Eighth Annual Workshop on
Greenhouse Gas Emission Trading
Monday 22 - Tuesday 23 September 2008
Paris

Japanese carbon Market

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Kyoto Compliance and Carbon Credits

Kyoto Target: 6% reduction

Emissions in recent years:
  Around 170 million tons over the target

Actions
  • Further reduction in Japan through energy conservation
  • Forest absorption (3.8% of 1990 level)
  • Offset through Kyoto Credits
    Government Procurement Program
    Participants of Keidanren Voluntary Action Program
Demand and Supply

**Supply**
- Offshore
  - Kyoto Credits
  - Voluntary Credits
  - Forest Credits
- Onshore
  - Surplus under Voluntary Action Program
  - Domestic CDM
  - J-VET
  - Tokyo Credits

**Demand**
- Government Procurement
- Keidanren Voluntary Action Program
- Voluntary offset
- Tokyo MG Emission Trading

Kyoto Reduction Target
Domestic CDM

Developing Countries

CDM/JI

SMEs

EE projects

Methodology

Investors

Kyoto Credits

Voluntary Action Program

Participants

Government

Transfer

Offset

Energy Conservation

Options
1 At their facilities
2 Offset by Kyoto Credits
3 Offset by Domestic Credits

Japan

Reduction in Japan (Inventory)
Carbon Trading Market

GHG emission Reduction Projects

Investors → Bilateral/Direct → Distribution Network (Carbon Trading Platform) → Credits → Credits → Exchange → Participants → Participants → Final Users

Investors

Participants

Final Users

Final Users
Carbon Price
( Nikkei-JBIC Carbon )

Every Monday at 1230 (TOKYO time)
Indicative Price

Partners: Eco Securities, Fortis, J P Morgan, Natsource Japan, Marubeni
Structure of Carbon Offset

Investors → Trust bank → Offset Service Providers

UNFCCC
- Verification
- Issuance of Carbon Credits

Emission Reduction Projects (CDM)

Citizens Events
- Guidance for carbon emission calculation

CO2 Reduction

Carbon Credits

Government

CO2 Increase

Offset

Carbon Credits

(Emission Reduction)

(Trust Certificate)