

Current Status of Reconstruction and Challenges

1. Major Issues

- (1) Providing Health and Living Support
- (2) Restoration of Public Infrastructure
- (3) Rebuilding of Houses and Reconstructing Communities
- (4) Reviving Industry and Livelihoods
- (5) Revitalizing and Reconstructing Fukushima

2. New Initiatives

- (1) Creation of “New Tohoku”
- (2) Unprecedented Policies

March, 2015

Reconstruction Agency



復興庁

Reconstruction Agency

1 Major Issues

(1) Providing Health and Living Support

The health and mental support for evacuees must be put first for the prolonged evacuation life.

(1) Policies and Achievements

1. Most of the evacuees in shelters moved into temporary and public housing within 6 months after the disaster.
Approx. 53,000 temporary housing and 70,000 rented housings were provided (at peak time).
2. The number of evacuees: approx. 470,000→210,000 (July.2015)
Evacuees in temporary housing: 82,000 persons (Jan. 2015)
3. Providing medical treatment, nursing care and mental care.
Establishing support centers for nursing care and assigning consulting staff for observation.



(2) Challenges and Measures

1. Accelerate rebuilding houses and enhance moving out from temporary housings.
2. Provide health care and mental support during the prolonged evacuation life.
Support healthy life at temporary housing.
3. Support community building
Support for community building at public housing for the disaster-affected.



***The removal of disaster debris has almost completed.
Restoration of public infrastructure stays on track.***

(1) Achievement

1. Removal of Disaster Debris

- Iwate Prefecture (5.84 million ton) and Miyagi Prefecture (19.3million ton)
⇒ completed by March 2014.
- Fukushima Prefecture (4.22 million ton)
⇒ almost completed (excluding the areas under evacuation orders.)

2. Restoration of Public Infrastructure

- Infrastructure (roads, railways, water and sewage, electricity, telecommunication)
⇒ almost restored.
- School facilities
⇒ 90% recovered (2,226/2,307 schools)
- Medical facilities
⇒ 90% recovered (172/182 hospitals)



Recovery of Sanriku Railways

(2) Challenges and Measures

Speed up the remaining restoration works.

Housing Reconstruction needs acceleration. Planning has finished and construction work has been accelerating.

(1) Policies and Achievements

Accelerate construction works by

- assistances for planning
- acceleration measures

(simplified procedures for site acquisition, raising the rate for construction labor)

(a) Rebuilding private houses (on their own)

Approximately 110,000 cases * The number of cases of the grant for "Life Rebuilding for the Affected People" was distributed

(b) New housing by relocation to uplands *According to "Construction progress chart of house rebuilding"(Dec. 2014).

Planned housing: approx.21,000 (started 90% of the housing land development)

By the end of FY2015, approx.10,000 housing will be completed.

(c) Public housing for the disaster-affected

Planned housing: approx. 30,000 (started 80% of the construction work.)

By May 2015, over 10,000 housing completed.

(2) Challenges and Measures

- Acceleration of construction works.
- Assistances to resolve challenges on site



Assistances for recovery of industries and livelihoods for the revival of vibrant hometown.

(1) Policies

Support for resuming and continuing business activities:

- providing free temporary stores
- subsidies for restoration of facilities and equipment
- emergency loan
- measures against double loan problem



Fukko Kirari Shopping Center(Otsuchi Town)

(2) Achievements

- ① Industrial production indices: recovered more or less to the level of pre-earthquake (3 prefectures)
- ② Agriculture: 70% of Tsunami-affected farmland are available for farming.
Seafood Processing: 80% of the industry restarted operations.
- ③ Approx. 40% of companies that received group subsidies has recovered to the pre-earthquake level sales. *The recovery rate of sales varies. Construction industry: 72%, Fishery and food-processing industry 19.0%.
- ④ Ratio of job offers to job seekers improved from 0.45 in 2011 to over 1.0 in 2014 (3 prefectures)

(3) Challenges and Measures

- ① Support for industries, such as seafood processing, that has recovered facilities while the sales is yet to recover,
⇒promoting public-private cooperation to support sales development, provide human resources and know-hows, and develop products.
- ② Supporting stores reopening in the newly relocated uplands.



Reconstruction for Fisheries (Kesenuma City)

***Decommissioning of nuclear reactors takes long time.
Evacuation orders have been/will be released area by area.
Measures should respond to the intension of the evacuees.***

(1) Status of the Accident Recovery (By Nuclear Emergency Response Headquarters)

1. Decommissioning of the Reactors

- The power plants are under cold shutdown. Fuel removal of unit 4 completed in 2014.
- Measures against contaminated water are underway.

2. Decontamination

- By the national government (evacuation order area) (as of December, 2014)
 - Wide Area: finished in 1 city, 2 towns, 1 village/among 11 municipalities
 - Residential Area: finished in 1 town and 1 village/among 11 municipalities
- By the municipal governments (within Fukushima Prefecture)
 - Finished approx. 80% of public facilities, 60% of residential area, 40% of roads/ among 36 municipalities
- Interim Storage Facility
 - Announcement of accepting the construction and the soil.



3. Compensation

Payment of indemnification is underway.

- Compensation for mental damage
- Compensation for damages to commercial sales
- Compensation for damages to incapacity
- Compensation for damages to real estate and home contents
- Compensation for home recovery

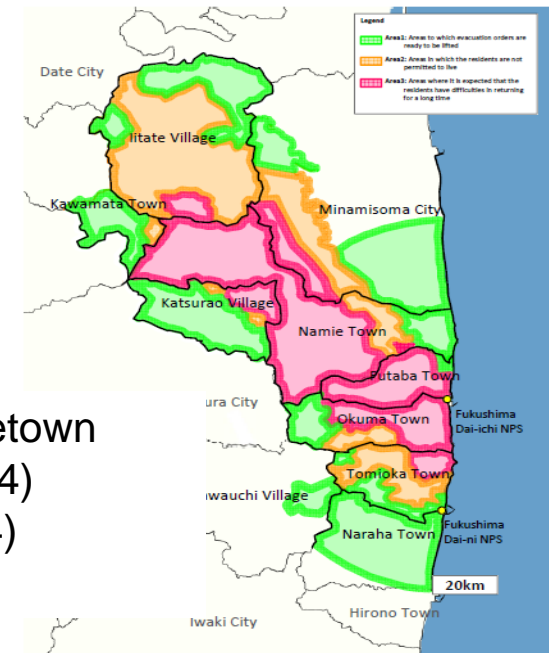


(2) Recovery Status

1. Areas under Evacuation Order

- Rearrangement into 3 Areas:
 - zone where return is difficult(Red)
 - zone where habitation is restricted (Yellow)
 - zone where evacuation orders are prepared to be lifted
- Lifting of evacuation orders
 - Tamura City: April, 2014
 - Kawauchi Village: October, 2014
- Recovery of Transportation Infrastructure for returning to hometown
 - JR Joban Line recovered: between Hirono-Tatsuta (June 2014)
 - Route 6 of Expressway reopened for public (September 2014)
 - Entire Joban Expressway is open to traffic (March 2015)

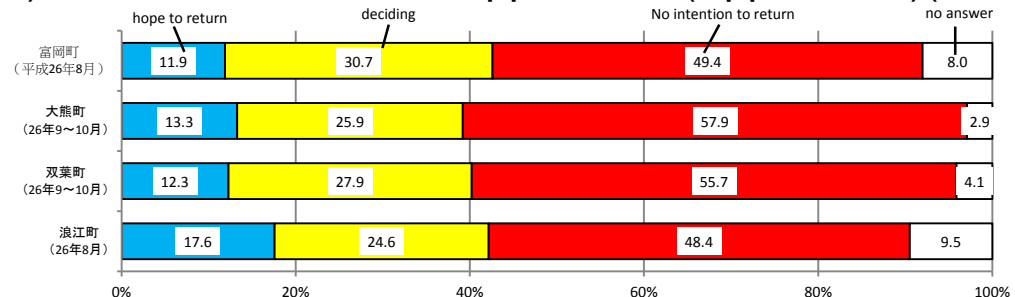
Areas to which evacuation orders have been issued
(January 29, 2015)



2. Evacuees

- Total number of evacuees from Fukushima Prefecture: Approx.120,000 (As of January, 2015)
- Providing the same level public service at municipalities receiving evacuees.
- Support by Consulting Staff (approx.220) and Reconstruction Support Staff(Approx.110)(FY2014)

Intention of the residents under the evacuation order



*Source: Questionnaire for the Residents.

(3) Challenges and Measures

1. Accelerate measures for Accident Recovery

- decommissioning and measures for contaminated water
- decontamination, building of interim storage facility, transportation of the contaminated soil

2. Policies responding to evacuees' needs

(a) Measures for supporting early return of evacuees (those who want to return home)

- Decontamination,
- Restoration of infrastructure (e.g. JR Joban Line)
- Resumption of services necessary for daily life
- Development of In-community reconstruction lodgement
(Grants for development of environment for return,
Amendment on the Act on Special Measures for Fukushima Reconstruction and Revitalization)

(b) Measures for long-term evacuees (those who want to wait)

- Public housing for long-term evacuees (development plan: approx. 4,900 houses)
- Support by community exchange staff for residents' exchanges

(c) Measures for evacuees who want to start new life in other areas

- Payment of compensation
- Assistances in finding new jobs and housing



Iidate-Mura ,reconstruction public housing
Iino-Town park

3. Development of Future Vision of the Region

Future vision such as development of robot technology and renewable energy

4. Ensuring safety and promote settlement

- Further improvement of mental care
- Radiation Risk Communication
- Measures against harmful rumor
- Improvement of playground facilities for ensuring children's exercise opportunities
(50 athletic facilities, 605 playground facilities.)



Inspection of farms
(Photo: Cabinet Office)

2. New Initiatives

(1) Creation of “New Tohoku”

Tohoku will not just be returned to the way it was before the disaster: addressing challenges of the region by implementing innovative ideas and create “New Tohoku”.

(1) Basic Principle

- ◆ The challenges which Tohoku region is facing after the disaster, such as depopulation, population aging, and hollowing out of industry, etc. are common in rural areas in Japan and seen nation wide.
- ◆ Taking advantage of know-how and ideas of the private sector, both private and public sectors will collaborate for the promotion of this project.

5 pillars

Safe and healthy growth of children

A vibrant super-aged society

A society with sustainable energy

Robust and highly resilient social infrastructure

Utilization of regional resources with wide appeal

(2) Major Initiatives

(a) “New Tohoku” Public and Private Partnership Promotion Council

(Presidents: Chairman of Keidanren, the Japan Association of Corporate Executives(Doyukai), and the Japan Chamber of Commerce and Industry)

- Information about the projects on various initiatives across fields and entities

(b) “New Tohoku” leading model project

- Support the acceleration of leading projects by organizations and corporations working for reconstruction.

(c) “Work for Tohoku”

- Dispatch experts from companies etc. in response to the needs of the affected areas.



Model project using shark ingredient (Kesenuma) Exchange among members

Publicly seek and support leading initiatives in disaster-affected areas towards the creation of “New Tohoku”. (66 projects selected in FY 2013, 95 projects in FY 2014)

【Examples of Projects】

Creation of playgrounds to nurture children’s growth

Implementation of activities to build new playgrounds for children with the active participation of local residents and volunteers. Contribute to the formation of a new local community in public housing for disaster victims.

Promotion of “Next-generation Integrated Community Care System”

Development of mechanisms to support local residents that have health problems due to the disaster, in cooperation with persons involved in welfare, medical and nursing care, and living support, such as the local government, businesses, and local residents, as well as medical and nursing professionals.

Creation of “sixth industry” using heat from hot springs

Cultivation of vegetables and fruit in plant factories with the use of thermal energy from hot springs, and the creation of fish farming facilities on land using cooled water from binary power generation, with the aim to create dynamic “eco-hot springs.” Development of “sixth goods” by using these Products and hands-on tour for learning power generation.

District disaster plans made by local residents

Creation of district disaster plans by residents with the shared expertise and local experiences through open workshops and development of individual “evacuation information sheet”. Development of all-purpose know-how for expansion to other areas.

Realization of new agricultural model in semi-mountainous areas

Establishment of low-cost and labor-saving farming methods using plant factories in semi-mountainous areas. Examination of functional production methods and the label of maintenance of freshness for vegetables, with the aim to develop new markets .

Improvement of brand value of ryokans (inns)

Creation and start of full-scale operation of a business model through a reservation site for ryokans (RYOKAN EXPERIENCE) that does not charge fees to ryokans for reservations made through the site, with an aim to improved value of ryokans on the global market.

Development of highly-functional food products from unused resources on the seashore

Practical use of unused marine products that are not in circulation on the market, aiming towards the establishment of a sustainable local industry. Development of new products with a focus on functionality and high-value addition.

Development of “Recommended Brands from Tohoku Department Stores”

Provision of advice on product development with the input of expertise, information collection abilities, and experience of current and former buyers at department stores to develop catalogues and implement promotional activities nationwide, aiming towards expanding the market for the superior products of Tohoku by changing from “support” to “collaboration.”

Support for reconstruction using unprecedented systems and policies

(1) Centralize responsibilities of the national government

- ① Establishment and centralization of responsible organizations (establishment of Reconstruction Headquarters/Reconstruction Agency)
- ② One-stop response for requests from local governments (establishment of Regional Bureaus of Reconstruction)
- ③ Secure funding for reconstruction of JPY 26.3 trillion over five years, including tax increases for reconstruction

(2) Support for disaster-affected local governments

- ① Provide grants in response to the disaster and allocate the full amount for local governmental share of costs of recovery and reconstruction projects.
- ② Drawdown fund of JPY 300 billion
- ③ Dispatch staff from local governments around the country to affected areas (Total: 87,000 people)

(3) Support for disaster-affected people

- ① Support for mental and physical care, prevention of isolation, and community development
- ② Support for receiving local governmental services in evacuation areas without moving resident records

(4) Restoration of infrastructure and community development

- ① Creation of the System of Special Zone for Reconstruction, including special exception for permission required for projects on land use restructuring and development of one-stop services for necessary procedures
- ② Development of Reconstruction Grants, for packaging of necessary projects for community development and allowance for share of costs paid by local governments

(5) Reconstruction of industry

- ① Development and free loan for temporary factories and stores
- ② Creation of subsidies for the restoration of facilities for groups, such as small- and medium-sized companies
- ③ Creation of the System of Special Zone for Reconstruction, including special exceptions for tax and financial regulations and procedures
- ④ Double loan measures (Corporation for Revitalizing Businesses Affected by the Great East Japan Earthquake, Industrial Reconstruction Consultation Center)

(6) Securing employment

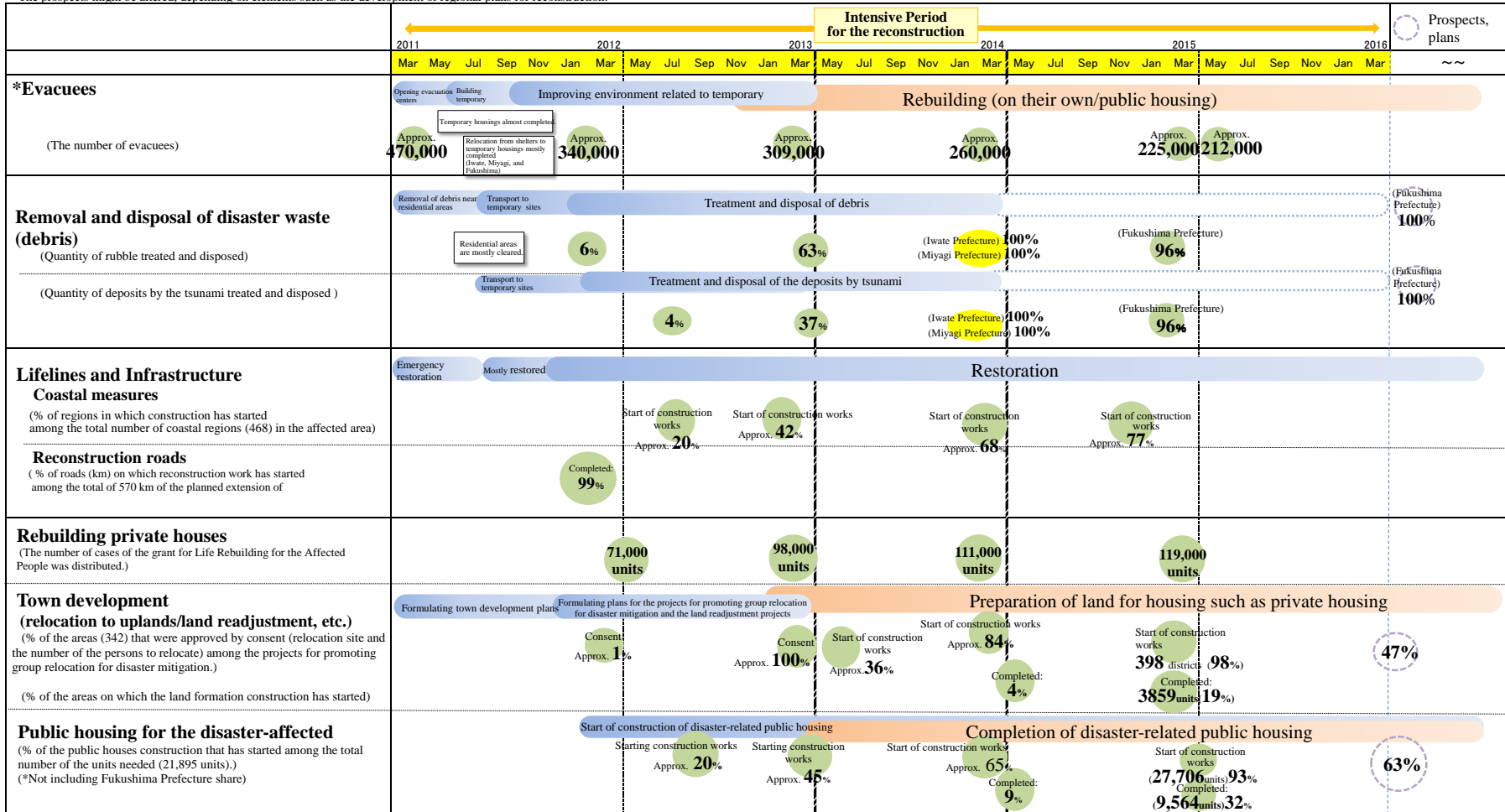
- ① Creation of employment in disaster-affected areas through the expansion of employment creation funds
- ② Creation of subsidies for employers that hire persons that have left jobs due to the earthquake

The Process and Prospects for Reconstruction (1)

June 2015

*The figures and timings are not scrutinized.

*The prospects might be altered, depending on elements such as the development of regional plans for reconstruction.



The Process and Prospects for Reconstruction (2)

June 2015

*The figures and timings are not scrutinized.

*The prospects might be altered, depending on elements such as the development of regional plans for reconstruction.

	2011		2012				2013				2014				2015				2016		Prospects, plans ~~																			
	Mar	May	Jul	Sep	Nov	Jan	Mar	May	Jul	Sep	Nov	Jan	Mar	May	Jul	Sep	Nov	Jan	Mar																					
Medical facilities (The ratio of hospitals which have restored services to hospitals which had limits on the number of patients accepted or were unable to accept patients (182 facilities))	Restoration of disaster-afflicted hospitals																																							
							90%						93%								95%																			
School facilities (The ratio of the disaster-affected public schools whose restoration projects are completed, to such facilities damaged by the disaster (2,308 schools))	Educational activities have already re-started Restoration of facilities of disaster-afflicted public schools																																							
													92%								98%							99%	100%											
Agriculture and fisheries industry (The ratio of the area where farming is able to resume, to farmland damaged by the tsunami (21,480 ha))	Implementation of recovery and desalination of damaged farmland																																							
													Approx. 38%								Approx. 63%							Approx. 70%												
(The ratio of seafood processing facilities which resumed operation, to such facilities damaged by the disaster in Iwate, Miyagi and Fukushima Prefectures (817 facilities))	Supporting resumption of operations of seafood processing industry by such ways as restoring ice making facilities and freezing and refrigerating facilities, and site raising																																							
													Approx. 52%								Approx. 61%							Approx. 80%	Approx. 81%	Approx. 83%		100%								
Local industry (The industrial production index in the disaster-affected areas)	Approx. 103	Approx. 70	Approx. 95	Approx. 100	Mostly recovered to the level of areas not stricken by the disaster																																			
(Estimated output by mining and manufacturing facilities in the tsunami-flooded areas <over the same month of 12 months before the disaster> *Facilities such as for seafood processing are not included.)	-99%	-76%	-66%	-31%	+20%	-19%	-4%	+5%	Mostly recovered to the level of areas not stricken																															
Support for business operators (Construction of temporary shops, factories and offices: the total number of constructions completed) (Recovery support by small and medium enterprise group subsidies: the total number of entities supported) (Measures against double loan problem: the total number of disaster victims which received support) (Status of financing support measures: Total amount of financing (upper row) Total amount of guarantee (lower row) (Japan as a whole))	Developing temporary stores, recover support by Group Subsidies, and support by measures against double loan problem																			Full-fledged revival of local industries and shopping streets																				
							16	224	400	516	555	574	577	316	3,829	5,779	8,012	9,943	10,220	10,416	837	1,109	1,195	1,363	Approx. ¥1.0 trillion	Approx. ¥2.80 trillion	Approx. ¥4.90 trillion	Approx. ¥5.60 trillion	Approx. ¥6.00 trillion	Approx. ¥6.3 trillion	Approx. ¥6.4 trillion	Approx. ¥6.5 trillion	Approx. ¥2.0 trillion	Approx. ¥4.30 trillion	Approx. ¥6.20 trillion	Approx. ¥7.70 trillion	Approx. ¥9.10 trillion	Approx. ¥11.0 trillion	Approx. ¥11.1 trillion	Approx. ¥11.4 trillion
Measures for individual debtors (Guidelines of Work for Restructuring Debt Owed by Individual Debtors, total cases of debt restructure completed)													10								292										740	1,080	1,140	1,223						