

The Complete Guide to Tokyo's FY2020 Budget



Meri



Hari

All you need is
5 minutes 🎵




A “meri-hari” (well-modulated) budget



Policy for Formulation of the FY2020 Budget

The FY2020 budget was positioned and formulated as:


“a budget that not only ensures the successful delivery of the Tokyo 2020 Games, but also creates a brilliant ‘Tokyo of the future’ that strikes a balance between ‘growth’ and ‘maturity.’”



A budget that creates Tokyo's future...

Tokyo must have a lot of work to do as the capital of Japan.

**I want to learn more
about Tokyo's budget!**



I want to learn about it,
too. **Let's take a close
look♪**

What is Tokyo's budget?



The estimated revenues and expenditures for one year are compiled in a budget. The Tokyo Metropolitan Government (TMG) uses the taxes paid by the residents of Tokyo to provide administrative services, including disaster mitigation and welfare measures.

I see.

It's like an annual business plan!



How big is Tokyo's budget?

The same size as some national budgets **15.5 trillion yen**

Account type	FY2020 Budget	Remarks
Total account	JPY 15.5T	
General account	JPY 7.4T	For administrative services such as disaster mitigation and welfare measures, based on taxes
Special accounts	JPY 6.0T	For specific objectives such as management of metropolitan housing
Public enterprise accounts	JPY 2.1T	For water supply and sewerage and other enterprises managed by the Tokyo Metropolitan Government

Compared to,
for example,



Norway's budget
16.5 trillion yen



Sweden's budget
12.2 trillion yen

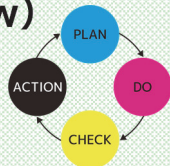


Since a large portion of Tokyo's taxes come from companies, Tokyo's revenue is easily impacted by economic trends. **There was a year when revenue dropped by as much as 1 trillion yen.**

What approaches are taken in budget compilation?

Evaluating projects (≡ review)

- Each project is reviewed from various angles to enhance project efficiency and effectiveness.



Using funds (≡ savings)

- Funds prepared for reduced tax revenues due to changes in the economy or for future increases in spending.



Restraining TMG bond (≡ debt) issuance

- TMG bonds are issued to finance construction of roads and other projects that require large spending so that the burden of repaying this debt is shared over generations.



Tokyo is taking various efforts such as **saving money in funds** to prepare for changes in the economy and **reviewing projects to check for wasteful spending!**



What are the key points of the FY2020 budget?

General account total expenditures **7.354 trillion yen**
(-107 billion yen, -1.4%)

- A large budget second only to that of the previous fiscal year (7.461 trillion yen)


General expenditures (policy related spending) **5.5332 trillion yen**
(-64.7 billion yen, -1.2%)

- **Down from the previous fiscal year** due to reductions in the number of new permanent facilities constructed and sports facilities overhauled for the Tokyo 2020 Games

Tax revenue **5.4446 trillion yen**
(-58.5 billion yen, -1.1%)

- **Down by about 60 billion yen**, as the increase arising from the local consumption tax rate hike was offset by the growing impact of the local corporation tax reform and other factors.

※The number in brackets () is the change from the FY2019 budget



Tokyo's advancing initiatives to
prepare for the Tokyo 2020 Games
and for the further evolution of
Tokyo as a mature city!

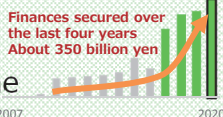
Promotion of project review

✓ Published project review **1,266 cases** (+58 cases)

✓ Finances secured **103 billion yen** (+13 billion yen)

- Both the number of the published projects and the amount of finances secured are the highest ever, as a result of efforts including constant review of measures and the elimination of wasteful spending.

Changes in amount of finances secured

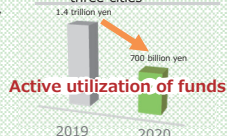


Fund balance

1.7981 trillion yen
(-732.2 billion yen, -28.9%)

- Funds to realize the “three cities” of Tokyo are actively utilized to steadily advance measures such as those for the successful delivery of the Tokyo 2020 Games.

Changes in balance of funds to achieve the “three cities”

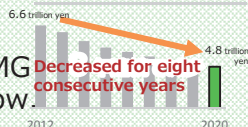


TMG bond balance

4.7875 trillion yen
(-83.5 billion yen, -1.7%)

- The issuance of the TMG bonds was restrained in consideration of the burdens that will be imposed on future generations, reducing the TMG bond balance for eight years in a row.

Changes in TMG bond balance



※The number in brackets () is the change from the FY2019 budget

It's important to refine measures for financial management, including thorough elimination of wasteful spending and the proper utilization of funds and TMG bonds.



What is the Project Proposal System?

A system to directly reflect the proposals of Tokyo residents and university researchers in the measures taken by Tokyo

STEP 1

Propose



242 and 61 projects were proposed by Tokyo residents and university researchers, respectively.

STEP 2

Review



This was narrowed down to 13 resident and 16 university researcher candidate projects selected from standpoints such as applying innovative ideas.

STEP 3

Vote



The final projects were selected through voting by more than 10,000 Tokyo residents.

[FY2020 Budget Proposal]

- Tokyo resident proposals: **9** projects (**150** million yen)
- University researcher proposals: **6** projects (total project costs: **890** million yen)

We received great proposals and more than double the number of votes received last year.

Thank you very much!!



What kinds of projects are selected?

【 Examples of projects included in the FY2020 Budget Proposal 】

Tokyo resident proposal

Support for reception of child support by single-parent households

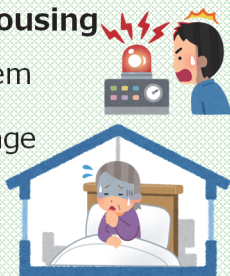
- Municipalities are encouraged to partner up with private guaranty companies to secure child support payments from former spouses. Part of the guaranty fees paid by the single parent to the private guaranty company will be subsidized.



University researcher proposal

Build a system to offer enhanced support for senior citizens living alone in metropolitan housing

- A model will be developed for a system in which artificial intelligence (AI) identifies abnormalities in electricity usage at metropolitan housing through data from smart meters. This will strengthen the system for watching over residents such as senior citizens living alone.



Ideas become reality!

More projects will be introduced next!



A city where everyone can lead vibrant lives

JPY **499.5** bn
(+62.9 bn)

Deepen people-to-people connections and make Tokyo a city where everyone can shine and lead vibrant lives, and be active in society



Key new and expanded projects

- Project to support Tokyo's moms and dads
(Expanded support for housework and childcare after childbirth, etc.)
- Reduce high school tuition for households with many children
- Research on dementia utilizing AI and other technologies etc.



**A city that is safe, secure,
and livable**

JPY 627.2 bn
(+6.1 bn)

**Strengthen the city's comprehensive capabilities
by building urban resilience through structural and
non-structural measures and enhancing the
functions of urban infrastructure**



**Key new and
expanded projects**

- Study the building of new regulating reservoirs
- Study the adoption of cutting-edge technologies such as ICT and AI in the operation of sluice gates and other protective facilities
- Secure power supply at local community disaster management centers etc.



**A Tokyo that leads Japan's
development and shines in the world**

JPY 325.3 bn
(+8.2 bn)

**To stay ahead in the intensifying competition
among cities, further enhance Tokyo's "earning
potential" and create sustainable growth**



**Key new and
expanded projects**

- **Implement programs to attract foreign companies in Asia (Business matchups with Japanese firms, etc.)**
- **Promote demonstration tests to nurture startups**
- **Establish funds to promote the succession of businesses etc.**

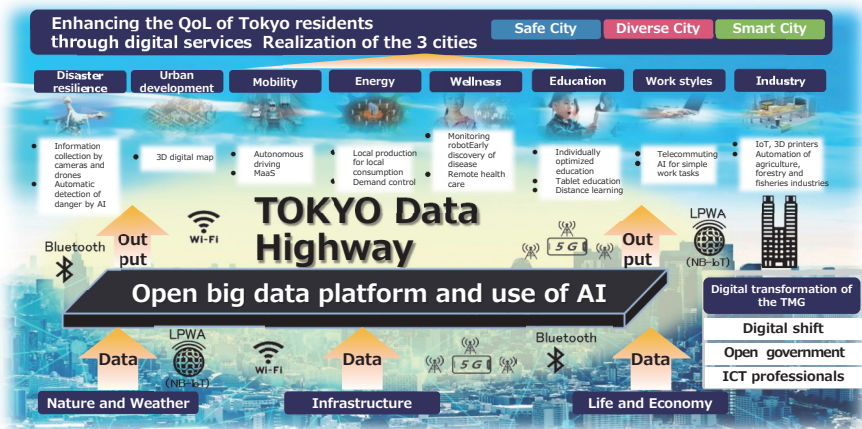


Creation of Smart Tokyo

JPY **15.8** bn
(+13.9 bn)

Roll out measures in various fields to create Tokyo's version of Society 5.0, "Smart Tokyo," based on 5G, AI, and the Internet of Things (IoT) and other innovations

"Smart Tokyo" (Tokyo's version of Society 5.0)



Key new and expanded projects

- Build a public-private data platform for use of public and private sector data
- Launch town development using digital technologies in Nishi-Shinjuku and other areas etc.



A beautiful city with abundant attractions

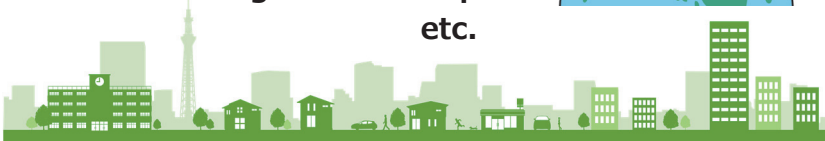
JPY **98.5** bn
(+28.8 bn)

Create a city that draws people from around the world by accelerating actions for decarbonization and polishing up Tokyo's attractions



Key new and expanded projects

- Promote the use of zero emission vehicles (ZEVs)
- Take urgent measures for effective use of waste plastics
- Support activities to attract “bleisure” (business+leisure) travelers who enjoy leisure activities during business trips etc.



Hosting the greatest Olympic and Paralympic Games ever and creating a legacy

JPY **326.2** bn
(+60.5 bn)

In addition to advancing thorough preparations to make the Tokyo 2020 Games the best Olympic and Paralympic Games ever, a great legacy will be created for the next generations.



Key new and expanded projects

- Promote the use of hydrogen to fuel the Olympic and Paralympic cauldrons
- Visualize congestion to alleviate overcrowding on roads and public transit
- Secure and educate volunteers who support the Games etc.

The Tokyo 2020 Games is fast approaching!



Promotion of the Tama area and Tokyo islands

JPY **240.9** bn
(+7.8 bn)

By leveraging the unique characteristics and addressing challenges facing each community, the appeal, vitality, and sustainable development of the Tama area and Tokyo islands will be enhanced.



Key new and expanded projects

- Establish and operate startup support centers in the Tama area
- Take the opportunity provided by the Tokyo 2020 Games to attract more visitors to the islands
- Study the establishment of an English language immersion program facility in the Tama area etc.



In conclusion

I feel like I now understand Tokyo's budget! Tokyo's advancing new measures and expanding on others through various approaches!



Other than the measures explained here, the TMG is advancing many kinds of initiatives to address issues including its rapidly graying population and climate change, and to promote collaboration with regions across Japan for coexistence and coprosperity.

Really? I want to learn more about Tokyo's budget!



Hari, I like how you are eager to learn! You can find more information about Tokyo's budget on the TMG's website. I hope you will all check it out!

Appendix: Revenues and expenditures (General Account)

Revenues

(JPY)

Category	F Y 2 0 2 0	F Y 2 0 1 9	Difference
Metropolitan taxes	5.445 tn	5.503 tn	– 59 bn
Local transfer taxes	53 bn	291 bn	– 238 bn
National treasury disbursements	378 bn	362 bn	16 bn
Funds transfers	770 bn	597 bn	173 bn
Metropolitan bonds	208 bn	210 bn	– 1 bn
Other revenue	500 bn	498 bn	2 bn
Total	7.354 tn	7.461 tn	– 107 bn

Expenditures

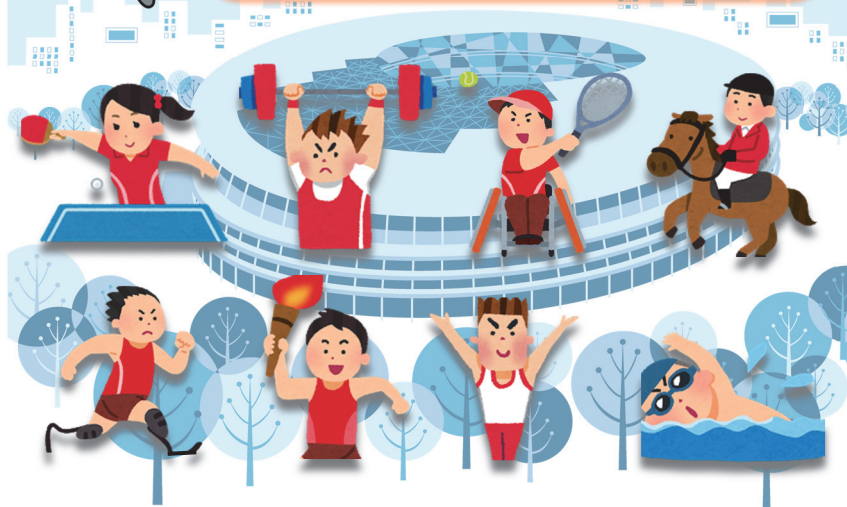
(JPY)

Category	F Y 2 0 2 0	F Y 2 0 1 9	Difference
General expenditures	5.533 tn	5.598 tn	– 65 bn
Administrative activity expenses	4.484 tn	4.271 tn	213 bn
Salary related	1.631 tn	1.610 tn	21 bn
Other ordinary expenses	2.853 tn	2.661 tn	192 bn
Investment expenses	1.049 tn	1.327 tn	– 278 bn
Expenses for public bonds	349 bn	367 bn	– 18 bn
Tax related costs, etc.	1.472 tn	1.496 tn	– 25 bn
Total	7.354 tn	7.461 tn	– 107 bn

The Tokyo 2020 Games is just around the corner. Preparations for the Games have changed our city, too!



Yes. Firm financial preparations for the Games have also been made. Let's liven up this special Olympic Year together!



※ All works in this brochure (text, photos, illustrations, etc.) are subject to protection under copyright law. With the exception of cases that do not require the permission of the copyright owner under copyright law, none of the works can be duplicated or reproduced without permission.

(31) 34 The Complete Guide to Tokyo's FY2020 Budget Proposal (issued March 2020)

Edited and issued by the Finance Section, Budget Division, Bureau of Finance, Tokyo Metropolitan Government

(Phone: 03 (5388) 2669) Printed by Hokushin Printing Co., Ltd.



HOST CITY

The Tokyo Metropolitan Government Bureau of Finance is working for the success of the Olympic and Paralympic Games Tokyo 2020.



古紙パルプ配合率70%再生紙を使用しています
Percentage of Waste Paper pulp 70%

リサイクル適性 (A)

この印刷物は、印刷用の紙へ
リサイクルできます。