

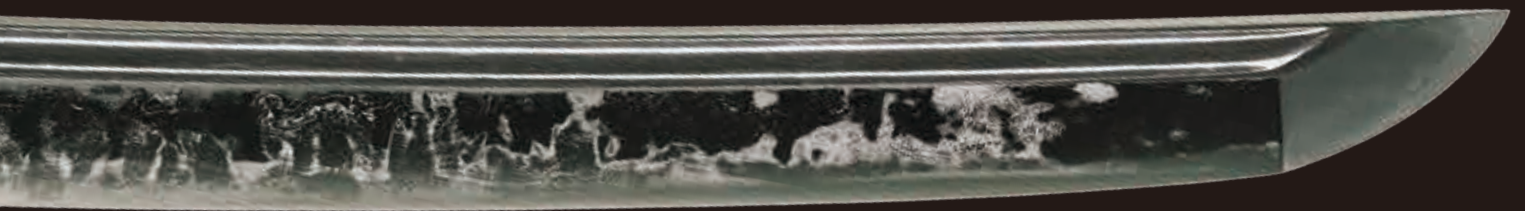
Setouchi City Integrated Report 2024

A City Where People Come Together, Offering a Sense of Well-Being





SETOUCHI CITY VISION



Setouchi City

Sancho-mo : Owned by Setouchi City (Photo : TV Setouchi Create)



SETOUCHI

CITY VISION

Setouchi City Integrated Report 2024

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City Vision

A City Where People Come Together,
Offering a Sense of Well-BeingThe Philosophy of
Setouchi City

In Setouchi City, based on the "Setouchi City Autonomy Basic Ordinance", citizens, the city council, the mayor, and employees will share information while fulfilling their responsibilities and roles, and develop specific measures through citizen participation and collaboration. The Setouchi City Autonomy Basic Ordinance clarifies the basic philosophy of autonomy in Setouchi City, and establishes the basics related to the system of citizens' participation and collaboration in municipal administration, as well as the basic principles of municipal administration.

Vision

Utilizing our limited financial resources efficiently and effectively, we aim to create a city where each and every resident can live healthily in the areas they are accustomed to. Together, citizens and administration will work to build a city where each region strengthens its unity and residents can truly experience happiness.

Development and
Value Creation

We will not only focus on resolving immediate issues in urban development, but also incorporate the perspective of Sustainable Development Goals (SDGs). While anticipating changes in the social and economic conditions surrounding our city, we will promote sustainable urban planning from a long-term and multifaceted perspective, to ensure that future generations can continue to have hope. In this process, we will create new value for our city.

City Strengths

A City Blessed with
Sunlight and Abundance

Setouchi City is blessed with beautiful nature. Lush green mountains and forests, the ever-bright shining sun, the calm sea, and the scenic beauty of the many islands. It is a city of unique blessings, not just its beauty, but also the bounty of the mountains and sea it offers.

A City Where One Can
Experience Rich Nature

Most of the cityscape in Setouchi City is closely connected to the beautiful nature. As we are blessed with a rich natural environment, the citizens can feel various forms of richness.

A Charming City We Want
More People to Know About

Setouchi City has many attractions, including its abundant nature, the culture that arises from it, as well as the convenience of transportation necessary for a comfortable life, and facilities for education and healthcare. There are still many aspects of Setouchi City that we want to share with a wider audience, both within the city and beyond.



The History of Setouchi City

City's History

Late 1940s (Merger) -

The start of town and village merger

Late 1955s

(Expansion of the transportation network) -

1962 Okayama National Sports Festival of Japan

1977 (Road Opening) -

Opening of Okayama Blue Highway (now Okayama Blue Line)

1952 -
Municipal mergers take place

Birth of each town

Ushimado Town, Oku Town, and Osafune Town are formed



1960 -
Urban infrastructure development is carried out.

Full opening of Akō Line

Connection of Aoi Station in Hyogo Prefecture to Higashi-Okayama Station



Late 1965s -
Roads designed with the aim of alleviating traffic congestion and promoting tourism.

Opening of Okayama Blue Highway

An important route connecting the Hanshin area to the Okayama area.



Urban Development

1952 -
Oku Town was established

1955 -
Osafune Town was established

1954 -
Ushimado Town was established

1977-
Opening of Okayama Blue Highway

1988 -
Completion of Oku-Nagashima Bridge

More convenient access to the Kansai region!



Major Events in Various Fields



Healthcare and Welfare

1945 -
Opening of Ushimado Town Hospital

1952 -
Opening of Oku Town Hospital



Disasters

1976 -
Heavy rain from Typhoon No.17
[Damage situation]

Houses with water above floor level: 775
Houses with water below floor level: 3,026

1990 -
Concentrated heavy rain from Typhoon No.19
[Damage situation]

Houses with water above floor level: 741
Houses with water below floor level: 2,326



Culture and Tourism

Setouchi City Celebrated its 20th Anniversary

Setouchi City was established on November 1, 2004, from the merger of Ushimado Town, Oku Town, and Osafune Town. Since then, we have been promoting urban planning while maximizing the effects of the merger.

2004 (Merger) -

Ushimado Town, Oku Town, and Osafune Town merge to form Setouchi City.

2004 - Municipal mergers take place **Birth of Setouchi City**

Merger of Ushimado Town, Oku Town, and Osafune Town



2016 - Improvement of local medical care **Setouchi Municipal Hospital opens**

as a municipal public healthcare facility.



2024 - **20th Anniversary of the Establishment of Setouchi City**

We held the "Setouchi City 20th Anniversary Celebration Ceremony"



2024 - **Setouchi City Citizens Day**

On the occasion of our 20th anniversary, we designated November 1st as "Setouchi City Citizens Day".



One of the largest power outputs in Japan

2004 - Merger of Ushimado Town, Oku Town, and Osafune Town

2005 - Opening of Setouchi Interchange on the Okayama Blue Line



2011 - Opening of the north-south municipal road

2018 - Completion of Setouchi Kirei Mega Solar Power Plant



2004 - Renewed opening of Bizen Osafune Touken Village

2008 - Opening of Setouchi Kirari-kan



2010 - Opening of Setouchi City Museum of Art



2020 - The city acquires an Unsigned Ichimonji Tachi, the National Treasure "Sancho-mo"



Purchased through donations including crowdfunding

Childcare and Education

2016 - Opening of Setouchi City Public Library



with inpatient services consolidated at the main facility

2007 - Renamed to Setouchi City Hospital

2016 - Ushimado Clinic closed

2016 - The new hospital building of Setouchi City Hospital was completed



For a more secure life

2004 - Storm surge from Typhoon No.16 [Damage situation] Houses with water above floor level: 427 Houses with water below floor level: 992



2011 - Heavy rain and storm surge from Typhoon No.12 [Damage situation] Houses with water above floor level: 16 Houses with water below floor level: 73



As of March 31, 2025

Aiming for a city where people's connections continue for a hundred years



Mayor of Setouchi City
Akinari Takehisa

In Setouchi City, we are striving to realize our city's future vision, aiming for "A City Where People Come Together, Offering a Sense of Well-Being" Based on the "Third Setouchi City Comprehensive Plan," we are promoting city planning in collaboration with our citizens and a diverse range of stakeholders. In commemoration of the city's 20th anniversary since the enforcement of the city system on November 1, 2024, we have designated November 1 as "Setouchi City Citizens' Day" to make our citizens proud of Setouchi City and to create a vibrant town. Since the 10th anniversary of the city's establishment, the city has been striving towards the goal of "a city where people's connections last for a hundred years". Efforts include steadily enhancing the appeal of our city through different initiatives. For instance, providing a place for citizens to learn through the maintenance of public libraries, promoting a decarbonized society through the attraction of a mega-solar facility and the establishment of a new electricity company on the site of the former Kinkai Salt flats, purchasing the Japanese sword an Unsigned Ichimonji Tachi "Sancho" through crowdfunding, and enhancing new child-rearing support measures.

However, we are facing new challenges. Population decline, new infectious diseases, response to increasing and frequent natural disasters, reform for work environment improvement and more diverse human resources, societal and economic structur-

al changes through the promotion of digitalization and zero carbon, as well as price increases due to unstable global conditions and the depreciation of the yen.

Even under such circumstances, we need to continue promoting new initiatives that anticipate the future to ensure that future generations live with hope and continue to thrive in the communities they are familiar with. Therefore, this end, efforts are required to address regional issues, such as the development of a "land use plan" looking 50 years ahead, the realization of "a society of diversity" by promoting a workplace environments where diverse talent can thrive and maintain work-life balance, the realization of a "digital society" through the promotion of DX (digital transformation), and the creation of "disaster-resistant communities and urban development" through self-help, mutual assistance, and public support.

Although I will step down at the end of my fourth term this year, I look forward to the city's continued development under new leadership and with fresh ideas. In an era of rapid societal change, we will continue to promote the creation of a sustainable community. Our goal is to create a city where citizens feel a sense of "happiness" and to ensure that people will think, "I want to live in Setouchi City and continue living here." The city will work together as one to promote this vision.

As of March 31, 2025

**Responding to the trust
of our citizens, we aim
to create a charming
city where people can
live with peace of mind.**

**Chairman of the Setouchi City Council
Kazushi Kodani**



The city system was implemented on November 1, 2004, and we celebrated our 20th anniversary in 2024. In this period, the era has changed from Heisei to Reiwa, various events have occurred in the world, and the times, landscapes, and ways of thinking have also changed greatly. In Setouchi City, we have made improvements such as the establishment of museums and libraries for educational environment, the renewal of city hospitals, the opening of the city road north-south line for living infrastructure, and other measures aimed at improving the quality of citizens' lives, and we have achieved development.

However, from now on, there are mountains of important issues to tackle, such as population decline, aging population, aging of industries mainly in agriculture and fishing, lack of successors, tourism promotion utilizing regional resources, revitalization of regional economy, public transportation, and city planning.

Among them, population decline is an urgent issue and will have a major impact on the development of the entire city, so we must take appropriate measures to stop the population decline as soon as possible.

Ten years ago, Setouchi City was included in the municipalities defined as "cities with the possibility of extinction" by the Japan Creation Conference. This refers to municipalities where the population of women in their 20s and 30s is expected to be

less than half by 2040, and I felt a strong sense of crisis when I heard this announcement. In April 2026, the Population Strategy Meeting did not include Setouchi City in the "municipalities with the possibility of extinction" analyzed with the same definition for the forecast until 2050, but I believe that it is necessary to comprehensively promote measures such as child-rearing support, enhancement of medical care and welfare, revitalization of regions, support for migration, support for employment, and promotion of social participation of women and elderly people.

The Setouchi City Council must face this reality, always maintain a tense relationship with the executive organ as one of the dual representative organs, and strengthen and enhance the original function of the council to respond to the mandate of the citizens.

We, the council members, will aim for a city where everyone can work locally, feel a deep connection with this city, want to live with their families, a city where the younger generation can realize their hopes for marriage, childbirth, and child-rearing, and a city where people of all ages can gather and live with peace of mind.

To that end, we, the City Council, will thoroughly check the city's measures, introduce policies to make the lives of our citizens better, and commit ourselves to implementing them.



Aiming for A City Where People Come Together, Offering a Sense of Well-Being

We will work towards realizing a society with high well-being.

Q What does Setouchi City want to become?

The well-being of everyone is what we want to cherish the most.

Setouchi City hopes that its residents will be "happy". This is not just a wish, but a goal of the city. In order to achieve this large goal, the city will continue to promote urban development that enhances the well-being of its residents.

City development that aligns with everyone's sense of happiness.

Everyone's sense of happiness comes in various forms. Through surveys conducted by the city the image of "happiness" that fits Setouchi City has emerged. This includes a "rich feeling" backed by abundant nature, a sense of "joy and comfort" balanced between nature and convenience" and a "peace of mind" regarding future generations in areas such as child-rearing and education.

Building our city's future towards 'A city of well-being'

Among the things necessary for your well-being, there are those that are already well understood, those that should be communicated more, and those that will require investment of money and time to develop. The city will continue to build the future of this city towards the goal of its residents' "happiness".

Financial Capital	<ul style="list-style-type: none"> ● Tax revenue ● Hometown tax donation ● Corporate Hometown Tax Donation Program ● Income generated by the utilization of the former Kinkai Salt evaporation ponds. 	
Manufactured Capital	<ul style="list-style-type: none"> ● Transportation infrastructure (Okayama Blue Line, 3 stations of the JR Aiko Lines 3 stations, city buses, etc.) ● Improvement of living conditions through facilities such as sewage systems and high-speed communication networks. ● Educational facilities (schools, kindergartens, libraries, etc.) ● Places for citizen activities (public halls, community centers, Ushimado Tepemok, etc.) 	
Intellectual Capital	<ul style="list-style-type: none"> ● Setouchi City Museum of Art, Bizen Osafune Japanese Sword Museum ● Nagashima Hansen's Disease National Sanatorium ● Documents related to the Joseon Tongsinisa (Korean delegations to Japan), registered as UNESCO Memory of the World ● Project "Children's Playground" for outdoor play 	
Human Capital	<ul style="list-style-type: none"> ● Population of 36,048 (National census in 2020) ● Basic policy for development of human resources ● Oku Senior High School (The only high school in the city) 	
Social and Relationship Capital	<ul style="list-style-type: none"> ● Collaborative community building based on the Autonomous Basic Ordinance ● Historical and cultural resources (Sanchomo, etc.) ● Thriving agriculture and fisheries (MSC certified) 	
Natural Capital	<ul style="list-style-type: none"> ● Japan's largest-scale mega solar power plant utilizing a former salt pans ● Setonaikai National Park ● Environmental-friendly city planning 	

Value Creation Process

Purpose (Reason for Existence)

Realizing 'A City Where People Live Happily'

Input



Financial Capital

- Total revenue (general account / year 2023) 24,776 hundred million yen
- Total expenditure (general account / year 2023) 24,063 hundred million yen



Manufacturing Capital

- Transportation infrastructure (Okayama Blue Line, 3 stations of the JR Ako Line, etc.)
- Improvement of living conditions through facilities like sewage systems and high-speed communication networks
- Educational facilities (schools, kindergartens, libraries, etc.)
- Places for citizen activities (public halls, community centers, Ushimado Tepemok, etc.)



Intellectual Capital

- Setouchi City Museum of Art, Bizen Osafune Japanese Sword Museum
- Nagashima Hansen's Disease National Sanatorium
- Documents related to the Joseon Tongsin sa (Korean delegations to Japan), registered as UNESCO Memory of the World
- "Children's Playground" Project for outdoor play



Human Capital

- Population: 36,048 people (National census in 2020)
- Number of employees: 619 people (As of April 1, 2024)



Social and Relationship Capital

- Collaborative community building based on the Autonomous Basic Ordinance
- Historical and cultural resources (Sancho-mo, etc.)
- Thriving agriculture and fisheries (MSC certified)



Natural Capital

- Japan's largest-scale mega solar power plant utilizing a former salt pans and regional revitalization using revenue from land leasing
- Setonaikai National Park
- Environmental-friendly city planning

Environment and Risks Surrounding Setouchi City

- Population decline
- Low birth rate and aging population
- Rise in commodity prices
- Diversification of values and lifestyles
- Acceleration of the digital shift
- Increasing awareness of environmental issues
- Diversification and complexity of regional issues
- Intensification of natural disasters
- Reduction in regional economic scale and tax revenue scale
- Shrinking of regional communities



Under the purpose of "A City where people come together, offering a sense of well-being", we strive to realize well-being, where everyone can continue living happily in their familiar communities.

People Come Together, Offering a Sense of Well-Being'

Main Projects

Sun City Project

Sanchomo
Community
Project

Happiness
through
Food Project

Promotion of
Carbon
Neutrality

Support for
Child-rearing,
Collaborative
Community
Development

Outcome (Results in 2023)

¥ Financial Capital

- Fiscal capacity index (2023) 0.55
- Real public debt service ratio (2023) 8.7%
- Effective Budget Balance Ratio (2023) 5.4%
- Current income and expenditure ratio (2023) 88.9%

⚙️ Manufactured Capital

- General construction project cost (2023) 4,764,374 thousand yen
- Population coverage ratio for sewage treatment (2023) 82.6%
- Road pavement ratio (2023) 84.6%
- 100% development of optical fiber network

💡 Intellectual Capital

- Awareness and Advocacy for a proper understanding of Hansen's disease (Leprosy)
- Participants in the "Children's Playground" Project (2023) : 6,433 people

👤 Human Capital

- Net increase/decrease in social dynamics: 242 people (National census in 2020)
- The percentage of citizens who have affection for Setouchi City (2024) 87.3%

🏠 Social and Relationship Capital

- Number of implemented projects for citizen activities and collaboration proposals 86 cases

☁️ Natural Capital

- Energy use in public facilities (2023) 10,430tCO2 (23.9% decrease compared to the base year)

Goals (for 2030)

¥ Financial Capital

- Proportion of citizens who believe that the city's finances have improved: 50%
- Proportion of citizens who are satisfied with the city's urban development efforts: 45%
- Real public debt service ratio: Below 13.0%

⚙️ Manufactured Capital

- Population coverage rate for sewage treatment: 80.1%
- Road pavement rate: 84.9%

💡 Intellectual Capital

- Preservation of Nagashima and the Passing on of Its Memory
- Percentage of citizens who feel that the city is a place where they can safely raise children: 75%

👤 Human Capital

- Population: About 33,000 people

🏠 Social and Relationship Capital

- Number of applications for citizen activity support subsidy: 115
- Percentage of citizens who feel that the city has conditions favorable for business expansion: 40%

☁️ Natural Capital

- Achieving carbon neutrality
- Percentage of citizens who feel that the city's beautiful nature, landscape, traditions, and history and cultural assets have been passed on: 75.0%

Risks and Opportunities

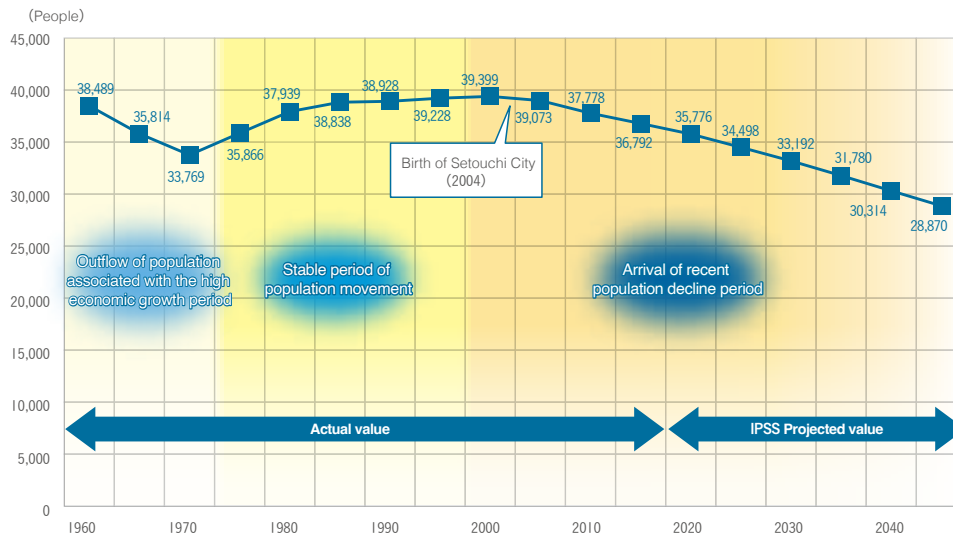
The environment surrounding Setouchi City is undergoing major changes, facing drastic changes in social structure such as the serious decrease in population and the aging of society, globalization of the economy, the advent of Society 5.0, and the escalation of global environmental issues. In advancing urban development, it is necessary to accurately recognize current trends and respond appropriately and flexibly to the changes of the times.

Setouchi City's Future Population Projection

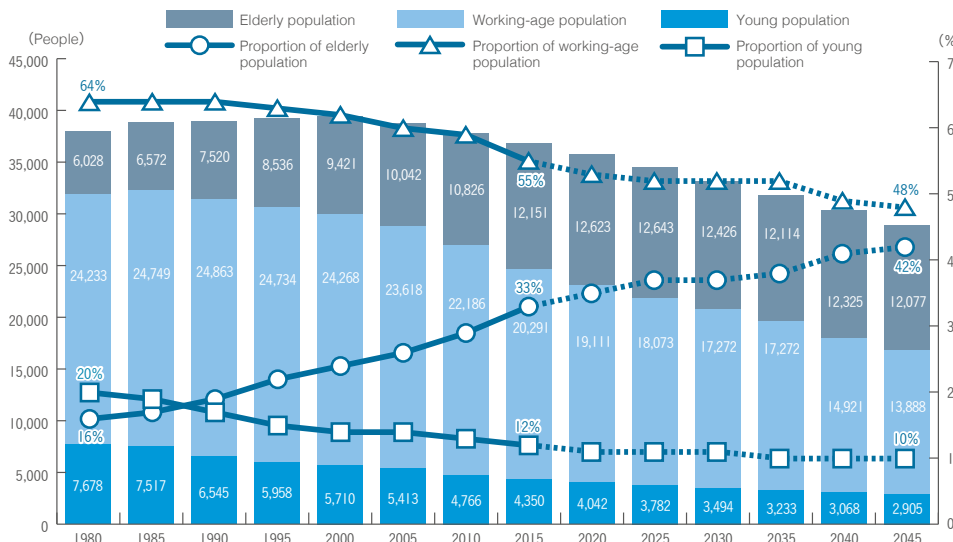
The population of the city is predicted to continue to decline in the future. Without implementing measures to revitalize the region, such as attracting businesses, improving working conditions, and promoting measures to reduce out-migration and increase in-migration, the population is predicted to be around 29,000 in 2045. Also, while the population of children and working-age adults is expected to decrease, the elderly population is expected to increase, with the aging rate projected to rise

to 42% by 2045.

A decline in population can lead to a reduction in the size of the regional economy and tax revenue, which could make it impossible to maintain citizen services and regional public transportation, creating a vicious cycle of decline. Therefore, measures to combat population decline are urgently needed.



Source: Setouchi City Population Vision (Revised in March 2020)
Up to 2015: Ministry of Internal Affairs and Communications "National Census"
From 2020 onward: National Institute of Population and Social Security Research "Future Population Projections by Region in Japan (March 2018 Projection)"



Source: Setouchi City Population Vision (Revised in March 2020)
Up to 2015: Ministry of Internal Affairs and Communications "National Census"
From 2020 onward: National Institute of Population and Social Security Research "Future Population Projections by Region in Japan (March 2018 Projection)"

Major issues in city planning

The major issues in city planning, analyzed based on the current situation of the city, social trends, citizen needs, and future prospects, are as follows.

Challenge 1 Human Resource Development

The key to future urban development lies in human resource development. It is necessary to cultivate the people who will be responsible for the future of the city through proactive initiatives such as school education and lifelong learning.

Challenge 2 Responding to Population Decline and Aging

The progression of population decline and the aging population will lead to a reduction in the future workforce for urban development, which will not have a positive impact on the growth of the community. Therefore, it is necessary to promote the settlement of people by creating employment opportunities, controlling population decline, and actively implementing medical care, childcare support, and senior welfare measures. This will lead to a city where citizens can live healthily, where raising children is easier, and everyone can live vibrant and healthy lives. Furthermore, through continuous interest and exchanges, it is important to recognize people who support the region in various ways (non resident related population) as contributors to the community, and to promote the creation and expansion of this related population, as well as efforts from the host community.

Challenge 3 Development of Life Infrastructure and Living Environment

In order to create a comfortable and secure living environment where citizens can live with a peace of mind, it is necessary to actively promote disaster prevention and crime prevention measures, as well as advance the development of lifelines such as water supply, information and communication infrastructure, sewage systems, main roads, local roads, and public transportation networks. Additionally, it is essential to transform our way of life towards a carbon-neutral society and an environmentally conscious lifestyle through the promotion of renewable energy and the practices of waste reduction and recycling.

Challenge 4 Preserving Nature, Landscapes, Traditions, History, Culture, and Townscapes

It is necessary to cherish and pass on to the next generation the rich nature, beautiful scenery, traditions, history, culture, and townscape inherited from the local environment, climate and way of life.

Challenge 5 Promotion of Industry

In addition to promoting agriculture and fisheries that utilize favorable geographical conditions, it is necessary to foster various industries to secure employment opportunities and encourage settlement. Additionally, promoting tourism that capitalizes on the region's rich natural environment, history and culture is crucial. Efforts should be made to promote collaboration between tourism industry, agriculture, fisheries, and commerce through the production and sale of local specialty products, creating a strong and sustainable local economy.

Challenge 6 Sustainable Urban Development through Citizen Participation

In the context of the need for self-sustaining development by utilizing local resources and creating a unique regional identity, it is important to aim for a city where citizens can feel pride and attachment. This requires solving local issues through collaboration between citizens and the administration, and promoting sustainable urban development.

Challenge 7 Fiscal Soundness

Aiming for the establishment of stable fiscal management for the future, it is essential to secure autonomous financial resources. At the same time, in accordance with the fiscal management optimization plan and the public debt burden optimization plan, efforts must be made to reduce ongoing expenses, curb expenditures on investment projects and contributions to public enterprise accounts, and focus on the efficient allocation of limited financial resources and the further streamlining of expenditures.

FUTURE

The Future Vision of Setouchi City



Main Initiatives for the Future of Setouchi City

Promotion of SDGs

SDGs stand for Sustainable Development Goals. These are global common goals proposed by the United Nations in 2015, pursuing the sustainability of the global environment and human society, and aiming for a future where no one is left behind.

In Setouchi City, by associating the 17 goals of the SDGs with the basic plan of the "Third Comprehensive Plan of Setouchi City", which is the city's highest-level plan, we aim to promote both the comprehensive plan and the SDGs in an integrated manner, working towards a city where everyone can feel happiness.



Setouchi City Integrated Report

In Setouchi City, to promote sustainable urban development through integrated thinking, the city has been creating an "Integrated Report" since the fiscal year 2022, primarily in collaboration with universities and other institutions. This report clearly explains the strategies, business achievements, etc. of Setouchi City in line with the framework of the International Integrated Reporting Council (IIRC). The goal is to help citizens and stakeholders both within and outside the city understand the value of Setouchi City. Additionally, through the process of creating the Integrated Report, the city aims to foster organic connections between various departments of the city hall and develop staff capable of making decisions based on integrated thinking.



Scene of a meeting held by staff members



01

Enjoy Parenting in Setouchi City

In Setouchi City, various initiatives are being implemented as part of child-rearing support measures to fulfill the hopes of marriage, child-birth, and parenting.



In Setouchi City, the slogan **Enjoy Parenting in Setouchi** is proudly displayed, and various child-rearing support measures are being implemented.



Check the website!

Enjoy Outdoor Activities in Setouchi City The Children's Playground Project



In Setouchi City, in response to the needs of the child-rearing generation, such as "We want more playgrounds" and "We want more places like parks where we can easily go out and have fun with our children", the city is promoting the "Children's Playground Project." This project wants to make the most of existing resources, such as the rich nature and local attractions, with the support and participation of citizens across multiple generations, aiming to create more enjoyable and accessible spaces for children and families. By



The mobile playground "Play Car"

hosting lectures on the popularization of outdoor play, training personnel involved in creating play spaces, and introducing vehicles called "Play Cars" which are equipped with play tools and materials. By improving the environment across the entire city, with the goal of making Setouchi City a place where children can enjoy outdoor play and find safe spaces, the city aims to create a community where outdoor play is fun and accessible for all. This initiative will contribute to realizing the vision of "A City of Outdoor Play – Setouchi City."

Bringing Smiles to Children! The Food Happiness Project



In Setouchi City, through the use of the hometown tax donation program, we are promoting initiatives such as the local production for local consumption of school and nursery meals, reducing the financial burden on parents, spreading farming techniques that reduce environmental impact, promoting food education for children and parents, and hosting community kitchens. Through these efforts, we aim to highlight the rich agricultural and marine products of Setouchi City, starting with the importance of food through the Happiness through Food Project and to foster children's love for their hometown, promote agriculture and fisheries, and circulate the regional economy.



Check the website!

Specific Initiatives of the Happiness Through Food Project

- ①Purchase of local products (vegetables, fruit trees, etc.) for school meals
- ②Dissemination of cultivation techniques that reduce environmental load, such as reducing the amount of chemical fertilizers and pesticides used
- ③Promotion of food education for children and their parents
- ④Hosting children's cafeterias

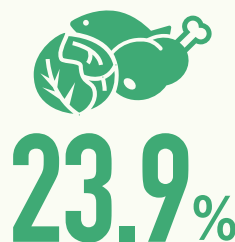
▼Setouchi City Positioning

The proportion of citizens who feel it is easy to raise children



Year 2024 Citizens' City Planning Awareness Survey

The usage ratio of local ingredients in school lunches



Fiscal Year 2023 Based on Weight

Number of times the 'Children's Playground' was held



(97 times led by the community)
Fiscal Year 2023

02 Promoting Zero Carbon

In pursuit of a future where carbon dioxide emissions are virtually zero, we will promote efficient energy use and the use of renewable energy for sustainable community development. We will continue our efforts in collaboration with the citizens and businesses in the city.

Zero Carbon City Declaration



Total carbon dioxide
emissions in Setouchi City

349,419t

(Fiscal Year 2020)



Check the website!

In recent years, the frequency and severity of disasters thought to be caused by climate change have been increasing on a global scale. In order to pass on a sustainable, safe and secure life to the next generation, even under such circumstances, Setouchi City made the "Zero Carbon City Declaration" on February 2, 2021, to reduce the carbon dioxide emissions of Setouchi City to virtually zero by 2050.

In addition, in May of 2022, Setouchi city was selected for the Ministry of the

Environment's "Regional Carbon Reduction and Renewable Energy Promotion Subsidy (Priority Measure Acceleration Project)". Additionally in April of 2023, the city received the ministry's certification as a "Carbon Reduction Leading Region". With these advancements, Setouchi City is aiming to achieve its goal ahead of schedule, striving for a Zero Carbon City by 2040. The city will focus on simultaneously addressing environmental, economic, and social challenges by maximizing the use of local resources.

Utilizing the Blessings of the Sun and Vast Salt Field Sites The Sun City Project



Check the website!

The remains of the Kin-kai salt pan site in Setouchi City are lower than the sea and face challenges related to maintenance, such as pump drainage, sometimes being referred to as a "negative legacy.". In Setouchi City, we are utilizing the salt pan remains

for one of the largest solar power generation projects in Japan by lending the land to power generation project developers, transforming unused land into revenue-generating land, and using rental income to solve local issues and enhance the region's appeal..

① Initiatives to maintain safety and security

The remains of the salt pan are bordered with the Kin-kai Bay along a levee of about 1.6 km, and require management to prepare for potential disasters. We carry out safety and security measures such as seawall reinforcement construction, ensuring safety and security in terms of regional disaster prevention. Safe and sustainable ongoing management of the remains and their surrounding environment is being carried out.

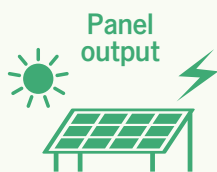
② Initiatives leading to the revitalization of the city

By utilizing the rental income, we are working on resolving local issues and promoting initiatives such as revitalizing the region for the future and implement initiatives that foster a sense of pride among children for their city, as well as efforts focused on building strong individuals in the community.

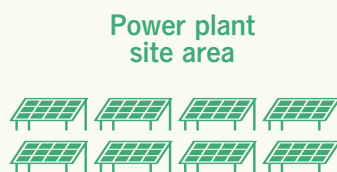
③ Eco-friendly Initiatives

Solar power generation is an environmentally friendly and domestically produced energy source that helps combat global warming. Moreover, we take into consideration the environment of many animals and plants in the salt pan remains so as not to alter saline wetlands, ensuring minimal impact on the local ecosystem.

▼ Setouchi City Positioning (One of the Largest Mega Solar Power Plants in Japan)



Maximum
approximately **235** MWp



Approximately **260** ha

Land rental fee
(for 20 years)



10.05 billion yen



03

Promoting Diversity

In Setouchi City, we aim to realize a "diversity society" that recognizes diversity, in order to promote a society where each citizen can live as they are, without being bound by gender, age, presence or absence of disability, nationality, etc.



National Sanatorium "Nagashima Aiseien" Historical Museum

Preserving Important Memories for the Future. Towards World Heritage Registration of the Leprosy Sanatorium.



Nagashima, an island in the southeast of Setouchi City, was once home to many people. The island, embraced by the multi-island beauty of Seto, was filled with people's activities along with the seasonal landscapes. However, the expressions of the people were not always bright, contrary to the beautiful nature. This is because the people living on this island were forcibly separated from their families because they had contracted Hansen's disease, were expelled from their hometowns, and were isolated on this island. The people on this island lived in fear of prejudice and discrimination. There are sad memories on this island.

The number of people who pass on the memories of Nagashima is decreasing



year by year. It is our role to connect the precious memories left on this island to a future free of prejudice and discrimination. Prejudice and discrimination are not limited to Hansen's disease. We will register this island as a World Heritage site to preserve it, pass on the important memories left on this island, and connect them to the future.



Check the website!

Towards the Empowerment of Women



Setouchi City has been recognized as a "Women's Baseball City" and is collaborating with the women's hardball baseball team Setouchi Blue Shines, which is based in the city. The aim is to promote human development and community building through women's baseball, as well as to spread the sport. This initiative also significantly contributes to the promotion of gender equality and diversity, and is part of ongoing efforts to improve the status of women in the local community.



Setouchi City Positioning

Number of inpatients in leprosy sanatoriums
(Aiseien and Komyoen)


138people
(As of April 1, 2024)

Proportion of female employees in managerial positions
(department and section chief level) at the city hall


15.4%
(Fiscal Year 2023)

Percentage of male employees
at city hall taking childcare leave


25.0%
(Fiscal Year 2023)

① Guidelines for Expression Toward Realizing a Diverse Society



In Setouchi City, we have established guidelines to strive for expressions that anyone can empathize with, without feeling uncomfortable or alienated, by being aware of various recipients. We want these guidelines to serve as an opportunity for people to think about how they should be considerate in their expressions and how to express themselves in a way that doesn't make the recipient feel uncomfortable.

Check the website!

② Ordinance to Promote a Diverse Society

In Setouchi City, we will implement the "Ordinance for Promoting a Diversity Society in Setouchi City" in April 2028. The city, citizens, and businesses each fulfill their responsibilities and work together to promote a diverse society in which everyone recognizes each other's differences and commonalities, so that no one is isolated and can live as they are.



04

Promoting History, Culture, and Art Activities

Setouchi City has the third highest number of nationally and prefecturally designated important cultural properties in the prefecture. The city features several important cultural areas, including the Ushimado area, which prospered as a historic port town, the Oku area, known for being the birthplace of the famous artist Yumeji Takehisa, and the Nagoe area, which flourished as a center for sword-making. These areas play an important role in shaping the image of Setouchi City.

The Sword Lighting the Future of Setouchi City

The Sanchomo Feather Community-Building Project



Check the website!

SUSTAINABLE
DEVELOPMENT
GOALS



Among Japanese swords making regions, Bizen Province has produced many famous swords designated as national treasures and important cultural properties. Osafune district in Setouchi City, which has long been home to many swordsmiths and was the central production area of Bizen swords, continues to produce swords today and is often referred to as the "sacred land" of Japanese swords. Setouchi City has launched the "Sanchomo Homecoming Project" to bring back an Unsigned Ichimonji Tachi, the National Treasure "Sanchomo", the pinnacle of Bizen swords and beloved sword of the Sengoku warlord Uesugi Kenshin, to its birthplace "Bizen Fukuoka", as there had been a concern about its outflow out of the prefecture. In March of 2020, with the support of numerous people in

Japan and abroad, "Sanchomo" was acquired through crowdfunding and other efforts.

The "Sanchomo" owned by Setouchi City not only contributes to education of children and revitalization of the community, but also has an immeasurable impact on enhancing the value of Japanese swords, as well as the motivation and skill development of swordsmiths. Furthermore, by attracting visitors to Setouchi City through the appeal of the Japanese sword, people will experience the charm of the city, thereby increasing its value as an urban area. By utilizing the world-renowned culture and traditional techniques of Japanese swords, we will collaborate with the local community and everyone involved to create a unique and distinctive city.

▼ Diverse Historical and Cultural Resources in Setouchi City



Setouchi City boasts a variety of historical and cultural resources, including an Unsigned Ichimonji Tachi, the National Treasure "Sanchomo", the "Main Hall of Honrenji Temple", and "Yumeji Birthplace Memorial Museum". These play a crucial role in fostering regional identity and the love of locals for their hometown. In December of 2022, Setouchi City was recognized by the Agency for Cultural Affairs for its "Setouchi City Cultural Property Conservation and Utilization Regional Plan". Through the unified efforts of the local community and government, the city aims to protect and pass down its historical and cultural heritage, while preserving and utilizing these cultural resources. This will foster civic pride and contribute to the revitalization of the local community.

▼ Positioning of Setouchi City

Number of national and prefectural
cultural properties in Okayama Prefecture

3rd in the
prefecture

Donations for the Sanchomo
Homecoming Project

880 million yen

Ranking of hometown tax
donations in Okayama Prefecture

2nd place in the
prefecture
(Fiscal Year 2023)

For a sustainable urban planning

For Everyone to Live Happily

Setouchi City pays attention to the differences in citizens' ages, lifestyles, and situations, and proactively promotes initiatives to realize the ideal state for each of these conditions. The results of these efforts are regularly assessed through the "Citizen Community Development Awareness Survey."

Toward Solving Difficult Challenges

The issues surrounding Setouchi City have become more complex and diverse, and there are an increasing number of issues that cannot be solved by the various departments of the City Hall alone. To address these challenges, the city has established a cross-organizational promotion system and is collaborating with citizens, citizen groups, businesses, and others to work towards solutions.



City-building in collaboration with the community
(Disaster Prevention Model Project)



PROJECT

Setouchi City's Achievement Record

About Setouchi City

Message

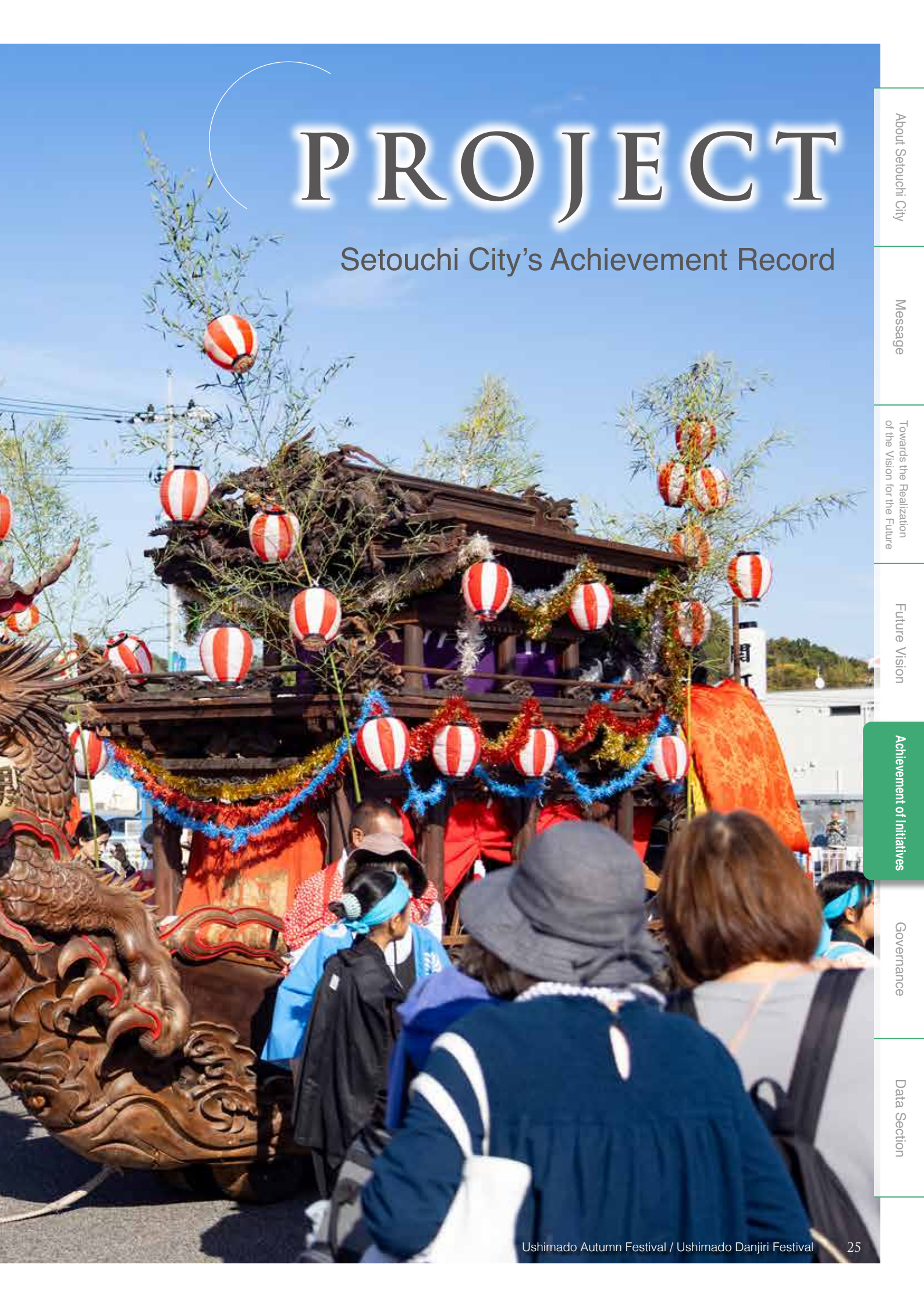
Towards the Realization
of the Vision for the Future

Future Vision

Achievement of Initiatives

Governance

Data Section



City Hall Supporting

The Lives of All Citizens



Children

SUSTAINABLE
DEVELOPMENT
GOALS



◇Child Medical Expense Benefit Project

The total fertility rate in Setouchi City is lower than the "2.07 (population replacement level)" that the country and Okayama Prefecture aim for, and like other regions, declining birthrate is a challenge. In the "Citizen's Consciousness and Hope Survey on Marriage, Birth, and Childrearing" conducted in the first year of Reiwa, the number of children intended to be raised was lower than the ideal number of children, and the most common

reason was "child-rearing and education cost too much".

In Setouchi City, from 2021, the self-pay portion of medical expenses for children under 18 is free, supporting households with heavy economic burdens for childrearing. This initiative is reducing the economic burden on child-rearing households, ensuring children can receive medical care with peace of mind, and contributing to their healthy growth.

DATA

• Expenses for the Child Medical Expense Benefit Project **204,493,578yen** (Fiscal Year 2023)

• Total special birthrate

1.35 (Fiscal Year 2023) ※Okayama Prefecture average 1.32, national average 1.20

◇ Supporting healthy growth of children and child-rearing households with Growing Children Support Tickets

In order to alleviate the economic burden on child-rearing households and support the healthy growth of children, we provide the "SukuSuku Child Ticket", which partially subsidizes the purchase cost of childcare items such as paper diapers and powdered milk. This ticket is a unique initiative in Setouchi City that subsidizes 3,000 yen per month until the month the child turns two. We are also receiving cooperation in operation

from stores in the city, and in addition to being a child-rearing support measure through public-private partnership, it is also contributing to the economic circulation within the region. On the other hand, there have been voices calling for the expansion of eligible items, so from the fiscal year Reiwa 6, we will expand the system, such as adding subsidized items, to make it more in line with the actual situation of child-rearing.

DA
TA

• Expenses for Growing Children Support Project **14,451,177yen** (Fiscal Year 2023)

◇ Supporting work-life balance with the Sick Child/Post-Illness Childcare Project

As lifestyles become more diverse, support that takes into account the realities of households raising children is becoming necessary. In Setouchi City, as part of creating an environment that supports the balance between childcare and work, temporary childcare is being offered at two facilities in the city for children under elementary school age who are unable to participate in group activities at schools or other institutions due to being in the process of medical treatment or recovery, and whose parents are unable to care for them at home due to work schedules. This initiative not only helps reducing burdens

and improves economic conditions in households, but it also contributes to the creation of a system where society as a whole supports childcare.

However, the service starts from 9:00 am, and the child is accepted after visiting a designated medical institution, there are cases where the start of work is not met and paid leave is used, and there are also cases where the usage limit is reached and the child cannot be left. By solving these issues, we aim to create a city where people can feel at ease about child-rearing even while working.

DA
TA

• Sick Child/Post-Illness Childcare Project Expenses **11,311,812yen** (Fiscal Year 2023) ※Number of children using the service: 251

◇ Establishment of Small-scale Special Recognition Schools

There are nine elementary schools in Setouchi City, but the number of students differs greatly between the central part and depopulated areas. In depopulated areas, the aging population and low birthrate are advancing, and there are also schools where the number of children has significantly decreased, making the maintenance of schools and the decline of the region serious issues. In Setouchi City, for those who wish to study at a school where small-scale educational

activities are being promoted, or wish to have their children study there, we have established two small-scale special recognition schools (Mokake Elementary School and Miwa Elementary School) that accept children from outside the school district under certain conditions. Through this initiative, children can receive detailed guidance and education that makes use of the unique characteristics of the community, which also contributes to the revitalization of the entire region.



②Elderly People



◇Promotion of Home Healthcare and Nursing Care Collaboration

Setouchi City has an aging rate of 34.7% (National census in 2020), and in areas away from the city center, the aging rate exceeds 50%, demonstrating the progression of aging. In order for residents to continue living comfortably in their familiar communities as they age, it is crucial that necessary services are provided seamlessly according to each individual's needs and changes in condition. Under the slogan of creating a city where people can "live long with a smile," we are strengthening the support network in the community to build a system where

medical, health, and welfare services in the region are provided seamlessly.

Through these initiatives, surveys targeting professionals have shown an increase in the proportion of professionals who feel that interdisciplinary collaboration has progressed compared to before the initiative began. Strengthening professional collaboration leads to an increase in the elderly who can live a life true to themselves in their familiar communities until the end of their lives, and reduces the burden on supporting families.

◇Yume Work Setouchi

In anticipation of labor shortages due to a declining birthrate and aging population, and hearing the voices of many seniors who express that they cannot live solely on pensions, Setouchi City is supporting local initiatives to promote the employment and work participation of older people. In August 2020, we established "Yume Work Setouchi" to support active seniors aged 55 and over, and provide

employment support (consultation services), various training courses and seminars, and help to enrich their second lives.

Through these initiatives, we are contributing to the provision of places where elderly people can thrive, prevention of nursing care needs, revitalization of the local economy and increase in taxpayers through seniors earning wages again, and contributing to sectors with a shortage of successors and manpower.

③People with Disabilities



◇Support for Community Life and More

As the aging and severity of disabilities progress, the needs for disability welfare are becoming increasingly complex and diverse. It is necessary to support people with disabilities to ensure they are respected as equal members of society and lead lives that are true to themselves. In Setouchi City, we are making efforts to ensure that people with disabilities and their

caregiving families can live safely in their familiar communities, while also reducing the burden on family caregivers. This initiative not only contributes to securing independent lives for people with disabilities, but also promotes social participation, such as employment and community activities, by encouraging them to go outside.

◇ Information Assurance for People with Hearing Disabilities

We are implementing a communication support project that dispatches sign language interpreters or note-takers for those with hearing disabilities who require support for communication in their daily lives. When we hold events such as lectures for all residents, we arrange for sign language interpreters and note-takers to be present. In addition to sign language interpretation and note-taking, we also install magnetic loops (hearing loops).

Regardless of whether there is a request from individuals with hearing impairments, it is necessary to provide reasonable accommodations based on the provisions of the law promoting the elimination of discrimination on the grounds of disability. Therefore, opportunities for information accessibility are ensured. Additionally, the use of a magnetic loop (hearing loop) is effective for information accessibility for individuals using hearing aids.

4 Those who are having difficulties in their life



◇ Promotion of Support for Hikikomori (Social Withdrawal)

When a state of social withdrawal (hikikomori) lasts for a long period, it not only severs relationships with society but also makes it difficult to find employment, leading to economic hardship. In Setouchi City, the Setouchi City Social Welfare Council, a social welfare organization, has been entrusted with the Hikikomori Support Station project. This project provides consultation services for individuals in a hikikomori state and their families, establishes

networks with relevant organizations, operates "Hinatabokko Osafune," a safe space, and offers opportunities for social participation and independence through activities such as providing spaces for interaction.

Through these initiatives, we can promote early independence from the hikikomori state and prevent financial difficulties in advance. It also allows us to prevent loneliness and isolation early on.

5 Foreigners



Foreign residents make up about 2% of the population in Setouchi City, a figure that is increasing year by year. In the future, the number of foreigners is expected to increase due to employment opportunities at companies, but there are concerns that they may become isolated in the community due to differences in language and lifestyle habits. In Setouchi City, we have an international relations coordinator who

conducts various international exchange programs, public relations activities, information provision for foreigners, and promotes inbound tourism.

Through these initiatives, we can prevent the isolation of foreign residents and provide opportunities for local residents to deepen their understanding of foreign residents.

DATA • Number of registered foreign residents : **693**people
(As of March 31, 2026)



6 People living in depopulated and isolated areas



◇ Immigration promotion policies

In depopulated areas, the population is rapidly decreasing and aging, and the situation of a lack of community leaders and a decrease in vitality is occurring as young people move to urban areas. To promote the expansion of migration and exchange populations, efforts were made to build an attractive remote work environment by establishing consultation systems, subsidizing expenses related to migration and exchange programs, and subsidizing the cost of cleaning up and renovating vacant houses by the migrants. The project "Remote Work

City Development Project " aims to construct attractive remote work environments and prepare for accepting newcomers.

Additionally, in areas where the population is significantly decreasing, we are providing subsidies for the renovation costs of vacant houses for those who set up businesses using vacant houses, with the aim of securing workplaces and creating liveliness. These efforts are attracting new industries and activities related to the region's attractiveness to the city, contributing to the maintenance of the population and the region.

DATA

- Subsidy for the project of building a remote work city **2,400,000 yen** (Fiscal Year 2023)
- Subsidy for the project of supporting the establishment of business using vacant houses **770,000 yen** (Fiscal Year 2023)

◇ Maejima Island Bus

In Setouchi City, based on the "Setouchi City Regional Public Transportation Network Formation Plan" established in the 2015 fiscal year, public transportation-inconvenient areas, defined as those more than 400m from a bus stop, and more than 1km from Oku Station and Osafune Station, were limited to a part of Maejima area in Ushimado town thanks to the introduction of six city bus routes and a taxi utilization system. In Setouchi City, from August 2021, electric vehicles (EV) for intra-island transportation, which are

used to travel from home to the Maejima side ferry terminal, have been introduced in this Maejima area of Ushimado Town, targeting elderly people who find it difficult to go out due to reasons such as not having a driver's license. As a result of these efforts, there are no public transport-inconvenient areas in Setouchi City, and even from Maejima, it is possible to move using public transport, leading to the prevention of traffic accidents among the elderly, promotion of health, and reduction of carbon dioxide.

DATA

- Number of users of Maejima Island Transportation **539 people** (Fiscal Year 2023)

7 Farmers, fishermen, and industrial workers



◇ Development of the Second Miyashita Industrial Park

Leveraging the geographical advantages of few disasters and good transportation access, we are working to attract businesses to secure employment opportunities and increase tax revenues within Setouchi City. In the Second Miyashita Industrial Park, where Iris Ohyama Inc. is expected to set up, we are progressing with the development of the industrial park for early operation by companies. The entry of new companies provides

stable employment opportunities, contributes to an increase in residents within the city, and leads to the revitalization of the regional economy and increase in tax revenue through interactions with companies within the city.

We will continue to work on attracting companies, including the utilization of privately owned land, to secure further employment and tax revenue.

◆Securing and Supporting the Development of New Agricultural Operators

In Setouchi City, the production of agricultural products such as rice, field vegetables, and fruits, which makes use of the rich natural environment, is a key industry. However, a decline in the number of agricultural workers and a shortage of successors are challenges. We are working to promote farming among younger generations to secure the future of regional agriculture. A comprehensive new farmer training program, in collaboration with Okayama Prefecture and Okayama City Agricultural Cooperative (JA Okayama), has been implemented to support agricultural management before and after

entering the industry. Additionally, since the 2022 fiscal year, training programs for middle-aged and older individuals who are returning to farming after retirement have been introduced, along with a subsidy system for the introduction of agricultural machinery and equipment. These initiatives help maintain high-quality farmland and cultivate production areas by encouraging people from a wide range of age groups to engage in agriculture. Moving forward, the city will continue to secure agricultural workers both within and outside the city to maintain its primary industry.

⑧ Various organizations such as NPOs



◆Civic Activity Support Subsidy and Collaborative Proposal Project Subsidy

To flexibly respond to the rapid changes in socio-economic situations and complex and diverse administrative issues, it is necessary to work together with not only the government but also various entities. In Setouchi City, we are promoting the resolution of local issues and revitalization of the area by supporting civic activities and collaborative projects with the city through the Civic Activity Support Subsidy and the Collaborative

Proposal Project Subsidy. From the fiscal year 2023, we have started the "Student Challenge Subsidy" to support initiatives contributing to regional revitalization by students and others, and are also working on human resource development that supports the community. These efforts are advancing the resolution of local issues through collaboration with various entities, leading to strengthening and revitalizing regional connections.

DA
TA

- Civic Activity Support Subsidy **10,639,100 yen** (84 projects) (Fiscal Year 2023) ※Including Student Challenge Subsidy
- Collaborative Proposal Project Subsidy **7,705,500 yen** (8 projects) (Fiscal Year 2023)



◆Community Center Project

Community centers are facilities aiming to conduct various projects related to education, academia, and culture for citizens, improve citizens' education, promote health, enhance lifestyle culture, and contribute to the promotion of social welfare. At the community centers in Setouchi City, through activities such as chrysanthemum cultivation courses teaching the techniques to grow chrysanthemums,

which are the city's flowers, chrysanthemum exhibitions, events aimed at cultural succession of the world-famous puppeteer from Setouchi City, the late Kinosuke Takeda, and the "community development project overflowing with culture" aimed at the development of citizens' independent cultural and artistic activities, we are providing citizens with a lifelong learning environment.

DA
TA

- The 37th Bizen Osafune Chrysanthemum Exhibition: 43 exhibitors, **2,777 visitors in total** (Fiscal Year 2023)
- Participants in the Project "Creating a City Overflowing with Culture" **5,890 people in total** (Fiscal Year 2023)

City Hall working to solve administrative issues

2 in cooperation beyond departmental boundaries

Each department of the City Hall is working on solving issues in coordination with each other.



Zero Carbon and Environmental Conservation



The effects of global warming have a significant impact on our lives and local agriculture and fisheries, and we must work together towards achieving zero carbon.

In Setouchi City, to reduce greenhouse gases (mainly carbon dioxide), which are the cause of global warming, we have set a goal to virtually zero carbon dioxide emissions by 2040, ten years ahead of the national goal, in the "Global Warming Countermeasures Plan (Area Measures Edition)" in March 2024, and are working towards it.

As part of these efforts, we established the Setouchi City Power Corporation in February 2024 to promote the diffusion of solar power generation facilities in general households and to produce and consume

electric energy locally. The plan is to fully utilize Setouchi City's natural environment, which is suitable for solar power generation, and supply clean electricity to public facilities and elsewhere in the city.

By promoting zero carbon, the city not only helps curb global warming, but also helps protect the city's rich natural environment and industries. Furthermore, as part of our efforts to preserve the natural environment, we are promoting the development of public sewerage and providing subsidies for the installation of combined septic tanks in dedicated residences outside the area permitted for public sewerage projects. We are also working on community-wide activities, such as collecting marine litter in collaboration with citizens.

DATA

• Promotion of the introduction of solar power generation facilities through the largest subsidy amount in the prefecture **514kW** (Fiscal Year 2023)

② The Food Happiness Project to nurture children with rich local areas and food

 SUSTAINABLE
DEVELOPMENT
GOALS


Setouchi City is a town thriving in agriculture and fishing, blessed with a warm climate in the "Land of Sunshine, Okayama". Capitalizing on these regional resources, the city is promoting the utilization of locally produced items in school lunches for kindergartens, children's homes, primary and junior high schools. The city is using the Hometown Tax Payment system to purchase local products for school meals, breaking the negative chain of effects such as the impact on

children eating school meals, their parents, and producers due to rising commodity prices, while also leading to an increase in the amount of produce shipped and the number of cooperating producers. Additionally, by studying, demonstrating, and spreading cultivation techniques that reduce environmental impact, such as the reduction of chemical fertilizers and pesticides, we are also contributing to the improvement and sustainability of agricultural productivity.

 DA
TA

- Local production for local consumption rate in school meals (vegetables) **23,9%** (Fiscal Year 2023 weight basis)
- Amount of hometown tax donation for the Food Happiness Project **162,739,000yen** (Fiscal Year 2023)

③ A city where outdoor play is enjoyed. Setouchi City "Children's Playground Project"

 SUSTAINABLE
DEVELOPMENT
GOALS


In Setouchi City, the entire city is regarded as a playground for children and a place for everyone to gather. The city is working on creating spaces where people connect with each other and with the community, where everyone can contribute to raising children while also growing themselves. Through promoting "Children's Playground " through the operation of the "Play Car," a mobile playground loaded with play equipment, everyone from children to adults can enjoy outdoor play. Additionally, we are advancing our initiatives in various ways in collaboration with private

sector businesses, such as implementing safe driving courses including for " Play Car " drivers, and participation in employee volunteer activities.

To further enhance these efforts, we have formulated a basic plan to develop a "Children's Park," an all-weather playground. While there are voices hoping for an early opening, there is also a responsibility to secure financial resources to reduce the financial burden. We will address the anticipated issues one by one and strive to make it a symbolic facility that is loved by a wide range of people.

 DA
TA

- Number of "Children's Playground " events **170** (Fiscal Year 2023)
- Number of "Children's Playground " participants **6,433** people in total (Fiscal Year 2023)

④ Promoting Diversity by Accepting Diversity

 SUSTAINABLE
DEVELOPMENT
GOALS


In Setouchi City, we aim to create a society where all citizens can live confidently as themselves. As part of these efforts, we have created a " Guidelines for Expression Toward Realizing a Diverse Society (Refer to the QR code)". This guideline provides a criterion and an opportunity to consider more effective expressions that do not make the receiver feel uncomfortable, by understanding what points should be considered in disseminating

information. It applies to various means of information dissemination, such as paper media, electronic media, and verbal communication.

Specific areas of focus include avoiding expressions based on fixed gender images and respecting diverse genders. To facilitate attractive information dissemination, we will promote the use of these guidelines in workplaces, households, and community activities.

⑤ City Development through the Promotion of Sword Culture

SUSTAINABLE
DEVELOPMENT
GOALS



Bizen Province, known for producing many famous swords that are designated as National Treasures and Important Cultural Properties, has long been a production center for Bizen swords, particularly in the Osafune district of Setouchi City, where many swordsmiths have been forging swords since ancient times. This area is still active in sword making today and is often referred to as a holy place for Japanese swords. However, the number of swordsmiths is decreasing and the continuation of their skills is a challenge. In Setouchi City, we have carried out crowdfunding to bring back to Setouchi City an Unsigned Ichimonji Tachi, the National Treasure "Sanchomo", a famous sword beloved by famous Sengoku warlords, Kenshin and Kagekatsu Uesugi, and we acquired the "Sanchomo" on March 22, 2021, with the support of many people both domestically and

internationally. Using the ownership of the "Sanchomo" as a trigger, we are promoting urban development through the promotion of sword culture, aiming to increase the population interacting with the city and cultivate civic pride among the residents. This initiative has immeasurable impacts, such as education for children, revitalization of the community, raising the value of Japanese swords, and improving the motivation and skills of swordsmiths.

We have a multi-language staff at our Bizen Osafune Japanese Sword Museum in the city, providing multilingual explanations and disseminating information overseas. Through these initiatives, visitors to Setouchi City, drawn by the allure of Japanese swords, can experience the charms of the city. This, in turn, will enhance the value of Setouchi City and contribute to creating a unique city.

DATA

• **Admission fee revenue for Bizen Osafune Japanese Sword Museum** **18,819,250 yen** (Fiscal Year 2023)
• **Number of visitors to Bizen Osafune Japanese Sword Museum** **37,139 people** (Fiscal Year 2023)

⑥ Setouchi City Public Library Momiwa Square

SUSTAINABLE
DEVELOPMENT
GOALS



The Setouchi City Public Library Momiwa Square, which won the "Library of the Year 2017" Grand Prize, offers learning opportunities to various generations, hosting a variety of events for learning and interaction in collaboration with the citizen group Setouchi Momiwa Friends. The number of visitors to the public library and the number of books lent are on the increase, providing opportunities for

lifelong learning where citizens of all ages can learn whenever they want to and find a purpose in life. We will continue to provide library services that meet these needs.



DATA

• **Number of books lent** **337,923 books** (Fiscal Year 2023) 98.9% compared to the previous fiscal year
• **Number of visitors** **148,747 people** (Fiscal Year 2023) 104.8% compared to the previous fiscal year

⑦ Sports Promotion

SUSTAINABLE
DEVELOPMENT
GOALS



In Setouchi City, aiming to be a city where people can live healthily through sports, we are working on providing places and opportunities for sports activities, supporting various sports activities, developing sports groups and instructors, and supporting athletes who excel at top levels. In fiscal year 2023, we carried out the development of the Oku Sports Park (Adventure Forest) and Oku Sports Park Baseball Stadium. Additionally,

with the help of two community revitalization coordinators focused on sports promotion, activities are being carried out, such as exercise classes at elementary schools and sports youth organizations, coaching new sports, and promoting women's baseball within the city. Going forward, we aim to increase opportunities for citizens to engage in sports, enhance health, and create chances for citizens to connect with each other through sports.

DATA

• **Number of users of sports facilities** **110,282 people in total** (Fiscal Year 2023)

⑧ Creating a Disaster-Resilient City through Self-help, Mutual Aid, and Public Assistance



It is projected that a Nankai Trough earthquake of magnitude eight to nine is likely to occur with a probability of 70 to 80 percent within the next 30 years. In addition, measures are being demanded to protect citizens' lives from disasters, given the heavy rainfall in western Japan in 2018 that caused major damage in Okayama Prefecture and the increasingly severe nationwide flood disasters in recent years.

In Setouchi City, we have been operating a disaster information communication system since fiscal year 2023, and we have been developing the ability to quickly and accurately communicate disaster information through various means such as disaster prevention apps, outdoor broadcasting, and individual receiving devices. Through comprehensive disaster drills, lectures in local communities, and disaster education in elementary schools, we are promoting disaster countermeasures based on self-help and mutual aid. We are also enhancing and strengthening local disaster prevention capabilities

centered on the fire brigade and enhancing and strengthening firefighting facilities. By transmitting disaster prevention information through various means, we will continue to work on strengthening disaster preparedness so that everyone, anytime and anywhere, can access information.

In addition, securing toilets that can be used safely and hygienically is an important issue for residents in disaster-stricken areas, alongside the provision of emergency facilities for supplying water, food, and medical care. In Setouchi City, ten manhole toilets were installed in the Oku area in Fiscal Year 2023. Manhole toilets are facilities where a toilet bowl and partition facilities are installed on a sewage facility connected to a sewer manhole or sewer pipe. They are easy to install and can be used in a similar way to regular flush toilets. This initiative helps ensure a comfortable toilet environment during a disaster, contributing to maintaining a good living and sanitary environment in evacuation centers.

DA
TA

• Number of disaster prevention app installations **5,672 people** (As of March 31, 2024)



⑨ Enhancing Public Transportation for a City Where Everyone Can Move Freely



In Setouchi City, we operate six municipal bus routes within the city, and we have taken over private bus routes that have been discontinued, operating a total of eight routes. We have made the fare a flat rate of 100 yen per ride in an effort to increase usage, and from the Fiscal Year 2024, we have introduced a bus location system to improve convenience further. We also provide subsidies for taxi fares for elderly people and people with severe physical and mental disabilities or those requiring care under the

Long-Term Care Insurance Act, who meet certain conditions and live in areas where public transportation is difficult to use.

This initiative, which involves a significant portion of the city's budget, not only is indispensable for commuting to work or school, but also promotes outdoor activities among the elderly, preventing loneliness and isolation, and helping everyone continue to live in their familiar neighborhoods. It also contributes to the prevention of traffic accidents and the reduction of carbon dioxide emissions.

DA
TA

• Cost of purchasing municipal bus vehicles
• Cost of commissioning municipal bus operation services

45,056,000 yen (Fiscal Year 2023)
75,073,764 yen (Fiscal Year 2023)



10 Municipal Hospital



At Setouchi City Hospital, while supporting the health of the citizens, we value not only medical care that treats illnesses but also medical care that provides support. We provide early detection and early treatment of lifestyle-related diseases through health check-ups, 24/7 emergency medical care, support for returning home, rehabilitation,

and responses to infectious diseases (testing, examinations, treatment, hospitalization, vaccinations). In addition, we are establishing a system to provide integrated care and welfare services as a member of the community-based care team, in cooperation with the Fire Department Headquarters and the Total Support Center.

11 Efforts to acquire core fans who have the potential to become part of the community.



Born out of the desire to let more people know about the charm of Setouchi City, the "Setouchi Fan Club," which was established in 2020 is a membership organization that anyone can join for free. Even those who are not in the city can receive useful information about Setouchi City on a regular basis and enjoy various membership benefits by joining.

On February 9th 2024, we held an event in Shibuya, Tokyo, aimed at increasing the recognition of Setouchi City and facilitating interaction among members and related parties. At the event, the mayor and representatives of local organizations and companies participated to promote Setouchi City, and we showcased the appeal of Setouchi City

through tasting of local products and booths related to migration, culture, and tourism. We received feedback from participants saying they wanted to actually visit Setouchi City, and the event was a great success.

At the "Setouchi Fan Club", we hope that many more people will join us, and we also hope that each of our members will become a cheerleader who promotes Setouchi City to their close acquaintances. We will build good relationships with our members and connect our activities with increases in hometown tax donations, guidance for tourism, migration, and other aspects.

DATA

•Setouchi Fan Club membership **2,503 people**(As of March 31, 2024)

12 Support for Oku Senior High School



Oku Senior High School, the only high school in the Setouchi City, is an indispensable entity as a base for nurturing talents who will carry the future of the region and as the core of the community. However, due to factors such as the declining birthrate and the increasing tendency of graduates from the city's junior high schools to apply to high schools in Okayama City, there have been concerns about a decrease in student enrollment. Setouchi City has adopted a policy to support Oku Senior High School as the core of a vibrant community for the younger generation. In the "2nd Setouchi City Sun City Revival Comprehensive Strategy", the support for Oku Senior High School students in terms of human resource development for regional development is highlighted as a key initiative. This includes cooperation

with the local studies program 'Setorie,' fostering human resources who can contribute to the local community, and supporting career education." From the perspective of regional revitalization, the existence of Oku Senior High School, which is also part of the attraction of the region, is significant. Children, including high school students, are the talents who will bear the future of Setouchi City, and it is necessary to nurture them as a whole society. Going forward, by assuming the role of connecting high schools and the community while working in collaboration with Oku Senior High School, we will support the enhancement of Oku Senior High School's appeal and the nurturing of future talents, aiming to overcome the population decline issue in Setouchi City and realize regional revitalization.

13 Enhancement of Citizen Services and Public Relations Tools



In Setouchi City, we are aware that administration is a service industry for the citizens, and we are committed to developing staff and providing services that meet the expectations of our citizens. In the main government building, we have established a general counter and provide counter services at three branch offices and sub-offices within the city.. Also, for those who cannot visit the city hall during weekdays, we extend the business hours of the main government office once a month. It is possible to pay city taxes and insurance premiums at convenience stores and receive various certificates there as well. We will continue to develop a platform that allows you to receive necessary services without having to visit the city hall.

Additionally, in order to hear directly from the citizens about their opinions and suggestions for the municipal government, we carry out a variety of

measures such as accepting letters to the mayor through an input form or by postal mail under the initiative "Letters to the Mayor - Suggestions and Opinions on Municipal Administration", as well as conducting town meetings and casual talks with the mayor. The city has also introduced a chatbot on its website, where AI provides automatic responses, aiming to improve convenience. From Fiscal Year 2024, we have made all pages of the monthly city newsletter "Public Relations Setouchi" in color. Thanks to the colorization, the readability has improved, and it allows for more accurate representation of photos of people, facilities, cultural assets, and more. Achieving the city's vision and policies requires the understanding and cooperation of the citizens. By enhancing the tools for conveying the city's initiatives and announcements in a clearer way, it will lead to an improvement in the citizens' satisfaction."

14 Promotion of Local Government DX



In Setouchi City, the Digital Transformation (DX) Promotion Headquarters has been established. Under the philosophy of 'A city promoting digitalization (DX) that is used and appreciated by everyone, and is easily accessible,' as outlined in the Setouchi City DX Strategy Promotion Policy, the city is embracing digitalization.

In the Fiscal Year 2023, for the improvement of citizen services, we introduced a smart counter, enabling residents to apply online for moving-in and moving-out procedures in advance. Also, procedures for resident

changes such as moving in and moving out can now be conducted on tablet devices, reducing handwritten application documents, which has improved convenience for visitors to the city hall and reduced their burden. In addition, we also organized smartphone classes as a measure against digital divide.

Going forward, we will continue to work on developing systems to make citizens' lives more convenient and efficient, such as improving business procedures using digital technology.

15 Staff Development



As administrative tasks become more diverse, complex, and sophisticated, the number of city employees is being reduced, and employees are increasingly required to have high capabilities to address these issues. In addition, in order to respond accurately to rapidly changing socio-economic conditions and citizen needs, it is necessary to collaborate beyond departmental boundaries and seek solutions to problems. In Setouchi City, to cultivate employees who meet the expectations of citizens, we are implementing personnel evaluation systems and 360-degree evaluations (for section chiefs

and above) to develop the abilities of our staff and invigorate our organization. We have also introduced an "Elder" system that assigns individual educators to newly hired employees and provides planned one-on-one guidance for a year after they join the company. We are also promoting a culture of learning by conducting in-office training, dispatching staff to off-site training, subsidizing self-study groups, and actively listening to personnel's requests for transfers based on self-declaration. We also strive for personnel management that values individuals through promotion exams and promoting female employees.

Governance

Setouchi City Council



The council is a forum for discussing measures to make Setouchi City more comfortable, safe, and secure. They scrutinize the budget (proposals), ordinances (proposals), etc. proposed by the mayor and oversee the execution of the city administration. To revitalize the operation of the council, tablet devices were introduced in 2021 to

achieve paperless meetings. This has led to increased efficiency in council and councilor activities, as well as cost reductions in printing expenses and work time. Council members represent the citizens, raise public opinions in council meetings, and critically monitor the city's policies, working to achieve better local governance.

Bizen City and Setouchi City Audit Committee Secretariat

Bizen City and Setouchi City have jointly established the "Bizen City and Setouchi City Audit Committee Secretariat" on April 1, 2016, and are jointly carrying out affairs related to the audit committee.

In local public organizations, a variety of business activities, measures, and policies are carried out in areas such as economy, welfare, environment, education, infrastructure, culture, etc. Therefore, the enhancement of audit functions is required. However, in smaller local governments like Bizen City and Setouchi City, the staff size in the audit office is very limited, making it difficult to develop human resources. Challenges such as lack of experience due to personnel rotations and insufficient independence from the departments being audited have been identified. To address this, a joint audit office has been established, increasing the number of staff to strengthen the auditing system, improve efficiency in administrative tasks, enhance expertise and independence, and carry out organizational audits.

The "Bizen City and Setouchi City Audit Committee Secretariat" operates under the command of the auditors located in Bizen City and Setouchi City, and is also part

of the organizations of both cities (both the Audit Committee Secretariat of Bizen City and Setouchi City). This initiative is a new form of joint processing of affairs and differs from mergers in that it maintains the autonomy of each constituent body. This allows for organizational audits while maintaining a system that fits the actual conditions of each city.

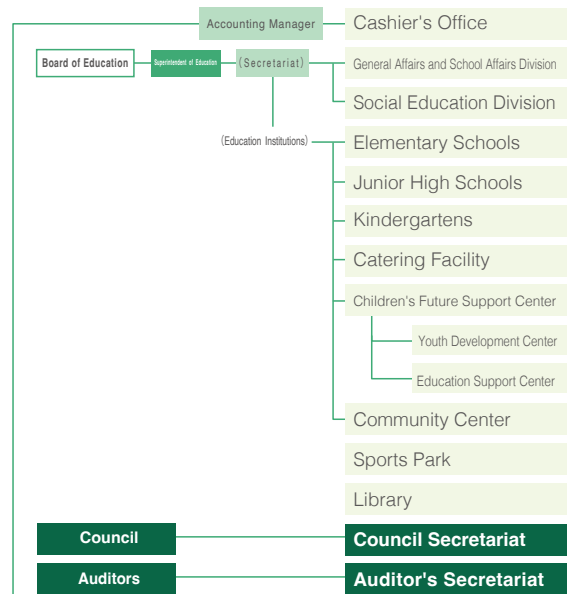
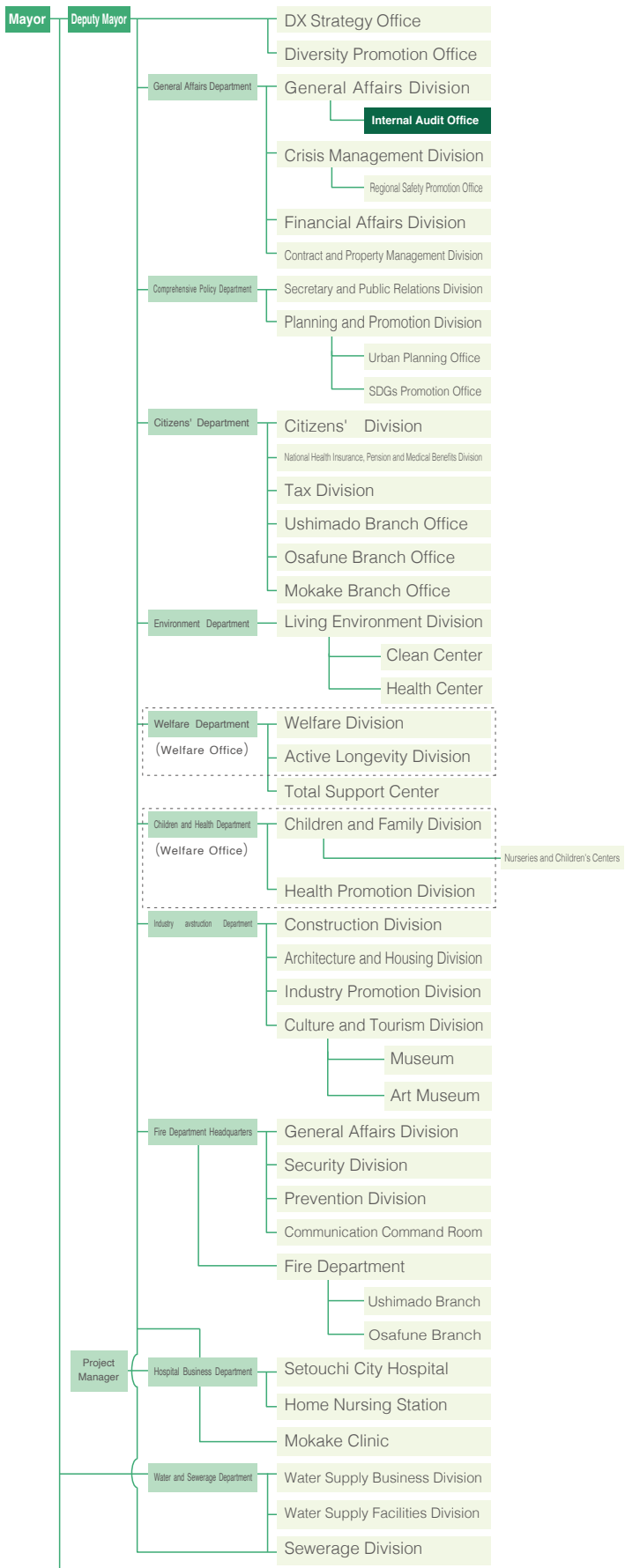
The joint establishment of organizations as a method for collaborative administrative processing is a system under the Local Autonomy Act aimed at enabling efficient administration and administrative complementarity. However, as a result of the law revision in 2011, the scope of joint establishment was expanded, allowing for the creation of joint offices for committee or commissioner secretariats as well as internal organizations within the mayor's office. This led to the establishment of a joint Audit Committee Secretariat. There are several examples of joint establishment due to this legal amendment in municipalities within Osaka Prefecture, but all of them involve internal organizations within the mayor's office, making the Audit Committee Secretariat the first of its kind in the nation.

Internal Audit Office

The internal audit is an audit carried out by city staff, separate from the audits by auditors as stipulated in the Local Autonomy Law, focusing on compliance with laws and prevention of errors in administrative procedures within the city

administration organization. The Internal Audit Office handles matters related to the individual external audit system and the protection of public interest whistleblowers, striving for internal control of the local government.

Organizational Chart (As of April 1, 2024)



Data Section

【Financial Situation of Setouchi City】

Overview of the Balance Sheet

▼ Balance Sheet Accounting: General Accounting, etc. [Asset section]

(Unit: yen)

Account Items	2019	2020	2021	2022	2023
Fixed Assets	71,438,268,929	71,919,169,859	73,178,136,775	75,394,214,431	75,877,385,844
Tangible Fixed Assets	58,453,516,915	58,505,442,962	59,238,014,734	61,616,504,940	62,110,835,748
Business Assets	24,545,577,302	25,593,682,992	27,478,009,143	29,544,687,345	30,771,263,401
Land	11,952,806,902	12,344,768,409	12,344,725,048	12,659,674,042	12,932,034,742
Timber Bamboo	71,621,700	71,621,700	71,621,700	71,621,700	71,621,700
Buildings	28,396,329,137	29,498,922,088	31,011,600,034	32,941,518,995	34,450,787,468
Accumulated Depreciation of Buildings	-17,638,758,114	-18,359,885,810	-19,068,447,572	-19,826,912,871	-20,635,182,065
Works	3,981,209,888	4,191,768,662	4,635,980,890	5,732,226,789	6,575,795,691
Accumulated Depreciation of Works	-2,745,193,869	-2,728,896,239	-2,640,492,910	-2,880,660,766	-3,175,514,441
Ships	2,476,599	2,476,599	2,476,599	2,476,599	2,476,599
Accumulated Depreciation of Ships	-2,476,596	-2,476,596	-2,476,596	-2,476,596	-2,476,596
Buoys, etc.	-	-	-	-	-
Accumulated Depreciation of Buoys, etc.	-	-	-	-	-
Aircraft	-	-	-	-	-
Accumulated Depreciation of Aircraft	-	-	-	-	-
Others	-	-	-	-	-
Accumulated Depreciation of Others	-	-	-	-	-
Construction in Progress	527,561,655	575,384,179	1,123,021,950	847,219,453	551,720,303
Infrastructure Assets	31,947,050,357	30,885,001,474	29,801,526,965	29,099,061,217	28,425,530,148
Land	832,135,928	876,111,907	932,386,851	1,016,761,365	1,074,255,248
Buildings	2,419,200	21,984,765	21,984,765	21,984,765	21,984,765
Accumulated Depreciation of Buildings	-280,404	-420,606	-1,871,699	-3,322,792	-4,773,885
Works	75,446,574,601	75,656,842,672	75,809,291,973	76,335,843,378	77,037,846,260
Accumulated Depreciation of Works	-44,528,764,554	-45,934,184,791	-47,344,734,193	-48,759,982,578	-50,197,960,550
Others	-	-	-	-	-
Accumulated Depreciation of Others	-	-	-	-	-
Construction in Progress	194,965,586	264,667,527	384,469,268	487,777,079	494,178,310
Goods	3,548,874,456	3,589,775,017	3,637,086,818	4,793,722,817	4,757,969,340
Accumulated Depreciation of Goods	-1,587,985,200	-1,563,016,521	-1,678,608,192	-1,820,966,439	-1,843,927,141
Intangible Fixed Assets	74,011,229	54,179,481	33,257,133	15,872,591	66,271,992
Software	73,060,829	53,229,081	32,306,733	14,922,191	65,321,592
Others	950,400	950,400	950,400	950,400	950,400
Investments and Other Assets	12,910,740,785	13,359,547,416	13,906,864,908	13,761,836,900	13,700,278,104
Investments and Capital Contributions	7,170,601,436	8,253,955,876	8,398,183,476	8,536,888,276	8,625,796,076
Securities	2,004,960	1,796,400	1,638,000	2,078,000	3,098,800
Capital Contributions	7,168,596,476	8,252,159,476	8,396,545,476	8,534,810,276	8,622,697,276
Others	-	-	-	-	-
Provision for Investment Loss	-1,402,974,903	-1,757,427,974	-1,757,427,974	-1,664,008,128	-1,664,008,128
Long-term Delinquent Receivables	417,514,956	421,445,335	417,328,527	432,737,778	437,177,425
Long-term Loans Receivable	49,881,676	48,928,685	51,174,800	53,190,000	60,882,200
Funds	6,687,073,744	6,399,277,297	6,804,107,669	6,410,554,294	6,244,791,473
Debt Reduction Fund	-	-	-	-	-
Others	6,687,073,744	6,399,277,297	6,804,107,669	6,410,554,294	6,244,791,473
Others	-	-	-	-	-
Provision for Uncollectible Receivables	-11,356,124	-6,631,803	-6,501,590	-7,525,320	-4,360,942
Current Assets	6,139,924,459	5,734,486,865	6,052,273,344	5,444,674,568	5,101,636,188
Cash and Deposits	1,148,936,629	1,254,215,696	947,229,766	945,815,246	922,245,592
Unpaid Money	46,960,800	52,799,408	56,240,542	54,130,169	47,694,235
Short-term Loans Receivable	11,578,430	10,203,056	9,790,800	8,972,800	7,547,800
Funds	4,734,881,792	4,216,716,547	4,780,047,860	4,204,765,395	3,918,051,047
Fiscal Adjustment Fund	4,097,841,641	3,777,800,420	4,035,420,160	3,938,646,754	3,800,383,601
Debt Reduction Fund	637,040,151	438,916,127	744,627,700	266,118,641	117,667,446
Inventory Assets	-	-	-	-	-
Others	200,635,984	203,862,112	262,562,896	234,275,218	207,467,488
Provision for Uncollectible Receivables	-3,069,176	-3,309,954	-3,598,520	-3,284,260	-1,369,974
Total Assets	77,578,193,388	77,653,656,724	79,230,410,119	80,838,888,999	80,979,022,032

▼ Balance Sheet Accounting: General Accounting, etc. [Liabilities]

(Unit: yen)

Account Items	2019	2020	2021	2022	2023
Long-term Liabilities	16,744,126,101	16,836,825,930	17,561,374,215	18,711,618,366	19,830,815,584
Municipal Bonds	15,408,132,569	15,517,640,162	16,460,861,930	17,580,915,258	18,594,908,834
Long-term Payables	-	-	-	-	-
Provision for Retirement Benefits	1,335,993,532	1,319,185,768	1,100,512,285	1,098,171,708	1,207,572,950
Provision for Compensation for Losses, etc.	-	-	-	-	-
Others	-	-	-	32,531,400	28,333,800
Current Liabilities	2,123,636,050	2,188,827,200	2,191,088,034	2,255,507,449	2,178,130,577
Municipal Bonds Scheduled for Redemption within One Year	1,721,715,735	1,760,955,631	1,782,910,156	1,809,064,160	1,663,354,291
Accounts Payable	-	-	-	-	-
Accrued Expenses	-	-	-	-	-
Unearned Revenues	-	-	-	-	-
Deferred Revenues	-	-	-	-	-
Provision for Bonuses, etc.	239,173,224	245,882,619	230,607,379	256,873,468	301,414,886
Deposits Received	162,244,463	181,108,000	177,364,460	184,867,457	208,654,334
Others	502,628	880,950	206,039	4,702,364	4,707,066
Total Liabilities	18,867,762,151	19,025,653,130	19,752,462,249	20,967,125,815	22,008,946,161

▼ Balance Sheet Accounting: General Accounting, etc. [Net Assets]

(Unit: yen)

Account Items	2019	2020	2021	2022	2023
Formation Portion of Fixed Assets, etc.	76,184,729,151	76,146,089,462	77,967,975,435	79,607,952,626	79,802,984,691
Surplus (Deficit)	-17,474,297,914	-17,518,085,868	-18,490,027,565	-19,736,189,442	-20,832,908,820

Account Items	2019	2020	2021	2022	2023
Total Net Assets	58,710,431,237	58,628,003,594	59,477,947,870	59,871,763,184	58,970,075,871
Total Liabilities and Net Assets	77,578,193,388	77,653,656,724	79,230,410,119	80,838,888,999	80,979,022,032

Source: From the Setouchi City Financial Documents

What is a Balance Sheet

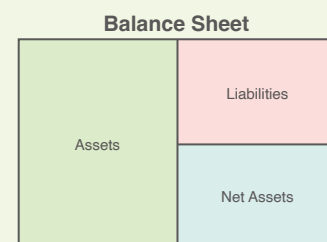
The balance sheet shows the balances of "assets", "liabilities", and "net assets" owned by the city at the end of the fiscal year, and it indicates the financial status of the city.

Assets This represents the amount of funds, financial assets, and social capital to be handed over to future generations. It also indicates how capital is managed.

Liabilities This indicates the amount that future generations will have to bear.

Net Assets This indicates the amount that past generations have borne.

In our city, as of Fiscal Year 2023, the amount of assets is 81.0 billion yen, and the amount of liabilities is 22.0 billion yen. About 27% of the assets are formed by the burden on future generations. The net assets amount to 59.0 billion yen, with about 73% of the assets formed by the burden of the current generation.



Overview of Administrative Cost Calculation Statement

▼ Administrative Cost Calculation Statement Accounting: General Accounting, etc.

(Unit: yen)

Account Items	2019	2020	2021	2022	2023
Operating Expenses	15,035,125,356	20,284,055,126	17,621,602,764	18,978,501,523	19,286,872,452
Business Expenses	9,478,120,762	10,585,751,872	10,593,809,217	11,273,718,203	12,049,968,262
Personnel Expenses	3,499,725,332	3,595,937,127	3,647,941,405	3,749,425,852	3,967,561,879
Staff Salary Expenses	3,064,218,941	2,965,718,543	3,012,875,644	3,043,083,463	2,917,572,576
Provision for Bonuses, etc.	239,173,224	245,882,619	230,607,379	256,873,468	301,414,886
Provision for Retirement Benefits	22,978,859	-	-	-	109,401,242
Others	173,354,308	384,335,965	404,458,382	449,468,921	639,173,175
Property Expenses, etc.	5,692,894,654	6,734,620,477	6,684,611,641	7,247,406,071	7,809,540,832
Property Expenses	2,900,780,153	3,591,764,605	3,883,718,433	4,055,046,351	4,329,523,373
Maintenance and Repair Costs	463,888,273	759,465,318	334,292,133	537,108,448	647,503,344
Depreciation Expenses	2,328,226,228	2,383,390,554	2,466,601,075	2,655,251,272	2,832,514,115
Others	-	-	-	-	-
Other Business Expenses	285,500,776	255,194,268	261,256,171	276,886,280	272,865,551
Interest Payments	103,662,184	90,631,839	69,153,086	64,537,416	76,366,264
Provision for Uncollectible Receivables	2,224,958	7,189,975	6,378,383	8,457,229	2,605,290
Others	179,613,634	157,372,454	185,724,702	203,891,635	193,893,997
Transfer Expenses	5,557,004,594	9,698,303,254	7,027,793,547	7,704,783,320	7,236,904,190
Subsidies, etc.	1,805,906,246	5,689,939,353	2,585,938,755	3,085,769,900	2,592,786,518
Social Security Benefits	2,174,518,745	2,235,955,620	2,309,657,304	2,332,621,612	2,451,279,231
Funds Transferred to Other Accounts	1,572,042,505	1,759,796,618	2,112,870,109	2,192,657,535	2,170,388,628
Others	4,537,098	12,611,663	19,327,379	93,734,273	22,449,813
Operating Revenues	1,245,291,832	977,576,984	1,183,977,411	1,107,995,236	1,029,600,847
Usage Fees and Charges	189,654,875	144,520,757	142,820,235	168,267,210	170,985,117
Others	1,055,636,957	833,056,227	1,041,157,176	939,728,026	858,615,730
Net Operating Administrative Cost	13,789,833,524	19,306,478,142	16,437,625,353	17,870,506,287	18,257,271,605
Extraordinary Losses	1,398,730,421	407,905,405	352,472,972	22,131,502	82,909,930
Disaster Restoration Project Expenses	8,640,000	-	-	-	-
Loss from Sale or Disposal of Assets	524,434,620	53,452,334	352,472,972	22,131,502	82,909,930
Provision for Investment Losses	865,655,801	354,453,071	-	-	-
Provision for Compensation for Losses, etc.	-	-	-	-	-
Others	-	-	-	-	-
Extraordinary Profits	1,364,597	4,515,581	61,895,861	102,988,389	10,825,101
Profit from Sale of Assets	1,364,597	4,515,581	61,895,861	9,568,543	10,825,101
Others	-	-	-	93,419,846	-
Net Administrative Cost	15,187,199,348	19,709,867,966	16,728,202,464	17,789,649,400	18,329,356,434

Source: Setouchi City Financial Documents

What is an Administrative Cost Calculation Statement

The Administrative Cost Calculation Statement shows the costs spent on administrative services that do not lead to asset formation, such as welfare services and personnel costs for staff, and the revenues from usage fees and handling fees for community centers, etc., over one year of administrative activities. It is displayed under the categories of "Operating Expenses", "Operating Revenues", "Extraordinary Losses", and "Extraordinary Profits".

In this city, the net ordinary administrative cost for Fiscal Year 2023 was 18.26 billion yen, which represents the regular cost of operating the municipality for one year.

The temporary loss amount, including the cost of asset dismantling and exceptional expenses such as disposals, was 82.91 million yen, and the temporary gain amount, including temporary revenues such as asset sales, was 10.83 million yen, resulting in a net administrative cost of 18.33 billion yen, which represents the pure cost for one year.

General Account Settlement Situation

▼ General Account: Trends in the Amount of Final Expenditure

(Unit: yen)

Category	2019	2020	2021	2022	2023
Personnel Expenses	3,015,390	3,714,829	3,771,801	3,823,423	3,835,248
Property Expenses	2,636,035	2,779,709	2,918,182	2,993,317	2,911,249
Assistance Expenses	2,807,209	2,910,672	3,325,561	3,501,411	3,714,172
Subsidy Expenses, etc.	1,619,903	5,542,782	2,323,901	2,539,842	2,613,337
Funds Transferred	1,612,370	1,658,343	1,662,915	1,698,463	1,735,872
Public Bond Expenses	1,748,694	2,333,334	2,624,503	2,458,973	2,245,750
General Construction Project Expenses	2,944,893	3,725,772	4,565,235	5,767,195	4,764,374
Others	3,287,384	2,574,553	2,428,159	2,125,893	2,237,484
Final Expenditure Amount	19,671,878	25,239,994	23,620,257	24,908,517	24,057,486

▼ General Account: Trends in the Amount of Final Income

(Unit: yen)

Category	2019	2020	2021	2022	2023
City Tax	6,101,654	6,109,990	5,897,481	5,691,591	5,651,558
Donation Tax・Subsidies	994,826	1,122,771	1,307,251	1,274,766	1,277,008
Local Allocation Tax	4,369,362	4,504,700	5,140,113	4,978,112	5,160,288
Temporary Financial Measures Bonds	400,000	543,021	538,026	199,441	99,266
National and Prefectural Expenditure Money	2,742,985	7,400,456	4,274,715	4,482,699	4,336,282
City Bonds (Excluding Temporary Financial Bonds)	1,211,300	1,844,403	2,982,500	3,341,200	2,938,400
Funds Transferred	1,753,724	2,194,312	1,230,415	2,749,533	2,376,921
Others	3,084,719	2,593,449	3,019,621	2,952,123	2,931,354
Final Income Amount	20,658,570	26,313,102	24,390,122	25,669,465	24,771,077

▼ General Account: Trends in Fund Balances

(Unit: yen)

Category	2019	2020	2021	2022	2023
Fiscal Adjustment Fund	4,097,905	3,776,930	4,033,525	3,935,174	3,796,332
Debt Reduction Fund	637,050	438,815	744,278	265,884	117,542
Specific Purpose Funds (Excluding Sun City Fund (Disaster Measures))	5,865,936	5,411,414	5,592,574	4,974,376	4,585,064
Sun City Fund (Disaster Measures)	403,913	606,401	828,359	1,050,565	1,273,117
Total	11,004,804	10,233,560	11,198,736	10,225,999	9,772,055

▼ General Account: Trends in Financial Indicators

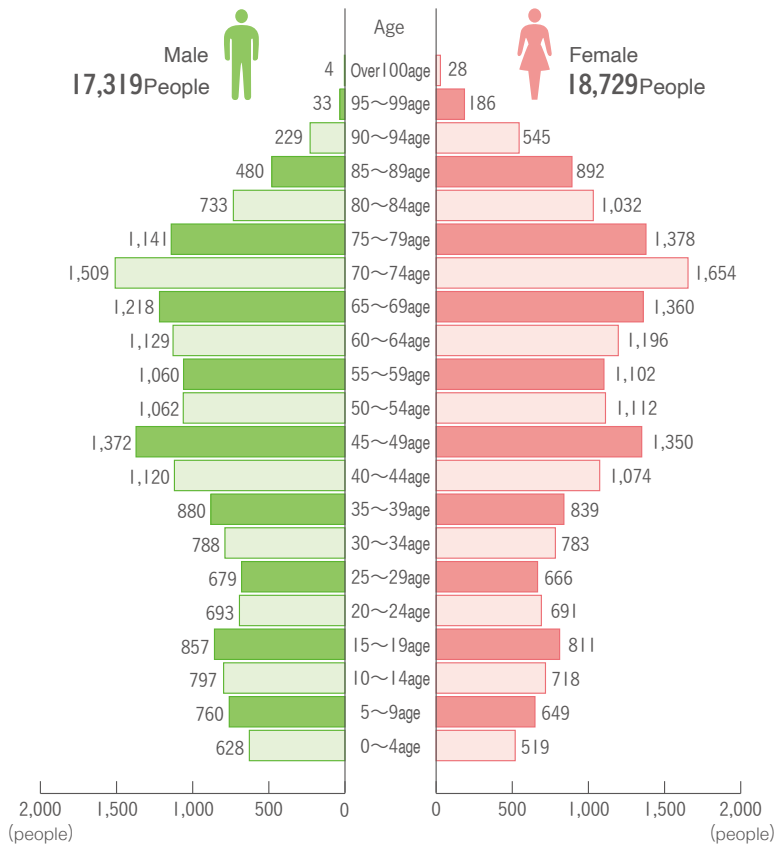
(Unit: %)

	2019	2020	2021	2022	2023
Current Account Balance Ratio	82.9	82.0	81.8	86.9	88.9
Judgment Ratio for Fiscal Health					
Early Fiscal Health Standards					
Financial Revitalization Standards					
Real Deficit Ratio	13.12	20.0	-	-	-
Consolidated Real Deficit Ratio	18.12	30.0	-	-	-
Real Public Bond Expense Ratio	25.0	35.0	9.5	8.6	8.7
Future Burden Ratio	350.0	40.7	36.2	18.3	31.3
Funding Shortfall Ratio	20.0	-	-	-	-

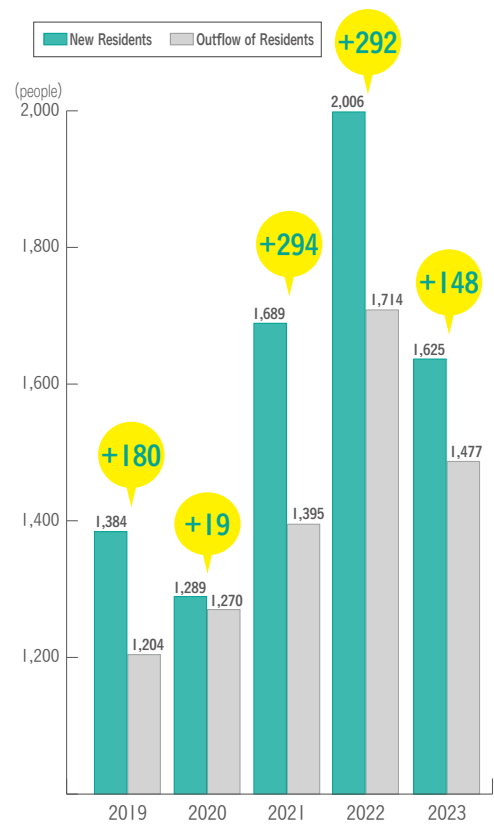
Overview of the Fiscal Year 2023 Settlement

- The amount of expenditure for the Fiscal Year 2023 was 24.06 billion yen, which is a decrease of 851.03 million yen compared to the previous fiscal year. The main reason for this reduction is the decrease in general construction costs due to the completion of work on the main building's western wing and the Osafune branch in the office reorganization project, as well as the completion of work on Osafune Station in the JR station area improvement project.
- The total revenue for the Fiscal Year 2023 was 24.77 billion yen, which is a decrease of 898.39 million yen compared to the previous fiscal year. The primary reasons for this reduction are a decrease in corporate municipal tax revenue due to the performance of major local companies and a reduction in national treasury disbursements due to factors such as the decrease in the special temporary support project subsidy for child-rearing households.
- The ordinary income and expenditure ratio for the Fiscal Year 2023 was 88.9%, an increase of 2% compared to the previous fiscal year. The main factors for this increase are the growth in welfare costs due to the expansion of social security expenses, and the increase in property costs due to the soaring prices and electricity costs.

【Population by Gender and Age (2020)】



【Annual Flow of Population - Social Trends】

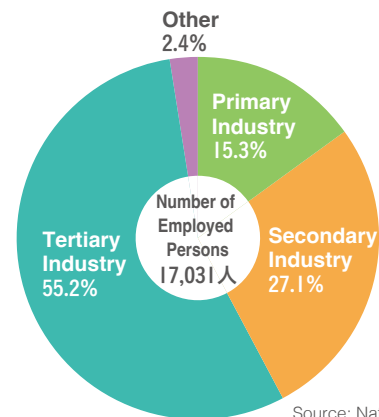


【Number of Employed Persons by Industry (2020)】

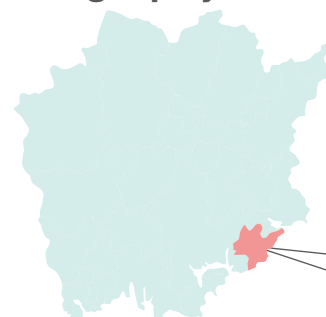
Industries	Number of employed persons (persons)
Agriculture, Forestry	1,283
Including Agriculture	1,279
Fishing	233
Mining, Quarrying, and Gravel extraction	2
Construction	935
Manufacturing	4,026
Electricity, Gas, Heat supply and Water	60
Information and Communication	149
Transportation and Postal services	1,118
Wholesale and Retail trade	2,219
Finance and Insurance	281
Real Estate and Goods rental	113
Scientific research, Professional and Technical services	313
Accommodation and Food services	584
Personal life related services, Amusement services	356
Education, Learning support	762
Medical, Welfare	2,480
Compound services	170
Services (not classified elsewhere)	1,007
Public administration (except those classified elsewhere)	498
Industries not classifiable	442
Total	17,031

Source: National census in 2020

【Proportion of Employed Persons by Industry (2020)】



【Geography】



Setouchi City

Longitude: 134 degrees 05 minutes 34 seconds
Latitude: 34 degrees 39 minutes 53 seconds
Area: 125.46 km²

【Education, Medical, and Environmental Facilities, etc. (☆October1,2023 / ✖April1,2024 / ◎May1,2024)】

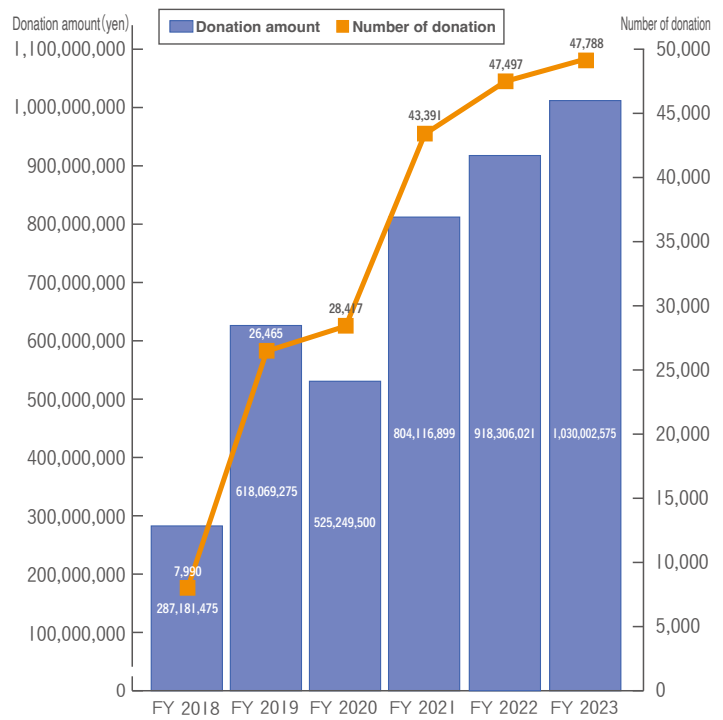
◎Kindergartens (Closed)	✖Nursery Schools	◎Certified Childcare Centers for Preschool and Daycare Collaboration	◎Elementary Schools	◎Junior High Schools	☆Hospitals	☆General Clinics	☆Dental Clinics	✖Garbage Disposal Facilities (Including Intermediate Processing Facilities)	✖Septic Tank Treatment Facilities	✖Crematoriums
6 (2)	6	2	9	3	4	28	16	2	1	1

【Number of Designated/Registered Cultural Properties (As of 2024)】

Category	Designated				Registered
	National (including National Treasures)	Prefecture	City	Total	National
Buildings	4	6	16	26	17
Paintings	3	1	6	10	0
Sculptures	5	4	10	19	0
Craftworks	5	10	4	19	0
Old Documents	0	1	0	1	0
Archaeological and Historical Materials	0	1	2	3	0
Historical Sites and Natural Monuments	4	4	12	20	0
Intangible Cultural Properties, etc.	0	3	0	3	0
Folk Cultural Properties	0	8	20	28	0
Total	21	38	70	129	17

Source: From the Culture and Tourism Division

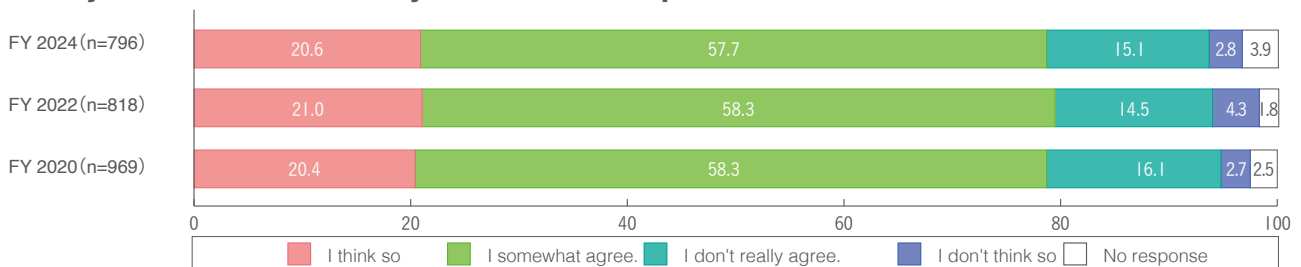
【Hometown Tax Donation for Individuals: Donation Amounts and Number of Donation】



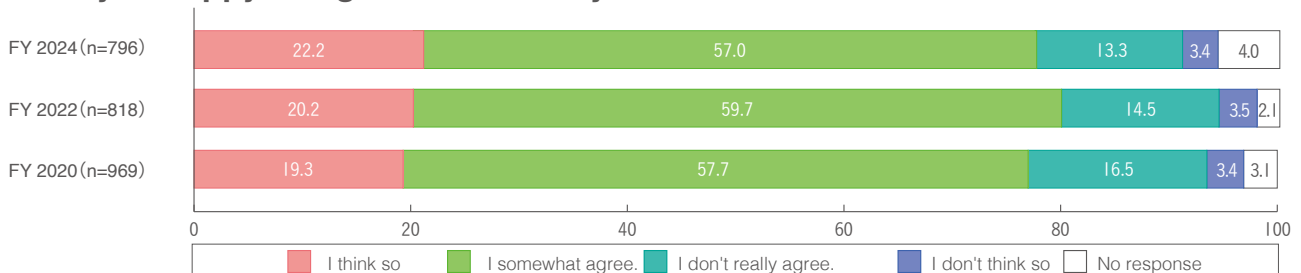
Source: From the Secretary and Public Relations Division

【Setouchi City Resident's City Development Awareness Survey】

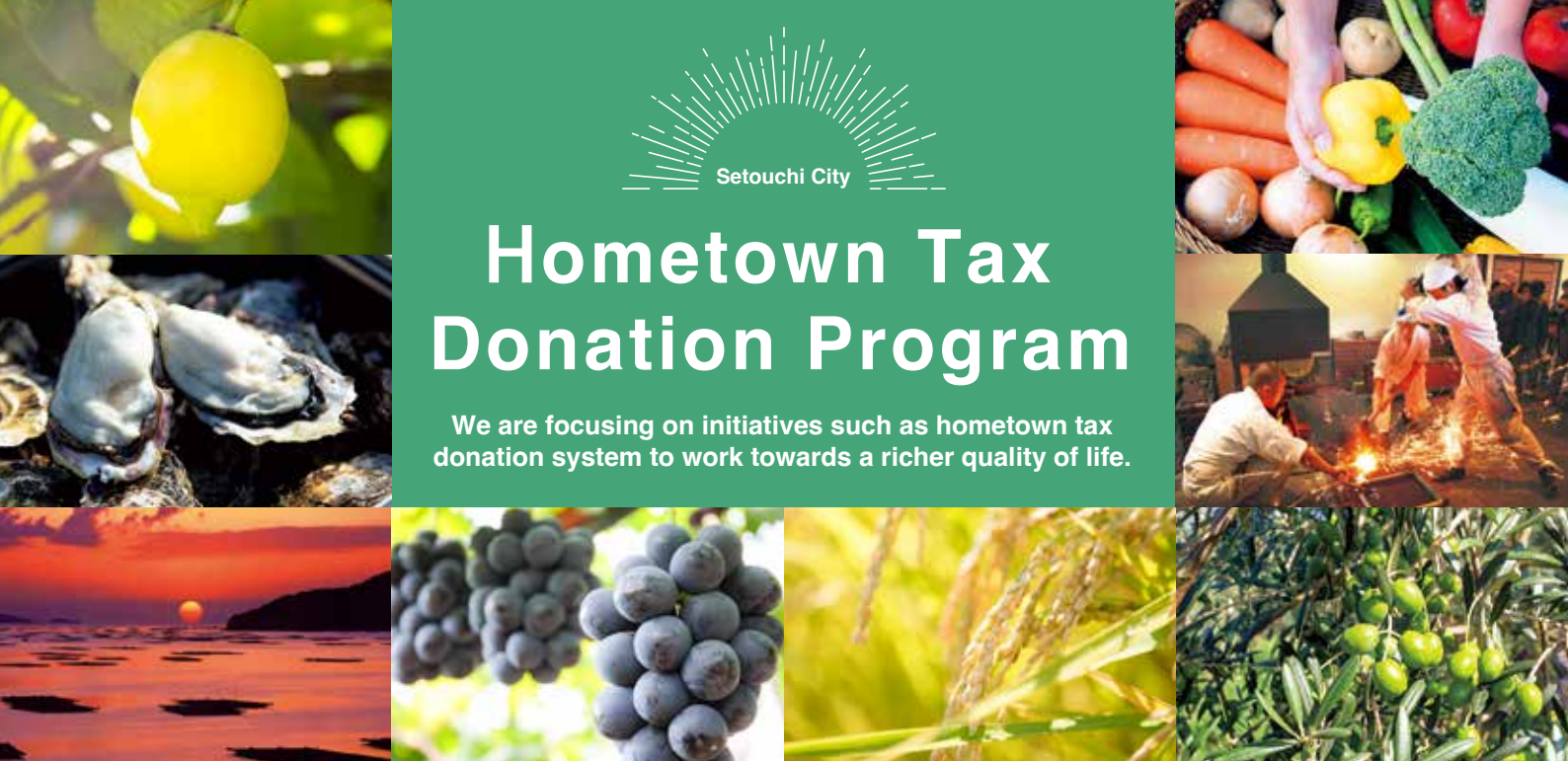
Q.Do you find Setouchi city a comfortable place to live in?



Q.Are you happy living in Setouchi city?



Source: From the Setouchi City Citizen Town Planning Consciousness Survey



Hometown Tax Donation Program

We are focusing on initiatives such as hometown tax donation system to work towards a richer quality of life.

Personal Hometown Tax Donation Program

<https://setouchi-cf.jp>



This is a system where you can receive tax deductions for donating to the local government you support. You can freely choose from about 1,800 municipalities across the country, and it is not necessary to choose your hometown. The amount of your donation, minus 2,000 yen, is fully deducted from your income tax or resident tax within a certain range. Many municipalities prepare "gifts of appreciation,"

such as local specialty products and accommodation vouchers, and it is popular as a means to support the community.

In Setouchi City, we are working on various projects with the goal of creating a city where people can live with a rich and fulfilling sense of well-being. We ask for your support in these projects while enjoying the city's proud return gifts from the hometown tax donation program.

Donation Amount **1,030,002,575 yen**
(Fiscal Year 2023)

Number of Donation **47,788**
(Fiscal Year 2023)

Utilization of Donation Funds (Fiscal Year 2023)

● Projects related to the promotion of industry

- Subsidies for promoting business location 9,928,000yen
- Subsidies for promoting reinvestment 6,839,000yen
- Commission for promoting tourism attraction 4,999,000yen
- Projects to eliminate abandoned farmland 3,478,000yen

● Projects related to the preservation of nature or the environment

- Management and operation of Osafune Beautiful Forest (Park and Campground) 12,929,000yen
- Subsidies for promoting decarbonization for residential use 12,613,000yen
- Subsidies for cat sterilization surgery costs 3,286,000yen

● Projects for enriching medical or welfare services

- Taxi utilization subsidy project 17,654,000yen
- Commission for dispatching foreign instructors to daycare centers 3,920,000yen
- Subsidy project for the purchase of hearing aids for the elderly 900,000yen

● Projects related to the promotion of education, culture or sports

- Maintenance of Oku Sports Park Baseball Field 44,035,000yen
- Educational Information Equipment Development Project 26,579,300yen

- Commission for dispatching foreign instructors to kindergartens and elementary schools 31,680,000yen
- Improvement of toilet environment in kindergartens and elementary schools 32,042,000yen
- Expenses for setting up self-support rooms 18,651,000yen
- Use fees for digital textbooks in elementary and junior high schools 13,164,000yen
- Study or job support funds at the completion of compulsory education 3,180,000yen
- Subsidies for promoting sailing activities 2,430,000yen

● Projects related to creating a safe and secure city

- Firefighting facility improvement project 22,935,000yen
- Disaster prevention administrative radio management project 2,364,000yen
- Subsidies for supporting the installation of security cameras 388,000yen

● Projects related to human rights

- Subsidies for the Promotion Council for the World Heritage Registration of Leprosy Sanatoriums 5,026,000yen

● Projects deemed necessary by the mayor

- Children's Playground promotion project 18,755,000yen
- Cultural tourism base plan project 17,937,000yen
- Support for global refugees through UNHCR 6,800,000yen
- etc.

Corporate Hometown Tax Donation Program

<https://setouchi-cf.jp/corporates/>



This is a system in which ambitious corporations can receive preferential tax treatment if they support the efforts of local public entities to revive their regions through donations. The Corporate Hometown Tax Program, officially called the "Local Revival Support Tax System", provides special deductions on taxes for companies that donate to local revival projects carried

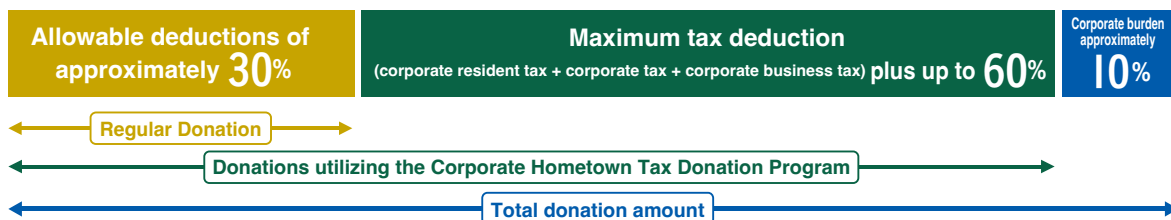
out by local public entities certified by the Cabinet Office.

A significant revision was made to the tax system in the fiscal year of 2020, and up to about 90% of the donation amount is now deductible. This has made it a more user-friendly system for companies by significantly reducing the actual burden on companies to approximately 10%.

Maximum reduction effect up to 90%

(For example, if you donate 1 million yen, the tax reduction effect is 900,000 yen, and the actual company burden is 100,000 yen.)

The actual corporate burden is about 10%!



Donation Amount **35,299,307 yen**
(Fiscal Year 2023)

Number of Donation **26**
(Fiscal Year 2023)

Utilization of Donation Funds (Fiscal Year 2023)

- Promotion of World Heritage registration for the Hansen's Disease Sanatorium 3,000,000yen
- Yumeji's Hometown Art Exchange Project 3,000,000yen
- Children's Playground Project 800,000yen
- Happiness through Food Project 20,299,307yen (Partially set aside for the fund)
- Regional Revitalization Project through Succession and Utilization of Traditional Craft Artwork "Bizen☆" 1,000,000yen
- Support for the Paris Olympics Sailing Competition 4,100,000yen
- JR Station Front Development Project 3,000,000yen
- Community Building Collaboration Project 100,000yen

Setouchi Fan Club

<https://setouchi-fc.com>



The "Setouchi Fan Club," which was established in 2020 with the desire to have more people know about the charms of Setouchi City, is a membership organization that anyone can join completely free of charge. Even if you don't live in the city, by joining, you can regularly receive valuable information about

Setouchi City and enjoy various member benefits. At the "Setouchi Fan Club," we hope not only for more people to join in the future, but also for each and every member to become a supporter who promotes Setouchi City to those around them.

Setouchi Fan Club membership **2,503 people**
(Fiscal Year 2023)

Partner stores offering fan club member benefits **16 stores**
(Fiscal Year 2023)



SETOUCHI CITY VISION

Setouchi City Integrated Report 2024 (Setouchi City Profile)

【Issued in March 2025】

Reporting period

April 1, 2023 - March 31, 2024

Issued

Setouchi City Comprehensive Policy Department, Secretarial Public Relations Division

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Back Numbers



<https://www.city.setouchi.lg.jp/soshiki/7/132913.html>

Reader Survey



<https://35e8ea52.form.kintoneapp.com/public/>

瀬戸内市統合報告書読者アンケート

SETOUCHI
CITY VISION

**Setouchi City
Integrated Report
2024**

⑧ Creating a Disaster-Resilient City through Self-help, Mutual Aid, and Public Assistance



It is projected that a Nankai Trough earthquake of magnitude eight to nine is likely to occur with a probability of 70 to 80 percent within the next 30 years. In addition, measures are being demanded to protect citizens' lives from disasters, given the heavy rainfall in western Japan in 2018 that caused major damage in Okayama Prefecture and the increasingly severe nationwide flood disasters in recent years.

In Setouchi City, we have been operating a disaster information communication system since fiscal year 2023, and we have been developing the ability to quickly and accurately communicate disaster information through various means such as disaster prevention apps, outdoor broadcasting, and individual receiving devices. Through comprehensive disaster drills, lectures in local communities, and disaster education in elementary schools, we are promoting disaster countermeasures based on self-help and mutual aid. We are also enhancing and strengthening local disaster prevention capabilities

centered on the fire brigade and enhancing and strengthening firefighting facilities. By transmitting disaster prevention information through various means, we will continue to work on strengthening disaster preparedness so that everyone, anytime and anywhere, can access information.

In addition, securing toilets that can be used safely and hygienically is an important issue for residents in disaster-stricken areas, alongside the provision of emergency facilities for supplying water, food, and medical care. In Setouchi City, ten manhole toilets were installed in the Oku area in Fiscal Year 2023. Manhole toilets are facilities where a toilet bowl and partition facilities are installed on a sewage facility connected to a sewer manhole or sewer pipe. They are easy to install and can be used in a similar way to regular flush toilets. This initiative helps ensure a comfortable toilet environment during a disaster, contributing to maintaining a good living and sanitary environment in evacuation centers.

DATA

• Number of disaster prevention app installations **5,672 people** (As of March 31, 2024)



⑨ Enhancing Public Transportation for a City Where Everyone Can Move Freely



In Setouchi City, we operate six municipal bus routes within the city, and we have taken over private bus routes that have been discontinued, operating a total of eight routes. We have made the fare a flat rate of 100 yen per ride in an effort to increase usage, and from the Fiscal Year 2024, we have introduced a bus location system to improve convenience further. We also provide subsidies for taxi fares for elderly people and people with severe physical and mental disabilities or those requiring care under the

Long-Term Care Insurance Act, who meet certain conditions and live in areas where public transportation is difficult to use.

This initiative, which involves a significant portion of the city's budget, not only is indispensable for commuting to work or school, but also promotes outdoor activities among the elderly, preventing loneliness and isolation, and helping everyone continue to live in their familiar neighborhoods. It also contributes to the prevention of traffic accidents and the reduction of carbon dioxide emissions.

DATA

• Cost of purchasing municipal bus vehicles
• Cost of commissioning municipal bus operation services

45,056,000 yen (Fiscal Year 2023)
75,073,764 yen (Fiscal Year 2023)

