

**Dream Incubator Signs a Memorandum of Understanding Regarding SIB,
a New Public-Private Partnership Scheme for Resolving Social Issues, with Izumo City:
Dream Incubator Signs an Agreement with Izumo City,
San-in Godo Bank, and Development Bank of Japan**

Dream Incubator Inc. (headquartered in Chiyoda-ku, Tokyo; Representative Director & COO: Takayuki Miyake; hereinafter “DI”) hereby announces that it has decided to sign a memorandum of understanding with Izumo City, Shimane Prefecture (Mayor: Toshiyuki Iitsuka), The San-in Godo Bank, Ltd. (President & Representative Director: Toru Yamasaki; hereinafter “San-in Godo Bank”), and Development Bank of Japan Inc. (President & CEO: Seiji Jige; hereinafter “DBJ”) for joint investigation and research toward the utilization of social impact bonds, a new type of public-private collaboration scheme aimed at resolving social issues.



Social impact bonds (SIBs) are outcome-based financing schemes in which a government utilizes private-sector funds. They have drawn attention in recent years as a new impact finance scheme for addressing social issues.

Due to Japan’s accelerating trend of a falling birthrate and aging population and various changes in the social environment, many social problems are becoming more complex and serious, leading to an increased burden on government finances. Amid these circumstances, outside Japan, primarily in the UK, SIBs are increasingly being used as a means for reducing government spending and resolving social issues. In Japan as well, progress has been made in adopting this new financing scheme in the medicine and healthcare fields.

DI has promoted industry production activities in which it strives to address social issues by organically combining the strengths of various strategies, technology, and government policies. By collaborating with related government agencies and municipalities as well as with multiple private companies, DI has carried out advanced projects. Recently, DI has been focused in particular on establishing a sustainable method of resolving social issues through the utilization of SIBs.

With the signing of the memorandum of understanding, DI, jointly with Izumo City, DBJ, and San-in Godo Bank, will investigate and research the feasibility of utilizing SIBs in the fields of healthcare and urban infrastructure among others. In doing so, by sharing and drawing on the expertise and networks of DI, San-in Godo Bank, and DBJ, the parties involved will work to tackle various social issues facing Matsue City and aim to expand the joint initiative into one that creates an even greater social impact.

As Japan’s leading* SIB administrator, DI will help expand SIB financing in Japan. At the same time, DI will continue seeking to address social issues by drawing on its track record of bringing together the power to generate ideas and the power to gain partners in the development of new business, thus fulfilling its mission of “creating businesses and changing societies.”

* DI’s SIB fund is the largest in Japan. The SIB project aimed at reducing the number of seniors requiring nursing care in Toyota City is also the largest in Japan in terms of scale, at around 500 million yen (as of November 30, 2022, based on the pay-for-success business case study report by Japan’s Cabinet Office).

■ About Izumo City ([Official website](#))

Izumo City, known nationwide as the Land of Myths, is blessed with many historical and cultural heritage sites including Izumo Taisha, Kojindani Ruins, and Nishidani Burial Mounds, as well as rich natural surroundings, such as the Sea of Japan, Lake Shinji, and Hii River. To respond to diversifying values and lifestyles against the backdrop of a rapidly declining birthrate coupled with an aging population, dramatic changes in international and domestic affairs, and increases in safety and security awareness in the face of frequent large-scale natural disasters, environmental awareness amid climate change, and health awareness in the era of 100-year lifespans, the city has formulated Izumo Shinwa 2030, a comprehensive city promotion plan, and is working on various initiatives under the plan.

[Press release inquiries]

Dream Incubator Inc. / Corporate Communication Team
Tel: +81-3-5532-3200 / Email: info@dreamincubator.co.jp