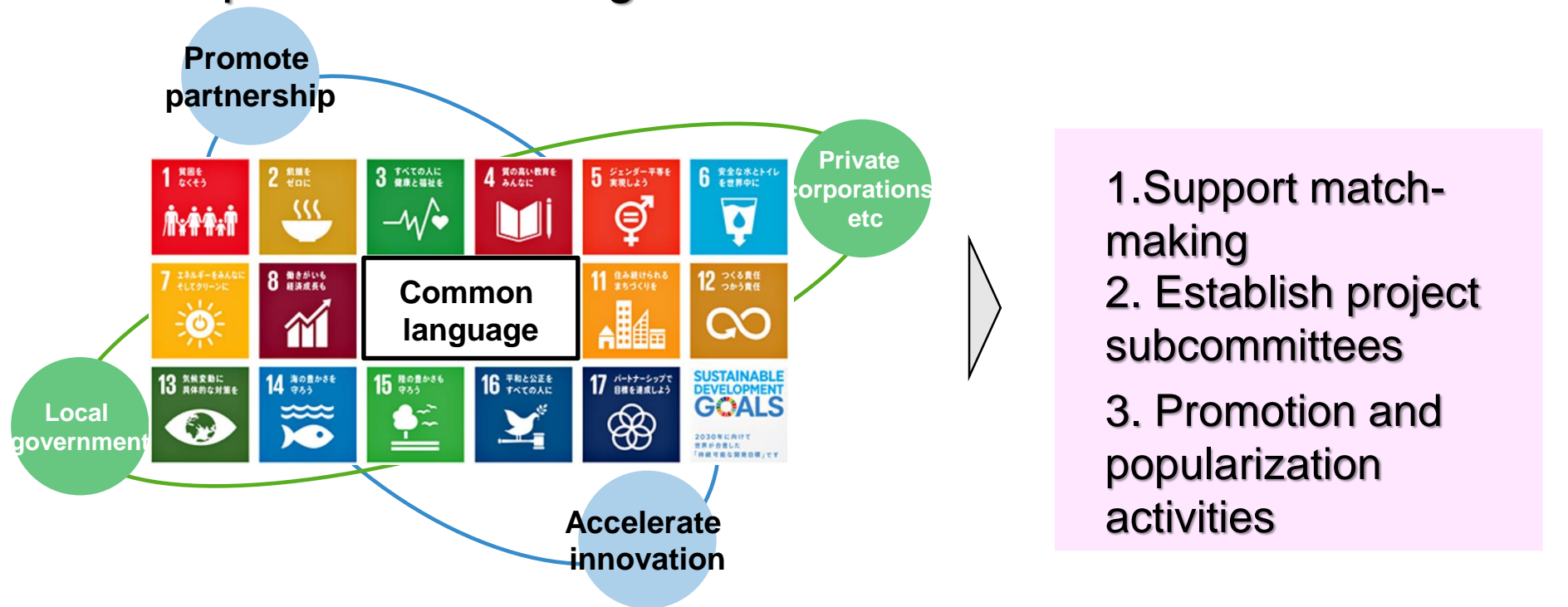


| | | |
|----|-------------------------------------|------|
| 31 | Aichi Prefecture | 2019 |
| 32 | City of Nagoya, Aichi Pref. | 2019 |
| 33 | Toyohashi City, Aichi Pref. | 2019 |
| 34 | Toyota City, Aichi Pref. | 2018 |
| 35 | Shima City, Mie Pref. | 2018 |
| 36 | Shiga Prefecture | 2019 |
| 37 | Maizuru City, Kyoto Pref. | 2019 |
| 38 | Sakai City, Osaka Pref. | 2018 |
| 39 | Ikoma City, Nara Pref. | 2019 |
| 40 | Sango Town, Nara Pref. | 2019 |
| 41 | Koryo Town, Nara Pref. | 2019 |
| 42 | Totsukawa Village, Nara Pref. | 2018 |
| 43 | Wakayama City, Wakayama Pref. | 2019 |
| 44 | Chizu Town, Tottori Pref. | 2019 |
| 45 | Nichinan Town, Tottori Pref. | 2019 |
| 46 | Okayama City, Okayama Pref. | 2018 |
| 47 | Maniwa City, Okayama Pref. | 2018 |
| 48 | Nishiawakura Village, Okayama Pref. | 2019 |
| 49 | Hiroshima Prefecture | 2018 |
| 50 | Ube City, Yamaguchi Pref. | 2018 |
| 51 | Kamikatsu Town, Tokushima Pref. | 2018 |
| 52 | City of Kitakyushu, Fukuoka Pref. | 2018 |
| 53 | Omuta City, Fukuoka Pref. | 2019 |
| 54 | Fukuetsu City, Fukuoka Pref. | 2019 |
| 55 | Iki City, Nagasaki Pref. | 2018 |
| 56 | Kumamoto City, Kumamoto Pref. | 2019 |
| 57 | Oguni Town, Kumamoto Pref. | 2018 |
| 58 | Osaki Town, Kagoshima Pref. | 2019 |
| 59 | Tokunoshima Town, Kagoshima Pref. | 2019 |
| 60 | Onna Village, Okinawa Pref. | 2019 |

※in order of Area / Municipality code

Promoting participation of the private sector in SDGs for regional revitalization, through public-private partnership

⇒ High expectations in particular for participation by regional corporations and regional financial institutions



○No. of members: 1,039 organizations (As of Oct 2019)
 (Financial organizations: 82 organizations) 5

Framework of Expanded SDGs Action Plan 2019 (June 2019)

(SDGs Promotion Headquarters)

(Corporations)

I. Promotion of Society 5.0 that corresponds to SDGs

Business

- ▶ Promoting SDGs initiatives by corporations, such as “[The Guide for SDG Business Management](#)” based on [SDGs Business Promotion Initiative](#), guidance about TCFD*, etc., and providing support for attracting ESG investments. *Task Force on Climate-Related Financial Disclosures
- ▶ Strengthening cooperation with the relevant organizations/regions and financial institutions, to strengthen the SDGs initiatives of [small- and medium-sized enterprises \(SMEs\)](#).
- ▶ Strengthening public-private cooperation to contribute to the [international rule-making](#) of SDGs businesses.

Science and technology innovation (STI)

- ▶ [Basic stance for the formulation of the roadmap](#) unveiled at G20. Support for the formulation of roadmaps by each country.
- ▶ Building the STI for SDGs Platform.
- ▶ Strengthen the [development of human resources in the field of STI](#), as well as the social implementation of international joint research and STI.

(Local governments)

II. Regional revitalization driven by the SDGs, and development of resilient eco-friendly and attractive cities

Promotion of regional revitalization

- ▶ Promoting the involvement of the private sector through [SDGs FutureCity](#) (FutureCities for this fiscal year to be decided on soon), the [SDGs for the Regional Revitalization Public-Private Partnership Platform](#), and [creation of autonomous virtuous cycles through SDGs for Regional Revitalization Finance](#).

- ▶ Promoting SDGs through the management and convention of the [Tokyo 2020 Olympic and Paralympic Games](#), and the [2025 Osaka Expo](#).

Building of a resilient material-cycle society

- ▶ Formulation of the [National Action Plan for Marine Plastic Litter](#), [Japan's Resources Circulation Strategy for Plastics](#)
- ▶ [35 organizations](#) selected for involvement in the creation of a [Circulating and Ecological Economy](#).
- ▶ Formulation and implementation of the [Long-term Strategy under the Paris Agreement](#).
- ▶ [Development of human resources in the field of disaster prevention](#) (development of 85,000 human resources for building a resilient world [over four years](#))

(Youth/Women)

III. Empowerment of next generations and women as bearers of SDGs

Empowerment of next generations and women

- ▶ Support for activities in Japan and abroad for the [SDGs Promotion Platform for the Next Generation](#)

- ▶ Announcement by Prime Minister Abe, at WAW! /W20 of the commitment to support education for women in developing countries (4 million people over three years)

Health and education with human resource development at the core

- ▶ Support for [global funds](#), including increase in investment, in order to contribute to promoting UHC* and resolving global health issues.
*Universal Health Coverage
- ▶ [Education x Innovation \(Support for 9 million children and youths over three years\)](#)

(Local Governments)

II. Regional revitalization driven by the SDGs, and development of resilient eco-friendly and attractive cities

Promotion of regional revitalization

1. Promoting the involvement of the private sector through **SDGs FutureCity and the SDGs for the Regional Revitalization Public-Private Partnership Platform**.
2. Creation of **autonomous virtuous cycles through SDGs for Regional Revitalization Finance**.

Key Initiatives Under the Expanded SDGs Action Plan 2019 (June 2019)

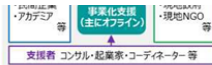
(SDGs Promotion Headquarters)

2019年6月、G20大阪サミットにおいて「STI for SDGsロードマップ 策定のための基本的考え方(Guiding Principles)」を発表

2019年5月
進とESG投資

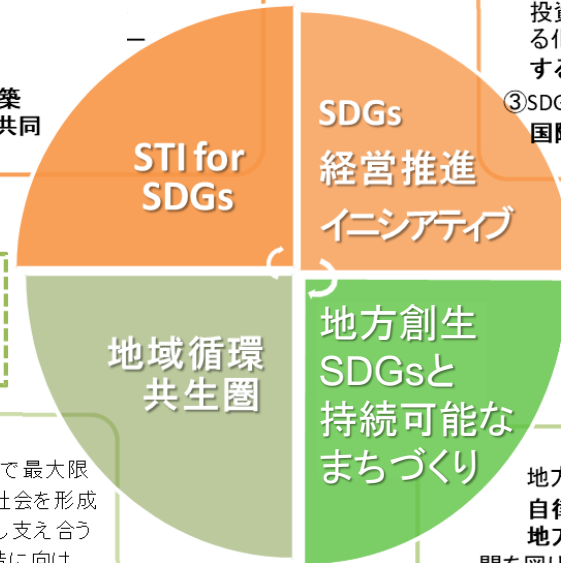
The Guide for SDGs Business Management

Science and Technology Innovation



ズをマッチングするプラットフォームを構築
③ODAと連携した国際共同研究の強化等

「SDGsのためDGs」を推進:



2019年5月、平成31年度 地域循環共生圏づくりプラットフォームの構築に向けた地域循環共生圏の創造に取り組む活動団体の選定団体一覧 (この他、モデル実証事業を夏頃決定予定)

- 長沼町
- (特非) 仕事人倶楽部
- (一社) Reborn-Art Festival
- (一社) サステイナビリティセクター
- (株) 会津森林活用機構, 会津地域森林資源活用事業推進協議会
- 小田原市
- 国立大学法人富山大学

環境×地方創生:
地域資源を持続的な形で最大限活用。自立・分散型の社会を形成しつつ、各地域が補完し支え合う地域循環共生圏の創造に向け、プラットフォーム構築(ソフト面)及び地域社会インフラの脱炭素化モデル

② ESG投資のハノーマンス分析, 投資家・評価機関の手法の見える化等を通じ, SDGs経営を後押しする長期投資を促進
③ SDGsに関する投資等に係る国際的ルールメイキングに貢献

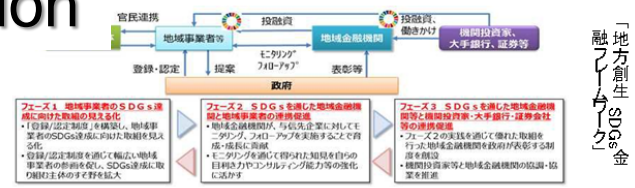


「地方創生SDGs金融スキーム」

地方創生SDGs達成に向け 自律的好循環の形成を目指し, 地方創生SDGs金融の普及・展開を図り, 多様なステークホルダーが連携し「地方創生SDGs金融フレームワーク」構築を目指す。

Environment × Regional Revitalization

- | | | |
|---|--|--|
| <ul style="list-style-type: none"> ■富士宮市 ■裾野市深良地区まちづくりコンソーシアム ■おわせSEAモデル協議会 ■(認定特非) まちづくりネット東近江 ■亀岡市 ■環境アニメティッドやお ■(公財) 地球環境戦略研究機関(IGES) | <p>推進協議会</p> <ul style="list-style-type: none"> ■那智勝浦町 ■(株) AMAホールディングス ■真庭市 ■(株) エーゼロ ■コウホリ定着推進連絡協議会 ■宗像国際環境会議実行委員会 | <p>協議会</p> <ul style="list-style-type: none"> ■小国町(熊本県) ■熊本県, 南阿蘇村 ■奄美市 ■徳之島地区自然保護協議会 ■宮古島市 ■国頭村 |
|---|--|--|

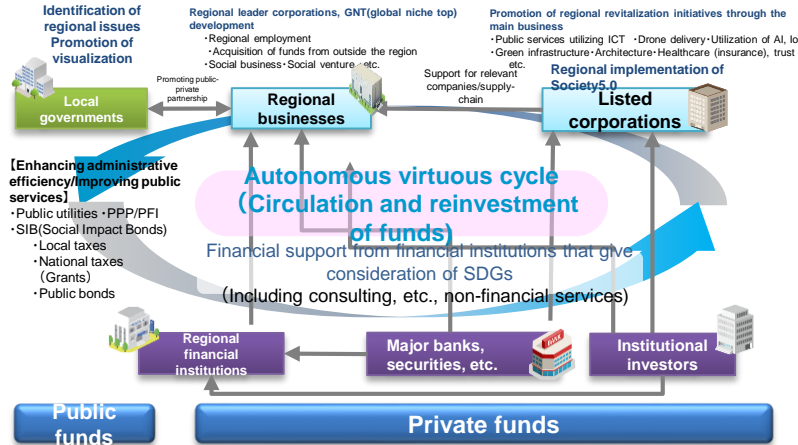


Key Initiative: Regional Revitalization and Sustainable Urban Development

Overview of the creation of autonomous virtuous cycles through

SDGs for regional revitalization finance

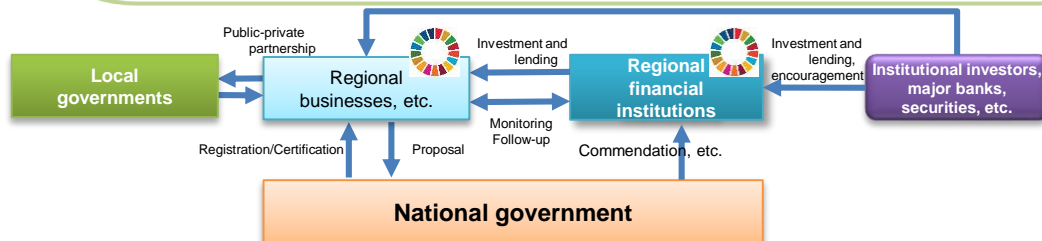
Expansion of corporations/businesses engaged in regional revitalization driven by SDGs



1. Popularize and promote **SDGs for Regional Revitalization Finance** with the aim of creating **autonomous virtuous cycles** with a view to achieving SDGs for regional revitalization.
2. Aim to build the **SDGs for Regional Revitalization Finance Framework** through collaboration between diverse stakeholders

SDGs for Regional Revitalization and Sustainable Urban Development

Creation of autonomous virtuous cycles



Phase 1 Visualization of initiatives towards the achievement of SDGs by regional businesses

- Develop a registration/certification system to visualize initiatives towards the achievement of SDGs by regional businesses
- Promote the involvement of a wide range of regional businesses through the registration/certification system, and expand the range of entities engaged in efforts to achieve the SDGs

Phase 2 Promoting collaboration between regional financial institutions and regional businesses through SDGs

- Contribute to development and growth through the monitoring and following-up on borrowers by regional financial institutions
- Apply the knowledge gained through monitoring on strengthening own assessment abilities and consulting skills, etc.

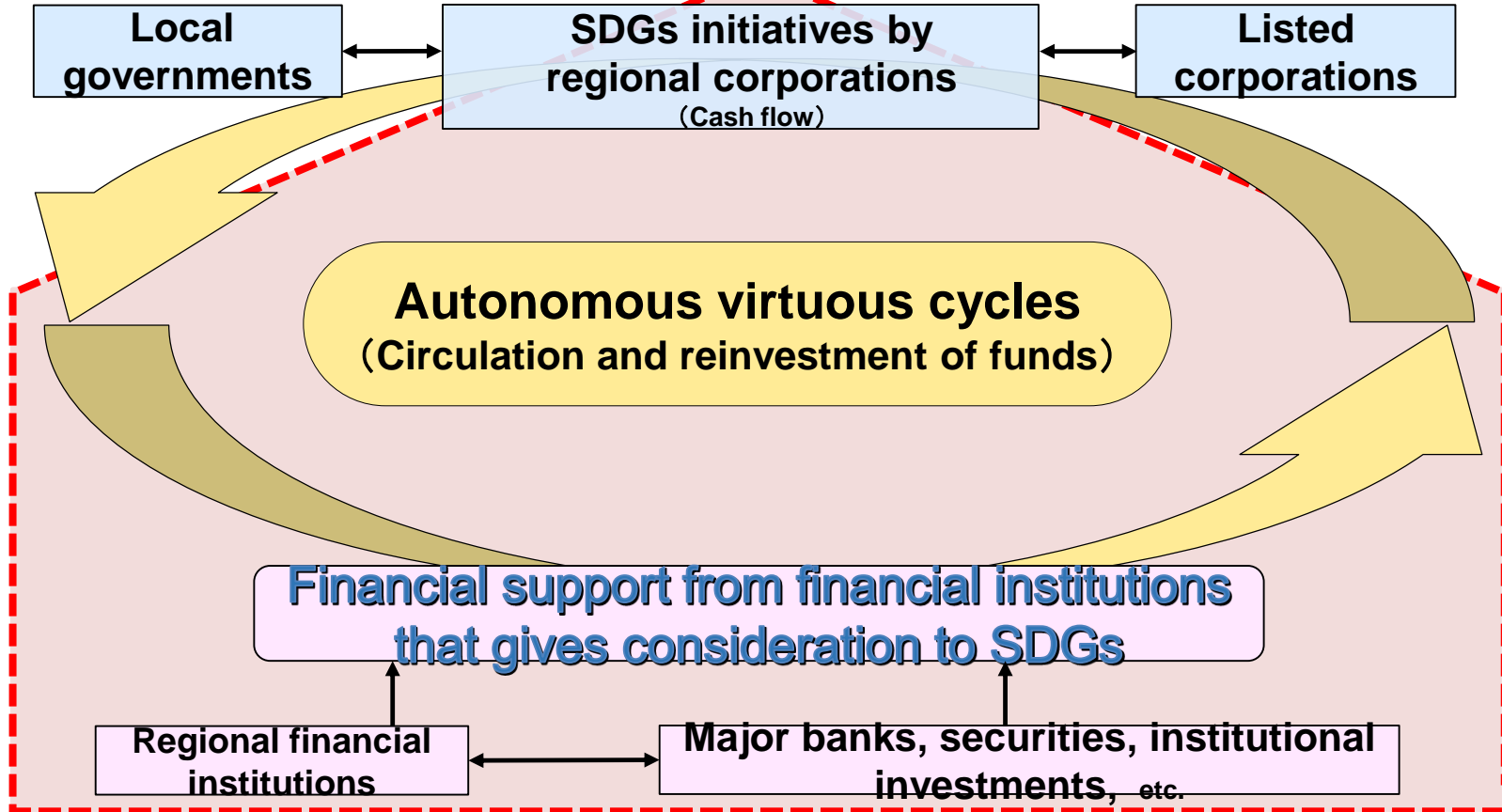
Phase 3 Promoting collaboration between regional financial institutions, etc. and institutional investors/major banks/securities firms, etc. through SDGs

- Establish a system for the government to commend regional financial institutions that have implemented outstanding initiatives through Phase 2 activities
- Promote coordination and partnerships between institutional investors, etc. and regional financial institutions

SDGs for Regional Revitalization Finance Framework

Building of Autonomous Virtuous Cycles Through Local Government SDGs (Cabinet Office, FY2018)

(SDGs for Regional Revitalization/ESG Finance Study Group (March 2019))



SDGs for Regional Revitalization Finance

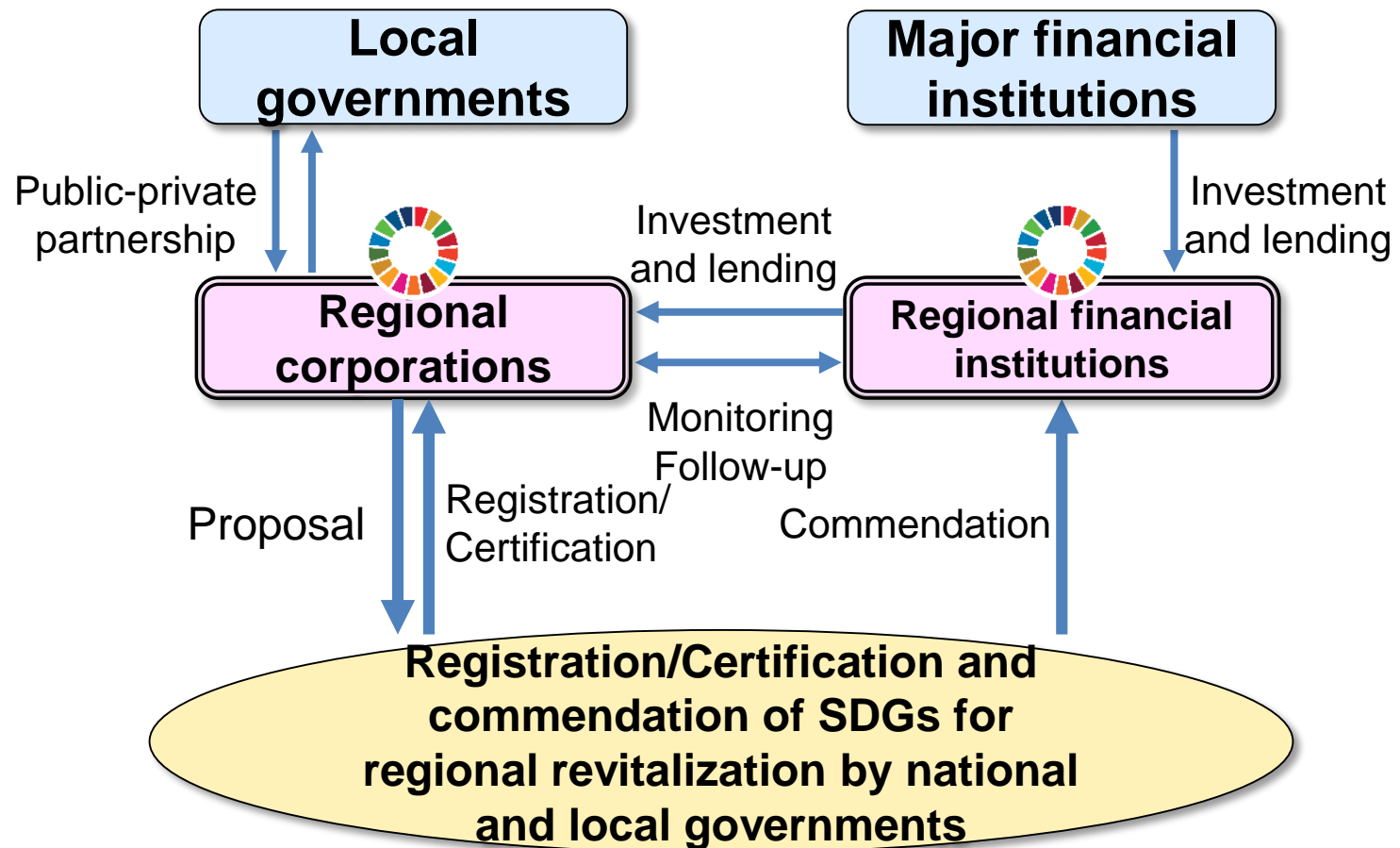
➡ Regional corporations generate new cash flows while resolving regional issues through business activities

➡ Profits gained are reinvested into the region, realizing an autonomous virtuous cycle

SDGs for Regional Revitalization Framework

Towards the Creation of Autonomous Virtuous Cycles (Cabinet Office, FY2018)

(SDGs for Regional Revitalization/ESG Finance Study Group
(March 2019))



➡ **Greater openness and transparency around SDG-related corporate activities**

Key Initiatives in the SDGs Action Plan 2020 (December 2019)

Promoting SDGs for regional revitalization

With a view to the second phase of regional revitalization, it is important to put effort into sustainable urban development from a medium- to long-term perspective, and to continue activities for promoting and popularizing SDGs by local governments as well as providing financial assistance for the creation of model projects. At the same time, there is a need to advance cooperation with various stakeholders including private corporations and financial institutions, in order to create autonomous virtuous cycles towards the resolution of regional issues.

Moreover, aim to roll-out registration and certification systems targeted at regional businesses that are engaged in SDGs for Regional Revitalization, and to develop commendation systems for regional financial institutions, etc. as well as methods of evaluation for the initiatives by various stakeholders. (R2 Initial budget: 470 million yen)



Declaration of "SDGs Japan Model" under the leadership of local governments, and convention of SDGs National Forum

Held in Kanagawa Prefecture in 2019. The SDGs Japan Model declaration was adopted with the approval of 157 local government bodies. There are plans to continue holding the forum in 2020 in Nagano Prefecture, with the aim of widely disseminating SDGs for Regional Revitalization under the leadership of local governments.

Promoting the creation of a shared recognition with customers, by regional financial institutions

Promote the creation of share values, in which regional financial institutions provide advice and finance towards the resolution of the management issues of regional corporations, improve the productivity of such corporations, and ultimately secure a continuous management foundation for themselves. (R1 Supplementary budget: 20 million yen)

Promoting sustainable tourism

- To promote faithful compliance with the matters agreed upon at the G20 Tourism Ministers' Meeting in 2019, a follow-up survey is conducted on the status of implementation of measures agreed upon by each country, while a symposium is held to present those results, and efforts are made to popularize and promote effective and sustainable tourism.
- Based on the "Towards a Sustainable Tourism-Oriented Country" approved by the Sustainable Tourism Promotion Headquarters, strengthen initiatives towards the realization of sustainable tourism through the development and popularization of the Japanese version of sustainable tourism indicators that are in line with international standards, which contribute to effective tourism management, and through the promotion of measures against congestion/poor manners, etc. that utilize model projects and other means.

Revitalization of regions including rural districts

(SDGs Promotion Headquarters)

Comprehensive support to develop rural districts

Provide comprehensive support for initiatives that contribute to securing places of employment for regional residents, including farmers, through the development of activity plans based on creative efforts of the regions, as well as initiatives that contribute to increasing incomes and expanding employment in rural districts, thereby promoting the revitalization of rural districts. (R2 Initial budget: 9.81 billion yen)

Development of terrace paddy areas

Put in place comprehensive support measures for the conservation and development of terrace paddy areas, from the perspectives of industry, environment, landscape, and culture.

Promoting village networks

In "village networks" (small hubs) comprising a core village and multiple neighbouring villages, provide support for initiatives that underpin everyday life as well as activities that create livelihoods through collaboration between diverse entities that support everyday life. (R2 Initial budget: 400 million yen)

Promoting wide-area collaboration

Promote diverse wide-area collaboration, beginning with initiatives in cooperative central cities that are hubs for maintaining dynamic social economy even in a serious situation of population decline (R2 Initial budget: 100 million yen)

Mesomountainous Region Agriculture Renaissance Project

Provide comprehensive support for the realization of diverse and rich agricultural industry as well as beautiful and dynamic rural districts, and initiatives towards the maintenance and succession of regional resources such as farmlands by the regional community. (R2 Initial budget: 44.2 billion yen)

Project to develop centres for the creation of culture and arts

By supporting cultural and arts programs led by local governments in anticipation of the 2020 Tokyo Olympics and beyond, enhance local governments' ability to plan and implement cultural programs on a national scale, develop diverse and characteristic culture and arts, and contribute to regional revitalization (R2 Initial budget: 1 billion yen).



Promoting Globally Important Agricultural Heritage Systems/Agricultural Heritage Sites in Japan

Promote initiatives to raise awareness of the Globally Important Agricultural Heritage Systems/Agricultural Heritage Sites in Japan, which accredit regions (agricultural, forestry, fishery industry systems) that operate traditional agricultural, forestry and fishery industries that have been passed on for many generations while adapting to society and the environment.

Promoting a national movement to increase consumption by discovering the appeal of food

Promote "Food Action Nippon," a national movement that seeks to increase the consumption of domestically produced agricultural, forestry and fishery products through the united efforts of producers, food businesses, and consumers across the country. Support initiatives such as events to communicate the appeal of domestic produce and agriculture to consumers, local specialty contests, etc. (R2 Initial budget: 120 million yen)

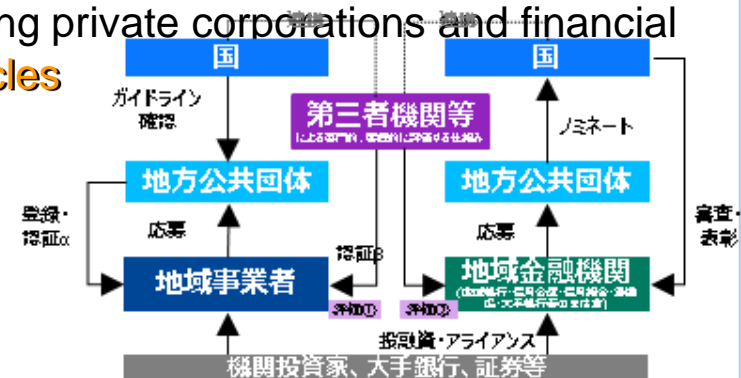
Protection and succession of Japanese food culture

Protect Japanese food culture, which has been designated as a UNESCO Intangible Cultural Heritage, and implement measures to pass it on to future generations. (R2 Initial budget: 70 million yen)

Promoting SDGs for regional revitalization

With a view to the second phase of regional revitalization, it is important to put effort into sustainable urban development from a medium- to long-term perspective, and to continue activities for promoting and popularizing SDGs by local governments as well as providing financial assistance for the creation of model projects. At the same time, there is a need to advance cooperation with various stakeholders including private corporations and financial institutions, **in order to create autonomous virtuous cycles towards the resolution of regional issues.**

Moreover, aim to roll-out registration and certification systems targeted at regional businesses that are engaged in SDGs for Regional Revitalization, and to develop commendation systems for regional financial institutions, etc. as well as methods of evaluation for the initiatives by various stakeholders.



SDGs for Regional Revitalization Finance Framework

SDGs for Regional Revitalization Finance Framework: Linking of Three Issues

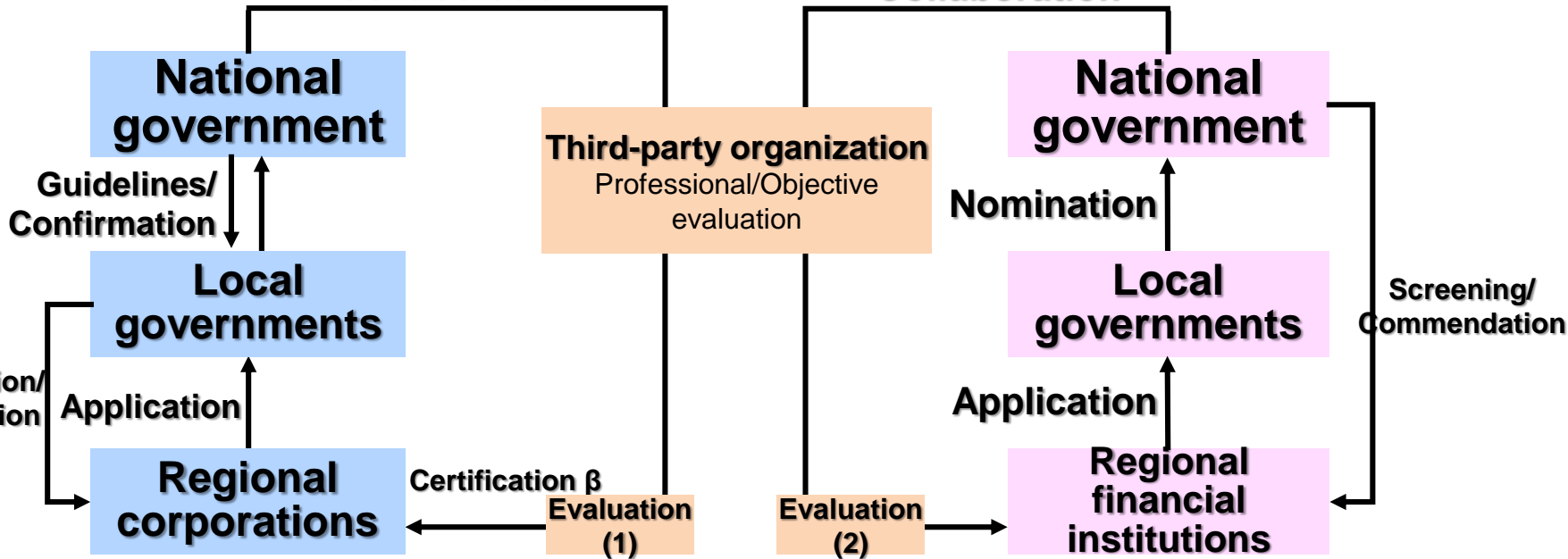
(SDGs for Regional Revitalization Finance Study Group
(November 2019))

Issue 1 Registration/Certification system for regional corporations

Issue 2 Commendation system for regional financial institutions

Collaboration

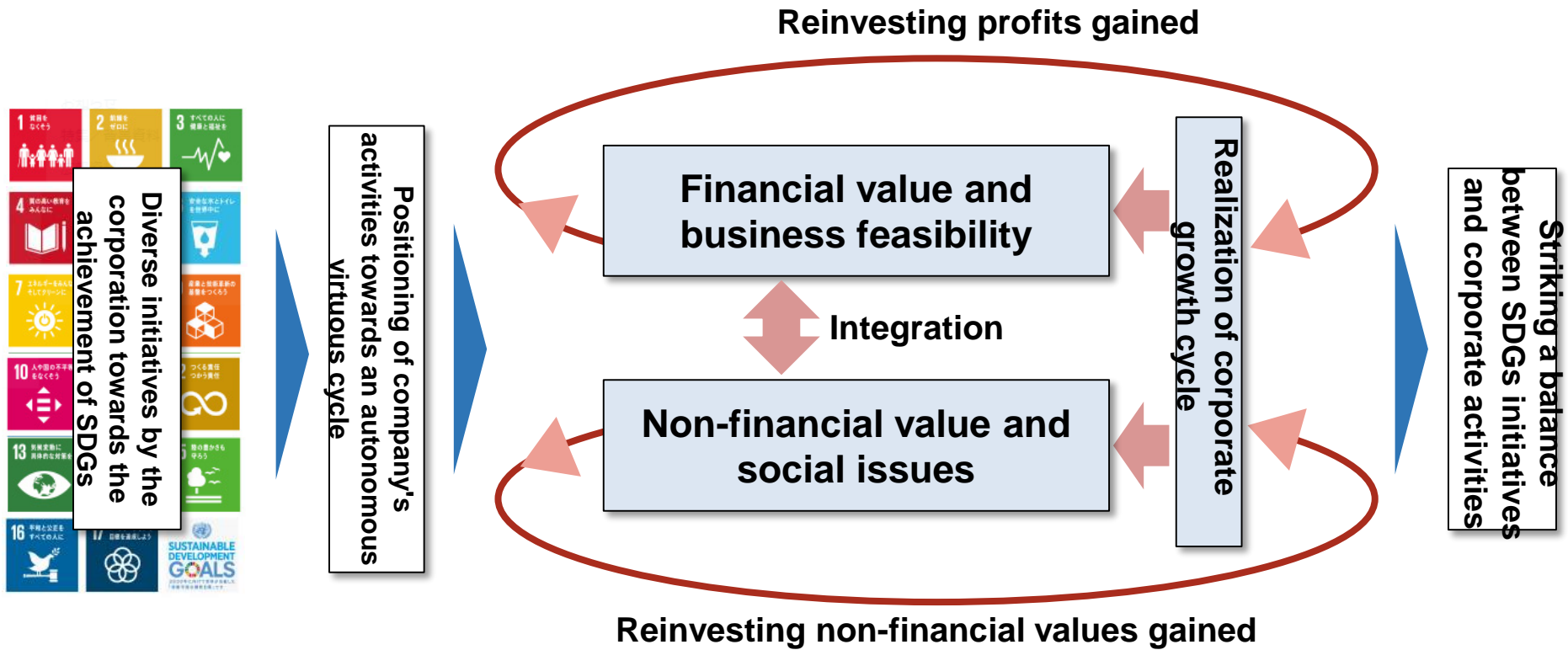
Collaboration



Issue 3 Review of method for evaluating the performance of SDGs initiatives by third-party

- 1: Neutrality of evaluation bodies
- 2: Objectiveness and expert nature of evaluation criteria

Striking a Balance Between Realizing the Growth Cycle of Regional Corporations and Achieving SDGs



- **Business activities aimed at the achievement of SDGs create financial value (profits, etc.) and non-financial value (human resources, technology, corporate brand, etc.)**
- **Generating profits and paying taxes are also important social contributions by a corporation**

**Thank you very much
for your attention**