Response to the Great East Japan Earthquake:

Acceleration of Reconstruction Efforts

Overview

The purpose of this document is to summarize the significant progress that has been made in reconstruction efforts in response to the Great East Japan Earthquake of March 2011. The acceleration of reconstruction in affected areas is one of the top priorities of the Abe administration, along with ongoing economic revitalization and effective crisis management.

Outline Of Initiatives

A number of major initiatives are currently underway to accelerate the rebuilding of houses and reconstruction of towns and communities, to boost the regional economy and to improve the lives of those in affected areas. These include:

1. Rebuilding and Reconstruction: The ongoing process of rebuilding houses and reconstructing towns and communities is being accelerated. At the same time, processes relating to land-use management and sites for project development have also been expedited. 'Acceleration packages' of policy measures have been introduced, including simplified procedures for relocation and land purchase, and a shortening of the required time for property administration procedures (from 6 months to 3 weeks). Measures have been taken to respond to any personnel or materials shortages, such as dispatching personnel of other municipalities and private sectors to provide on-site support.

2.Reconstructing Industries and Businesses: A number of measures have been successfully implemented to expedite the revitalization of industry and restore the livelihoods of citizens. Progress has been made in restoring agricultural land, fisheries and other facilities.

In addition, group subsidies for SMEs, as well as subsidies for developing commercial and industrial facilities, have now been introduced. To boost the regional economy, the Reconstruction Agency established schemes such as the "Yui No Ba" network as well as the New Tohoku Partnership Promotion Committee, (supported by the Japan Business Federation, the Japan Association of Corporate Executives and others) which strengthen collaboration between local companies and larger firms.

3. Health and Daily Lives: To support the health and daily lives of citizens, the Reconstruction Agency has set up a taskforce chaired by the Reconstruction Minister and compiled a targeted policy 'package'. This includes health support for evacuees living in temporary housing, strengthened support for children's health and measures to ensure that there are adequate personnel to provide medical and nursing care. Efforts have also been made to ease the difficulties of moving from temporary to permanent housing, and to alleviate the burdens placed on individual municipalities.

4. Reconstruction and Revitalization of Fukushima: A number of policies, projects and grants have been instigated in Fukushima Prefecture. Grants and projects to support revitalization in this region were expanded and consolidated under the FY2014 budget and will now include six new "fields" of funding. Additional measures include the development of plans for rapid settlement in permanent housing and other support for those affected by the nuclear disaster in their daily lives.

5. Budgetary Framework: The budget for reconstruction has increased significantly throughout 2013 and 2014, expanding from JPY 19 trillion to JPY25 trillion. In 2013, the budget framework strengthened the functions of the Reconstruction Agency and accelerated reconstruction in Fukushima. Measures to ensure execution of budgets will be accelerated and their usage strictly checked. The FY2014 budget will allow greater flexibility for shifts in priorities that may come with the ongoing process of reconstruction. There will also be budget allocated to support evacuees and speed up their return to their homes.

6. "Hands-on Approach": In the past year, adopting a "hands-on approach" has aided acceleration of reconstruction efforts, facilitated more effective cooperation between local and national government, and allowed greater flexibility for providing reconstruction grants. Examples of this approach include the Reconstruction Agency's easing of regulations under the Agricultural Land Act for relocation and extension of the period for offering urgent temporary housing.

7. Reforming the Reconstruction Agency: The Reconstruction Agency has, under the Abe administration, undergone a series of reforms. In particular, a 'two-pillar' system was introduced, whereby the agency would have headquarters in both Tokyo and Fukushima. This allows for timely action to be taken on onsite and for the national government to understand issues from the viewpoint of disaster-affected areas.

8. A "New Tohoku": The Reconstruction Agency will promote the "New Tohoku" initiative to creatively tackle ongoing challenges the region is facing such as depopulation, an aging society and the decline of local industry. The five pillars of identified for the creation of a 'New Tohoku' are:

- Social infrastructure
- Sustainable energy
- Regional resources (such as agriculture and tourism)
- Safe and healthy children
- Vibrant super-aged society

Initiatives to date include supporting the development of innovative ideas, creating a platform for human resources, establishing the New Tohoku Partnership Promotion Council, providing support for business networking and sales channels and dispatching experts to provide knowhow and expertise in disaster-affected areas.

To view the detailed document and further information, please go to the following link: <u>http://www.reconstruction.go.jp/rap/2014/02/20140224_fpc.pdf</u>