

White Paper on Consumer Affairs 2021

FY2020 Implementation of Consumer Policy
FY2020 Report on the Results of Information
Gathering and Analysis on Consumer
Accidents

[Summary]

Consumer Affairs Agency

2021 White Paper on Consumer Affairs Structure

(FY2020 Implementation of Consumer Policy / Report on the Results of Information Gathering and Analysis on Consumer Accidents)

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 the financial detriment

Section 6 Environmental changes that surround consumers

Chapter 2 **Feature** Consumer behaviors in “New Lifestyle” – Changes in “grounds for consumption decisions” –

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Section 2 Preventing consumer harm

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

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Flexible/focused response to other various issues

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Report to the Diet based on the Basic Act on Consumer Policies

Chapter 2 Details of implementation of consumer policy

Section 1 Preventing consumer harm

Section 2 Promotion of economic/social structural reforms through consumers' participation, etc. to fair and sustainable society

Section 3 Practice of “New Lifestyle”

Flexible/focused response to other various issues

Section 4 Promotion of consumer education and providing education to consumers

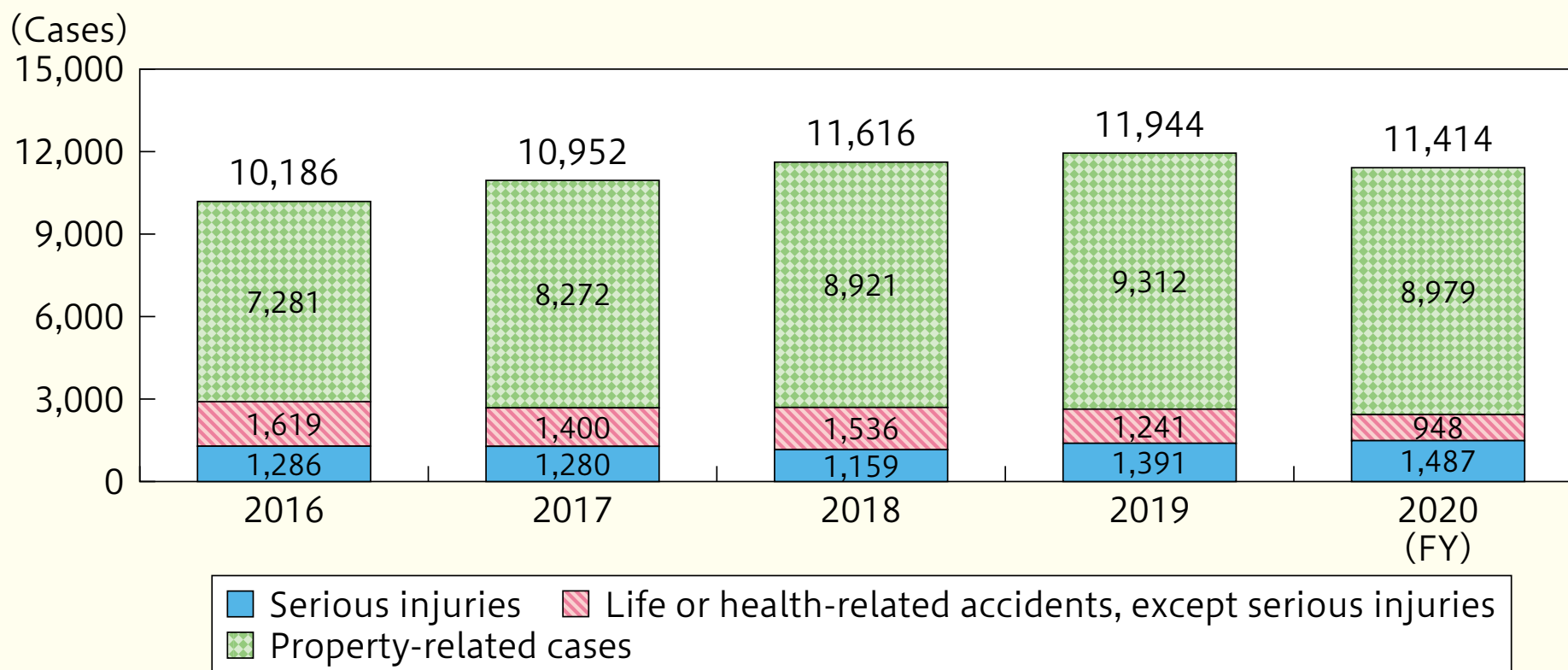
Section 5 Establishing the structure to promote consumer administration

Reference (Data on consumer administration)

- In this document, consumer affairs consultation information registered with PIO-NET is current as of Wednesday, March 31, 2021.
- 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). In questions with multiple answers, this value typically exceeds 100%.
- In principle, unit figures are rounded. Due to the unit rounding, the total of values in the breakdown may not match the figure shown in the corresponding total field.

- The number of consumer accidents reported to the Consumer Affairs Agency in FY2020 was 11,414.
- Breakdown of 2,435 life or health-related accidents reported, 1,487 were cases of serious injuries. 8,979 property-related cases were also reported.

Figure I-1-1-3 Transition of the number of 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.

Part 1 Chapter 1 Section 1 Results of information gathering and analysis on consumer accidents (2)

[Reference] Activities of Consumer Safety Investigation Commission

- Consumer Safety Investigation Commission conducted investigations according to notifications based of the provisions in the Consumer Safety Act.
- In FY2020, 2 reports were published. 10 opinions were submitted to the heads of relevant administrative organs.

Reports released in the past

Carbon monoxide poisoning accident caused by a gas-fired water heater	January 24, 2014	Report/Opinion
Pool accident at a kindergarten	June 20, 2014 April 24, 2018	Report/Opinion Opinion
Accidents in mechanical multi-storey car park	July 18, 2014 February 18, 2021	Report/Opinion Opinion
Accidents involving household heat pump water heater	December 19, 2014	Report/Opinion
Escalator accidents	June 26, 2015	Report/Opinion
Skin disorders caused by hair dye products	October 23, 2015	Report/Opinion
Children accidentally ingesting drugs	December 19, 2014 December 18, 2015	Opinion Report/Opinion
Accidents while using a handle-type electric wheelchair	July 22, 2016	Report/Opinion
Elevator accidents	August 30, 2016	Report/Opinion
Injuries caused by broken wooden floor tiles in gymnasiums	May 29, 2017	Report/Opinion
Airway obstruction accidents due to toys in infants	November 20, 2017	Report/Opinion
Accidents related to household cogeneration systems	December 21, 2017	Report/Opinion
Accidents caused by electric shutters during operation	September 28, 2018	Report/Opinion
Fire accidents from household photovoltaic power generation systems	January 28, 2019	Report/Opinion
Accidents caused by a walk-behind rotary showblower	May 31, 2019	Report/Opinion
Drowning accidents caused by a water floater	June 19, 2020	Report/Opinion
Accidents on electric power-assisted bicycles with infants also riding on them	December 25, 2020	Report/Opinion
Accidents caused by an automatic door	Under investigation (progress report released on August 25, 2020)	
Accidents caused by school facilities or equipment, etc.	Under investigation (progress report released on February 18, 2021)	

Accidents in mechanical multi-storey car park

- Three accidents that automobiles fell occurred after the report was released.
- ⇒ Based on the results of their examination, additional opinions were submitted to the Minister of Land, Infrastructure, Transport and Tourism.

Drowning accidents caused by a water floater

- In August 2019, a child wearing a life jacket drowned under a water floater installed in a swimming pool in an amusement park.
- ⇒ Based on the results of its investigation, opinions were submitted to the Minister of Education, Culture, Sports, Science and Technology and the Minister of Economy, Trade and Industry.

Accidents on electric power-assisted bicycles with infants also riding on them

- Accidents caused by falling bicycles with infants on board continue to occur both while moving and stopping.
- ⇒ Based on the results of their investigation, opinions were submitted to the Prime Minister, the Chairperson of the National Public Safety Commission, the Commissioner General of the National Police Agency, the commissioner the Consumer Affairs Agency, the Minister of Education, Culture, Sports, Science and Technology, the Minister of Health, Labour and Welfare and the Minister of Economy, Trade and Industry.

Part 1 Chapter 1 Section 1 Results of information gathering and analysis on consumer accidents (3)

[Reference] Awareness raising under the Consumer Safety Act

○ Starting with notifications under the provisions of the Consumer Safety Act, awareness raising was conducted for 34 property-related cases in 2020.

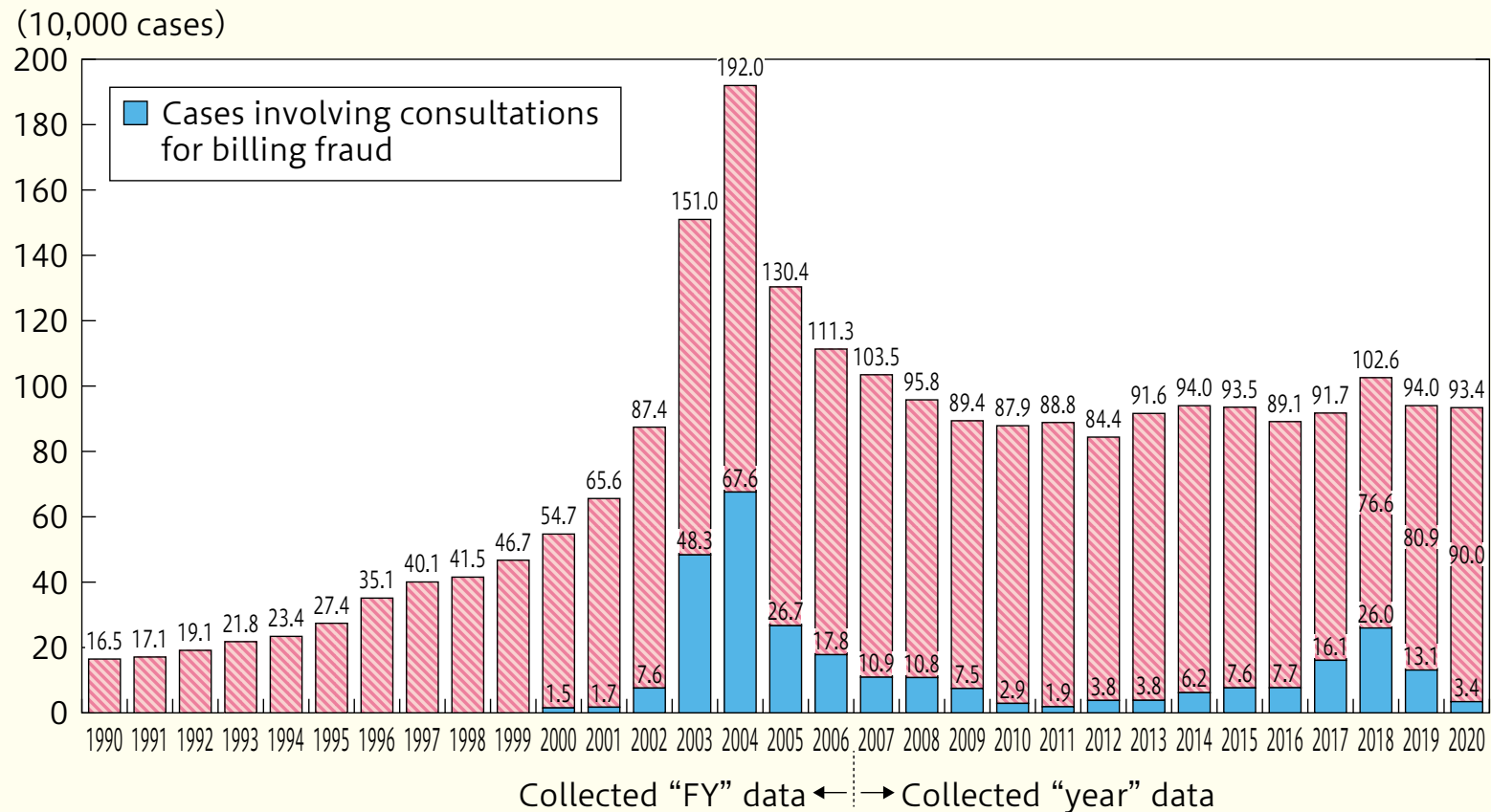
Figure I-1-1-9 Property-related cases with awareness raising alerts under the provisions of the Consumer Safety Act (FY2020)

Tactics	Concrete examples
Sales of counterfeit brand-name products (13 cases)	On shopping mall sites provided by digital platform operators, some businesses were selling counterfeit products by advertising their commodities as genuine brand-name products, while hiding their identity.
Internet sales (5 cases)	A business was running multiple fake websites disguising as online shopping sites and offering its commodities at prices that were significantly lower than those offered on other online shopping websites. However, after customers ordered products on the fake sites, they were not delivered or completely different products arrived.
Door-to-door sales of academic ability testing service (4 cases)	As a salesperson stayed at a consumer's home for a long time and said things that upset the consumer's child, who was also in the same room as them, the consumer was forced to feel like he or she had to sign a contract. Another salesperson repeatedly urged a consumer who had already expressed their unwillingness to sign a contract to sign it.
Contracts for internet connection service (2 cases)	A salesperson told a customer that the company managing the customer's apartment building had requested them to make a visit to sell a different internet connection service, because the internet service used in the whole building was going to be changed. In reality, however, it was not true that the building management company had made such a request and the internet service used in the building was going to be changed to the service sold by the sales person.
Multilevel marketing of service (2 cases)	A salesperson from a multilevel marketing company told a customer that cooling-off would not be permitted once the customer used its member-only website. Another business did not issue a document that would clarify the content of a signed contract.
Secondary damage from the selling of worthless property by unscrupulous real-estate developers (2 cases)	A business told a customer who owned a wasteland needed to temporarily purchase other land owned by the business as one of the conditions for selling the customer's land, when signing its sales contract, and then made the customer pay a large amount of money as a pretext for "sundry expenses," which the business promised the customer to return, when buying back the land. In reality, however, the purchased land was never bought back, and the paid money was never returned, either.
Tactics for raising temptation to make easy money (2 cases)	A company suggested that anyone could earn money for certain, if starting to use its side-job business service by paying 9,800 yen. However, the customers who paid the money could not get information that would lead to business success. The company also made some customers pay large amounts of money by telling them that they needed to subscribe to paid optional plans to be able to obtain such information. However, there was no mechanism in which anyone could make money for certain.
False/misleading affiliate advertisements (2 cases)	To sell cosmetics and quasi-drugs online, some affiliate advertisements suggested the use of certain products ensured their users could remove spots from their skin successfully in a short time. In reality, however, those products had no effect of removing skin spots in the short time.
Delay in fulfillment of obligations (1 case)	In home-visit care service, consumers paid the cost for using the service and received a "health reserve fund" by applying for it. After a certain time, however, there started to be delays in the reimbursement of large amounts of money for the cost of the service, the payment of the health reserve fund, etc.
Tactics for displaying false warnings on the PC screen (1 case)	When consumers were using PC, false warnings such as detecting a virus were displayed on the screen. And the company responsible told the consumers that they needed to sign support contract to recover the PC from dangerous state and made them pay large amounts of money. In reality, however, when the false warnings were displayed, there were no conditions that confirmed the PC was in dangerous state. Therefore, there was no need to sign such contract and it was confirmed that the perpetrator had no intention to fulfill the contract.

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

○The number of consumer affairs consultations in 2020 was 934,000. While the number of consultations for billing fraud fell (from 131,000 to 34,000), the number of consultations regarding COVID-19 rose and consultations for cases other than billing fraud increased (from 809,000 to 900,000).

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, 2021)
 2. From FY1990 to FY2006, "FY" data was collected in accordance with the "2020 Consumer Life Annual Report" by the National Consumer Affairs Center of Japan. "Year" data was collected from 2007 to 2020.
 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/Section 4 Consumer issues which are now attracting attention(1)

- With consultations involving young people, the internet and beauty came to top.
- Consumer affairs consultations related to online games increased among those under 20 years of age.

Figure I-1-3-9 Highest numbers of consultations on product/service types by young people (2020)

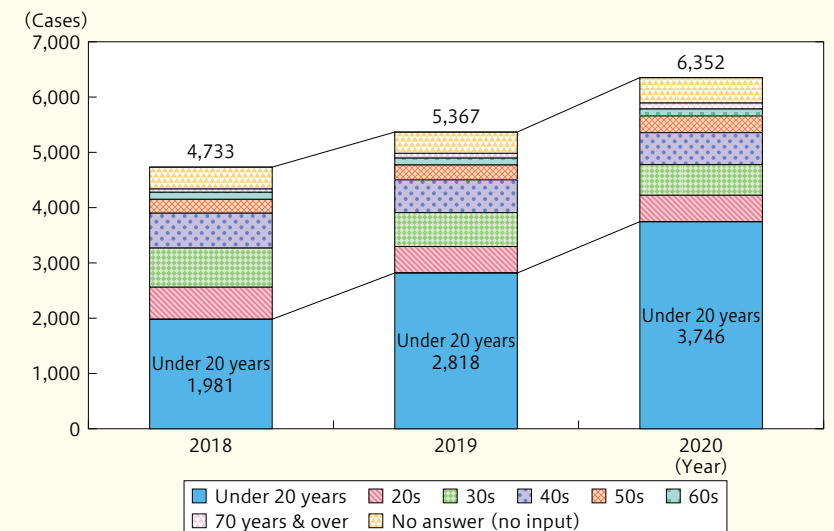
Men						
	15 to 19 years		20 to 24 years		25 to 29 years	
	Cases	9,577	Cases	21,042	Cases	18,481
1	Hair removal agent	935	Other digital content	1,402	Rented apartments	1,646
2	Other health food	799	Goods in general	1,078	Wedding	985
3	Online games	659	Rented apartments	1,056	Goods in general	954
4	Other digital content	507	Dating website	833	Multi-purpose loan / consumer loan	831
5	Goods in general	419	Other piecework/side work	818	Other digital content	744
6	Adult website	387	Other services	682	Regular/compact vehicles	520
7	Dating website	348	Multi-purpose loan / consumer loan	677	Dating website	452
8	Other services	187	Other health food	543	Mobile data communications	390
9	Digital content (general)	177	Regular/compact vehicles	531	Other health food	377
10	Rented apartments	167	Electricity	517	Other services	360

Women						
	15 to 19 years		20 to 24 years		25 to 29 years	
	Cases	10,432	Cases	24,915	Cases	22,023
1	Other health food	2,894	Other health food	1,941	Rented apartments	1,771
2	Other digital content	506	Other digital content	1,677	Other health food	1,368
3	Goods in general	392	Hair removal aesthetic service	1,228	Goods in general	1,090
4	Health food (general)	377	Rented apartments	1,161	Other digital content	966
5	Adult website	269	Goods in general	1,123	Wedding	920
6	Hair removal agent	235	Dating website	1,103	Dating website	611
7	Dating website	234	Other piecework/side work	796	Hair removal aesthetic service	484
8	Enzyme food	166	Other services	502	Sports & health classes	462
9	Digital content (general)	164	Electricity	446	Multi-purpose loan / consumer loan	389
10	Men's and women's apparel (general)	150	Medical service	422	Other piecework/side work	344

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, 2021)
 2. Items are products keywords (sub-categories) used in PIO-NET.
 3. Consumer Affairs Agency classified trends in consultation details by color.

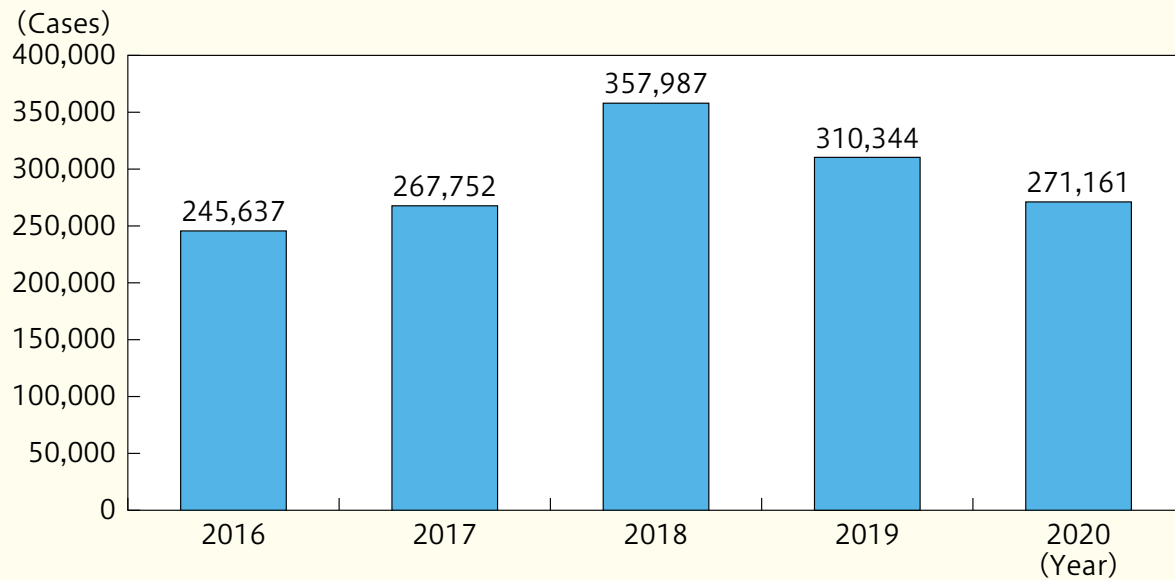
Figure I-1-4-8 Transition of the number of consumer affairs consultations involving "online games" (by age group)



(Note) Consumer affairs consultation information registered with PIO-NET (as of March 31, 2021)

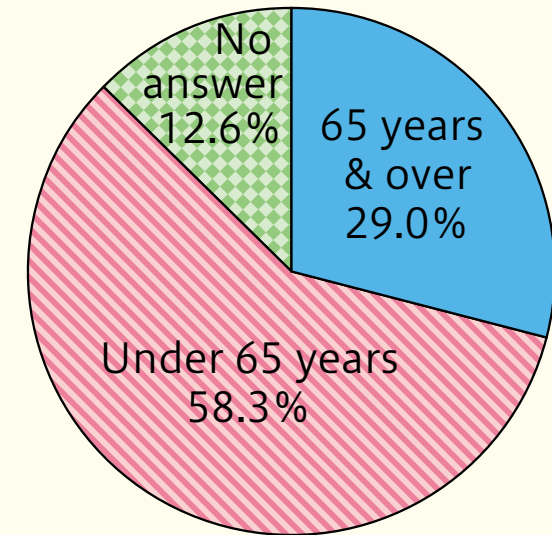
○The number of consumer affairs consultations involving elderly people continued to fall since the previous year. Consultations involving elderly people accounted for about 30% of all consultations.

Figure I-1-3-10 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, 2021)
2. Consultations by contracting persons who are 65 years & over.

Figure I-1-3-5 Attributes of contracting persons in consumer affairs consultations (2020)



(Note) Consumer affairs consultation information registered with PIO-NET (as of March 31, 2021)

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

- As with the previous year, “Goods in general” stood out in the consultations, including spam emails and billing fraud. However, the number of such cases fell by half.
- Cases of “Other health food,” including subscription, were on the increase. “Health-care & sanitary goods, etc.,” including face masks, ranked in 2020.

Figure I-1-3-11 Transition of the number of consultations on product/service types by elderly people

	2018	Cases	2019	Cases	2020	Cases
1	Goods in general	128,198	Goods in general	80,219	Goods in general	35,977
2	Digital content (general)	15,388	Fiber-optic lines	11,164	Fiber-optic lines	8,717
3	Fiber-optic lines	9,803	Other digital content	7,523	Other health food	8,389
4	Other digital content	6,702	Other health food	6,708	Other services	7,558
5	Fund-type investment products	6,248	Digital content (general)	6,378	Health-care & sanitary goods, etc.	7,294
6	Repair services	5,754	Mobile phone service	6,185	Other digital content	6,875
7	Multi-purpose loan / consumer loan	5,410	Other services	6,118	Mobile phone service	6,216
8	Newspapers	5,303	Repair services	5,876	Repair services	5,878
9	Other health food	5,272	Electricity	5,299	Electricity	5,301
10	Mobile phone service	4,810	Newspapers	4,981	Newspapers	4,263

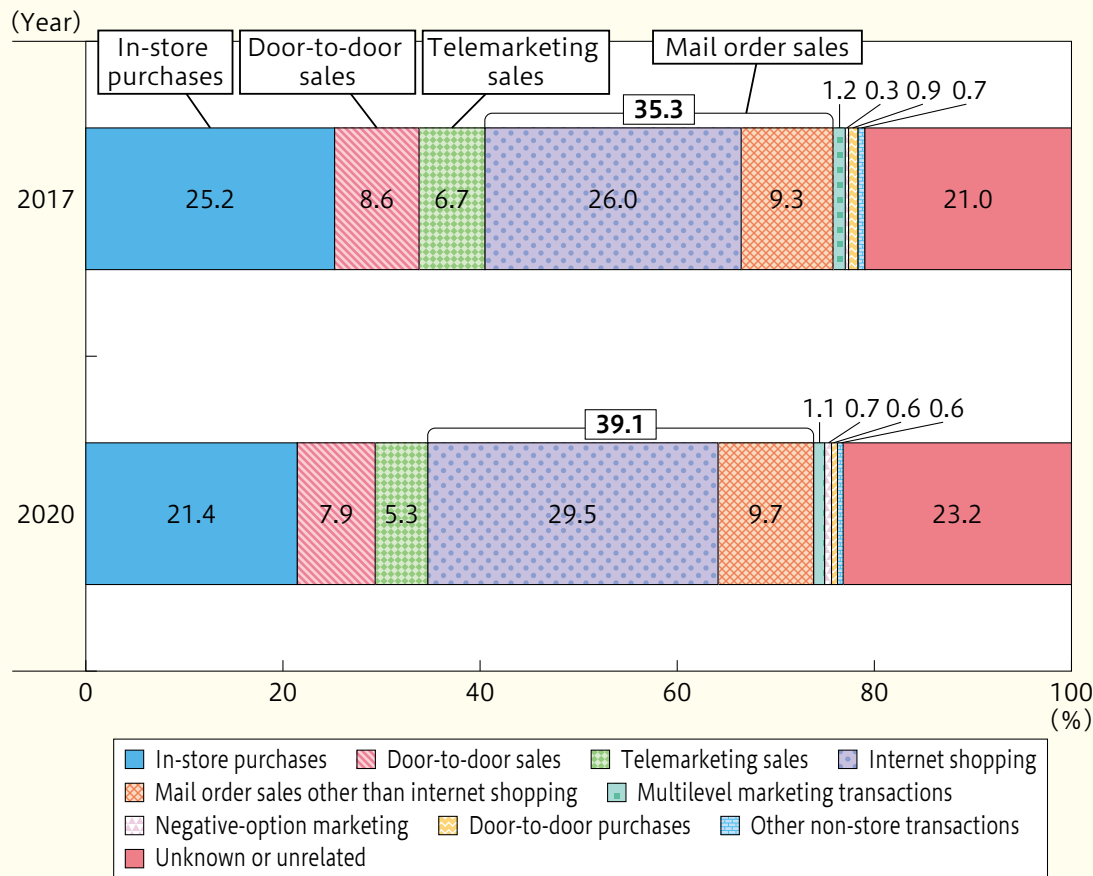
Yellow : Things related to the internet Blue : Repeated purchase schemes, etc. Pink : Face masks, etc.

- (Note)
1. Consumer affairs consultation information registered with PIO-NET (as of March 31, 2021)
 2. Items are products keywords (sub-categories) used in PIO-NET.
 3. Consultations by contracting persons who are 65 years & over.
 4. Consumer Affairs Agency classified trends in consultation details by color.

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

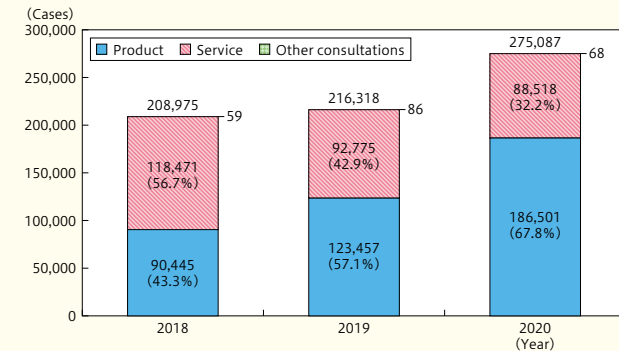
- Among different sales/purchase patterns, the proportion of “mail order sales” increased. The proportions of “in-store purchases,” “door-to-door sales” and “telemarketing sales” dropped.
- Consultations related to “internet shopping” increased. Among different product/service types, product-related consultations increased with many troubles such as undelivered goods and no contact opportunities (i.e. unable to contact business operators), in particular.

Figure I-1-3-14 Changes in the proportions of different sales/purchase patterns in consumer affairs consultations



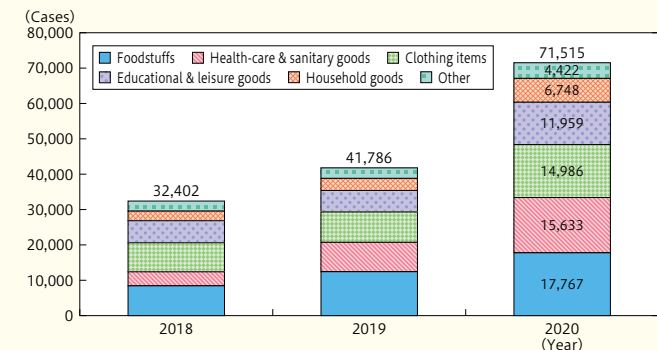
- (Note) 1. Consumer affairs consultation information registered with PIO-NET (as of March 31, 2021)
 2. Regarding the consumer affairs consultations in “internet shopping,” its concept is broader than the normal concept of internet shopping and also includes charges for using adult information websites and other internet sites as well as online games and other digital content. Therefore, care must be taken when viewing such data.

Figure I-1-4-2 Transition of the number of consumer affairs consultations regarding “internet shopping” (by product/service)



- (Note) 1. Consumer affairs consultation information registered with PIO-NET (as of March 31, 2021)
 2. “Other consultations” only displays the number of cases. As its proportion is less than 0.05%, it is not shown in the graph.

Figure I-1-4-3 Transition of the number of consumer affairs consultations regarding undelivered goods, no contact opportunities, etc.



- (Note) 1. Consumer affairs consultation information registered with PIO-NET (as of March 31, 2021)
 2. Consultations regarding “undelivered goods,” “different from the ordered product” and “no contact opportunities” in internet shopping for “products”

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

- Consumer affairs consultations regarding “subscription” in mail order sales continued to be on the increase. In 2020, they reached about 60,000, the largest number in history.
- Consumer affairs consultations that had some connection to social networking service (SNS) also continued to be on the increase.

Figure I-1-4-5 Transition of the number of consumer affairs consultations involving “subscription” (by product)

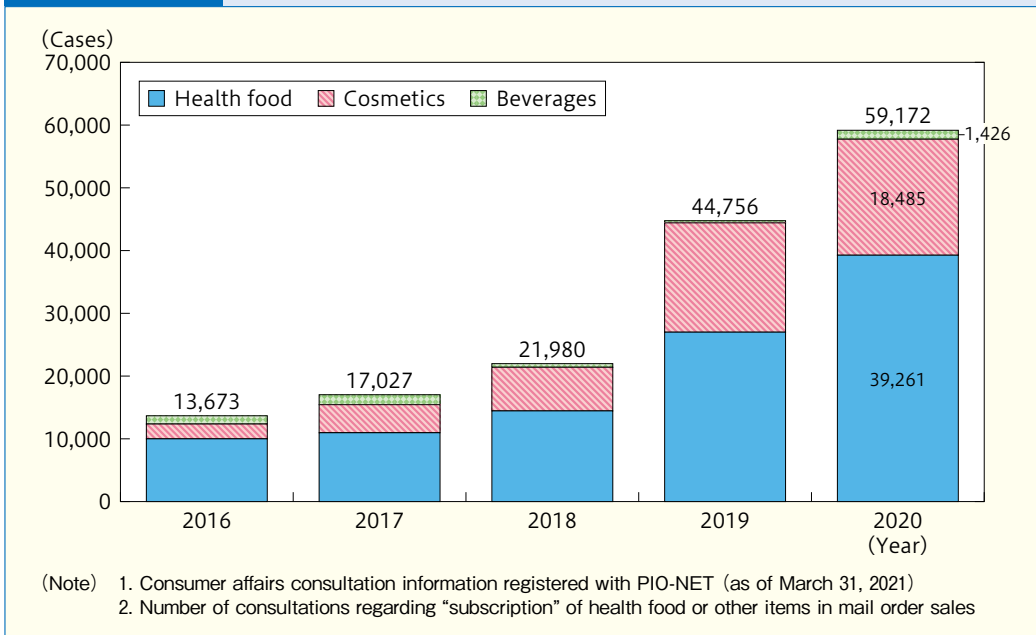
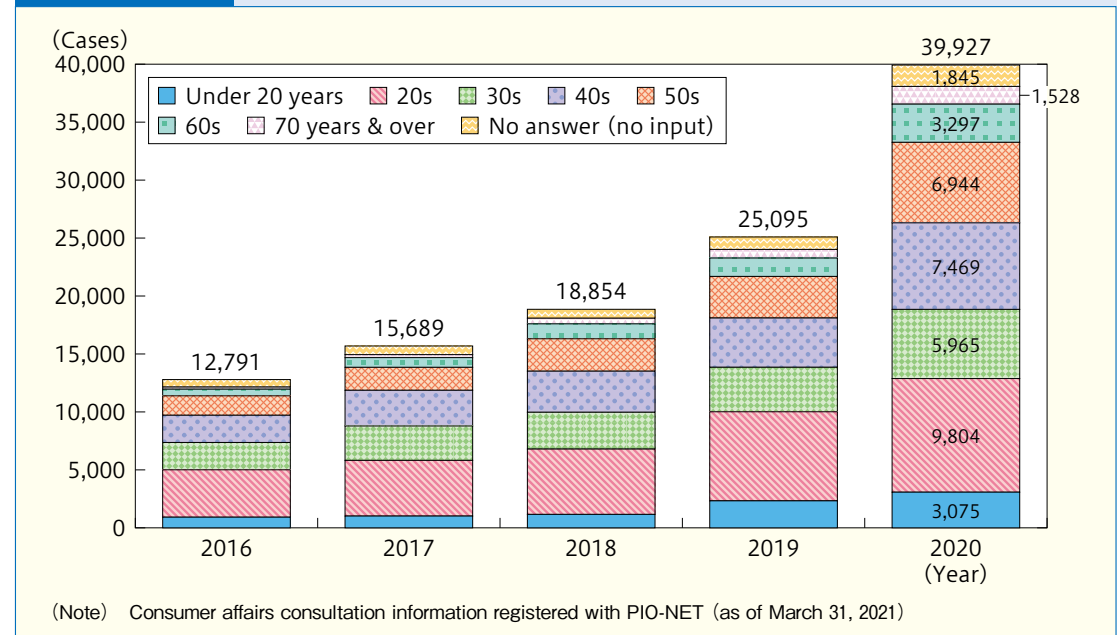


Figure I-1-4-11 Transition of the number of consumer affairs consultations related to SNS (by age group)



- * Main examples of consultation details are as follows.
- ① Examples of troubles triggered by SNS advertisements
 - ② Examples of troubles triggered by SNS solicitations
 - ③ Troubles in private individual transactions with people met through SNS

○ Consumer financial detriment in 2020 was estimated to be about ¥3.8 trillion (payments made (including credit granted)).

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

	2018	2019	2020
Contract/purchase value	About ¥ 7.2 trillion	About ¥ 6.6 trillion	About ¥ 5.0 trillion
Payments made (including credit granted) *	About ¥ 6.1 trillion	About ¥ 5.1 trillion	About ¥ 3.8 trillion
Payments made	About ¥ 6.0 trillion	About ¥ 4.9 trillion	About ¥ 3.6 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. The population used here is the current population as of October 1 each year in Population Estimates by the Ministry of Internal Affairs and Communications. Confirmed values are used for 2018 and 2019, whereas values estimated based on the 2015 Census are used for 2020.

4. "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 Labeling 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.

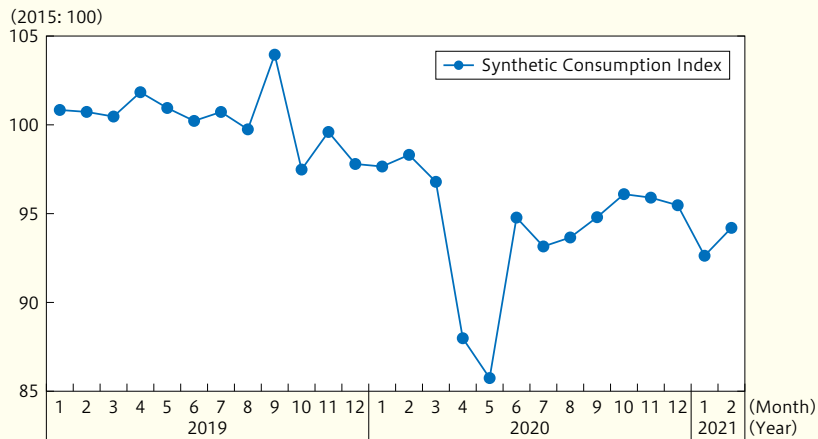
5. The average amount was calculated based on consumer affairs consultation information in each year (registered consultations by January 31 next year).

6. 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.

[Feature] Part 1 Chapter 2 Section 1 Spread of COVID-19 and consumption(1)

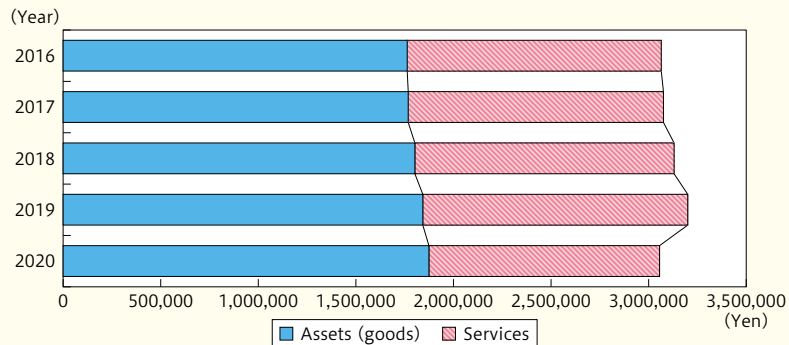
- In 2020, the consumption fell rapidly from March to May, and then picked up.
- In comparison between assets and services, expenditures on assets (goods) increased slightly, whereas expenditures on services decreased.
- Regarding the component ratio of each item, expenditures on food increased, whereas expenditures for travel and eating out decreased. This indicates that the so-called “stay-at-home consumption” rose, whereas outing-related consumption fell.

Figure I-2-1-1 Trends in Synthetic Consumption Index



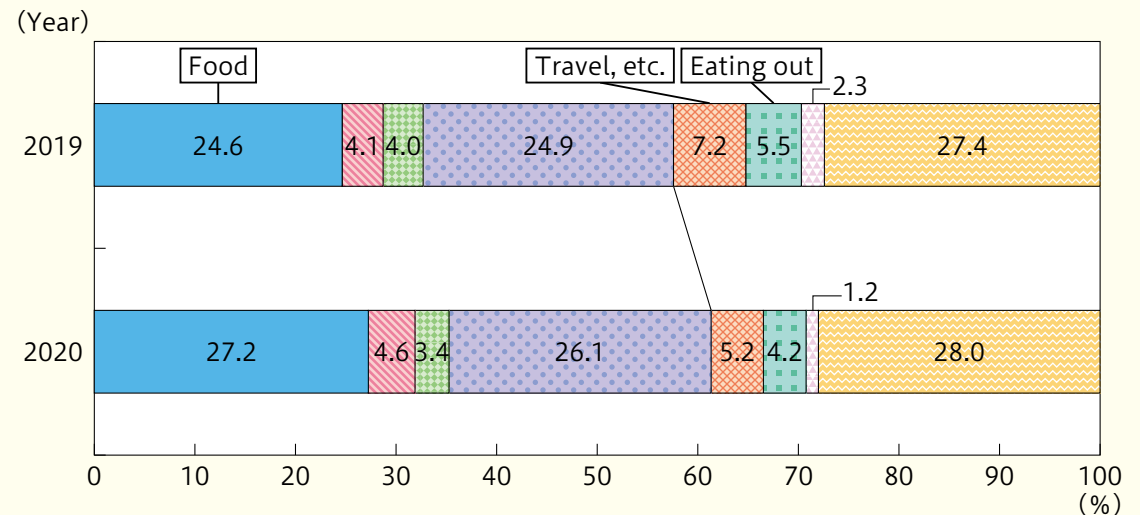
(Note) Synthetic Consumption Index values were estimated by the Cabinet Office (released in April 2021). Seasonally adjusted values.

Figure I-2-1-3 Transitions of asset/service expenditures



(Note) Prepared based on *Family Income and Expenditure Survey (Two-or-More-Person Households)* by the Ministry of Internal Affairs and Communications.

Figure I-2-1-4 Changes in the breakdown of asset/service expenditures



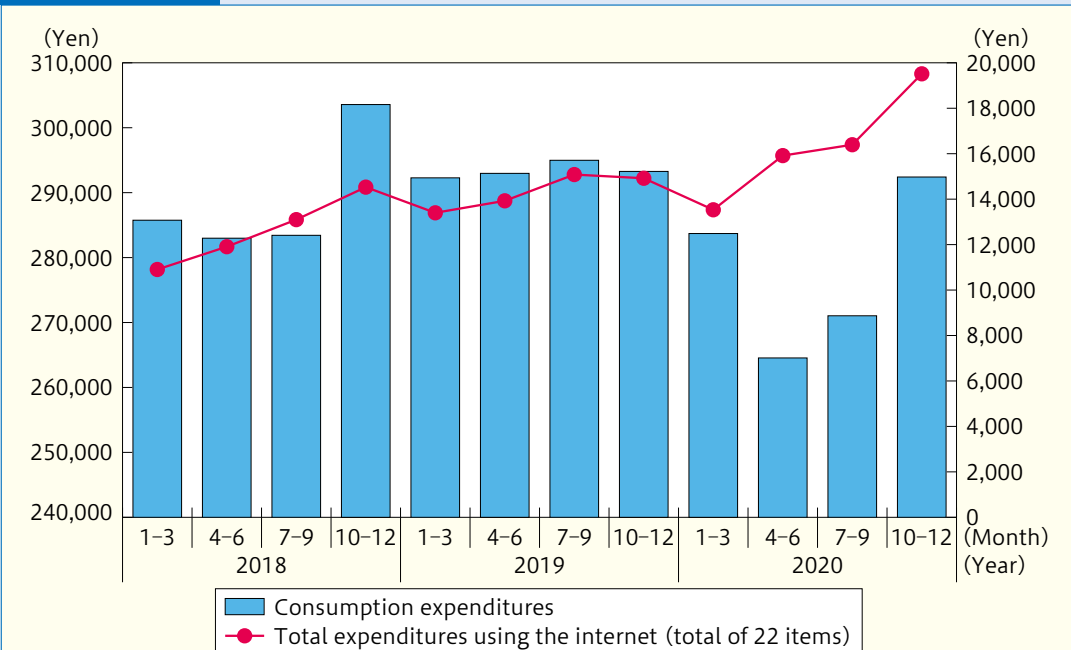
- Assets: Food (excluding eating-out services)
- Assets: Furniture / housekeeping items
- Assets: Clothing and shoes
- Assets: Other
- Services: Educational & leisure (e.g. travel, monthly tuition fees)
- Services: Eating out
- Services: Transportation
- Services: Other

- (Note)
1. Prepared based on *Family Income and Expenditure Survey (Two-or-More-Person Households)* by the Ministry of Internal Affairs and Communications. Component ratios of expenditures per household in 2019 and 2020.
 2. “Assets: Other” refers to the total of expenditures on housing, fuel, lighting, water, insurances, medical cost, telecommunications, automobiles, education, culture, leisure and miscellaneous expenses.
 3. “Services: Other” refers to the total of expenditures on housing, furniture, housekeeping items, clothing, shoes, insurances, medical cost, telecommunications, automobiles, education and miscellaneous expenses.
 4. The total expenditures on assets/services do not include “pocket money,” “gifted money,” “other entertainment expenses” or “allowances.”

[Feature] Part 1 Chapter 2 Section 1 Spread of COVID-19 and consumption(2)

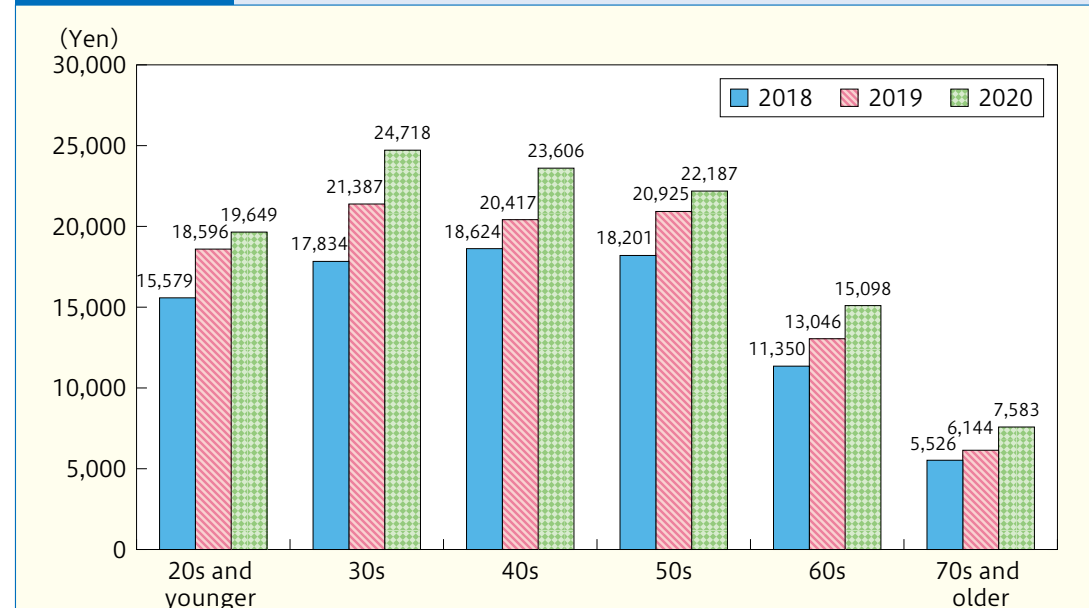
- In 2020, consumption expenditures fell significantly in April to June, compared with January to March, but the total expenditures using the internet rose.
- In terms of the age groups to which the heads of households belonged, the total expenditures using the internet also increased in all of the age groups.

Figure I-2-1-9 Transition of household expenditures and expenditures using the internet



(Note) 1. Prepared based on *Family Income and Expenditure Survey (Two-or-More-Person Households)* and *Survey of Household Economy (Two-or-More-Person Households)* by the Ministry of Internal Affairs and Communications.
 2. The values in 2018 are seasonally adjusted values.

Figure I-2-1-10 Transition of expenditures using the internet (by age group of the heads of households)



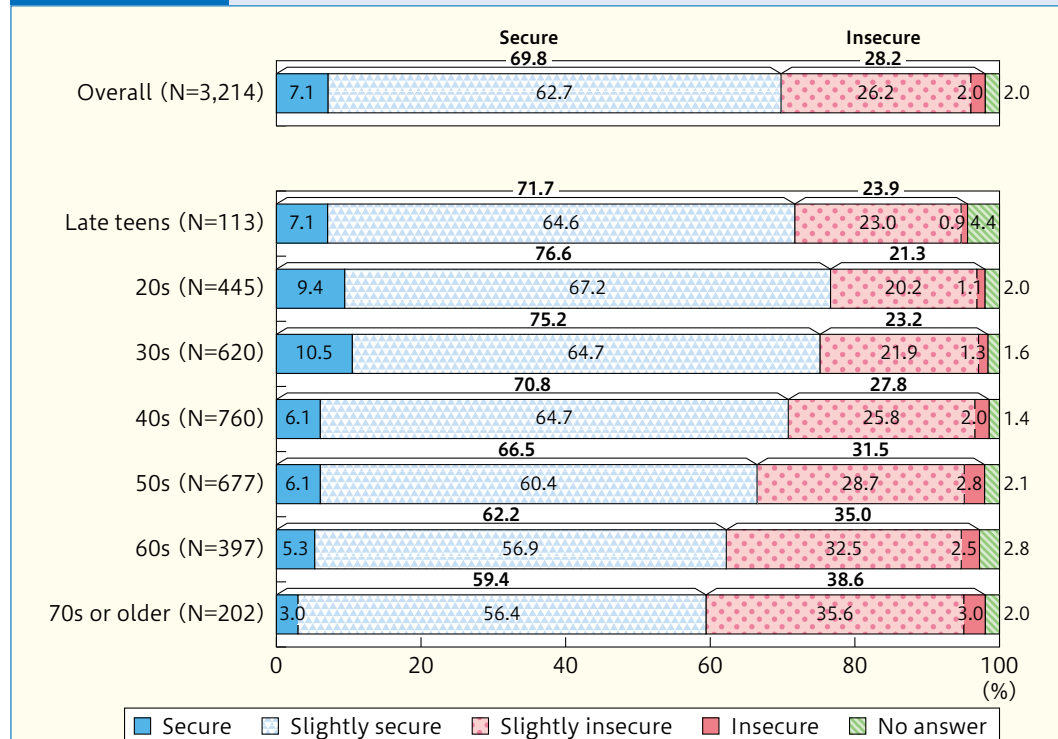
(Note) Prepared based on *Survey of Household Economy (Two-or-More-Person Households)* by the Ministry of Internal Affairs and Communications.

[Feature] Part 1 Chapter 2 Section 2 Consumers' attitudes/behaviors in "New Lifestyle"

- Whether there are any changes in the ways consumers spend their time and their consumption in "New Lifestyle" -

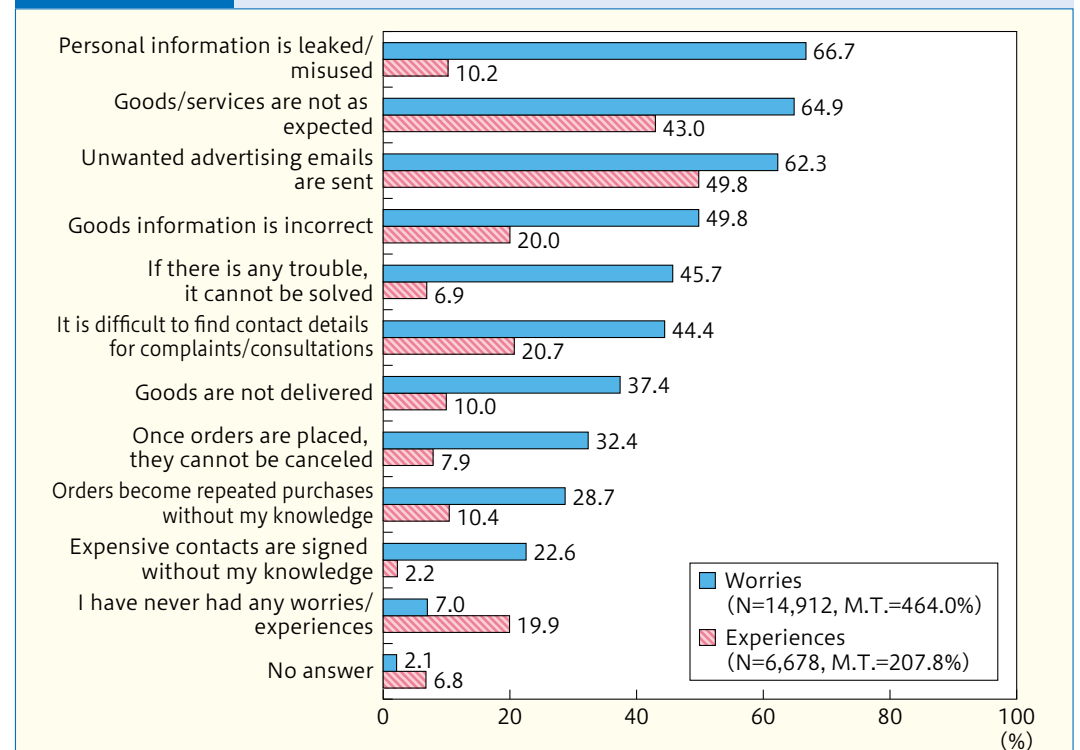
- About 70% of consumers feel "secure" to purchase goods/services on the internet. As the age increases, the proportion of consumers who feel "secure" decreases.
- Regarding "worries" concerning purchasing goods/services on the internet, more than 60% of consumers answered "Personal information is leaked/misused," "Goods/services are not as expected" and "Unwanted advertising emails are sent."

Figure I-2-2-17 Confidence to purchase goods/services on the internet (by age group)



(Note) 1. Prepared based on *Basic Survey on Consumer Life* (FY2020) by Consumer Affairs Agency.
 2. In response to the question: "Please select the choice that best describes how you feel when purchasing goods/services on the internet."

Figure I-2-2-18 Worries/experiences when purchasing goods/services on the internet

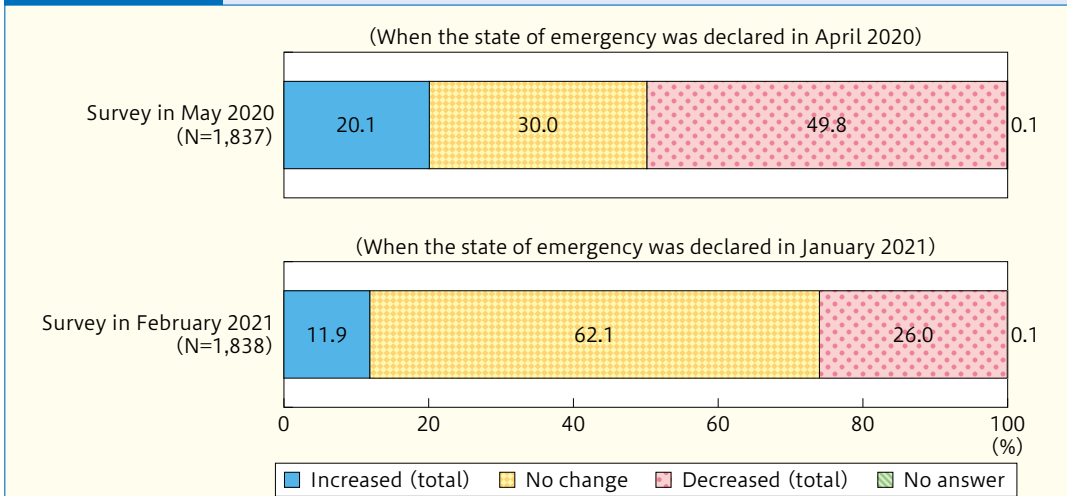


(Note) 1. Prepared based on *Basic Survey on Consumer Life* (FY2020) by Consumer Affairs Agency.
 2. In response to the questions: "Regarding purchasing goods/services on the internet, please (1) select all of the choices that describe your worries and (2) select all of the choices that describe your actual experiences." (Multiple-choice questions)

[Feature] Part 1 Chapter 2 Section 4 Consumers' attitudes/behaviors in emergencies

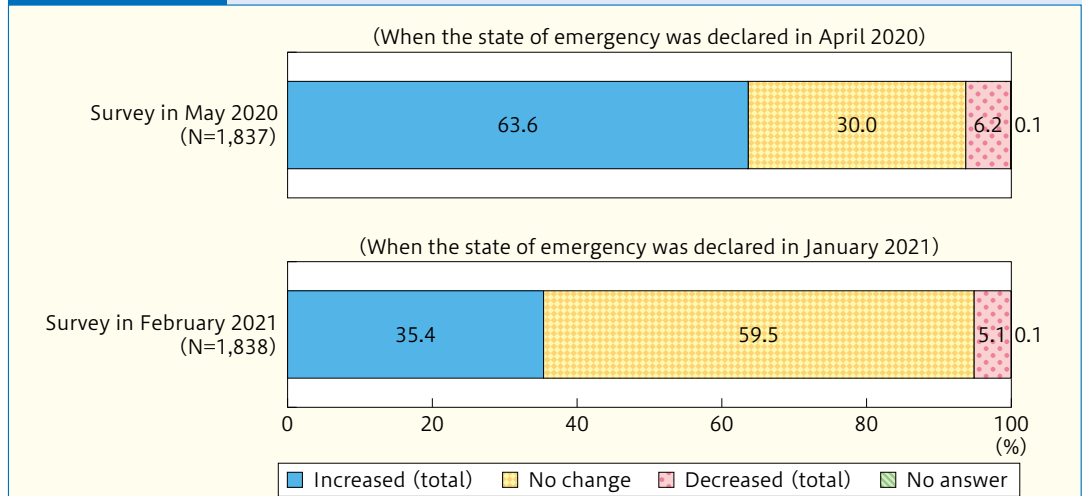
- Comparing the first time (April 2020) and the second time (January 2021) when the state of emergency was declared, more consumers answered that there was “No change” before and after the declaration at the second time than the first time, regarding the frequency of foodstuff purchases and their amounts.
- This suggests that more consumers exhibited calm consumption behaviors at the second time the state of emergency was declared.

Figure I-2-4-4 Changes in frequency of foodstuff purchases before and after state of emergency was declared



- (Note)
1. Prepared based on *Commodity Price Monitor Survey* by Consumer Affairs Agency
 2. In response to the question: “Did the frequency at which you shopped at supermarkets, convenience stores or other stores for foodstuffs and daily essentials increase or decrease before and after the state of emergency was declared?”
 3. Increased (total): Total of answers “Increased largely” and “Increased slightly” in response to the question, based on 5-point scale.
 4. Decreased (total): Total of answers “Decreased largely” and “Decreased slightly” in response to the question, based on 5-point scale.

Figure I-2-4-5 Changes in amount of foodstuffs in each purchase before and after state of emergency was declared

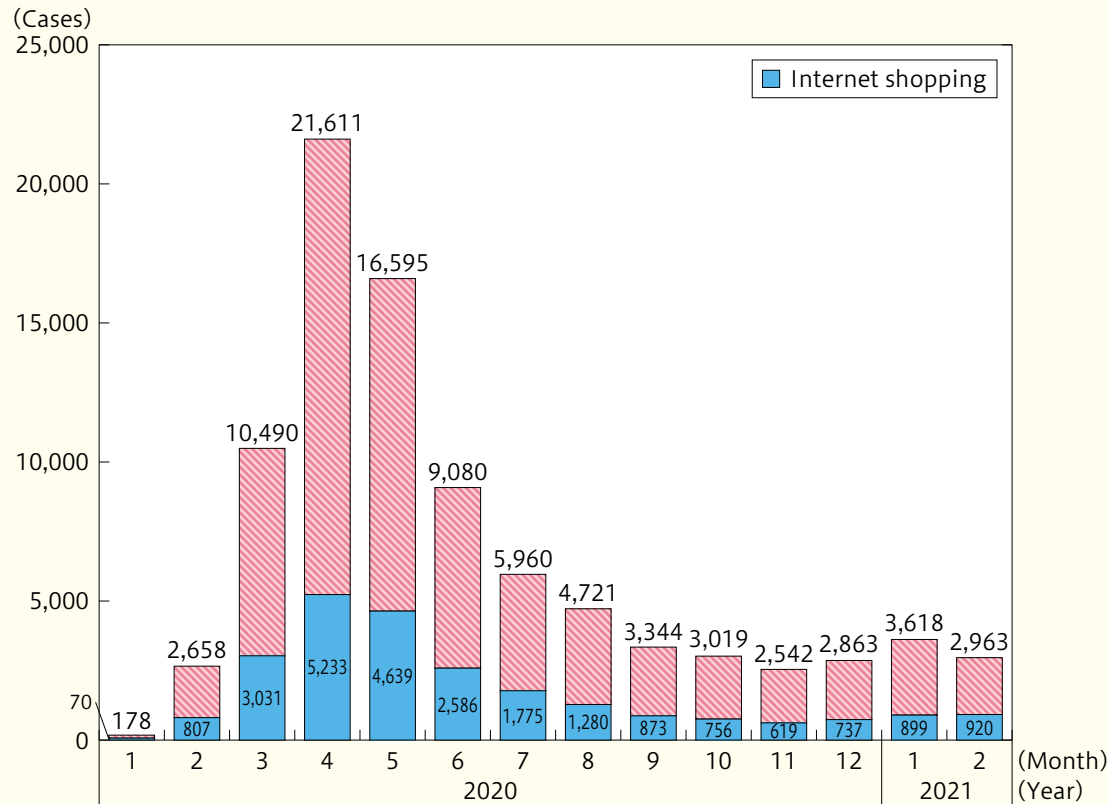


- (Note)
1. Prepared based on *Commodity Price Monitor Survey* by Consumer Affairs Agency
 2. In response to the question: “Did the amount of foodstuffs and daily essentials that you purchased at supermarkets, convenience stores or other stores each time increase or decrease before and after the state of emergency was declared?”
 3. Increased (total): Total of answers “Increased largely” and “Increased slightly” in response to the question, based on 5-point scale.
 4. Decreased (total): Total of answers “Decreased largely” and “Decreased slightly” in response to the question, based on 5-point scale.

[Feature] Part 1 Chapter 2 Section 5 Consumer troubles in the spread of COVID-19

- Consumer affairs consultations regarding COVID-19 reached the highest number in April 2020, exceeding 21,000 cases, and then continued to decrease until November 2020. Of all cases, there were many consultations regarding internet shopping.
- Consultations regarding “Health-care & sanitary goods, etc.,” including face masks, accounted for the largest proportion (about 30%). It was followed by “Weddings” and “Sports & health classes”, etc where there were troubles related to cancellations.

Figure I-2-5-1 Changes in total number of consumer affairs consultations regarding COVID-19 and number of consultations regarding internet shopping



(Note) 1. Consumer affairs consultation information registered with PIO-NET (as of March 31, 2021)
 2. Consultations “related to COVID-19”

Figure I-2-5-2 Highest numbers of consultations on COVID-19-related products/services (2020)

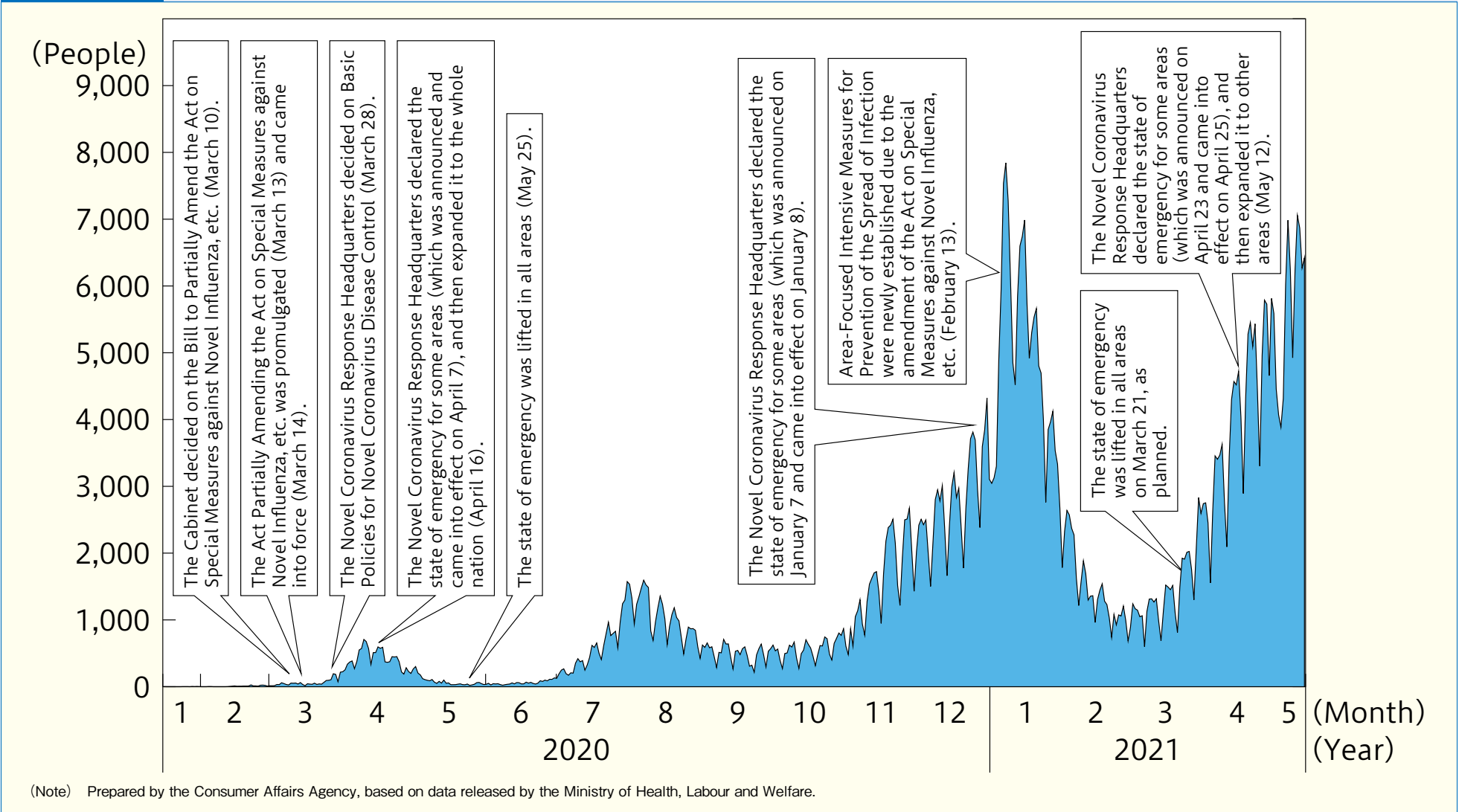
Rank	Products/services	Cases	Proportion
1	Health-care & sanitary goods, etc.	22,559	27.2%
2	Weddings	3,992	4.8%
3	Sports & health classes	3,857	4.6%
4	Other administrative services	3,731	4.5%
5	Aviation services	2,706	3.3%
6	Goods in general	2,197	2.6%
7	Sanitizers/disinfectants	1,650	2.0%
8	Other services	1,616	1.9%
9	Rented apartments	1,433	1.7%
10	Other medical equipment	1,306	1.6%
11	Tissues	1,113	1.3%
12	Hotels/inns	1,051	1.3%
13	Concerts	1,045	1.3%
14	Overseas package tours	1,035	1.2%
15	Use of sport facilities	1,002	1.2%
16	Eating out	962	1.2%
17	Multi-purpose loan / consumer loan	951	1.1%
18	Individually arranged overseas tours	927	1.1%
19	Other consultations (general)	909	1.1%
20	Domestic package tours	805	1.0%

(Note) 1. Consumer affairs consultation information registered with PIO-NET (as of March 31, 2021)
 2. Consultations “related to COVID-19”
 3. Items are products keywords (lower levels) used in PIO-NET.

Part 1 Chapter 2 Section 6 Responses by the Consumer Affairs Agency to COVID-19 (1)

Changes in number of newly infected cases and major governmental responses

Figure I-2-6-1 Changes in number of newly infected cases and major governmental responses



Part 1 Chapter 2 Section 6 Responses by the Consumer Affairs Agency to COVID-19 (2)
Major responses by the Consumer Affairs Agency

Figure I-2-6-2 Major COVID-19 responses by the Consumer Affairs Agency

	(Daily necessities)	(Labeling)	<Release of other information>
2020	<ul style="list-style-type: none"> • The Cabinet decided on the Cabinet Order Partially Amending Order for Enforcement of Act on Emergency Measures for Stabilizing Living Conditions of the Public. From March 15, it was prohibited to resell face masks at prices higher than their purchased prices. (March 10) • The Cabinet decided on the Cabinet Order Partially Amending Order for Enforcement of Act on Emergency Measures for Stabilizing Living Conditions of the Public. From May 26, it was prohibited to resell alcohol disinfectants at prices higher than their purchased prices. (May 22) • The Cabinet decided on the Cabinet Order Partially Amending Order for Enforcement of Act on Emergency Measures for Stabilizing Living Conditions of the Public. From August 29, the regulation on the resale of face masks and alcohol disinfectants was lifted. (August 25) 	<ul style="list-style-type: none"> • The Agency urgently monitored online advertisements which falsely representing preventive effects against COVID-19 and demanded its improvement. (March 10 and 27) *Since then, the Agency has monitored it continuously, demanded its improvement, provided administrative guidance, ordered measures and promoted awareness raising as required. • Under the joint signatures of the Ministry of Agriculture, Forestry and Fisheries and the Ministry of Health, Labour and Welfare, the Agency notified relevant organizations of the flexible operation of food labeling and other standards. (April 10) 	<ul style="list-style-type: none"> • The Agency informed consumers of fraudulent business practices taking advantage of COVID-19 and cautionary points for shopping in the New Lifestyle regularly. • The National Consumer Affairs Center of Japan opened the Consumer hotline on cash benefit programs for COVID-19. (May 1)
2021			<ul style="list-style-type: none"> • The Consumer Education Promotion Council compiled and released “<i>The consumer behaviors in an emergency</i>”. (January 13) • The Agency started a campaign to prevent consumer harm during the coronavirus crisis. (February 8) • The National Consumer Affairs Center of Japan opened the Consumer Hotline on COVID-19 Vaccine Fraud. (February 15)

Part 1 Chapter 2 Section 6 Responses by the Consumer Affairs Agency to COVID-19 (3)

Actions to misleading representations

1. Urgent monitoring of online advertisements under the Act against Unjustifiable Premiums and Misleading Representations and the Health Promotion Act

- March 10, 2020: 46 products of 30 business operators
- March 27, 2020: 41 products of 34 business operators
- June 5, 2020: 38 products of 35 business operators
- February 19, 2021: 42 products of 45 business operators

Demand for improvement in a total of 167 products of 144 business operators, including health food, negative ion generators and antibacterial sprays

* Improvement has already been confirmed in the labeling of all of the products. Since then, the monitoring has been continued and appropriate measures have been taken under the laws.

[Main products for which labeling improvement was demanded in the urgent monitoring]

- So-called health food (vitamin A, vitamin C, vitamin D, zinc, olive leaf extract, dandelion tea, manuka honey, natto, mandarin, turmeric, hydrogen water, lactic acid bacteria, black garlic, seaweed fucoidan, sea lettuce, coffee polyphenol, tea polyphenol, tea catechin, etc.)
- Negative ion generators, ion air cleaners
- Space sterilization products (neck strap type and stationary type), antibacterial/antimicrobial sprays (e.g. amino acid, photocatalyst), aroma oil

2. Guidance for preventing recurrence from the perspective of the Act against Unjustifiable Premiums and Misleading Representations

- **Two business operators** engaged in **bait-and-switch advertising on face masks** (March 27, 2020)
- **Five business operators** selling **portable (neck strap type) space sterilization products** (May 15, 2020)
- **Nine business operators** selling **antibody testing kits** (December 25, 2020 and March 26, 2021) and **two business operators** selling **antibody testing kits for research purposes** (March 26, 2021)

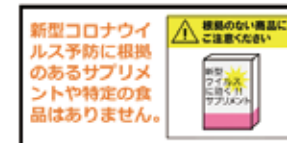
3. Measures ordered due to the violation of the Act against Unjustifiable Premiums and Misleading Representations

- **One business operator** selling **finger washing gel** with alcohol content that was significantly dilute than labeled (May 19, 2020) and **one business operator** selling **alcohol spray** (December 9, 2020)
- **Nine business operators** selling **hypochlorous acid water** with effective chloride content that was significantly dilute than labeled or advocating disinfection effects (December 9, 2020, March 10 and 11, 2021)
- **Six business operators** selling **portable space sterilization products, air clearing products and negative ion generators** (August 28 and December 22, 2020, and January 15, March 18 and 31, 2021)
- **Five business operators** selling **antibacterial sprays** advocating space sterilization using chlorous acid (March 4 and April 9, 2021)
- **One business operator** selling **health food** advocating effects against COVID-19 (March 9, 2021)

4. Other awareness raising

- Jointly with the Ministry of Health, Labour and Welfare and the Ministry of Economy, Trade and Industry, the Agency released **COVID-19 disinfection/sterilization methods** (June 26, 2020).
- The Agency released **precautions for the purchasing and use of disinfection/sterilization products** (July 1, 2020).

Consumer awareness raising through SNS, etc. (e.g. Twitter, Facebook)



○The Agency informed of fraudulent business practices taking advantage of COVID-19 and cautionary points of shopping for consumers in the New Lifestyle regularly.

<Notice of special fixed benefits>

特別定額給付金に関するお知らせ

給付金のサギに注意!!
(詐欺)

絶対に教えない! 渡さない!

- 暗証番号 ●通帳 ●マイナンバー
- 口座番号 ●キャッシュカード

市区町村や総務省などが以下を行うことは絶対にありません

- ✕ 現金自動預払機 (ATM) の操作をお願すること
- ✕ 受給にあたり、手数料の振込みを求めること
- ✕ メールを送り、URL をクリックして申請手続きを求めること

「優しいな?」と思ったら遠慮なくご相談ください

消費者ホットライン 188 (休日のみ24時間)

新型コロナウイルス感染症対策本部 消費者ホットライン 0120-213-188

お住まいの市区町村 市区町村の窓口

新型コロナウイルス感染症対策本部 消費者ホットライン 0120-797-188

市区町村から「接種券」「接種のお知らせ」が届きます

新型コロナウイルス感染症対策本部 消費者ホットライン 0120-761770

<Awareness raising for COVID-19 vaccination>

新型コロナウイルスワクチン接種に関する注意喚起

行政機関等をかたった“なりすまし”にご注意

ワクチン接種は無料です!
接種を受ける際の費用は全部公費です

<消費生活センターへ寄せられた事例>
▶「コロナウイルスワクチンが接種できる。後日全額返金するので、お金を振り込むように」と保健所を名乗る電話があった。

電話・メールで個人情報を求めることはありません!

市区町村から「接種券」「接種のお知らせ」が届きます

<消費生活センターへ寄せられた事例>
▶高齢者宅に「コロナワクチンが無料で受けられます」と個人情報聞き出す不審な電話がかかってきた。

新型コロナウイルス接種に関する情報は、保健官部 厚生労働省 消費者ホットライン 188 (休日のみ24時間) 0120-797-188

市区町村から「接種券」「接種のお知らせ」が届きます

保健官部 厚生労働省 消費者ホットライン 0120-761770

<To consumers, Request for cooperation regarding “shopping etiquette”>

消費者の皆様へ「お買物エチケット」ご協力のおねがい

スーパーなどの店舗では、従業員と消費者が互いに協力しあって安全安心な買物の場を作り上げていくという意識が大切です。皆様ご協力をお願いします。

◇お店に出かけるときには・・・

- マスクを着用し、手拭エチケットを必ず
- 買物メモなど購入計画を立てて、滞在時間を短く、来店回数も減らして
- 一人又は少人数で待っている時間に

発熱などのかぜ症状がある場合 来店を控えて!

◇店内でのお買物中は・・・

- 購入付けの消毒液があれば手洗いの消毒を
- 人と人との距離をできるだけ保って
- 従業員へのあいさつや客同士の間話で丁寧なものは控えて
- 購入しない商品までできるだけ触らない
- 飲食等のため外したマスクは、テーブルに置かない等、適切に管理を

◇会計の際には・・・

- レジ待ちの列はできるだけ一人で、間隔を空けて
- 電子決済や自動精算機も活用を
- 現金を渡す際にも指を触ると感染が心配です
- 会計後の袋詰めは混雑を避け、速やかに
- マイバッグへの袋詰めは自分で (使用前に消毒を)

お客様は品物や商品がなくなり、店舗整理が行われることもあります。従業員の方も頑張っています。感染防止対策を実施し、協力して買物をしましょう。

買物には遠慮も!

例えば、引取り手がなく捨てられそうな新鮮な野菜や加工食品などが捨てられているインターネットサイトもあります。

<Key points for consumers to express their opinions>

「消費者が意見を伝える」際のポイント

自立した消費者として、意見がきちんと相手に伝わるように、「意見を伝える」とときには次の3つのポイントを参考にしてみてください。

Point 1
ひと呼吸、置こう!
怒りに任せた発言は逆効果。ひと呼吸おいて冷静に、従業員も同じ「人」として、お互いに尊重し合うことが大切です。

Point 2
言いたいこと、要求したいことを「明確に」、そして「理由」を丁寧に伝えましょう!
返品したいのか、解約したいのか、またその理由を明確に、丁寧に伝えることが重要です。

Point 3
事業者の説明も聞きましょう!
上手なコミュニケーションが解決への糸口。一方的に主張するだけでなく、事業者の説明も聞きましょう。

従業員、事業者も頑張っています。意見の伝え方には留意しましょう。

※行き過ぎた言動をとると、場合によっては犯罪として処罰されることもあります。

【事例①】従業員に怒られた例
アルバイト従業員の接客態度に不満を述べ、「上下関係が崩壊した」と怒鳴りつけ、従業員に上下関係が崩壊させたとして、従業員を有罪に。

【事例②】店舗側に関わられた例
店員の接客態度に不満を述べ、長時間にわたり店員等に抗議をし、これを悪い機会として脅迫をして、商品を要求し、店舗側で有罪に。

コロナ禍ならではの**不審な勧誘や悪質商法**、また**ゲームの課金やショッピングに関するトラブル**が多発しています。

「自分は気をつけてるから大丈夫。」と油断せず、最新の事例を知って、十分注意しましょう。

「自分は大丈夫。」をやめよう

～新しい生活における詐欺・トラブル防止～

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

Process chart for The Basic Plan on Consumer Policy

- Based on the fourth Basic Plan on Consumer Policy (decided on by the Cabinet on March 31, 2020), the efforts planned as part of specific policies that should be executed by relevant government offices have been defined into this process chart to promote the consumer policy both systematically and comprehensively in a verifiable format.
- 153 policies are organized into five pillars and the planned efforts and their Key Performance Indicators (KPIs) during the target period (till FY2024) are stated explicitly.
- It will be revised each fiscal year according to the progress of the policies and its details will also be reviewed as required in emergencies such as the spread of COVID-19.

<Structure of the process chart for the fourth Basic Plan on Consumer Policy [Chapter 5 Promotion of key policies]>

I . Preventing consumer harm	II . Promoting economic/social structural reforms through consumers' participation, etc. to fair and sustainable society	III . Flexible/focused response to various issues related to consumer affairs	IV . Promotion of consumer education and providing information to consumers	V . Establishing the structure to promote consumer administration
<ul style="list-style-type: none"> (1) Ensuring consumer safety (2) Optimizing transactions and product labeling and ensuring consumer opportunities for independent and reasonable selections (3) Promoting policies that are coordinated among relevant government offices to support consumers with weakness, etc. (4) Establishing the framework to process complaints from consumers and settle disputes 	<ul style="list-style-type: none"> (1) Coordination and cooperation between consumers and business operators that contribute to food loss and waste reduction, etc. (2) Coordination and cooperation between consumers and business operators that contribute to environmental conservation (3) Other coordination and cooperation between consumers and business operators that contribute to development of sustainable society (4) Promotion of voluntary efforts to improve compliance in business activities 	<ul style="list-style-type: none"> (1) Simultaneous realization of utilization of digital platform and other digital services and protection/promotion of consumer profit (2) Response to globalization development of consumer affairs (3) Response to emergencies, such as spread of COVID-19 and disasters 	<ul style="list-style-type: none"> (1) Promotion of consumer education (2) Promotion of enlightenment activities for consumer policies 	<ul style="list-style-type: none"> (1) Reflecting consumer opinions/ensuring consumer policy transparency (2) Establishing national systems (3) Establishing local systems

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

Responses by the Consumer Affairs Agency to COVID-19 (Part 1 Chapter 2 Section 6)

- Increase in consumer affairs consultations regarding COVID-19 due to the spread of COVID-19
- Declaration of the state of emergency

(From April 7 to May 25, 2020; from January 8 to March 21, 2021; from April 25, 2021 to present)

○ During the spread of COVID-19, the following measures were implemented:

- Maintenance/reinforcement of consumer affairs consultation systems
- Actions to misleading representations and awareness raising
- Appeal for calm purchasing activities
- Awareness raising regarding piggybacking fraudulent schemes

And awareness raising and response to misleading representations regarding vaccine frauds followed.

○ Under the Act on Emergency Measures for Stabilizing Living Conditions of the Public, it was prohibited to resell face masks and alcohol disinfectants (and then, this restriction was lifted in August 2020).

○ The Agency informed consumers of cautionary points for shopping and eating out in the New Lifestyle.

Enhancement/strengthening of local consumer administration

- Local community is the front line of consumer administration.
- Establishment of consumer affairs consultation system accessible to anyone
- Prevention of consumer trouble outbreaking or expansion, especially for elderly people

○ Formulation of the “campaign for strengthening local consumer administration 2020” in April 2020

○ Implementation of multi-layered policies to enhance/strengthen local consumer administration

- Support based on a grant to strengthen local consumer administration
- Digitalization of consumer affairs consultation
- Development of human resources for local consumer administration
- Advanced model projects

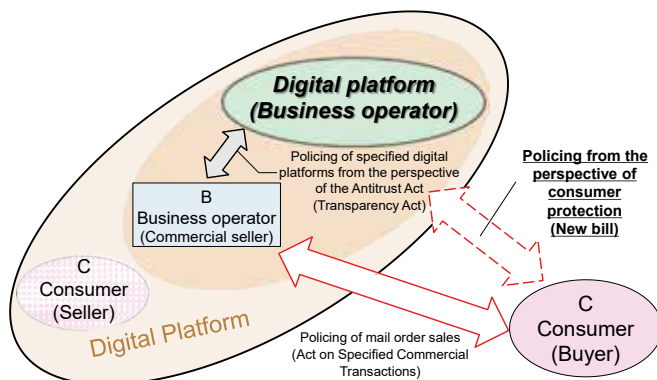
○ Establishment of “Local Council for Ensuring the Safety of Consumers” (Watch-over Network) and support to efforts by local public organizations to collaborate consumer affairs supporters and consumer affairs support groups

* Municipalities where Watch-over Network is installed: 327 (as of March 31, 2021)

Protection/promotion of consumer profits in transactions via digital platforms

- Expansion of consumer transactions on digital platforms
- Emergency of new types of troubles involving sellers unfamiliar with business transactions

- Submission of “Bill for the Protection of Consumers who use Digital Platforms” to the 204th ordinary session of the Diet, based on the expert report “Review of environmental maintenance, etc. in consumer transactions involving digital platform companies” (Outline of the bill: P26)
- Once the bill is passed, a preparatory meeting will be held to set up a Public-Private Council, guidelines and other specific plans will be released and dissemination/enlightenment efforts will be made to enforce the new law.



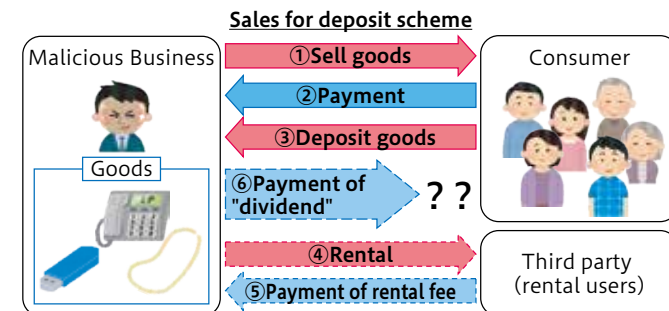
Strengthening of law enforcement against fraudulent schemes

- Prevention of consumer damage through fraudulent schemes (No. of consumer affairs consultations: 934,000 cases* (2020))
- Strengthening and speeding up of law enforcement against fraudulent schemes targeting consumer weakness

* Total number of consultations including cases of fraudulent schemes

- Strict, appropriate enforcement under the Act on Specified Commercial Transactions and the Act on the Deposit, etc. Transaction Agreements of Specified Commodities, etc.
- Submission of “Bill to Partially Amend the Act on Specified Commercial Transactions, etc. to Prevent Damage to and Promote the Recovery of Consumers” to the 204th ordinary session of the Diet, based on the expert report Study Group on Reform “the Act on Specified Commercial Transactions” and “the Act on the Deposit, etc. Transaction Agreements of Specified Commodities,” etc. (Outline of the bill: P27)

<Sales for deposit schemes are prohibited due to amendment of the Act on the Deposit, etc. Transaction Agreements of Specified Commodities, etc., in principle.>



- * There are no records of profit from rentals or operations
- * Almost no cases of goods said to have been deposited actually exist

Promotion of policies under the Act on Promotion of Food Loss and Waste Reduction

- The annual amount of food loss and waste is 6 million tons (estimated in FY2018).
- The amount of food loss and waste must be halved by FY 2030, compared with the amount in FY2000 (e.g. Fourth Fundamental Plan for Establishing a Sound Material-Cycle Society).

○ Under the Basic Policy on Promotion of Food Loss and Waste Reduction (decided on by Cabinet in March 2020), relevant ministries work together in efforts, including system reviews, to encourage various bodies such as business operators, relevant organizations/industries and consumers to take this “as their own affairs” and take action respectively.

- Dissemination/promotion of good examples such as the establishment of the “Food Loss and Waste Reduction Promotion Award”
- Disposal reduction by introducing convenient labelling correction methods in case of violation of the Food Labelling Standard.
- Donation of storage food for disaster to organizations for food bank activities

And so on.

<Award ceremony for “Popular Naming Contest for Best-before-Date” and “Slogan & Photo-Contest for Food Loss and Waste Reduction”>



Promotion of consumer-oriented management

- Development of a society with consumer-oriented management (aka “sustainable management”) as its basic recognition (from FY2016)
- Promotion of consumer-oriented voluntary declaration and follow-up activities

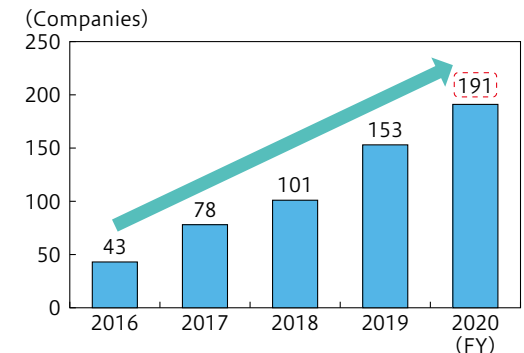


- Acceleration of promotion activities such as recognizing good examples and promotion of efforts in consumer-oriented management by business operators from the perspective of consumers
- Review of recognition of good examples, conceptual organization of consumer-oriented management and consideration of linkage to finance on which ESG investment and other concepts have been reflected, etc.

<Three activities in consumer-oriented management>

- Listen to and leverage everyone’s opinions
- Make efforts for the future and next generation
- Compliance with laws and regulations/ Strengthening corporate governance

<Changes in the number of operators that made a voluntary declaration of consumer-oriented management>



Part 2 Chapter 1 Major consumer policies by the Consumer Affairs Agency (5)

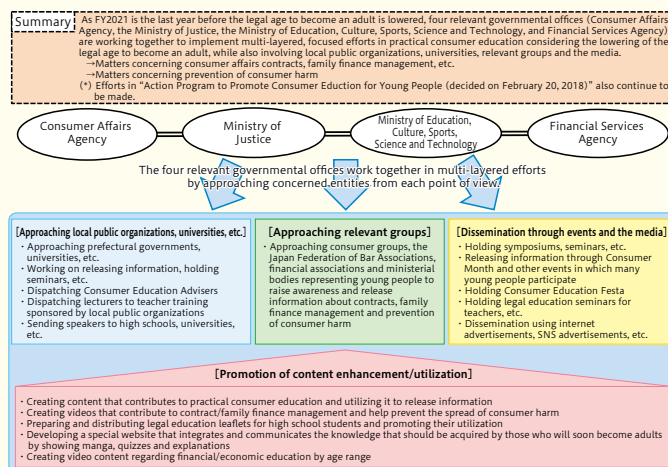
Promotion of consumer education for lowering the age of adulthood

- The age of adulthood under the Civil Code will be lowered to 18 on April 1, 2022. (Those aged 18 and 19 will not be able to exercise the right to rescind.)
- The campaign “with all strength for consumer education associated with lowering the age of adulthood”. (Decision by the liaison meeting of 4 relevant ministry’s Director-General regarding the promotion of consumer education for youth, March 2021)

○Implementation of multi-layered efforts in collaboration with relevant ministries as well as involving local governments, universities, relevant groups and media, etc as the campaign “with all strength for consumer education associated with lowering the age of adulthood”.

- Education in regards to contracts on consumer’s life family finance management, etc.
- Education contributing to the prevention of damages suffered by consumers.

Figure II-1-5-3 Campaign “All-out Consumer Education to Meet Lowering of Legal Age to Become Adult”



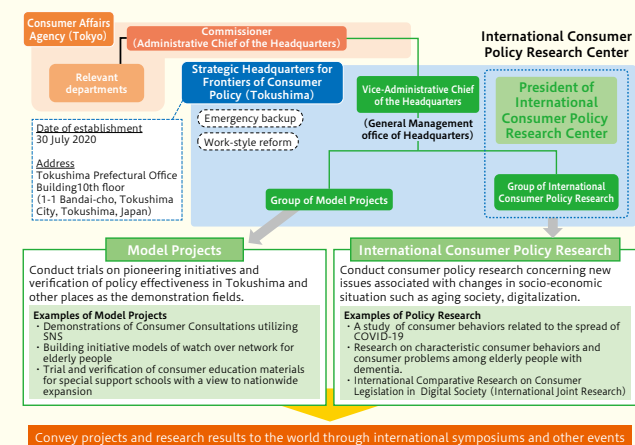
Demonstration of functionality of Consumer Affairs Agency Strategic Headquarters for Frontiers of Consumer Policy

- Consumer Affairs Agency Strategic Headquarters for Frontiers of Consumer Policy was established in Tokushima Prefecture (July 2020) to enhance its functionality as a new permanent base.

○Further enhancement of functions such as model projects leveraging the demonstration field, consumer policy researches, international operations, etc.

○Implementation of international joint researches so that overseas trends in consumer policies and research outcomes can be utilized in long-term consumer policies

Figure II-1-6-5 Organization and Initiatives of the Strategic Headquarters for Frontiers of Consumer Policy



Part 2 Chapter 1 Major consumer policies by the Consumer Affairs Agency (6) Response to digitalization

○ Submission of the Bill for the Protection of Consumers who use Digital Platforms to the 204th ordinary session of the Diet in March 2021*

* Passed on April 28, 2021

Figure II-1-4-2 Bill for the Protection of Consumers who use Digital Platforms (Outline)

Problems such as the distribution of unsafe products, etc., and difficulty in identifying sellers in resolving disputes exist on "digital platforms" such as online marketplaces. In response to this, a new Bill was prepared to protect consumer interests.

Content of the New Bill

(1) Obligations of Digital Platform Providers (Article 3)

- In order to contribute to the optimization of mail-order transactions (Business to Customer transactions) conducted using digital platforms and the promotion of dispute resolution, digital platform providers are **obligated to make efforts to implement and disclose an outline of the following measures** listed in ① to ③ below (and the Prime Minister draws up guidelines for specific content).

- ① Measures that **enable smooth communication** between sellers and consumers
- ② **Implementation of investigations, etc. as necessary** of complaints regarding the presentation of sales conditions, etc.
- ③ Requesting sellers to provide **information on their identity** as necessary

(2) Suspension of Listing Products (Article 4)

- The Prime Minister **requests** that digital platform providers **remove listings, etc.** of unsafe products (*1) when it is difficult to enforce relevant Individual Acts due to reasons such as that the seller cannot be specified (*2)

* Exemption of digital platform provider liability for damages to sellers caused in response to requests

(*1) Products, etc. that have particularly false or misleading information on important particulars on their labelling (those regarding product safety, etc.)

(*2) If the seller can be identified, etc., handling will be in accordance with the Special Commercial Code, etc.

(3) Right to Request Disclosure of Information on Distributors (Article 5)

- Establishes the **right to request the disclosure of seller information** as necessary when consumers make a claim for damages, etc.

*1 Digital platform providers are not liable to sellers in responding to requests for disclosure in accordance with appropriate procedures

*2 Not applicable if the amount of damages claimed for is less than a certain amount or the claim has been brought for an unjustifiable purpose

(4) Public-Private Council (Articles 6-9) / Reporting System (Article 10)

- **A public-private** council consisting of national government agencies, groups consisting of digital platform providers, consumer groups, etc. **will be organized to discuss matters that each entity is responsible for handling, such as dealing with malicious sellers.**
- Establishing of **a reporting system in which consumers, etc.** can report the risk of damage to consumers and request that **the Prime Minister** (Consumer Affairs Agency) takes appropriate measures in response to this

* Comes into force as of the date specified by Cabinet Order within one year from the date of promulgation

* The review is to be made in the 3rd year of enforcement of this Bill in light of the status of its enforcement and changes to economic and social conditions.

○Submission of “Bill to Partially Amend the Act on Specified Commercial Transactions, etc. to Prevent Damage to and Promote the Recovery of Consumers” to the 204th ordinary session of the Diet in March 2021

Figure II-1-2-4 Outline of “Bill to Partially Amend the Act on Specified Commercial Transactions, etc. to Prevent Damage to and Promote the Recovery of Consumers”

In order to fundamentally strengthen countermeasures against malicious business practices that exploit consumer vulnerabilities and respond to changes in socio-economic conditions under the new normal, institutional reforms promoting fair trade and the prevention of damage to consumers will be implemented through amendment of the Act on Specified Commercial Transactions and the Act on Deposit, etc. Transaction Agreements of Specified Commodities, etc.

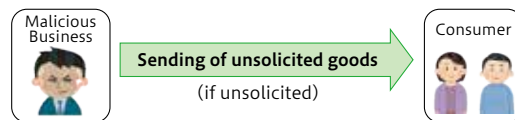
Content of major amendments to the Act on Specified Commercial Transactions

1. Countermeasures against "Fraudulent Subscription-Based Business Practices" in Mail Orders

- Direct punishment for indication services as not being subscription-based
- Establishment of a system that allows the cancellation of applications made based on the above indication
- Prohibition of obstructing the cancellation of mail order sales
- Addition of indication and obstruction as above to requests for injunctions by Qualified Consumer Organizations

2. Countermeasures against Negative Option

- Establishing provisions that business who send goods without a contract of sale cannot demand their return, etc. (currently consumers can dispose of the product after storing it for 14 days → after the revision products can be disposed of immediately)



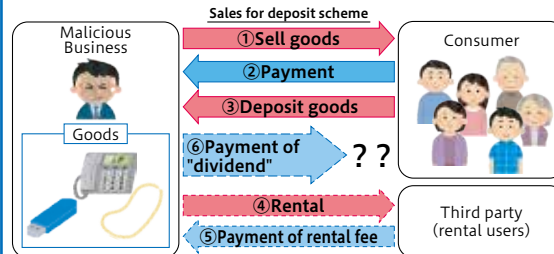
3. Establishing Regulations to Promote the Protection of Consumer Interests

- Possible to notify consumers of cooling-off by electronic methods (by e-mail, etc.) (same for the Act on Deposit, etc. Transaction Agreements of Specified Commodities, etc.)
- Possible to send contract documents that must be delivered by business operators by electronic methods (by e-mail, etc.) with the consent of consumers (same for the Act on Deposit, etc. Transaction Agreements of Specified Commodities, etc.)
- Establishment of a system for providing information to foreign law enforcement authorities (same for the Act on Deposit, etc. Transaction Agreements of Specified Commodities, etc.)
- Strengthening administrative, etc.

Content of major amendments to the Act on Deposit, etc. Transaction Agreements of Specified Commodities, etc.

1. Prohibition of sales for deposit in principle

- In principle, transactions for deposit involving sales are prohibited and penalties will be stipulated
- Establishment of a civil system to void contracts that are illegal in principle
- * Contracts for deposit involving sales: A contract to receive the deposit of goods for a period of 3 months or more and to provide economic benefit in return
- * Under exceptional circumstances, the Consumer Affairs Agency will confirm on an individual basis following strict procedures



- * There are no records of profit from rentals or operations
- * Almost no cases of goods said to have been deposited actually exist

2. Expansion of the scope of the Act on the Deposit, etc. Transaction Agreements of Specified Commodities, etc.

- Discontinuation of only listed goods being subject to the current Act on the Deposit, etc. Transaction Agreements of Specified Commodities, etc. (Listed goods, etc. → All goods, etc.)

3. Establishing Regulations to Promote the Protection of Consumer Interests

- Strengthening administrative sanctions, etc.

Content of amendments to Act on Special Measures Concerning Consumer Court Proceedings

In order to assist court proceedings for redress for damages, it will become possible to provide Specified Qualified Consumer Organizations with documentation regarding administrative dispositions under the Act on Specified Commercial Transactions and the Act on Deposit, etc. Transaction Agreements of Specified Commodities, etc.

○“Part 2 Chapter 2” describes results of policies implemented by related ministries in FY2020.

Section 1 Preventing consumer harm

1. Ensuring consumer safety
2. Optimizing transactions and product labeling and ensuring consumer opportunities for independent and reasonable selections
3. Promoting policies that are coordinated among relevant government offices to support consumers with weakness, etc.
4. Establishing the framework to process complaints from consumers and settle disputes

Section 2 Promotion of economic/social structural reforms through consumers’ participation, etc. to fair and sustainable society

1. Coordination and cooperation between consumers and business operators that contribute to food loss and waste reduction, etc.
2. Coordination and cooperation between consumers and business operators that contribute to environmental conservation
3. Other coordination and cooperation between consumers and business operators that contribute to development of sustainable consumer society
4. Promotion of voluntary efforts to improve compliance in business activities

Section 3 Practice of “New Lifestyle” Flexible/focused response to other various issues

1. Practice of “New Lifestyle” and response to consumer issues regarding disasters
2. Simultaneous realization of protection and promotion of consumer profits in digital society
3. Response to the globalized development of consumer affairs

Section 4 Promotion of consumer education and providing education to consumers

1. Promotion of consumer education
2. Promotion of enlightenment activities for consumer policies

Section 5 Establishing the structure to promote consumer administration

1. Reflecting consumer opinions/ensuring consumer policy transparency
2. Establishing national systems
3. Establishing local systems