

Reconstruction Agency – 3.11 Progress Report

Overview and Initiatives

In the two years that have passed since the March 2011 earthquake and tsunami, considerable progress has been made towards restoring and reconstructing those areas worst affected.

The Japanese government has pledged further financial support to boosting growth and developing a competitive and dynamic regional economy over a sustained period. Following ongoing discussions with local governments, local residents, business leaders and other stakeholders, the government has reiterated its commitment to expediting reconstruction work. Emphasizing this commitment, the current administration has increased the budget for post-earthquake reconstruction from ¥19 trillion to ¥25 trillion over a five-year period (starting from fiscal year 2011). The Reconstruction Agency is also undertaking concerted efforts to ensure that future developments and housing is better protected against the risk of natural disasters.

The Reconstruction Agency continues as the 'Control Tower' to coordinate all reconstruction efforts, with work continuing in a number of important areas.

- **Removal of Debris:** Out of the over 16 million tons of debris from coastal municipalities of Iwate, Miyagi and Fukushima prefectures, the three most affected areas, all debris classified as high-priority was removed and transferred to makeshift yards by August 2011, with the transfer of all remaining disaster debris to be completed by March 2013. The treatment of 46% of debris from Iwate and Miyagi prefectures was achieved by January 2013, with an interim target of 59% by the end of March next year. As such, solid progress is being made towards the target of treating all disaster-related debris in these areas. The treatment process in Fukushima, meanwhile, is yet to begin full operations. To meet the goal of treatment of all debris by the third anniversary of the earthquake in March 2014, a total of 31 temporary incinerators have been put into operation in Iwate and Miyagi prefectures so far, with a further three in Fukushima prefecture, while other prefectures have also been cooperating to accelerate the process.
- **Infrastructure:** In spite of the unprecedented scale of the disaster, vital infrastructure such as roads and rail networks was operational weeks after the earthquake and tsunami struck. International flights from Sendai Airport resumed by March 27, 2011 and international shipping routes were re-established by April, 2011. The majority of trade and transport routes were operational by September, 2011, and essential public services were quickly restored. This includes 165 of 184 hospitals (90%) affected by the disaster having resumed services, and classes resumed at 1,876 of 2,325 schools (81%). Having restored essential infrastructure and services, progress is now also being made on longer-term infrastructure redevelopment initiatives including coastal facilities, following extensive planning and consultation with local stakeholders.
- **Housing:** Temporary housing has been made available to all of those left homeless or forced to evacuate, which was a task of critical importance in the period following the disaster. Efforts to construct more disaster-resilient communities are now in progress following detailed planning, with construction getting underway on a number of projects. This includes the collective relocation of housing and communities, for example to higher land, which is taking place in a total of 229 districts in 26 municipalities. Readjustment projects are also underway in 57 districts in 19 municipalities, including leveling of land for residential areas, with the unprecedented scale of devastation resulting in projects of enormous scope. The Reconstruction Agency will continue to provide financial support as well as

professional assistance. Japan is committed to incorporating advanced technologies and new methodologies into these reconstruction initiatives, to ensure that communities are sustainable and energy-efficient.

- **The Status in Fukushima:** In total, approximately 154,000 people have been evacuated from Fukushima, of which 109,000 people are from the Evacuation Order Area. Evacuation zonings have been reviewed or are currently under review in areas where radiation is considered to be below safe levels, while decontamination efforts have been accelerated. A total of 11 municipalities are now designated as Special Decontamination Areas, under which decontamination works have been implemented directly by the government.

Among other initiatives aimed at accelerating reconstruction efforts, in early 2013 the government established the “Fukushima Headquarters for Reconstruction and Revitalization” to work in parallel with the newly established “Tokyo Headquarters for Fukushima Reconstruction and Revitalization” at the Reconstruction Agency.

The Fukushima Headquarters for Reconstruction and Revitalization brings together the Fukushima Regional Bureau of Reconstruction, the Fukushima Office for Environmental Restoration working to coordinate decontamination efforts in areas impacted by the nuclear accident, and the local Nuclear Emergency Response Headquarters, focused on reviewing zoning of the area around the Fukushima nuclear power plant.

- **Food Safety:** Japan remains committed to ensuring a safe environment for all of its residents and visitors. Utilizing lessons learned during post-disaster revitalization, Japan has further developed and implemented leading global food safety standards to restore public confidence in food grown and consumed in Japan. These new standards put the country far ahead of some of the strictest recommendations by international bodies.

Important progress has been made in ensuring that the public is informed of food safety initiatives, including stricter standards around radionuclides in food products and strengthened screening processes, through collaboration between the private sector and the central and local governments.

As a result of vigorous efforts in this area, many countries have now lifted or eased restrictions on the importation of foods from Japan that were put in place in the immediate aftermath of the disaster. For example, in 2012, 900kg of peaches and 360kg of apples were exported from Fukushima prefecture to Thailand after undergoing thorough inspection for radiation, and efforts are underway to grow exports of a variety of farm products.

Reassured by such efforts, public concern over the safety of Japanese food products is gradually diminishing.

- **Industry and Economy:** The gap in the industrial production index between the affected areas and other regions of Japan has been narrowing. Businesses that were damaged in the earthquake, such as those in the automotive industry, are now back on their feet and are set to return to globally competitive status.

Significant efforts have been made to restore local industry along the coastal areas worst hit by the tsunami. Small and medium sized enterprises are now on the path to recovery and will continue to be supported through government backing as well as additional investment from the private sector. The Reconstruction Agency plays an active role in encouraging and supporting local companies to meet with new partners in the private sector to maximize business and growth opportunities. In the agricultural sector, the restoration plan for farming is on schedule, aiming to have approximately 90% of farmlands back in operation by early 2014. In addition, the fisheries sector is also on its way to a full-scale recovery. There have also been numerous initiatives that support revitalization of local economies through public-

private partnerships, many of which are leveraging advanced technologies such as ICT and clean energy, as well as high-tech agricultural initiatives.

- **Promoting Investment – ‘Special Zones for Reconstruction’:** Among the aims and initiatives set out for the region, securing a significant increase in international investment interest is an important target. With substantial support from the Reconstruction Agency and prefectural governments, affected regions are actively engaging international partners and welcoming foreign direct investment into the local economy.

To accelerate reconstruction and stimulate investment in the affected regions, the government has established a system of Special Zones for Reconstruction, focused on offering deregulation and simplified statutory procedures, a variety of tax breaks and financial incentives, and new mechanisms to facilitate land-use restructuring. In total, fifty-two plans for Special Zones for Reconstruction have been approved, which includes those intended for the promotion of town-building through land-use restructuring, renewable energy initiatives to support regional development, and the development of a medical industrial cluster.

- **Tourism:** As part of the country’s broader economic revitalization and to stimulate regional economies, Japan is also seeking to boost the number of foreign visitors. Naturally, the 2011 disaster resulted in a sharp decrease in the number of inbound visitors. However, 2012 saw a rapid turnaround with around 8.37 million foreign tourists traveling to the country, representing a return to pre-earthquake levels. Tourism is now a vital component of Japan’s growth strategy and the government is actively working to grow the industry’s contribution to the national economy, starting with a target of approximately 10 million foreign visitors in 2013.