Overview of Damage Situation and METI Measures
as of 12:00 a.m. April 18
*Underlined sections are updates.

I. Overview of Damage Situation

1. Nuclear Plants
   · Please refer to the NISA Web site. (http://www.nisa.meti.go.jp/english/index.html)

2. Electricity Supply
   > Tohoku Electricity Power Co., Inc. (as of April 18 at 11:30 p.m.)
     · Number of households without electricity: approximately 150,000 households
     · Blackout areas: Iwate Prefecture: some areas (approximately 85,000 households)
       Miyagi Prefecture: some areas (approximately 35,000 households)
       Fukushima Prefecture: some areas (approximately 35,000 households)
   > Tokyo Electric Power Company
     · Power restored as of March 19 at 1:00 a.m. (cumulative total affected households: approximately 4.05 million)
   > Hokkaido Electric Power Co., Inc.
     · Power restored as of March 12 at 2:00 p.m. (cumulative total affected households: approximately 3,000)
   > Chubu Electric Power Co., Inc.
     · Power restored on March 12 at 5:11 p.m. (cumulative total affected households: approximately 400).

3. Other critical services
   > Oil refineries
     · Operations were stopped at six oil refineries: JX Sendai, JX Kashima, Cosmo Chiba, Kyokutou, Tonen General Kawasaki, and JX Negishi. Operations restarted at Kyokutou on March 16, at Tonen General Kawasaki on March 17, and at JX Negishi on March 21.

   > Oil and LP gas reserve storage facilities
     · Hokkaido Joint Oil Stockpiling base and Tomakomai base: No anomalies have been found.
     · Mutsu Ogawara base and Akita base: A power outage continues but no anomalies have been found.
- Kuji base: Although there have been news reports that an oil tank was washed away at the stockpiling base, METI has confirmed that this was a bottom water drain tank and not an oil tank (oil tanks are buried underground and undamaged).
- Kamisu base: Power has resumed. No anomalies have been found.

> LP gas wholesale facilities
<Primary bases: 27>
- Kashima LPG Joint Stockpiling Base (Cosmo Oil, Iwatani Corporation, Showa Shell): Ground shipments are possible but marine shipments are impossible. Import tankers are unable to dock at the pier.
- Sendai gas terminal (ENEOS GLOBE and Astomos Energy): Domestic shipments and imports are impossible. Low-temperature LPG tanks remain undamaged. The tanker truck shipment area has been damaged.
- Kashima import base (Japan Gas Energy): As for a part of the stock, ground shipments are possible. Marine shipments and imports are impossible.
- Other 24 bases: No anomalies have been found.
<Secondary bases: 22>
- Iwate oil terminal (ENEOS GLOBE): Shipments and receiving LPG are impossible.
- Shiogama LPG terminal (ENEOS GLOBE): Shipments and receiving LPG are impossible.

- Other 20 bases: No anomalies have been found.

> Oil distribution facilities
As of April 16, 2892 out of 3,070 service stations (94%) located in the Tohoku region were in operation.

> Upstream oil development companies
<INPEX>
- At Chiba Kogyosho, Restoration work has been completed. Gas production has resumed.
<JAPEX>
- Supplies to Sendai City Gas and Sennan-Gas have resumed.

> Refineries and other facilities
- Hachinohe refinery (Mitsui Mining & Smelting – lead and zinc): Related facilities were partially damaged. Operation has been suspended.
· Onahama refinery (Mitsubishi Materials – copper): Related facilities were partially damaged. Although power for maintenance has been restored, operation is still suspended.
· Onahama refinery (Toho Zinc – zinc): Related facilities were partially damaged. Although power has resumed, operation is still suspended.
· Hosokura refinery (Mitsubishi Materials – copper): Related facilities were partially cracked. Operation resumed since March 30.
· Kosaka refinery (Dowa – copper and lead): No major damage has been found. Preparation is underway towards resuming operation.
· Akita refinery (Dowa – zinc): No major damage has been found. Operation resumed since April 4.
· Hitachi refinery (JX Nippon Mining & Metals – copper): Minor cracking was found in related facilities. Preparation is underway towards resuming operation.
· Oya district, Utsunomiya City (old quarry for underground mining): Two cave-ins were confirmed at the side of a city road and beside a house. There were no casualties. The area has been closed to vehicles. Damage to a shed and an automobile caused by these cave-ins was confirmed. Safety of all the companies engaged in underground mining in the district has been confirmed. No anomalies were found in old cave-ins.

4. Manufacturing industry (production status by the company)
> Status of production by the individual manufacturer
Factory operations have been suspended one after another in the disaster-stricken area. While some companies have resumed operations, others are still under inspection or restoration of the facilities. There still remain many companies with no prospect of resuming.

(1) Steel Industry
> Nippon Steel Corporation
· Kamaishi Works: Suspended production due to partial ground submergence has resumed operation. Restoration works have been continuing towards establishment of a structure to produce wire rods, as well as reconstruction of port facilities. Alternate production and shipment at other steel plants and/or a group companies have been implemented.
· Kimitsu Works: Three blast furnaces have resumed operation and production has already recovered to the same level as pre-earthquake. The operation of the post rolling production line process are in operation, taking into consideration the need to
save electricity.

- Muroran Works: No serious damage was found on the facilities. Blast furnaces are at work with shipments resumed as well.
- Other steel plants: Shipments have resumed since tsunami warnings were lifted.

> JFE Steel Corporation
- East Japan Works (Keihin area, Chiba area): The suspended blast furnaces resumed operation. They are now working at minimum operation for safety purposes.

> Sumitomo Metal Industries
- Kashima Steel Works: There is damage to facilities including the quay, coke holders and blast furnaces. The group is making its utmost efforts toward early restoration. Air operation was resumed at two blast furnaces. Manufacturing lines of products for disaster reconstruction such as temporary housing light H-beams and large-diameter steel piping have gradually resumed as a priority. Hot rolling mills at thick and thin plate plants have restarted operation. The amount of damage in March 2011 is expected to be about 60 billion yen.

> Electric steel
- Electric steel companies in the Sendai and Ishinomaki areas have suspended operations due to ground submergence.

(2) Chemical plants
> Idemitsu Kosan Co., Ltd.
- Chiba Plant: Its naphtha cracker is working.

> Mitsubishi Chemical Corporation
- Kashima Plant: Its naphtha cracker has been suspended. Facilities are currently under inspection.

> JX Nippon Oil & Energy Corporation
- Kawasaki Plant: Its naphtha cracker is working.

> Mitsui Chemicals, Inc.
- Ichihara Works: Its naphtha cracker is working.

> Sumitomo Chemical Co., Ltd.
- Chiba Works: Its naphtha cracker is working. > Tonen Chemical Corp.
- Kawasaki Plant: Its naphtha cracker is working.

> Maruzen Petrochemical Co., Ltd.
- Chiba Plant: Its naphtha cracker is working. Preparation is under-way towards resumption of operation at some facilities.

> Keiyo Ethylene Co., Ltd.
• Chiba Plant: Its naphtha cracker is working.

(3) Auto industry

> Nissan Motor Co., Ltd.: Oppama Plant and Nissan Shatai resumed operation on April 11, while Kyushu Plant and Nissan Shatai Kyushu Plant resumed operation on April 13. Tochigi Plant is expected to resume operation from April 18. As for unit factories, Yokohama Plant has already resumed operation and Iwaki plant is expected to resume operation from April 18.

> Honda Motor Co., Ltd.: Honda resumed production of finished automobiles at Saitama Plant and Suzuka Plant on April 11 and this means all Honda’s production plants in Japan are in operation. However, as the parts supply situation remains fluid, the operational ratio of vehicle production in Japan remains at approximately 50% of the original production plan for the time being. Production volume at some plants outside of Japan has also reduced.

> Toyota Motor Corporation: Sakai Plant and Toyota Motor Kyuhu resumed production of hybrid vehicles such as the Prius, HS200, and CT200h on March 28 based on the situation of component parts supply. Operation started at Sagamihara Central Motor plant on April 11. Other quake-hit plants have decided to resume operation between April 18 and 27.

(4) Machinery

> Hitachi, Ltd.: Partial and full production has resumed at some plants.

> Hitachi Construction Machinery Co., Ltd.: Partial operation has resumed in all plants.

> Komatsu Ltd.: Production except for some lines has resumed in all plants.

(5) Paper industry

> Nippon Paper Group, Inc.

• Ishinomaki Mill: Operation has been suspended. The paper machine section in the 1st floor of the building has been flooded and the electrical system has been damaged. Since the damage to the paper machine is relatively slight, restoration work will be started at that part. It is expected to take time to restore operations.

• Iwanuma Mill: Operation has been suspended. The boiler is to resume operation this week. Operation is expected to resume gradually from April 1 at the paper machine section which sustained relatively little damage.

• Nakoso Mill: Operation started on April 5 on a limited basis. Consideration of damage to the facilities, restoration work for boilers has started. It is expected to
resume operation gradually by about the middle of April.

> Mitsubishi Paper Mills Limited

- Hachinohe Mill: Operation has been suspended because of flooding on the first floor, and it has become clear that the electrical system was heavily damaged. Damage to paper making machines is comparatively light. Operations will be gradually resumed at power plants around the end of April, and around the middle of May at production facilities.
- Shirakawa Site: Full operation resumed on March 23.
- Kitakami Hitec Paper Corp.: Operation has been suspended. Currently facility inspections and repairs are underway. Operation will be gradually resumed around the beginning of April.

>Oji Paper Co., Ltd.

- Oji Paperboard’s Nikko Mill: Operation has been resumed since March 22.
- Oji Chiyoda Container (Sendai factory): Operation has been suspended. It is unknown at this point when operation will be resumed.
- Oji Chiyoda Container (Fukushima factory): Operation has been suspended. It is expected to resume from March 17.

> Daio Paper Corporation

- Iwaki Daio Paper Corporation: Full operation resumed on March 25.
- Sendai Plant: Operation has been suspended due to tsunami damage.
- Fukushima Yabuki Plant: Operation had been suspended due to Tsunami damage, but was resumed on March 22, after maintenance and inspection.

* Supplies and inventories of toilet paper are sufficient.

(6) Nonferrous
(Electrical wire)

- Hitachi Cable’s five plants in Hitachi-shi, Ibaraki (Minato Plant, Electrical Wire Plant, Hitaka Plant, Toyoura Plant, and Takasago Plant) have suspended operation. No significant damage has been found in the exterior of these plants, but there is no supply of electricity, gas, and water. Inspection of equipment and machinery has been underway for restoration. Minato Plant (Hitachi-shi, Ibaraki) was flooded by the tsunami, and it is currently being inspected in detail.
- At SWCC Showa’s Sendai office (Miyagi), equipment has been broken.

(Aluminum)

- Furukawa-Sky: Nikko plant (Tochigi), Oyama plant (Tochigi), and Fukaya plant (Saitama) suspended operation on March 11 (Fri.) for equipment inspection, but they
resumed operation on March 12.
○ Kobe Steel, Ltd.: Buildings have cracks at Moka plant (Tochigi). **Actual operation will be resumed from April 24.**
○ Showa Denko: Oyama plant (Tochigi) has resumed operation since March 18 after equipment inspection. Kitakata office resumed operation on March 12 after equipment inspection.

(Silicon Wafer)
○ Shirakawa plant of Shin-Etsu Handotai, a subsidiary of Shin-Etsu Chemical, has suspended operation. Three workers were slightly injured. It will decide whether or not to resume operation after equipment inspection.

(Other)
○ The head office and production facilities of Pacific Metals (manufacturer of ferronickel, a material used in stainless steel and special steel) in Hachinohe head office was flooded by a tsunami. The company produces approximately 40,000 tons of ferronickel annually.

(7) Aerospace
○ Jamco’s maintenance factory in Sendai (aircraft maintenance): As for inspection of equipment and facilities as well as the time of restarting operation, there are no estimates as yet. Confirmation of the damage has started where implementation is possible, but removal and disposal of rubble, as well as on-sight investigation of consigned aircrafts’ customers have not finished yet.
○ IHI’s Soma plant (Fukushima, engine components): Restoration work is underway. In addition to the building housing engine disc processing equipment, which has suffered relatively slight damage, other buildings except for those for turbine blade manufacture and processing have resumed operation on a limited basis. As for buildings dealing with casting and other processes, these are expected to resume operation in the middle of April.

(8) Electronics
○ Mitsubishi Electric: Koriyama Plant has suspended operation. Other plants are operating.
○ NEC: Telecommunication equipment plant in Iwate, and an electric parts plant in Miyagi resumed operation.
○ Sony: Some plants including the one in Tagajo-shi, Miyagi have suspended operation. Partial production has been resumed at the joining materials plant in Kanuma City, Tochigi since March 15, and at the lithium-ion battery plant in Shimonotsuke City, Tochigi since March 22.

○ Toshiba: At a semiconductor plant in Kitakami-shi, Iwate, production has been suspended. The confirmation of its inventory situation has finished, and resumption of shipping is expected gradually.

○ Fujitsu: Production has resumed at all plants.

○ Sharp: A TV assembly plant in Yaita, Tochigi had suspended operation, but it resumed regular production from March 15.

○ Hitachi: Buildings and production facilities at locations in Ibaraki and other prefectures were damaged and operations have been suspended. Factories which produce home appliances and engine control units have resumed operation on a limited basis.

○ Panasonic: Production has been suspended in the Sendai plant and Fukushima plant.

○ Alps Electric: Production has resumed at all production bases. It has experienced some troubles in infrastructure, buildings, and equipment and machinery. Seven plants including the one in Osaki-shi, Miyagi have suspended operations, but operations at five plants in Miyagi prefecture have gradually been resumed since March 22.

○ Renesas Electronics: Production has been suspended in seven factories including a semiconductor factory in Hitachinaka City, Ibaraki Prefecture, but parts of the production for front-end process at Tsuruoka plant (Yamagata) and Tsugaru plant (Aomori) have been resumed. Production for the back-end process at Yonezawa plant (Yamagata) and Kitatsugaru plant (Aomori) is expected to be resumed in the area where power supplies have resumed.

○ Murata Manufacturing: Production has been suspended at plants in Sendai City, Miyagi Prefecture. Electronic parts plants in Tome City, Miyagi Prefecture and in Tochigi prefecture have resumed operation.

○ ROHM: Production has started operation at a LSI plant in Kurokawa-gun, Miyagi. Tsukuba plant has resumed operation.

(9) Printing

○ Dai Nippon: Buildings and facilities at DPN Tohoku (Sendai City) and DNP Fine Chemical Fukushima (Minamisoma City) have been partially damaged. Detailed inspections are underway.
Toppan: Buildings and facilities at the Sendai Plant have been damaged. Parts of the production lines for packing materials have been suspended. The IT system, telephones, and the electrical and water supplies have been restored. Resumption of production is underway.

II. Measures that have been taken by METI
March 11

- A disaster headquarters was established within the Nuclear and Industrial Safety Agency (2:46 p.m.)
- Senior Vice Minister of Economy, Trade and Industry Ikeda left by Ministry of Defense helicopter for the local nuclear disaster headquarters close to Fukushima Daiichi Nuclear Power Station. (9:41 p.m.)

- Distribution
  - METI has asked 10 retail organizations including convenience stores and supermarkets to focus on securing and smoothly offering daily necessities for victims and informing member companies to avoid confusion such as opportunistic price rises.

- Small and medium sized enterprises
  1. METI has asked public financial institutions to take good care of year-end inquiries from small- and medium-sized companies on Saturdays and Sundays when possible, fully taking into account the damage at each branch.
  2. It asked chambers of commerce and other small- and medium-sized company groups as well as public financial institutions to support the following when possible depending on local situations:
     - Establishing special point of contact to accept inquiries regarding the seismic disaster
     - Applying disaster restoration loans
     - Providing support including relaxation of conditions regarding repayment of existing debts
  3. It asked the Organization for Small & Medium Enterprises and Regional Innovation, Japan, to apply disaster loans, extend due dates of payments of mutual aid premiums and repayments of temporary loans, and accelerate payment of mutual aid money with regard to the Small Enterprise Mutual Relief system.
4. It asked the Organization for Small & Medium Enterprises and Regional Innovation, Japan to extend the due dates of payments of mutual aid premiums and repayments of mutual aid loans and accelerate payment of mutual aid money with regard to the Mutual Relief System for the Prevention of Bankruptcies of Small and Medium-sized Enterprises.

5. It asked cooperative business associations and fire mutual aid cooperatives to accelerate payment of mutual aid money and extend due dates of mutual aid premiums with regard to the mutual aid programs that they have.

○ Relief supplies
  • Responding to the request from the Official Residence, METI requested industry groups and companies to procure supplies that METI delivers, and distribution to affected areas has started. It has been earnestly working on distributing supplies in cooperation with MLIT and Self-Defense Force.

○ Industrial water
  • METI has just instructed 28 industrial water suppliers within the jurisdiction of Tohoku Bureau of Economy, Trade and Industry and Kanto Bureau of Economy, Trade and Industry as well as the Japan Water Agency, an Incorporated Administrative Agency, to work hard to secure safety and security. (It hasn’t been able to reach some suppliers.)

March 12
  • Senior Vice Minister of Economy, Trade and Industry Ikeda arrived at the local headquarters (Environmental Radioactivity Monitoring Center of Fukushima). (00:00)
  • A second METI disaster headquarters meeting was held. (10:30 p.m.)

○ Electricity-saving measures
  • Because shortages of power supply are expected to occur depending on the situation of power stations, a Minister’s statement to ask for reductions in power consumption whenever possible was issued. METI also asked the business community, through industry groups, to minimize power consumption.
  • METI approved Chubu, Tokyo, and Tohoku Electric Power Companies to take special measures such as extending payments of electricity charges for affected customers in municipalities where the Disaster Relief Act has been applied.

○ Procurement of emergency supplies
METI has asked relevant organizations including the National Police Agency to ensure the smooth distribution of supplies. Vice Minister of Economy, Trade and Industry Nakayama asked Chairman of the National Public Safety Commission Nakano to take special care to provide police permission of passage. In the evening, the disaster headquarters clarified and simplified the procedures to issue and confirm seals to avoid that traffic restrictions hinder delivery of emergency supplies.

- Small and medium sized enterprises
  - The Cabinet decided on March 12 to designate the seismic disaster as a heavy disaster. For affected small- and medium-sized businesses nationwide, credit guarantee associations will apply disaster-related guarantees, and the Japan Finance Corporation, Shoko Chukin, and other organizations will lower interest rates for disaster recovery loans.

March 13
- Procurement of emergency supplies
  - Daily supplies requested from local authorities through the disaster headquarters have been gradually secured in cooperation with industries under the jurisdiction. Over 40 items including power generators and temporary lavatories have been secured. For the supply of petroleum products to affected areas, METI asked for the cooperation of the petroleum industry, including primary distributors and sellers of oil and has been distributing fuel to hospitals, telecommunication facilities, local fire stations, etc. Distribution companies are also responding to requests from the national and local governments.

- Power-saving measures
  - At the METI building, all staff has been informed of the need to save power, and measures such as turning off half the lights in hallways during the day and whole lights at elevator halls have been taken.
  - The Director-General of Agency for Natural Resources and Energy sent a request to relevant director-generals of other ministries and agencies to take the same measures at their buildings.

March 14
- Small and medium sized companies
  1. On March 12, in response to the designation of the earthquake and tsunami as a serious disaster, disaster-related guarantees for affected small- and
medium-sized companies (100% guarantee, up to 80 million yen without collateral, 200 million yen in general) were introduced.

2. The Japan Finance Corporation, Shoko Chukin, and other financial institutions started disaster recovery loans and lowered the interest rate by 0.9% as a special measure.

3. The Japan Finance Corporation, Shoko Chukin, and other financial institutions took measures to grant grace retroactively to due dates even when a payment of existing debts is delayed because of the seismic disaster and an application for extension is made late.

4. Credit guarantee associations took measures to simplify screening documents and extend due dates even when an application is made after a due date.

- Grace period for credit cards and lease equipment
  - METI asked the Japan Consumer Credit Association to ensure that members flexibly and appropriately respond to the situation. This may include raising of the upper limit of credit cards as needed for affected people to purchase daily supplies as well as change of payment conditions for affected people. It also asked the Japan Leasing Association to respond flexibly and appropriately to the situation. This may include a change of payment conditions, considering the usable period of equipment leased to local small- and medium-sized companies.

- Request for the smooth supply of commodity goods
  - It asked manufacturers and distributors through industry groups to establish a system for production of daily goods and smooth supply.

- Industrial water
  - It instructed industrial water suppliers within the jurisdiction of the Kanto Bureau of Economy, Trade and Industry to offer information to customer companies as appropriate when disruption of water supply and other influence on supply occur, considering the influence of TEPCO’s scheduled blackouts on industrial water supply.

- Securing supplies of gasoline and light oil, etc.
  - To facilitate the ability of oil companies to ensure a stable supply structure, METI has reduced private sector stockpiling requirements by 3 days.

- Approval of Disaster Special Measures for Gas and Electricity Bills
  - METI has approved the implementation of special measures by Tohoku Electric Power Co., Inc., such as extending payment deadlines for affected customers in the cities, towns, and villages subject to the provisions of the
Disaster Relief Act.

March 15

○ Industrial water
  • It instructed industrial water suppliers (excluding some disaster water suppliers) within the jurisdiction of the Tohoku Bureau of Economy, Trade and Industry to offer information to customer companies as appropriate when disruptions of water supply and offer influence on supplies occur, considering the influence of scheduled blackouts of Tohoku Electric Power Co., Inc.

○ Approval of Special Measures on Gas Disaster
  • It approved applications from gas utilities to take special measures such as extending payments of gas charges for affected customers in municipalities where the Disaster Relief Act has been applied.

○ Release on the website “Request in regard to the purchase of daily commodities”
  • In the normal situation, each company has enough supply capacity to meet demand, however recently, extreme purchases of food and daily merchandise have caused a temporary shortage of commodities at retailers mainly in the metropolitan areas. Therefore, we would appreciate people’s cooperation to please refrain from purchasing non-urgent goods unnecessarily.

○ Request for cooperation in saving energy to Japanese industries
  • To respond the considerable electricity supply shortage in the jurisdiction TEPCO and Tohoku EPCO, METI requested industries within this jurisdiction for cooperation in saving energy.

March 16

○ Small Medium Enterprises
METI enhanced public relations services by utilizing its network of SME’s related organizations in order to provide speedy and appropriate information on SME-related measures regarding the disaster by the government and governmental organizations with the relevant SMEs.

March 17

○ Small and Medium Enterprises
The Organization for Small & Medium Enterprises and Regional Innovation offered to provide municipalities with 12 secure facilities.

○ Securing supplies of gasoline and light oil, etc.
To ensure stable supplies of gasoline and light oil, etc., in the Tohoku (affected area) and Kanto regions, METI implemented drastic measures, such as major increases in the number of tanker trucks, mass transfer of gasoline, etc., from western Japan, early restoration of oil storage facilities on the Pacific Coast, and designation of key service stations and concentrated supply to them.

○ Measures for conserving electricity and Approval of Disaster Special Measures for Gas and Electricity Bills
  • Since shortages of electricity are expected to occur due to the rapid increase in demand, METI Minister Kaieda released a statement requesting further conservation efforts.
  • METI has approved the implementation of special measures by Hachinohe Gas Co., Ltd., and other enterprises, such as extending payment deadlines for affected customers in the cities, towns, and villages subject to the provisions of the Disaster Relief Act.

March 18
○ Small and Medium Enterprises
  • As for disaster relief loans under the Mutual Relief Scheme for Small-scale Enterprises taken on March 18, METI implemented additional measures to apply a zero rate from a 0.9% interest rate to loans provided to mutual aid members directly affected by the earthquake, to raise the loan ceiling to ¥20 million from the current ¥10 million, and extend the repayment period by one year. (This special treatment applies retroactively to any loans received on or after March 11 by mutual aid members.)

Approval of Disaster Special Measures for Gas and Electricity Bills
  • METI has approved the implementation of special measures by Tokyo Electric Power Company, Shiogama Gas Co., Ltd., and Horikawa Gas Co., Ltd., among others, such as extending payment deadlines for affected customers in the cities, towns, and villages subject to the provisions of the Disaster Relief Act.

March 21
○ Securing supplies of gasoline and light oil, etc.
  • In order to ensure a stable supply of oil throughout Japan by reducing stocks of oil products held by oil companies, and to promote smooth coordination between companies and local communities, METI has reduced private sector stockpiling requirements by an additional 22 days, from the initial 3 days.
• METI announced that shipments to the Kanto region had recovered to the same levels as in average years.

March 22
○ Industrial Water Supply
• Based on the support demand from Miyagi Prefectural Enterprise Bureau, METI requested Aichi Prefectural Enterprise Agency, Toyama Prefectural Enterprise Bureau, Mie Prefectural Enterprise Agency, and Kobe City Waterworks Bureau to dispatch technical staff to restore industrial water facilities from March 23 for the moment.
• In response to the request, those local governmental establishments are planning to send staff to Miyagi Prefecture.
• Under the cooperation with the Federation of Japan Water Industries, Inc., METI is supporting the maintenance of support systems for industrial water related establishments in the affected areas.
• METI established the “Liaison Headquarters for the Tohoku-Pacific Ocean Earthquake-Related SME Measures” with Vice Minister Nakayama (as the leader of the Headquarters) and members of SME-related organizations, and held its first meeting. Through this Liaison Headquarters, the system was maintained for government officials and SME-related organizations to share information and hold discussions on such issues as the damage caused to SMEs, ongoing relief efforts for the affected SMEs and measures to be taken next.

March 23
○ Small and Medium Enterprises
• To facilitate early recovery of the function of the local communities affected by the earthquake, METI has decided to start a project to assist efforts to restore affected shopping districts by utilizing the existing budget.
• As for the Safety-net Guarantee by Credit Guarantee Corporations from April 2011, the Small and Medium Enterprise Agency (SMEA), METI has decided to provide guarantees to all the 82 industries in the first half of FY 2011, not to 48 industries that were selected based on business condition data for July-September 2010.
○ Scheduled Blackouts and Approval of Disaster Special Measures for Gas Bills
• The third meeting at the Headquarters for Emergency Measures on Electricity Supply and Demand was held. Forecasts and responses to future electricity
supply-demand were discussed.

• METI has approved the implementation of special measures by Horikawa Sangyo Co., Ltd., and other enterprises, such as extending payment deadlines for affected customers in the cities, towns, and villages subject to the provisions of the Disaster Relief Act.

March 24
○ Industrial Water Supply
  • Based on the support demand on March 22, a total of 7 technical staff were dispatched to Miyagi prefecture from Aichi Prefectural Enterprise Agency (1), Toyama Prefectural Enterprise Bureau (1), Mie Prefectural Enterprise Agency (2), and Kobe City Waterworks Bureau (2) has started restoration supporting works.

March 25
○ Small and Medium Enterprises
  • METI requested governmental ministries and agencies etc., to implement measures to provide SMEs affected by the earthquake with greater opportunities to be awarded public contracts, as well as to extend the terms of contracts with SMEs when fulfillment of the contracts within fiscal 2010 is difficult.
  ○ Approval of Disaster Special Measures for the on Gas and Electricity Bills
    • METI has approved the implementation of special measures by Tokyo Electric Company, Keiyo Gas Co., Ltd., and other enterprises, such as extending payments deadlines for affected customers in municipalities subject to the provisions of the Disaster Relief Act.

March 26
○ Small and Medium Enterprises
  • Distributed public relations leaflets such as “Guidebook of Financial Support for SMEs” and “One-stop Telephone Counseling Service for SMEs” to special consultation desks and local municipalities.

March 27
○ Securing supplies of gasoline and light oil, etc.
  • The first temporary fueling sites started dispensing fuel at 5 locations in
Rikuzentakata City.

○ LP Gas
  - METI informed quake-affected people in evacuation areas, in cooperation with the prefectural governments of Iwate and Miyagi, that they can consult with the LP gas association in each prefecture when contact with LP gas retailers is impossible. (Fukushima Prefecture was informed on March 28)

○ Industrial Water Supply
  - Based on the demand for support on March 22, a total of 7 technical staff dispatched from Aichi Prefectural Enterprise Agency (1), Toyama Prefectural Enterprise Bureau (1), Mie Prefectural Enterprise Agency (2), and Kobe City Waterworks Bureau (2) have finished restoration and supporting work (repairing water leakages and conducting inspection of valves, etc.) that started from March 24.

March 29

○ Small and Medium Enterprises
  - The Small and Medium Enterprise Agency (SMEA), METI has decided that the Organization for Small and Medium Enterprises and Regional Innovation, Japan (SMRJ) will dispatch expert teams to provide SMEs with necessary advice related to business support based on the actual conditions of the affected areas. SMES also will set up Centers for Support of SMEs’ Reconstruction Activities (provisional name) in Sendai City, Morioka City, and Fukushima City.
  - SMEA has decided to continue on after April 1 the “navigation dial for SME phone consultations”, which has been in service since March 1 to address fiscal year-end consultation needs. (0570-064-350)

March 30

○ Implementation of Emergency Safety Response to Nuclear Power Stations
  - Considering the facts, that emergency energy power sources could not been secured easily, as well as cooling water to the spent fuel pools could not be supplied flexibly at Fukushima Daiichi Nuclear Power Station, to prevent the occurrence of similar incidents in the future, the METI Minister instructed specific emergency safety responses, and to secure their effectiveness METI amended ministerial ordinance.

○ Industrial Water Supply
• Responding to the cases where continuation of business and maintaining daily life for residents in the affected areas is difficult due to shortage of water supply, as an emergency measure to use industrial water effectively, METI will allow industrial water utilities to supply water temporarily to the areas where there isn’t any other way, and has informed the utilities about the procedures.

March 31

○ Approval of Disaster Special Measures for the Gas and Electricity Bills
  • METI has approved all electric utilities and applied gas utilities and has implemented the special measures such as extending payments deadlines, etc. for the affected customers, when they move to public housing within and outside the jurisdiction of the gas and electricity utilities.

○ Small and Medium Enterprises
  • By utilizing the FY 2011 budget, the Small and Medium Enterprise Agency (SMEA) implemented the crisis response loans extended by the Shoko Chukin Bank (To promote long-term and low interest loans by issuing damage guarantees of Japan Finance Corporation) for SMEs who have been affected by the earthquake, as well as by indirect damage caused by rumors etc.
  • The second meeting of Liaison Headquarters SMEs Response was held (Head: Vice-Minister of Economy, Trade and Industry Nakayama, Member: SMEs related organizations). In the meeting, METI’s measures implemented after the first meeting were reported, as well as views were exchanged on the recent damage situations of SMEs and the related organizations’ responses to them, and information was exchanged on the measures that the government should take in the future.
  • As for safety-net loans extended by Japan Finance Corporation from April, by utilizing FY2011 budget, (1) Reduce or exempt interest rate for SMEs in serious business condition and who are applied interest rates exceeding 3%, (2) Reduce interest rates by maximum 0.5% for 3 years period after lending for SMEs who meet requirements such as decrease of sales, and efforts for maintaining and expansion of employment.
  • Distribute and post approx.100,000 copies of Public Relations Leaflets such as “Guidebook of Financial Support for SMEs” and “One-stop Telephone Counseling Service for SMEs” under the cooperation with local societies of commerce and chambers of commerce. The Central Federation of Societies of Commerce and Industry will publish its own guidebook and distribute
200,000 copies to SMEs all over the country.

- Member of the Japan Finance Corporation, the Shoko Chukin Bank, and the Credit Guarantee Corporation, visit the affected areas (Aomori, Iwate, Miyagi, and Fukushima etc.) and establish temporary branches for counseling service for SMEs.
- As for loans with low interest and without guarantees and guarantors for small-sized enterprises (Known as “Maru-kei loan”, with a limit of 15 million yen) extended by the Japan Finance Corporation, to provide restoration funds promptly, the Small and Medium Enterprise Agency (SMEA) requested the Central Federation of Societies of Commerce and Industry, and the Japan Chamber of Commerce and Industry to recommend small-sized enterprises to make use of the loans regardless of the management guidance period, through appropriate guidance by business management support staff of local societies of commerce and industry and chambers of commerce and industry.

April 5
○ Small and Medium Enterprises
- As for loans (Enhancement Loans: Syndicated loans for projects by business cooperatives to support enhancement facilities such as industrial complexes and joint shopping malls) extended by prefectures and the Organization for Small and Medium Enterprises and Regional Innovation, Japan (SMRJ), the Small and Medium Enterprise Agency (SMEA) requested governors of prefectures and SMRJ to waive existing debts, and to provide a period of grace for repayment or extend the repayment deadline promptly and smoothly, if the enterprises have difficulty in continuing their businesses because their facilities and assets enhanced by the loans were damaged by the earthquake.

April 8
○ Industrial Water Supply
- Following a request by the Miyagi Prefectural Enterprise Bureau for the dispatch of technical staff to restore water lost through leakage caused by the earthquake that occurred off the coast of Miyagi at 11:32 p.m., April 7, in cooperation with the Federation of Japan Water Industries, Inc., METI is now coordinating support with Aichi Prefectural Enterprise Agency, Toyama Prefectural Enterprise Bureau, Mie Prefectural Enterprise Agency, and Kobe City Waterworks Bureau.
Small and Medium Enterprises

- The Organization for Small & Medium Enterprises and Regional Innovation, Japan (SMRJ) amended the ministerial ordinance so that enterprises can use the mutual aid loan also in the case where they have bills, checks or the like of the customers who are incapacitated, to make repayments under the impact of a severe disaster. Under the Mutual Relief System for the Prevention of Bankruptcies of Small and Medium Enterprises (SMEs), individual SMEs can take out unsecured, interest free loans that don't require guarantors or any surety for amounts of not more than ten times the total premiums deposited in case of customer bankruptcy, so that such SMEs can avoid chain reaction bankruptcy.

April 10

Industrial Water Supply

- Following a request on April 8, 6 technical staff were dispatched to Miyagi Prefecture from Aichi Prefectural Enterprise Agency (2), Mie Prefectural Enterprise Agency (2), and Kobe City Waterworks Bureau (2) and have started restoration work.

April 11

Small and Medium Enterprises

- Following strong requests for implementing a project to assist efforts to restore the function of shopping districts serving as the center of communities in FY 2010, the Small and Medium Enterprise Agency (SMEA) will accept new applications for projects to facilitate the early recovery of shopping districts affected by the earthquake.

- SMEA decided that the Organization for Small and Medium Enterprises and Regional Innovation, Japan (SMRJ) will maintain temporary stores, temporary plants and other necessary facilities in the areas affected by the earthquake. In addition, 43 staff members from SMEA and SMRJ will be dispatched to Iwate, Miyagi, and Fukushima prefectures, etc.

April 13

Small and Medium Enterprises

- The third meeting of Liaison Headquarters SMEs Response was held (Head: Vice-Minister of Economy, Trade and Industry Nakayama, Member: SMEs
related organizations). The Financial Services Agency, the Ministry of Health, Labour and Welfare, the Ministry of Agriculture, Forestry and Fisheries, the Ministry of Land, Infrastructure and Transport, and those related industry organizations attended this meeting. Related organizations requested local communities’ support, such as reconstruction support of a small-scale shipyard implemented as a fishing port reconstruction support package. The establishment of a subsidiaries scheme on capital investment for reconstruction support also was requested, it was decided that related ministries and organizations consider those requests hereafter.

- “Guidebook of Support Measures for SMEs” was compiled on various supports for the financial side (financing), the employment side (employment adjustment subsidies / unemployment benefits) and tax system through cooperation with various ministries. 60,000 first editions were printed and distributed throughout the whole country. Moreover, print and publicity to economic organizations such as the Japan Chamber of Commerce and Industry were requested.

April 14
  - **Industrial Water Supply**
    - Following a request on April 8, 6 technical staff were dispatched to Miyagi Prefecture from Aichi Prefectural Enterprise Agency (2), Mie Prefectural Enterprise Agency (2), and Kobe City Waterworks Bureau (2) and have finished restoration work starting from April 14.