

Section 5 Ensuring inclusive and sustainable development

This section will provide an overview of trends in recent international discussions and activities related to climate change and biodiversity, which are cross-border challenges that must be resolved on a global scale. It will also provide an overview of trends in recent international discussions and activities related to human rights.

1. Climate change and biodiversity

In July 2023, United Nations Secretary-General António Guterres, speaking at a press conference held at the United Nations headquarters in New York, stated: “The era of global warming has ended; the era of global boiling has arrived.”¹¹⁵ In September of the same year, following the record high temperatures in the northern hemisphere in that summer, he expressed a sense of crisis by stating that “Climate breakdown has begun” and strongly called for national leaders to step up measures to address climate change.¹¹⁶

According to the United Nations, many people think that climate change simply means warmer temperatures, but temperature rise is only the beginning of the story, because the Earth is a system in which everything is connected and changes in one area can lead to changes in all others.¹¹⁷ Rockström (2015)¹¹⁸ stated that the Earth is a self-regulating system in which everything is interconnected. According to Meadows (2008),¹¹⁹ a system is “more than the sum of its parts” and is “an interconnected set of elements that is coherently organized in a way that achieves something.” As the most familiar and imaginable example, Meadows cited the human body. It can be said that the human body is an “integrated, interconnected, self-maintaining” system.

If the world is perceived as a system like that, it is organized into subsystems, aggregated into large systems, and aggregated into still larger systems. For example, a nation is a subsystem of the whole global socio-economic system, which itself is a subsystem that dwells within the biosphere system.¹²⁰ Meadows (2008) pointed out that, because each subsystem itself can function as a system in its own right, subsystems within a system can be taken apart from the system and from each other and each of them can be reductively analyzed, but that we must not lose sight of the important relationships that bind each subsystem to the others and to the higher levels of the hierarchy.

On the Earth, various forms of life, such as animals including humans, plants, and microorganisms, coexist under the blessing of the sun while maintaining complex relationships in a natural environment comprised of the surrounding elements, such as the atmosphere, water, and soil. In short, it is not that

¹¹⁵ See the website of the United Nations Information Center (<https://www.un.org/press/docs/2023/20230727.sgsm21926.doc.htm>).

¹¹⁶ See the website of the United Nations (<https://press.un.org/en/2023/sgsm21926.doc.htm>).

¹¹⁷ See the website of the United Nations (<https://www.un.org/en/climatechange/what-is-climate-change>).

¹¹⁸ Rockström, J. et al. (2015), *Big World Small Planet* (Takeuchi, K. and N. Ishii, supervised (2018), *CHISANA CHIKYUUNO OOKINA SEKAI PURANETARII BAUNDARII TO JIZOKU KANOU NA KAIHATSU*, Maruzen Publishing).

¹¹⁹ Meadows, D. (2008), *Thinking in Systems* (Eda Hiro, J., trans. (2015), *SEKAI WA SISUTEMU DE UGOKU*, Eiji Press).

¹²⁰ Meadows, D. (2008), *Thinking in Systems* (Eda Hiro, J., trans. (2015), *SEKAI WA SISUTEMU DE UGOKU*, Eiji Press).

humans exist alone and independently. Ecosystems are maintained under the following natural cycle. Plants and other “producers” synthesize organic matter from inorganic matter using energy received from the sun, and “consumers,” such as humans and other animals, take in those output, directly or indirectly. Organic matter contained in consumers’ outputs, such as excrement, corpses, and fallen leaves, are taken in and transformed into inorganic matter by soil organisms, including fungi and bacteria, which function as “degraders.” Miyawaki (2013)¹²¹ pointed out that while forests are the only producers that support “life” in this circular system, humans are very vulnerable beings that can survive only within the framework of the system and that are alive merely as consumers. Humans can exist by receiving the benefits brought by ecosystems founded on biodiversity,¹²² which represent the rich individualities and interconnectedness of organisms. In short, humans are inseparable from ecosystems.

United Nations Secretary-General Guterres, in a video message delivered on International Mother Earth Day in 2022, warned that the Earth is now facing the “triple crisis” of “climate disruption,” “nature and biodiversity loss,” and “pollution and waste” and reiterated the need to do all we can to protect the Earth.¹²³ This section will discuss the crises of climate change and biodiversity loss, providing an overview of the current situation in those respects. Furthermore, for many years, climate change and biodiversity loss have been treated as separate matters; however, in recent years, the importance of looking at these two matters through the same lens and dealing with them in an integrated manner is being highlighted internationally. Trends in such activity will be described in the latter part of the section.

(1) Current situation

The average global temperature in 2023 was 1.45 (± 0.12) °C higher compared with the pre-industrial level (in 1850-1900) and was the highest on record in the 174 years of observation by the World Meteorological Organization (WMO).¹²⁴ Partly due to the effects of the El Nino phenomenon, which refers to a higher sea surface temperature than in the average year in the sea area from the International Dateline to the South American coast in the equatorial Pacific, abnormally high temperatures were observed in various regions, including Japan. In China, Viet Nam, and Brazil, new national record high temperatures were registered, and weather-related disasters, such as forest fires and heavy rains, occurred in various regions across the world.¹²⁵

Among the effects of climate change currently observed are severe droughts, water shortages, massive wildfires, sea level rises, floods, melting of polar ice, destructive storms, and biodiversity losses.¹²⁶ The Global Assessment Report on Disaster Risk Reduction (published in April 2022) by the United Nations Office for Disaster Risk Reduction (UNDRR) projected that the global number of natural

¹²¹ Miyawaki, A. (2013), *MORI NO CHIKARA SHOKUBUTSU SEITAI GAKUSHA NO RIRON TO JISSEN*, Kodansha.

¹²² See the “Biodiversity” website (<https://www.biodic.go.jp/biodiversity/about/about.html>).

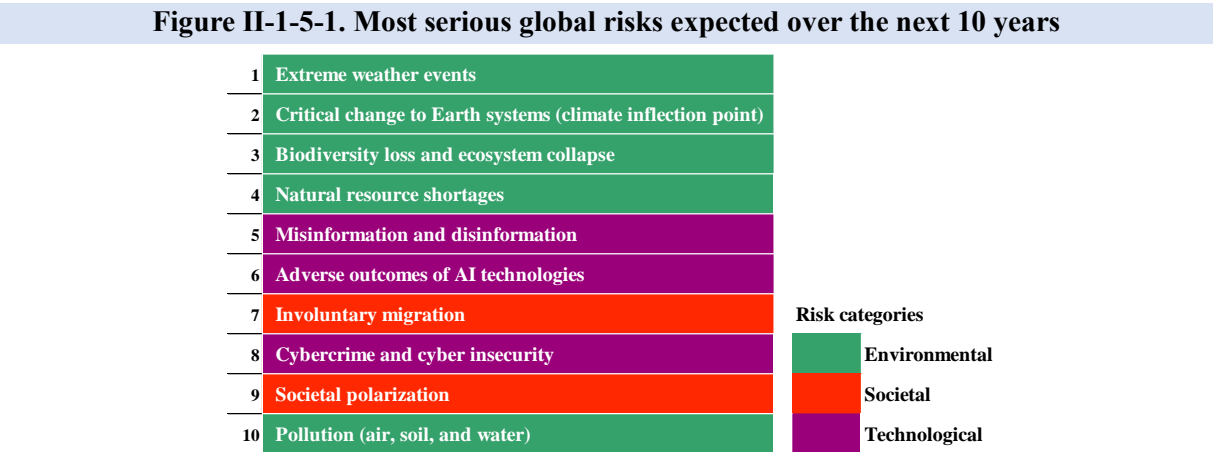
¹²³ See the website of the United Nations Information Center (https://www.unic.or.jp/news_press/features_backgrounders/45006/).

¹²⁴ See the website of the WMO (<https://wmo.int/publication-series/state-of-global-climate-2023>).

¹²⁵ See the website of the Japan Meteorological Agency (https://www.jma.go.jp/jma/press/2312/22d/2023matome_besshi2-2.pdf).

¹²⁶ See the website of the United Nations Information Center (https://www.unic.or.jp/activities/economic_social_development/sustainable_development/climate_change_un/what_is_climate_change/).

disasters will rise to 560 per year, or 1.5 per day, by 2030 and pointed out that humans have put themselves on a “spiral of self-destruction” by aggravating global warming and ignoring risk.¹²⁷ A report by the World Bank (published in September 2021)¹²⁸ warned that unless measures to deal with climate change are taken quickly, 216 million people in six world regions¹²⁹ could be forced to move within their countries by 2050. According to the Global Risks Report 2024, announced by the World Economic Forum in January 2024, the top three risks in terms of impact potential over the next 10 years are extreme weather, critical change to Earth systems (the climate inflection point), and biodiversity loss and ecosystem collapse in that order¹³⁰ (Figure II-1-5-1).



Source: *Global Risks Report 2024* (World Economic Forum).

According to the WMO, 2024 may be an even hotter year.¹³¹ That means the world will further approach the thresholds defined under an international framework on climate change, the Paris Agreement,¹³² of holding the increase in the global average temperature to well below 2 °C and also pursuing efforts to limit the temperature rise to 1.5 °C above pre-industrial levels (in 1850-1900).

The Special Report on Global Warming of 1.5 °C,¹³³ published in 2018 by the Intergovernmental Panel on Climate Change (IPCC), which was established to provide a scientific foundation to climate

¹²⁷ See the website of the UNDRR (<https://www.undrr.org/news/humanitys-broken-risk-perception-reversing-global-progress-spiral-self-destruction-finds-new>).

¹²⁸ See the website of the World Bank (<https://openknowledge.worldbank.org/entities/publication/2c9150df-52c3-58ed-9075-d78ea56c3267>).

¹²⁹ The six world regions are Sub-Saharan Africa, East Asia/Pacific, South Asia, North Africa, Latin America, and East Europe/Central Asia.

¹³⁰ World Economic Forum (2024), “The Global Risks Report 2024.”

¹³¹ See the website of the WMO (<https://wmo.int/media/news/wmo-confirms-2023-smashes-global-temperature-record>).

¹³² Adopted at the 21st Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21) in 2015 and put into effect in 2016.

¹³³ IPCC (2018), “IPCC Special Report on Global Warming of 1.5 °C: An IPCC special report on the impacts of global warming of 1.5 °C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty – Approved Summary for Policymakers (SPM)” (SPM IPCC-XLVIII/Doc. 5, October 6, 2018).

change policies, presents comparisons as to how the degree of the impact on and risk to ecosystems and human lives may vary between global warming of 1.5 and 2 °C above pre-industrial levels.

According to the comparisons, projected with different levels of confidence, limited global warming of 1.5 °C, rather than 2 °C, for example, is projected to prevent the thawing of a permafrost area in the range of 1.5 million to 2.5 million km² (7 to 11 times as large as the size of the Honshu island, the largest island of the Japanese archipelago) over centuries. In addition, by 2100, global mean sea level rise is projected to be around 10 cm lower¹³⁴ with global warming of 1.5 °C compared to 2 °C, which implies that the number of people exposed to risks due to the sea level rise will be reduced by up to 10 million people. As for the erosion of coral reefs,¹³⁵ where it has been confirmed that more than 90,000 species of life live despite their total area size equivalent to only 0.1% of the entire surface area of the Earth, coral reefs are projected to be almost completely extinct (loss of more than 99%) in the case of a 2 °C increase in the temperature, but the decline will be around 70% to 90% in the case of a 1.5 °C increase. Moreover, if the temperature rise is limited to 1.5 °C, the number of people both exposed to climate-related risks and susceptible to poverty could be reduced by up to several hundred million by 2050, compared with the expected reduction in the case of a 2 °C rise.

While presenting the abovementioned comparisons, the IPCC report also indicated that, in order to limit the temperature rise to 1.5 °C, global net emissions of human-derived CO₂ would have to fall by 45% by 2030 from 2010 levels and to zero by around 2050.

Under the Paris Agreement, all parties to the agreement have committed to setting and updating greenhouse gas emission targets every five years and reducing their emissions to achieve the targets. However, there is a gap between the volume of emission reductions required for limiting the temperature rise to 1.5 °C and the combined volume of targeted emission reductions submitted by governments and also between the combined volumes of targeted emissions reductions and the actual volumes of emissions reduced. The decision¹³⁶ on the first global stocktake¹³⁷ based on the Paris Agreement pointed out that the world is off track in meeting the long-term goals for the reduction of global emissions under the Paris Agreement and that urgent action is needed. The United Nations Environment Program (UNEP) noted that the world is failing to reduce greenhouse gas emissions while temperatures continue to rewrite record highs and projected that if emissions of CO₂ and other greenhouse gases continue at the current pace, the average global temperature will rise by 2.5-2.9 °C by the end of this century compared with the pre-industrial level.¹³⁸

The average global concentrations of major greenhouse gases (CO₂, methane, and N₂O) that are considered to cause climate change if their concentrations in the atmosphere increase and that remain trapped in the atmosphere for an extended period of time have continued to rewrite record highs for 38

¹³⁴ In the case where any particular adaptation measure is not taken and based on the population size in 2010.

¹³⁵ See the website of the Fisheries Agency (https://www.jfa.maff.go.jp/j/kikaku/tamenteki/kaisetu/moba/sango_genjou/).

¹³⁶ See the website of the UNFCCC (<https://unfccc.int/event/cma-5?item=4>).

¹³⁷ A scheme for assessing the global progress toward the goals under the Paris Agreement every five years (prescribed under Article 14 of the Paris Agreement).

¹³⁸ UNEP (2023), “Emissions Gap Report 2023.”

consecutive years since 1984, when the WMO started analysis, with no end in sight for the rise in the concentration levels. The concentration level of CO₂, which has the greatest influence on global warming across the world, has risen by a factor of around 1.5 compared with the pre-industrial level (before 1750). The concentration levels of methane and N₂O have risen by factors of around 2.6 and 1.2, respectively.¹³⁹

Sinks of human-derived CO₂ are terrestrial and marine ecosystems. However, they are being lost at a surprisingly fast pace. The total area size of forests, which are regarded as CO₂ sinks of terrestrial ecosystems, has been significantly reduced due to logging done to meet mankind's swelling needs for food, clothing, and energy.¹⁴⁰ Statistically, the pace of global net loss of forests slowed down between 1990 and 2020,¹⁴¹ but, in some regions, the pace increased. In addition, forests are, in part, degraded in terms of quality, exemplified by biodiversity loss, and that has become a topic of debate. Miyawaki (2013),¹⁴² a plant ecologist who conducted field surveys and research for more than a half century, pointed out that forests that have diverged far from the state of "potential natural vegetation,"¹⁴³ which refers to a state of vegetation that would exist in a location without human interventions, are unsustainable in the long term even if they are quantitatively rich in green. Miyawaki (2013) also pointed out that forests are vulnerable to natural disasters, pests and diseases, and lack environment protection functions, such as air and water purification, water source cultivation, and carbon capture and sequestering.

Soil quality is also deteriorating in line with forest logging and change in land use, such as conversion of land for living needs. According to the World Soil Resources Report,¹⁴⁴ although soils are fundamental to life on Earth, 33% of land has been degraded due to the erosion, salinization,¹⁴⁵ compaction,¹⁴⁶ acidification, and chemical pollution of soils, and human pressures on soil resources are reaching critical limits. While serving as the foundation of food production and food security, soils also function as the world's largest water filter and storage tank. Soils also contain more carbon than all vegetation on the Earth together do. In addition to performing the role of regulating the release of CO₂ and other greenhouse gases, soils host a tremendous diversity of organisms of key importance to ecosystem processes. According to the Assessment Report on Land Degradation and Restoration,¹⁴⁷

¹³⁹ See the website of the WMO (<https://wmo.int/news/media-centre/greenhouse-gas-concentrations-hit-record-high-again>).

¹⁴⁰ According to the Global Forest Resources Assessment 2020 by the United Nations Food and Agriculture Organization (FAO), the global forest area decreased by around 178 million hectares from 4,236 million hectares over the 30-year period from 1990 to 2020.

¹⁴¹ FAO (2020), "Global Forest Resources Assessment 2020."

¹⁴² Miyawaki, A. (2013), *MORI NO CHIKARA SHOKUBUTSU SEITAI GAKUSHA NO RIRON TO JISSEN*, Kodansha.

¹⁴³ The theoretical ultimate natural vegetation in a certain location that can be supported by the total sum of the location's natural conditions if it is assumed that all human activities have been halted (Miyawaki, A. (2000), *CHINJU NO MORI*, Shinchosha).

¹⁴⁴ FAO (2015), "World Soil Resources Report."

¹⁴⁵ Salinization refers to the accumulation of salts in soil. Salts that may be accumulated include sodium, potassium, magnesium, calcium, chlorides, sulfates, carbonates, and bicarbonates.

¹⁴⁶ Compaction refers to a decline in coarse porosity (spaces between soil particles) due to increased soil density caused by continuous pressure on the soil surface.

¹⁴⁷ IPBES (2018), "Assessment Report on Land Degradation and Restoration."

land degradation contributes to a decrease and eventual extinction of species and the loss of ecosystem services to humanity. The report pointed out that by 2050, land degradation and climate change together is projected to reduce global crop yields by an average of 10% (up to 50% in some regions), and a lack of awareness of land degradation as a problem is a major barrier to action. Fujii (2022)¹⁴⁸ observed that while a 1-centimeter- thick layer of soil¹⁴⁹ may be lost quickly, “restoring the land takes 100 years to 1,000 years. As we humans cannot create soil, we have to wait for soil to develop through a process involving the workings of plants and microorganisms. Therefore, once soil has degraded, it will be too late.”

Across the world, millions of species of life are on the brink of extinction on an unprecedented scale due to human-derived factors, including change in land use involving forest logging and land degradation. According to the Global Assessment Report on Biodiversity and Ecosystem Services, unless action is taken to reduce the intensity of drivers of biodiversity, most of the estimated one million species of animals and plants (around 25% of species in assessed animal and plant groups on average) that are on the brink of extinction could become extinct within decades. The report also indicated that, without appropriate action, there will be a further acceleration in the global rate of species extinction, which is already at least tens to hundreds of times higher than it has averaged over the past 10 million years. Rapid declines in insect populations in some locations have also been reported. More than 75% of the food crops globally cultivated depend on insects and other living creatures for pollination.¹⁵⁰ Insects support human lives through such functions as causing crop pollination, decomposing excrement, corpses, and fallen leaves, maintaining sound soil, and contributing to pest control.¹⁵¹ Goulson (2021)¹⁵² observed that we humans are far from understanding the many interactions that occur between thousands of organisms that constitute ecosystems and that it is impossible to judge which organisms are necessary and which are not.

Change in land use, including forest logging and land degradation, has had severe effects on marine ecosystems, which constitute another carbon sink that is the largest one on the Earth. Forests and seas are connected with each other. Organic matter contained in rich humus created by forests flows into seas via rivers and supports marine ecosystems as well.¹⁵³ In Japan, protecting waterfront forests has been empirically considered to be important for increasing fish resources. Waterfront forests thus maintained used to be called *uwotsuki rin* (fish-gathering forests) in Japan. Matsunaga (2010) provided scientific evidence that human activities on land, such as excessive logging, are a cause of sea desertification.¹⁵⁴

¹⁴⁸ Fujii, K. (2022), *DAICHI NO GOOKUNEN SEMEGIAU TSUCHI TO IKIMONOTACHI*, Yama-Kei Publishers.

¹⁴⁹ This layer of soil is comprised of sand and clay that are created as a result of the weathering of rocks and that contain the decomposed corpses of animals and decayed plants.

¹⁵⁰ IPBES (2019), “Assessment Report on Land Degradation and Restoration.”

¹⁵¹ Goulson, D. (2021), *Silent Earth: Averting the Insect Apocalypse* (Fujiwara, T., trans. (2022), *SAIRENTO AASU KONCHUU TACHI NO “CHINMOKU NO HARU,”* NHK Publishing).

¹⁵² Goulson, D. (2021), *Silent Earth: Averting the Insect Apocalypse* (Fujiwara, T., trans. (2022), *SAIRENTO AASU KONCHUU TACHI NO “CHINMOKU NO HARU,”* NHK Publishing).

¹⁵³ Miyawaki, A. (2013), *MORI NO CHIKARA SHOKUBUTSU SEITAI GAKUSHA NO RIRON TO JISSEN*, Kodansha.

¹⁵⁴ Matsunaga, K. (2010), *MORI GA KIEREBA UMI MO SHINU RIKU TO UMI WO MUSUBU SEITAIGAKU*, Kodansha.

The average global temperature in 2023 was the highest on record during the period of observation by the WMO, as mentioned earlier, and the ocean heat (sea temperature rise), sea level rise, reduction of the Antarctic sea ice area, and glacier retreat in 2023 also rewrote records.¹⁵⁵ A sea temperature rise promotes the melting of glaciers and ice sheets and leads to a further rise in the sea level, thereby exposing coastal area communities to a higher risk. A sea temperature rise also accelerates coral bleaching and sea deoxygenation, posing a threat to the survival of marine life and causing marine diversity losses. Moreover, it has been pointed out that if the volume of CO₂ released into the atmosphere increases and if the volume of CO₂ absorbed by the oceans increases, seawater oxidation will escalate,¹⁵⁶ generating further effects on ecosystems, and the oceans' capacity to absorb CO₂ will decline.¹⁵⁷

These phenomena, which are merely the tip of the iceberg, are all intricately interconnected and are mutually affected by the effects of each other, and most are aggravating exponentially. According to the Global Assessment Report on Biodiversity and Ecosystem Services, 75% of the global land area has been significantly altered, 66% of the oceans is under the influence of cumulative effects, and more than 85% of the wetland area has been lost. The pace of global change in nature during the past 50 years is unprecedented in human history. The direct drivers of change in nature include changes in land and sea use, direct exploitation of organisms, climate change, pollution, and invasion by non-native species, and these five direct drivers result from various underlying causes (indirect drivers of change). The report indicated that underlying causes are production and consumption patterns, human population dynamics and trends, trade, technological innovations, and social values and behaviors.

The Economics of Biodiversity: The Dasgupta Review, commissioned by the U.K. government and published in February 2021, estimated that between 1992 and 2014, globally produced capital (roads, buildings, and factories) per head doubled and human capital (health, knowledge, and skills) per head increased by around 13%, while the value of the stock of natural capital per head declined by nearly 40%. The review pointed out that the ways in which we have prospered immensely in recent decades has come at a devastating cost to Nature.¹⁵⁸ According to the Inclusive Wealth Report 2023 by the United Nations,¹⁵⁹ comprehensive wealth ((i) manufactured capital, (ii) human capital, and (iii) natural capital) in 163 countries (together accounting for 98% of the global population) increased on the whole between 1990 and 2019. However, given that the global population increased by 2.4 billion people over the same period, comprehensive wealth per head declined by 5%. Natural capital decreased by more than 28% over the same period compared with 1990 and by over 50% on a per-head basis. The biggest loss in natural capital occurred in Japan, which had a natural capital loss of 70% compared with 1990.

The revised version (third assessment)¹⁶⁰ of the planetary boundaries¹⁶¹ framework, announced in September 2023 by a team of internationally renowned scientists, indicated that the Earth has already

¹⁵⁵ See the website of the WMO (<https://wmo.int/publication-series/state-of-global-climate-2023>).

¹⁵⁶ See the website of the Japan Meteorological Agency (https://www.data.jma.go.jp/kaiyou/db/mar_env/knowledge/oa/acidification.html).

¹⁵⁷ See the website of the Japan Meteorological Agency (https://www.data.jma.go.jp/kaiyou/db/mar_env/knowledge/oa/acidification_influence.html).

¹⁵⁸ Dasgupta, P. (2021), "The Economics of Biodiversity: The Dasgupta Review," London: HM Treasury.

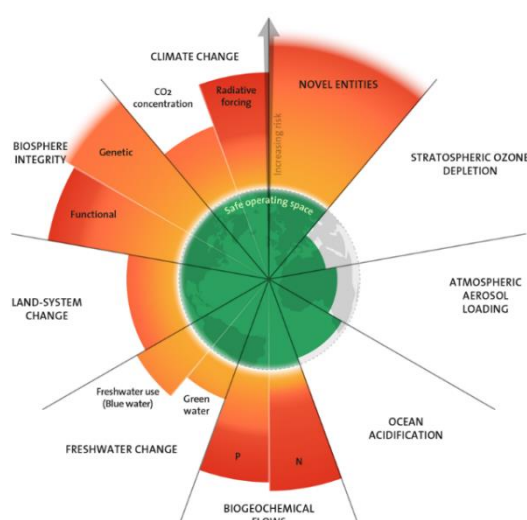
¹⁵⁹ UNEP (2023), *Inclusive Wealth Report 2023: Measuring Sustainability and Equity*.

¹⁶⁰ Richardson, K. et al. (2023), "Earth beyond six of nine planetary boundaries."

¹⁶¹ A safe area where humans can survive and conduct activity, and the outermost limits of the area.

transgressed the boundaries with respect to six subsystems (climate change, biosphere integrity, land-system change, freshwater change, biogeochemical flows, and novel entities) out of the nine most important subsystems for regulating the stability and resilience of the Earth system (climate change, biosphere integrity, land-system change, freshwater change, biogeochemical flows, ocean acidification, atmospheric aerosol loading, stratospheric ozone depletion, and novel entities)¹⁶² (Figure II-1-5-2). Because in the Earth system, subsystems do not operate independently but interact with each other through mutual effects and feedback, the report pointed to the need to consider the impact of human activity on the environment on an Earth-wide basis, rather than on a subsystem-by-subsystem basis. In particular, climate change and biosphere integrity, as the core subsystems, are closely interconnected and an integrated approach is necessary in order to address the impact on them, according to the revised assessment.

Figure II-1-5-2. Planetary boundaries



Source: Azote for Stockholm Resilience Centre, based on analysis in Richardson et al 2023.

“Everything is interconnected.” Jane Goodall, an animal behaviorist who is the world’s foremost expert on chimpanzees, said that while there are many problems that we humans have created ourselves, all of these problems are interconnected and that it is necessary to understand and resolve them in an integrated manner.¹⁶³ Brian Walker, an ecologist, said that if we strengthen only one particular area of a system when trying to strengthen the whole of the system to an extent that does not exceed a threshold, problems may occur in other areas, so it is necessary to consider securing resilience while always looking at the whole.¹⁶⁴

¹⁶² The number of subsystems whose boundaries were considered to have been transgressed was three in the first assessment in 2009 and four in the second assessment in 2015.

¹⁶³ Hawken, P. (2021), *Regeneration: Ending the Climate Crisis in One Generation* (Emori, S., supervising trans., Goto, M., trans. (2022), the introduction section of *RIJENEREISHON [SAISEI] KIKOU KIKI WO IMA NO SEDAI DE OWARASERU*, Yama-Kei Publishers).

¹⁶⁴ The website of the symposium to celebrate the 30th anniversary of the establishment of the Blue Planet Prize (<https://www.businessinsider.jp/post-259380>).

The fight against climate change is inseparable from biodiversity conservation. Below, we will describe some recent developments that underscore the importance of an integrated approach that looks at the entire Earth while discussing international activities so far conducted to respond to the global challenges of climate change and biodiversity losses.

(2) United Nations Framework Convention on Climate Change and the Convention on Biological Diversity (Biodiversity Convention)

The United Nations Framework Convention on Climate Change and the Biodiversity Convention, both of which were adopted at the United Nations Conference on Environment and Development (Earth Summit), held in Rio de Janeiro, Brazil, in 1992, are known as the twin conventions.¹⁶⁵ The goal of the United Nations Framework Convention on Climate Change is to stabilize greenhouse gas concentrations at a level that would prevent dangerous human-induced interference with the climate system. The objectives of the Biodiversity Convention are (i) conservation of biological diversity, (ii) sustainable use of the components of biological diversity, and (iii) fair and equitable sharing of the benefits arising out of the utilization of genetic resources.

Concrete policies on climate change have been discussed at the Conference of the Parties (COP), which has been held every year since 1995 (except in 2020, when the COP was postponed due to the impact of the COVID-19 pandemic) based on the United Nations Framework Convention on Climate Change and the Paris Agreement (Table II-1-5-3). Meanwhile, in recent years, there have been developments that underscore the relationship between the fight against climate change and biodiversity conservation. The Glasgow Climate Pact,¹⁶⁶ concluded at the 26th U.N. Climate Change Conference of the Parties (COP26) recognized “the interlinked global crises of climate change and biodiversity loss and the critical role of protecting, conserving and restoring nature and ecosystems in delivering benefits for climate adaptation and mitigation.” The Sharm el-Sheikh Implementation Plan,¹⁶⁷ adopted at COP27, mentioned the urgent need to address the interlinked global crises of climate change and biodiversity in a comprehensive and synergetic manner. The decision on the first global stocktake, adopted at COP28, emphasized the importance of protecting, conserving and restoring nature and ecosystems through policies that are consistent with the Biodiversity Convention. At the World Climate Action Summit, held during COP28, governments expressed plans to contribute a total of 1.7 billion dollars (approximately 250 billion yen) to achieving goals related to climate change and biodiversity at the same time.¹⁶⁸

Meanwhile, concrete policies related to biodiversity conservation have been discussed at the COP, which has been held mostly biennially since 1994, based on the Biodiversity Convention (Table II-1-5-3). At Part 2 of the 15th meeting of the Conference of the Parties to the Convention on Biological

¹⁶⁵ See the website of the Ministry of the Environment (<https://www.env.go.jp/policy/hakusyo/r05/html/hj23010101.html>, <https://www.env.go.jp/content/000124381.pdf>).

¹⁶⁶ See the website of the Ministry of the Environment (<https://www.env.go.jp/content/000049858.pdf>, <https://www.env.go.jp/content/000049875.pdf>).

¹⁶⁷ Sharm el-Sheikh Implementation Plan (https://unfccc.int/sites/default/files/resource/cop27_auv_2_cover%20decision.pdf).

¹⁶⁸ See the website of COP28 (<https://www.cop28.com/en/news/2023/12/COP28-Galvanizes-Finance-and-Global-Unity-for-Forests-and-the-Ocean>).

Diversity (COP15), the Kunming-Montreal Global Biodiversity Framework,¹⁶⁹ which has set targets for the period until 2030, was adopted as the successor to the Aichi Biodiversity Targets, adopted in 2010. This framework has maintained the 2050 vision of Living in Harmony with Nature under the Aichi Biodiversity Targets and set four long-term goals in order to realize the vision. It has also adopted the “30 by 30” target, which seeks to protect more than 30% of terrestrial and marine areas under the mission of taking urgent actions to halt and reverse biodiversity loss (nature-positive status) by 2030 as one of the main targets, and set a total of 23 targets, including the mainstreaming of biodiversity in business, and the minimization of the impact of climate change on biodiversity.¹⁷⁰ Officials who made major contributions to the conclusion of the Paris Agreement, led by Christiana Figueres, who was then Executive Secretary of the United Nations Framework Convention on Climate Change, said in a statement that “the climate and nature agendas are entwined” and that “only by taking urgent action to halt and reverse the loss of nature this decade, while continuing to step up efforts to rapidly decarbonize our economies, can we hope to achieve the promise of the Paris Agreement.”¹⁷¹ In Japan, in March 2024, four ministries¹⁷² jointly adopted the Transition Strategies toward Nature Positive Economy as a policy initiative to achieve a nature-positive status.¹⁷³ The strategies pointed to the need for a transition to nature-positive management, along with a fight against climate change, as an initiative necessary for the shift to a sustainable society and called for change in corporate behavior in order to realize a world in which we live in harmony with nature.

(3) Intergovernmental Panel on Climate Change and Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services

Scientific knowledge related to climate change is provided by an assessment report published every several years by the Intergovernmental Panel on Climate Change (IPCC), which was established in November 1988 by the UNEP and the WMO (Table II-1-5-3). The Synthesis Report of the Sixth Assessment Report, published in March 2023, showed the following points: that the global average temperature already rose 1.1 °C between 2011 and 2020 compared with the average between 1850 and 1990; that since 1970, the temperature level has risen faster than in any other 50-year period over the last 2000 years; and that there is no doubt that climate change reflects the effects of human activities. The report pointed out that the choices and actions implemented in this decade will have impacts now and for thousands of years.

The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) was established in 2012 in order to scientifically assess trends related to biodiversity and ecosystem

¹⁶⁹ See the website of the Ministry of the Environment (<https://www.env.go.jp/content/000107439.pdf>).

¹⁷⁰ See the website of the Ministry of Foreign Affairs (https://www.mofa.go.jp/mofaj/ic/ge/page22_003988.html).

¹⁷¹ Call From Paris Agreement Champions: Secure a Strong Sister Agreement for Biodiversity or Risk Undermining Climate Action (<https://4783129.fs1.hubspotusercontent-na1.net/hubfs/4783129/NDNP/PDFs/COP27-%20Call%20from%20Paris%20Agreement%20Champions.pdf>).

¹⁷² The four ministries are the Ministry of the Environment, the Ministry of Agriculture, Forestry and Fisheries, the Ministry of Economy, Trade and Industry, and the Ministry of Land, Infrastructure, Transport and Tourism.

¹⁷³ See the website of the Ministry of the Environment (https://www.env.go.jp/press/press_03041.html).

services and strengthen the relationship between science and policy. Since its establishment, the IPBES has published seven assessment reports, among other publications (Table II-1-5-3). The most recent assessment report, published in 2022 and titled “Methodological assessment regarding the diverse conceptualization of multiple values of nature and its benefits, including biodiversity and ecosystem functions and services”¹⁷⁴ gave the assessment that despite the diversity of nature’s values, most policymaking approaches have prioritized a narrow set of values (e.g., prioritizing nature’s values as traded in markets) at the expense of both nature and society, as well as of future generations, and have often ignored values associated with indigenous peoples’ and local communities’ worldviews. The assessment report observed that whether or not the trend decline in biodiversity can be reversed relies on whether we can shift away from predominant values that currently overemphasize short-term and individual material gains to nurturing sustainability-aligned values across society.

For many years, these two intergovernmental bodies have functioned separately, but, in December 2020, they held a joint workshop. The workshop took up the issues of synergy and tradeoff between biodiversity conservation and climate change mitigation and adaptation. For example, if forest logging is promoted in order to develop renewable energy, such as solar and wind power and biomass energy, as part of the fight against climate change, that will not only be detrimental to ecosystems but also mean a decrease in sinks of greenhouse gases, which are a cause of climate change. At the workshop, it was mentioned that measures focusing only on climate change mitigation and adaptation may have negative effects on biodiversity, directly or indirectly, and also that many biodiversity conservation measures generate synergy with climate change mitigation and adaptation, and the importance of giving consideration to both biodiversity conservation and climate change mitigation and adaptation at the same time was emphasized. The workshop also indicated that treating climate, biodiversity and human society as coupled systems is key for effective policies.

¹⁷⁴ IPBES (2022), “Methodological assessment regarding the diverse conceptualization of multiple values of nature and its benefits, including biodiversity and ecosystem functions and services – Summary for Policymakers.”

Table II-1-5-3. Major trends in accordance with some conventions, etc.

	United Nations Framework Convention on Climate Change (UNFCCC)	Convention on Biological Diversity (CBD)	Intergovernmental Panel on Climate Change (IPCC)	Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES)
Objectives	To stabilize greenhouse gas concentrations (carbon dioxide, methane, etc.) in the air	(i) Conservation of biological diversity (ii) Sustainable use of the components of biological diversity (iii) Fair and equitable sharing of the benefits arising out of the utilization of genetic resources	To provide policymakers with regular scientific assessments on climate change	To provide useful knowledge for policy making for biodiversity and ecosystem services
Number of parties	198 countries and organizations (as of March 2024)	194 countries, the EU, and the Palestine (non-signatory country: the United States) (as of March 2024)	195 countries and regions (as of March 2024)	139 countries (as of March 2024)
1988			Established	
1989				
1990			First Assessment Report (Synthesis Report)	
1991				
1992	Adopted at the UN Conference on Sustainable Development (Rio+20)			
1993		Entry into force		
1994	Entry into force	COP1		
1995	COP1	COP2	Second Assessment Report (Synthesis Report)	
1996	COP2	COP3		
1997	COP3 (*1)			
1998	COP4	COP4		
1999	COP5			
2000	COP6	COP5	Third Assessment Report (Synthesis Report)	
2001	COP7			
2002	COP8	COP6		
2003	COP9			
2004	COP10	COP7		
2005	COP11			
2006	COP12	COP8		
2007	COP13		Fourth Assessment Report (Synthesis Report)	
2008	COP14	COP9		
2009	COP15			
2010	COP16	COP10 (*6)		
2011	COP17			
2012	COP18	COP11		Established
2013	COP19			
2014	COP20	COP12	Fifth Assessment Report (Synthesis Report)	
2015	COP21 (*2)			
2016	COP22	COP13		Report (*8)
2017	COP23			
2018	COP24	COP14	Special Report on Global Warming of 1.5°C	Report (*9)
2019	COP25			Report (*10)
2020	–		IPBES-IPCC Co-Sponsored Workshop on Biodiversity and Climate Change	
2021	COP26 (*3)	COP15 Part 1		
2022	COP27 (*4)	COP15 Part 2 (*7)		Report (*11)
2023	COP28 (*5)		Sixth Assessment Report (Synthesis Report)	

- * 1 Adoption of the Kyoto Protocol
- * 2 Adoption of the Paris Agreement
- * 3 Adoption of the Glasgow Climate Pact
- * 4 Adoption of the Sharm el-Sheikh Implementation Plan
- * 5 Adoption of the decision on the first global stocktake
- * 6 Adoption of the Nagoya Protocol as well as the Strategic Plan for Biodiversity 2011-2020 and the Aichi Targets
- * 7 Adoption of the Kunming-Montreal Global Biodiversity Framework
- * 8 Assessment Report on Pollinators, Pollination and Food Production, and Methodological Assessment Report on Scenarios and Models of Biodiversity and Ecosystem Services
- * 9 Assessment Report on Land Degradation and Restoration, and Regional Assessment Report on Biodiversity and Ecosystem Services for Asia and the Pacific
- *10 Global Assessment Report on Biodiversity and Ecosystem Services
- *11 Assessment Report on the Sustainable Use of Wild Species, and Methodological assessment regarding the diverse conceptualization of multiple values of nature and its benefits

Source: Various press releases and documents.

(4) G7 and G20

At the G7 Ministers' Meeting on Climate, Energy and Environment in Sapporo, held in April 2023, the G7 ministers reaffirmed the importance of strengthening the synergy between the measures against climate change and biodiversity loss and also the importance of promoting nature-based solutions (NbS).¹⁷⁵ At the G7 Hiroshima Summit, held in May of the same year, the G7 leaders reaffirmed the need to address challenges, such as climate change, biodiversity loss, and pollution, in an integrated

¹⁷⁵ See the website of the Ministry of Economy, Trade and Industry (<https://www.meti.go.jp/information/g7hirosima/energy/pdf/communique-summary.pdf>).

manner and recognized that the response to “climate crisis” is an urgent task for all.¹⁷⁶ The G20 New Delhi Leaders’ Declaration,¹⁷⁷ issued in September of the same year, stated in the preamble that “We are One Earth, One Family, and we share One Future” and emphasized the importance of healthy ecosystems in addressing climate change, biodiversity loss, desertification, drought, land degradation, pollution, food insecurity, and water scarcity.

(5) Sixth session of the United Nations Environment Assembly (UNEA-6)

At the sixth session of the United Nations Environment Assembly (UNEA-6), held in March 2024, the resolution on promoting synergies, submitted by Japan, was adopted. In order to overcome the triple planetary crises (climate change, biodiversity loss, and pollution), Japan needs to exercise leadership in executing the initiative to expand the synergy and minimize the tradeoff between measures to address those interlinked problems in order to realize a circular, nature-positive economy on a net-zero-emissions basis.¹⁷⁸

(6) Task Force on Climate-Related Financial Disclosures and Taskforce on Nature-related Financial Disclosures

In the business world, companies have been requested to make appropriate information disclosure throughout their entire value chains so that investors and financial institutions can appropriately assess the risks and opportunities that business activities present to the climate system, the natural environment, and biodiversity.

In 2017, the Task Force on Climate-Related Financial Disclosures (TCFD), which was established in 2015 by the Financial Stability Board (FSB) upon the G20’s request, published a final report recommending that all companies should make disclosure regarding 11 items of climate-related financial information based on the four pillars of “governance,” “strategy,” “risk management,” and “metrics and targets.” Since then, a status report showing the current status of disclosure has been published every year (Table II-1-5-4).

On the other hand, the Taskforce on Nature-related Financial Disclosures (TNFD), which is a nature-version of the TCFD, so to speak, was established in 2021 under the leadership of the United Nations Development Program, the United Nations Environment Program Finance Initiative (UNEP FI), the World Wildlife Fund, and Global Canopy, an environmental non-governmental organization (Table II-1-5-4). The TNFD defines nature as a construct of four realms—land, ocean, freshwater, and atmosphere—and environmental assets (or natural capital) as resources that combine to create value for companies and people’s lives. The TNFD’s final recommendations, published in September 2023, presented 14 recommended items of disclosures based on the same four pillars as the ones adopted by the TCFD. As the 14 items include all 11 items recommended by the TCFD, there is consistency between the two task forces’ approaches.

¹⁷⁶ See the website of the Ministry of Foreign Affairs (https://www.mofa.go.jp/mofaj/ecm/ec/page1_001703.html).

¹⁷⁷ See the website of the Ministry of Foreign Affairs (<https://www.mofa.go.jp/files/100550685.pdf>).

¹⁷⁸ This refers to the reduction to zero of the net emission volume of greenhouse gases, or the volume of emissions minus the volume of absorptions and removals of emissions.

Table II-1-5-4. Major trends in TCFD and TNFD

	Task Force on Climate-related Financial Disclosures (TCFD)	Taskforce on Nature-related Financial Disclosures (TNFD)
Objectives	To encourage companies to disclose their climate-related financial information, which is necessary for investors to make appropriate decisions on investments	To encourage companies to assess the impact of their economic activities on the natural environment and biodiversity, establish a framework to disclose information, and disclose such information as their financial information
2015	Established by the Financial Stability Board (FSB)	
2016		
2017	Published a final report (*1)	
2018	Published a status report (*2)	
2019	Published a status report	
2020	Published a status report	
2021	Published a status report	Officially inaugurated
2022	Published a status report	
2023	Published a status report	Published the final recommendations on framework (*3)

*1 The report recommends that companies should disclose information on governance, strategies, risk management, and metrics and targets related to climate change-related risks and opportunities.

*2 The report is a compilation of the status of climate-related financial information disclosed by approximately 1,400 major companies.

*3 The recommendations show approaches that companies should take to identify, analyze, and disclose the nature-related information involving biodiversity.

Source: Various press releases and documents.

This section has discussed climate change and biodiversity loss, providing an overview of the current situation in those aspects and also describing recent developments that underscored the need to address both crises in an integrated manner.

The Leaders' Pledge for Nature,¹⁷⁹ a top-level initiative, observed that the interdependent crises of biodiversity loss and ecosystem degradation and climate change are driven in large part by unsustainable production and consumption and require urgent and immediate global action. There are approximately 1.75 million identified species of life on the Earth, and if still-unknown species are included, the total number of species is estimated at approximately 13 million (estimates range from 3 million to 100 million species).¹⁸⁰ It means that the abovementioned crises are triggered by us humans (*homo sapiens*), one of these species, as our production and consumption activities (economic activities) have become unsustainable.

In 2000, Paul J. Crutzen, a winner of the Nobel Prize in Chemistry, together with another researcher, proposed the idea that Holocene, a geological epoch during which the number of species and populations of animals and plants have increased, mankind has emerged, and agriculture and surplus production have become possible amid moderate and stable climate, has come to an end, replaced by Anthropocene, a new geological epoch in which global ecosystems and climate have been altered by human activities.

The Economics of Biodiversity: The Dasgupta Review states that "Our economies, livelihoods and well-being all depend on our most precious asset: Nature" and points out as follows: "The solution starts with understanding and accepting a simple truth: our economies are embedded within Nature, not external to it."¹⁸¹ Paul Hawken, editor of *Drawdown: The Most Comprehensive Plan Ever Proposed to*

¹⁷⁹ The Leaders' Pledge for Nature: the top-level initiative launched ahead of the United Nations Summit on Biodiversity in September 2020 (https://www.leaderspledgefornature.org/wp-content/uploads/2021/06/Leaders_Pledge_for_Nature_27.09.20-ENGLISH.pdf).

¹⁸⁰ See the website of the Biodiversity Convention (<https://www.cbd.int/youth/biodiversity/>).

¹⁸¹ Dasgupta, P. (2021), "The Economics of Biodiversity: The Dasgupta Review," London: HM Treasury.

Reverse Global Warming, in which an international group of 190 researchers, experts, and scientists presented 100 ways to reverse global warming, said that because the Earth, which is our commons, holds us all, in order to address and reverse the climate crisis, it is necessary to reverse the decline of the Earth, a challenge that requires connection and reciprocity. He also observed that this crisis is a human problem, and the ultimate power to resolve the crisis does not reside in technology but relies on reverence, respect, and compassion for ourselves, for all people and for all life. He went on to say that it is essential to center all decisions and actions around “life.” He stated that there is no experts’ group that resolves problems for us while we continue to think and wait without doing anything and that change occurs when the voices of individuals become “our” voice.¹⁸²

U.N. Secretary-General Guterres called for the people to overcome self-interest and act together with the following words: that we have witnessed what we can do when we become one; and that we have proved that if we work together, we can deal with enormous challenges.¹⁸³

¹⁸² Hawken, P. (2021), *Regeneration: Ending the Climate Crisis in One Generation* (Emori, S., supervising trans., Gozu, M., trans. (2022), *RIJENEREISHON [SAISEI] KIKOU KIKI WO IMA NO JIDAI DE OWARASERU*, Yama-Kei Publishers).

¹⁸³ See the website of the United Nations Information Center (https://www.unic.or.jp/news_press/features_backgrounders/45006/).

2. Response to human rights issues

As the adverse human rights impact of business activities has expanded due to the advance of globalization, there has been increasingly brisk international discussion on corporate responsibility for human rights abuses due to business activities. In recent years, laws and regulations related to respect for human rights have been introduced, mainly in the United States and Europe, so business enterprises must adapt to those laws and regulations. There have been cases in which business enterprises were criticized by non-governmental organizations (NGOs). Business enterprises could also face business management risks, including boycotts against their products and services due to human rights abuses, downgrading in an investment location, exclusion from candidates for investment location, withdrawal of investments, and suspension of business transactions with existing customers. From the viewpoints of reducing those potential business management risks, increasing corporate value, and developing resilient and inclusive supply chains, it is necessary for business enterprises to implement and strengthen efforts to respect human rights, including at business enterprises included in their supply chains.

(1) International initiatives to require business enterprises to respect human rights

In June 2011, the Guiding Principles on Business and Human Rights (UN Guiding Principles) were unanimously endorsed by the United Nations Human Rights Council. The UN Guiding Principles, which are founded on the three pillars—the state’s duty to protect human rights, the corporate responsibility to respect human rights, and access to remedy—require states and business enterprises to supplement each other and fulfill their respective roles. The UN Guiding Principles prescribe that in order to meet their responsibility to respect human rights, business enterprises are required to implement the following measures: (1) establish a human rights policy; (2) conduct human rights due diligence¹⁹⁴; (3) provide remedy (including the establishment of a grievance mechanism). States have been called upon to develop National Action Plans (NAPs) as a means to implement the UN Guiding Principles. By the end of 2023, more than 26 countries, including Japan, formulated NAPs.

Furthermore, the OECD Guidelines for Multinational Enterprises and the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy were updated in 2011 and 2017, respectively, and states’ obligation to protect human rights and corporate responsibility for respecting human rights were included as a result. Through the most recent revision of the OECD Guidelines for Multinational Enterprises (in 2023), new provisions, including the clarification of application of due diligence by business enterprises to the downstream of the supply chain, were included. Business enterprises are required to behave in accordance with those international documents because doing so, not to mention owing the obligation to protect human rights, has become an international standard.

Moreover, in recent years, laws and regulations related to respect for human rights have been introduced, mainly in the United States and Europe. In Germany, for example, the Act on Corporate Due Diligence Obligations in Supply Chains (Supply Chain Act) was enacted in June 2021 and was enforced in January 2023. This law obligates business enterprises larger than the prescribed level to conduct human rights due diligence and compile and publish reports on the results of due diligence.

¹⁹⁴ Human rights due diligence refers to a series of acts undertaken by business enterprises to identify, prevent and mitigate adverse impacts on human rights, track the effectiveness of their responses, and account for and disclose information on how they address the human rights impacts.

In Europe, regarding the “Proposal for a Directive on Corporate Sustainability Due Diligence,”¹⁹⁵ which was published by the European Commission in February 2022 and which obligates business enterprises larger than the prescribed size to conduct due diligence on human rights and environment, the procedure for formal adoption is ongoing.¹⁹⁶ In addition, proposed new rules to prohibit economic operators from placing and making available on the EU market or exporting from the EU market products made with forced labor, which were published by the European Commission in September 2022, have also moved on to the procedure for formal adoption following a political agreement¹⁹⁷ reached with the legislative organization.

The United States strongly emphasizes human rights in its foreign policy and is cooperating with Europe in implementing sanctions and other measures imposed for involvement in human rights abuses in the Xinjiang Uyghur Autonomous Region. In July 2021, the United States published the Xinjiang Supply Chain Business Advisory (July 2020),¹⁹⁸ which called for industry’s attention to whether or not entities involved in human rights abuses as well as forced labor in the Xinjiang Uyghur Autonomous Region are included in their supply chains. In December 2021, the Uyghur Forced Labor Prevention Act, which in principle prohibits imports of goods mined, produced, or manufactured in whole or in part in the Xinjiang Uyghur Autonomous Region or by entities listed by the U.S. government under the presumption that all those products have been manufactured are the result of forced labor, was enacted,¹⁹⁹ and it was put into force in June 2022. Following the suspension of goods imports based on this law, the importer needs to prove that the imported goods and their raw materials have not been mined, manufactured, or produced in the Xinjiang Uyghur Autonomous Region. In the case of goods that are subject to the law (including products and raw materials produced in the Xinjiang Uyghur Autonomous Region), the importer needs to demonstrate that the imported goods do not depend, even in part, on forced labor by submitting “clear and convincing evidence.” In March 2023, the Customs and Border Protection (CBP) under the Department of Homeland Security, published a dashboard providing statistics on the enforcement of the Uyghur Forced Labor Prevention Act. According to the dashboard, by February 2024, based on the Uyghur Forced Labor Prevention Act, there have been 7,566

¹⁹⁵ See the website of the European Commission (https://ec.europa.eu/commission/presscorner/detail/es/ip_23_6599).

¹⁹⁶ This proposed directive drew opposition from some member states after a political agreement was reached between the European Council of the European Union and the European Parliament in December 2023. However, in March 2024, an agreement was reached at the Permanent Representative Committee of the European Council following the revision regarding threshold values for companies subject to the directive, among other matters, and the revised version of the proposed directive has been approved by the European Parliament’s Committee on Legal Affairs. Going forward, the proposed directive is expected to be enacted after going through formal adoption procedures at a plenary session of the European Parliament scheduled for late April in 2024 and a subsequent plenary session of the European Council.

¹⁹⁷ See the website of the European Commission (https://single-market-economy.ec.europa.eu/news/commission-welcomes-political-agreement-ban-products-made-forced-labour-union-market-2024-03-05_en).

¹⁹⁸ See the website of the U.S. Department of State (<https://www.state.gov/xinjiang-supply-chain-business-advisory/>).

¹⁹⁹ See the website of the U.S. Congress (<https://www.congress.gov/bill/117th-congress/house-bill/6256/text?r=1&s=1>).

cases of import suspension, of which there were 3,096 cases where import was denied and 3,135 cases where import was released.²⁰⁰ In September of the same year, the Xinjiang Supply Chain Business Advisory Addendum was published,²⁰¹ calling for business enterprises to continue to conduct appropriate human rights due diligence in accordance with the enforcement strategy regarding the Uyghur Forced Labor Prevention Act.

Business enterprises need to make efforts to respect human rights in business activities considering the abovementioned initiatives underway in the international community. They should conduct efforts to respect human rights and publish information while looking at the situations not only within their own organizations but also throughout their entire supply chains and value chains.

(2) Japan's efforts

Based on the UN Guiding Principles, the government of Japan launched its National Action Plan on Business and Human Rights (2020-2025) in October 2020 and expressed expectations for Japanese business enterprises, regardless of their size and sector of industry, to introduce the human rights due diligence process.

In September-October 2021, the Ministry of Economy, Trade and Industry, together with the Ministry of Foreign Affairs, conducted the first governmental survey on Japanese companies' efforts related to business and human rights as part of the follow-up on the Action Plan (the Questionnaire Survey on the Status of Efforts on Human Rights in the Supply Chains of Japanese Companies²⁰²). According to the survey results, around 70% of the respondent companies had formulated a human rights policy, while only around 50% had conducted human rights due diligence. As their challenges when conducting business management that respects human rights, many companies cited "the absence of an established method for evaluating the status of efforts to respect human rights in supply chains," "the difficulty of identifying the scope of due diligence due to the complexity of the supply chain structure," and "inability to secure sufficient manpower and budget funds." As for requests for the government, the largest percentage of companies expressed expectations for the development of guidelines.

In light of that situation, in March 2022, in order to enable companies to make active efforts to respect human rights in line with international standards, the Ministry of Economy, Trade and Industry established the Study Group on Guidelines for Respecting Human Rights in Supply Chains and held further discussion. In September 2022, the Inter-Ministerial Committee on Policy Promotion for the Implementation of Japan's National Action Plan on Business and Human Rights adopted and published the Guidelines on Respecting Human Rights in Responsible Supply Chains.²⁰³

Although the Guidelines are not legally binding, based on the UN Guiding Principle, the OECD Guidelines for Multinational Enterprises, the ILO MNE Declaration, and other international standards,

²⁰⁰ See the website of the U.S. Customs and Border Protection of the U.S. Department of Homeland Security (<https://www.cbp.gov/newsroom/stats/trade/uyghur-forced-labor-prevention-act-statistics>).

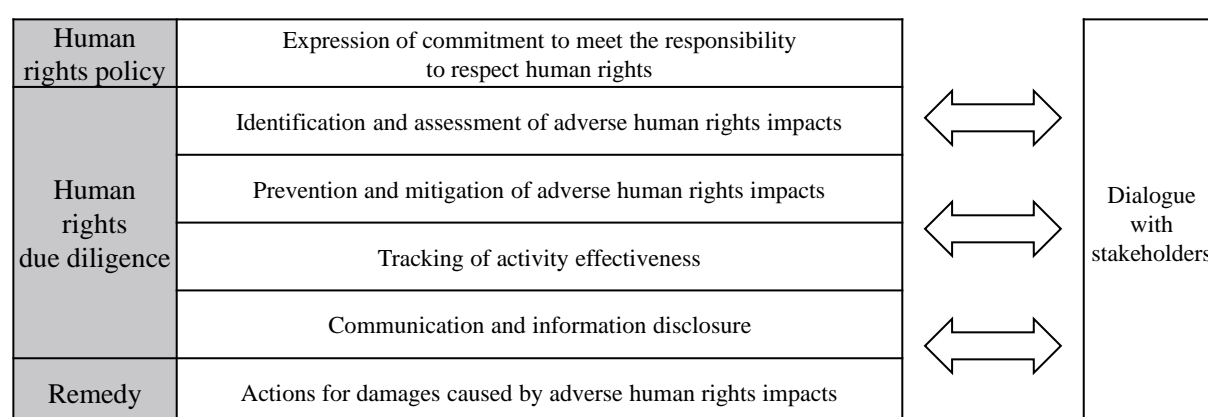
²⁰¹ See the website of the U.S. Department of State (<https://www.state.gov/issuance-of-an-addendum-to-the-xinjiang-supply-chain-business-advisory/>).

²⁰² See the website of the Ministry of Economy, Trade and Industry (<https://www.meti.go.jp/press/2021/11/20211130001/20211130001.html>).

²⁰³ See the website of the Ministry of Economy, Trade and Industry (<https://www.meti.go.jp/press/2022/09/20220913003/20220913003.html>).

the Guidelines aim to help deepen business enterprises' understanding and promote their efforts by explaining activities that business enterprises are requested to undertake to respect human rights, in a concrete and easy-to-understand manner tailored to the actual situation of business enterprises engaging in business activity in Japan. The Guidelines are applicable to all business enterprises engaging in business activity in Japan, regardless of their size, sector, and other factors. The Guidelines require business enterprises to respect internationally recognized human rights and, in order to meet corporate responsibility to respect human rights, business enterprises are required to (1) formulate and publish their human rights policy approved by the management, including top executives, (2) conduct human rights due diligence, and (3) provide a remedy when they cause or contribute to adverse human rights impact (Figure II-1-5-5).

Figure II-1-5-5. Overview of Respecting Human Rights in Responsible Supply Chains



Source: *Guidelines on Respect for Human Rights in Responsible Supply Chains* (METI).

In April 2023, in view of complaints from business enterprises about a lack of clarity over how to engage in efforts to respect human rights, the Ministry of Economy, Trade and Industry formulated and published the Reference Material on Practical Approaches for Business Enterprises to Respect Human Rights in Responsible Supply Chains, which makes it easier for business enterprises that have no experience of engaging in such efforts in earnest to follow the Guidelines.²⁰⁴ In addition, the ministry made awareness-raising and enlightening activities by hosting a seminar to support such efforts in order to promote the use of the Guidelines and the Reference Material.

The Ministry of Economy, Trade and Industry has also been cooperating with JETRO and the ILO to promote business enterprises' efforts to respect human rights. In March 2024, through contributions to the ILO, the ILO and JETRO jointly formulated and published good practices on efforts to respect human rights by Japanese business enterprises that engage in manufacturing, including textiles/apparel and electronics and electronic parts, and have business operations or business partners in Bangladesh, Cambodia, and Viet Nam.²⁰⁵ Through contributions to the ILO, the Ministry of Economy, Trade and

²⁰⁴ See the website of the Ministry of Economy, Trade and Industry (<https://www.meti.go.jp/press/2023/04/20230404002/20230404002.html>).

²⁰⁵ See the website of the ILO (http://www.ilo.org/tokyo/information/publications/WCMS_918020/lang--ja/index.htm).

Industry has also cooperated with the Japan Federation of Labor and Social Security Attorney's Associations to train experts with professional skills who are capable of supporting efforts to respect human rights by small and medium-size enterprises (SMEs). It has also cooperated with the Small and Medium Enterprise Agency to support SMEs, for example by holding seminars for SMEs.

The ministry has been addressing "business and human rights" issues not only in Japan but also in Asian countries. Through contributions to the ILO, in order to promote responsible business conduct in Asia, the ministry has implemented various programs, including the following: supporting the implementation of human rights due diligence by Japanese business enterprises' foreign business partners in Bangladesh, Cambodia, and Viet Nam; providing advice on how to improve the human rights and working environment; supporting the training of experts adept in international labor standards; and supporting skills development in the machinery and other industries in Thailand and Indonesia. In September 2023, the Ministry of Economy, Trade and Industry, together with the ILO, co-hosted a dialogue event in Jakarta, Indonesia, to bring together representatives from government, labor, and management in Asian countries as well as officials from the G7 countries as an opportunity to hold in-depth discussions on business and human rights issues in Asian countries. This event, focusing on the importance of harnessing synergies between inclusive growth and respect for human rights, promoted awareness about diverse approaches to implementing international standards regarding business and human rights.

At the G7 Trade Ministers' Meeting in April 2023 and the G7 Hiroshima Summit in May of the same year, the G7 members recognized the need to deepen discussions within and beyond the G7 on business and human rights and agreed on ensuring respect for human rights in corporate activities and strengthening international collaboration in improving predictability for businesses. In response to the outcomes of the G7 Trade Ministers' Meeting, the Ministry of Economy, Trade and Industry has engaged in the exchange of information through the G7 intergovernmental network of professions related to business and human rights. At the G7 Trade Ministers' Meeting in Osaka-Sakai, held in October 2023, the G7 members expressed their appreciation for the dialogue event in Jakarta from the viewpoint of strengthening outreach and engagement on business and human rights beyond the G7.

As for bilateral initiatives between Japan and the United States, in January 2023, the Japan-U.S. Task Force on the Promotion of Human Rights and International Labor Standards in Supply Chains was launched, and in February 2024, the Task Force held its first meeting (government-to-government dialogue and stakeholder dialogue). In the government-to-government dialogue, the Japanese and U.S. governments exchanged information on their respective initiatives related to respect for human rights and the protection of internationally recognized workers' rights in supply chains. The Japanese side reported mainly on the Japanese guidelines and its dissemination and awareness-raising efforts, alongside Japan's engagement with developing countries. On the other hand, the U.S. side provided explanations about the handling of labor-related matters under the U.S.-Mexico-Canada Agreement (USMCA) and the implementation of the Uyghur Forced Labor Prevention Act. In the stakeholder dialogue, the Japanese and U.S. governments presented their respective policies on business and human rights, while businesses, worker organizations, civil society organizations, and international organizations introduced their initiatives, including ones related to human rights due diligence.

In order to promote business enterprises' efforts to respect human rights, the government of Japan will provide information to businesses and implement awareness-raising and enlightening activities. It will also strive to realize, through international cooperation, an environment in which business enterprises can actively engage in respecting human rights on a level playing field, and where the predictability for business enterprises is enhanced.