Questions and Answers broadcasted through Japan Broadcasting Corporation (NHK)'s international news telecasted in July 21, 2001 (during COP 6.5 bis). The fourth question was not asked due to time constraint.

Question 1. European nations say Japan's ratification is essential. Why is it?

First, I would like to explain that there are two groups among signatories of the Kyoto Protocol (KP). Industrialized countries and economies in transition are called as Annex 1 countries and developing countries are classified as non-Annex 1 countries.

Having said that, there are two conditions for the Kyoto Protocol to become effective. One of them is that total percentage of CO2 emissions in 1990 of <u>ratified</u> Annex 1 countries shall exceed 55 % of total emissions of Annex 1 countries. As of today EU and economies in transition including Russia are reported to be willing to ratify. Total emission percentage of these countries is 49.4%. If Japan with 8.5% emission among Annex I countries, join EU, total percentage exceeds 55%, but if not, it will be rather unlikely that the KP will take effect. This means Japan has a casting vote. This is why Japan's decision is really important.

Question 2. The United States argues that it's impossible to check global warming given various restrictions. Do you agree?

The answer is yes and no. The Climate Change Action Plan launched in 1993 by then-president Clinton is the only program US had so far. This plan had never been reviewed and outcome never published. US could have started much stringent action plan just after Kyoto agreement. But they did not. At this moment, with 11.5% increase of CO2 emission over 1990 level, President Bush is right to think that ratifying the protocol will damage US industries to certain extent. However not only US but also even EU may not be able to implement their 8% reduction commitment without unlimited emission trading among EU countries.

Question 3. Why is the Japanese government so cautious about ratifying the Kyoto Protocol?

A good question! I think there are four reasons. Firstly, the KP will not be effective enough without the US, the world biggest emitter of Green House Gases. The second reason is that without US participation, it would be more difficult to expect developing countries participation in future. The third reason is that Japanese industries will loose competitiveness against US industries. This may add another pain to industries when they will be suffering from structural reform that Prime minister Junichiro Koizumi is planning to carry out.

The fourth reason may be the most important of all. There are still lots of important points yet to be agreed upon. Just to mention two examples; rules with regard to emission trading and to which activities in relation to absorption of CO2 in land use change and forest categories (called sink) shall be subtracted. Regardless of US participation, unless these rules will be set, Japan is not sure whether it can implement its commitment or not. For example, if EU proposal to set limit on emission trading to certain extent will be accepted, it may be very difficult for Japan to implement its commitment under KP. Because Japan's energy efficiency level is the highest in the world, cost for additional domestic reduction is also the highest. This means Japan need to utilize emission trading to certain extent. Therefore all these rules and modalities should be clearly defined before Japan decides to ratify the KP.

Question 4. The Japanese government seems determined to persuade the US, doesn't it?

We experienced almost the same confrontation in 1992 when the Framework Convention on Climate Change negotiation was at the final stage. Then President Mr. Bush, father of George W. Bush, was quite reluctant to sign the convention, insisting that it will be impossible for the US to stabilize its emission at 1990 level by the year 2000. After intense negotiations with the US, EU, Japan and other countries conceded the US to some extent and finally US came back to the Convention.

Now, President Bush stands firm not to change his mind. However we should know he never said that US would withdraw from the Convention. If we take a longer view on this issue, we may have good chance to find out compromised solution.

Question 5. What would be a possible compromise?

We should never abandon KP framework itself. We should leave it as a façade and renovate it. As the Economist magazine said just before the Kyoto Conference in 1997, "better a strong weak agreement that has a good chance of being honoured than a weak strong agreement that is likely to collapse". Under democratic society, lawmakers cannot pursue their political belief without voters' support. In this sense, strong agreement will be weak and easily lead to collapse. rennovation may include extending the target period, for example, to 2020 or may include wordings that suggest developing countries future participation in exchange for increased technology and financial assistance to them.

If we look at the IPCC (Intergovernmental Panel on Climate Change) Third

Assessment Report just published this year, we immediately understand it will be more important, in 100 years term, that what kind of society current generation aim at. If we will be clever enough not to rely too much upon fossil fuel in future, we will have a good chance to stabilize GHG concentration at a level that would be acceptable to our future generation. The KP is just a first step toward a sustainable society. Even with some modification, to have KP is quite important toward that end.