Disaster in Japan
The Great East Japan Earthquake and Tsunami

Summary as of April 5, 2011

Prepared by:
March 11 Earthquake and Tsunami

- With a magnitude of 9.0, the earthquake was the 4th most intense ever recorded
- 44 aftershocks measured greater than 6.0 magnitude
- Tsunami waves reached 37.9 Meters (114 feet) at highest point
- Length of damaged coastline equivalent to distance from Boston to Washington DC
# The Human Toll

(As of April 1)

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
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<tbody>
<tr>
<td>Confirmed Deaths</td>
<td>11,532</td>
</tr>
<tr>
<td>Missing</td>
<td>16,441</td>
</tr>
<tr>
<td>Displaced</td>
<td>440,000*</td>
</tr>
<tr>
<td>Buildings Destroyed or Damaged</td>
<td>202,601</td>
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</tbody>
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* Maximum number of people in shelters, reached on March 15. As of April 1, the number in shelters had fallen to 180,000 as people relocated to temporary housing elsewhere.

- People over age 60 account for 65% of deaths
- Crisis resulting from damaged nuclear plants complicating relief and recovery efforts
- People at crowded shelters cope with cold, illness, fuel shortages and personal loss
The Economic Toll

### World’s Costliest Natural Disasters (Since 1965)

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<table>
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<tbody>
<tr>
<td>1. Tohoku Earthquake (2011)</td>
<td>est. $198~309 billion</td>
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<tr>
<td>2. Kobe Earthquake (1995)</td>
<td>$100 billion</td>
</tr>
<tr>
<td>3. Hurricane Katrina (2005)</td>
<td>$81 billion</td>
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<tr>
<td>4. Northridge Earthquake (1994)</td>
<td>$20 billion</td>
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### Impact on Business Activities

- **Direct or indirect damage** suffered by 1/3 of listed companies in Japan in the first 5 days; nearly 1/8 of all companies, which had operations in the affected region shut down.

- **Massive supply chain disruptions** since the Tohoku region is a major supplier of electronic parts and other industrial items, affecting domestic production and exports. Most automobile companies had to halt production for the rest of March.

- **Electrical shortages** in Tokyo and nearby areas due to shortfalls of up to 25% in Tokyo Electric Power’s capacity. The rolling blackouts throughout eastern Japan are dramatically hurting overall economic activity and consumption.

### Impact on Individual Industries

- **Example 1**: Tohoku region’s fishing industry ($2.5 billion output in 2007) is completely wiped out. Approx. 300 fishing ports destroyed, 26,000+ fishing vessels lost.

- **Example 2**: Loss of agriculture (e.g. damage to farmland, facility, crops and livestock) is estimated as $6.0 billion.
Japanese Government Response

- 100,000 Self Defense Force troops (1/2 of nation’s forces) engaged in rescue & relief

- Measures to counter the nuclear crisis in Fukushima

- Mobilizing recovery funds (under consideration):
  - Creation of a “Recovery Agency”
  - Introduction of a new “rehabilitation & reconstruction tax”
  - Suspension of planned corporate tax rate cut
  - Issuance of “disaster bonds”
  - Waiver of individual contributions for national medical insurance premiums in disaster zone
  - Revision of Private Finance Initiative Law to encourage private sector participation in recovery process
  - Creation of new tax incentives for charitable donations related to the disaster, backdating eligibility for these to March 11
International Assistance

- **Rescue and medical support teams** from 20 countries and regions (Australia, China, France, Germany, India, Indonesia, Israel, Italy, Korea, Mexico, Mongolia, New Zealand, Russia, Singapore, South Africa, Switzerland, Taiwan, Turkey, UK, US) as well as the UN, an IAEA expert team, and the WFP.

- **Relief goods** from 30 countries/regions and international organizations, including blankets, water, food, etc.
Fundraising Efforts

Domestic Fundraising Initiatives

<table>
<thead>
<tr>
<th>“Gienkin” Funds: direct cash payments to disaster survivors</th>
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<tbody>
<tr>
<td>Funds collected as “Gienkin” are distributed as cash payments to people affected by the disaster. Donations are collected by the Japan Red Cross, the Central Community Chest of Japan, local municipalities and media outlets, then pooled and given to local municipalities for distribution.</td>
</tr>
<tr>
<td>➢ <strong>Amount gathered as of April 1: $1.37 billion</strong> (amount publicly announced)</td>
</tr>
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<tr>
<th>Disaster Grantmaking Funds: funds for relief and recovery organizations</th>
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<tbody>
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<td>Major fundraisers include Central Community Chest of Japan, Japan Center for International Exchange, Japan NGO Center for International Cooperation, Japan NPO Center, Japan Platform, Nippon Foundation, etc.</td>
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<tr>
<td>➢ <strong>Amount gathered as of April 1: $62 million</strong> (amount publicly announced)</td>
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</tbody>
</table>

Fundraising Outside Japan

More than 100 countries are raising funds and offering assistance to Japan.

➢ In the US, **$161 million**+ raised for Japan relief (*Chronicle of Philanthropy*; as of 3/25)

➢ The Korean Red Cross has raised approx. **$19.2 million**, a record amount raised for overseas disaster relief. (as of 3/27)
Private Sector Response

Corporate response

➤ Massive mobilization of in-kind donations and technical assistance
Coordination by Keidanren (Japan Business Federation) and individual industries (i.e. pharmaceutical industry, etc.)

➤ Financial assistance

Civil Society

➤ Many nonprofit organizations delivering goods and medical services and caring for the disabled

➤ Japan Civil Network for Disaster Relief in East Japan, a coordinating body of 140+ nonprofit organizations conducting disaster relief activities, launched on March 30
Challenges Ahead

- Disaster of unprecedented magnitude for an advanced industrial country, combined with weak crisis management skills and leadership
- Impact of the nuclear crisis
- Rebuilding communities already grappling with aging and economic stagnation
- Japan’s debt / GDP ratio = 225.8%
- Private sector funding for long-term recovery may be more limited than for short-term relief
- Potential for inward-looking trend in international affairs, decrease in ODA budget, etc.
- Japan’s nonprofit sector, especially critical in the recovery stage, yet weak and underfunded despite recent growth