

Press release

The Great East Japan Earthquake - two years on

Japan's top priority is accelerating the "revitalization process". The government will focus on policies that benefit economic revival, reconstruction and crisis management - the three main 'pillars' for enacting meaningful change.

Three Pillars

1. **Economic Revival:** For Japan, the most urgent issue is revitalizing the nation's economy to ensure stability and future prosperity.

Proof point: More than 10 trillion yen (USD \$106 billion approximately) will be set aside to stimulate the economy through job creation, enhancing innovation, reconstruction efforts, strengthening domestic demand and creating global opportunities.

2. **Reconstruction:** Japan will accelerate the reconstruction of disaster-affected areas and make concerted efforts to create a newly revitalized Tohoku Region.

Proof point: The budgetary framework for reconstruction has been expanded from 19 trillion yen to 25 trillion for FY2011-2015 (USD \$202 billion to approx. USD \$266 billion). As a result, further funding for the reconstruction has been secured in the FY2012 supplementary budget and the FY2013 budget.

3. **Crisis Management:** In an effort to ensure readiness for any future crises or disasters, Japan plans to prioritize strengthening infrastructure and public facilities throughout the country.

Proof point: Japan is making a major investment of 2.2 trillion yen (USD \$23.4 billion dollars approx.) to restore and fortify social infrastructures such as schools, highways and bridges.

Progress made towards Reconstruction

1) Progress to date

- Steady progress is being made in post-earthquake reconstruction. Immediately following the earthquake and tsunami, some 470,000 people were evacuated. Public or temporary housing has been made available to all of the 320,000 people displaced.
- Political initiatives for building disaster-resilient towns are also in progress, including the collective relocation of residential areas to safe places such as higher ground, in 276 districts in 26 municipalities, and the readjustment and leveling of land for residential areas in 58 districts in 19 municipalities.
- Vital infrastructure such as major roads and rail networks was quickly restored, while essential public services were quickly re-established. This includes 165 of 184 hospitals affected (90%) resuming services, and 1,801 of 2,325 schools (77%) resuming classes.
- Japan is committed to incorporating advanced technologies and new methods into reconstruction initiatives, to ensure that communities are sustainable and energy-efficient (e.g. Future City initiatives in Higashi-Matsushima and others) and that new industries and enterprises benefit from the latest knowledge and technology (e.g. Watari strawberries).
- The gap in industrial production between the affected areas and the rest of Japan has been narrowing. Businesses that were damaged in the earthquake, including automobile companies, are now back on their feet and are set to return to globally competitive status.

- Tourist numbers have also bounced back. In 2012, there were around 8.37 million foreign visitors to Japan, representing a significant recovery (up from 6.22 million foreign visitors in 2011) and a return to pre-earthquake levels of inbound tourism. Japan welcomes foreign visitors from around the world.
- The Japanese government is committed to taking a hands-on approach to improve the 'vertically-segmented' administrative structure and to undertake a number of new initiatives, including the establishment of a Bureau for reconstruction and development in Fukushima.
- In response to the additional needs raised in the directly affected regions, the government has also pledged to secure the budgetary resources by 6 trillion yen to 25 trillion (USD \$266 billion approx.) for the five year period beginning FY2011.

2) The way forward

- Post-earthquake reconstruction continues to be a major priority for Japan. From now on, regional reconstruction and revitalization of Fukushima will be accelerated significantly, targeting key issues such as restoring damaged housing, supporting those affected by nuclear accident, and industrial restructuring.
- Japan seeks to leverage the reconstruction process to reaffirm the economic potential of the Tohoku region as part of Japan's wider revitalization. Reconstruction in the disaster-affected areas will spur economic revitalization throughout Japan.
- Japan will continue to expedite progress in reconstruction while co-operating with international partners. We welcome foreign investment into Japan, in particular into the disaster-affected areas. A number of international companies have already made new investments in the affected areas in sectors such as renewable energy, ICT and logistics.

■ International Relations

- Japan expresses its heartfelt gratitude for the continued support and friendship of its international partners. Japan will continue to contribute actively to addressing global challenges and hopes to return the favor through its ongoing commitment to development aid programs, human rights and human security.
- Japan is committed to sharing knowledge and lessons learned from the earthquake, and subsequent recovery process, with the international community. To this end, Japan organized the "World Ministerial Conference on Disaster Reduction in Tohoku" in July last year, "Sendai Dialogue" in October as well as the "Fukushima Ministerial Conference on Nuclear Safety" in December. Japan will also host the Third UN World Conference on Disaster Risk Reduction in early 2015 and make efforts to deliver an effective post-Hyogo Framework for Action. Japan contributes to mainstreaming disaster risk reduction in the efforts of formulating the post-2015 development framework.
- In June 2013, Japan will hold the Fifth Tokyo International Conference on African Development (TICAD V), a summit meeting held every 5 years, which Japan launched with African partner countries 20 years ago. Japan will further deepen its relationship with African countries and continue working closely with them towards shared goals and objectives. Japan is confident that TICAD V will become a new starting point for that purpose.
- Japan faces a number of challenges and is proactively addressing immediate issues such as post-earthquake reconstruction, economic revitalization and disaster prevention, as well as long-term challenges such as demographic change, the transition to a 'green' economy and promotion of high-level economic partnerships through actively engaging in EPA/FTA negotiations with selected countries of strategic importance to Japan. Japan seeks to be a leading country in meeting these global challenges.