

Collaboration with Local Venture Companies with the “100-Year Vision for Forests” as a base



Background and Reason for the Project

Nishiawakura village, with a population of 1,500 people, is located in a valley in the mountainous areas of the Chugoku region and lies in the north-eastern tip of Okayama prefecture. 5,491 ha out of the village's entire land area of 5,793 ha are covered in forest. About 84% of the forest area is artificial forest which requires proper maintenance including long-term tree thinning from this mountain village. For three years from 2004, the citizens, government and businesses in Nishiawakura had worked together in considering the future vision and vitalisation of the economy of the village.

Project Aims

The village came up with the idea of developing a sustainable village by generating jobs and economy even in a small but realistic size, under the cooperation of various entities related to the forest in the village while growing cedars and cypresses in the artificial forest planted about 60 years ago to become a fine 100-year old forest. In 2008, it started engaging in the initiative “100-Year Vision for Forests (vision to realise a high-quality rural lifestyle surrounded by a beautiful 100-year-old forest)” and working on maximizing the forest value of natural capital.

Project Outline

◆ 100-Year Vision for Forests project

1. Reduce labour costs and ensure a stable supply of raw wood materials by signing the Agreement on Long-Term Forest Maintenance and Management with forest holders to reduce their burden of maintenance costs and to concentrate on forest management function.



100-Year Vision for Forests project

◆ School of Forest project

1. The village promoted vitalisation of forest-related businesses by encouraging young people who moved from urban areas (I-Turn) to start local venture businesses in forestry and lumber industry to generate new added-value.

◆ Project for Environmental Model City Initiative and Biomass Industrial City Initiative

1. The village has built hydroelectric power plants (290kw/ 5kw) that use river water, which is a stable source for appropriate forest management, and reinvests the income derived from sales of electricity in

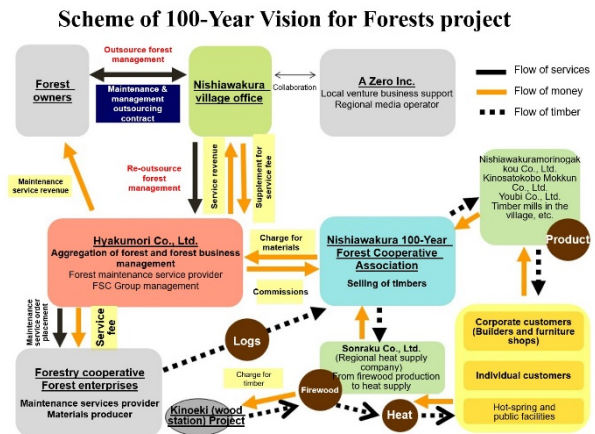
forest development and introduction of new renewable energy.

2. The village was able to make use of the unutilised timber from forest thinning and remaining forest wood generated from the 100-Year Vision for Forests project, and wood waste generated from the School of Forest project for the following:
 - Installed wood boilers into three hot-spring spots in the village (685kw in total)
 - Developed regional heat supplying system to supply hot water to six public facilities through pipelines using woodchip boilers (530kw) for heating and hot water supply
 - Developed a heat and electricity cogeneration system (50kw) which autonomously generates electricity and heat using woodchips even in the event of a disaster.

◆ Local Venture Business Promotion project

1. The project has called for proposals for businesses that can be launched with the village as the base. External and regional mentors brushed up on business proposals that had come through the preliminary selection process, providing support for three months. If any of the proposed businesses are certified, they establish their support system and aim to start officially establishing the business. If they satisfy the relocation requirements, they can also utilise the Local Vitalisation Cooperator System.
2. People who have served as regional researchers for one year and found their local capital market at the Local Life Lab can move on to the Local Venture School from their second year.
3. The Local Venture Promotion Committee is developing a human recourse acquisition

system in Tokyo with wide-area collaboration among Nishiawakura village, nine other local government bodies and ETIC (NPO).



Scheme diagram of the 100-Year Vision for Forests project

Features and Innovations

1. Presenting the ideal new forest management

With the theme of maximizing the value of forest capital, the local government bodies have developed a business management plan and implemented the concentrated forest management functions, and developed a system that various human resources, local venture IT businesses and trust and banking companies can apply within its framework. The system has become a model of the Forest Business Management Law which became effective starting this fiscal year.
2. The village established a fund in 2008 and raised approximately 42 million yen from about 420 small investors. Placing the forest as its core, the village used the capital for fund-raising from external sources and created supporters and customers in urban areas.
3. The engagement for reusable energy

involves establishing a system which helps circulate money generated from energy revenue within the region-which used to flow outside the region-to be reinvested into the region as well as working on creation of a low-carbon region.

4. Nishiawakura is now called the birthplace of local venture business. This project has become a model project in Japan, having changed the value of young people who wish to start a business locally.

Results of the Project

- ◆ As of March 2019, the land area with the Agreement on Long-Term Forest Maintenance and Management is 1,488 ha (725 forest holders), or about 50% of the target forest.
- ◆ Since 2008, 1,649 ha of tree thinning has been completed, about 100 km of logging roads have been developed and the extracted volume of timber has been about 10,000 m³.
- ◆ In the twelve years since 2006, 34 businesses started, creating 180 jobs. The production volume of the local venture businesses has reached approximately 1.3 billion yen.
- ◆ The number of people moving from urban areas (I-Turn) to the village has reached 180 since 2006, and as of March 2019, 139 of them have settled down.

Issues, Problems and Responses

- ◆ It has been 11 years since the 100-Year Vision for Forests project was first launched. The area where the agreement was signed still remains at about 50% of the target, and about 40% of the owners are from outside the village. As ownership is thought to flow outside to urban areas

due to inheritance in the future, the village is currently working with a private company on developing a system where the owners and the village can share information on the forest and forest commercial trust in real time, so that the village can retain the right to use the forest and share information with the owners in urban areas.

- ◆ The 100-Year Vision for Forests project mainly focuses on concentrating forest maintenance functions based on logging and transportation of trees. However, the artificial forest on the ridge is hard to maintain as a commercial forest; therefore, it needs to be shifted to an environmental forest after trees are logged and removed in order to maintain the environment and resilience of the village. In the SDGs model project, a committee has been set up to reconsider the original forest design.
- ◆ Although more people are moving to the village from the urban areas (I-Turn) and starting businesses, the economic base of the village is still vulnerable and business incubation still needs to be continued. The independence of the intermediate incubator organisation that bridges the village and the young who aim to start a business needs to be encouraged.
- ◆ It is important to gain the understanding, cooperation and participation of local residents. It is necessary to increase the interest of children and adults through SDGs and ESD engagements.

Future Developments (expected effects and project vision and issues)

- ◆ SDGs model project
This project is to create a sustainable

foundation from economic, social and environmental perspectives by redesigning the 100-Year Vision for Forests initiative and generating GDP from service consumption rather than tangible products.

- ◆ Environmental model city
The village will build a small hydroelectric power plant with 199 kw capacity and install a regional heat supplying system and wood biomass heat and electricity cogeneration system.
- ◆ The local venture promotion project will share knowledge in collaboration with local governments and encourage young people to start businesses in the village.

Reference URLs

<http://www.vill.nishiawakura.okayama.jp/wp/>

(Website of Nishiawakura village website)

<https://www.a-zero.co.jp/lvs-nishiawakura/>
(Local Venture School)

<http://throughme.jp/>

(Through me — Expand various lifestyles)

Contact

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Terminologies and Coined Terms Used

Local Vitalisation Cooperator System: A system where local public authorities hire people who have relocated themselves to depopulated areas from urban areas for a certain period of time. They aim to stay and settle in the regions while developing local products or supporting local livelihoods.

I-Turn: To relocate oneself to another place by leaving home for higher education or employment, seeking something that is different from home.

Forest Business Management Law:

Forest commercial trust:

Environmental forest:

Commercial forest:

ESD: