

October 31, 2012

Secretary General
Regional Revitalization Bureau
Cabinet Secretariat Government of Japan
Toshio Kato



- 1.Background
- 2. What is "FutureCity" Initiative?
- 3. Selected Future Cities
- 4.Latest Development
- 5. Contribution to Asian Countries



1.Background

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1. Background

1. Environment and Energy

- Create low-carbon society to achieve the mid- and long-term goal (reduce 80% by 2050)
- Create energy cycle to ensure energy security
- Enhancement of the role of cities and regions

2. Declining Population and Birthrate

- Reached peak of 130 million in 2004
- Decrease to approx. 95 million by 2050
- Management of cities and regions to tackle declining population.

3. Super-Aging

- Aging rate (over 65): approx. 23% (2009) 40% (2050)
- Unprecedented super-aging society
- Management of cities and regions to offer healthy, safe and full life to the residents including elderly.



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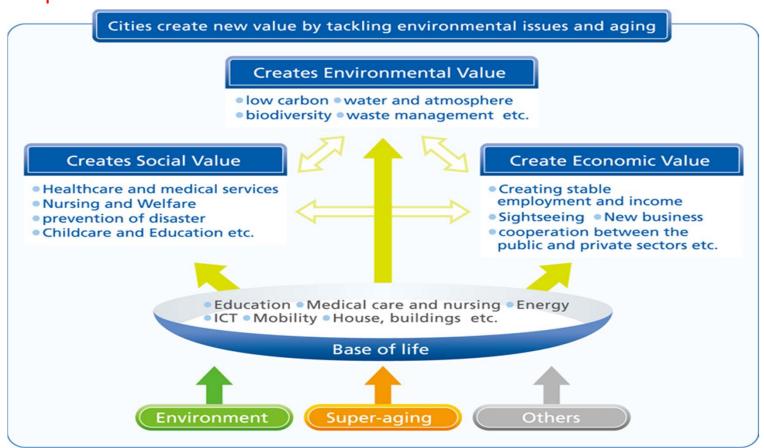
5. Contribution to Asian Countries



What is "FutureCity" Initiative? (1)

- 1. Realize the city where "everybody wants to live" and "everybody has vitality"
- 2. Create a sustainable socio-economic system which can achieve self-sustained development
- Restore social solidarity
- 4. Improve the quality of life of the residents

The cities where "everybody wants to live" and "everybody has vitality" are those that continue creating environmental, social and economic values through projects for the improvement of "the bases of life"

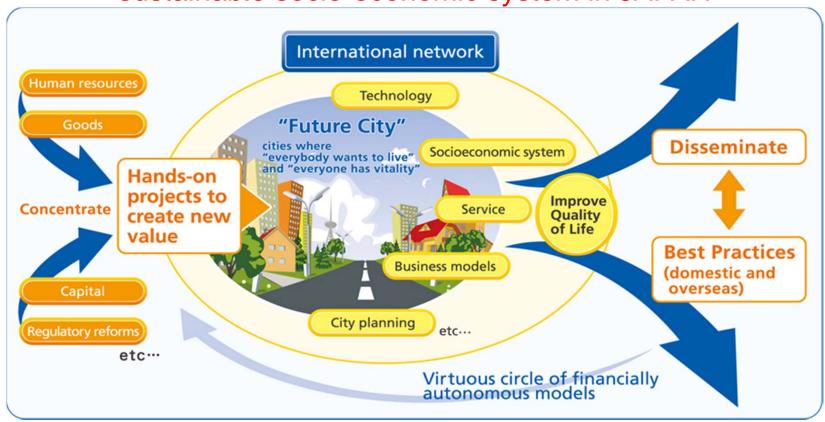




What is "FutureCity" Initiative? (2)

- To create unparalleled successful cases through future-oriented technologies, socio-economic systems, services, business models and city planning in strategically selected cities and regions.
- To disseminate successful cases both within and outside Japan, and enlarge market and employment.
- Relevant ministries and agencies will support its promotion by concentrating their budget funds, implementing regulatory reforms and tax system reforms, etc.

Realize regional revitalization and sustainable socio-economic system in JAPAN



Domestic

Foreign



What is "FutureCity" Initiative? (2)

Support by the **Promotion Board** (Experts)

Host Exchange Meetings of Cities

Funds, Regulatory Reform

(coordination with relevant ministries)

> Cabinet Office Budget JPY 1.03 bn (FY 2012)

Transmit Information (events, website, etc.) Best practice Best practice Regions) "Future City" and Companies, etc Promote Exchange (International Forum,

Promotion Council, etc.)



What is "FutureCity" Initiative? (3)

The New Growth Strategy [June 18, 2010]

<21 NATIONAL STRATEGIC PROJECTS FOR REVIVAL OF JAPAN FOR THE 21ST CENTURY> Growth Driven by Japan's Strengths

I. National Strategic Projects Related to "green innovation"

2. "FutureCity" Initiative

We will work to create a "FutureCity," which will realize world-leading successful cases through future-oriented technologies, schemes and services and diffuse these achievements nationwide as well as overseas.

Rebirth of Japan: A Comprehensive Strategy [July 31, 2012]

IV. Strategy for Strengthening Communities

2. Revitalization of local communities

The "FutureCity" Initiative - realizing world-leading successful city planning



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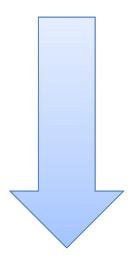


Selection Process

Step 1. The proposals of local governments



Step 2. Deliberation by Independent committee



The assessment is made from following point of view.

- **1** Long-term Vision
- 2 Projects
- **3** Governance

Step 3. Selection by Japanese government



Selected FutureCities

Toyama (Population:417,000)

- Construction of LRT Network
- Creation of a Healthy and Sociable Town
- Formation of Medicinal Plant Cultivation System

Kitakyusyu (Population:974,000)

- Kitakyushu Smart Community Creation Project
- Forest-in-town Project
- Health promotion project; 'Go! Go! Health Promotion in Local Community'
- Project to dispatch volunteers to schools (School Helpers)
- International Cooperation for Sustainable Development in Asia

Shimokawa (Population: 3,650)

- Comprehensive Development of Forestrelated Industries
- Toward Completely Self-sufficient Energy Supply
- Creation of an Self-sustained Community via
- Transition to Collective Housing Model

 •Development of Self-reliant and
 Autonomous Infrastructure

Kashiwa (Population: 405,000)

- Smart City
- local energy management system, e.g. using only natural energy and ensuring residents' participation
- Healthy Longevity City lively and self-sustained society with citizen's active participation and ICT-led mobility
- New Industrial City internationalized community to cultivate ventures by utilizing Japan's technology

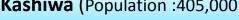
Yokohama (Population: 3,692,000)

Disaster

Areas

- Initiative to address World Two Major Environmental Challenges, "Low- carbon and Water"

 • Building of Livable and People-Connected Community
- Creation of centers to attract industry and to disseminate culture to the world, especially to Asia





Selected FutureCities(the areas hit by tsunami)

Higashimatsushima Population: 40,000

- Implementation of "Matsushima Natural Energy Park Initiative" to create local independent power source
- Development of the elderly-friendly housing to ensure their safe and healthy lives
- Creation of Disaster-free City where people can live in safe for generations

Iwanuma Population: 44,000

- The Hill of Millenium Hope
- International Medical Industrial City in Harmony with Nature
- Next-genération Agribusiness

Shinchi Population: 8,110

- Seaside Town in Harmony with Nature
- Town that Fosters Human Ties (KIZUNA)
- Life and living as the Top Priority

Kamaishi Population: 38,000

- Resource Recycling Society by Reducing carbon emission, promoting Energy Saving and Resource Saving
- Creation of Industrial Welfare City Kamaishi
- City Building with the Effective Use of Historical Environment: Kamaishi Field Museum Initiative

Kesen broad area Population: 67,000 [City of Ofunato / City of Rikuzentakata / Sumita Town]

- Renewable Energy Management Forest-related biomass resources • Mega solar • Energy management
- Compact City Create a senior-friendly inter-linked-compact city utilizing high ground Reconstruction of Industry
- Plant Factories Lithium Ion Battery Plant

Minamisoma Population: 66,000

- Energy Cycling City by Smart City
- •Generations Circulating Town that is Comfortable for All
- Creation of Material-cycling Local Industries Centered on the EDEN Plan



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Initiatives Taken by Selected Cities: Kitakyushu

Demonstration Experiment - Leveling Energy Demand

Action.1

Implement **Dynamic Pricing**

Set low prices for time zones with less energy demand and high prices for time zones with large demand. Prices will also vary according to the season.



Change energy consumption behavior

Action.2

Install Smart Meters

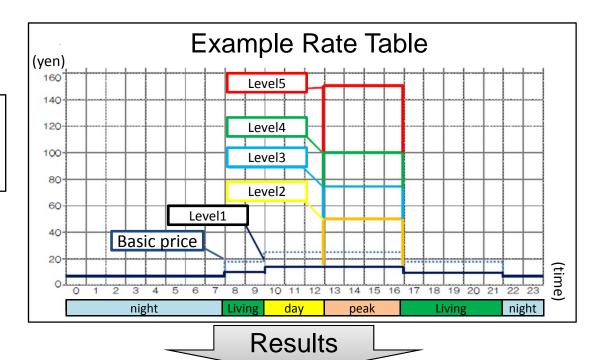


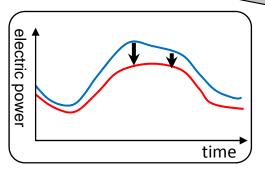
"Visualize" Energy Demand

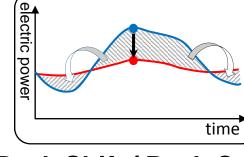


Level Energy Demand

Decrease energy consumption & Peak shift / peak cut







Energy Saving

Peak Shift / Peak Cut

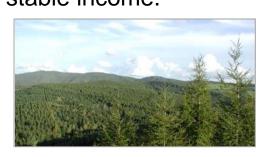


Initiatives Taken by Selected Cities: Shimokawa

Shimokawa's Future Vision "Forest FutureCity" Model

To become a town where people can live spiritually rich lives surrounded by the forest environment, gain sufficient income from the forest, and also learn, play and enjoy mental/physical health in the forest.

Develop a comprehensive forest industry that utilizes the abundant resources from the forest to generate stable income.



Comprehensive Forest Industry System Integrate the Forest / Forest Products / Forest Biomass Industries **Forest Center** Remaining ntegration Forest Industry wood Row wood Forest Products Industry Human **Energy Industry** resources **Dutside the** development. knowledge Left-over Wood accumulation **Products**

Woody Biomass Boiler

Outside the town

Various wooden

products

New Business

Opportunities

Innovation of the Forest Industry

Raw Material

Manufacturing

Facilitie

Innovation of the Forest Product System



To Achieve an Economic Self-Sustainable Goal Forest Industry and Forest Products Industry



Renovating Higashi-matsushima City















An independent power supply system (Higashi-matsushima city)

Smart-device: An independent power supply system combining solar panels, small-scale wind-power generator and storage batteries to provide electricity for lighting, telecommunications and measurement instruments



Temporary housing



Smart-device installed near temporary housing

Toward creating disaster-resilient city with high environmental performance, efforts to build independent local energy system have been started



Signs Agreement with Lolland City (Denmark)

◆Lolland City(Denmark) has supported Higashi-matsushima in various ways after the Earthquake and tsunami.



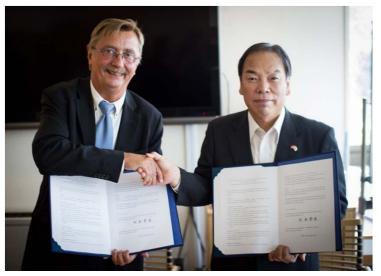
◆The two municipalities have entered into a MOU to closely collaborate in terms of technology sharing and human resources development to realize both earthquake disaster reconstruction and the "FutureCity" Initiative.

XLolland:

A town with a population of 45,000 on the Island of Lolland, located in the southern region of the Kingdom of Denmark. It is a self-sufficient town with energy supplied by wind mills, and provides its surplus energy to large cities such as Copenhagen. It is a leading environmental city and is the world's first "Hydrogen Community."



■Photo: Panoramic View of Higashi-matsushima



■ Photo: Signing the Agreement
Left: Stig Vestergaard, Mayor of Lolland
Right: Hideo Abe, Mayor of Higashi-matsushima

International Cooperation: Kashiwa "FutureCity" Initiative Supports New Start-ups and Entrepreneurs

Japan's Challenge in Creating Industries: Japan possesses the technologies, but commercialization is not keeping up!



Established

TX Entrepreneur Partners (TEP)

Commercialization Expertise

Funding

Fostering Markets

Japan: World Leading Technologies

X

Asian Nations: Rapid Growth

Japan combines Asia's strengths to facilitate the global expansion of startup businesses

Hosted "AEA 2012"

- an International Business Competition that Brings Together Asian Entrepreneurs



Asian Entrepreneurship Awards (AEA) Conference

■Date: May 9 (Wed) – 11 (Fri), 2012

■Place: Kashiwanoha Campus in Kashiwa City

Technology startup companies representing 12 Asian countries were nominated to present their business plans



"Kashiwanoha Campus" - located in the heart of the areas home to cuttingedge technologies along the Tsukuba Express (TX) Line to become the center of startups in Asia



Introduction at the Rio+20

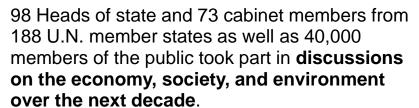
RIO+20 United Nations

(United Nations Conference on Sustainable Development)

Rio +20 Overview

Date: June 20-22, 2012

Place: Rio de Janeiro, Brazil



Opening Remarks by Japan's Government Representative

Foreign Affairs Minister Koichiro Gemba announced the "global dissemination of FutureCities" as one of the three pillars of the Initiatives toward creating a "Green Future".

"Green Future" Initiative

Promoting FutureCities Globally

Contributing to the Global Transition to Green Economy

Build Resilient Society

Official Side Event Hosted by the Japanese Government

Date: June 21

Place: Rio +20 Venue

Overview: Session titled "Future Cities We Want"

introduced the "FutureCity" Initiative

Participants: A large audience including Vice-

Presidents and Ministers of various countries



<Opening remarks by Foreign Affairs Minister> Expressed expectations for building human-centered cities to realize sustainable societies



Mr. Shuzo Murakami, Chairman of the Expert Study-Group for the FutureCity Initiative and President of Institute for Building Environment and Energy Conservation, introduced Japan's "FutureCity" Initiative.



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"FutureCity" Initiative and the Contribution to Asian Countries





Information

NEXT International Forum on the "FutureCity" Initiative

- ◆Date: Saturday February 16
- ◆ Venue : Shimokawa Hokkaido
- Sponsors: Cabinet Secretariat and Cabinet Office
- ◆ Main Thema:
 - "FutureCity" Initiative

and the international contribution

Thank you