

Initiative of the Japanese Government on Promoting the Co-benefits Approach to Climate Change

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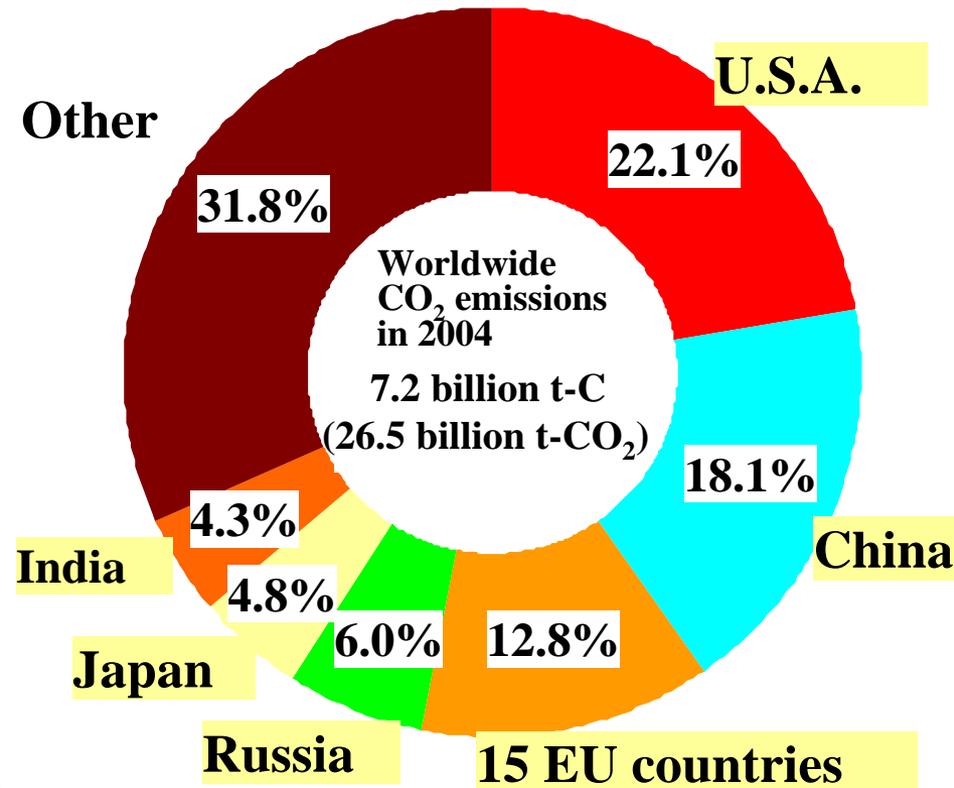
Outline

- ▶ Why the Co-benefits approach?
- ▶ Good Practices in Transport Sector
- ▶ Japan's Initiative to Promote the Co-benefits Approach
- ▶ Way Forward

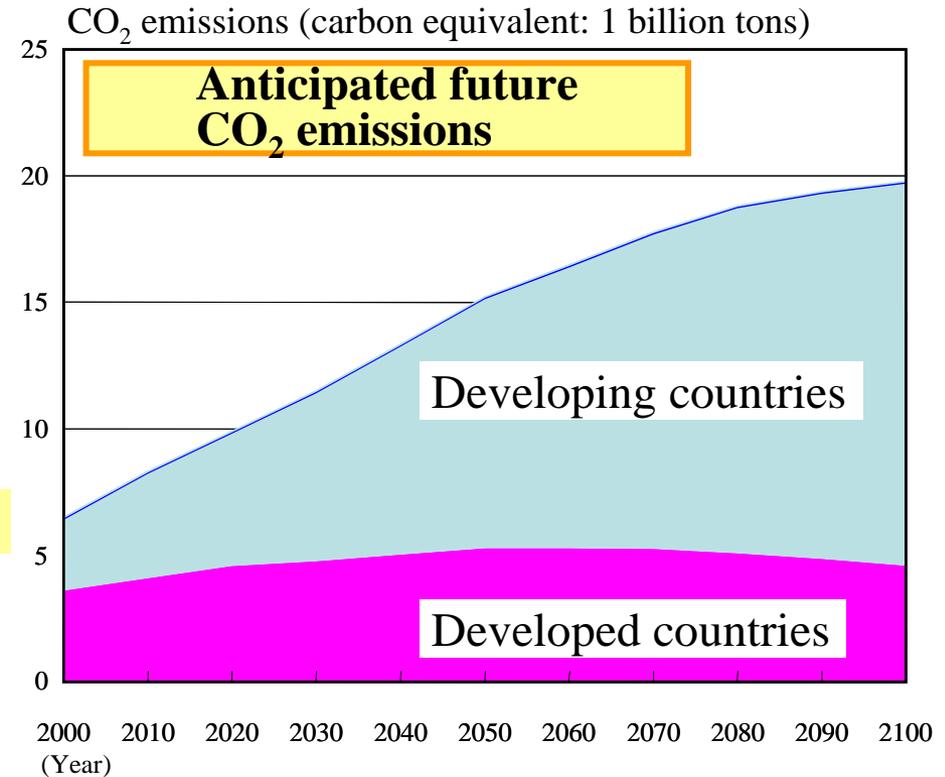
Why the Co-benefits approach?

Worldwide CO₂ Emissions and Anticipated Levels

Drastic reductions of greenhouse gas emissions are necessary for the entire planet.



Prepared by the Ministry of the Environment based on the *Handbook of Energy & Economic Statistics in Japan (2007)*



Source: Kainuma, et al., 2002: *Climate Policy Assessment*, Springer, p. 64

Action Areas for Co-benefits

Concept of Co-benefits

(Action Areas that bring about developmental benefits and GHG reduction)

National Development

Sustainable Development

Development Needs

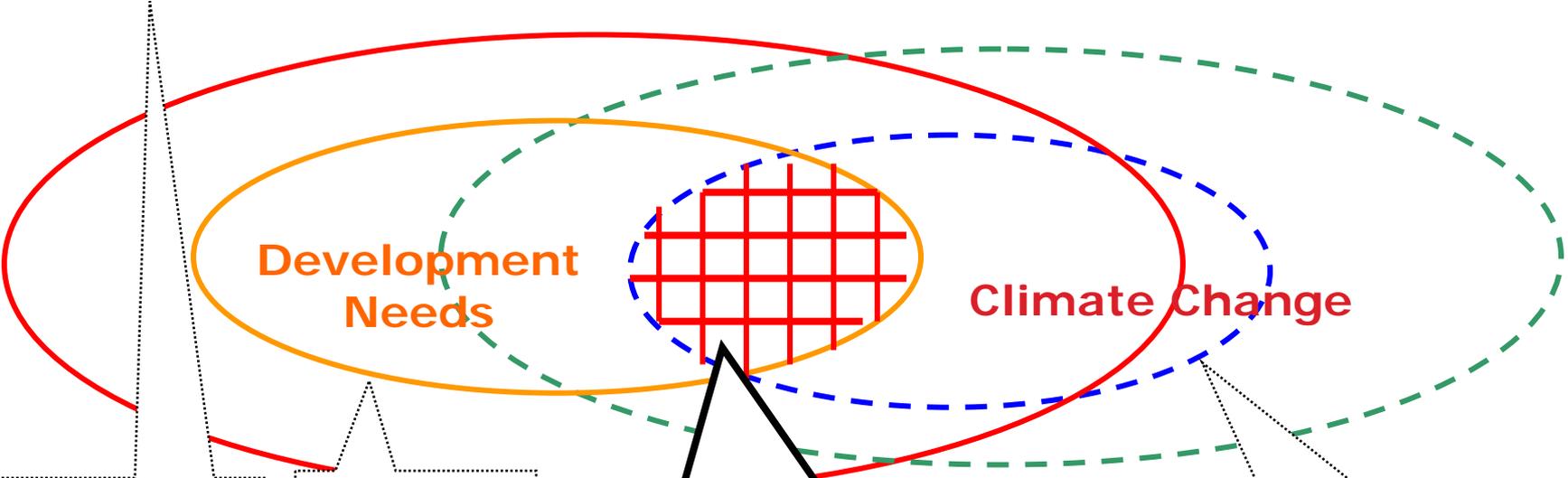
Climate Change

Economic Infrastructure (Urban Transport)

Mass-transit System

Transport mode Shift

GHG reduction



Why Co-benefits Approach?

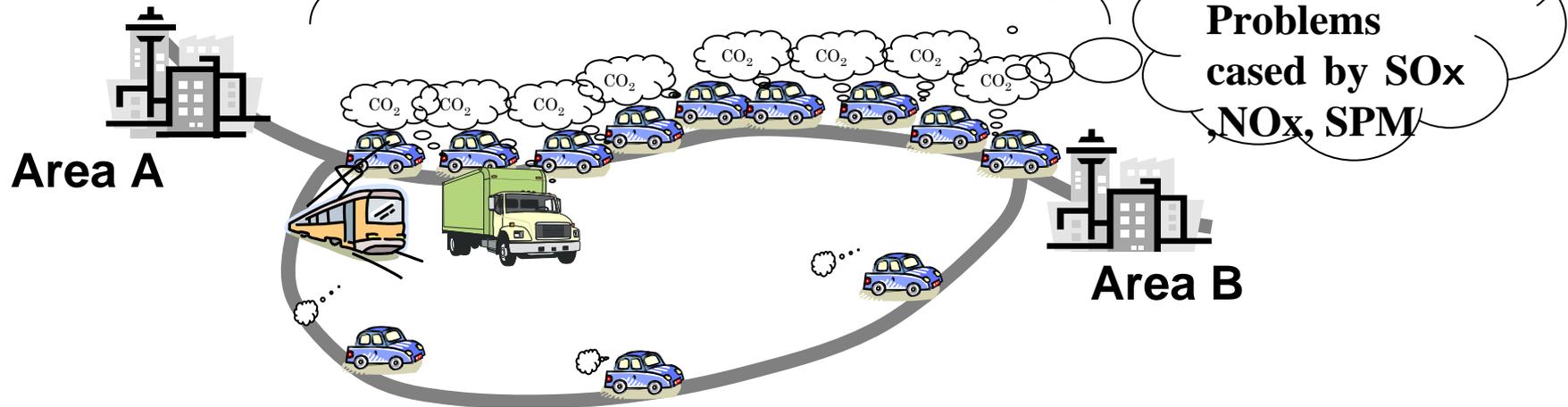
- ▶ Needs global response (Developing countries emit more than half and rapidly increasing)
 - ▶ Developing countries priority is national development
 - ▶ They see Climate Change Mitigation is extra burden and cannot spare their scarce resources
 - ▶ But many overlapping between climate change mitigation efforts and development
-  Needs integrated approach which address development needs and GHG reduction

Good Practices in Transport Sector through ODA and CDM

Good Practices① Metro Manila Interchange Construction Project by ODA

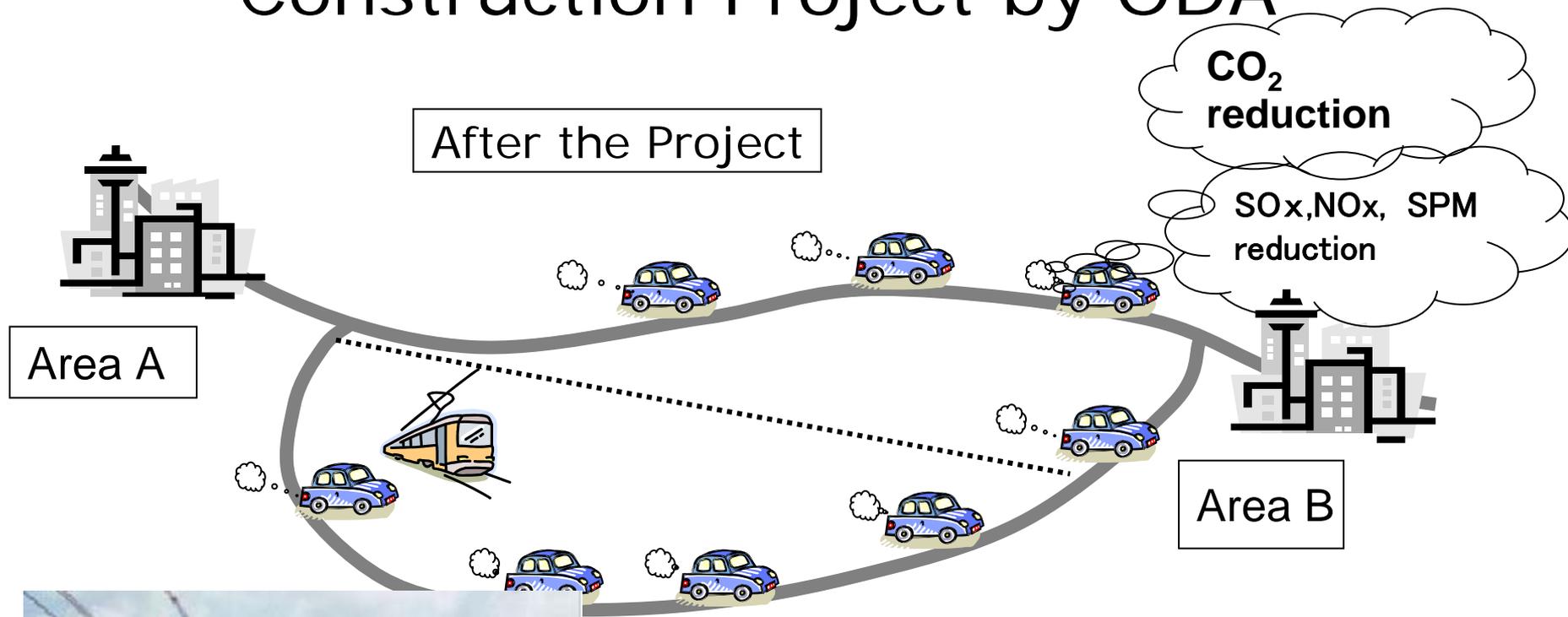
Before the project

Less mobility and
Economic losses to the city



Traffic congestion is causing significant problems in a number of mega cities in Asia

Good Practices① Metro Manila Interchange Construction Project by ODA



Estimated Emissions Reduction

CO₂ 4.2%

Air Quality Management :

SO_x 3.0%, NO_x 0.6%, SPM 1.7%

Good Practices② BRT Bogotá, Colombia by CDM

Before the Project

NO_x, PM

NO_x, PM

CO₂

CO₂

Air Pollution (NO_x, PM) and CO₂ were massively emitted by

- Less efficient mini buses
- Traffic Congestion
- Increasing Use of Individual Vehicle and Taxis

Good Practices② BRT Bogotá, Colombia by CDM

After the Project

**Replacement of Less Efficient Mini Bus by Higher Efficient Large Buses (Euro 0 → Euro IV)
reduces Air Pollution and CO2 emissions.**

NOx
PM



CO2



CO2

NOx
PM



**Dedicated Bus Lanes
(= Avoiding Congestion) reduces
Air Pollution and CO2 emissions**



**Modal Shift reduces Air Pollution and CO2
emissions**

Estimated Emissions Reduction

Climate Change: **246,563 CO2 ton/year**

Air Quality Management :

PM 7000ton/10years NOx50,000ton/10yers



Japan's Initiative to Promote Co-benefits Approach

Official Launch of the Japan Initiative under *Cool Earth 50*

(24 May, 2007)

Long-term Strategy:

50% of World GHG Reduction by 2050

Mid-term Strategy:

3 Principles for post-2012 framework

-All major countries participate, flexible and diverse,
compatibility with economic development

Furthermore:

- Establishing a Financial Mechanism for assisting developing countries actively making efforts
- Promoting Co-benefits approach



Advocating Co-benefits Approach

- Bilateral and Multilateral Dialogue-

- Co-benefits Approach was adopted in the Joint Statements of Head of States by Japan and **Indonesia, India, Malaysia and Vietnam.**
- Countries agreed to strengthen their efforts through the co-benefits approach in multi-lateral forum in **APEC, East Asia Summit and Asia-Pacific Environmental Conference (ECO Asia)**
- Agree to Develop concrete co-benefits activities with **China and Indonesia**

Financial Mechanism for “Cool Earth Partnership” (US\$ 10 billion during 2008-2012)

1. Assistance for Adaptation (US\$ 2 billion)

- Assistance through grant aid and technical assistance (T/A) for countries vulnerable to climate change.

2. Assistance for Mitigation (US\$ 8 billion)

- Assistance through ODA loans (US\$ 4 billion)

GOJ is planning to establish new lending conditions for climate change projects (*In addition to mitigation, this might be applicable to clean energy access & adaptation, depending on the needs of borrowers).

PM Yasuo Fukuda has announced that the lending conditions should be more concessional than the terms currently applicable to environment projects.

- Assistance through other official financial sources (US\$ 4 billion)

Assistance through equity investments, guarantee, export insurance, etc.

Developing Countries

Japan

Fact Finding mission

Approval to dispatch the mission

MOFA, MOF, METI, MOE

Reporting of the fact finding

MOFA, MOF, METI, MOE

Establishment of consensus re. policy dialogue and approval to conduct appraisal

Policy Dialogue: MOFA (+ MOF, METI, MOE)

Appraisal

Reporting of the appraisal and request for project approval

MOFA, MOF, METI, MOE

Start with Indonesia, Madagascar, Senegal, Guiana and Tuvalu

MOE has become a member of the decision-making body of ODA projects and functions as to:

- Conduct policy dialogues to ensure that recipient countries have sound climate change policies
 - Review project/program candidates to ensure whether they are eligible to “Climate Change Concessional Conditions”
 - Review project candidates to ensure that assistance for mitigation is measureable, reportable, and verifiable
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Way forward

- To enlarge and strengthen partnership with developing countries (Asia Pacific Gateway for co-benefits approach launching 23rd April with UNESCAP)
- To strengthen partnership with agencies such as development assistance agencies, international agencies, and key agencies as USEPA
- To develop co-benefits projects in partner countries through CDM, ODA and other financial schemes as Cool Earth Partnership
- To develop methods of quantitative and qualitative evaluation of co-benefits for practitioners etc.

Summary

- ▶ Action to reduce GHGs in developing countries are necessary to achieve substantial reduction
- ▶ Co-benefits approach gives incentive for developing countries to take actions
- ▶ Many developing countries agree to promote co-benefits approach
- ▶ Actual co-operations is now starting in the field of environmental protection and will give confidence as well as ease their fear
- ▶ Japan will support developing countries who have willingness to take Co-benefits Approach

**Thank you very much
for your attention !**

***Let's join our Co-benefits
Approach!***

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