

Promotion of SDGs for Regional Development

—Towards Regional Revitalization through SDG Initiatives—

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Background of the International Forum

(1) The 1st International Forum on the "FutureCity" Initiative

February 2012 In Tokyo

(2) The 2nd International Forum on the "FutureCity" Initiative

February 2013 In Shimokawa-cho, Hokkaido

(3) The 3rd International Forum on the "FutureCity" Initiative

October 2013 In Kitakyushu City, Fukuoka Prefecture

(4) The 4th International Forum on the "FutureCity" Initiative

December 2014 In Higashimatsushima City, Miyagi Prefecture

(5) "FutureCity" Initiative Promotion International Forum in Malaysia

February 2015 In Johor Bahru, Malaysia

(6) The 5th International Forum on the "FutureCity" Initiative

October 2015 In Toyama City, Toyama Prefecture

(7) "FutureCity" Initiative Promotion International Forum in Portland

February 2016 In Portland, Oregon, USA

(8) The 6th International Forum on the "FutureCity" Initiative

August 2016 In Yokohama City, Kanagawa Prefecture

(9) The 7th International Forum on the "FutureCity" Initiative

[FutureCity Initiative and SDG Principles]
October 2017 In Kashiwa City, Chiba Prefecture

(10) The 1st International Forum on SDGs for Regional Development

February 2019 In Tokyo

(11) The 2nd International Forum on SDGs for Regional Development

January 2020 In Tokyo

(12) The 3rd International Forum on SDGs for Regional Development

January 2021 Online

(13) The 4th International Forum on SDGs for Regional Development

January 2022 In Tokyo + Online

Points

- 1. Overview of Regional Development
SDG Activities**
- 2. Promotion and Deepening of SDG Adoption**
- 3. SDGs FutureCity**
- 4. Revitalizing Local Economies through
Public-Private Partnerships**

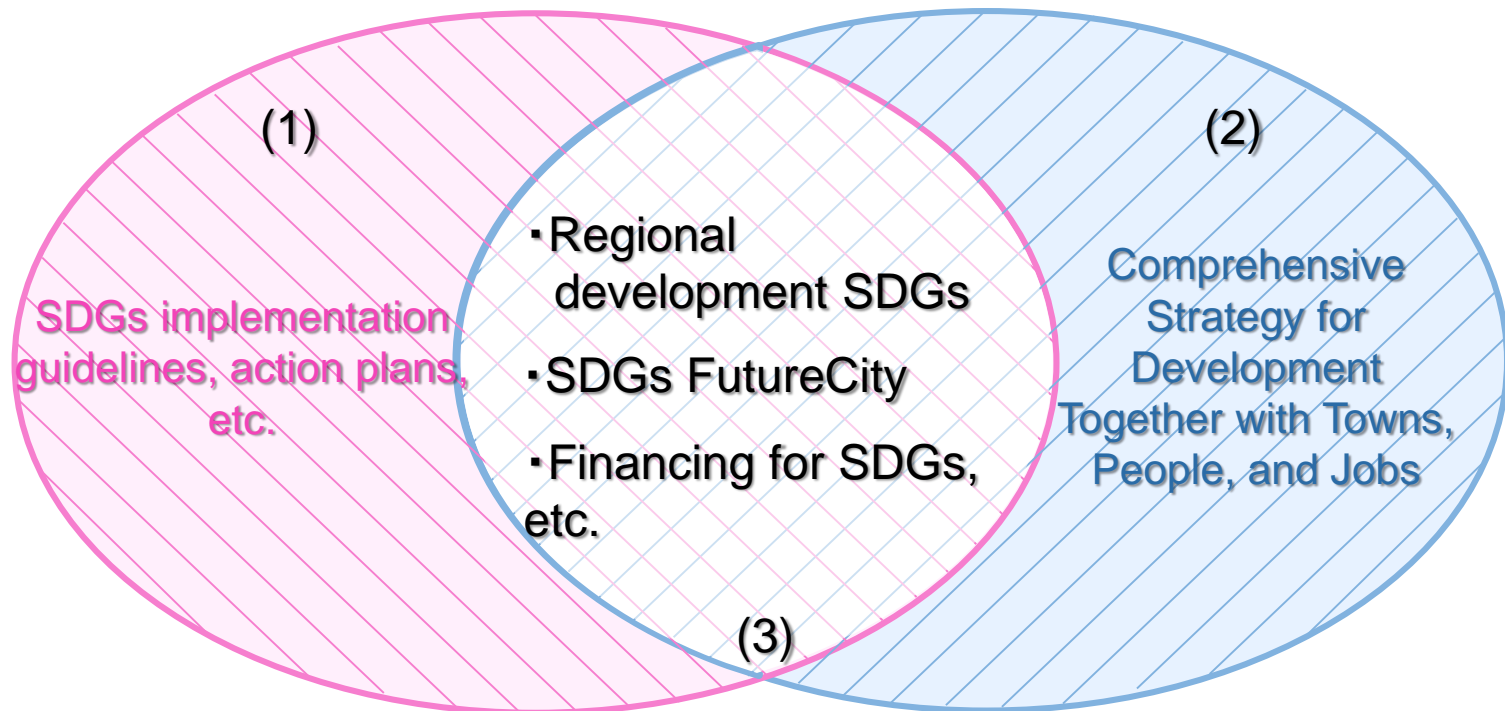
Major Government Measures Closely Related to SDGs for Regional Development

(1) Assembly of policy at the SDGs Promotion Headquarters

(Government)

(2) Assembly of policies related to "Development Together with Towns, People, and Jobs"

(Cabinet Secretariat)



(3): Intersection of (1) and (2)

Many of the policies related to the municipal SDGs are located here

1. COVID-19 Measures

- Universal Health Coverage (UHC), etc.

2. Growth strategies through business and innovation

- DX, ESG investment, corporate management and SDGs, telework, etc.

3. Regional development driven by SDGs, creating a virtuous cycle between the economy and the environment

- Carbon neutrality, green industry index, virtuous cycle between the economy and the environment, etc.
- Resilience, infrastructure development, measures against plastic marine waste, etc.
- SDGs FutureCities, public-private partnership platform, promotion of SDG financing, etc.

4. Action through the demonstration of each person's potential and the strengthening of ties

- Women's participation, diversity, measures against child poverty, ESD, etc.

Goals of the “Comprehensive Strategy for Development Together with Towns, People, and Jobs” (Summary) (2nd Period)

[December 2020 Cabinet Decision]

Base Goals

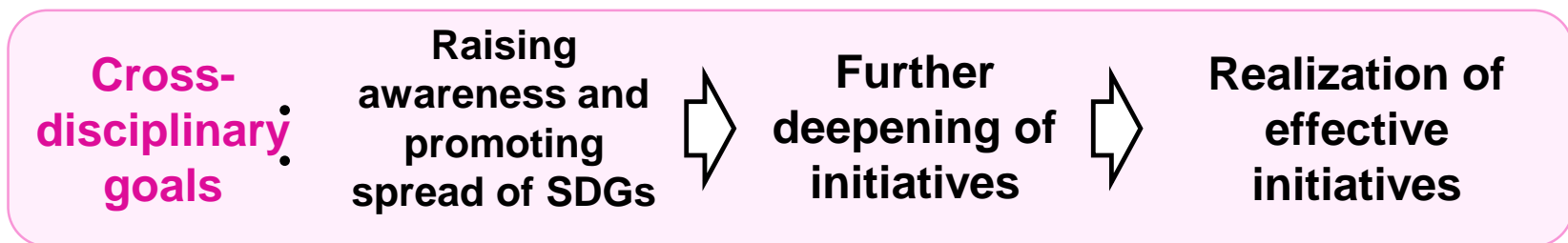
1. Create a community where people can earn money and **work** with peace of mind.
2. Creating **a new flow of people** to rural areas
3. Fulfilling hopes for marriage, **childbirth**, and child rearing
4. Allow for peace of mind **in living**



Cross-Disciplinary Goals

- (1) Promotion of Society 5.0 in rural areas
- (2) Realization of the SDGs for regional development, sustainable urban development
- (3) Promotion of regional development
- (4) Promotion of a community in which everyone can play an active role

- 1. Development of activities to promote the spread of regional development SDGs**
- 2. Formation of model cases for achieving SDGs through municipal governments**
 - ⇒ SDGs FutureCities (goal: 210 cities (2024))
- 3. Promotion of private sector partnerships through the public-private partnership platform**
 - ⇒ Number of public-private partnership matches (goal: 1,000 (2024))
- 4. Promotion of regional development SDGs financing**
 - ⇒ Municipalities working on regional development SDGs financing (goal: 100 organizations (2024))



Activities in the Cabinet Office to Promote the Spread of SDGs

1. Efforts to promote the spread and deepen the adoption of SDGs

- (1) Regular observation of the status of SDG efforts by municipalities nationwide (every October)
- (2) Development of local indicators

2. Model cities project

- (1) SDGs FutureCity
- (2) SDGs model project for broad cooperation

3. Efforts to revitalize the local economy

- (1) Public-private partnership platform
- (2) Financing for SDGs
 - Formation of a self-sustaining virtuous cycle
 - Registration/certification system for local companies
 - Awards system for financial institutions + municipalities

 **Significant increase in SDG awareness (2017: 16% → 2021: 99%)**

 **From the era of raising awareness to the era of deepening initiatives**

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Public-Private Partnerships**

1. For many municipalities, the barriers to implementing the SDGs are high

- ⇒ The SDGs themselves are simply a list of goals
 - There is no scenario presented for the revitalization of municipalities
- ⇒ Difficult to understand the concept of SDGs and difficult to spread understanding

2. How to overcome barriers

- ⇒ Presenting and learning from good models
 - SDGs FutureCities, broad cooperation SDGs model project
- ⇒ Presentation of materials to deepen understanding of the SDGs and concrete methods for scenario creation

3. Development of tools to support scenario development

- ⇒ Problem-Solving : Materiality, mapping
- ⇒ Scenario Creation: Backcasting, outside-in, and integrated economic, social, and environmental initiatives
- ⇒ Achievement Goals (KPI) : 3-tier structure (goals, targets, indicators), local indicators
- ⇒ Follow-Up : Impact evaluations

Flow of SDGs Adoption in Municipalities

Issue Groups and
Materiality



Mapping



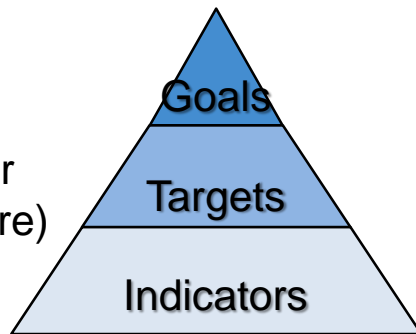
Selection of Goals and
Targets to Be Achieved

Putting it into policy

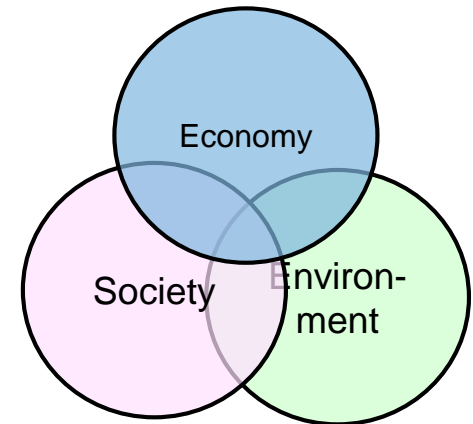


Backcasting
Outside-in

(3-tier
structure)



Set KPIs based on local indicators

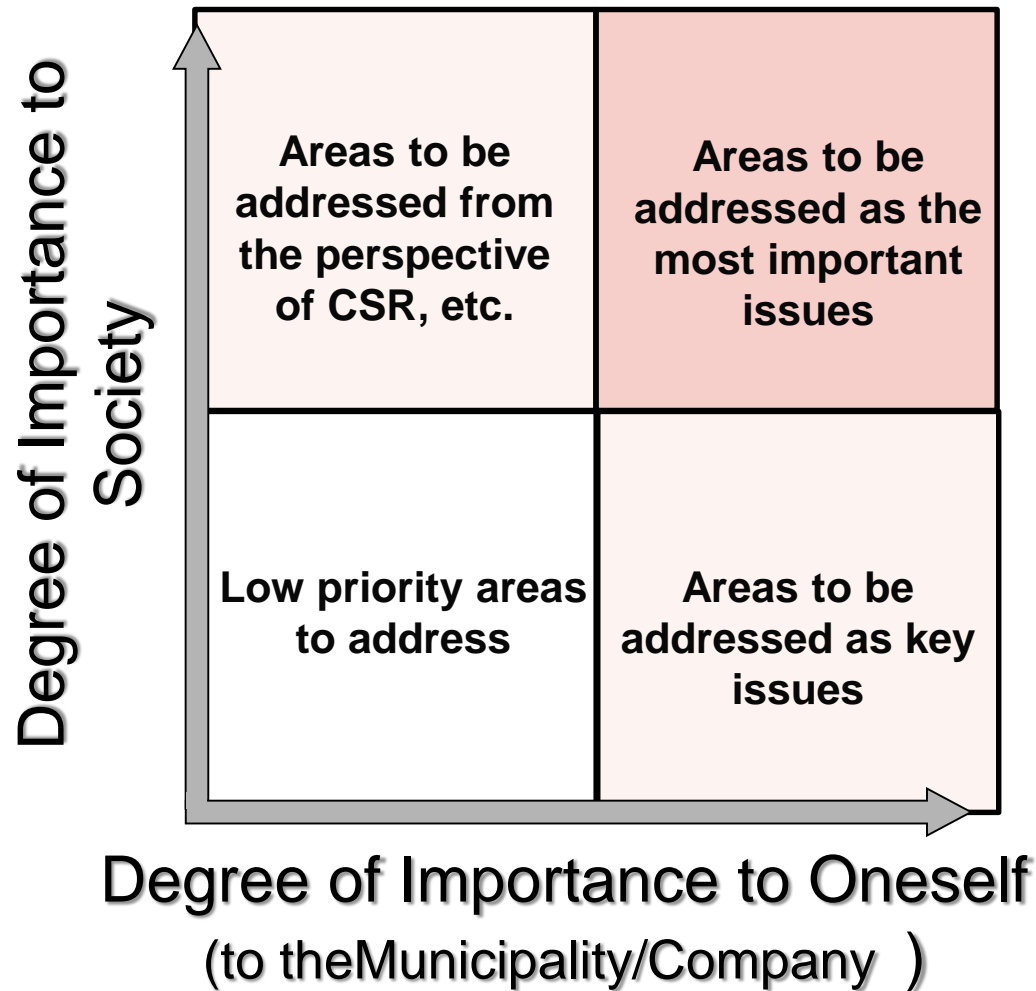


Overall optimization
with attention to these
three aspects

Action Plan

(Impact Evaluation)

How to Organize Materiality (Priority Issues to Be Addressed)



⇒ **The values and opinions of municipalities/companies expressed in selections for materiality**

8 Priorities of the Government of Japan (Materiality)

(SDGs Promotion Headquarters,
December 2016)

1. Empowerment of All People
2. Achievement of Good Health and Longevity
3. Creating Growth Market, Revitalization of Rural Areas, and Promoting Technological Innovation
4. Sustainable and Resilient Land Use, Promoting Quality Infrastructure
5. Energy Conservation, Renewable Energy, Climate Change Countermeasures, and Sound Material-Cycle Society
6. Conservation of Environment, including Biodiversity, Forests and Oceans
7. Achieving Peaceful, Safe and Secure Societies
8. Strengthening the Means and Frameworks of the Implementation of the SDGs

⇒ **Make selections for materiality for Japan from goals and targets and reconfigure**

⇒ **Develop implementation guidelines based on materiality**

Comprehensive Strategy for Development Together with Towns, People, and Jobs : Four Basic Goals and Policy Package

1. Employment

1. Realization of highly productive and vibrant regional economies
2. Strengthening the tourism industry
3. Turning the agriculture, forestry, and fishing industries into growth industries
4. Return of human resources to rural areas, human resource development in rural areas

2. Correcting Over-Concentration

1. Relocation of government agencies to rural areas
2. Strengthening of regional hubs for companies, etc.
3. Promotion of study by and employment of young people in rural areas
4. Enhancing children's experiences of farming, mountain, and fishing villages
5. Promotion of migration to rural areas

3. Raising the Birthrate

1. Promotion of the "regional approach" in fertility measures
2. Economic stability of the younger generation
3. Childbirth and childcare support
4. Promote "work style reform" in line with local conditions

4. Daily Life and Community

1. Urban development and regional collaboration
2. Formation of "small hubs"
3. Responding to medical and nursing care issues and declining birthrates in metropolitan areas
4. Ensuring an environment in which residents can be responsible for local disaster prevention
5. Promotion of hometown development
6. Urban development where people can live a lifetime of active work by extending their healthy life expectancy
7. Reducing CO2 emissions and adapting to climate change
8. Promotion of municipal SDGs

 **Materiality with the required originality**

Mapping of Goals and Goal Setting/Action Plans

Review your own efforts and link them to SDGs

(事例)

ゴール	取組状況
1	△
2	×
3	◎
4	△
5	○
6	△
7	○
8	◎
9	○
10	◎
11	◎
12	○
13	○
14	×
15	△
16	×
17	△

Backwards Mapping:
From the current situation
to SDGs

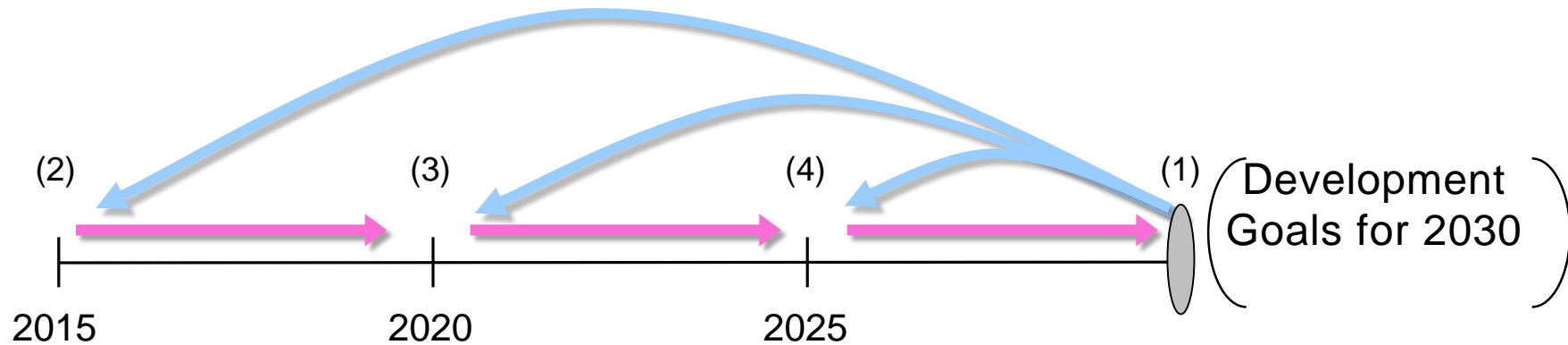
(1) Ranking the importance of your own issues
(Materiality)

(2) Vision to be tackled looking ahead to 2030
(Backcasting and outside-in)

(3) Future planning that pays attention to the entire goal

Forwards Mapping: From
SDGs to future plans

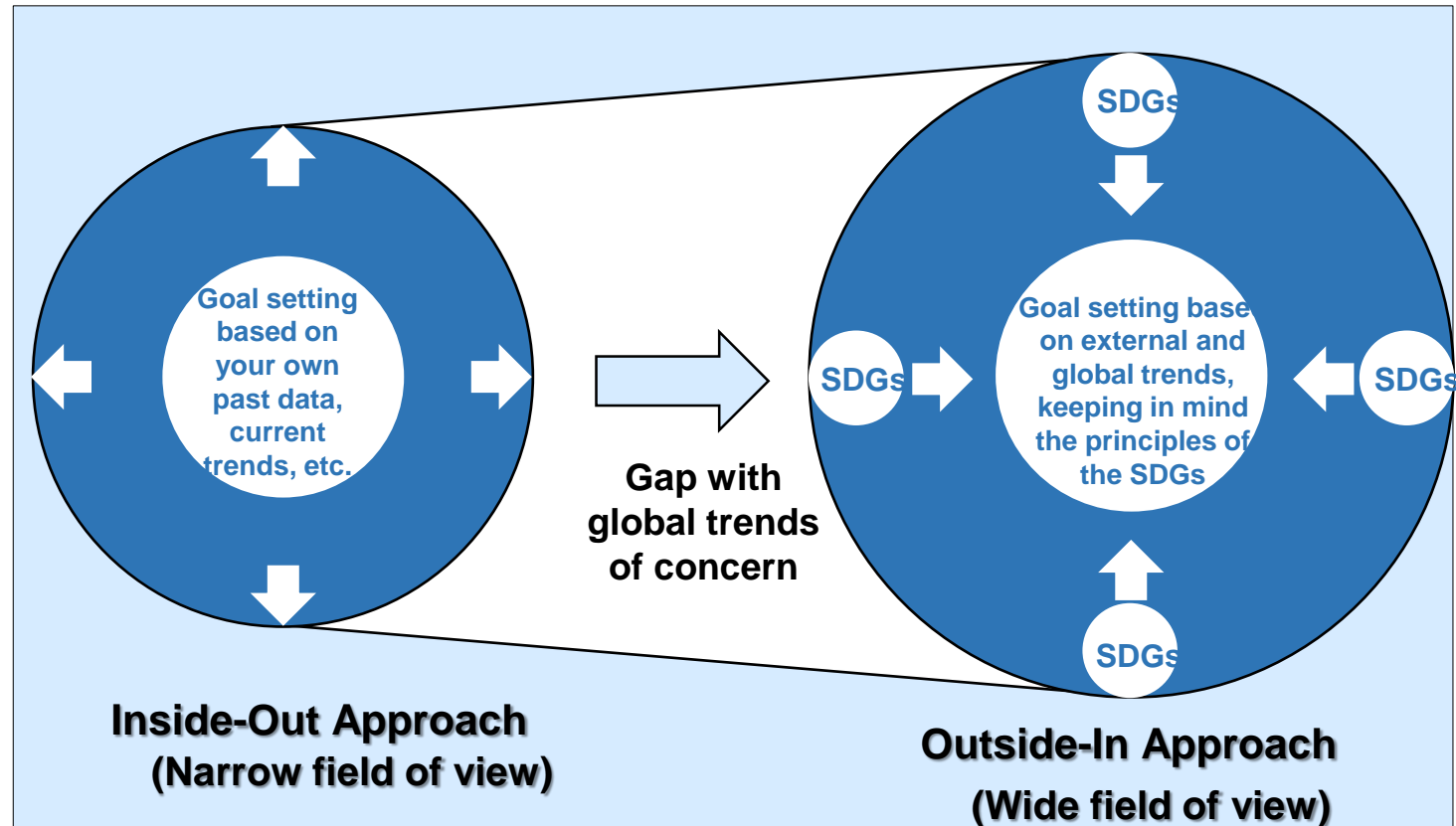
Goal Setting by Backcasting



Setting goals by working backwards from the ideal future (goal-based governance)

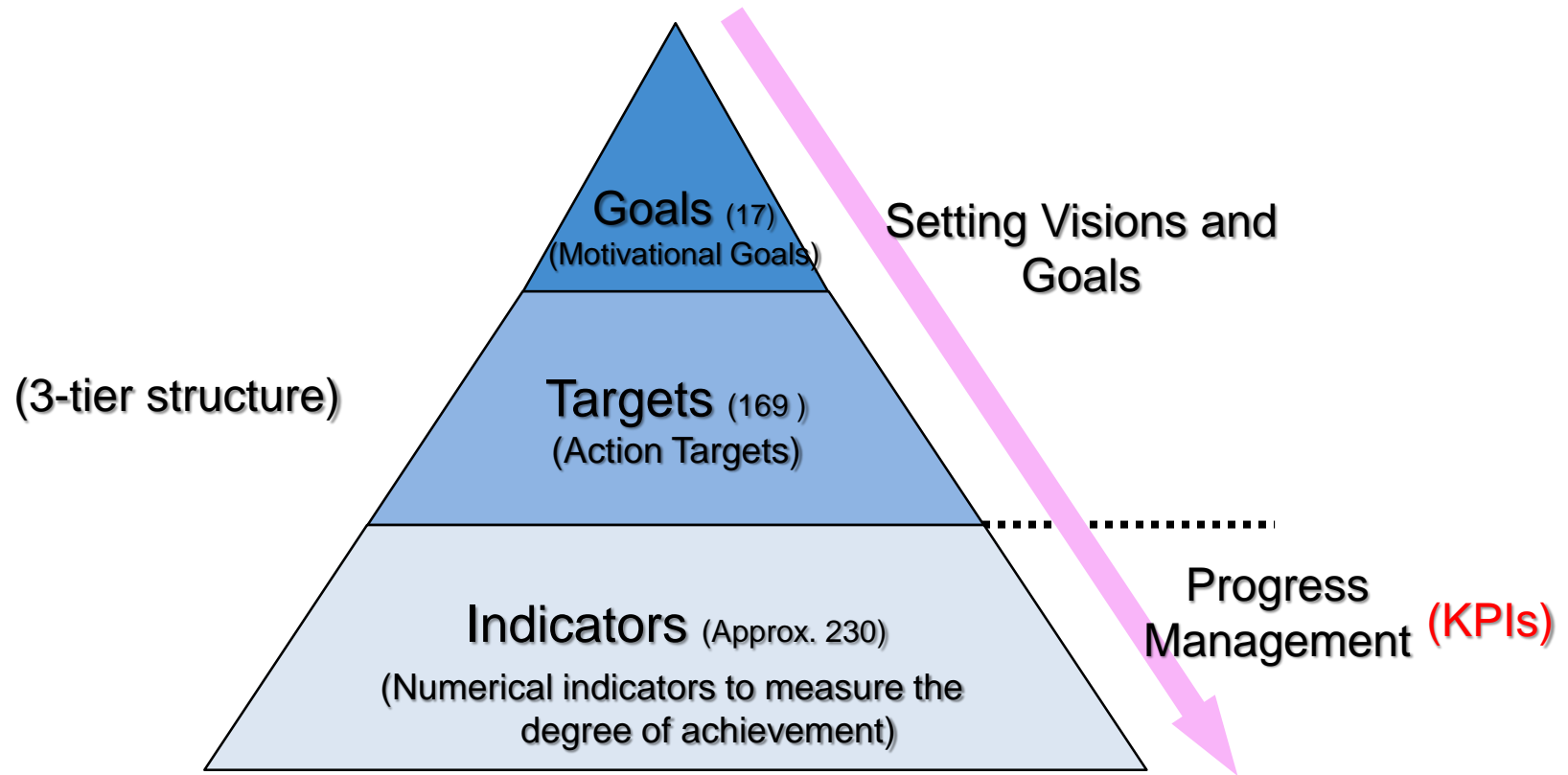
⇒ Managing the progress of initiatives from a long-term perspective

The Outside-In Approach to Goal Setting



- ⇒ Use of the outside-in structure through the adoption of SDGs
- ⇒ From backwards mapping to forwards mapping

Setting KPIs and Using Local Indicators

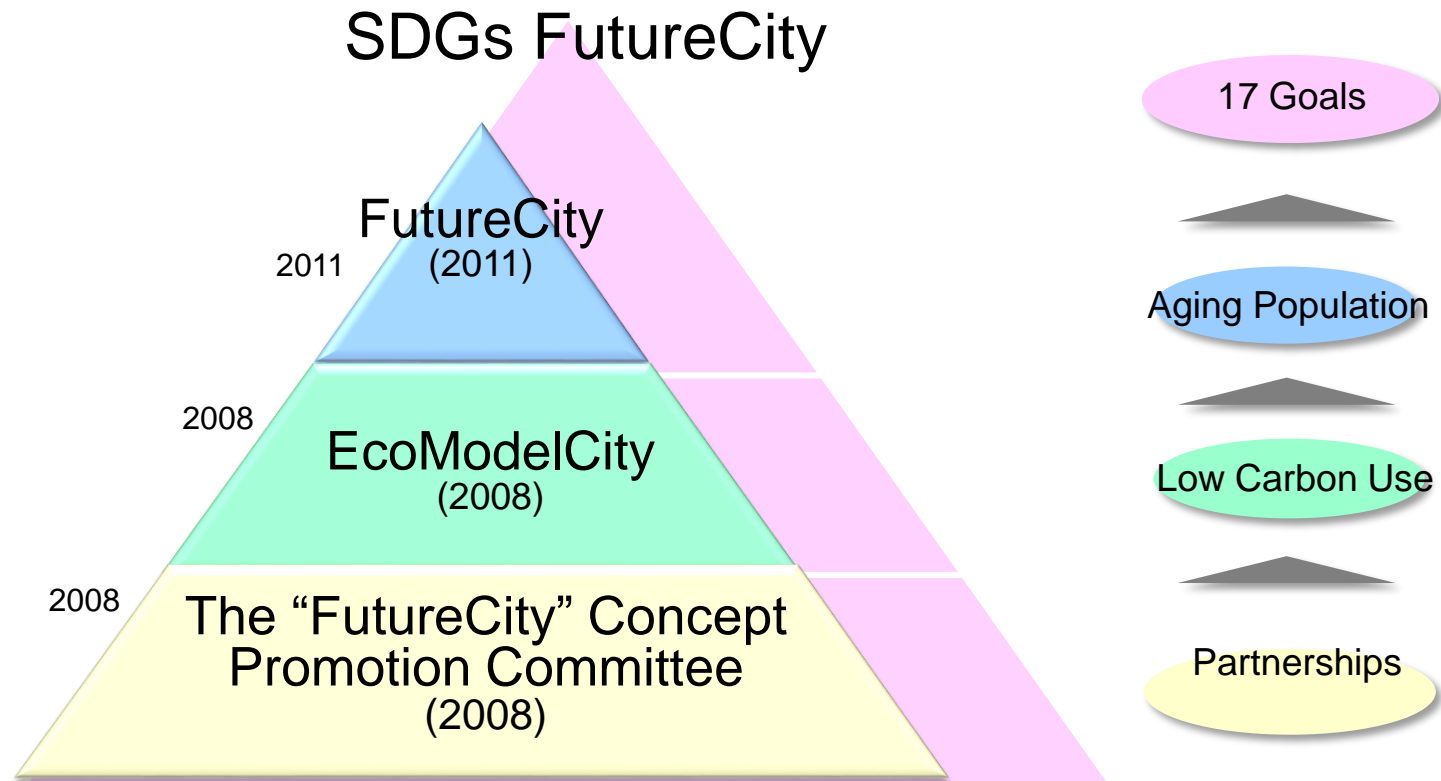


⇒ **Global indicators are difficult to use for municipal SDGs**

⇒ **Development of Japan-specific local indicators**

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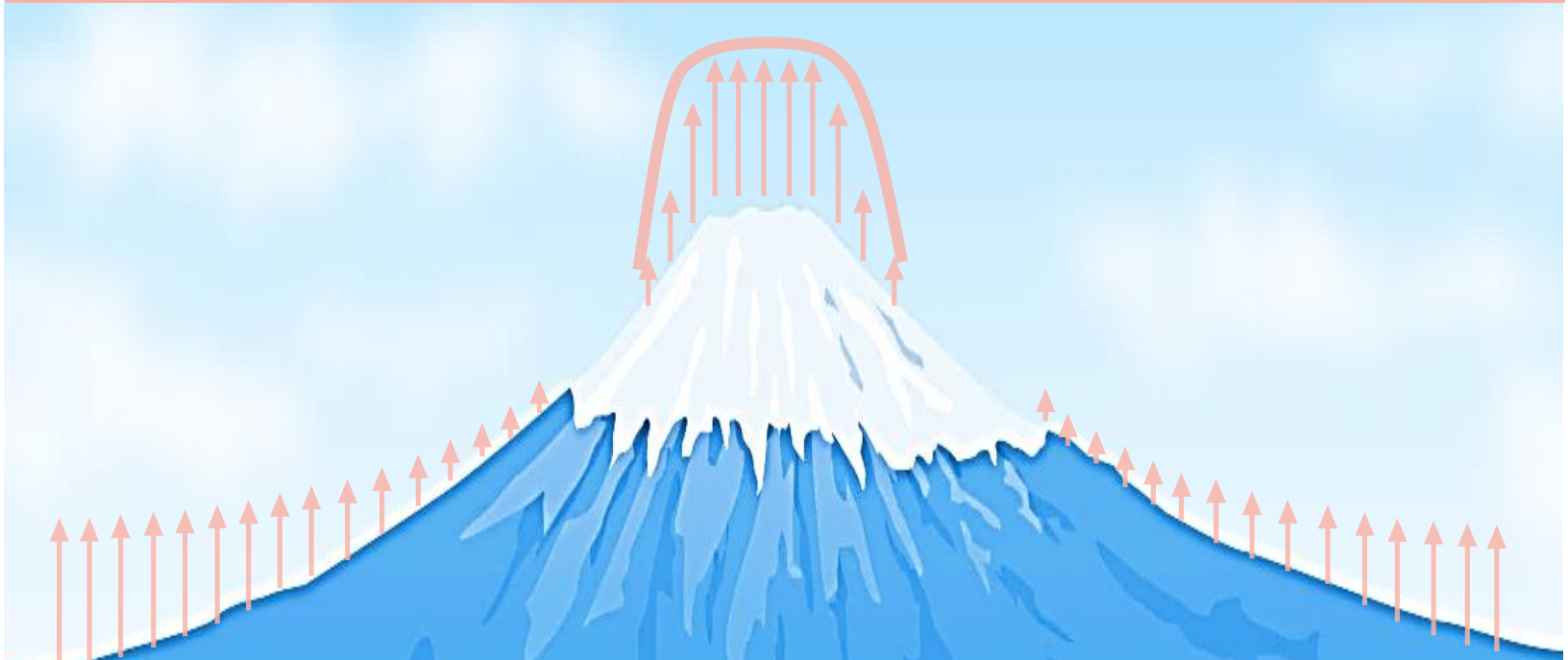
⇒ Leading initiatives in the "FutureCity" Initiative

- Integrated environmental, social, and economic initiatives
- Creation of environmental, social, and economic value

⇒ Affinity between the SDGs and the "FutureCity" Initiative

Aims of the SDGs FutureCity Initiative: 1) Raise the peak and 2) raise the base.

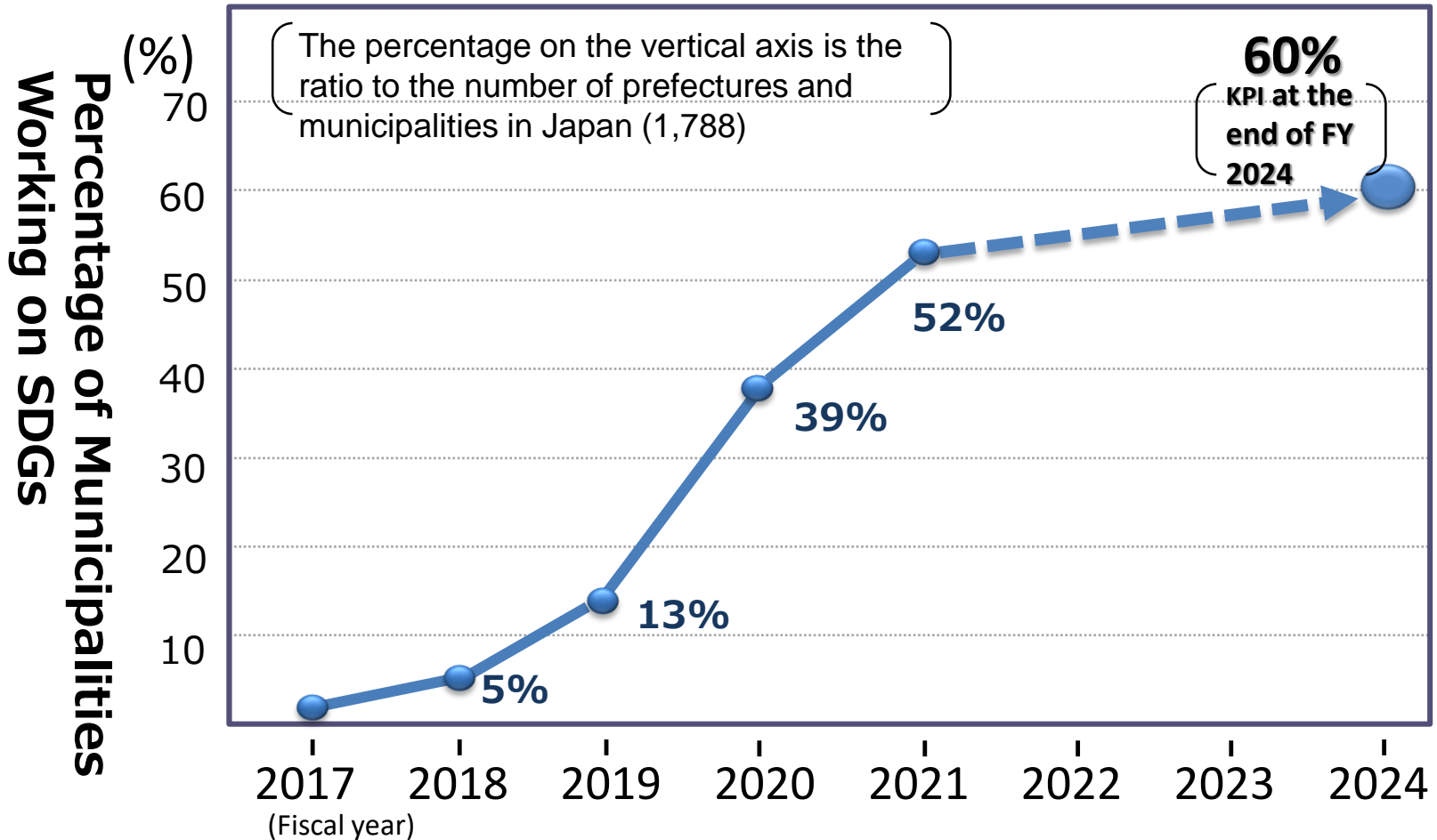
(1) Recognition by the government of superior municipalities ⇨ Raise the peak



(2) Sharing of best practices ⇨ Raising the base

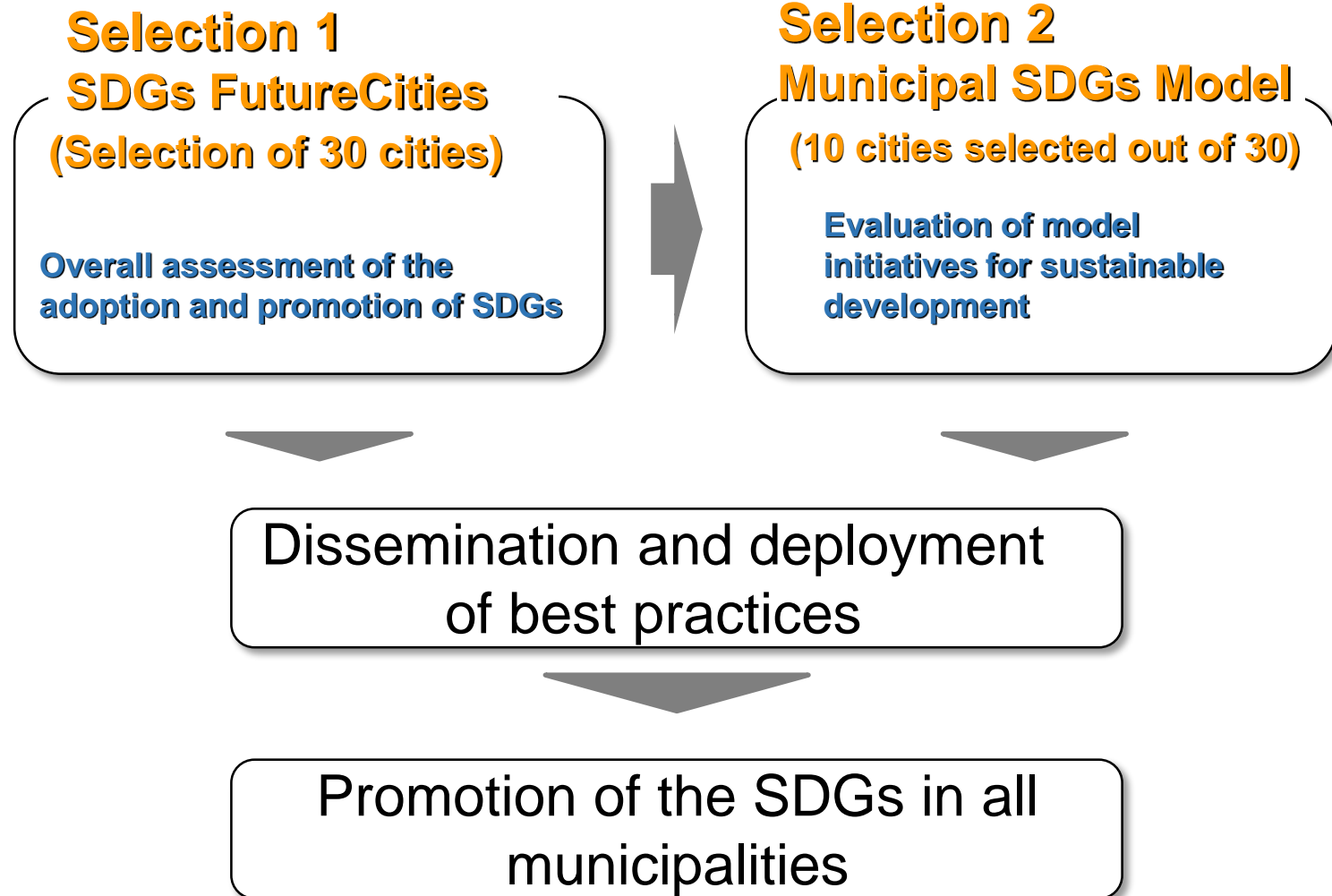
⇨ **Revitalization of municipalities nationwide
by raising the base**

Percentage of Municipalities Working on the SDGs



- ⇒ Extremely high level by international standards
- ⇒ Necessity of support for smaller municipalities

Framework for Selecting "SDGs FutureCities"



Selection Criteria (Evaluation Items and Point Allocation, Total: 160 points)

Selection 1 (30 cities)		(Total: 80 points)
1. Future Vision		Total: 15 points
(1) Actual conditions in the region		(0-5)
(2) Ideal state in 2030		(0-5)
(3) Priority goals for realizing the ideal state for 2030		(0-5)
2. Initiatives contributing to the promotion of municipal SDGs		Total: 25 points
(1) Initiatives contributing to the promotion of the SDGs by municipalities *Initiatives related to the realization of carbon neutrality		(0-10) (0-5)
(2) Dissemination of information		(0-5)
(3) Ability to spread and deploy initiatives (including the spread and deployment of municipal SDG model projects)		(0-5)
3. Promotion system		Total: 30 points
(1) Reflection in various plans		(0-5)
(2) Execution system within the governmental administration		(0-5)
(3) Cooperation with stakeholders		(0-10)
(3-1) Cooperation with people in and outside the region*Residents, companies, financial institutions, etc.		
(3-2) Cooperation among municipalities (in Japan)		
(3-3) International cooperation		
(4) Establishment of a system for the formation of a self-sustaining virtuous cycle		(0-10)
4. Feasibility of municipal SDG initiatives		Total: 10 points
Feasibility of initiatives to promote the municipal SDGs		(0-10)

Selection 2 (10 cities)		(Total: 80 points)
1. Effectiveness in achieving the selected goals and targets		(-)
(1-1) Economic aspects		(0-5)
(1-2) Social aspects		(0-5)
(1-3) Environmental aspects		(0-5)
2. Integrated efforts to link these three aspects		(-)
(2-1) Total optimization through integrated efforts Efforts to achieve carbon neutrality, paying attention to the balance of the three aspects		(0-15) (0-5)
(2-2) Synergistic effects of economic, social and environmental aspects, etc.		(0-15)
3. Collaboration with diverse stakeholders		(0-5)
4. Implementation of projects to materialize a self-sustaining virtuous cycle		(0-15)
5. Feasibility of municipal SDGs model projects		(0-10)

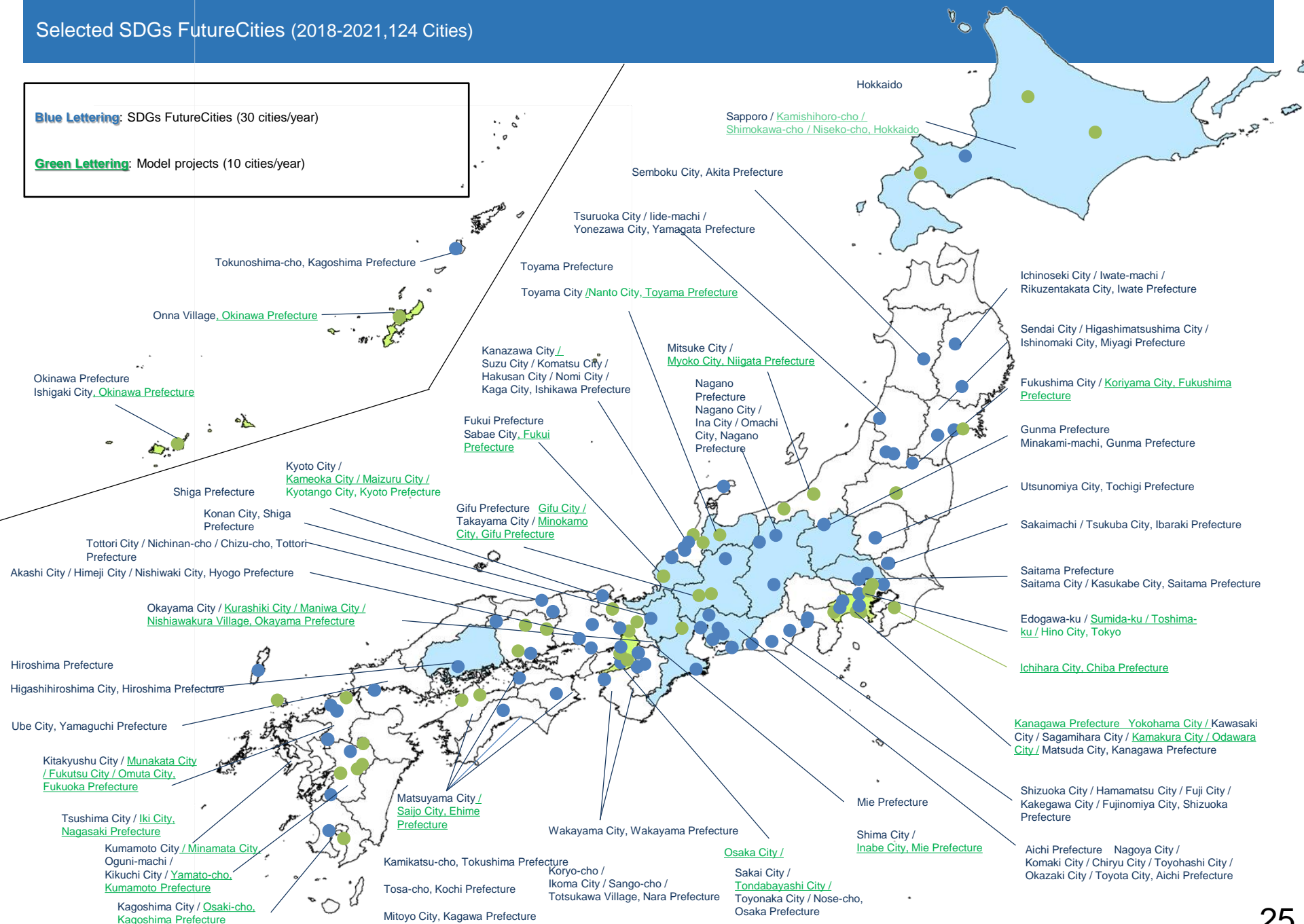
⇒ Visualization of priority items by point allocation

⇒ Guidance towards regional revitalization

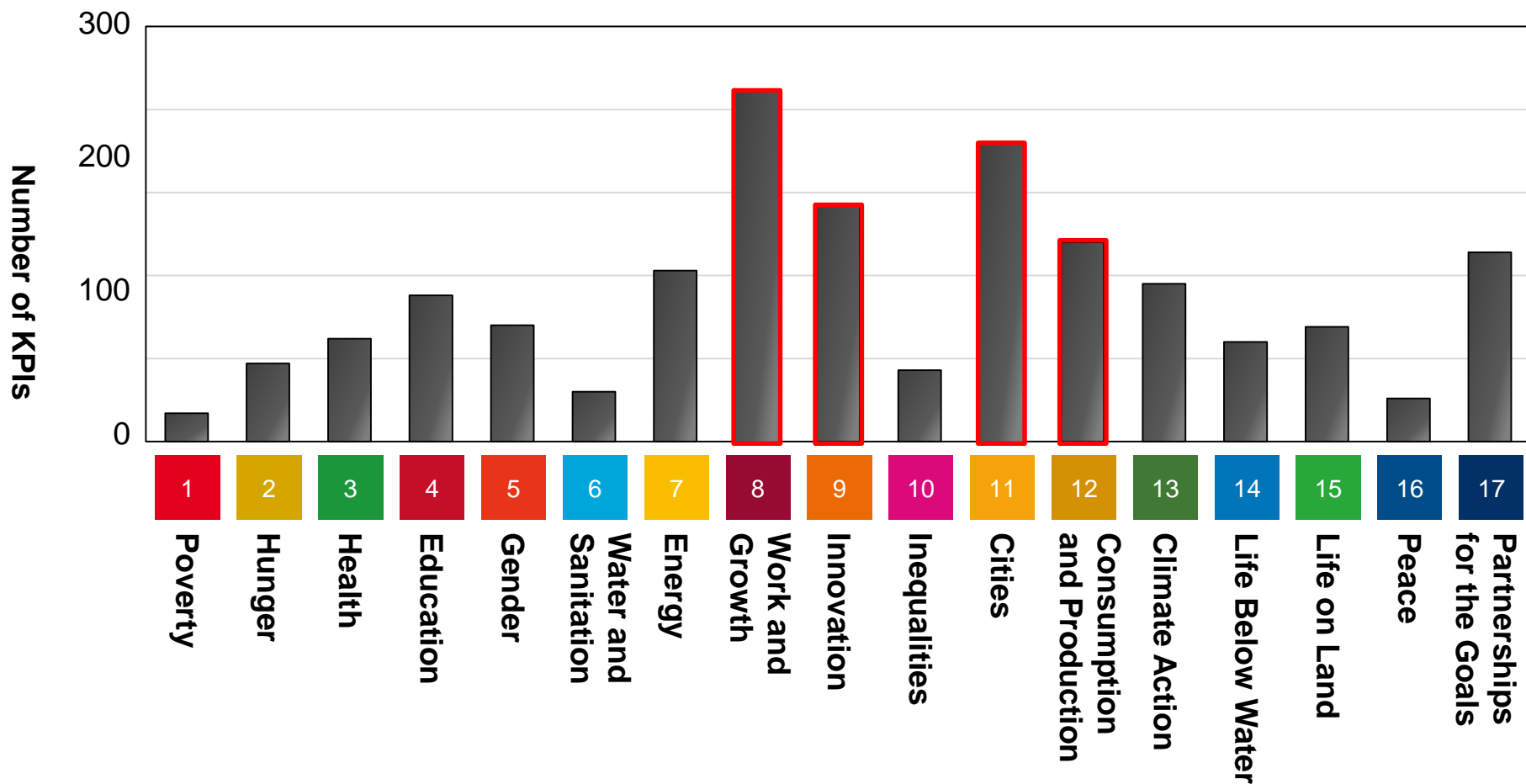
Selected SDGs FutureCities (2018-2021, 124 Cities)

Blue Lettering: SDGs FutureCities (30 cities/year)

Green Lettering: Model projects (10 cities/year)



The Number of KPIs for Each Goal of the SDGs FutureCities Plan ^{Note 1)} (FY 2020)



➔ Active efforts to revitalize the economy

Note 1) Wakabayashi Ryoga, Shun Kawakubo, Murakami Shuzo. "Understanding Trends for SDG Related Projects in Advanced Municipalities Based on the SDGs FutureCity Plan." AIJ Conference Abstracts (Tokai), September 2021.

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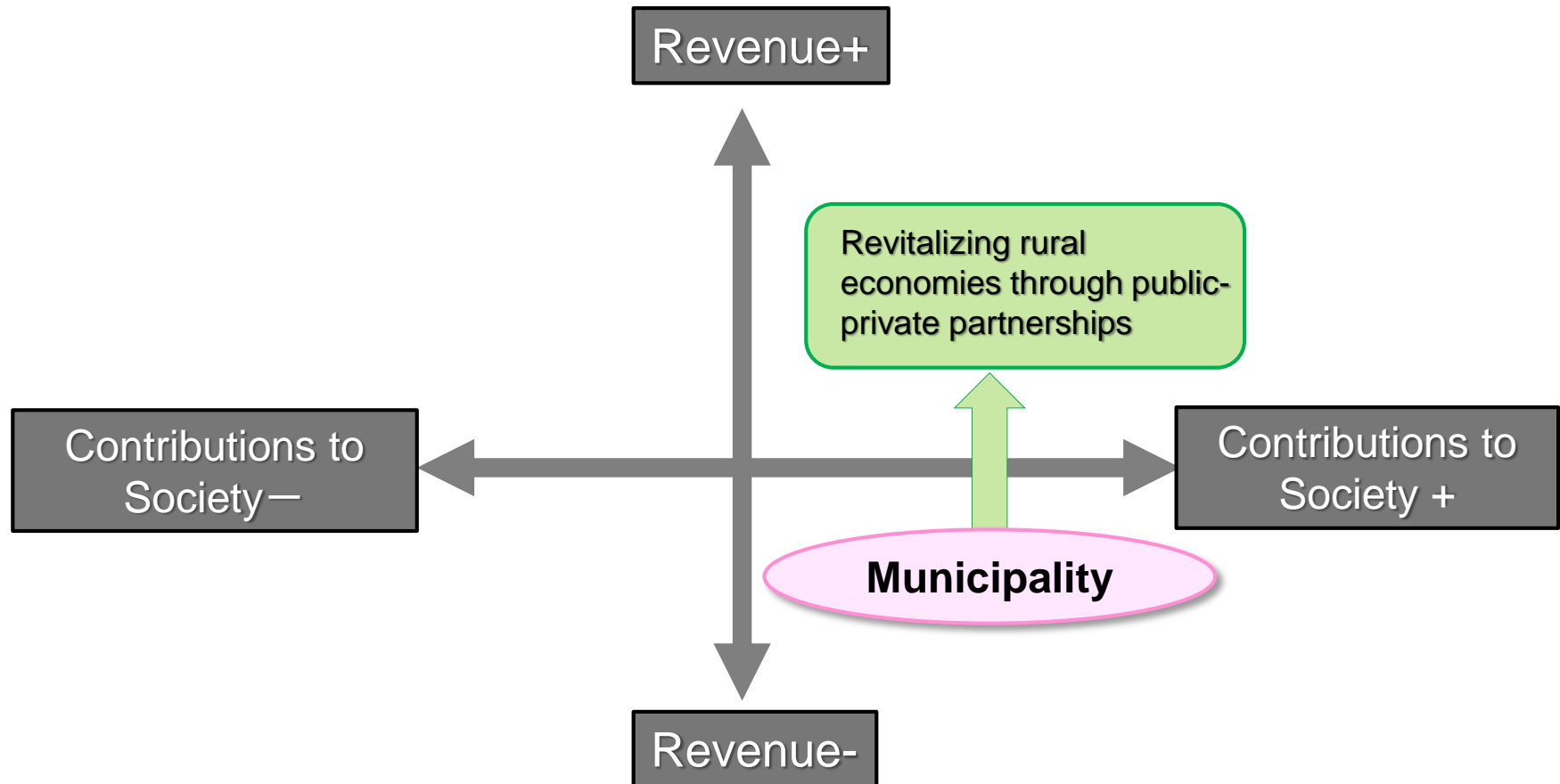
Basic Goals of the 2nd Comprehensive Strategy for Development Together with Towns, People, and Jobs (December 20, 2019, Cabinet Decision)

1. Create a **community where people can earn money and work with peace of mind.**
2. A flow of people that builds connections with rural areas and creates a new **flow of people to rural areas**
3. Fulfil hopes for **marriage, childbirth, and child rearing**
4. Create attractive communities where people can gather and **live in peace.**

⇒ **How to create a "profitable region"?**

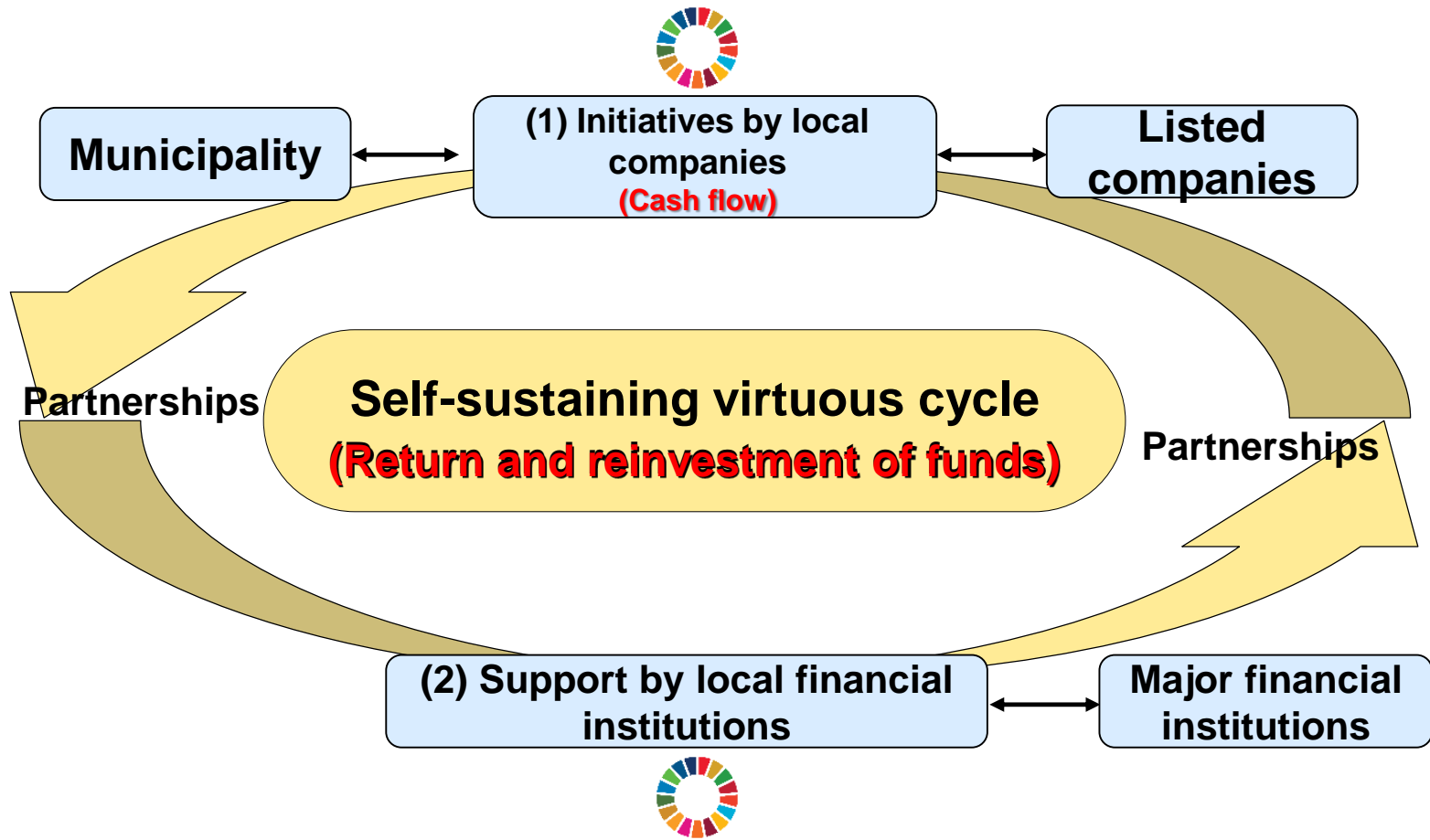
⇒ **Promotion of public-private partnership platforms and SDG financing**

Municipal Management in the Age of SDGs: Regional Revitalization through Cooperation between Municipalities and Corporations



⇒ **Develop public-private platforms and SDG financing**

Formation of a self-sustaining virtuous cycle

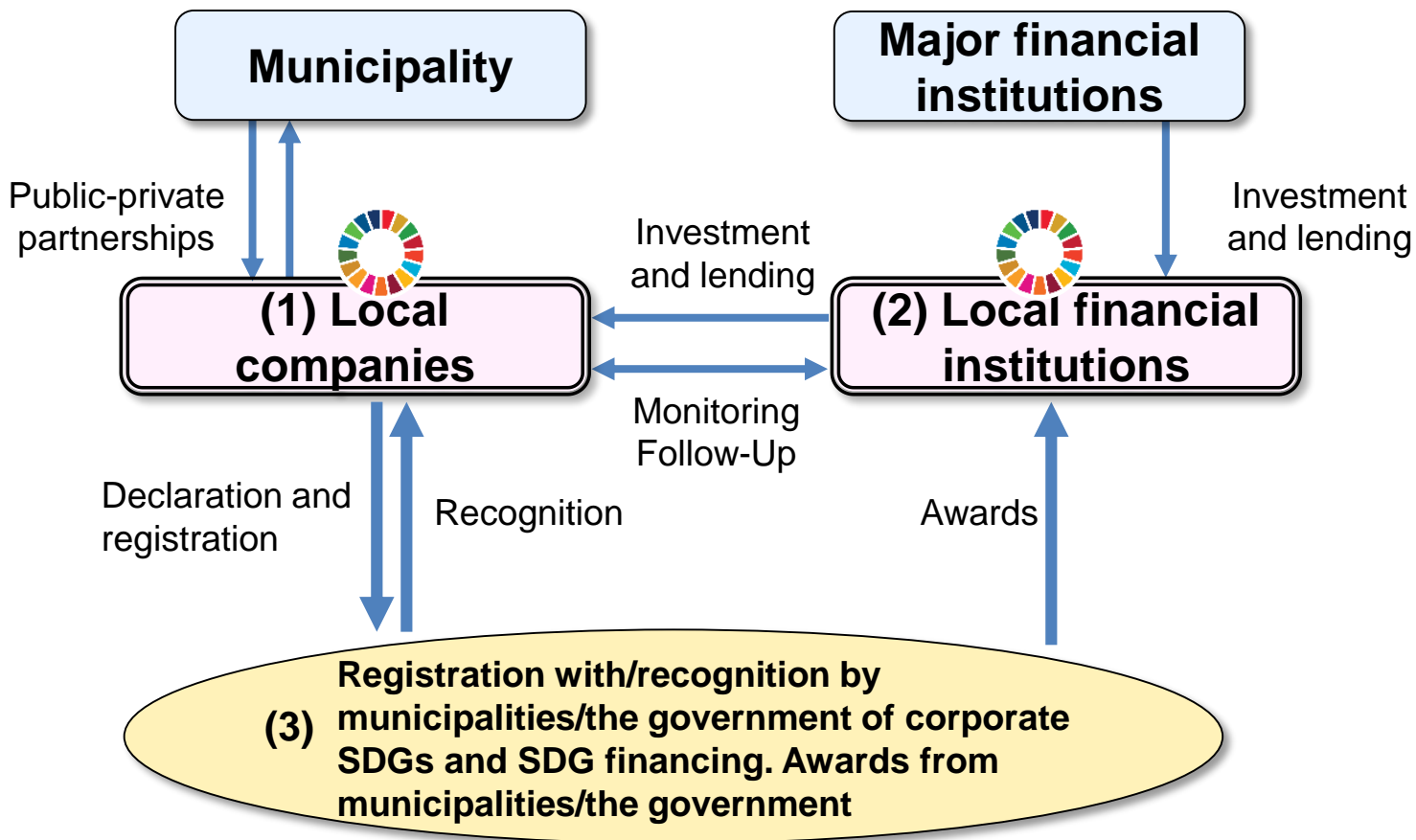


➡ Local companies generate new cash flows through their business activities

➡ Realize a self-sustaining virtuous cycle by reinvesting the profits obtained in the region

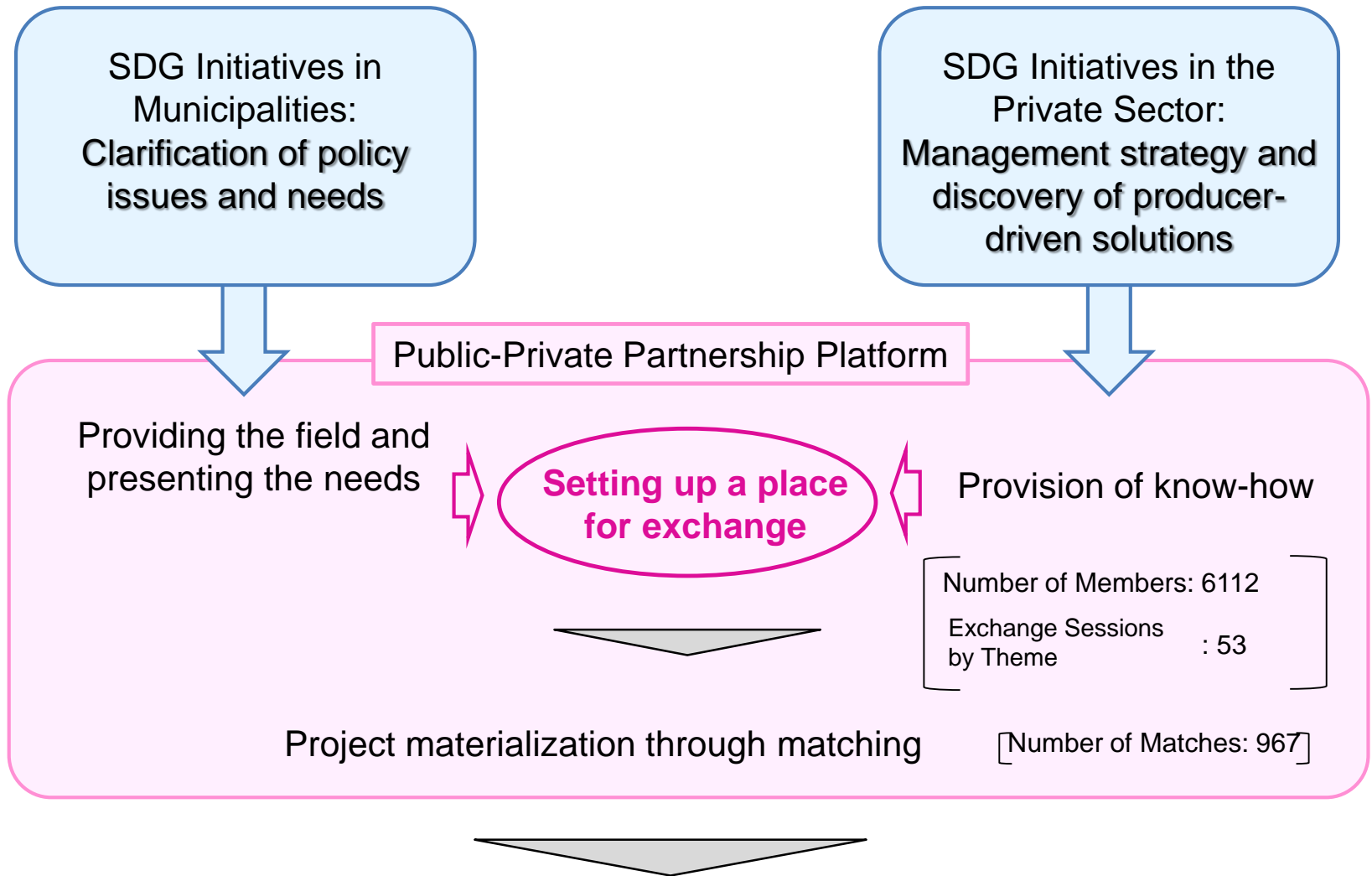
Regional Development SDGs Financial Framework: Recognition and Awards

(Regional Development SDGs and ESG Financing
Research Study Group (March 2019))



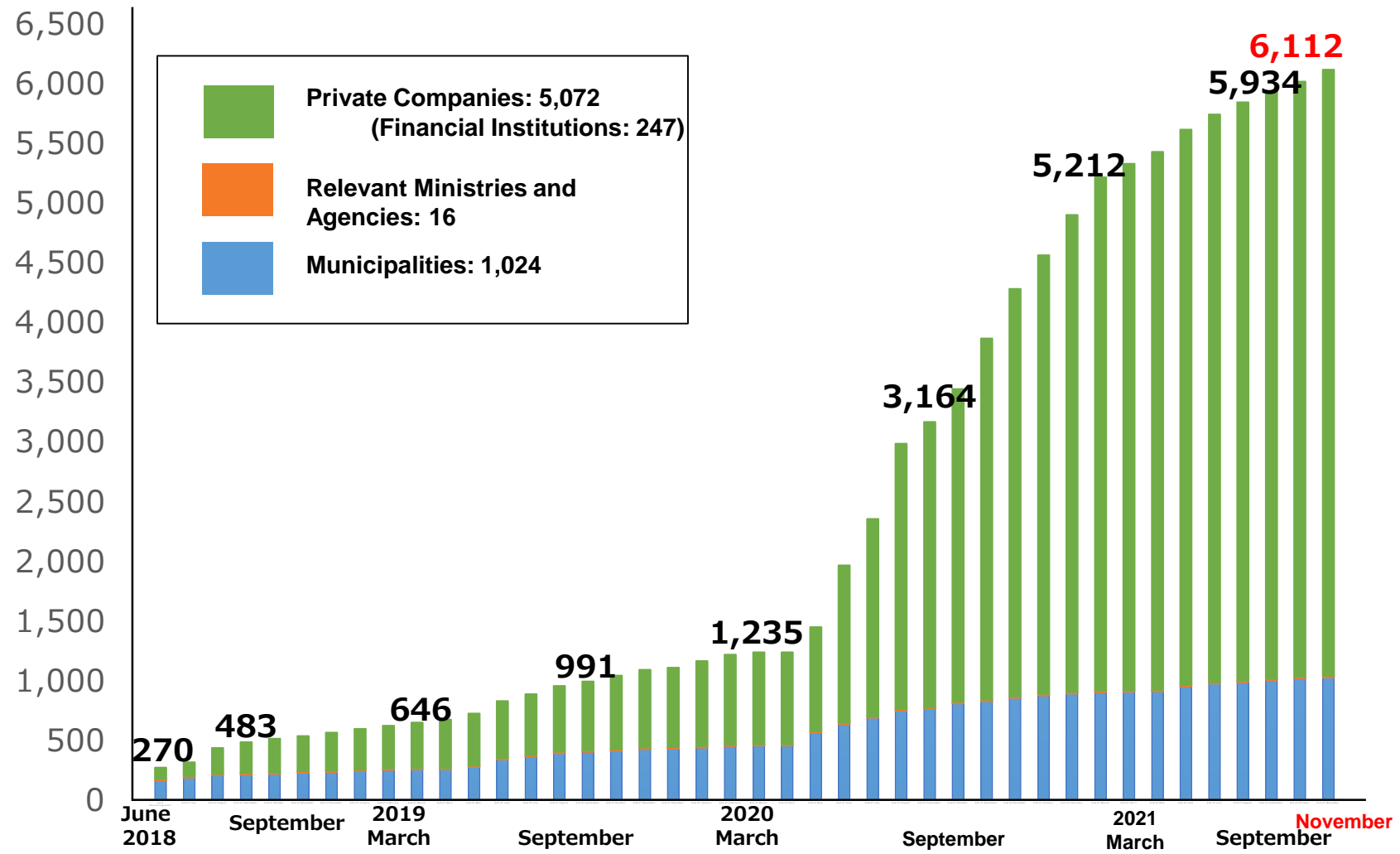
Note: Awards in (2) are for collaboration between financial institutions and local governments. Furthermore, major financial institutions are

Public-Private Partnership Platform Framework



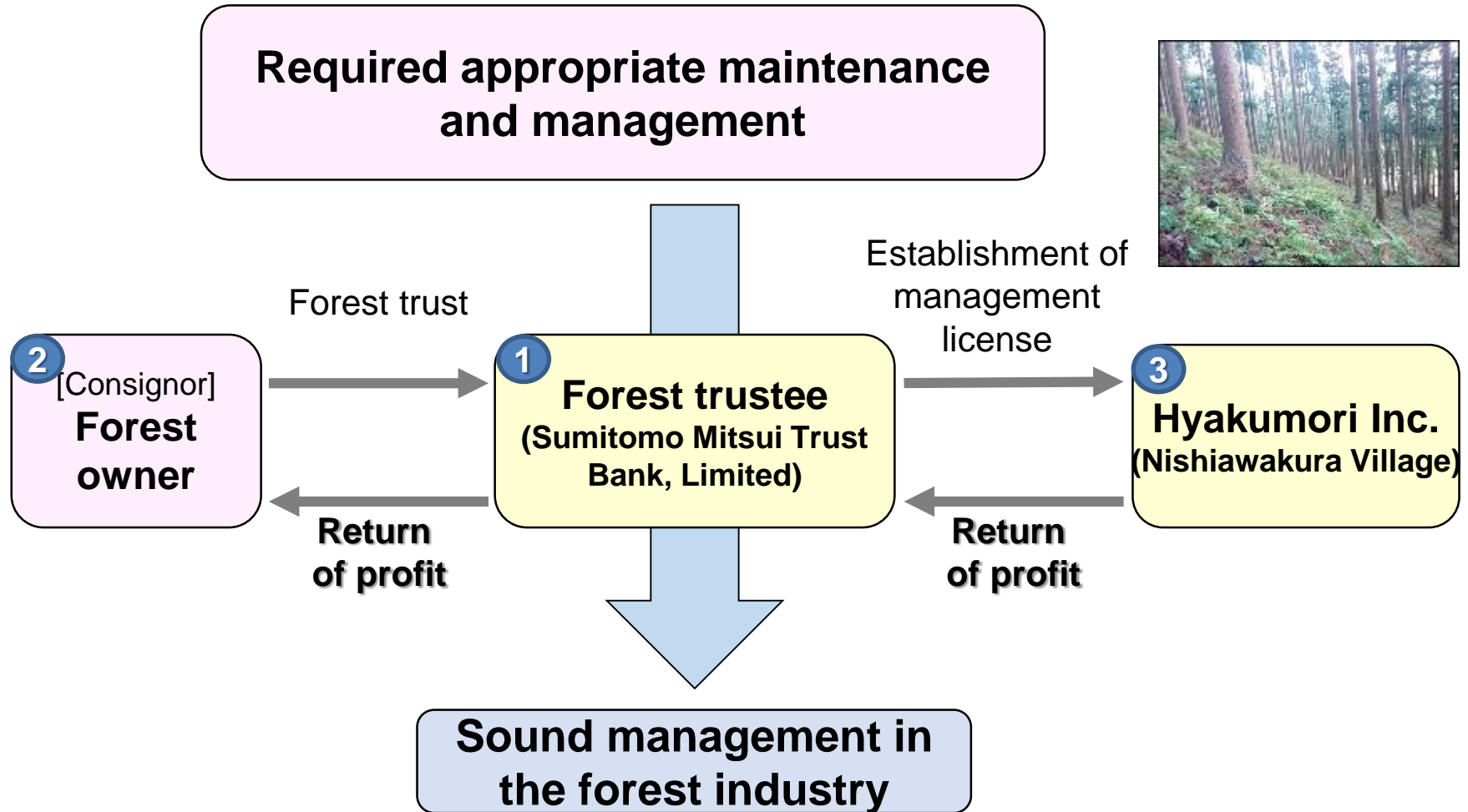
**Revitalizing rural economies through
public-private partnerships**

The Number of Public-Private Partnership Platform Members: 6,112 organizations

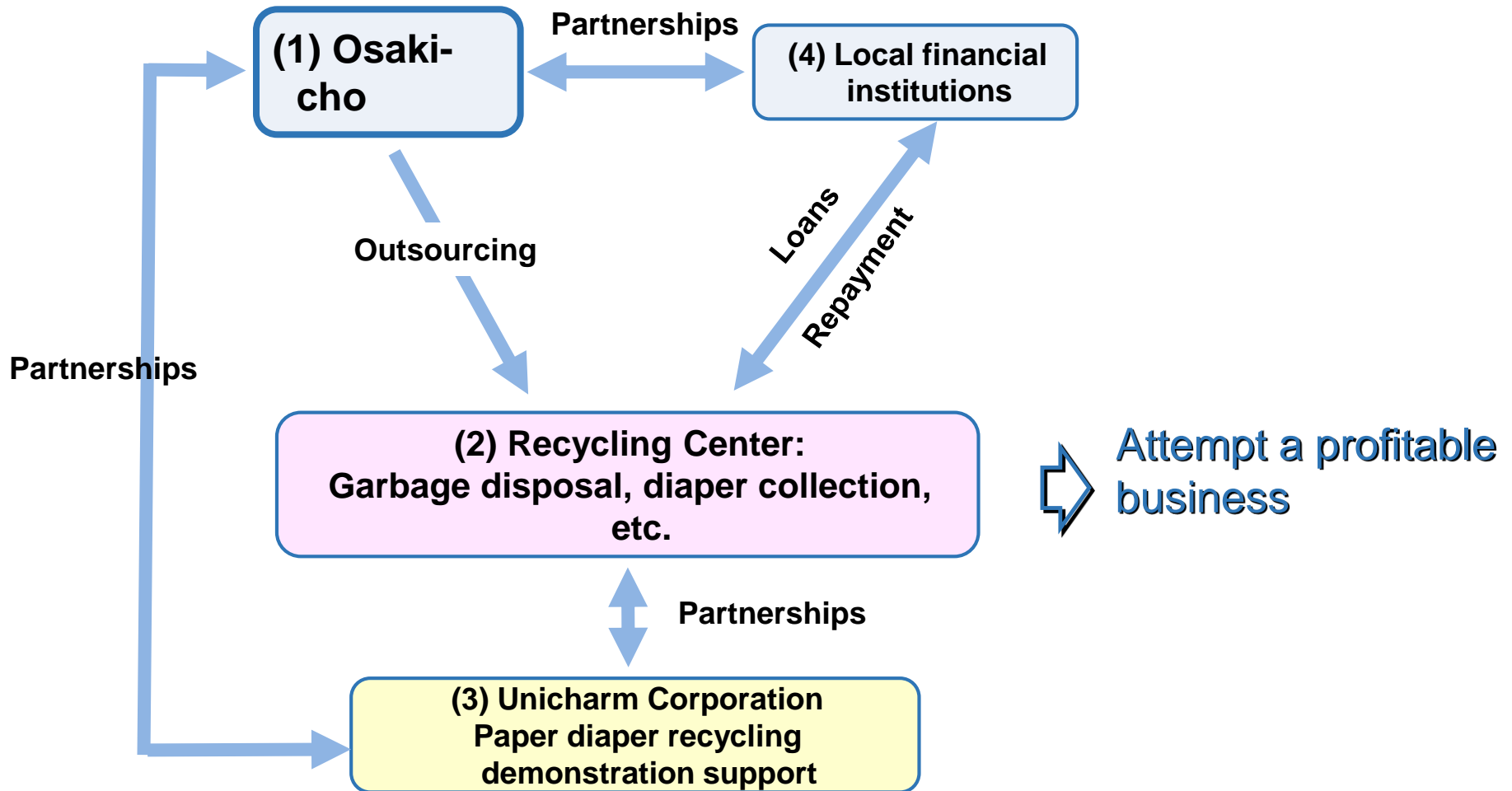


➡ Growing to a scale where multifaceted fusion can be expected

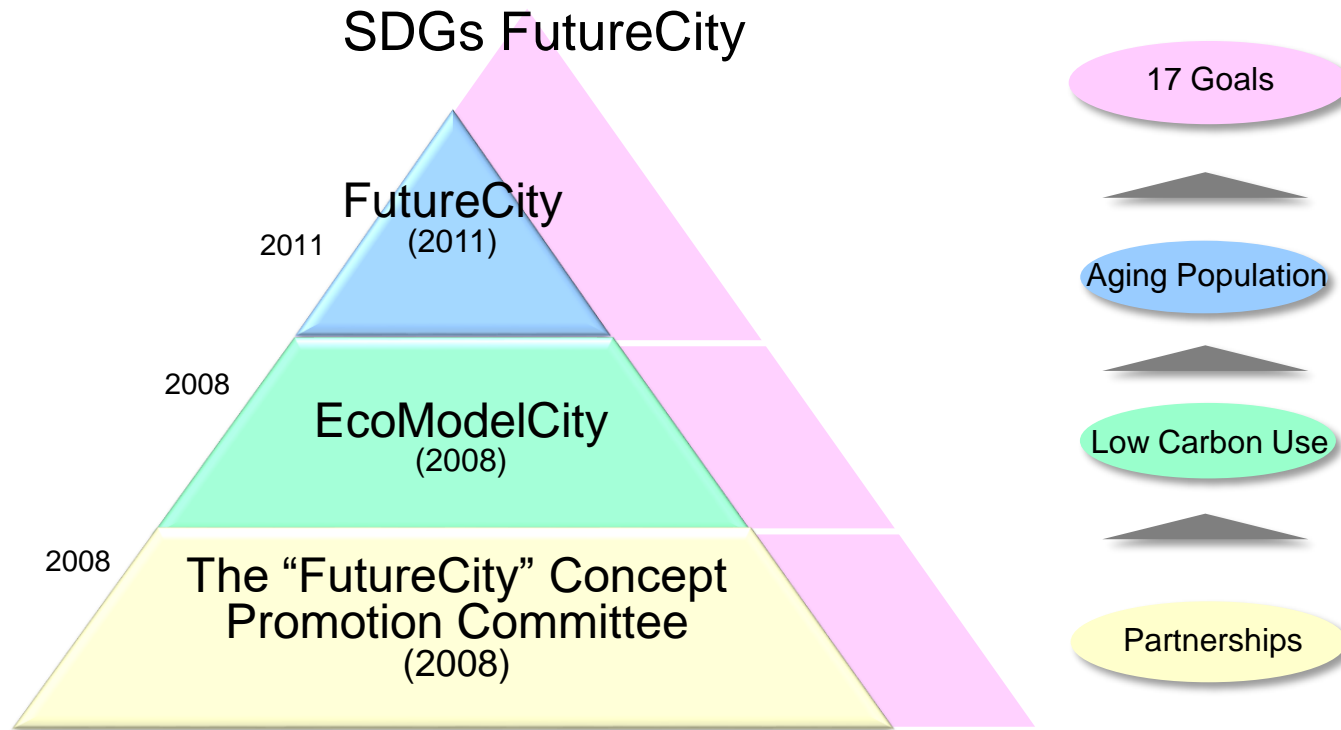
A Case Study of Rural Industry Promotion in an SDGs FutureCity Nishiawakura Village (Okayama Prefecture): Forest Trust Project



A Case Study of Rural Industry Promotion in an SDGs FutureCity Osaki-cho (Kagoshima Prefecture): The Osaki Model of Recycling-Based Waste Management



Carbon Neutrality and Municipal SDGs



- ⇒ Long track record of low-carbon initiatives in municipalities
- ⇒ Paradigm shift in the economic, social, and environmental systems needed for carbon neutrality
- ⇒ SDGs as a new framework and expectations for public-private Partnerships

Thank you for listening.

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