Japan 's Intervention at Conference Room 2, in the morning, Wednesday, 3 May 2006

Meeting growing needs for energy services through increased use of renewable energy, greater reliance on advanced energy technologies, including advanced and fossil fuel technologies

Thank all the panelists for their valuable inputs which give us a direction of today's discussion. Last two days and this morning, we have had series of discussions on sustainable development. In my understanding, we have shared a common view that reliable and environmentally sound energy services play a central role in sustainable development not only in the developing countries and but in the developed countries.

Of various energy services, renewable energy is important in the sense that it provides the opportunity for win-win solution of environmentally friendly economic growth. In this regard, Japan has implemented a wide range of policies and programs which contribute to simultaneous pursuit in environmental integrity as well as economic growth. For instance, Japan has promoted renewable energy including solar power, wind power and advanced biomass as valuable energy sources which address environmental concerns like global warming. As the colleague from Saudi Arabia points out, we face the situation that energy demand is strongly rising mainly in emerging economies. I believe this is exactly the reason renewable energy is more significant than in the past.

We have taken necessary steps in the process such as support in finance and legal development. In fiscal year 2006, we prepare US\$1.5 billion for the support to R&D and verification tests to reduce the cost and to improve the performance of renewable energy. We also develop the legal framework to support utility companies in promote wind power, solar power, geothermal power, hydropower and advanced biomass. Solar power is a good example of international cooperation. The demonstration projects of

solar power system carried out by Japan are operated at 15 sites in 9 countries. Japan work for the development and diffusion of Clean Coal Technology which enable more efficient and cleaner utilization of coal in Asia wide. The model projects of Clean Coal Technology have been operated out in the region.

I also heard remarks by Mr. Theuri, a panelist with the same concern, pointing out that lack of capacity is more serious problem rather than the clean technology itself. This is exactly our reason for Japan to engage in many capacity building activities. For instance, Asia CDM Capacity Building Initiative is Japan's program under WSSD activity which helps the developing countries carry out the measures to improve energy efficiency leading to greenhouse gases reduction in Asia.

The issues we are discussing here is interlinked in the many aspects of sustainable development. I would like to echo the remarks by Dr. Komiyama at the beginning of the session that 21<sup>st</sup> century should be the century of technological and social reform. I believe that with our cooperation and action, we can realize the win-win solution. Development and deployment of clean technologies are significant in this pursuit.