

**Sixteenth Asia-Pacific Seminar on Climate Change  
- Asia-Pacific Approach to Climate Friendly and  
Climate-resilient Society-  
5-8 September 2006  
Jakarta, Indonesia**

## **Developing the Asia-Pacific with Climate Change Consideration Integrated**

**- Perspectives from 2050 Project and further -**

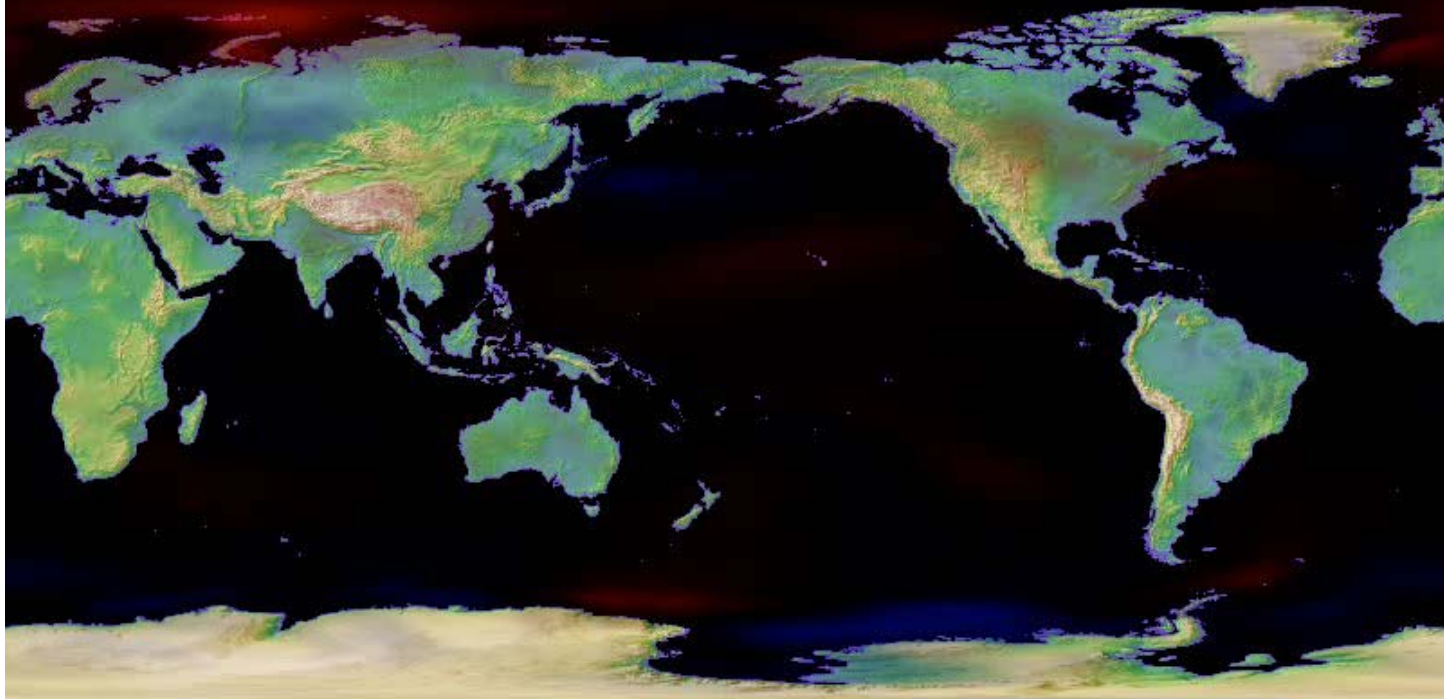
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<http://www-iam.nies.go.jp/aim>**

# Why should “Development and Climate” actions be aligned?

- Climate change is a derivative problem of development
- Development is the key to mitigative and adaptive capacities
- Dealing with climate change exclusively is very expensive & expected to cost several trillion dollars over this century
- Strategies for dealing with sustainable development and climate change have many common elements, and aligning

CCSR/NIES/FRCGC, Japan

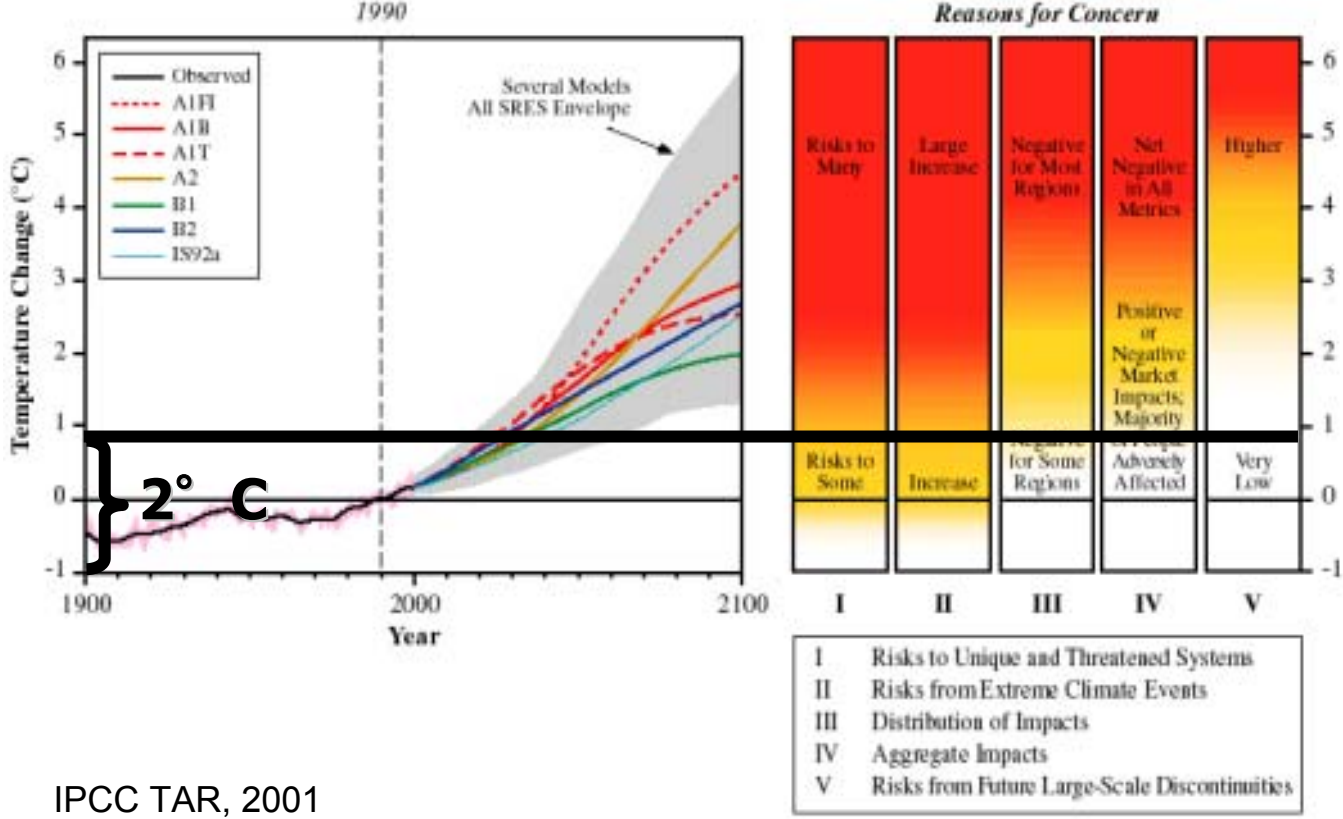
# Surface Air Temperature Change



1950

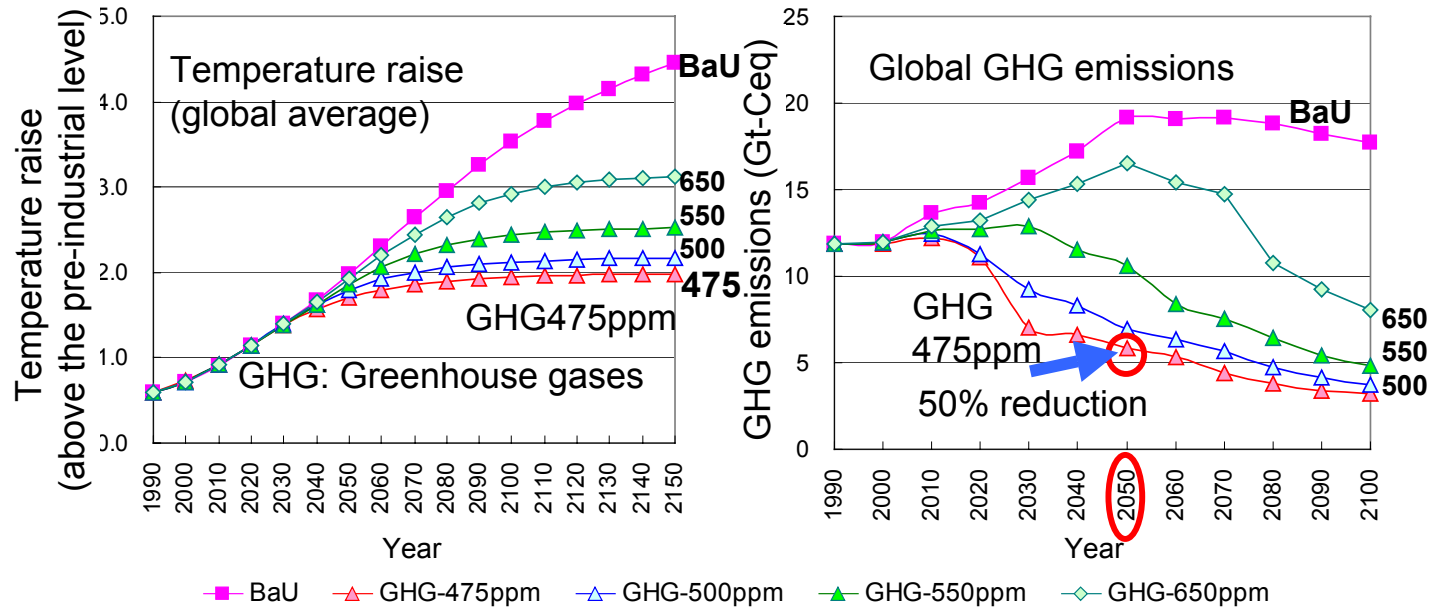


To avoid serious CC impacts, it is necessary to stabilize temperature raise below 2 degree compared with pre-industrialized level



IPCC TAR, 2001

# Low Low-carbon societies are necessary to avoid dangerous climate change.



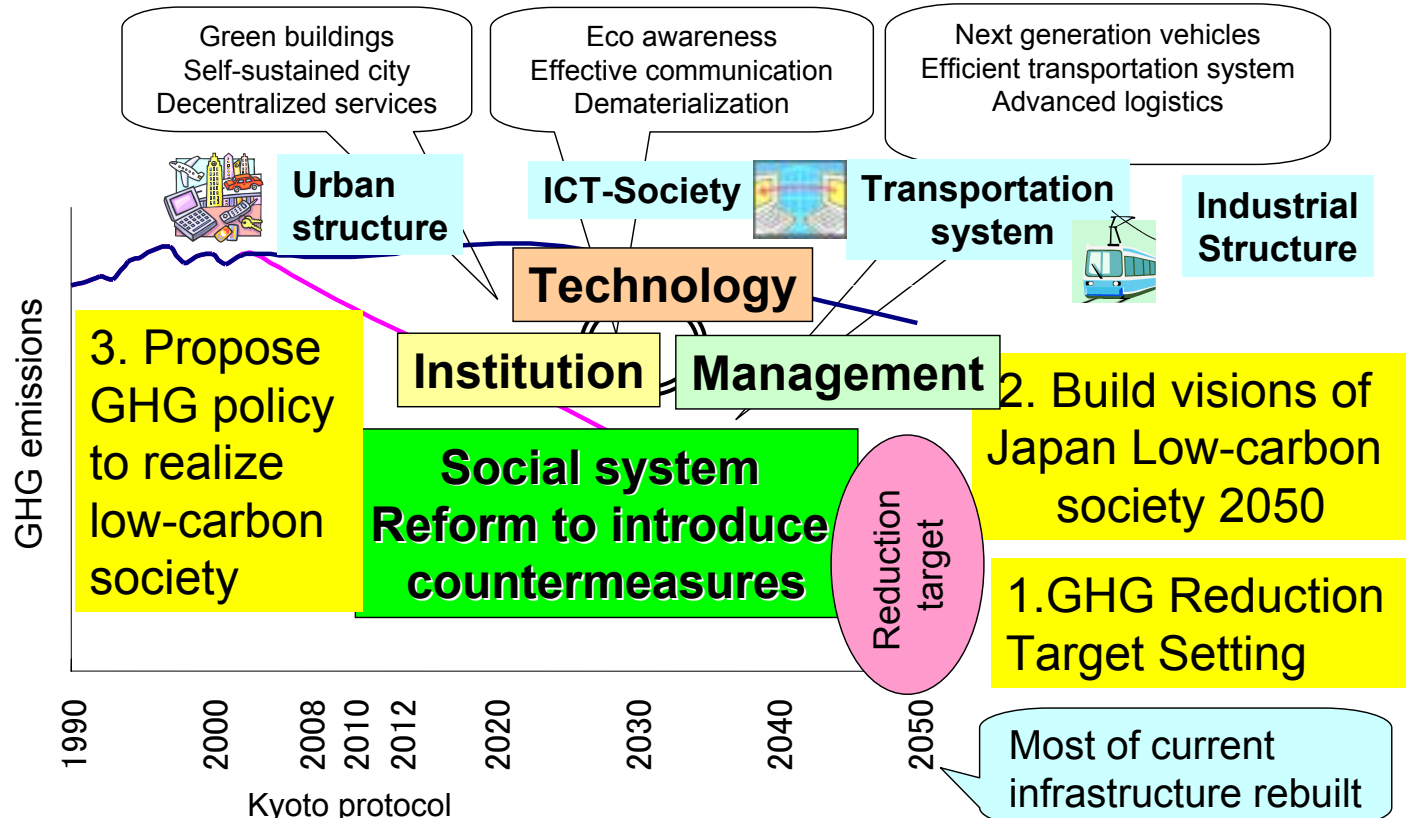
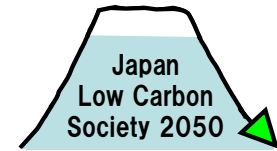
**Relationship between human-induced GHG emissions, atmospheric GHG concentration, and increase in global mean temperature.**  
**(Calculated by AIM/Impact[policy] Model)**

# Objectives of project on Japan Low-carbon society scenario (the 2050 Project)

1. Understanding the necessity of drastic GHG emissions reduction toward 2050 based on scientific findings
2. Reviewing country-level GHG emissions scenario studies in the world
3. Sharing the image of Low Carbon Economy (LCE)
4. Finding the pathways to achieve country-level and globally harmonized LCE
5. Building international cooperation toward LCE

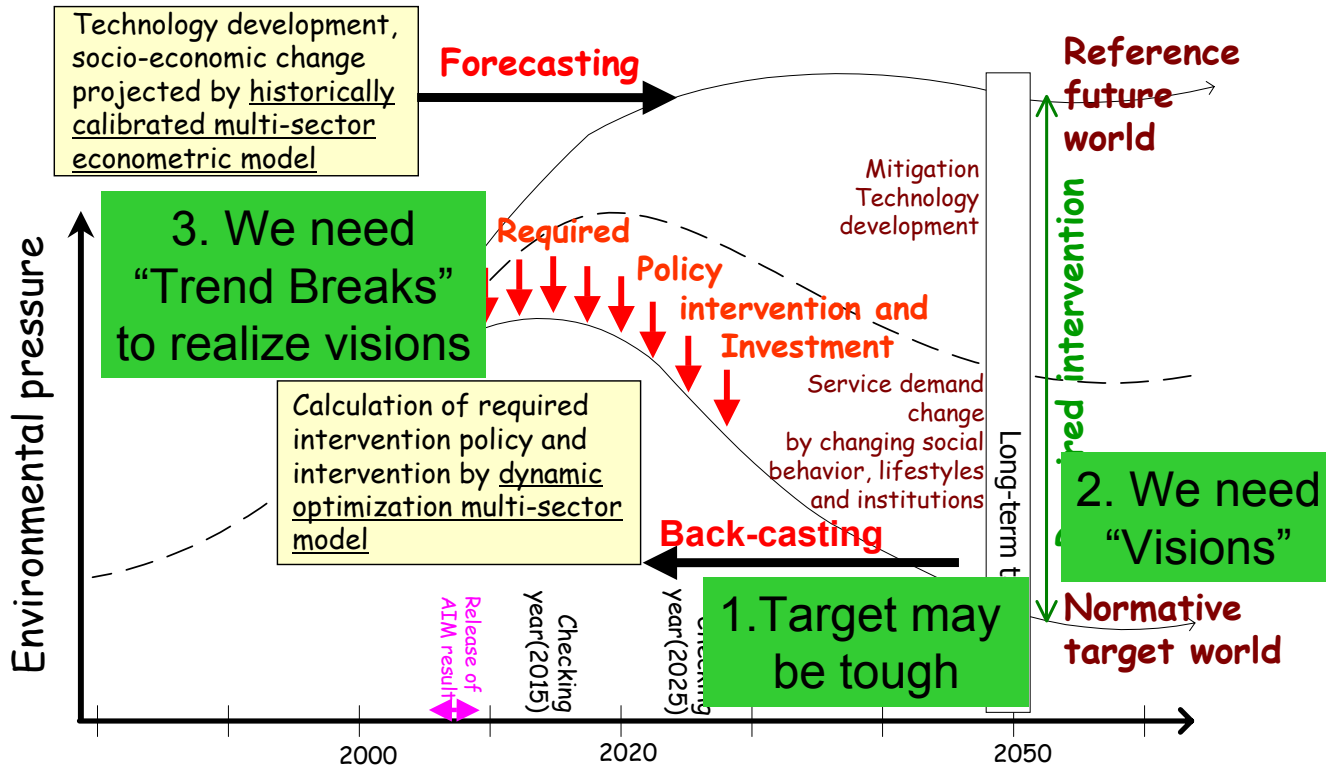
# The 2050 Project

studied by 60 Japanese researchers



[FY2004-2006(+2years), Global Environmental Research Program, MOEJ]

# Back-casting from future target world by the macro-economy and industry structure dynamics model





# Depict “Japan Low carbon society 2050”

What kind of demands/services,  
Japanese needs in 2050?

—  
—  
Depict living and  
working style

## Desired future: The society allows wider range of choice

Scenario A: Vivid, Technology-driven	Scenario B: Slow, Natural-oriented
Urban/Personal	Decentralized/Community
Technology breakthrough Centralized production/recycle	Self-sufficient Produce locally, consume locally
Comfortable and Convenient	Social and Cultural Values

Considering global relationship, energy security, other environmental problems

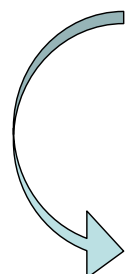
We do research to depict various kinds of future  
qualitative and quantitative

# How fast GHG emissions should be reduced?

## Total amount

$$\text{CO}_2 \text{ emissions} = \text{Pop} \times \left( \frac{\text{Activity}}{\text{Pop}} \right) \times \left( \frac{\text{Energy}}{\text{Activity}} \right) \times \left( \frac{\text{CO}_2}{\text{Energy}} \right)$$

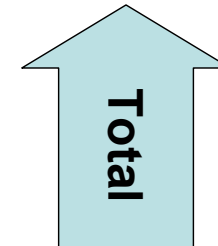
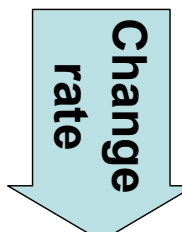
Per capita activity     Energy Intensity     Carbon Intensity



## Change rate = speed

$$\frac{\text{CO}_2 \text{ emission}}{\text{Change rate}} = \text{Pop} \frac{\text{Change rate}}{\text{Change rate}} + \left( \frac{\text{Activity}}{\text{Pop}} \right) \text{change rate} + \left( \frac{\text{Energy}}{\text{Activity}} \right) \text{change rate} + \left( \frac{\text{CO}_2}{\text{Energy}} \right) \text{change rate}$$

differential



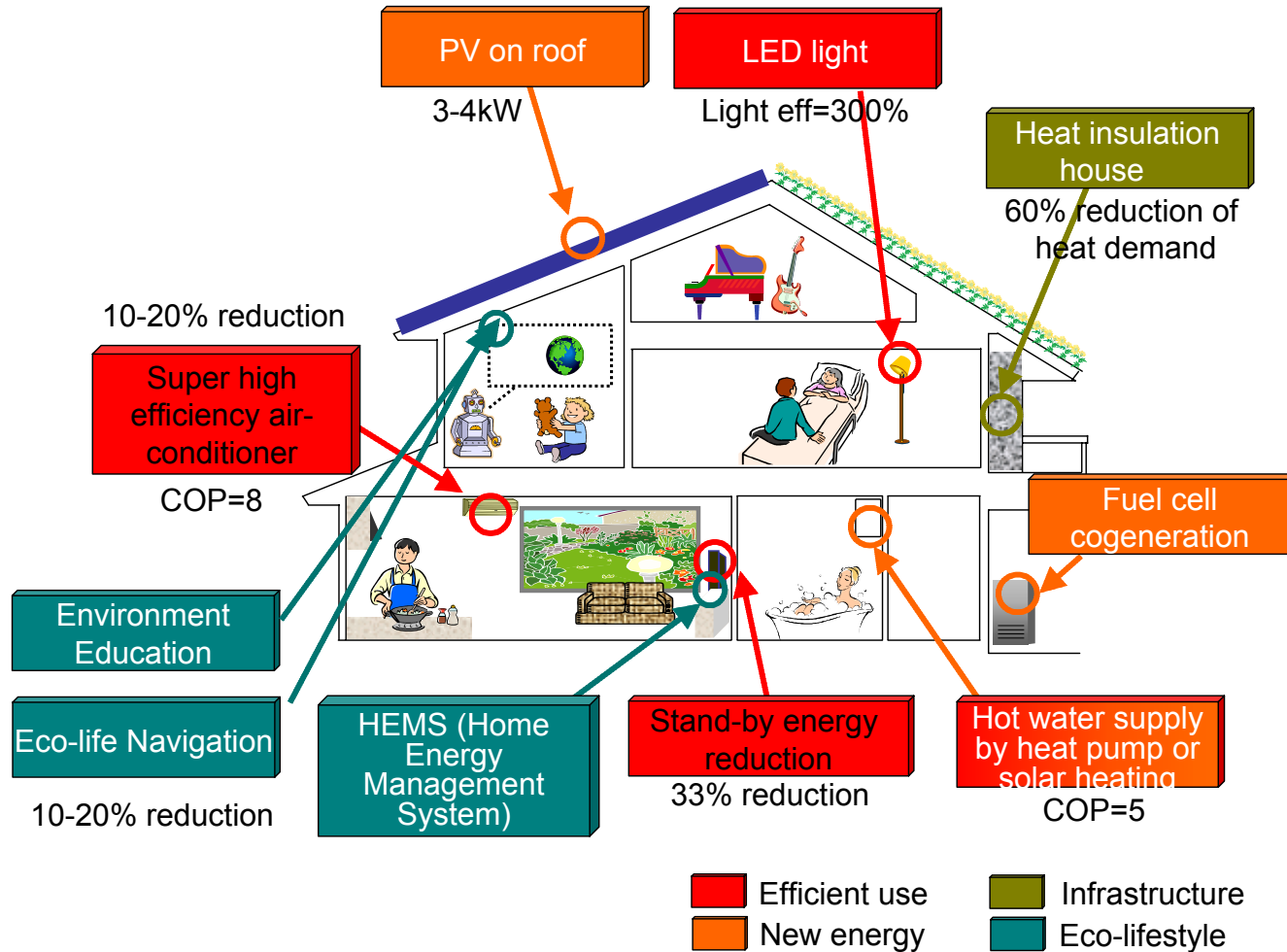
integral

-2 ~ 3%/year
-0.5%/year
1.5%/year
Y%/year
X%/year

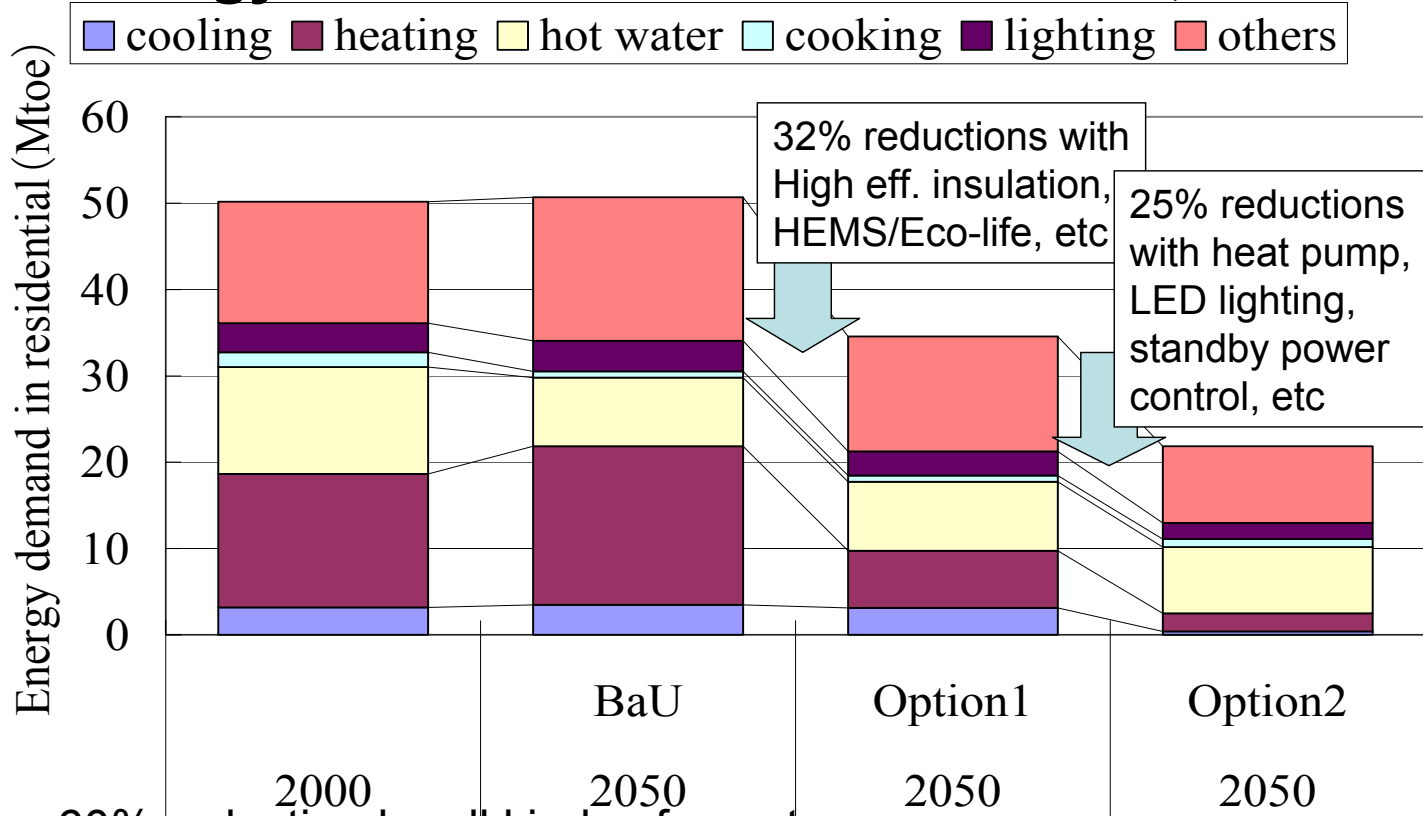
1%/year
-3 ~ 4%/year

Maximum numbers of existing studies: -2%/year

# Depict Future Image: Residential sector in 2050



# Energy demand in residential sector, 2050



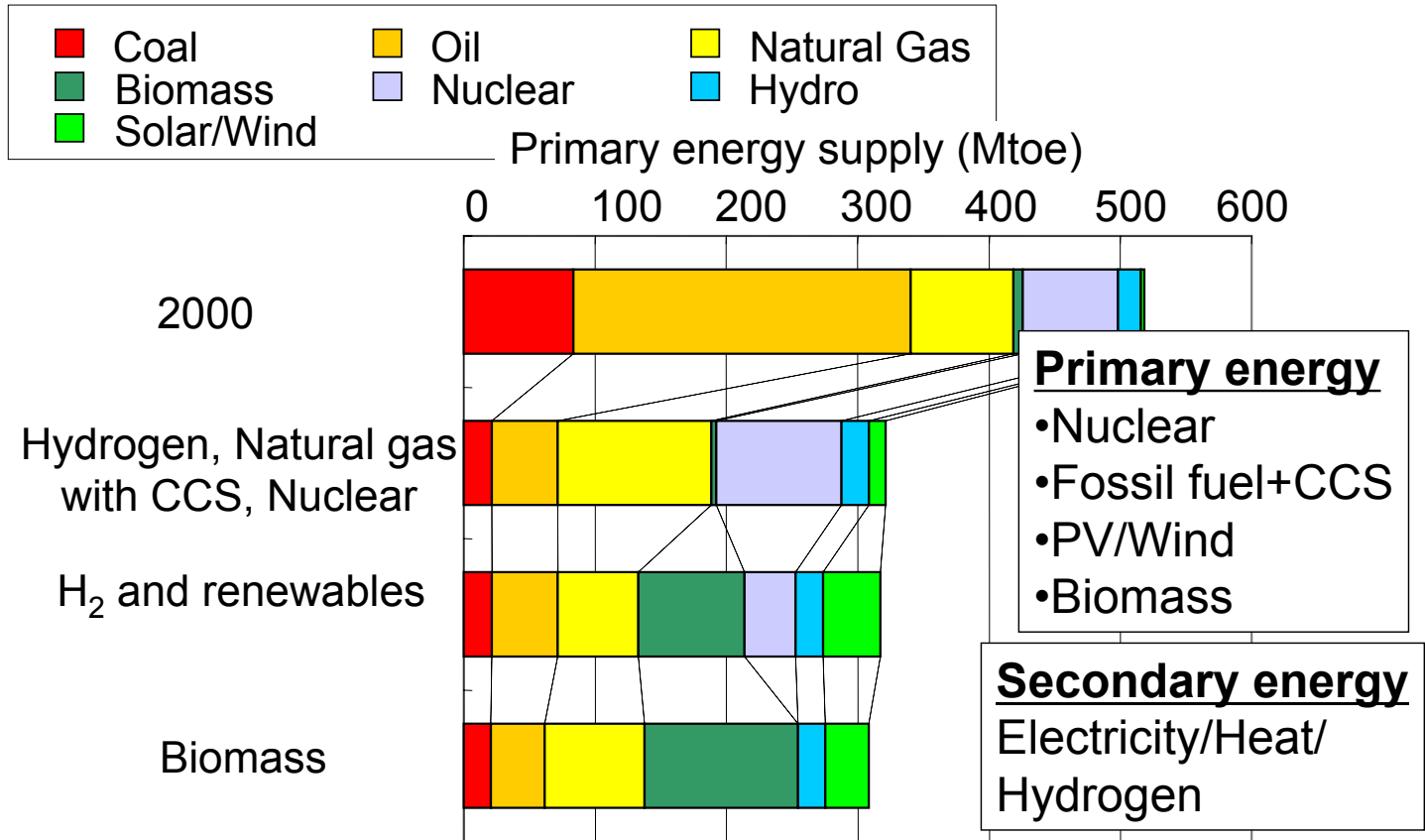
60% reduction by all kinds of countermeasures;  
 UK "40% House", Japan "Guideline for designing of autonomous and low emission house" -> 50% reduction



UK, February 2005  
“40% House”  
60% reductions

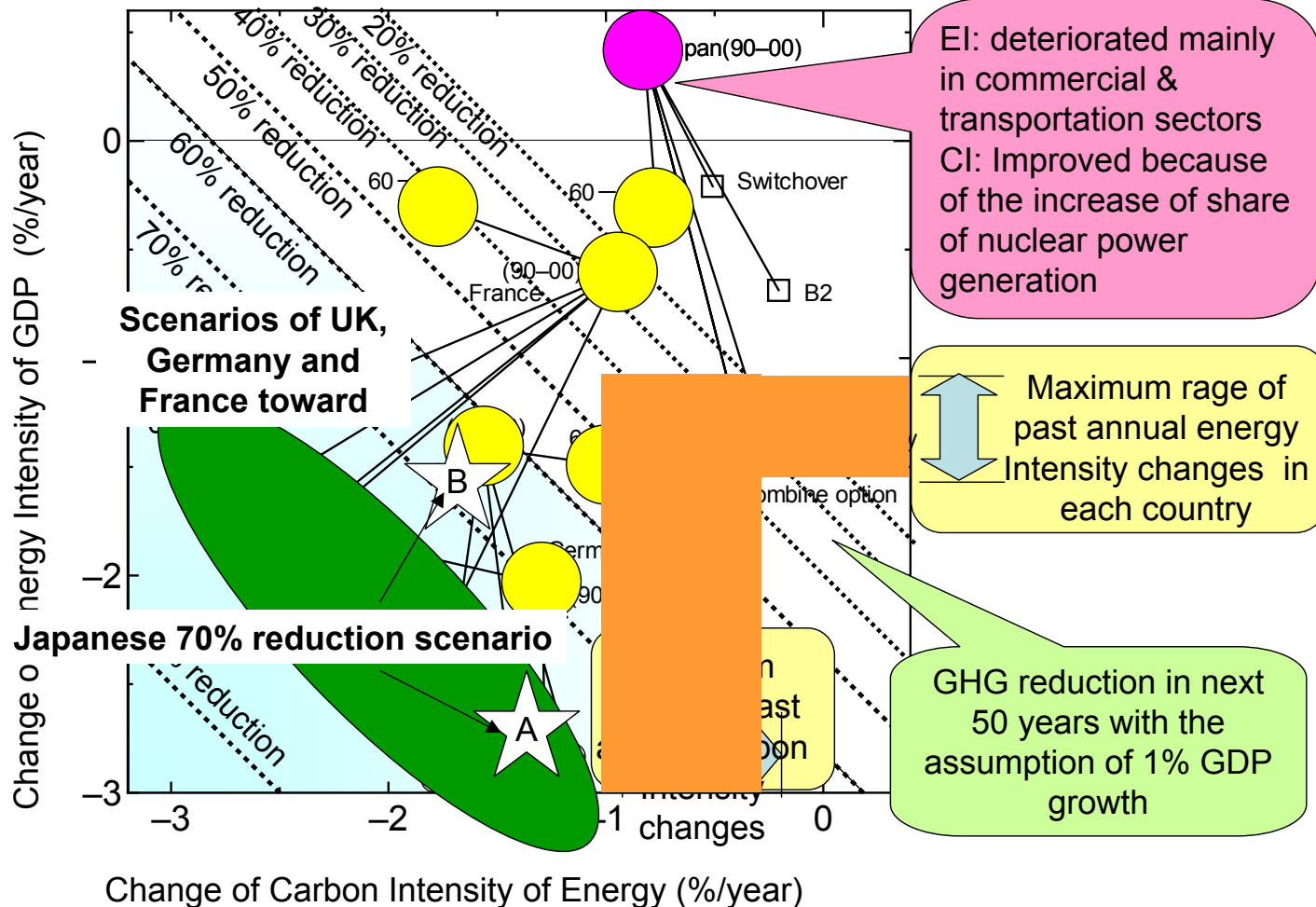


Japan, June 2005  
Guidance for Self-sustained  
Residential, 50% reductions



**Both supply side and demand side countermeasures are required to achieve 70% CO<sub>2</sub> reduction by 2050**

# How fast GHG emissions should be reduced?



EI: deteriorated mainly in commercial & transportation sectors  
 CI: Improved because of the increase of share of nuclear power generation

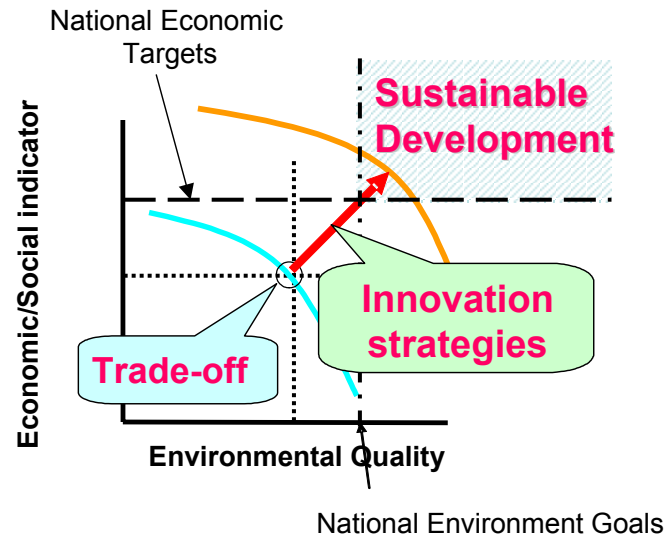
Maximum range of past annual energy Intensity changes in each country

GHG reduction in next 50 years with the assumption of 1% GDP growth

Change of Carbon Intensity of Energy (%/year)

# Development and Climate: Shifting the “Frontier” through:

- Innovations (technology, institutions)
- International and regional cooperation
- Targeted technology and investment flows
- Aligning stakeholder interests
- Focusing on inputs rather than outputs





# Development and Climate: Aligning sustainable development & climate

MDG, India's National Targets and Climate Change

MDG and global targets	India's National plan targets	Interface with climate change
<p><b>Goal 1: Eradicate extreme poverty and hunger</b></p> <p><b>Targets:</b> Halve, between 1990 and 2015, the proportion of people with income below \$1 a day and those who suffer</p>	<ul style="list-style-type: none"> <li>· Double the per capita income by 2012</li> <li>· Reduce poverty ratio by 15% by 2012</li> <li>· Contain population growth to 16.2% between 2001-2011</li> </ul>	<ul style="list-style-type: none"> <li>· Income effect would enhance choices for cleaner fuels and adaptive</li> <li>· Reduce GHG emissions due to lower</li> </ul>
<p><b>Goal 7: Ensure environmental sustainability</b></p> <p><b>Target 9:</b> Integrate SD principles in country policies/programs to reverse loss of environmental resources</p> <p><b>Target 10:</b> Halve by 2015 the proportion of people without sustainable access to safe drinking water</p>	<ul style="list-style-type: none"> <li>· Increase in forest cover to 25% by 2007 and 33% by 2012 (from 23% in 2001)</li> <li>· Sustained access to potable drinking water to all villages by 2007</li> <li>· Electrify 80,000 additional villages by 2012 via decentralized sources.</li> <li>· Cleaning of all major polluted rivers by 2007 and other notified</li> </ul>	<ul style="list-style-type: none"> <li>· Enhanced sink capacity, reduced GHG and local emissions; lower fossil imports; reduced pressure on land, resources and ecosystems</li> <li>· Higher adaptive capacity due to enhanced reach of water, health &amp;</li> </ul>

# Development and Climate: Aligning climate policies with local environment

- Co-benefits from joint market for CO<sub>2</sub> and SO<sub>2</sub> mitigation
- Co-benefits of cooperation for energy-water markets
- Co-benefits of sustainable development and mitigation of climate change
- Risks to long-life assets like infrastructures

# **Co-benefits analysis for CO<sub>2</sub> and SO<sub>2</sub> mitigation: Biomass strategies for aligning sustainable development and climate goals**

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## **Biomass Strategies**

- Biomass can enhance rural income, substitute oil imports and enhance mitigative & adaptive capacity of climate change .

## **Chinese Biomass Resources**

■ Chinese biomass resources mainly are agriculture waste, wood and forest residuals, and municipal solid waste. The total resources are about 0.7 billion tce in 2004 and that will increasing to 1 billion tce in 2020.

- Chinese biomass energy consumption was 299 Mtce in 2004.

## Technology Options

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<b>Sectors</b>	<b>Options</b>	<b>Baseline</b>	<b>Biomass Innovation</b>
Agriculture	Biomass Stove for products heating	1% in 2030	10% in 2030
Rural resident	Biogas cooking/Village based	0% in 2030	15% in 2030
	Biogas hot water heater	0% in 2030	15% in 2030
	Biomass boiler for space heating	0% in 2030	8% in 2030
Power Generation	Biomass Power generation	2% in 2030	4% in 2030
	Biogas power generation	0% in 2030	2% in 2030
	Bio-Gas power generation from Husbandry	0% in 2030	1% in 2030
Transport	Bio-Diesel	0% in 2030	10% in 2030
	Ethanol from corn	5% in 2030	8% in 2030
	Ethanol from agriculture waste	0% in 2030	5% in 2030
	Ethanol from agriculture products	0% in 2030	6% in 2030

## Policy Options

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<b>Policy Options</b>	<b>Note</b>
National Target for renewable energy	10% by 2020, was given by renewable energy law. More expected in 2030
Biomass technology R&D	Biogas technologies, Ethanol from agriculture waste
Subsidy for biogas power generation in husbandry	Higher price for power from biogas power generation to cover the cost
Government investment in rural infrastructure	New Countryside in China
Demonstration Projects	Supported by government and international collaboration
Pollutant emission control	Important for ethanol gasoline, bio-diesel
Local MDG	Link biomass utilization with economic development and employment

## **Policy Case**

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### **Biomass Power Tariff Application Scope**

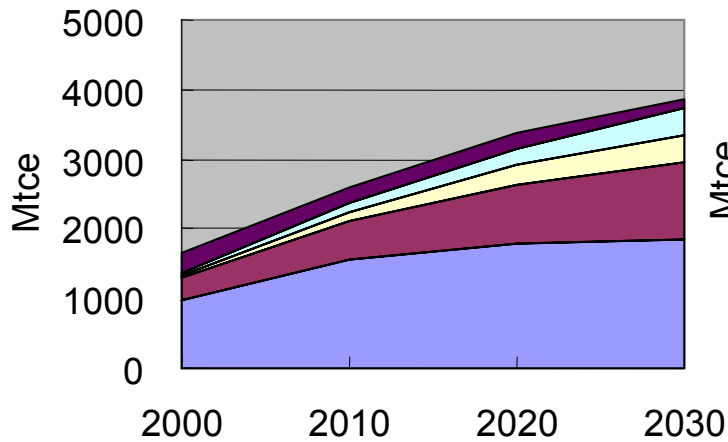
- Biomass power including both the direct combustion and gasification of agricultural and forest waste, municipal incineration power, landfill gas, and biogas power

### **Principles for Setting RE Power prices**

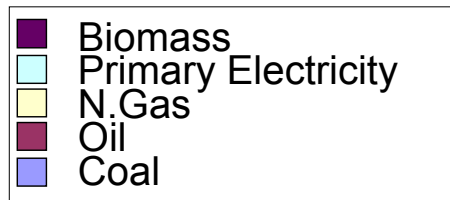
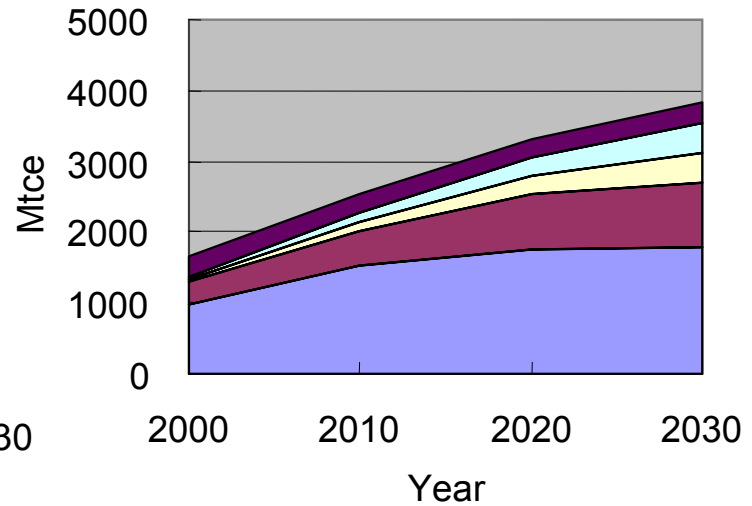
- The internal rate of return (IRR) from RE power projects should be more than the average conventional energy power

# Primary Energy Demand in China: Baseline

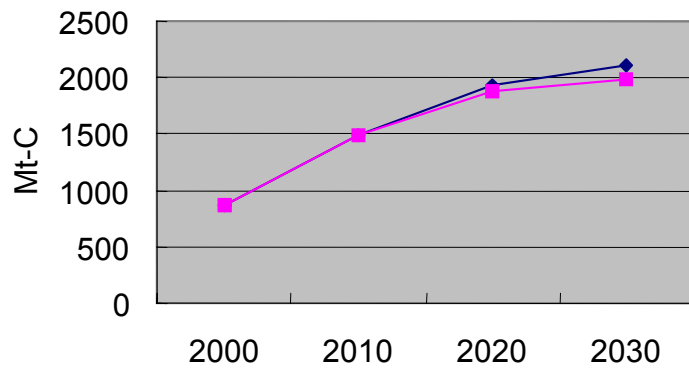
## Baseline



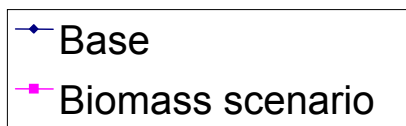
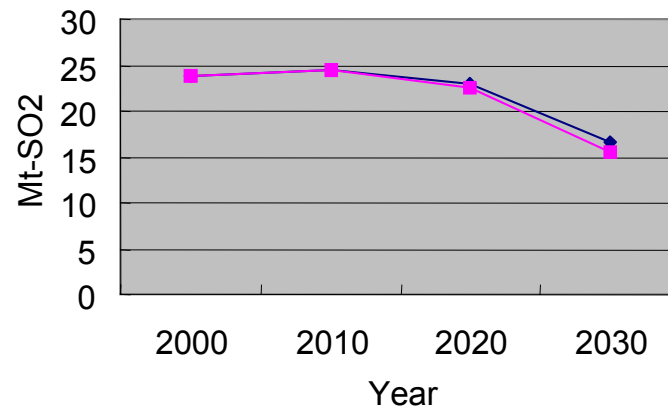
## biomass case



### CO2 Emission in China

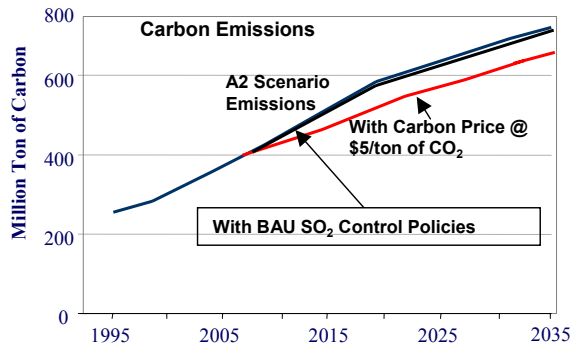
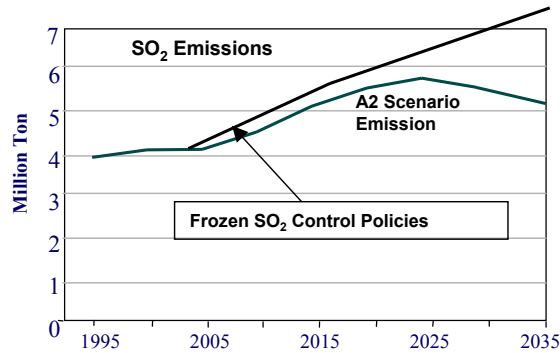


### SO2 Emission in China





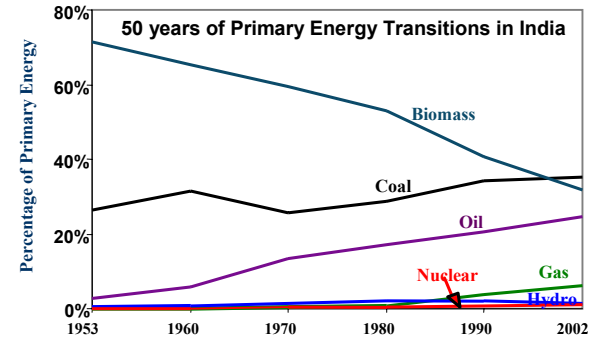
## Joint SO<sub>2</sub> and CO<sub>2</sub> Mitigation



### Joint Mitigation (Period 2005-2030)

Mitigation Regime	Co-benefits
<i>SO<sub>2</sub> mitigation alone</i>	Little carbon mitigation
<i>Joint Mitigation: CO<sub>2</sub> mitigation @ \$5/ton &amp; same SO<sub>2</sub> target</i>	Joint mitigation costs \$400 Million less

## Energy Security and GHG Mitigation



### Energy Security: How choices matter to climate?

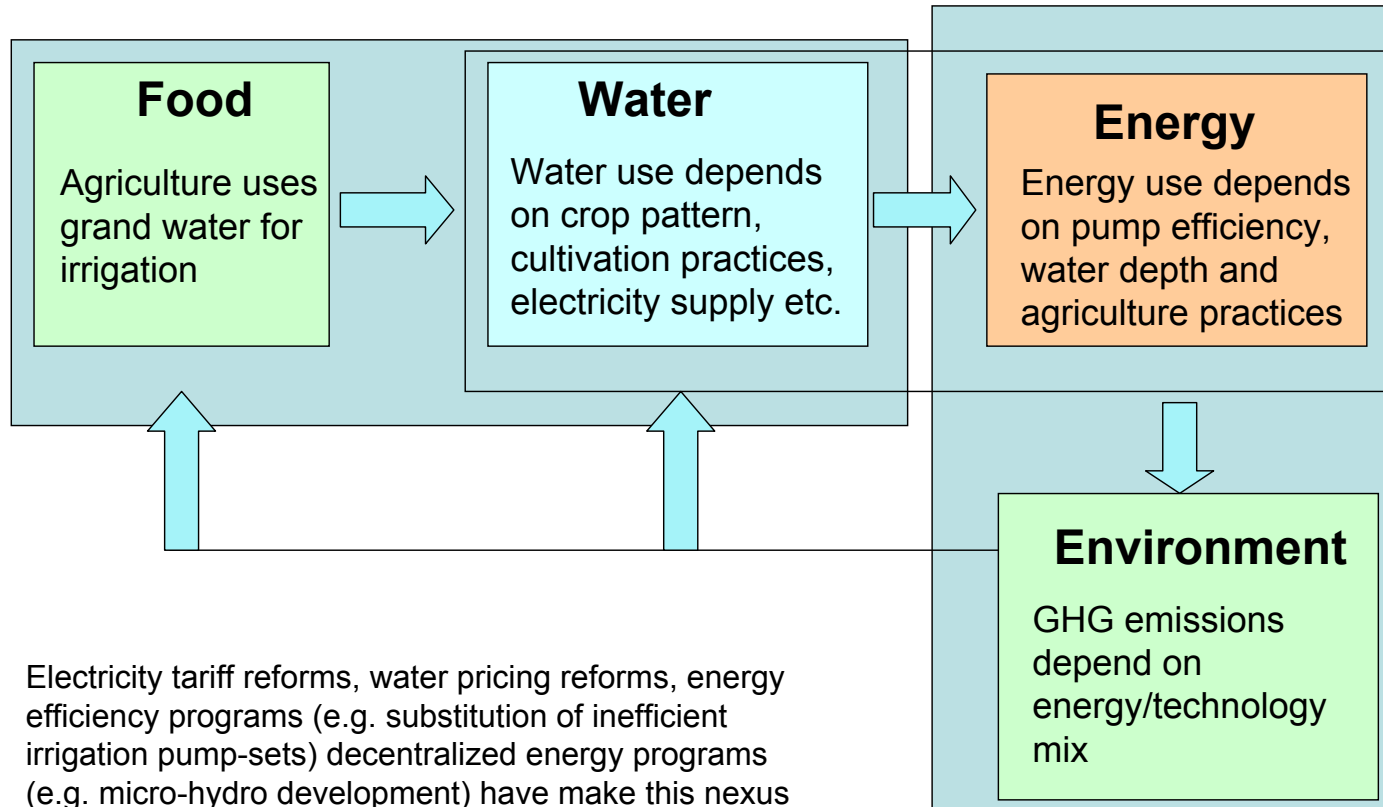
- Domestic Coal – High Emissions
- Nuclear Fission – Carbon Free, Safety Issues
- Wind – Limited Potential, Supply stability
- Solar – High upfront cost, Supply stability, Storage
- Bio-fuels
  - Ethanol – Food Security, Water Stress
  - Bio-Diesel – Land Restoration, Employment

### Indian Bio-diesel Mission

- **Phase I (2003-07): Demonstration Projects**
  - Crop: *Jatropha Curcas*
  - 400,000 hectares of land
  - Participation by Oil Companies
- **Phase II (2007-2012)**
  - Self Sustaining Expansion of Biodiesel
  - Production target 1.2 MT of oil/ hectare



# Food-Water-Energy-Environment Nexus



Electricity tariff reforms, water pricing reforms, energy efficiency programs (e.g. substitution of inefficient irrigation pump-sets) decentralized energy programs (e.g. micro-hydro development) have make this nexus more sustainable



# Conclusion: Aligning Development and Climate

## **Transition to Low Carbon Society**

- Global development along high carbon path is untenable
- Stand-alone decarbonization is costly
- Most sustainable development actions are climate friendly
- Mainstreaming climate change in development actions reduces welfare losses

# Open Symposium “Challenges to achieve Low Carbon Society - 1st anniversary of Kyoto Protocol -”

16 February 2006

Organizer: Ministry of Environment,  
Japan (MoEJ), Co-Organizers:  
British Embassy to Japan,  
National Institute for  
Environmental Studies (NIES)

We had around 400 audiences.

Minister of the Environment, Koike  
and the British Ambassador to  
Japan, Graham Fry pressed that  
we start joint research project for  
challenges to achieve  
Low Carbon Society (LCS).



Sir Graham Fry

Ms Koike

# What is role of technology for sustainability? What kind of future we'd like to have?



Open Symposium “Low-Carbon Society Scenario toward 2050: Scenario Development and its Implication for Policy Measures” (24 March 2005) & Workshop (25 March 2005), Tokyo

Japan  
Low Carbon  
Society 2050



NIES COP11 and COP/MOP1 side event on December 3<sup>rd</sup> in Montreal

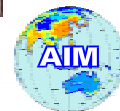
**Global Challenges Toward  
Low-Carbon Economy (LCE)  
-Scenarios from 8 countries -**



**The 11th AIM International  
Workshop on 19-21 February  
2006, Tsukuba**



**AIM/APEIS Training  
Workshop  
(November, 2005)**



Thank you for  
your attention!

For more information, please visit  
<http://www-iam.nies.go.jp/aim> &  
<http://2050.nies.go.jp>.