



# Our Approach for a Just Transition

Applying the just transition concept to enhance the sustainability of regional areas and industries. Our journey of supporting small-to-mid-sized businesses and organizations.



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## ■About the Justra Program

The Justra Program, supported by JPMorganChase and implemented by ETIC, supported small-to-midsized businesses and organizations from April 2023 to September 2024.

## ■Program Participants

The program engaged leaders from small-to-midsized businesses and organizations, including intermediary organizations, aiming for decarbonization to protect the environment while ensuring the sustainability of their local communities and industries.

## ■Program Objectives

(1) Test the hypothesis that incorporating the concept of a just transition into the visioning and business planning of small-to-midsized businesses and organizations positively impacts their activities. A just transition, proposed at past Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC) and adopted by the Japanese government, aims to ensure that no one is left behind during the transition to a decarbonized society and industrial restructuring.

(2) identify leading examples (model cases) of just transitions in regional communities across Japan by implementing the first objective.

**First objective: Test the hypothesis that incorporating the concept of a just transition into the visioning and business planning of small-to-midsized businesses and organizations positively impacts their activities.**

Opportunities provided to participating businesses and organizations: (see p.10 for details):

- Introductory session on the concept of a just transition.
- Five seminars and workshops on business responses to climate change, as well as on fairness and inclusiveness.
- Site visits and fieldwork in Denmark and three locations in Japan.

Program outcomes (see p.27 for participants' feedback):

- Business owners and employees gained broader perspectives, which led to redefining their mission and vision as well as improving their business plans.
- Participants began implementing actions with greater awareness of engaging a wider range of stakeholders.
- The program laid the foundation to foster collaboration among participants.

**Second objective: Identify leading examples (model cases) of just transitions in regional communities across Japan.**

- With the participation of more than 10 regions across Japan, we could collect a wide variety of activities and examples of the initiatives.
- A just transition is originally a national-level policy concept aiming for a decarbonized society. Therefore, we faced trial and error as we worked to adapt this concept into actionable initiatives for small-to-midsized businesses and organizations in regional areas. Through this process, we broadened the definition of a just transition to encompass transitions toward sustainable regional communities and industries, which inherently include measures to address climate change and environmental concerns. This allowed us to develop our own set of indicators (see p.7, “Three Pillars”).
- From this perspective, we were able to compile model cases for just transitions from each region (see p.11).

Tomohiko Sano, Head of Japan ESG & Sustainability and Machinery Research,  
J.P. Morgan

We believe that the strength of businesses is closely linked to the vitality of local communities. Therefore, we focus on small businesses and sustainability. We support the growth of small-to-midsized businesses—the key components of a strong economic foundation— by ensuring access to critical resources such as capital, customers, networks, and mentorship. Through our partnership with ETIC, we aim to promote economic growth in regional communities and foster a sustainable future.

In Japan, following the Great East Japan Earthquake in 2011, we supported recovery efforts by assisting small-to-midsized businesses as well as female entrepreneurs in the Tohoku region. This time, we partnered with ETIC to support SMBs across various regions, including eastern Japan. We are delighted to have contributed to the growth of entrepreneurs as they face the major challenge of achieving a just transition to a green economy.



## Background

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### Overseas

- A just transition was formally advocated by the International Trade Union Confederation at the 15th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP15) in 2009.
- A just transition is a framework that aims to ensure a fair and equitable shift towards a sustainable society when implementing environmental solutions and measures, without leaving behind workers in affected industries or communities where these industries are located.
- The Paris Agreement, adopted at COP21 in 2015, refers to taking into account the imperatives of a just transition of the workforce and the creation of decent work and quality jobs in accordance with nationally defined development priorities.
- According to the ILO's estimate for 2019, 100 million new jobs will be created by green industries, while 80 million jobs will be lost from traditional industries and those dependent on fossil fuels.

### Japan

- Japan has set a target to reduce greenhouse gas emissions by 46% (compared to that of 2013) by 2030. Industries and regions that are highly dependent on fossil fuels are expected to experience a significant impact on their livelihoods.
- The Japanese government has begun efforts towards a just transition. The interim summary for the Sixth Basic Environment Plan released in 2023 mentioned the just transition of workers, including investment in human capital in regional areas. Concurrently, "Towards Promoting Green Transformation," a document released in 2023, stated that while significantly expanding the policy package for investment in human resources to 1 trillion yen (about \$6.45 billion) over the next five years, the government will support the just transition by promoting the acquisition of new skills and seamless labor mobility to growth fields, including green sectors. This could be done by facilitating labor mobility to growth sectors, supporting career changes for employed individuals, and assisting companies in reskilling their employees.

Three pillars of just transition, as defined by the ILO, that are most relevant to our program

## Our Initiatives

- Regional areas are prompted to respond to two major environmental changes: the societal change of a declining labor force, and natural environmental shifts caused by climate change and other factors.
- With the support of J.P. Morgan, we started the Justra! (abbreviated form of “just transition” in Japanese) Program in April 2023. The objective is to make a vision for small and mid-sized businesses seeking structural transformation that protects employment, the local economy, and the natural environment in their respective regions.
- Starting with a visit to Denmark, a country that is advanced in addressing environmental issues and known for its high happiness index, program participants learned from each other’s efforts in their respective regions and explored a desirable lifestyle based on three pillars: greening the economy, decent work, and “leaving no one behind.”

1

### Greening the economy

Creating an economy that improves people’s quality of life while reducing risks and ecological losses associated with climate change.

2

### Decent work

Create opportunities not only for employment, but also for meaningful and humane jobs that give a sense of pride to the workers and local communities in which they work.

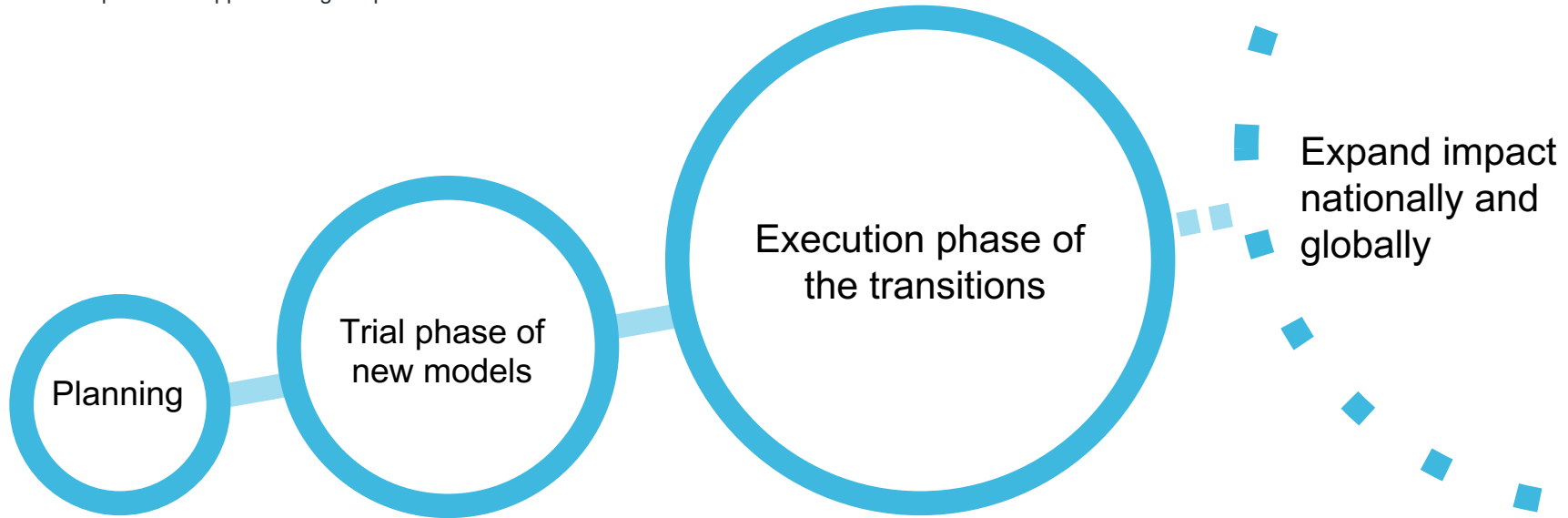
3

### Leave no one behind

Transition based on DEI (Diversity, Equity & Inclusion) that leaves no one behind.

## *PROGRAM*

Our program is intended for businesses that address a wide range of climate change and regional issues. We work with them through various stages from planning to the execution of transitions. We strived to build a foundation for projects that would enhance regional sustainability by conducting site visits and organizing seminars to examine examples of just transitions in Japan and overseas. We also provided support through experts in the field.



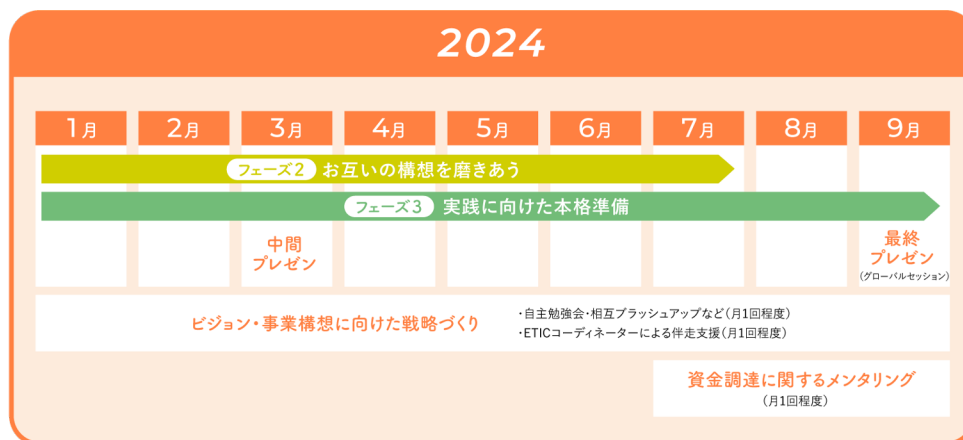
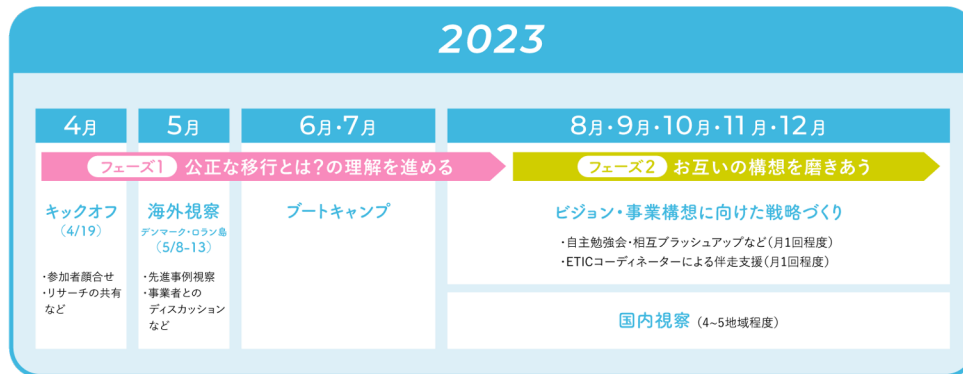


# Program Participants



Group1	
Shimokawa, Hokkaido	Shimokawa Justra Study Group <ul style="list-style-type: none"> <li>- NPO Morinoseikatsu</li> <li>- Shimokawa Furusato Enterprise Cooperative</li> <li>- Limited Company Matsuoka Farm</li> <li>- Limited Company Shimokawa Feed Service</li> <li>- Ishitani Trading Co., Ltd.</li> <li>- Shimokawa Seeds Co., Ltd.</li> </ul>
Hirono, Iwate	Kita-Sanriku Factory Inc.
	General Incorporated Association Moova
Ishinomaki, Miyagi	General Incorporated Association Fisherman Japan
	Limited Liability Company Sakana Design
Owase, Mie	General Incorporated Association Tsuchikara Minore
	Owase Yard Service Co., Ltd.
Ama, Shimane	Comogomo Co., Ltd.
Kamikatsu, Tokushima	Limited Liability Company RDND

Group2	
Usuki, Oita	Usuki Energy Co., Ltd
Aso, Kumamoto	NPO Aso Akaushi Study Group
Kobe, Hyogo	Altalena Co., Ltd
	Value way Inc.
Hachinohe, Aomori	Value Shift Inc.
Unnan, Shimane	NPO Occhi Lab





## ■Background:

Since people first settled in Shimokawa in 1901, the town flourished primarily through agriculture, forestry, and mining, and its population grew to more than 15,000. However, as Japan's economy grew, the copper mines were closed. The train line was terminated, and the town experienced a population decline, ranking first in Hokkaido and fourth in the nation according to the 1980 census, resulting to its industrial downturn. To overcome this crisis, the town switched to building an industrial cluster centered on forestry and forest industry. The town is now known as a region advanced in the use of renewable energy, with approximately 70% of the heat for public facilities provided by woody biomass. The town has been selected as an Environmental Model City, an Environmental Future City, a Biomass Industrial City, and an SDGs Future City, among others. While the natural population is still declining, the influx of people has been increasing in recent years, and in 2005 and 2010, the region received the Minister of Internal Affairs and Communications Award for Excellence in Independence and Revitalization of Depopulated Areas, showing that the decline in population is coming to a halt.

## ■Initiatives:

Upon joining this project, the town launched the Shimokawa Justra Group jointly administered by the local NPO Morinoseikatsu and Shimokawa Town Hall's General Affairs and Planning Division. The goal is to create a concrete plan for the town's transition to become decarbonized. The project is not just about achieving decarbonization, but also about creating sustainable industries and comfortable environments for the residents by 2050. As of 2024, more than 50 participants, both businesses and residents, are involved in the project and have formed working groups to explore a range of questions, such as: "Can the dairy farming industry reduce electricity costs by generating its own electricity with solar power?"; "How can we reduce the amount of household waste?"; "How can we develop products using crops grown on sloping farmland in the mountains?"; "Can we introduce car sharing in Shimokawa?"

## ■Reference Links in Japanese:

- Toward a Sustainable Town: Shimokawa in Hokkaido Envisions Its Future in 2050 Through Dialogue, Practice, and Sharing.  
(<https://drive.media/posts/38075>)
- Conducting Fieldwork in Shimokawa, Hokkaido and Co-Hosting the Shimokawa Justra Forum with the Shimokawa Justra Study Group  
(<https://justra.etic.or.jp/report/285/>)

New businesses created by the platform

# 5+

New initiatives are being considered or started with the study group support

Resident participation to the transition

# 60 ppl+

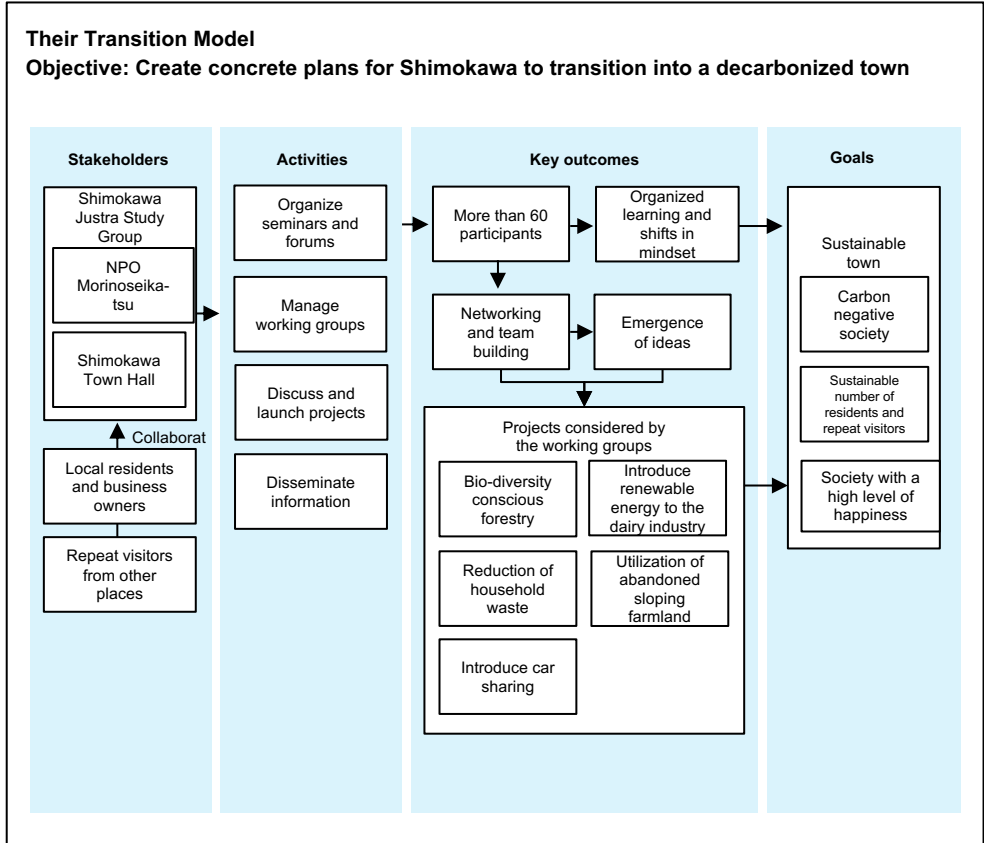
Create a new economy connected to the community. Participate in a research on creating decent jobs. (A survey for 50+ repeat visitors was conducted.)

**Their Story**

The Shimokawa Justra Study Group, jointly run by the NPO Morinoseikatsu and Shimokawa Town Hall, has been organizing and supporting seminars and thematic working groups to ensure that no one in town is left behind and that the transition is just. The town's population is 2,858 as of September 1, 2024.

More than 60 residents and nearly the same number of people, who are repeat visitors of the town, participated in overseas study tours and local study groups. In the process of deepening their understanding of the local issues, several working groups were established. Each project has its own goals and is working on creating projects that will play a role in creating the new green economy.

The study group will continue to provide support for mutual learning among residents and facilitate project launches, serving as an intermediary in the community. In addition to launching individual projects, the study group will lay the groundwork for creating a platform for all stakeholders to come together to ensure that no one is left behind in the transition process and to facilitate the creation of decent work that residents want to pursue.





## ■Background:

Hirono, where Kita-Sanriku Factory is located, lies at the northernmost point along Iwate Prefecture's coastline and boasts the largest sea urchin (*uni* in Japanese) harvest on the main island of Honshu. For more than half a century, fishermen in Hirono have been engaged in circular aquaculture to cultivate sea urchins around trenches (the Uni Ranch®) by digging shallow bedrock. However, in recent years, environmental changes such as global warming have caused serious environmental and social challenges in Japan and worldwide, causing *isoyake*, or rocky-shore denudation, where seaweed beds are being devoured by an overpopulation of sea urchins.

## ■Initiatives:

Under the corporate mission of “Enriching the world's oceans from Kita-Sanriku,“ Kita-Sanriku Factory is transforming starving sea urchins, which have been deprived of food due to rocky-shore denudation, into flavorful and edible ones through regenerative aquaculture. They restore seaweed beds using compost blocks made from sea urchin shells. The other goal is to bring sea urchins and other sustainable seafood to consumers all over the world. They opened a subsidiary in Austria to restore the marine ecosystem through their seafood business. As a platform to enrich the world's oceans, the company holds the Uni Summit every year for all stakeholders to get together. This initiative was given the top prize in the leadership category of the Japan Sustainable Seafood Award 2023 at the Tokyo Sustainable Seafood Summit 2023.

## ■Reference Link:

<https://kitasanrikufactory.co.jp/en/>

# 【Hirono, Iwate】 The Just Transition Model by Kita-Sanriku Factory



Creating a green economy

**300M<sub>yen</sub> +**

Sustain the impact created by the green economy

Decent work

**40 jobs+**

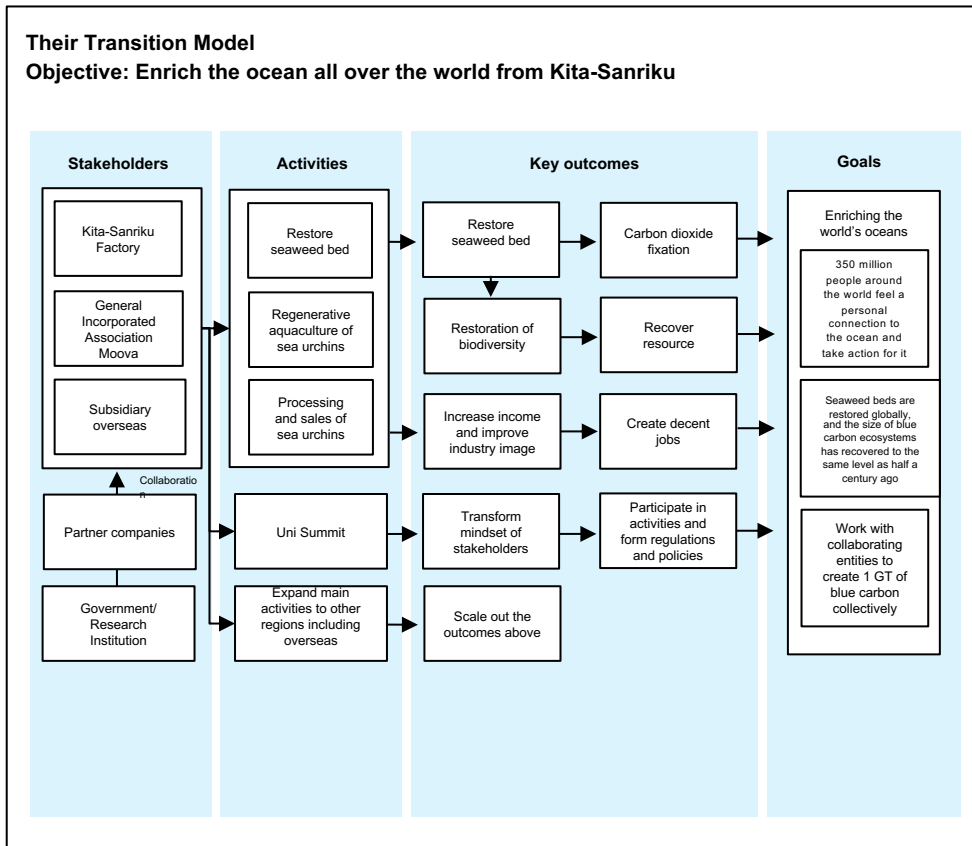
Create new decent jobs

**Their Story**

Hirono in Iwate Prefecture is known for being the only sustainable sea urchin ranch in the world. Created about half a century ago, the fishing ground provides a rich marine bounty and has been attracting attention in recent years for its blue carbon potential. Kita-Sanriku Factory has been instrumental in creating a green economy with an economic impact of more than 300 million yen (about \$1.94 million) annually in the region. It offers decent jobs by developing new proprietary technologies such as sea urchin regenerative aquaculture.

In recent years, the company has hosted the annual Japan Uni Summit to transform the entire fisheries industry. The most recent summit, held in July 2024, gathered 140 participants from various sectors, beyond just fisheries, all of whom pledged to take “uni-versal action” to enrich the world’s oceans.

The company is currently working to expand its large-scale land-based sea urchin aquaculture model to various regions across Japan and overseas. Efforts to scale out are underway in locations such as Australia, where proof-of-concept projects are being conducted. In Japan, they are collaborating with regions that are part of the Just Transition project. These efforts are expected to generate an impact that enriches the world’s oceans, extending beyond Iwate.



# 【Ishinomaki, Miyagi and Nationwide】 Initiatives by Fisherman Japan



## ■Background:

Japan's fisheries industry faces numerous challenges, including a shortage of successors, an aging workforce, the depletion of marine resources, and changes in the marine environment. Many say that the industry is facing a race against time: whether the fish will disappear first or the fishermen. The Great East Japan Earthquake in 2011 underscored many of the pressing issues, and the fisheries industry was no exception. In response, Fisherman Japan was founded as a group of young fishermen aiming to rebrand the fisheries industry as "cool, profitable, and innovative" while also presenting a future vision of the industry for the next generation. Fisherman Japan includes not just fishermen but also seafood manufacturers, wholesalers, IT professionals, artists, researchers, and a variety of other members. Everyone involved in this new fisheries framework is referred to as a "fisherman," and their network is growing not only within Japan but also globally. By transcending the traditional constraints of the fisheries industry, they are striving to create change in the industry through diverse projects by introducing new ways of work and fostering cross-industry collaboration.

## ■Initiatives:

The Triton project was launched to increase and nurture the next generation of fishermen from all over Japan. In cooperation with the local fishermen, fishermen's cooperatives, and the local government, the project offers training programs for young newcomers to the fisheries industry. It also runs a job site specializing in fisheries and has a shared house in Miyagi Prefecture to accommodate prospective fishermen to the area. To date, the program has trained more than 60 new workers in Miyagi and more than 200 nationwide. Through an internship program for university students specializing in the fisheries industry, the program dispatched more than 200 university students from all over Japan to work in the fisheries industry to help solve the problems faced by each company. To strengthen the business aspects of the fisheries industry, Fisherman Japan is reviewing the distribution structure and promoting digital transformation by leveraging IT and the latest technologies. This is leading to cost reductions and the development of new distribution and sales channels. In the export and consulting businesses, they collaborate with fisheries businesses and distributors nationwide to transform distribution methods with a focus on making effective use of limited fishery resources and maximizing their value in each region. To make the fisheries industry sustainable, it is important to support the environment in addition to human resources and the economy. All three pillars must be in balance. In this regard, the company is working to preserve the marine environment. In response to rocky-shore denudation, which reduces seaweed in the world's oceans, they are working to protect and increase seaweed while conducting research and surveys to understand the correlation between the mountains and oceans as nutrients and minerals from resource-rich mountains flow to the oceans and enrich the marine ecosystem. To address the rapidly changing oceans, they recognized the need to generate a significant flow of funds to support valuable fishery-related startups. This led to the creation of the Fisherman Japan Blue Fund. Fishery organizations and fintech companies are collaborating to develop a new mechanism for raising investment and donations, accelerating efforts to protect the ocean's abundance.

## ■Reference Link in Japanese:

<https://fishermanjapan.com/>

Train and place young people to support the fisheries industry

# 200

 ppl+
 

Incorporate survey results to further promote DEI for future training and placement

Decent work connected to the region

# 25

 jobs+
 

Create new and decent jobs connected to the region

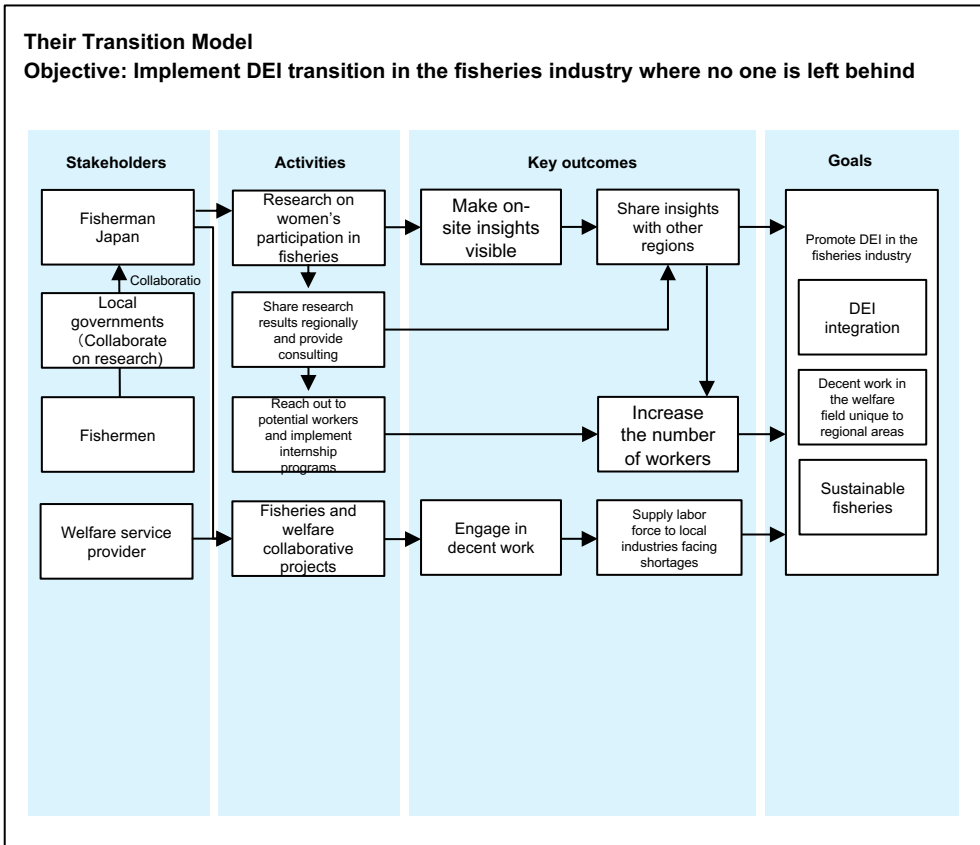
**Their Story**

Fisherman Japan was founded in Ishinomaki following the Great East Japan Earthquake in 2011 and has since expanded nationwide, making a significant impact on the fisheries industry. Through the lens of a just transition, the organization is reshaping workstyles in the fisheries sector by developing systems that enable broader engagement with the environment while prioritizing human resource development.

To create green and decent jobs, Fisherman Japan promotes various initiatives, such as building inclusive regional communities, encouraging side jobs and multi-career pathways, advancing opportunities for women, and fostering collaboration between the fisheries industry and welfare services. Additionally, the organization is driving digital transformation (DX) to create a more accessible and efficient work environment. These efforts lower barriers for people—such as women, multi-career professionals, and those pursuing side jobs—who have historically faced challenges entering the fisheries sector. This approach not only enhances energy efficiency but also creates new employment opportunities.

As part of its collaboration between the fisheries industry and welfare services, Fisherman Japan introduced *wakame* seaweed processing, a local industry, to a welfare facility. This project aims to explore the potential for cooperation while addressing existing challenges. With full-scale implementation, it is expected to increase decent jobs and contribute to the growth of the regional economy.

In 2024, the Fisherman Japan Institute was established to enhance its efforts in creating a greater impact by connecting academic research fields with the fisheries industry.







## ■ Background:

In 1964, the Owase Mita Thermal Power Station was built in Owase, Mie Prefecture, and became the largest employer and one of the key industries in the region. Later, Owase became the first city in Japan to decide to close the power station. The demolition work began in 2018, and the power plant was completely removed. Four years later, in 2022, Owase issued a Zero Carbon City Declaration, marking a significant turning point for the region.

## ■ Initiatives:

Owase Yard Service, which previously handled maintenance work for the thermal power plant facilities, established Owase Mukai Farm to revitalize the local community following the power plant's closure. Under the slogan "From Iron to Soil," the company is currently undergoing a business transformation by utilizing its existing technology to cultivate abandoned farmland and create farming and camping facilities on off-grid land.

In 2021, Tsuchikara Minore was established to create a sustainable community by utilizing local resources. While rediscovering, utilizing, and preserving local resources such as the renowned forests and oceans of Owase, the organization aims to bring together children and adults from the community and find solutions to various challenges. It operates Mumumu, a facility that serves as a third place for children and a multi-generational space, which can be used as a shelter in time of a disaster.

## ■ Reference Link in Japanese:

- The New Challenge of Owase, Mie: A Community That Lost Jobs Due to the Power Plant Closure (<https://drive.media/posts/37615>)

## ■ Keywords

#decarbonization  
#thermalpowerplantclosure  
#utilizingabandonedfarmland  
#leavonoonebehind  
#multigenerationalplacemaking  
#absalon

Economic impact of converting to a green and local economy

**30** M Yen

Create local economy through industrial transformation

Children who participated in the placemaking

**100** ppl+

Offer diverse learning opportunities (a total of 3,000 participants.)

Number of companies involved in the just transition

**30** companies+

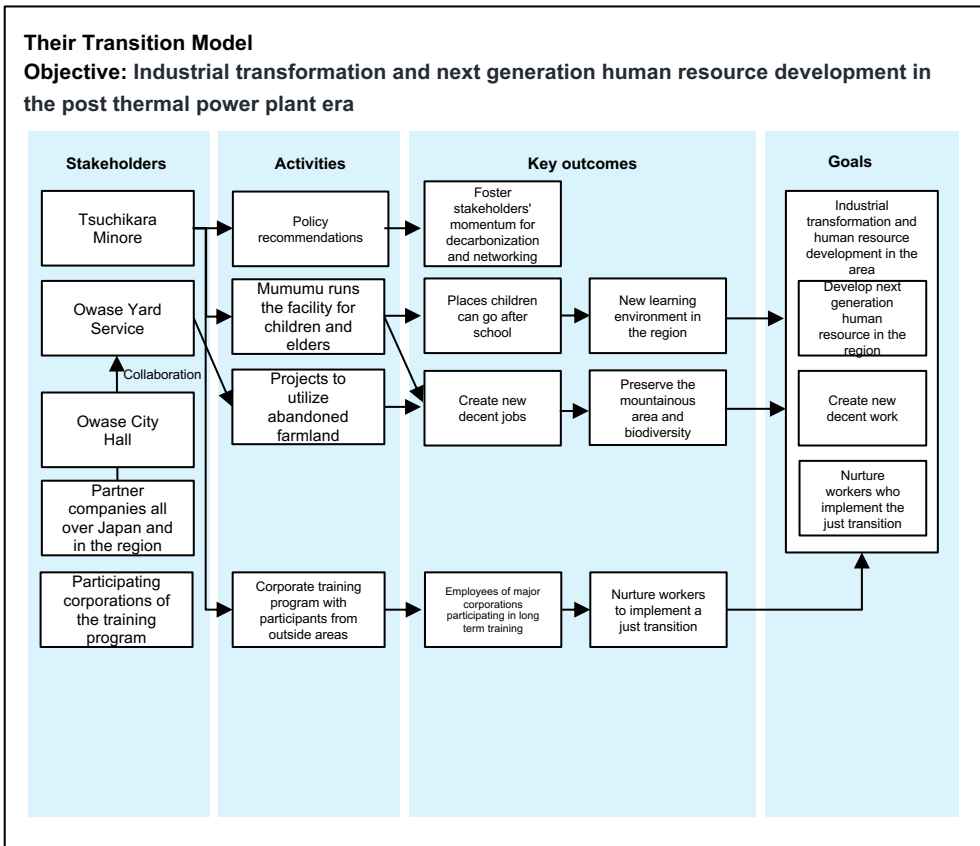
Co-creating local transitions

**Their Story**

With the closure of the thermal power plant, a symbol of the community, Owase began to move toward a just transition. Owase Yard Service, which used to provide services for the plant, chose to stay in the area and completely transform its business, starting with a project to utilize abandoned farmland. Tsuchikara Minore, a local organization, works closely with them. They provide support to work related to the Zero Carbon City Declaration and engage in a range of community revitalization projects in collaboration with the local government. Their projects include placemaking for children and multi-generational residents and just transition training projects for major corporations.

The scope of their business has grown to about 30 million yen (about \$194,000), and more than 15 new full-time jobs have been created through the abandoned farmland utilization project and the placemaking project for children. The program has provided local children with opportunities to engage in various types of experiences through play: learn programming to prevent damage caused by wild animals in the fields; understand how electricity is generated from solar panels and utilized. Although the local elementary school has only 15 students, the program has attracted over 100 participants (more than 3,000 in total over the years) from both within and outside the local area. In the future, the school aims to establish a network school in collaboration with other communities and develop a new educational program to nurture future leaders of the community.

Most recently, they started accepting not only children but also workers as part of corporate training. The goal is to nurture human resources who can contribute to a just transition, not only in Owase but also in other regions, through projects designed for this purpose.





## ■Background:

Due to its geographical characteristics, Kamikatsu in Tokushima Prefecture used to burn garbage in the open at a single location. However, in the late 1990s, with the enactment of laws such as the Act on Special Measures against Dioxins, this practice became a serious issue. In 1997, the town started with nine categories of waste separation, focusing on organic waste. By 2003, the town issued Japan's first Zero Waste Declaration, aiming to eliminate waste altogether. Since then, waste separation and recycling have become deeply integrated into the lives of the town's residents. The number of waste categories has changed over time, fluctuating from 22 to 35 to 34. Since 2016, the town has maintained 45 waste categories and achieved an 80% recycling rate by 2020. That same year, the declaration was revised to emphasize an objective to "nurture individuals who can think and act keeping in mind the environment where children in the future will live." Rather than simply aiming for zero waste, the primary goal of Kamikatsu is to enrich the lives of the residents while pursuing the zero-waste initiatives.

## ■Initiatives:

RDND plays a central role in Kamikatsu's zero-waste initiatives by planning and operating the INOW program, a human resource development program based on zero-waste principles. They manage Café Polestar, which serves as a showroom for visitors to experience Kamikatsu with all five senses. They also organize and operate the Kamikatsu 100-Year Conference. The INOW program offers participants opportunities for learning and introspection, with the goal of having them experience the lifestyle of the residents, rather than simply visiting as tourists. This program has attracted participants from around the world.

## ■Reference Link in Japanese:

- Conducting Fieldwork in Kamikatsu, Tokushima (<https://justra.etic.or.jp/report/347/>)

# 【Kamikatsu, Tokushima】 The Just Transition Model by RDND



**Greening the economy  
Creating decent work**

**350** ppl+

Experience the Kamikatsu lifestyle.  
Learn its approaches and ways of living. (Since July 2020, about 350 ppl from 21 countries participated in the program.)

**Transition that leaves no one behind**

**30** ppl+

Promote zero waste through workshops with residents  
Implement forward-looking policy recommendations

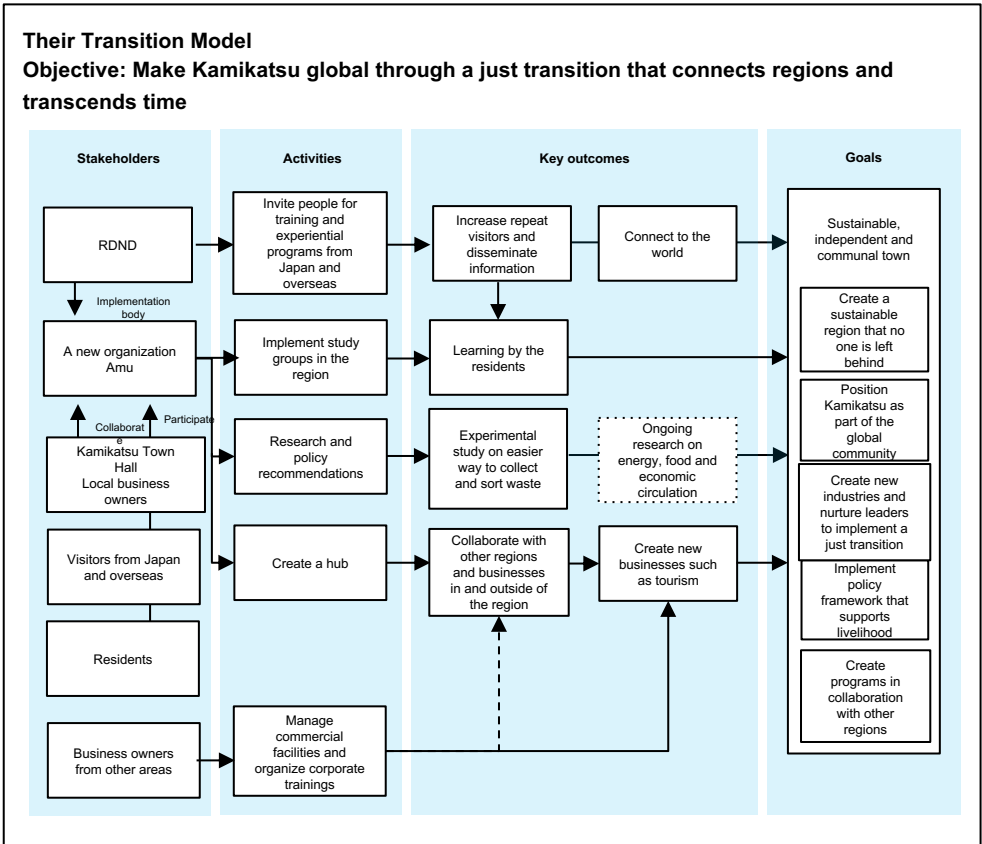
**Their Story**

Since the Zero Waste Declaration in 2003, Kamikatsu has been recognized as a world-leading area in the environmental field. In 2019, Kamikatsu's initiatives were showcased at the World Economic Forum in Davos. Following the 2020 revision, the town has pursued a zero-waste approach that places greater emphasis on the well-being of its residents, while conducting research and studies to improve waste sorting and collection methods.

RDND has played a key role in bridging the local community with the cutting-edge global community. The INOW program, which allows participants to learn about the spiritual essence of the land and the zero-waste initiatives through life in Kamikatsu, has attracted more than 350 participants from both Japan and abroad, contributing to the development of sustainability leaders in various regions.

In April 2024, a new organization Amu was established to continue RDND's projects and to accelerate Kamikatsu's transformation into a zero-waste town by 2030. Working in collaboration with the local government and businesses, Amu has begun activities to promote zero-waste initiatives.

As sorting waste has become a regular part of daily life through long-term efforts, a monthly study group has been organized to share the significance, ethos, and knowledge of various environmental issues. These inclusive gatherings involve participants of all ages and cultural backgrounds, including residents and people who are interested in Kamikatsu and its progress.





## ■ Background:

Ama, located on the Oki Islands in Shimane Prefecture, is described as a "depopulated town with hope." Through various efforts over the past 20 years, it has successfully halted population decline and reversed its low birthrate to a higher one. However, over 85% of the town's finances depend on public funds from the national and prefectural governments. Of the estimated 3.8 billion yen (about \$24.5 million) in total employment income in Ama, approximately 2.5 billion yen (about \$16.1 million) comes from these public funds. To enhance the sustainability of employment and industry in the town over the mid-to-long term, there is a need to create continuous job opportunities by developing new industries of a similar scale.

## ■ Initiatives:

Comogomo is promoting the installation of a solar power generation facility with a capacity of approximately 5 MW, aiming to generate 5 million kWh, which accounts for about 30% of Ama's electricity demand. Using revenue from this electricity sales business, the initiative aims to create a new industry on the island, with the goal of generating 1 billion yen (about \$6.45 million) in the next 10 years. The plan is to establish employment and industries with low environmental impact, contributing to the development of an autonomous, and decentralized society, which emphasizes the well-being of the residents. This new industry will be supported by workers engaged in multiple fields, providing everyone on the island with a role. This could lead to the residents in gaining a sense of fulfillment and a clear sense of purpose.

## ■ Reference Link in Japanese:

[https://note.com/como\\_gomo/](https://note.com/como_gomo/)

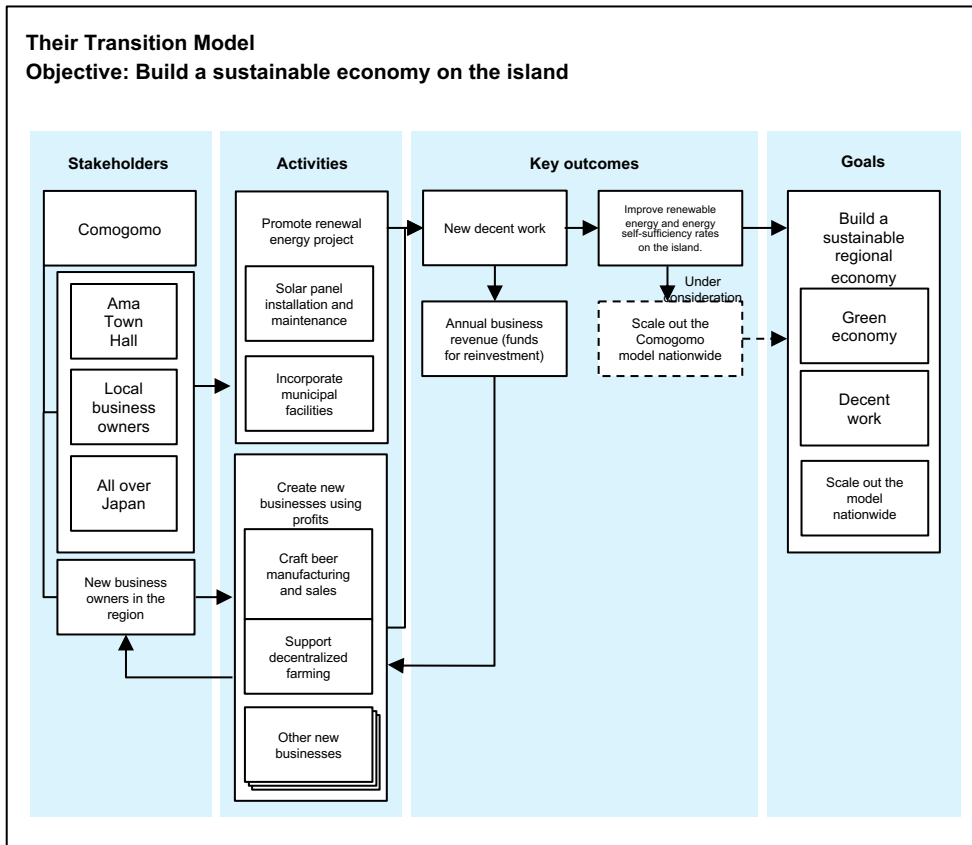


# 【Ama, Shimane】 The Just Transition Model by Comogomo



**Their Story**

Ama in Shimane Prefecture is a remote island known for reversing its population decline. Comogomo is working to create industries based on renewable energy under the slogan of “sustainable circulation of the island's economy.” Comogomo envisions an autonomous, decentralized business model, in contrast to large corporations whose profits are concentrated in urban areas. Their goal is to establish a system that reinvests the profits in the local regions where the businesses operate, ensuring that profits accumulate in the community and lead to the continuous creation of decent jobs. In Ama's renewable energy project, profits have been reinvested in local entrepreneurs, such as those in the craft beer industry, who contribute to the regional economy. Other potential business ideas are also being explored, and new investments are planned each year. This system, which does not rely on subsidies, is gaining attention in various regions and may be adopted in other parts of Japan. Although this system, which originated in Ama, is still in its early stages, it is expected that private funds will continue to create decent jobs that support communities in Ama and across Japan.





## 【バリューシフトのミッション】

**Emerging Future**  
**Collective Impact for Local Eco-System**

- ① 起点となる人財を育む
- ② “ちょうどよさ”を追究する
- ③ 八戸エリアの地域エコシステムを  
 耕し続ける

**Emerging Future**  
**Collective Impact for Local Eco-System**

“体感型”ワークショップ  
**アジェンダ・ラボ**

【日時】 2017年12月29日(金) 13:30～16:30  
 【会場】 テーラー東北ホール (宮城県八戸市八戸区南町1-1-1) 八戸市役所東庁舎4階401号室  
 【参加費】 無料 (八戸市市民センター・市民会館3500円程度に相当する費用で八戸市が負担)

「暮らしの思いと、ワークショップ開催のイメージ」  
 「場」の公開型：身体記憶 (ワークショップ体験)

この非営利の活動を通じて感じている疑問や課題は、身体から伝わり、オープンに語り、共有する機会が「アジェンダ・ラボ」を通じて実現されます。参加者全員が、ワークショップを通じて、互いに学びあう機会が実現されます。また、ワークショップを通じて、互いに学びあう機会が実現されます。また、ワークショップを通じて、互いに学びあう機会が実現されます。

ワークショップの開催は、これまでワークショップ開催、共有する場、アジェンダ・ラボ(八戸市役所東庁舎4階401号室)で開催されています。また、ワークショップを通じて、互いに学びあう機会が実現されます。また、ワークショップを通じて、互いに学びあう機会が実現されます。

申込方法: 下記リンクから申し込みをお願いします。  
<https://connect.tohknet.co.jp/blog/detail?id=178>

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**■Background:**  
 Hachinohe, one of the core cities in northeastern Tohoku with a population of about 220,000, developed due to its proximity to the sea. It boasts a well-balanced industrial structure, grounded in fishing and fisheries, mining, and IT. However, the city faces social challenges, including significant changes in fish stocks due to climate change, a declining birthrate and aging population, and the outflow of young people. These issues are forcing a transformation in the city's industrial structure. Value Shift Incorporated was founded in 2013 as an intermediary support organization in the Hachinohe area by the founder, who returned to Hachinohe from Tokyo.

As a regional coordinating organization, its objective is to nurture human resources, while pursuing the “just right” approach as a collective and continuously cultivating the local ecosystem. Playing a key role as a contact point within and outside the region and creating value, the organization is involved in human resource development projects, supporting local businesses and municipalities (regional ecosystem co-creation), and developing model companies (R&D) that engage in sustainable tourism and community development.

**■Initiatives:**  
 Value Shift strives to be a beacon in developing sustainability that is fair and productive in the region while facing drastic changes in the external environment. Their strength lies in expanding tourism to explore new value creation within the region's industrial structure.

- Their projects include:
- Human resource development through internships and youth centers
  - Creating spaces for multi-generations that interact through dialogue
  - Establishment of a destination marketing organization (DMO)

- Reference Links in Japanese:**
- Official blog of Kinki Bureau of Economy and Trade, Ministry of Economy, Trade and Industry  
<https://smepprd-kansai-meti-gov.note.jp/n/n0beaca79012e>
  - Online platform CONNECT+ Vol.5 : Breakthrough for Regional Companies  
<https://connect.tohknet.co.jp/blog/detail?id=178>

# 【Kobe & Ashiya, Hyogo】 Initiatives by Value Way

## コーヒーは世界の一大産業



[https://www.jstage.jst.go.jp/article/jsta1957/31/4/31\\_4\\_261/\\_pdf](https://www.jstage.jst.go.jp/article/jsta1957/31/4/31_4_261/_pdf)

地球温暖化により  
2050年には、  
珈琲の生産量が

半減

生産国

消費国

温暖化解消への  
ハードルあり

減量  
資源化

一次産業従事者

廃棄物許可業者

モノ・お金・地を含めた資源循環で

食・農・暮らしをRegenerative(再生)させる



### ■Background:

Coffee is the second largest internationally traded commodity after petroleum, with over 100 million coffee-related businesses worldwide, making it one of the world's leading industries. However, due to global warming, coffee production is projected to be halved by 2050, posing a significant challenge known as the "Coffee 2050 problem." To combat global warming, various laws and treaties such as the EU Deforestation Regulation (EUDR) are in place. Mitigation and adaptation measures are also being implemented globally. However, both producing and consuming countries face the challenge of how to respond effectively. In producing countries, the Coffee 2050 problem poses an existential threat. Moreover, if carbon footprints for each stage of production are not calculated and visualized in compliance with EUDR or the forthcoming Digital Product Passport (DPP), exports could be severely affected. However, securing the necessary human, material, and financial resources to address these challenges is difficult. Approximately 2.1 billion cups of coffee are consumed per day, with Japan consuming 200 million cups daily. Despite this, most coffee grounds are discarded rather than recycled. Waste reduction and greenhouse gas emission cuts are critical. Although actions are being taken, more drastic steps are necessary to meet the 1.5 °C threshold in the IPCC special report. While efforts to promote resource recycling are gaining momentum, waste collectors, transporters, and processors risk being left behind during this transition. Additionally, in producing countries, low-income workers in the primary sector face the challenge of adapting to these new measures. With current low wages, there is a risk that they may not be able to access new revenue streams due to information and skills gaps, leaving them at a disadvantage.

### ■Initiatives:

Value Way believes that the challenges mentioned above arise from the current industrial structure, specifically the conventional linear economy where consumed resources are discarded without recycling or reuse. They consider the lack of circulation not only of resources but also of money and knowledge as significant problems. Their goal is to create a world where goods, money, and knowledge circulate seamlessly. To achieve this, they are connecting the value chain of coffee and other food products from production to consumption, including the consumer experience and the recycling of post-consumption waste. As a first step, they focused on coffee—one of the most familiar foods in our daily lives—and proposed the Regenerative Coffee Way (RCW) project. This initiative aims to (1) reduce waste, (2) create carbon credits, and (3) transform consumer behavior through the collection, carbonization, and application of coffee husks and grounds to agricultural land. They have already conducted two pilot experiments in Kobe, collaborating with the public and private sectors to initiate resource recycling from coffee and integrate it into broader resource recycling efforts.





## ■Background:

Usuki has been known for its brewing industry thanks to abundant water resources, developing a self-sustaining cycle that integrates nature and industry within the region. Against this backdrop, the Biomass Industrial City concept for Usuki was born, aiming to create an environmentally friendly, recycling-oriented economy by leveraging the region's rich forests and agriculture. Usuki Energy was established to bring the Biomass Industrial City concept to life, generating power from woody biomass and supplying electricity from renewable energy sources while promoting the region's decarbonization. The company specifically aims to achieve energy independence by sustainably utilizing local resources through the expanded use of renewable energy. Usuki City is also planning initiatives to realize a decarbonized society, with Usuki Energy collaborating on these efforts.

## ■Initiatives:

Usuki Energy is a company that aims to maximize the use of renewable energy in Usuki and promote energy circulation within the region. Originally established with investments from companies outside the city, it now has an LP gas company and two sake breweries among its shareholders, with the majority being local businesses. The company supplies electricity generated from local woody biomass and solar power to public facilities, businesses, and households, contributing to local energy production and consumption. Based on Usuki's Biomass Industrial City concept, Usuki Energy operates a small woody biomass power plant to promote the effective use of local resources. Additionally, the company purchases post-FIT (feed-in tariff) power sources and offers "community contribution" electricity plans to support the development of a sustainable local community. They also actively engage in environmental education activities aimed at the next generation, contributing to the region's decarbonization and raising ecological awareness.

## ■Reference Links in Japanese:

- Usuki Energy homepage (<https://usuki-energy.com/>)
- Become a Reliable Decarbonization Coordinator in Usuki, a Recycling City (<https://localgood.or.jp/article/usuki/>)



## ■Background:

The Aso grasslands were created through controlled burning practices, known as *noyaki*, that have been carried out since the Jomon period. Covering 20,000 hectares, the Aso grasslands account for half of all grasslands in Japan. Historically, they have been essential to the lives of residents, serving as pastures for agricultural horses and cattle, as well as providing materials for thatched roofs and fuel for heating. Thanks to their capacity for water retention, the grasslands also play a crucial role in supporting Kumamoto's groundwater. However, lifestyle changes led to a decline in the use of wild grasses for daily necessities and tools. Furthermore, agricultural horses and cattle were replaced by machinery such as tractors, and fewer people were involved in livestock farming that utilized these grasslands for grazing. As a result, the grassland area shrunk to less than half of what it was a century ago and continues to diminish. Maintaining these grasslands requires activities such as hay harvesting and controlled burning. From the Meiji to Showa periods, Japanese Brown Cattle, known as *Akaushi*, raised in Aso played an important role in this process. Initially used as draft animals, the cattle have since been bred for meat production. Today, through selective breeding, these cattle can produce high-quality meat, even reaching the premium A5 grade. However, cattle raised on pasture tend to be limited to achieving the A3 grade. Most of the grazing cattle are breeding cows (about 5,000 head) with few being fattened on pasture.

## ■Initiatives:

Based on the above background, Aso Akaushi Study Group focuses on the following three main activities:

- Conduct research on the industrialization of Japanese Brown cattle's grazing and fattening practices
- Implement grazing and fattening practices for Japanese Brown cattle, compensating trusted farmers through membership fees
- Launch a subscription-based service to sell beef to members

## Program Impact

- We started to view decarbonization not simply as an environmental measure, but as something that protects the livelihoods of residents and the interests of businesses. To this end, we created a platform for the broad involvement of the local government, businesses, and residents. We launched working groups to share issues and create opportunities to discuss solutions to our challenges in the local community.
- In addition to decarbonization, we realized the need to make significant changes in the way we live and operate businesses in the region, taking into consideration the opportunities and risks caused by population decline and soaring prices of the imported materials.
- Generating income by shifting businesses into new areas is vital, but we gained the perspective that it is equally important to transition to a system that reduces the initial input costs.

## Program Outcomes

- When other program participants came to Shimokawa to conduct site visits, we organized a public forum and invited the residents to attend. The event generated positive feedback from the public. Many noted the need for a forum that transcends sectors and engages in a forward-looking dialogue about the future.
- We created an opportunity for people from different fields to connect, share challenges, have dialogues, and initiate small practical actions to improve the way of life and businesses for the future.
- Our understanding of "transition" has evolved. Someone explained it to us with an analogy that made sense: rather than moving into a fully completed house in a just manner, it's as if we are moving into a new home while designing it. To achieve this, it is important not only to have a theoretical vision but also to continuously test small hypotheses in collaboration with diverse groups of people, sharing resources across different fields along the way.

## Program Impact

- We are working on the just transition of Japan's fisheries industry by reimporting expertise gained abroad to drive transformational changes at both the regional and national levels, which is why we chose to participate in this program. As a business owner, I am deeply committed to preserving the Hirono community and am implementing projects with this goal in mind.
- In October of this year, we received a major grant of 920 million yen (about \$5.92 million) from the Ministry of Agriculture, Forestry and Fisheries.
- The discussions that eventually led to Ama's sea urchin farming efforts were initiated through the Justra program. It was through this program that I first became aware of the concept of a just transition in the local community. Today, I frequently talk about land-based sea urchin aquaculture and the just transition of the fisheries industry, but at the beginning of the program, I wasn't as conscious of these issues as I am now.

## Program Outcomes

- We realized the importance of helping businesses and regions move forward, even if it's just one small step at a time. It's essential to consider how we can continue contributing to these efforts. We are also working on a project to support small and medium-sized zebra enterprises, which provides a commission fee of 25 million yen (approximately \$160,000) per region. Although formulating an impact strategy is necessary, the challenges are similar to those encountered in the Justra program. While learning and networking are important, it's equally vital to achieve tangible outcomes and make progress in business activities.
- We have been contemplating how to bridge the gap between global finance and Japan's regions. At this stage, it is far from straightforward. Given the difficulty of obtaining nature-positive indicators for the ocean, we are exploring ways to link the oceans and finance. We are currently searching for solutions. While we don't yet know the exact methods, we are trying various approaches with the help of external support.

## Program Impact

- When considering decarbonization in the fisheries industry, the focus tends to be on infrastructure and seaweed bed restoration. However, employment and working conditions are equally important. Learning that the definition of a just transition includes green and decent jobs made us realize that our work in discovering talented individuals and nurturing them can also play a significant role in addressing climate change.
- We were able to step into areas that we had been aware of as an organization but have not thoroughly discussed about. The topics included women's advancement and reducing gender-based barriers in fisheries industry, partnerships with welfare organizations, measures against climate change, and sustainability in regional areas.
- Fishermen strongly value the idea that their livelihood comes from being at sea, and there is a prevailing sentiment that changing this is not a good thing. However, when we distanced them from the sea, it allowed them to organize their thoughts on how to reduce or adapt to climate change. This helped them offer positive explanations when proposing new ideas to other fishermen and their communities.

## Program Outcomes

- We observed significant individual growth among the program participants. For instance, one colleague applied the perspectives learned during the program to submit a proposal for a project promoting women's involvement in the fishing and fisheries industry in Kochi Prefecture. The project was selected, which in turn contributed to the expansion of the program.
- During the site visits in Denmark, we were inspired by *Absalon*, a privately-run community space and launched a food education program.
- Through site visits to Shimokawa and Kamikatsu, we learned that the previous generations collaborated within their regions and launched initiatives with the notion that they could impact future generations. This helped us realize the differences between the globally discussed concept of a just transition and transformations and transitions happening in regional communities in Japan.
- We realized that we needed to avoid grouping all types of transitions and adaptations into a single definition, as their nature can vary. For example, transitions driven by entities, such as private companies or national governments, through actions like the luring or withdrawal of power plants, are different from transitions and adaptations responding to the impacts of climate change caused by nature.

## Program Impact

- We could view the closure of the thermal power plant, a major change for the community, through the lens of a just transition. This perspective helped us recognize the event as a positive change, not simply the withdrawal of an influential large company, but a catalyst for new initiatives in the region.
  - Owase Yard Service, Inc.
- In addition to the damage to primary industries caused by climate change, which has raised concerns about the future among residents, the withdrawal and removal of the thermal power plant—a symbol of the city for 60 years—was a major shock. While most residents and businesses initially saw this as the end of Owase, introducing the just transition concept helped reframe the situation as a new beginning.

— General Incorporated Association Tsuchikara Minore

## Program Outcomes

- The just transition concept has become the foundation of our activities. By placing this idea at the core of our efforts, we are determined to launch initiatives in Owase, strengthen our base, and take on the role of widely promoting these efforts to society as an organization.
- The site visits in Denmark left a strong impression on us, and we felt the need to explore the subject further. We soon revisited the country to gain a deeper understanding. It was reaffirming to realize that the goal of the business owners was simply to live prosperous lives
- We don't want to be self-righteous or impose our ideas. Instead, we aim to communicate in a way that everyone can understand. Above all, through this program, we learned that the most important thing is to foster genuine inclusiveness for the communities that make up our region.

— General Incorporated Association Tsuchikara Minore

## Program Impact

- In considering the future of the town based on a zero-waste policy, we realized the need to have a broader perspective than just focusing on waste. Specifically, we could reaffirm the importance of having the following perspectives:
  - Equity in the process, open dialogue.
  - All generations and people from diverse cultures can shine under sustainable, community-driven activities.
  - A supportive environment for people to take action and do things.
  - Never give up on striking a balance between the economy and culture/philosophy.
  - Pursue fairness in preserving and protecting legacies passed down by our ancestors
  - A holistic zero-waste approach, not only in terms of waste, but also in terms of decarbonization and fostering relationships with stakeholders.

## Program Outcomes

- When considering sustainable businesses and industries, we could adopt new perspectives. For example, in the tourism sector, where visitors can experience the local lifestyle, we want to integrate the concept of a just transition. This approach ensures that tourism does not become transient consumption but benefits the community and fosters ongoing involvement from outsiders.
- To achieve these just transitions, we learned that it is necessary to create a place for dialogue where people from all walks of life, both residents and non-residents, can participate in the decision-making process.
- We realized that we need to elevate our vision into a conceptual framework that can be shared not just with the local government, but with a broader range of people.
- Regarding collaboration with other regions, we would like to leverage the connections we made through this program.

## Program Impact

- The significance of our project has deepened. Our objective has shifted from focusing solely on regional economic independence to promoting the transition to a decentralized society. The Denmark study tour helped solidify the concept of a self-reliant society. As a result, our primary goal has become creating a model for a decentralized society that fosters high levels of happiness. To achieve this, it is essential to make the region economically self-reliant.
- This has made it easier to conceive new businesses in the community. In the past, we focused on businesses with high profit margins, whereas now we prioritize businesses that benefit the environment and the community. For example, the business concept of creating a decentralized tractor manufacturer is something we could not have imagined before participating in the program.
- We clarified that we would expand our project to other regions, not as a community-driven solar power generation project but as a model for a decentralized society.

## Program Outcomes

- During our visit to Denmark, we were struck by the surprising differences in levels of self-reliance. We realized the importance of residents retaining a role in thinking about what their community needs. Understanding self-reliance as a process of restoring roles that had been removed from the community helped us clarify what kind of new business we should create.
- We were able to meet people to discuss these issues together through this program.
- Through activities that restore lost roles (jobs) to local communities, we aim to build a decentralized society from the ground up. We want to strengthen the community-led solar power generation project as an initial catalyst. By collaborating with other regions pursuing similar initiatives and partnering with large corporations successful in centralized business models, we aspire to build a society where decentralized regions with a high level of happiness thrive.



## Value Shift

- The program gave us an opportunity to rethink the notion of what it means to be just. We learned that a just transition is a measure that balances fairness with economic feasibility and productivity.
- We could organize our thoughts on how generalizing this approach can help improve the support provided by intermediary organizations like us.
- We also understood that the three pillars (greening the economy, decent work, and inclusivity) need to be in overall balance rather than having one element being stronger than the others.

## Value Way

- If we hadn't known about the concept of a just transition, when promoting recycling of resources, we would have taken a confrontational approach to resolve opposing voices and obstacles.
- We realized that each opinion carries its own sense of justice or logic, and we need to consider how society, as a whole, can compensate for the damages caused by change. Keeping these two points in mind, we became conscious of continuing dialogue through empathetic communication, moving forward in the same direction.
- Until now, we had been trying to figure everything out on our own. Through the program, we were able to meet other participants and share resources and insights with them.

## Usuki Energy

- We were able to reassess the future direction of our company's business. By being conscious of a just transition, we could develop higher-level goals and action guidelines, reflecting on fundamental questions like: Why are we doing business? What are we aiming for? What do we need to achieve these goals?
- The program provided an opportunity to invigorate internal communication.
- We were able to incorporate perspectives and approaches that prioritize local communities and citizens.
- Participating in the program led to many valuable encounters.

## Aso Akaushi Study Group

- Regarding beef cattle production, methane gas caused by cattle burps has become a challenge. Through research for the program, we discovered that grazing grasslands could absorb greenhouse gases and that grazing has a low environmental impact. This gave us confidence in promoting our work.
- We reaffirmed that hardships are inevitable when taking on new challenges and that we must not give up easily.

- The original objective of a just transition was to achieve a decarbonized society. However, we expanded this concept also to address the sustainability of regional areas and industries. By developing indicators focused on inclusiveness and decent work, we demonstrated that our approach could effectively support small-to-midsized businesses and organizations engaged in these initiatives.
- Small-to-midsized businesses and organizations in regional areas play a crucial role as drivers of transformation within their communities and industries. Through this program, we validated the effectiveness of the just transition concept in fostering sustainable and resilient regional communities better equipped to address climate change. Maintaining support for these businesses will further contribute to achieving these goals.
- At the same time, the circumstances and priorities of participating businesses varied significantly by region and industry. Differences in the impact of climate change and related policies across these contexts added to the complexity. As a result, defining and contextualizing the just transition concept took time and we had limited ability to provide specific business support at times.

To foster cooperation with national and local governments alongside the voluntary efforts of small-to-midsized businesses and organizations, we have been commissioned by the Ministry of the Environment, in collaboration with IDEA Consultants, Inc., to carry out a project titled “Development of Regional Transition Models and Information Dissemination for Regional Cyclical Symbiosis Zones” for the fiscal year 2024. This project focuses on regions undergoing significant economic and social changes, aiming to create regional cyclical symbiosis zones. The goal is to develop a transition model that promotes the growth of new, environmentally sustainable industries while minimizing the negative impacts of these transformations.

We remain committed to advancing just transitions toward a decarbonized society and building sustainable regions and communities.



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