



# **Towards Realizing a Vision for a Virtuous Circle for Environment and Economy in Japan**

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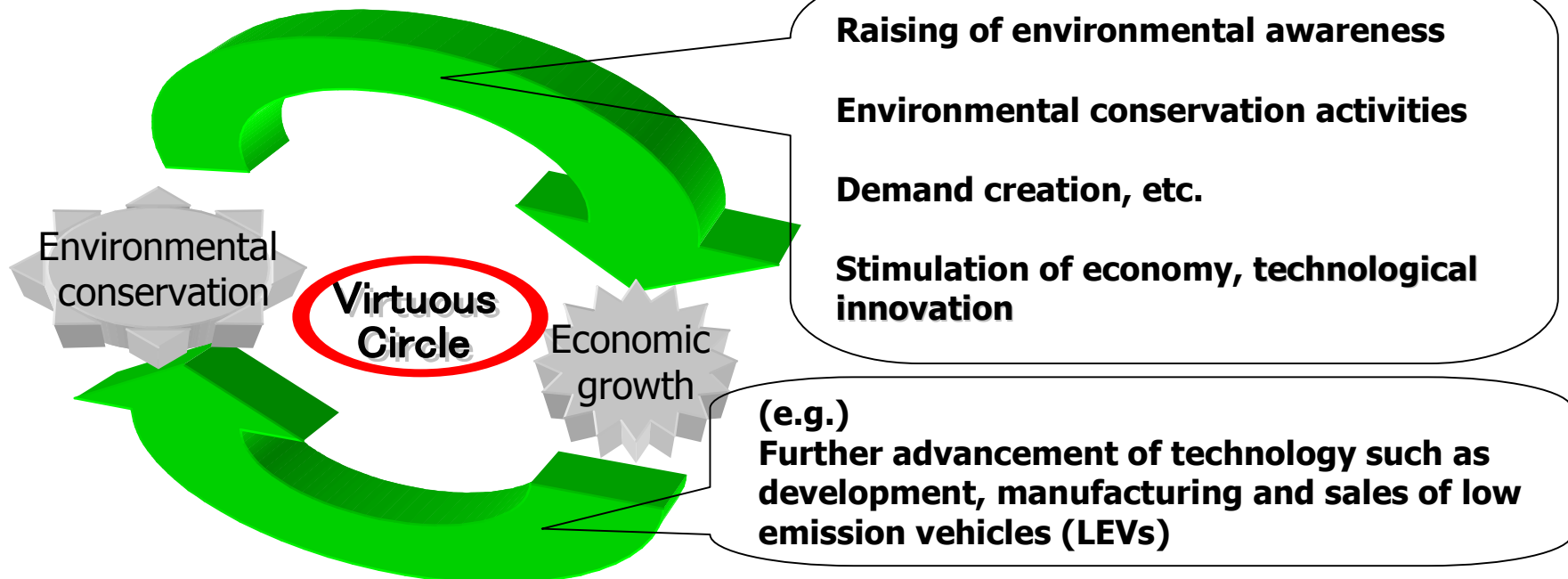
# Virtuous Circle for Environment and Economy

*Past*

*Future*

**Environmental conservation and the economic growth are inconsistent**

**A society in which environmental conservation advances economic growth while stimulation of economy improves the environment**



**Presenting to developing countries a model of a virtuous circle for environment and economy**

**Important role for conservation of global environment**

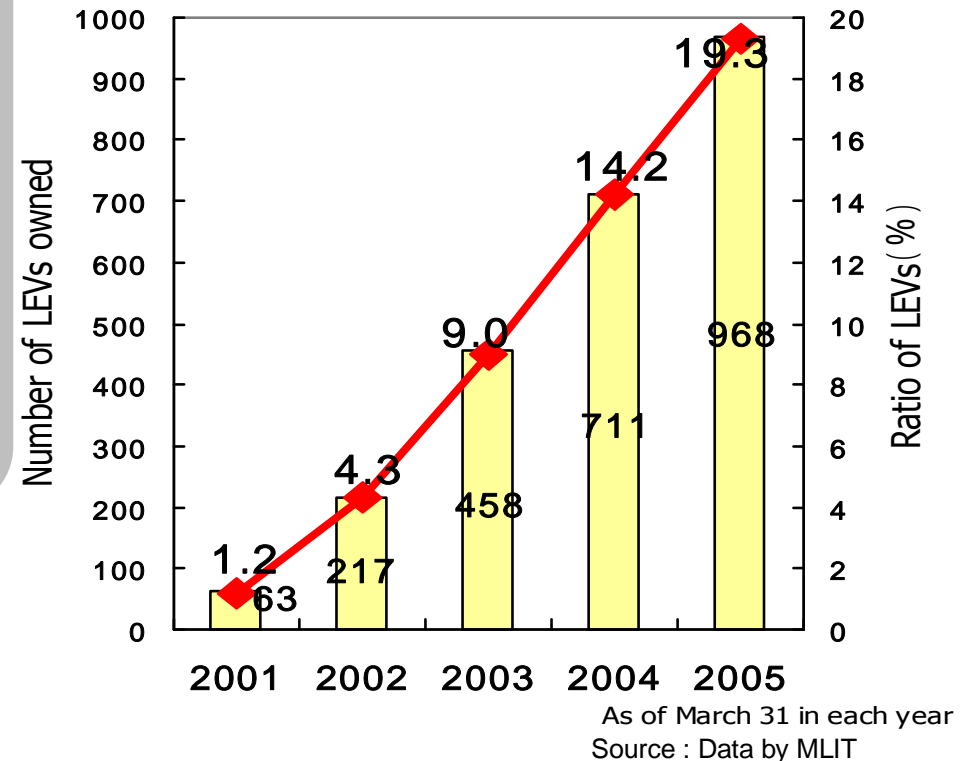


# Dissemination and Promotion of Low Emission Vehicles (LEVs)

- Replacement of all government-owned general vehicles with LEVs was decided in 2001.
- MoE, METI and MLIT\* formulated the Action Plan for Development and Dissemination of LEVs with the target of 10 million vehicles by fiscal 2010.
- Expanding dissemination of LEVs across the nation with introduction of LEVs by the government.



- All government-owned general vehicles (4236 units) were replaced by LEVs by March 31, 2005.
- Dissemination target of 10 million LEVs by 2010 to be achieved by the end of 2005.



\* MoE: Ministry of the Environment  
METI: Ministry of Economy, Trade and Industry  
MLIT: Ministry of Land, Infrastructure and Transportation

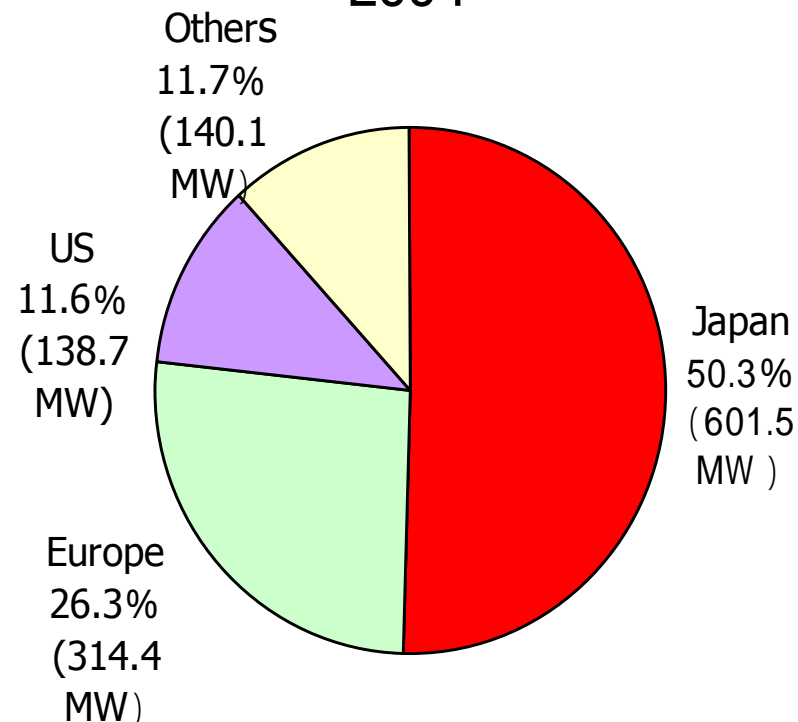


# Solar Cell

**Japan manufactures approximately half of the solar cells in the world.**

**Cost reduction was realized along with the expansion of the solar cell market. Cost of power generation and price of solar cells is approximately 1/5 of that in 1993 in Japan.**

Production of Solar Cell in 2004

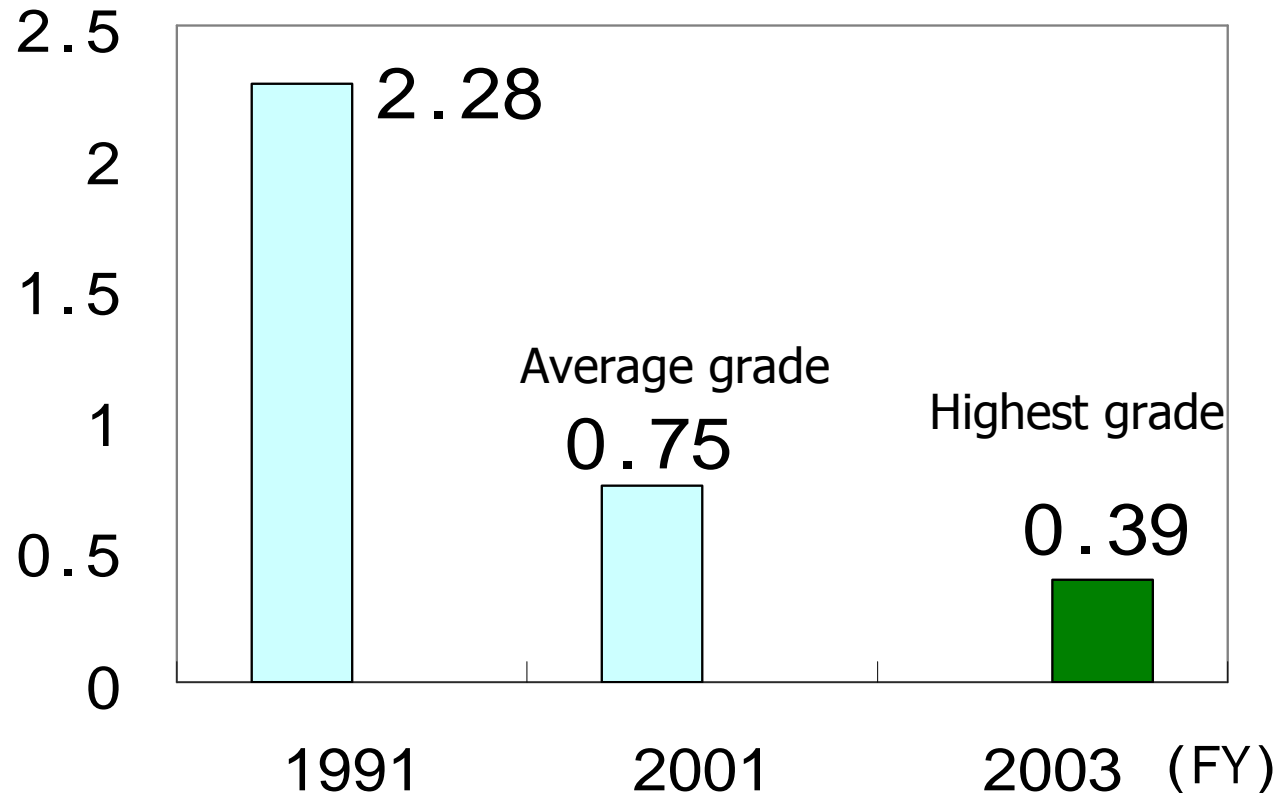




## Energy Saving Type Home Electric Appliances

Average power consumption of a refrigerator per 1L is approximately 1/3, and that of the highest grade is approximately 1/6 over 10 years ago.

( Kwh / year · )





# Discussions on Environment Tax

*Fee for preserving the beautiful Earth to hand over next generations*

Tax based on environmental load, or carbon equivalent in fossil fuel

Encouraging citizens to shift their lifestyle or work style  
**(Announcement effect)**

Promote purchasing energy saving type apparatus  
**(Price incentive effect)**

Stable financial source to ensure the implementation of measures  
**(Financial source effect)**

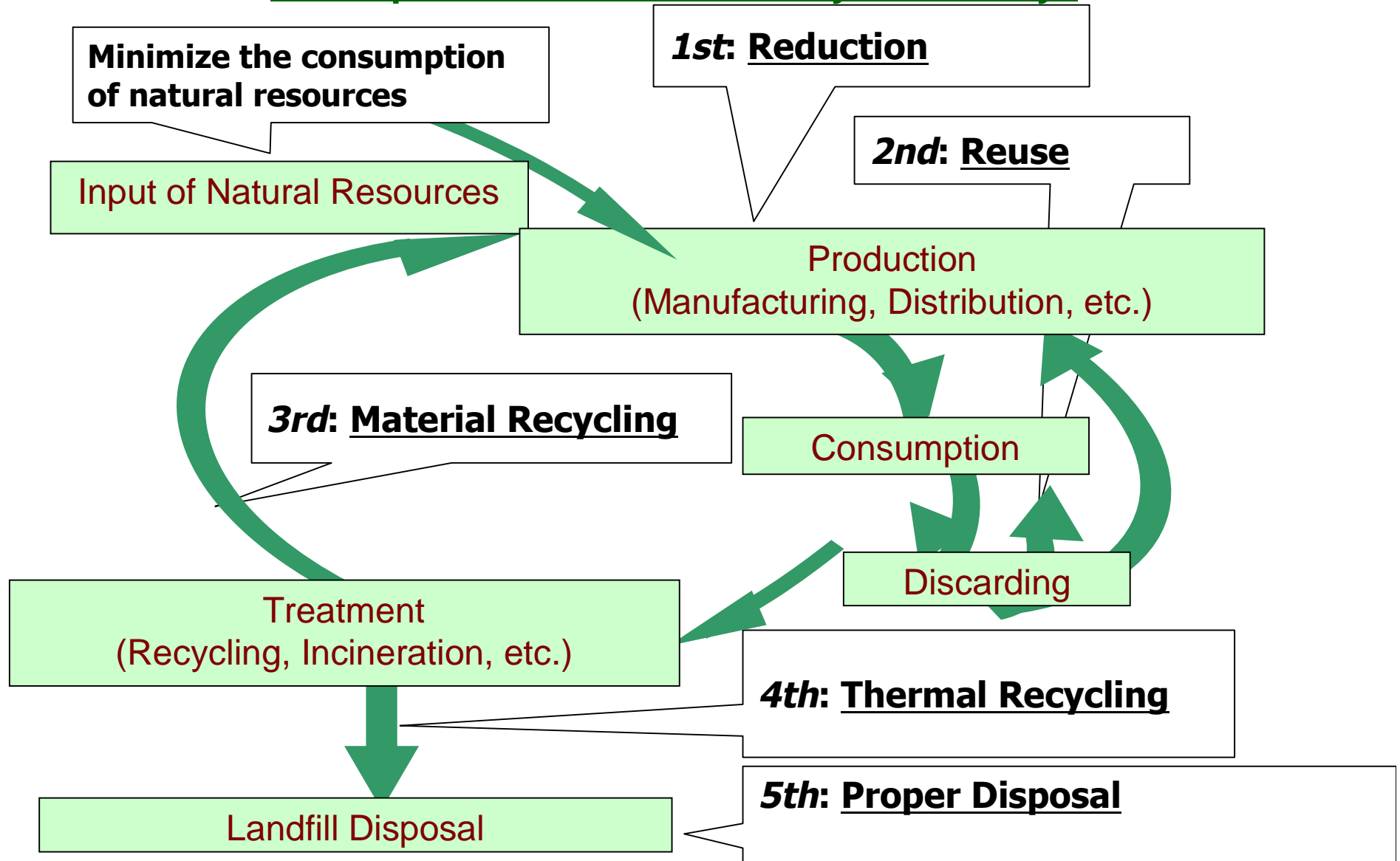
Reduction of GHGs

Reform fossil fuel dependent socio-economic and industrial structure

Establishing a nation based on the integration of environmental preservation and economic growth



## Concept of “Sound Material-Cycle Society”



If the above-mentioned order seems not to contribute to the reduction of the environmental load, exceptions are permitted so that different orders can be adopted.



## The Spirit of “mottainai” and the Promotion of Recycling

### Spirit of “mottainai”

**It is a shame for something to go to waste without having made use of its potential in full.**

#### Promotion of recycling

End-of-life vehicles (ELVs):

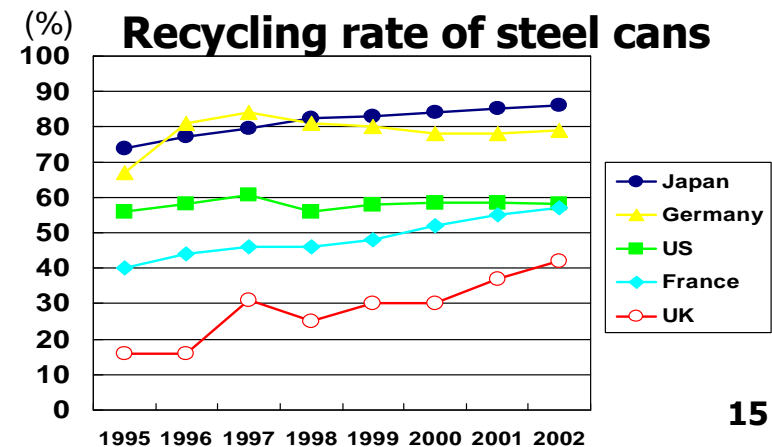
- The recycling rate of ELVs will reach 95% by 2015
- Electronic manifest system was introduced to report flow of each ELVs by PC which is currently practiced only in Japan.

Home electric appliances:

- Home Electric Appliance Law is the first law in the world which mandates manufactures to recycle on the basis of the Extended Producer Responsibility (EPR)
- More than 11 million units of post-consumer use home appliances (air-conditioner, TV, refrigerator, and washing machine) were recycled in FY 2004

Container and Packaging Recycling:

- Japan’s collection rate is relatively high among other countries
- Recycling rate of steel cans in Japan in FY 2002: 86%  
(cf. 87.5% in FY 2003)  
(Germany 79%, US 58%, France 57%, and UK 42%)
- Recovery rate of PET bottles in Japan in FY 2002: 53.4%  
(cf. 61.0% in FY 2003) (Europe 25.1%, US 19.9%)







# Promotion of Green Purchasing 1

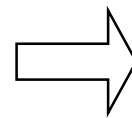
- Taking initiative in procurement by the government institutions
  - Transforming demand structure for more environmental goods
- Providing information in environmental goods



**Shift to a society with sustainable development giving less load to the environment**

## Major changes in basic principle (FY 2005)

- Paper and stationery
  - Revision of the ratio of waste pulp
- Adding fire extinguishers
- Public works
  - Shift of standard for insulators into non-CFCs



199 items in 16 areas of products 201 items in 17 areas of products  
(6 items in an area of product is added)

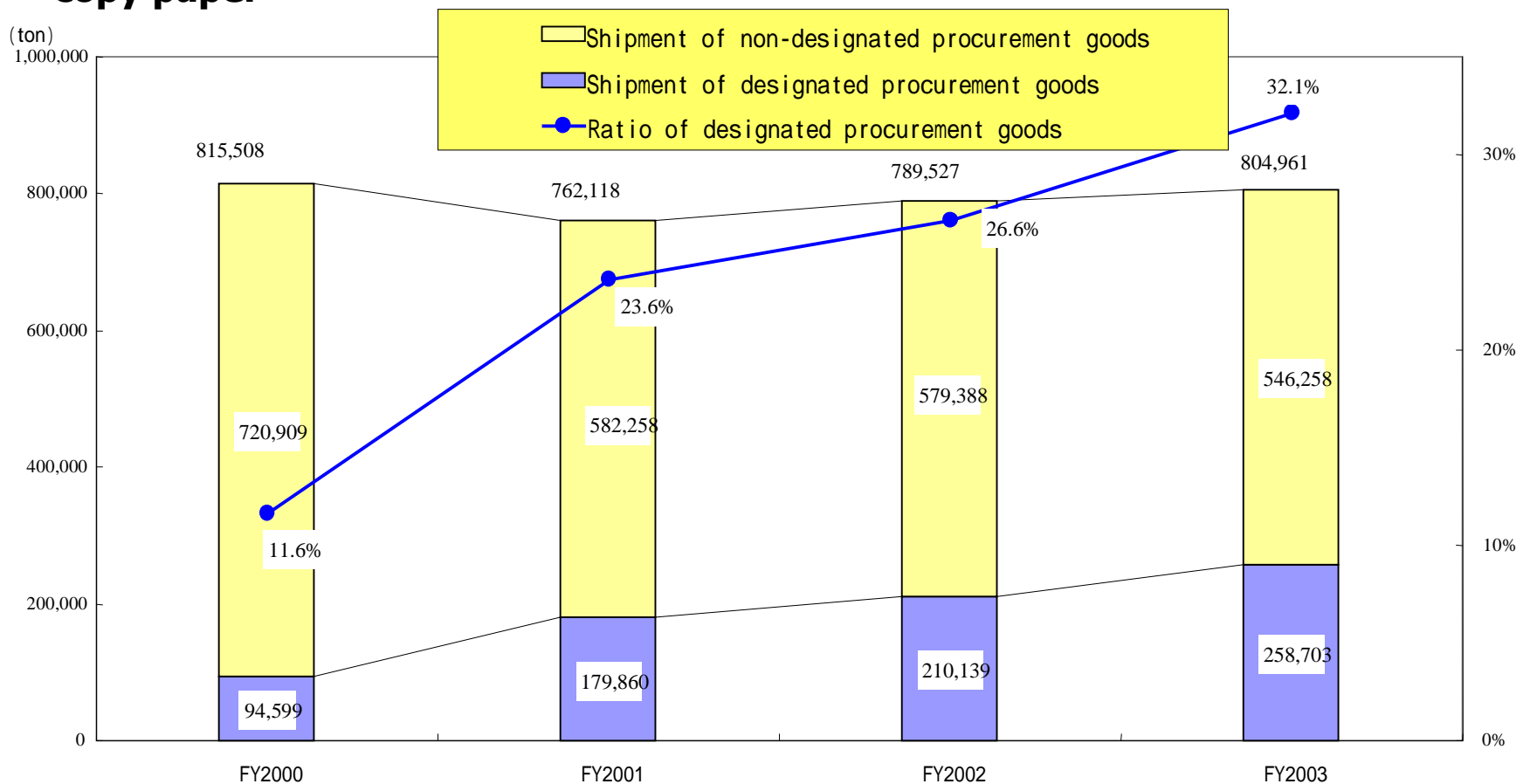
**Television sets and electric calculators were eliminated from the list, aiming at promoting products that meet the criteria**



# Promotion of Green Purchasing 2

## Dissemination effect by promotion

(Volume and ratio of domestic shipment of designated procurement goods)  
copy paper





# Environment-induced businesses in Japan in 2025

*Year 2000*

Market scale : approx. 40 trillion yen  
Job creation : approx. 1 million people



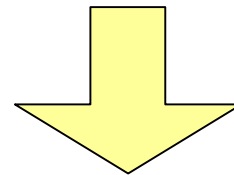
*Year 2025*

**Market scale : more than 100 trillion yen**  
**Job creation : more than 2 million people**



# In Conclusion

- ❑ Proactive efforts towards environmental issues will create new investment and technology innovation, promoting job opportunities and local revitalization.
- ❑ Promoting the establishment of a structure in which more environment-conscious business entities are paid off.



*Environmental  
Revolution*

Simultaneously achieve environmental conservation and economic benefit

Environment is an important element affecting the future of business entities and local communities.



"Let's join to stop global warming. Team Minus 6%"