



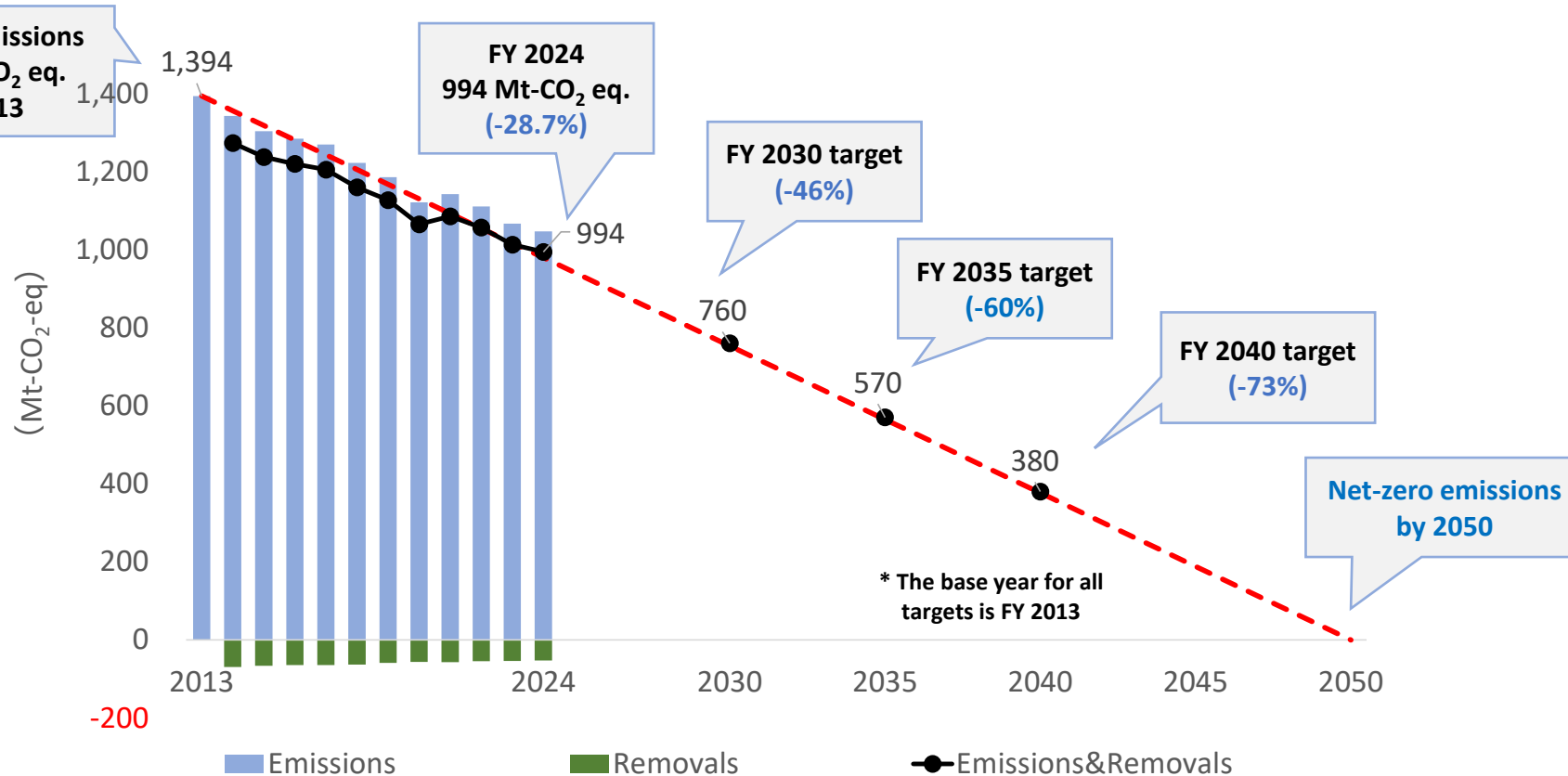
Facilitative, Multilateral Consideration of Progress

Japan

June 2026

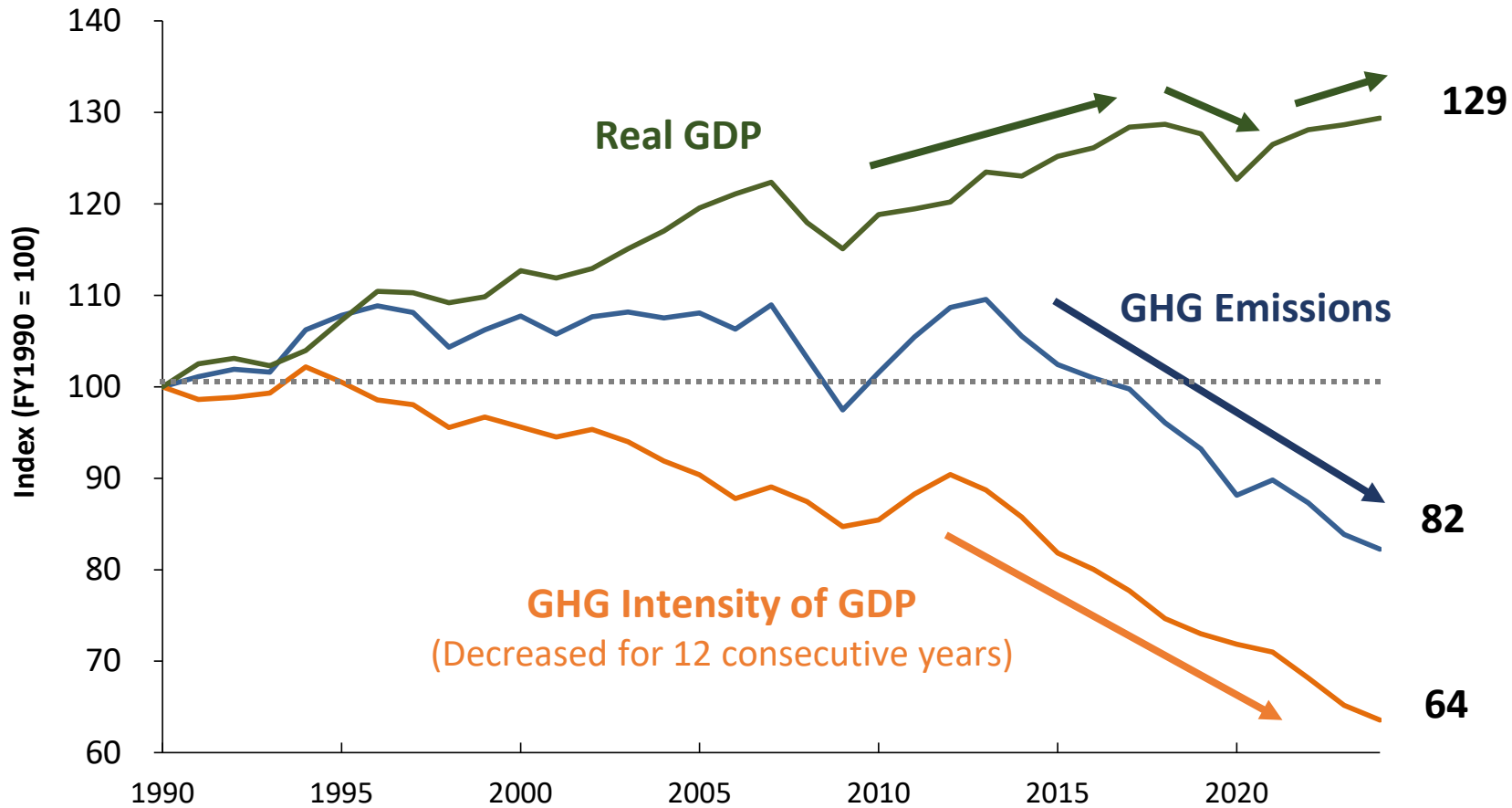
Japan's mid- and long-term emission reduction targets

- Japan submitted its 2nd NDC to the UNFCCC in February 2025.
- Japan aims to reduce its GHG emissions by **46 % in FY 2030**, by **60 % in FY 2035**, and by **73 % in FY 2040**, respectively, from its FY 2013 levels, as ambitious targets aligned with the global 1.5 °C goal. Also, Japan is committed to **achieving net zero by FY 2050**.
- The GHG emissions in FY 2024 were approx. **-29 %** compared to the base year, indicating **steady progress towards the 2030 NDC target**.



Trends of GHG Intensity of GDP

- The **GHG intensity of GDP** has decreased for twelve consecutive years since FY2013, reaching the lowest level since FY1990.



Overview of the *Plan for Global Warming Countermeasures*

- The *Plan for Global Warming Countermeasures* is formulated as the government's comprehensive plan under the *Act on the Promotion of Global Warming Countermeasures*, serving to establish policies and measures aimed at achieving the goals of the UNFCCC and the Paris Agreement.
- The *Plan for Global Warming Countermeasures* was revised in February 2025 based on the 2nd NDC.
- The plan stipulates the following:
 - ✓ **National emission reduction targets**
 - ✓ **Targets by gas and sector**
 - ✓ **Policies and measures**
 - ✓ **Roles of the government, local governments, businesses, and citizens**
 - ✓ **Progress management approach**

Targets and estimates of each gas and sector for 2030 and 2040

	FY 2013 Results	FY 2030 (relative to FY 2013)	FY 2040 (relative to FY 2013)
GHG Emissions and Removals	1,407	760 (-46%)	380 (-73%)
Energy-related CO₂	1,235	677 (-45%)	Approx. 360-370 (-70-71%)
Industry	463	289 (-38%)	Approx. 180-200 (-57-61%)
Commercial and others	235	115 (-51%)	Approx. 40-50 (-79-83%)
Residential	209	71 (-66%)	Approx. 40-60 (-71-81%)
Transport	224	146 (-35%)	Approx. 40-80 (-64-82%)
Energy Conversion	106	56 (-47%)	Approx. 10-20 (-81-91%)
Non-energy-related CO₂	82.2	70.0 (-15%)	Approx. 59 (-29%)
CH₄	32.7	29.1 (-11%)	Approx. 25 (-25%)
N₂O	19.9	16.5 (-17%)	Approx. 14 (-31%)
HFCs, PFCs, SF₆, NF₃	37.2	20.9 (-44%)	Approx. 11 (-72%)
Removals	-	-47.7	Approx. -84
Joint Crediting Mechanism (JCM)	-	Japan aims to contribute to international emission reductions and removals at the level of a cumulative total of approximately 100 Mt CO₂ by FY 2030 through public-private collaborations. Japan will appropriately	Japan aims to contribute to international emission reductions and removals at the level of a cumulative total of approximately 200 Mt CO₂ by FY 2040 through public-private collaborations. Japan will appropriately

Key Policies and Measures under the Plan

- To achieve Japan's new NDC, the following PaMs will be implemented under the *Plan for Global Warming Countermeasures*, in coordination with the *Strategic Energy Plan* and the *GX2040 Vision*.
- These PaMs will be advanced or revised through follow-up activities.

Energy Conversion

- Maximize the use of **renewable energy, nuclear power, and other highly effective decarbonization power sources**
- Utilize **LNG-fired power as a transition energy**, promote **decarbonization of thermal power plants** using hydrogen, ammonia, CCUS, etc., and facilitate efforts to **fade out inefficient coal-fired power plants**
- Utilize **CCUS, hydrogen in hard-to-abate sectors**

Industry, Business, Transportation, etc.

- Support transition to **innovative equipments** in factories and introduction to energy efficient facilities in **SMEs**
- **Improve energy efficiency of semiconductor products**, develop and utilize cutting-edge technologies such as **photoelectric conversion**, and improve **energy efficiency of data centers**, with expected increase in electricity demand
- Reduce CO₂ emissions throughout **product lifecycle**, from manufacturing to disposal, in the **automotive sector**, advance decarbonization in **logistics systems**, and use next-generation fuels in **aviation and marine transportation** sectors

Local Communities and Lifestyle

- Accelerate **local decarbonization and revitalization** and create more than 100 "**decarbonization leading areas**" by FY2030
- **Shift to decarbonized lifestyles**, including energy-efficient housing and food loss reduction
- Support installation of **high insulation windows, energy efficient water heaters, electric commercial vehicles, and perovskite solar cells**, and its **demand generation** by introducing such products to national and municipal government buildings
- Advance **decarbonization of the entire value chain**, including development of **Scope 3** GHG emissions accounting methods

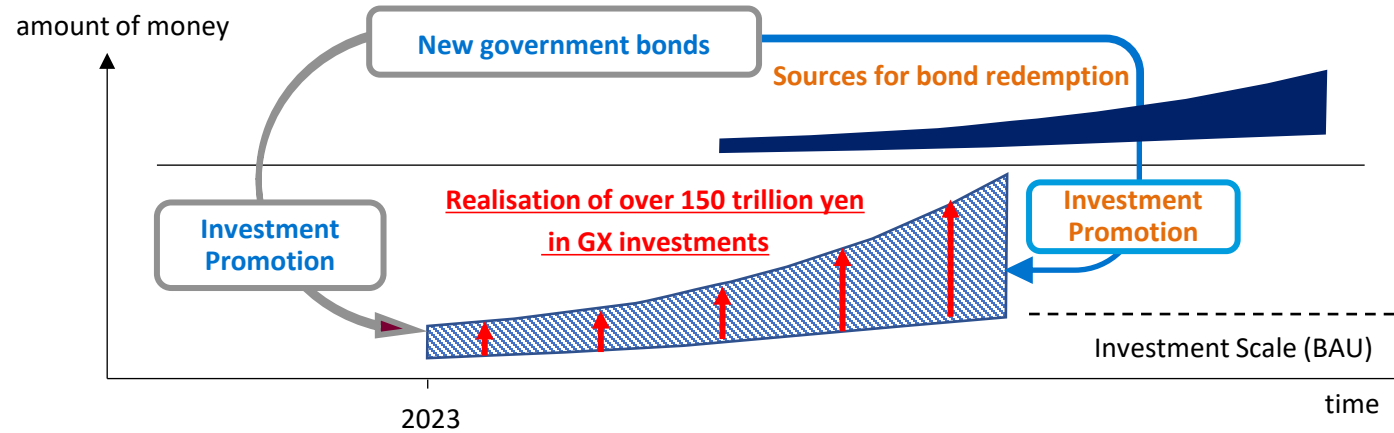
Cross-cutting Issues

- Establish and implement "**pro-growth carbon pricing**"
- Promote transition to a **Circular Economy**, advance measures under the Act concerning Sophistication of Recycling Businesses, facilitate deployment of **waste treatment facilities with CCU** and facilitate **solar panel recycling**
- Advance efforts on **forest management, blue carbon and other carbon removal activities**
- Contribute to **global emissions reduction** utilizing Japan's decarbonization technologies and expand cooperation under **the Joint Crediting Mechanism (JCM) and City-to-City collaboration including under the Asia Zero Emissions Community (AZEC)**

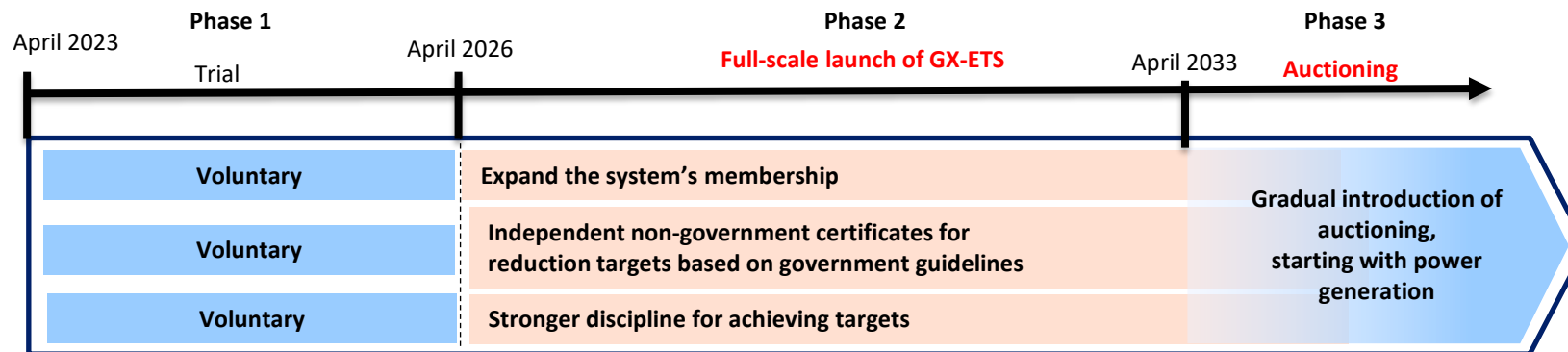
Pro-Growth Carbon Pricing

- Japanese Government supports for **GX investment**, financed by **GX Economy Transition Bonds** (20 trillion yen)
- Introduction of **carbon pricing** to incentivize early GX investment:
 - ✓ Full-scale operation of **emissions trading system (GX-ETS)** in high-emission industries [from FY2026] + Allowance auctioning to be phased in gradually to power generation companies [from FY2033]
 - ✓ Introduction of a **GX-Surcharge** on fossil fuel supply [from FY2028]

Pro-Growth Carbon Pricing

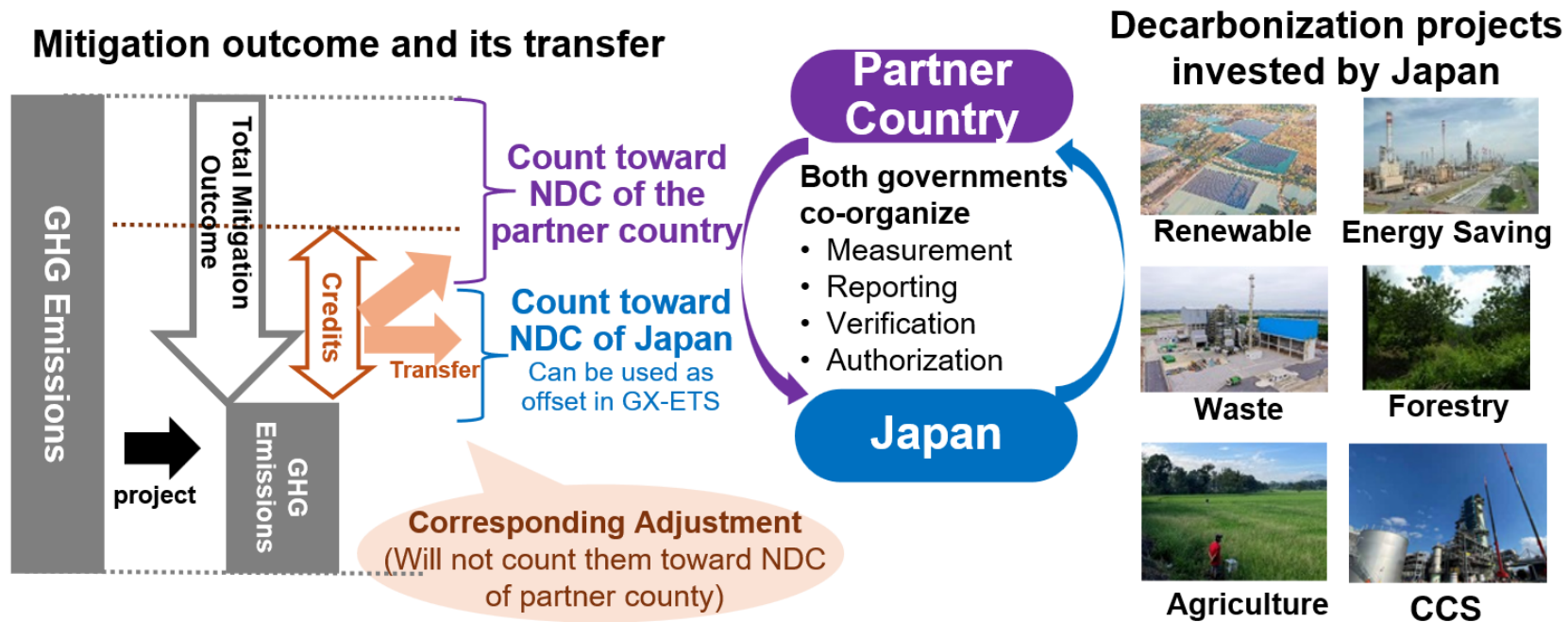


Gradual Development of GX-ETS



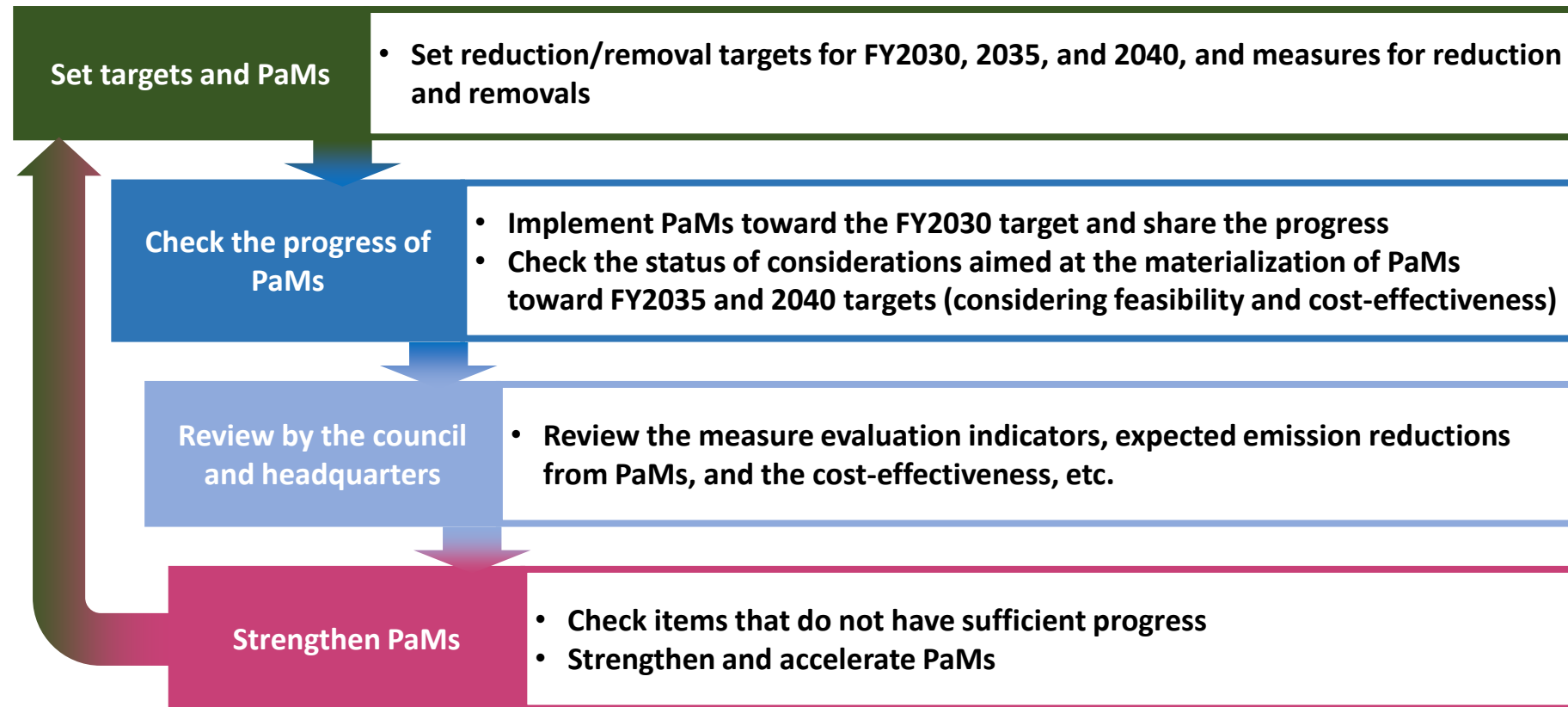
Article 6.2: Joint Crediting Mechanism (JCM)

- The JCM is a mechanism established consistent with Article 6.2 of the Paris Agreement, whereby Japanese companies and the government implement mitigation measures with financial and technical cooperation, and **the resulting GHG reductions and removals are allocated according to each country's respective contribution.**
- By using credits as a funding source to attract decarbonization investments from Japan while **reducing the cost burden on partner countries** when utilizing decarbonization services, the **JCM contributes to increasing the GHG reductions and removals for both Japan and its partner countries**, as well as contributing to the **revitalization of both countries' economies and sustainable development.**
- Since 2013, Japan has established **JCM partnerships with 32 countries**, and as of May 2026, the **number of projects has exceeded 300**. The **first ITMOs under the JCM were issued between Japan and Thailand** in November 2025, followed by the second ITMOs issued **between Japan and the Maldives** in December 2025.
- Japan has already **submitted the initial report and the AEF required for Article 6 reporting.**



Follow-up Mechanism: Progress Management Approach

- Japan will review **the progress of PaMs** in order to steadily advance emission reduction along with a linear path toward net-zero in 2050, despite a high uncertainty of future electricity demand, and the development and implementation of decarbonization technologies. **Through the follow-up process, Japan will flexibly improve and strengthen our PaMs.**
- Based on the evaluation and review process to date, the follow-up process will be improved, **including flexible updating of evidence for evaluation.**



Financial support provided and mobilized

- Japan has been **consistently fulfilling** every climate finance commitment it has announced since 2013.
- Total climate finance increased from **USD 11.8 billion** in 2021 to **USD 15.2 billion** in 2022.
- Of this total, 83% was provided through **public finance**.
- In 2021 and 2022, Japan delivered **tailored cooperation projects in around 150 countries**.

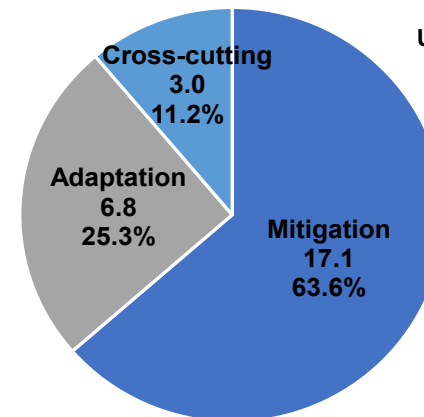
Climate finance summary

USD billion

	2021	2022
Public	10.3	12.1
Bilateral, Regional and other	9.0	11.2
Multilateral	1.4	0.9
Private	1.4	3.1
Total	11.8	15.2

Type of Support (2021 & 2022 total)

USD billion



Note: Numbers may not add up due to rounding.