

JAPANESE INDUSTRY AND POLICY NEWS

May 2016

LEGISLATION AND POLICY NEWS

Successful Reduction of Returned Food and Food Loss through Better Demand Forecast

As a part of the FY2015 “Project for Establishing a Next-Generation Distribution System”, the Ministry of Economy, Trade and Industry (METI) and the Japan Weather Association (JWA) have jointly conducted an initiative for reducing food loss (food that are still edible but discarded) and saving distribution-related energy through precise demand forecasting. METI and JWA revealed on 25 April that the project successfully contributed to the following achievements:

- a) Reduction of food loss by 20-30% from the previous year;
- b) Reduction of carbon-dioxide emissions from product transportation by 50%;
- c) Increased its precision of forecasting consumer demand under different weather conditions by way of Artificial Intelligence (AI)

METI and JWA will enhance its relationship with the private sector and the trustworthiness of demand forecasting, aiming at commercialization of the results of the project as a sustainable effort.

http://www.meti.go.jp/english/press/2016/0425_02.html

Results of the Support for the Introduction of Robots Compiled

As the Demonstration Project for the Introduction of Robots under the FY2014 supplementary budget, the Ministry of Economy, Trade and Industry (METI) has been supporting demonstration and other projects for the introduction of robots into the frontiers where robots are not yet utilized, such as product design, manufacturing and service. METI announced on 26 April that it had compiled the results into a handbook titled “Case Example Handbook 2016.”

Under the FY2014 supplementary budget, 2.20 billion yen was allocated to the project and METI supported 116 demonstration projects through the Japan Robot Association (JARA) as a secretariat.

http://www.meti.go.jp/english/press/2016/0426_02.html

Strategy for Taking the Lead in the 4th Industrial Revolution Published

The Ministry of Economy, Trade and Industry (METI) aims to formulate a policy

on the “Future Vision of Innovative Industrial Structures,” which will be a “compass” in the public and private sectors to properly address the fourth industrial revolution. To this end, METI announced on 27 April that it compiled the results of the discussion which it started in August 2015 as the New Industrial Structure Committee into an interim report.

For accelerating innovation and technological development (“Society 5.0”), the report refers to strategies such as a) Establishing an open innovation system, b) Developing innovation bases in Japan which will be a global leader in accelerating social implementation of Artificial Intelligence (AI) and c) Strategically promoting the management of intellectual property and international standardization.

http://www.meti.go.jp/english/press/2016/0427_05.html

Japan-Germany Cooperation on IoT/Industrie 4.0 Announced

On April 28, 2016, Japan’s Ministry of Economy, Trade and Industry (METI) and German Federal Ministry for Economic Affairs and Energy (MBWi) signed a joint statement regarding the Japan-Germany cooperation on Internet of Things (IoT)/Industrie 4.0.

Based on the joint statement, both countries will endeavor to collaborate in the following fields, with the participation of private associations and other entities that are interested in IoT/Industrie 4.0.

- a) Industrial Cyber Security
- b) International Standardization
- c) International Regulatory Reform
- d) Facilitation for Small- and Medium-sized Enterprises (SME)
- e) Human Resource Development
- f) Research and Development (R&D)

METI and MBWi will hold annual dialogues at the director-general level.

http://www.meti.go.jp/english/press/2016/0428_04.html

Report compiled on the Future Direction of the Active Use of Big Data in the Distribution and Logistics Field

A Study Group on the Utilization and Application of Information in the Distribution and Logistics Field, published on 2 May, a report on the utilization of data generated in the field of distribution and logistics industry into 2030. The Study Group was established in October 2015 by the Ministry of Economy, Trade and

Industry (METI) with an aim to advance the utilization of data generated in the field of distribution and logistics, including product information, point-of-sale (POS) data, and data on purchases.

As a result of the discussion, the study group found that some businesses are hesitant in utilizing consumption data due to the risks involved. The study group also found that formats of consumption data, including POS and ID-POS data,* are not harmonized among businesses so that data users, e.g., manufacturers, face difficulties in utilizing aggregated consumption data for product development and other purposes.

*Note: POS data refers to information on the time, place, products and product price in transactions, while ID-POS data refers to data in which information on the purchaser (attribute data) of a product is added to the POS data.

Based on the results of the discussion by the study group, METI streamlined the challenges that the government of Japan should address by compiling action plans.

http://www.meti.go.jp/english/press/2016/0502_02.html

Police Adopted Guidelines for Testing Autonomous Driving Vehicles on the Road

National Police Agency (NPA) adopted on 26 May guidelines which are recommended for automobile manufacturers to adhere when testing autonomous driving vehicles on the road.

According to the newly published guidelines, it is possible to conduct tests wherever and whenever, provided that the safety conditions given by the Ministry of Land, Infrastructure, Transport and Tourism on the vehicle are met, as well as it being overseen by a test-driver capable of taking necessary precautions and safety measures. The NPA also requests that organisers in charge of the testing take sufficient safety measures including prior data collection on the test circuit and giving prior notice and explanation to the local authorities concerned.

<https://www.npa.go.jp/koutsuu/kikaku/gaideline.pdf> (in Japanese language)

SURVEY AND BUSINESS DATA

The 2016 Annual Report on Energy Published

On May 17, the Agency for Natural Resources and Energy (ANRE) published the '2016 Annual Report on Energy', in light of major changes in the field that have occurred since the publishing of the 'Long-term Energy Supply and Demand Outlook for FY2030' in July 2015. The featured issues were the following:

- a) Contribution to energy security in the era of low crude-oil pricing
 - b) Responses to the Great East Japan Earthquake and the accident at TEPCO's Fukushima Daiichi Nuclear Power Station, and ideal approaches to nuclear policies based on the lessons learned
 - c) Changes in energy policy in light of the Paris Agreement on climate change
- The 2016 report also describes the trends in energy supply and demand and the outline of FY2015 energy measures that Japan achieved.

http://www.meti.go.jp/english/press/2016/0517_01.html

<http://www.meti.go.jp/press/2016/05/20160517001/20160517001-1.pdf> (in Japanese language)

Japan's Fertility Rate Rose Slightly to 21-year High in 2015

Japan's total fertility rate in 2015 rose 0.04 point from the previous year to a 21-year high of 1.46, aided by indications of economic recovery, the Ministry of Health, Labour and Welfare said on 23 May.

The figure, an estimate of the average number of children a woman will bear in her lifetime, was at its highest level since 1994 when the rate registered 1.50. According to the Ministry of Health, Labour and Welfare, signs of economic recovery have encouraged an increase in births among those in their 30s, as well as those from the nation's second baby boom in the early 1970s who are now in their early 40s.

Total number of new born babies in 2015 was 1,005,656, a slight increase from 1,003,539 of the previous year. It is the first increase registered since 2011. In 1949, year of Japan's biggest "baby boom", a total of 2,696,638 babies were born.

<http://www.mhlw.go.jp/toukei/saikin/hw/jinkou/geppo/nengai15/> (in Japanese language)

COMPANY NEWS

Mitsubishi Electric Improves Speed of World's Fastest Elevators to 1,230 Meters per Minute

Mitsubishi Electric Corporation announced on May 10 that it has developed elevator technologies that achieved the speed of 1,230 meters per minute, or 20.5 meters per second, the fastest elevator speed in the world*. The new technologies will be installed to one of three elevators at China's tallest building, the 632-meter Shanghai Tower.

* According to Mitsubishi Electric research as of May 10, 2016

The record-breaking speed was achieved through the development of new equipment, including control panel that can maximise the traction machine's performance, and improvements of safety devices such as the speed governor, brake device and buffer. Once the elevator is equipped with the new technologies, it can travel from the second-level basement to the 119th floor in just 53 seconds, according to the manufacturer.

<http://www.mitsubishielectric.com/news/2016/0510.html>

TOPICS

Japanese Caviar Entertained World Leaders

Japan produced caviar was offered to world leaders during a working lunch at the Group of Seven (G7) Summit meeting in Ise-Shima on 26 May.

Caviar-producing sturgeon are considered as critically endangered species, and the international trade of caviar is strictly controlled under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). Exports of caviar are allowed only when a national government (1) authorises a business's aquaculture facility, and (2) confirms the business trades in caviar exclusively from sturgeon farmed at their facility.

As the Japanese caviar production has developed, the Ministry of Economy, Trade and Industry (METI) and the Fisheries Agency (FAJ) have introduced procedures complying with international guidelines for export.

As a result, the embargo on Japanese caviar exports was lifted in September 2015, and as of March 2016, two aquaculture facilities of Miyazaki prefecture are registered as producers who can export caviar. Ahead of the start of international exports, one of Japan's major airlines added Miyazaki caviar to their First Class menu from spring of this year.

<http://www.mofa.go.jp/files/000160810.pdf>

<http://www.meti.go.jp/english/mobile/2016/20160114001en.html>