

Plenary congress

11/ 5 (Mon.) – **11/ 6** (Tue.)

2012 The 3rd East Asia Local and Regional Government Congress

Malaysia

Name	Organization
State of Melaka	
HUSIN, Md Yunos	Chairman, Local Government and Environment State Committee

Republic of the Philippines

Name	Organization
Aurora Province	
CASTILLO, Bellaflor Angara	Governor of Aurora Province
Municipality of Baler	
ANGARA, Arturo Javier	Mayor of Municipality of Baler

Republic of Korea

Name	Organization
Gyeonggi-do Province	
PARK, Duk Jin	Section Chief, Gyeonggi Province Talent Development Institute
Chungcheongnam-do Province	
NAMGUNG, Yeong	Director General of Economy and Trade Office
Gongju City	
LEE, Tai Mook	Citizen Director
Seosan City	
KIM, Young Je	Director, Planning & Inspection Office
Buyeo County	
LEE, Sang Joon	Vice County Chief
Jeollanam-do Province	
SONG, Tae Heyun	Chief, Tourism Policy Division

Socialist Republic of Viet Nam

Name	Organization
Thua Thien Hue Province	
NGO, Hoa	Vice Chairman, Thua Thien Hue Provincial People's Committee
Phu Tho Province	
HOANG, Dan Mac	Chairman, Phu Tho Provincial People's Committee
Viet Tri City	
LE, Van Hong	Chairman, Viet Tri City People's Committee

Japan

Name	Organization
Fukushima Prefecture	
MURATA, Fumio	Vice Governor of Fukushima Prefecture
Niigata Prefecture	
SHIBUYA, Yuko	Deputy Director, International Affairs Division, Governor's Policy Bureau
Toyama Prefecture	
KOSHIRO, Shinji	Deputy Director General, Tourism & Regional Promotion Bureau
Fukui Prefecture	
TAKEUCHI, Naoto	Executive Officer, Department of General Affairs
Yamanashi Prefecture	
KOBAYASHI, Akira	Director General, Tourism Department
Nagano Prefecture	
KONDO, Hiromu	Associate Section Chief, Planning Division, Planning Department
Gifu Prefecture	
FURUTA, Nahoko	Executive Director, Tourism Exchange Promotion Office

Name	Organization
Shizuoka Prefecture	
OSUGA, Yoshiro	Lieutenant Governor of Shizuoka Prefecture
Mie Prefecture	
SUZUKI, Eikei	Governor of Mie Prefecture
Kyoto Prefecture	
NAKANO, Yusuke	Director General, Department of General Affairs
Wakayama Prefecture	
NISAKA, Yoshinobu	Governor of Wakayama Prefecture
Tottori Prefecture	
HOKKYO, Makoto	Head Administrator
Shimane Prefecture	
MIZOGUCHI, Zembee	Governor of Shimane Prefecture
Tokushima Prefecture	
IIZUMI, Kamon	Governor of Tokushima Prefecture
Kagawa Prefecture	
TENKUMO, Toshio	Vice Governor of Kagawa Prefecture
Nara Prefecture	
ARAI, Shogo	Governor of Nara Prefecture
Tagajo City	
KIKUCHI, Kenjiro	Mayor of Tagajo City
Niigata City	
TSUKADA, Keisuke	Vice Mayor of Niigata City
Dazaifu City	
INOUE, Yasuhiro	Mayor of Dazaifu City
Nara City	
NAKAGAWA, Gen	Mayor of Nara City
Tenri City	
MINAMI, Keisaku	Mayor of Tenri City
Kashihara City	
MORISHITA, Yutaka	Mayor of Kashihara City
Gose City	
HIGASHIGAWA, Yutaka	Mayor of Gose City
Ikaruga Town	
IKEDA, Yoshinori	Deputy Mayor of Ikaruga Town
Asuka Village	
MORIKAWA, Yuichi	Mayor of Asuka Village
Koryo Town	
HIRAOKA, Hitoshi	Mayor of Koryo Town
Nara Prefectural Assembly	
OKA, Shiro	Chairperson, Nara Prefectural Assembly's Committee on Economy and Labor
FUJINO, Yoshitsugu	Chairperson, Nara Prefectural Assembly's Committee on Education and Daily Life
OKUNI, Masahiro	Vice Chairperson, Nara Prefectural Assembly's Committee on General Affairs and Police
KOIZUMI, Yonezo	Vice Chairperson, Nara Prefectural Assembly's Committee on Public Welfare
IOKU, Misato	Vice Chairperson, Nara Prefectural Assembly's Committee on Economy and Labor
FUJIMOTO, Akihiro	Member, Nara Prefectural Assembly's Committee on General Affairs and Police

Keynote speech

“The Situation in East Asia and Responses by Local and Regional Governments”



ISHIHARA, Nobuo

President of the Research Institute for Local Government

In recent years, the global economy has been stagnant and the countries of Europe and North America, which have pulled the global economy, have been facing great difficulties. Amid this situation, it has probably been the countries of Asia (particularly East Asia) that have supported the global economy. The strengthening of collaboration among those East Asian countries and promotion of their economic development will lead to contributions for all of the people of the world.

However, there are realities in East Asia's recent circumstances that cannot be viewed optimistically. Japan, China, and South Korea have conducted many exchanges and supported each other throughout their long histories, but there is now escalating tension surrounding territorial disputes. This is very alarming. I think that exchanging opinions about tasks faced by various regions and continuing mutual support and other kinds of exchanges will certainly have a significant influence on alleviating tensions at the central government level, and in that sense this congress is very meaningful.

One common task faced by local governments is the increasingly declining birthrate and aging population and the resulting increase in social security expenses. In Japan, local governments are the main parties that conduct social services work, and as a result the finances of local governments are being overwhelmed and the finances of the central government that supports them are also worsening. There is also an employment problem related to the other side of the slowing of the rate of economic growth. The question of how to secure

employment opportunities for young people newly entering society is a very serious task.

Another task is the problem of disparity, and regional disparities, social disparities, and generational disparities are gradually spreading. As for regional disparities, as the growth of the overall economy slows there is increasing over-concentration of things in Tokyo. That leads to difficulties securing employment in outlying areas, and at the same time causes the financial resources of local governments to weaken.

The local governments of Japan are troubled by financial resources, particularly a shortage of the local tax resources that should make up their foundation. Although the ration of national government tax to local government tax is 6:4, the ratio of administrative expenditures is the opposite at 4:6. Local governments are constantly dissatisfied with this unbalance between expenditures and revenue, and arguments are being made that it should be rectified. There are major hurdles to solving this problem, and one of those is the differences in tax resources, but that will be difficult to eliminate as long as disparities in economic power continue. Another hurdle is citizens' taxation burden. Although around 45% of national income goes to government expenditures, the corresponding taxation burden and burden for social security expenses is only around 40%, and efforts to get citizens to take on a burden that matches the government services they receive are insufficient.

Accordingly, it is necessary to steadily conduct "reforms to unify social security and taxes" and revisions of the tax system, as well as increase the absolute amount of local taxes. In order to do that there is an opinion that local consumption tax should be strengthened, but there is a problem in that it is expected that local consumption tax will become a financial resource for social security. It is probably also impossible to use local tax to cover all of the financial resources compatible with local finance demand due to regional disparities in economic conditions.

In Japan there is a local tax allocation system. This is a system in which each fiscal year the financial demand and financial revenue of all of the local public bodies are measured each fiscal year by an objective method, and then their disparities (insufficiencies) are rectified. This system is one of the most outstanding financial systems in the world, and I think that it can serve as a reference for local governments in East Asia. However, much of the local tax allocation system is covered by deficit-covering government bonds, and there is significant instability in the financial resources that support it.

In 2011, Japan started a "national and local government conference" at which the national and local governments talk to each other on an equal basis about the financial and administrative operations of local governments. I think that this conference can also serve as a reference to the local governments of East Asia, since major system revisions pursuant to local governments' financial burdens will definitely be discussed at this conference.

I think that discussing common tasks and presenting ideas at this local and regional government congress will contribute to maintenance and improvement of the administrations of each region, and also have an effect of alleviating difficult relationships at the central government level. I hope that this congress will contribute to the strengthening of ties among East Asian regions at the level of the public.

Group discussions

Theme 1: "Social Security in terms of Aging Population and Decreasing Birth Rate"

Participating local and regional governments	Republic of Korea: Seosan City in Chungcheongnam-do Province Japan: Tokushima Prefecture, Nara Prefecture, Niigata City in Niigata Prefecture, Dazaifu City in Fukuoka Prefecture, Tenri City in Nara Prefecture, Ikaruga Town in Nara Prefecture
Moderator	ARAI, Shogo Governor of Nara Prefecture

Report of results of theme-specific meetings



ARAI, Shogo Governor of Nara Prefecture

For the East Asian nations that have a common task of a "low birth rate and aging population," it is necessary to have a base of Swedish-style social security (provision of services by the national government), and to build on that a new East Asian model that surpasses it. One such model is an axis of employment on which elderly people and women can continue to work, and people facing adversities are supported. Another model is one in which young people and women are also subject to social security, instead of only elderly people, and emphasis is placed specifically on support for child-rearing and support for employment for young people.

The fundamental directions for building an East Asian model are as follows: 1) changing from "shell security" (isolation of elderly people by merely providing them with cash for pensions, etc. and rest) to "wing security" (giving women, young people, and elderly people wings so that they can continue to work), 2) changing from provision of cash mainly by the national government to provision of services mainly by local governments, 3) diversification of the providers of social security, 4) a "fair welfare nation" (not leaving a bill for future generations, emphasizing fairness among generations), and 5) integration of welfare services and technological development.

It is also necessary to create a society in which everyone can continue to work. Tasks are measures for support for child-rearing, etc. for women, participation in local society, etc. for elderly people, promotion of participation in society and independence, etc. for poor people, and stabilization of employment, etc. for the working-age population.

In addition, amid globalization there is an increase in non-regular workers, unmarried young people, and elderly people living alone, and it is therefore necessary to think about building new relationships to support each other and create "new families" with people who are not actually family members.

Based on the above directions, various specific ideas were presented by individual local governments during the theme-specific meetings.

Support for elderly people

- Creation of a "local comprehensive care system" (Nara Prefecture, Shimoichi Town)
- Provision of subsidies and incentives for building nursing care service facilities through private-sector investment (Jiangsu Province)
- Contribution of subsidies to community buses operated by shopping centers (Dazaifu City)

Support for raising children

- Raising the birthrate by improving various daycare services (Niigata City)
- Support for the current generation raising children by improving projects for the health of mothers and children (Tenri City)
- Improvement of medical treatment and public health by the town's independent provision of aid for infertility treatment expenses and non-designated vaccinations(Ikaruga Town)

Improvement of medical care

- System to respect and understand doctors and nurses and support their career advancement (Yamagata Prefecture)
- Measures against diabetes and turning medical tourism into business (Tokushima Prefecture)

Finally, it has been pointed out, as things that the national government should improve, that it is necessary to strengthen regions' roles in social security services, make a legal system for regions to comprehensively provide medical care, nursing care, and welfare, etc., and stimulate regional economies by providing services instead of cash alone.

Presentation of undertakings



Tokushima Prefecture, Japan — IIZUMI, Kamon, Governor

Tokushima Prefecture is working to develop medical care and welfare as new service industries, and have them lead to the prefecture's economic growth. Our main undertakings are the following: 1) Overcoming diabetes! Formation of a Tokushima health and medical care cluster (selected as one of the Ministry of Education, Culture, Sports, Science and Technology's knowledge cluster formation projects, creation of a world-class diabetes research and development base in Tokushima), 2) Rejuvenating regional medical care! Implementation of a comprehensive medical zone concept (unification of Tokushima Prefectural Central Hospital and Tokushima University Hospital), 3) Creation of cutting-edge medical care! Utilization of a special regional invigoration zone (establishment of a special comprehensive zone for invigorating cutting-edge regional medical care (July 2012), and 4) From Tokushima to East Asia! New development of the health and medical care industries (international deployment of medical devices, etc. related to diabetes that were developed in Tokushima).

We think that East Asia is a leading region for many tasks, and that it should be a leading region for solving tasks by turning pinches into chances for South East Asia's tasks such as diabetes. We would like to disseminate things from Japan to the rest of the world.



Seosan City, Republic of Korea

KIM, Young Je, Director, Planning & Inspection Office

Seosan City is a small city with a population of 165,000 people and a budget of approximately 650 billion won. We have concluded a sister city agreement with Tenri City. We have a birthrate of 1.67, which is lower than the population replacement rate, and we are being hammered with serious issues such as slowing economic growth, a decline of the labor force, and excess social burdens.

Although the aging population does nothing but incur major social security expenses, the declining birthrate can be overcome by policy support. Therefore, the South Korean government is emphasizing measures against the declining birthrate, and last year Seosan City established a team to specialize in measures against the declining birthrate and we are promoting comprehensive measures against the declining birthrate (4 fields, 31 themes) and working to provide childbirth subsidies and support for child-rearing expenses.

From a long-term perspective, child-rearing is not an individual problem but a societal problem, and therefore it is extremely meaningful for the government to work together with citizens and various social organizations to raise interest in childbirth issues and create an atmosphere of consideration.



Dazaifu City, Japan — INOUE, Yasuhiro, Mayor

Dazaifu City is a place that had the government that ruled the entire Kyushu region approximately 1,300 years ago. It is a sister city of South Korea's Buyeo County and a friendship city of Nara City.

As a future image of the city, we have set a "welfare and education city in which people have a purpose in life and dignity and can live in safety and peace of mind" as the way that we want the city to be 10 years from now. We also set "development of a healthy and peaceful welfare city" as one of the pillars of 7 objectives for city development.

In relation to support for child-rearing, we have a fundamental concept of "creating a city that supports parents and children raising each other." We are doing things such as introducing a system for reducing and exempting daycare fees and expanding child-rearing support centers.

In relation to the increase of welfare for elderly people, we are taking measures to reduce the burdens of daily life by operating a community bus called "Mahoroba" and conducting a project to provide emergency message devices, etc. The dignity of all elderly people is respected, from those who are energetic and healthy to those who have dementia, etc. and require care, and we are making efforts to create an environment in which, to the fullest extent possible, people can live the kind of independent life that they want in the home or region that they are used to living in.



Niigata City, Japan — TSUKADA, Keisuke, Vice Mayor

Niigata City is aiming for "city development in which people can give birth to and raise children with peace of mind." We are doing things such as improving early-morning and extended-hours daycare, infant care, holiday daycare, and daycare for sick children, and providing aid for children's medical expenses and regional support bases for child-rearing. In particular, although we have reached a suitable level for daycare services and been evaluated as the "city in which it is easiest to raise children," the birthrate is 1.29, which is lower than the national average.

According to survey data on married couples in Japan, there is a difference of nearly 0.5 between their ideal number of children and the number of children that they plan to have, and we believe that we should target filling that difference through policies. The amount of family benefits in France and other European countries is 3 to 4 times that in Japan, and we are working on measures against the declining birthrate that target families with 2, 3, or more children. We also think that multi-generation households or extended family members living close to one another can be effective, and that it may be necessary in Japan as well to target measures against the declining birthrate by which local governments provide extra child-rearing services.



Tenri City, Japan **MINAMI, Keisaku**, Mayor

Tenri City is making the following various efforts in order to meet the age of a declining birthrate and aging population.

In relation to the health of mothers and children, we are conducting projects to provide aid for infertility treatment expenses, health checkups for pregnant women, projects for visits by midwives, and a "Hello baby" home visitation project. In relation to support for child-rearing, we are conducting at-home daycare and parent-child lessons, etc. One of those is a "program to create bonds between parents and children," which is an effort that is unique to Tenri City. It provides help with creation of friendships between mothers and promotes social participation by mothers who have concerns about child-rearing. In addition, we deliver "Nobinobi Tsushin," which is a newsletter about support for child-rearing, to all of the households in the city and provide information.

Finally, as part of a project called the "Healthy 100-year Old Tenri Plan," we are promoting a movement for people to look after their own health, do a little bit of studying when they have time, and volunteer to help people in their neighborhood who have difficulties.



Ikaruga Town, Japan **IKEDA, Yoshinori**, Deputy Mayor

Ikaruga Town is using as part of its general plan a slogan of a "town that lives together and raises children together," and we are working to control the population aging rate by increasing the number of children and to create a good environment in which it is easy to raise children.

As specific measures, the town is conducting its own projects to provide aid for ordinary infertility treatment and ordinary recurring pregnancy loss treatment expenses and aid for expenses for vaccinations against rotavirus, and making medical expenses free for children until they finish junior high school. In addition, we are doing things such as visiting homes to provide guidance about newborns, operating the regional child-rearing center "Tsudoi no Hiroba," and developing people to support child-rearing.

Because it is extremely expensive for the town to conduct its own projects when it is in a very difficult financial situation, and since it is necessary to create a system to accept daycare centers, etc. in response to an increase in the number of children, there is a problem of a shortage of children's nurses and facilities. The town's major task from now on is how to secure people, things, and money, and we think that residents' cooperation, including working with the town, will be essential.



Summary by the moderator



ARAI, Shogo Governor of Nara Prefecture

We discussed things about elderly people, measures against the declining birthrate, and support for child-rearing, and as problems in that background the discussion developed from the major problem of employment for measures against the declining birthrate to the question of what role local governments should play concerning employment.

It seemed that we resulted in a theme that, similar to Professor Miyamoto's "wing social security," giving wings to people who want to work and letting them fly may be the East Asian-type society in which people can continue to work.

I am grateful that we had very meaningful discussions, and I myself was also able to enjoy them very much.

Theme 2: “Methods for Efficient Collection of Local Tax and Developing Tax Resources”

Participating local and regional governments	Republic of the Philippines: Aurora Province Republic of Korea: Buyeo County in Chungcheongnam-do Province Socialist Republic of Viet Nam: Phu Tho Province, Viet Tri City in Pho Tho Province Japan: Kyoto Prefecture, Kagawa Prefecture, Nara Prefecture, Gose City in Nara Prefecture, Asuka Village in Nara Prefecture
Moderator	HYAKUSHIMA, Hakaru Commissioner, Nagoya Regional Taxation Bureau

Report of results of theme-specific meetings



HYAKUSHIMA, Hakaru Commissioner, Nagoya Regional Taxation Bureau

The fundamental directions of specific measures for securing tax revenue are the three points of making tax collection more efficient, the importance of preventing delinquency, and improvement of awareness about taxes.

- 1) Making tax collection more efficient
 - Collaboration with local governments: Sharing awareness of problems, creating a tax system that utilizes economy of scale
(Specific examples) Dispatches of prefectural employees to municipalities, establishment of a collaborative tax collection structure, etc.
 - Utilization of IT technology: Making the administration itself more efficient, making it a goal to improve convenience for taxpayers, promoting cooperation and sharing of information between administrative organizations

(Specific examples) Electronic tax filing system, Internet public auctions, system for confirming delinquencies in real time (Buyeo County), etc.

- Developing human resources who will collect taxes: Increasing employees' specialization
(Specific examples) New establishment of positions specializing in tax duties, development through personnel exchanges between the prefecture and municipalities, etc.

2) Prevention of delinquency

- Prevention of delinquency: No generation of new delinquencies
(Specific examples) Publicity about payment within the deadline, making an obligation for attachment of a certificate of tax payment when participating in bidding conducted by the local government, securing diverse means of tax payment (payment at convenience stores), etc.
- Adjusting delinquencies: Implementing strict delinquency punishment for cases that involve large amounts or malignancy, utilizing a system of concentrated phone calls prompting payment for delinquencies that have just occurred or cases of a large number of small amounts

3) Improvement of awareness about taxes

- Conducting publicity through radio, television, and other forms of media, and the Internet
(Specific examples) Project to eliminate delinquency of real estate tax (Aurora Province), and promotion of education about taxation
- * It is important to foster awareness among residents that they themselves will bear costs that correspond to benefits, and for the administrative side to consider matters from residents' point of view, handle things sincerely and politely, and carry out their responsibility to explain how taxes are used.

Regarding the above, I would like national tax authorities to collaborate and cooperate with local governments, mainly at each regional level, and for the countries of East Asia to also cooperate in various aspects of tax administration.

The situation of local taxes is significantly related to securing tax revenue. According to Professor Motohiro Sato's report, the characteristics of Japan's local taxes are as follows: 1) there are many tax items, 2) there is heavy reliance on corporate taxation and tax revenue is unstable, 3) tax revenue is unstable, 4) there are large regional disparities, and 5) taxation autonomy slants toward corporate tax. It was pointed out that, in the current economic situation, the tax system is not good for the economy and there are trends of excessive taxation on corporations (tax exportation) and competition for corporate preferential tax systems (tax competition).

It was pointed out that the points for local tax systems in an era of decentralization are striving to shift from corporate tax to consumption tax in order to stabilize tax revenue and rectify the disparities among regions, expanding the individual tax base based on the principle of benefits that correspond to costs, and reconsidering reliance on corporate tax in order to respond to globalization of the economy.

Presentation of undertakings



Aurora Province, Republic of the Philippines

CASTILLO, Bellaflor Angara, Governor

Aurora Province relies on IRA (internal revenue allotment) for 93% of its total annual revenue, and local taxes make up no more than 7% of its financial resources. Since I took the position of Governor of the Province, we reexamined collection of local taxes, quickly put into effect a province tax ordinance related to comprehensive tax, and brought about a significant increase in tax revenue.

Specifically, we are making efforts such as turning processing fees and surcharges into tax revenue, completely revising amounts for real estate appraisals, using television and radio to let residents know about the province tax ordinance, and conducting a project to "eliminate people who are delinquent in paying Aurora Province real estate tax." We also think that holding dialogue sessions with province residents and conveying the fact that if more people pay taxes more benefits can be received and the fact that the province government is properly managing tax revenue have led to an increase in tax revenue.



Phu Tho Province, Socialist Republic of Viet Nam

HOANG, Dan Mac, Chairman, Phu Tho Provincial People's Committee

In Phu Tho Province, in order to increase tax revenue we are encouraging companies from both Vietnam and other countries to conduct business and make investments in industry, and in order to minimize business costs, we are maintaining land and infrastructure, etc. and reducing and exempting, etc. corporate tax and land use tax for investment, etc. by foreigners in areas that are particularly remote or that have poor conditions.

We are making efforts for tax management measures, such as making tax administration procedures simple and open to the public and making it easy for taxpayers to cooperate, as well as improving the quality of supervision for people who are delinquent in paying taxes and securing the fairness, equality, and competitiveness of duties, and continuing to develop applications for information technology, such as tax filing through the Internet. In relation to human resources and organization management as well, we are continuing to improve tax organization management and aiming to attract and develop human resources with specialized skills.



Kagawa Prefecture, Japan

TENKUMO, Toshio, Vice Governor

In Kagawa Prefecture, we made measures for securing collection of taxes one of our most important tasks from the viewpoint of securing financial revenue from collection of prefecture taxes and fairness of the tax burden, and we are working on measures for individual prefecture resident tax and expansion of places where taxes can be paid.

First, as measures for individual resident tax, we strengthened delinquency adjustment through a Kagawa delinquency adjustment promotion organization that involves collaboration between the prefecture and municipalities, and expanded a special collection system in which workplaces withhold individual residence tax from people's salaries. Meanwhile, in order to expand the places where people can pay taxes, we made it possible to pay automobile tax, which is the tax with the largest number of cases, at convenience stores or by credit card using the Internet, etc. The collection rate of prefecture tax has improved and the effects of measures aimed at securing tax revenue are increasing, but the thing that is important is manpower, and we are dispatching prefectural employees to take collection courses at independent colleges and conducting short-term practical training at prefectural tax offices intended for municipal employees.



Kyoto Prefecture, Japan

NAKANO, Yusuke, Director General, Department of General Affairs

Japan's local tax system is complicated and difficult to understand, and local tax makes up a high ratio of local government revenue due to transfers of tax revenue. Therefore, we must improve taxpayers' convenience, establish fair and just tax administration, and create an effective and efficient tax enforcement system.

Against the backdrop of such circumstances, Kyoto Prefecture has established a Kyoto local tax structure in which tax duties are conducted collaboratively by the prefecture and its municipalities, and it has been conducting collection duties since 2010. The purposes of this structure are to improve convenience for taxpayers, make duties more efficient, and further promote fair and just tax duties. In addition to making delinquency adjustments, it is also conducting tax work for corporate-related tax, building a computerized system, and conducting training for employees of affiliated bodies.

The tasks from now on are to further promote combination of tax duties and collection duties, standardize and integrate systems for duties, and develop employees who specialize in taxes, and we would like to work to solve these tasks.



Gose City, Japan ————— **HIGASHIGAWA, Yutaka**, Mayor

Gose City is in a severe financial situation. It issued a “declaration of financial emergency” at a September 2007 Diet session, and as of the account settlements of fiscal 2008, it was designated as a “body to be quickly restored to health.” We are working to secure tax revenue, as improvement of the collection rate of city tax is one matter for restoring the city to health. Specific undertakings are: 1) Establishing a city tax mobile collection section that is separate from existing tax collection sections, 2) Placing former prefectural police officers as supervisors in charge of tax collection, 3) Formulation of a “basic policy for tax collection and delinquency adjustment,” and 4) Obtaining knowhow from delinquency adjustment specialists dispatched from the prefectural government and tax collection departments in other municipalities.

Due to these efforts, conversion into cash has increased dramatically, the collection rate of carried-forward delinquency amounts has increased, and residents’ trust of the city government and city employees’ morale have improved. As a result, we were able to move into the black for general accounting when fiscal 2011 accounts were settled. From now on, we would like to work on a system that maintains strengthening of collection and secure employees’ morale amid conditions in which the number of people who are delinquent in paying taxes is increasing due to a worsening economy, employment instability, and an increase in non-regular workers.



Summary by the moderator



HYAKUSHIMA, Hakaru Commissioner, Nagoya Regional Taxation Bureau

I was newly made aware that the struggles of collecting taxes are shared by all national and local governments.

The importance of collaboration between independent bodies and local governments was confirmed by the establishment of collaborative structures and the implementation of human resource exchanges. The importance of developing specialized human resources through such activities was also pointed out.

It was confirmed that we must utilize information transmission technology, promote improvement of convenience for taxpayers along with making administration more efficient, and maintain the taxpaying environment.

It was also indicated that there is shared awareness of the importance of working to improve awareness about paying taxes, carry out the administration’s responsibility of explaining how taxes are used, and conduct education about taxes.

Thank you very much today for bringing the discussion to a higher level and deepening the topic that was indicated during the theme-specific meetings.

Theme 3: "Regional Development"

Participating local and regional governments	Republic of the Philippines: Municipality of Baler in Aurora Province Republic of Korea: Chungcheongnam-do Province, Jeollanam-do Province Malaysia: State of Melaka Japan: Fukushima Prefecture, Toyama Prefecture, Fukui Prefecture, Yamanashi Prefecture, Gifu Prefecture, Mie Prefecture, Wakayama Prefecture, Shimane Prefecture, Nara Prefecture, Tagajo City in Miyagi Prefecture
Moderators	HANAOKA, Hirofumi Deputy Director General, Ministry of Land, Infrastructure, Transport and Tourism (City Bureau) TANAKA, Osamu Executive Vice President, Policy Research Institute, Ministry of Finance

Report of results of theme-specific meetings



HANAOKA, Hirofumi Deputy Director General, Ministry of Land, Infrastructure, Transport and Tourism (City Bureau)

From the extremely broad theme of regional development, discussion was conducted mainly about tourism.

The main directions were the following four things: 1) Transportation measures to stimulate tourism, 2) Cooperation from people who are not directly involved in tourism business, 3) Utilization of regions' identities and cultures, and 4) Division of roles among and collaboration with government agencies.

Undertakings by various local governments for each direction are as follows.

1) Transportation measures to stimulate tourism: Increasing cities' appeal by pursuing convenience and securing the regions' atmosphere

(Specific undertakings)

- Park and ride (Nara Prefecture)
- Creating a bypass so that automobiles will not enter Iwami Ginzan, etc. (Shimane Prefecture)
- Eliminating parking lots (Toyama Prefecture), setting expensive parking fees (State of Melaka), etc.

2) Cooperation from people who are not directly involved in tourism business: Hospitality by the entire region

(Specific undertakings)

- Promoting residents' participation in general plans, by creating a road network for tourists (Municipality of Baler)
- Including the city in protection of World Heritages from the beginning (State of Melaka), etc.

3) Utilization of regions' identities and cultures: Increasing the charms of regional resources

(Specific undertakings)

- Turning ingredients and food into tourism resources (Ishikawa Prefecture)
- Tourism planning that uses historical assets such as "Kojiki" and religious beliefs (Shimane Prefecture)
- Collaboration by Nara, Wakayama, and Mie, which are the 3 prefectures of the Kii Peninsula (Nara Prefecture), etc.

4) Division of roles among government agencies: Promotion of collaboration from the perspective of travelers

In summary:

- In order to secure and maintain regional assets such as transportation infrastructure, it is important that they be used by the entire region.
- In order to gain the cooperation of people who are not directly involved in tourism, it is necessary to conduct educational activities so that they will have a regional identity and affection and pride for the region.
- During discussions, it was confirmed that for vertical collaboration (prefectures and municipalities) and horizontal collaboration (prefectures and prefectures) it is necessary to think and provide services from the viewpoint of travelers.

Presentation of undertakings



Municipality of Baler, Republic of the Philippines

ANGARA, Arturo Javier, Mayor

The Municipality of Baler is working to formulate a comprehensive development plan by 2020, and promoting active participation by residents as something that is necessary for sustainable and unified tourism development.

The city established a tourism bureau, and although finances are extremely limited, it is involved in tourism development, promotion activities, and protecting the environment. At the same time, full efforts are being made to create an environment for tourism investment, and the city's name recognition has been raised through things such as advertisements broadcast on television and radio. Efforts are also being made to protect our abundant cultural properties and manage the environment. As a partner with the city, the NGO Barangay is cooperating with things such as development of tourism spots, attracting tourists, and maintaining infrastructure.

These efforts have led to a significant increase in the number of tourists, as well as an increase in restaurants and other companies related to tourism, and the number of people employed has also increased. In July 2012 we adopted a tourism ordinance, and from now on we will start a chamber of city tourism, work to develop and promote tourism, formulate an ordinance for attracting investment, and promote activities to attract businesses.



State of Melaka, Malaysia

HUSIN, Md Yunos, Chairman, Local Government and Environment State Committee

The State of Melaka is blessed with so many abundant relics that it can be said that a visit to this "Historic City" is the same as a visit to all of Malaysia.

Meanwhile, economic development is also dramatic, with an economic growth rate of 7%, a per-person rate of GDP increase of 41.3%, and an unemployment rate of 1% in 2010. Against that backdrop, there is a stable political system, effective government policies, and low costs for businesses, as well as things such as a solid infrastructure formed by international airports, establishment of the Melaka International Trade Center (MITC), and expansion of reclaimed land. In addition, it should not be overlooked that it is geographically located as a "gateway" to Malaysia and ASEAN.

At present, biotechnology industries, high-tech industries such as automobiles and manufacturing airplane parts, and tourism industries with the objectives of historical and cultural properties, recreation, and shopping, etc. are thriving. From now on we will continue to conduct industry promotion that emphasizes these industries.



Mie Prefecture, Japan

SUZUKI, Eikei, Governor

Mie Prefecture is working toward regional development by moving away from development through the manufacturing industry, creating new industries, finding new methods of regional development, and promoting active international collaboration.

Specifically, we are conducting regional development by developing medicines and medical devices that utilized a "Mie life innovation comprehensive special zone," introducing new forms of energy by linking six inhabited islands with a smart grid, developing solar panels that can withstand damage from fire and salt, and conducting other activities under the concept of a smart island. In July 2012 we set up business support desks in Shanghai and Bangkok, and we are planning overseas deployment such as providing support for companies entering overseas markets, and concluding a memorandum of understanding on industrial collaboration with the Taiwan-Japanese Industrial Collaboration Promotion Office in Taiwan. We are also putting efforts into increasing the amount of tourism expenses and the number of foreign tourists who stay at least one night, in anticipation of the rebuilding of a shrine in 2013 and the 10-year anniversary of Kumano Kodo's registration as a World Heritage in 2014.



Wakayama Prefecture, Japan

NISAKA, Yoshinobu, Governor

I would like to introduce Koyasan as a case study of Wakayama Prefecture's efforts for regional development. Koyasan has been a hallow ground of the Kii Mountain Range and one of the paths for pilgrimage for 1,200 continuous years. In July 2004 it was registered as a World Heritage, and in March 2009 it received 3 stars from Michelin Green Guide Japan.

We have four tasks of protecting cultural assets, preserving scenery, maintaining infrastructure, and promoting tourism. We are making the following efforts for these tasks.

- 1) Work to restore cultural assets in time for the 1,200-year anniversary of the opening of Koyasan 3 years from now
- 2) Limitation of buildings and signs through landscape regulations by the prefecture and Koya Town
- 3) Creation of roads as measures against traffic jams, and an interpretation guidance system that is unique to the prefecture and specialized for Koyasan
- 4) Tourism promotion that introduces the charms of Koyasan in various areas

2014 marks the 10-year anniversary of being registered as a World Heritage Site, and 2015 marks the 1,200-year anniversary of the opening of Koyasan. We hope that people from throughout East Asia will come and visit Koyasan.



Shimane Prefecture, Japan — MIZOGUCHI, Zembee, Governor

In Shimane Prefecture, the birthrate continues to decline, the population continues to age, and the population continues to shrink. For that reason, our most important tasks are to rejuvenate industries and secure employment, and stimulation of tourism is a major pillar for stimulating industry. Shimane Prefecture has abundant nature and old cultural and historical assets that have not been destroyed, and we are working to stimulate tourism by utilizing those assets.

2012 marks a historical milestone of 1,300 years since “Kojiki,” which is Japan’s oldest historical document, was compiled. We thought that was a good opportunity to let the rest of Japan know about the charms of Shimane Prefecture, and since fiscal 2010 we have been conducting a “Shimane – Kingdom of the Gods” project. The aims of the project are to have prefectural residents rediscover the wonders of their hometown, to improve the charms and hospitality of the region, and to create a mythology brand by making mythology into a tourism theme, and we are holding Japan Myth Expo in Shimane and other related events. We would also like to collaborate with other places that are related to mythology such as Nara Prefecture, Miyazaki Prefecture, and Mie Prefecture, and make efforts to get people to really know the charms of Japan’s historical culture.



Tagajo City, Japan — KIKUCHI, Kenjiro, Mayor

In the past, Tagajo was a place that had the inland national government centered on the Tohoku region, and it is also the place of Utamakura songs by people who were posted at Tagajo when it was the capital.

A Law Related to Maintaining and Improving the Region’s Historical Scenic Beauty” (Law for Historic City Development) went into effect in November 2008, and a Plan to Maintain and Improve the Historical Scenic Beauty of Tagajo City was also approved. The goals of the plan are close collaboration with administrations protecting cultural assets and administrations conducting city development, and to create new city development. We also think that it will be the cornerstone for city development to rebuild after the Great East Japan Earthquake.

As specific measures, we would like to work to restore Tagajo’s south gate, maintain the Utamakura environment, put surrounding electrical wires underground, put electrical poles underground, conduct projects to survey and preserve cultural assets, and formulate scenery plans.

Using formulation of this plan as an opportunity, we would like to harmonize history and the daily living environment by promoting planning through cooperation with residents rather than planning that is led by officials, and contribute to fostering the region’s culture by utilizing the historic sites that are rooted in the region.



Chungcheongnam-do Province, Republic of Korea —

NAMGUNG, Yeong, Director General of Economy and Trade Office

Although South Korea fell into an economic crisis during the Asian currency crisis of 1997, the central government subsequently formulated and promoted plans to stimulate regional economies, and Chungcheongnam-do is also implementing economic projects to stimulate the region.

Chungcheongnam-do has a high concentration of industries, and since fiscal 2003 we have been promoting industry stimulation with a 10-year plan for the four major strategic industries of electronic information, state-of-the art fields, agriculture and livestock bio fields, and automobile parts. Specifically, we established Chungnam Techno Park, built a network between small and medium corporations and universities, corporations, and research institutes, created a system to support human resources, and built a foundation for using and developing research and development facilities for inexpensive fees.

We think that concentrated investment in the 4 strategic industries and growth of related corporations caused stimulation of the regional economy, and from now on we will move forward with new plans as a new region of specialized industry. We think that the efforts of local governments will invigorate the regional economy as well as help the nation to grow.





Summaries by the moderators



HANAOKA, Hirofumi Deputy Director General, Ministry of Land, Infrastructure, Transport and Tourism (City Bureau)

I think that for regional development the most essential thing as a base is that the administration's intentions, in other words what they are thinking overall and which way they are headed, are shared with residents.

Although properly reconsidering a regional community again is very difficult, just like physical city development, if the plan is to rebuild a community it will not go well if it is the same as a conventional community. I think that the shape of a community in which young people would like to participate is somewhat different.

Although tourism was the main part of this discussion, there were many portions in common with what I think about on a daily basis and I listened to the discussion with great interest.



TANAKA, Osamu Executive Vice President, Policy Research Institute, Ministry of Finance

I felt that Japan is at last becoming a postindustrial society, and each prefecture and city is really struggling concerning what should be done for regional development amid that change. From around 1975 to the first half of 1985 there were discussions that post-industrialization or changes to soft or service industries were progressing in Japan, but that time was the peak of industrialization and since it was an era in which we were coming very close to and in some areas surpassing the United States, people did not really realize that post-industrialization was occurring. The result was that a bubble emerged and burst, and after then going through 10 to 20 years of struggles I have the strong impression that Japan has truly come to the stage of questioning what kind of nation to build and what kinds of regions to build in a postindustrial society.

Specialists rather than generalists are now being sought for national government employees, and I got the impression that local government employees are also similarly faced with the significant task of how to develop specialists.

Theme 4: “Human Resource Development”

Participating local and regional governments	Republic of Korea: Gyeonggi-do Province, Gongju City in Chungcheongnam-do Province Socialist Republic of Viet Nam: Thua Thien Hue Province Japan: Shizuoka Prefecture, Tottori Prefecture, Nara Prefecture, Nara City in Nara Prefecture, Koryo Town in Nara Prefecture
Moderator	SHIIKAWA, Shinobu Advisor to the Ministry of Internal Affairs and Communications on regional vitalization and “green decentralization reforms” (former Director General, Local Public Finance Bureau, former (first) Director General for Regional Vitalization)

Report of results of theme-specific meetings



SHIIKAWA, Shinobu

Advisor to the Ministry of Internal Affairs and Communications on regional vitalization and “green decentralization reforms” (former Director General, Local Public Finance Bureau, former (first) Director General for Regional Vitalization)

The three fundamental directions are 1) Human resource development by local governments from now on, 2) Development of human resources who can increase the activeness and sense of happiness of entire regions, and 3) Development of human resources who can stimulate regional economies.

Measures for each of the directions are as follows.

1) Human resource development by local governments from now on

In Japan, as a result of decentralization reforms, the type of human resources sought has changed to human resources who can manage local governments or the region, human resources who have a global (global and local) perspective and ability to take action, and creative human resources who can propose policies to the national government. As a method for developing such human resources, it is necessary to make visible the requirements and conditions and experiences that should be passed on in order to be promoted to top positions, and develop human resources in a strategic and planned manner. It is also necessary to develop human resources while receiving specialized support from universities, the national government, other public bodies, and people from other countries.

Meanwhile, it was notable that in China there is a need for government employees who will emphasize the economy and formulate policies for that.

2) Human resource development for creation of regional power

In order to increase regional power in an age of increasing economic globalization, the arrival of a depopulating society, and sophistication of communication tools, it is necessary to develop human resources who will generate new added value (= creative human resources).

It is also necessary for individuals to expand their horizontal networks, interact with various worlds, commit broad exchanges, and increase their abilities. In other words, we should develop human resources who will think outside the box and use creativity and innovation to generate innovation.

3) Human resource development for regional economic stimulation

There is a major increase in the number of regions that are introducing the power of young people as a means of collaborating outside of their area. Because life after retirement has become very long due to the aging of society, it is necessary to develop both public and private human resources who can contribute to regional society after retirement. It is particularly necessary for government employees to keep that in mind.

Meanwhile, in China, it seems that it is emphasized that a method of stimulating regional economic growth is to try to attract human resources from other countries if domestic development of human resources is too slow, and this is being put into practice.

Although the tasks faced by local governments in Japan and China are somewhat different, it is necessary to secure human resources in order to solve the tasks, and development of those human resources is fundamental. In Japan, because human resource development in regions and development of local government employees overlaps, it is necessary to develop government employees who can lead regional society.

Exchanges have played a major role in human resource development since a Japanese delegation first went to China. Creative human resources are developed from exchanges with different cultures and different industries, and therefore from now on it will continue to be necessary to develop human resources from a broad perspective and in the wide world.

Presentation of undertakings



Gyeonggi-do Province, Republic of Korea

PARK, Duk Jin, Section Chief, Gyeonggi Province Talent Development Institute

Gyeonggi-do Province has set "mutual development" as a human resource development strategy, and we are aiming for Gyeonggi-do Province as a whole to ultimately develop through human resources who were cultivated by internal organizations working together and growing.

With the objective of developing human resources who will lead themselves, lead others, and lead changes in society, Gyeonggi-do Province's human resources development institute is focusing mainly on the three projects of a "2gather 4ever" education consulting project (services to develop and present human resource development that is specialized to the specific organization), "I am Gyeonggi-do Province" (program to develop human resources in collaboration with the administration, police, and fire departments), and "Imagination Kyonggi" (specialized online information services that provide integrated support through the Internet or smartphones), and working on development of the abilities of employees of the province, city, county, and public corporations.

From now on we will continue to develop these three projects, and we are aiming to cultivate outstanding government employees and provide high-quality administration services.



Thua Thien Hue Province, Socialist Republic of Viet Nam

NGO, Hoa, Vice Chairman, Thua Thien Hue Provincial People's Committee

In order to change from a province to a centrally-controlled city in the future, Thua Thien Hue Province is making a plan for human resource development up to the year 2020 and making efforts with the objectives of ensuring the quality and quantity of government employees and developing human resources who will contribute to development in all fields, such as the service industry, industry, and agriculture. We have decided on specific numerical objectives and are working toward development of the abilities of local government employees, human resource development for business entrepreneurs, improvement of the abilities of managers and leaders related to fields such as economic zones, industrial zones, science and technology, medical treatment, and social services, and human resource development in fields such as tourism, finance, banking, postal services, culture, medical treatment, and education.

In order to achieve our objectives, we think that it is necessary to improve awareness about human resource cultivation, reform government management of human resource development, conduct education and training about human resource development, secure a labor market, procure funds that combine a budget from the national government and aid from other countries, and cooperate with human resource cultivation projects in other provinces and other countries.



Shizuoka Prefecture, Japan

OSUGA, Yoshiro, Lieutenant Governor

Shizuoka Prefecture has a fundamental concept of "creating a prosperous and virtuous 'Kingdom of Fuji' paradise" for a unique Shizuoka Prefecture, in which we will train human resources who have virtue and have those people become leaders, anyone will be able to live a long and healthy life, cultural strengths will be improved, and people will be drawn by its charms.

As efforts for developing human resources, there is a Shizuoka career development program (CDP), and not only do we ask employees to ascertain their own abilities and suitability, set career goals, and take concrete action to realize those goals, but we also conduct systematic training, assign employees to duties that will lead to their realization of career objectives, and provide other forms of employee support. In addition, as part of creating a workplace in which to develop human resources, we have introduced a team system (squad system) in which employees work together as a unit, and we have made employees' "roles visible" in the workplace by doing things such as positioning section chiefs as the people responsible for workplace training.

Local government organizations' greatest resources are human resources, and the development and utilization of human resources is a shared and important theme.



Koryo Town, Japan

HIRAOKA, Hitoshi, Mayor

Koryo Town fill in only a few positions after employees retire, and we are working hard with a small number of skilled employees. For that reason, the number of employees per resident is the lowest of the cities, towns, and villages in Nara Prefecture and to make up for the shortage of employees we are utilizing a support staff system, commissioning of work to the private sector, and a senior citizen human resource center.

The reduction of employees has had a tremendous effect on financial aspects. We are proceeding with reforms under awareness that all employees are managing the town.

In order for town residents to be happy, we at city government offices must do our jobs properly. We would like employees to bring about the maximum effects for the minimum costs, and we are providing them with guidance to always take on challenges with a feeling of dissatisfaction. Although these are quite harsh words, we tell employees to, "Use your wisdom. People who don't use their wisdom should sweat. People who don't use their wisdom or sweat should get out of the city government office." We are learning good things from other local governments and putting them into practice, keeping our eyes on the rest of the world, and making efforts to gather wisdom.



Summary by the moderator



SHIKAWA, Shinobu

Advisor to the Ministry of Internal Affairs and Communications on regional vitalization and “green decentralization reforms” (former Director General, Local Public Finance Bureau, former (first) Director General for Regional Vitalization)

In an era in which ICT changes the structure of society and decentralization is progressing, the key phrase is horizontal collaboration with limitless possibilities.

In order to create a happy regional society in the midst of harsh conditions such as a declining birthrate, aging population, and low economic growth, everyone should put in time and effort, technology, good intentions, and investment, bring back a form of regional society from the past, and solve problems through personal relationships and regional ties. I want to cultivate government employees who can contribute to such things, and create a society in which the realization of individuals’ ideals matches the realization of organizations’ ideals.

Although smaller local governments face tougher problems for human resource development, even in an era of decentralization the prefectural and national governments will not take a stance of being completely unrelated to local governments. Things that should be supplemented must be supplemented.

In order to develop human resources who can create new things and bring about innovation, exchanges among private-sector corporations, NPOs, regional development organizations, and city government offices are of course important. But exchanges with local governments of other countries are also extremely important, and exchanges of opinions at a conference like this are very meaningful.

Plenary congress



Chairperson's report

ARAI, Shogo Governor of Nara Prefecture

【Topic】

- Introduction and approval of new member local and regional governments
 - People's Republic of China: Linyi City in Shandong Province, Dongying City in Shandong Province
 - Malaysia: State of Melaka
 - Republic of the Philippines: Municipality of Baler in Aurora Province
 - Socialist Republic of Viet Nam: Phu Tho Province, Viet Tri City in Phu Tho Province
 - Japan: Ishikawa Prefecture, Nagano Prefecture, Kyoto Prefecture, Tottori Prefecture, Tokushima Prefecture, Koryo Town in Nara Prefecture
- Project reports
 - Holding of the East Asia Summer School "NARASIA School"
 - Holding of the Third East Asia Local and Regional Government theme-specific meetings
 - Holding of the Third East Asia Local and Regional Government Congress and the Aspen Institute Japan Symposium
- Amendment procedures for the East Asia Local and Regional Government Congress Nara Charter
- Other

Comments by new member local and regional governments



Phu Tho Province, Socialist Republic of Viet Nam

HOANG, Dan Mac, Chairman, Phu Tho Provincial People's Committee

Phu Tho Province is the birthplace of Vietnam, and it is an area with a history of several thousand years. It is also a region that is suited to religious tourism or spa tourism, and like Nara Province it has an abundance of tangible and intangible cultural assets.

In order to achieve multi-faceted economic and development cooperation from the countries of East Asia amid a stagnant global economy and the adverse circumstances of serious regional disputes, we are taking a policy of across-the-board cooperation for international integration. I think that the current world trends are to openly report problems faced by local governments, aim for sustainable development through mutual discussion, and strive to cooperate. Accordingly, based on a win-win principle of equality and mutual benefit, we will make our utmost efforts for the success and development of the East Asia Local and Regional Government Congress.

From now on we intend to continue to unite with all of the other members, share experiences by receiving full-scale cooperation, strengthen crisis management, and preserve economic growth and traditional culture, as well as working hard to realize international integration. Each local government has its own strongpoints, and if we cooperate with each other we can contribute to prosperity that is common among the countries of East Asia.



Municipality of Baler, Republic of the Philippines

ANGARA, Arturo Javier, Mayor

During this meeting I felt that various local governments, while having various backgrounds, share the same thoughts of intending to develop East Asia politically, socially, culturally, economically, and environmentally. The Municipality of Baler would also like to actively carry out its role as part of this Congress.

This kind of meeting is an important opportunity for deepening mutual understanding and cooperation. We share similar tasks and concerns, and this meeting will surely lead to mutual efforts to achieve goals and happiness for residents.

I hope that we will continue activities through trust and partnerships as leaders and participants. I would like for us to carry out our roles as East Asian local and regional governments by joining hands and moving forward together.



State of Melaka, Malaysia

HUSIN, Md Yunos, Chairman, Local Government and Environment State Committee

I am honored to have participated on behalf of Malaysia and to have met all of you from the member local and regional governments.

I invite all of you to come to a festival that will be held on April 15, 2013. We plan to have representatives from many local governments of the Philippines, South Korea, Thailand, Pakistan, and Indonesia come to the festival, as they have been repeatedly participating over the last few years. I also would like to invite all of you to an international festival that will be held for one month beginning in June. I hope that if you come you will be able to experience our hospitality and diverse culture.





Chairperson

ARAI, Shogo Governor of Nara Prefecture

The East Asia Local and Regional Government Congress was proposed in 2009 by 19 regions including Nara, and the first congress was held in 2010, which was the 1,300-year anniversary of the Heijokyo capital. The third congress was held this year, and it now has 64 local or regional governments from 7 countries as members.

After hearing a keynote speech by former Deputy Chief Cabinet Secretary Nobuo Ishihara titled "The situation in East Asia and responses by local and regional governments," group discussions were held on the four themes of "Social Security in terms of Aging Population and Decreasing Birth Rate," "Methods for Efficient Collection of Local Tax and Developing Tax Resources," "Regional Development," and "Human Resource Development," and very lively and meaningful discussions were held.

A characteristic of this congress is dialogue (exchanges of opinions, dialogue) that aims for sharing of information and tasks and learning about each other's best practices. Through the group discussions I was again made aware that the local governments of East Asia share many tasks. I feel that by learning through this congress we can develop from a "consortium of East Asia's tasks" to a "consortium of learning about East Asia."



**Chungcheongnam-do Province, —
Republic of Korea**

NAMGUNG, Yeong,
Director General of Economy and Trade Office

By participating in this congress and learning about the examples of other countries such as Japan and Vietnam, I was able to obtain extremely useful information, in particular that most countries are

facing the same tasks such as regional development, securing tax revenue, declining birthrates, and aging populations.



**Phu Tho Province —
Socialist Republic of Viet Nam**

HOANG, Dan Mac,
Chairman, Phu Tho Provincial People's Committee

By participating in this meeting I felt that the foundation for a flow towards "international integration" lies in local and regional governments. There will be no development of nations if there is no development of local and regional

governments, and if there is no development of nations there will be no regional stability. I would like to absorb what I have learned from the meeting and reflect those things in policies for my own region.

I also think that it will be possible to secure peace in East Asia by cooperating, in many aspects such as culture and traditions in addition to economic cooperation, with local governments that were not able to participate in the meeting, sharing information with them, and thinking about things together.



**Mie Prefecture, —
Japan**

SUZUKI, Eikei,
Governor

The content of the program was improved over last year's, the presentation of examples in particular was done thoroughly, and there was a good environment for learning. There were also examples in which

participation in the congress will lead to the holding of bilateral discussions or business seminars, and I think it functions as an extremely effective meeting.

I participated in a group discussion with the theme of regional development, and I strongly felt that it is necessary for each local government to have its own unique characteristics and for foreign diplomacy to be conducted not as though a country is entirely uniform, but rather "of, by, and for the local governments."

Although the local governments of China did not participate, I hope that by reaching out through various channels all local governments will be able to participate in the next congress.



**Aurora Province, —
Republic of the Philippines**

CASTILLO, Bellaflor Angara,
Governor

If there is unification, cooperation, and mutual understanding among the seven countries I think that it is possible to achieve a "single world" in which people are deeply

connected. From now on I would like meetings to continue, many commitments to be carried out, and the creation of a "single world" to begin in Asia. If that happens, I am confident that the world's regions outside of Asia will also follow us.



**State of Melaka, —
Malaysia**

HUSIN, Md Yunos,
Chairman, Local Government and Environment State Committee

By participating in the meeting we were able to share our experiences as local governments and learn from each other. I would like to reflect the things I have

learned in services for residents.



**Shimane Prefecture, —
Japan**

MIZOGUCHI, Zembee,
Governor

Many East Asian governments from various levels such as state governments, provinces, and cities participated and talked about their own experiences with each problem. This congress was very

unique because it had exchanges of opinions. I am happy that it went smoothly, was successful, and is expanding.

I participated in a group discussion on the theme of regional development. Listening to the reports of examples from various local governments served as a reference to let me know that the foundations of the various problems faced are the same, and that what is necessary is to think about what kind of policies will make the region the most abundant. I also felt that the congress was a good opportunity to deepen friendships with people from nearby countries.

At the Third East Asia Local and Regional Government Congress held in 2012, we further developed the theme-specific group discussions that were well-received at the previous year's congress and held group discussions on four themes selected by the secretariat Nara Prefecture, based on questionnaires answered by member local and regional governments. The four themes were "Social security in terms of aging population and decreasing birth rate," "Methods for efficient collection of local tax and developing tax resources," "Regional development," and "Human resource development," and all were tasks shared by the local and regional governments.

We had the member local and regional governments choose in advance the discussion themes they would participate in, and then conduct discussions mainly about best practices for government tasks.

First we held discussions on two themes each on August 29 and September 11, 2012 as a congress for working-level staff members. Lecturers made evaluations and participants exchanged opinions with each other, based on keynote speeches by the lecturers and reports on efforts by member local and regional governments. The discussions were extremely lively, the government tasks faced by each of the local and regional governments were narrowed down to their focus points, and the best practices for those focus points were extracted.

At the plenary congress held on that day, Mr. Nobuo Ishihara, President of the Research Institute for Local Government and former Deputy Chief Cabinet Secretary, first gave a keynote speech titled "The situation in East Asia and responses by local and regional governments." Mr. Ishihara pointed out the important fact that, with awareness that takes into consideration the situations in East Asian societies, such as declining and aging populations and a reduced rate of economic growth, bringing up and discussing knowledge and ideas about the four themes taken up at the congress will not only contribute to resolution of government tasks faced by the local and regional governments of East Asia, but will also help contribute to alleviation of the sometimes strained relations at the central government level by deepening mutual understanding and exchanges through such undertakings.

After that, the moderators for each theme reported the results of discussions at the congress for working-level members.

In the afternoon, there were lively discussions by people of the head of government class, based on the morning's keynote speeches and discussions at the congress for working-level members, and even deeper discussions were conducted about best practices for various government tasks.

The following is a report that summarizes the results (overviews) of the discussions for each theme, according to the two points below.

- I. Specific measures by local and regional governments (best practice)
- II. Specific measures for further improvements from now on (in terms of operations and systems)

The methods for summarizing the discussions for each theme are somewhat different. This is because the points under discussion were organized according to the actual discussions and in a way to make them easy to refer to for practical use, since the nature of each of the themes and the nature of the discussions were different. Some themes were thought to be of reference and easy to understand if examples were given, and some themes were thought to highlight common resolution measures if examples were summarized and arranged to some degree.

Please note that this report by the chairperson is merely a summary made by the Governor of Nara Prefecture, who serves as the chairperson, and Nara Prefecture, which serves as the secretariat. We received precise recommendations and guidance from the various lecturers and moderators for the theme-specific group discussions. Thank you very much for your kind cooperation and support.

Theme 1: “Social security in terms of aging population and decreasing birth rate”

I. Specific measures by local and regional governments

1. Support for elderly people

(1) Local comprehensive care system

- Creation of a “local comprehensive care system” under which elderly people can live in the area they are used to and receive various services for nursing care, medical treatment, and daily life support in their homes (Nara Prefecture).
- Distribution of emergency medical treatment kits. Compilation of a list of people who need assistance and systemization of map information (Shimoichi Town).

(2) Creation of a nursing care service system

- Provision of various subsidies and incentives to for-profit and non-profit nursing care service organizations in order to encourage investment in construction of private-capital nursing care service facilities (Jiangsu Province).

(3) Support for elderly people to get out of the house using a community bus, and young people supporting elderly people with shopping

- Contribution of subsidies from the city to community buses operated by shopping centers. Assistance by local young people from NPOs to do shopping on behalf of elderly people, etc (Dazaifu City).

2. Support for raising children

(1) Creating towns in which people can give birth to and raise children with peace of mind

- Improvement of varied daycare services such as early-morning and extended-hours daycare, creation and operation of after-school children’s clubs intended for elementary school students, etc.
→ Acquired evaluation as the “No. 1 town that is friendly for child-rearing” in a newsletter about children (Niigata City).

(2) Improvement of businesses for the health of mothers and children and businesses that support child-rearing

- Implementation of a “Hello baby home-visit project” (visiting homes with newborns), “Tsudoi no hiroba” (consultations on child-rearing, at-home daycare, etc.), and a “Project to build bonds between parents and children” (Tenri City).

(3) Creation of a good environment for child-rearing and improvement of support measures

- Implementation of partial assistance for general fertility treatment fees and fees for treating recurrent pregnancy losses, partial assistance for fees for non-designated vaccinations, and classrooms with fewer students than specified by national government criteria (Ikaruga Town).

(4) Improvement of the birthrate by providing financial incentives for childbirth

- The birthrate increased due to making numeric goals for the birthrate and providing universal support for childbirth through financial incentives for childbirth. Contributions were made to support child-rearing and securing a labor force for local small- and medium-sized businesses (Seosan City).

3. Improvement of medical care

(1) Program for lifelong support of doctors, nurses, etc.

- Presentation of a “lifelong support program” as a mechanism for supporting lifelong career advancement for doctors and nurses (Yamagata Prefecture).

(2) Creation and development of health and medical care industries

- Undertakings in which industry, academia, and the government work together on a theme of conquering diabetes (formation of a world-class level “clinical base for diabetes research and development” based on the concept of a Tokushima health and medical cluster). Turning research results into business, building a regional medical network, turning diabetes medical treatment tourism into business, etc (Tokushima Prefecture).

II. Systems and operations that should be improved by the national government

1. Strengthening of local governments' role in social security services

It is necessary to further nail down the differences of effects of providing cash provision services concerning a change from security focusing mainly on provision of cash to the elderly generation to a focus mainly on services that include the working-age generation (local and regional governments have more responsibility for providing services).

2. Comprehensive provision of social security services

Because the national government's legal system is vertically-structured, it is necessary to legislate the roles and responsibilities of local and regional governments in order for regions to cut through that legal system and comprehensively provide social security services.

3. Development of local economies by utilizing social security services

It is necessary to build a mechanism in which social security services themselves create local employment and demand and invigorate the local economy.

Theme 2: “Methods for efficient collection of local tax and developing tax resources”

I. Specific measures by local and regional governments

1. Making tax collection more efficient

(1) Collaboration among municipalities

- Implementation of dispatches of prefectural employees to municipalities, establishment of collaborative collection organizations, and obligation of written confirmation of special collection, etc. when registering for qualification to participate in bidding.
- It is necessary for municipalities to share awareness of problems and build tax collection systems that utilize “economies of scale.”

(2) Utilization of IT technology

- Implementation of electronic tax return filing systems and Internet public sales.
- The tax systems of South Korea and Japan are very similar. We will introduce a real-time delinquency confirmation system for when the prefecture or municipality pays subsidies to companies or individuals. If the company or individual is delinquent their agreement will be obtained and the subsidy will not be paid or a deduction will be made. This is very effective, but from the beginning delinquency was approximately 1.8%.
- Striving to improve the efficiency of tax administration and convenience for tax-payers.
- It is important for government organizations to cooperate with each other and share information.
- Thorough protection of personal information along with the increasing use of IT.

(3) Human resource development

- Development of tax specialists, development through personnel exchanges, utilization of retired employees, etc.
- Although it is essential to improve employees’ collection abilities in order to secure tax revenue, current tasks are the shortage of collection employees (this trend is particularly strong among small-scale organizations), and passing on collection know-how.
- It is necessary to develop human resources in order to utilize systems and frameworks. It may be possible to pool and utilize experts among organizations.

2. The importance of preventing tax delinquency

(1) Prevention of tax delinquency

- Public information about payment within the deadline, attaching tax payment certificates, encouraging special tax payment, securing various means of tax payment, etc.

(2) Undertakings to organize tax payment

- Strict and accurate punishment, and responses that may include criminal charges for large or malicious delinquencies.
- It may be possible to consider using a concentrated telephone peremptory system (call center) for delinquencies immediately after they have occurred and cases of small amounts that occur frequently.

3. Improvement of awareness about tax payment

- Launching public information activities through radio, television, and the Internet.
- It is important to foster awareness that paying taxes is an expression of patriotism (Project to eliminate people who are delinquent in paying real estate taxes).
- Conducting the RATE (Run After Tax Evaders) campaign.
- Conducting education about taxation, primarily during compulsory education.
- It is necessary to foster, as an approach to residents, people’s awareness of bearing costs that match benefits.
- It is necessary to further promote active publicity about how tax money is used, polite responses from residents’ perspective, and tax education.

4. Securing tax revenue

- Contribute to securing tax revenue through reducing the amounts of corporate tax and land use tax so that it will be easier for domestic and foreign companies to invest.

II. How local tax systems should be (from a keynote speech by Professor Sato)

1. Characteristics of Japan's local taxes

A wide variety of tax items, reliance on corporate taxation, unstable tax revenue, disparities among regions, taxation autonomy that relies heavily on corporate taxation

2. Tasks for local tax systems

- (1) Tax systems that are not friendly to the economy
 - Tax systems that presume high economic growth
- (2) Actual situation of taxation autonomy
 - Excessive taxation on corporations (taxation export)
 - Tax system that favors corporations (taxation competition)
 - New establishment of taxes not stipulated in laws

3. Local tax systems in the era of decentralization

- The principle of local taxes is "benefits and burdens."
- (1) Stabilization of tax revenue, correction of disparities among regions
 - Reduce the degree of reliance on the two corporate taxes
 - Increase local consumption tax rates at the areas' own responsibility
- (2) Raising residents' awareness of costs
 - Expansion of the taxation base (excess taxation of individuals)
- (3) Response to globalization
 - Lowering the effective tax rate for corporate taxation

Theme 3: “Regional development”

I. Specific undertakings for regional development

1. Transportation measures to stimulate tourism

- The number of tourists increased significantly because the roads were paved with concrete and transportation became smoother (Municipality of Baler).
- Hard measures such as building expressways and soft measures such as disseminating information are important for encouraging tourists to make excursions (Shimane Prefecture).
- Introduction of park-and-ride and sightseeing buses (Nara Park, Nara Palace Site (Nara Prefecture)).
- Creation of a bypass and operation of shuttle buses and sightseeing buses in order to eliminate traffic passing through the area (Iwami Ginzan silver mine (Shimane Prefecture)), elimination of parking lot (Shirakawago (Gifu Prefecture)).
- Setting high parking fees in order to encourage use of public transportation facilities (State of Melaka).
- Efforts to promote Noto Airport, taking into consideration the mistake of eliminating the Noto Railroad line. Introduction of a collaborative finance system with airlines in order to achieve passenger ratios, introduction of a connecting flight discount system in order to build a network of local airports, etc (Noto Airport (Ishikawa Prefecture)).
- Positioning 12 priority projects in order to recover from the disaster. They include building a road network and restoring and improving the functions of airports and ports, etc. that support commodity distribution and tourism (Fukushima Prefecture).

2. Cooperation from people who are not in the tourism business

- Stipulating promotion of local residents’ participation in the city’s overall development plan. Investigating, with villages, how tourists are brought in. Creating a tourism investment environment (reduced taxes, tax exemptions, regulations on land use, etc.).
→ Major increase in the number of companies related to tourism, creation of employment (Municipality of Baler).
- Provision of secondary education and religious programs to regions in order to build a good relationship, because there are many tourism resources that can be sustained through cooperation with local communities (State of Melaka).
- (Because it is an island-studded sea) Planning and operation of tourism products that will provide benefits for both tourists experiencing tidal wetlands, etc. and local residents, in order to turn the inherent brands of each of the islands into places of interest (Jeollanam-do Province).
- Striving to work in cooperation with residents while implementing projects to eliminate electricity poles, scenery planning projects, etc., and projects to contribute to maintenance and improvement of historic scenic beauty (Tagajo City).
→ It is important for the government and local residents to share a stance about how the region as a whole should be.

3. Utilization of regional identities and cultures

- Development of rice bowl dishes that utilize ingredients. Holding a national rice bowl summit that brings together local rice bowls from across the country. Section chief dresses up as “Prince Crab” and conducts publicity.
→ The airport became familiar in the region and there was a publicity effect from “Prince Crab.” (Ishikawa Prefecture).
- Utilization of tourism resources that the region is proud of, such as introduction of a program to accredit “Gifu treasures” (Gifu Prefecture).
- Using the historical anniversary of 1300 years since A Record of Ancient Matters was compiled, to conduct branding of tourism resources and collaboration with related prefectures (Shimane Prefecture).
- Utilization of “Ama” pearl divers and “ninja.” Striving for a balance between religious faiths and stimulation of tourism (Mie Prefecture).

- Collaboration among the geographically-linked Wakayama Prefecture, Mie Prefecture, and Nara Prefecture (Nara Prefecture). Expectations for the geographical collaboration of these three prefectures (Xi'an City).
- In addition to an increase in tourists, there is improved momentum for city development that utilizes local resources. Development of new tourism products for the off-season. A new economic cycle was created in the region by discovering tourism resources and investing people and finances on those resources in a focused manner (Gifu Prefecture).
→ Tasks are to conduct publicity and appeals to all of Japan and establish the momentum of the region.

4. Utilization of regional industries

- In addition to the tourism industry, industries in the fields of cutting-edge technology and tourism technology are also important. For that reason, it is necessary to provide convention functions, energy, and high-quality workers in addition to building infrastructure such as roads and airports (State of Melaka).
- Promotion of industrial policies that focus on a regionally-led techno park that targets the following four industries: electronic information industry, cutting-edge culture industry, agriculture and livestock bio industry, and automobile parts industry (Chungcheongnam-do Province).
- It is also necessary to develop new industries that are not limited to manufacturing industry. Attention is being paid to the medical welfare field and renewable energy industries (Mie Prefecture).

5. The division of roles of government institutions

- Financial conditions have an aspect of stipulating the role division of each prefecture and municipality. We also think that city development is conducted in consideration of the size of the prefecture or municipality (Fukui Prefecture).
- Establishment of a tourism business division as part of organizational reforms of the prefectural government. Full development of all kinds of business activities. A concrete result was an increase in the number of visitors to the prefectural dinosaur museum from 250 thousand people to 500 thousand people (Fukui Prefecture).
- Although plans were made for each region on the initiative of the prefecture, from now on it will be important for roles to be divided between the prefecture and the municipalities (Yamanashi Prefecture).
- It is important to link the undertakings of areas throughout Japan that are based on the theme of "Kikimanyo" (A Record of Ancient Matters, Chronicles of Japan, and Collection of Ten Thousand Leaves), rather than conduct them individually (Shimane Prefecture).

II. How regional development should be conducted from now on

- Infrastructure such as expressways and airports are important as the fundamental portion of regional development.
- "Education about regional nature and culture" through which people can learn about regional identity and pride is important for also fostering a spirit of hospitality among residents.
- It is also important to have a perspective of regional development through collaboration with other industries in addition to the tourism industry.
- More in-depth consideration should be given to what kind of cooperation there is for utilizing the respective resources of the government institutions of prefectures and municipalities, in terms of their role division.
- Undertakings through collaboration by multiple prefectures are necessary in order to also respond to a broad range of tourism needs, such as "Kiki Manyo," which is designed to introduce related sites and events within and outside the prefecture.

Theme 4: “Human resource development”

I. Specific undertakings

1. Human resource development by local and regional governments from now on

(1) Human resource development by local and regional governments in Japan

- Characteristics are as follows: Hiring by each local and regional government, ② Working in the same local or regional government, ③ Promotions based on seniority, ④ Work as generalists, ⑤ Working together in one large open room, and ⑥ Large differences among undertakings made by small municipalities.
- After local decentralization, the following will be necessary under heads of governments: ① Human resources who can manage local and regional governments, ② Human resources who can manage in various fields, ③ Glocal (global & local) human resources, ④ Human resources who have leadership and the ability to coordinate, and ⑤ Creative human resources who can propose policies to the national government.
- From now on it will be necessary to develop human resources strategically and in a planned manner, make the “experiences” that should be passed on and the conditions necessary for promotion to top positions “visible,” undergo training and study at universities, have employees experience working at other organizations including those in other countries, and make worker dispatches possible.
- Establishment of a “Kochi wide-area human resource development association” as a wide-area training organization that can conduct human resource development activities that are led by municipalities (Kochi Prefecture).
- Implementing efforts for employees to set career goals and develop their own abilities and efforts for organizations to support those goals (career development program), and also introducing a “team system” to create a workplace environment to foster employees and promoting “transparency” of roles according to position (Shizuoka Prefecture).
- As a result of conducting employee training lessons, groups have emerged to voluntarily study local government laws and Nara City tourism (Nara City).
- In order to promote individual employees’ awareness reforms and improvement of abilities in accordance with a reduction in the number of employees, we adapted self-evaluations that promote self-study about performance evaluation and also introduced meetings to provide feedback about evaluation results. We are striving to improve employees’ self-realization and improvement of the management abilities of people in management positions (Koryo Town).

(2) Human resource development by local and regional governments in China

- Government employees have an awareness of trying to become the kind of human resources that the government seeks, but the things that they study are not necessarily utilized in their duties. The same problem surfaces in the development of people for top positions (Linyi City).
- Conducting development by various methods that match each person’s abilities in terms of work ability related to key industries, practical abilities, and theoretical aspects (Dongying City).

(3) Human resource development by local and regional governments in South Korea

- Implementation of an education consulting project that supports improvement of human resource development and organization culture for effective public organizations along with the “glocal” era, which will lead to development of coexistence throughout the entire Gyeonggi-do area while reflecting the characteristics of each city and the requests of employees. It is targeted at 31 city organizations and 26 public organizations in Gyeonggi-do. Through this project, even human resources of small municipalities that have difficulties developing human resources themselves are being effectively developed (Gyeonggi-do Province).

(4) Human resource development by local and regional governments in Vietnam

- Promoting multi-faceted human resource development in the government and residential sectors for people who have strong abilities to contribute to Vietnam’s social and economic development, through collaboration with other provinces and cities and utilization of studying overseas. We are also working to secure the human resources necessary in various industry fields such as agriculture, industry and service industries (Thua Thien Hue Province).

2. Human resource development in order to create regional power

(1) Undertakings to increase regional power

- When the 1,300-year anniversary of Heijō-kyō was held, we were aware of collaboration between the government and residents. Events are opportunities and mechanisms, and the ability to develop a city is obtained through various actual activities (Nara Prefecture).
- Local people warmly welcomed university students who came to the area as volunteers, and this led to the students moving permanently to the region and young people coming to make products with local people (Tottori Prefecture).
- From now on it will be necessary to develop human resources who will create new intellectual added value and increase the per-person production value by doing the following:
 - ① Developing creative human resources who will be involved in undertakings to utilize things in the region and increase the region's unique charms and values
 - ② Creation of places where creative human resources will gather
 - ③ Promoting craftsmanship with added value of art, stories, etc. that will gain sympathetic feelings from consumers
 - ④ Establishing regional brands by increasing the quality of regional products

(2) Reconsidering the positioning of government employees

- Moving toward an era of active exchanges with people from different cultures and different industries and expansion of human networks by utilizing ICT.
- It is necessary to listen to people who are actually conducting practical activities on-site, value the ideas of local people, bring out the power of residents, and use originality and ingenuity that goes outside the box.

(3) Tasks for human resource development to create regional power

- The power of youth and universities' know-how is not being sufficiently utilized. It is necessary to form collaborations between regions and universities.
- A mechanism is necessary for sustainable human resource development in order to increase the added value of elderly people and make it a strength for creating regional power.
- In order to become a human resource who can contribute to the region after retirement, it is necessary to proceed in a planned manner with undertakings such as training about one's current position (especially for government employees).

II. How human resource development should be conducted from now on

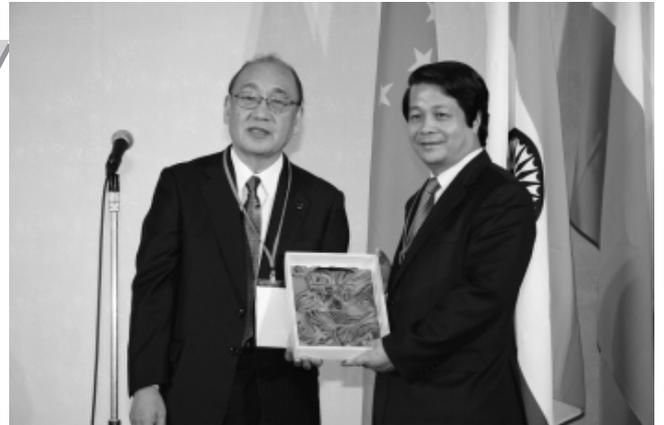
- In China, the primary task is regional economic development. Accordingly, rather than "human resource development" the pressing task is "human resource enticement" that invites outstanding human resources from outside who will be ready to contribute immediately to economic development.
- In Japan, China, and South Korea the tasks faced by local and regional governments are different, but they all have in common the point that it is necessary to secure human resources in order to resolve tasks.
- In Japan, the development of local and regional government employees and the development of regional human resources have come to overlap (The number of local and regional government employees who aim to become human resources who can contribute to regions after they retire continues to increase).
- Local and regional governments are treasure troves of local human resources. For that reason, it is important to develop human resources who have awareness of working from the perspective of the local management and aiming for the well-being of the region as a whole. In such a case, it is necessary to build a system for developing human resources who will give careful consideration to the appropriate matching of human resources with various abilities and aspirations and the goals that organizations are aiming for.
- Human resource development has played a major role since the era of the Japanese envoy to China in the Tang Dynasty. Creative human resources are developed through exchanges with different cultures and different industries, and therefore it is important to have exchanges and wide-ranging undertakings in the development of East Asian human resources, which are also a "group that shares the same tasks."

11/5 (Mon.)

Kyogen performance



Presentation of commemorative gifts



Welcome party



11/6(Tue.)



Commemorative photo session

Totsukawa Odori
dance



Governor's banquet
(reception)

