

Support for Regional Revitalization



Regional revitalization aims at realizing overcoming population decline and revitalization of rural areas integrally to maintain vitalized economic society.

The impact of population decline, low birthrate and increasing aging population is problematic in Japan compared to other countries in the world

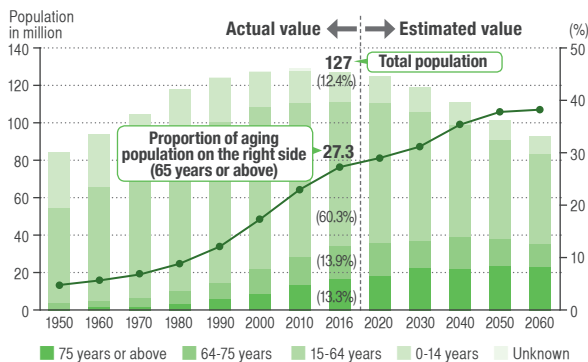
Japan is taking “Regional revitalization” countermeasure to overcome the challenges of population decline and over-concentration of population in Tokyo

Japan’s population has been declining since 2008. The percentage of population aged 65 years or above is as high as 28% of total population, and the low birth rates and aging population is continuing to worsen. The population decline in Japan is especially problematic in rural areas. However, if the population declines in rural areas, there will be a knock-on effect to urban areas, as population from these rural towns will not migrate for employment, thus urban population will also see a decline. Therefore there is a high concern that the economic society of Japan may, as a whole, lose its vitalization. Population decline and population aging is also expected to occur in developed countries like Europe and America as well as in the Asia in the near future.

“Regional revitalization” is the Japan’s first policy that is focused on addressing the overcoming population decline and population concentration in Tokyo. It is an initiative that breaks the vicious circle of “Population decline resulting in contraction of rural economy which also leads to contraction of rural economy that speeds up the population decline”. In order progress with the initiatives further, the government of Japan established a comprehensive strategy of the country at the end of 2016 (as shown in the following figure) that defines policy goals, basic strategy and the countermeasure. The comprehensive strategy of the country shows the methods for promoting regional revitalization. The central government is not enforcing one strategy for all municipalities to implement. Rather, it is a mechanism that allows municipalities to formulate and promote their own regional comprehensive strategy based on their new ideas while referring to the comprehensive strategy of the central government as a guideline.

Population Decline and Aging in Japan and Comprehensive Strategy by the Government of Japan

Declining population, low birth rate and increasing aging population



Source: Created by NRI through “White paper on 2017 The Aging society” by Cabinet of Japan

Basic goals of comprehensive strategy by government of Japan

1) Create “Jobs” in rural areas

Tourism, agriculture, forestry and fisheries promotion

3) Encourage for marriage, childbirth and child raising

Workstyle reforms, youth employment countermeasures, WLB* realization etc.

2) Create new “People flow” to the local area

Migration promotion, nurturing resources for regional revitalization etc.

4) Develop a “City” for the future generation

Compact city, small base, national strategic special zones, etc.

*WLB: Work Life Balance

Japan tries to overcome population decline and contraction of rural economy by the development of city, people and jobs and establishment of virtuous circle

NRI supports the initiative of “regional revitalization” from the viewpoints of creating mechanism, regional strategy and business in regions by the central government and local public entities.

Supporting nation in creating a mechanism of “regional revitalization”

NRI supports the development of a national strategy plan, system and mechanism using the “Regional Revitalization” as reference. NRI takes into account the current situations of our client countries/ governments, and assesses the effects that promotes sustainable initiatives based on our experiences of implementing “Regional revitalization” in Japan. Regional revitalization is a political measure that should be implemented mainly in rural areas while sharing the awareness about the challenges that are common throughout the country. Based on the viewpoint of “Supporting innovation in rural areas with motivation and enthusiasm”, the government of Japan supports rural areas by 1) “Information support (providing information based on the analysis of rural economy, etc.)”, 2) Human resources support (dispatching experts according to the requirements of rural areas etc.) and 3) Financial support (according to budget and tax measures).

Example of support for regional revitalization in regions (“Innovation program” supporting the establishment of business)

NRI has provided support for “Innovation program”, supporting establishment of business by cooperating with future entrepreneurs in rural areas, local creators, financial institutions in rural areas, local public entities, think tank, media etc., as one of the menus supporting regional revitalization. We have developed a network with more than 100 innovative leaders across the country who lead social problem-solving approach with their unique ideas. In the innovation program, we connect innovative leaders and local future entrepreneurs in workshops with various ideas (planned and organized by NRI) for the development of business plans. In total 28 business plans were created in 3 years in the “Tokachi Innovation Program” at Tokachi area in Hokkaido prefecture, of which 7 led to the actual founding of the business.

Initiative by Local Government and NRI’s Support

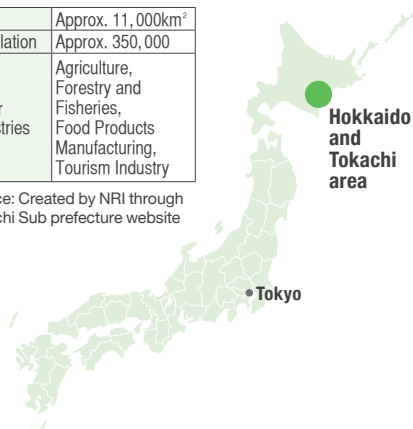
Tokachi Innovation Program

Future entrepreneurs and innovative leaders collaborate in developing and realizing new business plan with social problem-solving approach, with support by NRI
Total 28 business plans were created in 3 years, of which 7 led to the establishment of business (tourism and human resource)

Tokachi area

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|------------------|--|
| Area | Approx. 11,000km ² |
| Population | Approx. 350,000 |
| Major industries | Agriculture, Forestry and Fisheries, Food Products Manufacturing, Tourism Industry |

Source: Created by NRI through Tokachi Sub prefecture website



Tokachi Innovation Program

