

Basic Act on Reconstruction in Response to the Great East Japan Earthquake

(Act No. 76 of June 24, 2011)

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Chapter I General Provisions

(Purpose)

Article 1 In consideration of the fact that the Great East Japan Earthquake caused an unprecedented national crisis due to extensive damage affecting a vast area and with all the characteristics of a compound disaster consisting of an earthquake, tsunami and nuclear accident, the purpose of this Act is to promote a smooth and prompt reconstruction following the Great East Japan Earthquake and the revitalization of a vibrant Japan by way of setting forth basic principles on reconstruction in response to the Great East Japan Earthquake, securing financial resources for the reconstruction, creating a System of Special Zones for Reconstruction and deciding on other fundamental issues so as to create an economy and society where current and future generations can lead safe and prosperous lives and by way of deciding on basic guidelines regarding the establishment of a Reconstruction Headquarters in Response to the Great East Japan Earthquake and a Reconstruction Agency.

(Basic Principles)

Article 2 The reconstruction in response to the Great East Japan Earthquake will be implemented based on the following basic principles:

- (i) Taking into account the fact that the unprecedented disaster resulted in enormous damage, where countless lives were lost, and where numerous people were deprived of their basic living infrastructure and were forced to evacuate the disaster-affected regions, and that the disaster's influence extends over the entire nation, with economic stagnation in the disaster-afflicted areas affecting business activities and peoples' lives nationwide, the reconstruction should aim to build new communities, with a vision of Japan

which is appropriate for the mid-twenty-first century, based on the understanding and cooperation of the people, by promoting dramatic measures for the revitalization of a vibrant Japan which are not limited to a recovery from the disaster by simply restoring affected facilities to their original state, as well as reconstruction measures which aim to facilitate every individual to overcome the disaster and lead a prosperous life. For this purpose, know-how should be drawn from within and without of the administration and applied to the reconstruction.

- (ii) The appropriate allocation of roles and mutual collaboration between the national government and local governments as well as mutual collaboration between local governments should be assured, and the opinions of the residents in the disaster-afflicted regions should be respected and the opinions of a wide range of people including women, children, and persons with disabilities should be taken into account. To this end, consideration should be given to local governments which are not fully functional due to the damage caused by the disaster.
- (iii) On the basis of a spirit of solidarity and cooperation among the people of Japan including those directly and those not directly affected by the disaster, the people, entrepreneurs and diverse entities in the private sector should collaborate voluntarily and play their roles accordingly.
- (iv) Innovative measures should be implemented to contribute to the resolution of the challenges that Japan is facing, such as a declining birthrate and aging population, a decreasing population, progress in trans-border socioeconomic activities and other issues, as well as to the resolution of global challenges common to all humankind, such as food shortages, constraint in the use of electricity and other types of energy, environmental impacts, global warming and other issues.
- (v) The following measures should be promoted:
 - (a) Measures to create safe communities where preventive measures against damage due to earthquakes and other natural disasters are effective and everyone can enjoy a sense of security for years and decades to come.
 - (b) Measures to create employment opportunities in the disaster-affected regions and to restore a sustainable and vibrant society and economy.
 - c) Measures to promote regional culture, to maintain and strengthen bonds in communities as well as to create a society of harmonious coexistence.
- (vi) The measures outlined above should be implemented for the reconstruction of areas affected by the disaster due to the accident at the nuclear power facilities, while taking into account the progress already made in recovering from said disaster.

(Responsibilities of the National Government)

Article 3 Based on the basic principles set forth in the preceding Article, the national government has the responsibility for demonstrating a vision of Japan which is appropriate for the mid-twenty-first century, as well as for deciding on basic guidelines for measures for the reconstruction in response to the Great East Japan Earthquake (hereinafter referred to as the "Basic Guidelines for the Reconstruction in Response to the Great East Japan Earthquake") and, based thereon, to take the necessary measures as specified separately by an act and other measures for the reconstruction in response to the Great East Japan Earthquake.

(Responsibilities of Local Governments)

Article 4 Based on the principles set forth in Article 2 and on the basis of the Basic Guidelines for Reconstruction in Response to the Great East Japan Earthquake, local governments have the responsibility to take the necessary measures for the reconstruction in response to the Great East Japan Earthquake in a well-planned and comprehensive manner.

(Efforts of the People)

Article 5 Based on the basic principles set forth in Article 2, and in the spirit of mutual support and solidarity, the people of Japan are to make every effort to help and support those affected by the disaster.

Chapter 2 Basic Measures

(Prompt Implementation of Reconstruction Measures)

Article 6 The national government must strive for a smooth and flexible execution of the measures pursuant to the provisions of Article 3, in order to promptly implement measures for the reconstruction in response to the Great East Japan Earthquake.

(Measures for Securing Financial Resources)

Article 7 The national government will secure financial resources for the reconstruction in response to the Great East Japan Earthquake by taking a number of measures including the following:

- (i) Carrying out a thorough review of budgets for measures other than reconstruction measures or those related thereto, as well as reducing expenditures for such other measures.
- (ii) Fully utilizing funds related to the fiscal investment and loan program as well as funds from the private sector.

(Issuance of Reconstruction Bonds, etc.)

Article 8 (1) The national government will issue government bonds (hereinafter referred to as "Reconstruction Bonds") as specified separately by an act in order to secure the necessary funds for the reconstruction in response to the Great East Japan Earthquake.

(2) The national government will manage the Reconstruction Bonds distinctly from other bonds and clarify the redemption schedule in advance by taking a number of measures including those specified separately by an act.

(Transparent National Money Flow for Reconstruction)

Article 9 Based on the understanding that the people of Japan including those directly and those not directly affected by the disaster bear the task of reconstruction in response to the Great East Japan Earthquake, the national government will clarify the national money flow for the reconstruction, including setting out the relationship between national and local government finances.

(Creation of System of Special Zones for Reconstruction)

Article 10 On the basis of proposals from local governments in the disaster-affected regions, the national government will promote the undertaking of efforts for the reconstruction which make use of local creativity, by providing a system of special arrangements for deregulation and other measures in designated areas (hereinafter referred to as the "System of Special Zones for Reconstruction"), and will examine the System of Special Zones for Reconstruction, as necessary to this end, in a comprehensive manner by taking the necessary legislative measures promptly.

Article 10-2 The national government must report the progress of the reconstruction in response to the Great East Japan Earthquake to the Diet every year until the Reconstruction Agency is abolished.

Chapter 3 Deleted

Articles 11 to 23 Deleted

Chapter 4 Basic Guidelines on Establishment of the Reconstruction Agency

Article 24 (1) The Reconstruction Agency (meaning an administrative organ which carries out the affairs prescribed in paragraph (3); the same applies hereinafter) will be established in the Cabinet, as specified separately by an

act.

- (2) The Reconstruction Agency will be established for a fixed period of time.
- (3) The Reconstruction Agency will undertake the following affairs regarding national measures to be implemented proactively and integrally for the reconstruction in response to the Great East Japan Earthquake and will be organized to ensure the efficient and smooth implementation of such affairs:
 - (i) Affairs concerning the planning, drafting and overall coordination of measures for the reconstruction in response to the Great East Japan Earthquake.
 - (ii) Affairs concerning the implementation of measures for the reconstruction in response to the Great East Japan Earthquake.
 - (iii) Other affairs as necessary for the reconstruction in response to the Great East Japan Earthquake.
- (4) The Headquarters will be abolished upon the establishment of the Reconstruction Agency, and the functions of the Headquarters, Headquarters Response Offices, Reconstruction Design Council in Response to the Great East Japan Earthquake, etc. and other organs established in the Headquarters will be taken over by the Reconstruction Agency and the organizations established therein.
- (5) The Reconstruction Agency will be established with the shortest delay possible, and the national government will consider the measures necessary for the establishment of the Reconstruction Agency and put in place legislative measures as soon as practicable, pursuant to the provisions of the preceding paragraphs.

Supplementary Provisions

This Act will come into effect as of the date of promulgation.