

FY 2025

# Summary of the Tokyo Metropolitan Government Budget Proposal

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This is a partial English version of Summary of the Tokyo Metropolitan Government Budget Proposal for Fiscal Year 2025.

This material is furnished solely for the purpose of the reader's reference only.

If there is any conflict and/or discrepancy between this material and the Japanese original of the Summary, the information in the Japanese original shall take precedence.

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February 2025  
Tokyo Metropolitan Government

\*This document reflects details after adjustment of figures, etc. in material published on January 31, 2025.

\*The FY 2025 budget amounts shown in this document are the figures in the initial budget proposal.

\*In principle, figures in each table are rounded to the nearest unit.

\*In principle, percentages of change and ratios are calculated from the figures in each table.

\*Some project names include provisional names.

\*⑥ refers to FY 2024 (FY Reiwa 6) and ⑦ refers to FY 2025 (FY Reiwa 7).

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## **Budget Points**

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# FY 2025 Budget Points

## Budget Compilation Policy

The positioning of the FY 2025 budget is as follows:

**“The budget to pave the way for Tokyo's future where everyone can shine, aiming to realize a sustainable city that balances maturity and ongoing growth amidst increasing social uncertainty.”**

The budget is compiled on the basis of the following points:

1

By maximizing Tokyo's potential, the Tokyo Metropolitan Government (TMG) will evolve 3-Cities, which encompasses three key aspects: *Diverse City*, *Smart City*, and *Safe City*. We will proactively and steadily implement measures to realize the vision of making Tokyo the best city in the world.

2

To improve the quality of services that Tokyo citizens can experience, TMG will review operations from new perspectives, including Digital Transformation (DX), and build a sustainable execution system, while strengthening initiatives to further reduce unnecessary spending and maintaining a resilient and sustainable financial foundation.



Meri



Hari

### ◆ Summary of FY 2025 Budget Framework, etc.



#### General Account Total Expenditure

**9 trillion 158.0 billion yen**

(Previous FY initial budget comparison +705.0 billion yen, +8.3%)

- By adopting a budget distribution that proactively prioritizes initiatives for the evolution of the 3-Cities—*Diverse City*, *Smart City*, and *Safe City*—the general account budget scale has increased by 705 billion yen compared to the previous fiscal year.



#### General Expenditure (Policy Expenditure)

**6 trillion 897.8 billion yen**

(Previous FY initial budget comparison +527.6 billion yen, +8.3%)

- By adopting seamless support for all people, ranging from children and the youth to the elderly, initiatives to strengthen global competitiveness, and efforts to realize a resilient capital city of Tokyo capable of responding to all threats, general expenditures have increased by 527.6 billion yen compared to the previous fiscal year.



#### Tax Revenues

**6 trillion 929.6 billion yen**

(Previous FY initial budget comparison +543.1 billion yen, +8.5%)

- Metropolitan tax revenues increased by 543.1 billion yen mainly because of increased revenues from the corporate inhabitant tax and enterprise tax (two corporate taxes) following a solid trend in corporate earnings and increased revenues from the metropolitan inhabitant tax on individuals arising from improvement of the employment and income environments.


## Promotion of Policy Reviews, Project Reviews and Group Cooperation Project Reviews (“TOKYO meri-hari Review”)

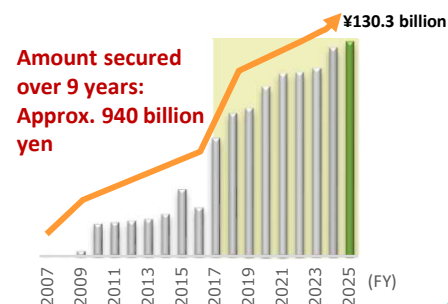
Project Reviews Number announced / Secured financial resources amount

**1,558 / 130.3 billion yen**

\*Secured financial resources amount represents only those of the general account budget.

- We further strengthened initiatives by **enhancing the utilization of administrative data** in policy reviews, **consolidating similar projects** from the viewpoints of Tokyo citizens and business operators in project reviews, and **reviewing operations using advanced technologies**.
- We have announced **10 policy groups** for policy reviews, **1,558 review results** of the project reviews, and **all 33 groups’ review results** of the group cooperation project reviews and secured **the highest ever financial resources of 130.3 billion yen** through project review initiatives.

 Changes in secured financial resource amounts




## Funds Balance

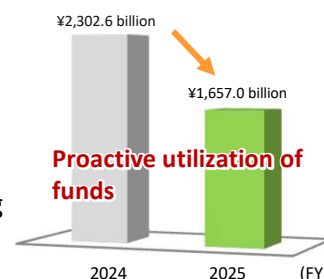
**1 trillion 657.0 billion yen**

(Previous FY post-final adjustment budget comparison  
-645.6 billion yen, -28.0%)

\*Based on the ordinary account

- In the FY 2025 budget, in order to steadily promote measures to reinforce the city’s resilience, realize an advanced welfare city, and improve social capital, **funds are drawn down and proactively utilized as financial resources**.
- We will continue with **the strategic utilization of funds**, through their use as **financial resources for the steady promotion of a new vision set forth in the 2050 Tokyo Strategy (draft)** while discerning trends in tax revenues.

 Changes in the funds balance




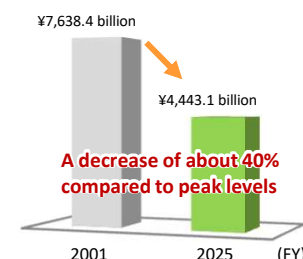
## TMG Bonds Balance

**4 trillion 443.1 billion yen**

(Previous FY initial budget comparison  
-289.3 billion yen, -6.1%)

- Until now, along with efforts to restrain TMG bonds issuance through financial reconstruction initiatives, subsequent TMG bonds have been issued according to the status of metropolitan tax revenues, etc.
- In the FY 2025 budget, the **balance of the TMG bonds is expected to decrease at the end of FY 2025** because the **issuance amount of TMG bonds, which fall into debts, was controlled**, taking into account the burdens on future generations.

 Changes in TMG bonds balance



## Perspectives for the Deployment of Measures in the FY 2025 Budget

- TMG had implemented a variety of measures ahead of the central government, overcoming the threat of COVID-19 and steadily built on achievements. Including increased the international recognition of Tokyo, positive signs for sustainable growth start to appear as a result of these initiatives.
- Additionally, **the times have entered into a new phase** characterized by the diversification of people's values and needs as well as a rapid acceleration of the population decline, low birthrate and longevity, and the explosive evolution of such technologies as generative AI.
- In a world that continues to change at an unprecedented speed and with increasing uncertainty, in order to realize a city where Tokyo citizens have hope for the future and can live in peace for all time, **it is necessary to strive for *Defense of the Capital*, to protect the lives and livelihoods of Tokyo citizens, as well as advance towards a future Tokyo with a higher growth curve based on the 2050 Tokyo Strategy (draft)**. Additionally, it is crucial to effectively incorporate innovative approaches, including AI technology.
- In the FY 2025 budget, by maximizing Tokyo's potential, TMG will **evolve 3-Cities—*Diverse City*, *Smart City*, and *Safe City***, and **proactively and steadily implement measures to realize the vision of making Tokyo the best city in the world**.

### Diverse City

**To Be a Tokyo Everyone can Fulfill Their Dreams and Hopes, and Each Individual Shines even Brighter.**

#### Tokyo, where Children and the Youth who will Lead the Future are Filled with Hope



Under the rapid acceleration of the population decline, low birthrate, and longevity, we will create a society where **those who wish to can safely bear and raise children, experiencing the joy of parenting**, while flexibly responding to the diversification of values.

We will realize a **children-first society where all children can have hope, grow independently, and pave the way for their own futures**.

We will **support the challenges of the youth** who will lead Tokyo's future, and **provide detailed aid to each young person dealing with worries and anxiety**.



#### Tokyo, where Everyone can Shine Actively as They Are

We will **realize an inclusive city where everyone can live as they are** regardless of sex, age, or disabilities and bring Tokyo to a further new height through diverse personalities.

We will create a **society where all people can select their own lives**, including creating **an environment for women to shine as they are** and **initiatives for the elderly to remain active and successful**.



## To Be a More Vibrant Tokyo by Enhancing its Full Potential

### Smart City

### Tokyo, Driving the World through Innovation

As international competition becomes increasingly fierce because of the **explosive evolution of technology**, we will **build a growth environment for startups, the drivers of innovation**, and strive to **realize a global financial city** that attracts people and investments to support them.

We will **revitalize industries in Tokyo** and connect those initiatives with the **creation of new innovation by supporting and strengthening the management of small and medium-sized enterprises, ensuring smooth business succession, and backing their entry into growth industries.**



### Tokyo, where a Wide Variety of Attractions Make It a World City of Choice

We will further refine **Tokyo's diverse attractions**, including **food, culture, night-time, and anime**. Additionally, we will proactively deliver the **history, traditions, and culture from the Edo era** that we proudly boast to the world.

We will take advantage of **hosting the 2025 World Athletics Championships and the Deaflympics** to realize a **Tokyo where everyone can enjoy sports**, and build a **mature city that supports Japan's growth, harmonizing urban areas with greenery.**



## To Be a Safe and Secure Tokyo by Building a Resilient and Sustainable City.

### Safe City

### Tokyo, Leading the World in Solving the Climate Crisis

Toward **achieving Zero Emission Tokyo by 2050**, we will accelerate the **transition to renewable energy as the main energy source** and promote the **social implementation of hydrogen energy.**

We will **strengthen energy saving and heat insulating measures for rental housing** as well as back up initiatives of **households and companies for the zero emissions**, including improving the **efficiency of data centers and promoting Green Transformation (GX) investment.**



### Tokyo, Resilient and the World's Safest and Most Secure City

To fulfill the ***Defense of the Capital*** and protect the lives and livelihoods of Tokyo citizens, we will build a **resilient city** that protects them from **all disasters and crises, including wind and flood damage, earthquakes, and volcanic eruptions.**

We will protect the lives and properties of Tokyo citizens from **threats such as terrible crimes**, and secure the medical and emergency systems to **realize a Tokyo where everyone can receive necessary medical treatment with peace of mind.**



# FY 2025 Budget by Program Area

## I. A City Full of the Smiles and the Hopes of Children and Youth

To create a society where children and youth play the main role, we will implement proactive measures, including **seamless support from matchmaking to marriage, pregnancy and childbirth, and child raising**, as well as **backing up children and youth to grow as individuals**.

### Main initiatives

New	Painless Delivery Expense Subsidies	⑦ ¥1.2 billion
	Free Childcare Fees (for the First Child)	⑦ ¥27.9 billion
New	Childcare Services for Sick Children Promotion Project	⑦ ¥2.0 billion
New	Tokyo's unique after-school drop-in center	⑦ ¥2.4 billion
New	Creating a Place for Children in the Morning	⑦ ¥0.08 billion
New	TMG version of the Study Abroad Program (for university students)	⑦ ¥0.1 billion
New	Scholarship repayment support system for teachers and engineering staff	⑦ ¥0.05 billion



## II. Inclusive Society where Everyone Can Utilize Their Individuality and Be Successful as They Are

We will improve **the environment where everyone can work lively and securely**, including initiatives to increase the “take-home time” and **countermeasures against customer harassment**. Additionally, we will **realize a society where all people can be successful as themselves**, including **strengthening the system for watching over the elderly**.

### Main initiatives

New	Acceleration of Comprehensive Measures for Companies to "Break Through the Annual Income Barrier"	⑦ ¥1.5 billion
New	Support Project for Career Partnerships Between Companies and Working Women	⑦ ¥0.3 billion
New	Promotion Project for Creating the “take-home time” and Enhancing Engagement	⑦ ¥3.0 billion
New	Promotion Project of Measures to Prevent Customer Harassment	⑦ ¥4.9 billion
	Issuance of Silver Pass (Discount Bus Pass for Elderly) (Reduction in User Burden)	⑦ ¥0.7 billion
	Support Project for Home-Visit Care that Supports Local Communities	⑦ ¥2.0 billion (⑥ ¥0.7 billion)



## III. Financial and Economic City Driving Global Transformation and Growth

We will **enhance the growth environment for startups** centered on the **Tokyo Innovation Base (TIB)**. Additionally, to revitalize small and medium-sized enterprises, we will **strengthen industrial capabilities through business integration** and **support business succession** for managers facing a lack of successors.

### Main initiatives

New	SusHi Tech Global Project	⑦ ¥0.2 billion
New	GX Innovation Promotion Support Fund (provisional name)	⑦ ¥5.0 billion
New	Support Project for Strengthening Industrial Capabilities through Business Integration	⑦ ¥1.5 billion
New	Growth Support Project Triggered by Business Succession	⑦ ¥0.6 billion
New	Support Project for Entry into the Aerospace Industry	⑦ ¥0.5 billion



## IV. A City Full of Sophisticated Attractivity which Stimulates the World and Increases Psychological Wellness

We will showcase Tokyo's charms, including **Edo-era culture and anime**, to attract people from around the world, and ensure the success of the **2025 World Athletics Championships and Deaflympics**. We will build a **sustainable, nature-friendly city where everyone can live comfortably**.



Main	initiatives		
New	Project to Promote the Utilization of Edo-era Cultural Properties in Tourism City Development	⑦	¥0.1 billion
New	Support for Fostering Animators Aiming for Global Expansion	⑦	¥0.1 billion
	Support for holding the World Athletics Championships (an amount borne by TMG)	⑦	¥5.0 billion
	Support for Holding the Deaflympics (an amount borne by TMG)	⑦	¥9.0 billion
New	Promotion of Affordable Housing Supply through Financial Schemes	⑦	¥10.0 billion
New	Project for Greening in the Urban Space	⑦	¥0.2 billion

## V. World Model as a Decarbonized City

We will strive to **realize an advanced decarbonized city**, including the **promotion of Tokyo Zero Emission Houses, renewable energy in the Tokyo islands**, and the **social implementation of green hydrogen**.



Main	initiatives		
New	Project of Promotion for Adopting Renewable Energy in Tokyo Islands	⑦	¥0.03 billion
New	Project of Promotion for Hydrogen Industrial Utilization	⑦	¥0.08 billion
New	Project of Comprehensive Measures to Promote the Tokyo Zero Emission Housing and Environmental Building Reporting Program	⑦	¥32.1 billion
New	Project for Concentrated Promotion of Insulation and Renewable Energy in Rental Housing	⑦	¥19.9 billion
New	Project for Promotion of GX in the Global South	⑦	¥9.4 billion

## VI. The World's Safest, Most Secure and Resilient City

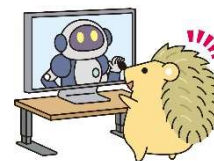
We will rapidly develop a disaster-resilient city through **the steady progress of the Tokyo Resilience Project** and take **measures to protect the lives and livelihoods of Tokyo citizens**, including **strengthening the response to diverse crimes** and **improving the medical system**.



Main	initiatives		
	Improvements in Small and Medium-sized Rivers	⑦	¥77.1 billion (⑥ ¥56.3 billion)
New	Subsidy for Setting Up Disaster Stockpile Warehouses for Community and Residents' Associations	⑦	¥0.2 billion
New	Support for Wards and Municipalities to Improve Shelter Environments and Secure Toilets During Disasters	⑦	¥1.0 billion
New	Project for Emergency Subsidies for the Purchase of Security Equipment	⑦	¥4.7 billion
New	Project for Emergency Support to Secure Local Medical Services	⑦	¥32.1 billion
	Project for the Promotion of the Medical Information Digitalization in Medical Institutions	⑦	¥2.7 billion (⑥ ¥0.9 billion)

## VII. Promotion of “Smart Tokyo” and “SHIN-TOSEI” (Structural Reform of the TMG)

We will **increase the “take-home time”** by making administrative procedures more efficient through **initiatives for progressing Policy DX** across TMG, wards, and municipalities **using advanced technologies**, such as **generative AI** to make the lives of individual Tokyo citizens abundant.



### Main initiatives

New	Sophistication of Responses to Tokyo Citizens Using Generative AI	⑦ ¥0.09 billion
New	Project of Promotion for Business Process Reengineering (BPR)	⑦ ¥0.08 billion
	Official Tokyo Metropolitan Government App (Tokyo app)	⑦ ¥2.7 billion(⑥ ¥2.5 billion)
New	Project for Promotion of Joint DX among Ward and Municipal Governments	⑦ ¥0.4 billion

### Digital Related Expenses

- In the FY 2025 budget, **digital related expenses rise to 411.4 billion yen, an increase of 74.3 billion yen over the previous fiscal year**, in order to promote DX in Tokyo, such as the realization of “Smart Tokyo.”
- We will **strongly advance DX**, which has been progressed by division or project, as **Policy DX across organizations and fields** to realize **improvements in the quality of services that Tokyo citizens can truly experience**.

#### Realization of “Smart Tokyo”

- Provision of digital services to make all aspects of life comfortable, including enhancing responses to Tokyo citizens using AI

¥221.9 billion

#### Promotion of TMG Structural Reforms “SHIN-TOSEI”

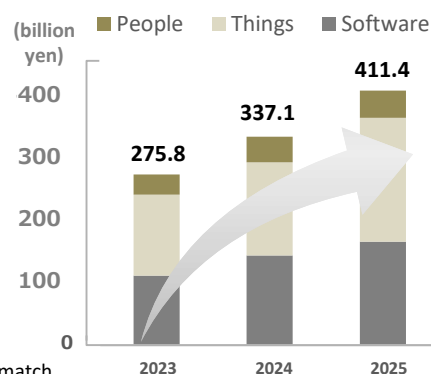
- Realization of Business Platform Transformation (BPX) across organizations through the project to promote joint DX among wards and municipalities

¥176.9 billion

#### Systems Maintenance and Management, etc.

- Operation and maintenance of existing systems, etc.

¥176.7 billion



\*As there is some overlap (¥164.2 billion), the sum of breakdowns and the total do not match.

## VIII. Promotion of the Tama Area and the Tokyo Islands

We will **promote the sustainable development** of the Tama area and the Tokyo Islands **full of liveliness and energy** by **highlighting their unique attractions**.



### Main initiatives

	General Subsidy to Municipalities	⑦ ¥70.5 billion(⑥ ¥62.0 billion)
New	Project for Support of Municipal Governments on Promotion for Immigration and Domiciliation	⑦ ¥0.1 billion
New	Life Experience and Vacant House Study Tours of the Tokyo Islands and Mountain Areas	⑦ ¥0.02 billion
New	Fund-based Support for Small and Medium Enterprises in Tama and the Tokyo Islands	⑦ ¥2.0 billion
New	Project to Support the Improvement of Barrier-free Tourism on the Tokyo Islands	⑦ ¥0.2 billion



## ◆ Eight Pillars of the FY 2025 Budget

I. A City Full of the Smiles and the Hopes of Children and Youth			VII. Promotion of "Smart Tokyo" and "SHIN-TOSEI" (Structural Reform of the TMG)	VIII. Promotion of the Tama Area and the Tokyo Islands
1. Seamless support for matching and marriage, pregnancy and childbirth, and child raising	¥540.7 billion	(+¥78.6 billion)		
2. Promotion of the education where all children grow by themselves	¥79.7 billion	(+¥18.4 billion)		
3. Society-wide support for the youth leading the future	¥7.4 billion	(+¥3.0 billion)		
II. Inclusive Society where Everyone Can Utilize Their Individuality and Be Successful as They Are				
1. The society where everyone can select their lives regardless of sex	¥17.9 billion	(+¥6.0 billion)		
2. Improvement of the environment where everyone continues to work with security as they like	¥68.2 billion	(+¥16.7 billion)		
3. Realization of an Active Chōju (Longevity) Society where people can shine for all time	¥124.9 billion	(+¥16.7 billion)		
4. Breaking barriers of disabilities and languages: towards an inclusive city Tokyo	¥29.4 billion	(+¥10.3 billion)		
III. Financial and Economic City Driving Global Transformation and Growth				
1. Leading the world with the power of startups and finance	¥53.7 billion	(+¥7.3 billion)		
2. Fostering growth industries and creating new innovations centered in Tokyo	¥346.9 billion	(+¥14.5 billion)		
IV. A City Full of Sophisticated Attractivity which Stimulates the World and Increases Psychological Wellness				
1. Realization of a city full of appeal that attracts the world	¥68.6 billion	(+¥25.9 billion)		
2. Matured city driving the growth of Japan and letting people shine	¥162.0 billion	(+¥93.7 billion)		
3. Development of city with nature in harmony with the city	¥95.2 billion	(+¥4.3 billion)		
V. World Model as a Decarbonized City				
1. Realization of Zero Emission Tokyo	¥301.1 billion	(+¥116.2 billion)		
VI. The World's Safest, Most Secure and Resilient City				
1. City development to protect Tokyo citizens from threats of disasters	¥622.2 billion	(+¥48.2 billion)		
2. Safety and security assurance of livelihood	¥235.1 billion	(+¥66.7 billion)		

## 3Cs to Build a Tokyo in which “People” can Shine

- The TMG continuously positioned the **3Cs (Children, Choju, Community)** as the core elements of strategies in the **2050 Tokyo Strategy (draft)** newly drafted. **From the perspectives of these “3Cs,”** we will further evolve the diversity, seeking **Tokyo that everyone realize the dream of future and desire and individually shine further.**



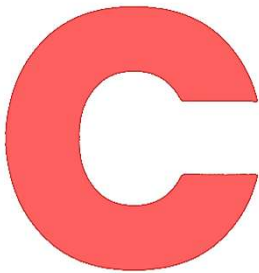
### Children - Children-First -

We will create a society making all children smile by building an environment where persons that desire to do so can bear and foster a child with security as well as by providing integrated and continuing seamless support accompanying each of the children.

#### Main initiatives

- ◆ Free Childcare Fees (for the First Child)
- ◆ Project of Subsidy for Medical Expenses of Infants (Removal of Income Limit)

**New** Creating a Place for Children in the Morning



### Chōju - Chōju (Longevity) Society Showcased to the World -

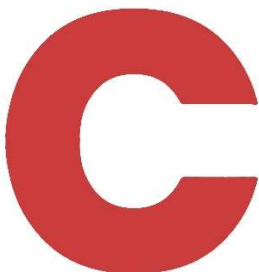
We will realize an active Chōju society where the elderly can shine anytime by improving the environment where the elderly at various stages are successful as they are and live with security.

#### Main initiatives

**New** Health Promotion for the Elderly Using the App.

- ◆ Issuance of Silver Pass (Discount Bus Pass for Elderly) (Reduction in User Burden)

**New** Project for Promotion of Setting up the Bases for Following up the Elderly



### Community - Maintaining Connections and Supporting Each Other -

In times when people individually live with diverse values, we will realize a Tokyo where a wide variety of entities work together, support is provided to those with anxiety and troubles, and all generations can feel the connections between persons.

#### Main initiatives

**New** Building of a System to Hear the Opinions of the Youth with Difficulties

- ◆ Increase in Expenses for Activities of Social Welfare Workers and Children's Social Workers

**New** Subsidy for setting up Disaster Stockpile Warehouses of Community and Residents' Associations



## Initiatives based on the impact of higher prices (a portion to be taken for FY 2025)

- In the final adjustment budget for FY 2024, given the economic measures of the central government, we will give support for small and medium enterprises, etc. using the special grant for regional revitalization for focused support to address rising prices. Also, in the FY 2025 budget, multilayered support will be provided.

### FY 2024 final adjustment budget 15.3 billion yen

Support period: Six months from April 2025 to the end of September 2025

Supported targets	Adjustment budget amount	Unit amount of support
Childcare centers, etc.	¥1.4 billion	For food expenses and utilities Up to about 5,200 yen/person
Orphans' homes, etc.*	¥0.08 billion	For food expenses and utilities Up to about 21,800 yen/person
Special elderly nursing homes, etc.	¥1.0 billion	For food expenses and utilities Up to about 23,400 yen/person
Nursing-care service providers	¥0.1 billion	For fuel expenses, day care service providers Up to about 10,200 yen/vehicle Home-visit service providers Up to about 5,400 yen/vehicle
Support facilities for persons with disabilities, etc.	¥0.4 billion	For food expenses and utilities Up to about 21,900 yen/person
Welfare service providers for persons with disabilities	¥0.5 billion	For fuel expenses and utilities Up to about 5,900 yen/person
Shelters	¥0.03 billion	For food expenses and utilities Up to about 17,400 yen/person
Medical institutions, etc.	¥5.5 billion	For utilities Up to about 78,000 yen/institution For food expenses + Up to about 14,000 yen/bed Up to about 13,700 yen/person
Pharmacies	¥0.6 billion	For utilities 78,000 yen/institution
Public baths	¥0.1 billion	For fuel expenses 288,000 yen/bath
Transport service providers	¥2.1 billion	Commercial cargo 23,000 yen/vehicle Commercial light cargo 8,000 yen/vehicle Transit buses 35,000 yen/vehicle Chartered buses * 35,000 yen/vehicle Taxis (corporation and individually owned) 12,000 yen/vehicle
Special high voltage power and industrial LP gas	¥1.1 billion	Special high voltage power Small companies and tenants 100,000 yen/site Direct power receiving 5,000,000 yen/site LP gas 100,000 yen/site
Household LP gas	¥2.3 billion	Up to 3,000 yen/household

\*Addition to the previous measure for higher prices

### FY 2025 initial budget 167.1 billion yen (FY 2024 initial budget: 161.9 billion yen)

#### Safety net support

- ◆ Food pantry emergency support project
- ◆ Support project for unstable employed persons with no residence, unemployed persons and others
- ◆ Subsidy for daily commodity transportation cost
- ◆ Small and medium-sized enterprise loan system (emergency loan menu for responding to energy, Russia- Ukraine war, yen weakness and others) and others

#### Wage hike and price pass-through measures, etc.

**New** Promotion Project for Creating the "take-home time" and Enhancing Engagement (promotion for pay rise)

- ◆ Housing support special allowance project for care workers, care managers and workers of welfare services for disabled persons and others
- ◆ Improvement of treatment of childcare workers, etc.
- ◆ Project for capital investment support for breakthrough business promotion
- ◆ Project for subcontractor companies measures and others

\* Additionally, the FY 2025 budget reflects the impact of higher prices by excluding a required amount resulting from higher prices from budget cuts, based on the budget estimation policy.

## Initiatives for increasing the “take-home time”

### Initiatives for increasing the “take-home time” of workers

- Use of digital technology and promotion of the flexible and quality work style will lead to an increase in the “take-home time” available for workers to do self-improvement and hobby.
- We will create the “take-home time” through work-style reform by supporting companies that promote diverse work styles, including introduction of the four-day workweek and the promotion of remote work to balance childcare and nursing care.

#### Initiatives for making the “take-home time”

- New** Promotion Project for Creating the “take-home time” and Enhancing Engagement
- New** Total support project for remote work
- New** Project of promotion for ABW\* offices

\*Activity Based Working:  
The work style possible to conduct highly profitable work by selecting an adequate place according to details and purpose of work

and others



### Increase the “take-home time” of Tokyo citizens and TMG Staff through policy DX ~Initiative of “SHIN-TOSEI”~

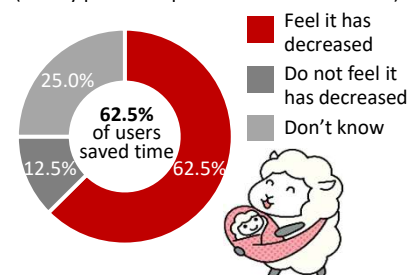
- Based on the SHIN-TOSEI, Structural Reform of Tokyo Politics QOS Upgrade Strategy, which was announced in March 2021, we have been implementing initiatives with the goal of achieving the building of the foundation of a digital government, TMG, by FY 2025.
- Previous initiatives, including Children’s DX, have resulted in an increase in the “take-home time” for Tokyo citizens and TMG staff through the digitalization of administrative procedures and the reform of the way to provide services.
- Based on the SHIN-TOSEI X, Structural Reform of Tokyo Politics QOS Upgrade Strategy 2.0 (draft), which was announced in January 2025, we will keep and upgrade previous initiatives while progress Policy DX beyond barriers of organizations and fields with a center on leading projects to realize an increase in the quality of service that Tokyo citizens can receive.

#### [Children’s DX]

#### Opinion of users of push child-raising service

Over 60% of users reported saving time compared to searching for information themselves.

(Survey period: September to October 2024)



### Policy DX leading projects (FY 2025: ¥54.9 billion)

Sector	Main initiatives	Main projects
Children	Support for children	<b>New</b> Construction of the middle and high school students website (provisional name) etc.
	Support for child-raising	<b>New</b> Children’s DX best practice build-up project etc.
Education	Education DX	◆ Use of generative AI in Tokyo metropolitan schools etc.
Welfare and healthcare	Healthcare DX	◆ Support Project for Entry into the Aerospace Industry etc.
	Strengthening of the elderly follow-up	<b>New</b> Project for Promotion of Setting up the Bases for Following up the Elderly
Disaster prevention	Unification of disaster information	<b>New</b> Rebuilding of DIS (Tokyo Metropolitan Government Disaster Information System)
Development of city	Environmental arrangement for use of geospatial data	◆ Realization of Digital Twin of city etc.
Environment	DX of procedures related to industrial waste, etc.	◆ Promotion of DX of procedures related to industrial waste and information management, etc.
Industry	AI-based screening of subsidy applications	<b>New</b> Project of Promotion for Business Process Reengineering (BPR)





## System of Project Proposals by Tokyo Citizens, University Researchers, and TMG Staff



The objective of this system is to solve the pressing issues facing the TMG by utilizing new perspectives not tied to conventional concepts and the knowledge that has congregated in Tokyo.

### System of Project Proposals by Tokyo Citizens [FY 2025 budget amount: ¥0.19 billion]

- Through “**Proposals put forward by Tokyo citizens and selected by Tokyo citizens**,” this mechanism allows measures to directly reflect the voices of Tokyo citizens.
- From **854 proposals**, **7 projects** have been selected with votes from Tokyo citizens taken into consideration.

Project	Budget amount
Expansion of accessible electronic resources	¥31 million
Barrier-free animation work for children	¥80 million
Project for promoting the understanding of assistance dogs for persons with physical disabilities	¥10 million
Holding and running of Taste of Tokyo Festival *An expanded portion of the existing project	¥8 million
Support for maintenance and improvement of the residential environment in rental apartments	¥20 million
Expansion of data base for business operators concerning adequate management of chemical materials	¥23 million
Youth forum to connect with the local communities	¥18 million

- Along with votes from Tokyo citizens, we asked voters to send in points for improvement, etc., in relation to proposed projects, and received **2,949 opinions**.

For status of reflected opinions, please follow the Bureau of Finance website “Tokyo citizen’s proposals” link below.  
<https://www.zaimu.metro.tokyo.lg.jp/zaisei/zaisei/teian/tomin/7tomin>



### System of Project Proposals by University Researchers

[total project expenses: ¥0.67 billion, FY 2025 budget amount: ¥0.13 billion]

- Based on proposals from researchers, this mechanism **creates projects through cooperation with researchers and universities**.
- From **46 proposals**, **5 projects** have been selected, with examinations by experts, etc., and votes from Tokyo citizens taken into consideration.

Project	University	Total project expenses (Anticipated)	Budget amount
Project for development of a study app for elementary school students concerning adequate use of pharmaceuticals	Teikyo Heisei University	¥30 million	¥13 million
Project for improvement of information and education contents for promotion of inclusive childcare	The University of Tokyo	¥70 million	¥25 million
Communication barrier-free project	The University of Electro-Communications	¥380 million	¥30 million
Social implementation of urban circular economy model through software system	The University of Tokyo	¥90 million	¥30 million
Development of the ability of medical and nursing staff to perform advance care planning (ACP) that supports Tokyo citizens throughout their lives	Institute of Science Tokyo	¥100 million	¥30 million

### System of Project Proposals by TMG staff

- Including cashless payment of fees for postal applications for metropolitan taxes certification and viewing, three projects are reflected into the budget.



## 2

# Revenues and Expenditures Budget Status

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## Financial Scale

### General Account Budget Scale

**9,158.0 billion yen (+705.0 billion yen, +8.3%, compared to the previous fiscal year)**

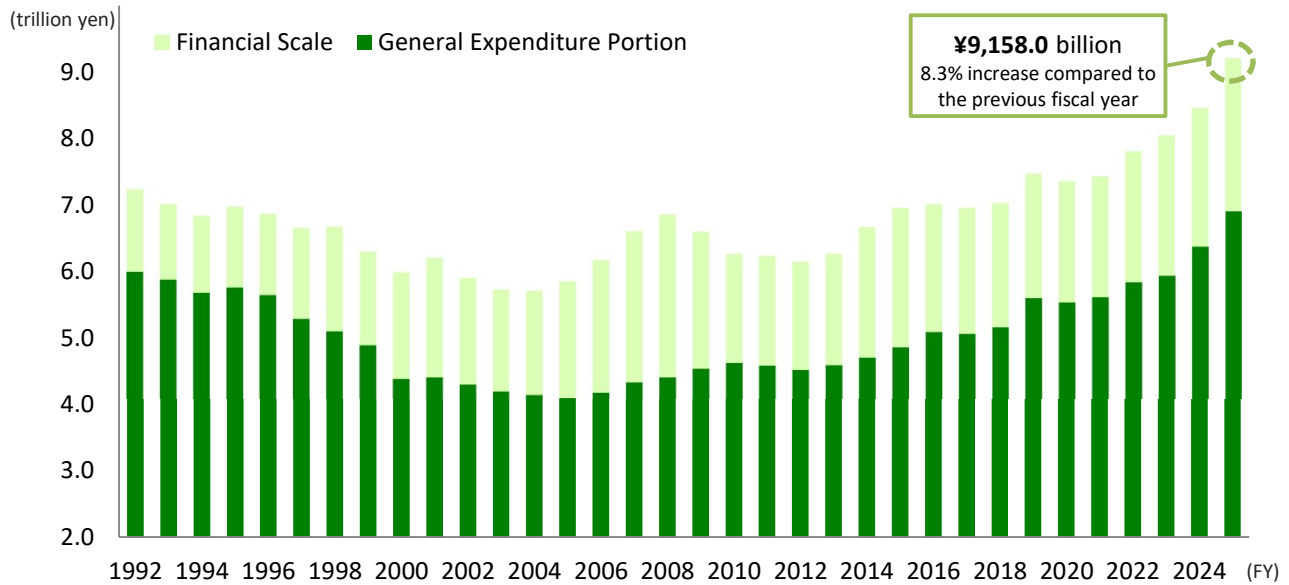
- The general account budget scale increases by 8.3% over the previous fiscal year to 9,158.0 billion yen.
- Metropolitan tax revenues increases by 8.5% compared to the previous fiscal year to 6,929.6 billion yen mainly because of increased revenues from the two corporate taxes following a solid trend in corporate earnings.
- General expenditure, which is a policy expenditure, increases by 8.3% compared to the previous fiscal year to 6,897.8 billion yen mainly because of the aggressive and intensive allocation of financial resources to **seamless support for all people ranging from children and youths to the elderly, initiatives for enhancing global competitiveness, and initiatives for realization of the resilient capital Tokyo capable of dealing with any threats.**

Item		FY 2025	FY 2024	Change in Amount	Percentage of Change
General Account	Annual Revenues	¥9,158.0 billion	¥8,453.0 billion	¥705.0 billion	8.3 %
	Of which Metropolitan Taxes	¥6,929.6 billion	¥6,386.5 billion	¥543.1 billion	8.5 %
	Annual expenditures	¥9,158.0 billion	¥8,453.0 billion	¥705.0 billion	8.3 %
	General Expenditure Portion	¥6,897.8 billion	¥6,370.2 billion	¥527.6 billion	8.3 %

Special Accounts	[18 accounts]	¥6,699.3 billion	¥6,190.8 billion	¥508.5 billion	8.2 %
Public Enterprise Accounts	[9 accounts]	¥1,992.4 billion	¥1,914.6 billion	¥77.8 billion	4.1 %
Total Accounts	[28 accounts]	¥17,849.7 billion	¥16,558.4 billion	¥1,291.3 billion	7.8 %

\*The term "General expenditure" indicates so-called "policy expenditure" and refers to expenses in the general account excluding expenses for public bonds and expenses allocated to municipalities as a fixed percentage of taxes (tax-related expenses) such as special wards fiscal adjustment account transfers and local consumption tax grants.

## Financial Scale and Changes in General Expenditure (General Account Initial Budget)



Item	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Financial Scale	¥7,354.0 billion -1.4%	¥7,425.0 billion 1.0%	¥7,801.0 billion 5.1%	¥8,041.0 billion 3.1%	¥8,453.0 billion 5.1%	¥9,158.0 billion 8.3%
General expenditure	¥5,533.2 billion -6.1%	¥5,612.2 billion 1.4%	¥5,840.7 billion 4.1%	¥5,935.4 billion 1.6%	¥6,370.2 billion 7.3%	¥6,897.8 billion 8.3%

\*All figures are initial budget based.

\*Lower values indicate percentage change compared to the previous fiscal year.

### ■ Status of TMG Budget, National Budget and Local Public Finance Program

Item	TMG (General account initial budget)	National (General account initial budget)	Local public finance program (Revenues in regular portion)
Financial Scale	¥9,158.0 billion (8.3%)	¥115,541.5 billion (2.6%)	¥97,009.4 billion (3.6%)
General expenditure	¥6,897.8 billion (8.3%)	¥68,245.2 billion (0.7%)	¥81,274.1 billion (3.6%)
Tax Revenues	¥6,929.6 billion (8.5%)	¥78,440.0 billion (12.7%)	¥45,449.3 billion (6.4%)
Dependency on bond issuance	2.2% -1.5 percentage points	24.8% -6.7 percentage points	6.1% -0.6 percentage points
Bond issuance balance	¥4.4 trillion (-6.1%) Tax revenue ratio 0.6 times	¥1,129 trillion (2.2%) Tax revenue ratio 14.4 times	¥171 trillion (-4.4%) Tax revenue ratio 3.8 times

\*Values in ( ) indicate percentage change compared to the previous fiscal year.

\*Dependency on bond issuance is the percentage of revenues accounted for by bond issuance.

\*The national general expenditure is the total expenditure less JGB expenses and local allocation tax grants, etc.

\*The national bond issuance balance includes reconstruction bonds.

\*The bond issuance balance of local public finance program includes the Great East Japan Earthquake portion.

## Status of Revenues (General Account)

### Total Revenues

**9,158.0 billion yen (+705.0 billion yen, +8.3%, compared to the previous fiscal year)**

- Metropolitan tax revenues increased by 543.1 billion yen or 8.5% compared to the previous fiscal year mainly due to increased revenues from the two corporate taxes following a solid trend in corporate earnings and increased Metropolitan inhabitant tax on individuals arising from improvements in the employment and income environment.
- National treasury disbursements increased by 45.5 billion yen or 12.0% compared to the previous fiscal year mainly due to progress of the project for the continuous grade separation of railways.
- Funds transfers increased by 15.1 billion yen or 2.1% compared to the previous fiscal year mainly due to **active use of Tokyo resilience promotion fund** for protection of the lives and livelihoods of Tokyo citizens from natural disasters.
- Miscellaneous revenue increased by 223.2 billion yen, or 56.3%, compared to the previous fiscal year, mainly because of increased refunds from financial institutions of deposits made by TMG for the small and medium-sized enterprises loan program.
- TMG bonds decrease by 109.3 billion yen or 34.9% compared to the previous fiscal year due to a **reduction in issuance in consideration of the financial burden for future fiscal years, etc.**

### Status of Revenues

Item	FY 2025	FY 2024	Change in Amount	Percentage of Change
Metropolitan taxes	¥6,929.6 billion	¥6,386.5 billion	¥543.1 billion	8.5 %
Local transfer taxes	¥82.8 billion	¥63.8 billion	¥19.0 billion	29.8 %
National treasury disbursements	¥424.0 billion	¥378.5 billion	¥45.5 billion	12.0 %
Funds transfers	¥729.7 billion	¥714.6 billion	¥15.1 billion	2.1 %
Miscellaneous revenues	¥619.4 billion	¥396.2 billion	¥223.2 billion	56.3 %
TMG bonds	¥203.4 billion	¥312.7 billion	−¥109.3 billion	−34.9 %
Other revenues	¥169.1 billion	¥200.7 billion	−¥31.6 billion	−15.7 %
Total	¥9,158.0 billion	¥8,453.0 billion	¥705.0 billion	8.3 %

## Metropolitan Taxes

- Metropolitan tax revenue **increased by 543.1 billion yen or 8.5% compared to the previous fiscal year** to 6,929.6 billion yen, mainly due to increased revenues from the two corporate taxes following a solid trend in corporate earnings and increased Metropolitan inhabitant tax on individuals arising from improvements in the employment and income environment.

### Metropolitan Tax Breakdown

Item	FY 2025	FY 2024	Change in amount	Percentage of change
Metropolitan taxes	<b>¥6,929.6 billion</b>	<b>¥6,386.5 billion</b>	<b>¥543.1 billion</b>	<b>8.5 %</b>
Two corporate taxes	<b>¥2,536.2 billion</b>	<b>¥2,301.6 billion</b>	<b>¥234.7 billion</b>	<b>10.2 %</b>
Metropolitan inhabitant tax on individuals	<b>¥1,245.1 billion</b>	<b>¥1,091.1 billion</b>	<b>¥154.0 billion</b>	<b>14.1 %</b>
Local consumption tax (post settlement)	<b>¥815.9 billion</b>	<b>¥752.4 billion</b>	<b>¥63.5 billion</b>	<b>8.4 %</b>
Fixed assets tax City planning tax	<b>¥1,824.6 billion</b>	<b>¥1,779.4 billion</b>	<b>¥45.2 billion</b>	<b>2.5 %</b>
Other taxes	<b>¥507.7 billion</b>	<b>¥462.0 billion</b>	<b>¥45.8 billion</b>	<b>9.9 %</b>

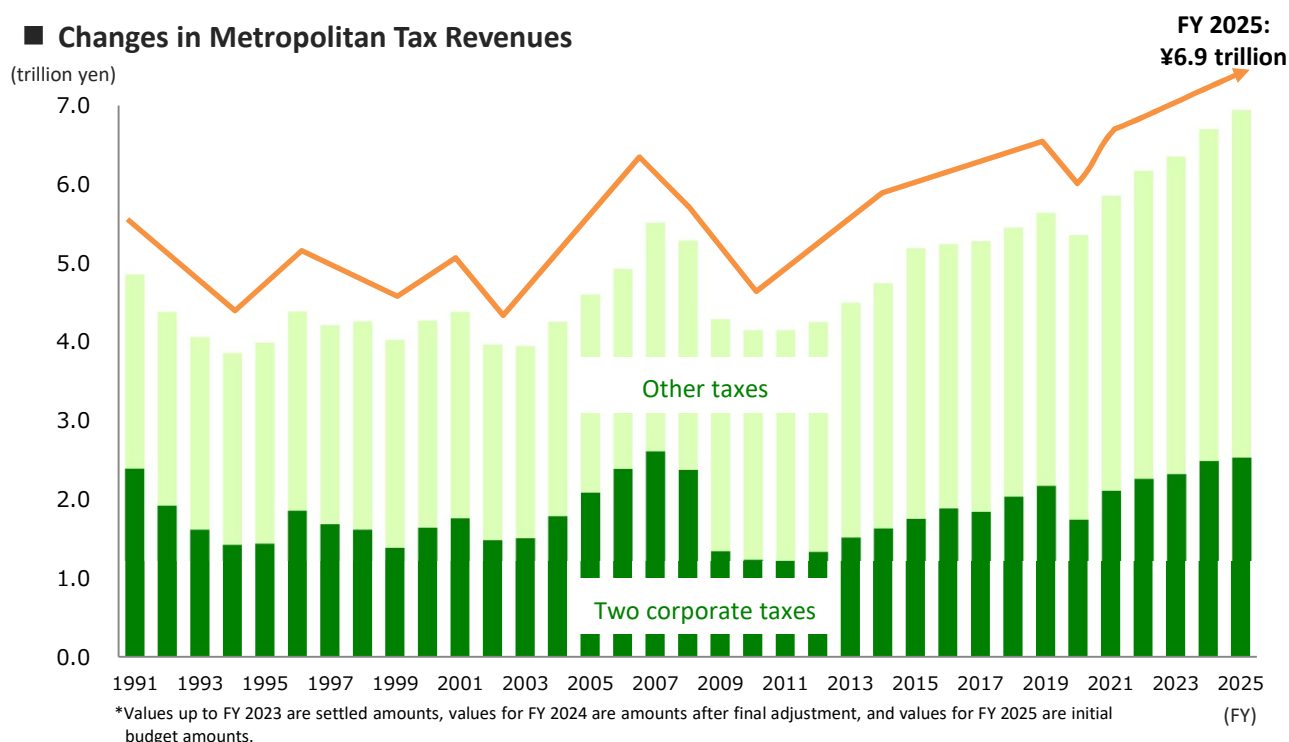
[Financial resources of expenses required for social security measures]

- In order to secure the financial resources of expenses required for social security measures, which are expected to continue increasing, the consumption tax rate, including national and local taxes, was raised from 5% to 8% from April 1, 2014 (of which the local consumption tax rate: 1.7%), and again from 8% to 10% from October 1, 2019 (of which the local consumption tax rate: 2.2%).
- The total amount of increased revenues accompanying the hikes in the local consumption tax rate, is allocated as the financial resource of expenses required for social security measures.

[Fixed assets tax, etc., burden alleviation measures]

- The three existing burden alleviation measures (20% reduction in small-scale non-housing land, etc.) of fixed assets tax, etc., will be continued in FY 2025.

### Changes in Metropolitan Tax Revenues



## Status of Expenditures (General Account)

### General Expenditure

**6,897.8 billion yen (+527.6 billion yen, +8.3%, compared to the previous fiscal year)**

- General expenditure increased by 8.3% compared to the previous fiscal year to 6,897.8 billion yen.
- **Ordinary expenditures increased by 8.3%** compared to the previous fiscal year to **5,736.7 billion yen**, mainly due to seamless support for all people ranging from children and the youth to the elderly and initiatives for enhancing global competitiveness.
- **Investment expenses increased by 8.3%** compared to the previous fiscal year to **1,161.1 billion yen**, mainly due to initiatives to increase the city's resilience, and initiatives towards the formation of convenient and comfortable transportation and shipping networks.
- **Expenses for public bonds decreased by 11.3%** compared to the previous fiscal year to **287.2 billion yen** as a result of steady redemption of TMG bonds to date.

## Status of Expenditures

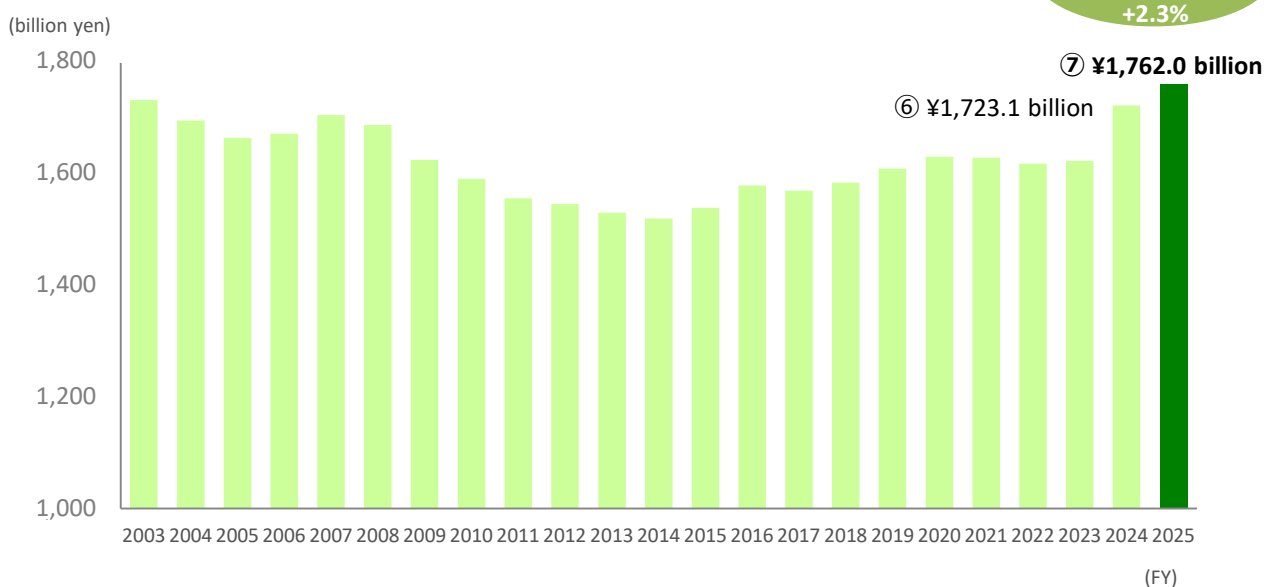
Item	FY 2025	FY 2024	Change in amount	Percentage of change
General expenditure	<b>¥6,897.8 billion</b>	<b>¥6,370.2 billion</b>	<b>¥527.6 billion</b>	<b>8.3 %</b>
Ordinary expenditures	<b>¥5,736.7 billion</b>	<b>¥5,298.3 billion</b>	<b>¥438.4 billion</b>	<b>8.3 %</b>
Salary-related expenses	<b>¥1,762.0 billion</b>	<b>¥1,723.1 billion</b>	<b>¥38.9 billion</b>	<b>2.3 %</b>
Other ordinary expenditures	<b>¥3,974.7 billion</b>	<b>¥3,575.2 billion</b>	<b>¥399.5 billion</b>	<b>11.2 %</b>
Investment expenses	<b>¥1,161.1 billion</b>	<b>¥1,071.9 billion</b>	<b>¥89.2 billion</b>	<b>8.3 %</b>
Expenses for Public bonds	<b>¥287.2 billion</b>	<b>¥323.8 billion</b>	<b>−¥36.7 billion</b>	<b>−11.3 %</b>
Tax-related expenses, etc.	<b>¥1,973.1 billion</b>	<b>¥1,759.0 billion</b>	<b>¥214.1 billion</b>	<b>12.2 %</b>
Total	<b>¥9,158.0 billion</b>	<b>¥8,453.0 billion</b>	<b>¥705.0 billion</b>	<b>8.3 %</b>



## Salary-Related Expenses

- Salary-related expenses increased by 38.9 billion yen compared to the previous fiscal year, mainly due to increases accompanying the revision of salaries.

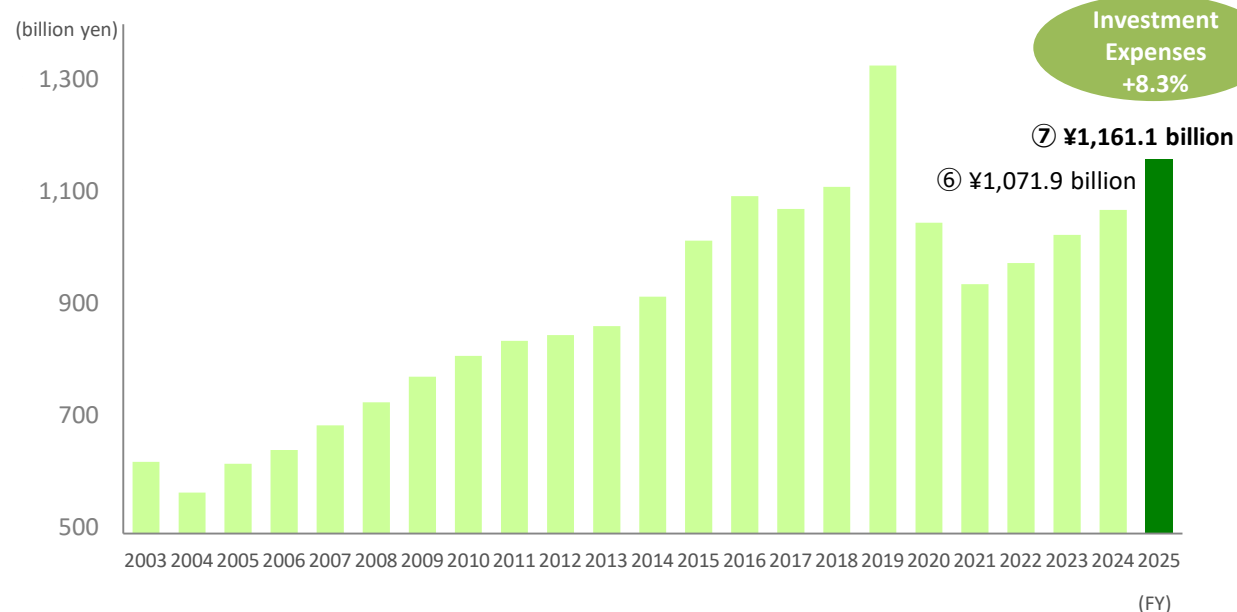
### Changes in Salary-Related Expenses (Initial Budget)



## Investment Expenses

- Financial resources are allocated with priority placed on projects that will be highly effective, such as the promotion of initiatives toward realization of the resilient capital Tokyo and the initiatives towards the formation of convenient and comfortable transportation and shipping networks that include construction of the Port of Tokyo.
- Such initiatives increase investment expenses by 8.3% compared to the previous fiscal year to 1,161.1 billion yen.

### Changes in Investment Expenses (Initial Budget)



## Breakdown by Objective

- When looking at expenditure by objective, compared to the previous fiscal year, “Health and Welfare” increases by 161.1 billion yen or 10.0%, and “Labor and Economy” increases by 89.4 billion yen or 12.5%. We are working to improve the quality of Tokyo citizens’ lives through **prioritized and efficient allocation of limited financial resources**.

Item	FY 2025		FY 2024		Change in amount	Percentage of change
		Ratio		Ratio		
Health and Welfare	¥1,771.6 billion	25.7%	¥1,610.5 billion	25.3%	¥161.1 billion	10.0%
Education and Culture	¥1,455.5 billion	21.1%	¥1,398.3 billion	22.0%	¥57.1 billion	4.1%
Labor and Economy	¥803.9 billion	11.7%	¥714.6 billion	11.2%	¥89.4 billion	12.5%
Living Environment	¥374.4 billion	5.4%	¥344.9 billion	5.4%	¥29.4 billion	8.5%
Urban Development	¥998.9 billion	14.5%	¥914.2 billion	14.4%	¥84.7 billion	9.3%
Police and Firefighting	¥1,012.6 billion	14.7%	¥961.6 billion	15.1%	¥50.9 billion	5.3%
Planning and General Affairs	¥480.9 billion	7.0%	¥426.0 billion	6.7%	¥54.9 billion	12.9%
General expenditure	¥6,897.8 billion	100.0%	¥6,370.2 billion	100.0%	¥527.6 billion	8.3%
Public Bonds	¥287.2 billion	—	¥323.8 billion	—	—¥36.7 billion	—11.3%
Tax-related Expenses, etc.	¥1,973.1 billion	—	¥1,759.0 billion	—	¥214.1 billion	12.2%
Expenditures	¥9,158.0 billion	—	¥8,453.0 billion	—	¥705.0 billion	8.3%

### Reasons for Changes in Each Sector

#### Health and Welfare

Increased by 10.0% mainly because of increased expenses related to the project for emergency support for securing local medical treatment and the project for reducing the burden of charge for childcare fee.

#### Education and Culture

Increased by 4.1% mainly because of increased expenses related to TOKYO smart school project and holding of the 2025 World Athletics Championships and Deaflympics.

#### Labor and Economy

Increased by 12.5% mainly because of increased expenses related to the project to promote the introduction of electric buses and trucks and the project to promote the supply of affordable housing using the finance scheme.

#### Living Environment

Increased by 8.5% mainly because of increased expenses related to the project of comprehensive measures to promote the Tokyo zero-emission housing and Environmental Building Reporting Program and the project of concentrated promotion for thermal insulation and renewable energy of rental housing.

#### Urban Development

Increased by 9.3% mainly because of increased expenses related to the construction project for the Port of Tokyo, including restructuring and improvement of Oi Container Terminal, and improvements in small and medium sized rivers.

#### Police and Firefighting







Increased by 5.3% mainly because of increased expenses related to improvements of police and firefighting facilities and the replacement of police helicopters.

#### Planning and General Affairs

Increased by 12.9% mainly due to increased expenses related to the building of the next-generation taxation core system and general subsidy to municipalities.

## Column Budget per Tokyo Citizen

- This section reorganizes the FY 2025 budget to show budget per Tokyo citizen by objective. **A large portion of the budget is allocated to measures to address the falling birthrate and the graying population, enrichment of school education, police and firefighting activities, etc.**
- Comparison against figures for FY 1995, 30 years ago, shows **a significant increase for “Health and Welfare,”** mainly due to measures for children and the elderly accompanying a falling birthrate and graying population.
- In this way, we maintain an accurate understanding of the needs of Tokyo citizens as they change with the times, and **appropriately allocate limited financial resources from metropolitan tax revenues, etc., to the necessary measures.**

Sector	FY 2025 Budget	FY 1995 Budget
 <b>Health and Welfare</b> e.g., measures to address the falling birthrate and the graying population	¥124,756	¥58,529
 <b>Education and Culture</b> e.g., the enhancement of school education	¥102,496	¥102,199
 <b>Labor and Economy</b> e.g., revitalization of industry	¥56,614	¥43,205
 <b>Living Environment</b> e.g., waste management	¥26,363	¥45,418
 <b>Urban Development</b> e.g., road development	¥70,343	¥121,141
 <b>Police and Firefighting</b> e.g., police and firefighting activities	¥71,306	¥72,699
 <b>Planning and General Affairs</b> e.g., staff training and welfare	¥33,868	¥45,852
 <b>Public Bonds</b> e.g., principal and interest redemption of TMG Bonds	¥20,223	¥26,194
 <b>Tax-related Expenses, etc.</b> e.g., subsidies to municipalities	¥138,945	¥76,765
Total	¥644,915	¥592,002
Metropolitan Taxes	¥487,988	¥353,207

\*Figures for total population in Tokyo for FY 2025 are as of December 1, 2024, given in “Tokyo Population (Estimates)” (TMG Bureau of General Affairs).

\*Figures for total population in Tokyo for FY 1995 are as of December 1, 1995, given in “Tokyo Population (Estimates)” (TMG Bureau of General Affairs).



# 3

## **Sustainable Financial Management**

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# Promotion of Sustainable Financial Management

## The Context behind Financial Management in the Compilation of the FY 2025 Budget

- As the employment and income environment improves, Japan's economy is continuing a trend of gentle recovery, and **metropolitan tax revenues in the FY 2025 budget** have reached **approximately 6.9 trillion yen**.
- However, in the face of many challenges, such as the ongoing low birth rate and longevity, rapid changes in international affairs, and disaster preparedness, it is **necessary to take immediate and appropriate measures to protect the capital and explore the hopeful future of Tokyo**.
- In FY 2025 budget, with such recognition, we **strove for proactive implementation of measures to evolve three cities: Diverse City, Smart City, Safe City and make Tokyo the best city in the world**.
- In addition, we are strengthening initiatives to maintain a resilient financial base, considering medium- and long-term financial demands, including an increase in expenses related to social security. Specifically, we are striving to **further increase in the efficiency and effectiveness of measures** through minus-ceilings, budget reductions at the budget request stage, strengthening the use of data in policy reviews, and thorough re-evaluation based on project reviews. Consequently, the amount of financial resources secured through project reviews recorded a **historical high of 130.3 billion yen**.
- We are also **practicing sustainable financial management with consideration for future financial capability** by securing a year-end balance **at approximately the pre-Lehman Shock level** and **reducing the issuance amount of TMG bonds** while **proactively utilizing steadily accumulated funds**.

## ■ Balancing Proactive Implementation of Measures and Sustainable Financial Management

### Proactive implementation of measures (New project: 712)

Diverse City



Smart City



Safe City



### Maintaining resilient financial base

#### Minus-ceilings

- Set the maximum total budget amount at a 10% reduced amount from the previous fiscal year for the projects required to be further reviewed, in principle

Reduction in amount  
**Approx.  
20 billion yen**

#### Increase in the effectiveness and efficiency of measures

- Reached the highest ever amount of secured financial resources through project reviews
- Cumulative total of secured financial resources amount after setting the end-of-terms for all projects (9 years)

**130.3 billion yen**

Approx. 940 billion yen

#### Strategic utilization of funds

- Utilization of Funds

Withdrawal amount  
**714.4 billion yen**

- Securing a stable amount of funds balance

**1,657.0 billion yen**

#### Strategic utilization of TMG bonds

- TMG bonds issuance amount

**203.4 billion yen**  
(Previous FY initial budget comparison  
-35%)

- TMG bonds balance

**4,443.1 billion yen**  
(Previous FY initial budget comparison  
-289.3 billion yen)

## Initiatives of Policy Reviews, Project Reviews and Group Cooperation Project Reviews

### FY 2025 Budget Points

- In order to respond appropriately to the various issues it faces within the backdrop of limited financial resources, the TMG has **integrally implemented three reviews**, as a part of the budget compilation process, leading to the development of measures and projects with higher efficiency and effectiveness: **policy reviews**, which evaluate the overall direction of measures based on the degree of achievement of targets, and **project reviews**, which verify each project to improve its efficiency and effectiveness and **group cooperation project reviews**, which review the contribution to measure targets of the TMG and the direction of initiatives.
- In policy reviews, for **10 policy groups**, including cross-bureau initiatives, we strove for a further utilization of administrative data as well as systematical arrangement of the effect and challenges of each project which compose project groups, followed by quantitative understanding and analysis, which resulted in the building of effective projects.
- In project reviews, we strengthened initiatives by completing post verification of projects whose end-of-terms come, as well as consolidating similar projects from the viewpoints of Tokyo citizens and business operators, and by reviewing operations through the execution of BPR (business process reengineering) and the utilization of advanced technologies. As a result, we announced evaluation results of **1,558 projects**, and reviewed and rebuilt **1,230 projects**.
- We name these three reviews **“TOKYO meri-hari Review,”** and inform Tokyo citizens about initiatives of the reviews as well as further expand the details of reviews.

### Initiative status of “TOKYO meri-hari Review”

#### Policy review

Number of announcements: **10 groups**/Achievement indicators: **18 indicators**  
/Individual projects: **105 projects** (Reviewed and rebuilt: 54 projects, New and expanded: 51 projects)

#### Project review

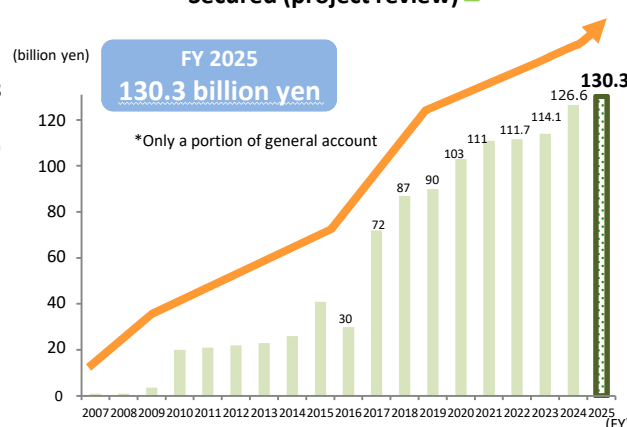
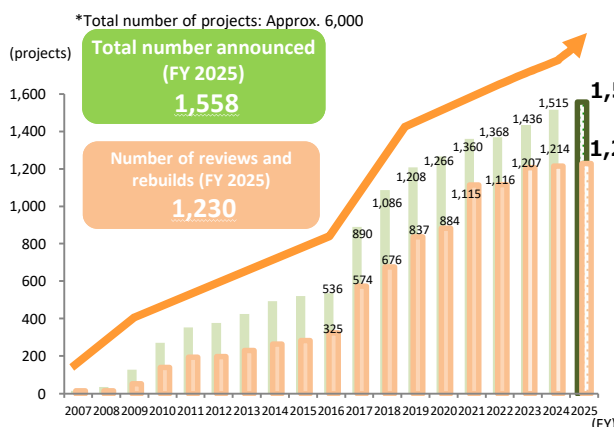
Number of announcements: **1,558 projects** (among them, Reviewed and rebuilt: **1,230 projects**)  
/Secured financial resources amount: **130.3 billion yen**

#### Group Cooperation Project Reviews

Reviewed groups: **All 33 groups**/Collaborative targets and project targets: **88 targets and 221 indicators**/Reflection into TMG projects: **106 cases**



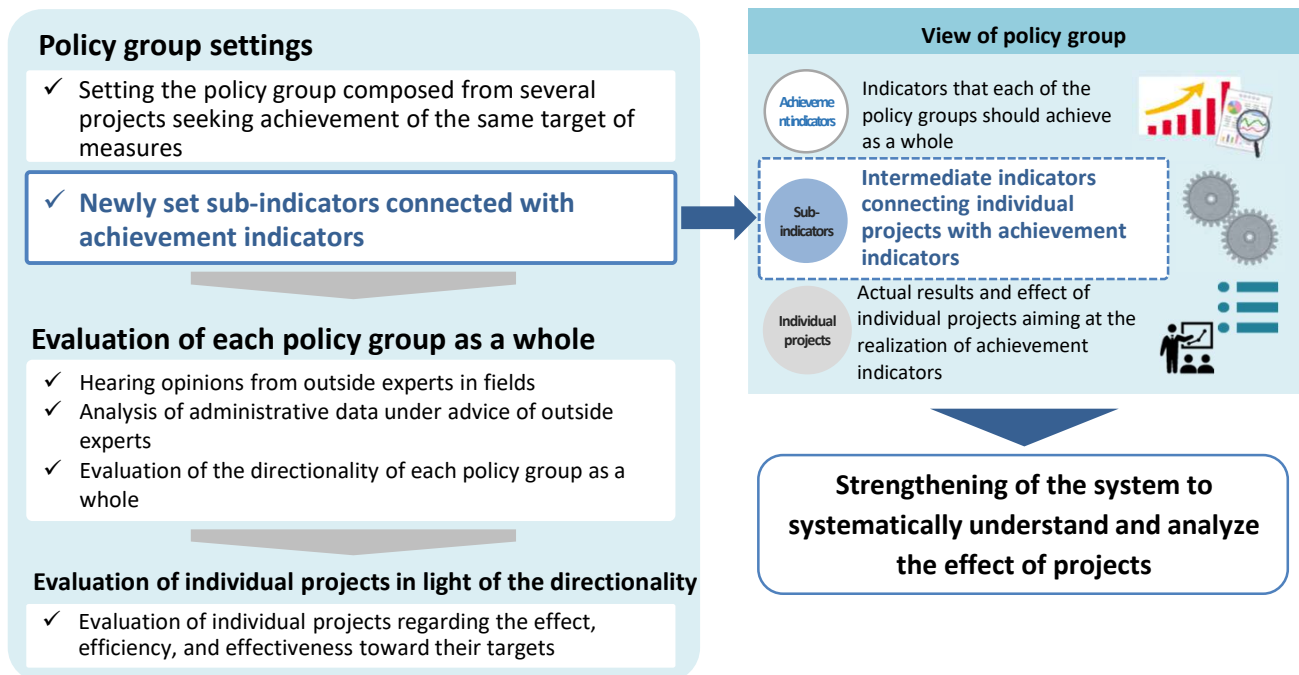
#### Changes in the Number of Announcement (project review) ■ Changes in Amount of Financial Resources Secured (project review) ■



## Specific Initiatives of Policy Reviews, Project Reviews and Group Cooperation Project Reviews

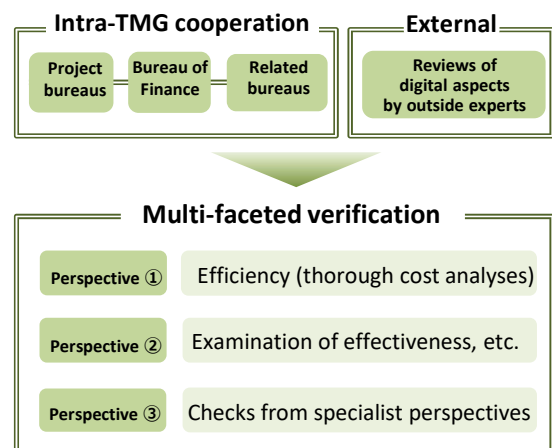
### ■ Policy review

- Policy reviews consider achievement of targets, opinions of outside experts, and analysis results of administrative data, to evaluate the directionality of measures in each policy group as a whole.
- **Sub-indicators (intermediate indicators)**, which are connected with achievement indicators of the entire measure, **have been newly set** to strengthen the system making it possible to systematically understand and analyze the effect of projects.



### ■ Project review

- We completed post verification through setting an end date for all projects and performed the multi-faceted verification, such as cooperation with related bureaus and utilization of opinions of outside experts in digital-related evaluation.
- In the compilation of FY 2025 budget, we **strengthened consolidation of similar projects** in terms of an increase in the convenience and the efficiency of operations from the perspective of users and resulted in 110 evaluation cases related to integration and consolidation of projects.
- We also aggressively **performed BPR by adopting new systems** and **reviewed operations using advanced technologies, such as AI.**
- Since the compilation of the FY 2017 budget, we have publicized the results of **approximately 11,700 reviews** for nine years. During the same period, we have reviewed and rebuilt **approximately 8,900 projects**, resulting in the securing of **approximately 940 billion yen** in financial resources.





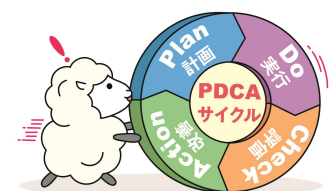
## ■ Group Cooperation Project Reviews

- We set collaborative targets connected to the measure targets of the TMG and project targets of organizations, and then performed evaluations of the directionality of project reviews, taking into account of analysis of challenges from on-site viewpoint and opinions of outside experts, et al.
- We refined reviews from a perspective placing greater priority on achievements, which included **new setting of outcome targets** based on the viewpoint of Tokyo citizens and **a raise in project targets** reflecting progress status.



## Further improvement of the review system

- We have steadily built efficient and effective measures and projects and secured financial resources through the above reviewed initiatives.
- We will update the operation of the review system, including the holding of a review meeting with outside experts for a further improvement of the system.



## Utilization of Funds

- To steadily implement measures and respond to significant challenges of the TMG, the TMG has strategically secured funds by mainly depositing finance sources generated by detailed reviews of expenditures.
- In the FY 2024 final adjustment budget, we will also deposit revenues from sale of stocks of Tokyo Metro Co., Ltd., to the Fund Reserve for New Railway Line Construction and the Tokyo Resilience Promotion Fund to strategically utilize funds.
- In the FY 2025 budget, in order to steadily promote measures to reinforce the city's resilience, realize an advanced welfare city, and improve social capital, **714.4 billion yen of funds for the realization of 3-Cities**, etc., which have strategically been deposited, will be proactively utilized. The funds balance is expected to amount to 1,657 billion yen at the end of FY 2025.
- In order to proactively and steady promote measures towards the realization of the "World's Best City, Tokyo," the TMG will continue to plan for **strategic utilization of funds** from a medium and long term perspective, while firmly discerning trends in future financial demand.

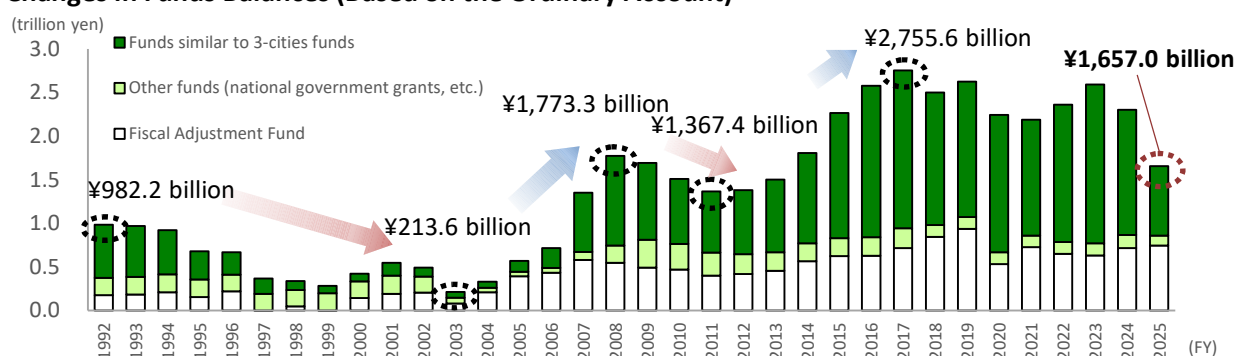
## Deposits to Funds in the FY 2024 Final Adjustment Budget

- In the **FY 2024 final adjustment budget**, among revenues of 162.4 billion yen from sale of stocks of Tokyo Metro Co., Ltd, the property of Tokyo citizens, **81.2 billion yen** was deposited to the Fund Reserve for New Railway Line Construction and the Tokyo Resilience Promotion Fund, respectively, for initiatives for expanding the railway network and reinforcement of city resilience.
- Furthermore, in accordance with provisions specified under the ordinance, 83.3 billion yen, which is the fixed amount of tax revenue increases, is deposited to the fiscal adjustment fund as mandatory reserves.

## Utilization of Funds in the FY 2025 Initial Budget

- In the FY 2025 initial budget, **a total of 714.4 billion yen is withdrawn and utilized**, mainly from the Tokyo Resilience Promotion Fund (210.5 billion yen) and the Advanced Welfare City Realization Fund (125.0 billion yen).
- As of end-FY 2025, **the expected balance for the funds for the realization of 3-Cities, the fiscal adjustment fund, etc., is 1,657.0 billion yen**, which is roughly the same as pre-Lehman Shock levels. In this way, the TMG is securing a stable amount of funds balance from sustainable financial management perspectives.

### ■ Changes in Funds Balances (Based on the Ordinary Account)



\*Values up to FY 2023 are settled amounts, and values for FY 2024 onwards are expected year-end balances.

\*Past funds balances are classified according to new fund systems from FY 2017 onwards.

## Status of Funds Deposits and Withdrawals in FY 2025 (Based on the Ordinary Account)

### ■ Funds for the Realization of 3-Cities

Item	FY 2024	FY 2025		
	Year-end balance (After final adjustment)	Deposit amount (Initial)	Withdrawal amount (Initial)	Year-end balance (Initial)
<b>Safe City</b>	<b>¥359.1 billion</b>	—	— ¥210.5 billion	<b>¥150.9 billion</b>
Tokyo Resilience Promotion Fund	¥359.1 billion	—	— ¥210.5 billion	¥150.9 billion
<b>Smart City</b>	<b>¥828.4 billion</b>	<b>¥10.9 billion</b>	— ¥263.2 billion	<b>¥581.2 billion</b>
Social Capital Improvement Fund	¥357.4 billion	¥6.5 billion	— ¥113.0 billion	¥253.1 billion
Fund Reserve for New Railway Line Construction, etc.	¥176.7 billion	¥4.3 billion	— ¥6.3 billion	¥176.2 billion
Smart Tokyo Fund	¥67.4 billion	—	— ¥57.3 billion	¥10.5 billion
Green Tokyo Fund	¥18.3 billion	—	— ¥4.0 billion	¥14.4 billion
Zero Emission Tokyo Fund	¥102.9 billion	—	— ¥63.4 billion	¥40.0 billion
Fund to Promote the Installation of Renewable Energy Equipment in New Buildings, etc.	¥105.7 billion	—	— ¥19.2 billion	¥87.0 billion
<b>Diverse City</b>	<b>¥186.1 billion</b>	—	— ¥125.0 billion	<b>¥62.2 billion</b>
Advanced Welfare City Realization Fund	¥186.1 billion	—	— ¥125.0 billion	¥62.2 billion
<b>Tokyo 2020 Legacy Fund</b>	<b>¥63.4 billion</b>	—	— ¥58.7 billion	<b>¥5.1 billion</b>
<b>Subtotal</b>	<b>¥1,437.0 billion</b>	<b>¥10.9 billion</b>	— ¥657.3 billion	<b>¥799.4 billion</b>

### ■ Funds Built up from National Government Grants, etc.

Other funds	¥149.9 billion	¥19.9 billion	— ¥57.1 billion	¥113.6 billion
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### ■ Fiscal Adjustment Fund

Fiscal Adjustment Fund	¥715.7 billion	¥26.2 billion	—	¥744.0 billion
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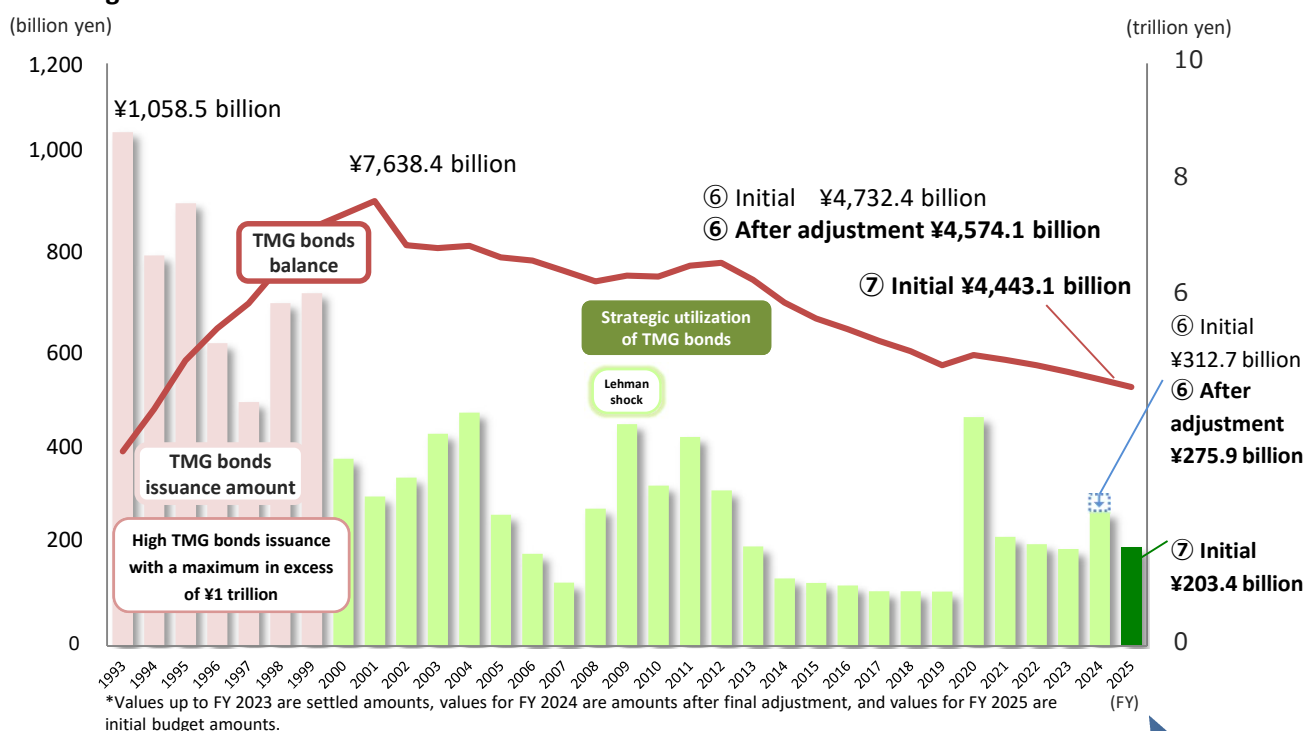
<b>Total</b>	<b>¥2,302.6 billion</b>	<b>¥56.9 billion</b>	— ¥714.4 billion	<b>¥1,657.0 billion</b>
General account	¥2,283.0 billion	¥56.9 billion	— ¥711.4 billion	¥1,640.3 billion
Special accounts	¥19.6 billion	—	— ¥3.0 billion	¥16.7 billion

\*As the deposit amounts do not include accumulations, the FY 2025 year-end balance does not match the total of FY 2024 year-end balance and FY 2025 deposit amounts and withdrawal amounts.

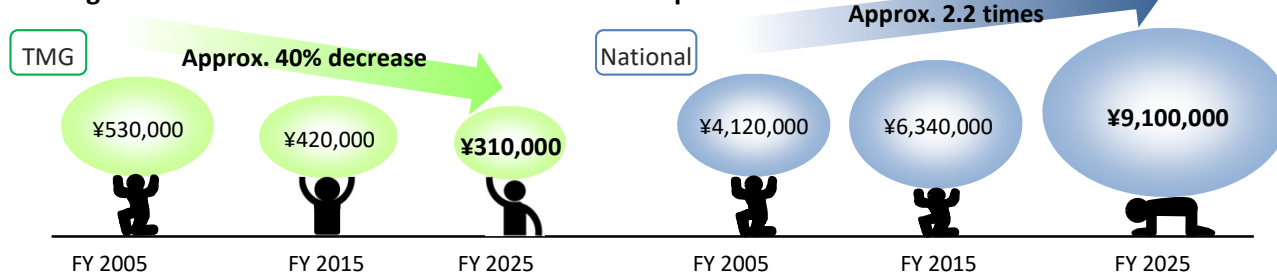
## Utilization of TMG bonds

- Since FY 2000, the TMG had worked to restrain TMG bonds issuance through financial reconstruction initiatives, and has subsequently worked towards steady financial management through TMG bonds issuance in accordance with the status of metropolitan tax revenues, etc.
- In the FY 2024 final adjustment budget, we strived to build a sustainable financial foundation by **reducing the burden of interest payments accruing in later fiscal years through early redemption of issued TMG bonds** with higher interest rates utilizing financial resources generated from the inspection of expenditures.
- Also in the FY 2025 budget, we will maintain flexibility for future TMG bond issuance by **controlling the issuance amount of TMG bonds** in light of the burdens on future generations. As a result, the issuance amount of TMG bonds amounts to **203.4 billion yen**, down **109.3 billion yen** or **34.9%** from the FY 2024 initial budget, and the balance of TMG bonds amounts to **4,443.1 billion yen**, down **289.3 billion yen** from the amount estimated at the time of the announcement of the FY 2024 initial budget.
- In FY 2025, the **dependency on bond issuance is 2.2%**, a decrease of 1.5 percentage points compared to the previous fiscal year. It maintains lower levels compared to the national government (24.8%) and local governments (6.1%).

### ■ Changes in TMG Bonds Issuance Amounts and TMG Bonds Balance



### ■ Changes in TMG and National Bond Issuance Balance per Citizen

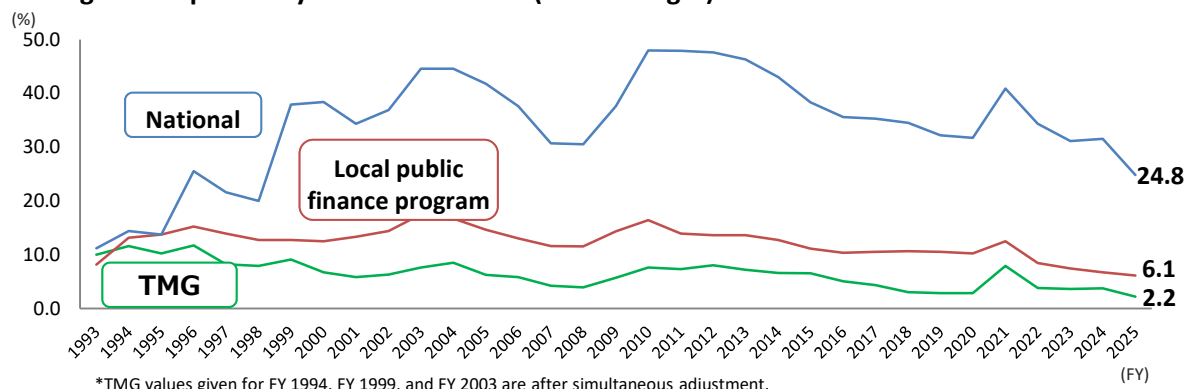


\*Figures for total population of Tokyo are as given in "Tokyo Population (Estimates)" (TMG Bureau of General Affairs) (populations are as of October 1, 2005, October 1, 2015, and December 1, 2024).

\*Figures for total population are as given in "Population Estimates" (Ministry of Internal Affairs and Communications) (populations are as of October 1, 2005, October 1, 2015, and July 1, 2024).

\*TMG bonds balance is based on the general account, and FY 2025 TMG bonds balance is as given in the initial budget.

## ■ Changes in Dependency on Bond Issuance (Initial Budget)



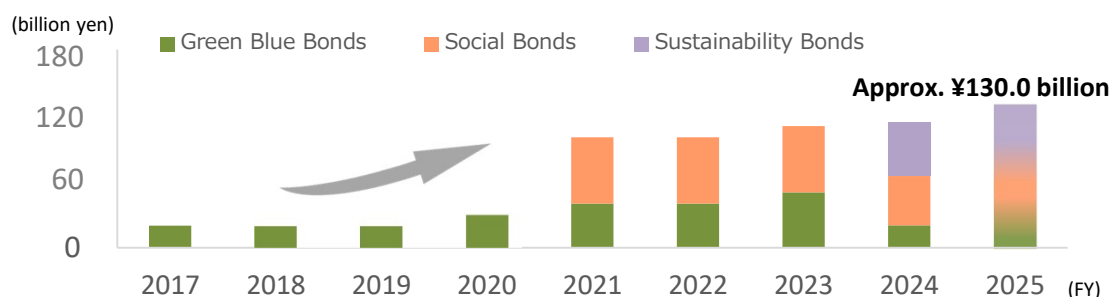
### Column

### Initiatives for sustainable finance (FY 2025: Approx. ¥130.0 billion)

- Ahead of local authorities nationwide, the TMG has issued **Tokyo Green Bonds** since FY 2017 and **Tokyo Social Bonds** since FY 2021. We added the conservation of the marine environment to subjects of the green bonds in FY 2024 and renamed the bonds to **Tokyo Green and Blue Bonds**.
- In FY 2025, we will update the sustainability bonds issued in FY 2024 into **Tokyo Resilience Bonds** and issue them at overseas markets. Use of proceeds from these bonds will be **specialized in the Tokyo Resilience Project** to back up initiatives for the reinforcement of resilience.
- We will strongly promote our measures, such as environmental measures, and reinforcement of city resilience while revitalizing the sustainable finance market by widely attracting investment money from Japan and overseas.



## ■ Changes in issuance amount



\*Actual amounts until FY 2023, the estimated amount for FY 2024 and the budget amount for FY 2025 (the breakdown is yet not determined)

\*The amount includes that of special accounts and public enterprise accounts. \*Amounts of FY 2023 and beyond include a refinanced portion.

## Column

## List of the 2050 Tokyo Strategy (draft) project expenses

- We have budgeted 100% of the FY 2025 projects of the 2050 Tokyo Strategy (draft) with a total amount of 2,755.4 billion yen earmarked across all accounts.

(In billion yen)

Pillars of the Strategy	The image of Tokyo in 2050s Vision	FY 2025 project expenses
Children	A children-first society that nurtures children's smiles	422.5
Childcare	Support those who want to "make it happen" and assist in the self-fulfillment	134.1
Education	Children and youth grow and develop themselves with hope and create a future	256.2
Youth	Youth, the bearers of the future, are full of hope and can fulfill the dreams they have drawn	10.9
Women's Empowerment	Everyone can choose their own way of life, regardless of gender	128.7
Work style	Everyone can work and play an active role in a positive way, just as they are	58.4
Longevity (Chōju)	An active Chōju society where people can live comfortably and always shine	96.8
Community	Broaden the support network and foster a society where everyone feels connected	37.6
Inclusive Society	Inclusive City Tokyo reaches new heights as diverse personalities shine	110.2
Startup	By continuously generating innovation, Tokyo leads global transformation and growth	52.5
Digital	"Smart Tokyo," the world's most information technology-enabled, convenient and comfortable city	221.9
Global Finance	Make the leap to Tokyo, the world's financial hub for a sustainable future	21.7
Industry	Create the next growth industry from Tokyo and lead the global economy	100.4
Tourism	Create a Tokyo that captivates the world, offering new experiences and discoveries with every visit	20.0
Culture & Entertainment	Sophisticated value from Tokyo inspires and enriches the hearts of people around the world	21.6
Sports	Develop into a world-class sports hub where everyone enjoys sports	46.4
City Planning & Housing	Tokyo, a city that drives Japan's growth and where people shine with vitality	229.7
Infrastructure & Transportation	The world's best infrastructure connects people and supports their lives	648.9
Greenery and Water	Tokyo, a city of greenery and water, a city of peace and tranquility	412.2
Zero Emission	Achieve a decarbonized society and make a significant contribution to achieving net-zero emissions worldwide	569.8
Urban Resilience	Become the world's most resilient city that protects residents from the threat of disasters	672.2
Disaster Preparedness	Protect lives from disasters and live safely, securely + comfortably	31.0
Safety & Security in the City	Protect the lives and safety of Tokyo residents from crime, accidents, fire, etc.	35.4
Medical Treatment	Everyone can receive necessary medical care in a familiar community with peace of mind	42.8
Tama Area and Tokyo Islands	Tama and Tokyo islands, where you can live a comfortable and fulfilling life with all the attractions of a region you want to visit and live in	582.5
Structural Reform	The transformation that ushers in a new era is improving the quality of life of Tokyo residents	161.8
All Japan	Realize "co-existence and co-prosperity" to support and develop together with all regions of Japan	16.1
Co-creating the Future	Deepen collaboration with diverse actors creates a brighter future	23.1
<b>Grand total</b>		<b>2,755.4</b>

\*For project expenses, figures are not yet finalized and may be subject to change.

\*Project expenses are for all accounts, including the general account and public enterprise accounts.

\*The amount for each strategy includes repeat postings while the total represents only the main postings (the total of project expenses for each strategy does not match the overall grand total).

## Unreasonable Local Corporate Taxation Reviews

- In local tax and financial systems, due to successive local corporate taxation reviews since the FY 2008 tax reform, the transfer of corporate inhabitant and enterprise taxes (two corporate taxes) to national tax had been processed.
- The impact amount of this series of reviews on FY 2025, compared to a hypothetical case in which tax reforms had not taken place, is **−1,465.4 billion yen**. The effect of these measures on TMG finances is not small.
- The TMG will continue to strongly urge the national government to establish the ideal local tax and financial systems, so that local governments can secure financial resources commensurate with their roles and authority.

### ■ Overview of Unreasonable Local Corporate Taxation Reviews

① Partial transfer of corporate enterprise tax to national tax	<ul style="list-style-type: none"><li>- A certain fraction of corporate enterprise tax (income basis and revenue basis) is transferred to national tax as special corporate enterprise tax.</li><li>- The portion transferred to national tax is distributed among prefectures as special corporate enterprise transfer tax in accordance with population.</li></ul> <p>▶ Approx. 30% of corporate enterprise tax is transferred to national tax. In the distribution of the transfer tax to the TMG, which does not receive local allocation tax grants, up to a maximum of 75% is deducted from the amount proportionally allocated in accordance with population.</p>									
② Transfer of corporate inhabitant tax to the source of local allocation tax grants	<ul style="list-style-type: none"><li>- A certain fraction of corporate inhabitant tax proportionate to corporate tax is transferred to national tax as local corporate tax, which is distributed as local allocation tax.</li></ul> <p>▶ As the TMG does not receive local allocation tax grants, the tax rate reduction due to the transfer to national tax directly leads to a fall in revenues.</p> <table><tr><td colspan="2">[Standard tax rate for corporate inhabitant tax proportionate to corporate tax]</td><td>[Tax rate reduction due to transfer to national tax]</td></tr><tr><td>Prefectural inhabitant tax: 5.0%</td><td>→ 1.0%</td><td>Prefectural inhabitant tax: -4.0%</td></tr><tr><td>Municipal inhabitant tax: 12.3%</td><td>→ 6.0%</td><td>Municipal inhabitant tax: -6.3%</td></tr></table>	[Standard tax rate for corporate inhabitant tax proportionate to corporate tax]		[Tax rate reduction due to transfer to national tax]	Prefectural inhabitant tax: 5.0%	→ 1.0%	Prefectural inhabitant tax: -4.0%	Municipal inhabitant tax: 12.3%	→ 6.0%	Municipal inhabitant tax: -6.3%
[Standard tax rate for corporate inhabitant tax proportionate to corporate tax]		[Tax rate reduction due to transfer to national tax]								
Prefectural inhabitant tax: 5.0%	→ 1.0%	Prefectural inhabitant tax: -4.0%								
Municipal inhabitant tax: 12.3%	→ 6.0%	Municipal inhabitant tax: -6.3%								
③ Corporate enterprise tax grant	<ul style="list-style-type: none"><li>- Mainly in order to cover for the decreased revenues of municipalities accompanying the transfer of corporate inhabitant tax to the source of local allocation tax grants, a fixed percentage of corporate enterprise tax is distributed among municipalities in each prefecture.</li></ul> <p>*The equivalent portion for special wards is the amount obtained by multiplying the applicable corporate enterprise tax grant by the ratio specified by the ordinance, which is added to the fiscal adjustment grants for special wards, and is distributed (the impact amount resulting from this is included in ②).</p>									

### ■ The Impact Amount of Unreasonable Local Corporate Taxation Review (FY 2025)

FY 2025 initial budget		
Corporate enterprise tax	−¥729.9 billion	Partial transfer of corporate enterprise tax to national tax as special corporate enterprise tax
① Special corporate enterprise transfer tax	¥79.4 billion	Special corporate enterprise tax distributed among prefectures as local transfer tax (FY 2025 local public finance program: ¥2,347.0 billion)
② Corporate inhabitant tax	−¥796.5 billion	Partial transfer of corporate inhabitant tax to the source of local allocation tax grants as local corporate tax
Subtotal of two corporate taxes and transfer tax	−¥1,446.9 billion	
③ Corporate enterprise tax grant	−¥18.4 billion	A fixed percentage of corporate enterprise tax distributed among municipalities in each prefecture
<b>Total</b>	<b>−¥1,465.4 billion</b>	

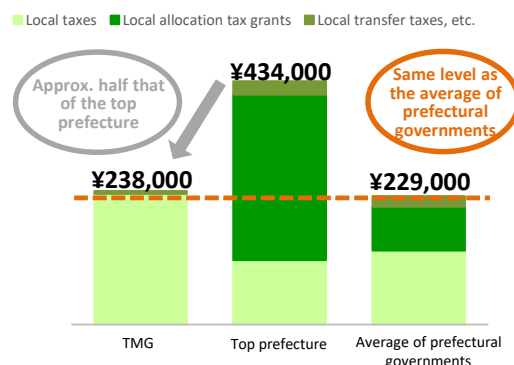


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# Seeking for the ideal of local tax and financial systems

- The local allocation tax grants are established to adjust the disparity of financial sources and guarantee necessary financial sources so that each local authority can provide a certain degree of administrative services as there are differences in population and industrial structures between authorities.
- When comparing amounts of general revenue resources per capita that consist of local taxes and local allocation tax grants, etc., **Tokyo's is almost the same as the average of prefectural governments, and it is not high at all.**

## Amounts of general revenue resources per capita

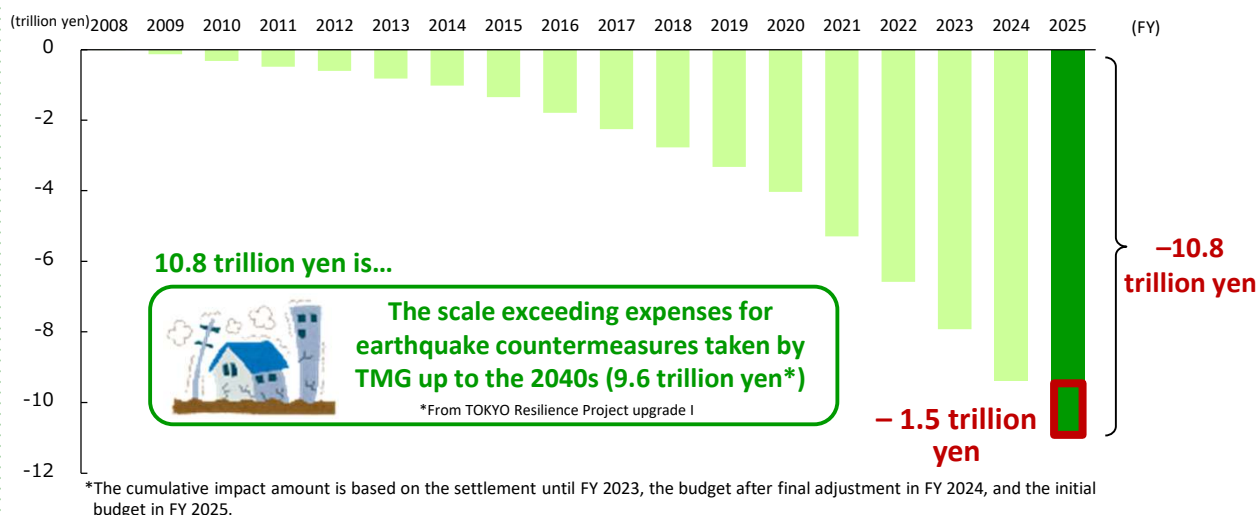


\*Based on the FY 2023 Statistics of Local Government Finance for Prefectures (Ministry of Internal Affairs and Communications)

\*Calculated based on the population of the "Basic Resident Register" as of January 1, 2024

- Regardless of this, the TMG experienced the loss of revenues from Metropolitan Taxes of **1.5 trillion yen in FY 2025 and 10.8 trillion yen as the cumulative total after FY 2008 due to a series of unreasonable local corporate taxation reviews.**

## Changes in cumulative impact amount



**Taxes per Tokyo citizen of about 100,000 yen annually and about 800,000 yen on a cumulative basis have been lost!**

- In Japanese finance, the expenditure allocation between the national government and local governments is a ratio of 4 to 6 while the allocation of national taxes and local taxes is conversely a ratio of 6 to 4. **A series of unreasonable local corporate taxation reviews** have reduced the ratio of local taxes that are self-financed sources for local governments. **This contradicts the decentralization of authority.**
- For achievement of sustainable growth of the entire nation of Japan, the key is not competition for limited financial sources between local governments but **expansion and ensuring of local taxes that are appropriate to the roles and authority of local governments.**
- Toward the realization of true local autonomy, **we will strongly encourage** the national government **to engage in the drastic reform of local tax and financial systems** that shall include a review of the allocation of tax resources between national government and local governments.