

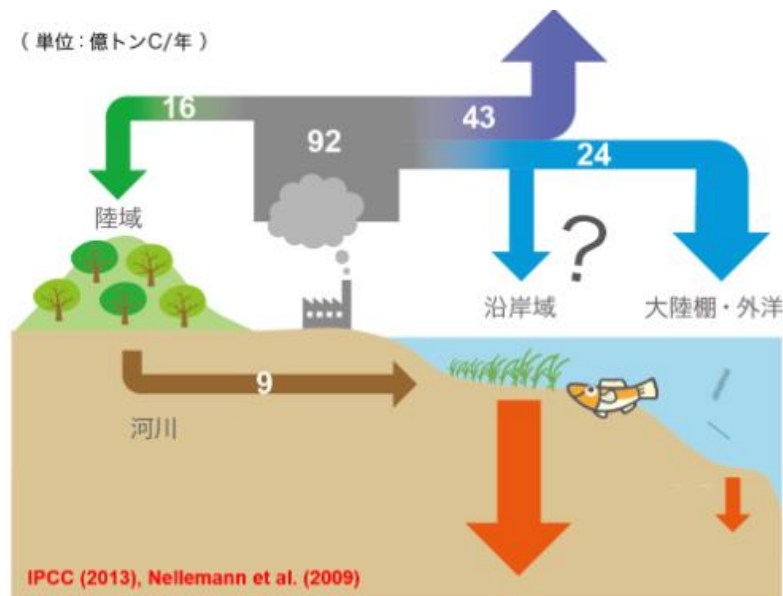
JAPANESE INDUSTRY AND POLICY NEWS
November 2017

LEGISLATION AND POLICY NEWS

Promoting Research on ‘Blue Carbon’

Ministry of Land, Infrastructure, Transport and Tourism stated in its press release of 10 November that it would continue to support the activities of the ‘Blue Carbon Research Committee.’ The Research Committee was established in February 2017, with academics and research institutes as members. It is administered jointly by the Waterfront Vitalization and Environment Research Foundation (WAVE) and the Service Center of Port Engineering (SCOPE) working as secretariat.

The Research Committee will analyze the present situation and identify challenges in utilizing coastal and marine ecosystems including mangroves and seagrasses in sequestering and storing “blue” carbon for mitigating climate change.



Carbon sequestering and storing (Unit: 100 million tons per year)

http://www.mlit.go.jp/report/press/port06_hh_000145.html (Japanese language only)

SURVEY AND BUSINESS DATA

Welfare Expenses of Big Enterprises Continue to Grow

According to the annual questionnaire survey of the Keidanren (Japan Business Federation) which was published on 10 November, the monthly average welfare expenses that member companies bore were 111,844 yen per employee in fiscal 2016. It is an increase of 1.1% as compared to the previous year.

Of the total monthly welfare expenses, statutory one including healthcare insurance fees and pension insurance fees was 86,622 yen (increased by 1.7%) and non-statutory one was 25,222 yen (decreased by 0.9%). Among the non-statutory expenses, health related expenses such as supporting employees' sporting activities increased, reflecting health consciousness of employers, Keidanren said. Most members of Keidanren are big enterprises and average number of employees of responding companies were 4,284.

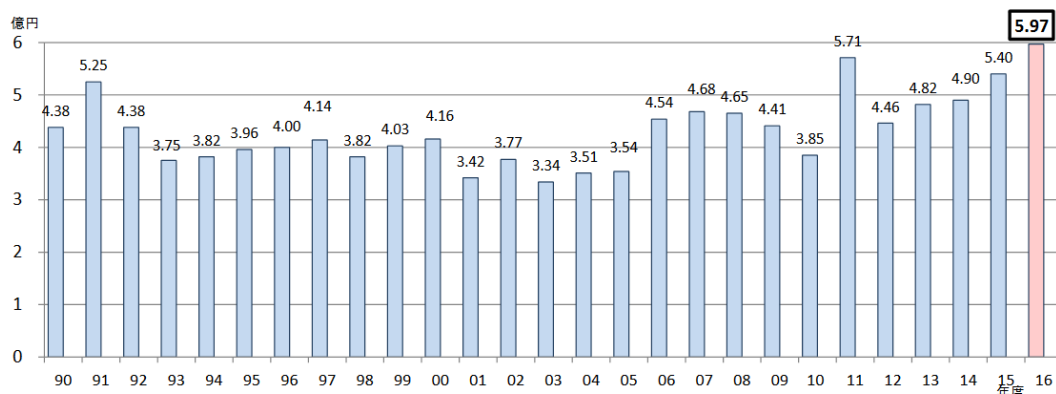
<http://www.keidanren.or.jp/policy/2017/089.pdf> (Japanese language only)

CSR Expenses of Keidanren Members Increased Four Consecutive Years

According to the annual survey of Keidanren (Japan Business Federation) released on 14 November, average contribution of the member companies to activities related to the corporate social responsibility (CSR) were 597 million yen per company in fiscal 2016. It is an increase of 10.6% as compared to the previous year, registering growth for the four consecutive years.

By sector of activity, Education/Social education was the most important, accounting for 19.4% of CSR expenses, followed by Culture/Art (17.2%), Health/Medical/Sport (14.4%), Science/Research (8.9%) and Regional activities/Conservation of tradition (7.8%).

Transition of CSR-related Expenses per Company (Unit: 100 million yen)



<http://www.keidanren.or.jp/policy/2017/091.html> (Japanese language only)

Tourism Industry: Last Year's Record of 24 Million Foreign Visitors Almost Equaled in Only 10 months

According to the statistics that the Japan National Tourism Organization (JNTO) released on 15 November, the number of foreign visitors to Japan in the first 10 months of 2017 reached 23.8 million, an increase of 18.3% as compared to the corresponding period of the previous year. The result up to October is almost equal to the annual record of 24.0 million registered in 2016.

By Country/area of origin, Chinese tourists were the most numerous with 6.2 million, followed by South Korean (5.8 million) and Taiwanese (3.9 million). As for Europe, all of British (262,500 persons), French (232,500), German (168,200), Italian (107,200) and Spanish (86,800) tourists recorded increases from the previous year. The number of Russian tourists (63,700 persons) recorded the biggest increase of 40.4% among major countries of origin.

https://www.jnto.go.jp/jpn/statistics/data_info_listing/pdf/171115_monthly.pdf

COMPANY NEWS

Household Fuel Cell System of Tokyo Gas Exceeded 90,000 Units

Tokyo Gas Co., Ltd. announced on 29 November that the accumulated sales of their household-use fuel cell system, 'ENE·FARM' exceeded 90,000 units. It is the first time in Japan that the sales of fuel cell of a company reached such number. Tokyo Gas started sales of the ENE·FARM in May 2009. It was the first in the world to sell household-use fuel cells which use hydrogen derived from town gas to generate electricity. ENE·FARM also uses concurring heat for supplying hot water.

Annual and accumulated sales of ENE·FARM by Tokyo Gas

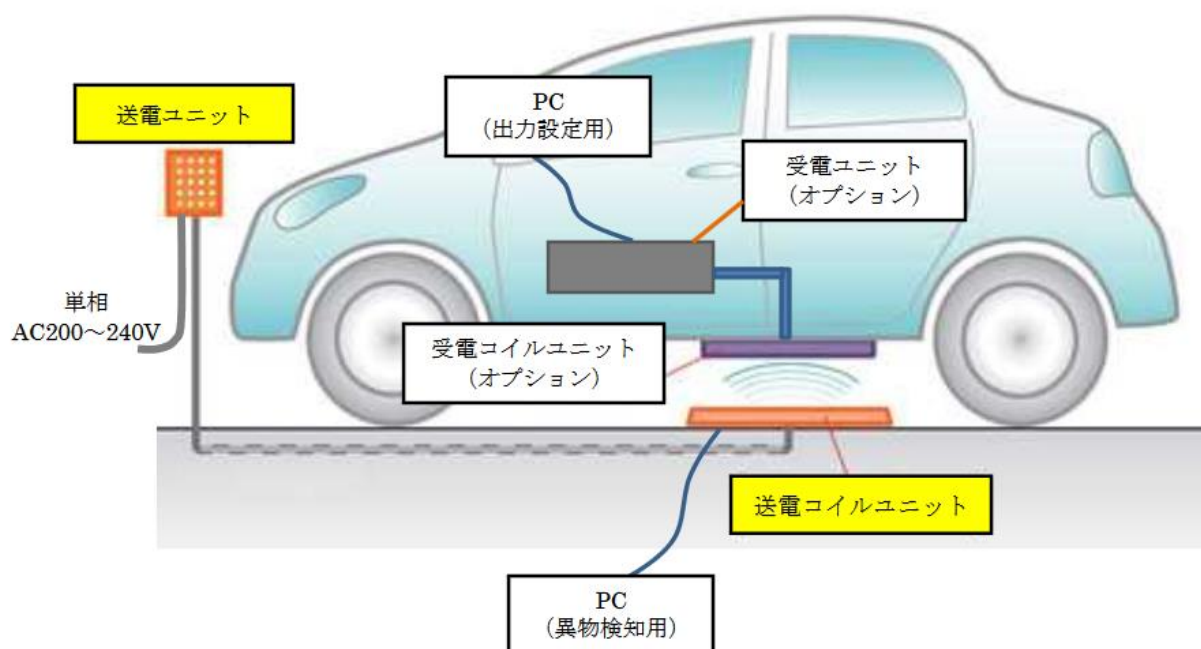
	2009年度	2010年度	2011年度	2012年度	2013年度	2014年度	2015年度	2016年度
販売台数	約1,500	約2,400	約5,700	約7,600	約12,200	約14,000	約18,000	約18,100
累計販売台数	約1,500	約3,900	約9,600	約17,200	約29,400	約43,400	約61,400	約79,500

<http://www.tokyo-gas.co.jp/Press/20171129-01.html> (Japanese language only)

Daihen Starts Marketing Wireless Charging Systems for EVs

Daihen Corporation announced on 1 November that it would start selling wireless power transfer (charging) systems for electric vehicles (EVs). According to Daihen, it is the world's first marketing of a large capacity wireless power transfer system of 11kW which enables a quick charging without cable. Daihen has already been selling wireless charging systems for automatic guided vehicles (AGVs) used in factory automation.

Daihen's wireless power transfer systems for EVs



http://www.daihen.co.jp/newinfo_2017/pdf/171101.pdf (Japanese language only)

Funai Electric Entered into an Alliance with EV manufacturer FOMM

Funai Electric Co. Ltd. and FOMM Corporation, a manufacturer of compact electric vehicles (EVs) announced on 30 November that they entered into a capital and business alliance. Funai and the FOMM set out to combine the know-how of compact EV development owned by FOMM with the

manufacturing capabilities (mass production technology, purchasing power, productivity) that Funai has cultivated in the consumer electronics field. The FOMM issues new shares by way of a third-party allocation of shares, and Funai undertakes this.

For FOMM, this is the second capital and business alliance with bigger companies following that of Yamada Denki (See October 2017 issue).

http://www2.funai.co.jp/usr/dl_en.php?path=http://www2.funai.co.jp/images/news/1511938632/1511938632_4.pdf

Bio Jet Fuel to be Used in Island Commuting Flights

Euglena Co., Ltd. and Oriental Air Bridge Co., Ltd. (ORC) announced on 29 November that they had agreed to go enter capital and business alliance. Euglena would acquire 4.7% of ORC stocks. The main purpose of the alliance is the practical application of bio jet fuel that Euglena produces from algae, to be used by the ORC in their commuting flight services connecting remote islands in western Japan. ORC has regular flights between remote islands and Nagasaki and Fukuoka.

Airplane of ORC



<http://www.euglena.jp/news/20171129-2/> (Japanese language only)

Toyota Motor Starts Sales of the Compact Communication Partner, 'Kirobo Mini' in Domestic Market

Toyota Motor Corporation (Toyota) announced on 22 November the start of sales of its compact and cuddlesome Kirobo Mini communication partner

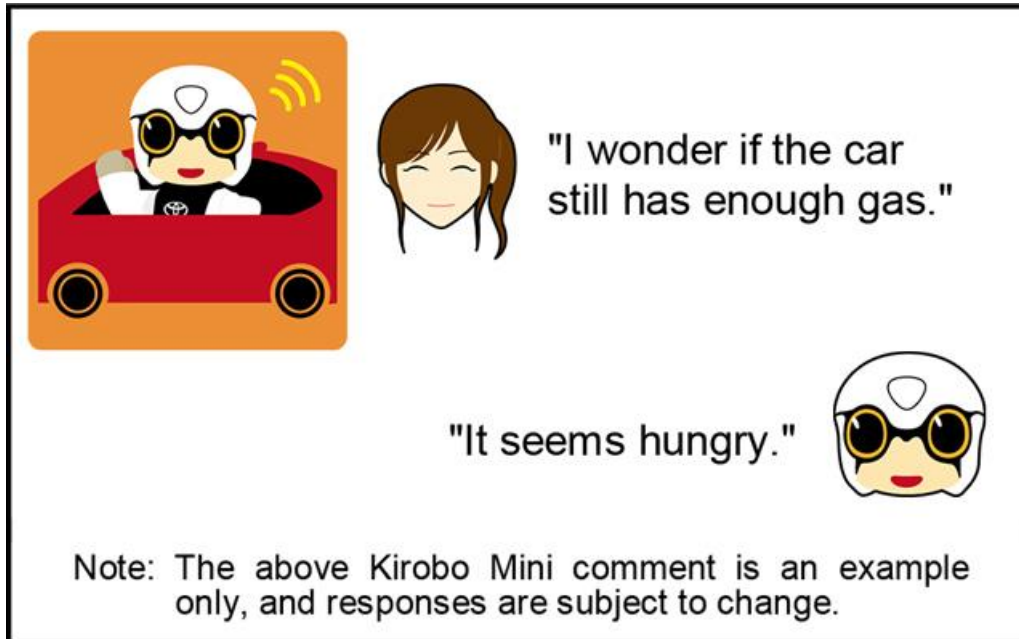
through Toyota vehicle dealers across Japan. Manufacturer's suggested retail price for a Kirobo Mini main unit is 39,800 yen excluding tax.



Kirobo Mini (Toyota Motor)

According to Toyota, Kirobo Mini can do the following:

- Engage in casual conversation, backed by gestures and the ability to respond to user emotions
- Learn and provide tailored companionship by remembering user preferences and past events
- Fit in the palm of your hand with a seated height of only 10 cm and be taken just about anywhere
- Enhance its conversational ability using information from the vehicle and home as illustrated below.



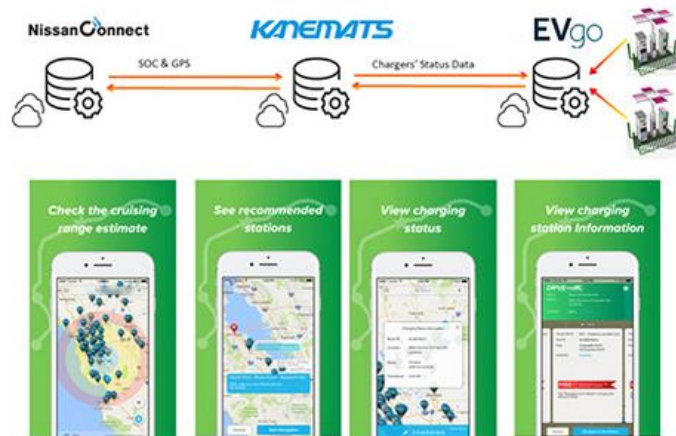
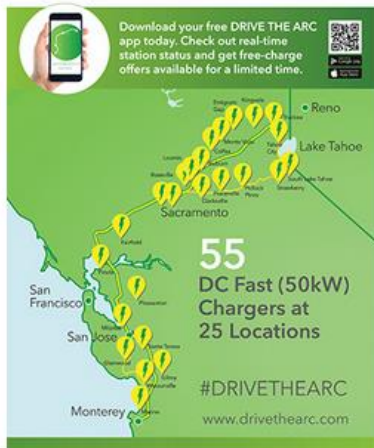
<https://newsroom.toyota.co.jp/en/toyota/19841623.html>

ADDITIONAL TOPICS

EV Demonstration Project in California Proceeds to the New Phase

The New Energy and Industrial Technology Development Organization (NEDO), Nissan Motor Corporation and Kanematsu Corporation announced in their joint press release of 28 November that the installation of the 55 fast chargers for electric vehicles (EVs) between Monterey and Lake Tahoe were completed and the demonstration project for enlarging utilization scope of EVs would be proceeded to the new phase. Major demonstration activities in the new phase are identifying most appropriate installation location of charging facilities, analyzing charging behaviors of users and studying the possibility to further increase travel distance. It is also envisaged to enhance information dissemination to drivers by connecting existing smartphone application service of "DRIVEtheARC" to the information service of Nissan Motor ("NissanConnect"). The demonstration project will be continued for two years.

News on the start of initial stage of demonstration can be found in the November 2016 issue.



Charging stations and images of information service

http://www.nedo.go.jp/news/press/AA5_100879.html (Japanese language only)

<https://drivethearc.com/> (English reference materials)