

Overview of the Bill of the Basic Act on Global Warming Countermeasures  
(Provisional Translation)

*The new Japanese bill of the "Basic Act on Global Warming Countermeasures" was approved by the cabinet on October 8, and submitted to the Diet.*

Purpose

The mitigation of and adaptation to climate change are issues faced in common by all humankind and it is critical to address climate change under a fair and effective international framework in which all major economies participate. In light of these points, in order to contribute to the global greenhouse gas emissions reduction and bring about a society that emits as little greenhouse gas as possible, Japan will promote global warming countermeasures while ensuring economic growth, stable employment and stable supply of energy. It will also contribute to conserving the global environment and to ensuring the present and future healthy and culturally-rich lives of the Japanese people.

Basic Principles

The Bill establishes the following principles for global warming countermeasures:

- Create a society that can reduce greenhouse gas emissions while realizing sustained economic growth that ensures prosperous lives of the people and competitiveness of industry through the establishment of new lifestyles and other means
- Engage in active promotion through international cooperation, bringing out our knowledge, technology, and experience
- Develop industries contributing to mitigation of and adaptation to climate change; expand opportunities for job creation; ensure stable employment
- Ensure a stable energy supply, coordinating with energy-related measures
- Gain understanding of the effects and impacts of global warming countermeasures on economic activities and people's daily lives

Mid- and Long-term Goals

Greenhouse gas emissions reduction targets:

- A reduction of 25% below 1990 level by 2020, premised on the establishment of a fair and effective international framework by all major economies and agreement on their ambitious targets
- A reduction of 80% below 1990 level by 2050, striving to share with all economies the vision of the goal of achieving at least 50% reduction of global emissions by 2050

Renewable energy target:

- Raising the share of renewable energy out of total primary energy supply to 10% by 2020

## Basic Plan

- Formulate a plan to chart out the comprehensive and systematic promotion of global warming countermeasures

## Basic Measures

### *[Emission Trading System]*

- Establish domestic emission trading scheme (Setting limits of emission and allowing trading for complying with the limits) by elaborating a legislative measure within around one year after coming into force of the Basic Act
- Consider a formula of setting limits of emission as absolute amount of GHG emission in principle, while consider a formula of setting limits of emission as intensity as well

### *[Tax for Measures against Global Warming]*

- “Greening” of the tax system overall, including the consideration of a tax for measures against global warming to be implemented from fiscal year 2011

### *[Feed-in Tariff]*

- Promote the use of renewable energy, including introduction of a feed-in tariff system for whole renewable energy

### *[Changing Lifestyle]*

- Promote energy efficiency in such areas as machinery and appliances, and buildings.
- Promote voluntary activities by business and private
- Advance education, learning and public relations activities
- Disclose information to public on emissions volumes of activities by business and public sector and of use of products and services and countermeasures on those emissions

### *[Local Development]*

- Promote measures concerning the formation of local communities through the concentration of urban functions and other means
- Limit emission related to transport through the appropriate use of automobiles and modal shift
- Maintain and strengthen absorption of greenhouse gases through forest improvement, promotion of tree planting and greening activities, etc.
- Provide necessary assistance for local authorities

*[Industry]*

- Promote development and deployment of innovative technologies
- Promote energy efficiency in such areas as machinery and appliances, and buildings.
- Shift energy sources to one with lower greenhouse gas emissions volumes and promote efficient utilization of fossil fuels
- Create new businesses that contribute to mitigation of and adaptation to climate change

*[Nuclear energy]*

- Promote measures for nuclear energy while ensuring safety and gaining understanding and confidence of the Japanese people

*[Adaptation to Climate Change]*

- Promote adaptation measures to climate change in a planned manner through assessment of global warming and its effects

*[International Cooperation]*

- Take necessary measures in order to promote international cooperation as follows:
  - Ensure international partnership for mitigation of and adaptation to climate change
  - Establish a new international framework on finance
  - Establish schemes that appropriately evaluate contribution of technologies, products and other means to emission limitation in foreign countries
- Promote international cooperative actions for mitigation of and adaptation to climate change by local government, private entities and others