

【Field survey of the area affected by the Great East Japan Earthquake conducted by Nihon Bus Association from May 9 - 11, 2011】

Sharing and coordinating the response to disaster relief and restoration

May 18, 2011 Nihon Bus Association

Preface

The Great East Japan Earthquake of March 11, 2011 was an unprecedented disaster caused by the huge earthquake off the Pacific coast and subsequent massive tsunami and the explosion of nuclear reactor buildings at Tokyo Electric Power Co.'s Fukushima Daiichi Nuclear Power Station. Our member companies suffered substantial damage to their business including bus routes, depots and the offices of chartered buses, because many of them were running bus business along the devastated coastal areas.

Nihon Bus Association has responded to the disaster by trying to determine the extent of the damage caused to our member companies in the affected areas. We have also established Disaster Response Headquarters within our association in order to facilitate our initiatives in helping our member companies by various means such as securing stable fuel supply for vehicles, summarizing their requests regarding rehabilitation and restoration works, and providing vehicles to the member companies suffering from damage.

Nihon Bus Association conducted a field survey at Iwate, Miyagi and Fukushima from May 9 to 11. We visited the affected companies and discussed wide range of issues with them in order to share information that would be relevant to the future rehabilitation and restoration.

【Damages to the bus companies in 3 prefectures in Tohoku】

(Source: Nihon Bus Association As of May 12, 2011)

Prefecture	Number of companies	human damage (person)		vehicle damage (no. of vehicle)		building damage, etc (no. of building)	
		death	missing	wrecked/ submerged	missing	demolished	partially destroyed
Iwate	46	2	2	42	0	8	5
Miyagi	58	5	1	94	0	10	33
Fukushima	34	0	0	1	0	1	7

※Aside from the above, 51 buses (19 share ride /32 chartered) are left abandoned in the area surrounding the nuclear power plant.

1 . Survey of disaster affected area in Iwate Prefecture and the findings of the discussion with bus companies (May 9)

Survey sites	Companies subject to survey/discussion
Iwate Prefecture Kamaishi-city, Otsuchi-town、 Yamada-town, Miyako-city	<ul style="list-style-type: none"> • Iwate Prefecture Bus Association • Iwateken Kotsu Co. Ltd. • Iwate Kenpoku Bus Co. Ltd. • Otsuchi Chiiki Shinko Co. Ltd. • Shiroyama Kanko Ltd. • Maruyo Taxi Co. Ltd.

Otsuchi Chiiki Shinko Co. suffers severe damage. The office building was demolished and a chartered bus was swept all the way up to the foot of the mountain. “We heard tsunami warning and rushed to escape.” said one of the employee in front of the demolished office. “But muddy waters surged so quickly and swept everything in a moment. We were lucky because we ran away immediately.” The bus behind her is a chartered bus donated from Ryobi Holdings, wishing for their early recovery. Now the vehicle is used as a school bus.



Shiroyama Kanko Ltd. established a temporary office as a first step towards recovery. A chartered bus was donated from Ryobi Holdings, waiting in a garage for operation. One of the employee told us about the situation when the disaster occurred. A chartered bus was found overturned on the roadside in front of where the bus garage was once located.



※The surroundings of the Shiroyama Kanko were completely destroyed.



※The chartered bus was overturned on the roadside.

The photo on the left was taken in front of Maruyo Taxi co. in Miyako City. Although their head office was completely destroyed, they strive to recover from the disaster by moving to the new temporary office.

The picture below shows the discussion session with Iwate Prefecture Bus Association and the member companies. This Association reported on the extent of damage and the current situation on bus services and the increasing number of cancellation regarding chartered bus contract. We



※Temporary office of Maruyo Taxi Co. and it's Chairman



※Iwate Prefecture Bus Association and Nihon Bus Association discussed for relief and recovery.

2. Survey of disaster affected area in Miyagi Prefecture and the findings of the discussion with bus companies (May 10)

Survey sites	Companies subject to survey/discussion
Miyagi Prefecture Sendai Airport, Iwanuma city, Long-distance bus station in Sendai city	<ul style="list-style-type: none"> • Miyagi Prefecture Bus Association • Miyagi Prefectural Government • Sendai City Transportation Bureau • Miyagi Transportation Co., Ltd. • Sendai Bus Co., Ltd.

Discussion was held between Miyagi Prefecture Bus Association, member companies and Nihon Bus Association. Miyagi Prefecture Bus Association reported on the result of their survey regarding cancelation of chartered buses and damage on human, facilities and vehicles, followed by discussion on other matters such as the things to be done for future recovery and rehabilitation.

Mr. Fujii, president of Nihon Bus Association said “We sincerely accepted your requests. A survey team consisting of DPJ lawmakers related to our association will visit here on May 16. It is essential to

communicate them about your requests and suggestions toward recovery. There seem to be a great number of cancellation of chartered buses, so we will make sincere efforts to alleviate damage caused by harmful rumor and address to your suggestions for business continuity”. The team member discussed wide range of issues and tried to share common awareness with the people in Miyagi.



※Miyagi Prefecture Bus Association and Nihon Bus Association discuss on recovery and rehabilitation plans



※Expressway bus terminal in Sendai City



※Photo on the left shows the parking lot of Sendai Bus Co.

Great East Japan Earthquake and Tsunami destroyed and disabled various transportation facilities. Bus was among the first to resume operation and was deeply appreciated by many users for their services connecting affected regions and major cities in the disaster stricken area. They were able to prove that bus operation is the indispensable public transport means to our society that can play wide range of roles from daily transportation to emergency response.

Sendai Bus Co. operated near Sendai Airport and was severely damaged by tsunami and soil liquefaction because their business location was near the coast. Office building was demolished, and it took long time to remove sandy soils on the parking lot discharged from the ground due to liquefaction. Temporary office was built to resume operation, but most of the business had been cancelled and they were facing very critical situation.

3. Survey of disaster affected area in Fukushima Prefecture and the findings of the discussion with bus companies (May 10))

Survey sites	Companies subject to survey/discussion
Fukushima Prefecture Soma city, Katsurao village, Kawauchi village	<ul style="list-style-type: none"> • Fukushima Prefecture Bus Association • Fukushima Transportation Inc. • Fukushima Kankou Co.

Discussion was held between Fukushima Prefecture Bus Association, member companies and Nihon Bus Association.

The characteristic of Fukushima Prefecture Bus Association was that their damages are largely attributed to the accidents of TEPCO Fukushima Daiichi Nuclear Power Plant. 51 vehicles (19 share-ride buses and 32 chartered buses) are still left abandoned in the restricted area and all of the charter contracts were cancelled. Situation still remains unclear because the damages due to harmful rumor of radiation seem to be further expanding.

We tried to discuss wide range of issues and shared common awareness. President Fujii of Nihon Bus Association said “We have to investigate and define the causal relationship between the nuclear power plant accident and the subsequent damages we have been suffering, and ask for due compensation. A survey team consisting of DPJ lawmakers related to our association will visit Fukushima on May 16, and the discussion session with Fukushima Bus Association is scheduled during their visit. I urge you to submit your request to them based on the findings of today’s discussion.”



※Fukushima Prefecture Bus Association and Nihon Bus Association discuss on recovery and rehabilitation plans

According to the report made by the employees, Fukushima Transportation Ltd. Soma Office was managed to avoid being hit by Tsunami but had a difficult time transporting evacuee immediately afterwards. The office was closed down due to the subsequent explosion of Fukushima Nuclear Power Plant No1.and No.3 reactor buildings. The bus operation was resumed on March 24 between Soma Station and Fukushima Station.

Bus also provides substitute transportation for JR Joban line which was under restoration.



※The employees of Fukushima Transportation Ltd. explained the situation when the office was closed.

Kawauchi village is located about 20km away from Fukushima Daiichi Nuclear Power Plant. All the villagers and the village office were evacuated from the village to avoid potential radiation exposure. Emergency vehicles were left abandoned in front of the village office. At the adjacent parking lots, buses seemed to be resting quietly after completing the exhausting and dangerous mission of evacuating the villagers urgently.



※Emergency vehicles left behind at the parking lots.



At the desolate Kawauchi village, buses of Fukushima Transportation Ltd. were left quietly after transporting all the villagers for evacuation.

【Reference】 Assistance extended by Nihon Bus Association/Request for the rehabilitation and restoration of the bus business affected by the Great East Japan Earthquake

(1) Assistance program to be carried out by Nihon Bus Association for the restoration from the Great East Japan Earthquake

(decided at the regular board of directors meeting on March 23, 2011 as a bill no.5)

1 . Post-disaster restoration assistance extended by Nihon Bus Association
(1) Emergency grant disbursed from the general account (to prefectural bus associations) Total of 4 million yen (1 million yen each to Iwate, Miyagi and Fukushima, and 1 million yen to other prefectural associations combined). Half of the grant will be disbursed before March, and the rest will be disbursed in 1Q in FY2011.(April-June 2011)
(2) Assistance for post disaster recovery project disbursed from the government subsidy to Nihon Bus Association (discretionary reserves of 100 million yen in FY2011 budget will be utilized) 40 million yen are preferentially reserved (10 million yen each to Iwate, Miyagi and Fukushima/10 million yen to other prefectures combined) The guideline for usage will be formulated in near future.
(3) Loan facilitation/interest subsidy (1% interest subsidy rate, 5 billion yen credit line)
(4)Collecting relief funds for sufferers(In case of Great Hanshin Awaji Earthquake: We collected relief fund and donated to Japan Red Cross)
(5) Others (under consideration) Deferment/remission of membership fees of the affected members (In case of Great Hanshin Awaji Earthquake: Hyogo Bus Association was exempted from 1/2of annual membership fees)
※ In order to facilitate above-mentioned responses, we may take corrective measures when necessity arises as the situation progresses, including emergency execution of the countermeasures based on a decision taken on the sole initiative of the chairman.

(2) Request to the Minister of Land, Infrastructure, Transport and Tourism on the post-disaster recovery and rehabilitation measures (submitted on April 14)

1 . Measures for the early recovery of bus operations Measures to provide transport means to community residents aimed to facilitate the recovery/rehabilitation works in the disaster-stricken area
(1) Promptly executing loans and safety net guarantees to cover the operating capital of bus companies
(2) Promptly providing the employment adjustment subsidy aimed at securing employment
(3) Emergency subsidy for the cost of repairing vehicles, offices and other facilities including bus

depots.
(4) Early rehabilitation of the infrastructures such as roads and electricity.
(5) Introduction of a preferential tax system for recovery response ①Tax reduction and exemption for vehicle-related taxes such as automobile acquisition tax, automobile tax and automobile weight tax when purchasing new buses ②Tax reduction and exemption for fixed asset tax on restored offices, facilities, etc. ③Other tax reduction and exemption measures such as the reduction of business facility tax during recovery period
(6) Allowing bus companies to temporarily bring vehicles from other regions in Japan to continue bus businesses Flexible enforcement of regulations regarding the acquisition of used buses such as legal registration and environmental regulation
2. Transport management of the affected area for the time being Joint efforts should be made by national and local governments to provide the appropriate bus transportation service for the time being (until full-fledged recovery works begin) by utilizing the existing bus routes with supplementary routes in line with the development of evacuation shelters/ temporary houses.
(1) Simplified/flexible enforcement of legal procedures and subsidiary schemes with regard to the development and the change of fixed bus routes operated by bus companies
(2) Increase the budget to be used to ensure public transportation access at the local communities.
(3)Utilization of chartered buses when temporarily transporting large number of citizens for evacuation purposes, and to secure sufficient budget to carry out the program
3. Full-fledged post-disaster restoration and development of the regional traffic system Development of user-friendly public transportation scheme, breaking away from the conventional transport scheme that depends excessively on private vehicles.
(1) Restoration of the affected area should take into consideration the development of disaster-resistant community at the same time as adopting the philosophy of the Basic Transportation Act in formulating public transportation system.
(2) Participation of bus companies (that run existing bus routes) to the community development committees of the affected area
(3) Not only focusing on the emergency response in securing post-disaster transportation means, focus should be also put on the future community development. Creation of more organized bus routes should be considered, taking into account the introduction of new concepts such as consolidated bus terminal, designated bus lane and bus-bay.
II Strengthen the management of bus business other than the affected area Aside from disaster affected area and its surroundings, bus business in general, including highway-express bus and community share-ride bus, is facing severe income decline caused by the

substantial decrease in the traffic/tourism demand due to the trend to save energy and electricity.

Also, economic downturn and harmful rumor about nuclear power plant have given large negative impact on the regional bus business. Especially, chartered bus business is suffering from drastic drop in their business due to the nationwide trend of the cancellation of large events, people's tendency to hold off their trips and major decrease in the number of foreign tourists.

Against these backdrops, and amidst the rising price of light oil, bus business has been suffering from extremely severe business environment not only in touristic places but also in many regions. In order to help bus business overcome these difficulties and fulfill their missions of providing sound bus service to community, we would like to request the following measures to be realized.

(1) Provision of emergency grant and employment adjustment subsidy (please refer to 1 (1) and (2))

(2) Increase of subsidy to maintain the public transport service in local communities (please refer to 2 (2))

(3) Create and boost of transport/tourism demand by various economic measures

(4) Early settlement of nuclear power plant crisis and efforts to prevent harmful rumors both at home and abroad.

(Appropriate publicity campaign should be carried out under government's initiative.)