

# Japan's Voluntary Emissions Trading Scheme (JVETS)

March 19, 2009

Office of Market Mechanisms,  
Climate Change Policy Division,  
Global Environment Bureau,  
Ministry of the Environment, Japan

## What is Japan's Voluntary Emissions Trading Scheme (JVETS)?

Ministry of the Environment, Japan (MOEJ) has started JVETS to accumulate knowledge and experience about emissions trading in Japan and to support CO2 emissions reduction activities by Japanese business operators.

### **Scheme Overview**

The scheme aims to support voluntary CO2 reduction activities by business operators and to ensure their target achievement in a cost-effective way using (1) a subsidy to facilities which contribute CO2 emissions reduction, (2) participants' commitments to reduce CO2 emissions below their base year emissions and (3) emissions trading.

### **Merits for scheme participants**

- (1) Subsidy to facilities which contribute CO2 emissions reduction
- (2) Opportunity to take third-party verifications of their CO2 emissions
- (3) Sales revenues from their surplus emission allowances
- (4) Acquisition of know-how on domestic emissions trading
- (5) Acquisition of know-how on the established CO2 emissions calculation system
- (6) Reduction of energy costs for JVETS participants

# JVETS in Kyoto Protocol Target Achievement Plan

## Kyoto Protocol Target Achievement Plan (Cabinet Decision on March. 28, 2008)

### (6-3) Domestic Emissions Trading System (p. 59)

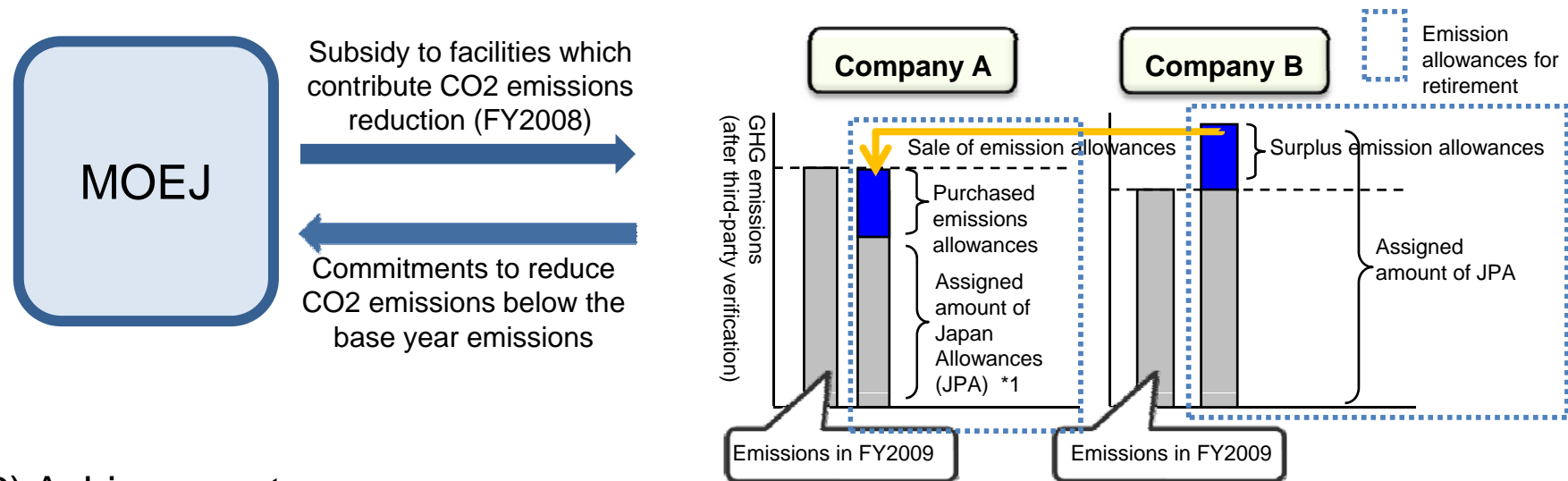
In order to accumulate knowledge and experience concerning certain and cost-efficient emissions reductions and trading, etc., the Government of Japan provides economic incentives for the corporations that make efforts to achieve reduction targets they have determined themselves, and has been implementing voluntary participation domestic emissions trading utilizing the trade of emissions quotas since FY2005. After the end of the first round in the summer of 2007, taking into account the results gained, the government will expand the system for the purpose of accumulating more useful knowledge and experience by increasing participants, diversifying participating methods, making verification process more effective, etc.

The domestic emissions trading system, with including a viewpoint of materializing Japan's intermediate global warming strategy, and sufficiently considering the considerable reduction effects expected by the evaluation and verification of FY 2007 because of "Expansion and Reinforcement of the Voluntary Action Plan," a central pillar of industrial sector policy, is an issue that must be comprehensively studied about the wide range of discussion points includes a comparison of the domestic emissions trading system with other methods and their effects, the impact on industrial activities and the national economy, international trends, etc.

# JVETS overview

## (1) Scheme outline

- Launched by MOEJ in 2005
- Supports voluntary CO2 reduction activities by business operators and ensures their target achievement in a cost-effective way using a subsidy to facilities which contributes CO2 emissions reduction, participants' commitment to reduce CO2 emissions below their base year emissions, and emissions trading
- Participants of JVETS are counted as participants of Japanese Experimental Emissions Trading Scheme.
- Candidates should be factories and offices which are NOT included in *Voluntary Action Plan (VAP)*

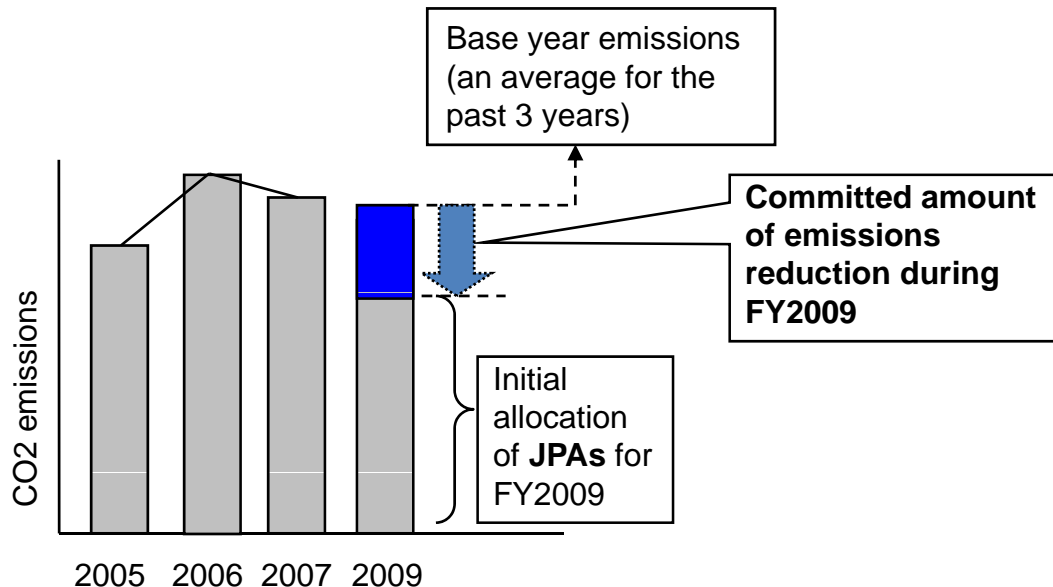
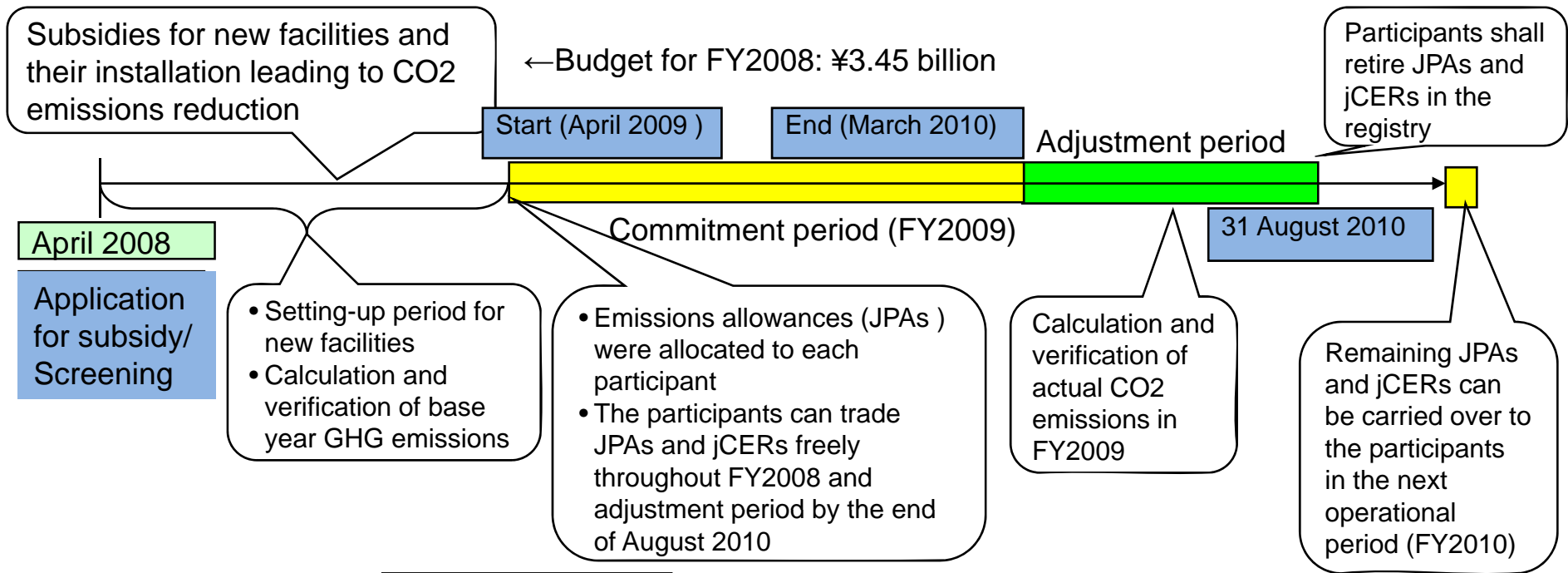


## (2) Achievements

- Total participants: 232 companies
- Emissions reduction in FY2007 by 2<sup>nd</sup> phase (FY 2006) participants: 280,192t-CO2 (25% of the total emissions in the base year emissions) cf. their original emissions reduction plan: 19% of the total emissions in the base year emissions
- Total transactions in the 2<sup>nd</sup> phase: 51 transactions (54,643t-CO2 in total) with the average price of ¥1,250/t-CO2.
- Development of infrastructure for emissions trading: Emissions monitoring, reporting and verification guidelines, the registry for emissions trading, and the emissions management system

\*1 : Assigned amount of JPA = Base year emissions (an average for the past 3 years)-Expected emissions reduction

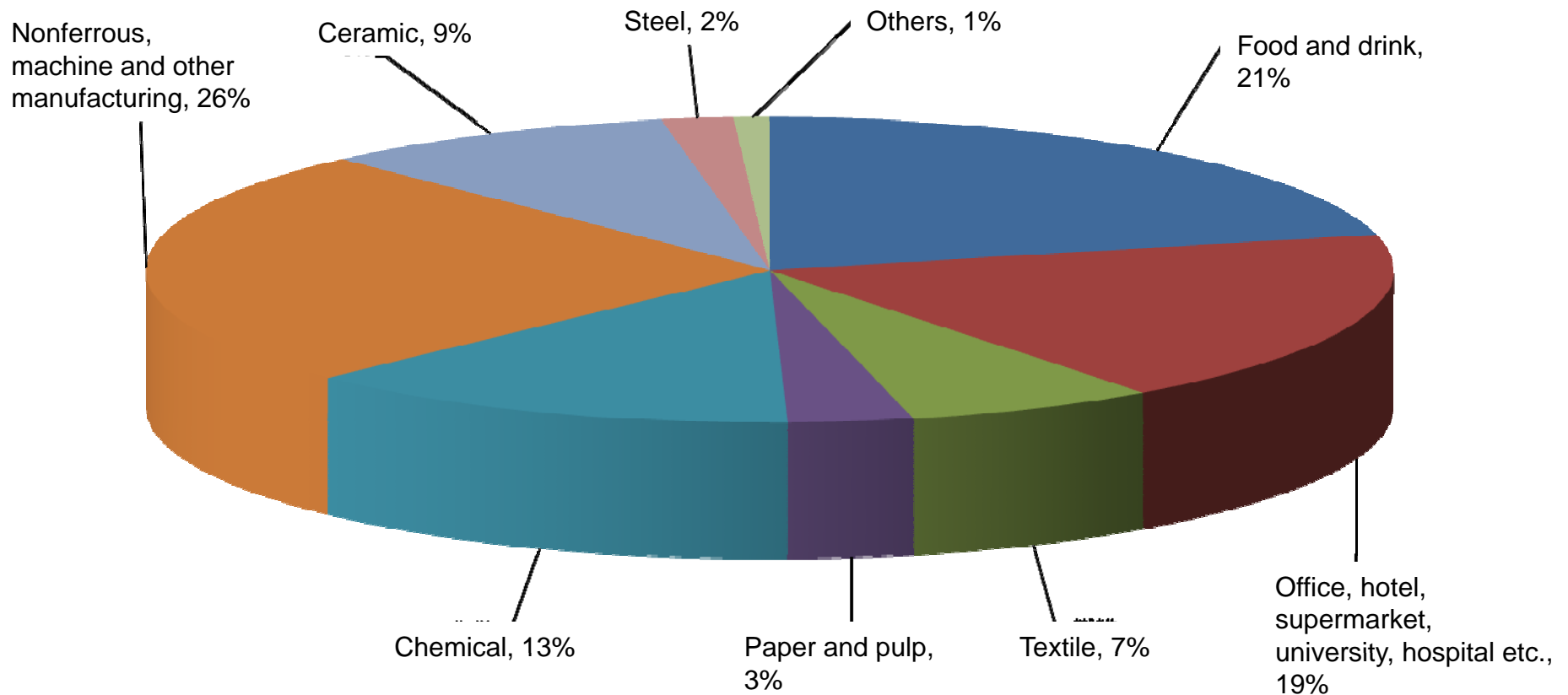
# Japan's Voluntary Emissions Trading Scheme (JVETS) 4<sup>th</sup> phase



## <Notes>

- After the final trading period, if participants cannot retire JPAs corresponding to the actual amount of their emissions, the subsidies paid should be returned.
- CERs from CDM projects also can be used for the retirement in the registry.

# Industrial classification of JVETS participants (1<sup>st</sup> to 4<sup>th</sup> phases)



\*If one company registered its two branches, they were counted individually.

# Main participant list in JVETS (1<sup>st</sup> to 4<sup>th</sup> phases)

## 1<sup>st</sup> phase (2005-2007)

Nippon Electric Glass Co., Ltd.  
Mitsubishi Gas Chemical Co., Inc.  
Asahi Fiber Glass Co., Ltd.  
Teijin Techno Products Ltd.  
Yamazaki Baking Co., Ltd.

Nissan Shatai Co., Ltd.  
Kitasenju branch, LUMINE Co., Ltd.  
The SEIYU Co, Ltd.  
INAX Co.  
Panasonic Electric Works Gumma Co., Ltd. etc.

## 2<sup>nd</sup> phase (2006-2008)

Rengo Co., Ltd.  
Tokai Senko K.K.  
TOTO Ltd.  
Suntory Shokuhin Kogyo Ltd.  
House Foods Co.

INAX Co.  
Victor Company of Japan, Ltd.  
Suntory Ltd.  
Calpis Co., Ltd.  
Meiji Dairies Co. etc.

## 3<sup>rd</sup> phase (2007-2009)

Toyo Kohan Co., Ltd.  
Teijin Fibers Ltd.  
Daiwa House Industry Co., Ltd.  
Mitsubishi Plastics Inc.

Hitachi Seisen Ltd.  
Sumitomo Rubber Industries Ltd.  
Kikkoman Co.  
Nippon Milk Community Co., Ltd. etc.

## 4<sup>th</sup> phase (2005-2007)

Takeda Pharmaceutical Co., Ltd.  
TOYOBO Co., Ltd  
Showa Denko K.K.  
Sumitomo Light Metal Industries Ltd.

Isuzu Motors Ltd.  
Epson Imaging Devices Co.  
New Otani Co., Ltd.  
Family Mart Co., Ltd. etc.

Source: <http://www.env.go.jp/earth/ondanka/det/koubo-result.html>

# Key features of JVETS

## **(1) First carbon pricing and emissions trading in Japan**

- Transactions are available on request for 10am-6pm (JST) on business days
- Settlement is completed by emissions allowance transaction

## **(2) Development of infrastructure for emissions trading**

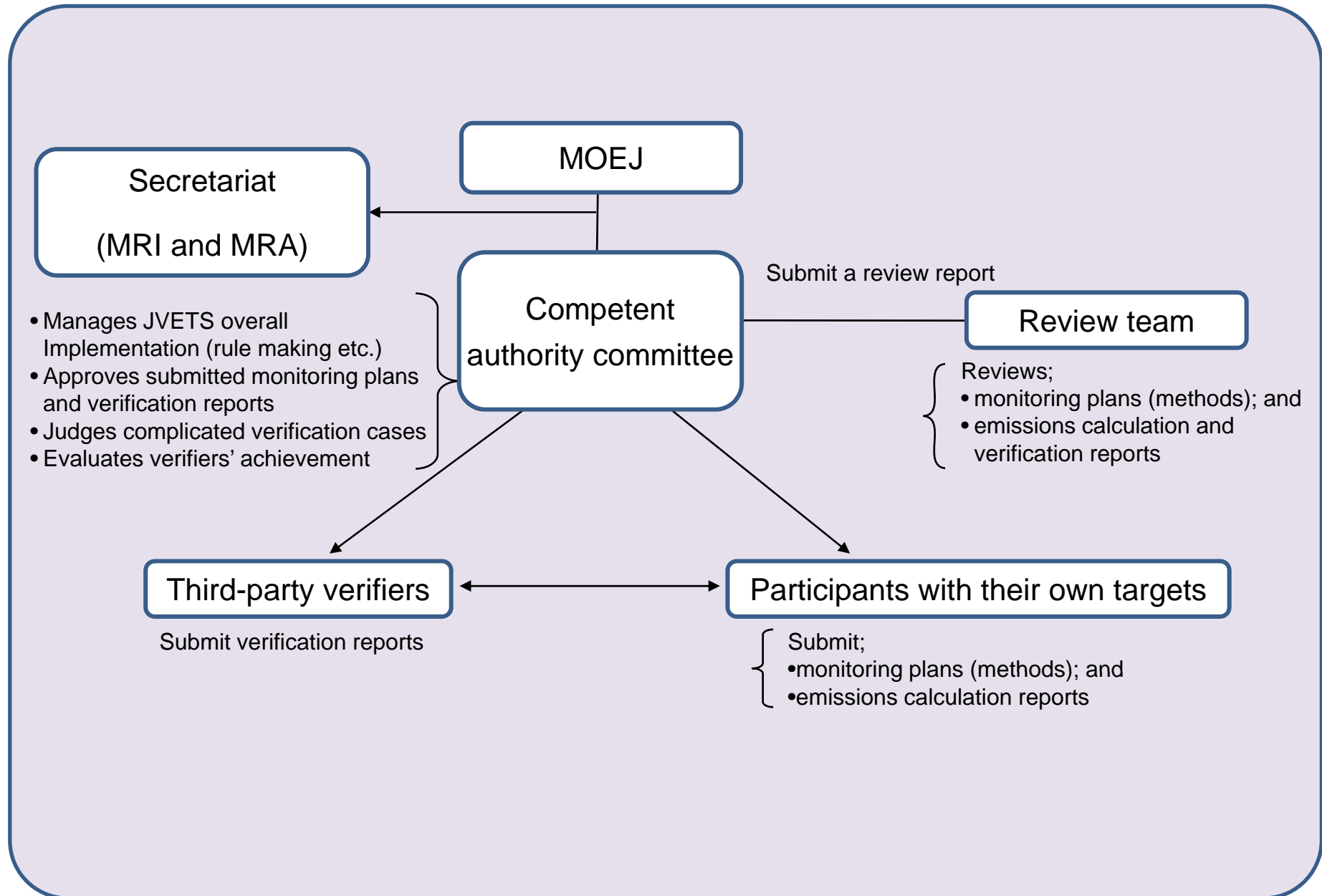
- IT system: the registry system, emissions management system, and trade matching system
- Guidelines: the monitoring and reporting guidelines, emissions verification guidelines
- Form of documents for a transaction contract
- Proposals for accounting treatment of emissions allowances in emissions trading

## **(3) Introduction of third-party emissions verification**

- Third-party verifiers conduct emissions verification for participants' base year emissions and their reduced emissions
- Third-party verification ensures credibility of emissions allowances as “merchandise”

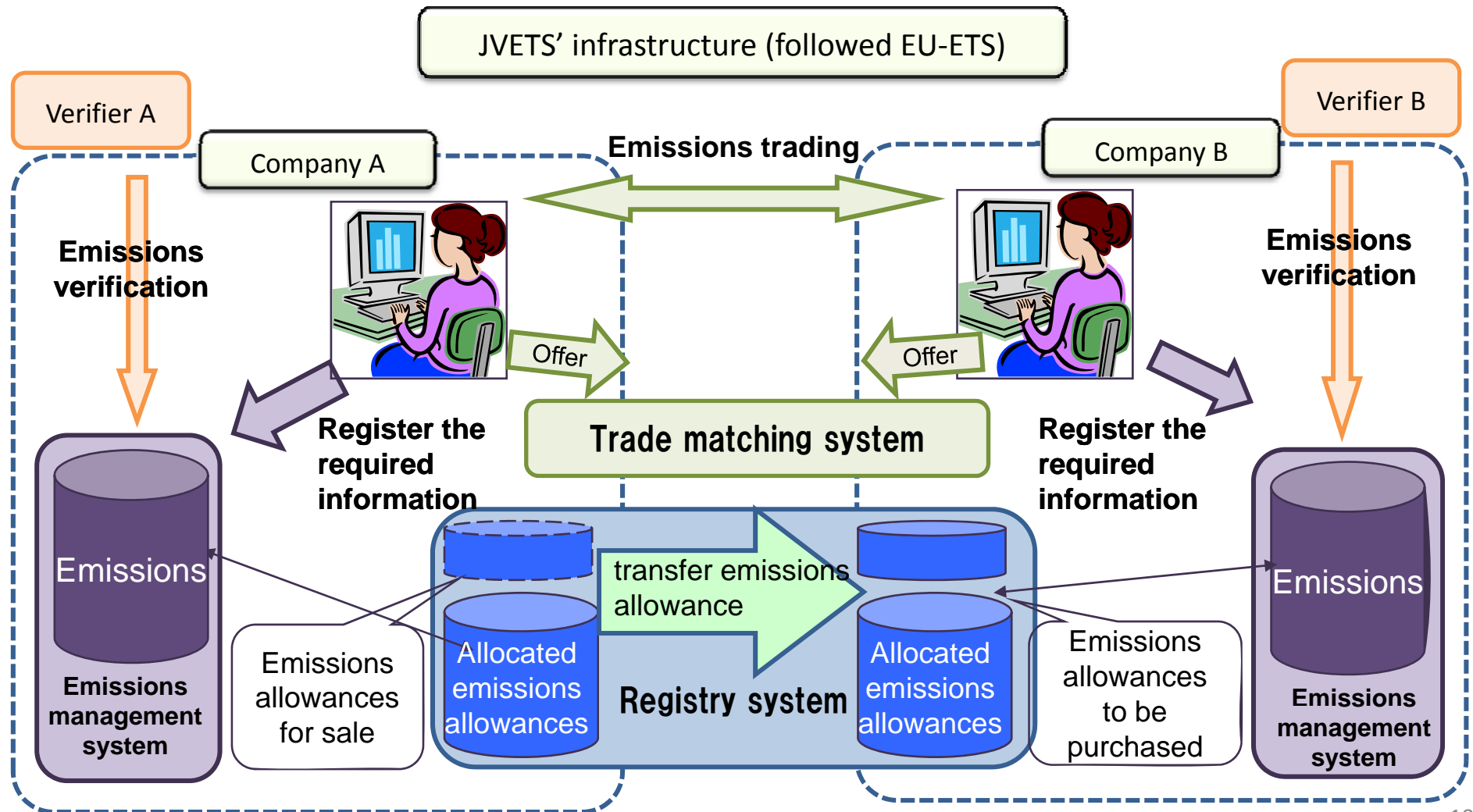


# JVETS 4<sup>th</sup> phase (FY2008) operation system



# JVETS Operation Infrastructure

One of the big contributions of JVETS is that it has established basic infrastructure (the emission monitoring, reporting and verification guidelines, registry system, and emissions management system etc.) which is required for smooth operation.



# Three core systems of JVETS

System	System overview	Contribution
Registry system	<ul style="list-style-type: none"> <li>• Manages the initial allocations (JPAs), emissions allowance transactions (trading) and retirement</li> <li>• Manages all accepted allowances and credits in JVETS (JPAs and jCER)</li> <li>• Emission allowance transaction time: 10am-6pm (JST) on business days</li> </ul>	<ul style="list-style-type: none"> <li>• No double counting and the same security level of allowance retirement as the national registry in Kyoto Protocol</li> <li>• Open access to the web-based registry system for all participants</li> </ul>
Emissions management system	<ul style="list-style-type: none"> <li>• Based on the emissions monitoring and reporting guidelines, all participants' emissions base years and their actual emissions amounts in their commitment periods are stored under the system. The data will be used for third-party verification.</li> <li>• Adopts existed monitoring methods (mainly energy purchasing bill)</li> <li>• EU-ETS verifiers voluntarily use similar management systems</li> </ul>	<ul style="list-style-type: none"> <li>• Integrated emissions calculation method</li> <li>• Streamlined emissions calculation and verification processes</li> <li>• Database of all stakeholder information</li> </ul>
Trade matching system ("GHG-trade.com")	<ul style="list-style-type: none"> <li>• Encourages emission allowance transactions among the participants</li> <li>• Requires pre-contacts before sales of allowances</li> <li>• Updates allowance prices and amounts for participants' transactions on the notice board. (After confirmation of the contract details, participants should pay to their clients' bank accounts and apply for allowance transactions in the registry system.)</li> </ul>	<ul style="list-style-type: none"> <li>• Opportunities for the participants to find their trading counterparts through the Internet</li> </ul>

# Registry System of JVETS: Image (1)

国別登録簿システム - Microsoft Internet Explorer

環境省 Ministry of the Environment JVETS Registry System,  
**自主参加型国内排出量取引登録簿システム**  
 The Japan's Voluntary Emissions Trading Registry System

メニューへ戻る ユーザマニュアル お問合せ FAQ ログアウト

現在日時 (JST) : 2005年10月05日10:38

クレジット移転方法選択 ⇒ **クレジット移転情報入力** ⇒ クレジット移転情報確認 ⇒ クレジット移転完了通知

Input Information of Allowance Transfer (Domestic Transfer)

## クレジット移転情報入力 (国内移転)

以下の情報を入力し、「確認」ボタンを押して下さい。  
 移転処理は一度に10件まで行えます。

Sender's Account Number 移転元口座番号: JP-100-00000-00000-00053-00

Sender's Name of Company 移転元法人名: 第一国別商事

①移転先口座番号入力 Receiver's Account Number

-  -  -  -  -

②移転クレジット情報入力 Input Information of Allowance to be Sent

国名記号	クレジット種別	発行 約束期間	適用 約束期間	プロジェクト 番号	クレジット量 (t-CO <sub>2</sub> )	
JP	JPA	01	01		100	Delete
<input type="text"/>	JPA	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	削除
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	追加

Origin Allowance Type Issued Period Adopted Period Project Number Amount of Allowance

確認 選択画面へ戻る

Confirm Back to Menu

# Registry System of JVETS: Image (2)

環境省自主参加型国内排出量取引登録システム - Microsoft Internet Explorer

ファイル(E) 編集(E) 表示(V) お気に入り(A) ツール(I) ヘルプ(H)

照会する日付の範囲を指定し、「移転明細照会結果表示」ボタンを押して下さい。

照会期間日付

2005年 12月 01日 ~ 2005年 12月 31日

口座番号: JP-100-00000-00000-00006-00

Account Number 口座番号: JP-100-00000-00000-00006-00

Displayed Period 照会期間: 2005/12/01 ~ 2005/12/31

Incoming Allowances 転入クレジット量 (集計): 1,200 t-CO<sub>2</sub>

Outgoing Allowances 転出クレジット量 (集計): 75 t-CO<sub>2</sub>

Amount of Allowance

移転明細照会結果表示

Display Detailed Transfer Results

Display of Detailed Transfer Results

## 移転明細結果表示

移転日付	トランザクション種別	状態	移転元法人名	移転先法人名	クレジット量 (t-CO <sub>2</sub> )		訂正フラグ	詳細
					入	出		
2005/12/21	発行	処理完了		法人B (排出量削減事業者D)	1,000			詳細
2005/12/21	国内移転	処理完了	法人A	法人B (排出量削減事業者D)	100			詳細
2005/12/21	国内移転	処理完了	法人B (排出量削減事業者D)	法人A		50		詳細
2005/12/21	発行	処理完了		法人B (排出量削減事業者D)	50			詳細
2005/12/21	国内移転	処理完了	法人B (排出量削減事業者D)	法人C		25		詳細
2005/12/21	国内移転	処理完了	法人A	法人B (排出量削減事業者D)	50		訂正	詳細

クレジット量 (t-CO<sub>2</sub>)

入

出

訂正フラグ

Amount of Allowance

入

出

訂正

Details

※訂正フラグに「訂正」と記述されたクレジットは過誤訂正処理にて移転したクレジットであることを示します。

※国際移転の場合、法人名欄に口座番号を表示します。

Back to Input Screen

入力画面へ戻る

# Registry System of JVETS: Image (3)

環境省 Ministry of the Environment JVETS Registry System, 自主参加型国内排出量取引登録簿システム The Japan's Voluntary Emissions Trading Registry System

メニューへ戻る ユーザマニュアル お問い合わせ FAQ ログアウト

現在日時 (JST) : 2006年01月23日15:23

Display of Detailed Balance Results  
残高照会結果表示

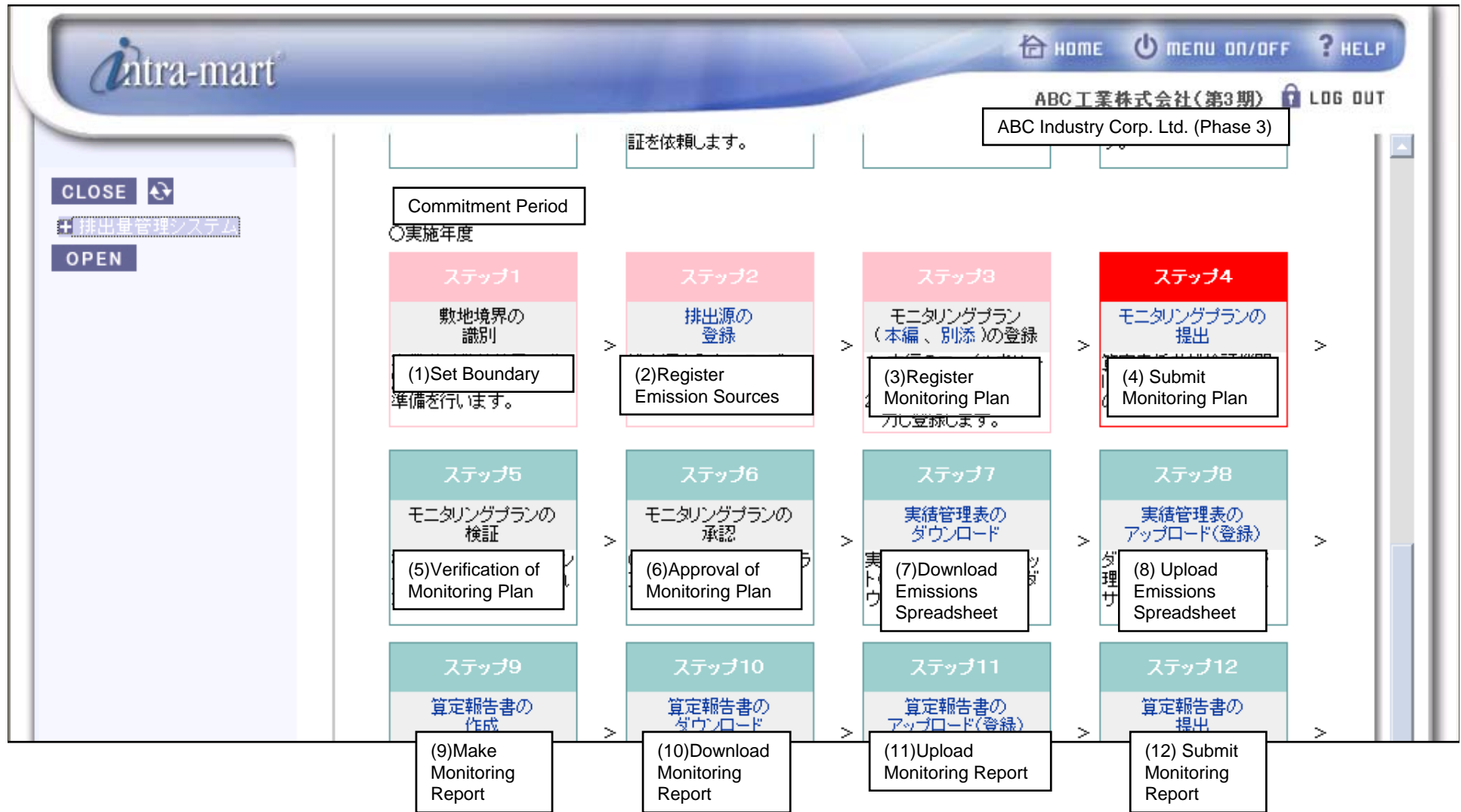
Account Number  
Company's name  
Balance of Allowance  
Commitment Reserve  
Transferrable Allowances

口座番号: JP-100-00000-00000-00006-00  
 法人名: 法人B (排出量削減事業者D)  
 保有クレジット残高: 1,125 t-CO<sub>2</sub>  
 コミットメントリザーブ量: 800 t-CO<sub>2</sub>  
 移転可能クレジット量: 325 t-CO<sub>2</sub>

Number	Origin	Allowance Types	Issued Period	Adopted Period	Amount of Allowance
項番	原産 締約国	クレジット 種別	発行 約束期間	適用 約束期間	クレジット量 (t-CO <sub>2</sub> )
1	JP	JPA	00	00	50
2	JP	JPA	00	00	50
3	JP	JPA	00	00	1,000
4	JP	jCER	00	00	25

Print  
印刷

# Emissions Management System of JVETS: Image (1)



# Emissions Management System of JVETS: Image (2)

i

ntra-mart

HOME MENU ON/OFF ? HELP

ABC工業株式会社 LOG OUT

ABC Industry Corp. Ltd.

\*: Required Field  
\*: 入力必須項目

Boundary is set based on: Relevant legal documents

敷地境界の識別根拠\*

**CLOSE**

■ 排出量管理システム

■ 基準年度

■ 実施年度

- 排出源の登録
- モニタリングの登録
- モニタリングの提出
- 実績管理表のダウンロード
- 実績管理表のアップロード
- 算定報告書の作成
- 算定報告書のダウンロード
- 算定報告書のアップロード
- 算定報告書の提出
- 承認解除依頼
- ドキュメント管理
- パスワード変更

**OPEN**

排出源 No. *	排出源 *	排出源の種類*				排出源の洗い出しの根拠*	除外	理由	コージェネレーション	外部供給	備考	削除
		1	2	3	4							
1	中央受電所	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	消防法届書類	<input type="checkbox"/>	A-D	編集	<input type="checkbox"/>	<input type="checkbox"/>	編集 削除
2	重油ボイラ	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	消防法届書類	<input type="checkbox"/>	A-D	編集	<input type="checkbox"/>	<input type="checkbox"/>	編集 削除
3	廃棄物焼却炉	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	大気汚染防止法	<input type="checkbox"/>	A-D	編集	<input type="checkbox"/>	<input type="checkbox"/>	編集 削除
4	ガスボイラ1、2	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	消防法届書類	<input type="checkbox"/>	A-D	編集	<input type="checkbox"/>	<input type="checkbox"/>	編集 削除
5	LPGコージェネ	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	高圧ガス保安法	<input type="checkbox"/>	A-D	編集	<input checked="" type="checkbox"/>	<input type="checkbox"/>	編集 削除
6	自家発電設備	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	消防法届書類	<input type="checkbox"/>	A-D	編集	<input type="checkbox"/>	<input checked="" type="checkbox"/>	編集 削除
7	灯油ストーブ	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	納品伝票	<input checked="" type="checkbox"/>	A	編集	<input type="checkbox"/>	<input type="checkbox"/>	編集 削除
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	A-D	編集	<input type="checkbox"/>	<input type="checkbox"/>	編集 削除
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	A-D	編集	<input type="checkbox"/>	<input type="checkbox"/>	編集 削除
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	A-D	編集	<input type="checkbox"/>	<input type="checkbox"/>	編集 削除

詳しい記入方法は[こちら](#)

Add Sources

Temp. Save

Register



# Key guidelines in JVETS

## Monitoring and reporting guidelines

- Play as an equivalent to EU-ETS Monitoring and Reporting Guidelines
- Suggest appropriate CO2 emissions monitoring and reporting by the participants

## Emission verification guidelines

- Encourage appropriate emissions verification for the third-party verifiers

- **Ensure consistency with International standards such as ISO 14064 series and ISO 14065**
- **Secure high accuracy in emissions calculation and verification**
- **Achieve cost-effective verification which contributes to total cost cut of emissions reduction for the participants**

# JVETS third-party verifiers

## 4<sup>th</sup> phase (2008-2010)

Currently, 20 verifiers are on the list of JVETS third-party verifiers.

1. KPMG AZSA & Co.
2. SGS Japan Inc.
3. PricewaterhouseCoopers Arata Sustainability Certification Co., Ltd.
4. Deloitte Tohmatsu Evaluation and Certification Organization Co., Ltd.
5. Ernst & Young ShinNihon Sustainability Institute Co., Ltd.
6. JACO CDM Ltd.
7. Japan Quality Assurance Org.
8. Japan Management Assn.
9. Japan Consulting Inst., JCI CDM center
10. Det Norske Veritas AS
11. TÜV SÜD Japan Ltd.
12. TÜV Rheinland Japan Ltd.
13. Nippon Kaiji Kentei Quality Assurance Ltd.
14. JIC Quality Assurance Ltd.
15. BSI Management Systems Japan K.K.
16. Bureau Veritas Japan Co., Ltd.
17. Lloyd's Register Quality Assurance Ltd.
18. Perry Johnson Registrars Clean Development Mechanism, Inc.
19. Japan Smart Energy Co., Ltd.
20. Environment & Quality Assurance International Certification Center

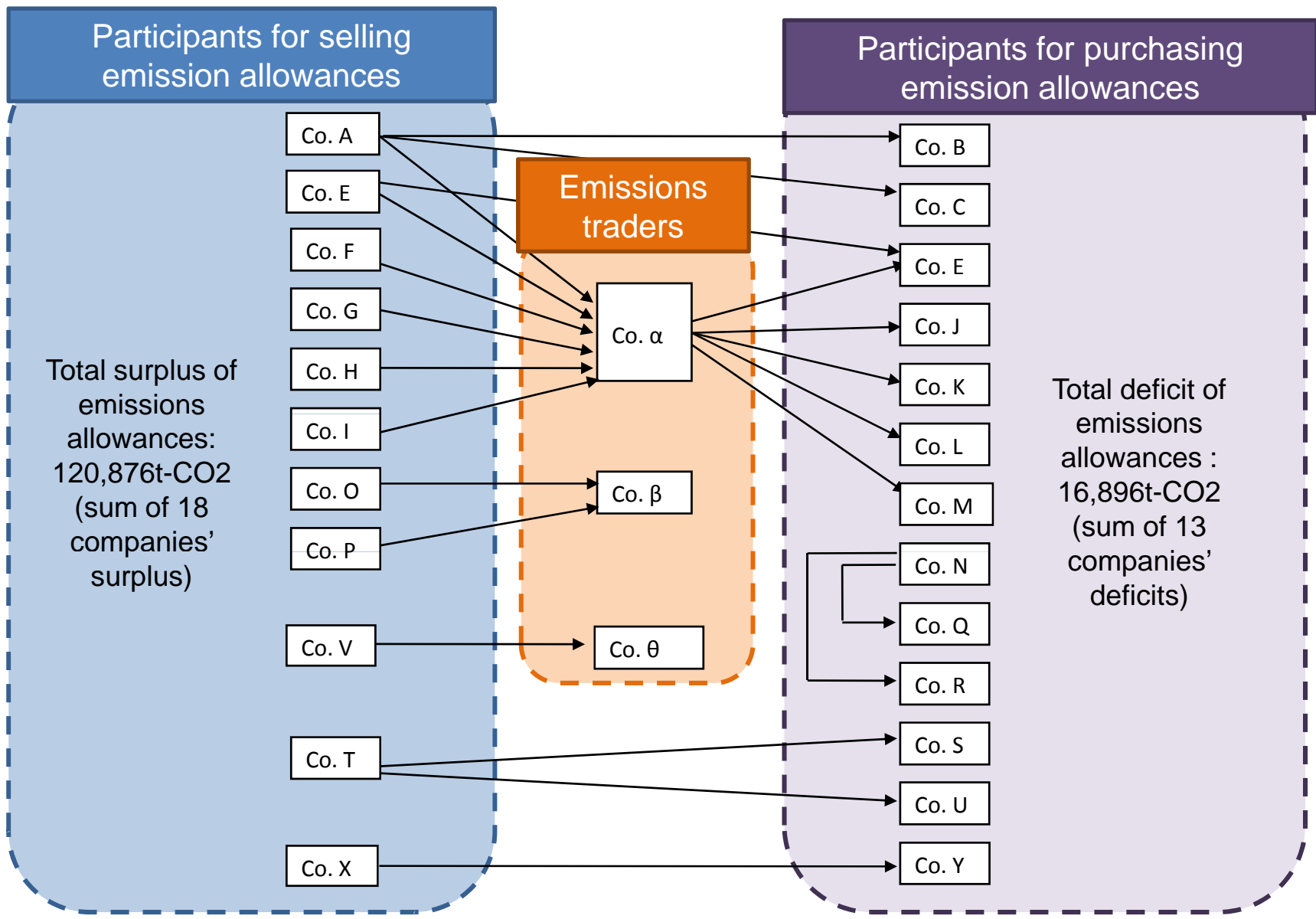
## The Result of JVETS 1<sup>st</sup> phase (Started in FY2005)

- Participants with target...31 firms
- Participants for trading... 7 firms
- Total Base Year Emissions ...1,288,543t-CO<sub>2</sub>
- Achieved reduction exceeded committed reduction.  
...Achieved reduction was 377,056t-CO<sub>2</sub> in FY2006.  
(29% reduction by Base Year Emissions)  
→Committed reduction was 273,076t-CO<sub>2</sub>.  
(21% reduction by Base Year Emissions)
- All participants cleared their target, because they acquired sufficient allowances by trading.
- Number of total transactions...24
- Total amount of traded JPA...82,624t-CO<sub>2</sub>  
(Average JPA prices transacted in GHG-Trade.com : ¥1,212/t-CO<sub>2</sub>)

## The Result of JVETS 2<sup>nd</sup> phase (Started in FY2006)

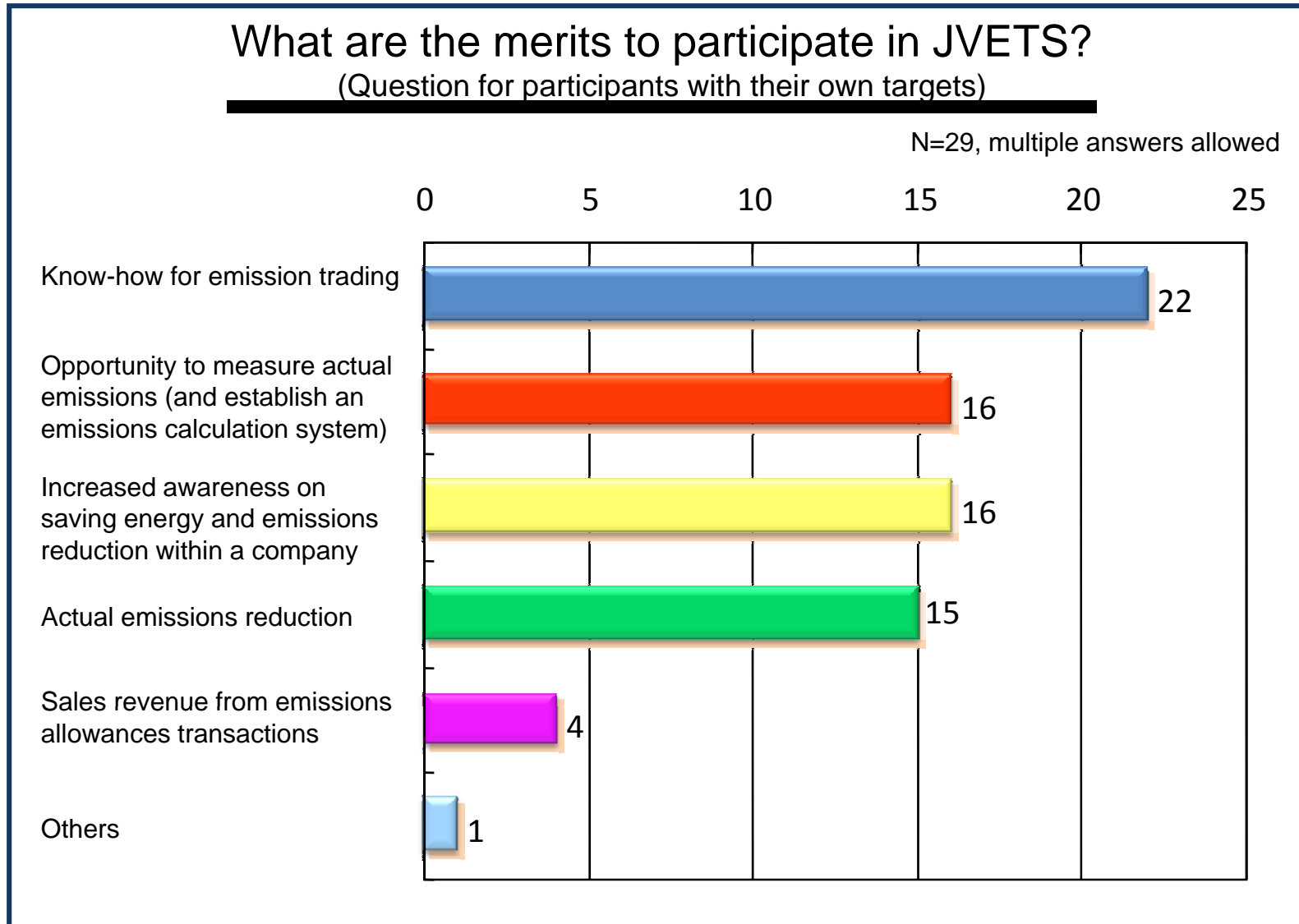
- Participants with target...61 firms
- Participants for trading...12 firms
- Total Base Year Emissions ...1,122,593t-CO<sub>2</sub>
- Achieved reduction exceeded committed reduction.  
...Achieved reduction was 280,192t-CO<sub>2</sub> in FY2007.  
(25% reduction by Base Year Emissions)  
→Committed reduction was 217,167t-CO<sub>2</sub>.  
(19% reduction by Base Year Emissions)
- All participants cleared their target, because they acquired sufficient allowances by trading.
- Number of total transactions...51
- Total amount of traded JPA...54,643t-CO<sub>2</sub>  
(Average JPA prices through OTCs : about ¥1,250/t-CO<sub>2</sub>)

# Flowchart of emissions transactions in the JVETS 1<sup>st</sup> phase



Total traded emissions: 82,624t-CO2

# Results of questionnaire for the JVETS 1<sup>st</sup> phase participants



# JVETS Evaluation Committee

After the completion of 1<sup>st</sup> phase (FY2005), the expert group conducted evaluation on JVETS.

The review report (Dec. 27, 2007) is available in the following website;

<http://www.env.go.jp/earth/ondanka/det/index.html>.

(accessible from MOEJ official website)

## **Member of JVETS evaluation committee**

- kazuhiro UEDA (Kyoto University)- Chairman
- Tadashi OTSUKA (Waseda University)
- Yoshihiro FUJII (Sophia University)
- Masaki MITA (Argus Media Limited)
- Hideki MURAI (Nihon University)
- Toru MOROTOMI (Kyoto University)

\*Courtesy titles omitted

# Three suggestions to improve JVETS based on the 1<sup>st</sup> phase results

## **(1) Improve target setting and verification methods**

- Results of the 1<sup>st</sup> phase operation highlighted the current problems of emissions target setting and verification methods

## **(2) Expand the number of participants**

- In the 1st phase, the total number of participants was just 38 which consists of 31 entities for their emission target achievement and 7 for trading emissions only
- To accelerate emissions trading in Japan, more participants are essential

## **(3) Improve transaction systems for smoother operation**

- A certain amount of emissions transactions is required to make emissions allowance prices to work as price signals of CO<sub>2</sub> emission



# Key improvements in the 4<sup>th</sup> phase

## **(1) Participation of corporation branches**

- Introduction of verification of total emissions from the participants' franchise stores (e.g. convenience stores, supermarkets etc.)
- Change of rules (for monitoring, reporting and calculating emissions etc.) to accept participation of franchise stores

## **(2) Expanded range of target participants**

- For example, offset providers were newly accepted as participants

For detailed information: <http://www.et.chikyukankyo.com/>  
(JVETS official website)

# Domestic emissions trading- decisions made by the Japanese Cabinet

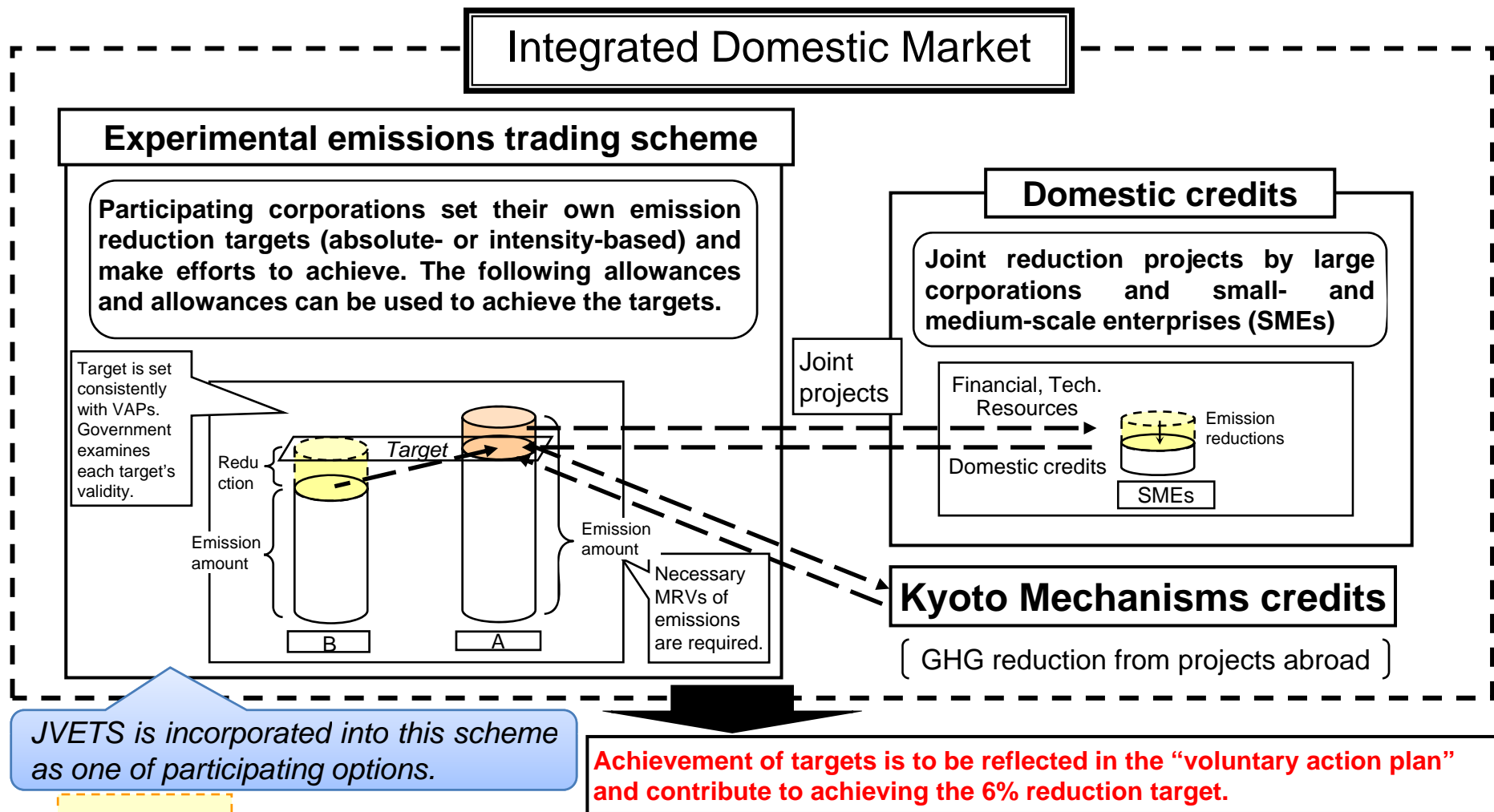
## Speech by Mr. Yasuo Fukuda, former PM In pursuit of “Japan as a Low-carbon Society“ (June 9, 2008)

- There is a need to ensure active use of methods which encourage the development of technologies and the reduction of emissions by pricing CO2 transactions and making full use of market mechanisms.
- Japan should not devote endless time and effort merely to find problems with the scheme. I believe we should rather shift to a more proactive approach, for example propose a more effective set of rules.
- **From autumn this year we will begin an experimental introduction of an integrated domestic market of emissions trading with the inclusion of as many sectors and companies as possible.**
- It is essential to make effective rules that actually lead to reduction efforts and technological development, while at the same time develop a healthy market which is based on real demand and does not lend itself to money games.
- I intend to use the experience thus gained, to clarify the conditions which need to be met, the issues of design that must be dealt with and other relevant matters in the event an emissions trading scheme is to be fully introduced. I will duly consider the type of system that is appropriate for Japanese industries, which are focused on technology and manufacturing.
- We will design a system that enhances Japanese qualities, and will exercise leadership in international rule-making.

## Action Plan for Achieving a Low-carbon Society (Cabinet Decision on July 29, 2008)

- The government will design a concrete framework for the market, taking into account the consistency with the Kyoto Protocol Target Achievement Plan and with the Voluntary Action Plans ranked in the Target Achievement Plan, focusing on a scheme in which participating companies set their targets of emissions amount or emissions intensity and trade various types of emissions caps and allowances to achieve their target, making use of existing systems and systems under consideration, and bearing in mind that the framework should ensure the participation of as many sectors and companies as possible.
- **Considering issues such as target setting, types of tradable emissions caps and allowances, and monitoring and verification methods, a study team from the relevant ministries will establish the design of the experimental introduction by this September, and commence the experimental introduction around this October.**

# Experimental Introduction of an Integrated Domestic Market for Emissions Trading



## Key points

- This scheme prepares various options for **substantial emissions reduction** by various entities including large corporations and SMEs in every sector.
- In the **integrated domestic market**, various allowances and credits are available for target achievement.
- Follow-up is scheduled at the beginning of 2009 and in the fall 2009.

# Result of a Recruitment for “Experimental Introduction of an Integrated Domestic Market for emissions trading” (Feb. 10 2009)

(1) Participants with Targets 455 (Applicants with Targets: 326)  
 (2) Trading Participants 60  
 (3) Other Participants 13 (Participants of the Domestic Credits Scheme)  
**Total Number of Participants 528**

※In addition, 1,103 companies and organizations (including the participants) are going to join “Trial Emissions Trading Conference” (Public-private cooperative organization for outreach, identification of problems, and informational exchange on this scheme)

(Ref. 1) Number of Participants with Targets in Each Sector

Industrial Sector	Number of Applicants	Number of Participants
Electricity	9	9
Oil Refinery	8	8
Gas	4	4
Steel	2	74
Chemical	41	41
Paper	12	12
Cement	11	11
Electric Appliances	16	16
Automobile Manufacturing	1	58

Industrial Sector	Number of Applicants	Number of Participants
Rubber	21	21
Trading Companies, Convenience Stores	14	14
Aviation, Construction, Transportation, Residence	6	6
Industrial Waste Disposal	2	2
Other Industrial Sectors	53	53
Other Office Sectors	13	13
MOE: Voluntary Emissions Trading Scheme (JVETS)	125	125
<b>Total</b>	<b>326</b>	<b>455</b>

(Ref. 2) Coverage of Emissions from Participating Applicants (Estimates)  
**About 70%** of CO2 emissions from Industry in FY2007.