

White Paper on Consumer Affairs 2022

**FY2021 Implementation of Consumer Policy
FY2021 Report on the Results of Information
Gathering and Analysis on Consumer
Accidents**

[Summary]

Consumer Affairs Agency

2022 White Paper on Consumer Affairs Structure

(FY2021 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

Chapter 2 Changing consumption patterns of young people and their participation in achieving sustainable society ~The new age where people become adults from 18 years old~

Section 1 Changes in surrounding environment and awareness of young people

Section 2 Consumption behavior and consumer problems of young people

Section 3 Young people's participation in achieving sustainable society

Conclusion

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 Practice of "New Lifestyle"
Flexible / focused response to other various issues

Section 5 Promotion of consumer education and providing information for consumers

Section 6 Establishing the structure to promote consumer administration

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

Chapter 2 Details of the 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

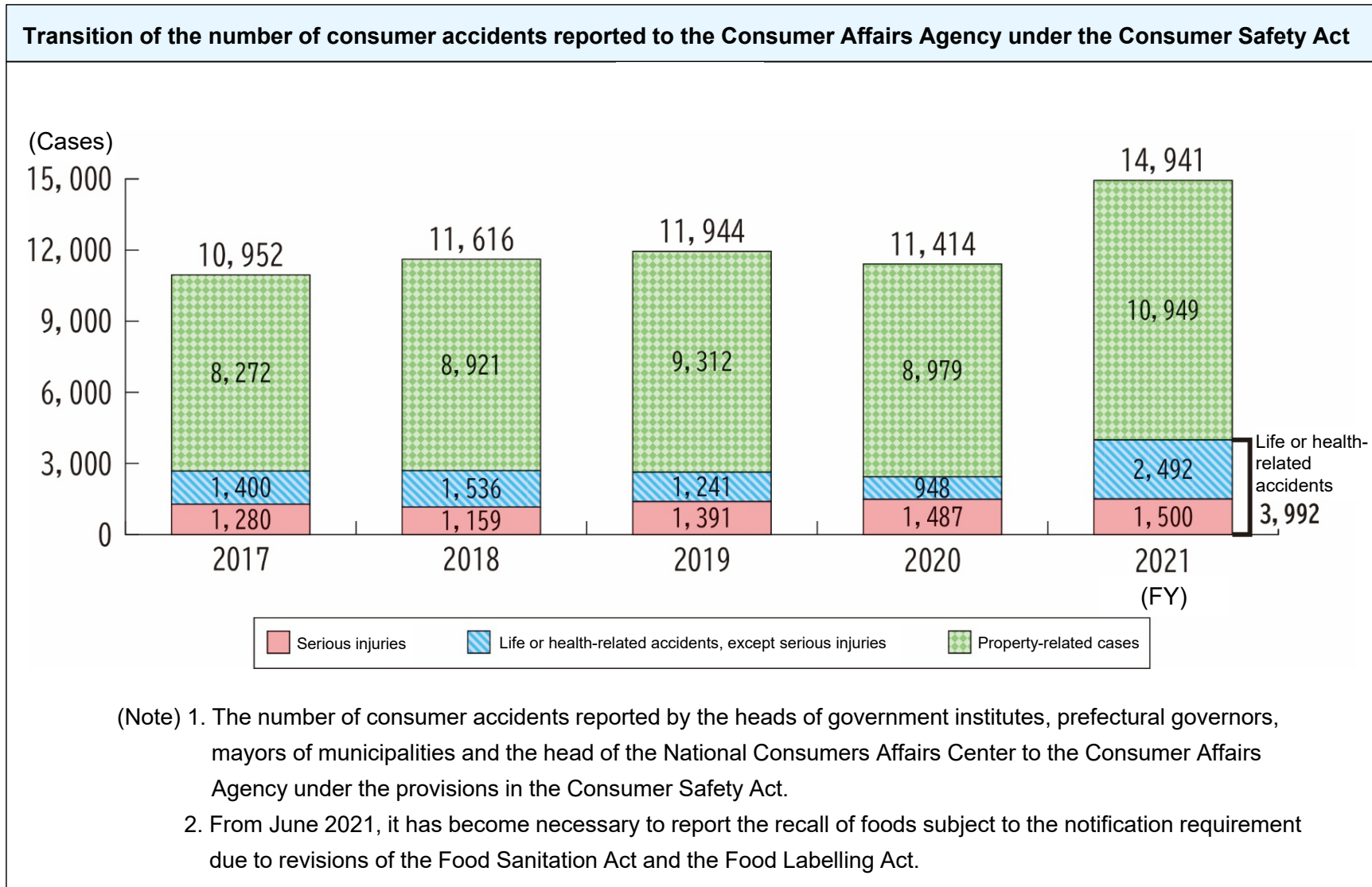
Section 3 Practice of "New Lifestyle"
Flexible / focused response to other various issues

Section 4 Promotion of consumer education and providing information for consumers

Section 5 Establishing the structure to promote consumer administration

• In this document, contents and number of consumer affairs consultations registered with PIO-NET are current as of March 31, 2022. Since PIO-NET requires 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.

- The number of consumer accidents reported to the Consumer Affairs Agency in FY2021 was 14,941.
- Among them, breakdown of 3,992 life or health-related accidents reported, 1,500 were cases of serious injuries. 10,949 property-related cases were also reported.

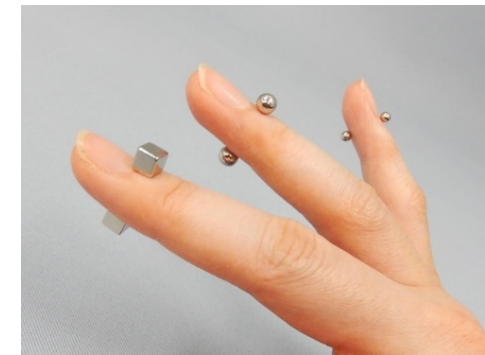
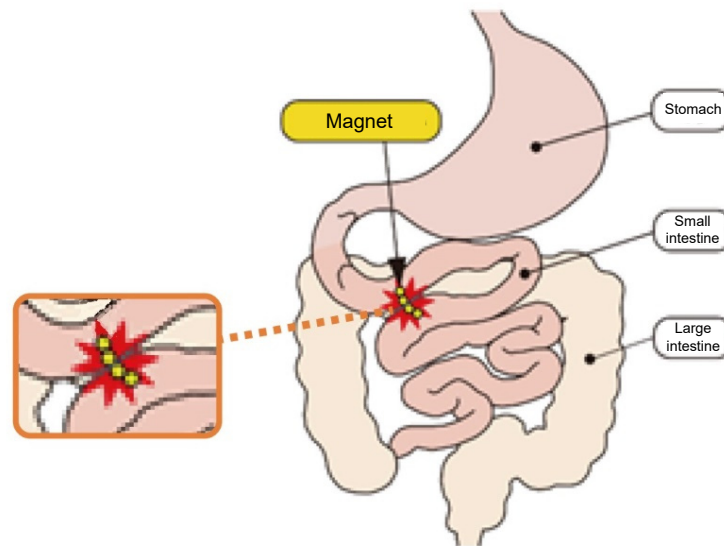
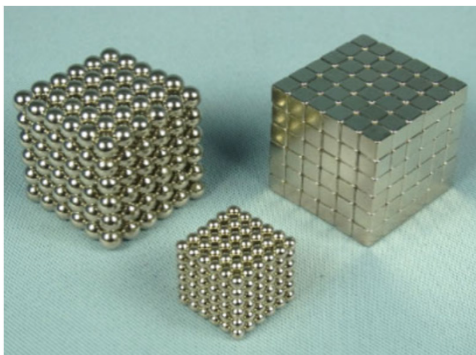


- Consumer Safety Investigation Commission conducted investigations according to notifications based of the provisions in the Consumer Safety Act.
- In FY2021, 2 reports were published. Also, opinions were submitted to the heads of relevant administrative organs.

Children accidentally ingesting magnet sets made of neodymium magnets

- A magnet set is a product made of a set of magnets with a sphere or a cube shape, and sold as a “puzzle” or “toy”. There were accidents where a child accidentally ingested multiple magnets, and those magnets stopped moving while sandwiching the walls of the stomach and intestines, resulting in those walls being punctured.

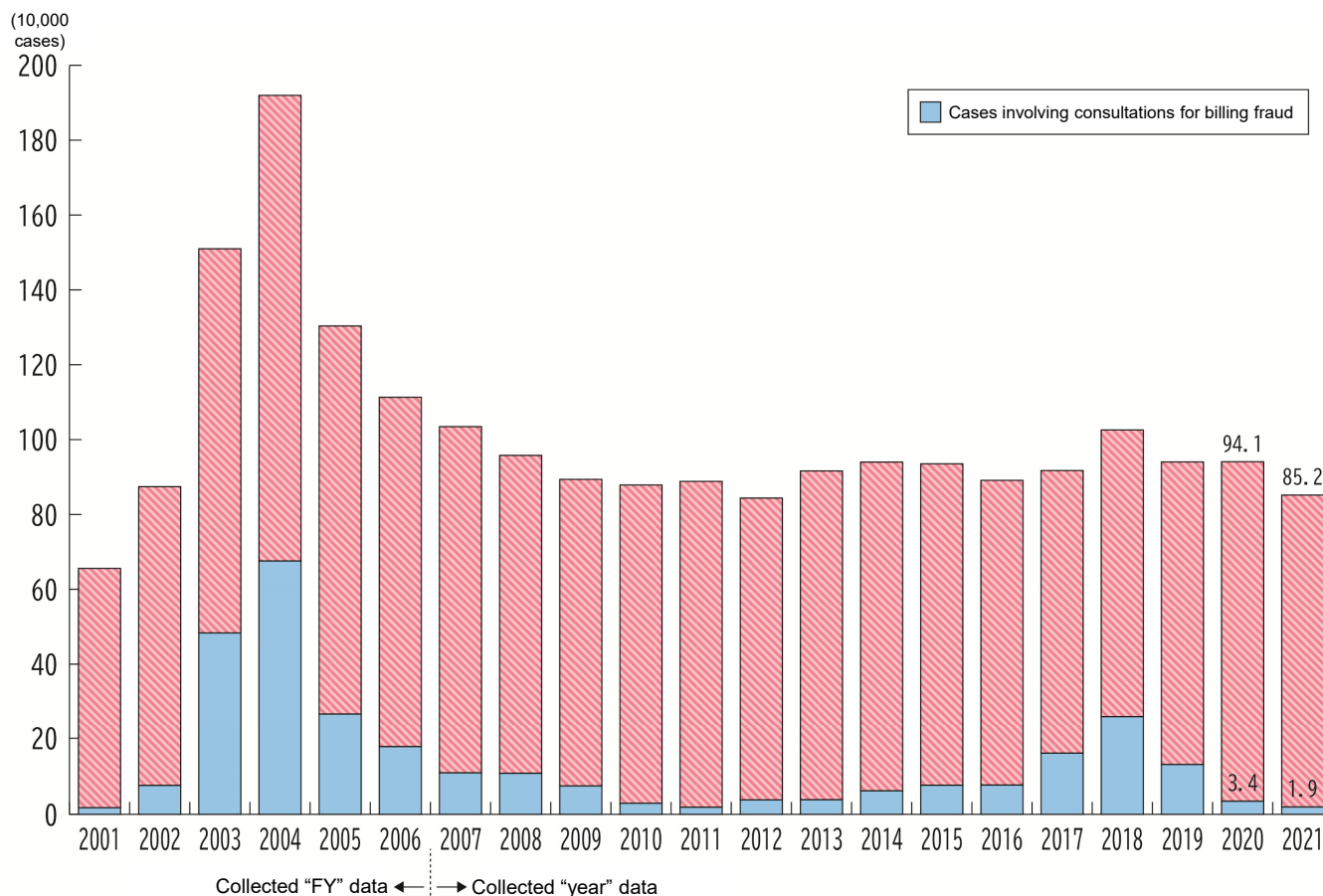
⇒The investigation report was made in March of this year, and it was submitted to the Minister of Economy, Trade and Industry that regulations on magnet sets shall be made in order to prevent them from falling into hands of children.



Part 1 Chapter 1 Section 3 Overview of consumer affairs consultations

- The number of consumer affairs consultations in 2021 was 852,000, which slightly decreased from that of the previous year. Reasons for the decline include the decrease of the number of consultations related to COVID-19 and billing fraud.
- When sorting themes of the consultation by product / service types, the theme with the largest number of consultations was the one concerning “Goods in general”. This theme also covers spam e-mails and suspicious phone calls.

Transition of the number of consumer affairs consultations



TOP 10 cases of consultations on product/service types related to the consumer affairs consultation

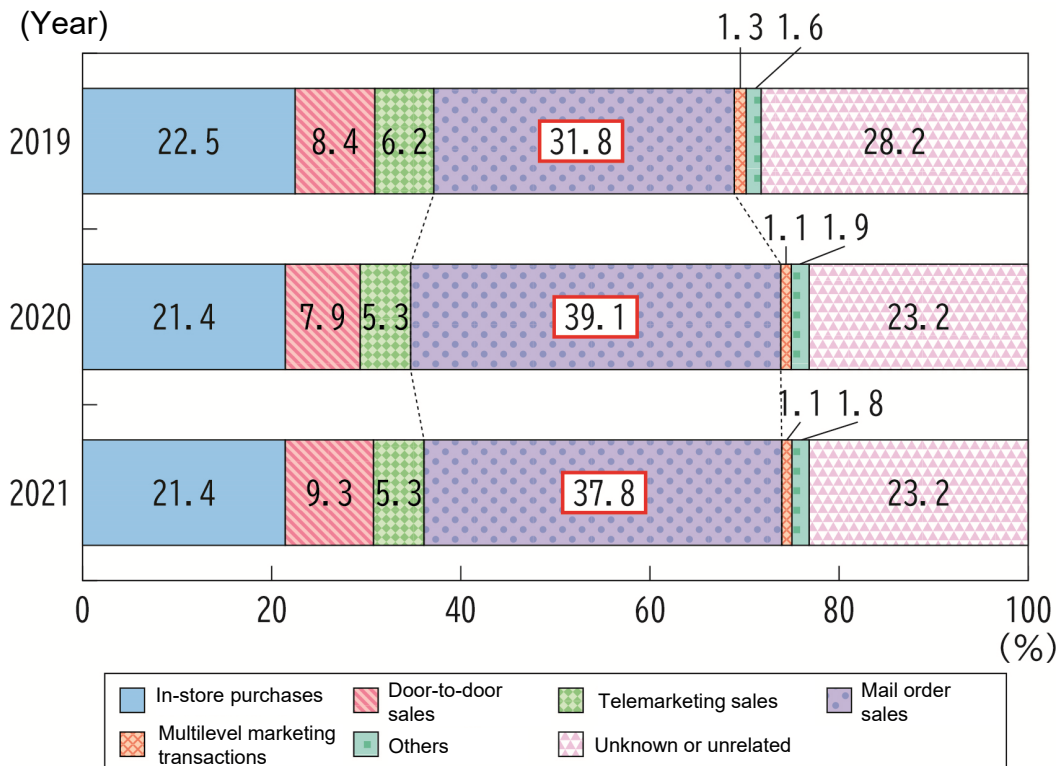
Rank	Total number	
	Products and services	Cases
	Total number of cases	
		629,215
1	Goods in general (ex.: spam e-mails, suspicious phone calls)	57,420
2	Real estate lease	28,663
3	Work & construction	21,495
4	Internet connection service	15,899
5	Other health food	15,754
6	Mobile phone service	14,709
7	Other services	14,110
8	Multi-purpose loan/consumer loan	13,465
9	Repair services	12,255
10	Electricity	10,452

*The above is the result of aggregating information of consumer affairs consultation made from April to December of 2021.

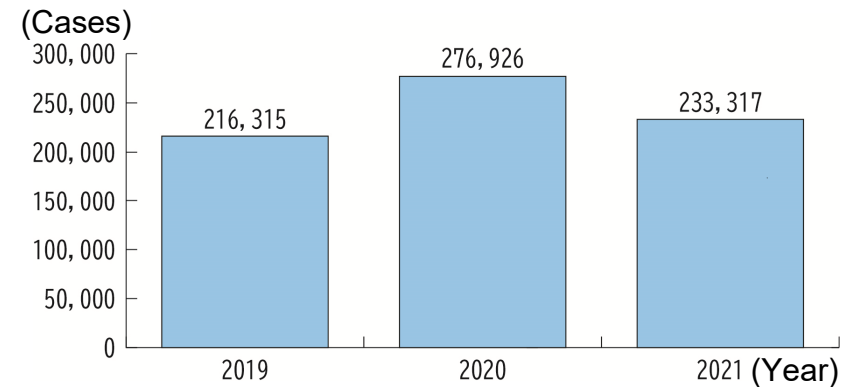
Part 1 Chapter 1 Section 3 / Section 4 Consumer issues which are now attracting attention

- When focusing on proportions of different sales / purchase patterns in themes of consultation, proportion of “mail order sales” decreased, which had increased in 2020 due to COVID-19.
- Among consultations on “mail order sales”, the number of consultations regarding “internet shopping” decreased. Number of consumer affairs consultations that had some connection to social networking service (SNS) continued to increase.

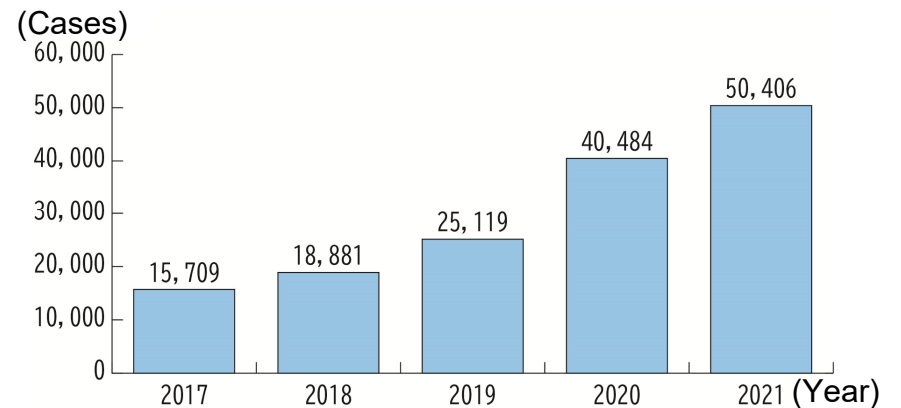
Changes in the proportions of different sales / purchase patterns in consumer affairs consultations



Transition of the number of consumer affairs consultations regarding “internet shopping”



Transition of the number of consumer affairs consultations related to SNS



(Note) All diagrams are created based on consumer affairs consultations registered with PIO-NET (as of March 31, 2022).

- Consumer financial detriment in 2021 was estimated to be about ¥5.9 trillion (payments made (including credit granted)) In comparison with 2020 where many consultations were about products with low unit prices such as face masks, etc., the amount increased, and reached the level almost equal to that of 2018.

Estimated results of consumer financial detriment

	2017	2018	2019	2020	2021
Contract / purchase value	About ¥6.4 trillion	About ¥7.2 trillion	About ¥6.6 trillion	About ¥5.0 trillion	About ¥7.3 trillion
Payment made (including credit granted)*	About ¥5.3 trillion	About ¥6.1 trillion	About ¥5.1 trillion	About ¥3.8 trillion	About ¥5.9 trillion
Payment made	About ¥5.0 trillion	About ¥6.0 trillion	About ¥4.9 trillion	About ¥3.6 trillion	About ¥5.8 trillion

Payment made (including credit granted) are the sum of payments made and future payment 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.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 Changing consumption patterns of young people, and their participation in achieving sustainable society ~The new age where people become adults from 18 years old~

<Situation and reasons for consumer problems among young people>

• Such problems occur mostly in the area concerning moneymaking schemes such as side work, or the area concerning beauty.
 → Problems concerning moneymaking schemes may be caused by exploiting young people's mind "not to want to miss a chance", and problems concerning beauty may be caused by exploiting young people's low self-esteem. There are not a few young people who become "friends" with a stranger through social media, and for some people, sharing a moneymaking scheme was a start of their friendship.

Highest numbers of consultations on product / service types by young people

Men					
15 to 19 years		20 to 24 years		25 to 29 years	
Products and services	Cases	Products and services	Cases	Products and services	Cases
Total number of cases		Total number of cases		Total number of cases	
5,533		14,277		13,019	
Hair removal agent	635	Other piecework/side work	1,058	Rented apartments	1,414
Online games	515	Rented apartments	818	Goods in general	725
Goods in general	338	Goods in general	770	Multi-purpose loan/consumer loan	576
Adult website	264	Electricity	648	Other piecework/side work	427
Dating websites & applications	252	Dating websites & applications	601	Regular/compact vehicles	381
Electricity	155	Multi-purpose loan/consumer loan	437	Dating websites & applications	316
Other information distribution service (such as entertainment)	146	Regular/compact vehicles	426	Electricity	311
Other health food	145	Other services	343	Wedding	296
Other cosmetics	119	Financial consulting	314	Other services	280
Other piecework/side work	111	Other information distribution service (such as entertainment)	308	Fiber-optic lines	230

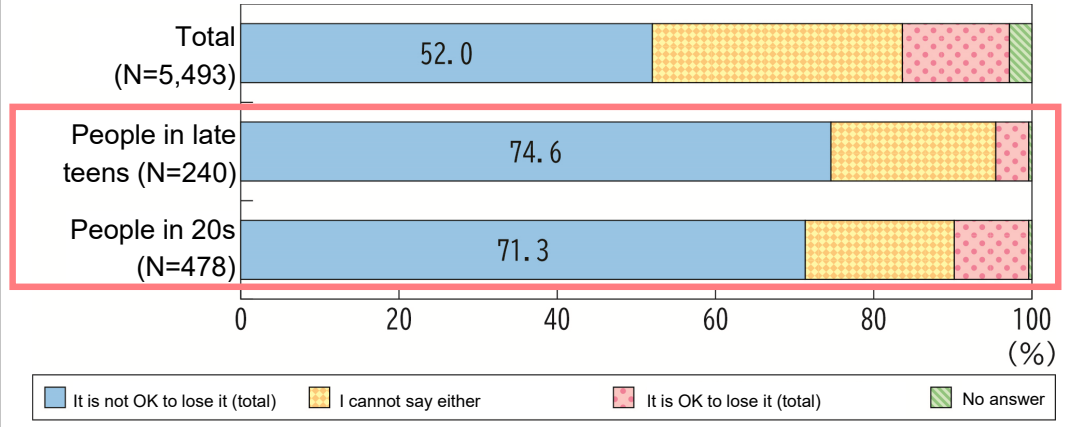
Women					
15 to 19 years		20 to 24 years		25 to 29 years	
Products and services	Cases	Products and services	Cases	Products and services	Cases
Total number of cases		Total number of cases		Total number of cases	
4,959		16,451		15,183	
Other health food	511	Other piecework/side work	1,499	Rented apartments	1,448
Hair removal agent	337	Hair removal esthetic service	915	Goods in general	790
Goods in general	331	Goods in general	828	Other piecework/side work	703
Other information distribution service (such as entertainment)	188	Rented apartments	813	Dating websites & applications	510
Adult website	168	Dating websites & applications	701	Other health food	390
Dating websites & applications	168	Electricity	538	Hair removal esthetic service	334
Hair removal esthetic service	141	Other health food	427	Electricity	323
Other piecework/side work	122	Medical service	389	Medical service	314
Men's and women's apparel (general)	98	Other services	309	Wedding	306
Rented apartments	92	Other information distribution service (such as entertainment)	284	Other services	282

Purple : Things including moneymaking schemes, etc. **Pink** : Things related to beauty

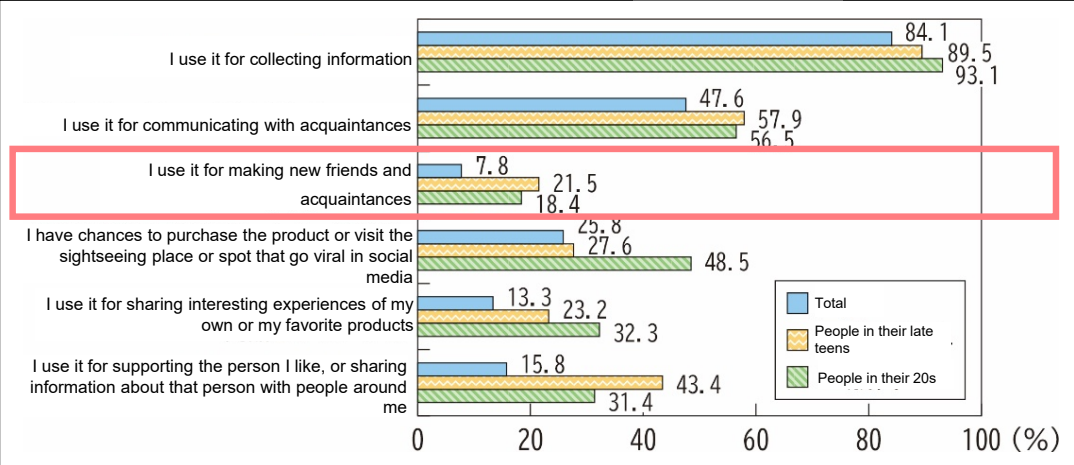
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(Note) Created based on consumer affairs consultation registered with PIO-NET (as of March 31, 2022).

Proportion of answers to the question "When you sense an opportunity, is it OK for you to lose it?"



Purposes and opinions concerning usage of social media



(Note) Created from the "Basic Survey on Consumer Life" (FY2021) of the Consumer Affairs Agency.

<Prevention of consumer problems among young people>

- Young people have various vulnerabilities including lack of knowledge and experience.
- Awareness raising, awareness building and consumer education corresponding to vulnerabilities of each person are needed. Also, it is important to prepare means for making it easier for young people to access consulting services, and social media can be one of them.
- **To prevent consumer problems from ever happening, consumer education, etc. corresponding to vulnerabilities of each young person, preparation of counseling system using social media and AI, etc., and support for self-solving of such problems, will be worked on.**

Vulnerabilities of young people

Lack of knowledge and experience

Lack of knowledge concerning making contracts, or wariness against consumer problems

Desire to solve worry or anxiety, or to change one's current situation

Low self-esteem or anxiety about future

Desire to change oneself, or not to want to miss a chance when sensing it

Feeling that one is not good at communication

Feeling that one is not good at communicating one's thoughts clearly to others

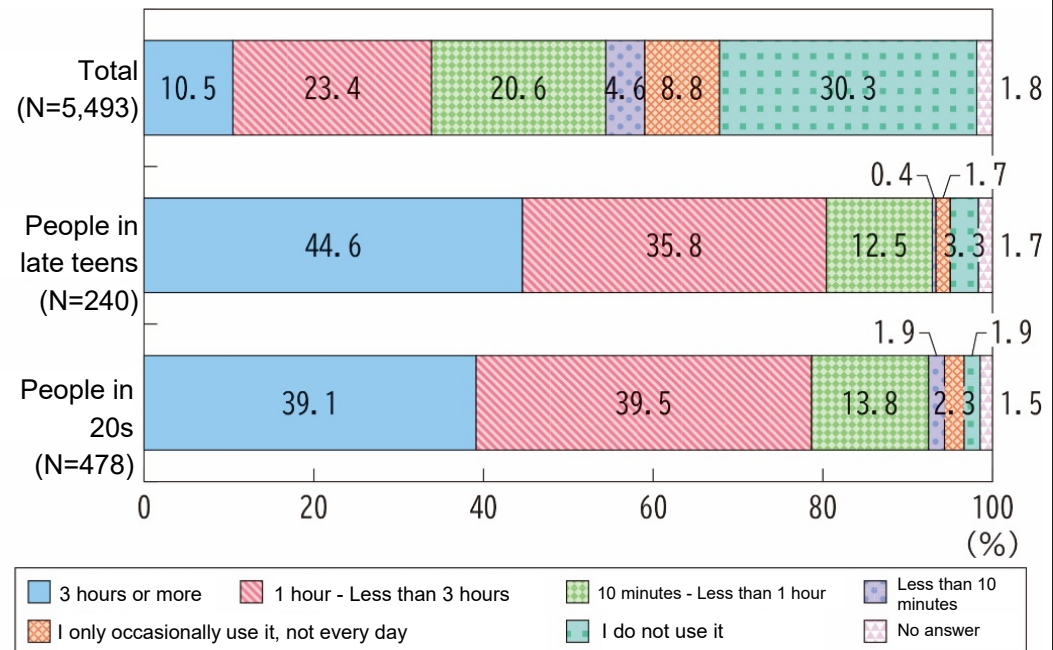
Decrease in the number of persons to consult with

Because of COVID-19, frequency of attending school became less often than before, resulting in less opportunity for young people to make friends

Lack of economic resources

Dependency on income of their parents, or money sent from them
Insufficient employment income

Usage situation of social media



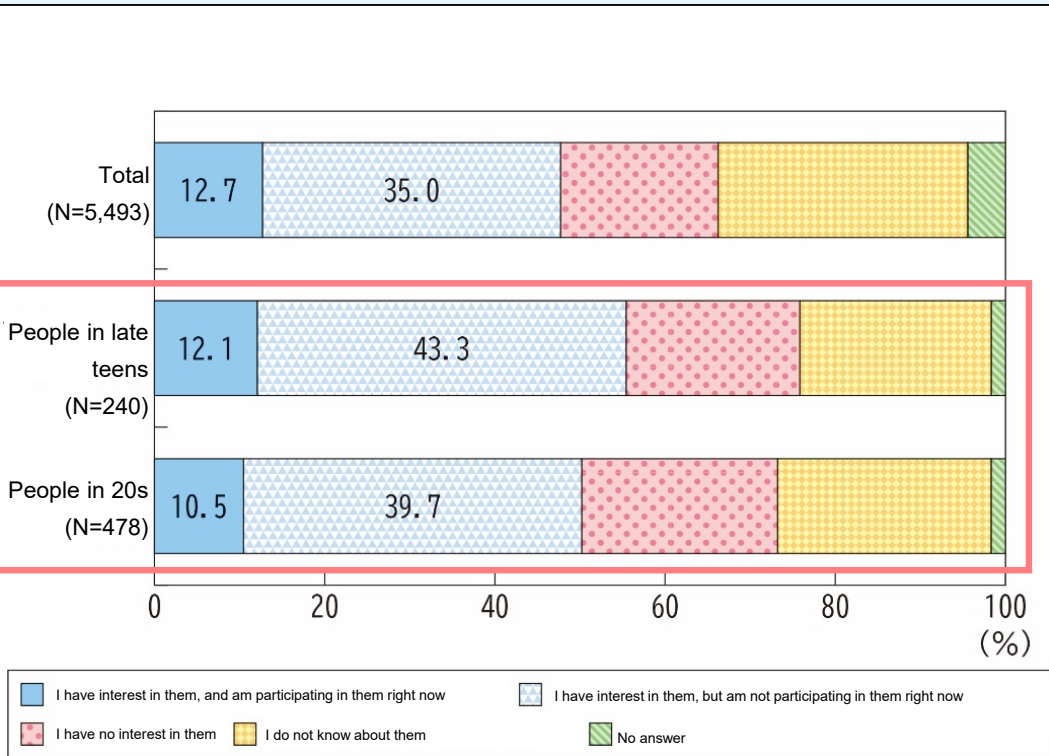
(Note) Created from the "Basic Survey on Consumer Life" (FY2021) of the Consumer Affairs Agency.

[Feature] Part 1 Chapter 2 Changing consumption patterns of young people, and their participation in achieving sustainable society ~The new age where people become adults from 18 years old~

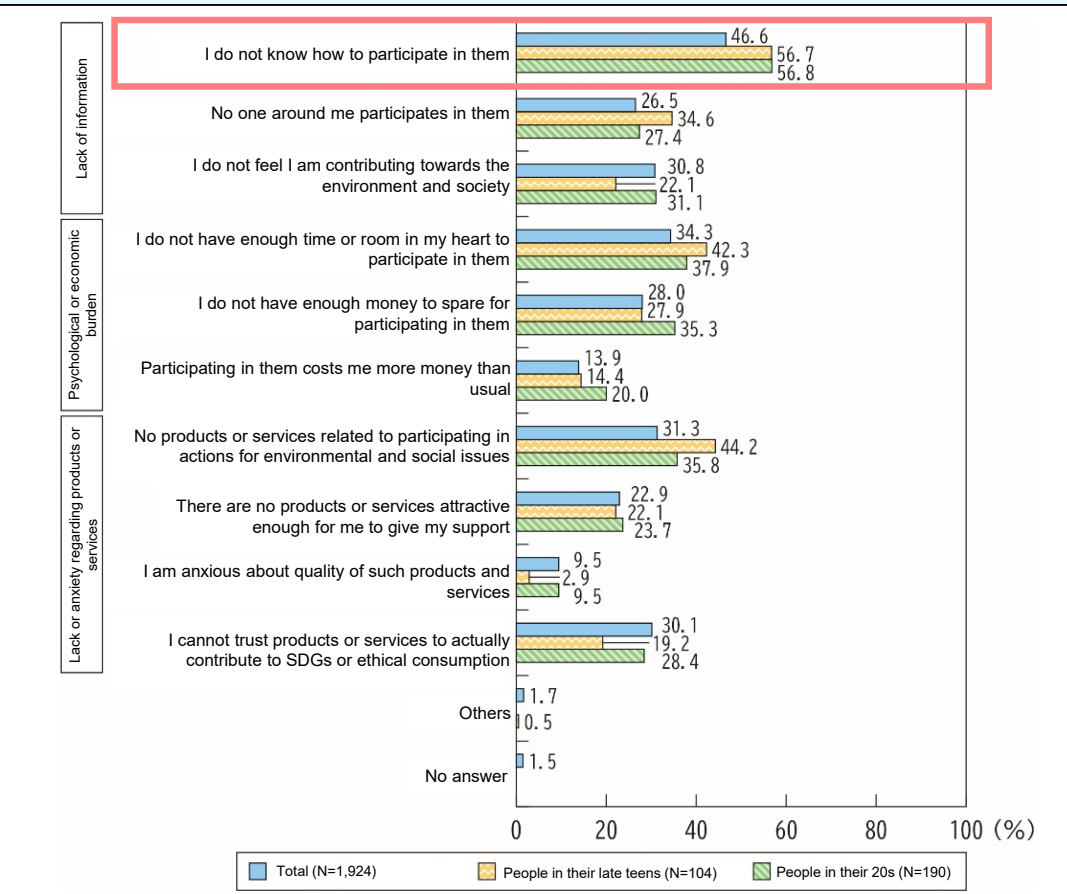
<Young people's concern towards SDGs, etc., and their participation in achieving them>

- They tend to have high motivation towards helping those who are in trouble or in need of help. On the other hand, while 40% of young people have interest in SDGs and ethical consumption, they do not actually participate in actions related to them.
 - The topmost reason of not doing is “I do not know how to participate in them”.
- It is required to make “those who are facing social issues more familiar”, and “how to participate in SDGs, etc., easier to understand”.

Interest and participation in actions related to SDGs and ethical consumption, etc.



Reasons why young people “have an interest in SDGs and ethical consumption, but do not participate in actions related to them right now”



(Note) All diagrams are created from the “Basic Survey on Consumer Life” (FY2021) of the Consumer Affairs Agency. 9

<Promotion of young people's participation in actions towards achieving SDGs, etc.>

• Young people who actually participate in such actions began to have interest in them when they learnt about them in school education or while studying abroad, etc. They have gained a sense of achievement after participating in them, which makes their participation even more proactive.

→ It is important to start promoting young people's participation from enhancing their understanding on social issues through school education, etc., and then make them realize that such issues actually involve them, and then make them well known about how to participate and also make results of their participation visible to them.

→ **To achieve sustainable society, “Promotion of young people’s understanding on social issues and making young people realize that such issues actually involve them”, and “Promotion of informing and educating methods for participating in ethical consumption, and making results of such participation visible” will be worked on.**

Miyagi Prefecture Agriculture High School

(Received the Award in Ethical Koshien 2020)



“Deplasticization initiative for agricultural fertilizer”

- Develops a fertilizer made without using plastics, and supplies rice raised with this fertilizer to restaurants



- Students noticed plastics used for coating fertilizer flowing into the ocean when they were participating in volunteer activities.
- They developed a fertilizer made without using plastics by cooperating with a local company. They also proved its effectiveness.
- They provided rice raised with the developed fertilizer to local restaurants, thus promoting ethical consumption.

Itobanashi Co., Ltd. CEO Fumika Date



“Making a society where quality of living of both manufacturers and users becomes richer”

- Develops a fashion brand mainly using embroidered clothes from India obtained through fair trading



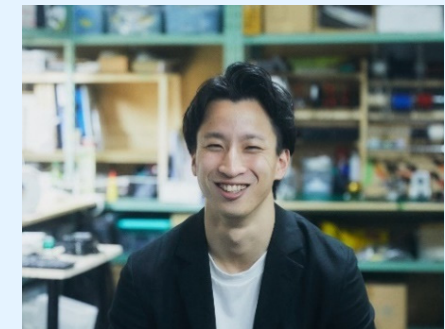
- The idea of establishing a company occurred to the CEO while studying in India.
- The company has established a fair trade business model by bypassing middlemen to reduce purchasing costs, and purchasing embroidered clothes with a price higher than the average.
- The company aims to establish a business where both manufacturers (who are also sellers) and buyers (who are also users) are not required to overburden themselves.

WOTA CORP. CEO Yosuke Maeda



“Water freedom for Everyone, Everywhere”

- Manufactures and sales of small-scale, decentralized water reuse systems



- The CEO began to have an interest in research into social issues while studying in the U.S.
- Issues of large-scale infrastructure felt during the earthquake disaster led to the idea of small-scale, decentralized water reuse systems.
- The company aims to solve social issues concerning water by reusing water.

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

• “Part 2 Chapter 1” describes results of policies implemented by the Consumer Affairs Agency in FY2021.

Section 1 The Basic Plan on Consumer Policy

Section 2 Preventing consumer harm

- (1) Ensuring consumer safety
- (2) Ensuring consumer opportunities for independent and reasonable selections
- (3) Establishing the framework to process complaints from consumers and settle disputes

Section 3 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 development of sustainable society
- (2) Promotion of voluntary efforts to improve compliance in business activities

Section 4 Practice of “New Lifestyle”

Flexible / focused response to other various issues

- (1) Simultaneous realization of protection and promotion of consumer profits in digital society
- (2) Response to the spread of COVID-19, etc.
- (3) Response to globalized development of consumer affairs

Section 5 Promotion of consumer education and providing information for consumers

Section 6 Establishing the structure to promote consumer administration

- (1) Establishing local systems
- (2) Role of the Consumer Affairs Agency Strategic Headquarters for Frontiers of Consumer Policy and its efforts

- "Part 2 Chapter 2" describes results of policies implemented by related ministries in FY2021.

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 information for 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