Basic Guidelines for Reconstruction in Response to the Great East Japan Earthquake After the "Reconstruction and Revitalization Period" (Overview)

Cabinet Decision December 20, 2019

O Summarizes the reconstruction measures implemented to date and establishes policies for actions in each field, systems to support reconstruction, and organizations after the Reconstruction and Revitalization Period, based on Article 3 of the Basic Act on Reconstruction in Response to the Great East Japan Earthquake.

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

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 Hacibis 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 Restricted Area
Decrease in the number of evacuees in Fukushima Prefecture (About 165,000→about

42,000)

(Challenges) Promotion of return/relocation, measures to Restricted Area, 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 issuesbissemination of the image of reconstruction and passing on the memories of the disaster

and lessons learned to future generations

(Payuth) Discomination of information for the Durch: WC 2010 and 2020 Takes Observed and

(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 the "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 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 disasteraffected 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 largepartitioning 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).

Reference (1)

Support for affected people

- Detailed responses to issues that arise with the progress of reconstruction —

Number of evacuees Approx. 470,000 (as of Mar 2011) \rightarrow Approx. 49,000 (as of Nov 2019)

Number of residents in temporary housing

Approx. 7,000 (as of Nov 2019)

→ Provide uninterrupted assistance according to the life reconstruction stage, such as watching over and lifestyle consultations, mental and physical health care, and support for community development



Developing new communities in relocated areas



Watching over activities by lifestyle support counselors

Reconstruction of homes and cities

—Steady progress in rebuilding of housing —

Development of residential land on uplands:

Approximately 18,000 planned units have been completed by the end of FY 2018

Public housing for disaster-affected people:

Approximately 30,000 planned units have been completed by the end of FY 2018



Relocation to upland (Otsuchi Town, Iwate Prefecture)



Public housing for disasteraffected people (Ishinomaki City, Miyagi Prefecture)

Revitalization of industries and livelihoods — Most production facilities have been restored and support is being provided to promote tourism and counter reputational damage —

Area where farming can resume

92% (as of Mar 31, 2019)

* Percentage of area were farming can resume of farmland affected by the tsunami

Fishery processing facilities that resumed

96% (as of Jan 31, 2019)

operations

* Status of resumption of fishery processing facilities that want to resume operations in three disaster-affected prefectures

Number of Downtown Revitalization Programs certified

10 (as of Jan 2019)



Fishery processing facility (Kesennuma City, Miyagi Prefecture)



Commercial facility in Unosumai district, "Uno Port" (Kamaishi City, Iwate Prefecture)

Reference (2)

Reconstruction and Revitalization of Fukushima

 Evacuation orders have been lifted in most areas, with the exception of areas where return is difficult. Moving onto the stage of full-scale reconstruction.

- Promotion of return and reconstruction of livelihoods
 - Promote improvement of environments for medical and nursing care, education, shopping, housing, transportation, etc.
- Reconstruction and revitalization of areas where return is difficult
 - Promote demolition and decontamination of houses and restore/improve infrastructure in areas designated as Specified Reconstruction and Revitalization Base in 6 towns and villages (Futaba Town, Okuma Town, Namie Town, Tomioka Town, litate Village, Katsurao Village)
- > Fukushima Innovation Coast Framework
 - Include medical-related fields and aerospace in priority areas in addition to decommissioning, robots/drones, energy/environment/recycling, and agriculture, forestry and fisheries based on a "blueprint for industrial development" with the aim of independent and sustainable development in the Hamadori area.
- Reconstruction of businesses and agricultural, forestry and fishery industries
 - Support for the resumption of business, promotion of the resumption of farming, large-partitioning of agricultural land, regeneration of forests and revitalization of forestry industry, and full-scale fishery and fishery processing industry
- ➤ Measures to dispel harmful rumors
 - Disseminate information from three perspectives of "knowing, eating, and visiting"



Futaba Medical Center (Tomioka Town)



Okuma Town Hall (Okuma Town)



Fukushima Robot Test Field (Minamisoma City, Namie Town)



Large reopened tract of farmland for sweet potatoes (Naraha Town)



Offering food from disaster-affected areas provided at the G20 (seafood, etc.)

Areas under evacuation orders

