



復興庁

Reconstruction Agency

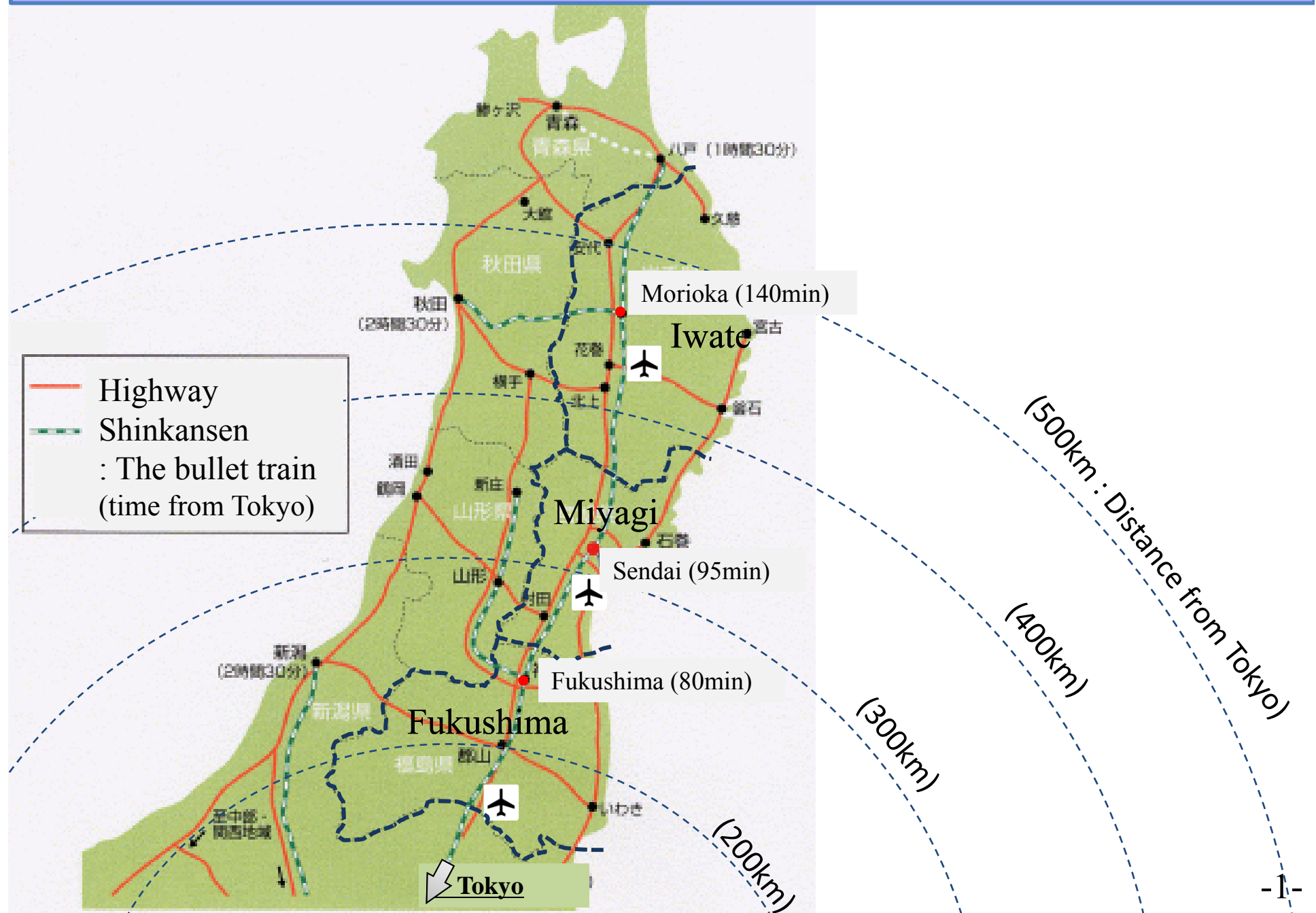
Road to recovery

1. The outline of Tohoku region and Prefectures
2. New Industry in Tohoku region
3. Framework of the law for Special Zone for Reconstruction
4. Approved or Planned Special Zone for reconstruction
5. Grant for Reconstruction to the Afflicted Municipalities
6. Involvement of Private Sector for Reconstruction
7. Support of JETRO for Involvement of Private Sector

July 2012

Reconstruction Agency

1 . The outline of Tohoku region



1-1 . The outline of Iwate Prefecture

Automobile

TOYOTA East, Inc

Car assembler



Toyota's newest HV, **AQUA**, are being produced in Iwate plant



Semi conductor

Iwate Toshiba Electronics Co.,Ltd. (System LSI)



Tokyo Electron Ltd.
(Semi conductor equipments)



Fujitsu semiconductor Ltd.
(System LSI)



Iwate

Marine products

Oysters, wakames (soft seaweed), hoyas (sea-squirts), scallops, salmons are taken and processed in this area.



On June 26, 2011, the Cultural Heritage of **Hiraizumi** was designated as **UNESCO World Heritage Site**



1-2 . The outline of Miyagi Prefecture

Automobile

TOYOTA East, Inc
Car assembler



Miyagi

Marine products

Oysters, wakames (soft seaweed), hoyas (sea-squirts), scallops, salmons are taken and processed in this area.



Medical Devices Industry

Infrastructures

Sendai-Shiogama Port



Sendai Airport



1-3. The outline of Fukushima Prefecture

Semi conductor

Fujitsu semiconductor Ltd.
(System LSI)
(Smart city project)

FUJITSU



Medical Project

The research of developing
remedy against cancer for
using BNCT

Machinery

IHI (jet engine, gas
turbine and space craft
parts)

IHI



Fukushima

Medical Devices Industry

Aizu-Olympus Ltd.

OLYMPUS Your Vision, Our Future

Johnson & Johnson medical
company



Automobile

Nissan Co., Ltd.
(engine plant)

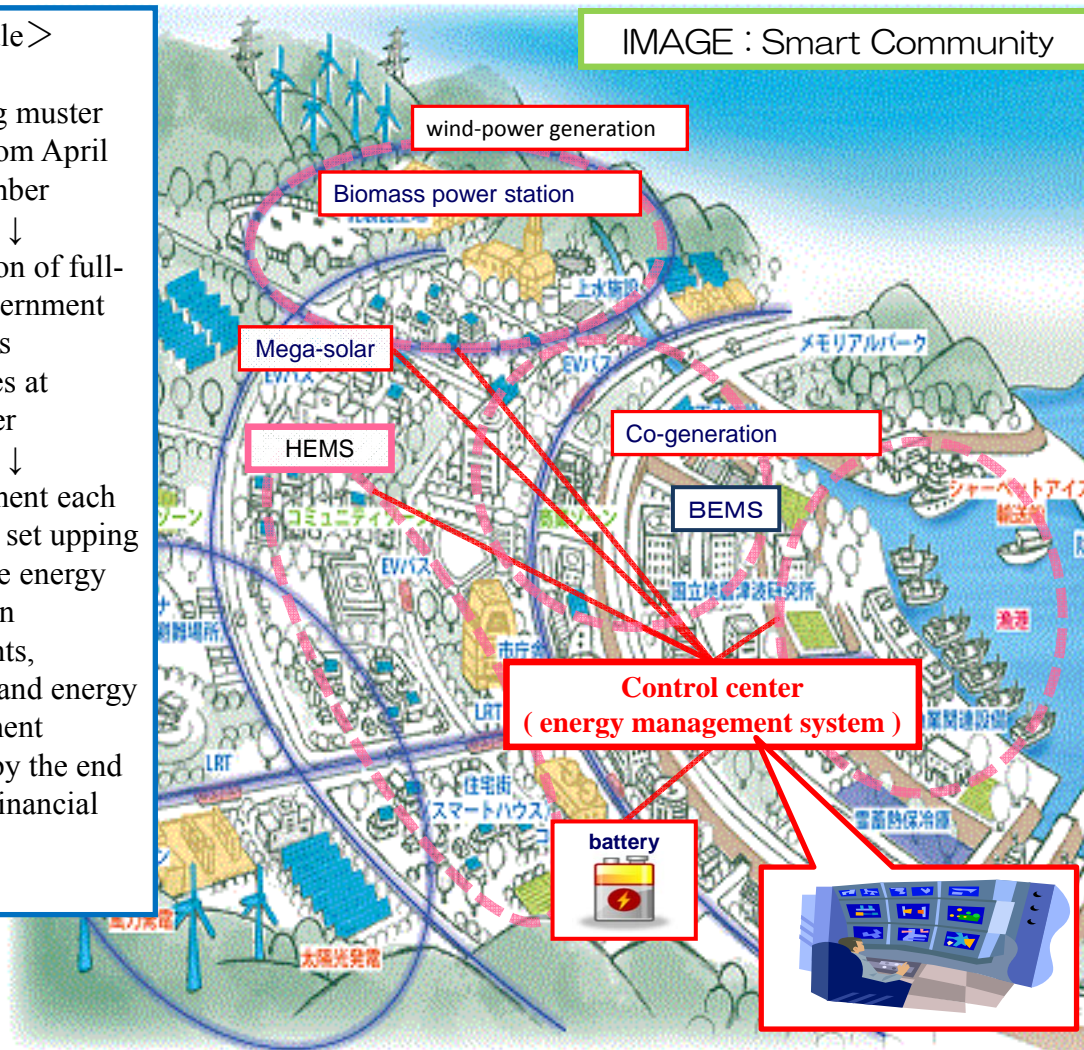


2-1. New Industry in Tohoku region (smart communities)

The government grants are doled out for smart community projects using renewable energy in Tohoku region. (budget scale : \$100million)

< schedule >

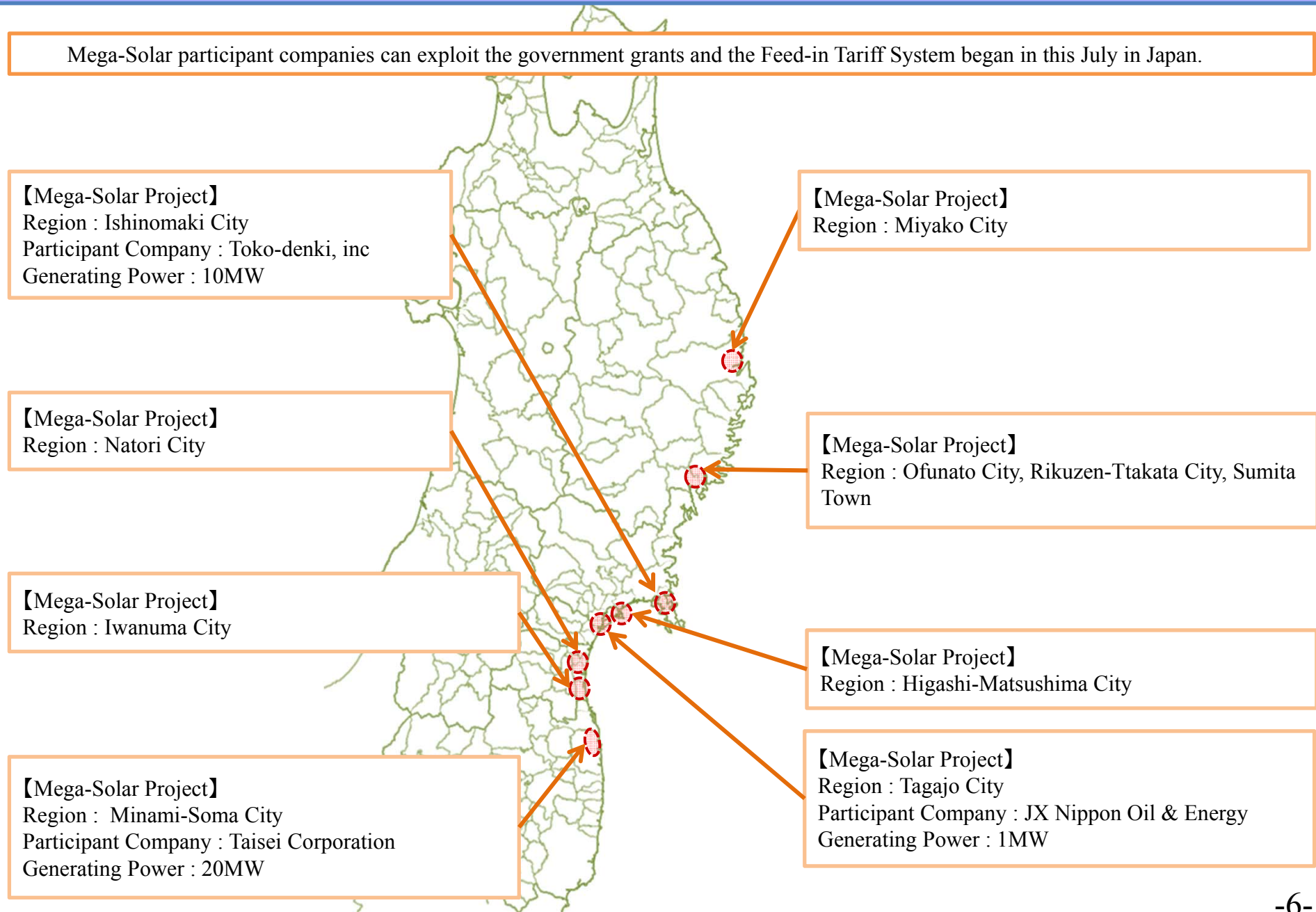
- making muster plans : from April to September
 - ↓
- selection of full-scale government subsidizes companies at September
 - ↓
- implement each projects : set upping renewable energy generation equipments, batteries and energy management systems by the end of 2015 financial year



region	Main participant company	Project manager
Miyako City	NTT data, ENNET	Japan Drilling Co., Ltd.
Kamaishi City	Nippon Steel Engineering, Tohoku-epco	Nippon Steel Engineering
Kitakami City	JX Nippon Oil & Energy	Kitakami Office Plaza
Kesennuma City	EBARA ENVIRONMENTAL PLANT Co.,Ltd	E-solutions, inc
Ishinomaki City	TOSHIBA, Tohoku-epco	TOSHIBA
Ohhira Village	TOYOTA MOTOR Co.,Ltd., Central Motor Co., Ltd.	TOYOTA MOTOR Co.,Ltd.
Yamamoto Town	ENNET	NTT east
Aizu-wakamatsu City	FUJITSU, Tohoku-epco	FUJITSU

2-2. New Industry in Tohoku region (mega-solar projects)

Mega-Solar participant companies can exploit the government grants and the Feed-in Tariff System began in this July in Japan.



3. Framework of the law for Special Zone for Reconstruction

Municipalities located in the “disaster afflicted zones”, stipulated in the Act on Special Provisions of Article 3 of the Public Finance Act, can formulate plans on the Special Zone for Reconstruction to be submitted to the Government for the package of special arrangements.

Basic Guidelines for the Special Zone for Reconstruction (To be decided by the Cabinet)

- Significance of smooth and swift reconstruction in the Special Zone for Reconstruction
- Basic guideline for necessary assistance and other measures to be taken by the Government for afflicted municipalities for smooth and swift reconstruction in the Special Zones
- Basic elements of approval system of Reconstruction Acceleration Plans
- Special measures and arrangements to be taken in the Special Zones

Consultative body of Central and Local Governments

established in each Prefecture, held in regions affected by the disaster and directed by the future Reconstruction Agency to discuss proposals from local authorities on special arrangements and other related elements (working groups can be set up by region)

Add and/or enhance
special arrangements

Reconstruction Acceleration Plan

Plan to apply for special measures and arrangements involving deregulation, reduced procedures, tax incentives and other special measures.

Formulated by Prefectures and municipalities separately or jointly. Private enterprises are entitled to make proposals.

Approval by the Prime Minister

- Special deregulation and reduced procedures covering housing, industry, town- building, medical services, nursing care and others.
- Tax incentives to promote employment and industrial activities
- Interest substitute for loan lenders

Land Restructuring Plan

Plan to apply for special arrangements involving approval, procedures, etc. for land restructuring

Formulated by municipalities alone or jointly with Prefecture.

- Public hearings, announcement and inspection when necessary
- Consultation and agreement in the process of consultation on restructuring

Disclosure of Plans

- #### Special arrangements for land use restructuring
- Special arrangement of concession necessary for projects
 - Integrated “one-stop” procedures
 - Creation of new types of project system related to land use.

Reconstruction Grant Projects Plan

Plan involving grant projects (projects for reconstruction in areas severely affected by the disaster)

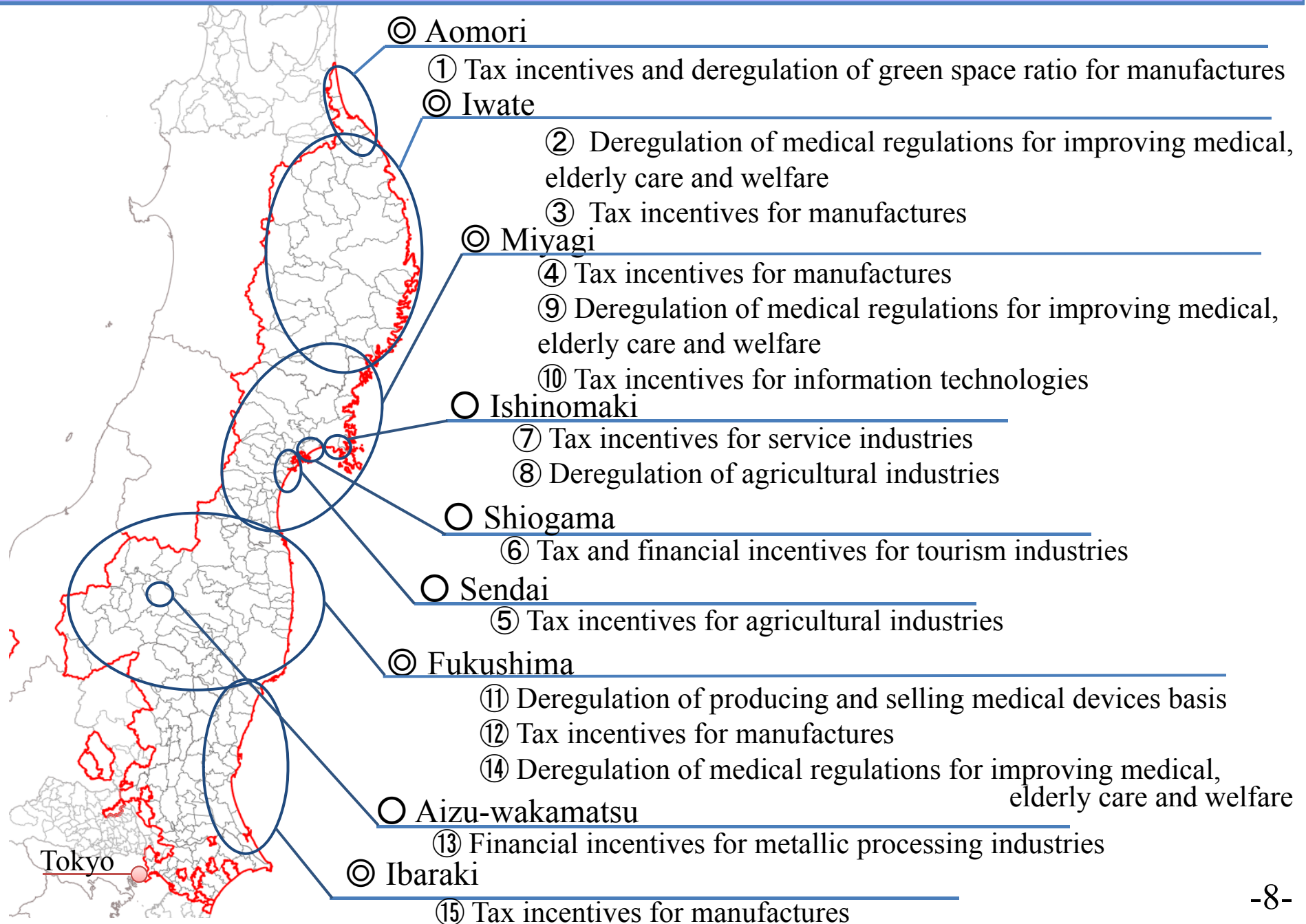
Formulated by municipalities alone or jointly with Prefecture.

Submission to the Prime Minister

Reconstruction Grant to support regional reconstruction

- Unified subsidy projects for municipalities (originally 40 projects at different ministries)
- Secure resources with flexible use for local governments
- Central government will finance all the local expenditures
- Flexible implementation and simplified procedures

4 . Approved or Planned Special Zone for reconstruction



4. Approved Reconstruction Acceleration Plan

1st Jun 2012

	region	Approved date	Special districts	summary	Approved for some special measures applications
①	Aomori	2 nd Mar	Southeast 4 municipalities	Tax incentives and deregulation of green space ratio for manufactures	<ul style="list-style-type: none"> ● Tax incentives (corporation tax, real estate acquisition tax, etc...) 【Types of industry】 eco-friendly manufacture, life science industry, electronics industry, environment and renewable energy industry, food industry, information service industry, retail 【Special districts】 Hachinohe city, Misawa city, Oirase town, Hashikami town ● Deregulation of green space ratio 【Special districts】 Hachinohe city, Oirase town, Hashikami town
②	Iwate	9 th Feb	Iwate pref	Deregulation of medical regulations for improving medical, elderly care and welfare	<ul style="list-style-type: none"> ● Deregulation of medical regulations for improving medical, elderly care and welfare ▪ Special provision of the medical staff arrangement regulation for hospitals 【Special districts】 the entire pref. ▪ Special provision of the welfare staff management regulation for in-home service ▪ Special provision of the welfare staff management regulation for Intensive Care Home for the Elderly ▪ Special provision of the welfare staff management regulation for Long-Term Care Health Facility ▪ Special provision of the Regulations for Buildings and Facilities for Pharmacies 【Special districts】 costal 12 municipalities
③		30 th Mar	Iwate pref	Tax incentives for manufactures Deregulation of producing and selling medical devices basis	<ul style="list-style-type: none"> ● Tax incentives (corporation tax, real estate acquisition tax, etc...) 【Types of industry】 electric industry, medical health industry, automobile industry, wood industry, tourist industry, food industry and marine industry ● Deregulation of producing and selling medical devices basis 【Special districts】 the entire pref.
④	Miyagi	9 th Feb	Miyagi pref	Tax incentives for manufactures	<ul style="list-style-type: none"> ● Tax incentives (corporation tax, real estate acquisition tax, etc...) 【Types of industry】 manufactures (automobile industry, electric industry, food industry, wood industry, medical health industry, renewable energy industry, aerospace industry and marine industry)
⑤		2 nd Mar	Sendai city	Tax incentives for agricultural industries	<ul style="list-style-type: none"> ● Tax incentives (corporation tax, real estate acquisition tax, etc...) 【Types of industry】 agricultural industry, renewable energy industry, R&D industry 【Special districts】 the costal region of Sendai city

	region	Approved date	Special districts	summary	Approved for some special measures applications
⑥	Miyagi	23 rd Mar	Shiogama city	Tax incentives for tourist industry Financial incentives for tourist and marine industries	<ul style="list-style-type: none"> ●Tax incentives (corporation tax, real estate acquisition tax, etc...) 【Types of industry】 water transport service, food retail, lodging service and so on. ●Financial incentives (subsidized interest payments) 【Types of project】 construction of a new aquarium, marine industrial plants
⑦		23 rd Mar	Ishinomaki city	Tax incentives for commerce	<ul style="list-style-type: none"> ●Tax incentives (corporation tax, real estate acquisition tax, etc...) 【Types of industry】 commerce, tourist industry, medical health industry and ICT industry 【Special districts】 central city
⑧		23 rd Mar	Ishinomaki city	Deregulation of Agricultural Land Act	<ul style="list-style-type: none"> ●Deregulation of Agricultural Land Act for constructing storage facilities “country elevators”
⑨		10 th Apr	Miyagi pref	Deregulation of medical regulations for improving medical, elderly care and welfare Deregulation of producing and selling medical devices basis	<ul style="list-style-type: none"> ●Deregulation of medical regulations for improving medical, elderly care and welfare <ul style="list-style-type: none"> ▪Special provision of the medical staff arrangement regulation for hospitals 【Special districts】 the entire pref. ▪Special provision of the welfare staff management regulation for in-home service ▪Special provision of the welfare staff management regulation for Intensive Care Home for the Elderly ▪Special provision of the welfare staff management regulation for Long-Term Care Health Facility ▪Special provision of the Regulations for Buildings and Facilities for Pharmacies 【Special districts】 costal area ●Deregulation of producing and selling medical devices basis 【Special districts】 the entire pref
⑩		12 th Jun	Miyagi pref	Tax incentives for information technologies	<ul style="list-style-type: none"> ●Tax incentives (corporation tax, real estate acquisition tax, etc...) 【Types of industry】 information technologies (software industry, internet service, callcenter, BPO office, datacenter, design development industry, digital contents industry) 【Special districts】 costal 10 municipalities and the next 7 municipalities
⑪	Fuku Shima	16 th Mar	Fukushima pref	Deregulation of producing and selling medical devices basis	<ul style="list-style-type: none"> ●Deregulation of producing and selling medical devices basis 【Special districts】 the entire pref.
⑫		20 th Apr	Fukushima pref	Tax incentives for manufactures	<ul style="list-style-type: none"> ●Tax incentives (corporation tax, real estate acquisition tax, etc...) 【Types of industry】 automobile industry, electric industry, medical health industry, renewable energy industry and so on.

	region	Approved date	Special districts	summary	Approved for some special measures applications
⑫	Fuku shima	20 th Apr	Fukushima pref	Tax incentives for manufactures	<ul style="list-style-type: none"> ●Tax incentives (corporation tax, real estate acquisition tax, etc...) 【Types of industry】 automobile industry, electric industry, medical health industry, renewable energy industry and so on.
⑬		20 th Apr	Aizu-wakamatsu city	Financial incentives for metallic processing industries	<ul style="list-style-type: none"> ●Financial incentives (subsidized interest payments) 【Types of project】 investing in metallic processing industries
⑭		20 th Apr	Fukushima pref	Deregulation of medical regulations for improving medical, elderly care and welfare	<ul style="list-style-type: none"> ●Deregulation of medical regulations for improving medical, elderly care and welfare <ul style="list-style-type: none"> ▪Special provision of the medical staff arrangement regulation for hospitals ▪Special provision of the welfare staff management regulation for in-home service ▪Special provision of the welfare staff management regulation for Intensive Care Home for the Elderly ▪Special provision of the welfare staff management regulation for Long-Term Care Health Facility ▪Special provision of the Regulations for Buildings and Facilities for Pharmacies 【Special districts】 the entire pref.
⑮	Ibaraki	9 th Mar	East side 13 municipalities	Tax incentives for manufactures	<ul style="list-style-type: none"> ●Tax incentives (corporation tax, real estate acquisition tax, etc...) 【Types of industry】 eco-friendly and renewable energy industry, automobile and constructional machine, material industry, electronic industry, food industry, marine products industry, wood industry, carrier industry, sightseeing industry, retail and service industry 【Special districts】 costal 9 municipalities and the next 4 municipalities

5. Grants for Reconstruction to Afflicted Municipalities

Objective: Support town-building based on reconstruction plans formulated by local governments afflicted by the disaster and accelerate reconstruction process by providing grants to reconstruction projects located in the “disaster afflicted zones”.

Features: Given the vast damage caused by the earthquake and the tsunamis, the grants enable local governments to choose divers projects necessary to reconstruct afflicted areas and execute projects smoothly.

All expenses will be borne by the central government (additional national subsidy and local allocation tax)

Budget Scale: **Total of 2 trillion 289 billion Yen on Project Basis**

Core Projects

Integrate diverse infrastructure projects* necessary for reconstruction and regional development of the afflicted municipalities. (*40 existing subsidy projects of 5 Ministries)

Road rehabilitation project

School facilities development project

Agricultural area development project

Land readjustment project

Earthquake resistance reinforcement
project for hospitals

Fishery village development project

Collective relocation for disaster
prevention project

Project to install eco-friendly purification
tank

:

Supporting Projects

Related projects proposed by municipalities to facilitate the outcome of core projects.

Maximum budget scale: up to 35% of budget allocated to core projects

■ 1st Distribution of Grants

Approximately 305 billion yen (project basis), allocated to 59 municipalities in 7 prefectures

■ 2nd Distribution of Grants

Approximately 316 billion yen (project basis), allocated to 71 municipalities in 8 prefectures

6. Involvement of Private Sector for Reconstruction

Establishment of a New Service for Collaboration with Private Sector

1. Organization

- Establishment of a new service for collaboration with private-sector for reconstruction on 1st Apr 2012, “Unit for Collaboration with Private Sector for Reconstruction”.
- The staffs of the new sector including ; Japan Business Federation, Japan Association of Corporate Executives, Japan Chamber of Commerce and Industry.
- Establishment of the new units in each Regional Bureaus of Reconstruction Agency.
→ Total 20 officers (10 officers in Tokyo headquarters, 10 officers in regional bureaus)

2. Mission

- Provide technical support for collaboration with private sector in the afflicted municipalities;
- Hold committees in charge of each reconstruction project and provide necessary support to relevant governments;
- Hold seminars and exhibitions to promote collaboration with private sector;
- Release a list of FAQ and best practices of collaboration for reconstruction with private sector in afflicted municipalities.

【Contact】

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7. Support of JETRO for Involvement of Private Sector

1. Business Hotline for your business

JETRO has established a hotline for Foreign companies in Japan who have business concerns/difficulties due to the Great East Japan Earthquake.

The consultation is limited to international business issues and items related to company operations in Japan (e.g. tax accounting issues, human resources, etc.).

Please contact:

JETRO Invest Japan Department (TEL:+81-3-3582-5410, Email: BizHotline@jetro.go.jp)

2. Briefing on the Current Situation of the Japanese Economy after the Great East Japan Earthquake

The Japanese Government and JETRO are hosting briefings on the current situation of the Japanese economy after the Great East Japan Earthquake in major cities of the world and in Japan for foreign companies.

Total 27times in 21cities (Beijing, London, Shanghai, Bangkok, Seoul, Paris, Dusseldorf, Lausanne, Zurich, Mexico City, Milano, Hong Kong, Singapore, New York, Brussels, Tokyo, Osaka etc.)



More information

<http://www.jetro.go.jp/en/earthquake/>