

# SWEDEN-JAPAN CLIMATE COOPERATION

Stockholm, June 24, 2021



Webinar Report







## A Word of Thanks

This report is a part of the Joint Study on Climate Change between ISDP's Stockholm Centre for South Asia and Indo-Pacific Affairs (SCSA-IPA) and Kajima Institute of International Peace (KIIP), Japan. ISDP acknowledges the generous support and partnership with KIIP.



# In Short:

- The aim of the webinar was to introduce comprehensive overviews of Sweden and Japan's environmental policies and legal frameworks in place to respond to the climate crisis, so as to promote an exchange of best practices and ideas and initiate a discussion on areas of cooperation moving forward.
- Climate change has become a foremost security concern for the International society, and it has become essential to advance international cooperation to effectively respond to the challenge that climate change poses.
- Although not the worst climate change impacted countries, Sweden nevertheless faces several imminent climate threats that have prompted it to implement a policy framework that now stands as a model for other states.
- Sweden's climate policies are shaped by both International and EU regulations. Its climate change policies consist of three key components: climate targets set by the government, the Swedish Climate Change Act, and the Swedish Climate Change Policy Council. Climate goals are supported by the industrial sector with a focus on renewable energy, green industry and fossil free transport.
- Yet, much remains to be done, particularly in terms of driving research and innovation in Sweden.
- Over the past year, Japan has made a renewed push to bolster its climate response with the setting of new and (perhaps overly ambitious) climate targets under a medium-term strategy.

- To meet these goals, Tokyo is in the process of revising action plans for various energy-related, transport- and manufacturing-related, and household- and office-related industries, although this can be a challenge at times when it becomes necessary to balance climate objectives with economic growth—for instance in automobiles.
- Japan is looking to strengthen public-private partnerships to increase its presence in the circular economy of the international community. It is also working on the marine pollution problem (through its Blue Ocean Vision), and the loss of biodiversity.
- Nevertheless, much more needs to be done through collaborations at the international level moving forward.





# Welcoming Words

By Niklas Swanström

On June 24, 2021, the Institute for Security and Defence Policy (ISDP), Stockholm, and the Kajima Institute of International Peace (KIIP), Tokyo, held the first open event of their joint study on Sweden-Japan Climate Cooperation. The session was moderated by **Dr. Niklas Swanström**, Director of ISDP, who began with introductory remarks that contextualised the study and set the tone for the event.

Climate change has unarguably become an imminent security concern for states across the world, and it has become vital to devise further measures at the international stage to respond to the challenge it poses. Sweden is a global leader in environment; ranked 8th on the global Environmental Performance Index (EPI), it now aims to be Green House Gas (GHG) emission neutral by 2045 and achieve 100 percent renewable power generation by 2040. Stockholm's response to the climate crisis has become a model for other nations. Through a focus on innovation, technology, and environmental projects at the local level, Stockholm has sought to reconcile ecology with a growing trend of urbanization to create a unique, sustainable city model. Yet, as

most Swedes agree, there remains much to be done and intellectual dialogue with Japan/Tokyo can help learn from Japan's industrial and technological innovation experience.



Japan has long been recognised as a leader in Asia when it comes to climate change policies/efforts. It was ranked 12th globally on the EPI scale - and the first in Asia. In recent times, Japan too has stepped up its climate change efforts, setting ambitious targets of cutting GHG emissions by 46 percent by 2030 and achieving a goal of net-zero emission by 2050. Yet, Tokyo's climate policy remains to be much improved; dialogue with Sweden could perhaps help in this regard.

**Dr. Swanström** elaborated that to combat this shared global challenge, the ISDP-KIIP study aims to initiate a dialogue between the two countries to facilitate an exchange of ideas and best practices, promote bilateral political under-

standing and open avenues for collaboration moving forward. To further this absolutely critical exercise, the event featured two distinguished speakers, who were high-level representatives of the policy-making bodies in Sweden and Japan - **Ms. Kristina Yngwe** and **Mr Makihara Hideki**. Ms. Yngwe is a Member of the Swedish Parliament and Chair of the Committee on Environment and Agriculture, and Mr. Makihara is a Member of the House of Representatives (the lower house of Japan's national Diet) and the Director of the Liberal Democratic Party of Japan's Environment Division.

Notably, **Dr. Swanstrom** also expressed his sincere thanks to **Mr. Nobuyuki Hiraizumi**, as the Head of the joint study and the most instrumental person in the project, and appreciated his support for this event.

# How Sweden Takes On Climate Change: What Can It Better?

By Ms. Kristina Yngwe

In her presentation, Ms. Kristina Yngwe gave a brief background of climate change policies/efforts in Sweden, the policies and frameworks in place to respond to the climate crisis, and shed light on the decisions taken to battle climate change by Sweden. Although Sweden is not one of the worst climate change-affected countries, and Swedes often don't see it as an issue impacting them, the country remains vulnerable to climate change in several ways. The reducing ice on Swedish lakes and the Baltic sea, decreasing snow cover, greater flood risk due to rising sea levels, coastal erosion, and water shortages in Southern Sweden are some examples of risks the country faces. Considering this, climate change has formed a foremost concern for the Swedish government for a long time. One key strategy for Sweden has been to achieve green growth (increasing GDP while reducing GHG emissions); by decoupling climate change gas emissions from economic growth, the industry can see the economic incentives in going green and can therefore not only support but also drive climate change reduction policies.

Sweden's climate pol-



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icies are dictated by the international framework (the Paris Agreement), the EU framework (such as the climate emission goals and legislations), and its own national framework put in place by the Parliament. Ms. Yngwe highlighted that with emissions being a cross-border issue, international cooperation was crucial in pushing each other forward. Sweden's framework for climate change policies has three components: Firstly, Sweden has set climate targets to reduce GHG emissions by 63 percent of the 1990 levels by 2030 and reach net zero GHG emissions by 2045. Secondly, the Swedish Climate Change Act (passed in 2018) requires the government to present a climate policy action plan that specifies how the targets are to be achieved. Importantly, the Act ties climate policy goals

together with budget policy goals such that climate is not considered an individual sector concern, but a concern across all industries. Thirdly, Sweden's Climate Policy Council, composed of researchers, policy-makers and industry experts, presents an in-depth yearly report investigating a particular issue (like transport), the government's progress in the domain, and providing recommendations.

Importantly, Ms. Yngwe elaborated that Sweden has created Fossil Free Nation by 2045 platform under which 22 different industrial sectors have their own roadmap and goals to achieve this target. Besides, there has also been the onset of a green revolution in Northern Sweden, with industries investing heavily in green steel, green batteries, and wind power capabilities. These investments

are examples of how industries recognise the incentives of green growth and are pushing the climate change action agenda.



The work of the industries is supported by policy frameworks in three key areas: renewable energy, green industry and fossil free transport. Sweden has sought to capitalise on its natural resources to ramp up hydro power in its energy mix; it is now concentrated on other areas like wind energy and biomass energy. Policies like green electricity certificates, investment support, and tax reduction for installing green technology (to bolster local production) are helping increase renewable energy production. At the same time, Sweden is also promoting a green circular economy to reduce resource dependency, minimise waste, reduce environmental footprint, and generate increased income. The EU's Emissions Trading Scheme (ETS) framework, and laws mandating energy inventory for all products and mixing renewable plastic with fossil plastic are some policy examples to encourage a circular green economy. Furthermore, to increase fossil free energy in the transport sector, Sweden levies a carbon tax, provides tax subsidies for climate -friendly automobiles

and higher tax for others. The Swedish government has also made it mandatory to include information about a product's impact on climate for consumers and to mix a certain amount of renewable fuel with fossil fuel to lower emissions.

Lastly, Ms. Yngwe reflected that Sweden still has much to improve in areas like research and innovation. Although the country is home to several innovative start-ups in climate solutions, the government has not yet been able to help such industries scale up. It must adjust regulations to help such industries adapt to new tech to achieve their goals. Additionally, the government must also consider increased investment in digitalisation and artificial intelligence (AI) to drive innovation - and there was much to be learned from Japan here.



# An Overview of Japan's Environmental Policy: Achieving Net Zero GHG Emissions by 2050

By Mr Makihara Hideki

Next, Mr Makihara Hideki asserted that Japan has long worked on environmental policy with a keen sense; Japan's experience with oil shortages due to political turmoil in the 1970s pushed the country to become energy efficient. Further, to tackle the problem of high levels of pollution post its rapid economic development after World War II brought environmental policies to focus via an environmental agency, which later became the Japanese Ministry of Environment. But, Mr. Makihara admitted, in recent times the balance between economy and environment had tilted in favor of economic growth. Prime Minister Suga's rather sudden announcement of new GHG targets for Japan - achieving net zero GHG emissions by 2050 - brought a sudden shift in this balance as economic goals began playing second-fiddle to climate goals.

In this new push for GHG action, Japan has initiated a review of its Plan for Global Warming Countermeasures and Strategic Energy Plan. As a medium-term strategy, Prime Minister Suga has also set an ambitious target of reducing GHG emissions by 46 percent by 2030 (compared to the 2013 levels). In the long-term, the government is also



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revising its strategy under the Council for Paris Agreement. On May 26, 2021, the Japanese Diet successfully enacted a climate change act amendment (Act on Promotion of Global Warming Countermeasures) to formally adopt the pledge on achieving GHG net zero by 2050 and revising GHG emissions measuring, reporting and disclosure systems for decarbonization of businesses. In November 2020, the Climate Crisis Declaration was adopted by all parties in both the House of Representatives and the House of Councilors.

More than 400 local governments (covering 87% of the population or 110 million people, and including Tokyo, Kyoto, and Yokohama) followed the national government to declare a net zero emissions by 2050 goal. Local governments have also set up a New Committee of Ministers and

the Council for National and Local Decarbonisation) in December 2020 to develop a roadmap by June 2021 to achieve the decarbonisation of all local governments by 2050. Mr. Makihara commented that such movement on climate was unprecedented in Japan, particularly with regards to Congressional support across all parties and coordination between the national and local administrations.

Mr. Makihara noted that while Japan's push is commendable, its targets are quite ambitious and based more on a strong will than a high-level examination or analysis. From 2014-2019, Japan has seen a steady but slow decline in GHG emissions (14 percent compared to 2013); a 46 percent reduction by 2030 and 50 percent reduction for GHG net zero by 2050 is a sharp decline requiring strenuous efforts.

Next, Mr. Makihara discussed Japan's Plan for Global

Warming Countermeasures, enacted in 2016 by the Cabinet, in accordance with the Paris Agreement. The Plan, presently under review, includes several policies and measures for the industrial, commercial, and residential sectors. Notably, industries are encouraged to voluntarily set their reduction targets, and progress in achieving these is regularly and stringently evaluated. Similarly, the government promotes compliance of energy-saving standards and disseminates energy-efficient equipment to commercial organisations and residences. However, all these measures are entirely voluntary and not mandated. Japan has found it difficult to mandate compliance, and also faced considerable resistance in several of its policies -- such as, promoting solar and wind power -- by the public. Garnering public support for climate policies remains a key challenge where Sweden's input could be valuable. Some areas where there has been progress include pursuing high-efficient in thermal power generation and improving fuel efficiency in the transport sector. In fact, as Mr. Makihara highlighted, the action plans for various energy-related, transport- and manufacturing-related, and household- and office-related industries were currently being revised according to the new climate targets, with mid-term goals for 2030 and long-term goals for 2050.

One key debate concerns regulating the automobile sector, which is a massive industry in Japan. Although there has been some push towards developing hybrids, there is immense fear that this shift could not only impact the industry's position in the

world market, but also result in unemployment domestically. Devising policies to ensure a smooth transition in this sector constitutes a critical challenge for Tokyo.



Next, Mr. Makihara drew attention to the importance of a circular economy for Japan. It partnership between the Ministry of the Environment, Ministry of Economy, Trade and Industry with the KEIDANREN (Japan Business Federation) forms a part of the Japan Partnership for Circular Economy (J4CE). Such public-private partnerships are hoped to increase Japan's presence of the circular economy in the international community.

Mr. Makihara also noted the importance of marine plastic pollution control because of the negative impact of marine pollution on tourism and fishery. Japan's Osaka Blue Ocean Vision was recognised in the G20 Osaka Summit too, where it was seen as a common global vision. Japan has a number of strategies it would like to follow in this regard – first, have a National Action Plan for Marine Plastic Litter; second, have a Basic Policy based on the Act on Promoting the Treatment of Marine Debris; and third, carry out Resource Circulation Strategy for Plastics. The National Action Plan for Marine Plastic Litter includes promoting proper waste management system, preventing littering, illegal dumping and unintentional leakage of waste into the oceans and col-

lecting scattered waste on land among other objectives. As Japan would like to be a leader here, there are some milestones it has set it place, such as cumulative reduction of 25% of single-use plastics by 2030, reuse/recycle 60% of containers and packaging by 2030, 100% effective use of used plastics by 2035, double the use of recycled amount by 2030 and introduce 2 million tons of bio-plastics by 2030. A new plastic circular act, first in the world, is also circulated.

Finally, Mr. Makihara discussed about increasing biodiversity loss and how that is affecting Japan. There have been huge ecosystem changes in the "satoyama" area due to lack of proper human activities, alien species invasion and chemical contaminations due to development and other human activities. This is threatening wildlife, waterbodies and could even has potential for species extinction. Even though the Japanese government has conservation and reservation policies in place, more needs to be done together at the global level.

# Discussion and Question-Answer Session

With Ms. Kristina Yngwe and Mr Makihara Hideki  
Moderated by Dr. Niklas Swanström

After Mr. Makihara's speech, the floor was opened to questions for the panelists. Dr. Swanström initiated by asking both Ms. Yngwe and Mr Makihara about the potential for achieving net zero emission and what possible scenarios exist for mix energy use. Ms. Yngwe responded that the goal is to use renewable energy more in the future and there are discussions still going on about using nuclear power too. However, there are some contestations as nuclear power is expensive and solar, wind and hydro energy is better in that sense.

Responding to the question by Dr. Komatsu if it is zero carbon emission or GHG emissions, Mr Makihara differentiated between zero carbon emission and GHG zero net emission goals – the target is to achieve GHG net zero where the volume of emission is equal to absorption. Therefore, according to him innovation is crucial and new technology using ammonium and hydrogen will become the future. Because Japan is a small country, batteries are going to be essential to transport the energy from islands to the cities.

More questions were posed to Mr. Makihara concerning the current state of Japan's policy towards the environment and if that can be changed by future administra-

tions. According to him, no administration can easily change the environmental declaration because it has been agreed upon by all parties; change is possible theoretically, but it will be difficult to pass it. When asked about new technology for nuclear energy that could make nuclear power a key aspect in slowing down greenhouse gas emissions, he responded by commenting on the history that Japan has with nuclear energy, referring to the Fukushima Daiichi nuclear disaster and how that left a permanent scar in Japan's memory. In responding to the question by Dr Komatsu on the future of Nuclear power, Ms. Yngwe's opinion, there is research and technological development happening in Sweden for nuclear power but it has not been implemented yet in the energy mix because of the cost involved.

A question was raised about the possibility of having a climate nexus between Sweden and Japan and if so, potential areas of collaboration. Both panelists responded positively as they see convergences between the ambition goals of both countries in the international arena, such as with regards to the use of wind technology. There is potential for collaboration between national and local government, along with increased human coopera-

tion as well. More questions were asked about the areas in which Europe and Asia can converge when it comes to climate action and if it can be used to develop solutions for Asia. Again, both Ms. Yngwe and Mr. Makihara expressed hope for future collaboration, especially in the carbon market sector as it is a developing field and has drawn a lot of attention in the political agendas of the countries as well.

**Dr. Swanström** ended the event by thanking the panelists for their contributions to the study. The need to tackle climate change is imminent and there is a need to involve all major powers and big developing markets like China, India, the US and Indonesia in addressing it. Politics and environment must go together and therefore, those big markets need to be roped in for more integrated action. Future conferences can take that into consideration when inviting international panelists to represent different parts of the world so that there is fair representation.



