

2010 Northeast Asia International Conference for Economic Development in Niigata

# Session B: Post-Kyoto Protocol Period Cooperation on Energy and the Environment

## Summary & Proposals

**Coordinator:**

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Hitotsubashi University, Japan

- ◆ **Date & Time:** AM 09:00-12:00 January 26th, 2010, Conference Room 302, Toki Messe

**Panelists:**

- ◆ Dr. OH, Dae Gyun Policy Researcher, Korea Energy Management Corporation (KEMCO), ROK
- ◆ Prof. ZHENG, Shuang Associate Professor, Energy Research Institute, National Development and Reform Commission, China
- ◆ Ms. GERSHINKOVA Dinara Head, Scientific Development and Climate Programmes Division, Roshydromet, Russia
- ◆ Mr. A. ENKHBAT Head, Ecological Clean Technology and Science Division, Ministry of Nature, Environment and Tourism of Mongolia
- ◆ Mr. TANAKA, Hiromu Senior Advisor, Japan Carbon Finance, Ltd., Japan

**Discussants:**

- ◆ Mr. IDE, Keiji, Councillor, Minister's Secretariat, Ministry of Foreign Affairs of Japan
- ◆ Mr. PANKIN, Alexander, Deputy Director General, Department of International Organizations, Ministry of Foreign Affairs of the Russian Federation

# Summary (1)

- ◆ Based on the ongoing international discussions on climate change leading to the Post-Kyoto or Post-2012 architecture, discussions at this session examined various approaches toward cooperation schemes in NEA to combat climate change;
- ◆ Whether Annex-I countries or Non-Annex-I countries, the countries in the Northeast Asian region are making efforts to reduce GHG emissions through implementing various policies and measures domestically and in cooperation with the international community
- ◆ The participants reiterated that being a unique combination of Annex I and Non-Annex I countries, the countries in the Northeast Asian region have a great potential in leading international cooperation on climate change mitigation and adaptation and push forward global efforts toward moving to low-carbon, sustainable societies;

## Summary (2)

- ◆ The issue of MRV (measurable, reportable and verifiable) mitigation actions and support was also highlighted, as one of key topics of international climate change talks;
- ◆ As it was indicated in the keynote speech delivered by Dr. Pembleton, the NEA countries "...have not only the potential in to influence negotiations under the UNFCCC, but also to gain significant benefits from the resultant mechanisms ... and Japan, with its neighbors from this region, could be recognized for being instrumental in bringing a new era of international climate cooperation to bear".
- ◆ A number of potential areas for regional cooperation have been highlighted by the participants that address mitigation, adaptation and technical cooperation, such as:
  - Joint development of regional climate change strategies;
  - Cooperation in development of NAMAs;
  - Development of regional Technology and Market mechanisms that facilitate participation of private finances. It was indicated that the existing Kyoto mechanisms along were not sufficient as an efficient tool for such mechanism to function;
  - Development of regional carbon market for minimizing GHG emissions reduction cost and building capacity to respond to climate change;
  - Cooperation on evaluation and estimation of vulnerability to consequences of climate change and adaptation (evaluation of the efficiency, limits and development of strategies, actions and implementations). It was indicated that there is still lack of information and knowledge to address these issues in individual countries, and therefore regional cooperation is necessary;

# Proposals (1)

Based on the discussions, the participants put forward the following proposals:

- The cooperation among the countries in the region must be enhanced both in the mitigation and adaptation efforts to cope with climate change;
- We shall explore regional cooperation on technology and market mechanisms that facilitate participation of private finances;
- We shall explore development of a regional carbon market in Northeast Asia.

## Proposals (2)

- ◆ Based on lessons learned from the global financial crisis, a mechanism to mobilize financial resources within the NEA regions is needed along with effective mechanisms to take advantage of the funds. The emission credit businesses, under the Kyoto Protocol, were not sufficient as an efficient tool for such mechanism to function. Project finance was a significant barrier for many CDM/JI projects;
- ◆ Therefore, a comprehensive system of regional cooperation must be developed, where:
  - Private sector reviews investments, provision of technologies and export of facilities as a business;
  - Public sector works for setting up an environment to promote the private sector actions; and
  - Financial sector provides required funds under the improved investment environment.

## Proposals (3)

- ◆ We welcome the message of the keynote addressee to hold indicative discussions in the NEA region that lead to a deeper mutual understanding of the different negotiating groups of the UNFCCC;
- ◆ We plan to report the undertakings and results at the upcoming COP 16 in Mexico (i.e. to organize a joint workshop);