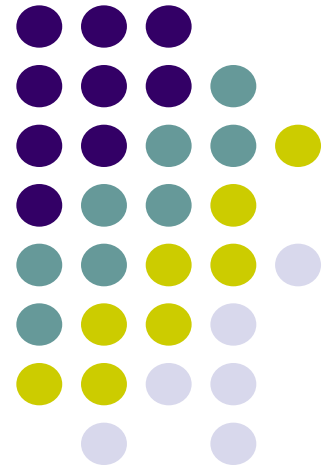


Japan's Policy in Energy Management and ISO50001

Osamu Onodera

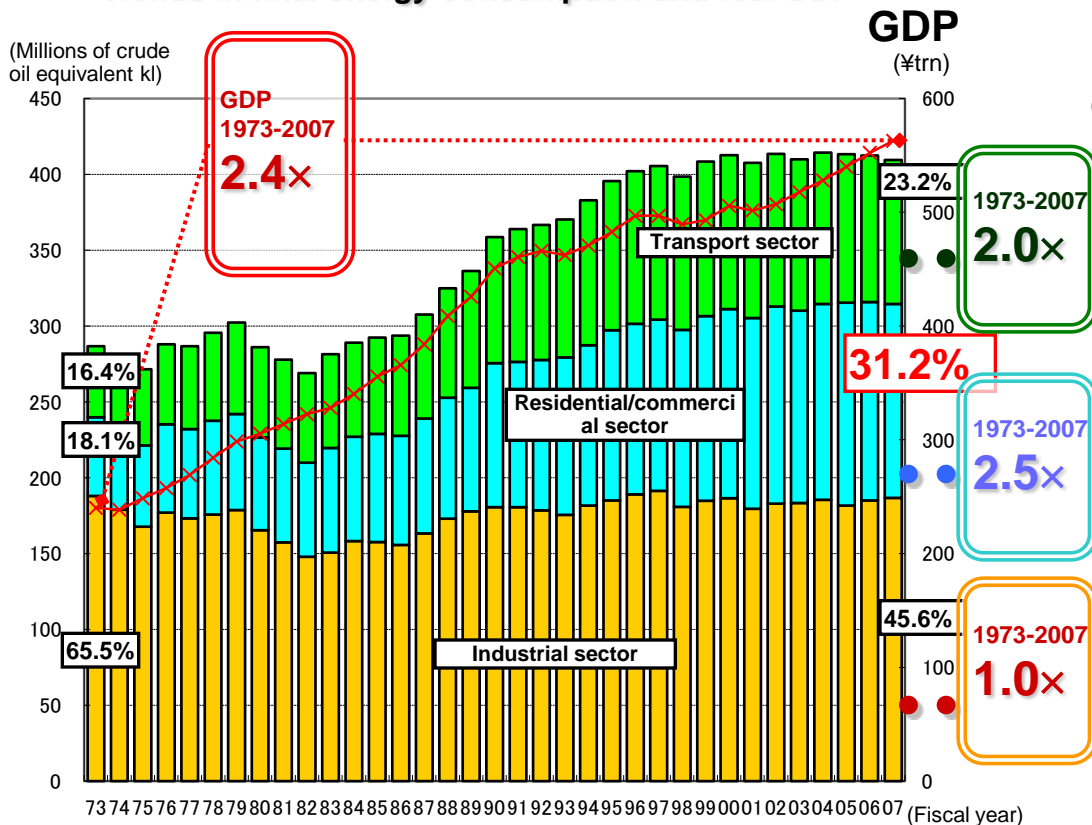
**Ministry of Economy, Trade, and
Industry of JAPAN**



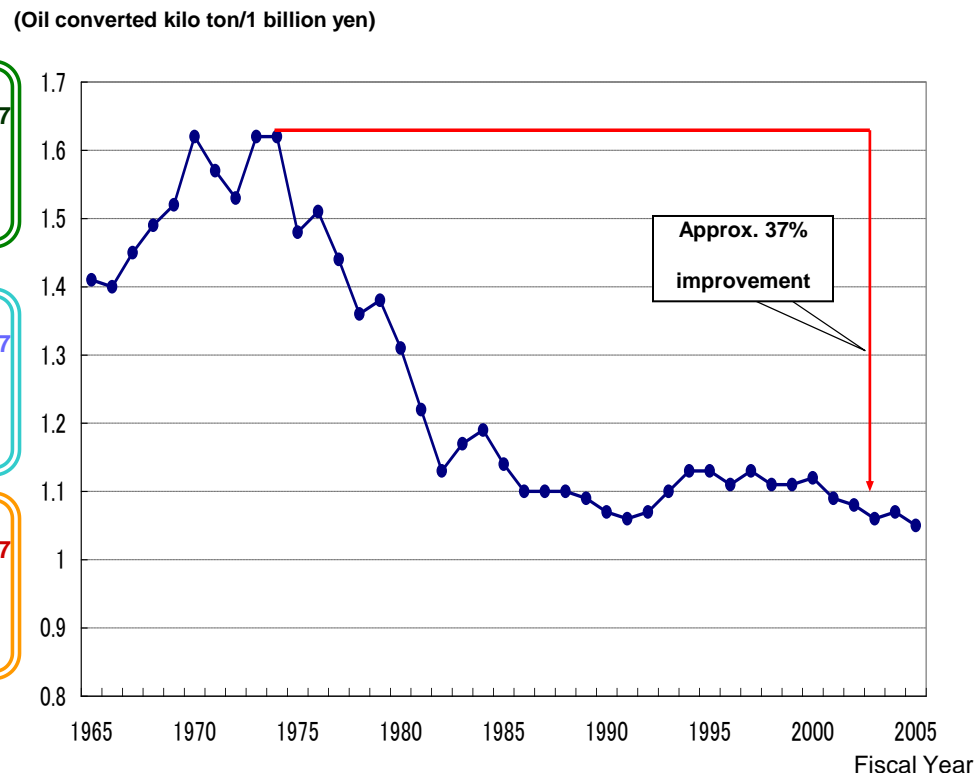
Trends in Japan's Final Energy Consumption and Energy use per real GDP of Japan

- Residential/commercial-sector accounts for 30% or more of final energy consumption and has grown remarkably compared to the industrial and transportation sectors.
- Japan improved the energy efficiency by 37% in last 30 years after the oil crises in the 1970s as a result of efforts made by both public and private sectors.

Trends in final energy consumption and real GDP



Energy use per real GDP of Japan



Source: Energy Balances in Japan (Processed Statistics), Annual Report on National Accounts of Japan

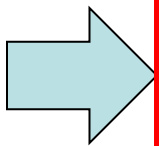
Note: Owing to the revision of the method for compiling Energy Balances in Japan (Processed Statistics), it should be noted that figures for fiscal 1990 onward are based on a different compilation method from that used for previous figures.

Comparison of ISO 50001 and Japanese Law

ISO50001	Japanese Law	
Energy management and control	✓	Obligation to submit periodical reports
Concept of energy profile and baseline	✓	Obligation to improve annually energy intensity 1% or more on average
Participation of top management	✓	Obligation to appoint Energy Administrator from among executive class personnel
Improvement by PDCA	✓	Obligation to submit periodical reports. Target to improve annually energy intensity 1% or more on average.
	Qualification of energy managers	
	Factory Inspection	
		Obligation to appoint Energy Managers and Energy management officers

Outlook for the future of ISO50001 in Japan

- Practice of energy management becoming more wide spread.
- ISO50001 and Japanese energy efficiency law correspond closely.
- All companies can apply for ISO50001.
- Companies who already have ISO9001 or ISO14001 can apply for ISO50001 easily.



Companies who meet the legal requirements of Japan's energy efficiency law can acquire ISO50001 (an international standard) at low cost.
Moreover, other companies are expected to apply.

The DIS document will be subject to domestic discussion toward (August 26) deadline.

Japan will participate in the formulation of guidelines in ISO.