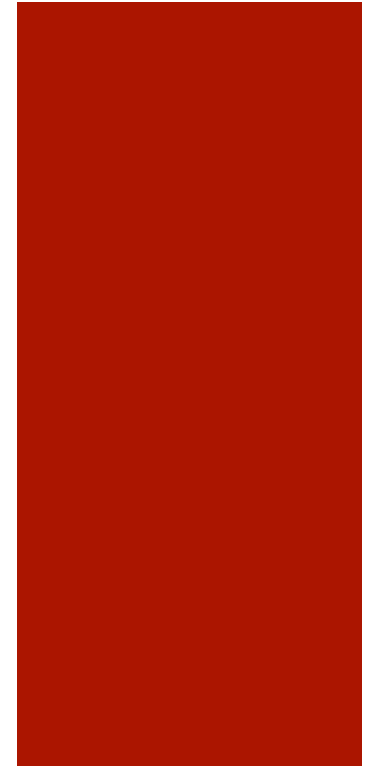
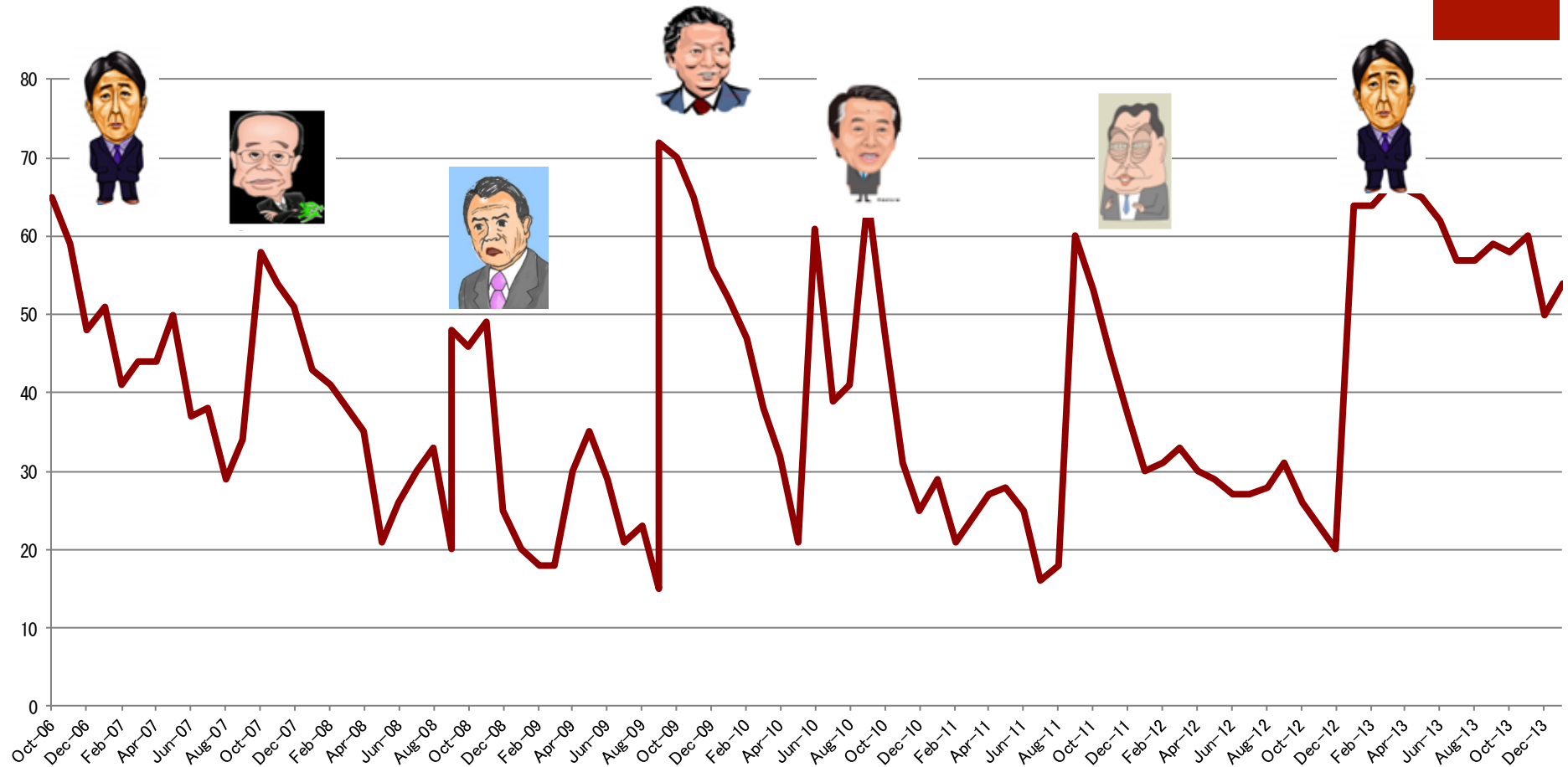
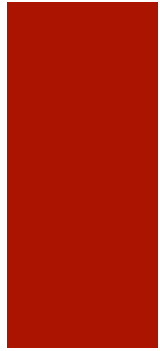


International Policy Forum

11 March 2014

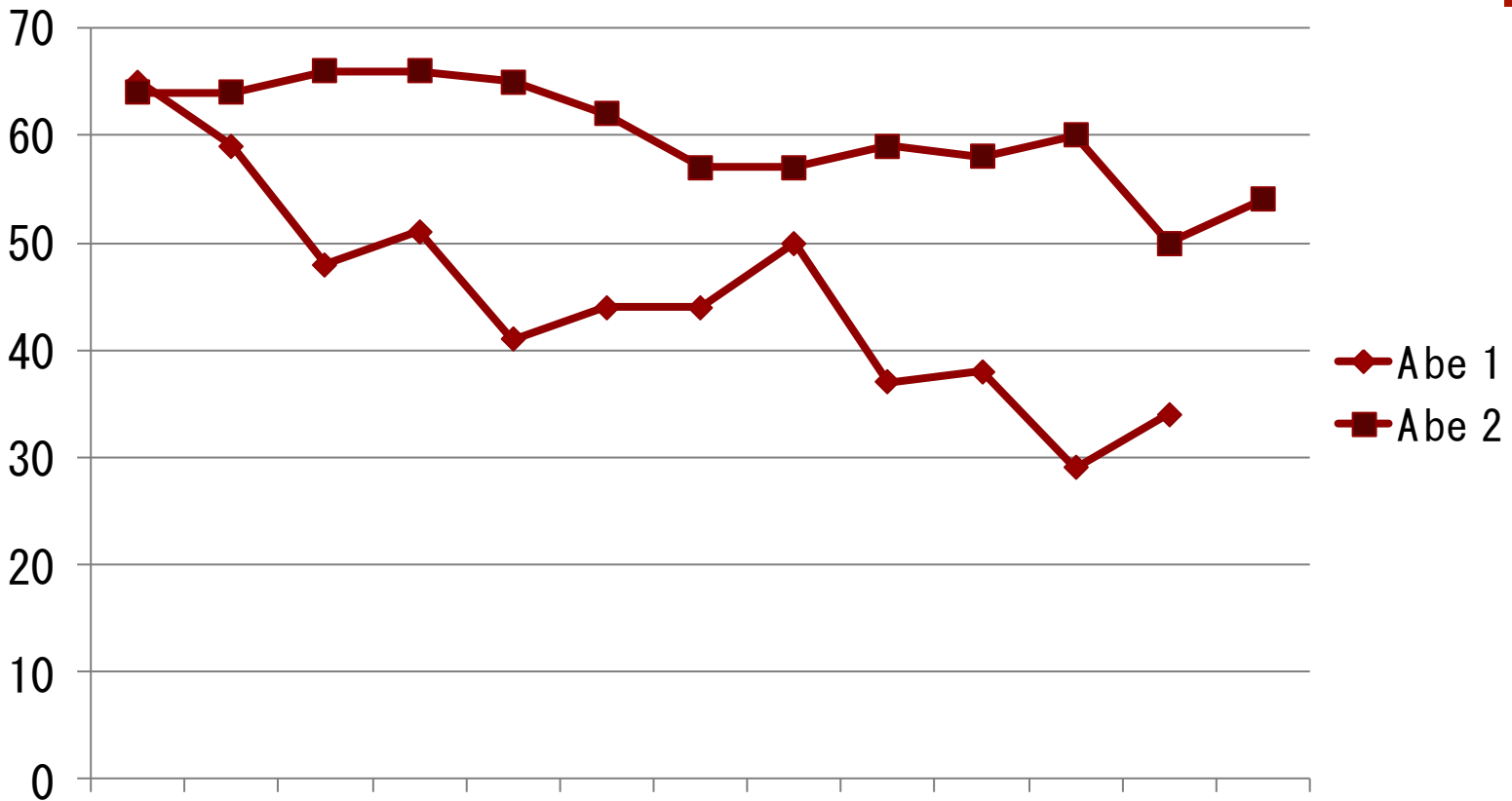


Approval Ratings- can you see the pattern?

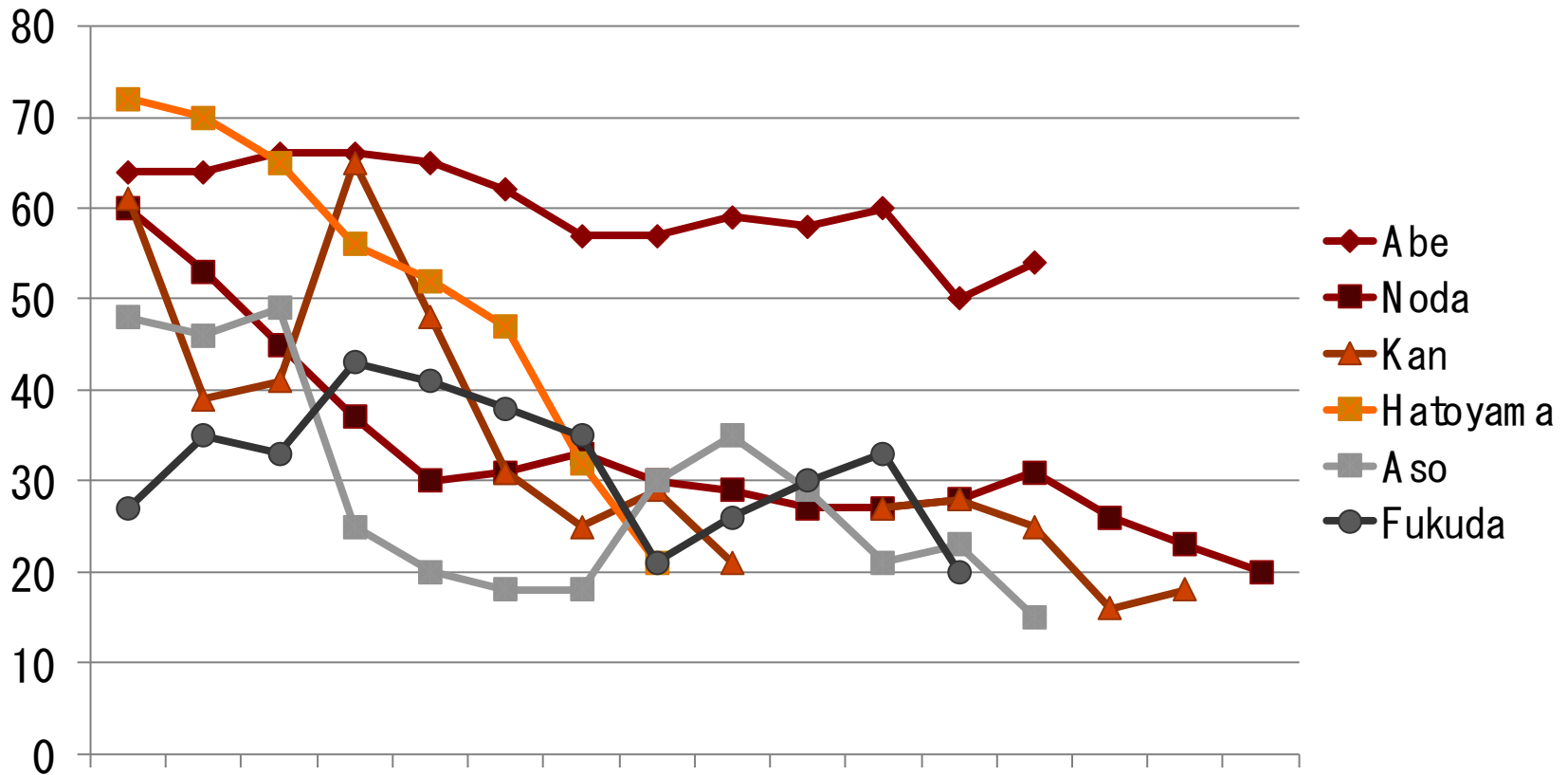




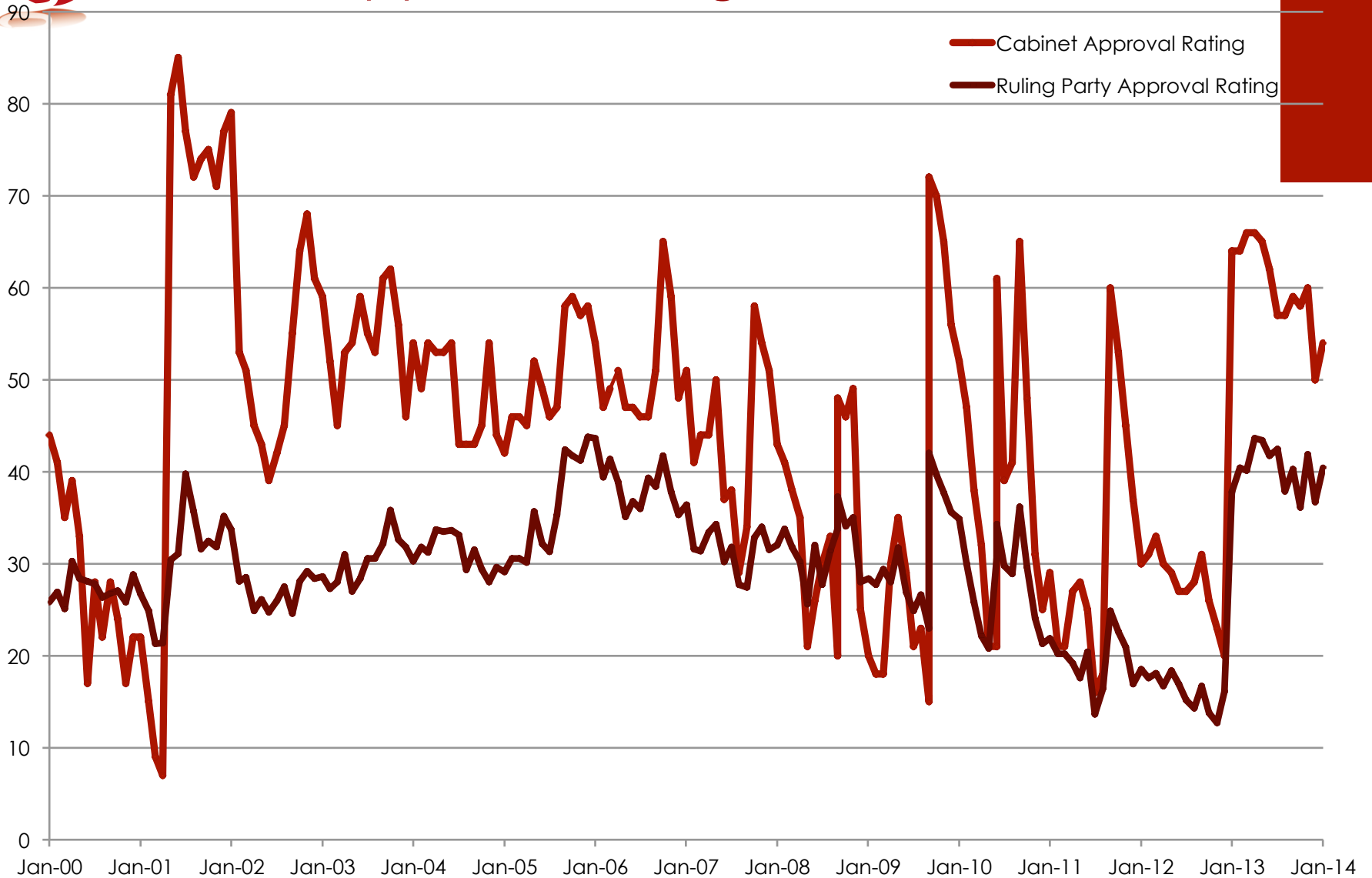
Abe's approval ratings: better than last time



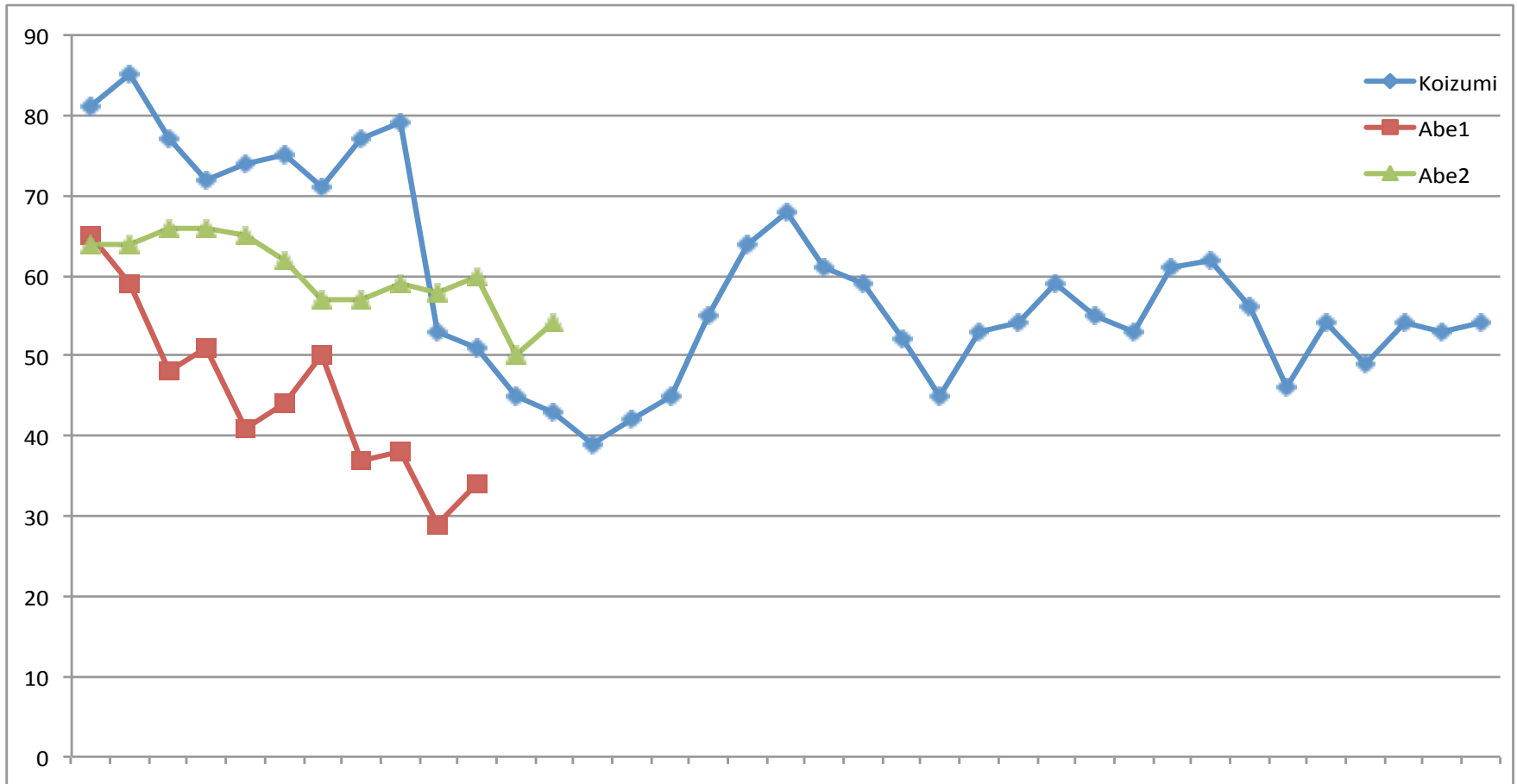
In comparison to past prime ministers



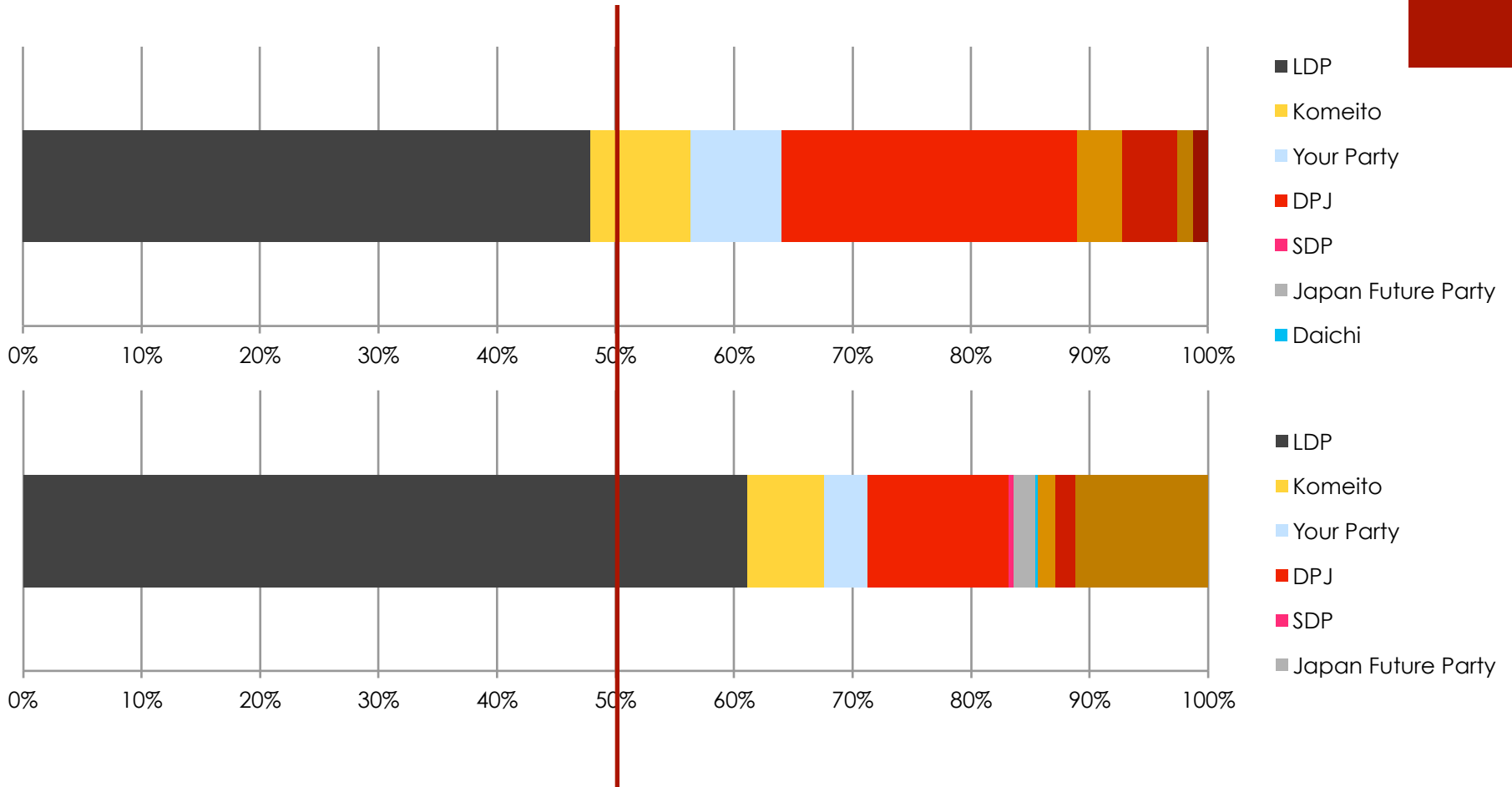
Approval rating – LDP and Cabinet



Abe is performing on par with Koizumi this far



But still dependent on New Komeito in the upper house



Ministry of Internal Affairs and Communications

- Revision of *Radio Act* to adjust fees for use of radio frequency
- Revision of the *Broadcasting Act* and *Radio Act* to add Internet broadcasting as a duty of NHK and to ease conditions for receiving broadcasting license
- Various measure to promote "e-governance".

Timing: March

Financial Services Agency

- Revision of *Financial Instruments Exchange Law* to clarify rules on crowd financing and financial disclosure rules for listed companies

Timing: Mid-March

Consumer Affairs Agency

- Revision of *Act Against Unjustifiable Premiums and Misleading Representations* to introduce penalty for misleading representations

Timing: End February

Ministry of Economy, Trade and Industry

- Bill to extend export credit insurance coverage to trade with overseas subsidiaries
- Promotion of city centers - a new boost for retail?
- Introduction of registration system for electricity suppliers (first step towards retail liberalization) and a system for trade in electricity futures

Ministry of Education, Culture, Sports, Science and Technology

- Revision of *Copyright Act* to include copyrights of material transmitted over the Internet, in accordance with the Beijing Treaty

Timing: End of March

Ministry of Justice

- Bill to establish new corporate form under which foreign lawyers (gaiben) can work as employees
- Revision of immigration law to facilitate entry of highly skilled labor into Japan – new visa categories and immigration procedures

Cabinet Office

- Bill to Establish Medical Strategy Promotion Bureau
- Bill to reform Nuclear Damage Liability Facilitation Fund (to add ability to fund decommissioning)

Time: End February

Ministry of Land, Infrastructure, Transport and Tourism

- Revision of *Building Standards Law* to facilitate large scale construction using wood

Timing: End of March

Ministry of Health Labor & Welfare

- New Law stipulating cost sharing for medical treatment of incurable diseases
- Revision of *Child Welfare Law*
- Revision of *Industrial Safety and Health Act* (excludes passive smoking provisions)

Timing Mid- to late February

- Revision of *Dispatch Law* to improve conditions for dispatched employees

Timing: Mid March

Other interesting bills considered (*giin rippo*)

- Bill to establish Integrated Resorts (IR)
- Bill to promote protection against passive smoking
- Bill to improve access to information held by public entities
- Basic Allergy Measures Bill
- Bill to introduce a regional governance system
- Revision of the *Money Lending Business Law* and *Investment Law* to raise or loosen cap on consumer finance lending
- Bill to permit use of dormant bank accounts
- Government Pension Investment Fund reform bill
- *Regenerative Medicine Basic Law*

Next round of growth strategy

- Implementation plan for first phase just approved by LDP, deciding that first measures should be implemented by 2015
- Application for special growth strategy zones in short term. New measures on special zones also being considered
- Continued focus on corporate tax rate cut
- Relaxed rules for labor immigration also considered, especially given need for construction in run up to 2020
- Further measures to promote women's participation in the labor force
- New form of non-profit medical corporations
- Continued discussion on rules for allowing mixed treatments (covered or not covered by NHI)
- ICT Promotion within health care
- Food export promotion measures

Growth Policy Framework – Government Side

Cabinet

Japan Economic Recovery Headquarters

Control tower within the PM's Office, to co-ordinate policies to regain Japan's economic strength, correct over-valued yen, and end deflationary spiral via unified growth strategy. All members are members of the Cabinet.

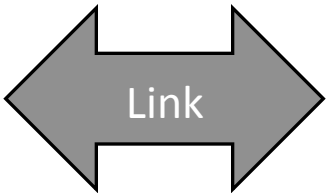
Industrial Competitiveness Council

To help formulate new growth strategy – members are Cabinet members or from the private sector."

Council of Economic and Fiscal Policies

Within the Cabinet Office, to formulate and coordinate fiscal and economic policy under leadership of the PM.

Cabinet and private-sector members as well as Bank of Japan Governor



Cabinet Office Revitalization Secretariat



Regulatory Reform Council, Science & Technology Council, People's Council on Social Security Reform



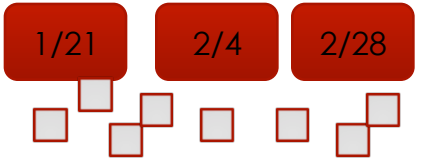
Growth Strategy Formulation process



Industrial Competitiveness Council



Regulatory Reform Council



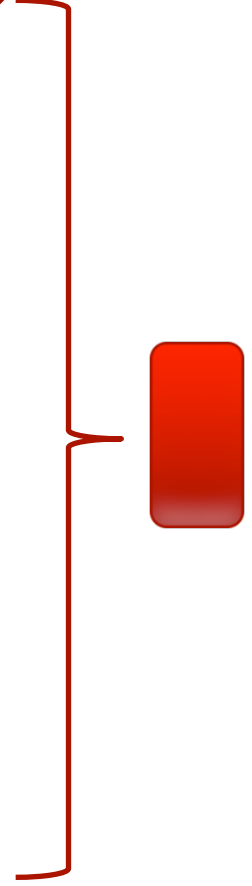
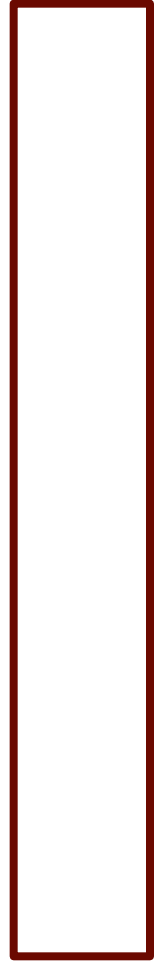
Science & Technology Council



CEFP



LPD Growth Policy Special Committee – Sub Committee meetings weekly



Preliminary conclusions



- Fast passage of budget – quickest passage in past 10 years
- Loss of Tokyo gubernational election has made the opposition close to obsolete
- Little or no focus on content of bills could provide room for discussion on foreign policy and Abe's pet issues
- A clear feeling of having turned the corner on energy policy debate, pace of restarts likely to pick up
- Growth policy somehow in the background but may re-enter the discussion as June approaches
- Abe still has a lot of cards to play, should popularity drop. Major cabinet re-shuffle still possible.



Political Schedule moving forward

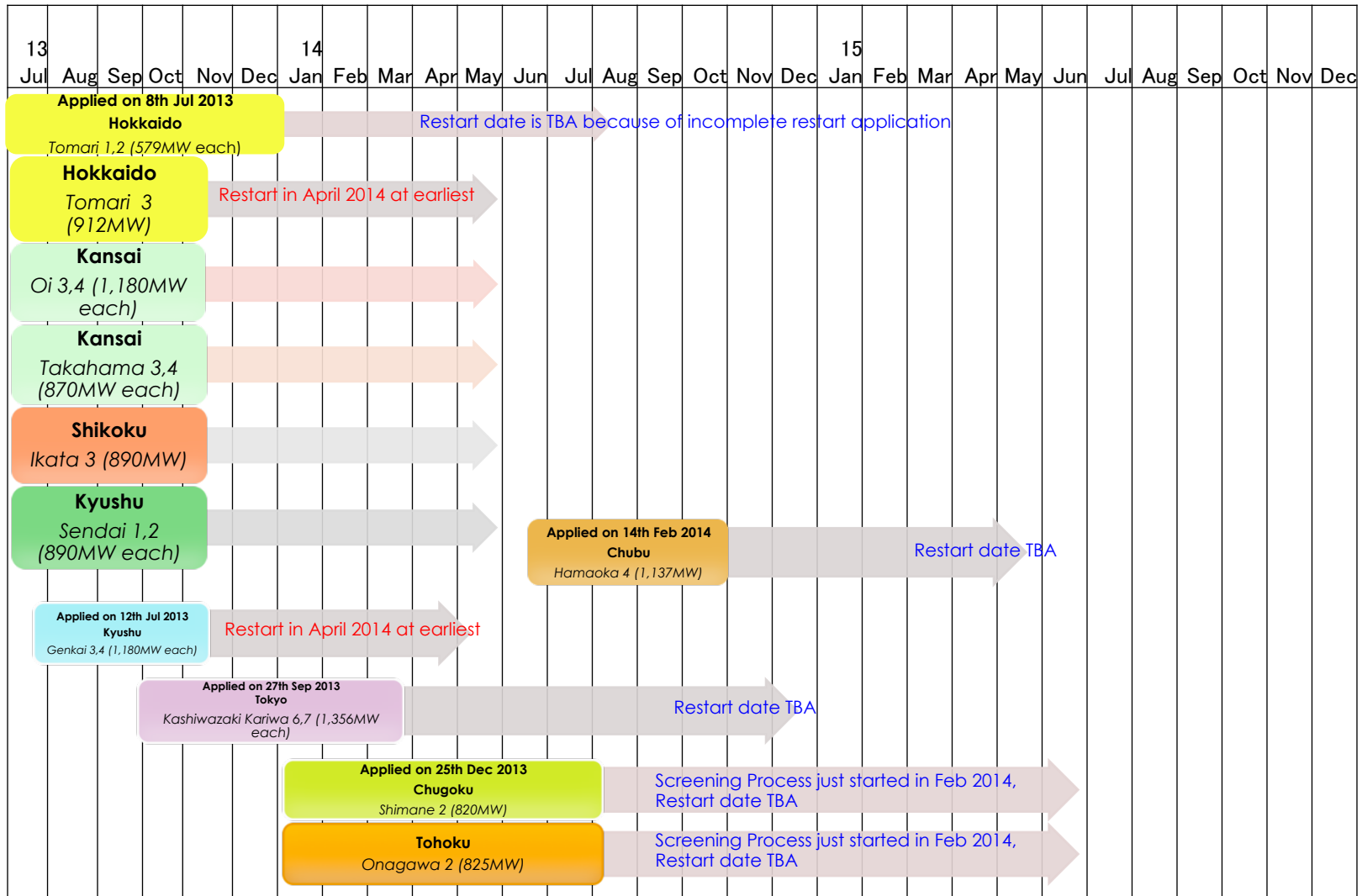
- **March**
 - 6: China National People's Congress
 - 11: Third-year memorial of the Great East Japan Earthquake
 - 18-19: First FMOC Chaired by Jannet Yellen

- **April**
 - 1: Consumption Tax Raise
 - 11-13: Annual meetings of World Bank Groups and IMF
 - 27: Bye-election
 - 30: BOJ Outlook for Economic Activity and Prices
 - ? Obama visit to East Asia – Possible US-Japan summit meeting
 - ? Change interpretation of Japan's right of collective self-defense?

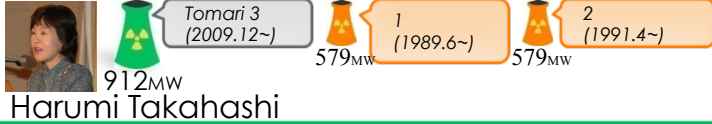
- **May**
 - 21-23: World Economic Forum Asia
 - Sadayuki Sakakibara starts as new chairman of Keidanren
 - ASEAN meeting in Myanmar

- **June**
 - IR Casino Legislation Enacted?
 - Updated Growth Strategy
 - Ordinary Diet session ends
 - Cabinet Re-shuffle Shuffle?
 - 4-5: G8 in Sochi ?

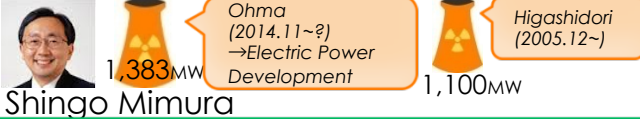
Nuclear Restart Process



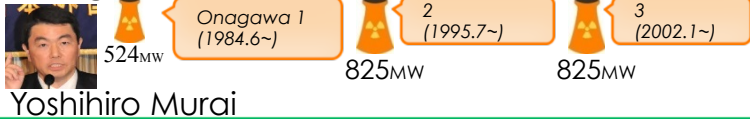
Hokkaido (Hokkaido Electric Power)



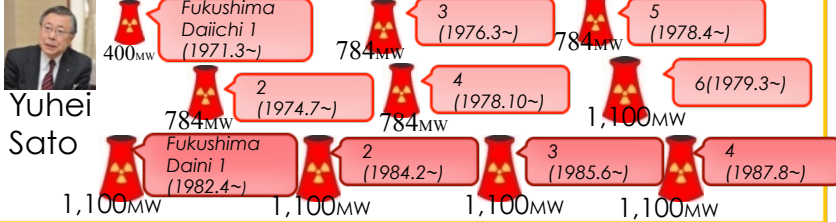
Aomori (Tohoku Electric Power)



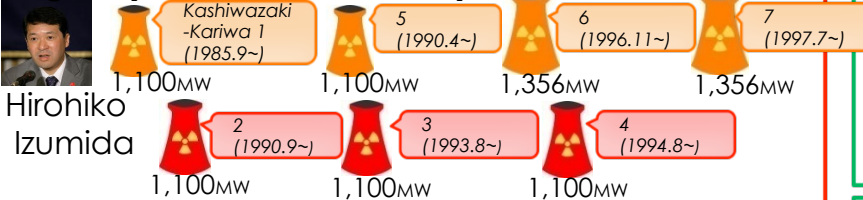
Miyagi (Tohoku Electric Power)



Fukushima (Tokyo Electric Power)



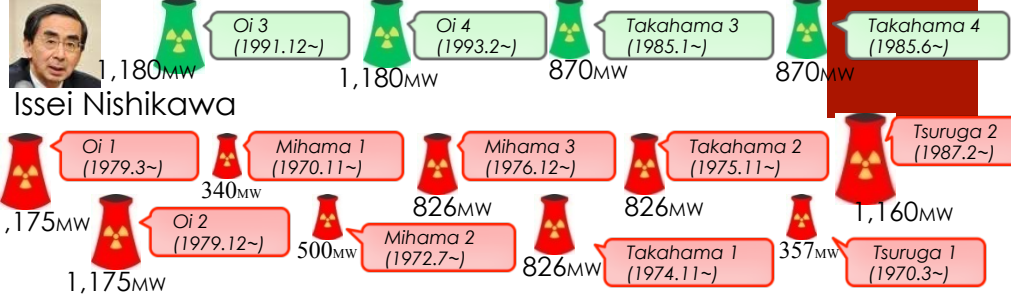
Niigata (Tokyo Electric Power)



Ibaraki (The Japan Atomic Power)



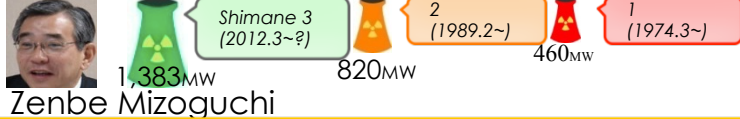
Fukui (Kansai Electric Power)



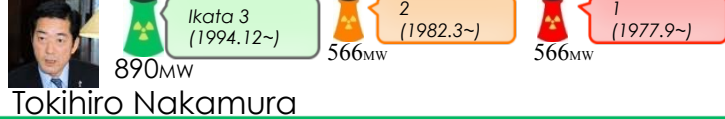
Shizuoka (Chubu Electric Power)



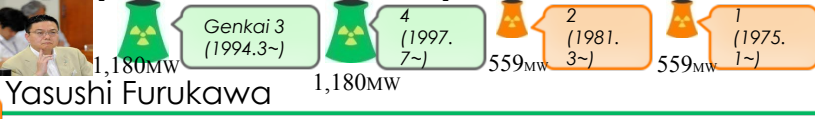
Shimane (Chugoku Electric Power)



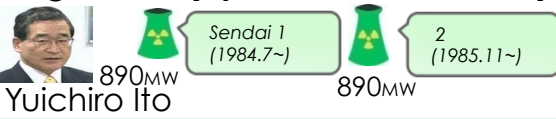
Ehime (Shikoku electric Power)



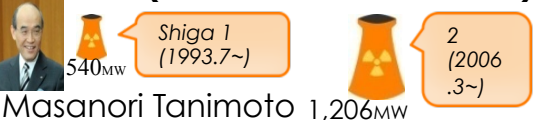
Saga (Kyushu Electric Power)



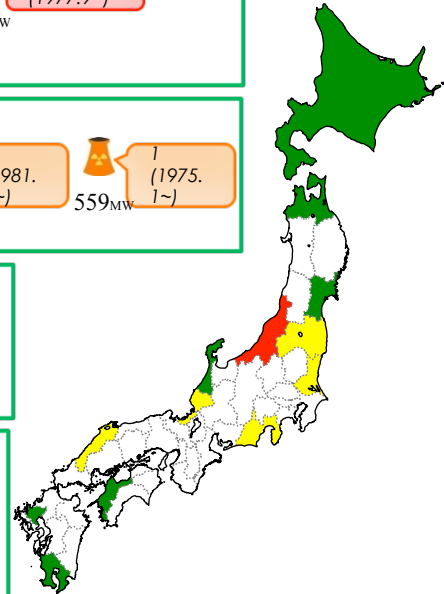
Kagoshima (Kyushu Electric Power)

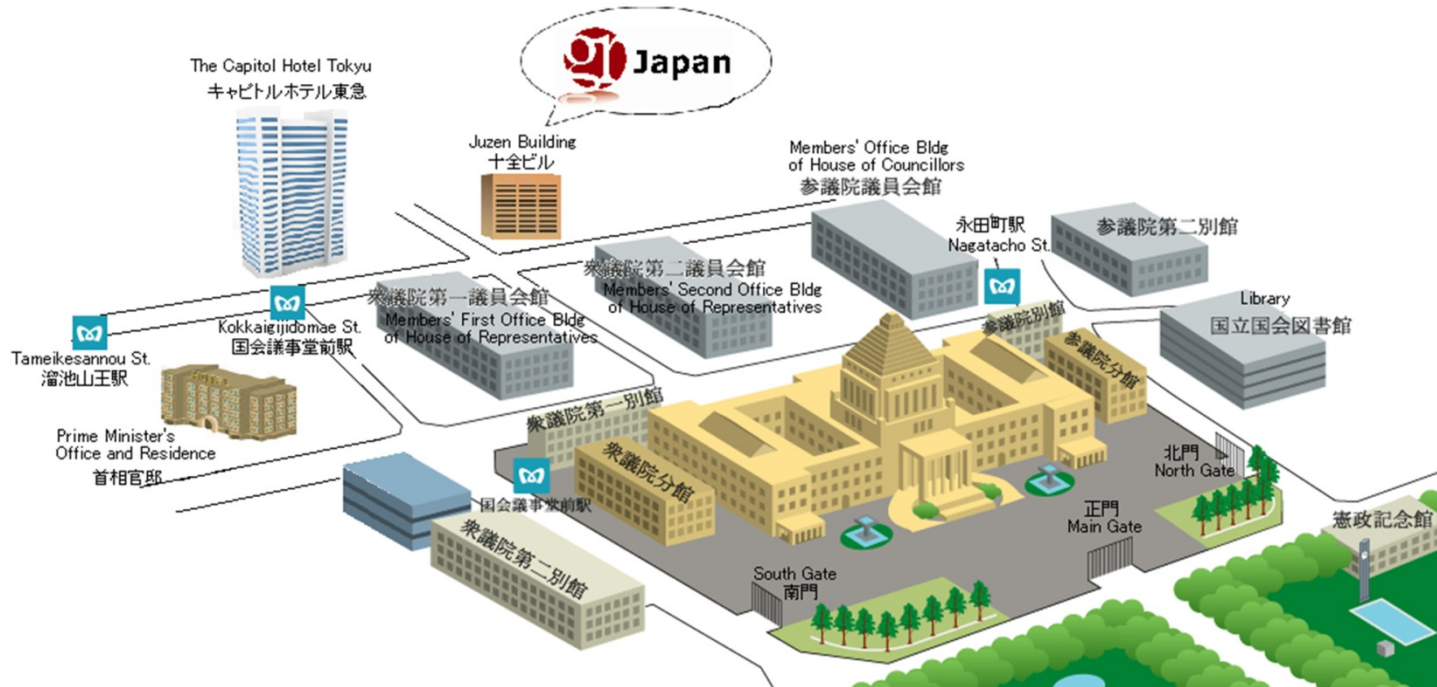


Ishikawa (Hokuriku Electric Power)



Tsuruga 1,2...
The Japan Atomic Power





About GR Japan

Juzen Bldg. 301, 2-9-6 Nagatacho, Chiyoda-ku, Tokyo 100-0014

Tel: +81 (0)3 6205 4205 | Fax: +81 (0)3 6205 4206

info@grjapan.com | www.grjapan.com | jakob.edberg@grjapan.com