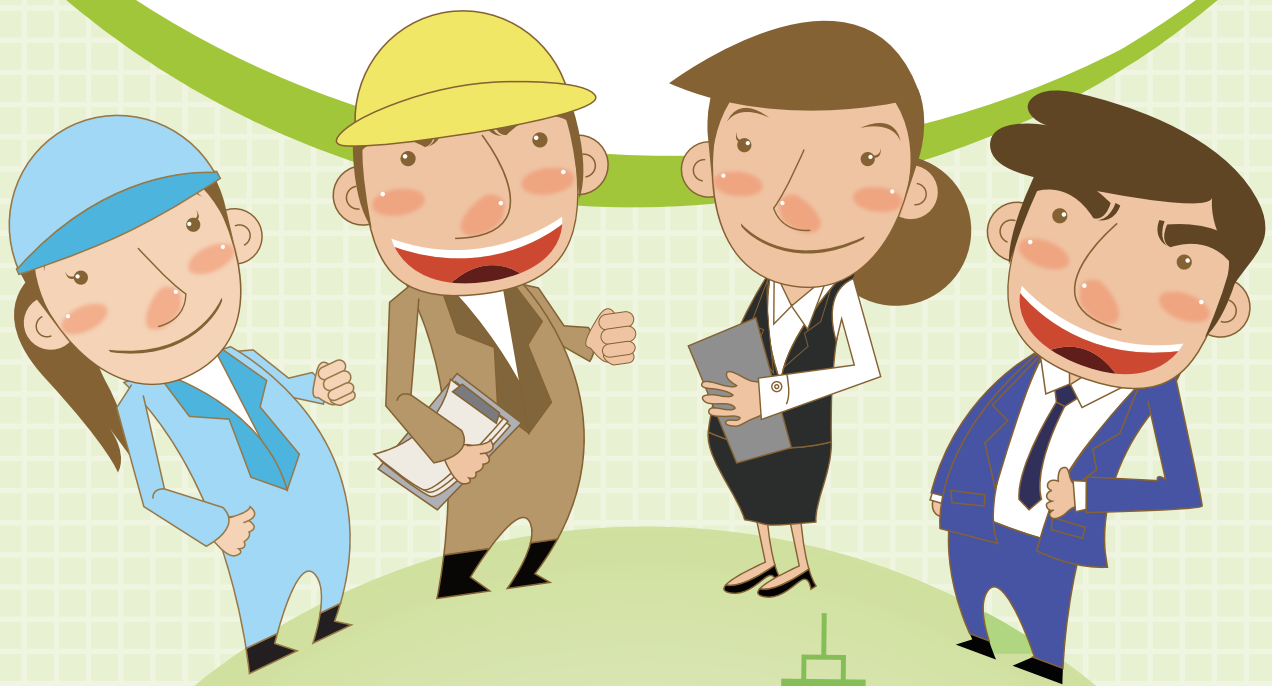


Toward
**Enabling Reliability of
Environmental Labels and Claims**
under
the **Act on Promoting
Green Procurement**



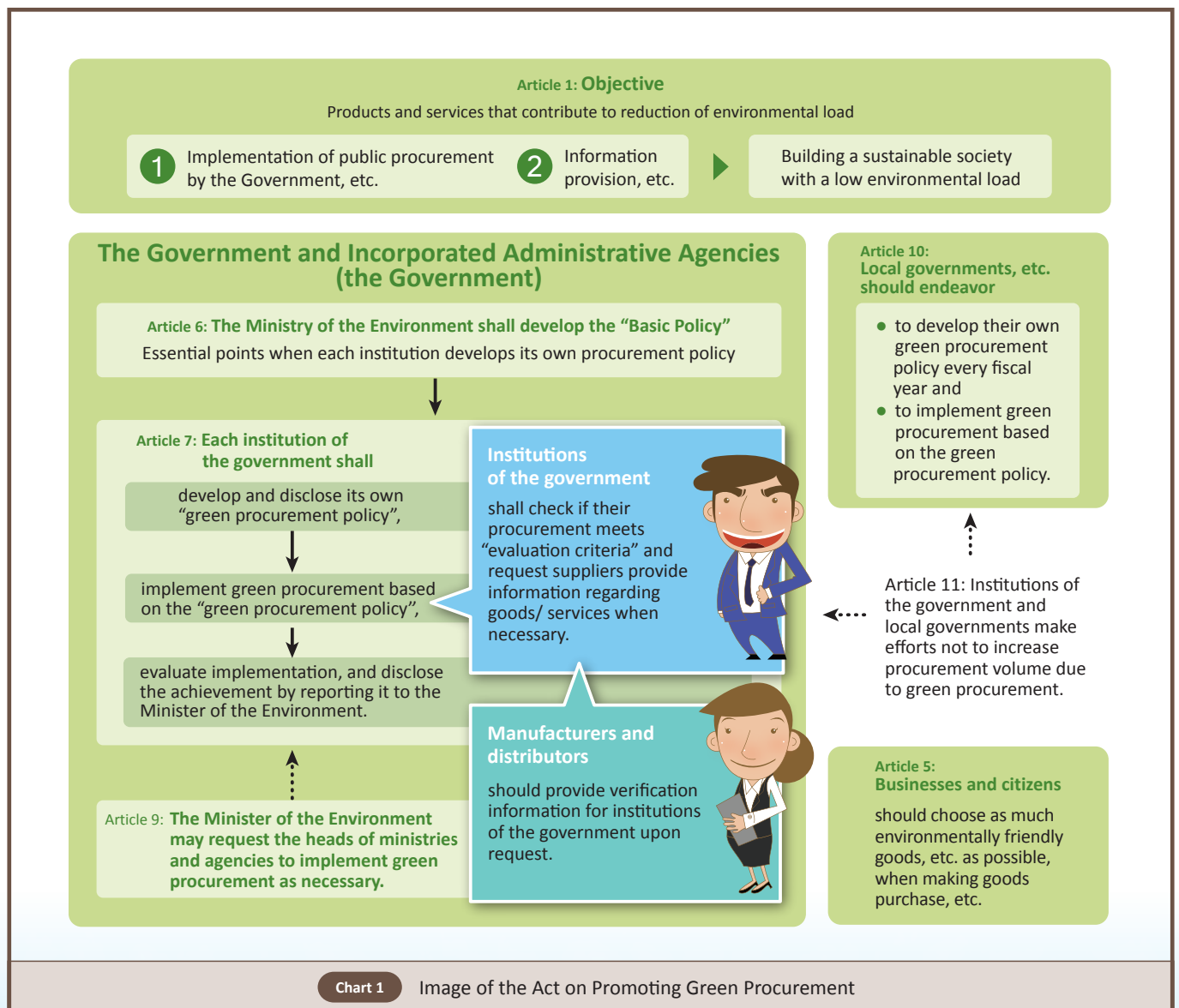
1

The Act on Promoting Green Procurement

The Government and Incorporated Administrative Agencies are required to promote procurement of environmentally friendly products and services in accordance with the Act on Promotion of Procurement of Eco-Friendly Goods and Services by the State and Other Entities, which is known as the Act on Promoting Green Procurement.

The Act on Promoting Green Procurement includes “Basic Policy for the Promotion of Procurement of Eco-Friendly Goods and Services”. The “Basic Policy” sets “evaluation criteria” for “designated procurement items”, which are prioritized products/services to be procured. Products/services that conform to the “evaluation criteria” are called “designated procurement goods”. Each institution of the government sets its own annual objectives and then promotes green procurement.

Each institution of the government shall check, therefore, if products and services conform to “evaluation criteria” before procuring them. Suppliers shall have reasonable grounds and provide purchasers with information on verification of conformity with “evaluation criteria”.



1. The Ministry of the Environment reviews “evaluation criteria” every year. The latest version is available at <http://www.env.go.jp/en/laws/policy/green/index.html>



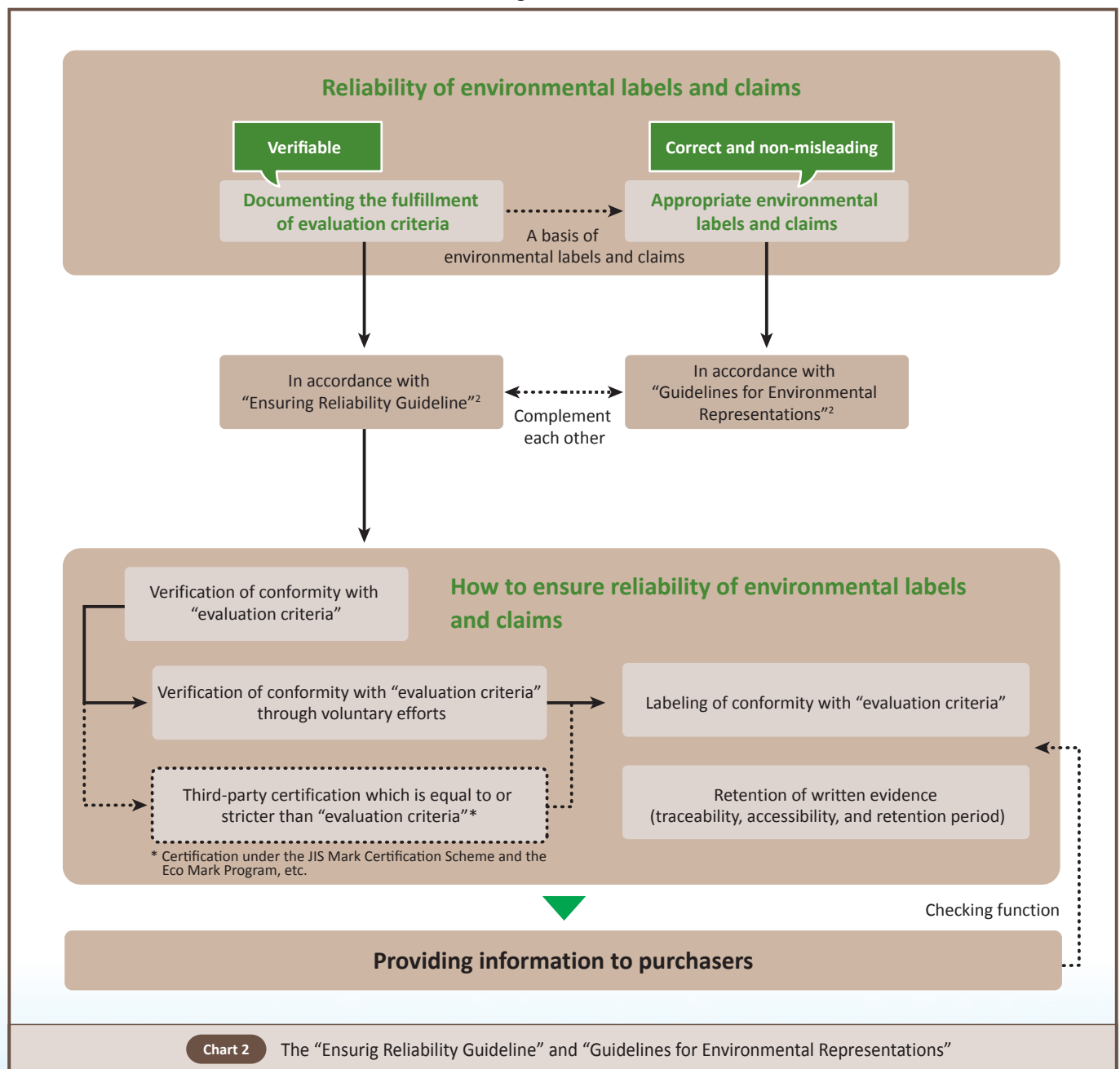
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Ensuring Reliability of Environmental Labels and Claims

Manufacturers, importers, and suppliers are, when supplying the market with “designated procurement goods”, required to verify that they conform to the “evaluation criteria” and to display correct and non-misleading environmental labels and claims on the products and/or services.

The Ministry of the Environment has developed two sets of guidelines on “designated procurement goods”. One is the “Ensuring Reliability Guideline”² which includes principles and processes of verification of conformity with “evaluation criteria”. The other is the “Guidelines for Environmental Representations”² which demonstrates precise and preferable environmental labeling for purchasers.

Not only manufacturers, importers, and suppliers, but also raw material and parts suppliers should ensure the reliability of environmental labels and claims in accordance with these guidelines.



2. The “Ensuring Reliability Guideline” and the “Guidelines for Environmental Representations” are available in Japanese at the website of the Ministry of the Environment.
Ensuring Reliability Guideline: <http://www.env.go.jp/policy/hozen/green/trust/guideline/>
Guidelines for Environmental Representations: <https://www.env.go.jp/policy/hozen/green/ecolabel/guideline/>



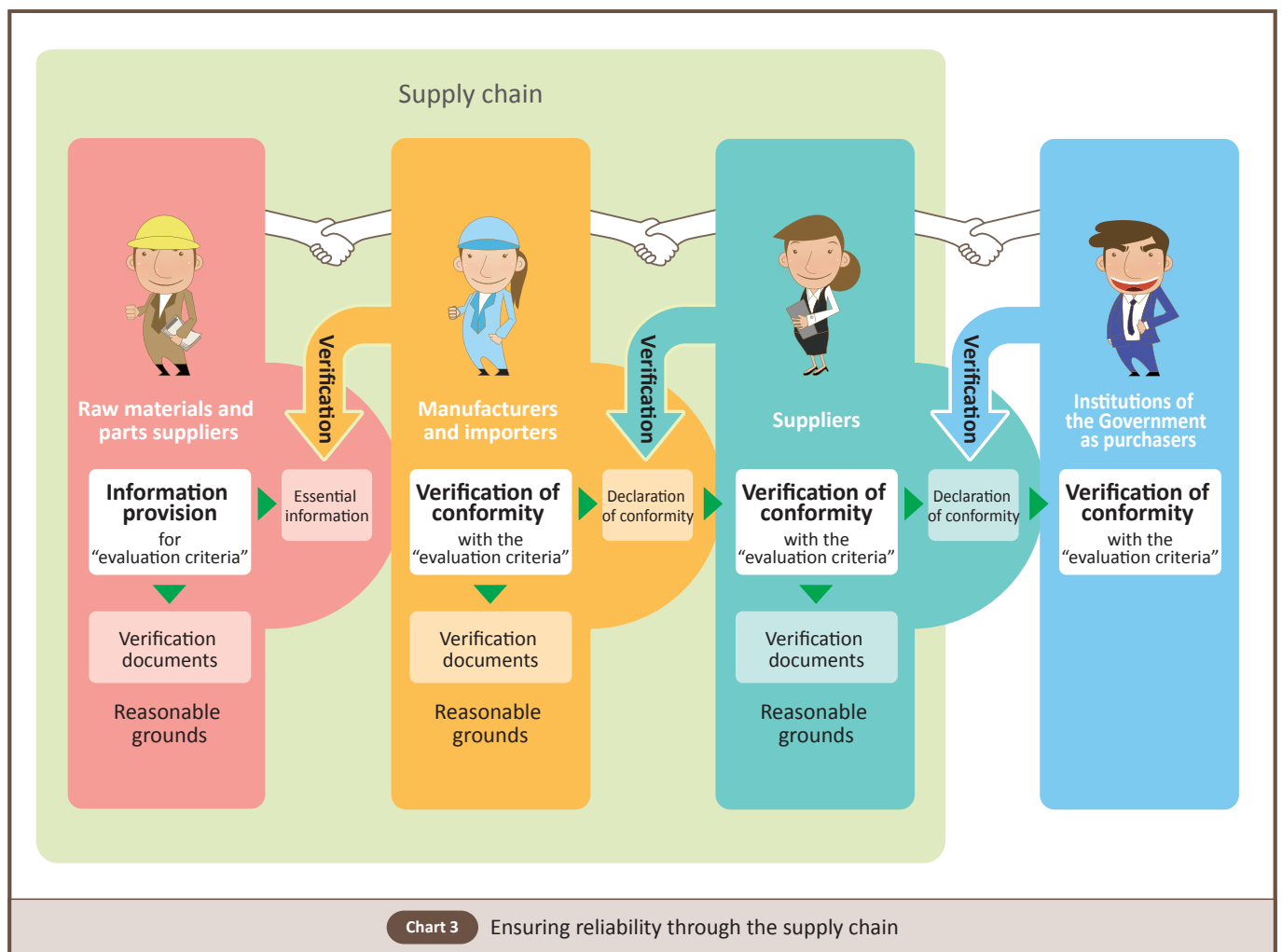
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Ensuring Reliability of Environmental Labels and Claims in Each Stage of the Supply Chain

Not only end product suppliers, but also other businesses in each stage of the supply chain should ensure the reliability of environmental labels and claims (Chart 3).

Manufacturers, importers, and suppliers of “designated procurement goods” should obtain essential information from the previous stage of the supply chain to verify that the products/services conform to the “evaluation criteria”. They should also provide reasonable grounds for businesses in the succeeding stage of their supply chain.

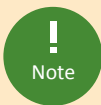
Requests for information provision about conformity with the “evaluation criteria” from purchasers in the downstream parts of a supply chain can be a checking function of the entire supply chain. As a result, this action enhances the reliability of environmental labels and claims.



Legislation on environmental labels and claims on designated procurement goods

The Act against Unjustifiable Premiums and Misleading Representations regulates false labeling of all products/services including designated procurement goods under the Act on Promoting Green Procurement. When businesses mislead consumers by displaying inadequate labels and claims on designated procurement goods, they possibly violate Article 4, paragraph 1, item 1 of the Act, which prohibits misleading labels and claims.

The Act against Unjustifiable Premiums and Misleading Representations was amended twice in 2014 due to food fraud issues that were revealed in 2013. Measures for businesses to implement, enhancement of monitoring and leadership by the government, and surcharge system for violation were newly included in the amendments.

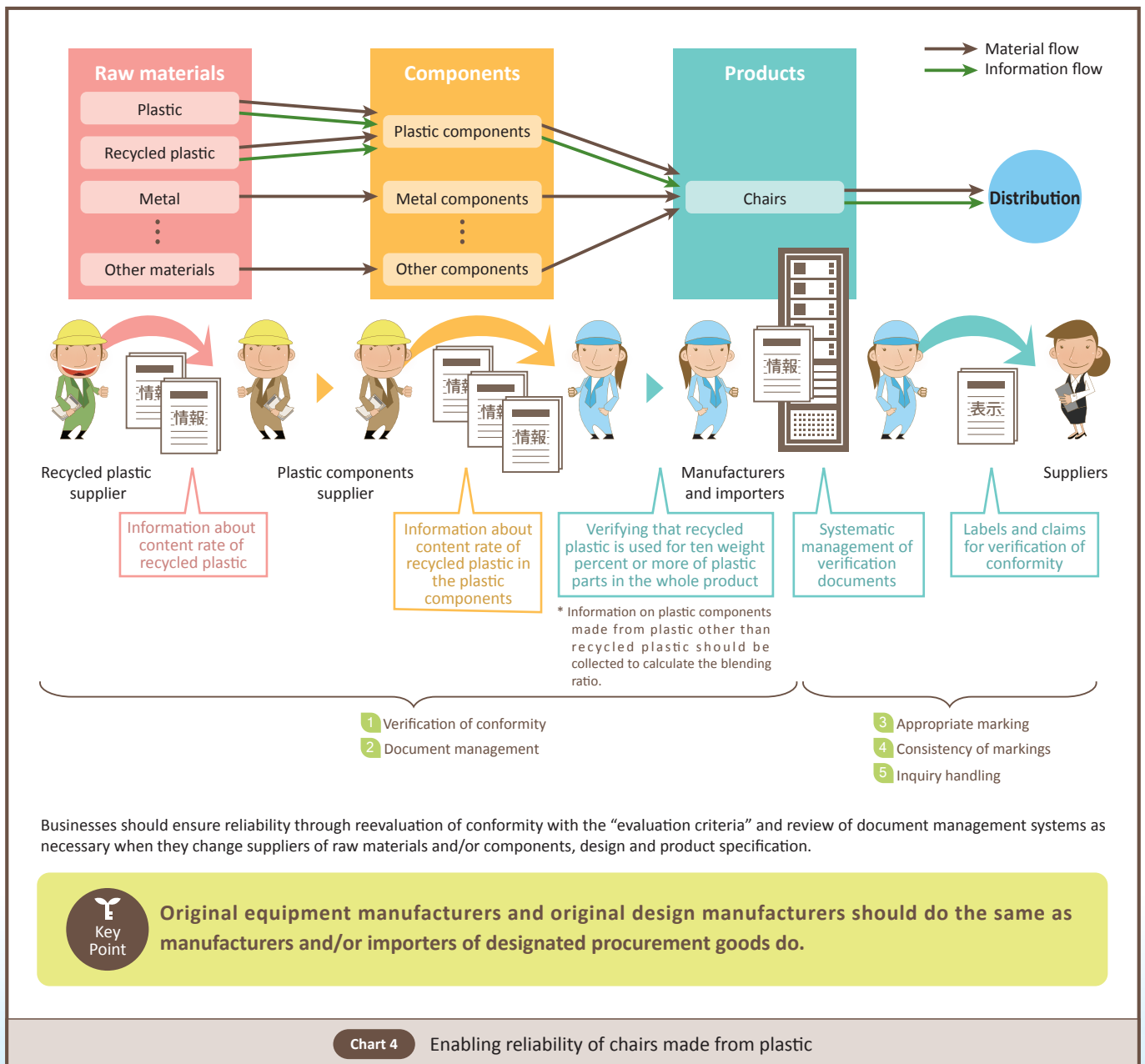


Note

4

What Manufacturers, Importers, Suppliers, and Raw Materials and Parts Suppliers of Designated Procurement Goods Should Do

- 1 Verification of conformity**
 Businesses should verify that “their products” conform to the “evaluation criteria”.
- 2 Document management**
 Businesses should prepare and retain verification documents for “evaluation criteria”.
- 3 Appropriate marking**
 Each label and/or claim should be appropriate and in accordance with “Guidelines for Environmental Representations”.
- 4 Consistency of markings**
 Environmental labels and claims should be consistent with each other when applied in different media.
- 5 Inquiry handling**
 Businesses should improve inquiry handling system to provide appropriate information.
- 6 Reevaluation**
 Businesses should reevaluate if their products conform to the “evaluation criteria” and record the results as necessary.



1

Verification of Conformity

Businesses should verify that “their products” conform to the “evaluation criteria”.

Most “evaluation criteria” of designated procurement items consist of multiple articles. **Businesses should verify that their products conform to the “evaluation criteria”** with suitable methods when they are distributing or intend to distribute those as designated procurement goods. For specific methods, please refer to the “Ensuring Reliability Guideline”.³

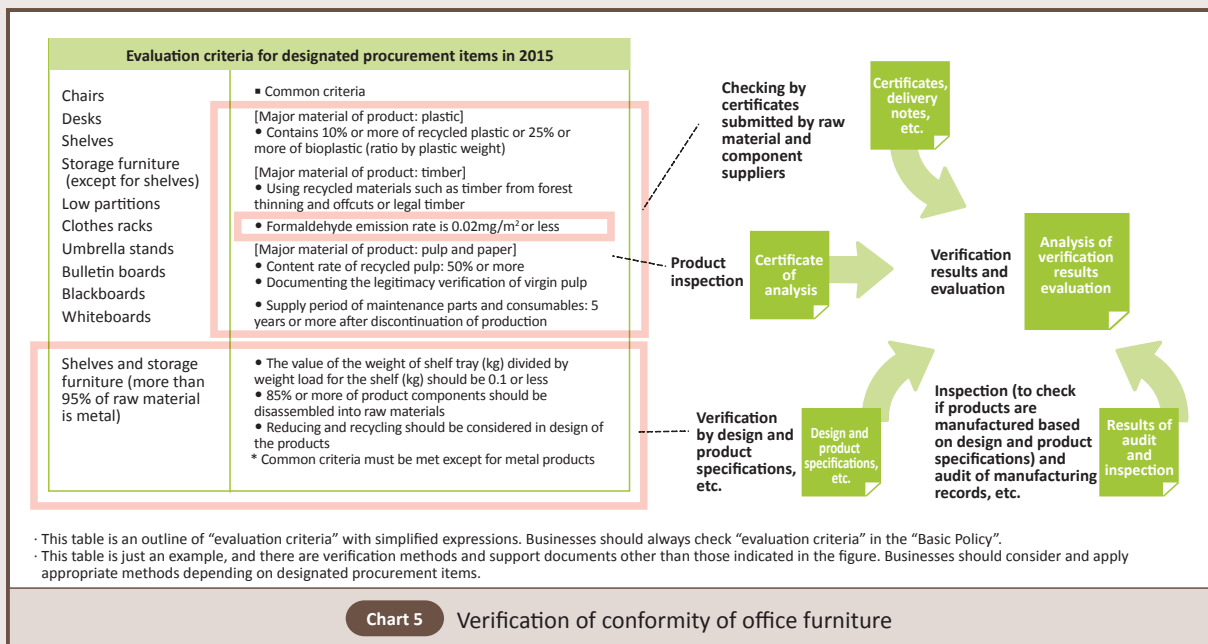
What raw materials and parts suppliers should do are:

to obtain essential information for verification of conformity and to provide information to businesses in the downstream parts of a supply chain.

E.g., information about recycled materials, certificate of legal timber, information of specified chemical substances, etc.

What manufacturers should do are:

to conduct product testing and to obtain certification of raw materials for checking the conformity.



What importers and distributors should do are:

to obtain documents showing verification of conformity from suppliers in the upstream parts of a supply chain and provide the information to purchasers and

to verify information by conducting hearing survey, site inspection and product testing as necessary



Businesses can check the conformity by obtaining information from the previous stage of their supply chain.

³ “Ensuring Reliability Guideline” is available in Japanese at the following website of the Ministry of the Environment.

<http://www.env.go.jp/policy/hozen/green/trust/guideline/>