

Position Paper: The Climate Reality Project Japan OUR ASKS FOR COP29 Azerbaijan

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COP28 in Dubai ended with a call to transition away from fossil fuels and to accelerate the transition during this critical decade to keep the 1.5°C goal within reach. At COP29 in Azerbaijan, The Climate Reality Project Japan demands Japan and other countries make progress on their commitments. This position paper summarizes our asks.

The branch acknowledges Japan's historical responsibility of being one of the biggest GHG emitters and the largest funders of fossil fuels globally. The climate crisis is a justice and human rights issue, and we believe in the power of our collective efforts to alleviate further damage.

Climate Reality's Positions for COP29: Global and Japan-specific Perspectives

Goal 1: Reducing emissions. Accelerate action this decade to phase out fossil fuels and rapidly reduce greenhouse gas emissions.

Crucial to achieving the stronger goals, countries must commit to an equitable and full phase-out of all fossil fuels, responsible for 75% of global emissions. Each country should at least triple renewable energy capacity and at least double energy efficiency by 2030, and reduce methane emissions from the energy sector to near zero by 2030. More than 100 nations at all stages of economic development called for an even stronger commitment¹, reflecting a high level of willingness to take immediate steps towards fully phasing out fossil fuels. It's time to make good on the promise and set the expectation that the world will end fossil fuel use.

Japan

- Japan needs to accelerate its transition to clean energy and commit to phase-out of all fossil fuels, especially coal. Japan is the world's 5th largest GHG emitter, most of which originates from the use of non-renewable energy sources. The country's energy mix consisted of over 84% from fossil fuels (coal, LNG and oil), while renewable energy accounted for 21.5% in 2023². There are studies such as Green Transition 2035³ that shows the country can achieve 80% renewables in 2035 and 100% renewables in 2040, which will also result in significantly lower energy costs including less money spent on imports of fossil fuels, more job creation and stronger GDP growth.
- Japan must focus on real solutions instead of prolonging dependence on fossil fuel and nuclear. A concrete plan for coal plant retirements is urgently needed, as the country remains the only G7

¹ United Nations Environment Programme (2023)

² International Energy Agency (2024)

³ Jusen Asuka, et al. (2024)



country without a nationally adopted target year for phasing out of coal, and yet to join the Powering Past Coal Alliance (PPCA)⁴. Japan must drop its definitions of "abatement" that includes experimental technologies like hydrogen and ammonia co-firing, which won't reduce GHG emissions and will only prolong coal use.

Goal 2: Finance a just transition. Adoption of a global finance goal at the scale necessary with a 1.5°C pathway.

COP29 must set clear funding goals for Mitigation, Adaptation, and Loss and Damage. Countries must agree on a new climate finance target that goes beyond the previous commitment of \$100 billion annually. This new goal should be based on the actual financial needs of developing nations, which are estimated to require at least \$5.8 trillion by 2030 to implement their national climate plans effectively⁵.

Japan

- Japan must make sure its funds are used on real solutions, and immediately cease financing
 overseas projects that prolong the use of fossil fuels. In Japan's Asia Zero Emission Community
 (AZEC), of the 158 projects financed by Japan under this initiative, 56 projects include fossil fuel
 technologies in Southeast Asia such as natural gas, co-firing ammonia with fossil fuel in power
 plants, hydrogen produced with fossil fuels, carbon capture and storage (CCS) and e-fuels⁶.
 Continuing such investments contradicts efforts to transition to sustainable energy solutions.
- Japan must provide financial support in forms other than loans to countries suffering from heavy debt burdens. The country has provided nearly 80% of its climate finance contributions in the form of loans, including \$10.2 billion at market-rate interest and an additional \$11 billion in loans required by recipient nations to hire or purchase materials from Japanese companies⁷. This approach adds to the debt burdens of vulnerable countries, contrast with the intention to help developing nations mitigate and adapt to climate change without exacerbating financial challenges.

Goal 3: Adopt ambitious climate targets. Develop new national climate action commitments that keep 1.5°C alive.

To limit warming to 1.5°C, countries must not only take immediate action but also commit to deeper emissions reductions in the next round of post-2030 Nationally Determined Contributions (NDCs), due by February 2025 under the Paris Agreement.

COP29 is the last chance to set strong expectations for the next round of NDCs, especially for G20 countries including Japan, which account for 75% of global emissions. The G7 and G20 must lead by submitting strengthened 2030 NDCs and ambitious 2035 targets, aiming to cut global emissions by 43% by 2030 and 60% by 2035 from 2019 levels.

⁴ Japan Beyond Coal (2024)

⁵ United Nations Framework Convention on Climate Change (2021)

⁶ Climate Home News (2024)

⁷ Reuters (2024)



Japan

- Japan's current goal of a 60% reduction in 2030 compared to 2019 levels is insufficient. The country should set a 2035 target that significantly exceeds the current goal, at a reduction of 75 to 80% from FY2013 levels considering the country's limited carbon budget and historical responsibility.
- The Japanese government must drastically strengthen its climate and energy policies by the end of 2024, a critical year with key reviews of the GX2040 Vision, Strategic Energy Plan, Global Warming Countermeasure Plan, and NDC set to take place. These policies should align with the outcomes of COP28's Global Stocktake (GST)⁸.

Goal 4: Make the COP fit for purpose.

The goals of the Paris Agreement cannot be met if the processes around it are ill-equipped to meet the moment. The UNFCCC and COP must be fit for purpose, with the resources and policies to achieve their stated goals. Rampant conflicts of interest and action by a few countries to water down ambition have highlighted the need for institutional strengthening.

Countries are looking at the agenda-setting process, and during 2024, they should call for further views on conflict-of-interest policies, better and transparent decision-making, and more meaningful participation of civil society, especially underrepresented groups such as youth and Indigenous peoples. At COP, countries have already called upon multilateral financial institutions to reform - now it's their turn.

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The Climate Reality Project is a global initiative tackling the climate crisis through training and mobilizing people worldwide to accelerate climate action to reach true net zero by 2050. Global website: <u>https://www.climaterealityproject.org/</u>



⁸ Ministry of the Environment • Ministry of Economy, Trade and Industry (2024)