

Sectoral approaches, a tool to facilitate action

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WS on sectoral approach in March

Date: March 24th (Tue) 13:00-25th (Wed) 16:30

Participants: Government officials, International industrial organizations, Private companies, International organizations

Venue: Hotel Kanzler, Bonn, Germany

Purpose:

- *To build on previous workshops and move forward practical proposals for development of sectoral approaches as a tool in the future framework*
- *To advance the understanding on the roles of SA in the future framework through discussions on the practices in the major sectors with specific goal of developing implementation methodology.*

(1) Discussions focusing on major sectors

Iron & Steel, Cement, Aluminum

- Difference of cost for reduction of GHG can lead to distortion of market and induce carbon leakage.
- It is ultimately expected to realize equal efficiency in every country.
- Industries have already initiated voluntary efforts including benchmarking, indicators, and target setting.

Power Generation

- As intensity depends on energy security policies and accessibility to the resources, it is difficult to realize equal intensity in every country.
- However, considering its impact on other sectors and technological homogeneity especially in coal-fired power plants with, global cooperation is effective.

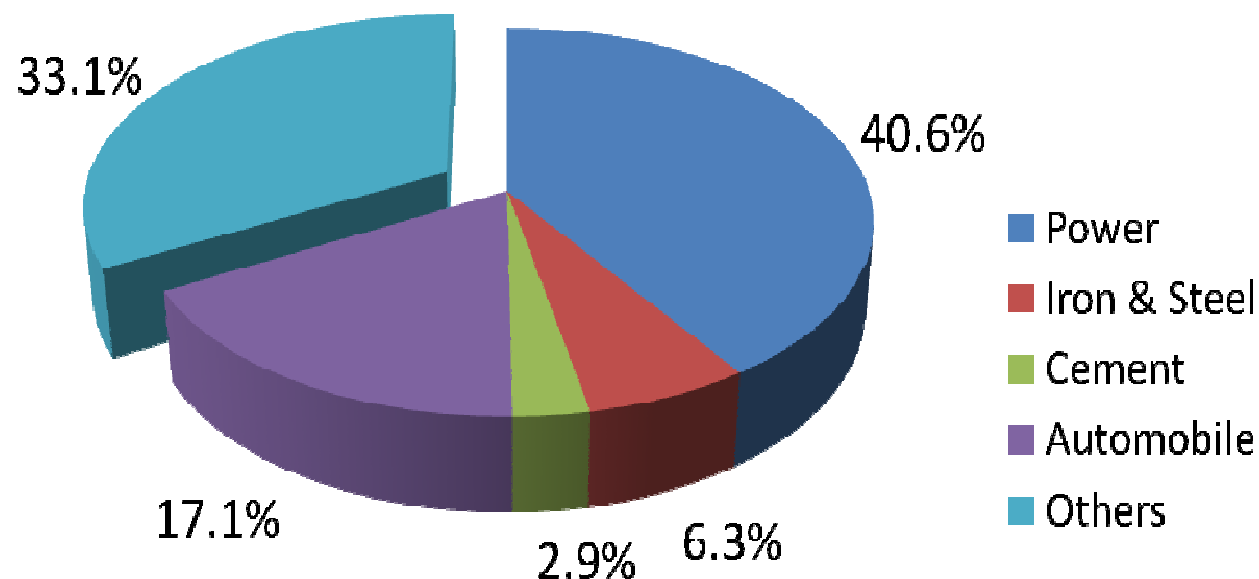
Road Transport

- As efficiency depends on policies (introduction rate of non-fossil fuels or infrastructure), it is difficult to realize equal efficiency in every country.
- However, considering homogeneity of products and its impact in global emission, global cooperation is effective.

Coverage of Sectors

SA should cover sectors of which CO2 emissions account for large share in the global CO2 emissions.

Global energy related CO2 emissions 27.1Gt(2005)



Source : IEA, "CO2 Emissions from Fuel combustion 1971-2005," etc.

(2) Discussions SA in the future framework

Role of sectoral approach

(A) Role for defining commitments/actions

- **evaluate current status** of efforts of each country
- **show an achievable path** based on technologies and actual business activities

Each country needs sectoral analysis to plan programs to address climate change including specific goals in each sector

(B) Role for implementation of commitments/actions

- **promote TT and finance** through identifying technologies and their potentials
- **facilitate MRV** with clear milestones
- **encourage private sector** to improve their efforts

International mechanisms with a focus on sectors are necessary to promote effective cross-border efforts.

Main discussion points

- What are advantages and limitations of industry-driven activities?
- What can be achieved in each sector by 2009?
What is the goal of their activities?
- How can governments utilize sector-based activities by industries?
- What are necessary elements to provide incentives to private sectors for investment and technology cooperation?
- What elements of sectoral approach should be agreed by COP15 as a basic concepts of the future framework?