



ULKOPOLIITTINEN INSTITUUTTI  
UTRIKESPOLITISKA INSTITUTET  
THE FINNISH INSTITUTE OF INTERNATIONAL AFFAIRS

# Japan in Copenhagen

**Fix the Unfair Kyoto Burden-Sharing!**

5 May 2009

Anna Korppoo

Senior Researcher

The Finnish Institute of International Affairs



# Negotiation position

- No suggestion on emission reduction target – 7-15% reduction 1990-2020 most likely
- Kyoto burden sharing regarded as unfair to Japan: 1970-80s early action not taken into account – indicators as a basis for the next round
- Sectoral approach: not to replace national targets – indicators, basis for technology transfer
- Diversification of country groups: emerging economies to take binding intensity targets
- Financing mitigation and adaptation in non-Annex I – commercial approach
- Participation of the US and China crucial
- 24 April: Draft Protocol text submitted



# National conditions

- Economy:
  - Stagnation in 1990s, growth in 2000s
  - Export covers a large share of GDP
  - Structural change: from industry towards services, though industry still account for a high share of GDP compared to the OECD average
- Energy:
  - Domestic energy resources limited
  - Carbon intensity: some nuclear capacity replaced with coal
  - Nuclear, energy efficiency as energy security choices
- Emissions:
  - Strong growth, complying with Kyoto only through the flexible mechanisms
  - Majority of domestic growth from household and commercial sectors



# Domestic policies and measures

- Mostly based on voluntary action, forest sinks and the Kyoto mechanisms
- Voluntary commitments by the industry (Keidanren) morally difficult to miss BUT intensity targets
- Long tradition of successful voluntary standards
- A significant share of measures awareness raising – impacts questioned
- Several domestic emissions trading systems – no real emission caps – rather PR than economic instrument
- Forest sinks based policies partly failing
- Additional domestic measures in 2007 but remains unclear if enough for Kyoto compliance



# Domestic debate

- Strong role of the industry in decision-making
- National 'consensus' that Japan can only come up with small additional reductions domestically as already energy efficient
- Negative approach to market instruments – cap-and-trade, GHG tax and market-based energy prices unacceptable – rather awareness raising approach
- Constant changes of government slow down policy formation – influence on China depends on each government's relations with China
- International competitiveness of industry, especially with China: carbon price to be introduced also in emerging economies
- Debate on the international commitment ongoing – public hearings – outcome by June 2009 – ranging from +4% to -25% 1990-2020



# Conclusion

- Political, economic and technology leader – responsibility to act
- International competitiveness a key factor which keeps Japan active – fear that the unfair burden sharing of Kyoto would be repeated
- Unclear how important the impacts of climate change are as drivers of participation – public support to post-2012 pact
- Views quite similar with the EU, depth of reduction commitment may differ – agree on sectoral approach and financial assistance to developing countries
- Japan is onboard, however, good for others to understand the complexities of the position