Japan's GHG emission reduction target

	2030 *1	2050 *2
GHG reduction	26% (compared to 2013 level)	80%
Energy Efficiency	35% improvement	(40% reduction of consumption)
Renewables	22-24% in total power	(Approx. 50% of primary energy supply)
Nuclear	20-22% in total power	-

^{*1 2030} targets are in INDC in 2015

^{*2 2050} GHG target is by cabinet decision in 2008 and others are illustration by Global Environment Committee under the Central Environment Council in 2012

L2-Tech JAPAN Initiative (Leading Low-carbon Technology)

L2-Tech Standard for Supporting the Best

> L2-Tech Standard = Commercialized Best efficient equipment

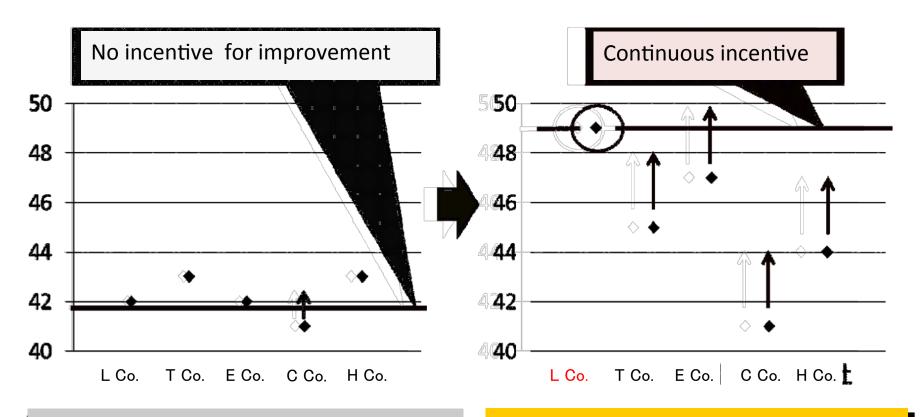


Image of the "Standard-clearing Type"

(Fixed standard, passive)

Image of the 'Pursuit of Best'Type (Fluid standard (L²Tech Standard, proactive

LCT Information Arrangement (user-oriented)

1 Change to environmentally friendly lifestyle (e.g. Use of bicycle, car sharing)

COOLBIZ



WARMBIZ



- ② Reduce energy demand with maintaining satisfaction (e.g. Well-insulated building, Teleconference)
- 3 Reduce energy consumption with maintaining service level (e.g. High efficiency air-conditioning)



High efficiency gas turbine

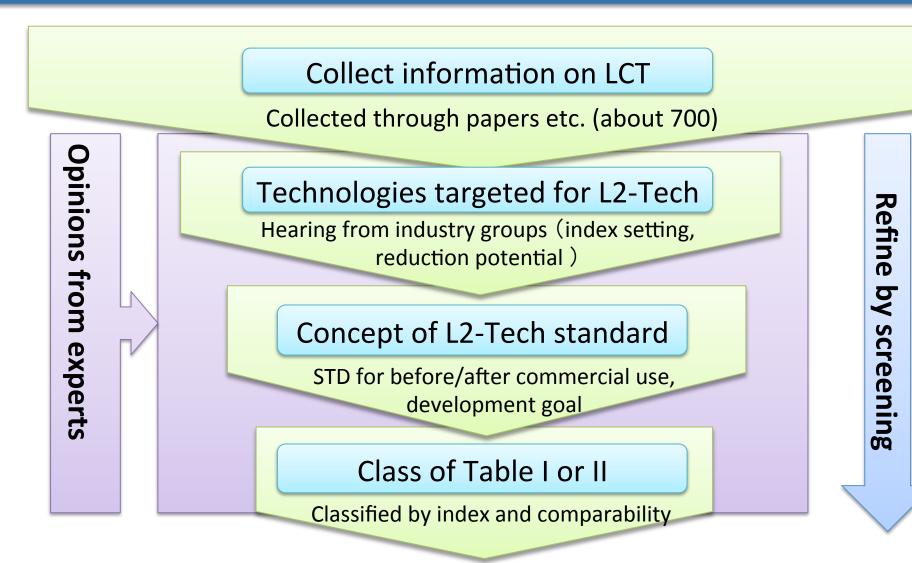
Lowcarbon energy utilization

- 4 Low-carbon energy (e.g. Solar, Wind, Solar-powered hot-water heater, and CCS)
- **5** Energy management technology (e.g. demand response and battery)



High efficiency centrifugal chiller

Review Process of the L2-Tech List

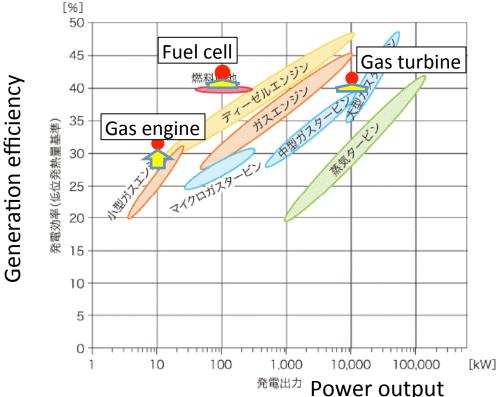


L2-Tech List (134 technologies in 2014)

Example: L2-Tech level of co-generation system

Co-generation unit





[Gas engine type]

Generation efficiency	%
~10kW	31.5
10kW~100kW	34.0
100kW~500kW	41.6
500kW~1000kW	41.8
1000kW~3000kW	45.6
3000kW~	49.5

[Gas turbine type]

Generation efficiency	%
~3000kW	28.4
3000kW~5000kW	30.4
5000kW~7000kW	39.3
7000kW~10000kW	34.3
10000kW ~	40.9

[Fuel cell type]

Generation efficiency[%]

図 4-13 ガスエンジン、ガスタービン、ディーゼルエンジン、蒸気タービンの発電効率 出典:「天然ガスコージェネレーション計画・設計マニュアル 2008」, (2008,日本エネルギー学会) より NEDO 42.0%

Example: L2-Tech level for Air conditioning





Top Runner Standard (HES) for Air conditioning in 2015 (18% improvement compared with 2006 Standard)

業務用	エアコン20	153	Ŧトッ [®]	プラン	ノナー	基準値	i (Al	PF値	*1)								
製品区分	形式	40	45	50	56	63	80	112	140	160	224	280	335	400	450	500	504
店舗用	4方向天力セ	6.0	5.9	5.9	5.8	5.8	5.7	6.0	5.7	5.5	5.1	4.8					
	上記以外	5.1	5.0	5.0	4.9	4.9	4.8	5.1	4.8	4.7	4.3	4.0					
ビル用							5.7	5.5	5.2	5.0	5.5	5.1	4.8	4.8	4.6	4.4	4.3
=0.44+00	+m+1										4.00	4.0					

%1 APF 2006

出典:一般社団法人日本冷凍空調工業会資料

L2-Tech level (For retail shops)

Cooling capacity	APF	
~4.0kW	6.7	12%
4.0kW~5.0kW	6.6	
5.0kW~11.2kW	6.3	
11.2kW~16.0kW	5.9	
16.0kW~	5.0	

12% more efficient than the HES

L2-Tech level (For buildings)

Cooling capacity	APF
~14.0kW	5.7
14.0kW~16.0kW	5 4
16.0kW~22.4kW	5.9
22.4kW~ 28.0kW	5.6
28.0kW~33.5kW	5.5
33.5kW~40.0kW	5.4

7% more efficient than the HES

Merits of L2-Tech Brings In

Approach to users of L2-Tech products

Introduction process by user

Offer informa tion

Equipment	L2-Tech product		
Gas heat pump	XYZ123A-4	Ominate a Mark Blase Contact on Mark	
•••		Controlled Manager Strikes Seen Strikes	

(Increase public awareness)

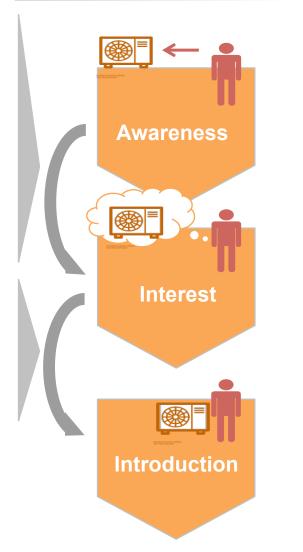
- MOEJ make L2-Tech List and disseminate it [Ensure producer reliability]
- Appeal performance certified by MOE.

Strengt hen support Support for introduction and sales of L2-Tech products



[Possibility of support]

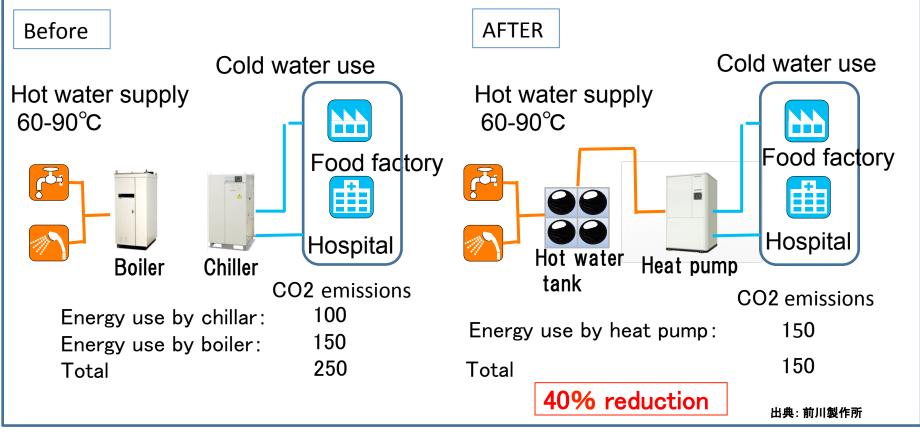
- Subsidy from revenue of CO2 tax
- Support for technology development



Promising L2-Tech (1) Heat Pump System

Food Production process in factory and hospital

- Cooling around 0°C and heating around 100°C often coexist. Heat pump can increase efficiency and reduce CO2.
- Obstacle for rapid diffusion is High initial cost.



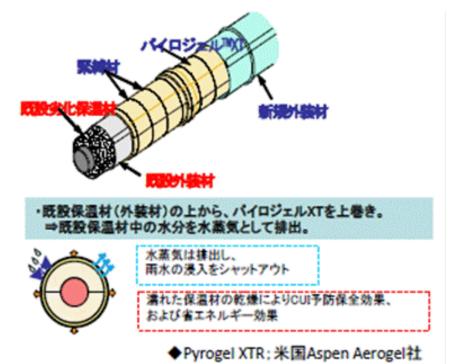
Promising L2-Tech (2) High thermal insulation

Prevent heat loss from steam pipes in manufacturing industry

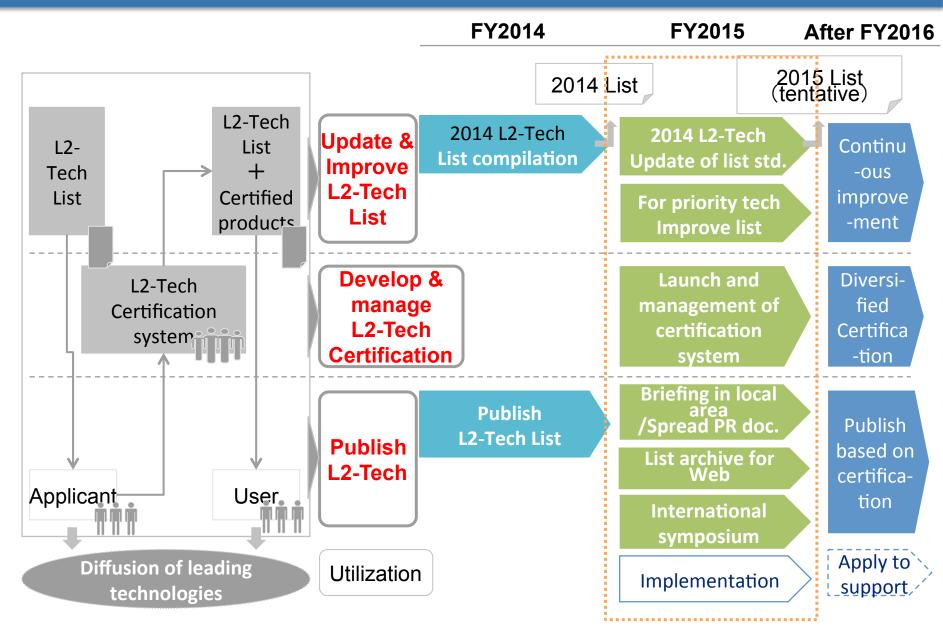
- Heat loss due to degradation of insulating material consists of 11% of total energy consumption in manufacturing industry.
- Application of the Pyrogel XTR over existing insulating material prevents its degradation
- Obstacle for rapid diffusion of the technology is low priority of investment to maintenance of thermal insulation.







L2-Tech Initiative Roadmap



For this year

Joint Crediting Mechanism (JCM)

Joint Crediting Mechanism (JCM)

JCM is a new carbon market mechanism that complements the Clean Development Mechanism (CDM).

JCM Projects in DMCs

- i. Enabling GHG emission reduction and removals.
- ii.Using advanced low carbon technologies

Financial and Technical Assistance

Certified GHG emission reduction is used for host country's and Japan's target

Japan

Japan's INDC (Excerpt)

Japan's INDC

O Japan's INDC towards post-2020 GHG emission reductions is at the level of a reduction of 26% by 2030 compared to 2013 .

Treatment of JCM in 2030 Target

- O The JCM is not included as a basis of the bottom-up calculation of Japan's emission reduction target, but the amount of emission reductions and removals acquired by Japan under the JCM will be appropriately counted as Japan's reduction.
- OApart from contributions achieved through private-sector based projects, accumulated emission reductions or removals by FY 2030 through governmental JCM programs to be undertaken within the government's annual budget are estimated to be ranging from 50 to 100 million t-CO2.

JCM Partner Countries

> Japan has held consultations for the JCM with developing countries since 2011 and has established the JCM with 15 countries below.



Mongolia
Jan. 8, 2013
(Ulaanbaatar)



Bangladesh Mar. 19, 2013 (Dhaka)



Ethiopia May 27, 2013 (Addis Ababa)



Kenya Jun. 12,2013 (Nairobi)



Maldives Jun. 29, 2013 (Okinawa)



<u>Viet Nam</u> Jul. 2, 2013 (Hanoi)



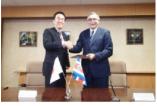
Lao PDR Aug. 7, 2013 (Vientiane)



Saudi Arabia May 13, 2015



Indonesia Aug. 26, 2013 (Jakarta)



Costa Rica Dec. 9, 2013 (Tokyo)



Palau Jan. 13, 2014 (Ngerulmud)



Cambodia
Apr. 11, 2014
(Phnom Penh)



Mexico Jul. 25, 2014 (Mexico City)



Chile May 26, 2015 (Santiago)



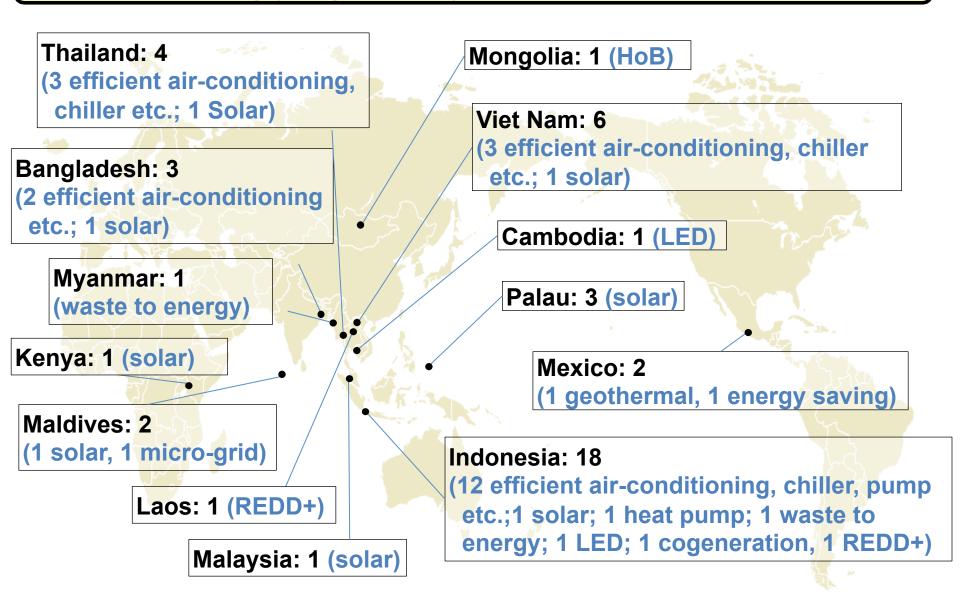
Myanmar Sep. 16, 2015 (Nay Pyi Taw)

7 JCM projects have been registered and 44 projects have been supported (as of Oct 2015).

Registered JCM Projects

Country	Project
Indonesia	High-efficiency Centrifugal Chiller for Air-Conditioning and Process Cooling in a textile factory
Indonesia	High-efficiency Refrigerator to a Food Industry Cold Storage
Indonesia	High-efficiency Refrigerator to a Frozen Food Processing Plant
Palau	Small Scale Solar Power Plants for Commercial Facilities
Mongolia	High-Efficiency Heat Only Boilers in a school in Ulaanbaatar City
Mongolia	Centralization of Heat Supply System by Installation of High- efficiency Heat Only Boilers in public buildings in Bornuur soum
Viet Nam	Eco-Driving by Utilizing Digital Tachograph System

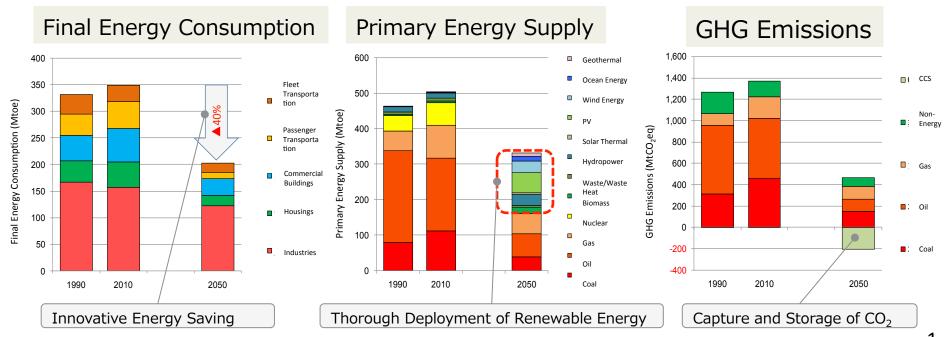
JCM Financing programs by MOEJ (FY2013/2014/2015)



References

Japan's GHG reduction goal in 2050

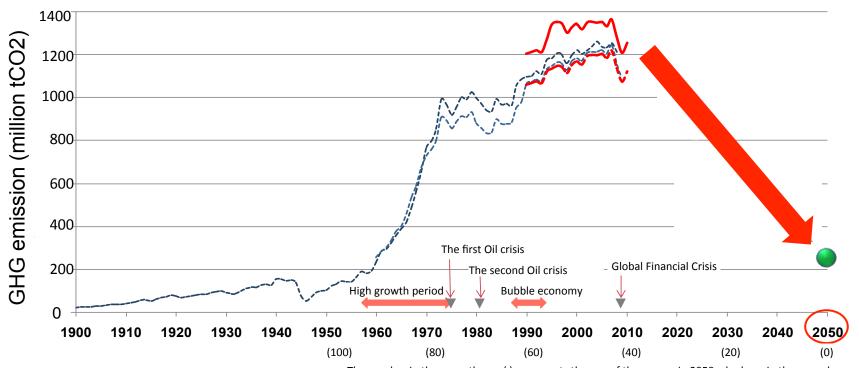
- ○Japan will pursue the goal of 80% reduction in GHG emission by 2050 in order to fulfill the responsibility as an industrialized country, as is stated in the fourth Basic Environmental Plan (revised in April 2012)
- ○Global Environment Committee presented the picture of 80% GHG reduction in 2050 as follows:
- In the end-use sector, large-scale energy saving and electrification would be realized particularly in Building and Transportation sectors, which leads to approx. 40% reduction in final energy consumption.
- Energy would be decarbonized, which leads to renewable energy deployment accounting for approx. half of primary energy supply.
- 200 Mt-CO₂ would be captured and stored per year.



Japan's GHG reduction goal in 2050

- Japan will pursue the goal of 80% reduction in GHG emission by 2050 in order to fulfill the responsibility as an industrialized country, as is stated in the forth Basic Environmental Plan (revised in April 2012)
- To achieve the 80% reduction goal, global warming measures including innovative energy efficiency and maximum use of renewable energy will be important

Japan's GHG emission trends and the long term goal



The number in the parentheses () represents the age of the person in 2050 who born in the year above

---- Energy originated CO2 emissions (US DOE Oak Ridge National Laboratory)

---- Energy originated CO2 emissions (IEA)

Energy originated CO2 emissions (Ministry of the Environment Japan)

GHG emissions (Ministry of the Environment Japan)