

White Paper on Consumer Affairs 2020

FY2019	Implementation of Consumer Policy
FY2019	Report on the Results of Information Gathering and Analysis on Consumer Accidents

[Summary]

Consumer Affairs Agency, Government of Japan

Part 1 Trend in consumer issues and consumer's attitude / behavior

Chapter 1 Results of information gathering and analysis on consumer accidents **Report to the Diet based on the Consumer Safety Act**

Section 1 Results of information gathering and analysis on consumer accidents reported to the Consumer Affairs Agency

Section 2 Information on life or health-related accidents gathered to the Consumer Affairs Agency

Section 3 Overview of consumer affairs consultations

Section 4 Consumer issues which are now attracting attention

Section 5 Experience of consumer harm and problems and estimation of financial detriment

Section 6 Trends in environmental changes that surround consumers

Chapter 2 **Feature Responsibility to create, responsibility to use, and responsibility to reduce – Reduction of food loss and waste for sustainable society –**

Section 1 Consumption and resources

Section 2 To solve food loss and waste issues

Section 3 To solve plastic waste issues

Section 4 To form sustainable society

Part 2 Implementation of consumer policy

Chapter 1 Major consumer policies by the Consumer Affairs Agency

Section 1 The Basic Plan on Consumer Policy

Section 2 Preventing consumer harm

Section 3 Promotion of economic/social structural reforms through consumers' participation, etc. to fair and sustainable society

Section 4 Flexible/focused action for various issues related to consumer affairs

Section 5 Promotion of consumer education and providing information for consumers

Section 6 Establishing systems to promote the consumer administration **Report to the Diet based on the Basic Act on Consumer Policies.**

Chapter 2 Implementation of consumer policy

Section 1 Ensuring consumer safety

Section 2 Establishing trusted food labelling and ensuring reliability

Section 3 Ensuring that all transactions are fair

Section 4 Forming a society where consumers can play the leading role in making choices and taking actions

Section 5 Establishing frameworks for redress for damage and protecting consumer profit

Section 6 Establishing national and local consumer administration systems

Reference (Data on consumer administration)

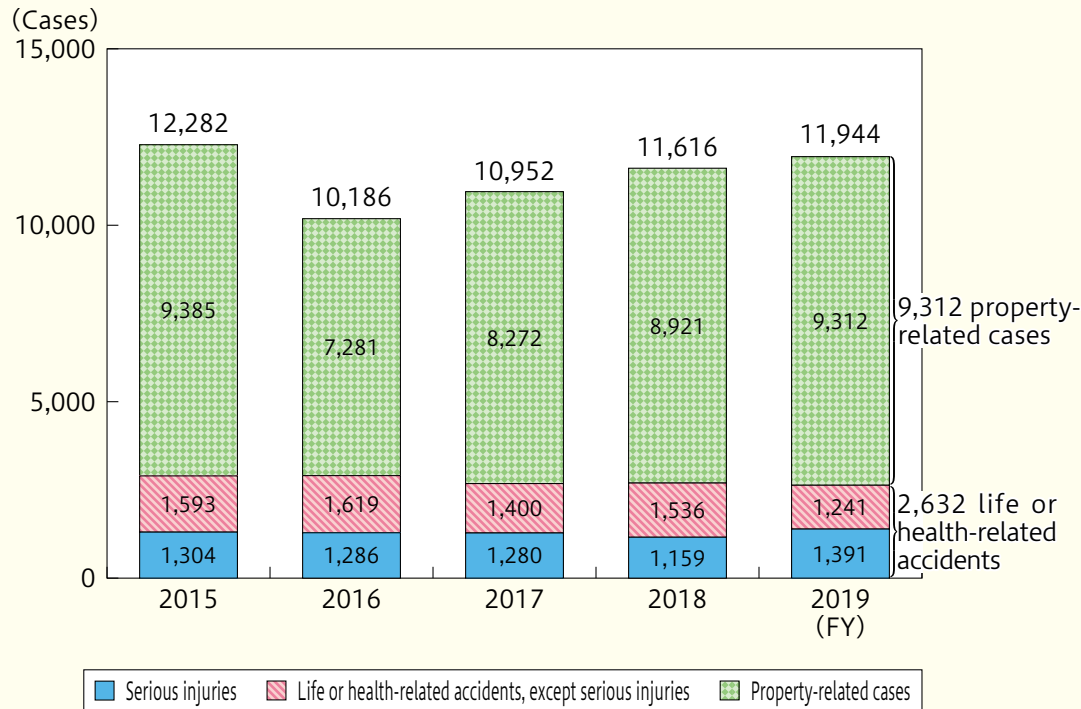
- In this document, consumer affairs consultation information registered with PIO-NET is current as of March 31, 2020.
- With regard to consumer affairs consultation information registered with PIO-NET, it will take a certain amount of time from accepting consultations at local consumer affairs centers to registering the consultations, so the number of consultations in this document may increase slightly in the future.
- M.T. in the attitude survey means the ratio that is calculated by dividing the total number of responses with the number of respondents (N). T. In questions with multiple answers, this value typically exceeds 100%.

[Report to the Diet based on the Consumer Safety Act] Part 1 Chapter 1 Section 1

Results of information gathered and analyzed on consumer accidents 1

- The number of consumer accidents reported to the Consumer Affairs Agency in FY2019 was 11,944. The breakdown is 2,632 life or health-related accidents and 9,312 property-related cases.
- We raised awareness at the earlier stage of serious accidents notification from relevant administrative organ, such as the storage door of the baby crib suddenly opened and caused baby's suffocation, etc.

Figure I-1-1-3 Consumer accidents reported to the Consumer Affairs Agency under the Consumer Safety Act



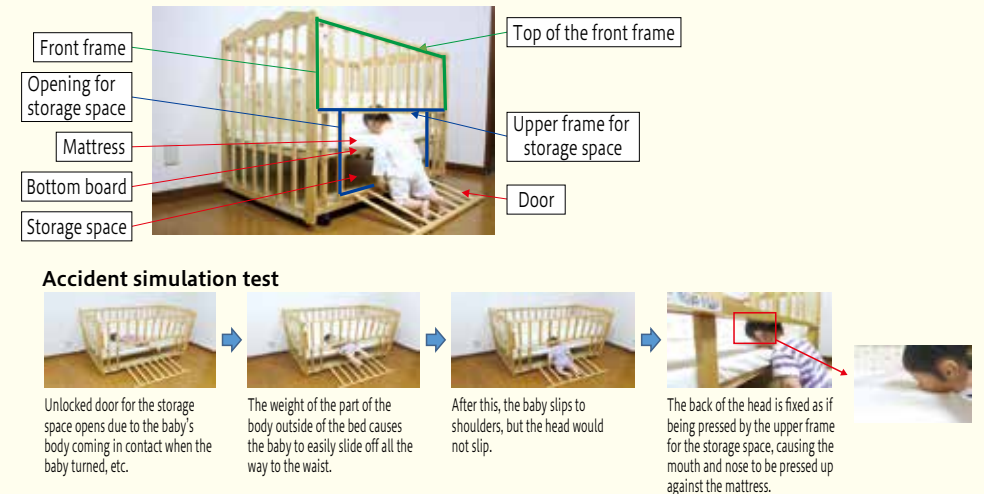
(Note) The number of consumer accidents reported by the heads of government institutes, prefectural governors, mayors of municipalities and the head of the National Consumer Affairs Center to the Consumer Affairs Agency under the provisions in the Consumer Safety Act.

○Among life or health-related accidents, about 80% of serious injuries were caused by "fire".

○Awareness raising triggered by serious injuries

While they were using a wooden crib which has a height-adjustable bottom board and a storage space underneath with a door, the storage door suddenly opened and a baby's head was caught in a gap. The serious incident occurred twice: one baby was choked to death and another baby became seriously ill (notifications from relevant administrative organ).

Figure I-1-1-5 Illustration of the accident with the wooden crib and accident simulation test



(Note) "Baby choked after storage door of wooden crib suddenly opened!" by the National Consumer Affairs Center of Japan of the Consumer Affairs Agency (Released on November 15, 2019)

[Report to the Diet based on the Consumer Safety Act] Part 1 Chapter 1 Section 1

Results of information gathered and analyzed on consumer accidents 2

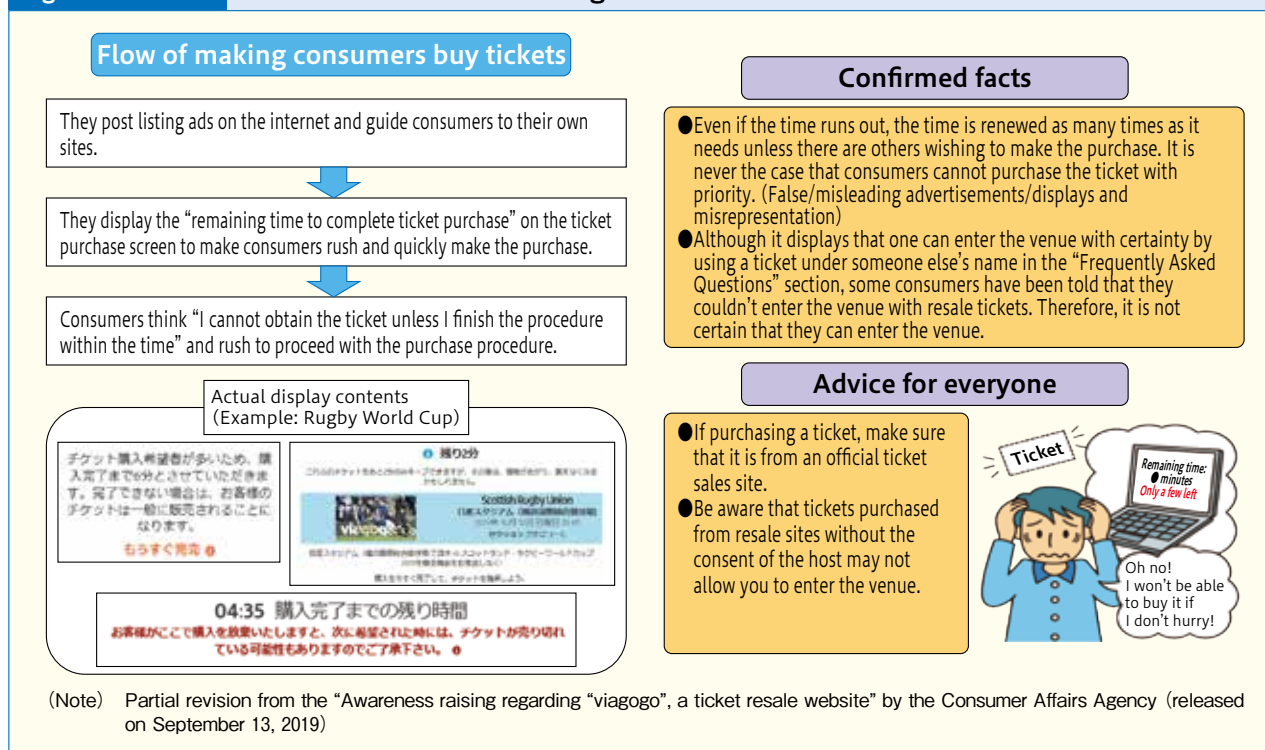
- We raised awareness for 13 cases, in which we disclosed the names of business operators based on the property-related cases notified under the provisions of the Consumer Safety Act.
- Main cases are tactics for raising temptation to make easy money, ticket resale websites, etc.

Figure I-1-1-10

Property-related cases with awareness raising alerts under the provisions of the Consumer Safety Act (FY2019)

Tactics	Concrete examples
Billing fraud (1 case)	Contacting consumers through social media by using well-known company names, and demanding cash payments, telling consumers that they have unpaid fees for paid content.
High-price investments (1 case)	They solicited high-price investments by claiming that profit can be made with a patented communication device, etc., but the device sold to consumers wasn't patented. No sales had been made to companies either, and money from sales distribution was not paid.
Tactics for raising temptation to make easy money (8 cases)	They claimed "You can earn 30,000 yen every day as if playing a game" and that consumers could make profit without fail through crypto-asset (virtual currency) transactions by using special application software and made consumers conclude high-price contracts. However, the system does not allow them to make profit.
	With catchphrases, such as "super easy "alchemy with smartphones"", etc., they provided information for sales called "Suma-ren BOOK" containing the know-how, etc. to make profit and made consumers pay high price to receive support. However, the system did not allow everyone to easily make profit.
	After making consumers pay approximately 10,000 yen and participating in the business, they made the consumers buy extremely high-price information for sales through relentless telephone soliciting. However, the business was a false business that did not have the "system to make profit", and consumers were unable to make any profit.
Door-to-door sales of services (2 case)	They sold to consumers card-type USB memory containing IP telephone function, etc. under the name of "PRP system" and were offering a service to lease them from consumers, sublease them to others, and use the profit from the lease to pay more than the original cost to consumers. However, there was no record that the business operator was paying the lease from the operation profit. There were other business operators who were conducting (or had the possibility of conducting) similar business schemes.
Ticket resale (1 case)	They displayed the "remaining time to complete ticket purchase" on the purchase screen to make consumers rush and quickly make the purchase, but the time is renewed as many times as it needs unless there are others wishing to make the purchase. Although it says one can enter the venue with certainty by using a ticket under someone else's name, it is not actually certain that one can enter the venue using a ticket under someone else's name.

Figure I-1-1-11 Overview of cases involving ticket resale websites

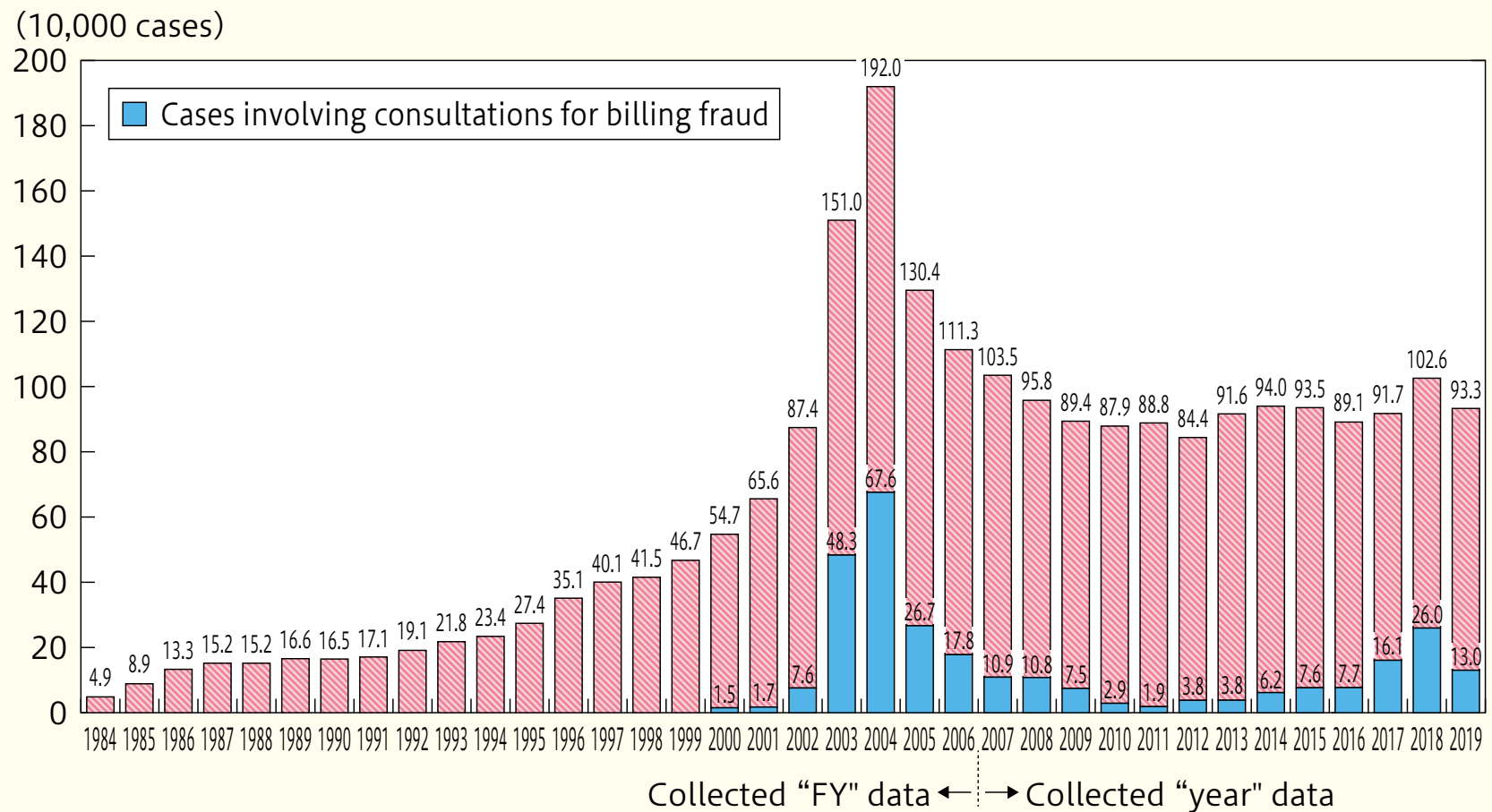


(Note) Partial revision from the "Awareness raising regarding "viagogo", a ticket resale website" by the Consumer Affairs Agency (released on September 13, 2019)

Part 1 Chapter 1 Section 3 Transition of the number of consumer affairs consultations

- The number of consumer affairs consultations in 2019 was 933,000 cases. This was approximately 90,000 cases less than the previous year.
- Number of consultations on billing fraud was reduced by half (260,000 cases → 130,000 cases). Main factor for the reduction of the number of consultations.

Figure I-1-3-1 Transition of the number of consumer affairs consultations

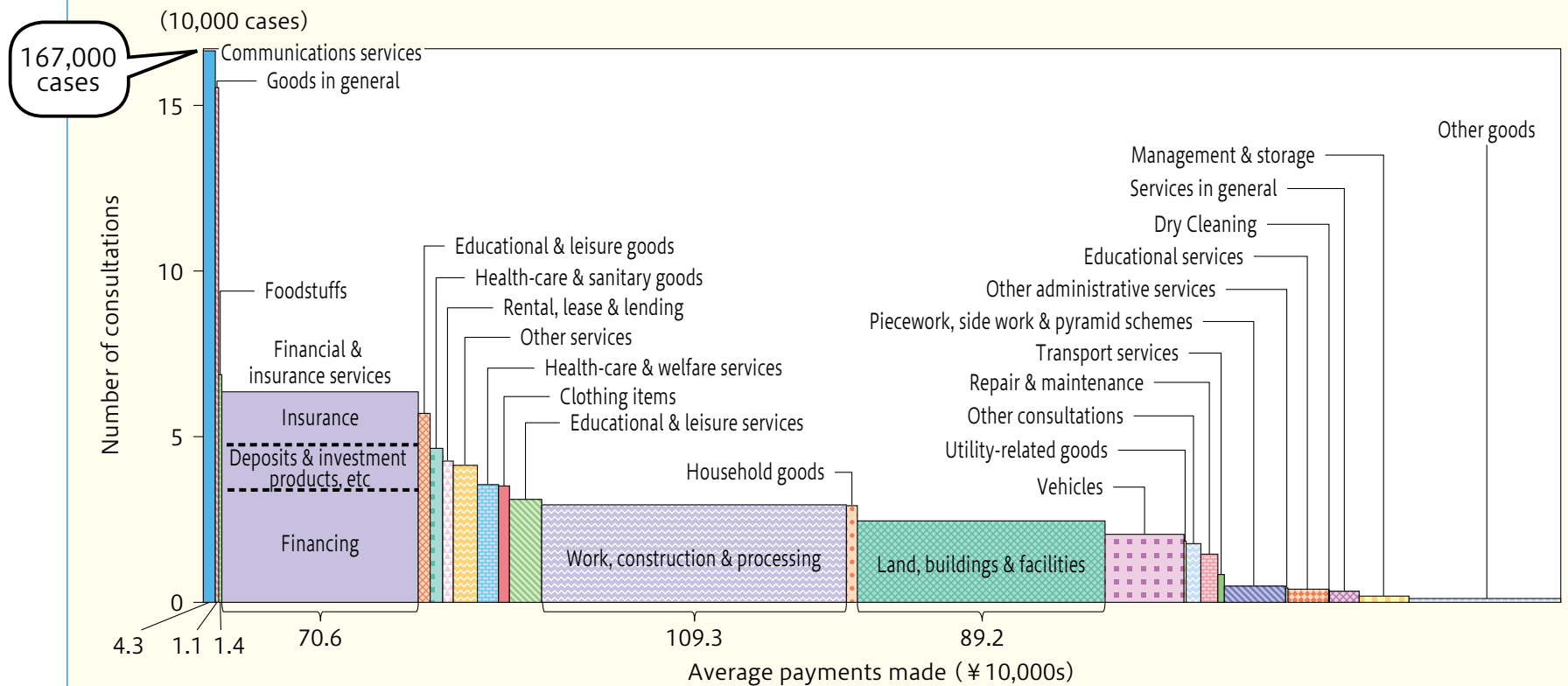


- (Note)
1. Consumer affairs consultation information registered with PIO-NET (as of March 31, 2020).
 2. From FY1984 to FY2006, "FY" data was collected in accordance with the "2019 Consumer Life Annual Report" by the National Consumer Affairs Center of Japan. "Year" data was collected from 2007 to 2019.
 3. "Billing fraud" is related to charges for payments you don't know. Collected from FY2000.
 4. Collected the number of consultations handled by way of consumer affairs centers, etc. across Japan since 2007, excluding consultations made through consultation offices.

Part 1 Chapter 1 Section 3 Overview of consumer affairs consultations in 2019

- “Communications services” and “Goods in general” stood out in the number of consultations for goods and services.
- Payment per consultation was highest (¥1,093,000) in “Work, construction & processing”. The next highest was “Land, buildings & facilities” at ¥892,000.

Figure I-1-3-2 The number of consumer affairs consultations and average payments made by goods and service type (2019)

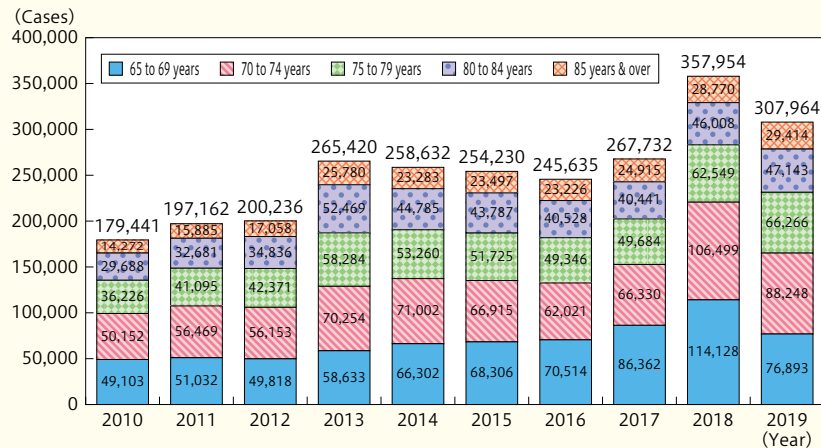


- (Note)
1. Consumer affairs consultation information registered with PIO-NET (as of March 31, 2020).
 2. The vertical axis means the number of consultations by product category. The product categories' widths in the horizontal axis means average payments made.
 3. Product categories are arranged in descending order of the number of consultations.
 4. Average payments made are calculated by the Consumer Affairs Agency, assuming that the payment is zero in cases with “No answer (No input).”
 5. “Transport & communications services” are divided into “Transport services” and “Communications services” in the figure.
 6. The breakdown of “Financial & insurance services” is “Financing”, “Deposits & investment products, etc.”, and “Insurance”, and shows the number of these categories' proportions. It does not show the breakdown of average payments made. The average payments made in “Financial & insurance services” are ¥104,000 for “Financing”, ¥2,451,000 for “Deposits & investment products, etc.”, and ¥575,000 for “Insurance”.

Part 1 Chapter 1 Section 3/Section 4 Consumer issues which are now attracting attention 1

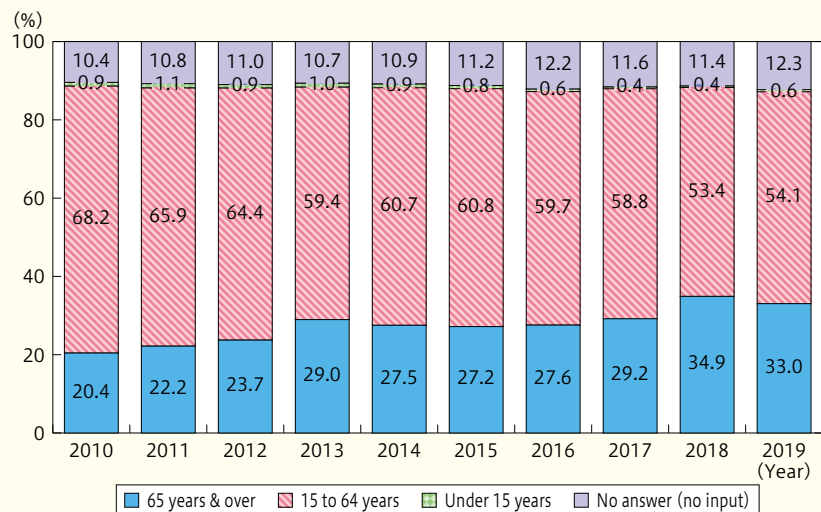
- The number of consumer affairs consultations from elderly people reduced in 2019, but the ratio within the number of consultations continued to exceed 30% as with 2018.
- “Goods in general” stood out in the number of consultations for goods and services. Another major factor was internet-related consultations.

Figure I-1-3-11 Transition of the number of consumer affairs consultations involving elderly people



(Note) 1. Consumer affairs consultation information registered with PIO-NET (as of March 31, 2020).
2. Consultations by contracting persons who are 65 years & over.

Figure I-1-3-7 Ratio of the number of consumer affairs consultations by age group (3 groups)



(Note) 1. Consumer affairs consultation information registered with PIO-NET (as of March 31, 2020).
2. Percentages may not add up to 100 because of rounding.

Figure I-1-3-12 Highest numbers of consultations on product/service types by elderly people

	2017	Cases	2018	Cases	2019	Cases
1	Goods in general	39,949	Goods in general	128,188	Goods in general	79,811
2	Digital content (general)	23,645	Digital content (general)	15,405	Fiber-optic lines	11,067
3	Fiber-optic lines	9,770	Fiber-optic lines	9,802	Other digital content	8,129
4	Adult website	7,203	Other digital content	6,861	Other health food	6,646
5	Other digital content	5,702	Fund-type investment products	6,246	Digital content (general)	6,367
6	Newspapers	5,437	Repair services	5,715	Mobile phone service	6,124
7	Multi-purpose loan / consumer loan	4,996	Multi-purpose loan / consumer loan	5,409	Repair services	5,784
8	Repair services	4,843	Newspapers	5,303	Other services	5,357
9	Other health food	4,811	Other health food	5,271	Electricity	5,256
10	Consultations, etc. (general)	4,187	Mobile phone service	4,809	Newspapers	4,934

Yellow : Things related to the internet Purple : Investment solicitation troubles Green : Things related to debt

(Note) 1. Consumer affairs consultation information registered with PIO-NET (as of March 31, 2020).
2. Items are products keywords (sub-categories) used in PIO-NET.
3. Consultations by contracting persons who are 65 years & over.

Examples of consultations by “elderly people”

- Concluded a contract for optical communication with another company, being given false information that they were an affiliate company of a major mobile phone company in the current contract.
- Elderly mother is purchasing marine products one after another through telephone soliciting.

Part 1 Chapter 1 Section 3/Section 4 Consumer issues which are now attracting attention 2

○With consultations involving young people, “beauty” came to top not only for women but also for men. “Multi-purpose loan / consumer loan” is also high among people in their 20s.

○Mainly among young people but also in each age group, the number of consumer affairs consultations have been growing involving “subscription” and SNS.

Figure I-1-3-10 Highest numbers of consultations on product/service types by young people (2019)

Men						
	15 to 19 years		20 to 24 years		25 to 29 years	
	Cases	8,789	Cases	19,977	Cases	15,962
1	Depilatory	1,406	Rented apartments	1,073	Rented apartments	1,510
2	Online games	553	Other digital content	1,002	Multi-purpose loan / consumer loan	855
3	Cosmetics, etc.	361	Goods in general	916	Goods in general	753
4	Adult website	360	Depilatory	874	Other digital content	550
5	Goods in general	347	Multi-purpose loan / consumer loan	774	Regular/compact vehicles	509
6	Other digital content	310	Dating website	683	Digital content (general)	372
7	Other health food	246	Other piecework/side work	678	Dating website	354
8	Dating website	227	Educational & leisure materials	643	Mobile phone service	344
9	Digital content (general)	204	Regular/compact vehicles	587	Fiber-optic lines	338
10	Toner	184	Electricity	582	Depilatory	320

Women						
	15 to 19 years		20 to 24 years		25 to 29 years	
	Cases	8,238	Cases	20,779	Cases	17,919
1	Other health food	1,615	Hair removal aesthetic service	1,183	Rented apartments	1,669
2	Enzyme food	392	Rented apartments	1,153	Goods in general	926
3	Goods in general	320	Other digital content	1,102	Other digital content	728
4	Other digital content	287	Dating website	957	Other health food	561
5	Health food (general)	274	Goods in general	875	Dating website	468
6	Concerts	270	Other health food	811	Multi-purpose loan / consumer loan	448
7	Adult website	256	Other piecework/side work	710	Digital content (general)	425
8	Digital content (general)	255	Digital content (general)	520	Hair removal aesthetic service	379
9	Depilatory	184	Multi-purpose loan / consumer loan	395	Wedding	371
10	Rented apartments	160	Weight loss aesthetic service	366	Other services	324

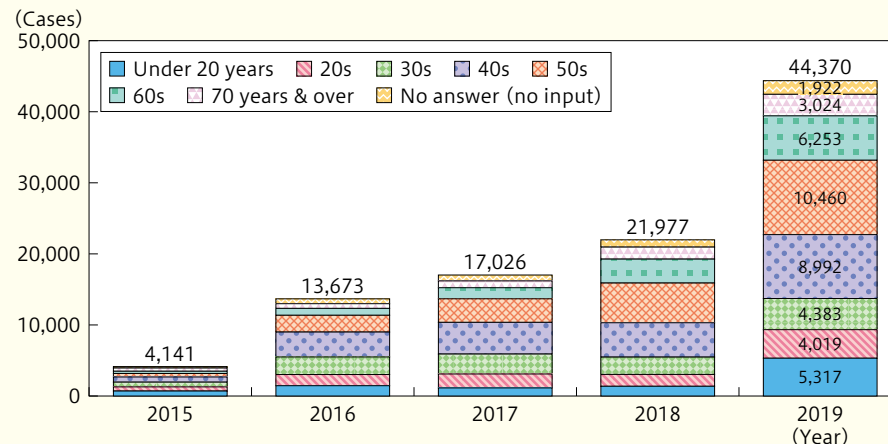
Yellow : Digital content Yellow green : Things that may be prompted by living alone
 Green : Things related to debt Blue : Things related to vehicles Pink : Things related to beauty

(Note) 1. Consumer affairs consultation information registered with PIO-NET (as of March 31, 2020).
 2. Items are products keywords (sub-categories) used in PIO-NET.

Examples of consultations by “young people”

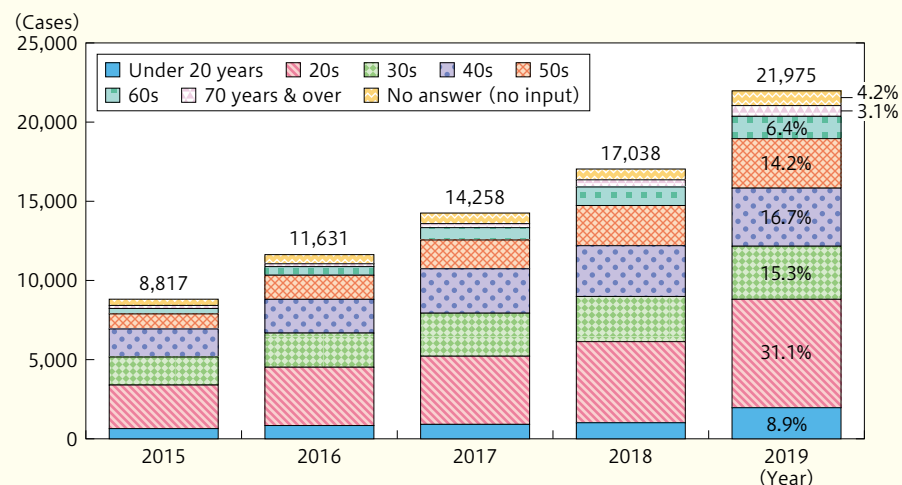
- An underage son bought depilatory from an ad on smartphone. It resulted in itchiness and redness after using it, so he says he doesn't want to use it any more. The same product was delivered today, and we found out that it was subscription.

Figure I-1-4-9 Transition of the number of consumer affairs consultations involving “subscription” (by age group)



(Note) Consumer affairs consultation information registered with PIO-NET (as of March 31, 2020).

Figure I-1-4-8 Consumer affairs consultations that have some connection to social media

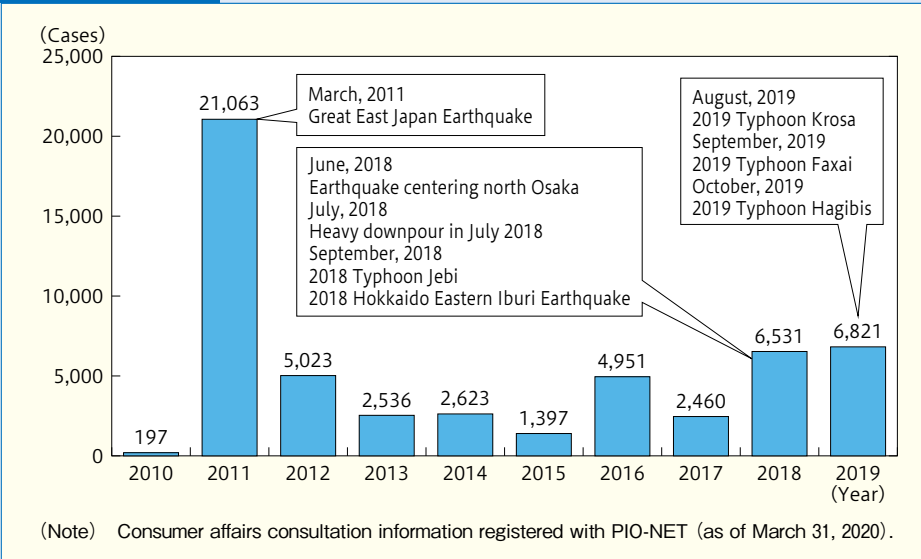


(Note) Consumer affairs consultation information registered with PIO-NET (as of March 31, 2020).

Part 1 Chapter 1 Section 3/Section 4 Consumer issues which are now attracting attention 3

- Number of consultations on “natural disasters” in 2019 was more than that of 2018 due to the 3 typhoons.
- Since August, areas affected by typhoons became top in the number of consultations per unit population.

Figure I-1-4-5 Consumer affairs consultations on natural disasters



Examples of consultations by “natural disasters”

- Someone claiming to be a construction company solicited “Your roof tiles are misaligned. Typhoon is coming, so you should have them fixed as soon as possible.” as if to rush construction.
- Power outage continues due to the typhoon, and we are troubled because we cannot use electric appliances despite the humidity and heat. Calls to power company wouldn’t go through. What should we do?

Figure I-1-4-7 Consumer affairs consultations on natural disasters by prefecture per unit population: Top 10 (by month/2019)

	January	February	March	April	May	June	July	August	September	October	November	December
1st	Kumamoto Prefecture	Kumamoto Prefecture	Osaka Prefecture	Kumamoto Prefecture	Kumamoto Prefecture	Osaka Prefecture	Osaka Prefecture	Wakayama Prefecture	Chiba Prefecture	Chiba Prefecture	Chiba Prefecture	Chiba Prefecture
2nd	Osaka Prefecture	Osaka Prefecture	Fukushima Prefecture	Osaka Prefecture	Osaka Prefecture	Gunma Prefecture	Gunma Prefecture	Osaka Prefecture	Kanagawa Prefecture	Fukushima Prefecture	Fukushima Prefecture	Fukushima Prefecture
3rd	Wakayama Prefecture	Okayama Prefecture	Kumamoto Prefecture	Tochigi Prefecture	Ibaraki Prefecture	Kumamoto Prefecture	Kumamoto Prefecture	Fukui Prefecture	Saga Prefecture	Kanagawa Prefecture	Tochigi Prefecture	Tochigi Prefecture
4th	Okayama Prefecture	Kyoto Prefecture	Ibaraki Prefecture	Nara Prefecture	Okayama Prefecture	Ibaraki Prefecture	Okayama Prefecture	Kumamoto Prefecture	Gunma Prefecture	Tochigi Prefecture	Kanagawa Prefecture	Kanagawa Prefecture
5th	Miyazaki Prefecture	Shizuoka Prefecture	Wakayama Prefecture	Okayama Prefecture	Tochigi Prefecture	Fukui Prefecture	Fukui Prefecture	Kochi Prefecture	Osaka Prefecture	Tokyo Metropolis	Ibaraki Prefecture	Nagano Prefecture
6th	Fukui Prefecture	Tochigi Prefecture	Hyogo Prefecture	Kyoto Prefecture	Gunma Prefecture	Wakayama Prefecture	Tochigi Prefecture	Gunma Prefecture	Ibaraki Prefecture	Wakayama Prefecture	Gunma Prefecture	Gunma Prefecture
7th	Shiga Prefecture	Miyagi Prefecture	Okayama Prefecture	Miyazaki Prefecture	Shiga Prefecture	Tokushima Prefecture	Wakayama Prefecture	Okayama Prefecture	Okayama Prefecture	Miyagi Prefecture	Tokyo Metropolis	Ibaraki Prefecture
8th	Nara Prefecture	Tottori Prefecture	Gunma Prefecture	Miyagi Prefecture	Miyagi Prefecture	Okayama Prefecture	Kagoshima Prefecture	Saga Prefecture	Tokushima Prefecture	Ibaraki Prefecture	Miyagi Prefecture	Kumamoto Prefecture
9th	Saga Prefecture	Oita Prefecture	Oita Prefecture	Kagoshima Prefecture	Shizuoka Prefecture	Miyagi Prefecture	Oita Prefecture	Oita Prefecture	Kumamoto Prefecture	Gunma Prefecture	Osaka Prefecture	Osaka Prefecture
10th	Ibaraki Prefecture	Iwate Prefecture	Iwate Prefecture	Wakayama Prefecture	Fukushima Prefecture	Tochigi Prefecture	Ibaraki Prefecture	Kagoshima Prefecture	Tokyo Metropolis	Nagano Prefecture	Nagano Prefecture	Tokyo Metropolis

- (Note)
1. Consumer affairs consultation information registered with PIO-NET (as of March 31, 2020).
 2. Shows the top 10 results by month for the number of consultations by prefecture per unit population.
 3. Source for population by prefecture: “Population Estimates” by the Ministry of Internal Affairs and Communications (as of October 1, 2019).

Part 1 Chapter 1 Section 3/Section 4 Consumer issues which are now attracting attention 4

- Global spread of COVID-19 in the beginning of 2020 greatly affected everyday consumption affairs.
- Consumer affairs consultations include cases involving resale, cancellation of airplane tickets, etc., and negative option marketing.
- The Consumer Affairs Agency has been not only responding to the increased demands for supplies, such as face masks, but also promoting efforts to prevent consumer damage through misleading representations and fraudulent schemes, etc.

Response by the Consumer Affairs Agency to the spread of COVID-19

- (1) Response to the increased demands for supplies, such as face masks
- (2) Appeal for calm purchasing activities for foodstuffs, etc.
- (3) Prevention of consumer damage through misleading representations and fraudulent schemes
 - Demand for improvement in product labelling advocating preventive effects against COVID-19
 - Awareness raising regarding piggybacking marketing by the National Consumer Affairs Center of Japan
- (4) Flexible operation of the Food Labelling Standards (March 3)
- (5) Transmission of accurate information and response to the transmission/dissemination of uncertain information
(The 4th Basic Plan on Consumer Policy.)

Number and trend of consumer affairs consultation regarding COVID-19

1. Transition of the number of consumer affairs consultations

Reception date (January 1, 2020 and after)	Up to January 31	Up to February 29	Up to March 31	Up to April 30	Up to May 20
Cumulative total cases	155	2,527	12,536	28,340	32,555

- (Note) 1. Consumer affairs consultation information registered with PIO-NET (as of, May 20, 2020).
2. Consultations "related to COVID-19"

2. Main consultation examples

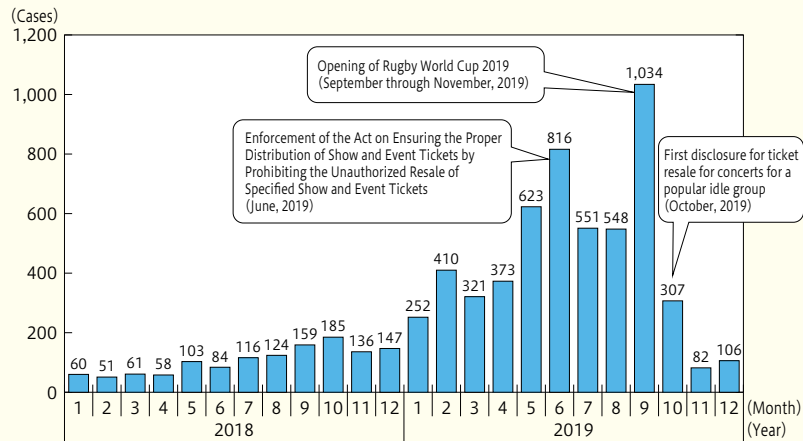
- Regarding shortage of goods, resale, combination sales
(Examples) Face masks, toilet paper, tissue paper, antiseptic solution, etc.
- Things related to cancellation fee, etc.
(Examples) Travel-related cases, such as airplane tickets/accommodation, events such as concerts, wedding, kimono rentals, gym membership fee, dinner parties, etc.
- Cases with possibility of fraud and fraudulent schemes
(Example) [Fraudulent websites]
 - I ordered face masks, etc. from a website which said they had large stock. I became suspicious later and called the number on the website. I found out that it was a different store. It seems that the website was a fraudulent website.
- [Negative option marketing]
 - Face masks in a box, which I had not ordered, was sent. What should I do?
- [Cases advocating effects against COVID-19]
 - Product claiming that it is effective against COVID-19 if the plate is worn around the neck. Is it effective?
- [Benefit fraud]
 - I received a short message on my mobile phone to transfer 3,000 yen for the clerical work proxy procedure for the 100,000 yen benefit.
- [Other]
 - I received a call saying "We have been commissioned by the administration and are coming for disinfection."

Part 1 Chapter 1 Section 3/Section 4 Consumer issues which are now attracting attention 5

○ Since the beginning of 2019, the number of consultations regarding “ticket resale” has been increasing. The number of consultations is approximately 4.2 times more than the previous year.

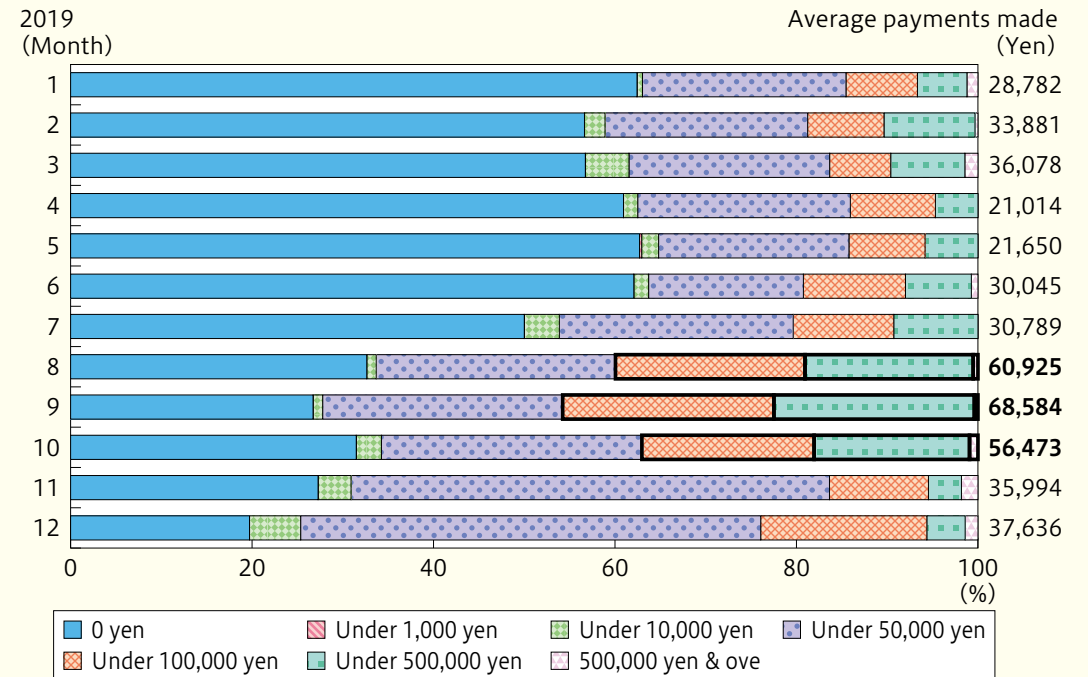
○ Transaction amount for “ticket resale” increased around the opening of the Rugby World Cup (September, 2019).

Figure I-1-4-12 Transition of the number of consumer affairs consultations regarding “ticket resale”



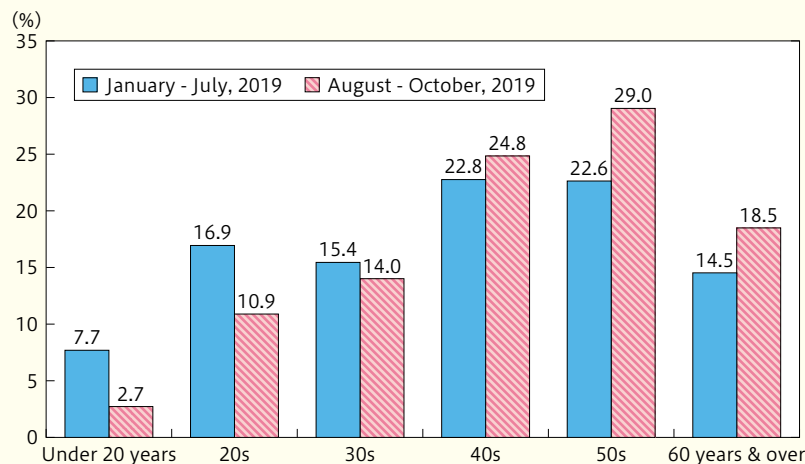
(Note) Consumer affairs consultation information registered with PIO-NET (as of March 31, 2020).

Figure I-1-4-13 Consumer affairs consultations regarding “ticket resale”: Transition of payments made



(Note) 1. Consumer affairs consultation information registered with PIO-NET (as of March 31, 2020).
 2. Collection excluding no answer (no input).
 3. Average payments made were calculated by including 0 yen.

Figure I-1-4-14 Ratio of consumer affairs consultations regarding “ticket resale” by age group (2019)



(Note) 1. Consumer affairs consultation information registered with PIO-NET (as of March 31, 2020).
 2. Collection excluding no answer (no input).

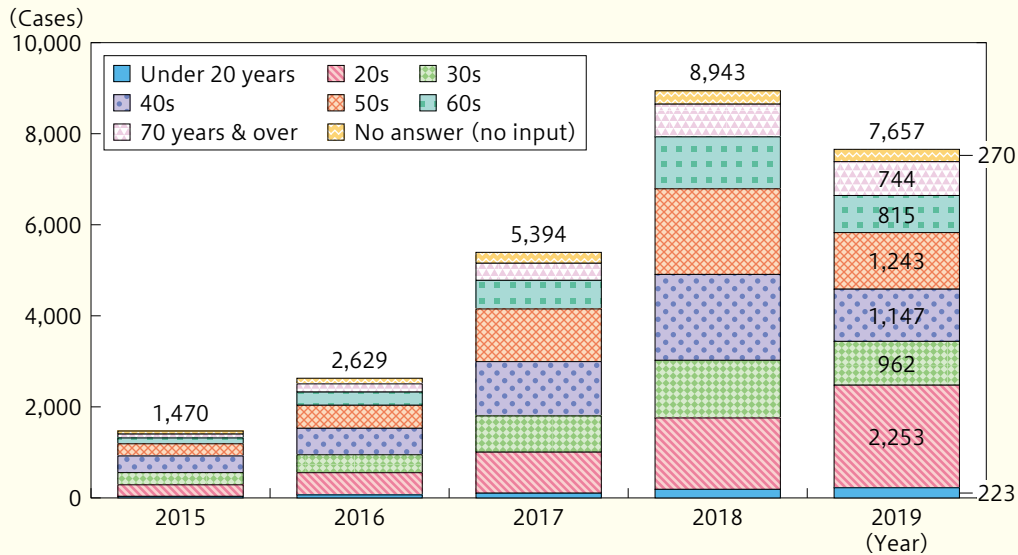
Consultation examples of “ticket resale”

- Tickets, resale of which was prohibited and with which entry to the venue may be declined, were sold, and I bought them.
- The purchaser did not complete the ticket reception completion procedure, and no payment was made from the ticket resale website.

Part 1 Chapter 1 Section 3/Section 4 Consumer issues which are now attracting attention 6

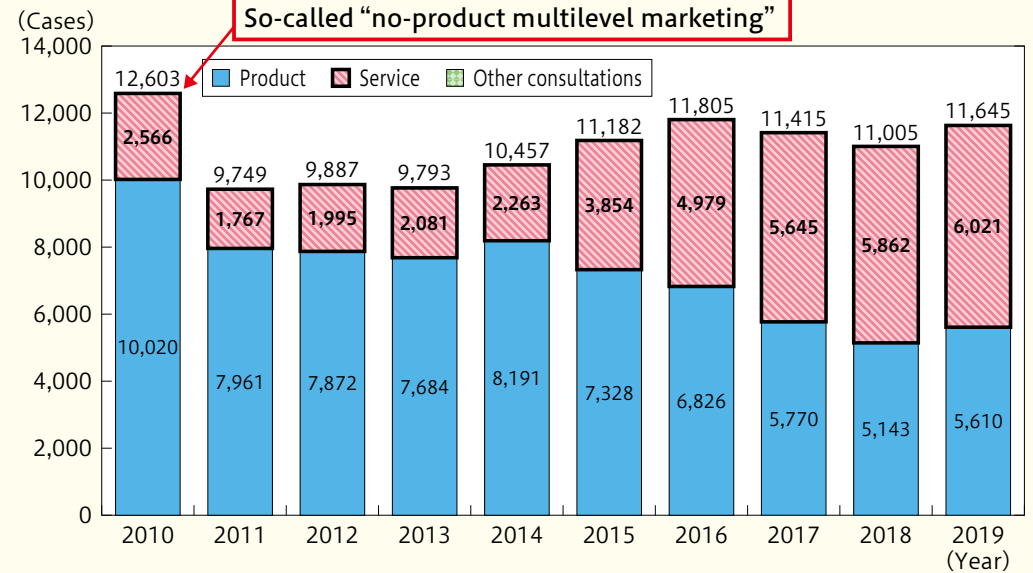
- The number of consumer affairs consultations on “information for sales*1” is approximately 7,700. Increase in the 20s is significant.
- With “Multilevel marketing*2”, majority of the consultations are regarding “services” (“no-product multilevel marketing”).

Figure I-1-4-15 The number of consumer affairs consultations involving “information for sales” (by age group)



(Note) Consumer affairs consultation information registered with PIO-NET (as of March 31, 2020).

Figure I-1-4-17 The number of consumer affairs consultations on “multilevel marketing plan”



(Note) 1. Consumer affairs consultation information registered with PIO-NET (as of March 31, 2020).
2. Standard keywords were revised on April 1, 2015.

Examples of consultations on “information for sales”

- I learned about FX information for sales on SNS, went to a seminar, and concluded a contract. However, it was worthless.

*1: “Information for sales”: Information sold by claiming to be know-how to receive high income through side business/investment/gambling, etc. through internet mail order, etc. The formats are electronic media, such as PDFs, videos, e-mail magazines, and applications.

Examples of consultations on “multilevel marketing”

- A friend from junior high school solicited me and explained “If you invest in overseas real estate, you can receive dividend in crypto-asset (virtual currency). If you introduce investors, you can receive introduction fee.” I loaned money and gave my friend the money.

*2: “Multilevel marketing”: Business scheme in which one concludes a contract on a product/service, becomes a solicitor of the organization next, and obtain remuneration, such as introduction fee. This is not necessarily the same thing as “Multilevel Marketing Transactions” under the Act on Specified Commercial Transactions.

Part 1 Chapter 1 Section 5 Experience of consumer harm and problems and estimation of the financial detriment

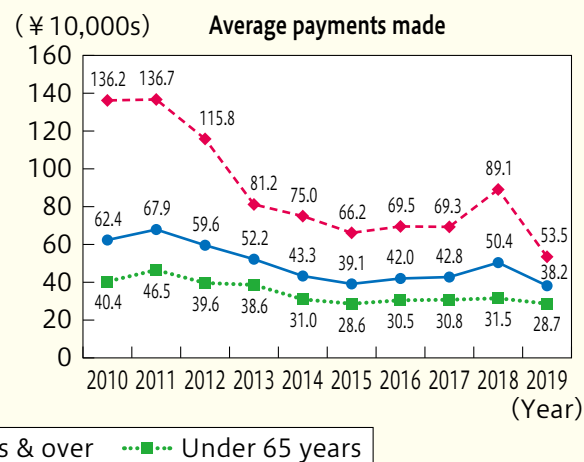
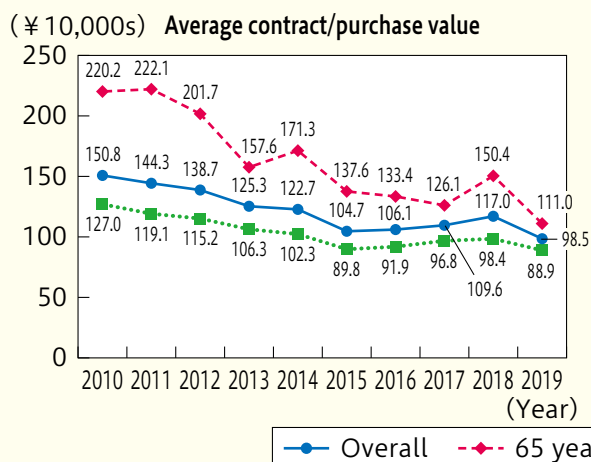
- Consumer financial detriment in 2019 was estimated to be about ¥5.1 trillion (payments made (including credit granted)).
- Both the average contract/purchase value and average payment made for consumer affairs consultation decreased. “Fund-type investment products” reduced.

Figure I-1-5-4 Estimated results of consumer financial detriment

	2015	2016	2017	2018	2019
Contract/purchase value	About ¥ 7.4 trillion	About ¥ 5.9 trillion	About ¥ 6.4 trillion	About ¥ 7.2 trillion	About ¥ 6.6 trillion
Payments made (including credit granted)*	About ¥ 6.7 trillion	About ¥ 5.2 trillion	About ¥ 5.3 trillion	About ¥ 6.1 trillion	About ¥ 5.1 trillion
Payments made	About ¥ 6.0 trillion	About ¥ 4.7 trillion	About ¥ 5.0 trillion	About ¥ 6.0 trillion	About ¥ 4.9 trillion

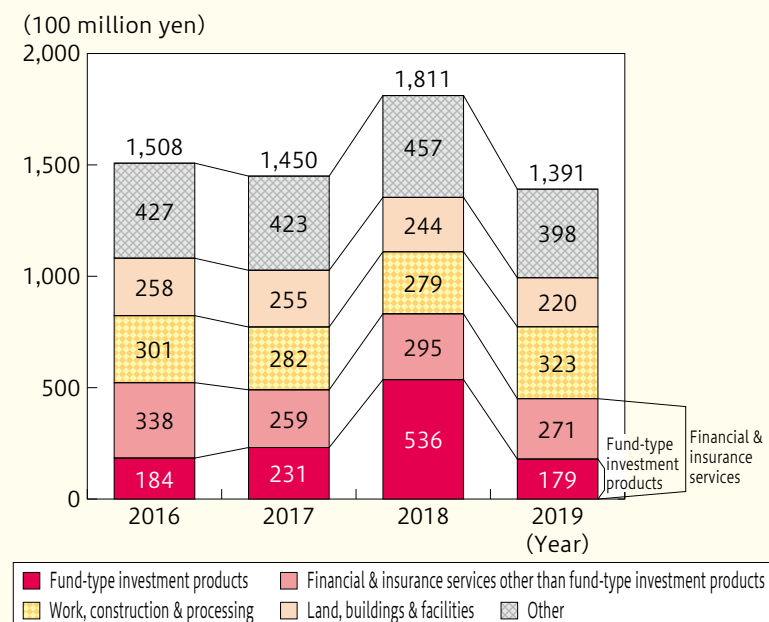
- * “Payments made (including credit granted)” are the sum of payments made and future payments with credit cards, etc.
- (Note)
1. Consumer financial detriment is the total expenses for goods and services related to consumer harm and problems.
 2. The estimated amount is obtained by multiplying the population over 15 with the probability of occurrence of consumer harm & problems obtained from the results of “Basic Survey on Consumer Life”, then multiplying the obtained amount with the average amount per instance of harm and problems calculated from consumer affairs consultation information, then adding the amount estimated as potential harm for elderly people, and correcting the amount obtained.
 3. “Probability of occurrence” is estimated from the results of collected answers to the question in the Basic Survey on Consumer Life; “We would like to ask you about products you bought or services you used in the last year. Did you experience the following cases in the last year?” We asked the said question with regard to the following cases. ① Had Safety or health problems (e.g., injury, illness); ② Function/quality of goods or service quality was worse than expected; ③ They demanded payment significantly higher than expected; ④ Labelling and advertisements were significantly different from actual goods and services; ⑤ I signed a contract or made a purchase owing to problematic sales methods or pitches; ⑥ I encountered problems owing to troubles found in the contract & cancellation; ⑦ I fell victim to fraud and paid (or promised to pay) money to a business; ⑧ Other consumer harm experiences.
 4. The average amount was calculated based on consumer affairs consultation information in each year (registered consultations by January 31 next year).
 5. Note that the awareness survey used for this estimation is based on consumer awareness, so perspectives on consumer harm and problems are different depending on the respondent, and the attitude survey includes errors due to its nature.

Figure I-1-3-3 Transition of average contract/purchase value and average payments made



(Note) Consumer affairs consultation information registered with PIO-NET (as of March 31, 2020).

Figure I-1-3-5 Transition of total payments made (by product/service)



- (Note)
1. Consumer affairs consultation information registered with PIO-NET (as of March 31, 2020).
 2. The product categories (major categories) are “Financial & insurance services”, “Work, construction & processing”, and “Land, buildings & facilities”. “Fund-type investment products” is a product category.

Part 1 Chapter 1 Section 6 Trends in environmental changes that surround consumers

- The growth of the e-commerce market is based on widespread use of the internet in consumer transactions.
- Flea market application programs were introduced in 2012 and has grown into a massive market (639.2 billion yen) within 6 years.
- More cashless transactions by consumers. 84.7% answered that they had been using cashless settlement by December of 2019.

Figure I-1-6-18 Transition of e-commerce (B to C) market size in Japan

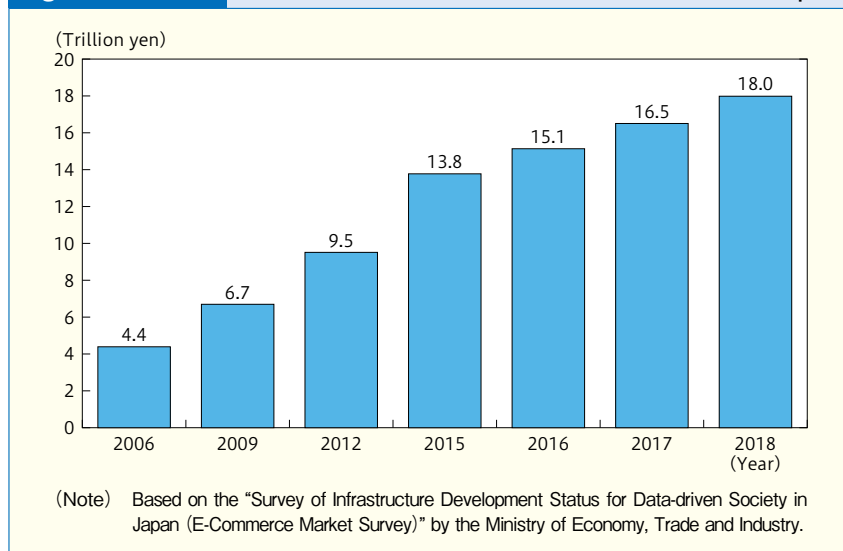
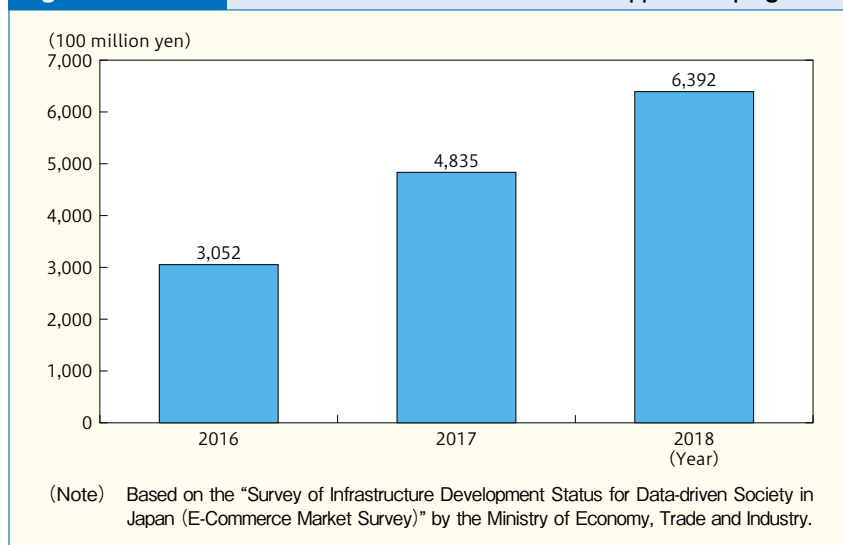
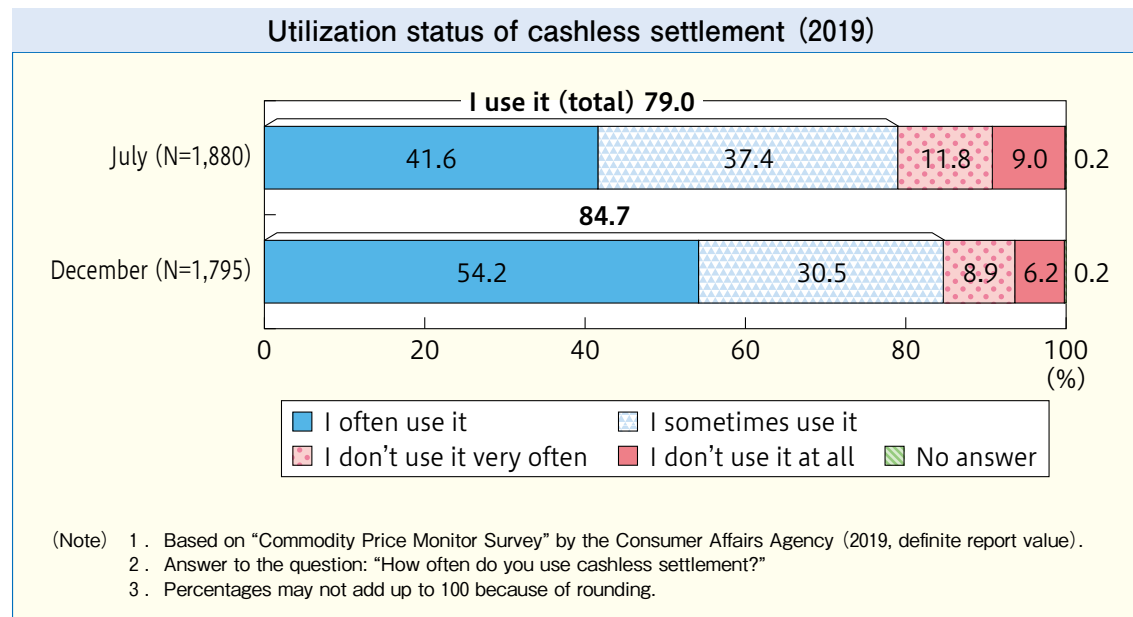


Figure I-1-6-20 Estimated market size of flea market application programs*



Utilization status of cashless settlement (2019)

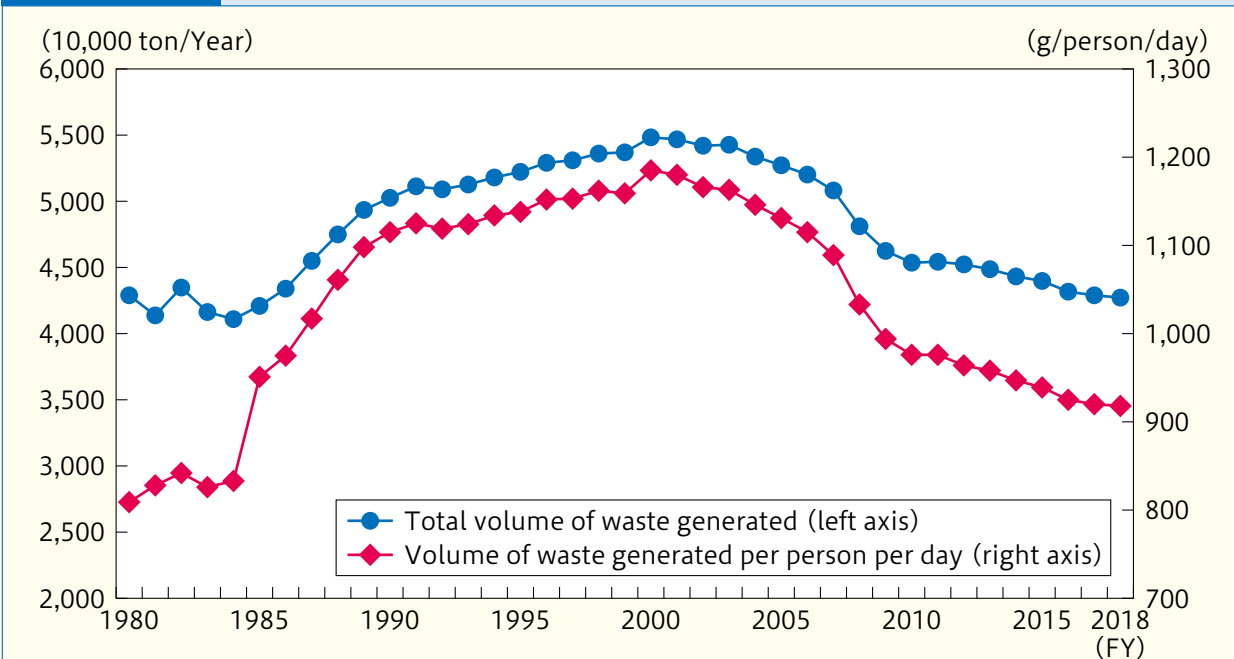


* "Flea market application programs" refer to special applications that allow individuals to casually sell objects like flea markets by using smartphones, etc., allowing purchase and sale between individuals. ("FY2015 Report on infrastructure establishment in preparation for the shift to information/service-based economic society in Japan" by the Ministry of Economy, Trade and Industry (June, 2016)).

[Feature] Part 1 Chapter 2 Section 1 Resources and consumptions from the aspect of daily living

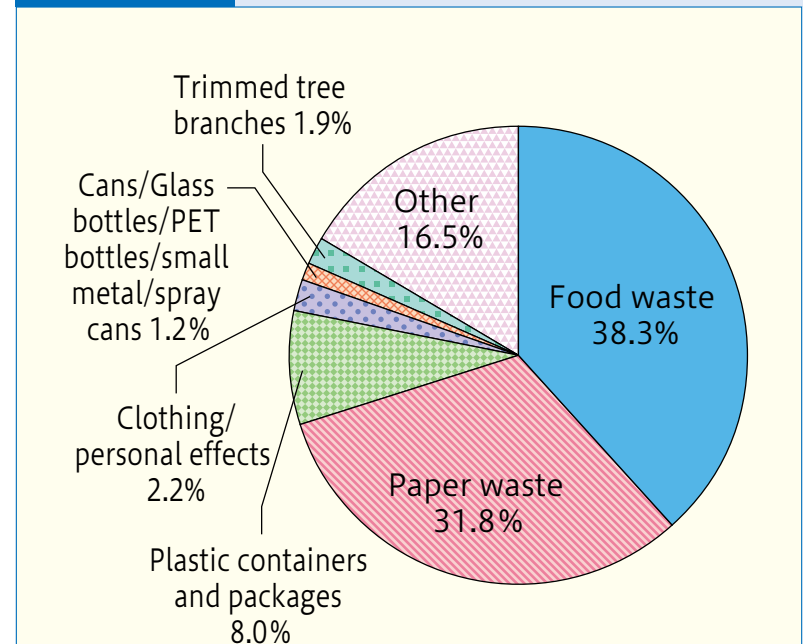
- Social issues, such as resources and environmental issues, are one of the top priority among consumer policies.
- Generation of general waste had been increasing until around 2000, but it has been reducing in recent years. Approximately 900g of waste per person per day is generated.
- Approximately 40% of combustible garbage discharged by households is food waste(city of Kyoto, Kyoto prefecture).

Figure I-2-1-4 Total Volume of Waste Generation and Waste Volume Per Person Per Day



- (Note)
1. Based on "Survey on Disposal of General Waste" by the Ministry of the Environment.
 2. Based on the summary of FY2005 results, "Total volume of waste generated" is the same as "general waste generation volume (planned collection volume + direct transported volume + collective collection volume of recyclable waste)" in the "Basic policy to promote comprehensive and planned policies regarding reduction of waste and other appropriate processing measures" based on the Waste Management and Public Cleaning Act.
 3. Volume of waste generated per person per day is the total volume of waste generated divided by the total population x 365 days or 366 days respectively.
 4. The value used for the total population is the value reported by municipalities (population according to basic resident registers) to the statistics division of the prefecture.
 5. Total population for FY2012 and following years includes foreigner population.

Figure I-2-1-5 Composition of Combustible garbage (weight based) (City of Kyoto)

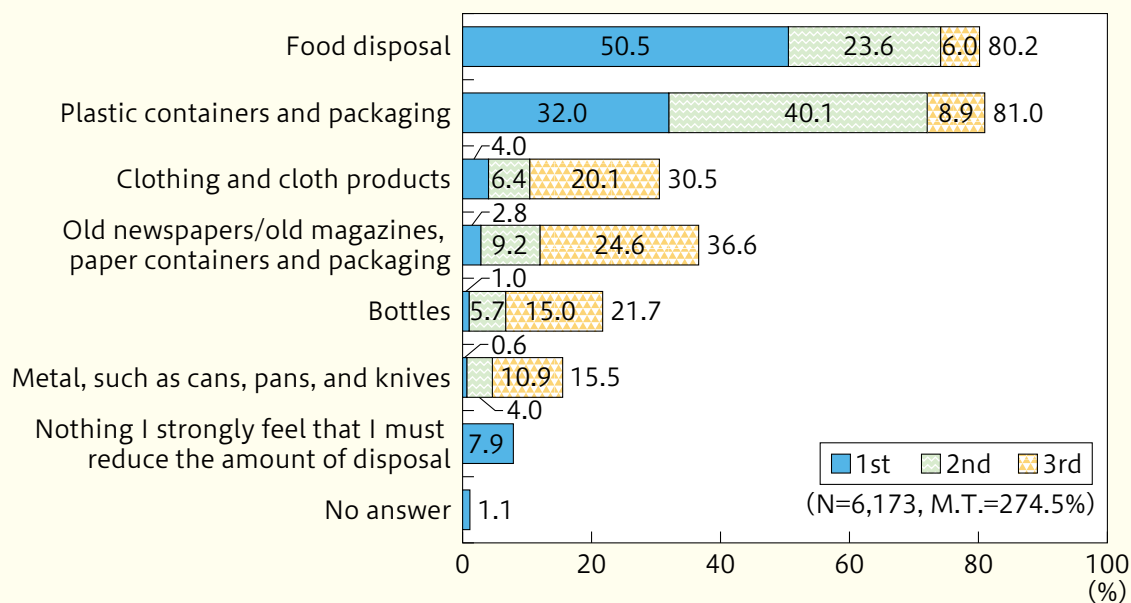


- (Note)
1. Based on "Detailed composition Surveys of household waste" by the City of Kyoto (FY2018).
 2. Percentages may not add up to 100 because of rounding.

[Feature] Part 1 Chapter 2 Section 1 Awareness toward resource/environmental issues

- Consumers' interests are especially high toward food disposal and plastic containers and packaging compared to clothing, waste paper, bottles, cans, etc.
- It is necessary for consumers, business operators, administrations, etc. to cooperate/collaborate and work on these issues as a social problem.

Figure I-2-1-7 What people strongly feel that they must reduce the amount of disposal (in the order of amount)



(Note) 1. Based on "Basic Survey on Consumer Life" by the Consumer Affairs Agency (FY2019).
 2. Answer to the question: "Please choose the top 3 items (in order) that you strongly feel that you "must reduce" the amount of disposal in your daily life".
 3. Percentages may not add up to 100 because of rounding.

[Food loss and waste reduction]

○ October, 2019

Enforcement of the "Act on Promotion of Food Loss and Waste Reduction"

Promotion of food loss and waste reduction as a national movement

○ March, 2020

Cabinet decision on the "Basic Policy of Food Loss and Waste Reduction Promotion"

[Plastic waste reduction]

○ May, 2019

Formulation of the "Resource Circulation Strategy for Plastics"

○ June, 2019

In the G20 Osaka Leaders' Declaration "Osaka Blue Ocean Vision*" was shared.

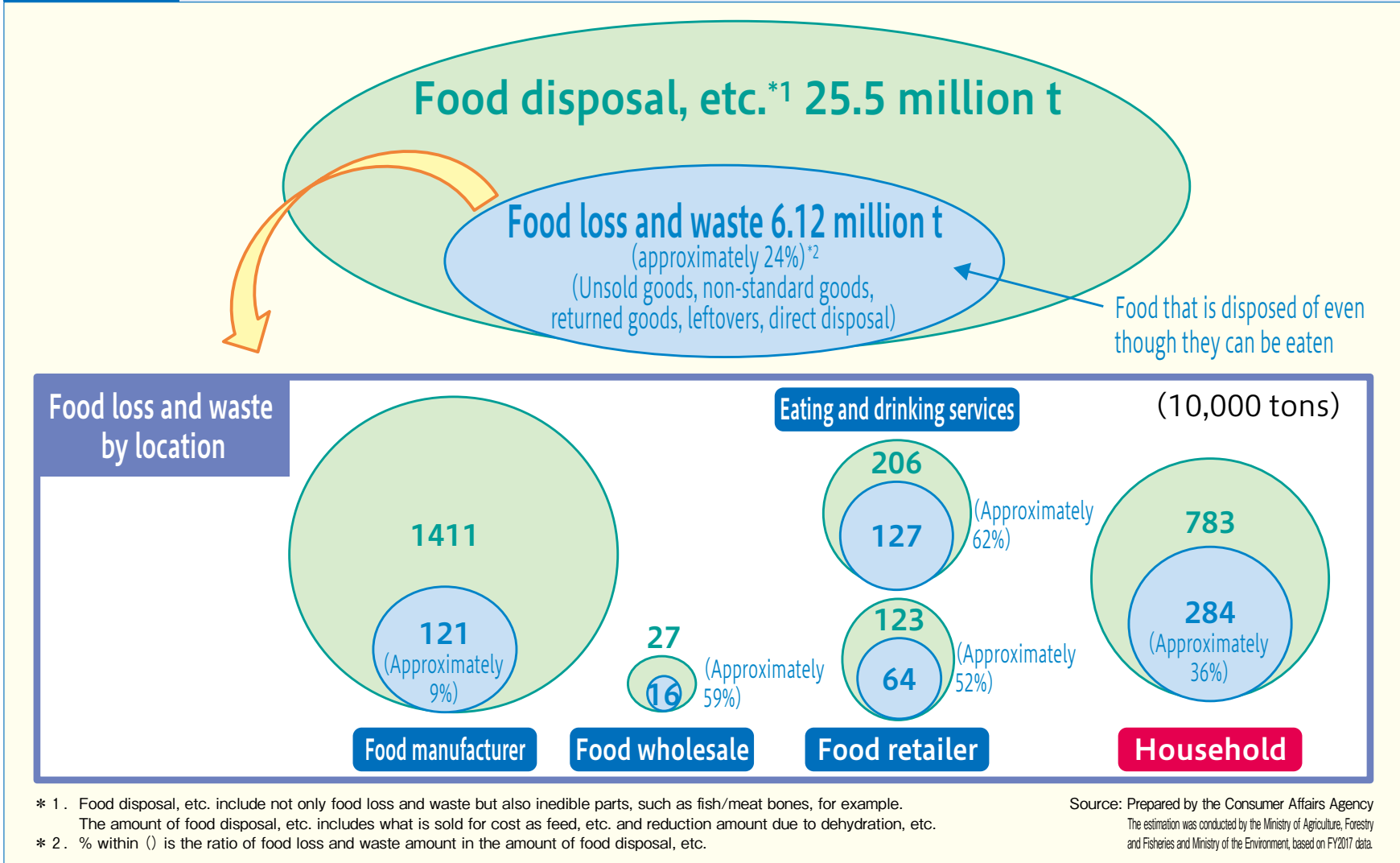
*Declaration to reduce additional pollution made by marine plastic litter to zero by 2050.

Featured theme: Responsibility to create, responsibility to use, and responsibility to reduce
 - Reduction of food loss and waste for sustainable society -

[Feature] Part 1 Chapter 2 Section 2 Situation surrounding food loss and waste

○ In Japan, 6.12 million tons of food loss and waste were generated in FY2017.

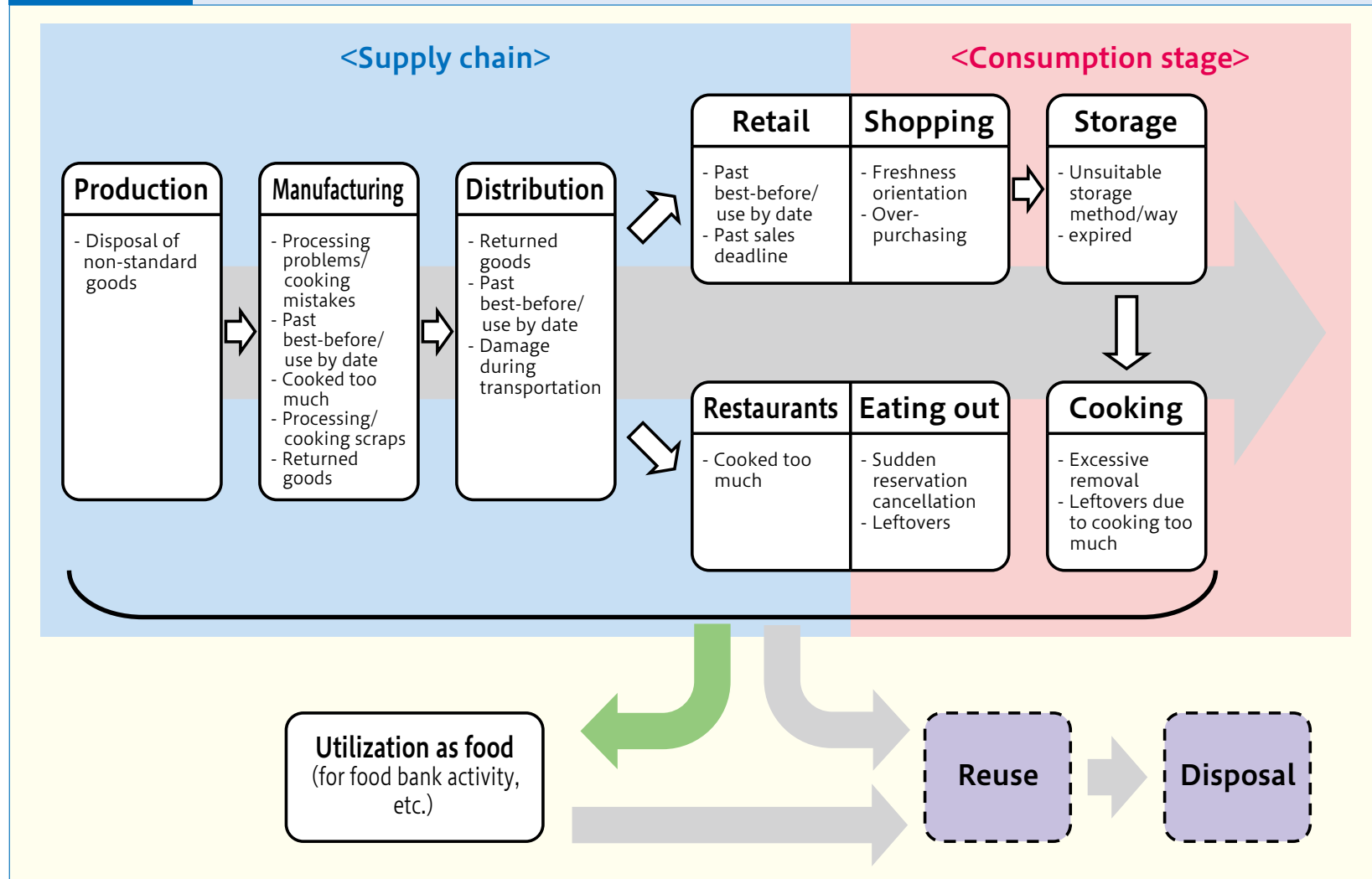
Figure I-2-2-1 Amount of food disposal, etc. and food loss and waste (estimation for FY2017)



[Feature] Part 1 Chapter 2 Section 2 Causes for food loss and waste generation

- Food loss and waste are generated in all stages from beginning to end of food life cycle.
- Food loss and waste in the food supply chains are closely related to consumer's attitude/behavior, such as freshness orientation and their understanding toward defective goods.

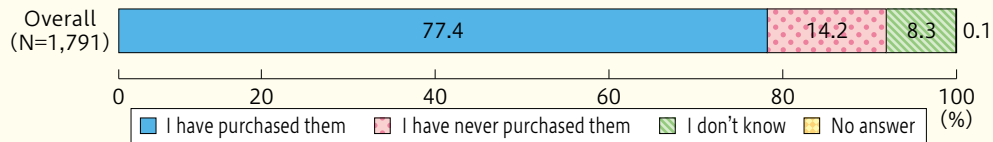
Figure I-2-2-3 Major causes for food loss and waste generation (flow chart)



[Feature] Part 1 Chapter 2 Section 2 Analysis by stage - Production stage/manufacturing stage -

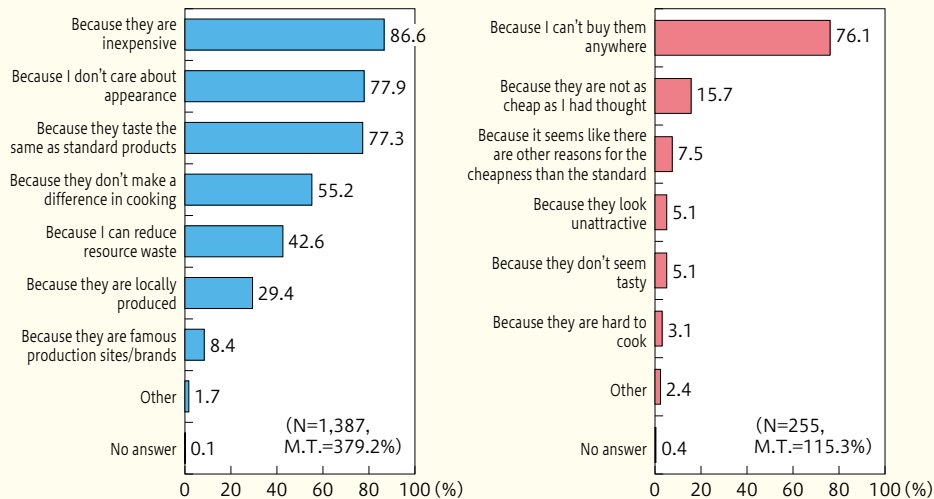
- Approximately 80% of the respondents have purchased non-standard agricultural and marine products.
- There is a possibility that more people would purchase them when consumers easily reach them.

Figure I-2-2-5 Purchase experience for non-standard agricultural and marine products, etc.



- (Note)
1. Based on "Commodity Price Monitor Survey" by the Consumer Affairs Agency (surveyed in February, 2020, definite report value).
 2. Answer to the question: "Have you ever purchased non-standard agricultural and marine products, etc.?"
 3. Non-standard vegetables, fruits that were damaged in natural disasters, etc., fish with low name recognition/fish that were caught too much, etc. are referred to as "non-standard agricultural and marine products, etc." in the question in this survey.
 4. Percentages may not add up to 100 because of rounding.

Figure I-2-2-6 Reasons that they purchased non-standard agricultural and marine products, etc. (left) and reasons that they did not purchase them (right)



- (Note)
1. Based on "Commodity Price Monitor Survey" by the Consumer Affairs Agency (surveyed in February, 2020, definite report value).
 2. (Left figure) Answer to the question (multiple answers accepted): "What were the reasons (among the following reasons) you bought non-standard agricultural and marine products, etc.?" from those who answered "I have purchased them" to the question "Have you ever purchased non-standard agricultural and marine products, etc.?"
 3. (Right figure) Answer to the question (multiple answers accepted): "What were the reasons (among the following reasons) you have never bought (didn't buy) non-standard agricultural and marine products, etc.?" from those who answered "I have never purchased them" to the question "Have you ever purchased non-standard agricultural and marine products, etc.?"
 4. Non-standard vegetables, fruits that were damaged in natural disasters, etc., fish with low name recognition/fish that were caught too much, etc. are referred to as "non-standard agricultural and marine products, etc." in the question in this survey.

Palsystem Consumers' Co-operative Union

In broccoli processing, they normally cut off approximately 45% of the stem part, but the disposal rate is reduced to 25% by leaving the stem longer.



School lunch utilization project that addresses social issues (Ministry of Education, Culture, Sports, Science and Technology)
Local food and non-standard farm products are utilized for school lunch (City of Fukuroi, Shizuoka Prefecture).



Source: "FY2018 Result report for the school lunch utilization project that addresses social issues (Board of Education, City of Fukuroi)" (Ministry of Education, Culture, Sports, Science and Technology)

Nichirei Foods Inc.

Introduced X-ray tests using AI. By improving the test accuracy, they can now accurately detect bones in fried chicken, and reducing the disposal amount by half. They can now detect finer bones in food than before.

(i) 【通常のX線検査機で判定した写真】



※通常のソフトウェアにより、硬骨の検知は出来ているが、重なった部分で誤検知も発生している。

(ii) 【AI選別技術で判定した写真】



※AI選別技術を付加したソフトウェアで判定すると、硬骨の検知のみが可能となる。

Photo by Anritsu Infivis Co., Ltd.

[Feature] Part 1 Chapter 2 Section 2 Analysis by stage - Distribution stage -

- Since multiple parties are involved in the distribution stage, it is important to solve issues by the entire food supply chain.
 - (1) Relaxation of delivery deadlines (revising one-third rule),
 - (2) Labelling of “best before” date by year and month only,
 - (3) Promotion of appropriate ordering of daily foods

(1) Relaxation of delivery deadlines (revising one-third rule)

The one-third rule refers to the business practice that is unique to the food industry, in which the best before date is divided into 3 parts and food manufacturers and wholesalers deliver products to retailers before the end of the first part period.

If the delivery deadline is revised to 1/2 from 1/3.

- Food manufacturers: Unshipped disposal is reduced.
- Logistics center: Amount of products passed delivery deadline is reduced, and returned goods is also reduced.

In addition, we have learned that there is almost no problem, such as store disposal increase, in retail stores for some food. (“Commercial practices examination working team for reducing food loss and waste” of the Ministry of Agriculture, Forestry and Fisheries)

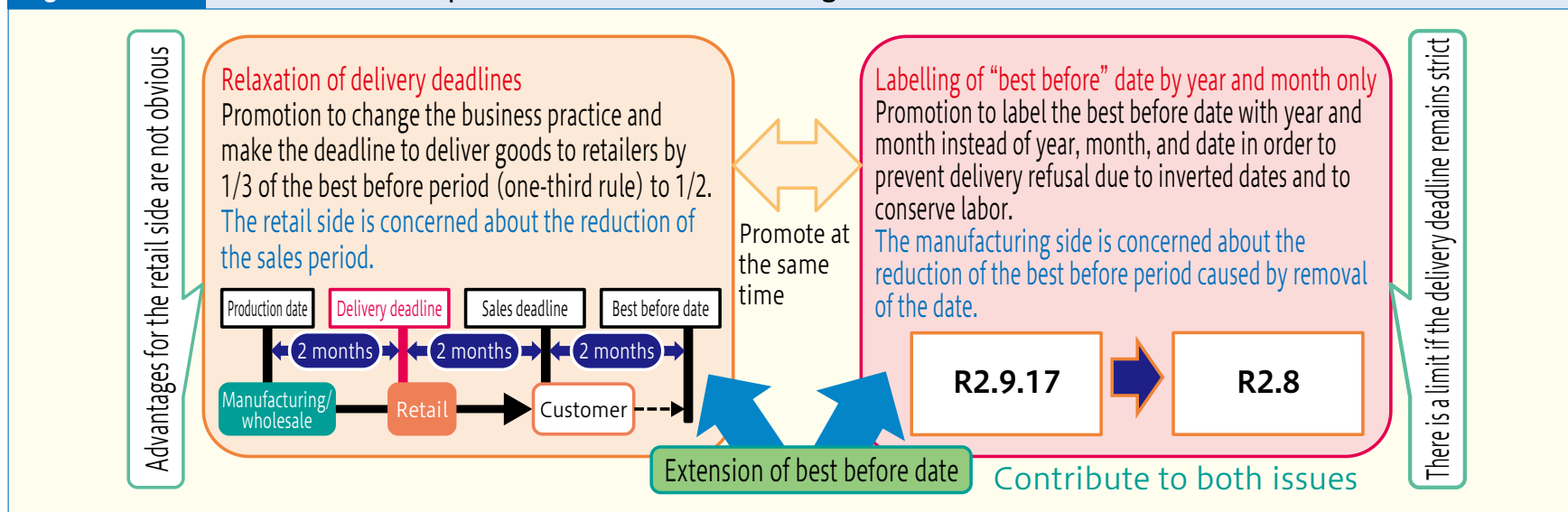
(2) Labelling of “best before” date by year and month only

In the stage of food distribution, food loss and waste are sometimes generated when they can’t deliver products whose best before date is earlier than that of products already delivered (date inversion). By labelling best before date by year and month only, we can reduce the frequency of date inversion occurrence and efficiently distribute the available inventory.

Labelling of “best before” date by year and month only prevents small lot loads by best before date and can effectively improve work efficiency in the distribution industry, leading to the promotion of “white distribution” activities. Also in the wholesale industry, they can store products with the same best before dates in groups, meaning that it can streamline storage spaces, loading work, stocking work, etc.

The Consumer Affairs Agency revised the food labelling standards so that they can also choose the year, month, and 10-day period labelling (beginning/middle/end of the month) in addition to the year, month, and date labelling for the preparation timing, rice polishing time, etc. for brown rice and polished rice in 2020.

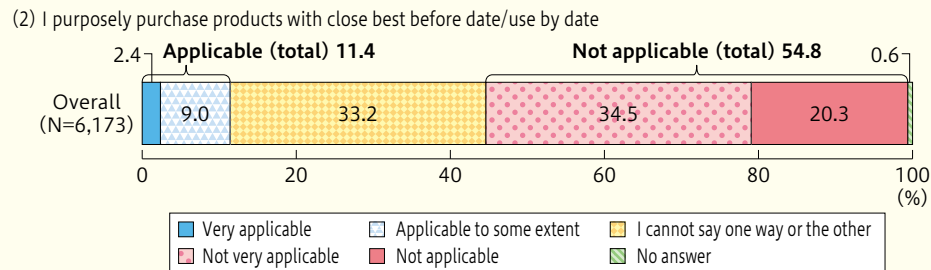
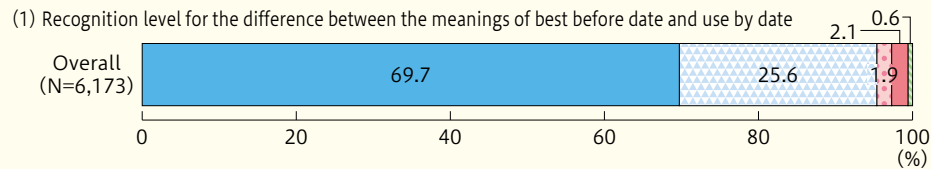
Figure I-2-2-7 Revise of business practice with the aim of reducing food loss and waste



[Feature] Part 1 Chapter 2 Section 2 Analysis by stage - Retail stage -

- In the retail stage, food loss and waste are generated due to mismatched demand/supply expectations and unsold goods due to passing the sales deadline.
- While many consumers understand the meanings of and the difference between the best before date and use by date, they tend to seek fresh food.
- Approximately 60% of consumers buy products close to the best before date/use by date if the price is reduced.
→Selling off methods that are economically advantageous for consumers, such as clearance sales, are also effective.

Figure I-2-2-9 Recognition level for the difference between the meanings of best before date and use by date, and behavior while shopping

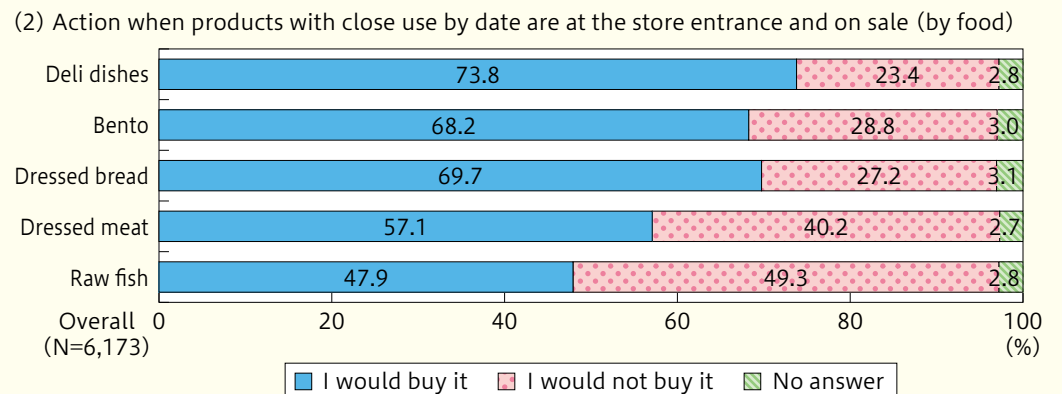
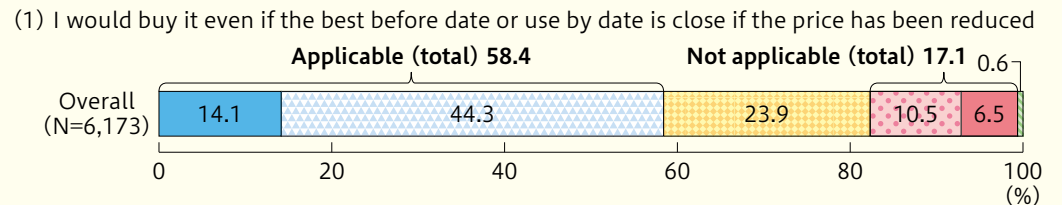


(Note) 1. Based on "Basic Survey on Consumer Life" by the Consumer Affairs Agency (FY2019).
 2. (1) Answer to the question: "Do you know the difference between the meanings of "best before date" and "use by date"?"
 (2) Answer to the question: "I purposely purchase products with close best before date/use by date in stores" under the question "How much of the following items do you think are applicable regarding your daily food and meals?"
 3. Percentages may not add up to 100 because of rounding.

Figure I-2-2-8 Consumer enlightenment material for retail stores (Ministry of Agriculture, Forestry and Fisheries)



Figure I-2-2-10 Response when the price for food close to the best before date/use by date is reduced



(Note) 1. Based on "Basic Survey on Consumer Life" by the Consumer Affairs Agency (FY2019).
 2. (1) Answer to the question: "I would buy it even if the best before date or use by date is close if the price has been reduced" under the question "How much of the following items do you think are applicable regarding your daily food and meals?"
 (2) Answer to the question: "What is your action when products with close use by date are at the store entrance? What if they have been discounted?"
 3. Percentages may not add up to 100 because of rounding.

[Feature] Part 1 Chapter 2 Section 2 Analysis by stage - Eating out stage -

- In the eating out stage, food loss and waste are generated due to excessive amount of cooked food and leftovers by consumers.
- While approximately 90% of consumers agree to taking food home, only approximately 20% have brought food home.

In food service industries, approximately 62% of the food disposal, etc. is estimated to be from food loss and waste, which is the largest number compared to other industries.

*Estimation for FY2017 (Ministry of Agriculture, Forestry and Fisheries)

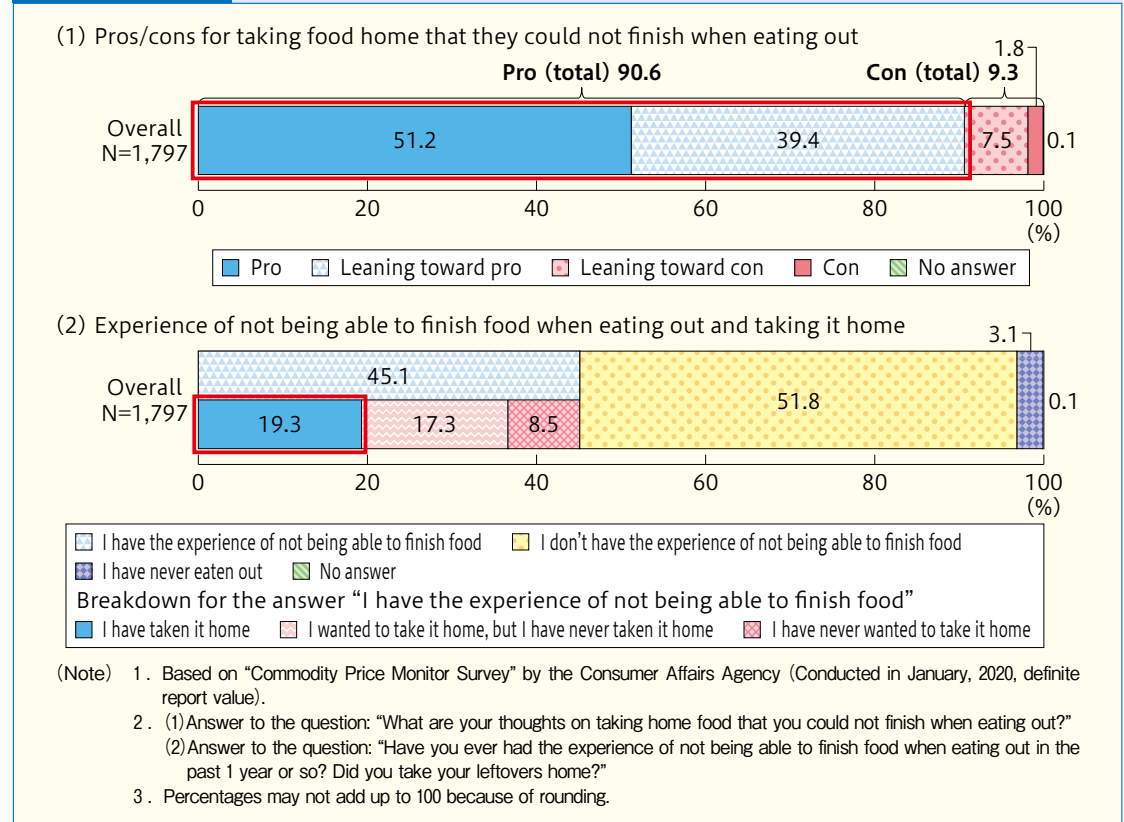
[Action]

The most important action is to enjoy and eat all of the food that was provided.

If they cannot finish the entire dish, it is also effective to take it home.

Business operator	Consumer
Introduce small portion menus	Order appropriate amount
Give incentives for no leftovers	Promote no leftover campaigns
Take action for customers taking leftovers home	Take leftovers home

Figure I-2-2-13 Pros/cons for taking leftovers home and experience



Container to take leftovers home

Ministry of the Environment, Consumer Affairs Agency, and Ministry of Agriculture, Forestry and Fisheries held the "New Doggy Bag Idea Contest" to recruit ideas to disseminate and establish the culture of taking leftovers home from restaurants in Japan (March, 2020).

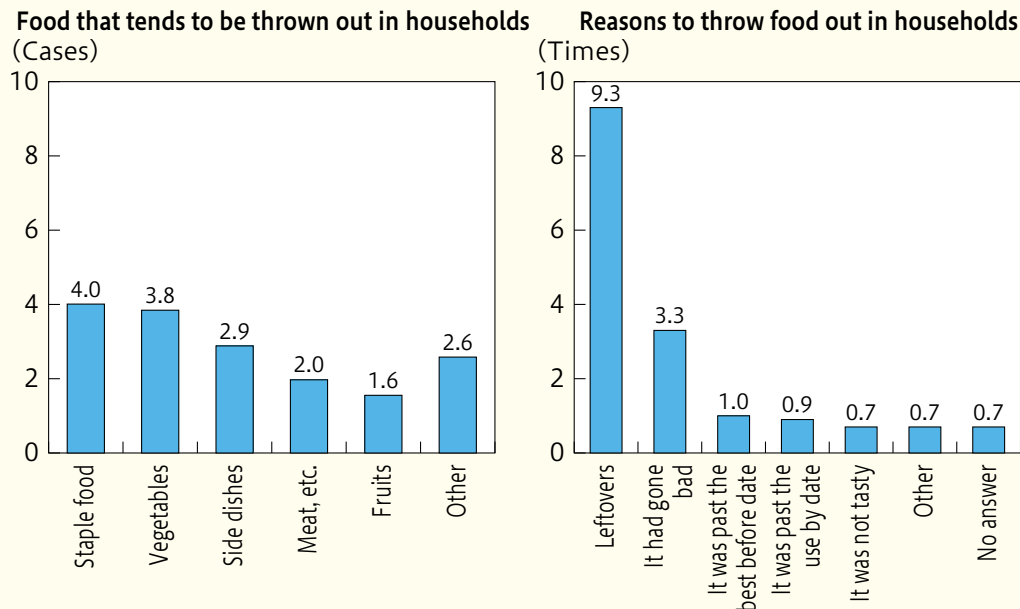
Sticker that allows businesses to indicate "leftovers can be taken home" to consumers (prepared by the Doggie Bag Promotion Committee)



[Feature] Part 1 Chapter 2 Section 2 Analysis by stage - Household consumption stage 1 -

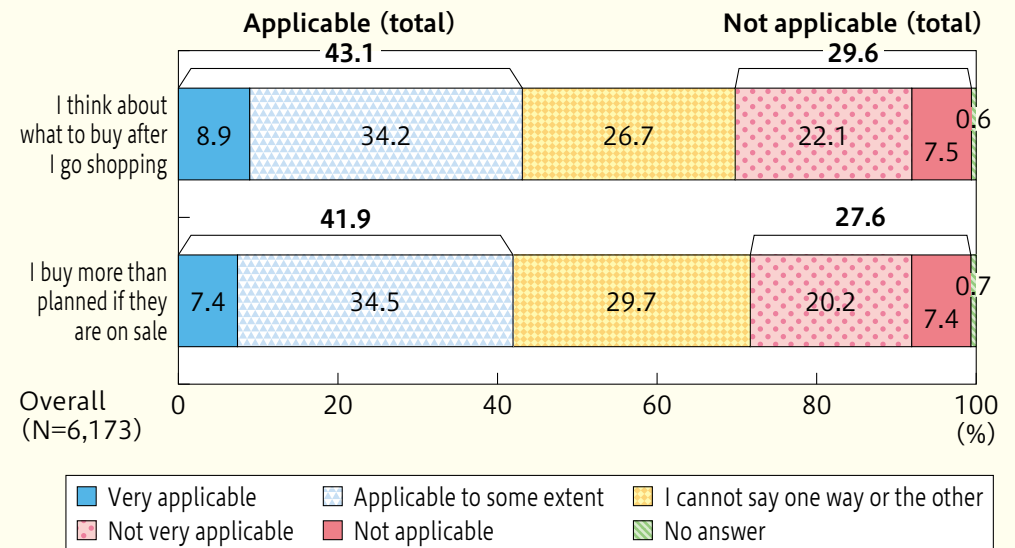
- 2.84 million tons, which amount to approximately 46% of the food loss and waste, are estimated to be generated in households.
- It is important for consumers to promote food loss and waste reduction in the methods suitable for individuals' lifestyles.
- Major food that tends to be thrown out in households (in the order) is “staple food (rice, bread, noodles)”, “vegetables”, and “side dishes”. The reasons for throwing them out (in the order) are “leftovers”, “it had gone bad”, “it was past the best before date”, and “it was past the use by date.”
- If they don't buy what they don't need in the first place, they would not generate food loss and waste by not being able to use it up.

Figure I-2-2-20 Food that tends to be thrown out in households (left) and reasons to throw them out (right)



(Note) 1. Based on “Report for the survey on the action for food loss and waste reduction in Tokushima Prefecture (FY2017)” (2018) by the Consumer Affairs Agency.
 2. Number of food disposal cases by type (left diagram) and number of cases by reason (right diagram) per answering monitored household regarding food (excluding beverage) that was disposed of during the survey period (4 weeks)

Figure I-2-2-21 What people are conscious about in daily shopping (food loss and waste-related)

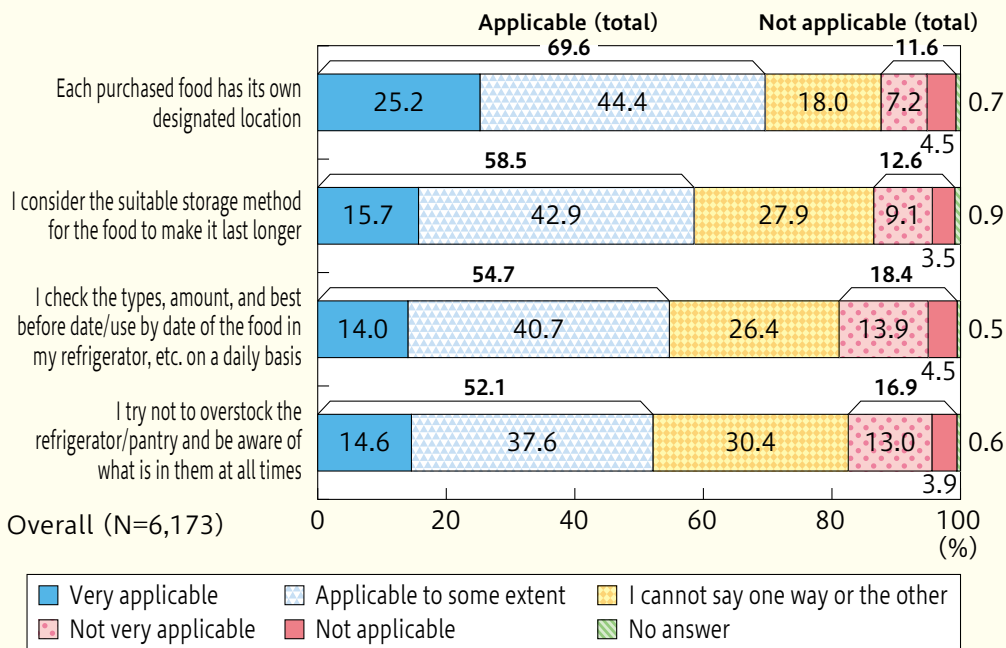


(Note) 1. Based on “Basic Survey on Consumer Life” by the Consumer Affairs Agency (FY2019).
 2. Answer to the question: “How much of the following items do you think are applicable regarding your daily food and meals?”
 3. Percentages may not add up to 100 because of rounding.

[Feature] Part 1 Chapter 2 Section 2 Analysis by stage - Household consumption stage 2 -

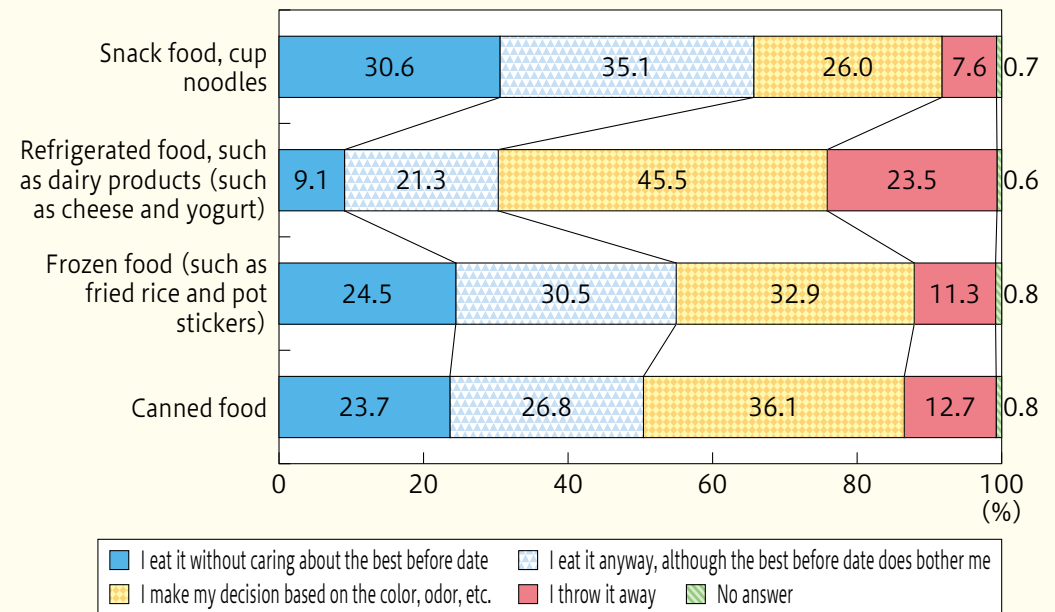
- By learning about how to organize food when storing and each storage method suitable for each food and practicing, over-purchasing and allowing the best before date/use by date to pass can be prevented.
- Even if the food has gone past the best before date, it is important for consumers to determine whether or not it is edible.

Figure I-2-2-24 Awareness toward food storage in households



- (Note) 1. Based on "Basic Survey on Consumer Life" by the Consumer Affairs Agency (FY2019).
 2. Answer to the question: "How much of the following items do you think are applicable regarding your daily food and meals?"
 3. Percentages may not add up to 100 because of rounding.

Figure I-2-2-25 Action for food past the best before date



- (Note) 1. Based on "Basic Survey on Consumer Life" by the Consumer Affairs Agency (FY2019).
 2. Answer to the question: "What is your action for food past the best before date?"
 3. Percentages may not add up to 100 because of rounding.

[Feature] Part 1 Chapter 2 Section 2 Analysis by stage - Household consumption stage 3 -

- The Consumer Affairs Agency conducted a demonstration survey for activities to contribute to reduction of food loss and waste in 2018 and conducted a follow-up survey in the following year.
- Raising “mottainai” awareness and economic motivation are effective to reduce food loss and waste.

Survey on the action for food loss and waste reduction in Tokushima Prefecture (2018)

<Overview>

Approximately 100 monitored households were divided into “intervened group”, in which activities to reduce food loss and waste were promoted, and “non-intervened group”, in which activities were not promoted. Households in both groups were requested to weigh and record the food loss and waste from the household.

<Result>

Intervened group: Reduced the amount of food loss and waste by approximately 40%

Non-intervened group: Reduced the amount of food loss and waste by approximately 20%

→Even only the “weighing” and “recording” are effective in reducing food loss and waste.

When we converted food loss and waste into monetary amount in the intervened group, it led to money saving of 2.5 yen per household per day.

Follow-up for the “Survey on the action for food loss and waste reduction in Tokushima Prefecture (2019)”

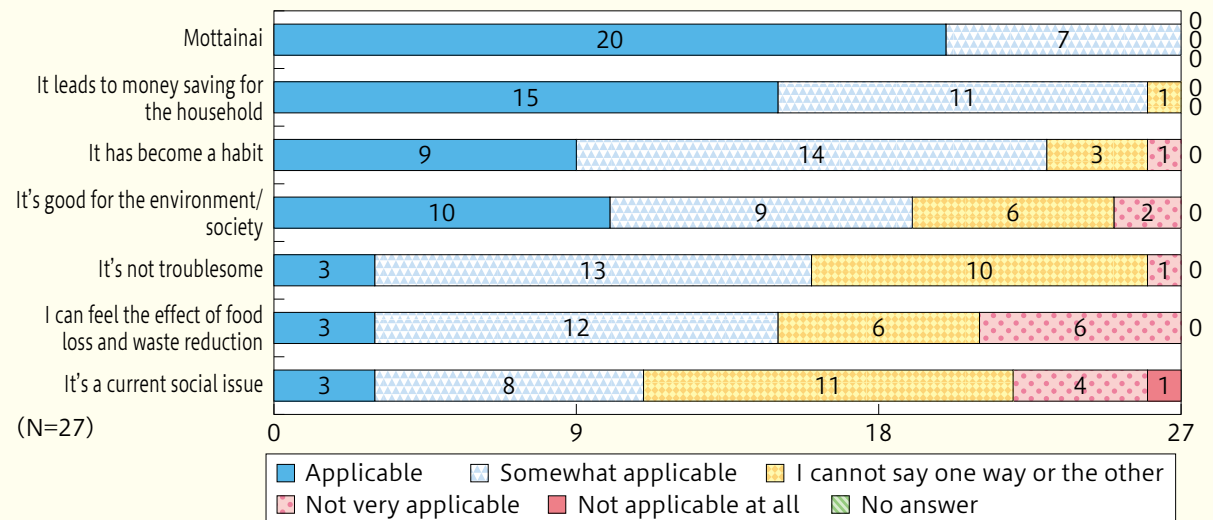
<Overview>

Studied changes in awareness/behavior, activities, and weighing situation in households that cooperated with the survey.

<Result>

While only approximately 10% of the people who cooperated with the survey continue to weigh food loss and waste amount, most of them continue to promote the efforts to reduce it. Main reasons for continuing to promote the efforts are “Mottainai” and “It leads to money saving for the household.”

Figure I-2-2-31 Efforts to reduce food loss and waste/reasons for the efforts (intervened group)



(Note) 1. Based on “Follow-up for the “survey on the action for food loss and waste reduction in Tokushima Prefecture (FY2017)” (Conducted in October, 2019).
 2. Displayed in the order of the total number who answered “Applicable” or “Somewhat applicable” among 5 options to the question “What is the reason you are currently promoting the efforts?” Excluding one household that did not answer among the 28 households in the intervened group.

[Feature] Part 1 Chapter 2 Section 2 Analysis by stage - Effective utilization stage -

- Foods supposed to be disposed even in good quality can be effectively utilized by delivering to people in poverty, children's cafeteria, stricken areas on disasters and other places where food is needed.
- Food banks have some issues such as weak management bases, lack of public recognition, risks accompanied by food donation, and necessary to collaborate with various organizations.

[Food bank activities]

Activities to receive food that is still edible, such as unused food, from food related business operators and other parties and to provide the food to those who cannot sufficiently obtain necessary food due to poverty, disasters, etc.

[Food drive activities]

Activities promoted by various organizations/bodies, such as schools, workplaces, and other groups, in which they collect unused food from households and donate the collected food to food bank, welfare facilities, etc.

Figure I-2-2-35 Transition of the number of domestic food banks (left) and the ratio of the number of food banks by the amount of food handled (right)

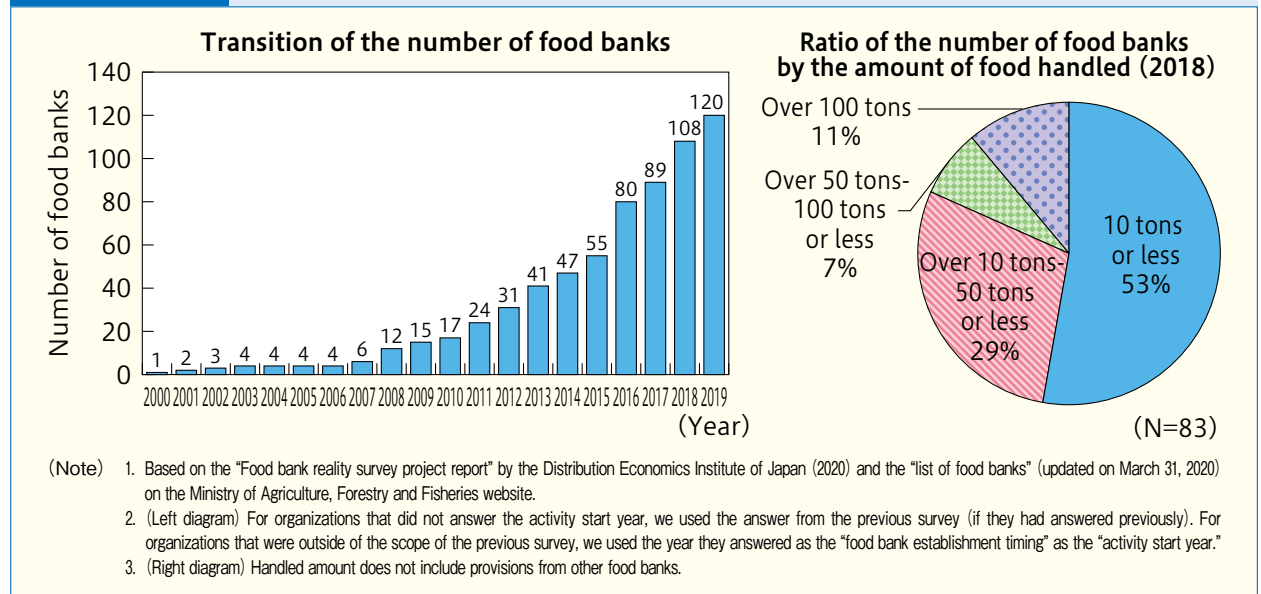


Figure I-2-2-36 Recognition level of food bank activities

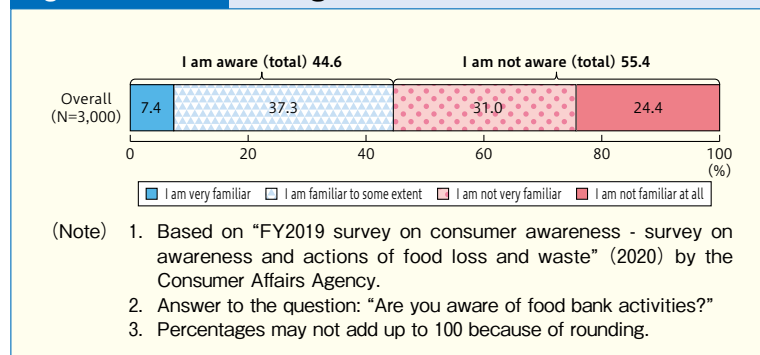
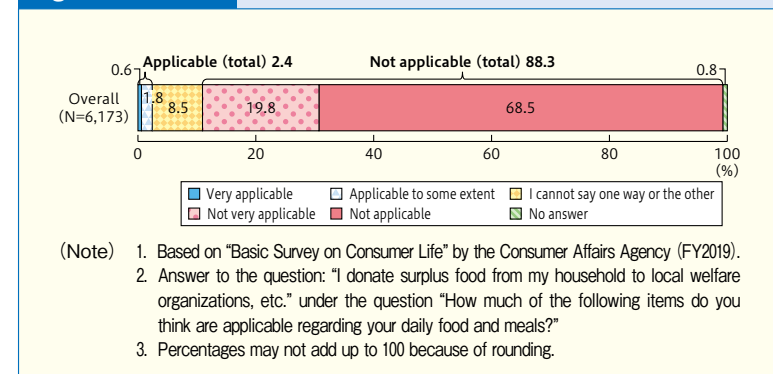


Figure I-2-1-37 Promotion status of food drives



[Feature] Part 1 Chapter 2 Section 2 In order to promote food loss and waste as a national movement

- Reduction of food loss and waste is a familiar issue that everyone can promote. Various organizations are collaborating and promoting their efforts as a national movement.
- Not limited to steady promotion activities to consumers, new business models connecting various organizations have also been started.
- Administrators (national and local governments) actively proposes food loss and waste reduction, and arrange for schemes to support all subjects to participate easily in the movements.

Zenkoku Seikatsu Gakko Renraku Kyogikai/National Life Committee /Association of Creating Future

Promotes the “national movement to reduce food loss and waste ” by utilizing community-based organizations

- They prepare and distribute “recipes” using food that tends to result in food loss and waste.
- They established the first day of each month as the “food loss and waste review day” and promote the activities to weigh the food loss and waste and record in the “own reduction household accounts book.”
- They promote food drives by utilizing community-based organizations.



They “match” various organizations to reduce food loss and waste

「tabeloop」

Matching to connect primary industry producers and consumers to create communication

「KURADASHI」

They sell edible products that cannot be sold in stores, such as food that has past the sales deadline, and donate part of the sales to social contribution organizations.

「TABETE」

TABETE matches surplus food at restaurants and food services with users who are willing to eat them.

Better Home Association

They introduce the knowledge regarding storage/cooking of food in households based on scientific reasoning

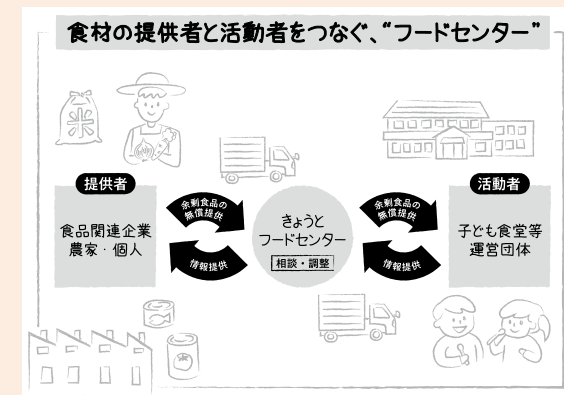
- They offer consumer education in the food field through cooking classes, publications, etc.
- They promote events, such as commemoration days and senryu poem collection, as part of “activities to treasure food.”
- They introduce food storage methods and ideas on not wasting food that tends to become surplus (Book to prevent wasting precious food).
- They introduce freezing/thawing methods based on scientific reasoning (Positive freezing book).



Kyoto Food Center

They commission children support projects to social welfare committees and operate food banks.

- Japan’s first system in which an administration matches food providers and recipients



[Feature] Part 1 Chapter 2 Section 3 Actions to reduce plastic waste and consumers' awareness



○ It is important to reduce unnecessary use of plastic and use it intelligently and skillfully.

[Current situation]

- Plastic has contributed to the development of the industrial world and the solution of social issues through its functional sophistication.
- On the other hand, it also comes with issues, such as fossil fuel consumption and marine plastic litter.

[Action]

- Not only promote 3R of plastic but also switch to recycled materials and renewable resources

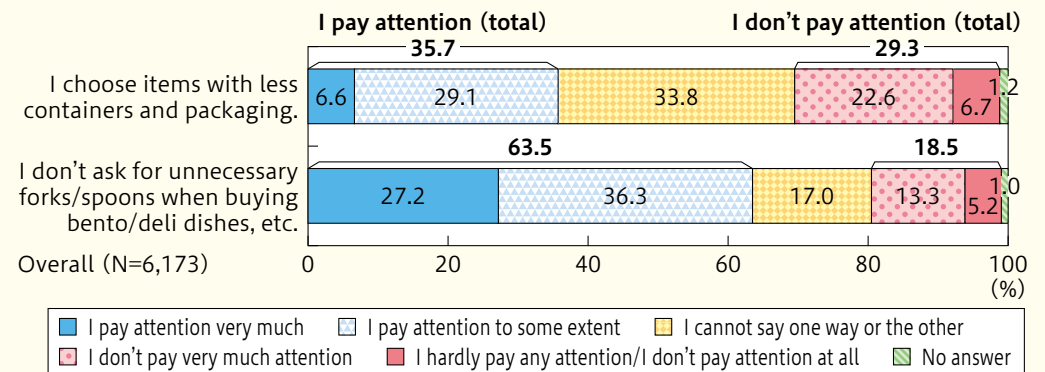
*3R: Reduce, Reuse, and Recycle

- (1) Thorough promotion of reduction, etc.
→Thoroughly reduce plastic that is unnecessarily used/disposed of
- (2) Effective/efficient and sustainable collection/recycle
→Disseminate/enlighten the concept of “If mixed together, its garbage. If separated, it's a resource.”
- (3) Promotion of use of recycled materials/bioplastic

Charged plastic bags at stores

Starting on July 1, 2020, plastic shopping bags will be for charge throughout the country. Through this effort, we aim to reform consumers' lifestyles and control excess use.

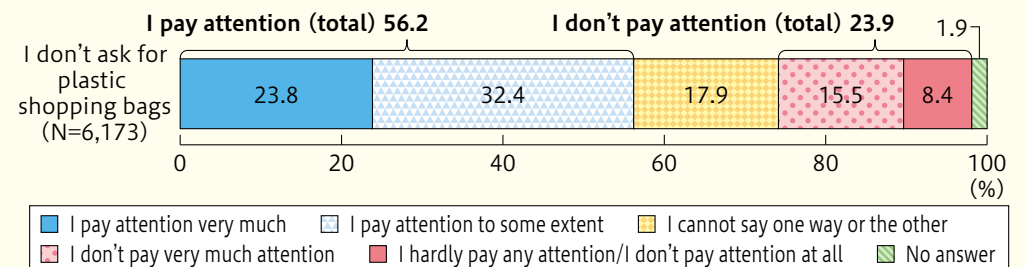
Figure I-2-3-6 Awareness regarding one-way plastic containers and packaging/products when shopping



(Note) 1. Based on “Basic Survey on Consumer Life” by the Consumer Affairs Agency (FY2019).
2. Answer to the question: “How much of the following items do you pay attention to in your daily shopping?”
3. Percentages may not add up to 100 because of rounding.

(One way: Completing its use when used once in principle)

Figure I-2-3-7 Awareness regarding plastic shopping bags when shopping



(Note) 1. Based on “Basic Survey on Consumer Life” by the Consumer Affairs Agency (FY2019).
2. Answer to the question: “How much of the following items do you pay attention to in your daily shopping?”
3. Percentages may not add up to 100 because of rounding.

[Feature] Part 1 Chapter 2 Section 3 Efforts to reduce plastic waste

○ In order to reduce plastic waste, efforts through cooperation of business operators, consumers, administrations, etc. are important.

Kao Corporation

They reduce the usage of plastic package through “Refills/Replacements”.

- They declared “Our Philosophy & Action on Plastic Packaging” and promote reduction, etc. of plastic usage through various efforts.
- Plastic volume used in “Refills/Replacements” is approximately 1/6 of the conventional detergent bottle.

Volume comparison (Same number of loads)
From the right: (1) Conventional laundry detergent bottle (2) Compact laundry detergent bottle (3) Refill package



iKasa (Nature Innovation Group)

Global environment-friendly umbrella sharing economy

- Umbrella sharing service with the concept of providing “experience of staying dry.”
- For business operators, customer attraction effect is expected due to increased convenience for users.
- For users, it not only leads to money saving but also leads to reduction of waste, as unnecessary plastic umbrellas do not accumulate in households.



SEVEN-ELEVEN JAPAN CO.,LTD

They have realized circulating PET bottle recycling scheme in-store collection for the first time in the world.

- They install PET bottle reverse vending machine in stores.
- They give reward points to cooperating consumers according to the PET bottles they inserted.
- They collaborate with some local public organizations and promote the efforts through industry-public-private collaboration.
- The bottles are made from 100% recycled plastic bottles which are collected in only 7&i Group.

PET bottle volume reduction collection machine installed in stores



Tochigi Prefecture

Japan’s first plastic waste zero declaration by a prefecture and all municipalities in the prefecture

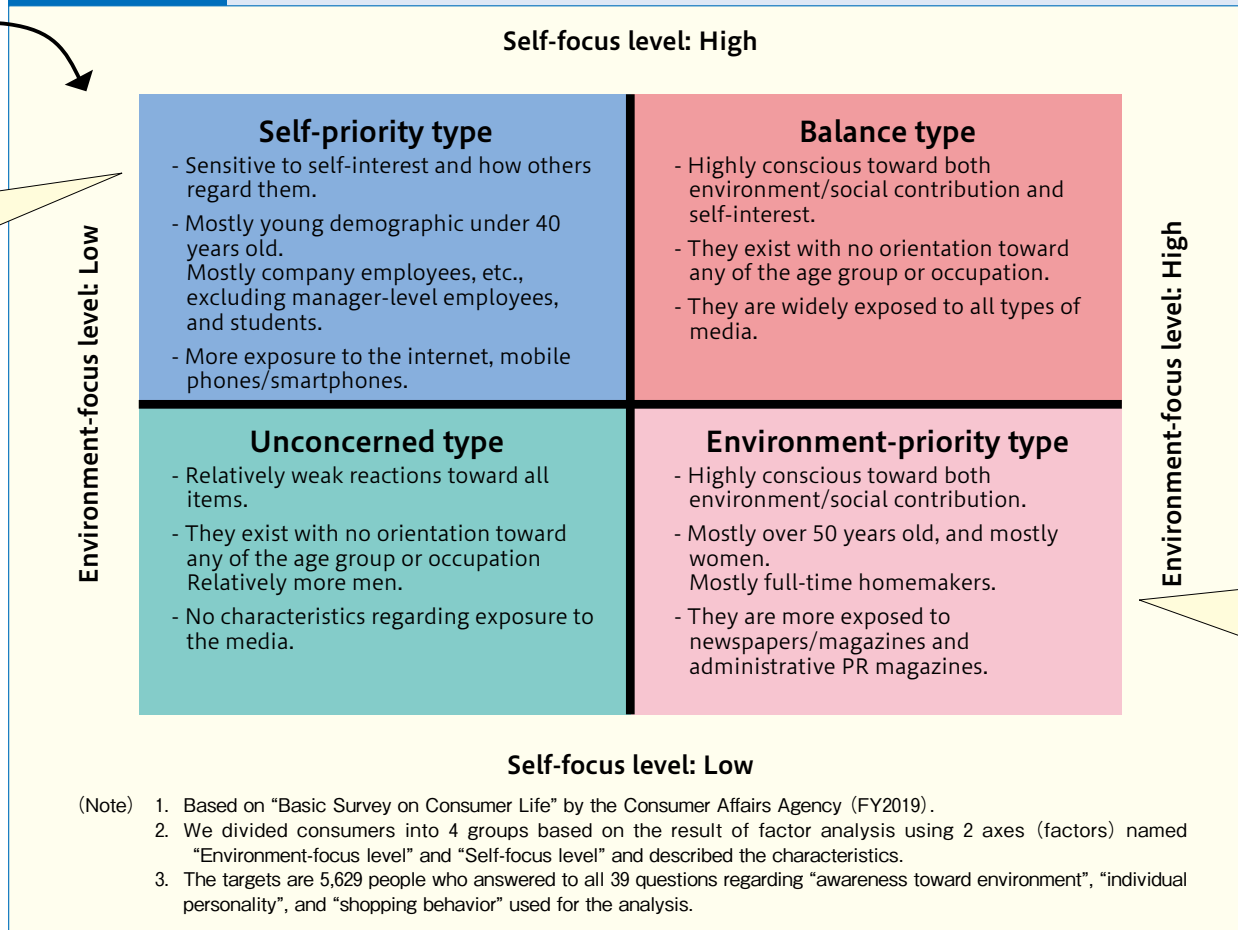
- In August of 2019, the prefecture and all 25 municipalities in the prefecture “Tochigi's Declaration of Zero Plastic Waste in Forests, the Countryside, Rivers, and Lakes.”
- They promote the “prefectural office share bag” project, in which unnecessary eco bags are effectively used (reused/shared)
- They promote a demonstration project regarding the use of straws using biodegradable plastic.



[Feature] Part 1 Chapter 2 Section 4 Analysis by consumer type 1

- We asked questions regarding “environmental awareness”, “personality”, and “shopping behavior” to consumers and divided them into groups according to the answer pattern.
- We were able to divide consumers into 4 types, using 2 axes of awareness toward environment and awareness toward self-interest.

Figure I-2-2-33 4 types of consumers and their characteristics



Divided 5,629 consumers by attitude/behavior

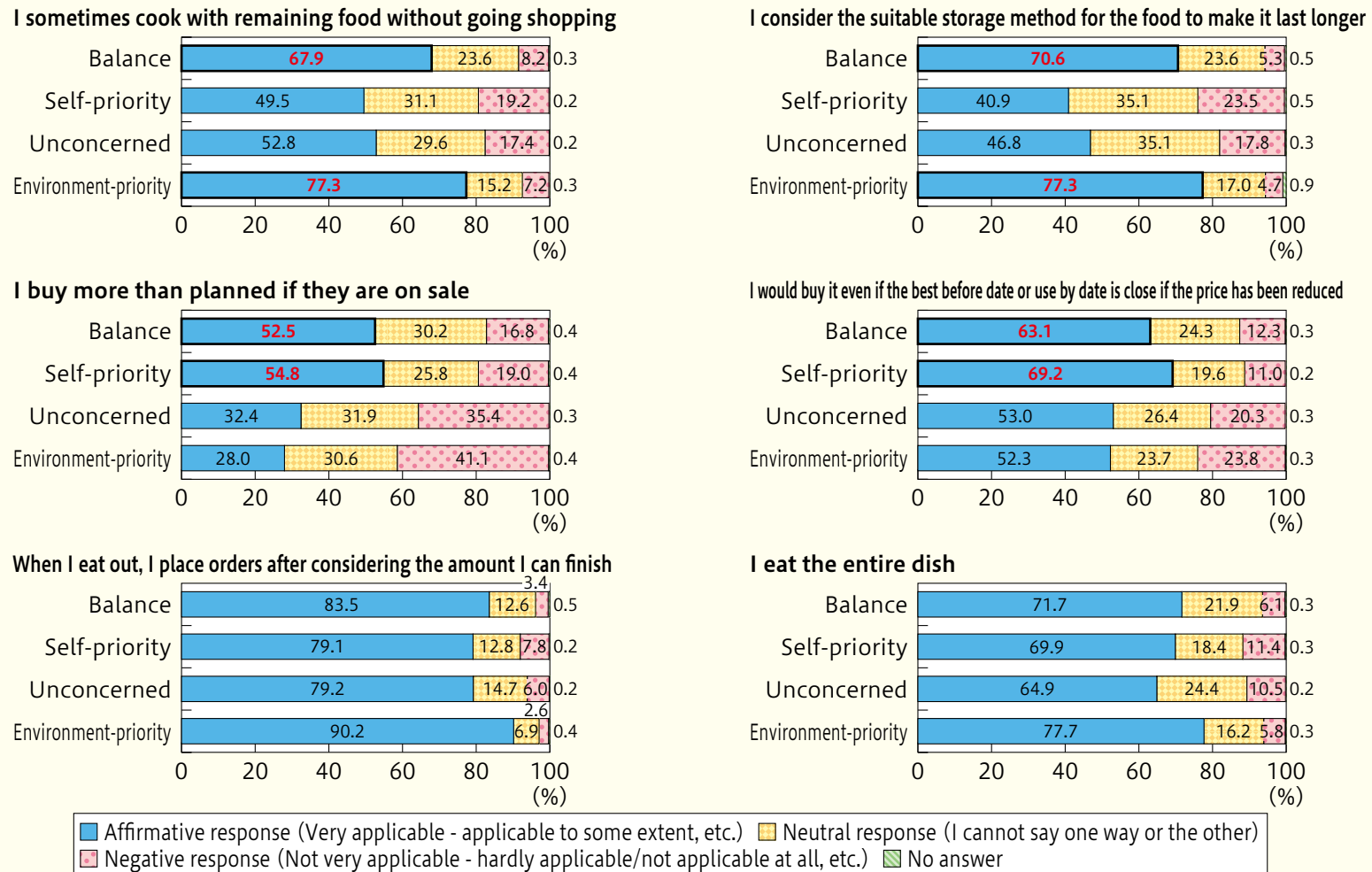
<Items that received active responses>
 - “I rather act by considering loss and gain.”
 - “How others regard me is a concern.”
 - “I would buy it even if the best before date or use by date is close if the price has been reduced”, etc.

<Items that received active responses>
 - “I choose food/products with marks for environmental soundness.”
 - “I don’t ask for plastic shopping bags.”
 - “I sometimes cook with remaining food without going shopping.”
 - “I consider the suitable storage method for the food to make it last longer”, etc.

[Feature] Part 1 Chapter 2 Section 4 Analysis by consumer type 2

- “Environment-priority type” and “balance type” had more active responses regarding utilization of remaining food and storage method planning.
- “Self-priority type” and “balance type” were more sensitive toward “sense of value”. They respond to sales and discounts for close best before date and use by date.

Figure I-2-2-34 Response to questions related to food loss and waste reduction

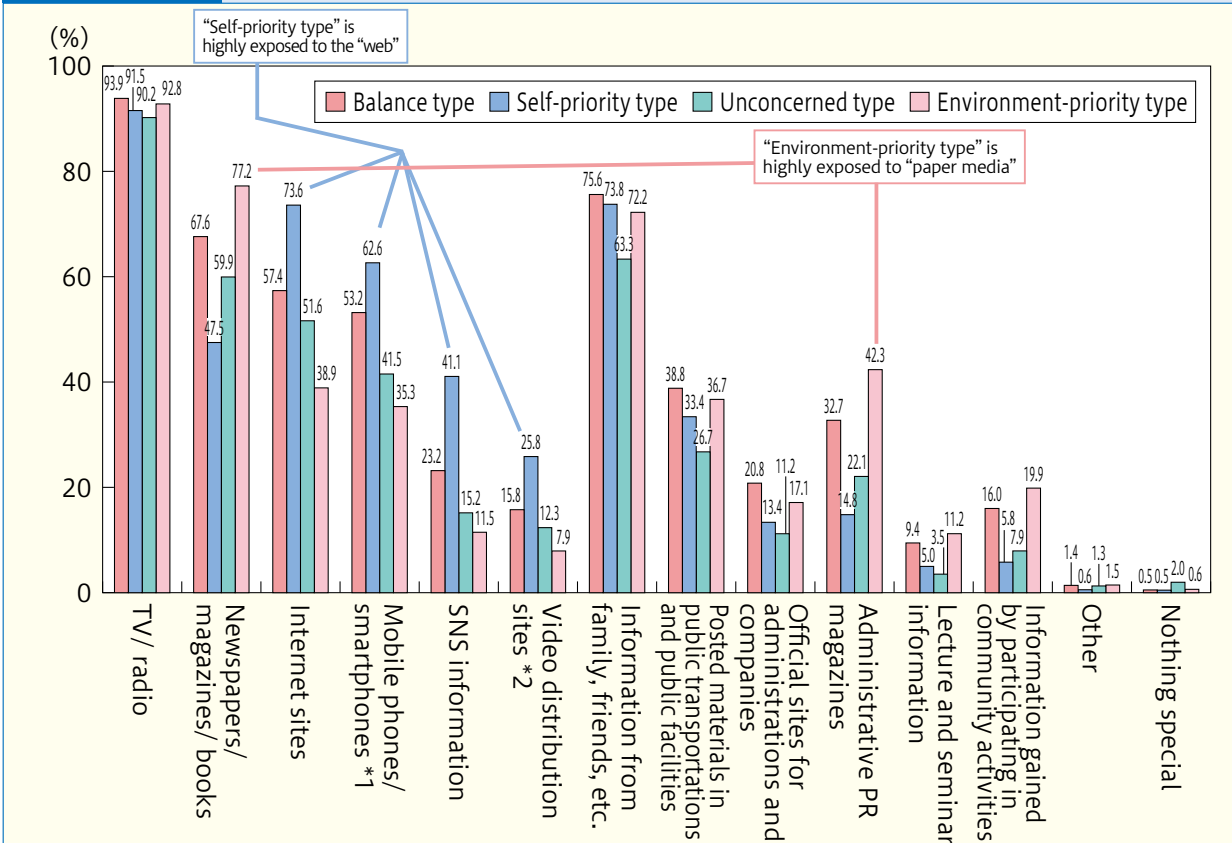


- (Note)
1. Based on “Basic Survey on Consumer Life” by the Consumer Affairs Agency (FY2019).
 2. We divided consumers into 4 groups based on the result of factor analysis using 2 axes (factors) named “Environment-focus level” and “Self-focus level” and tabulated answers by group.
 3. The targets are 5,629 people who answered to all 39 questions regarding “awareness toward environment”, “shopping behavior”, and “individual personality” used for the analysis.
 4. Size of each group was: “Balance type”: n=1,726, “Self-priority type” n=1,242, “Unconcerned type”: n=1,563, and “Environment-priority type”: n=1,098
 5. Percentages may not add up to 100 because of rounding.

[Feature] Part 1 Chapter 2 Section 4 Analysis by consumer type 3

- We were able to gain the hints to provide enlightenment suitable to consumers' characteristics and behavioral patterns.
- This is also considered effective for business operators to transmit their own efforts, etc. contributing to social issue solution.

Figure I-2-4-2 Media exposure status



- (Note)
1. Based on "Basic Survey on Consumer Life" by the Consumer Affairs Agency (FY2019).
 2. Regarding the answers (multiple answers accepted) for the question "Where (from what) do you obtain or see/hear information to pay attention to (such as information on frauds, malicious business methods, and product safety) in your daily life?", we divided consumers into 4 groups based on the result of factor analysis using 2 axes (factors) named "Environment-focus level" and "Self-focus level" and tabulated answers by group.
 3. The targets are 5,629 people who answered to all 39 questions regarding "awareness toward environment", "shopping behavior", and "individual personality" used for the analysis.
 4. Size of each group was: "Balance type": n=1,726, "Self-priority type" n=1,242, "Unconcerned type": n=1,563, and "Environment-priority type": n=1,098
 5. *1. Notifications in mobile phones/smartphones and news app information
*2 Video distribution sites, such as YouTube, Abema TV, and Niconico
 6. No answer included: "Balance type": 0.1%, "Self-priority type" 0.0%, "Unconcerned type": 0.3%, and "Environment-priority type": 0.1%

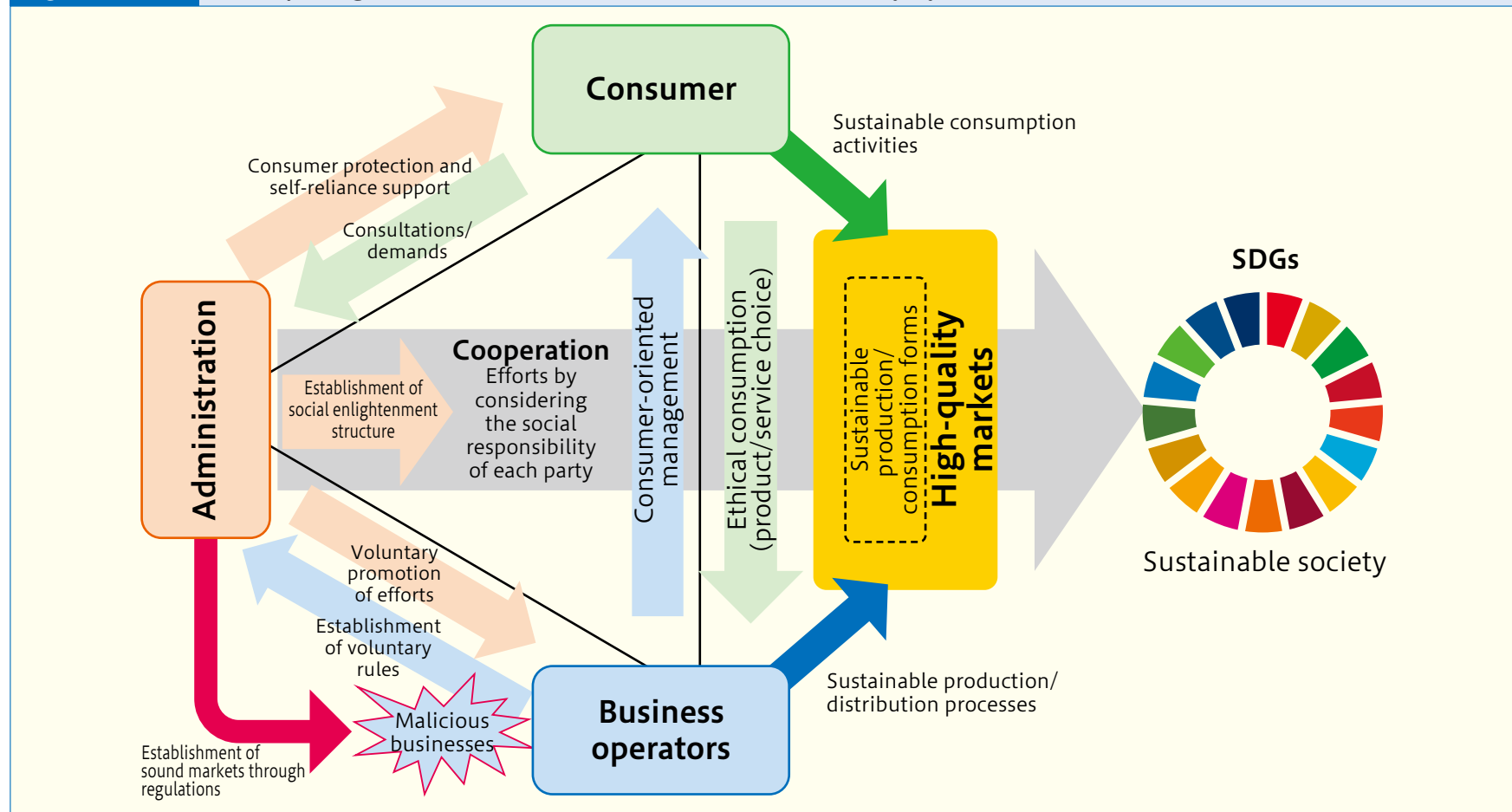
[Enlightenment method by consumer type]

- For "self-priority type":
Transmit the fact that efforts that contribute to environment and society ultimately **lead to self-interest** through **web media**.
It is also effective to promote enlightenment by using places, such as **workplaces and schools**.
- For "environment-priority type":
Transmit **concepts that would contribute to social issue solution, products/services, and efforts by business operators through paper media, such as newspapers and administrative PR magazines**.

[Feature] Part 1 Chapter 2 Section 4 For sustainable society

- It is necessary for each involved party to cooperate with common objectives and promote efforts through the establishment of sound markets in order to establish sustainable society.
- The method of “cooperating administrations”, in which consumers, business operators, and administrations jointly promote efforts, can be applied to the field of issues on food loss and waste and plastic waste.
- Consumer administrations shall integrally promote “dissemination of consumer-oriented management” and “enlightenment on ethical consumption.”

Figure I-2-4-3 Concept diagram for the establishment of sustainable society by consumer administrations

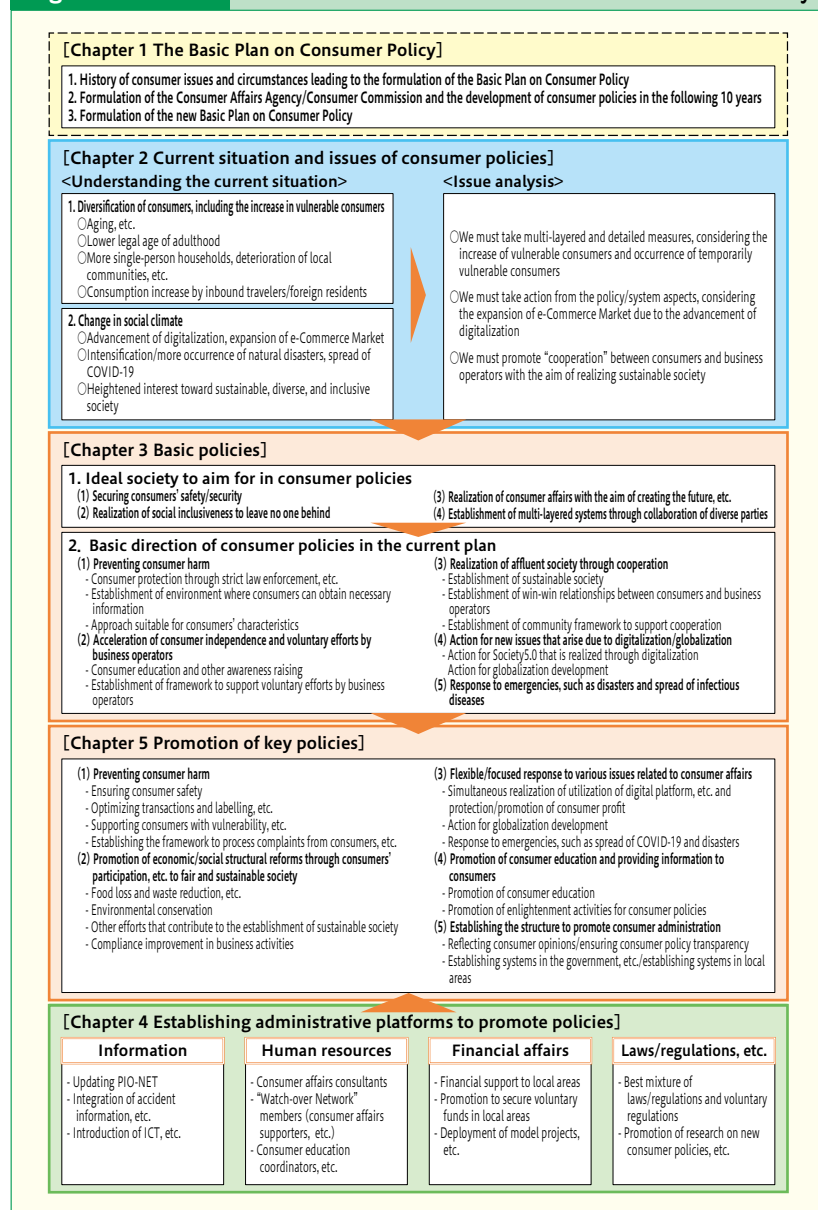


Part 2 Chapter 1 Major consumer policies by the Consumer Affairs Agency

Formulation of the 4th Basic Plan on Consumer Policy

○ In March 2020, cabinet decision on the “The 4th Basic Plan on Consumer Policy” was made, targeting 5 years from FY2020 to FY2024.

Figure II-1-1-1 Overview of the 4th Basic Plan on Consumer Policy



The following 4 points are raised in the 4th Basic Plan on Consumer Policy as the ideal society to aim for over the mid-long term through consumer policies.


- Securing consumers’ safety/security
- Realization of social inclusiveness to leave no one behind
- Realization of consumer affairs with the aim of creating the future, etc.
- Establishment of multi-layered systems through collaboration of diverse parties

Part 2 Chapter 1 Major consumer policies by the Consumer Affairs Agency

Amendment to Whistleblower Protection Act

○ In March of 2020, the bill to revise part of the Whistleblower Protection Act was submitted to the 201st Diet.

Figure I-1-3-3 Bill to revise part of the Whistleblower Protection Act



Amendment to Whistleblower Protection Act

The corporate wrongdoings that become a social problem have never ceased to occur. → **Need to prevent damage through early correction.**

① Facilitate Companies/Organizations to Correct their own Violations/Misconducts and Facilitate Whistleblowers to Make Internal Reports

- Obligate companies/organizations to **establish a system for responding to whistleblowing** (e.g. establishing an internal reporting channel, an investigation/correction rule etc.) The detailed content of obligations is to be decided by the guidelines **【Article 11】**
 ※obligate small and medium-sized business operators (300 employees or less) to make their best efforts
- Introduce **administrative measures** (advice/guidance, recommendation and publicizing of company's name) in order to ensure effectiveness of above-mentioned obligations **【Article 15,16】**
- Obligate person in charge of handling whistleblowing to **protect the confidentiality of information** identifying the whistleblower (and introduce criminal penalty for violation of this obligation) **【Article 12,21】**

② Facilitate Whistleblowers to Report to an Administrative Organ etc.

- Conditions for being protected when reporting to an administrative organ **【Article 3(ii)】**

(Current)	(Amendment adding)
Where whistleblower has reasonable grounds to believe	Where document with her/his name etc. is submitted
- Conditions for being protected when reporting to the press and other external parties **【Article 3(iii)】**

(Current)	(Amendment adding)
Where damage to the human life or body	Damage to the property (irredeemable/serious)
(None)	High possibility of leakage of information identifying the whistleblower
- Obligate administrative organs (with the authority to impose dispositions or recommendations) to **establish a system for responding to whistleblowing** **【Article 13(2)】**

Reinforcement of Response to Internal/External Report

③ Ensure Whistleblowers to be Protected

- Scope of whistleblower **【Article 2(1) etc.】**

(Current)	(Amendment adding)
Current employees	Retired employees (reporting within 1 year after resignation) and executives (obligated to investigate/correct before external whistleblowing)

- Scope of whistleblowing **【Article 2(3)】**

(Current)	(Amendment adding)
Conducts to be criminally punished	Conducts to be administratively sanctioned

- Scope of protection **【Article 7】**

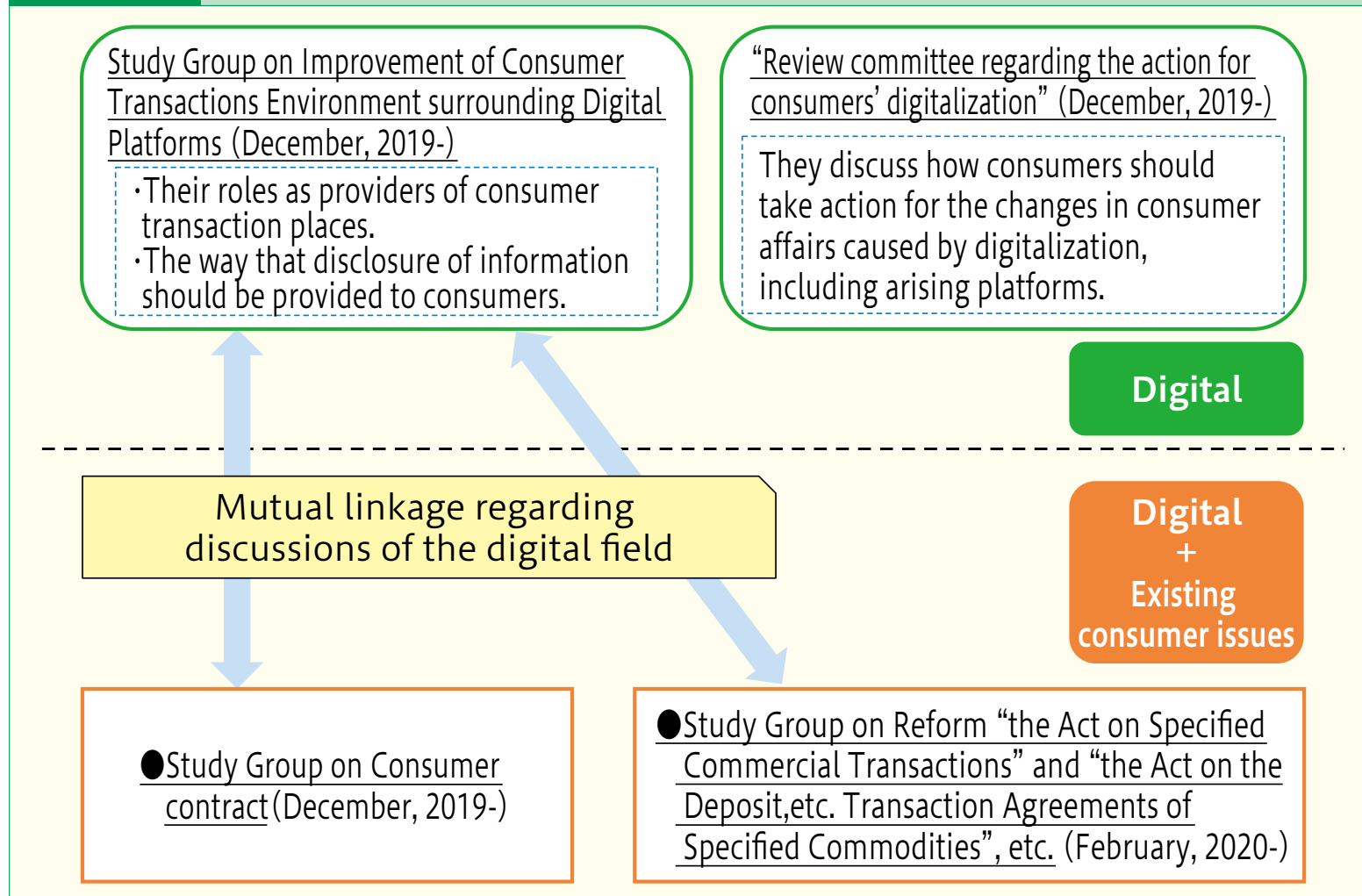
(Current)	(Amendment adding)
(None)	Exempt from liability of compensation for damages incurred by whistleblowing

* To be enforced within 24 months after promulgation

Part 2 Chapter 1 Major consumer policies by the Consumer Affairs Agency Under the digitalization

- As a result of the rapid development of digital technologies, expansion of the digital market, etc. in recent years, convenience, etc. for consumers have improved. On the other hand, there have been new consumer troubles in consumer transactions, in which digital platforms are involved. In addition, the Consumer Affairs Agency is tackling the new issues on consumer affairs in digitalization.
- The Consumer Affairs Agency has been considering action for digitalization through hosting of study groups with experts, etc.

Figure II-1-4-1 Action for digitalization: Overall image of consideration by the Consumer Affairs Agency

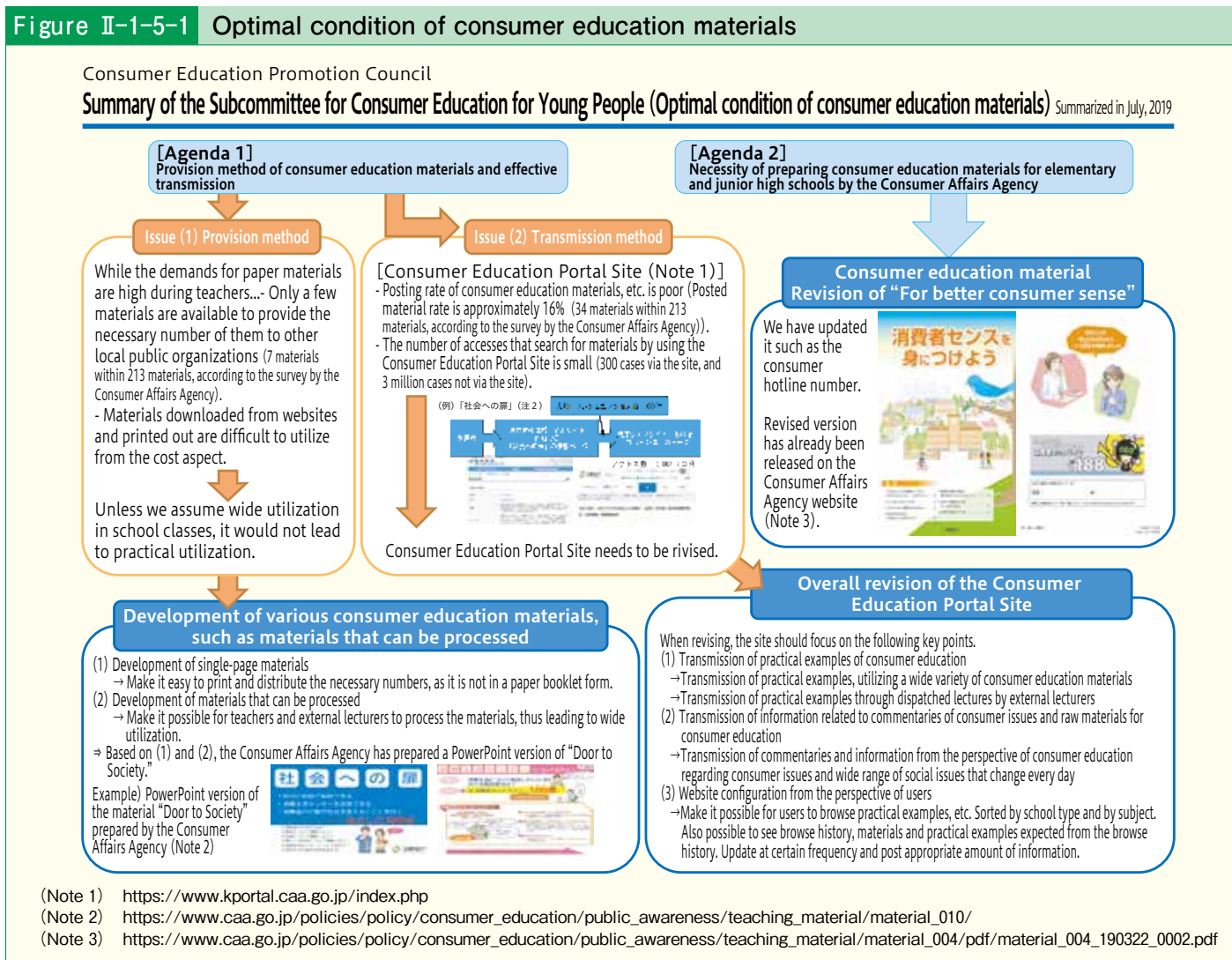


Part 2 Chapter 1 Major consumer policies by the Consumer Affairs Agency

Promotion of consumer education

- Consider and implement specific policies based on discussions of the Consumer Education Promotion Council so that everyone can be provided with consumer education in various occasions throughout their lives regardless of the area of residence.
- In order to promote practical consumer education in anticipation for lowering the legal age of adulthood, we made suggestions on the future direction, etc. regarding the provision method of consumer education materials and effective dissemination in the Subcommittee for Consumer Education for Young People in July, 2019.

Figure II-1-5-1 Optimal condition of consumer education materials



Part 2 Chapter 1 Major consumer policies by the Consumer Affairs Agency

Efforts to enhance local consumer administration

○In March 2020, the “campaign for strengthening local consumer administration 2020” was formulated, targeting 5 years from FY2020 to FY2024.

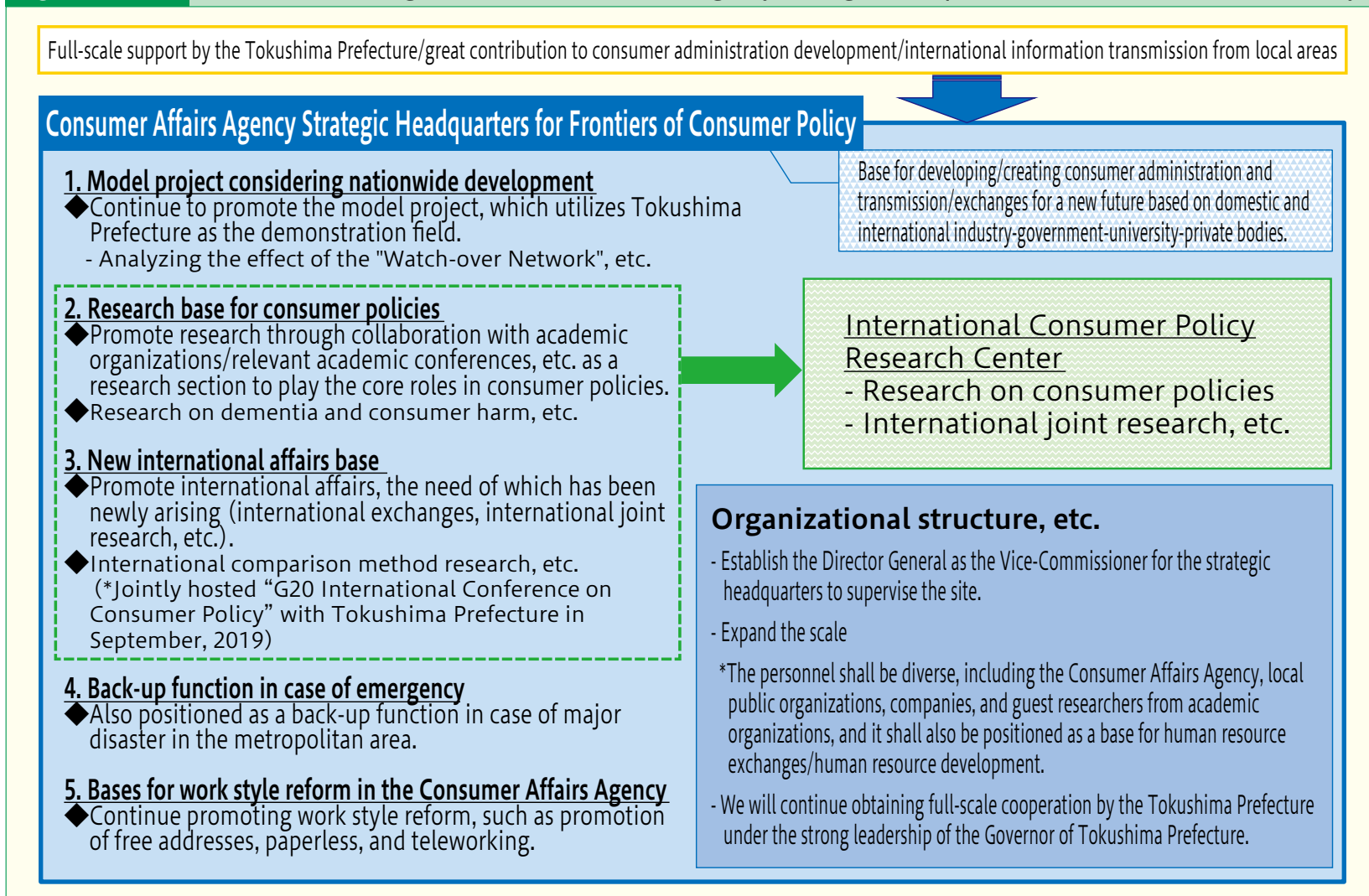
Figure II-1-6-1 Overview of the campaign for strengthening local consumer administration 2020

Summary		April, 2020 Consumer Affairs Agency
<ul style="list-style-type: none"> ➤ Based on the 4th Basic Plan on Consumer Policy (cabinet decision on March 31, 2020), this was formulated with the aim of maintaining/expanding local systems, in which consumers can receive high-quality consultations/support and consumers' safety and security are ensured regardless of their area of residence, throughout Japan (Target period is from FY2020 to FY2024). ➤ While paying attention to the fact that local autonomy and independence are fully practiced, the campaign supports planned and stable efforts in local areas through subsidies, etc. for the enhancement/reinforcement of local consumer administrations. ➤ Thorough progress management through PDCA, including annual verification/evaluation of the progress status. 		
Policy target		Support efforts by local public organizations with the aim of achieving the following targets in each prefecture
<p><Policy target 1> Reinforcement of consumer affairs consultation systems</p> <p>[Promotion of consumer affairs consultation office establishment]</p> <p>1 – 1 Prefectural population coverage by municipalities with consumer affairs consultation offices: 90% or greater</p> <p><Policy target 2> Improvement of consumer affairs consultation quality</p> <p>[Establishment of consumer affairs consultants and promotion of improvement]</p> <p>2 – 1 Prefectural population coverage by municipalities with consumer affairs consultants: 90% or greater</p> <p>2 – 2 Qualification rate by consultants: 75% or greater</p> <p>2 – 3 Training participation rate by consultants: 100% (each FY)</p> <p>2 – 4 Establishment of designated consumer affairs consultants (all prefectures)</p> <p><Policy target 3> Promotion of consumer education, etc.</p> <p>[Promotion of consumer education for young people]</p> <p>3 – 1 Promotion of practical consumer education throughout Japan, using the consumer education material “Door to Society”, etc.</p> <p>3 – 2 Recognition rate of consumer hotline 188 by young people: 30% or greater (nationwide)</p> <p>3 – 3 Recognition rate of consumer affairs consultation office by young people: 75% or greater (nationwide)</p> <p>[Security of consumer education promotion systems in local areas]</p> <p>3 – 4 Promotion of deployment of consumer education coordinators (all prefectures and government-ordinance-designated cities)</p> <p>3 – 5 Establishment of regional councils for promoting consumer education, formulation of consumer education promotion plans (More than 50% of the government-ordinance-designated cities within prefectures and core cities have responded)</p> <p>3 – 6 Training (including dispatched training) implementing city municipality: 75% or greater</p>	<p>[Efforts toward SDGs]</p> <p>3 – 7 Promotion of ethical consumption (all prefectures and government-ordinance-designated cities)</p> <p>3 – 8 Dissemination/promotion of consumer-oriented management (all prefectures)</p> <p>3 – 9 Promotion of efforts to reduce food loss and waste (all prefectures and government-ordinance-designated cities)</p> <p><Policy target 4> Enhancement of watch-over activities to prevent consumer harm of elderly people, etc.</p> <p>[Establishment of the Local Council for Ensuring the Safety of Consumers]</p> <p>4 – 1 Prefectural population coverage by municipalities with the Local Council for Ensuring the Safety of Consumers: 50% or greater</p> <p>[Enhancement of watch-over activities in communities]</p> <p>4 – 2 Prefectural population coverage of municipalities utilizing consumer affairs supporters/support groups for watch-over activities in communities: 50% or greater</p> <p>4 – 3 Prevention and expansion prevention of consumer harm through watch-over activities</p> <p><Policy target 5> Enhancement of Specified Qualified Consumer Organization, Qualified Consumer Organization, and consumer group activities</p> <p><Policy target 6> Enhancement of law enforcement system (all prefectures)</p> <p><Policy target 7> Structural reinforcement to promote consumer policies in local areas</p> <p>[Basic Plan on Consumer Policy for Local Areas]</p> <p>7 – 1 Formulation of Basic Plan on Consumers for Local Areas (all prefectures and government-ordinance-designated cities)</p> <p>[Consumer administration staff]</p> <p>7 – 2 Training participation rate by consumer administration staff: 80% or greater (each FY)</p>	

Part 2 Chapter 1 Major consumer policies by the Consumer Affairs Agency Strategic Headquarters for Frontiers of Consumer Policy

- In July of 2020, the “Strategic Headquarters for Frontiers of Consumer Policy” was established as a new permanent base. Positioned as a back-up function in case of disaster and bases for work style reform in the Consumer Affairs Agency in addition to being: (1) model project considering nationwide development, (2) research base for consumer policies, and (3) new international affairs base.

Figure II-1-6-6 Work/structural image of the “Consumer Affairs Agency Strategic Headquarters for Frontiers of Consumer Policy”



○ “Part 2 Chapter 2” describes results of policies implemented by relevant administrative organ in FY2019.

Section 1 Ensuring consumer safety

1. Activities for preventing accidents
2. Collecting information on consumer accidents and preventing their occurrence and expansion
3. Accurately and quickly investigating causes and preventing recurrence of accidents
4. Ensuring food safety

Section 2 Establishing trusted labelling and ensuring reliability

1. Promoting the public awareness of, and strictly enforcing the Act against Unjustifiable Premiums and Misleading Representations, which generally control and prohibit misleading representation
2. Spreading and improving labelling depending on the goods and services
3. Providing appropriate information on food labelling and strictly enforcing related laws

Section 3 Ensuring that all transactions are fair

1. Strictly enforcing and reviewing cross-functional laws and regulations on goods and services
2. Optimizing transactions depending on the goods and services
3. Optimizing transactions depending on the development of information communication technology
4. Preventing and controlling crimes such as fraud
5. Optimizing rules and measurements

Section 4 Forming a society where consumers can play the leading role in making choices and taking actions

1. Securing consumer policy’s transparency and reflecting consumer opinions
2. Promotion of consumer education
3. Supporting and promoting voluntary activities of consumer groups, businesses operators and trade associations
4. Promoting fair and free competition and securing appropriate public utility charges
5. Promoting environmentally-sound consumption activities and business activities

Section 5 Establishing frameworks for redress for damage and protecting consumer profit

1. Providing redress for damage, processing complaints, and promoting dispute settlements
2. Protecting and increasing consumer profit depending on the development of an advanced information and communication society
3. Protecting and increasing consumer profit depending on the development of a globalized consumer life

Section 6 Establishing national and local consumer administration systems

1. Enhancing and strengthening national organization (including incorporated administrative agencies) systems
2. Establishing local systems