

The 46th JAIF Annual Conference  
JAIF Chairman's Address

I am Takashi Imai, chairman of the Japan Atomic Industrial Forum. It's a pleasure for me to open this – our 46<sup>th</sup> – annual conference.

Two years have passed since the Great East Japan Earthquake. As a result of the accident at TEPCO's Fukushima Daiichi Nuclear Power Station, local residents have been forced into difficult, on-going existences as evacuees.

We express again our sincere sympathy to them.

The Japanese economy is also stagnant – confused by the inconsistent nuclear policy of the previous government.

Almost all nuclear plants across the country are shut down, and have been for quite some time. The increasing consequences of this are particularly conspicuous in siting areas.

The trade balance announced in this month was negative for the nine month in a row. The cumulative trade deficit since March 2011, when the earthquake occurred, is a stunning 12 trillion yen for two years.

Much of that is attributable to substantially increased imports of liquefied natural gas and crude oil, after operation of all nuclear plants was suspended.

The outflow of national wealth for that purpose is as much as 4 trillion yen per year.

Following the lead of TEPCO, the Kansai Electric Power Company and the Kyushu Electric Power Company have each recently raised power rates. Other power utilities are sure to do the same.

Not only is the burden sharply increasing on ordinary families, but Japan's manufacturing and other industries are suffering. The entire nation will be deeply affected.

Consider TEPCO's Kashiwazaki-Kariwa plants, in particular. If they are not restarted, TEPCO itself may be unable to carry out its Fukushima reconstruction plan.

With no clear prospects for restarts – if this situation continues – then beyond the economic hardships for the nuclear industry – its inability to attract investments – Japan's level of nuclear technology will decline. Human resources will move to other industries, or overseas. This would be the equivalent of "land subsidence" for the nation itself.

Japan is only 4.8% self-sufficient in energy. We depend on fossil fuels for 88.8% – and we possess virtually none.

We get most of what we need from the Middle East. If there were an emergency at the Strait of Hormuz, Japan would suffer immeasurably.

Japan should learn from the United States. Even while welcoming and enjoying a shale-gas revolution, the U.S. is holding fast to its high evaluation of nuclear energy from the viewpoint of energy security.

It will take considerable time before renewable energies are affordable and

stable. It is obvious that nuclear energy remains necessary as a major, economical power source.

The new administration of Shinzo Abe and the Liberal Democratic Party that came into office at the end of last year has said it will determine a direction for nuclear power within three years.

It says it will restart nuclear power plants whose safety is confirmed under the Nuclear Regulation Authority. We hope for the appropriate political judgment as soon as possible.

Turning to the world situation, with a few exceptions, countries have held to their policies on nuclear development and utilization since the accident. New plants have begun operation in multiple countries in Asia and elsewhere.

In China, India, South Korea, Vietnam and beyond, construction of new plants is planned. It is expected that by 2030 some 200 nuclear reactors will be in operation in Asia, and 500 around the world.

Japan, of course, will be sharing its experiences and information obtained from the accident with the world, doing everything it can to contribute to improving nuclear safety everywhere.

It is the responsibility of Japan, as an advanced nuclear nation, to meet the world's expectations, based on the premise of the "three S's": safeguards, safety and security.

Promotion of nuclear power generation overseas is also a part of Japan's growth strategy.

We hope the Japanese government will take up the actual circumstances of the nuclear industry with the same sense of urgency that we feel. We hope it will provide strong leadership, and be an effective "control tower" in matters reaching across ministries and agencies.

Next, let me talk about the Nuclear Regulation Authority – our NRA.

It goes without saying that securing safety comes first in the utilization of nuclear power.

The Nuclear Regulation Authority was established as a body completely independent from the government. It determines the safety of nuclear power plants based on objective, scientific criteria. This itself was a significant step forward in restoring confidence in nuclear power.

Most important is that the substance of the new safety standards issued by the authority be recognized not only domestically, but internationally.

In that respect, it is important to maintain total transparency and to give consideration to critical viewpoints.

It is also necessary that the authority hear from various parties on the circumstances of past regulation, scientific information, technical know-how, and so on, and make use of those in its decisions.

The Nuclear Regulation Authority will examine safety not only as a system – in an administrative, scientific, conceptual sense – but in its engineering aspects. In this, we hope excessively high hurdles will not be set.

It will also have to openly exchange views with the nuclear operators who have already implemented various countermeasures, aiming at effective regulations that are mutually understood and recognized as valid.

Finally, in order for Japan's regulatory standards to be compatible with international standards, we hope the authority will deepen communications with specialists and experts overseas.

Next, I would like to talk about the restoration and reconstruction of Fukushima.

"Without restoration and reconstruction of Fukushima, there is no future for nuclear power in Japan." This is the starting point. This has been our recognition since the event.

To enable the evacuees to return home as early as possible, we will need the wisdom of people here and around the world. We will have to apply resources – people, materials, money – to that end, with priority.

Decommissioning the Fukushima Daiichi reactors, in particular, is as enormous a challenge as anyone has ever faced. The world is watching and will judge how we do.

Both to gather and concentrate the wisdom of the world, and to share our experience, we have advocated creation in Fukushima of an international research and development center for decommissioning technology.

The center will be the core of technological development for carrying out decommissioning safely and efficiently. At the same time, it will play an important role in nuclear human resource development, and in restoration and reconstruction of the Fukushima region.

The Japanese government has expressed its intention to commit 85 billion yen toward building a facility to develop and verify decommissioning technology by 2014.

The government also plans to establish an organization to manage the research and development activities, and an international reactor safety research center hereafter.

In all of this, we in Japan seek and welcome international input, including particularly from Russia and the United States, which have also experienced nuclear accidents.

The importance, for example, of accurate understanding of low-dose radiation was learned after the Chernobyl accident. Based on that, development of a system to provide proper information to people in the affected areas is an urgent issue for us.

In turn, improved understanding of the effects of radiation will facilitate decontamination, interim storage and eventually restoration and reconstruction of Fukushima.

It will also help combat economic damage caused by fear and misinformation. Not only the residents of Fukushima, but the nation as a whole, must better understand the effects of radiation and the current situation in the affected area. Against the backdrop of each of those issues, the theme of this year's annual

conference is “Zeroing Out Nuclear Power?” – The World Watches Responsible Japan.”

During these two days there will be five special presentations and three main sessions.

Session 1 will consider an appropriate energy mix and future energy picture for Japan, now that the government’s review toward a new Basic Plan for Energy Supply and Demand is underway

In Session 2, we will look squarely at the lessons of the accident and share the professional expertise of domestic and overseas nuclear safety specialists on efforts to improve nuclear safety.

In Session 3, we will be joined by representatives of Okuma Town, one of the affected municipalities, as well as of the Reconstruction Agency. They and others will share their views on the best long-term ways to achieve restoration and reconstruction of Fukushima.

After hearing from those who will take the platform, from Japan and abroad, we hope all attendees will consider what we in the field of nuclear power should be doing hereafter.

I know that what we discuss will aid recovery of the economies of Fukushima and Japan.

Taking advantage of this opportunity, I would like to thank everyone for being here – with special thanks to those who will make presentations and lead our exchanges.

Thank you for your attention.