

Joint Statement on the Second Annual Japan-U.S. Energy Security Dialogue

The United States and Japan held the second annual Japan-U.S. Energy Security Dialogue (ESD) on October 16-18 in Palo Alto, California hosted by the Hoover Institution at Stanford University. California plays a leading role in advancing the policies and technologies driving the clean energy transition. Holding the ESD in California highlighted the potential for cross-Pacific partnership and the positive role innovative private sector companies play in driving the energy transition in the United States. Japan, and the Indo-Pacific. U.S. Department of State Assistant Secretary for Energy Resources Geoffrey Pyatt met with Japanese Ministry of Economy, Trade and Industry Director General KIHARA Shinichi and the Ministry of Foreign Affairs' Economic Affairs Bureau Deputy Director General TAKETANI Atsushi to strengthen energy security, accelerate the clean energy transition, and explore deeper cooperation in these fields.

The United States and Japan expressed serious concerns about the global energy and commodity market shocks resulting from Russia's illegal unjustifiable and unprovoked war of aggression against Ukraine. Building on G7 commitments, the two countries recognized that they need to observe carefully the impacts on global energy markets due to current geopolitical developments and emphasized the importance of a stable energy market and their commitment to being critical energy partners. They underscored the need to continue to reduce reliance on Russian energy and take steps to limit Russia's energy revenue and future extractive capabilities, as indicated in the G7 Hiroshima Leaders Statement on Ukraine. They are also undertaking energy efficiency gains and gas demand reduction, in a manner consistent with our Paris commitments.

Japan and the United States recognized the need to achieve energy security and decarbonization throughout the world, and especially in Asia. The two countries stressed that it is essential for governments and the private sector to work together to mitigate greenhouse gas emissions, including methane emissions, from the entire fossil fuel value chain in order to achieve deep emissions reductions in line with limiting warming to 1.5C. Both countries reiterated their commitment to implementing the Global Methane Pledge (GMP),

including the need for consumers and producers of fossil fuels to minimize methane and CO₂ emissions from the fossil energy sector. The United States and Japan reaffirmed their commitment to ongoing efforts with the European Commission and fifteen other countries to develop a consensus-based approach for the measurement, monitoring, reporting and verification of greenhouse gas emissions from fossil fuels.

The United States and Japan recognized that the climate crisis represents the existential challenge of our time and committed to even closer cooperation to keep 1.5 degree warming within reach, including through energy sector policies and targets in line with that goal. Both countries recognized that achieving the goals of the Paris agreement will require rapid global deployment of clean energy technologies this decade. The United States expressed appreciation for discussion with Japan on the Clean Energy Demand Initiative (CEDI) and looks forward to jointly advancing CEDI's aim of increasing investment and corporate procurement of clean energy in third countries.

Building on historic climate investments contained in the U.S. Inflation Reduction Act, the U.S. Bipartisan Infrastructure Law, and Japan's GX Promotion Act, both countries emphasized the importance of rapidly decarbonizing their economies, in particular through the deployment of clean energy technologies, and energy efficiency measures. To that end, Japan and the United States stressed the importance of deploying clean energy technologies to enhance energy security through greater energy self-sufficiency and emphasized the importance of strengthening and diversifying critical minerals and clean energy supply chains. Japan and the United States committed to continued collaboration on the responsible development of critical minerals supply chains, through the Minerals Security Partnership (MSP) and other multilateral fora and emphasized the importance of recycling. The United States and Japan confirmed that there are opportunities for new collaboration on clean energy technologies, including offshore wind, as both Japan and the United States will need floating offshore wind technology to take advantage of respective generation potentials and achieve ambitious respective wind energy targets. Japan and the United States discussed increased collaboration to develop technology solutions and the supply chains necessary to capitalize on this tremendous offshore wind potential.

Both countries stressed the importance of collaboration on regulatory frameworks and standards, including methodologies to measure the carbon intensity of

hydrogen production through the International Partnership for Hydrogen and Fuel Cells in the Economy (IPHE) and other forums. They expressed the hope that respective investments in clean energy technologies will drive down costs, helping other nations go further and faster in building their own clean energy economies.

The United States and Japan highlighted the importance of nuclear energy as a key contributor to energy security and for providing affordable clean energy. Both countries reaffirmed the importance of secure nuclear fuel supply chains free from geopolitical coercion. The two countries will continue cooperation towards the safe deployment of nuclear energy by developing markets while upholding our NPT obligations and internationally recognized nuclear safety standards and nuclear security guidance. Both countries are fully committed to contributing to a reliable nuclear supply chain.

The two countries discussed the potential roles of clean hydrogen and its derivatives such as e-fuels and e-methane in the energy transition, notably to decarbonize hard to abate sectors in industry and transportation. Japan and the United States shared perspectives on the potential use of clean hydrogen and its derivatives such as ammonia to generate zero-emission thermal power, noting the importance of alignment with the 1.5C pathway. The two countries reconfirmed the need to avoid N₂O and NO_x emissions, and achieving the shared goal for a fully or predominantly decarbonized power sector by 2035. They also reaffirmed a shared commitment to the Carbon Management Challenge, launched at the April 2023 Major Economies Forum to accelerate the scale-up of carbon capture, utilization, and storage and carbon dioxide removal technologies.

Both sides agreed on the great value of this Energy Security Dialogue, and the productive track 1.5 component, and look forward to convening again at a senior level in 2024.