In order to effectively address the issue of climate change, it is necessary for both developed and developing countries to achieve low-carbon growth all over the world by fully mobilizing technology, markets and finance through public-private cooperation, in addition to establishing an international framework to fight against climate change.

With a view to solving the problem of climate change fundamentally, it is important to realize sustainable development by reconciling emissions reductions with economic development not only in developed countries but also in developing countries, which are reckoned to increase GHG emissions in line with their economic growth. Exercising its responsibility as a developed country, Japan will contribute to global emissions reductions by sharing its accumulated experience through cooperation with developing countries in the area of policy-making, using its strength in environmental technologies and products. The Japanese Government will also support the efforts made by developing countries vulnerable to climate change through close cooperation with the private sector, thus contributing to their transition to low-carbon societies resilient to the effects of climate change.

Japan will take the initiative in implementing the relevant policies in the form of concrete measures through the three approaches outlined below, and will actively encourage the other parties to enhance such efforts made by the international community as a whole.

This vision projected by Japan is expected to lead to a concrete contribution to the discussion on the green economy, one of the main themes at Rio+20 next year.

1. Cooperation among developed countries: efforts on technological innovation towards further emissions reductions

In order to reduce CO<sub>2</sub> emissions and shift to a low-carbon society, it is indispensable to make efforts on technological innovation from a long-term prospective in addition to promoting efforts on energy-saving as well as the utilization of existing low-carbon technology.

- (1) Japan will work on the development of innovative low-carbon technologies such as cost and efficiency improvements in the field of solar cells in cooperation with other developed countries.
- (2) Moreover, Japan will promote international cooperation, fully making use of the existing international frameworks such as the technology network of the "International Energy Agency (IEA)" as well as the "International Partnership for

Energy Efficiency Cooperation (IPEEC)" and the "International Renewable Energy Agency (IRENA)".

- (3) Furthermore, Japan will endeavor to establish an observation system by earth environment observation satellites such as the Greenhouse gases Observing Satellite (GOSAT "Ibuki") in order to strengthen international cooperation, including the Global Earth Observation System of Systems (GEOSS) and the Global Climate Observing System (GCOS), which contribute to climate change science, monitoring of large-scale global environmental change and climate change policies, considering possible cooperation on observation among developed countries.
- 2. Cooperation with developing countries: dissemination and promotion of technologies and the establishment of a new market mechanism

In order to solve the climate change issue, it is essential to achieve low-carbon growth which enables both emissions reductions and economic expansion by establishing a system through public-private cooperation to spread developed countries' low-carbon technologies and products quickly among developing countries, where GHG emissions tend to increase as those countries' economies grow. As part of this effort, Japan will aim at the further improvement of the Clean Development Mechanism (CDM) under the Kyoto Protocol, which has played an important role so far. Moreover, Japan will promote bilateral cooperation (through the Bilateral Offset Credit Mechanism) and regional cooperation towards the embodiment of a new market mechanism.

- (1) Japan aims at establishing a low-carbon growth model which can take root in particular regions, especially in East Asia, the growth center of the world and the biggest GHG emitting region, and also seeks to promote policy dialogue and cooperation. Examples are as follows: "Cooperation toward Sustainable Growth through the Promotion of Renewable Energy and Energy Efficiency" decided at the Japan-China-ROK Trilateral Summit Meeting in May; cooperation with the Mekong countries based on "A Decade toward the Green Mekong" Initiative; various forms of cooperation with the "Global Growth Green Institute" established in Korea last year; and "Bilateral Cooperation on Climate Change" announced recently with Indonesia. Moreover, Japan discussed desirable scenarios for emissions reductions in developing countries at the "Tokyo Green Industry Conference 2011" organized with UNIDO last month.
- (2) Furthermore, Japan proposed an "East Asia Low–Carbon Growth Partnership" under the framework of the East Asia Summit (EAS). Supported by the leaders of the member countries at the last EAS meeting in Bali, Indonesia, Japan will

organize "the East Asia Low-Carbon Growth Partnership Dialogue" in April next year with the participation of government and private-sector officials from the member countries.

- (3) Japan will also develop its cooperation for low-carbon growth in the field of science. In East Asia, Japan will create a network among research institutes working on policy support based on science including elaborating a long-term scenario towards a low-carbon society and a roadmap of low-carbon policies and technologies. We will also continue to support the Asia-Pacific Network for Global Change Research, which is engaged in building a scientific base in the Asia-Pacific region.
- With a view to sharing Japan's knowledge and experience for the design and implementation of the Bilateral Offset Credit Mechanism, Japan has so far implemented feasibility studies in 28 countries. Japan has also commenced intergovernmental consultations on this mechanism with some Asian countries. Aiming at launching its operationalization in 2013, Japan will promote the implementation of model projects, capacity building and joint research with these countries. In addition, we will develop inter-governmental talks with other interested countries. Through these efforts, Japan aims at building broad cooperative relationships with developing countries, while actively providing information in this regard.

# 3. Support for developing countries: special consideration for vulnerable countries

## (1) Japan's Commitment

- A. Japan has already provided assistance amounting to 12.5 billion dollars (as of 31<sup>st</sup> October, 2011) out of 15 billion dollars pledged for fast-start finance up to 2012, which was announced at COP15. We will continue to implement steadily our commitments already announced. Since Japan's assistance especially focuses on vulnerable countries such as those in Africa, the Least Developed Countries (LDC) and Small Island States, more than half of Japan's grant aid related to climate change has been allocated to countries in these categories. Moreover, we will assist the transition of small island states to low-carbon societies as well as examining the establishment of insurance against the risk of natural disasters for those countries in cooperation with the World Bank, heading for the Pacific Island Leaders' Meeting, which Japan will organize next May.
- B. It is important to implement seamlessly our support beyond 2012, and

Japan will continue to do this together with the international community, especially as regards vulnerable countries. Japan will keep on contributing to the discussion on the design of the Green Climate Fund, which can be one of the pillars of mid- and long-term financing on climate change, so as to make it a high value-added institution. In addition, Japan will endeavor to improve the capabilities of developing countries to absorb this support such as by enhancing the systems and capacities of African countries through the World Bank (Readiness Support).

## (2) Priority issues for Japan's assistance

Japan will implement its support giving priority to the following areas:

# A. <u>Sufficient consideration for adaptation</u>

The African Adaptation Program (AAP) in cooperation with UNDP has made a significant contribution to improving adaptation measures in Africa. Based on this experience, Japan will continue to support adaptation in important fields for developing countries such as disaster prevention, water and food security by strengthening their capacity to cope with natural disasters including the establishment of early flood warning systems, the improvement of water access including water supply plans, the expansion of irrigation systems and the enhancement of food productivity.

Moreover, we are supporting the Asia-Pacific Climate Change Adaptation Forum (APAN) as one of the global adaptation networks in the Asia-Pacific region and will contribute to improving the adaptation measures of developing countries, for instance by sharing information and knowledge regarding adaptation in the region.

# B. Reinforcement of public-private partnerships

While public finance will be an important part of the support for developing countries, it is essential to establish an effective system to attract private finance as well. Japan will promote collaborative finance and cooperation with the private sector by further utilizing resources such as JICA, JBIC, NEXI and NEDO. Moreover, Japan will continue its feasibility study to investigate the possibility of commercializing the BOP business. As Japan plans to organize eco-products exhibitions with many Japanese companies during COP17, it will support dialogue with the private sector through activities such as dispatching economic missions to developing countries.

Furthermore, Japan will promote public-private partnerships such as the "Global Superior Energy Performance Partnership" (GSEP).

## C. Intensification of assistance for growth and policy dialogues with vulnerable

#### countries

Japan is also focusing on assisting vulnerable countries to achieve low-carbon growth. As part of this effort, Japan is now formulating a strategy regarding low-carbon growth in Africa together with African countries and co-organizers such as the African Union, the World Bank and UNDP under the framework of TICAD. This strategy can serve as a guideline for the international community in providing support for African countries beyond 2012. Japan is now carrying out the "three L" projects named after "Lighting" (support for electrification), "Lifting" (improving the industrial infrastructure), and "Linking" (improving communications networks) in African countries, and will continue its efforts based on this strategy. Japan will announce the draft elements of this strategy at COP17, the mid-term report at the TICAD Ministerial Follow-up Meeting next year and the final report at the General Assembly meeting of the World Bank and the IMF, to be held in Japan next October.

Moreover, Japan demonstrated the importance it attaches to policy dialogue with vulnerable countries by holding a meeting with negotiators from African countries at the beginning of November in Tokyo. It will seek opportunities to have policy dialogues with other vulnerable countries as well.

## D. Emphasis on capacity building

Capacity building is vital if developing countries are to build their capacity to receive the kind of assistance mentioned above and to address climate change by themselves. Japan dispatched experts and received trainees amounting to 3,000 people in 2010 in the area of climate change, including forest preservation. It will continuously support capacity building in the area of human resources in developing countries.