

Press Release

between the European Commission and Japan

18 July 2023

EU and Japan reinforce energy cooperation through a dedicated dialogue on global LNG architecture.

The EU and Japan have reached consensus to reinforce their bilateral dialogue through an EU-Japan **energy security dialogue** on global liquefied natural gas (LNG) architecture. The dedicated dialogue will focus on three pillars: global security of supply, transparency of markets and reduction of methane emissions in the LNG supply chain, reinforcing the EU's strategic energy partnership with Japan. The parties met today during the 2023 LNG Producer Consumer Conference which is currently taking place in Tokyo.

As two largest importers of liquefied natural gas (LNG), at the EU-Japan Summit [link] on 13 July 2023 in Brussels, the Leaders reached consensus to step up our cooperation to develop secure and transparent global LNG markets while reducing methane emissions in line with the Global Methane Pledge.

On **global LNG security of supply**, the dialogue will collaborate on a global early warning system. Japan and the EU will build on their decade-long expertise in developing resilient energy security policy based on cooperation between regions and countries to pre-empt and eventually tackle energy crisis. The EU will also share its security framework, strengthened during the 2022 supply shock, supported by a pan-EU gas storage policy and the gas demand aggregation tool, AggregateEU. In addition to bilateral cooperation, Japan and the EU will pursue engagement with the International Energy Agency (IEA) and proactively contribute to discussions on the IEA's role in the gas sector.

The parties see the **transparency of energy markets** as the backbone of security of supply and therefore believe that it should be part of the future global LNG architecture. To this end, there is a need to enhance exchange of critical data of relevance for energy security across the consuming and producing regions. Today, the EU is a world leader in providing comprehensive information on its electricity and gas systems. Since 2022, the EU has further improved the transparency with respect to LNG terminals, price indices and gas storages with European Transparency Platforms and ACER LNG benchmark.

From a **climate perspective**, the EU and Japan will continue collaborating on reducing methane emissions in line with the Global Methane Pledge and the Joint Declaration from Energy Importers and Exporters on Reducing Greenhouse Gas Emissions from Fossil Fuels. In that framework, they will cooperate on Monitoring, Reporting and Verification of methane emissions and they will promote abatement measures, contributing also to enhancing energy security globally. The EU would like to further engage with its global partners to promote best practices in line with OGMP 2.0 protocols, and with principles of transparency through IMEO.

The EU-Japan dedicated dialogue's project is a step towards a more secure and sustainable energy future. By working together, Japan and the EU are demonstrating their commitment to finding global solutions to global challenges. The initiative is open to cooperation with other partners who share the same vision of a secure and sustainable energy future.

Background

The 2022 energy crisis has highlighted the need for a global solution to ensure energy security and decarbonisation objectives based on shared values and commitment to multilateralism. In response to concerns about the shortage of natural gas in Europe and request on diverting LNG to Europe, Japan showed solidarity with ally and like-minded partner who share values and cooperated as long as the stable supply to Japan is ensured. Japan supports initiatives to ensure global energy security. Japan and the EU will explore avenues for closer cooperation on security of supply and flexibility solutions that will to deliver the appropriate support based on the G7 Communiqué.