

# LOW CARBON POLICIES IN CITIES AND CREATION OF BUSINESS OPPORTUNITIES

### **Objectives**

Half of population in the world lives in Asia and the Pacific. In addition, urbanisation is rapidly growing in the region. People, commodities, services, and infrastructure are more concentrated in cities than ever before. In order for cities to continue meeting the needs of citizens and minimising environmental impacts in and outside urban areas, cities need to transform their policy and regulatory structures into green ones. Cities have the potential to realise this transition, if diverse stakeholders collaborate and if international cooperation occurs at city level. Japanese leading technologies and lessons are highly valuable for developing countries to achieve leapfrog development. In this context, this session explored how to make the transition to green economy possible at city level by inviting six speakers from the city, the central government, the private sector and research organisations. Cases utilising a Joint Crediting Mechanism (JCM) were also introduced as one of the ways to promote such a transition.

This session addressed how to effectively promote city-to-city collaboration involving diverse stakeholders, including municipalities, the central government, the private sector and research organisations. It looked at Japanese environmental technologies and know-how for operation and management in an energy-efficient manner, which can be connected to green economy and growth in the Asia-Pacific region. By introducing cases utilising innovative schemes including the JCM, the session explored how international cooperation at city level can potentially promote leapfrog development for cities in developing countries. Further, the session discussed how to ensure this transition by providing support for the enabling environment including measurement, reporting and verification (MRV) of greenhouse gases.

## **List of Speakers**

#### [ Moderator ]

Hidefumi Imura, Senior Fellow, IGES

#### [Speakers]

Kotaro Kawamata, Director, Office of International Cooperation, Global Environment Bureau, Ministry of the Environment, Japan

Shigenori Jinbo, Group Manager, Fellow, Nikkei BP Cleantech Institute

Tetsuya Nakajima, Director, International Technical Cooperation Division, Policy Bureau, City of Yokohama

Takejiro Sueyoshi, Special Advisor in the Asia Pacific Region, UNEP Finance Initiative

Akira Ogihara, Manager, Project and Research Group, Urban and the Environment Section, Kawasaki Environment Research Institute, City of Kawasaki

**Gen Takahashi,** Deputy General Manager, Business Development Group, Sales and Marketing Department, Asia Pacific Division, Overseas Business Sector, JFE Engineering Corporation

Kazuhisa Koakutsu, Leader / Principal Policy Researcher, Climate and Energy Area, IGES

# **Key Messages**

Due to rapidly growing urbanisation in Asia, it is necessary for cities to transform their economies into green and low-carbon oriented ones. Cities are closely connected to citizens, who are also the consumers of economy; therefore, they have the potential to cause societal transition.

Japanese technologies and experiences are highly valuable to achieve leapfrog development in cities. To promote international cooperation between cities, it is crucial for diverse stakeholders to work together not only to transfer green technologies, but also support provision of the enabling environment.

There already exist cases of international cooperation at city level utilising innovative financial support schemes. It is essential to design effective MRV schemes to promote transparency and to ensure accountability.

# Summary of the Session

To begin the session, the moderator, Hidefumi Imura raised several points on the importance and potential of international cooperation at city level, noting that views from cities in developing countries are as important as those in developed countries, like Japan.

Kotaro Kawamata introduced the JCM as one of the ways to promote leapfrog development in cities. He said that support in one package, involving diverse stakeholders such as cities, the central government, the private sector and research organisations, is crucial to provide not only the opportunity for technology transfer but ensure an enabling environment. In line with the development and implementation of the JCM, he introduced the launch of several platforms for different stakeholders for information exchange and networking with support from the Ministry of the Environment, Japan.

Shigenori Jinbo stressed that Japanese efficient technologies are highly valuable for use in developing countries. These technologies are linked with experiences in Japan during the period of rapid economic growth, which is similar to the current experience of cities in developing countries. He suggested it is necessary to understand the needs of developing countries and demonstrate the appeal of Japanese technologies more widely.

Tetsuya Nakajima mentioned that it is important for cities in both Japan and developing countries to achieve green growth together. He introduced the Yokohama Smart City Project which is being implemented in cooperation with the private sector, using highly advanced environmental technologies. The project is the first of its kind and any lessons gained will be shared at a later stage.

Takejiro Sueyoshi stated that unless transition from brown to green economy is achieved, it is unlikely that cities will continue providing basic services for citizens in a sustainable way. He emphasised that cities should have the potential to enable such transition, as they are the centre for not only natural capitals but also social and cultural capitals. Cities are also closely connected to citizens, who play an important role in the economy as consumers.

Akira Ogihara introduced cases of international cooperation at the city level with the participation of local industries. These include the organisation of international exhibitions for environmental technologies; provision of support for local companies to extend business overseas; and implementation of a JCM project with the City of Penang, Malaysia.

Gen Takahashi presented a project to install advanced Japanese solid waste management technology in Da Nang City, Viet Nam. He pointed out due to the installation of this technology, landfill sites can now be used up to 2026, which is much longer than otherwise. He pointed out that collaboration among diverse stakeholders, including the City of Kawasaki, was essential to implement this project successfully.

Finally, Kazuhisa Koakutsu touched upon the importance of MRV (measure, report, verify). By introducing MRV for the JCM, he highlighted that its transparency and simplicity are basic features. He noted that it was important to understand the different circumstances of countries and cities, and therefore their needs are key for implementing MRV.

Kotaro Kawamata concluded that city-to-city collaboration is crucial to achieve a green and low-carbon economy. It is possible only if diverse stakeholders work together and such city-to-city collaboration becomes beneficial both for developing countries and Japan. Cities have the potential and can become a driving force to promote the transition to a green economy.