

The Second East Asia Low Carbon Growth Partnership Dialogue

(May 18, 2013; Tokyo Prince Hotel)

Opening Speech by Minister for Foreign Affairs Fumio Kishida

Introduction

It is my great honour to chair the Second East Asia Low Carbon Growth Partnership Dialogue here today, together with H.E. Mok Mareth, Senior Minister, Minister of Environment of Cambodia, with the participation of Ministers who are in charge of environment and energy as well as government officials and experts who have played a leading role in the field of low carbon growth.

The First Dialogue held in April last year identified three pillars for cooperation to achieve low carbon growth in the dynamic East Asian region: the first is cooperation for formulation and implementation of low carbon growth strategies; the second is the importance of technologies and the third is enhancement of network for information sharing. Bearing in mind those three pillars, today's Second Dialogue will particularly focus on the second pillar, that is, technologies which contribute to low carbon growth.

Need for Low Carbon Growth

East Asia where we live has maintained the most remarkable growth in the world. But at the same time, the CO₂ emissions in the region are continuing to increase, and consequently, the area has turned out to be the world's biggest greenhouse gas emitter. Originally, East Asia has a culture to respect good harmony with nature. It is time for us to realize sustainable growth compatible with environment in this region. Effective climate actions as well as formulation and implementation of low carbon growth strategies require strategic approaches reflecting circumstances and needs of each country. This Partnership Dialogue is the "venue for policy dialogue" where we share our knowledge and experience, and examine effective means to encourage regional cooperation.

The Importance of Collaboration with Private Sectors

Yet, it is needless to say that a government alone cannot achieve low carbon growth. Development and implementation of comprehensive strategies can only be made when national governments, local governments and private sectors effectively collaborate. Among others, without collaboration with private sectors which have key technologies to realize low carbon growth, and without effective mobilization of private finance, no matter how excellent the climate change countermeasures or low carbon growth strategies may be, they could end up being a pie in the sky. It is our pleasure to have Mr. Sakane, Vice Chairman of Keidanren today, as a guest speaker in this Dialogue. I am looking forward to hearing his views on necessary factors for low carbon growth strategies and possible public private partnership from the view point of private sectors.

I would also like to encourage all the representatives here to actively share your country's progress on low carbon growth strategy including cooperation between public and private sectors. Japan has implemented a total of USD17.6 billion assistance to developing countries in the field of climate change, coming from both private and public sectors over the three years by the end of 2012. Among them, USD10.3 billion has been provided to the countries in East Asia as part of our efforts to support low carbon growth in the region. Japan has implemented a variety of assistance, not only Official Development Assistance (ODA) such as loan aid, grant aid and technical assistance, but also support through Other Official Flows (OOF).

The importance of Low Carbon Technologies – Introduction of Japanese advanced technologies

Currently, under the leadership of Prime Minister Abe, in parallel with review of energy policy after the Great East Japan Earthquake, Japan is now developing proactive diplomatic strategies to tackle climate change with the aim of contributing to the world by utilizing Japanese advanced technologies. Technologies necessary for low carbon growth vary depending on priority areas and the stage of development of each country. For example, development of unprecedented innovative technologies such as artificial

photosynthesis and technologies for storing and transporting large amount of hydrogen has been encouraged in developed countries. On the other hand, in developing countries, it is an urgent issue to disseminate appropriate technologies which can be easily introduced, such as technologies related to renewable energy and energy conservation.

Japan has promoted the dissemination of advanced low carbon technologies abroad like geothermal and highly efficient coal-fired thermal power plant, and is also going to promote technology transfer of waste disposal and sewage treatment of which Japanese small and medium companies have related technologies. During lunch, we are going to make an exhibition on Japan's efforts for low carbon growth in order to show you a variety of Japanese technologies. Please do have a look at each booth during the lunch time.

Utilization of Market Mechanism – Joint Crediting Mechanism (JCM)

Climate change is borderless. The effect of excellent technologies is very limited if they are not widespread. I believe that East Asia could present itself as a model for sustainable growth in the world by widely disseminating low carbon technologies. Raising incentives to investment is a key for mobilizing private sectors. In this regard, I believe that a market mechanism could play a great role as a tool to promote dissemination of low carbon technologies. Japan has promoted the Joint Crediting Mechanism (JCM) as one of market mechanisms and to supplement the Clean Development Mechanism under the United Nation. The JCM aims to create the win-win situation which contributes to sustainable development of host countries as well as reduction of greenhouse gas emissions not only in the host countries but also in the entire world. Right now, Japan has implemented governmental consultations with interested countries such as Cambodia, Indonesia, Laos and Viet Nam among the EAS participating countries. In the fiscal year 2012, we implemented a total of 60 feasibility studies in the field of electricity generation, forest conservation, transportation, waste management and so on in East Asia. In the fiscal year 2013,

about 7.6 billion yen (USD 76 million) has been earmarked for model projects in addition to additional feasibility studies. Many projects are expected to be conducted in the East Asian region. We intend to actively contribute to climate change negotiations in the United Nations by sharing our knowledge and experiences gained through the implementation of this mechanism.

Conclusion

Following the result of COP18 last year, discussion on a future framework in the climate change negotiation is gaining momentum. In order to effectively deal with climate change issues, it is indispensable to promote practical efforts for low carbonization all over the world along with progress made in the negotiation. The key in examining a fair and effective framework which is applicable to all countries is the low carbon growth strategy of each country based on dissemination of low carbon technologies and collaboration with private sectors. I hope today's discussion will further promote the UN negotiation.

We have a saying that "Rome was not built in one day". Low carbon growth needs long-range strategies. From the long-term perspective, each nation needs to seek an approach appropriate for its own strategy for economic growth. Toward low carbon growth in East Asia, Japan intends to take more concrete actions in response to the discussion in today's Dialogue. As we did last year, we are going to report the results of this Dialogue to the EAS Summit to be held this coming October. I would like to conclude my remark here by hoping vigorous discussions today. Thank you very much for listening.