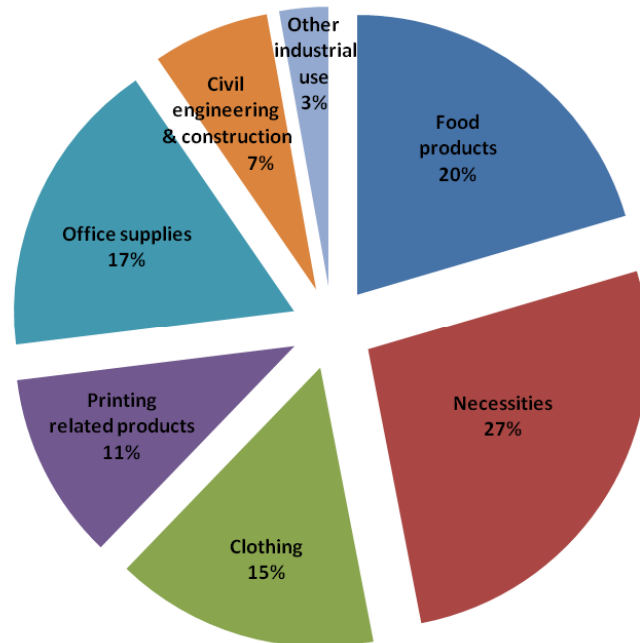


## Outcome and Evaluation of CFP Pilot Project by Japanese Government

The CFP pilot project by Japanese government has yield various results, such as 73 approved CFP-PCRs (Product Category Rules; the rules for accounting CFP) and 495 approved CFP products (about 100 companies), as well as development of various documents, creation of the Database of Emission Factors (containing about 1,200 data) needed for program operations, accumulation of know-how for CFP-PCR certification and CFP verification, and fostering of a lot of human resources specialized in such fields.

For product categories passed by CFP verification during this pilot project, “food products,” “necessities,” “clothing,” “printing related products,” and “office supplies” had large shares, respectively, while there were a few number of approved “energy using products” which have complex supply chains (see Figure 1).



**Figure 1. Breakdown of categories of CFP verified products**

According to the results of questionnaires and hearing surveys on the CFP pilot project from businesses participated and stakeholders, there are positive feedbacks as the

followings: (1) it is effective for responding to environmental regulations in the global market, (2) it has possibilities to become a criteria used by consumers in their purchasing choices and by customers in selecting their business partners, and (3) the improvement in each life cycle stage will be promoted by visualizing CO<sub>2</sub> emissions of the entire supply chain involved.

On the other hand, we also received negative feedbacks as the followings: (1) economic benefits in corporate management is unclear, and therefore it is difficult to reach a consensus within a company, (2) cost-effectiveness will not be expected (including due to strict verification operations), (3) it is difficult to build an industry consensus, (4) in reality, it is impossible to collect data from counterparties, (5) methods of approach to consumers have not been established yet, and (6) environmental impact assessment only in light of CO<sub>2</sub> may have a significant risk, and it is required to conduct assessment in various environment areas.

Finally, for common challenges raised, the rate of public awareness is low, and any attractive points of a CFP program can not be found.

In future development of official operations, respecting these valuable feedbacks, we consider that it is important to clarify purpose of participating in our CFP program, and to promote more flexible program operations without compromising reliability and transparency.