

**COP17 Side event**

# **Japan's Energy/Climate Policy “After FUKUSHIMA”**

**Dec. 1, 2011  
Durban**

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# 1. Situation in Japan

# Myths (unquestioned-beliefs) about nuclear power were broken

- **Myth #1 “Credible (stable)”**: Many small/big accidents → “Probability” made no sense
- **Myth #2 “Cheap”**: Subsidy (130 billion US\$ for 54 plants)+Compensation (more than several ten millions US\$)+Damage on Industry (more than several ten millions US\$) +  $\alpha$

# Example of the damage cost

- **(Complete or partial) import ban or request for a certificate to “made in Japan food” (almost all countries)**
- **Decrease of foreign visitors: 2.2 million (April-June, 2010) → 1.1 million (April-June, 2011) = Loss of 6.5 billion US\$ per year**
- **Tremendous costs for decontamination: Several trillions US\$ (?)**

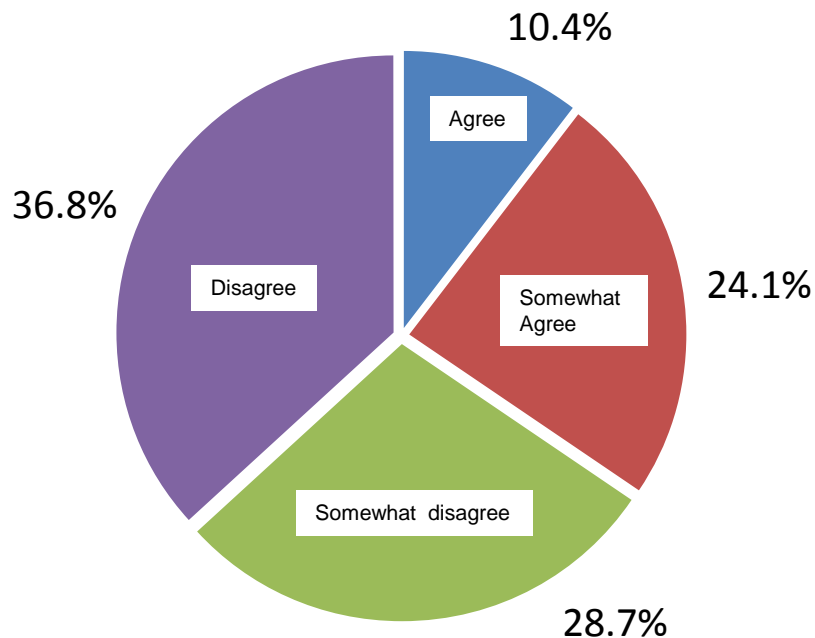
# Energy conservation we achieved this summer

- 15 % **compulsory** electricity consumption reduction requirement to the heavy consuming facilities in Tokyo and Tohoku area
- Voluntary reduction requirement for general house hold
- **Results: -16 %** compared to last year (July and August, Tokyo metropolitan area)

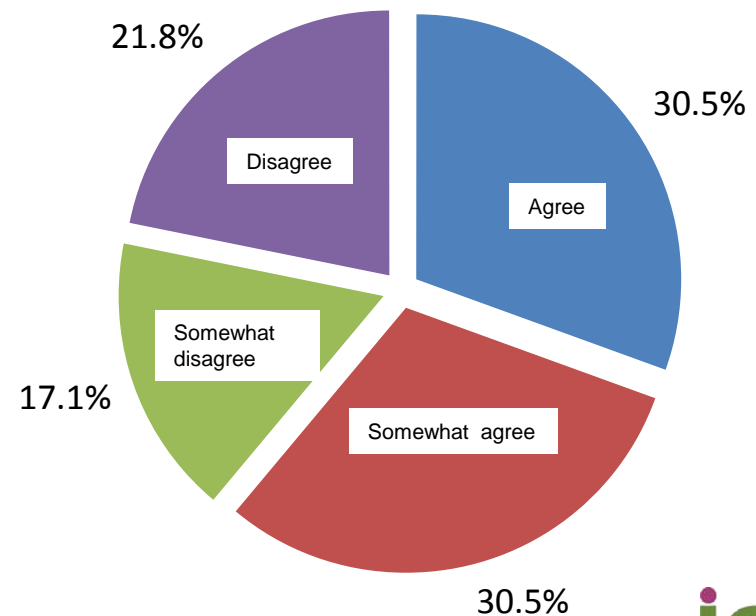
Survey conducted by IGES:

# Do you support nuclear power to meet the demand of Japan?

Japanese (N=432)



Non Japanese (N=275)



## 2. Energy/Climate policy



# “Less-dependent on nuclear power” is a consensus in Japan, but...

- **When?** : Immediately, 20years, 40 years....
- **How?** : Renewable? fossil fuel?
- **How much?** : Cost re-calculation
- **CO<sub>2</sub> implication?**: Difficult to say something definite at this moment

# Renewables are IN, but..

- **Exact FIT tariff prices, terms and amount of introduction, etc. are not yet decided**
- **Re-examining assumptions on cost calculation are still under-going**
- **Many regulation and local stake-holders objections are big barriers**

# Energy conservation potential exists

- For example, If we change all electric bulbs and fluorescent lights in Japan to LED, we can save 99.2 billion kWh which corresponds to 13 nuclear power plant generation per year
- Anyway, we need to explore more energy conservation potential on the demand side

# Socio-economic impacts are high

- Challenges to the existing oligo-politicized, fragmented power supply/transmission system
- Revision of the price setting methodology of electricity price (**VERY IMPORTANT!**)
- Political influence of power companies on Japan's industries and policy-makers will change
- Asia super-grid?

# **Ministry of Environment (MOE) will be in charge of nuclear safety**

- **Transfer of authority from Ministry of Economy and Industry (METI) to MOE is underway**
- **Increase of 150 % MOE employees**
- **Energy (promotion) policy still gripped by METI**
- **We will see how it will work-out**

# Kyoto target: Maybe OK, but...

- **Kyoto target (-6%): Depend on GIS and CER bought by the Japanese government and power companies**
- **Power companies are supposed to buy (have already bought to some extent) 200-300 million CO<sub>2</sub> ton for 5years= appx. 5 billion US\$**
- **Assets selling to make a enough budget for FUKUSHIMA victims compensation ?**

# **Japan's climate policy: anti-multilateralism? (my very personal observation)**

**Generally speaking, Japan's traditional multilateralism seems to have somewhat faded away due to:**

- 1) loss of election for the UN security council member in 2005**
- 2) China's economic/political surge and Japan's relative decline**
- 3) FUKUSHIMA accident**

# 3. Conclusion



# Challenges and Opportunities

- **Japan's energy policy will definitely change after FUKUSHIMA**
- **Impacts on climate policy would be negative in the short term but positive in the medium and long term**
- **In short, Japan's climate policy depends on the “participation” of US and China**

***Thank you and  
let's keep fingers crossed!***

