

Urgent Proposal regarding Power Supply and Damage Caused by Unsubstantiated Rumors about Radioactive Contamination

Japan now faces its greatest national crisis since the Second World War in the aftermath of the Great East Japan Earthquake, and must be prepared to travel a long and hard road toward achieving reconstruction. As far as corporate activities are concerned, many companies are currently seeing stagnant or declining production caused by disruptions to supply chains and are consequently moving their operations overseas. To respond to these issues, specific measures must urgently be taken.

The Kansai business community is determined to make all-out efforts to contribute to the reconstruction of disaster-stricken areas in various ways, such as supporting the relocation of production and R&D operations as well as of hubs for the global market, thus strongly sustaining Japan's overall economy.

However, efforts to revitalize corporate activities are greatly hindered by a power supply shortage that is expected to become acute this summer, and by the spread of unsubstantiated rumors abroad concerning radioactive contamination. The Kansai business community, therefore, requests the national government to take the following actions:

1. Resume operation of the nuclear power plants currently shut down for regular inspections after ensuring their safety

Improving the safety of nuclear power generation has become a major issue in the wake of the disaster at the Fukushima Daiichi Nuclear Power Plant. Power companies must continue to take all possible measures to ensure safety and make utmost efforts to take further necessary actions.

To solve medium- to long-term power supply problems, there needs to be a deeper national debate about pertinent issues such as a review of Japan's overall energy policy.

While the power shortage in eastern Japan is a pressing short-term issue that needs to be addressed urgently, the power supply in western Japan is also likely to dwindle.

On May 9, Mr. Banri Kaieda, Minister of Economy, Trade and Industry, stated that there would be no safety problems with resuming the operation of the nuclear power plants currently shut down for regular inspections, except for the Hamaoka Nuclear Power Plant in Shizuoka Prefecture. However, Fukui Prefecture and other local governments that host nuclear power plants still have not permitted the resumption of operations at plants currently shut down for regular inspections, claiming that they have not received an adequate explanation from the national government regarding the safety of the nuclear power plants that have undergone regular inspections. This is causing great concern in terms of stable power supply in western Japan.

The national government is expected to take prompt actions to obtain understanding and agreement from the local governments so as to allow the nuclear power plants to resume operations.

Specifically, the national government is expected to assess whether the disaster at the Fukushima Daiichi Nuclear Power Plant was caused by the earthquake and/or the tsunami, and whether the aging of the power plant contributed to the disaster. Based on such assessment, the national government is expected to provide safety standards for nuclear power plants. Additionally, the national government is expected to explain why it requested Chubu Electric Power to suspend operations at the Hamaoka Nuclear Power Plant, clarify the position of nuclear power generation in Japan's overall energy policy, and meet the other requests of the local governments.

2. Take actions to prevent damage caused by unsubstantiated rumors concerning radioactive contamination

A spread of unsubstantiated rumors abroad concerning radioactive contamination has posed a major obstacle to exports of both food products and non-food products such as industrial products from Japan. Exports from the Kansai region face the same situation. Under such circumstances, exporters in Japan are forced to shoulder a greater burden, such as measuring radiation.

Furthermore, there has been a sharp drop in numbers of overseas tourists since the disaster, and the decline in foreign students studying at universities and other institutions in Japan is showing no sign of halting.

To prevent damage caused by unsubstantiated rumors about radioactive contamination, it is essential to offer accurate information, such as radiation dosimetry data, widely and continuously. The national government is expected to strenuously provide safety information for other nations and regions through media and diplomatic channels.

The national government is also expected to reduce the burden on companies by establishing a subsidy system to share the costs for radiation dosimetry, and creating a system promptly through which the national government issues certificates of non-contamination and safety for products made in Japan.

**Kansai Economic Federation
Osaka Chamber of Commerce and Industry
Kyoto Chamber of Commerce and Industry
The Kobe Chamber of Commerce and Industry
Kansai Association of Corporate Executives**