

JCLP, a coalition of 225 companies committed to an early transition to a decarbonised society, has released a “statement on the growth-oriented carbon pricing architecture”

-Calling for support for the proliferation of decarbonisation technologies, such as renewables and energy-saving schemes, and a just transition-

Japan Climate Leaders’ Partnership (JCLP), a corporate coalition proactively committed to climate action and a transition to a decarbonised society, has released a “statements on the growth-oriented carbon pricing architecture” today.

The statement puts forward the background and key suggestions as follows to achieve both the 1.5°C goal based on the Paris Agreement and sustainable economic growth through decarbonisation.

- Background: Why JCLP requests support for the proliferation of decarbonisation technologies (e.g. renewables and energy-saving schemes) and a just transition :
 - Carbon prices in Japan are set at very low levels compared to the global standard, and are not functioning as drivers of emissions reduction.
 - Amid soaring corporate goods and consumer prices, it is important to help companies with the uptake of the decarbonisation technologies such as renewables and energy-conservation, and shift priorities to measures that reduce dependence on fossil fuels.
- Suggestions based on the background above :
 - Consider setting a minimum carbon price at around ¥3,000 t-CO₂ now as a standard to ensure energy transition in the power generation sector.
 - Examine the future introduction of carbon prices that are high enough for decarbonised products made by Japanese heavy industries such as the steel, cement and chemical sectors to be competitive in the international market.
 - Shift the volunteer-based emissions trading under the GX League to a cap-and-trade system sector by sector in order to make a more effective trading scheme that covers large emitters.
 - Secure enough financial resources to accelerate technological innovation in off-shore wind power generation, next-generation photovoltaic cells and others, and also to proliferate existing decarbonisation technologies as exemplified by renewables and energy conservation.
 - Support a shift from high-emitting facilities and equipment such as coal-fired power plants to renewable electricity generation and storage battery systems while providing job-placement/skill-learning assistance for workers who would be adversely affected by the transition.

- Provide direct support and benefits for people who stand to lose economically due to energy crisis such as low-income earners to reduce dependence on fossil fuels.

Download the full statement [here](#).

Note to editors:

About Japan Climate Leaders' Partnership (JCLP):

JCLP is a coalition of businesses in Japan launched in 2009 to encourage the business sector to develop a sound sense of urgency on climate action. It aims to become leading companies necessary on the pathway towards a decarbonised society. As a cross-sectoral business group, it has a membership of 225 including major companies in Japan (as of November, 2022), its total sales are estimated to be ¥130 trillion, and electricity demand together amounts to approx. 65 TWh (including overseas businesses).

Since April 2017, JCLP has been the Climate Group's Regional Delivery Partner on RE100, EP100 and EV100 initiatives in Japan. The group is actively working on collaboration with various actors from local governments to international organisations as seen in the signing of a comprehensive partnership agreement with Yokohama City and co-hosting of RE Action, Japan's unique initiative to support small and medium enterprises and other organisations to declare 100% renewable electricity.

For further information and inquiries: <http://www.japan-clp.jp/>

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