

A proposal for the establishment of a new climate change framework

— from Kyoto to Paris, and toward Future of the Earth —

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Keidanren

I. Basic approach

1. There is a strong urge for **agreement on a fair and effective international framework with the participation of all major emitters that is compatible with economic growth** at COP21 to be held in Paris at the end of the year.
2. As efforts to reduce greenhouse gas emissions intensely affect economic activity and national life, and require the implementation of measures that entail public burden, countries have maintained an unyielding stance at the negotiation table. **The Japanese government should contribute to international negotiations in a way that will enable all countries to reach agreement at COP21 while also pursuing national interests.**

II. Concrete measures

1. Achieve a fair and effective international framework with the participation of all major emitters (UN process)

(1) Participation of all major emitters

Lessons from the Kyoto Protocol should be drawn upon.

- 1) Ensure the participation of all major emitters, including the US and China
- 2) The following elements are critical:
 - a) **targets are set up voluntarily by each country**
 - b) **finalized National Determined Contributions (NDCs) are open to revision and are not legally-binding**

(2) Implement an international review

- 1) **Implement an international review common** among all developed, emerging and developing countries **that will contribute to enhancing effectiveness and international fairness**
- 2) **Reviews should be performed from multidimensional perspectives**, including sector-specific energy efficiency levels and marginal abatement costs, etc.

(3) Develop an environment that will encourage the diffusion of energy-saving and low-carbon technologies and products

- ◇ In order to reduce emissions on a global scale, **international contribution and efforts to develop innovative should receive higher evaluation**

2. Establish a multi-layered framework for international promotion

○Take advantage of various forums outside of the UN framework to promote efforts to address climate change

- G7 (to be held in the Ise-Shima region in May 2016)
- G20
- MEF (Major Economies Forum on Energy and Climate)
- ICEF (International conference hosted by the Japanese government where leaders from industry, government and academia engage in discussion on innovations to resolve global warming issues)

3. Future domestic measures

(1) Commitment to a Low Carbon Society

- 1) **The government should center the business community's efforts on the Commitment to a Low Carbon Society and support measures taken under it.**
- 2) **Keidanren will ensure the continued promotion of the Commitment to a Low Carbon Society.**

(2) Regulatory methods

- 1) **Should not be introduced** for fear of hindering the development of a vigorous private sector-led socio-economy.
- 2) **Should not apply the Environmental Impact Assessment Law on CO2 reduction measures.**
- 3) **Implement sector-specific and measure-specific PDCA cycle.**

Promote effective climate change measures on a global scale