

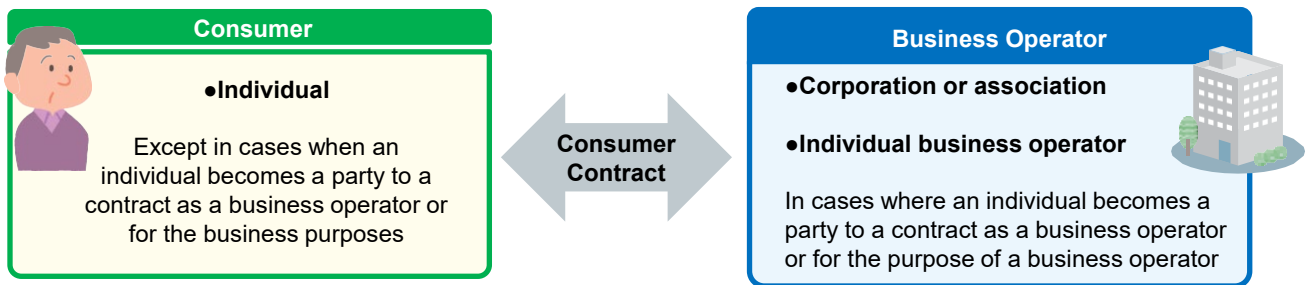
# Creating systems and environments for consumer activities

## Consumer Contract Act

When a consumer and a business operator enter into a contract for any goods or services, there is a disparity in the quality and quantity of information and negotiating power between them. Taking such conditions into account and to protect the interests of consumers, the Consumer Contract Act came into effect in 2001.

Pursuant to this Act, consumers can rescind any contracts concluded because of unjust solicitations. If a contract contains any unjust contract clauses, the applicable clauses will be void.

### 1. Definitions of "Consumer" and "Business Operator" in the Consumer Contract Act



The Act targets all kinds of contracts concluded between a consumer and a business operator (= Consumer Contracts).

### 2. Examples of rules in the Consumer Contract Act

Rescission of contracts concluded because of unjust solicitation



The business operator made a misrepresentation regarding an important matter to the consumer.

Nullity of contract clauses that impair the interests of consumers



Clauses that totally exempt the business operator from liability for damages are void.

Efforts of business operators and consumers



Business operators shall endeavor to provide the necessary information about the contract properly, and consumers shall endeavor to actively use the information.

**Consumer Contract Act**

▶ [https://www.caa.go.jp/policies/policy/consumer\\_system/consumer\\_contract\\_act](https://www.caa.go.jp/policies/policy/consumer_system/consumer_contract_act)



### 3. Study Group on the Consumer Contract Act in Light of the Nature of Consumer Transactions in Contemporary Society

In today's society, rapid changes such as the progression of the super-aging population and the advancement of digitalization are creating conditions that weaken consumers' position and increase their vulnerability to harm. In response to these developments, a Study Group on the Consumer Contract Act in Light of the Nature of Consumer Transactions in Contemporary Society has been convened since November 2025 to examine specific rules and measures under the Act.

**Study Group on the Consumer Contract Act in Light of the Nature of Consumer Transactions in Contemporary Society**

▶ [https://www.caa.go.jp/policies/policy/consumer\\_system/meeting\\_materials/review\\_meeting\\_006/](https://www.caa.go.jp/policies/policy/consumer_system/meeting_materials/review_meeting_006/)



# Consumer Organization Collective Litigation System (Injunction demand)



Mascot for Injunction Claims TeLiS



Any Qualified Consumer Organizations certified by the Prime Minister may seek an injunction against unjust solicitation practices and other unlawful acts by business operators.

There are cases in which business operators revise the relevant contract clauses in response to injunction requests filed by Qualified Consumer Organizations against their unjust solicitations or contract terms. The business operator receiving an injunction demand is recommended to check its own business activities and take prompt action when misconducts are identified.



# Consumer Organization Collective Litigation System (Redress for damage)

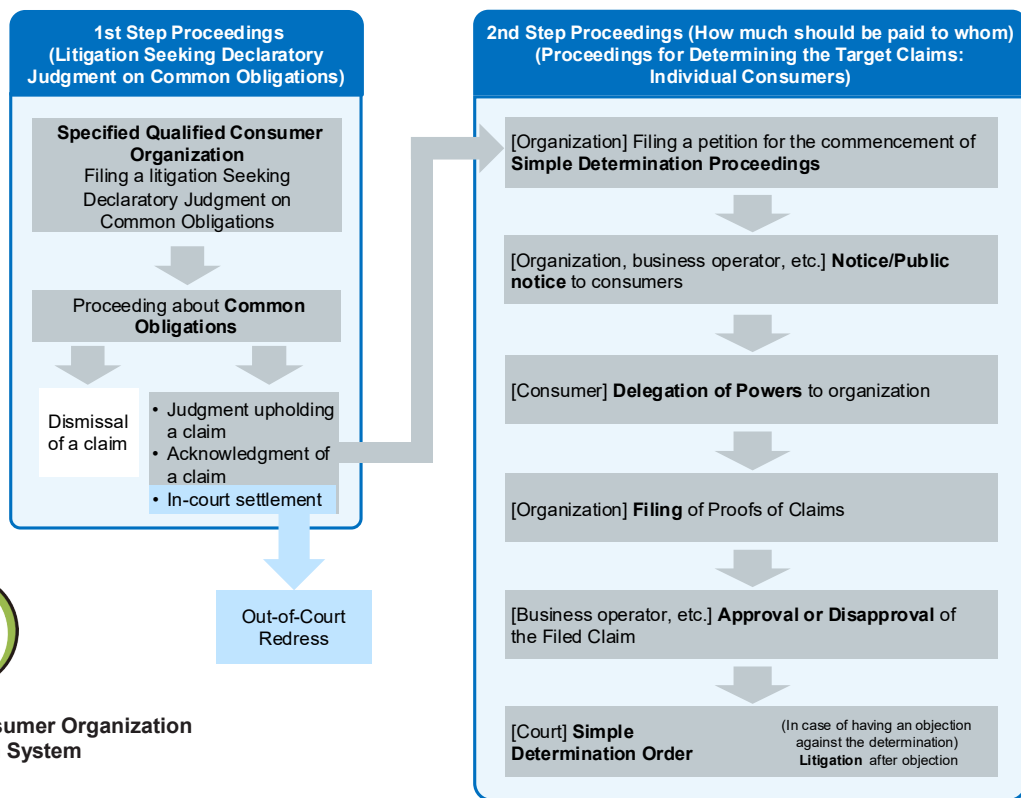
Qualified Consumer Organizations certified by the Prime Minister may seek collective recovery of consumer damages on behalf of consumers through a two-stage litigation system.

In addition to pursuing redress through litigation, there are also cases in which businesses voluntarily take corrective action in response to requests made outside of court. These developments demonstrate that the system is functioning effectively to help remedy consumer harm.



Mascot for Damage Recovery ToLiS

## Process flowchart of Consumer Organization Collective Litigation (Redress for damage)



Mascot for the Consumer Organization Collective Litigation System COCoLiS

COCOliS

is a nickname for the Consumer Organization Collective Litigation System.

## Details on the Consumer Organization Collective Litigation System

What is important for making effective use of the system is that consumers proactively provide Qualified Consumer Organizations with information on the damage they have incurred. Information on each organization and their activities is published on the websites of the respective organizations and the Consumer Affairs Agency.

COCOliS (Consumer Collective Litigation System) portal site

▶ <https://cocolis.caa.go.jp/>

