Trends of Initiatives in SDGs for Regional Revitalization

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SDGs for Regional Revitalization Initiatives by Governments
(Overview)

2008～ (Eco-Model City Initiative)

2014 (Presently: Comprehensive Revitalization Strategies for Cities, People, and Careers)

2019 (Next Phase: Comprehensive Revitalization Strategies for Cities, People, and Careers)

Local Government SDGs Promotion Evaluation and Study Committee (2017)

Eco-Model City (2008)

Eco FutureCity (2011)

Creation of
- Environmental value
- Social value
- Economic value

SDGs FutureCity (2018)

SDGs Model Projects (2018)


SDGs for Regional Revitalization Finance (2018～)
(Creation of autonomous virtuous cycles)

Local government
SDGs initiatives by regional corporations
Listed corporations

Autonomous virtuous cycles
(Circulation of funds and reinvestment)

Support that takes into consideration SDGs through financial institutions

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

Shuzo Murakami, Institute for Building Environment and Energy Conservation
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
| 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 |
| 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 | Fukutsu 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

1. Support match-making
2. Establish project subcommittees
3. Promotion and popularization activities

No. of members: 1,039 organizations
(Financial organizations: 82 organizations)

Local government
Promote partnership
Common language
Private corporations etc
Accelerate innovation
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.

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)

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)
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)

The Guide for SDGs Business Management

Science and Technology Innovation

Environment × Regional Revitalization

Place Creation × SDGs and Sustainable City Planning

SDGs Promotion Headquarters

Shuzo Murakami, Institute for Building Environment and Energy Conservation
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

Identification of regional issues
Promotion of visualization
Regional leader corporations, GNT (global niche top) development
Regional employment
Acquisition of funds from outside the region
Social business, Social venture, etc.
Promotion of regional revitalization initiatives through the main business
Public services utilizing ICT
Drone delivery
Utilization of AI, IoT
Green infrastructure, Architecture, Healthcare (insurance), etc.
Regional Implementation of Society5.0

Autonomous virtuous cycle (Circulation and reinvestment of funds)
Financial support from financial institutions that give consideration of SDGs (including consulting, etc., non-financial services)

SDGs for Regional Revitalization and Sustainable Urban Development

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

Shuzo Murakami, Institute for Building Environment and Energy Conservation
Building of Autonomous Virtuous Cycles Through Local Government SDGs (Cabinet Office, FY2018)

SDGs initiatives by regional corporations
(Cash flow)

SDGs for Regional Revitalization

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

Financial support from financial institutions that gives consideration to SDGs

Regional financial institutions

Major banks, securities, institutional investments, etc.

Autonomous virtuous cycles
(Circulation and reinvestment of funds)

Local governments

Listed corporations

Regional corporations

SDGs for Regional Revitalization Finance

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

- Local governments
- Major financial institutions

- Regional corporations
- Regional financial institutions

- Public-private partnership
- Investment and lending
- Monitoring and follow-up
- Registration/Certification
- Commendation

Registration/Certification and commendation of SDGs for regional revitalization by national and local governments

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, 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)

Revitalization of regions including 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)

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 diverse 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)

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 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 implement measures to pass it on to future generations. (R2 Initial budget: 70 million 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 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)

Agriculture Renaissance Project

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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: Linking of Three Issues

**Issue 1**
Registration/Certification system for regional corporations

- National government
- Local governments
- Regional corporations

**Guidelines/Confirmation**

**Issue 2**
Commendation system for regional financial institutions

- National government
- Local governments
- Regional financial institutions

**Nomination**

**Evaluation (1)**

**Evaluation (2)**

**Third-party organization**
Professional/Objective evaluation

**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

(Shuzo Murakami, Institute for Building Environment and Energy Conservation)
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