FUNDAMENTAL PLAN FOR ESTABLISHING A SOUND MATERIAL-CYCLE SOCIETY

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MINISTRY OF THE ENVIRONMENT

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OUTLINE OF FUNDAMENTAL PLAN FOR ESTABLISHING A SOUND MATERIAL-CYCLE SOCIETY

* This plan is called "Sound Material-cycle Society Plan"

March 2003

Chapter 1: Present Situation and Issues

Japan's socio-economic activities expanded in the 20th century, contributing to greater material prosperity for humankind. However, this also led to increases in the volume of waste generated, difficulties in waste treatment due to diversification of types of waste and environmental pollution caused by inappropriate waste management. These problems stem from mass production, mass consumption and mass disposal patterns rooted in the current socio-economic system. In order to solve these problems, it is necessary to establish a sound material-cycle society, in which consumption of natural resources is reduced and environmental impacts are minimized.

Chapter 2: Vision of a Sound Material-Cycle Society

For the purpose of improving understanding about sound material-cycle societies, this chapter describes what a sound material-cycle society entails, including:

- regarding lifestyles, use of products within the geographical area where they are produced, or establishment of what might be called a "slow" lifestyle through the use of good products with care for a long period of time;
- ii) regarding manufacturing, dissemination of environmental services, such as designing products for easy recycling, designing products which can be refilled, or implementing lease/rental systems; and
- iii) promotion of development of infrastructure for waste disposal, recycling facilities or accumulation of relevant information and the enhancement of human resources.

<u>Chapter 3</u>: Quantitative Targets for Establishing a Sound Material-Cycle Society

This chapter sets forth quantitative targets on "macro" material flow account (MFA) and "micro" effort indices with 2010 as the target fiscal year (FY) in order to monitor progress toward the development of a sound material-cycle society (see attached appendix 1). Those targets are:

i) at the inlet, "resource productivity," a figure which indicates how much

wealth (defined here as GDP) is produced per unit of resources (defined here as natural resources and their products);

- ii) during the cycle, "cyclical use rate," a figure which indicates the degree to which cyclical (reuse/recycle) resources are being input;
- iii) at the outlet, "final disposal amount," a figure which indicates the weight being discharged as waste.

Also, some targets for efforts, such as the reduction of household wastes generated by each person by 20 percent, have been set up so that people can have a clearer image about how much progress they are making.

Chapter 4: Activities Carried Out by the Central Government

This chapter sets forth the role of the central government, specifically, that it should make efforts toward the establishment of a sound material-cycle society through fostering partnerships among citizens, NPOs/NGOs, business organizations, local governments and so forth.

For example, the central government should make efforts towards the implementation of relevant regulations based on relevant laws as well as towards the promotion of environmental education and awareness-raising and the provision of information.

Chapter 5: Roles of Various Stakeholders

This chapter identifies the role of various stakeholders and stresses the importance of them playing their roles cooperatively.

Chapter 6: Effective Implementation of the Plan

Progress needs to be evaluated annually by the Central Environment Council. The outcome will be reflected in Annual Reports regarding Progress towards the Establishment of a Sound Material-Cycle Society. Furthermore, the plan shall be reviewed five years after its promulgation, taking into consideration all progress to date and any social changes that have occurred.

In March 2003, the Government of Japan established

"Fundamental Plan for Establishing a Sound Material-Cycle Society."

This Fundamental Plan is established as one of programmes of a 10-year framework in the Johannesburg Plan of Implementation of WSSD in September 2002.

Fundamental Plan for Establishing a Sound Material-Cycle Society

Image of a Sound Material-Cycle Society

Manufacturing: DfE (Design for Environment), long-life products, lease & rental

Waste management: cyclical use, appropriate disposal system

Quantitative Targets: FY2000-2010

- 1 Targets for Indicators Based on Material Flow Accounts
- a) Resource Productivity
- b) Cyclical Use Rate
- c) Final Disposal Amount
- 2 Targets for Indices Related to Efforts
- Reducing the quantity of municipal solid waste
 20% reduction of garbage discharged from households per person per day compared with FY2000
- Promoting sound material-cycle related businesses
 Doubling the size of the related market and the number of related jobs compared with FY 1997

Efforts Required of Entities

National Government

Fostering partnerships among stakeholders

Citizens

Changing their lifestyle

NPOs and NGOs

Promotion of their activities

Business Organizations

Promoting the "3Rs" based on EPR (Extended Producer Responsibility)

Local Governments

Enforcing laws and regulations; acting as coordinators

THE FIRST PROGRESS REPORT OF THE FUNDAMENTAL PLAN FOR ESTABLISHING A SOUND MATERIAL-CYCLE SOCIETY (REPORT FROM THE CENTRAL ENVIRONMENT COUNCIL)

February 21, 2005

Introduction

1. Purpose of the Progress Evaluation

The purpose of this report is for the Central Environment Council to (i) conduct an annual review of the progress of measures enacted in keeping with the Fundamental Plan for Establishing a Sound Material-Cycle Society with hearings from all stakeholders and (ii) provide feedback to the central government regarding future directions to be taken.

2. Review Mechanism

After a preliminary review to be undertaken in April 2004, an investigation into progress with respect to the quantitative targets established in the Fundamental Plan for Establishing a Sound Material-Cycle Society was conducted. In addition, the Central Environment Council has already convened five meetings with intensive discussions regarding ongoing measures being taken by not only the central government but also citizens, NPOs,/NGOs, business entities and local governments (see attached appendices 2 and 3).

3. Follow-up

The Ministry of the Environment reported the outcome of the review at a cabinet meeting to be held on February 22. The Ministry of the Environment further promotes measures toward the development of a sound material-cycle society in close cooperation with other relevant ministries.

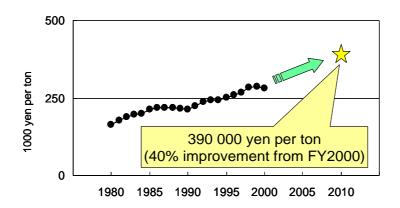
SUMMARY OF THE FIRST PROGRESS REPORT OF THE FUNDAMENTAL PLAN FOR ESTABLISHING A SOUND MATERIAL-CYCLE SOCIETY

1. Trends Indicator

1) Resource productivity

Approximately 289 thousand yen per ton in FY2002, compared to approximately 281 thousand yen per ton in FY2002, representing a 2.8% increase

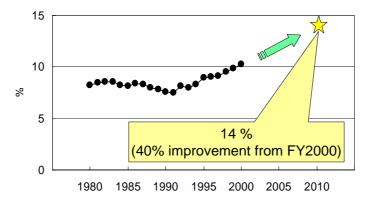
Note: Resource productivity = GDP divided by direct material input



2) Cyclical use rate

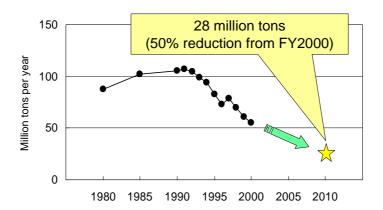
Approximately 10.2% in FY2002, compared to approximately 10.0% in FY2000, representing a 0.2% improvement

<u>Note</u>: Cyclical use rate = Total reused and recycled material input divided by material input



3) Final disposal amount

Approximately 50 million tons in FY2002, compared to approximately 57 million tons in FY2000, representing a 12.3% reduction



4) Reduction of wastes

a) Reduction of municipal wastes

While wastes produced by business entities decreased, wastes produced by households did not significantly decrease.

b) Reduction of industrial wastes

The amount of final disposal decreased, however the discharged amount remained at the same level.

2. Progress in measures taken by the central government

- Further efforts are required to strengthen relevant measures in line with the Fundamental Plan for Establishing a Sound Material-Cycle Society, as well as to enhance partnership among relevant ministries.
- It is necessary to facilitate provision of information to citizens on activities for the promotion of the sound material-cycle society.

3. Progress of measures taken by various stakeholders

1) NGOs/NPOs

- It is expected that NGOs/NPOs will take significant roles in the promotion of environmental activities as well as in environmental education.
- Actions are required to strengthen support to NGOs/NPOs so that they can carry out their activities more actively.

2) Business entities

Many business entities have been making efforts for the realization of the 3Rs. Dissemination of green purchasing and publication of environmental reports has been progressing. Further progress is expected.

3) Local governments

Although local governments are expected to develop local action plans for the promotion of the creation of a sound material-cycle society in a planned and comprehensive manner, progress to date remains insufficient.

Efforts should be strengthened further for local governments to play more important roles as local coordinators in partnership with various stakeholders.

4. Findings and Remaining Issues

1) Progress on targets

Although the reduction of the final disposal amount has been progressing through the enhancement of cyclical use, the reduction in waste generation has not been significant, as indicated by the rates of resource productivity and cyclical use.

2) Environmental awareness

Tangible activities are in progress to facilitate the development of partnerships. If efforts can be made to further the activities of citizens and business entities, even greater progress can be expected.

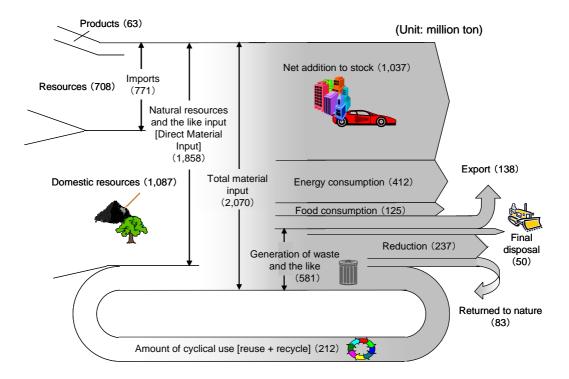
3) Future directions

It is important to strive to make a shift towards the development of a sound material-cycle society by promoting the efforts of various stakeholders through the provision of information as well as the establishment of a system with both incentives and appropriate burden sharing among stakeholders. Consideration should be given to the promotion of relevant policies, including charging for collection of household wastes, according to the opinion given by the Central Environment Council's Committee on Waste Management and Recycling. Measures should be strengthened at the time that individual recycling laws are reviewed, bearing in mind the point above.

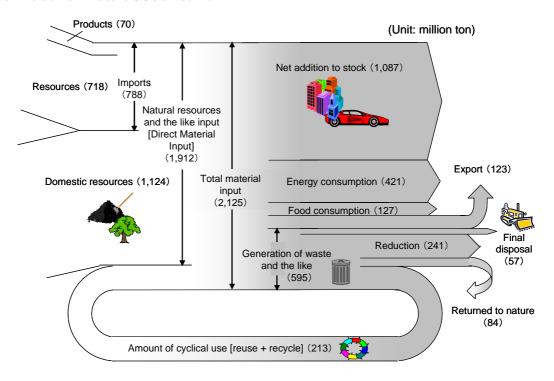
4) International efforts

It is necessary to make efforts in collaboration with other countries to ensure an environmentally-sound material cycle of resources by understanding the facts concerning transboundary movement of wastes and by building up a network among relevant countries. In addition, through the Ministerial Conference on the 3R Initiative held in Japan, the Government of Japan should plays a greater leading role for the global promotion of sound material-cycle societies.

The material flow accounts for FY2002



The material flow accounts for FY2000



MEETING RECORDS OF THE CENTRAL ENVIRONMENT COUNCIL'S COMMITTEE ON WASTE MANAGEMENT AND RECYCLING

<u>2004</u>	
April 8	18 th meeting, Committee on Waste Management and Recycling - Follow-up to the fundamental plan
June 29 - July 30	Investigation into progress by relevant ministries in FY2003
July 7 - July 30	Investigation into measures taken by local governments concerning the first review of the Fundamental Plan
November 18	Informal meeting, Committee on Waste Management and Recycling
	1) Reports - Progress regarding quantitative targets - Progress by the central government - Progress regarding individual laws and activities - Progress regarding examples of indices
	2) Hearings - Relevant ministries (Ministry of the Environment, Ministry of Agriculture, Forestry and Fisheries of Japan, Ministry of Economy, Trade and Industry and Ministry of Land, Infrastructure and Transportation)
November 25	19th meeting, Committee on Waste Management and Recycling
December 13	20 th meeting, Committee on Waste Management and Recycling - Discussions on the activities of local governments based on the report from the Secretariat - Reports from local governments (Aichi and Nagasaki Prefectures)
December 27	21 st meeting, Committee on Waste Management and Recycling - Discussions on draft report of the review
<u>2005</u>	
January 7 – 20	Public comments
February 1	22 nd meeting, Committee on Waste Management and Recycling - Adoption of the report of the review
February 21	Report handed over from Chair Suzuki to Environment Minister

February 22 Cabinet decision

APPENDIX 3

Central Environment Council Planning Committee on Sound Material-Cycle Society List of the Committee

(in alphabetical order)

Naohito Asano Professor, Faculty of Law, Fukuoka University

Yujiro Eguchi Founder, Senior Advisor, Asia-Pacific Coalition for Environment (ACE)

Ayako Fujii Executive director, Environmental Co-op Union Shiga

Toru Furuichi Professor, Graduate School of Engineering, Hokkaido University

Kazuo Ishii Executive Director, Japan Waste Management Association
Saburo Kato President, Research Institute for Environment and Society

Yasuo Kubota Assistant General Secretary, Japanese Trade Union Confederation(JTUC-RENGO)

Hiromi Kurouji Mayor of Eniwa, Hokkaido

Shigeo Masui Editorial Writer, The Yomiuri Shimbun

Katsuya Nagata Professor, School of Science and Engineering, Waseda University

Hiroaki Nakagawa Secretary General, National Governors' Association

Shin-ichi Sakai Professor & Ph. D, Kyoto University Environment Preservation Center

Yuko Sakita Journalist, Environment counsellor

Takamitsu Sawa Director, Institute of Economic Research, Kyoto University

Mikio Shoji Chairman, Japan Business Federation Committee on Environment and Safety

Subcommittee on Waste Management and Recycling

Hideaki Sekizawa The Japan Iron and Steel Federation Chairman of the Environment and Energy Committe

Nobuo Takeda Professor, Graduate School of Engineering, Kyoto University

Kazuhiko Takeuchi Professor, Graduate School of Agricultural & Life Sciences, The University of Tokyo Fumio Yamamoto President, National Association of Towns and Villages (Mayer, Soeda Town ,

Fukuoka Prefecture)

Hiromichi Yokoyama Professor, Shukutoku University

a chairperson

Note: as of January 6, 2005

retired (term completion) (chair) Naomasa Nakajima Vice President, the University of the Air

installed (chair) Kazuhiko Takeuchi Professor, Graduate School of Agricultural

& Life Sciences, The University of Tokyo

installed Nobuo Tanaka Professor, Graduate School of Engineering, Kyoto University