

Regions and Cities at a Glance 2020 provides a comprehensive assessment of how regions and cities across the OECD are progressing in a number of aspects connected to economic development, health, well-being and net zero-carbon transition. In the light of the health crisis caused by the COVID-19 pandemic, the report analyses outcomes and drivers of social, economic and environmental resilience. Consult the full publication <u>here</u>.

OECD REGIONS AND CITIES AT A GLANCE - COUNTRY NOTE

JAPAN

- A. Resilient regional societies
- B. Regional economic disparities and trends in productivity
- C. Well-being in regions
- D. Transitioning to clean energy in regions
- E. Metropolitan trends in growth and sustainability

The data in this note reflect different subnational geographic levels in OECD countries:

- Regions are classified on two territorial levels reflecting the administrative organisation of countries: large regions (TL2) and small regions (TL3). Small regions are classified according to their access to metropolitan areas (see <u>https://doi.org/10.1787/b902cc00-en</u>).
- Functional urban areas consists of cities defined as densely populated local units with at least 50 000 inhabitants – and adjacent local units connected to the city (commuting zones) in terms of commuting flows (see <u>https://doi.org/10.1787/d58cb34d-en</u>). Metropolitan areas refer to functional urban areas above 250 000 inhabitants.

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Ageing is challenging all places in Japan, although regions far from metropolitan areas are ageing faster

The elderly dependency rate has increased in all types of regions in Japan since 2000. Regions far from metropolitan areas show the highest elderly dependency rate (60%) among different types of regions (Figure A1), although all regions have values above the OECD average. While ageing in remote regions is mostly related to the loss of workforce, metropolitan regions are going to age rapidly due to ageing of baby boom generations. In almost 75% of the small regions (prefectures) in Japan, there is one elderly (or more) for every two working-age persons in 2019 (Figure A2). For these areas, how to adapt to expanding senior services (medical, nursing care, life support, etc.) efficiently is a key challenge.



Japanese regions have more hospital beds per capita than the OECD average

All regions in Japan have significantly more hospital beds per capita than the OECD average (Figure A3). Regional disparities in hospital beds are large. In 2018, Southern-Kanto, the region with the lowest number of hospital beds per capita, had almost 10 fewer hospital beds per 1 000 inhabitants than Shikoku.



Figure notes. [A1]: OECD (2019), Classification of small (TL3) regions based on metropolitan population, low density and remoteness https://doi.org/10.1787/b902cc00-en. Two-year moving averages. [A2]: Small (TL3) regions contained in large regions. TL3 regions in Japan are composed by 47 Prefectures.

B. Regional economic disparities and trends in productivity

Regional economic gaps have remained stable in Japan since 2000

Differences between Japanese regions in terms of GDP per capita remained stable over the last eighteen years, with Southern-Kanto, the richest region, having a GDP per capita 44% higher than Kyushu, Okinawa. Overall, Japan ranks below the OECD median in terms of regional economic disparities among 29 countries with comparable data (Figure B1).



Note: A ratio with a value equal to 2 means that the GDP of the most developed regions accounting for 20% of the national population is twice as high as the GDP of the poorest regions accounting for 20% of the national population.

C. Well-being in regions



Regional disparities are starkest in sense of community, housing and income

Note: Relative ranking of the regions with the best and worst outcomes in the 11 well-being dimensions, with respect to all 440 OECD regions. The eleven dimensions are ordered by decreasing regional disparities in the country. Each well-being dimension is measured by the indicators in the table below.

All ten Japanese regions rank among the top 20% of OECD regions in jobs and health, while they are all among the bottom 20% in civic engagement. Southern Kanto is the region with the highest score in Japan for access to services (broadband), income and health, but it ranks at the bottom in community and housing (Figure C1).

In the top performing regions, living conditions in terms of safety, employment and unemployment rates, and health are better than in the top 20% of OECD regions. Even in the region with the lowest life expectancy in the country, Tohoku, people can expect to live one year longer than in the OECD top 20% regions (Figure C2).

C2.	How	do the	e top	and	bottom	regions	fare or	n the	well-being	indicators?	,
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		Country	OECD Top	Japanese regions	
		Average	20% regions	Top 20%	Bottom 20%
	Community				
	Perceived social netw ork support (%), 2014-18	88.9	94.1	92.2	86.2
	Housing				
	Rooms per person, 2018	2.0	2.3	2.3	1.8
	Income				
	Disposable income per capita (in USD PPP), 2018	22 453	26 617	25 324	19 587
	Environment				
	Level of air pollution in PM 2.5 (µg/m³), 2019	15.1	7.0	15.3	11.5
<u>ک</u> د	Safety				
	Homicide Rate (per 100 000 people), 2016-18	0.7	0.7	0.5	0.9
	Access to services				
	Households with broadband access (%), 2019	68.1	91.3	77.9	55.4
	Life Satisfaction				
	Life satisfaction (scale from 0 to 10), 2014-18	5.9	7.3	6.1	5.7
	Jobs				
	Employment rate 15 to 64 years old (%), 2019	77.6	76.0	79.1	75.4
⊠	Unemployment rate 15 to 64 years old (%), 2019	2.5	3.3	2.8	2.0
	Civic engagement				
	Voters in last national election (%), 2019 or latest year	52.6	84.2	51.8	45.8
	Health				
U	Life Expectancy at birth (years), 2018	84.0	82.6	84.2	83.7
	Age adjusted mortality rate (per 1 000 people), 2018	5.7	6.6	5.5	6.0

Note: OECD regions refer to the first administrative tier of subnational government (large regions, Territorial Level 2); Japan is composed of ten large regions. Education well-being dimension (Population with at least upper secondary education, 25-64 year-olds) is not shown in the figures due to lack of comparable data for Japan. Visualisation: <u>https://www.oecdregionalwellbeing.org</u>.

D. Transitioning to clean energy in regions

Southern-Kanto, Toukai, Kyushu, Kansai and Tohoku generate 68% of Japanese electricity, but only Southern-Kanto is close to become coal-free

The five largest producers of electricity in Japan – Southern-Kanto, Toukai, Kyushu, Kansai and Tohoku – are characterised by a very limited use of renewable sources for electricity production – below the 20%. With the exception of Southern-Kanto, these regions still highly rely on coal-fired power, especially Kyushu and Tohoku, which, in 2017, produced 45% and 67% of their electricity using coal, respectively. In contrast, Northern Kanto – which accounts for 6% of Japan's electricity – has advanced towards the transition to clean electricity. In 2017, 44% of Northern Kanto's electricity production came from renewable sources (Figure D1).

	Total electricity generation (in GWh per year)	Regional share of renewables in electricity generation (%)	Regional share of coal in electricity generation (%)	Greenhouse gas emissions from electricity generated (in Ktons of CO2 eq.)		
Southern-Kanto	193 239	1%	5%	99 247	Sou.	
Toukai	160 716	15%	24%	80 927	Tou.	
Kyushu, Okinawa	128 098	16%	45%	70 948	Kyu.	
Kansai region	120 600	19%	28%	61 474	Kan.	
Tohoku	100 326	18%	67%	61 557	Toh.	
Hokuriku	98 310	7%	35%	48 795	Hok.	
Chugoku	78 782	39%	45%	35 529	Chu.	
Northern-Kanto, Koshin	65 966	44%	32%	26 778	Nor.	
Shikoku	44 985	15%	71%	29 697	Shi.	
Hokkaido	35 636	36%	60%	18 041	Hok.	

D1. Transition to renewable energy, 2017

Relative to the average of OECD regions, carbon efficiency in the production of electricity is low in most Japanese regions. While OECD regions emit, on average, around 380 tons of CO₂ per gigawatt hour of electricity produced, most Japanese regions – with the exception of Northern-Kanto – emit between 450 and 660 tons of CO₂ per gigawatt hour of electricity generated. Tohoku was responsible for 12% of Japan's CO₂ emissions from electricity generation in 2017, although it generated 10% of the electricity (D2).



D2. Contribution to total CO₂ emissions from electricity production, 2017

Figure notes: Regions are arranged in Figure D1 by total generation, and in Figure D2 according to gap between share of electricity generation and share of CO₂ emissions (most positive to most negative). These estimates refer to electricity production from the power plants connected to the national power grid, as registered in the Power Plants Database. As a result, small electricity generation facilities disconnected from the national power grid might not be captured. Renewable energy sources include hydropower, geothermal power, biomass, wind, solar, wave and tidal and waste. See here for more details.

E. Metropolitan trends in growth and sustainability

Compared to the OECD average, Japan has a higher concentration of people in metropolitan areas above half a million inhabitants

In Japan, 79% of the population lives in cities and their respective commuting areas (functional urban areas, FUAs of more than 50 000 inhabitants), a slightly higher share compared to the OECD average. The share of population in FUAs with more than 500 000 people is 73%, higher than the OECD average of 60% (Figure E1).



E1. Distribution of population in cities by city size Functional urban areas, 2018

Built-up areas have increased faster than population in most metropolitan areas

Built-up area per capita has increased in Japanese metropolitan areas since 2000, especially in Miyazaki, Mito, Niigata and Nagasaki where the difference between the growth of built-up area and decline in population is highest. Tokyo is the only metropolitan area in Japan where population grew had a growth slightly higher than built-up area (Figure F2).



F2. Built-up area per capita Functional urban areas with more than 500 000 inhabitants

Source: OECD Metropolitan Database. Number of metropolitan areas with a population of over 500 000: 36 in Japan compared to 349 in the OECD.

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Tokyo records the highest GDP per capita in Japan, although economic growth was below the OECD median growth of metropolitan areas since 2000

Tokyo and Nagoya are the only Japanese metropolitan areas with GDP per capita above the OECD median of metropolitan areas. Three metropolitan areas – i.e. Yokkaichi, Tokushima and Takasaki - have experienced a sustained growth rate of GDP per capita since 2000.



E3. Trends in GDP per capita in metropolitan areas Functional urban areas above 500 000 people