- 1) obstacles, constraints, 2) Lessons learned and best practice, 3) next step
- 2) Energy efficiency incentives, vis-à-vis disincentives, Improved transmission of electricity, End use efficiency in commercial and residential sectors

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Thank you Mr. Chairman,

Let me join the previous speakers to congratulate the panelists for their insightful presentations.

During the course of its economic growth, Japan experienced severe air pollution due to rapid industrialization which made us work on R&D for clean technologies. Also, because we deeply rely on imported fossil fuels, oil crisis of the 70s forced us and actually helped us to achieve very high energy efficiency. I'd like to share good practices with regard to energy efficiency from our experiences. We found that energy efficiency is a key for striking a balance b/w environment and economy.

Firstly, I'd like to touch upon our practice to provide energy efficiency incentives, which is so-called Top Runner Program. The TRP was established in 1998, as energy conservation standards for home and office appliances such as computers and fuel efficiency standards for automobiles. This program sets energy efficiency standards to be achieved in a few years, as the level of the most energy efficient products in the market. In addition, it requires labeling with energy efficiency information of the products. What is unique about the program is summarized as following 3 points. 1st point is it has stimulated competition and innovation in the market, 2nd point is it has diffused existing excellent technologies, and 3d point is it has enhanced industrial competitiveness. The key we found here is usage of market mechanism led by appropriate policies. The program like ours could achieve win-win solution and virtuous cycle.

Secondly, I'd like to comment on our international cooperation . I would not repeat our contributions in detail given time constraints, but just briefly, t is our pleasure to inform you that we have provided grant aid for several developing countries including Solomon islands, Tuvale, Kiribatu for improving their power generation systems as well as efficiency of electricity transmission .

Thirdly, let me briefly explain our activities to improve end-use efficiency in commercial and residential sectors. We believe education and awareness raising are crucial here. To this end, Japan advocates the 3R Initiative, which aims to establish a sound material-cycle society through efforts to reduce, reuse and recycle wastes. Promotion of the 3Rs results in a shift towards sustainable production and consumption patterns and contributes to reductions in both natural resource consumption and other adverse environmental impacts.

In addition, Japan has been promoting awareness-raising activities which include large-scale national campaign to promote dressing appropriately for the seasons. This campaign advocates not to wear ties and jackets for business occasions in summer time, in order to use air conditioner less frequently; thereby reducing carbon dioxide emissions and air-pollutants' emissions through energy consumption reduction.

While energy is one of the key elements for our industrial activities and economic development, the kinds of energy and their means of use also have a close relationship with air pollution and climate change. Taking this fact into account, it is necessary to tackle these issues appropriately in order to facilitate sustainable development.

Japan would like to keep contributing to these important issues sharing our lessons learned and good practices.

Thank you.