Current Status of Reconstruction and Challenges

Ⅰ Comparison of the level of damage with the Great Hanshin-Awaji Earthquake

Ⅱ Current status and challenges
   1. Support for Evacuees
   2. Housing Reconstruction and Community Development
   3. Reviving Industry and Livelihoods
   4. Revitalizing and Reconstructing Fukushima
   5. Reconstruction Olympics and Paralympics

Ⅲ Basic Guidelines for Reconstruction from the Great East Japan Earthquake After the “Reconstruction and Revitalization Period”

Ⅳ Act Partially Amending the Act for Establishment of the Reconstruction Agency and Other Laws

July 2020
## I. Comparison of the level of damage with the Great Hanshin-Awaji Earthquake

<table>
<thead>
<tr>
<th></th>
<th>Great Hanshin-Awaji Earthquake</th>
<th>Great East Japan Earthquake</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Date &amp; time of occurrence</strong></td>
<td>January 17, 1995 5:46</td>
<td>March 11, 2011 14:46</td>
</tr>
<tr>
<td><strong>Magnitude</strong></td>
<td>7.3</td>
<td>9.0</td>
</tr>
<tr>
<td><strong>Type of earthquake</strong></td>
<td>Near field</td>
<td>Subduction zone</td>
</tr>
<tr>
<td><strong>Disaster area</strong></td>
<td>City center</td>
<td>Agriculture, forestry and fisheries area</td>
</tr>
<tr>
<td><strong>Number of prefectures with a seismic intensity of 6-lower or greater</strong></td>
<td>1 (Hyogo)</td>
<td>8 (Miyagi, Fukushima, Ibaraki, Tochigi, Iwate, Gunma, Saitama, Chiba)</td>
</tr>
<tr>
<td><strong>Tsunami</strong></td>
<td>Reports of tsunami several tens of centimeters high, no damage</td>
<td>Observations of large tsunamis at various locations (max. wave height: Soma (9.3m and higher), Miyako (8.5m and higher), Ofutano (8.0m and higher)</td>
</tr>
<tr>
<td><strong>Characteristics of damage</strong></td>
<td>Collapsed buildings. Large-scale fires mainly in Nagata ward.</td>
<td>Tsunamis caused extensive damage along the coast and destroyed many areas.</td>
</tr>
<tr>
<td><strong>Deaths Missing</strong></td>
<td>Deaths: 6,434 Missing: 3 (May 19, 2006)</td>
<td>Deaths: 19,729 (* includes disaster-related deaths) Missing: 2,559 (As of March 10, 2020)</td>
</tr>
<tr>
<td><strong>Housing damage</strong></td>
<td>104,906</td>
<td>121,996 (As of March 10, 2020)</td>
</tr>
<tr>
<td><strong>Application of Disaster Relief Act</strong></td>
<td>25 cities/towns (2 prefectures)</td>
<td>241 municipalities (10 prefectures) (*Includes 4 municipalities (2 prefectures) where this was applied in an earthquake centered in northern Nagano Prefecture.</td>
</tr>
<tr>
<td><strong>Seismic intensity map</strong></td>
<td></td>
<td>Source: FY 2018 White Paper on Disaster Management, Appendix 18 (Some figures are published by the Extreme Disaster Management Headquarters (as of March 8, 2019)</td>
</tr>
</tbody>
</table>
II. Current status and challenges (Summary)

1. Support for Evacuees
   • Detailed response to issues that emerge as reconstruction progresses
   ① Decrease in number of evacuees from 470,000 after the disaster to 44,000
   ② Physical/mental care and preventing isolation with support bases for care and monitoring by counselors
   ③ Counseling and support for reconstructing housing and livelihoods and support for “Mental Recovery" project and community development to create purpose in life

2. Housing Reconstruction & Community development
   • Housing reconstruction is steadily moving forward and was mostly completed
   ① Independent reconstruction
   ② Development of residential land with relocation
   ③ Public housing
   ④ Promotion of improvements to living environment to help evacuees return to areas where evacuation orders have been lifted
   ⑤ Promotion of the establishment of “Specific Reconstruction and Revitalization Bases" in areas where returning is difficult
   ⑥ Self-reliance support by public-private joint teams, promotion of the Fukushima Innovation Coast Framework, and promotion of actions to restore the environment

3. Reviving industry & livelihoods
   • Production facilities have mostly been restored and support is being provided to promote tourism and sweep away harmful rumors
   ① Production levels in three disaster-affected prefectures have almost recovered to pre-disaster levels
     94% of farmland has recovered. 97% of fishery processing facilities have reopened.
   ② Recovery of sales levels varies by industry
     • Support for the development of sales channels in the fishery processing industry that has been slow to recover, promotion of inbound-oriented tourism, and support for securing human resources for companies in disaster-affected areas
     • Comprehensive support for dispelling rumors to revive agricultural, forestry and fisheries industries in Fukushima Prefecture
     • Wide encouragement of the use of various company relocation support measures to promote the new relocation and expansion of companies

4. Revitalizing & Reconstructing Fukushima
   • Evacuation orders have been lifted in most areas other than areas where returning is difficult. Full-scale advance towards reconstruction and revitalization
   ① Promotion of improvements to living environment to help evacuees return to areas where evacuation orders have been lifted
   ② Promotion of the establishment of “Specific Reconstruction and Revitalization Bases" in areas where returning is difficult
   ③ Self-reliance support by public-private joint teams, promotion of the Fukushima Innovation Coast Framework, and promotion of actions to restore the environment
   ④ Promotion of measures to counter reputational damage based on Strategies to Dispel Rumors and Improve Risk Communication
1. Support for Evacuees

**Detailed response to issues that emerge as reconstruction progresses**

(1) Policies and achievements

① Decrease in the number of evacuees from 470,000 to 44,000 (April 2020)
   Of these, approximately 2,000 evacuees are in temporary housing (May 2020)

② Physical/mental care and preventing isolation with support bases for care (3 locations as of April 2020) and monitoring by counselors (448 as of March 2020)

(2) Challenges and measures

① Rush to reconstruct housing and move evacuees from temporary housing
   • Iwate and Miyagi prefectures aim to remove temporary housing by the end of FY 2020

② Continuous support in line with new stages of reconstruction
   • Monitoring and support for physical/mental care
   • Support for community development
   • “Mental Recovery” project to create purpose in life
   • Counseling and support for reconstructing housing and livelihoods
## 2. Housing Reconstruction and Community Development

<table>
<thead>
<tr>
<th>Housing reconstruction is steadily moving forward and was mostly completed by FY 2018</th>
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</table>

### (1) Policies and achievements

1. Reconstructing housing
   - Steady progress as a result of measures to accelerate construction (such as by expediting procedures to acquire land, etc.)
   - Development of residential land with relocation to uplands (Planned number of units: Approx. 18,000)
     - Approx. 18,000 units completed (as of end of May 2020)
     - Estimated to be fully completed by FY 2020
   - Public housing (Planned number of units: Approx. 30,000)
     - Approx. 30,000 units completed (as of end of May 2020)
     - Estimated to be fully completed by FY 2020
   - Independent reconstruction  Approx. 152,000 units * Number of cases where victims received the Support Grants for Reconstructing Livelihoods of Disaster Victims (additional support)

2. Schools and hospitals have mostly been rebuilt

3. Disposal of debris (excluding areas under evacuation orders) and restoration of infrastructure are mostly complete

### (2) Challenges and measures

1. Practical support for help to move forward with reconstructing housing and support for independent reconstruction

2. Formation of transportation network in new towns and development of medical and nursing care systems, etc.

3. Development of transportation and logistics networks that will serve as the foundation for development (Reconstruction Roads and Reconstruction Support Roads, railroads, ports, etc.)
### 3. Reviving Industry and Livelihoods

Production facilities have mostly been restored and support is being provided to promote tourism and sweep away harmful rumors

**Policies**

1. Efforts to support the restart and continuation of company activities
   - Free rental of temporary shops
   - Emergency loans and double loan measures(*)
   * In February 2018, legislation by Diet members extended the period for decisions on support by about 3 years (until March 31, 2021)
   - Restoration of facilities and equipment using “group subsidies”
   - Support for company relocation, etc.

**Achievements**

1. Shipments of manufactured products from the three prefectures have almost recovered to a level before the earthquake.
2. 94% of farmland affected by the tsunami have recovered and 97% of fishery processing facilities have reopened.
3. 46% of companies that received “group subsidies” have recovered to sales levels of just before the earthquake.
   - In comparison with the construction industry (74.1%), sales have only recovered to 32.4% in the fishery and food processing industries.

**Challenges and measures**

1. Support for the development of sales channels for the fishery processing industry, promotion of inbound-oriented tourism, and securing human resources for companies in disaster-affected areas, since the recovery of sales varies according to industry.
2. Comprehensive support for dispelling rumors to revive agricultural, forestry and fisheries industries in Fukushima Prefecture.
3. Wide encouragement of the use of various company relocation support measures to promote the new location and expansion of companies.
4. Revitalizing and Reconstructing Fukushima

Evacuation orders have been lifted in most areas other than areas where returning is difficult. Full-scale advance towards reconstruction and revitalization

(1) Improvement of the living environment in areas where evacuation orders have been lifted
   - Housing: Reconstruction Public Housings (4,767 units completed out of 4,890 planned units), public housing for people who have returned to areas (397 units completed out of 455 planned units)
   - Medical: Medical institutions reopened, opening of Futaba Medical Center (April 2018)
   - Nursing care: Securing the necessary number of caregivers, reopening of nursing care facilities and operational support
   - Education: Reopening of elementary and junior high schools (resumption of classes in 10 municipalities)
     Opening of Futaba Future Junior High School (April 2019)
     Opening of new high schools (Futaba Future High School, Odaka Industrial Technology and Commerce High School have already opened)
   - Shopping: Support for the establishment of publicly built and privately operated facilities (Odaka Store in Minamisoma City opened in Dec. 2018), York Benimaru Haranomachi (supermarket) opened in Minamisoma (Feb. 2020)
   - Transportation: JR Joban Line is in full operation from March 14, 2020

(2) Reconstruction and revitalization of areas where returning is difficult
   - Promotion of plans approved by the Prime Minister to establish Specific Reconstruction and Revitalization Bases developed by the following towns in areas where returning is difficult:
     Futaba Town (approved in Sep. 2017), Okuma Town (approved in Nov. 2017)
     Namie Town (approved in Dec. 2017), Tomioka Town (approved in Mar. 2018)
     Iitate Village (approved in Apr. 2018), Katsurao Village (approved in May 2018)
4. Revitalizing and Reconstructing Fukushima

(3) Actions to revitalize industries and livelihoods and build new industrial bases

- Detailed support based on individual situations offered through individual visits to about 5,400 commercial and industrial companies and about 2,000 farmers (as of June 1, 2020) by the Public-Private Fukushima Soso Reconstruction Joint Team.
  - Restructuring business operations: Support for capital investment, securing human resources, developing sales channels, etc.
  - Resumption of farming: Support for guidance on agricultural technologies/techniques, "sixth industrialization" (integration of primary, secondary and tertiary industries to add more value), and development of sales channels, etc.

- Promotion of the Fukushima Innovation Coast Framework
  - Support for the creation of new industries through the development of technologies in the areas of decommissioning reactors, robotics, energy, agriculture, forestry and fisheries, etc.
  - Progress in the development of bases
    - Full opening of Fukushima Robot Test Field at the end of March 2020
    - Start of production and shipping of hydrogen on the world’s largest hydrogen production plant from renewable energy (March 2020)
  - Support for the development of human resources at elementary, junior high and high schools and research activities at universities
  - Achievement of autonomous and sustainable industrial development by clustering industries with the promotion of cooperation between local companies and those entering the market

(4) Actions to restore the environment

- Delivery of contaminated soil removed from sites to intermediate storage facility
  - About 7.65 million m³ of soil (out of approximately 14 million m³ slated for transport) has been delivered to storage facilities (as of June 18, 2020)
  - Aim to eliminate temporary storage along main roads and nearby locations in the first half of 2020
  - Aim to complete delivery of removed soil that is temporarily stored in the prefecture by 2021 (excluding soil in areas where returning is difficult)
- Transport specified waste, etc. to specified landfill disposal facility (former Fukushima Eco-Tech Clean Center)
(5) Measures to counter reputational damage

① Task Force on Measures to Counter the Impacts of Nuclear Hazards Including Reputational Damage (presided by the Minister of Reconstruction)

- Formulation of a strategy to dispel rumors and improve risk communication (decision by the Minister of Reconstruction on December 12, 2017)
  - Information disseminated from three perspectives: I “Informing”, II “Treating”, III "Inviting"
- Follow-up on strategy to dispel rumors and improve risk communication (April 12, 2019)
- Instructions from the Minister of Reconstruction to related ministries (April 12, 2019)
  
  **Instruction 1**: Actively disseminate information abroad at every opportunity, such as the G20 and other international meetings, etc.
  
  **Instruction 2**: Steady implementation of measures in this fiscal year and request of budget for the next fiscal year for the effective implementation of measures based on the impacts of measures implemented

- Instructions from Minister of Reconstruction to related ministries (November 1, 2019)
  
  **Instruction 1**: Strengthen initiatives overseas, such as calling for the easing/elimination of import restrictions in other countries and regions and promoting inbound tourism
  
  **Instruction 2**: Enhance initiatives in Japan

  (Main measures based on the following three perspectives)
  
  - "Informing": Promoting the use of side readers on radiation at schools, etc.
  - "Treating": Resolving discrepancies in understanding in attitudes at each stage of distribution based on surveys on distribution
  - "Inviting": Further promotion of "Hope Tourism" to revive interest in educational trips, etc.

- Compilation of an “Initiative for 2020” to dispel rumors as a priority action by the Reconstruction Agency (November 1, 2019)

② Effective dissemination of information using media mix

- Dissemination of information from the three perspectives of “informing" the current state of reconstruction in Fukushima, “treating people with products from Fukushima, and "inviting" them to Fukushima Prefecture through a media mix using all types of media, such as TV, internet, SNS, radio program and manga (from February 2019)

Radio program “Hand in Hand”

Information disseminated to dispel rumors affecting the reputation of Fukushima using TOKYO FM’s new radio program, “Hand in Hand “Human Care Project-“", to support the recovery efforts from disasters in various regions around the country (from October 2019)

Informing current situation of Fukushima and providing correct knowledge about radiation through various types of media

Manga “Kyai-n’s Report of Fukushima Tour”
5. Reconstruction Olympics and Paralympics

— Initiatives by the Reconstruction Agency for the 2020 Tokyo Olympic and Paralympic Games —

(1) Overview

○ Communicate the state of reconstruction efforts to the world in cooperation with disaster-affected areas so that the Tokyo 2020 Games can support the reconstruction of these areas as the "Reconstruction Olympics and Paralympics".

* Baseball and softball games will be played in Fukushima Prefecture (Fukushima Azuma Baseball Stadium) and football games are going to be played in Miyagi Prefecture (Miyagi Stadium) and Ibaraki Prefecture (Ibaraki Kashima Stadium).
* Fiji vs. Uruguay at the Rugby World Cup was held in Kamaishi City in Iwate Prefecture (Kamaishi Unosumai Memorial Stadium) on September 25, 2019.
* The Olympic torch was exhibited as “Fire of Reconstruction” in the disaster-affected three prefectures from March 20 until 25, 2020, and at National Training Center J-Village (Fukushima Prefecture) from April 2 until 7, 2020.

(2) Major efforts

○ Promote actions in cooperation with related ministries and disaster-affected areas through the "Reconstruction Olympics and Paralympics Liaison and Coordination Council"

- Torch Relay and "fire of reconstruction" to be run through disaster-affected areas
- Promote the registration of host towns (local governments looking to interact with nations participating in the Games) in disaster-affected areas, such as Reconstruction “Arigato (Thank you)” host towns, etc.
- Encouraging the use of food ingredients and materials from disaster-affected areas at Olympic and Paralympic Games facilities and in the Athletes’ Village
- Strengthening information dissemination about the Tokyo Games, in addition to information on reconstruction, on the agency’s "Reconstruction Portal Site"
- Events introducing attractive food and flows from three disaster-affected prefectures and disseminating information on reconstruction efforts
- Information dissemination to embassies in Tokyo
III. Basic Guidelines for Reconstruction in Response to the Great East Japan Earthquake After the "Reconstruction and Revitalization Period"

Ⅰ. Summary of Reconstruction Measures

• Reconstruction has made substantial progress due to an unprecedented generous support

• Areas affected by the earthquake and tsunami: Stage of overall completion of reconstruction

• Areas affected by the nuclear disaster: Full-scale movement towards reconstruction and revitalization

Main actions in each field

1. Support for affected people (health and daily life support)

(Results) Reduction in the number of evacuees (about 470,000 → 49,000)
Aim to eliminate temporary housing in areas affected by the earthquake and tsunami during the period

(Challenges) Formation and monitoring of communities in districts that will be rebuilt at the end of the period
Support based on prolonged life as evacuees, support for children, etc.

2. Reconstruction of homes and cities

(Results) Expected completion of approximately 30,000 public housing for disaster-affected people and relocation of 18,000 homes to uplands
Development of Reconstruction Roads and Reconstruction Support Roads, railways, ports, etc. as a foundation for development

(Challenges) Completion of projects as soon as possible within the period, taking the effects of Typhoon Hagibis and other disasters into account

3. Revitalization of industries and livelihoods

(Results) General recovery of shipments of products from three prefectures and substantial number of foreign visitors staying overnight

(Challenges) Difference in the status of recovery among coastal areas, recover sales in the fishery processing industry

4. Reconstruction and revitalization from the nuclear disaster

(1) Solutions to accident (decommissioning, contaminated water management)

(Challenges) Continue to work steadily with the highest priority on ensuring safety and disseminate accurate information

(2) Removal of radioactive materials, etc.

(Challenges) Management and restoration of temporary storage, maintenance of interim storage facilities and transport of waste, reduction and recycling of waste for final disposal, treatment of specified waste

(3) Expansion of efforts for lifting evacuation orders and for return, etc.

(Results) Evacuation orders lifted in most areas, with the exception of areas where return is difficult
Decrease in the number of evacuees in Fukushima Prefecture (About 165,000 → about 42,000)

(Challenges) Promotion of return/relocation, measures to areas where return is difficult, support for evacuees

(4) Industrial clusters based on the Fukushima Innovation Coast Framework

(Results) Development of bases for decommissioning, robots, energy, etc.

(Challenges) Industrial clusters based on “blueprint for industrial development”
Construction of an international educational and research base bringing together human resources from Japan and overseas

(5) Reconstruction of businesses and agricultural, forestry and fishery industries

(Challenges) Resumption of business operations and farming, development of forests integrated with countermeasures for radioactive materials, restoration of production areas for special forest products, recovery of catch and sales channels for fisheries

(6) Measures to dispel harmful rumors and promotion of risk communication

(Challenges) Measures to control reputational damage in Japan and overseas, abolishing/easing import restrictions

5. Creation of “New Tohoku” and collaboration with various entities

(Results) Development of case studies that can lead to solutions to regional issues

6. Dissemination of the image of reconstruction and passing on the memories of the disaster and lessons learned to future generations

(Results) Dissemination of information for the Rugby WC 2019 and 2020 Tokyo Olympic and Paralympic Games

Systems to support reconstruction

1. Scale and financial resources for recovery and reconstruction projects

(Results) Help accelerate reconstruction through unprecedented generous financial support

2. Legal system

(Results) Special provisions under the Act on Special Zones for Reconstruction in Response to the Great East Japan Earthquake and Act on Special Measures for the Reconstruction and Revitalization of Fukushima contribute to reconstruction efforts

3. Local government support

(Results) Financial support (such as special local allocation tax for recovery from earthquake disaster) and securing human resources (such as dispatching staff) contribute to projects

(Challenges) (Same for 1-3) Examine how systems should operate after the period

Organizations

(Results) Promote reconstruction with the development of a unified governmental structure

(Challenges) Specify organizations to act after the period, consider where Reconstruction Bureau will be set up
II. Basic Guidelines After Reconstruction and Revitalization Period

1. Basic stance and actions in each sector

**Areas affected by the earthquake and tsunami**

The national and local governments in the affected areas will continue to work together during five years after the Reconstruction and Revitalization Period on remaining projects with the aim of having reconstruction projects fulfill their objectives.

- **Infrastructure projects**
  - Infrastructure projects are slated for completion within the period. Some projects that will not be completed shall continue to be supported by a budget allocated during this period. However, disaster recovery projects shall continue to be supported.

- **Support for affected people, such as mental health care, etc.**
  - Continue to provide support for community development, mental and physical care, “mental recovery”, watching over and lifestyle consultations, and assistance for children orphaned by the disaster in line with the progress of projects.
  - Consider how to provide support for those projects that will not be completed within five years in line with the progress of projects and respond appropriately with a careful understanding of individual circumstances.

- **Support for children affected by the disaster**
  - Allocate additional teachers and school counselors and support children attending school in line with the progress of projects and the situations of children who require support.
  - Consider how to provide support for those projects that will not be completed within five years in line with the progress of projects and respond appropriately with a careful understanding of individual circumstances.

- **Reconstruction of homes and cities**
  - Removal of temporary housing and continued payment of Support Grants for Reconstructing Livelihoods of Disaster Victims.
  - Continue to provide support for projects to lower rent for public housing for disaster-affected people. Review the appropriate level of support at that time based on fairness between local governments that have different management start periods.

- **Industry and livelihoods**
  - Continue to provide support for rebuilding SMEs and other groups with a focus on target areas, extend application and operational deadlines for subsidies on relocating businesses.
  - Continue to provide support for the recovery of fishery catches and the recovery and development of sales channels for the fishery processing industry

- **Locally independent projects**
  - Continue to provide support for measures to secure human resources and compensate for depleted sales based on law

- **Projects arising from the nuclear disaster**
  - Continue to provide support for measures to counter reputational damage (monitoring and inspections, etc.)

**Areas affected by the nuclear disaster**

The national government continues to take the lead in areas where a medium- to long-term response is needed. For the next 10 years, the national government takes action with a view towards full-scale reconstruction and revitalization. In the fifth year, the overall status of projects will be reviewed.

- **Solutions of accident (decommissioning, contaminated water management)**
  - Safe and steady implementation of measures for decommissioning and contaminated water management

- **Actions to restore the environment**
  - Management and restoration of temporary storage, transport of waste to interim storage facilities and continuous management
  - Reduction and recycling of waste for final disposal, treatment of specified waste

- **Promotion of efforts to help residents return/relocate and reconstruct livelihoods, etc.**
  - Improve environment for return and promote relocation
  - Continue to provide support for affected people
  - Appropriate review of insurance premiums and service fees for medical and long-term care insurance, etc.
  - Improve environment for return in areas designated as Specified Reconstruction and Revitalization Base
  - Consider future policy direction for areas where return is difficult

- **Industrial clusters based on the Fukushima Innovation Coast Framework**
  - Promote initiatives focusing on priority areas with an eye on industrial development in the Hamadori area
  - Finalize summary of expert meetings around the summer of 2020 on the development of an international educational and research base and submit for drafting of government plan in the same year.

- **Reconstruction of businesses and agricultural, forestry and fishery industries**
  - Support the resumption of businesses, promote resumption of farming and large-partitioning of agricultural land, implement forest maintenance programs to prevent the outflow of soil containing radioactive materials, restoration of production areas for unprocessed forests and special forest products, support for full-scale operation of fisheries and fishery processing industry

- **Measures to dispel harmful rumors and promotion of risk communication**
  - Dissemination of information and calls for the elimination of import restrictions
  - Recovery and development of sales channels for agricultural, forestry and fishery products, promotion of tourism in Fukushima

- **Locally independent projects**
  - Continue to provide support for measures to secure human resources and compensate for depleted sales based on law
2. Systems to support reconstruction

(1) Financial resources

- Steady implementation of required recovery and reconstruction projects by setting the scale of projects for the coming five years and securing the required financial resources.
- Project scale: Lower range of JPY 31 trillion (past 10 years) + mid-range of JPY 1 trillion (next 5 years) = upper range of JPY 32 trillion
- Financial resources: Approx. JPY 32 trillion (past 10 years) + actual increase in tax revenue, etc. = upper range of JPY 32 trillion
  ⇒ Project scale and financial resources are expected to be roughly commensurate (the Reconstruction Financial Resources Framework is slated for provision in the summer of 2020)
- Continue the implementation of the Special Account for Reconstruction from the Great East Japan Earthquake
  ⇒ Continue the Special Local Allocation Tax for Recovery from Earthquake Disasters

(2) Legal systems

Act on Special Zones for Reconstruction in Response to the Great East Japan Earthquake
- Continue to provide the support needed for special regulatory cases, reconstruction and development plans and special financial cases after prioritizing target areas
- Consider extending application periods under the tax system of Special Zones for Reconstruction after prioritizing target areas
- Discontinue reconstruction grants

Act on Special Measures for the Reconstruction and Revitalization of Fukushima
- Conduct required reviews on strengthening measures encouraging new vitality, such as promoting relocation and increasing the number of visitors and related populations
- Accelerate the resumption of farming through the concentrated use of farmland and the development of sixth industry facilities (production, processing and distribution/sales), including participation from outside
- Consider tax measures in response to issues, such as the Fukushima Innovation Coast Framework and reputational damage, etc.

(3) Local government support

- Continue to provide support for securing required human resources while also taking into account the progress of reconstruction efforts
- Continue to provide support by Special Local Allocation Tax for Recovery from Earthquake Disasters for recovery and reconstruction projects that will continue to be implemented.

3. Organizations

Continue to maintain current systems taking into account strong demand from disaster-affected areas to decompartmentalize the organization by functioning as a command tower and achieve reconstruction under political responsibility and leadership
- Organizational structure directly under the Cabinet
- Establishment of Reconstruction Minister post with the Prime Minister as the competent minister
- Comprehensive coordination function, such as consolidating requests for reconstruction project budgets and one-stop responses to requests from local governments

- Extend the period of establishment for the Reconstruction Agency to 10 years (FY 2021-FY2030) and re-examine the organization in FY 2025
- Add functions to share and utilize the collective know-how on reconstruction with related governmental organizations, etc.
- Relocate the Iwate Reconstruction Bureau and Miyagi Reconstruction Bureau to the coastal areas (Establish branch offices in Morioka City and Sendai City)
  ⇒ Specific locations to be determined based on the status of progress of reconstruction and opinions of local governments in disaster-affected areas
  The Fukushima Reconstruction Bureau will continue to be located in Fukushima City (Maintain Tomioka Branch and Namie Branch).

⇒ bills to revise the Law on the Establishment of the Reconstruction Agency, etc. submitted to ordinary session of the Diet (Cabinet Decision on March 3, 2020)
IV. Act Partially Amending the Act for Establishment of the Reconstruction Agency and Other Laws
(Act No.46 of June 12, 2020)

Background
Areas affected by the earthquake and tsunami are at the stage of “overall completion” of reconstruction, and areas affected by the nuclear disaster continue to require a medium- to long-term response.
In light of these circumstances, based on the Basic Guidelines for Reconstruction in Response to the Great East Japan Earthquake after the “Reconstruction and Revitalization Period” (Cabinet Decision of December 20, 2019), the systems, organizations and financial resources supporting reconstruction in FY 2021 and beyond (following the Reconstruction and Revitalization Period) require improvement according to the following revisions.

Systems, organizations and financial resources supporting reconstruction

1. Act for Establishment of the Reconstruction Agency
   - Extend the period of establishment for the Reconstruction Agency by 10 years (to March 31, 2031)
   - Maintain current comprehensive coordination function, establish the post of Reconstruction Minister
   - Delegate location of reconstruction bureaus, etc. to Cabinet Order etc.
     * Relocate the Iwate Reconstruction Bureau and Miyagi Reconstruction Bureau to coastal areas, continue to locate the Fukushima Reconstruction Bureau in Fukushima City

2. Act on Special Zones for Reconstruction in Response to the Great East Japan Earthquake
   - Prioritize target areas for special regulatory cases, reconstruction and development plans, and special financial cases (specify by Cabinet Order those local governments requiring intensive promotion of reconstruction efforts)
   - Prioritize target areas for the tax system of Special Zones for Reconstruction (specify by Cabinet Order those particular municipalities requiring formation and development of industrial clusters)
   - Discontinue reconstruction grants (prescribe required transitional measures) etc.

3. Act on Special Measures for the Reconstruction and Revitalization of Fukushima
   - In addition to promoting the return of residents, promote internal migration, etc. (expand eligibility of grants to measures which help promote internal migration and increase the number of visitors and related populations)
   - Accelerate the resumption of farming (create special provisions for promoting the concentrated use of farmland and the development of sixth industry facilities, etc.)
   - Facilitate industrial clusters based on promotion of the Fukushima Innovation Coast Framework (prescribe special provisions on taxation, etc.)
   - Implement measures to control reputational damage (prescribe special provisions on taxation, etc.)
   - Create a system in which the Fukushima Prefectural Government prepares the Fukushima Reconstruction and Revitalization Plan and gets national approval (integrate three existing plans) etc.

4. Act on Securing Financial Resources for Reconstruction / Act on Special Accounts
   - Extend the issuance period for Reconstruction Bonds
   - Extend the period that proceeds from the sale of shares are transferred to redemption funds etc.

* Date of enforcement : April 1, 2021 (parts of 3. and 4. take effect on the date of promulgation)