

Initiatives for expanding the green economy

Finance initiative to build a Low-Carbon Society

One new approach for Japan to realize a low-carbon society is to utilize financial mechanisms. Finance initiative for the creation of low-c key areas; (1) Low carbon building renewal, (2) low carbon community

development projects, (3) bilateral offset credit mechanisms, and (4) low carbon technology upgrades, commercialization, R&D.

Concepts

- Promote investment and create markets with Government's budgetary support utilizing financial mechanism.
- Support finance of projects in the following four fields. In addition, quantify CO₂ reduction and publicize effectiveness.

Ministry of the Environment Finance initiatives for creation of low-carbon society

Subject Areas

- Grants, investments, financing, interest subsidies, etc.

- Support the creation of funds to draw in private sector money.

Promotion of Green Buildings	Development of Low-Carbon City	Bilateral Offset Credit Mechanism	Enhancement, Commercialization and RD&D of Low-Carbon Technologies
<ul style="list-style-type: none"> • Public-private funds to invest in seismic and eco-friendly real estate • Projects to support green buildings through reliable CO₂ reduction measurement 	<ul style="list-style-type: none"> • Projects to promote the introduction of LED street lights • Funds to promote local low-carbon investment <ul style="list-style-type: none"> - Support the efforts of local initiatives. 	<ul style="list-style-type: none"> • Joint Crediting Mechanism (JCM) support project for the realization of low-carbon society in Asia • Projects to construct bilateral offset credit mechanism <ul style="list-style-type: none"> - Diffuse Japanese advanced environmental technologies overseas. 	<ul style="list-style-type: none"> • RD&D and experimental study on climate-friendly technologies <ul style="list-style-type: none"> - Encourage the breakthrough toward commercialization. (Create the "next technology" which expands into overseas markets.)

Source: Ministry of the Environment

Green purchasing initiatives

Consumers have become increasingly involved in green purchasing initiatives that prioritize eco-friendly goods and services. Japan has enacted the Act on Promoting Green Purchasing, which imposes an obligation on the national government and independent administrative institutions to purchase eco-friendly products, and thereby it stimulates market demand for those products to enlarge the scope of green purchasing.

The Green Purchasing Award program has been established to recognize and publicize the notable

cases in order to enhance and encourage the quality of green purchasing initiatives. In order for green purchasing initiatives to move forward, it is important to place an ecological label on eco-friendly products and services, and to promote selective purchases of goods and services with a low environmental impact. Japan operates an eco-label database that introduces the various ecological labels, and has put together the labeling guidelines to ensure reliability and consistency in the way that they are used.

Examples of environmental labeling



EcoMark

Label awarded to environmentally friendly products assessed over their entire life cycle from production to disposal



Eco-Leaf

Label for products that display quantitative environmental information using a life cycle assessment (LCA) approach



Carbon Footprint

Label displaying the equivalent value of total GHGs emissions from all stages of the life cycle of a product or service



Eco-Rail Mark

Label awarded to products using environmentally friendly rail for logistics, and to the products of companies actively shifting to rail transportation



Rainforest Alliance Certified

Label certifying that a product comes from a farm that meets standards for protecting nature and promoting the wellbeing of workers, with the objective of sustainable management of rainforests



PET Bottle Recycling Recommendation Mark

Label for products manufactured using recycled plastic bottles

Source: Ministry of the Environment

Eco-friendly business promotion

Environmental reports

Environmental reports are tools for businesses and institutions to inform their customers, investors, local residents, and employees of the environmental impact of the business activities and the efforts to protect the environment. Japan has formulated the Environmental Reporting Guidelines for them to write their environmental reports, and has an award

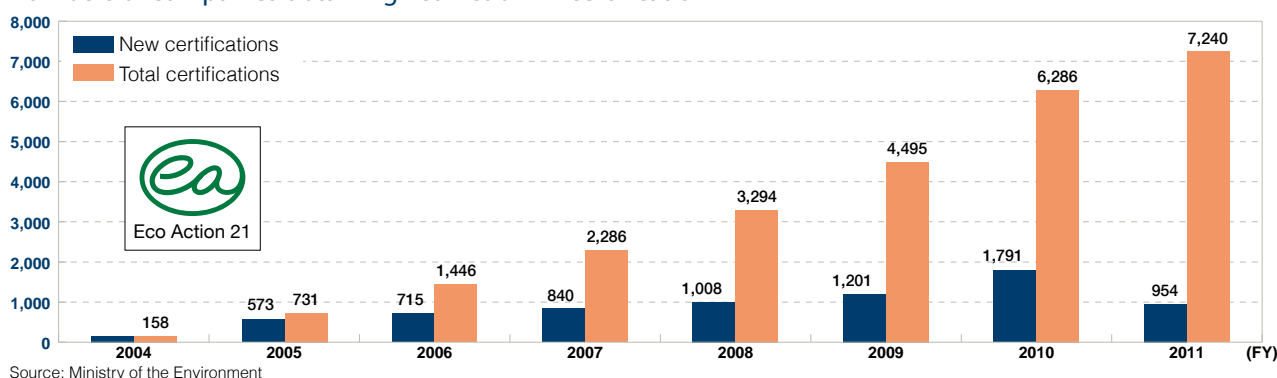
Environmental management

Many businesses, particularly large businesses, have voluntarily engaged in environmental management programs. To make it easier for small and mid-size companies to also become engaged in environmental management, Japan launched Eco Action 21, taking a number of measures to promote this program. Eco Action 21 promotes the initiatives to reduce environmental impacts by reducing carbon emissions, wastes, and wastewater. Certified companies are required to produce and publish simplified

program for the outstanding environmental reports. In 2005 the Eco-Friendly Business Promotion Act came into force, requiring a number of public corporations, such as independent administrative institutions and national university corporations to produce and publish environmental reports.

environmental reports in the form of an environmental activities report. One feature of this program is that the inspector performing the certification can give the company advice concerning its environmental measures (within a certain extent). Eco Action 21-certified businesses need to construct, operate, and maintain environmental management systems compliant with the requirements in the guidelines and based on utilizing a PDCA (plan-do-check-act) cycle.

Numbers of companies obtaining Eco Action 21 certification



Eco-First Program

The Eco-First Program is a program whereby companies give the Minister of the Environment their voluntary commitments that they will pursue environmental initiatives to lead industries, taking measures to prevent global warming or protect biodiversities. The first company was successfully certified in 2008, and as of May 2013, 41 companies have been certified as Eco-First businesses.

In order to be certified as an Eco-First business, the company makes an Eco-First commitment in an application to the Ministry of the Environment. That commitment is assessed based on its innovation,

uniqueness, and potential ripple effects and also it has to meet more than three categories which set an appropriate target to protect the environment. Companies that successfully pass this assessment are to be certified, which permits them to use the Eco-First logo authorized by the Ministry of the Environment.

