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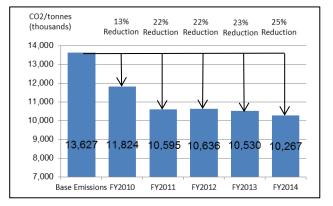
> Tokyo Metropolitan Government Bureau of Environment

## Tokyo Cap-and-Trade Program achieves 25% reduction after 5<sup>th</sup> year

A flash report published by the Tokyo Metropolitan Government (TMG) announced that the Tokyo Cap-and-Trade Program has achieved a 25% reduction in emissions after the 5<sup>th</sup> year of the program compared to base-year emissions.

The flash report for fiscal year 2014 comprises GHG Emissions Reports from covered facilities.<sup>1</sup>

Total emissions of the covered facilities for fiscal year 2014 were reduced by 25% from base-year emissions,<sup>2</sup> the even greater level of reductions seen since fiscal year 2011, in which significant energy savings were necessary after the power crisis following the Great East Japan Earthquake.



Covered facilities in the Tokyo Cap-and-Trade Program are required to reduce energy-related CO<sub>2</sub> emissions—for example, 8% reductions are required for business facilities such as office buildings, and 6% for industrial facilities such as factories—during a five-year compliance period from fiscal year 2010 through 2014. During the second period from fiscal year 2015 through 2019, the reduction obligations increase to 17% for businesses and 15% for industrial facilities. Owners of covered facilities must report the previous fiscal year's emissions to TMG by the end of November every year.

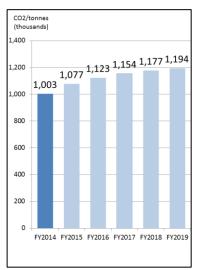
This achievement is down to companies continuing with measures taken during the power crisis of 2011, even though such severe reductions are no longer as necessary. In some cases, measures that were implemented immediately after the earthquake and subsequent power crisis, such as setting higher than usual temperatures for air conditioning systems during the summer, have been steadily relaxed since 2012 because they were seen as overburdening and an immediate response to the crisis. Additional measures, such as LED installations, the introduction of high-efficiency air conditioning, high-efficiency energy pumps for air conditioning and energy-saving controls, have compensated for this relaxation of measures and continued the reductions, and reports submitted by covered facilities show a continual planned take up of more measures in the coming years. In those reports, one owner of a commercial building mentioned that they could reduce energy use by energy-efficient management in order to continue the effect of energy savings in 2011, based on cooperation

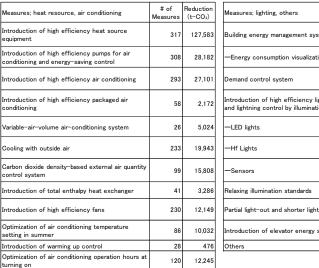
with the tenants. A factory owner also mentioned that improvement of both facilities and management, and the

<sup>&</sup>lt;sup>1</sup> Covered facilities of the program are facilities with 1,500 kL in crude oil equivalent or more annual energy usage. This flash report is based on the collected data as of January 12<sup>th</sup> 2016.

<sup>&</sup>lt;sup>2</sup> Base-year emissions are the average emissions of three consecutive fiscal years selected between FY2002-FY2007.

enhanced awareness of energy-efficiency possessed by all the staff of the company have enabled their reduction. The owner from the industry said not only have they tackled basic measures such as renewal of the air conditioning system and management of the temperature control in an energy-efficient way, but also they have promoted the introduction of LED when tenants renovated since FY2013. The owner from the medical area also mentioned their introduction of LED and partial light-out in addition to the assignment of an "eco-manager" in each area and regular "eco-patrol".

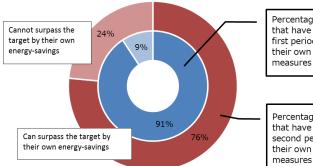




# of Measures	(t-CO <sub>2</sub> )
39	5,726
10	1,153
5	532
1,208	84,018
954	66,376
90	7,694
80	3,005
256	18,953
24	768
93	1,954
5,953	740,204
10,551	1,194,382
	Measures   39   10   5   1.208   954   900   800   256   24   93   5.953

Accumulated Reductions (Implemented/Planned)

Introduced Measures



Mr. Masahiro Kimura, Director of the Emission Cap and Trade section at the TMG Bureau of Environment, said, "In FY2014, the last year of the first compliance period, the Tokyo Cap-and-Trade Program achieved a 25% reduction compared to the base emissions, which is the largest reduction rate in the past 5 years. This means each facility has strived for further reduction measures toward the end of

the compliance period. The total reduction amount

for 5 years runs to 14 million tonnes. The great

introduction

Cap-and-Trade Program is that the managers of

of

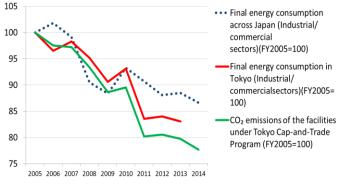
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Trends in CO<sub>2</sub> emissions

Percentage of all facilities surpassing their obligations (Inside: the first period/Outside: the second period)

To date, over 90% of targeted facilities have surpassed their reduction targets of 6% or 8% for the first compliance period. What's even better is that already 76% of facilities have surpassed the second period targets of 15% or 17%. It seems clear that facility owners in Tokyo can see the long term benefits of reducing energy usage and have already taken steps to realize those goals.

Percentage of facilities that have surpassed the first period targets by their own energy-saving

# of Reduction

Percentage of facilities that have surpassed the second period targets by their own energy-saving

covered facilities have started to take more interest in CO2 reduction results and energy saving has become the consensus in those facilities. The second compliance period started last April and the facilities have been continuously working on the CO2 reduction plans. TMG settled on the new GHG reduction plan "30% reduction from the 2000 level by 2030". We will make effective use of this program continuously to achieve that goal.

More Information

http://www.kankyo.metro.tokyo.jp/en/climate/cap\_and\_trade.html

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