

Public-Private Partnerships at the Regional Local Authority Level

Okazaki City



Background

The falling birthrate and ageing population in this era of population decline have completely changed conventional town planning. In addition, it has become difficult for the government to play the central role in responding to increasingly diverse social issues and citizens' needs. In order to gain the trust of citizens while maintaining the attractiveness and vitality of cities, it is essential to provide sustainable public services.

For these reasons, it has become necessary to promote the concept of providing public services through high-quality and resource-efficient public-private partnerships, forging relationships among diverse players including private businesses, organisations, NPOs and citizens.

Objectives

- Maintenance of an open market

The prevailing view of a monopolistic public-service market, operated separately from the general market, cannot be denied. To counter these conceptions, we aim to revitalise the public service market by enabling anyone to participate, diversifying service providers.

- Realisation of a co-creation society

Local citizens are the main players in their communities. They must create, nurture and maintain the communities and areas around them. The support and cooperation needed for these endeavours requires not only support at the

individual level, but from the community and government as well, requiring partnerships with related parties and organisations to establish a system for participatory community-building.

- Altering of perceptions

Since it is clear that discrepancies between how those who provide services and those who receive them view these services, as well as between the public and private sectors, form a major hindrance to the creation of robust local communities, we seek to foster opportunities to understand each other's ways of thinking to establish collaborative directions.

Project Outline

- Public-Private Partnership Platform

The aim of the project is to promote sustainable city management via the creation of public-private partnership projects in Okazaki City, the development of local business leaders, and the promotion of economic growth strategies through public-private partnerships. This has been achieved via public awareness campaigns, dissemination of information, and facilitation of opinion exchanges all organised through collaboration between Okazaki City and private businesses.

(Major activities)

- (1) Proposals, information dissemination and opinion exchanges regarding the creation of public-private partnership projects
- (2) Networking events to build relationships between different industries

(3) Other initiatives such as seminars and study groups for awareness-raising and human resource development, to achieve project aims as necessary

- QURUWA strategy

Implementation of a public-private partnership project (the QURUWA strategy), focused on use of the ample public space within one of the city's urban districts (the Otogawa riverfront district), centred around the river which flows through the city. The project aims to gather public-minded private-sector parties to drive traffic in the area and, as a result, help revitalise the surrounding town (improving quality of life and area economic value).

- Achiwa District, Okazaki City Industrial Park Development Project

The project, carried out based on the Act on the Promotion of Public Finance Initiative, aims to utilise the technological capabilities and know-how of private enterprises to their fullest extent in an integrated approach to the research, design, construction, operation and maintenance, and business promotion related to the creation of an attractive industrial park while mitigating government financial burden.

Features and Innovations

Public projects form part of the greater marketplace, despite little awareness of this fact. With public projects having become more difficult for governments to carry out alone, there is now the potential for the creation of new marketplaces while raising the quality of public services through links to private enterprise. One issue when creating links with private markets is the lack of people who can interpret between government and the private sector. In Okazaki City, via discussions on this issue with financial institutions through the Public-Private Partnership Platform, we aim to refine initiatives into approachable themes for the private market, beginning on the premise that collaboration will continue through the implementation stage.

[Expected benefits of city coordination with financial institutions]

- Confirmation of the marketability of regional issues through dialogue
- Identification of companies interested in projects (guarantee of credibility)
- A neutral stance towards the opinions of both parties

Moreover, aiming to establish a framework in which the private market can act autonomously, we are prioritising important tenets such as the participation of local companies, public-private dialogue, and not pursuing project structuring at an overly early stage. In the future, we will work to utilise a sustainable platform which enables the private sector to play the leading role in structuring projects.

Results of the Project

It is remarkable to see the way in which utilising the markets to which we are linked via financial institutions has meant that there is a constant dialogue between government and the private sector, and awareness of the nature of public services has been grown widely, including within the private sector, rather than being limited to government-adjacent organisations. In addition, city residents have become more interested in public works. Because we are aware that participating in public projects rather than simply being passive recipients leads to ongoing investment, we are committed to open procedures prioritising transparency, fairness, and impartiality to attract interest.

As a result, local businesses have become active participants in public works projects, prompting the revitalisation of community development.

Project-related partnerships create positive feedback cycles, ensuring the continuity and sustainable operations of public works projects. In addition, remarkable results can be seen in terms of the efficiency and effectiveness of fiscal investment.

Issues, Problems and Responses

The ultimate aim of local governments is to enhance the social welfare of their communities. Doing so requires ensuring the continuity of public initiatives. However, due to periodic personnel changes and other factors, the organisations within local governments are often unequipped to produce dedicated specialists to oversee such continuity. We hope that this gap will be covered by the power of the private sector, working together with us as partners to ensure the continuity of projects moving forward.

Future Developments (expected effects and project vision and issues)

In the future, we will need to respond to diversifying social issues and citizens' needs, as well as their impact on the economy and people's lives. At the same time, we will need to further accelerate positive cycles of community development, human resource development, and job creation. In order to respond to more granular needs, we will need to promote intangible projects through public-private partnerships. In addition, in an era when it is difficult to provide the full range of public services, we need to promote coordinated efforts and collaborative projects with neighbouring or related cities.

Websites for Reference

QRUWA strategy

<https://www.city.okazaki.lg.jp/1100/1184/1176/p022685.html>

Achiwa District, Okazaki City Industrial Park Development Project

<https://www.city.okazaki.lg.jp/1550/1551/1040/atiwakogyo.html>

Project to Use the Car Park Site at Okazaki Station West Exit for Bicycle Parking

<https://www.city.okazaki.lg.jp/1300/1303/1319/p023732.html>

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Meaning of Any Specialist Terms or Neologisms Used

The project name 'QRUWA' was chosen due to the geographic borders of the project area forming a lowercase 'q'. The name is a portmanteau with the Japanese word for castle grounds ('**kuruwa**'), as the area includes the historic Okazaki Castle.



Achiwa District Industrial Park Development Project



Public-Private Partnership Platform
(photo: ONERIVER)



QRUWA strategy (photo: Homex Co., Ltd.)