Emergency support measures for nuclear sufferers

May 12, 2011
Nuclear Power Station Accident Economic Impacts Response Team
Decision at the Related Ministerial Meeting

1. With respect to the accident at Tokyo Electric Power Company (hereinafter referred to as “TEPCO”)’s Fukushima Dai-ichi and Dai-ni nuclear power stations, the Dispute Reconciliation Committee for Nuclear Damage Compensation (hereinafter referred to as the “Reconciliation Committee”), which was established under the Act on Compensation for Nuclear Damage (hereinafter referred to as the “Compensation Act”), summarized on April 28, 2011 the “Preliminary guidelines for determination of the scope of nuclear damage due to TEPCO’s Fukushima Dai-ichi and Dai-ni nuclear power stations” (hereinafter referred to as the “Preliminary Guidelines”). The Preliminary Guidelines clarify the basic concept of the scope of nuclear damage, considering evacuation costs, business losses and losses of property values, etc. suffered due to the government’s orders for evacuation and suspension of shipments.

2. On the same day, TEPCO, taking into account the Preliminary Guidelines recently established, set up a consultation office dedicated to nuclear damage compensation and has initiated the procedures to consult with and receive claims submitted from all people who suffered nuclear damage, including those who suffered damage due to harmful rumors caused by the accident.

3. The government strongly expects that the sufferers, including not only the evacuees but also operators engaged in the agriculture, forestry and fisheries sectors, and small and medium sized enterprises, which are facing difficult circumstances, will receive prompt and proper compensation as early as possible and demands that TEPCO, which has the primary responsibility for the compensation, make the necessary response.

4. However, it is expected to take a certain period of time until all procedures for damage compensation claims are completed and compensation is actually paid. It is extremely important that proper measures for nuclear damage must be implemented as soon as possible for people, including the evacuees and operators who are engaged in the agriculture, forestry and fisheries sectors and are obligated to suspend shipments and to take other actions due to the government’s order, as well as
small and medium sized enterprises that were forced to close down their businesses due to orders to evacuate. These people are covered by the Preliminary Guidelines, because the Reconciliation Committee has recognized the high probability that they suffered damage.

5. Taking into account not only that funds have been provided according to the headquarters’ decision on April 15, 2011 to the people who have evacuated or took shelter, but also that funds have been provided under the Natural Disaster Victims Relief Act to the people who are living in the planned evacuation area and the prepared emergency evacuation areas for those whose houses collapsed due to the earthquake and tsunami, TEPCO currently provides immediate and necessary funds that should be allocated as compensation for the damage caused.

6. As soon as possible, TEPCO will further provide immediate and necessary funds that should be allocated to the following kinds of damage:

○ Damage to operators of businesses engaged in the agriculture, forestry and fisheries sectors within the evacuation area, the in-house evacuation areas, the planned evacuation areas and the prepared emergency evacuation areas as listed in “Part 3: Damage due to the government’s evacuation order, etc.” of the Preliminary Guidelines (including losses of property values and disposal costs incurred for the killing/slaughter or death of domestic animals).

○ Damage to operators of businesses in the fisheries sector due to the designation of the navigation alert area as listed in “Part 4: Damage due to the designation of the navigation alert area by the government” of the Preliminary Guidelines.

○ Damage to operators of businesses engaged in the agriculture, forestry and fisheries sectors in relation to the orders for suspension of shipments, which have been issued by the government and are listed in “Part 5: Damage due to the government’s orders, etc. for suspension of shipments” of the Preliminary Guidelines and the requests for restraining from shipments and business operations, which have been made by the local governments based on reasonable grounds, (including cases where producers associations have decided on limiting shipments and business operations in relation to the accident, based on reasonable grounds and with the involvement of the central government or local governments), within any area where such orders have been issued or requests have been made and with respect to any product subject to the order or request, etc.

Taking into account the economic conditions, etc. of claimants, necessary measures must be taken for immediate payments of compensation described above, under cooperation with related industrial
associations and other organizations. For example, a certain percentage of the amount, which is claimed by the claimants and compiled by the industrial associations or local governments, may be provisionally paid.

7. In order to realize prompt payment of compensation by TEPCO to small and medium sized enterprises, related parties will immediately examine the framework to facilitate provisional payments for business losses suffered by small and medium sized enterprises in the evacuation area, etc. as listed in “Part 3: Damage due to the government’s order of evacuation, etc.” of the Preliminary Guidelines, taking into account that there is a diversity of small and medium sized enterprises such as manufacturers, service providers, retailers, constructors and so on. Further, political support for the small and medium sized enterprises must be substantially expanded, including enhancement of the financing system by Japan Finance Corporation, etc. and creation of a special support system in which long-term and interest-free loans are provided through the Organization for Small & Medium Enterprises and Regional Innovation in cooperation with Fukushima Prefecture with the aim to enable the enterprises to maintain their businesses in case of when they are forced to move from the alert area, etc. responding to the government’s order to evacuate.

8. The funds for provisional lump-sum payments described above are regarded as temporary payments of the total amount of damages until the final amount is fixed in the future. The government will take necessary measures in accordance with the agreement for compensation of nuclear damage under the Compensation Act. (The amount of the compensation measures in relation to TEPCO’s Fukushima nuclear power station will be 120 billion yen).

9. The government expects that the Reconciliation Committee will promptly establish guidelines for damage including those suffered by business operators in agriculture, forestry and fisheries sectors and small and medium sized enterprises due to harmful rumors and will provide necessary measures to support and protect the sufferers.