

# A Proposal for Post-Kyoto International Frameworks

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## KEIZAI DOYUKAI (Japan Association of Corporate Executives) Vice Chairman Fumio Sudo

## Outline

In order to continue human growth in harmony with the global environment, we must create new international frameworks beyond the Kyoto Protocol. The entire world must participate in emissions reduction. We'd like to propose a truly effective and sustainable approach for building a Low Carbon Society.

- I. Our premise for new international frameworks
- II. What a global long-term target with an international consensus should look like
- **III.** Our ideas for a truly effective approach
- **IV.** Conclusion

#### I. Our premise for new international frameworks (1)

- -To ensure that any Post-Kyoto frameworks are truly effective on a global scale, the following two points must be satisfied, and used as conditions when creating them :
- a) There should be obligations to reduce or restrict emissions with the participation of major emitters such as the United States, China, and India. Hence, the new rules must invite their participation.
- b) Efforts made previously to restrict emissions should be considered when setting targets for reducing or restricting emissions.
  For example, there is a need for rules to make it possible for the lowest specific GHG\* emission unit\*\* attainable in different branches of industry and product fields to be achieved within a specific period by each country in the framework.

\*<u>G</u>reen<u>h</u>ouse <u>G</u>ases

\*\*An indicator obtained by dividing GHG emissions or primary energy consumption by production quantities such as "criteria for specific energy units of steel products", "criteria for thermal efficiency of newly established thermal power stations". It indicates the effectiveness of production activities.

#### I. Our premise for new international frameworks (2)

- Japanese consumption of primary energy per GDP is at one of the lowest levels in the world.
- Our achievement had to be materialized not by a penalty-like mechanism such as legal controls or a taxation system.
- We believe truly effective approaches are not penalty-like mechanisms, but incentive-like mechanisms because we have to solve the global warming problem over a long period of time.
- We have a strong will to further improve the efficiency of machinery and production technology, and to diffuse these technologies in other countries so that we can make even greater contributions to the global reduction of GHG emissions.

#### **||. What a global long-term target with an** international consensus should look like

#### Can we actually achieve a

<u>"50% reduction from the present global GHG emission volume until 2050"</u>?



[Analysis of energy-origin CO2 emissions]

Source : Dr. Keigo Akimoto (RITE : Research Institute of Innovative Technology for the Earth)

A difficult target to agree with all of nations including Non-Annex.
 ⇒First, agreement must be reached on what long-term conditions on the earth should be.

## III. Our ideas for a truly effective approach : Principle

## **<u>1. A major emitters' consensus about global long-term target</u>**

- First, reach an agreement about what conditions on the earth should be in the long-term the earliest possible action is most valuable.
- At the beginning, adjustment between long-term and middle-term targets is not essential. Gaps can be reduced step by step.
- 2. Start with efficiency improvement targets so that major emitters can participate.
  - Pledge efficiency improvement targets, by nation and sector
  - **Periodically review** global GHG reduction results estimated from national and sectoral targets to decrease the initial gap between the long-term target and the action plan
- 3. International scheme for massive revolutionary technology <u>development</u>
- Aggressive promotion of the technology development which is indispensable to realize huge reductions

#### **III.** Our ideas for a truly effective approach : 3 methods

#### 1. Cap & Trade system

**×**Difficult to ensure equity and transparency in initial allocation

**×**Difficult to expect developing countries' participation

⇒Likely to cause "Carbon Leakage" - uncertain global effectiveness.

**×**The mechanism itself offers uncertain and insufficient guarantee of effectiveness.

## **2. Internationally Harmonized Carbon Tax system**

△The second best scheme but only in the case that self-imposed actions by companies and individuals can't be expected in all countries.

**×**Difficult to expect developing countries' participation

 $\Rightarrow$ Without their participation, this method is unreasonable and unlikely to be effective

## **3. Pledge & Review system of Efficiency Improvement Targets**

<Energy Consumption Efficiency or GHG Emission Units (e.g. Asia-Pacific Partnership approaches)>
•Feasible to invite developing countries' participation

⇒China,India & many countries actually have joined with IISI<sup>\*</sup> agreement. ○Feasible to make quantitative targets which are compatible with "Shared but

Different Responsibility" between developed and developing countries

#### **IV.** Conclusion

