

1. 冒頭御挨拶（CEPS 用）

Thank you for that introduction, Christian.

Good morning, good afternoon, and good evening to everyone participating in this event, wherever you may be. As the Ambassador of Japan to the EU, I am delighted to take part in this event since “Greening the economy through Covid-19 recovery policies” is of paramount importance for both Japan and the EU. Today, I would like to introduce Japan’s strategy to achieve its 2050 carbon neutrality target, and its concrete measures to reach that goal.

2. 導入部

Last October, Prime Minister Suga declared that Japan will be carbon neutral by 2050. More precisely Japan is committed to reduce its Greenhouse Gas (GHGs) emissions to net zero. It is “Climate neutral” rather than only “Carbon neutral”. Hence, **the EU and Japan share a real common goal for 2050**.

Our ambitious 2030 target is to be announced before COP26. We are already on a good trajectory. Japan’s nation-wide emissions in 2019 were 14% lower than that of 2013, largely thanks

to an increase in energy efficiency and the use of renewable energy. Among G7 members, this figure is only second to that of the UK.

Here, I want to make it clear that our Green action is not limited to climate. It covers other important challenges such as plastic pollution in the ocean and biodiversity. In 2019, under the Japanese Presidency, the G20 leaders adopted the G20 Osaka Blue Ocean Vision, which aims to reduce additional marine plastic pollution to zero by 2050. In the framework of the Convention on Biological Diversity, Japan took a leading role in the adoption of the Aichi Targets for 2020. Japan remains active in the run up to COP15 held in Kunming, China, advocating for the adoption of a realistic and ambitious Post 2020 Global Biodiversity Framework. But let me stop here on these topics today. It would be my pleasure to discuss any issue with you on another occasion.

By the way, the EU stresses that the European Green Deal is not just an environmental strategy, but a growth strategy as well. I couldn't agree more with you on this point. Likewise, **Japan's**

strategy to achieve its 2050 goal is purposefully named “the Green Growth Strategy”. The very first paragraph of this strategy opens by saying that “the time where we viewed climate action as a hindrance to growth has ended; and tackling climate change is an opportunity for further growth”.

Let me further elaborate on what Japan has been doing lately on this matter.

3. 日本におけるグリーン政策の進捗

Shortly after the announcement of the 2050 goal, on the 8th of December, the Japanese Government adopted a “New Economic Stimulus Package” roughly worth 600 billion euros. While a significant portion of this package is allocated for responding to the pandemic, the overall majority is set aside to structurally transform the society for the Post Coronavirus Era. It aims to build back better by redesigning our economy and society based on the following 3 transitions: decarbonization, circular economy, and decentralization. The highlight of the greening element was the

establishment of a 2 trillion-yen fund (approx. 16 billion euros) to accelerate the development and deployment of innovative technologies over the next 10 years. In addition, tax breaks for private companies making significant investments for decarbonization were announced, and subsidies to build, or refit existing homes into Net Zero Energy Homes were introduced. These were just the first steps.

This package was quickly followed by **the adoption of the Green Growth Strategy on the 25th of December**. This strategy aims to provide better clarity to industry and investors, by laying out technology roadmaps that include targets, milestones, and rates of deployment to achieve carbon neutrality by 2050. The roadmaps also come with a comprehensive set of support such as subsidies, tax breaks, regulatory reforms and finance schemes. It covers 14 vital industries: 4 from the energy sector, 7 from the transport and manufacturing sector, and 3 that are related to changing home and office lifestyles.

In light of the limited time, let me just give 3 concrete examples from the roadmap.

First, Hydrogen, along with renewables and nuclear energy, is an important carbon-free energy source. The hydrogen industry roadmap envisages the use of hydrogen in transport, electricity generation, green steel production, chemical production, and fuel cell batteries. This roadmap also includes cost-per-volume targets and Estimated Supply Volumes for both 2030 and 2050. Hydrogen use in transport will shift from the current demonstration projects to scale-up, cost-reduction projects by the mid-2030s, and is expected to be fully commercial by the mid-2040s. Green steel production will have both demonstration and scale-up projects running until 2025, after which scale-up projects will take over, and it will be fully commercial by 2040. Private companies and research organizations that are ready to adopt the government's roadmap will receive various types of support. In addition, we will pursue the international standardization of the definition of “Clean

Hydrogen” as technology-neutral, and we hope to work closely with the EU on this.

Second, offshore wind power generation is a key sector that will enable renewables to be our main source of electricity in the future. Based on the Offshore Wind Power Industrial Vision, we will first focus on creating a viable domestic market by promoting and supporting project formulation. In this regard, the roadmap contains targets in the form of projected cost targets and a generation capacity target of 30 to 45 Giga Watts (GW) by 2040.

Third, battery production also contributes to finding a solution for carbon neutrality. A target to make all new passenger vehicles electrified by the mid-2030’s has been announced in the Strategy. To reach this goal and to better distribute batteries, reducing the cost of production and expanding the production scale is important, and we need to accordingly support Research and Development, as well as new business in this domain.

Naturally, realizing these roadmaps will channel large volumes of private investment. The Green Growth Strategy aims to tap into the 240 trillion yen (approx. 2 trillion euros) held by Japanese businesses and expects to create an economic impact of 90 trillion yen (approx. 720 billion euros) annually in 2030, and 190 trillion yen (approx. 1.5 trillion euros) annually in 2050. Now imagine the business opportunities for both EU and Japanese businesses if we could share major elements of such roadmaps with each other.

It is obvious that public money alone will not transform our society. Private investment will also be an important driver for the innovation and dissemination of the necessary technologies. The government's role is to provide clarity on the way forward and lay out regulatory support. How we can engage private sectors to attain our goal is the most important challenge for us.

In this context, promoting green finance is also extremely

important. The EU has led the initiative to create an important international forum in this area. Japan supports this effort and has joined this International Platform on Sustainable Finance last November. Japan is also proactively contributing to the discussions on various issues related to the IPSF's mandate, including by serving as co-chair of the working group on sustainability-related disclosure. While we do not have a nation-wide Emissions Trading System like the EU has, we are publicly debating the topic of Carbon Pricing.

4. 日本企業は欧州グリーン・ディール（EGD）にも貢献

This is also a good symbol of Japan EU cooperation and there I would like to highlight a few visible and real encouraging points. We can see many good examples of EU-Japan business cooperation going on before our eyes here in EU countries.

The trading company Sumitomo Corporation has been working with wind companies from Belgium, France, and the UK from as early as 2014, across 7 offshore wind projects totaling a

capacity of 2,500 Mega Watts. Similarly, in Japan, Orsted, the world's largest offshore wind power developer from Denmark is providing valuable inputs to the public-private council for offshore wind energy. Such sharing of experiences between European and Japanese businesses will contribute to further growth in offshore wind power not just in Europe and in Japan, but globally as well.

Mitsubishi Heavy Industries is constructing the world's largest net-zero carbon emission steel plant in Austria that uses hydrogen instead of coal to produce iron ore. Test runs are to happen this year, and it paves the way for carbon neutral steelmaking.

Toyota is involved in a number of fuel-cell battery projects across Europe. A Portuguese manufacturer developed busses equipped with Toyota's Fuel-Cell Battery Systems and they have been running in some European cities since 2020. Last December, the company was involved in the establishment of the European

Fuel Cell Business Group, and it aims to work with industry partners, national and regional governments, and organizations to stimulate the development of hydrogen eco-systems. Toyota has been a partner of Energy Observer, the first vessel in the world to both generate and be powered by hydrogen, led by French explorers Victorien Erussard and Jérôme Delafosse. This month Toyota announced that it will step up its cooperation by developing and delivering a specially designed Fuel Cell System for the vessel.

What I mentioned here are just a few examples of what is already going on here in the EU with our companies. Our concerted green policies will produce a big synergy for both of us. I hope that the intensification of our cooperation will help every actor on both sides in every area.

I would like to ask you to give your precious support for this purpose.

5. 日 EU の更なる連携・協力への期待感

Today I spoke only of a small but important part of our cooperation. We have, of course, many other areas of cooperation

before us such as Digital transformation, Science and Technology, Education, Grassroots exchanges including culture. Our imminent cooperation is of course about Covid and I can assure you that we have a good daily coordination to tackle all issues related to the pandemic.

I am confident that our next EU-Japan summit and relevant high-level bilateral talks will sum up and deepen our cooperation in every area. However, our cooperation on green policies will certainly be one of the most important ones to the world. I hope that today's discussions will contribute to developing more our cooperation.

Thank you.