

## *Summary and Proposals*

### *Session C: Schemes for Northeast Asian Environmental Cooperation in the Post-Kyoto Protocol Period*

Amid the ongoing discussion leading to the Post-Kyoto Protocol arrangements, discussions at this session examined various approaches toward cooperation schemes for the reduction of greenhouse gases in the Northeast Asian region. Mr. Masachika Suzuki, Associate Dean of the Graduate School of International Management and moderator of the session, indicated that 2009 is a very critical year in the international climate regime as the world community will decide the post-2012, or post-Kyoto, climate regime at the upcoming meeting in Copenhagen later this year. The panelists indicated that being a unique combination of Annex I and Non-Annex I countries, the Northeast Asian region can lead international cooperation on climate change mitigation and adaptation. In terms of total emissions, this region constitutes at least one quarter of global emissions. Therefore effective regional cooperation in Northeast Asia may push forward global efforts toward moving to low-carbon, sustainable societies.

A number of policy options are being proposed in the post-Kyoto period, including continuation of the Kyoto approach, a dual intensity target approach, a sectoral approach, a per-capita-emission approach, a sustainable-development policies-and-measures approach, and a co-benefit approach, etc. There is unanimous understanding that 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 Northeast Asian region has already started to observe changes in its climate. Therefore, along with the mitigation efforts, adaptation efforts are necessary to cope with further climate change; and cooperation among the countries in the region must be enhanced in both the mitigation and adaptation areas.

The participants underlined that the participation of developing countries in the post-Kyoto period is crucial in designing the post-Kyoto regime. However, the scheme needs to consider the national circumstances and the real capabilities of all developed and developing countries. Also, it should explore to continue and improve the market-based mechanisms, such as CDM and emission trading, in the post-Kyoto regime. Also, it was indicated that there is a great potential to develop a carbon market in the Northeast Asian region as the major suppliers and buyers are located here. This market can be a potential intermediary between the existing and future emission trading schemes, and cooperation among these countries is the key to developing this market.

The participants reiterated that there is great potential for developing CDM project activities in the Northeast Asian region including renewable energy projects, such as wind, hydro and solar energy, and energy efficiency improvement projects. Based on the experiences in implementing CDM projects during the past several years, it needs to draw lessons to further improve the mechanism in the post-Kyoto period. One approach is to provide preferential treatment to the projects that will meet the development needs of the developing countries, while reducing GHG emissions. In the context of the co-benefit approach, which is being proposed and promoted by Japan, the national or local needs to develop and the global needs to mitigate and adapt to climate change can be simultaneously achieved.

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

- The cooperation among the countries in the Northeast Asian region must be enhanced both in the mitigation and adaptation efforts to cope with climate change;
- The countries in the region shall explore development of a joint carbon market in the Northeast Asian region. With respect to project-based activities in the market (CDM/JI projects), the activities that meet the sustainable development goals of the countries shall receive a higher priority in the implementation of the projects in the post-Kyoto period;
- In the policy design of the post-Kyoto regime, we shall explore different possibilities beyond the continuation of the Kyoto approach. In this effort, it is important to pay attention to the national circumstances as well as the respective capabilities of the countries;
- We shall explore to continue and improve the market-based mechanisms, such as CDM in the post-Kyoto regime.