National Consumer Affairs Center of Japan (NCAC)

October, 2024



National Consumer Affairs Center of Japan

About NCAC

- The National Consumer Affairs Center of Japan (NCAC), established as an Incorporated Administrative Agency and funded by the Government of Japan, works as a core consumer advocate organization in accordance with the Consumer Fundamental Act and NCAC Act.
- The NCAC has been handling consumer issues since 1970 in collaboration with the government and Local Consumer Affairs Centers* operated by local governments.

^{*} Over thousand Local Consumer Affairs Centers are located throughout Japan, providing consultations for consumers and help to resolve issues.

Organization of the NCAC

	Consumer Affairs Fundamental Act, Article 25
(1) Purpose	The NCAC shall play a proactive role as a core institution in:
	- The collection and provision of information relating to consumption by citizens;
	- The mediation of complaint processing between businesses and consumers, and
	consultations pertaining to said complaints;
	- The resolution by agreement of disputes arising between businesses and consumers;
	- The testing and inspection of goods and the research and study of services relating to complaints from consumers; and
	- Raising the public awareness and education of consumers.
	Act on the National Consumer Affairs Center of Japan, Article 3
	Providing information and conducting research and study concerning consumer issues from a
	comprehensive perspective, and supporting activities of qualified consumer organizations, in
	order to create stable and improved lives; the NCAC also undertakes Alternative Dispute
	Resolution (ADR) procedures for consumer disputes.
(2) History	- October 1970: Inauguration of the Special Public Corporation National Consumer Affairs
	Center of Japan
	- October 2003: Reorganized into an Incorporated Administrative Agency
(3) Address	- Sagamihara Office: 3-1-1 Yaei, Chuo, Sagamihara City, Kanagawa, Japan
	- Tokyo Office: 3-13-22 Takanawa, Minato Ward, Tokyo, Japan
(4) Directors and	- Directors: 6 (President YAMADA Akinori, 3 executive vice presidents, 2 auditors)
employees	- Employees: 142 (as of end of September, 2024)
(5) Annual budget	- 3 billion yen (The original budget for fiscal 2023)
(amount of subsidy provided by the government)	- 3 billion yen (The original budget for fiscal 2024)

Core Functions of NCAC

1. Consultations

- Providing consultations for consumers who make complaints about businesses (Direct Consultation)
- Providing consultations for consultants who handle consumer complaints at Local Consumer Affairs Centers (Referred Consultation)

2. Complaints Analysis and Raising Public Awareness

- The NCAC has been collecting and analyzing consumer complaint data using a database system called "PIO-NET" since 1984.
- PIO-NET data is utilized for alerting consumers and for the policymaking process, and is used as a reference at Local Consumer Affairs Centers.

3. Product Tests

The NCAC conducts Product Tests for the following:

- On behalf of Local Consumer Affairs Centers on request; and
- In order to clarify the substantial problems of specific product groups, as well as to raise public awareness.

4. Public Relations/Publications

Helping consumers understand consumer issues such as fraudulent business practices or potential harmful consumer products by holding press conferences, publishing articles on the website, and releasing educational materials

5. Education and Training/Consultant Qualification

- Holding training sessions to enhance the competency of Consumer Affairs Consultants (CACs) and administrative staff at Local Consumer Affairs Centers
- Conducting qualification examinations for the CAC (national qualification) as a registered examination institution since FY2016.

6. Alternative Dispute Resolution (ADR)

- Implementing both mediation and arbitration, with either being available free of charge
- The ADR procedure is enshrined in the NCAC Act.
- Anyone can apply for ADR, while many of the applicants are consumers who are not satisfied with the result of their consultation.

7. Supporting Qualified Consumer Organizations

- Supporting Qualified Consumer Organizations by providing information etc.
- Supporting Specified Qualified Consumer Organizations in conducting court proceedings for redressing property damage incurred by consumers.

1. Consultations

- Providing consultations for <u>consumers</u> who make complaints about businesses (**Direct Consultation**)
- Providing consultations for <u>consultants</u> who handle consumer complaints at Local Consumer Affairs Centers (Referred Consultation)
- Both types of consultations are provided over the phone.

Figure 1 Trends in the number of consultation cases (Cases) (within the NCAC)

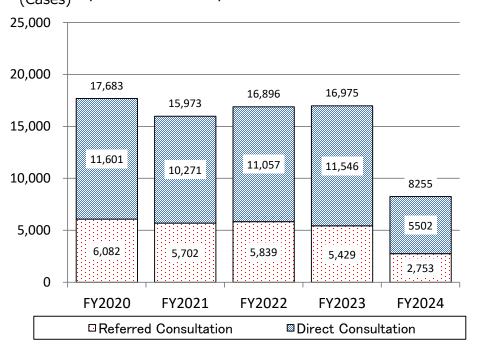
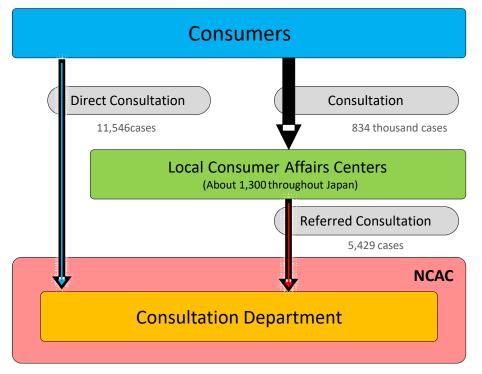


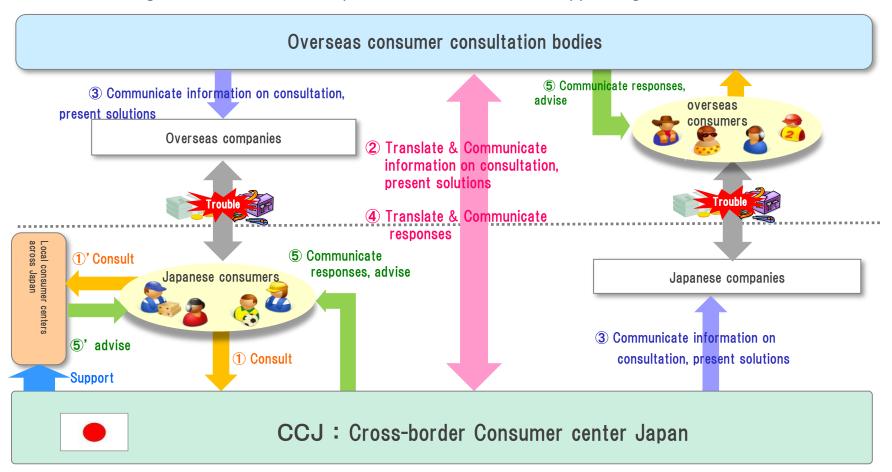
Figure 2 Flow of complaints collection (as of FY2023)



1-2. Cross-border Consumer Center Japan (CCJ)

- Providing consultation regarding cross-border transaction upon request from consumers
- Assisting the resolution of disputes over transactions between Japanese consumers and businesses outside Japan or between consumers outside Japan and Japanese businesses

Figure 3 Mutual relationships with overseas consumer support organizations



1-3. Partner organizations of the CCJ

Table 1 List of partner organizations (As of September 2024)

Country/Region	Organization
United States, Canada, Mexico	BBB (The Council of Better Business Bureaus)
Taiwan	SOSA (Secure Online Shopping Association)
Taiwan	CFCT (Consumers' Foundation, Chinese Taipei)
Singapore	CASE (Consumer Association of Singapore)
Vietnam	EcomViet (Vietnam E-commerce Development Center)
Russia	Center for Mediation and Law (Scientific and Methodological Center for Mediation and Law)
South Korea	KCA (Korea Consumer Agency)
Thailand	OCPB (Office of the Consumer Protection Board)
Philippines	DTI (Department of Trade and Industry)
UK	CTSI (Chartered Trading Standards Institute)
Malaysia	NCCC (National Consumer Complaints Centre, Malaysia)
11 South American nations* and Spain	ODRLA (ODR Latinoamerica)
Hong Kong region	Council (The Consumer Council of Hong Kong)
Republic of Latvia	CRPC (Consumer Rights Protection Centre)
Republic of Estonia	CPTRA (Consumer Protection and Technical Regulatory Authority)

^{*} Argentina, Chili, Uruguay, Paraguay, Bolivia, Brazil, Peru, Columbia, Venezuela, Costa Rica, Mexico

1-4. Consumer Hotline for Tourists

- Established in December 2018.
- Providing telephone consultation that overseas visitors to Japan can use if they experience consumer detriment while visiting Japan.
- 7 languages are available (English, Chinese, Korean, Thai, Vietnamese, French, Japanese)
- Launched multilingual website dedicated to the hotline in July 2021. (https://www.cht.kokusen.go.jp/)

Figure 4 Multilingual flyer



Figure 5 Multilingual website



Figure6 Hotline Information Video

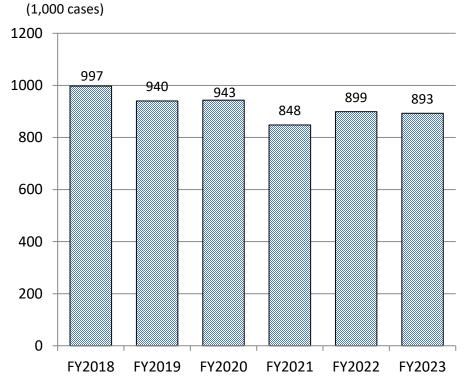
on the multilingual website



2. Complaints Analysis and Raising Public Awareness

- The NCAC has been collecting and analyzing consumer complaint data using a database system called "PIO-NET" since 1984.
- PIO-NET data is utilized for alerting consumers and for the policymaking process, and is used as a reference at Local Consumer Affairs Centers.
- About 1,250 Local Consumer Affairs Centers throughout Japan are granted access to the PIO-NET database.
- 834 thousand cases were stored in the database in FY2023.

Figure 7 Trends in the number of consumer complaints (nationwide)



Source: PIO-NET **Data through end of September, 2024.

Figure 8 Example of an awareness-raising leaflet



3. Product Tests

The NCAC conducts Product Tests for the following:

- On behalf of Local Consumer Affairs Centers on request; and
- In order to clarify the substantial problems of specific product groups, as well as to raise public awareness.

Table 2 Features of the Product Tests conducted by the NCAC

Product	Wide variety (food, clothes, houses, vehicles, etc.)
Purpose	Clarifying substantial problems in products
Stance	 Consumer viewpoints Actual method of usage (not always following the operating manual)
Publication	The names of the products and manufacturers are to be publicized.
Eventual action	Requesting product improvement and the revision of standards and regulations

4. Public Relations/Publications

Helping consumers understand consumer issues such as fraudulent business practices or potential harmful consumer products by holding press conferences, publishing articles on the website, and releasing educational materials

Quick Facts (FY2023)

Press conferences

- 70 press releases published
- Our press releases were mentioned 120 times in major newspapers and TV programs.

Website

50.4 million page views

Publications

- 160,000 copies of the advisory booklet for consumers sold (2024 edition)
- More than 20,000 subscriptions to an E-mail notification service specifically targeting the elderly and children

5. Education and Training/Consultant Qualification

- Holding training sessions to enhance the competency of Consumer Affairs Consultants (CACs) and administrative staff at Local Consumer Affairs Centers
- Conducting qualification examinations for the CAC (national qualification) as a registered examination institution since FY2016.

Education and Training Programs

Targeting:

- Consumer Affairs Consultants (CACs) at Local Consumer Affairs Centers
- Local government administrative officers
- Private business sectors, school teachers, etc.

Focusing on:

- Best practices for handling complaints
- Knowledge and latest trends regarding consumer issues
- Consulting techniques

6. Alternative Dispute Resolution (ADR)

- Implementing both mediation and arbitration, either one is available free of charge.
- The ADR procedure is enshrined in the NCAC Act.
- Anyone can apply for ADR, while many of the applicants are consumers who are not satisfied with the result of their consultation.

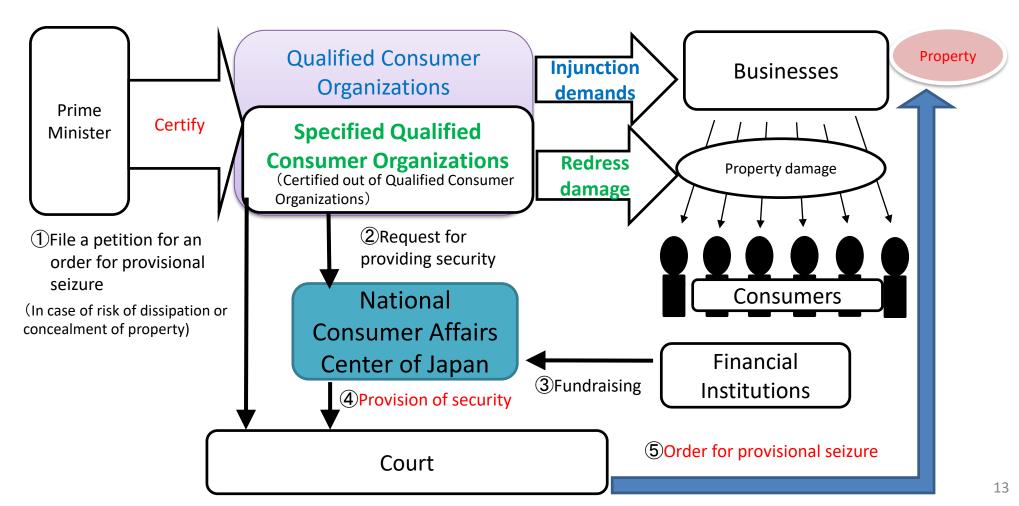
Quick Facts

- An independent committee was set up in April 2009.
- Consist of committee members(up to 15 people) and special committee members, appointed from among those who have knowledge and experience in laws and transactions.
- The procedure is conducted in private.
- A summary of the results is supposed to be published to indicate the guidelines for resolution.
- 117 applications were accepted in FY2023.

7. Supporting Qualified Consumer Organizations

 Supporting Specified Qualified Consumer Organizations in conducting court proceedings for redressing property damage incurred by Consumers.

Figure 9 The role of NCAC in supporting Specified Qualified Consumer Organizations



Appendix: Structure of consumer administration in Japan

