

Asia Green Growth Partnership Ministerial Meeting (AGGPM) Public-Private Forum
Opening Remarks by H.E. Mr. HAGIUDA Koichi,
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Excellencies and distinguished guests, welcome to ‘Asia Green Growth Partnership Ministerial Meeting Public-Private Forum’. I am HAGIUDA Koichi, Minister of Economy, Trade and Industry of Japan. It is my greatest honour to welcome you all to this inaugural forum.

Tackling climate change is an urgent issue that requires our joint efforts. In particular, it is essential not only for developed countries but also for emerging countries to take action towards global carbon neutrality at the earliest to achieve the goals of the Paris Agreement.

In promoting these efforts in Asia, we must pay close attention to the unique circumstances of each country, such as geographical conditions and stages of development. Besides, it is necessary to respond to multiple challenges, such as securing stable and affordable energy and achieving sustainable economic growth.

Today, in the wake of the Russian invasion of Ukraine, the global energy situation is changing dramatically. I believe that now is the time to promote a well-balanced energy transition that addresses climate change while ensuring sufficient energy supply in the short term and energy security in the mid to long term.

Japan will support efforts to accelerate various and pragmatic energy transitions, which consider Asia-specific circumstances and utilise all possible measures and technologies, based on three principles: 1) efforts along ‘various pathways’, 2) innovation, and 3) engagement.

Japan’s wide-ranging support measure for this purpose is termed the ‘Asia Energy Transition Initiative’ or AETI.

I visited Indonesia, Thailand, and Singapore in January, and conveyed my determination that this is a year of the ‘implementation’ of AETI-based cooperation.

With these three countries, I have also signed a Memorandum of Cooperation to further strengthen our collaboration on accelerating energy transitions. Similarly, we have also launched partnerships and strengthened cooperation with several countries in Asia and the Middle East, such as India, Vietnam, and the UAE.

From these discussions with Asian and Middle Eastern leaders, I found out about their high expectations from Japan’s advanced technology. Since my previous position as Minister of Education, Culture, Sports, Science and Technology, I have put a great deal of effort into promoting technological development and innovation. In the field of clean energy and decarbonisation, we will lead the world together with Asian countries through AETI.

Japan’s clean technologies to reduce CO₂ emissions, such as the use of ammonia and hydrogen in thermal power generation, the establishment of supply chains utilising hydrogen carriers, and the commercialisation of CCUS, are once again attracting high expectations and attention from European countries that have strongly advocated the introduction of renewable energy amid the dramatic change in the energy situation in the wake of the Russian invasion of Ukraine.

Excellencies and distinguished guests, various efforts and activities based on AETI are, in fact, steadily

progressing under public-private partnerships in Japan and Asian countries.

The first is the formulation of roadmaps towards carbon neutrality. In collaboration with the Economic Research Institute for ASEAN and East Asia (ERIA) and the Institute of Energy Economics, Japan (IEEJ), we are holding a series of discussions with the governments of each ASEAN country regarding the roadmap. We will also promote such efforts with India and Bangladesh.

Having established a roadmap, it is also necessary to support the demonstration, development, and introduction of technologies that will be positioned in the roadmap. In February, we held a business matching session between Japanese and ASEAN companies to introduce Japan's various technologies, such as renewable energy, energy efficiency improvement, hydrogen, ammonia, and CCUS/Carbon Recycling. We will further expand these efforts.

I am also informed that Nippon Export and Investment Insurance (NEXI) and PLN, an Indonesian state-owned utility company, will sign a Memorandum of Understanding (MOU) today. Based on this MOU, discussions will be accelerated towards financing utilising NEXI to realise the roadmap developed by PLN.

The second is rulemaking in finance. Massive mobilisation of finance is required to steadily implement energy transitions. To this end, a study group involving Asian and global financial institutions is scheduled to release a guideline today on how to support transitions from a financial perspective. Japan's AETI is influencing the financing policies of private financial institutions globally.

The third is converting fossil fuel-based power plants to zero-emission. Coal-fired power plants are currently important power sources in Asia. The world is paying attention to how to convert them to zero-emission plants. Japan has already succeeded in demonstrating the 20% co-firing of ammonia in coal-fired power plants. We are also encouraging innovations that enable single-fuel ammonia combustion, which does not emit CO₂ at all, by 2030.

We will proactively spread these technologies to Asia. Since last year, studies on ammonia co-firing at a coal-fired power plant in Malaysia have already been underway, and this month another feasibility study at Suralaya coal-fired power plant in Indonesia was initiated. Concrete cooperation with India is also progressing, with an agreement reached last month on a feasibility study in the view of ammonia mono-firing as well.

Furthermore, in cooperation with Australia, Saudi Arabia, the UAE, and other countries, several initiatives are underway to produce decarbonised fuels, such as hydrogen and ammonia, and to develop their supply chains.

The fourth is human resource development and knowledge sharing. Japan has provided human resource development programmes in areas such as grid stabilisation, hydrogen, and the establishment of legal systems in energy conservation. Since January, energy transition training courses have been held several times in cooperation with international organisations and Japanese companies for several hundred participants from Asian countries. We will continuously provide such programmes that meet the specific needs of each country.

It is also important to share knowledge regarding decarbonising technologies with other countries.

Through ‘Asia CCUS Network’ launched last year, seminars and workshops have been organised seven times to share knowledge on CCUS with Asian countries. We will continue to work together with Asian partners towards the formation of future projects.

Excellencies and distinguished guests, realistic energy transitions in Asia cannot be achieved by a single country. Cross-border public-private collaboration is essential to maximise the deployment of renewable energy, build international power grids, promote innovations in decarbonised technologies, and develop supply chains of decarbonised fuels.

This forum will indeed strengthen and promote such international cooperation and public-private partnerships. I am encouraged by the number of MOUs to be signed and partnerships to be announced between companies in the following session today. The Government of Japan will provide maximum support to these efforts and projects.

Finally, Japan will make steady progress in ‘implementing’ its AETI-based support and will host the second AGGPM in September in Tokyo. I look forward to welcoming you again to further progress our various efforts.

Thank you very much.