

“Accelerating transition to a carbon neutral and sustainable future”

T20 Japan TF3 (Climate and Environment)

Prof. Kazuo Matsushita

Lead co-chair of TF3

Professor Emeritus, Kyoto University

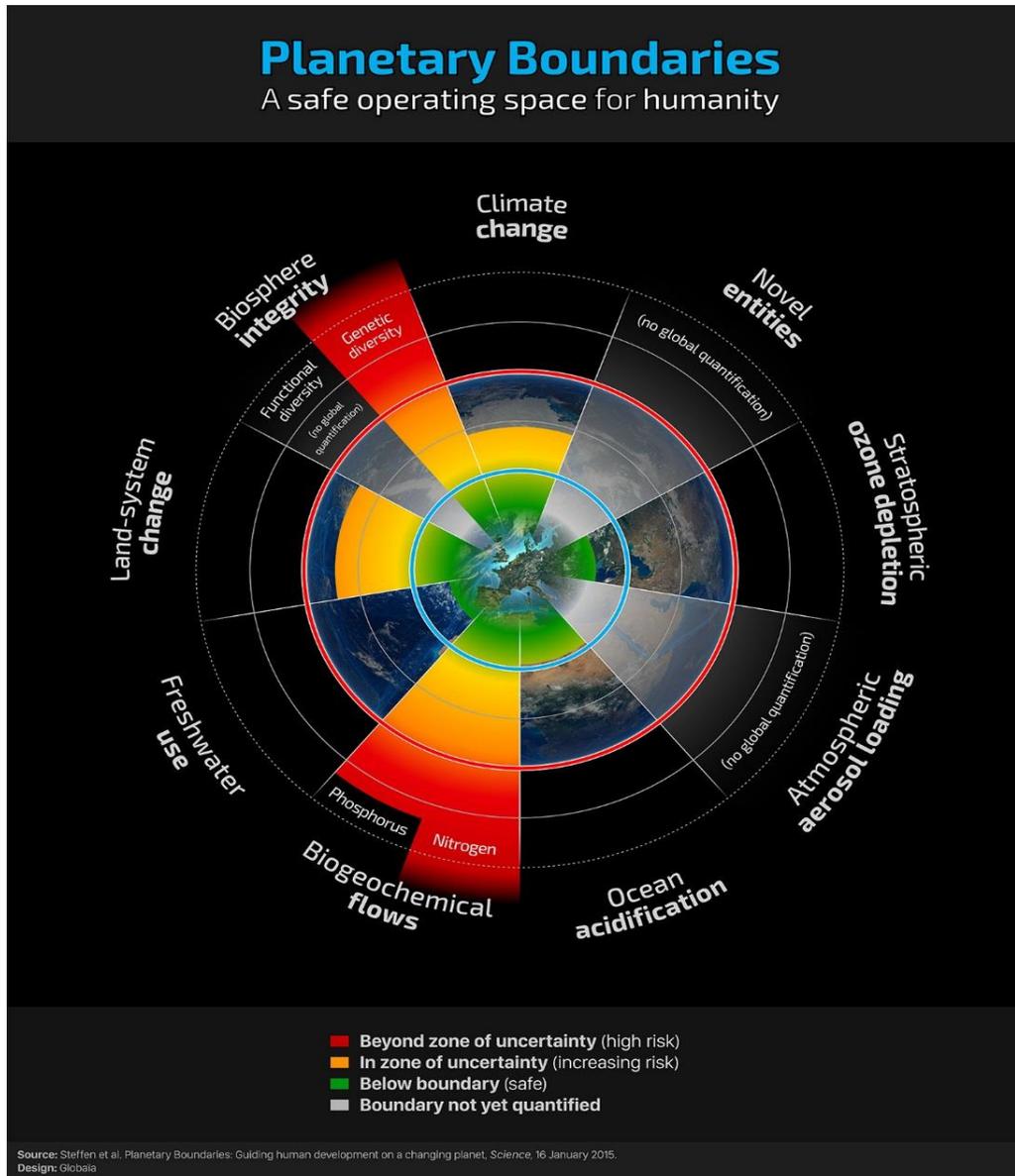
Senior Fellow, IGES

Challenges

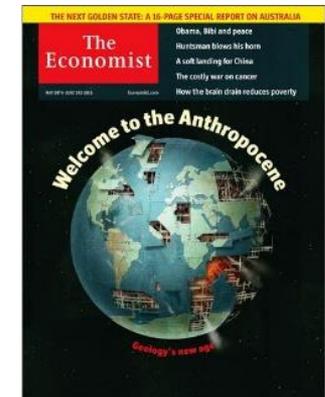
- We are in the **Age of Paris Agreement and SDGs**.
- G20: Work together to realize Paris Agreement, challenge energy and economic transition to a decarbonized and sustainable society, while improving peoples' welfare.
- Proper **policy interventions** such as setting **ambitious targets**, providing proper **economic incentives**, and **regulatory measures** based on sound analysis are required → Role of T20/TF3

Preconditions in the 21st Century

- Planetary Boundaries -



Steffen et al.,
Science
(2015)



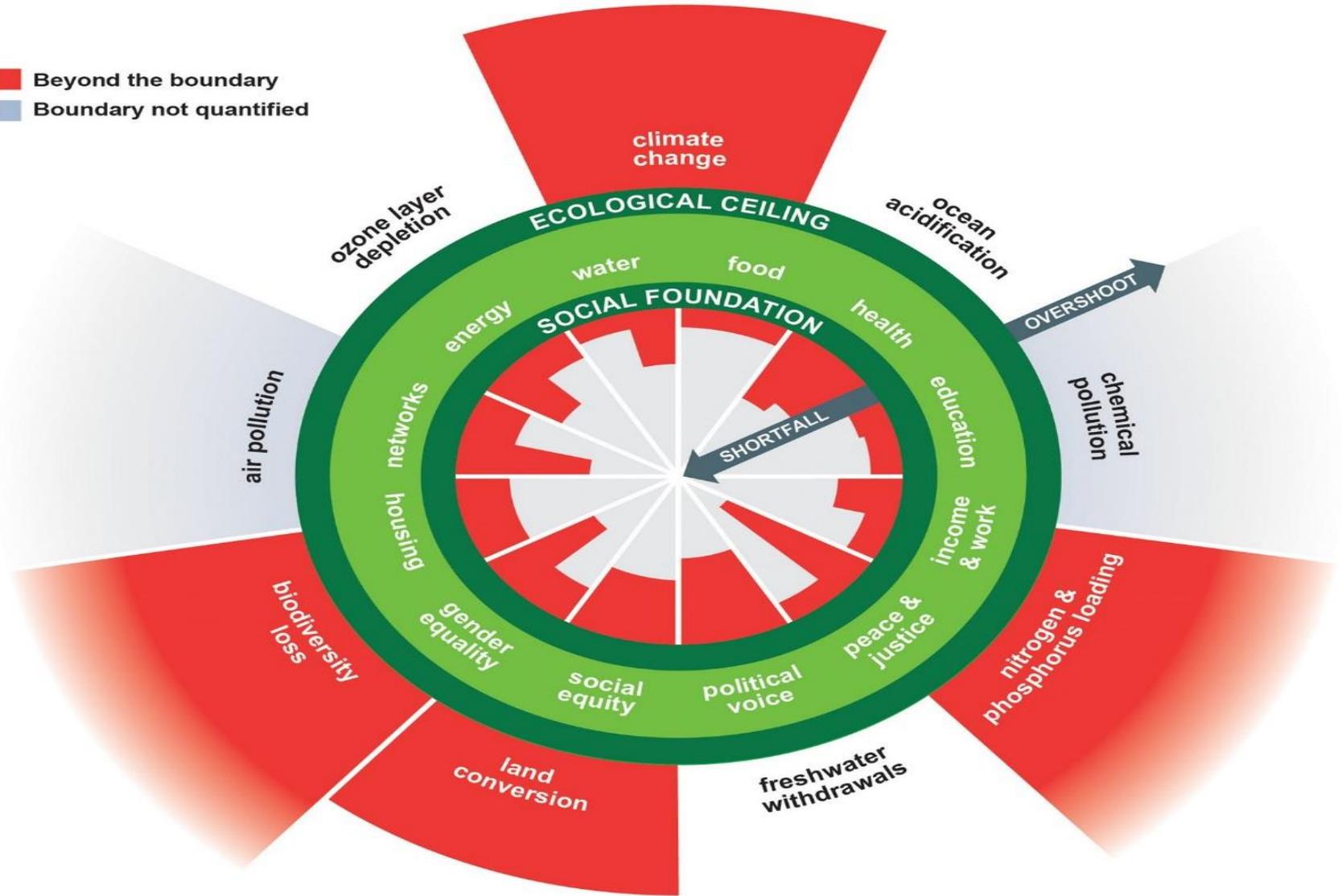
⇒ from Environmental Problems to Earth System Transformation c.f. Anthropocene (Crutzen 2002)

Donut Economy: The safe and just space for humanity.

Source: Kate Raworth, 2012

Ecological Ceiling & Social Foundations

- Beyond the boundary
- Boundary not quantified



Role of T20

- The primary goal of the Think 20 (T20): to develop, **research-based policy recommendations** to enable a broader vision in directing the **G20 policy making process**.
- T20' s mission is **to think, produce evidence** and actively look for new solutions in order to achieve an **economically prosperous, environmentally sustainable and socially inclusive future**.

2019 Think20 (T20) Japan

- Organizers:
 - Asian Development Bank Institute (ADBI) (main)
 - Japan Institute of International Affairs (JIIA)
 - Institute for International Monetary Affairs (IIMA)
- T20 Process:
 - Each TF will develop several policy briefs
 - TF summary and policy proposals based on policy briefs
 - Based on a set of TF summaries, T20 Report will be developed and submitted to the G20
- <https://t20japan.org/>

Task Forces of Japan T20

- TF1: 2030 Agenda for Sustainable Development (JICARI)
- TF2: An International Financial Architecture for Stability and Development(IIMA)
- TF3: **Climate Change and Environmental Issues(IGES, MRI)**
- TF4: Economic Effects of Infrastructure Investment and its Financing (ADB)
- TF5: Cooperation with Africa (AfDB Tokyo Office, JICARI)
- TF6: Social Cohesion, Global Governance and the Future of Politics(JIIA)
- TF7: Future of Work and Education for the Digital Age (ADB)
- TF8: Trade, Investment and Tax Cooperation (RIETI)
- TF9: SME Policy faced with development of Financial technology (RIETI)
- TF10: Aging Population and its Economic Impact (ADB)

Japan T20 TF3

Climate Change and Environment

(1) Co-chairs:

Prof. Hiroshi Komiyama (MRI, Japan, Former President of Tokyo University)

Prof. Kazuo Matsushita (IGES, Japan) Lead Co-chair

Prof. Miranda Shreurs (Technical University of Munich, USA/Germany),

Mr. Gabriel Lanfranchi (CIPPEC, Argentina)

Dr. Ajay Mathur (D-G, TERI, India)

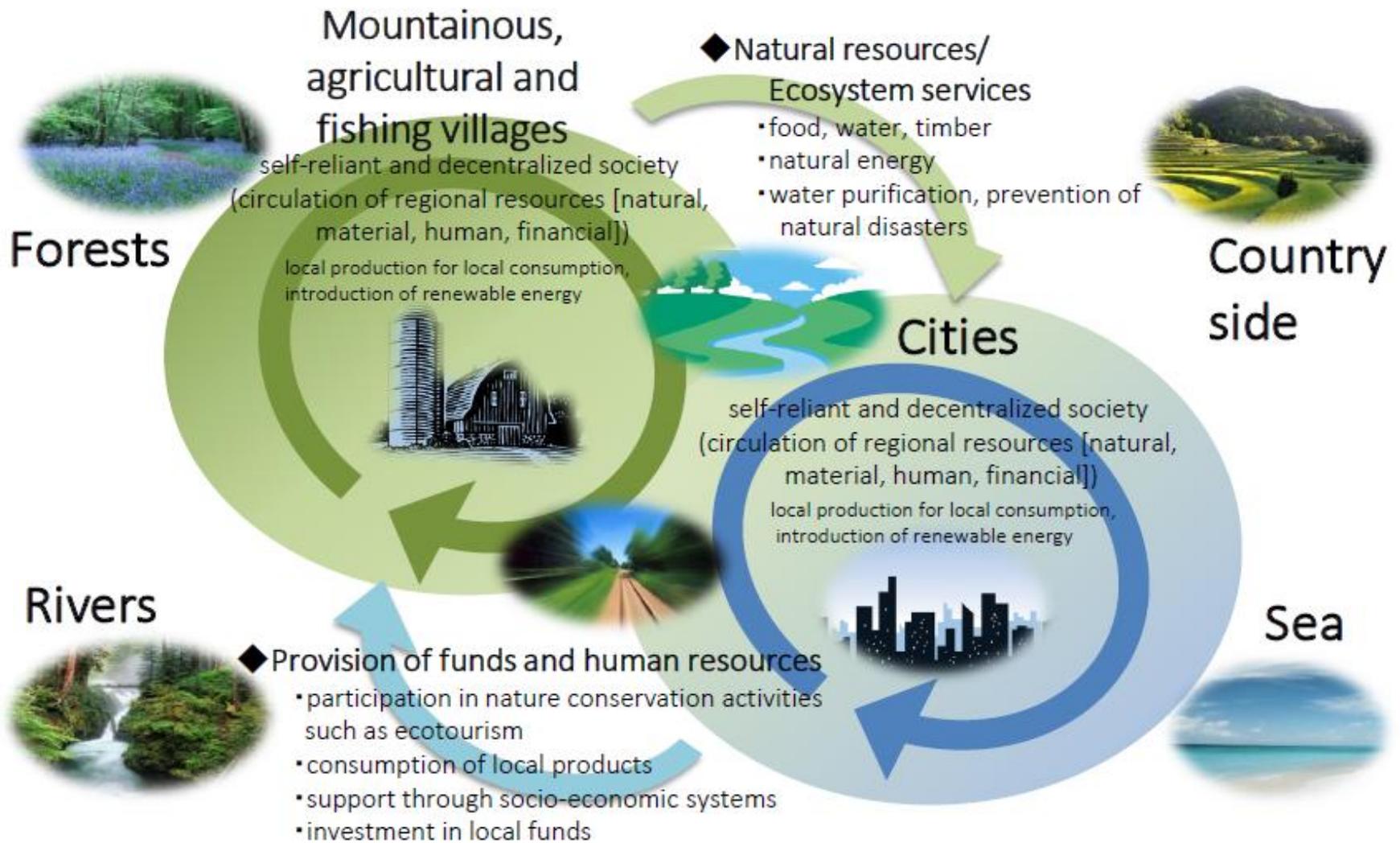
Prof. John Kirton (University of Toronto, Canada)

(2) Policy Briefs Framework and Possible topics:

GoJ has put forward the concept of a **Regional Circular and Ecological Sphere (Regional CES)** in 2018 Fifth Basic Environment Plan as key to realize a paradigm shift towards a sustainable society, fully compatible with the Paris Agreement and the SDGs.

1. Constructing inclusive, prosperous and sustainable future
2. A decarbonized and climate resilient society
3. Resource efficiency and circular economy at multiple levels
4. Revitalising local economies utilizing local resources

Basic Environment Policy Plan (2018, Japan)



Regional Circular and Ecological Sphere (Regional CES)

Policy briefs outline (1)

1. Constructing inclusive, prosperous and sustainable future

Inclusive and prosperous aspect of sustainable future underpinned by technological and social innovations.

① Establish a scheme that quantitatively predicts future technological and social innovation

2. A decarbonized and climate resilient society

① Scale up efforts to assist developing countries in providing climate risk information and capacity building for policy and project formulation

② Design rules under Paris Agreement to strengthen voluntary activities by each country

③ Wider application and strengthening of carbon pricing

④ Decarbonization of consumer lifestyle

Policy briefs outline (2)

3. Resource efficiency and a circular economy at multiple levels

- ① Establish robust circular economy policies which covers whole life cycle of materials and products
- ② Identify the characteristic of product-service bundle that would reduce resource throughputs in each region
- ③ Economic instruments to incentivize circular economy acceleration have high potential for such policies

4. Revitalizing local economies utilizing local resources:

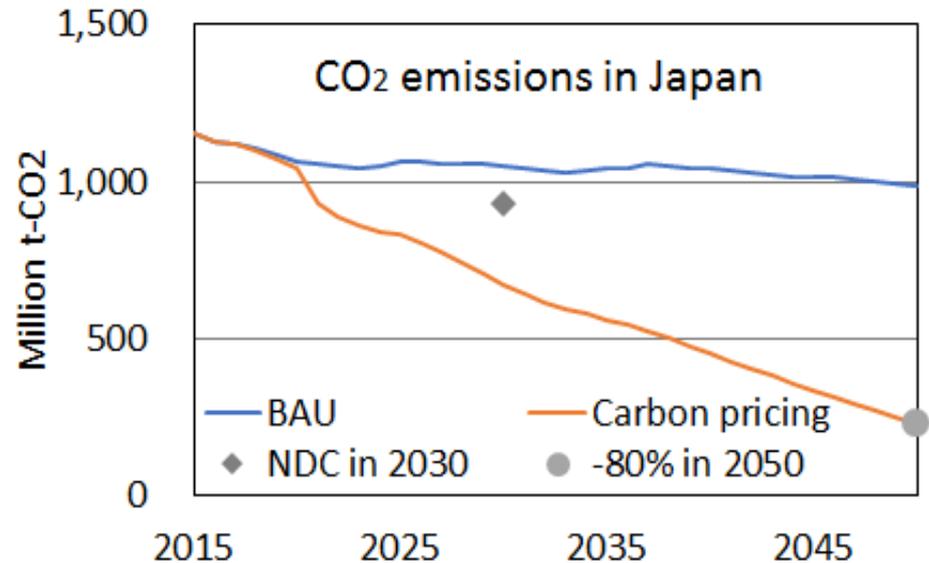
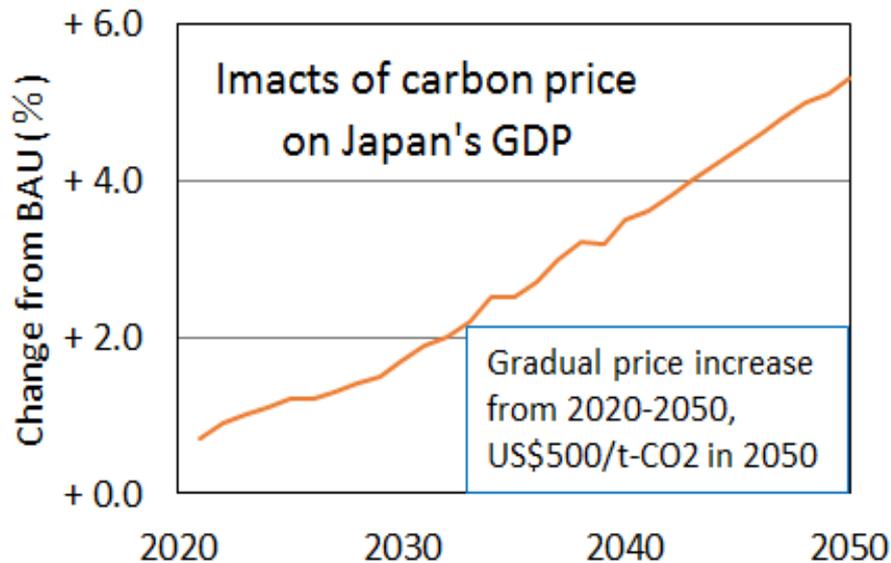
- ① Promote community-based renewable energy development
- ② Formulate the platform of multi-stakeholder dialogues for a multi-layered circulation of resources
- ③ Apply new wealth measurement in stock value to improve policy decision of local level resource allocation

Policy briefs example

A decarbonized and climate resilient society

③ Wider application and strengthening of carbon pricing:

Proposal: G20 member countries should utilise carefully designed carbon pricing for facilitating and promoting the transition to low-carbon and/or carbon neutral society, without causing excessive economic shocks and negative social impacts.



Source: Kojima S., Asakawa K., Lee S., Chewpreecha U., Suk S. (2018) A proposal of green tax reform towards realisation of long-term low carbon vision: An application of policy assessment based on back-casting approach. *Review of Environmental Economics and Policy Studies* 11(2): 82-86 (in Japanese).

Thank you for your kind attention!

References:

- <https://t20japan.org/>
- <https://t20japan.org/task-forces/climate-and-environment/>
(TF3 on Climate and Environment)
- Joint Statement on Climate Action (B20 C20 T20, 2018.9.18@ Buenos Aires), <https://civil-20.org/b20-c20-t20-joint-statement-on-climate-action/>
- T20 Argentine 2018 Communiqué
<https://t20argentina.org/wp-content/uploads/2018/09/Comunicu%C3%A9-T20-Argentina.pdf>
- T20 Argentine 2018 Website <https://t20argentina.org/>