Business Report (FY2007)

For the year ended March 31,2008

In FY2007, the Japan Environment Association (JEA) strove to carry out various activities based on its Business Plan that focused on the following issues: the promotion of environmental education, the dissemination of information to enhance awareness of environmental conservation, the enhancement of the motivation to participate in environmental conservation activities, the promotion of the Eco Mark program, the promotion of activities for preventing global warming, and the implementation of measures for restoration of soil environment.

A. Environmental Education/Information and Enlightenment Activities

I. Independent Activities

1. Project of Junior Eco Counsel Office

In the "Junior Eco Counsel Office" which was established in 2000, volunteer environment counselors responded to various environmental questions from elementary school children, and junior and senior high school students as well as provided them with advice on solving environmental problems. The councilors responded by telephone, letter, and e-mail, or they accepted children's visits and delivered lessons on demand. Two counselors were stationed in the office every day.

The numbers of questions or enquiries responded to in FY2007 were as follows: 118 by phone, 41 by letter, 455 by e-mail, and 128 by visits (a total of 5,142 children & students visited the office), and the total of counseling cases came to 742.

2. Project of Information and Enlightenment

- (1) Lending out and selling of materials for environmental education, and public relations
 - The JEA lent out videos and films for environmental education of young people at no charge to local administrative bodies and schools, and also sold them at cost. In FY2007, the number of lending was 36, the videos and films were used 48 times (1,456 people saw at least one of the videos or films), and a total of 12 videos and films sold. In addition, the JEA distributed other materials for environmental learning.
 - The JEA developed activities for public relations through publishing the JEA newsletter and mail magazine as well as reporting news on its website. The JEA participated in the "Eco-life Fair 2007" held in Yoyogi Park (Shibuya Ward, Tokyo) on June 2 and 3, 2007, which was one of the events for Environment Month. At this opportunity, the JEA disseminated information to enhance awareness of the Junior Eco-Club, the Environment Minister of My Home and the Stop-OndanKan.
- (2) Environment Society and Environment Learning Club
 - (a) Environment Society (for organizations)

The JEA held lecture meetings on environmental issues, a study tour to environmental facilities and periodically distributed materials published by the Ministry of the Environment, targeting the members of the Environment Society (regular members: 23 organizations, associate members: 12 organizations).

(b) Environment Learning Club (for individuals)

The JEA periodically provided 80 members of the Environment Learning Club with information and materials concerning environmental issues, education and learning.

II. Activities Entrusted by the National Government, etc

1. Project of Junior Eco-Club

Entrusted by the Ministry of the Environment, the JEA managed the role of the national secretariat of the Junior Eco-Club, a nationwide environmental program in which any child can participate. The club provides children with various opportunities to learn about the environment and to develop environmental activities voluntarily and continually in their communities.

The JEA took charge of the registration of the members. The JEA also created and distributed the following: 1) posters and brochures for attracting members, 2) pamphlets for public relations, 3) membership badges and member's guidebooks for supporting activities, 4) newsletters for the members and newsletters for the instructors, and 5) a manual for the instructors to support the activities of the club. In addition, the JEA managed the website of the club, and provided information to the staff of local governments responsible for the activities of the club (coordinators) by e-mail and also held workshops for the staff. The JEA held the National Junior Eco-Club Festival in Kitakyushu City, Fukuoka Prefecture on March 29 and 30, 2008 in partnership with municipalities, companies and other organizations. The number of people who participate in the Festival was 12,800.

The JEA called on companies to support the activities of the club, and as a result, 64 companies and other organizations agreed to support 50 programs. In addition, the JEA studied measures to develop the Junior Eco-Club.

As of the end of FY2007, the number of clubs was 4,216, the number of members 167,466, and the number of instructors (supporters) was 17,456.

2. Project of Environment Minister of My Home

Entrusted by the Ministry of the Environment, the JEA recognized families that have declared that they will develop eco-friendly activities as an "Eco-Family", and also recognized the representative of the family as the "Environment Minister of My Home". The purpose of this recognition is to support the eco-life of the families at home and the environmental activities that they will develop in their communities.

The JEA managed the project of the Eco-Family acting as its national secretariat, included the following: 1) the management of the website assigned to activities related to the Eco-Family, 2) the collection and registrations of Eco-Families through the website, 3) the provision of

information and materials for environmental learning to support their activities, 4) the holding of various events, and 5) dispatching supporters to assist the Eco-Families with their eco-life. In addition, the JEA dealt with affairs concerning collection of reports on their eco-life activities (eco announcement) and the ministerial commendation of outstanding reports.

As of the end of FY2007, the number of the Eco-Families that registered through the website was 52,344, the number of the registered groups was 713 and the number of the Eco-Families based on the group registrations was approximately 1,500,000.

3. Project of Environment Counselors

Entrusted by the Ministry of the Environment, the JEA dealt with the registration of "Environment counselors" who provide advice and support for businesses and citizens' groups that would like to start environmental activities, utilizing their knowledge and experience. The registration was dealt with in two divisions: the business division and the citizens division, and the registration work included an examination for the registration and for the renewal of registration. The JEA also strove to promote the utilization of this system.

The number of new registrations in FY2007 was 234 (113 for the business division and 121 for the citizens division). These counselors were required to pass examinations involving an essay and an interview.

As for renewals of the registration, 1,075 Environment counselors among the 1,151 who registered in FY1998, FY2001, and FY2004 and were qualified for renewal actually renewed their registration. As a result, the number of registrations of Environment counselors came to 4,222 (the total number of registrations for the business division and the citizens division was 4,528).

In addition, the JEA managed all the profiles of the Environment counselors and data on their activities, and publicized these on the website of the Ministry of the Environment.

4. Project of Information and Enlightenment, and Surveys

(1) Star Watching Network (Continuous observation of constellations nationwide)

Entrusted by the Ministry of the Environment, the JEA called on individuals and groups throughout Japan to observe constellations to enhance awareness of atmospheric conservation. The JEA designated constellations and the Milky Way as well as observation periods. The participants observed the constellations with the naked eye, using binoculars, or by taking photos.

In FY2007, 489 groups (8,064 people) participated in the summer observation, and 392 groups (2,807 people) participated in the winter observation. In addition, the JEA took charge of affairs concerning the ministerial commendation, which was bestowed at the "19th National Convention on Starry Sky Towns and Blue Sky Towns" held in Matsumoto City, Nagano Prefecture on September 29 and 30, 2007.

(2) Survey on the actual conditions of private environmental conservation organizations

Entrusted by the Environmental Restoration and Conservation Agency, the JEA carried

out a survey on the activities of private organizations that pursued environmental conservation (Environmental NGOs) and made a database containing the environmental NGO's names, the locations of these organizations, an outline of activities and the means for participation in these organizations in order to promote participation by citizens in these activities.

(3) Contest to select the illustration used for the cover page of the ministry's annual white paper on the environment and the sound material-cycle society

Entrusted by the Ministry of the Environment, the JEA took charge of affairs for the contest to select illustrations used for the front cover of the white paper on the environment and the sound material-cycle society and a poster for Environment Month with the participation of the public. The objective of the contest was to raise awareness among the public concerning the actual conditions of environmental issues and the importance of measures to promote environmental conservation. A ministerial commendation was bestowed on a child in the category of elementary school children and junior high school students and a person in the general category for their excellent illustrations.

5. Project of Environmental Partnerships Promotion

To establish partnerships among entities that comprise the society, including citizens, companies, and administrative bodies, which is essential for building a sustainable society, the JEA engaged in the supporting tasks at the Global Environment Information Center (Shibuya Ward, Tokyo) which was managed jointly by the Ministry of the Environment, the United Nations University and the Environmental Partnership Council(EPC).

6. Project of Green Purchasing Promotion

Entrusted by the Ministry of the Environment, the JEA dealt with affairs to promote the priority purchasing of eco-friendly products and services, which is referred to as green purchasing. The objective of this is to increase demand for eco-friendly products and services in the market in order to realize a sound material-cycle society.

To enhance awareness of the significance of green purchasing, the JEA carried out the following tasks: 1) the establishment of guidelines on promoting green purchasing for small and medium-sized local governments, 2) the management of a database containing data on actual efforts for green purchasing, 3) the provision of information to raise awareness of green purchasing in the eco-friendly service sector, 4) the holding of seminars to promote the establishment of local networks, and 5) the management and revision of a database of specified products and services procured in relation to the "Law Concerning the Promotion of the Procurement of Eco-Friendly Goods and Services by the State and Other Entities (Law on Promoting Green Purchasing)".

In addition, the JEA was entrusted with the task of acting as the secretariat of the Green Purchasing Network (GPN).

B. Ecolabelling Project

1. Eco Mark Program

The JEA developed activities related to the Eco Mark, which is used to enhance awareness of environmental conservation among people as well as to reduce their environmental impacts generated as consumers.

As of the end of FY2007, the number of products certified to bear the Eco Mark was 4,686, which showed a drop of 553 as compared with last fiscal year. The number of product categories was 50 and the number of licensees was 1,672.

In addition, in September 2007, the JEA draw up the Second Eco Mark Medium-Term Activity Plan and revised the Guidelines for Eco-Mark Program Implementation and Guidelines and regulations for Eco Mark Committee for Establishing Category and Criteria. To strengthen stakeholders' involvement in the process of formulating certification standards, the JEA actively collected opinions about new product categories for FY2008 from the public during a month.

In order to cope with the environmental falsification problems which occurred in succession since January 2008, the JEA made through inspection and correction of all similar types of certified products to ensure the credibility of green purchasing and material's recycling, and reported progress on the website successively. The JEA will examine preventive measures against a recurrence to environmental falsification problem based on the result of through inspections.

In the activities for the dissemination of the Eco Mark, the JEA promoted the popularization of eco-friendly products among a wide range of people as follows: 1) the improvement of the website of the Eco-Mark Office to easy to understand for consumers and businesses and inauguration of mail magazine, 2) the carrying out of shopping campaign in partnership with retailers, 3) the holding of events in partnership with the national Federation of University Co-operation in Japan targeting at enlightenment in educational facilities, 4)the providing information at the exhibition such as "Eco-Products 2007" and 5)the distribution of brochures for consumers and workbooks for children,

2. International Cooperation Concerning Ecolabelling

(1) Global Ecolabelling Network (GEN)

The JEA issued the GEN newsletter and updated the website of the GEN as the General Affairs Office of the network. In addition to these public relations tasks, the JEA managed the accounting of the GEN.

The JEA attended the Annual General Meeting of the GEN held in Lund, Sweden in November, 2007 and discussed the management and priority activities of GEN .

(2) Mutual recognition and establishment of common core criteria

At the request of the Tripartite Roundtable Meeting on Environmental Industry (Japan, China and south Korea), for which the Ministry of the Environment was a key player, the JEA participated in a study of the creation of common core criteria for the eco labels among three countries, and sealed a basic agreement on partial mutual recognition of ecolabelling among China, Japan and Korea in Seoul in November 2007 and reached

consensus on common core criteria on personal computers at the working group meeting held in Beijing in January 2008.

In addition, the JEA promoted for Germany's Blue Angel to join in the mutual recognition on copier with Nordic Swan in North Europe. Taking into account harmony with both labels, the JEA revised the Eco Mark criteria on copier.

C. Project of Promotion of Activities for Preventing Global Warming

Entrusted by the Ministry of the Environment, the JEA carried out the following tasks at the Japan Center for Climate Change Actions (JCCCA) to promote activities to cope with global warming.

(1) Information and enlightenment, and public relations

To raise awareness among people concerning problems related to global warming and to stimulate action to prevent global warming, the JEA carried out the following tasks: 1) the holding of events during Global Warming Prevention Month, 2) the creation and distribution of materials for the dissemination of information, such as "let's all do our best to save the future of the earth", 3) the carrying out the light down campaign and 4) the holding of a forum concerning lifestyles.

In partnership with the prefectural centers for climate change actions, the JEA disseminated information on energy conservation and measures to prevent global warming in households. In addition, the JEA provided consumers with latest information by using revised fact sheets on energy-conserving electrical appliances and delivered information and advice on such appliances to small and medium-sized retailers of electrical appliances.

(2) Support for environmental learning

The JEA offered the handcraft classes and learning events concerning global warming produced by "Stop-OndanKan" (learning facility of global warming) for after school program at two elementary schools in Minato ward, Tokyo in partnership with the Board of education of Minato ward.

The JEA also promoted the use of the teaching materials concerning global warming "Environmental learning program for the prevention of global warming," which were created in 2005 and 2006.

(3) Training of the staff of prefectural centers and support for training of volunteers

The JEA provided training to the staff of prefectural centers who played a leading role in the activities for dissemination and awareness-raising concerning the prevention of global warming in their local communities and supported for training of designated volunteers conducted by the prefectural centers. The JEA also provided the information and tools necessary for their activities. In addition, the JEA lent out various panels and tools produced by "Stop-OndanKan" to them.

(4) Project of "One-village One-product, the creation of local wisdom linkage"

Under the name of "Stop Global Warming, One-village One-Product Major Activity", the JEA carried out the projects which aimed to integrate local efforts based on local wisdom to utilize them to promote the implementation of the local measures to prevent global warming and to distribute information on these integrated local efforts nationwide, through supporting each prefecture and prefectural center. There were 1,074 applications from all over the country, responding to each prefectures advertisement. Among them, 47 local efforts were selected as representative of each prefecture. The JEA hold the meeting for the announcement of these local efforts, an examination and a commendation ceremony on February 9 and 10, 2008.

(5) Improvement of the information infrastructure

The JEA managed and improved the websites of the JCCCA and the "Stop-OndanKan".

(6) Activities at "Stop-OndanKan"

The JEA disseminated information to raise awareness among ordinary citizens, provided opportunities for environmental learning to elementary school children and junior and senior high school students, and provided training to the volunteers at the "Stop-OndanKan", the base for the activities of the JCCCA. The JEA held seminars, workshops, and events in partnership with various entities as well.

The number of people who visited the Stop-OndanKan was 16,742 in FY2007. The JEA lent out 68 types of display tools (a total of 188 tools), and a total of 558 groups nationwide used the tools.

D. Project of Restoration of Soil Environment

1. Subsidies for the Interest on Loans to Support Environmental Restoration and Generation

The JEA provided subsidies for the interest on loans, using the "Supporting Fund for Environmental Restoration and Generation", which was established to promote the implementation of measures to deal with soil contamination and projects to prevent groundwater contamination in urban areas. The JEA provided subsidies to six companies that obtained a loan from the Development Bank of Japan, including Nippon Piston Ring Co., Ltd., to pay part of the interest.

2. Project based on the Soil Contamination Countermeasures Fund

As a support legal entity designated on the basis of the Soil Contamination Countermeasures Law, the JEA strove to increase the "Soil Contamination Countermeasures Fund" and carried out the following tasks based on the fund. At the request of the government, the JEA returned \$500 million to the National Treasury from part of the Fund originated in subsidies.

(1) Granting of subsidies

The JEA assumes the task of granting subsidies to local governments which grants subsidies to the persons who takes measures such as the removal of the soil contamination on the land where local government designated as the area contaminated by the specified harmful substances (the designated area). In December 2007, the JEA decided to grant a subsidy, the amount of ¥50million (fifty percent of total project cost) to Saitama City government concerning soil decontamination measures at the Sashiogi designated area, West ward, Saitama city. This is the first granting project.

(2) Consultations and so on

The JEA held consultations and provided advice regarding the soil contamination state investigation or such measures as the removal of the contamination on the land at the designated area or the change of the shape and quality on the land. The number of consulting cases conducted in FY2007 was 95.

The JEA also inaugurated consultations concerning the granting of the subsidies.

(3) Dissemination of information and enlightenment

The JEA disseminated information on the impact to human health due to soil contamination to raise awareness as part of risk communication. In FY2007, the JEA held seminars on soil decontamination entitled "Current situation of soil contamination: problems and prospects for the future" in Hiroshima City in October and in Shinjuku ward, Tokyo in November. These seminars were held in partnership with the Ministry of the Environment and the Geo-Environmental Protection Center. The JEA also created materials for disseminating information, and provided information on its website.

3. Project of survey on the systemization of the risk communicator on soil environment

Entrusted by the Ministry of the Environment, The JEA carried out a survey on the systemization of the risk communicator on soil environment. The JEA formed a committee composed of experts for the study, and conducted a case study on risk communication on soil decontamination projects and surveyed similar systems both in Japan and abroad. The JEA created "a guideline on the risk communication on soil environment – for business to implement risk communication" under the guidance of the committee.

E. Giving a Grant in aid Activities

1. Project of "F. Michiko Environmental Fund"

The "F.(Fujimoto) Michiko Environmental Fund" was established in 2002 to support grass-roots environmental conservation activities. Using this fund, the JEA subsidized 17 projects selected from among 94 projects applied by groups and individuals that planned to provide environmental education or to develop environmental conservation activities in their communities.

The selected activities included the following: 1) the creation of materials for environmental education for children and citizens, 2) the development of the campaign for promoting eco-friendly lifestyle, and 3) activities to restore the environment, such as planting a tree and thinning of a forest, Each of the selected groups or individuals developed positive activities.

2. Project of "Tokyo Gas Environmental Fund"

The "Tokyo Gas Environmental Fund" was established on December 15, 2007 based on a donation from the Tokyo Gas Co, Ltd. The Fund aids financially the activities of private environmental organizations who actively and continuously inplement environmental activities in Kanto region. The number of application for the grant in FY 2007 was 82. Subsidized projects will be selected and granted in FY 2008.