

Japan's Climate Change Policy

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Japan's Administration for Climate Change Policy

Global Warming Prevention Headquarters
Chairman: Prime Minister Koizumi
3 Vice Chairman: Chief Cabinet Secretary, Minister of the Environment,
Minister of Economy, Trade and Industry

Cabinet Secretariat

Ministry of the Environment (MOE)
- **Planning & coordination of policies (inventory, mitigation adaptation)**
- **implementation**

Ministry of Economy, Trade and Industry (METI)
- **economic and energy policies**

Ministry of Foreign Affairs

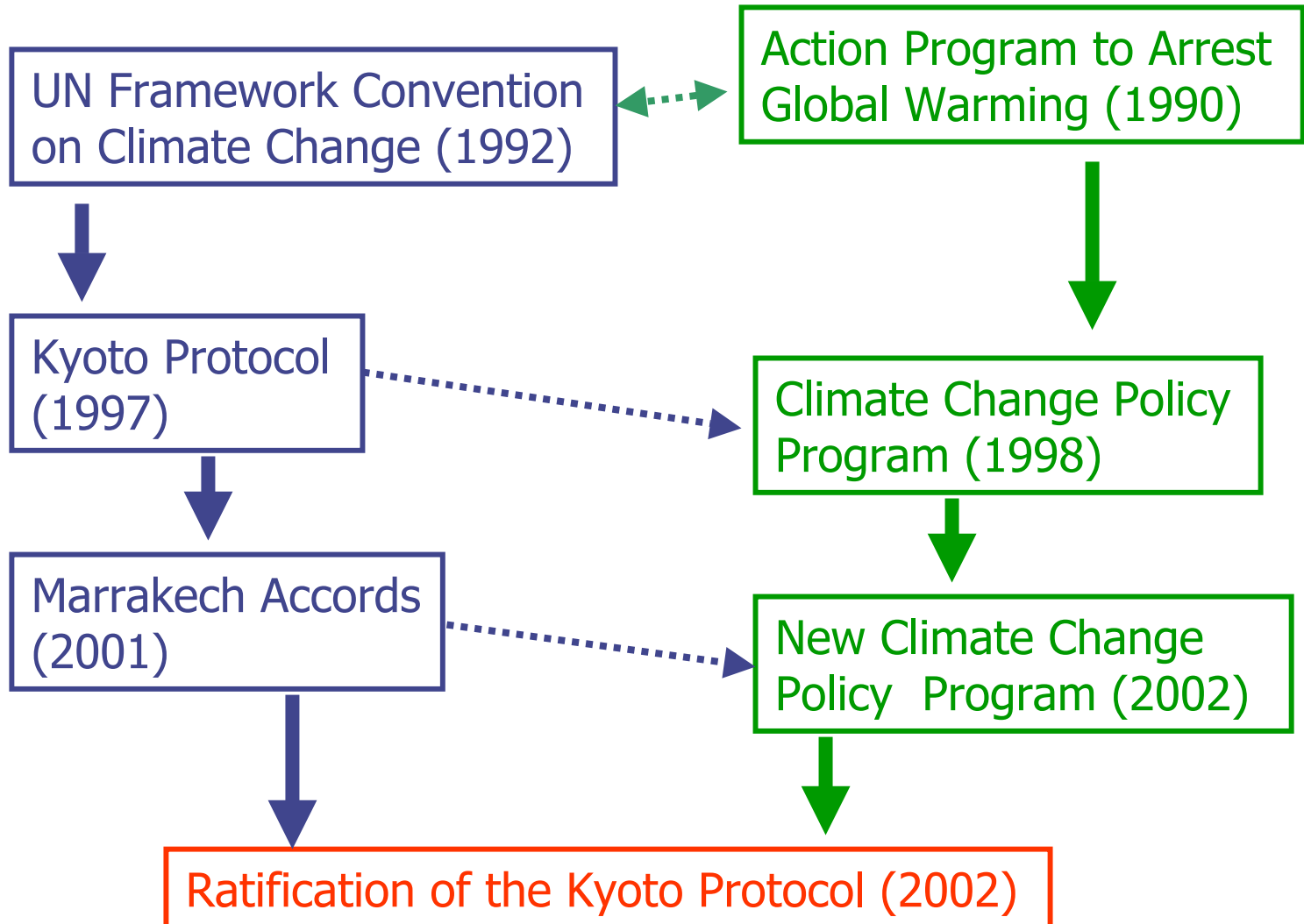
Ministry of Land, Infrastructure and Transport

Ministry of Agriculture, Forestry and Fisheries

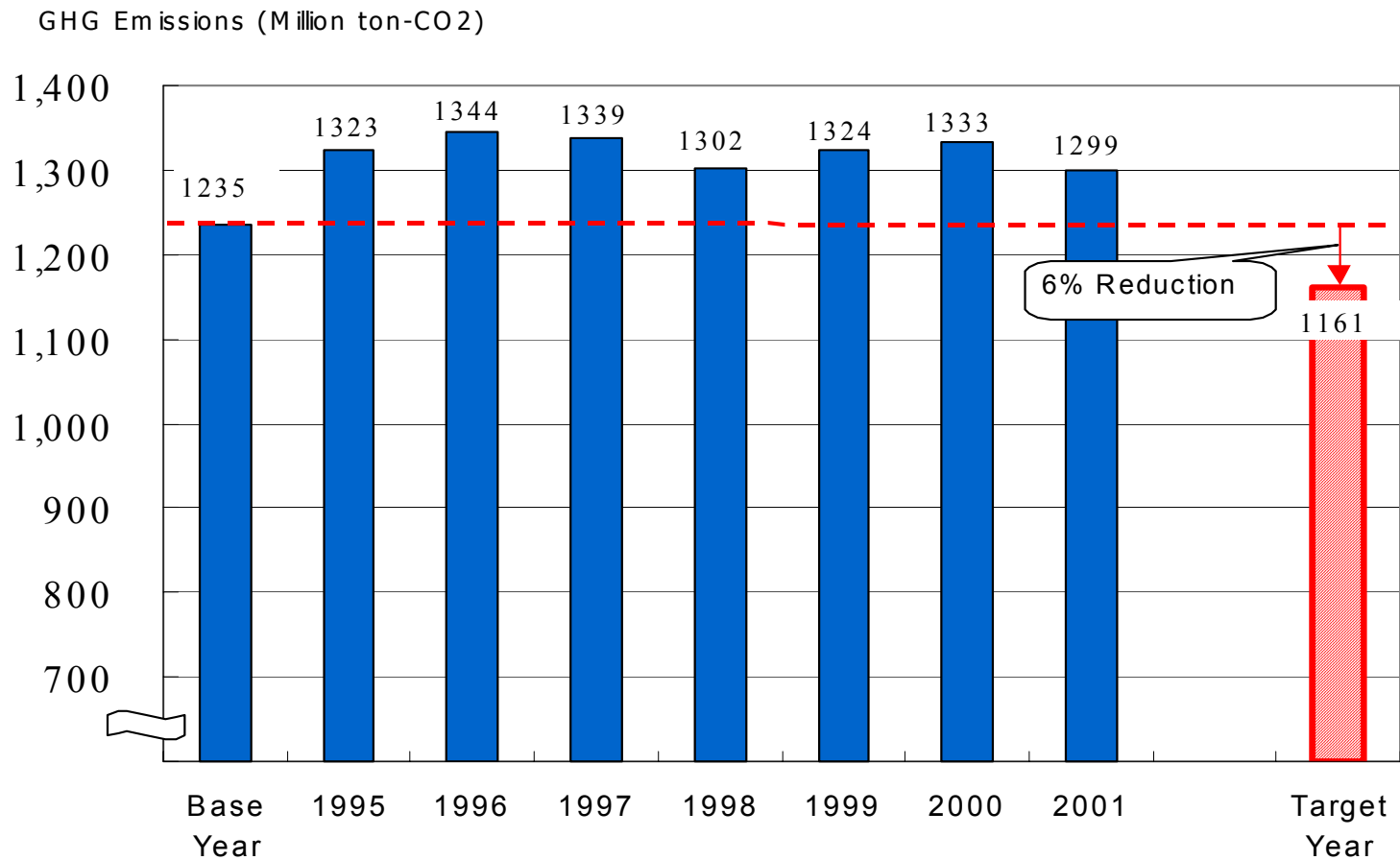
Ministry of Education, Culture, Sports, Science and Technology

Japan Meteorological Agency

History of Japan's Climate Change Policy

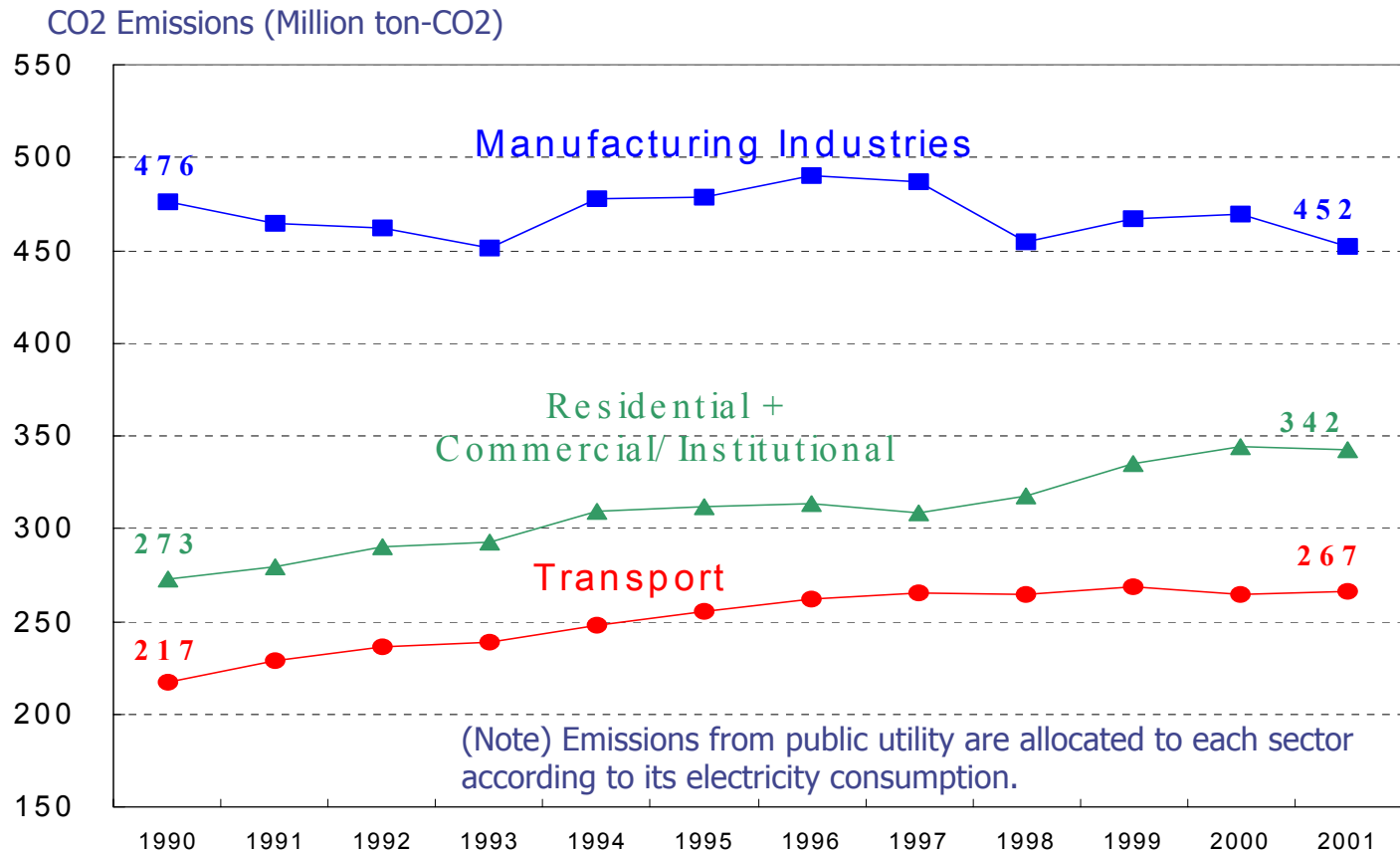


Challenges Ahead: Our Kyoto Target

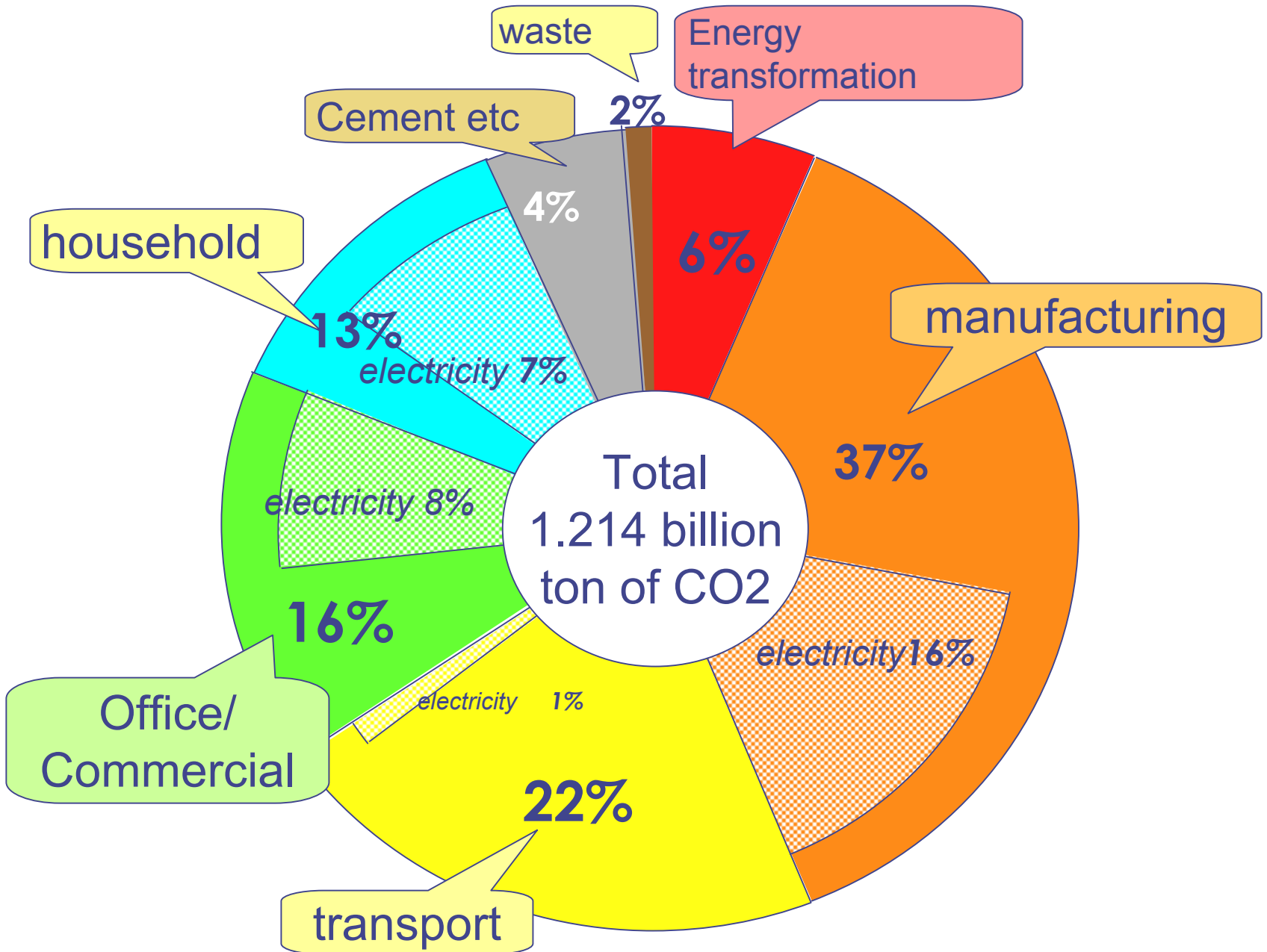


(Source) Ministry of the Environment, Japan

Japan's CO₂ Emissions by Sectors



(Source) Ministry of the Environment, Japan



waste

Energy transformation

Cement etc

household

manufacturing

Office/Commercial

transport

Total
1.214 billion
ton of CO2

Climate Change Policy Program

adopted in March 2002, by headquarters (cabinet)

4 basic ideas

1. Integration of the environment and economy
2. Step by step approach
3. Involvement of all sectors
4. International cooperation for global participation

Breakdown of Target

Classification	Targets
. CO ₂ (energy related)	±
..non-energy CO ₂ , methane, and N ₂ O
. revolutionary technologies, promotion of activities among people
. HFC,PFC,SF6
. Sinks
. Further reduction through . to . , Kyoto Mechanisms
Total

(targets are indicated as percentage to base year's emissions)

GHG Reduction in Energy Supply and Demand Sides

Supply side

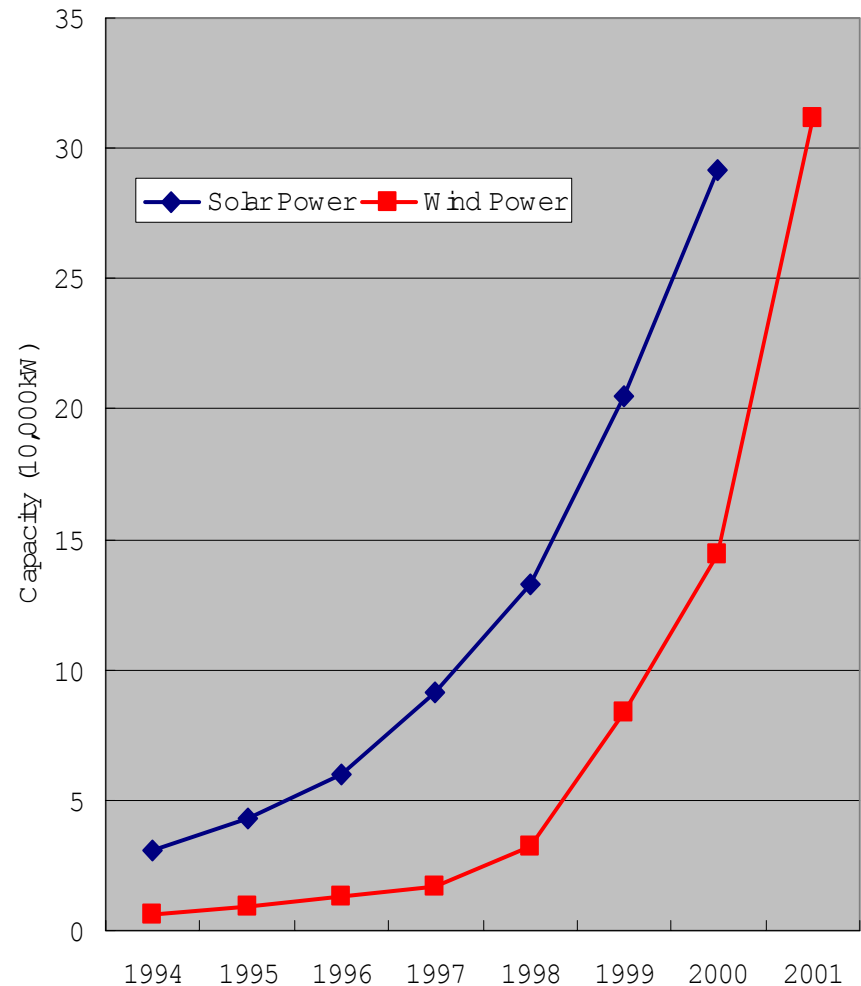
- Assistance of **fuel switching** from coal to natural gas for old power generation
- Promotion of **nuclear power** under assurance of safety

Demand side

- Amendment of Energy Conservation Law in 2002
 - ◆ Application of energy management system to **large commercial buildings** etc.
 - ◆ Promote appropriate energy conservation measures for buildings at the construction stage.

Renewable Energy Policies

- ◆ Subsidies to promote introduction of solar power, wind power and biomass generation etc.
- ◆ Renewable Portfolio Standard Law in 2002
 - Mandate electric utilities to achieve the fixed level of the electric power generated from new energy directly or indirectly



Stakeholders' Involvement in GHG Reduction Measures

◆ National and Local Government Initiatives

- Green procurement
- Official vehicles will be switched entirely to low-emission vehicles, such as hybrid cars, no later than FY 2004

◆ Voluntary Action Plan by Nippon Keidanren

- Voluntary commitment to limit CO₂ emissions in 2010 below its 1990 level
- Checked up on by the government

◆ Promotion of Public Involvement

- A unique conference to discuss environmentally-friendly lifestyles (“*Wa-no-Kuni Kurashi Kaigi*”)
- Environmental Education Law

Development of Technology

- ◆ The first fuel-cell vehicles sold on the market at large were made in Japan.



A Fuel-cell Vehicle Leased to the Ministry of the Environment

Other related initiatives

◆ Biomass Nippon Strategy

- Nationwide utilization targets: 80% or higher for waste biomass; 25% or higher for unused biomass

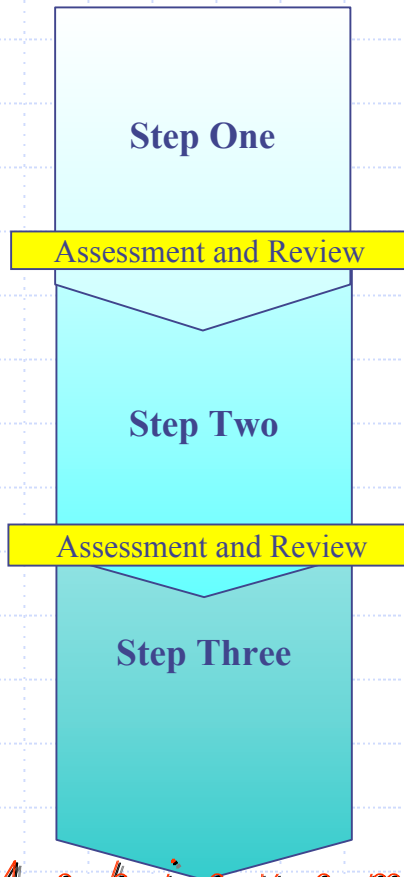
◆ Ten-year Forest Sink Measures to Prevent Global Warming

- Strong and systematic promotion of forest management based on the Basic Plan on Forest and Forestry

◆ Basic Plan for Establishing a Recycling-based Society

- Target: By FY 2010, 40% improvement in Resource Productivity (GDP divided by Direct Material Input) compared with FY 2000

Step-by-Step Approach



The First Step

2002.2004

The Second Step

2005.2007

The Third Step

2008.2012

(The First Commitment Period)

*Achievement of 6%
Reduction
Commitment*

Breakdown of the 6% Reduction Targets

Sector	Target *	Gaps in 2001 (million-ton CO ₂)
1. CO2 from energy sources	±0.0%	91
2. CO2 from non-energy sources, CH4, N2O	▲0.5%	▲1
3. Development of innovative technology and further extensive efforts by public	▲2.0%	25
4. HFCs, PFCs, SF6	+2.0%	▲37
5. Sinks by forests management	▲3.9%	To be estimated
6. Further reduction through 1. to 4. and the use of the Kyoto mechanism	▲1.6%	(20)
Total	▲6%	139 (11.2%)

* Total Emissions as a Percentage of Base Year

Assessment and Review of Policies and Measures in 2004

- ◆ The headquarters should make assessment and review on implementation, and should revise the program if necessary in 2004.
- ◆ Checking on.....
 - projection of social and economic frame
 - progress of current policies and measures
 - the achievement of the Kyoto target under current policies and measures
 - If gap exists, what kind of new policies and measures are needed?

Domestic Emissions Trading

- ◆ Ministry of the Environment is testing domestic emissions trading since 2003.
- ◆ In the experimental program,
 - A 'cap-and-trade' type of emissions trading is tested with no monetary transactions.
 - More than 30 companies are participating on a voluntary basis.
 - The companies set their reduction targets on their own and calculate emissions, which are verified by a third party.
 - Six greenhouse gases are targeted.
 - Totals of traded allowances are 405,000 ton-CO₂ (1st experiment) and 808,774 ton-CO₂ (2nd experiment).

Greenhouse Gas Tax Proposal

- ◆ An expert committee of the Japan's Central Environment Council proposed a Greenhouse Gas Tax Scheme last summer.
- ◆ Contents of the proposal
 - Impose the GHG tax of ¥ 3,400 on 1 carbon-ton emission (approximately equals to 7.2 cents per gallon)
 - The tax is levied on fossil fuel in proportion to content of carbon and the tax revenue is used for GHG reduction measures.
 - Carbon dioxide emissions will be reduced 2% below the 1990 level and GHG loss is projected 0.06% in 2010.
- ◆ Some industries are opposing the proposal.

Early Entry into Force of the Kyoto Protocol

Kyoto Protocol

- ◆ A significant step to address climate change

- ◆ Kyoto Mechanism
 - Start of a market to enable cost-efficient reductions in GHG emissions
 - CDM: contribution to sustainable development in developing countries
 - Six projects were already approved by the Government.

Post-Kyoto Regime

Japan's Central Environment Council

- Top-level governmental advisory body on environment policy, comprised of a variety of advisors including lawyers, scientists, economists, former government officials and advisors from industries, NGOs and local communities
- Discussed what considerations Japan should bear in mind as a basis for international negotiations on the climate regime beyond 2012
- Issued an interim report, incorporating comments from inside and outside Japan.

Basic Considerations in Approaching the Climate Regime beyond 2012

1. Maintaining Progress towards Meeting the Ultimate Objective of the UNFCCC
2. Bringing the Kyoto Protocol into Effect and Achieving the Commitments
3. Achieving Global Participation
4. Ensuring Equity Based on the Principle of Common but Differentiated Responsibilities
5. Negotiations Building on Existing International Agreements
6. International Consensus Building Process by National Governments with the Participation of Various Actors
7. Making the Environment and Economy Mutually Reinforcing

Conclusions

- ◆ Japan is taking actions to reduce GHG emissions with the aim of achieving its Kyoto commitment.
- ◆ Also, discussions on post-Kyoto regime have started.
- ◆ We need to make environment and economy mutually reinforcing in order to realize a low-carbon society. Japan and US should take initiatives for our earth and future generations.