Long-term carbon neutral goal and near-term actions

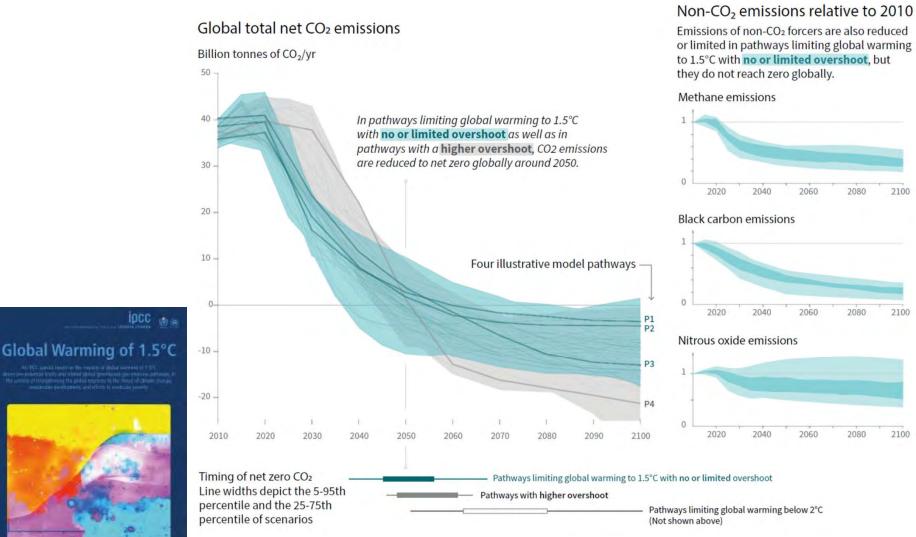
Toshihiko Masui
National Institute for Environmental Studies

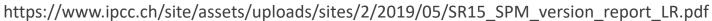
Thematic Track 13: The Pathway Towards Decarbonisation Message from Scientists Towards Green Recovery ISAP2020, Online November 13, 2020





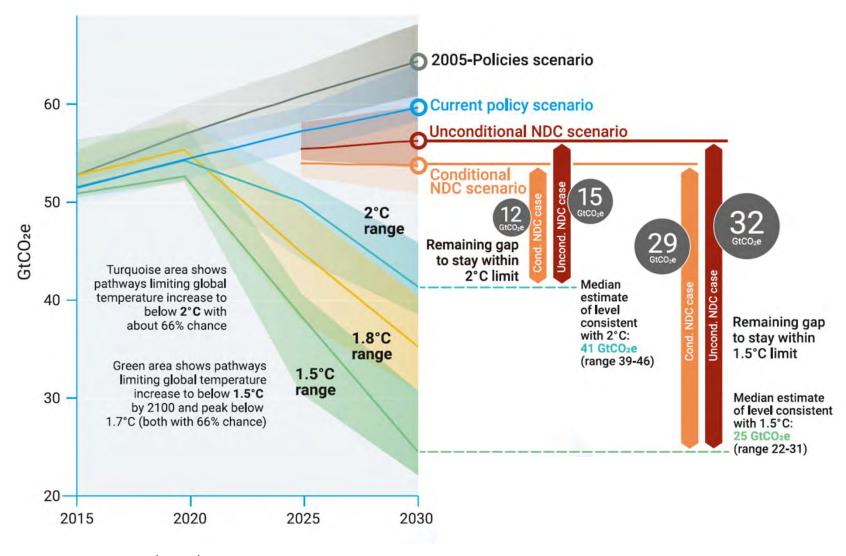
From IPCC SR1.5: To achieve 1.5 degree target, immediate GHG reduction and net zero CO2 emissions in 2050 are needed.







Present NDC can achieve the 1.5/2 degree target?





Why 1.5 degree?

Paris Agreement

- Article 2: 1. (a) Holding the increase in the global average temperature to well below 2 °C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5 °C above pre-industrial levels, recognizing that this would significantly reduce the risks and impacts of climate change;
- Article 4: 19. All Parties should strive to formulate and communicate
 long-term low greenhouse gas emission development strategies,
 mindful of Article 2 taking into account their common but differentiated
 responsibilities and respective capabilities, in the light of different national
 circumstances.



Japan Long-Term Strategy under the Paris Agreement as A Growth Strategy (June 2019) → Now Net-Zero (Oct 2020)

Outlines of Japan's Long-term Strategy under the Paris Agreement (Cabinet decision, June 11, 2019)

Chapter 1: Basic Concepts

Provisional Translation

- Proclaiming a "decarbonized society" as the ultimate goal and aiming to accomplish it ambitiously as early as possible in the second half of this century, while boldly taking measures towards the reduction of GHGs emissions by 80% by 2050
- * an unconventional vision of an "ideal future model" * contributing to the achievement of the long-term goals of the Paris Agreement, including efforts to limit the temperature increase to 1.5°C Realizing "a virtuous cycle of environment and growth" towards the vision with business-led disruptive innovation, Swift implementation of actions from now, contributing to the world, Action Towards a bright Society with Hope for the Future

[Factors: Achievement of SDGs; "Co-innovation", Society 5.0; the "Circulating and Ecological Economy"; and leading country in solving problems]

Chapter 2: The Vision of Each Sector and

Section 1: Promotion of Innovation

the Direction of Measures

· Promoting innovation for practical application and wide usage of cross-sectoral decarbonization technologies leading to drastic reduction of GHG, achieving cost that allows commercialization for social application

Section 1: Measures for Emissions Reductions

(1) Progressive Environment Innovation Strategy

- 1.Energy: For energy transition/decarbonization, pursuing every option
- Setting clear goals such as costs, maximizing investment of public and private resources, discovering and creating technological seeds in and outside Japan, setting issues from demands, strengthening support that leads to commercialization

Chapter 3: Cross-sectoral Measures for Achieving

a Virtuous Cycle of Environment and Growth

- ·Utilizing renewable energy as the major power source ·Reducing CO2 emissions from the thermal power in line with the long-term goals of the Paris Agreement
- · Challenging R&D, and enhancing alliances among R&D institutes with facilitation of international joint R&D activities

Promoting CCS&CCU/Carbon Recycling

- [Research and Development 20 for clean energy technologies(RD20)]
- Realizing a "Hydrogen Society"/battery/nuclear/energy efficiency
- · Target setting and visualizing challenges for the practical use - Realizing hydrogen cost equivalent to existing energy; e.g. lowering manufacturing cost of CO₂-free hydrogen to 1/10
- 2.Industry: Decarbonized manufacturing
- CCU/carbon recycled products to be provided with costs equivalent to existing products, nuclear power(such as Reactor, Fusion)

- ·Use of CO2-free hydrogen
- (2) Innovation in Economic and Social Systems/lifestyle
- (e.g. a challenge towards "zero-carbon steel")
- Section 2: Promotion of Green Finance
- Feedstock change (e.g. CCU including artificial photosynthesis and biomass utilization)
- · Appropriately "visualizing" corporate efforts in innovation etc. and mobilizing finance for innovation by financial institutions
- · Achieving drastic energy efficiency, and complete transition from fluorocarbons in mid-long term
- (1) Mobilizing green finance through TCFD* disclosures and dialogues **Task Force on Climate-related Financial Disclosures ·Industry: improving TCFD Guidance & Scenario Analysis Guide / Financial sector: Formulating a guidance on green investment · Facilitating dialogue between industry and financial sector (TCFD Consortium)
- 3. Transport: the challenge of
- ·Promoting discussion and share the above initiatives with the world (TCFD Summit)
- "Well-to-Wheel Zero Emission"
- (2) Promoting initiatives to expand ESG finance

international rule-making

- ·Achieving the highest level of environmental performance of Japanese vehicles supplied worldwide by 2050 ·Road/transport systems using big data and IoT
- ·Initiatives for ESG finance (Support to the issuance of green bonds, encouraging local ESG finance), development of ESG Dialogue Platform, enhancing ESG finance literacy, ESG Finance High-Level Panel

4.Community and Living:

Section 3: Business-led Promotion of International Application, and International Cooperation

Achieving carbon neutral, resilient and comfortable communities and living by 2050/ creating the "Circulating and Ecological Economy"

- · Promoting competitive technologies and products with high environmental performance/
- · Capable communities and corporations to achieve carbon neutrality even before 2050
- promoting co-innovation benefiting participants from both countries (1) Promoting international application of decarbonization technologies together with policy/institutional development and
- ·Shift to carbon neutral living (encouraging technology development and dissemination to achieve net Zero Energy Buildings, equivalency in stock average of housing and office buildings/ shift of lifestyles)
- Promoting international application of decarbonization technologies and reductions of GHG emissions through development of business environment by improving business environment including working for institutional development in partner countries leading international rule-making cooperating in building policy and institutional framework in partner countries and by international rulemaking (e.g. establishing public and private-sector initiatives in ASEAN, and developing appropriate international frameworks for utilizing market-based mechanisms)
- · Carbon-neutral community building (urban city building, farming/forestry/fishing villages building, and development of distributed energy systems)
- (2) Strengthening Development and Investment of infrastructure that contributes to CO, emission reductions

Section 2: Measures for Carbon Sinks

Development and investment of energy and city/transport infrastructure that contributes to CO₂ emission reductions in line with the long-term goals of the Paris Agreement (e.g. renewable energy such as offshore wind power and geothermal power, hydrogen, CCS&CCU/Carbon Recycling, smart cities)

Chapter 4: Other Measures

(3) Creating platforms for global scale decarbonized society building

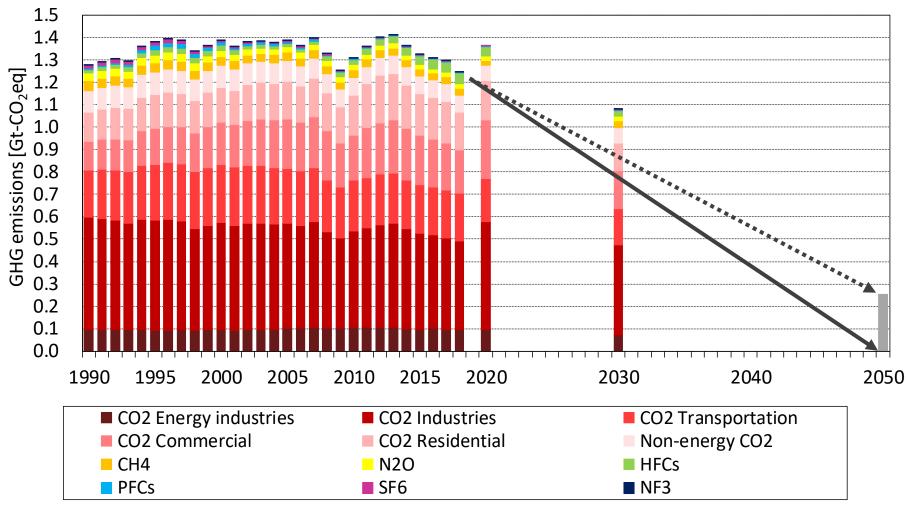
· Human Resource Development · Just transition

Supporting partner countries in the formulation of NDCs and mitigation measures, enhancing transparency in the overall supply chains

- Government-led initiatives Integrating climate change adaptation with development of a
- Chapter 5: Review and Implementation of the Long Term Strategy
- resilient society Carbon Pricing (Expert/technical level discussions)
- Review: Re-examining policies and measures flexibly every about 6 years with reference to situations, and improving the Long-term strategy if necessary ·Implementation: Analysing relevant factors responding to future changes in the situations / collaborating and having dialogues with stakeholders including the youth



GHG emissions in Japan; trend and future targets



Source: GIO, NIES http://www-gio.nies.go.jp/aboutghg/nir/nir-j.html



What is needed to realize net-zero GHG emission in Japan?

"Transition" is needed.

- Energy efficiency improvement
- Decarbonize power generation
- Electrification
- Carbon sink
- Countermeasures to reduce non-CO2
- Behavior change (Demand side)
 - Digitalization
 - Dematerialization
 - Reduction of wastes including food loss -"Mottainai"
- Support to developing countries

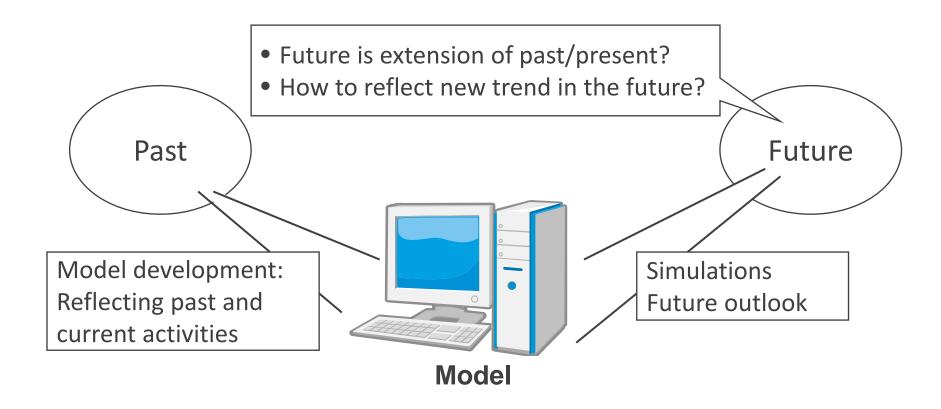


How to achieve net-zero GHG emission in Japan?

- Immediate actions!
- Considering long-term viewpoint.
 - Consistent and robust long-term goal
 - Carbon pricing
 - Inefficient equipment will be replaced to efficient one.
 - Education
- Socio-economic condition change
- → In order to quantify effectiveness of countermeasures, model and scenario development (simulation) are useful.



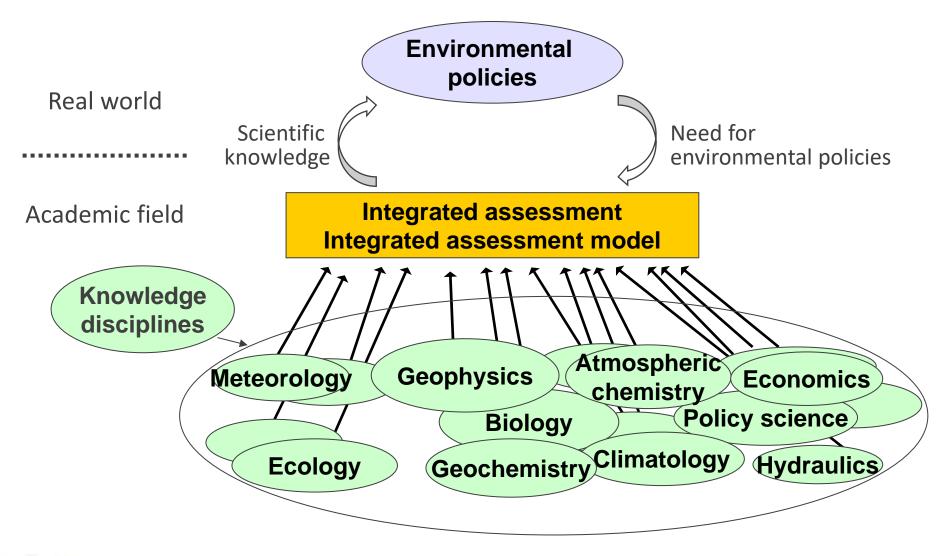
Roles of model



- Model cannot predict future,
 but only shows a result corresponding to a set of inputs.
- Model has both subjective and objective aspects.
- Model has both advantages and disadvantages.
- → We will have to use model to meet purpose.



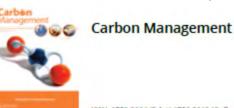
Integrated Assessment Model as a tool to bridge between environmental policies and scientific knowledges





Zero-emission pathway by 2050 in Japan

- According to the previous studies on global 1.5°C pathways, CO₂ emissions needs to be net-zero around 2050 globally (Rogelj et al. (2015)).
- Assessing national net-zero emission pathways by 2050 using AIM/Enduse [Japan], mainly focusing on:
 - difference of energy system transformation with the 2°C scenario (80% reduction by 2050)
 - the role of technologies, such as negative emission and nuclear
- BECCS is added to the technology options in AIM/Enduse[Japan]
- Oshiro, K., Kainuma, M., & Masui, T. (2018). Transformation of Japan's energy system to attain net-zero emission by 2050. Carbon management 9(5), https://doi.org/10.1080/17583004.2017.1396842,



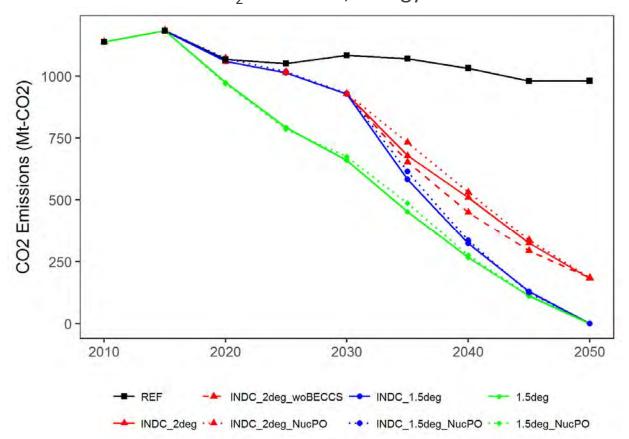
ISSN: 1758-3004 (Print) 1758-3012 (Online) Journal homepage: http://www.tandfonline.com/joi/tcmt20.

Transformation of Japan's energy system to attain net-zero emission by 2050



Net-zero emission pathways in Japan

- BECCS is required in zero-emission. 80% reduction is achievable without BECCS
- Phase-out of nuclear power would not compromise zero-emission
- If following the NDC, drastic emission reduction is required after 2030
 CO₂ emissions, energy

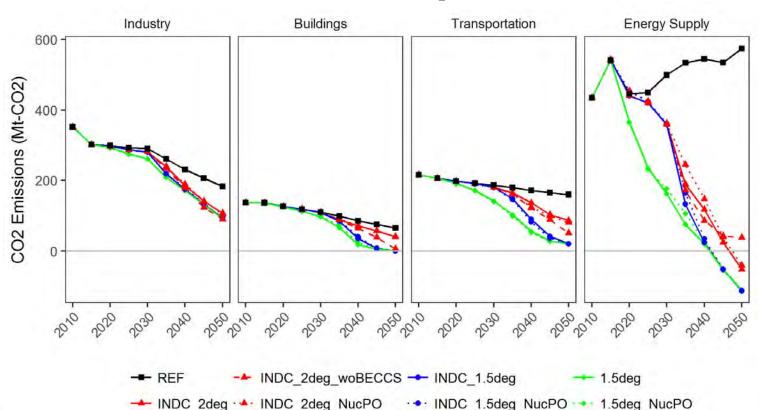




Sectoral strategies to zero emission in Japan

- Power sector needs to be largely transformed, including net-negative.
- Difference between net-zero and 80% reduction is moderate in the buildings and industry sector.
- Buildings sector needs to be almost decarbonized even in 80% reduction.

Sectoral direct CO₂ emissions

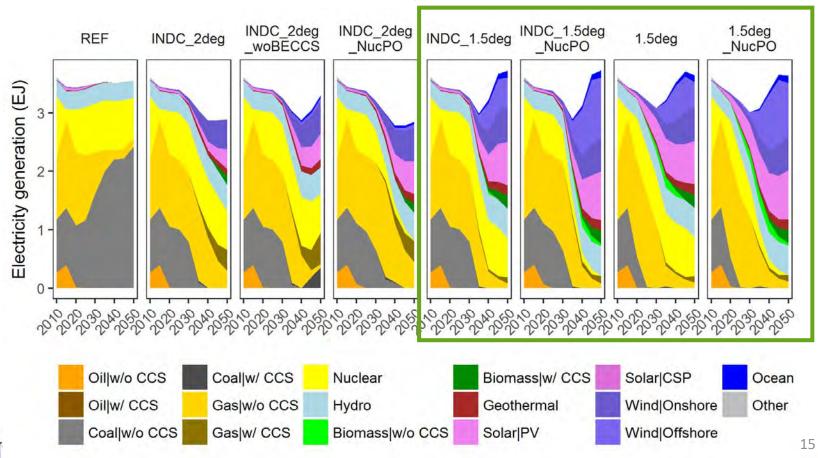




Energy system transformation in power sector

- Dependence on VREs, such as solar and wind, as well as BECCS.
- Given phase-out of nuclear, challenges to integrate VREs are exacerbated.

Electricity generation

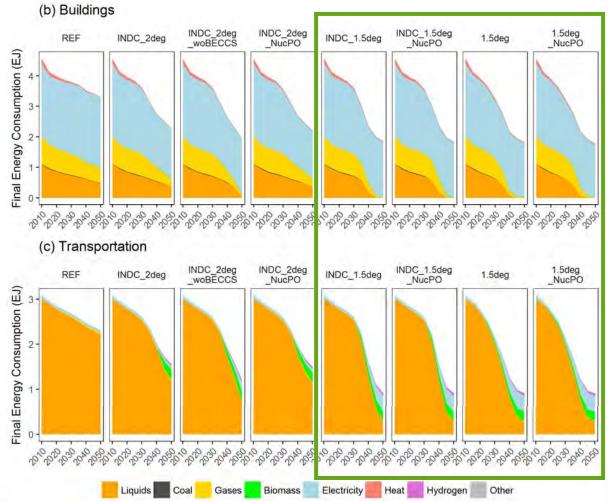




Energy system transformation in energy demand sectors

- Buildings sector: completely electrified by 2050 even in the 80% reduction
- Transport sector: switch to BEV and FCEV

Final energy demand by sources in the buildings and transportation sectors





How to overcome COVID-19

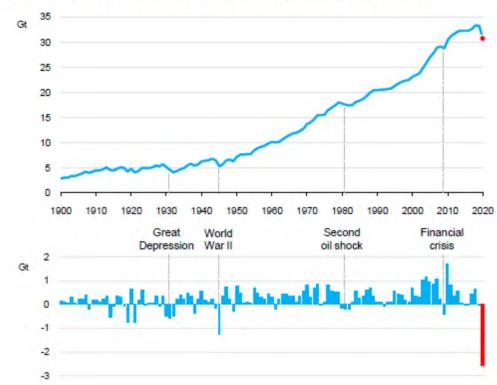
- Drastic changes in socio-economic activities can reduce GHG, but reduced GHG is very small compared to those to achieve net-zero emission.
 - If the structure of our society does not change, rebound effects may happen.
- We must consider
 - How to recover from short-term drastic changes.
 - Present activities will lead to 2050.
- In order to satisfy both short-term target and long-term target,
 - Change ourselves (action and mind).
 - Keep new experiences.
 - Green recovery
 - Digitalization



How to consider Covid-19



Global energy-related CO2 emissions and annual change, 1900-2020

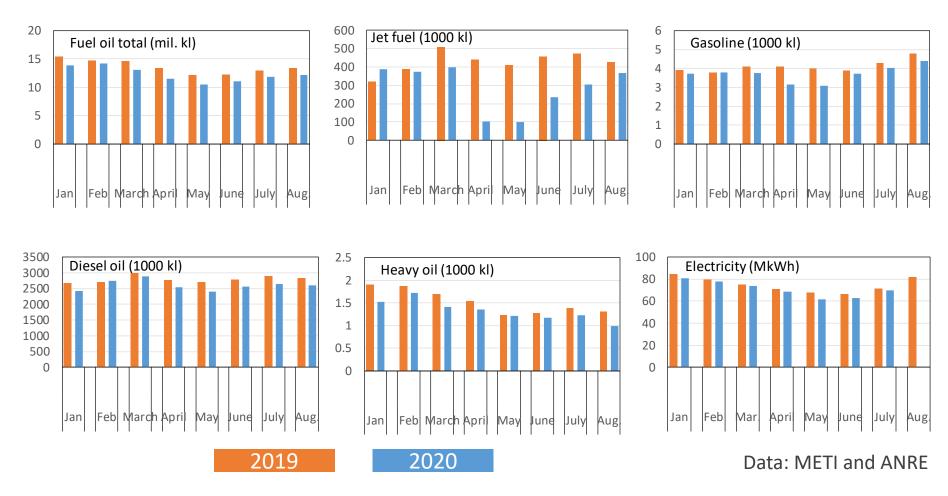


IEA forecasts

- Global primary energy will decrease by 6% between 2019 and 2020, and
- Global energy CO2 will decrease by 8% between 2019 and 2020.



Change of monthly energy demand in Japan



Covid-19 mentions that severe economic damage will happen to achieve net-zero GHG society if our society does not change.

