

Updates on EE & C Policies and Programs in Japan

35th EGEE & C Meeting / APEC in New Zealand

Akira Hosaka

International Affairs Office

Energy Conservation and Renewable Energy Dept.

Agency for Natural Resources and Energy

Ministry of Economy, Trade and Industry of Japan

Main policy and program developments

Expansion and Extension of Eco Point Program

- ECO Point Program will be extended by 9 months (until 31st December 2010)
Initial fund: Approximately 3.3 billion \$, Additional Fund : Approximately 2.6 billion \$
- Residential houses (e.g. insulated new houses) have become a subject of Eco Point Program
Amount of fund: 1.1 billion \$

Partial Amendments of Energy Efficiency Law

- Introduction of Industrial Sectors' Benchmarking as National Regulation
- Strengthening of energy efficiency standard of TV based on "Top Runner Program"

Setting an Objective on Development and Dissemination of Net-Zero Energy Buildings (ZEBs)

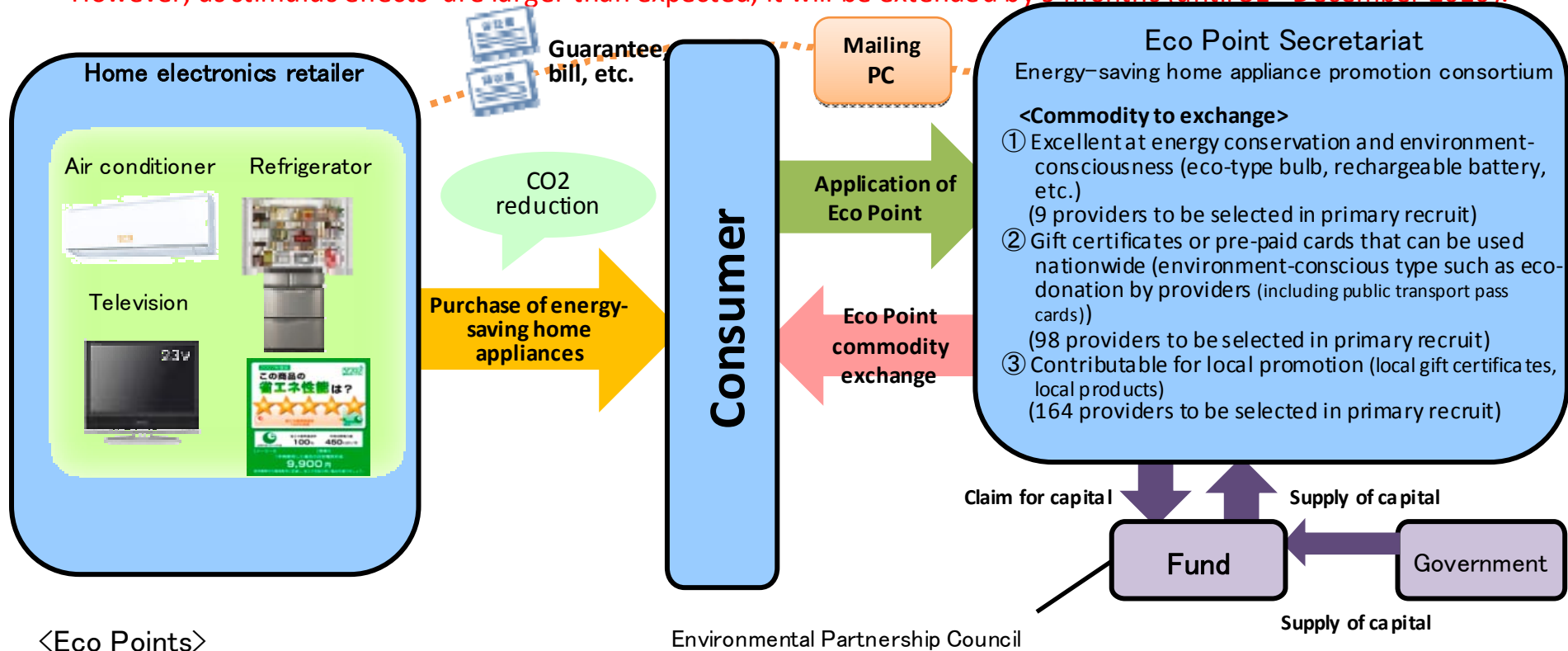
- The Committee set up by METI has compiled a report to propose a new vision toward developing ZEBs in Japan.
- Setting a New Vision for Adoption of ZEBs in Japan

Outline and Structure of “Eco Point” system in Japan

[Purpose] ① CO2 reduction, ② Economic stimulus, ③ Spread of ground-wave digital television

Eco Point applications have been accepted since July, 2009. **At first, this program will terminate at the end of FY 2009.**

However, as stimulus effects are larger than expected, it will be extended by 9 months (until 31st December 2010).



<Eco Points>

	Air conditioner	Refrigerator	Television
Purchase of product with uniform energy-saving label equivalent to 4 stars	6,000 to 9,000 (3 steps according to cooling capacity)	3,000 to 10,000 (4 steps according to capacity)	7,000 to 36,000 (5 steps according to screen size)
Further recycling	3,000	5,000	3,000

Creation of “Eco Point” for Residential Housing

【Purpose】

- Increasing the number of energy efficient houses
- Creating investment in the housing area which has wider range of related industries ⇒ Stimulus of Economy

【When to start】

- After the day when second supplementary budget for the FY 2009 passed the Diet

【Subjects of Eco point】

- 1) New house equipped with energy efficiency systems and 2) Energy efficiency improvement renovation of the houses (“ECO Reform”) which started its construction or renovation between the period of 8th December 2009 and 31st 2010

【Points】

- 300,000 points per new house built
- While Eco Point will be given to 1) Renovation of windows for insulation, 2) Renovation of roof, ceiling or floor for insulation and 3) Renovation for barrier free, total amount [1)+2)+3)] should not exceed the ceiling of 300,000 points.

Introduction of Sectors' Benchmarking System

【Outline】

To regulate certain types of energy intensive industries stricter as follows;

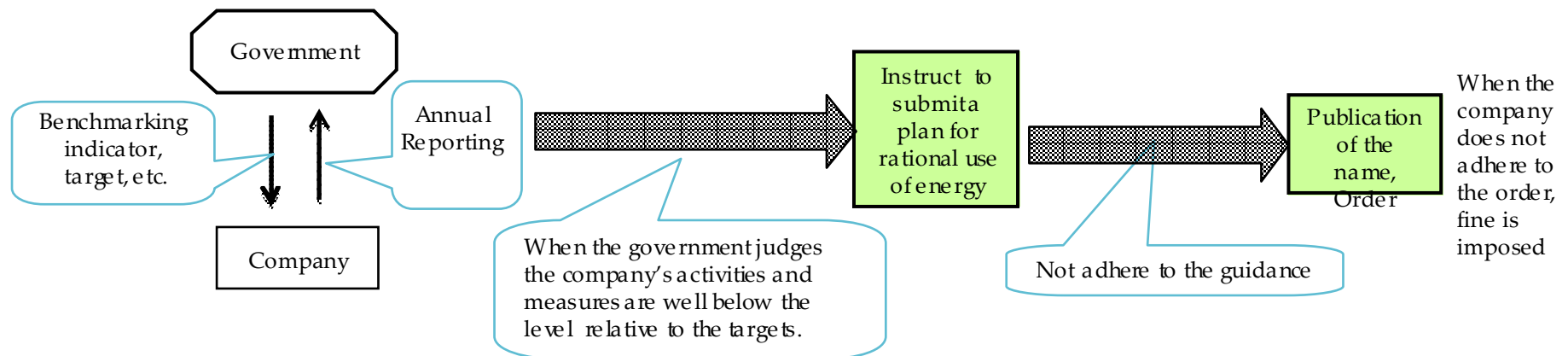
- Determine **benchmark indicators** which can be basis for the comparison of level of energy efficiency among companies
- Set **medium and long-term targets** (to be achieved around 2015-2020)

Each factory and workplace was required to achieve annually on average **1 % reduction or more of energy intensity.**

↓ Amendment of Energy Efficiency Law

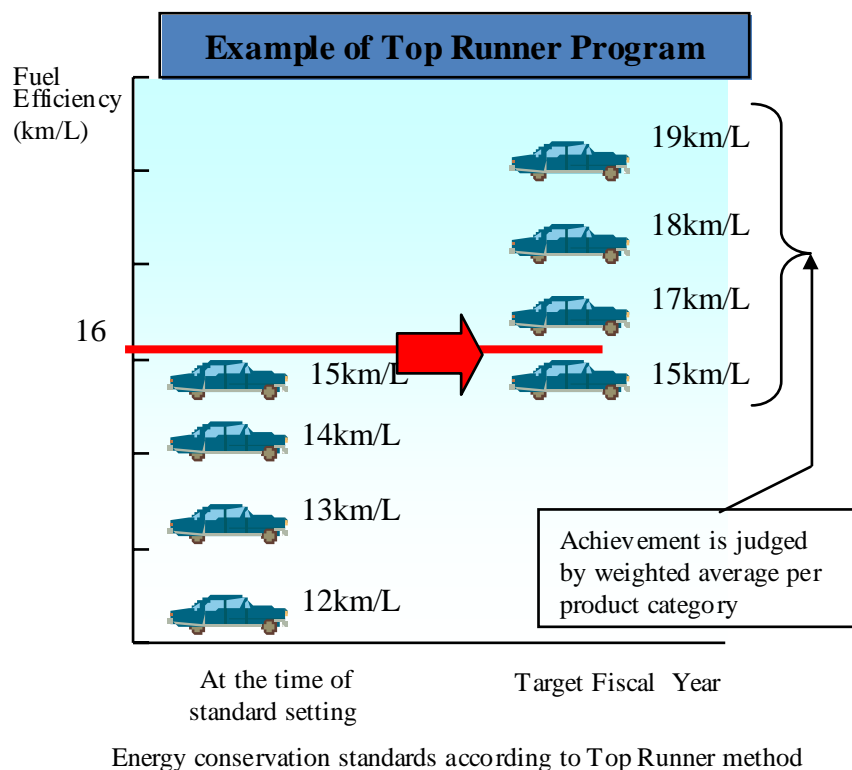
In addition to the energy intensity target as above, **benchmarking indicators and targets** thereof, which companies are required to **achieve in the medium and long-term**, has been obligated for energy intensive industries such as **iron and steel, cement, and electric power. Benchmarks were also developed for Paper and pulp, Oil refinery and part of Chemical sector in 2009.**

- Targets are set at the energy efficiency level of the best performing companies (**top 10%-20%**) in each sub-sector (“Average value - Standard deviation”).
- Companies in these sub-sectors are obligated to **report the situation of benchmarking indicator every year**, in addition to the ratio of energy intensity reduction and implementation of energy management system.
- Based on the companies' reports, the government may take necessary measures when it sees substantial lack of efforts in reference to the targets. The measures include guidance, publication of the company's name, and order (fine is imposed when the company does not adhere to the order).



Strengthening of efficiency standard of TV on Top Runner Program

- Manufacturers are obliged to comply with “Top Runner Program” as regulated standards. For incompliance, they may be imposed recommendation of improvement, publication of Company’s name, order and penalty (equivalent to ten thousand \$).
- The standard of TV is revised and the target efficiency to be achieved by the end of FY 2012 is set higher.



Target products (23 products)

- | | |
|-----------------------------|----------------------------|
| 1. Passenger vehicles | 9. Magnetic disc units |
| 2. Freight vehicles | 10. Electric refrigerators |
| 3. Air-conditioners | 11. Electric freezers |
| 4. TV sets | 12. Space heaters |
| 5. Video-cassette recorders | 13. Gas cooking appliances |
| 6. Fluorescent lights | 14. Gas water heaters |
| 7. Copiers | 15. Oil water heaters |
| 8. Computers | 16. Electric toilet seats |

etc.

* Top Runner Program:

The concept of the program is that fuel economy standards for vehicles and energy conservation standards for electric appliances, etc. shall be set exactly the same as or higher than the best standard value of each product item currently available in the market.

Recent development of study regarding Net-Zero Energy Buildings

The Committee commissioned by METI had discussed the way of development and dissemination of ZEBs from May 2009 and compiled a report last November to propose a new vision toward developing ZEBs in Japan.



New vision of ZEBs in Japan

The new vision should boldly expand the target to **all kinds of new building by 2030** from current one formulated in April 2009, in which the target is covered with **only new public buildings**.



[Toward implementing new vision]

- **A raise in energy efficiency standards for building**
 - ↳ Comprehensive evaluation based on the energy consumption of the building as a whole
- Setting up detailed benchmarks under regulation to implementation the Law Concerning the Rational Use of Energy
- To encourage companies to move into energy efficient buildings
- **Drastic tax incentive and budgetary support**
- Support for **technical innovation**
- Creating a **labeling system** to indicate the energy efficiency level of buildings

Thank you for your attention!



METI

Ministry of Economy, Trade and Industry