

Contribution of Think tanks in the Formulation of Japan's Energy Policy

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In countries around the world, national policy-making processes vary widely. Furthermore, within a given country, there may be different policy-making processes for each policy area. For example, a country may have a variety of topics to address, such as health care, welfare, defense, education, science, finance, communications, local government support, public security, industry, etc., and there are corresponding administrative agencies. As a result, each administrative agency determines policy in its own way.

It is the job of Diet members to comprehensively understand and discuss national policies, but the scope of these policies is broad, and it is not easy for a single politician or his/her team to understand each individual policy. Therefore, politicians, political parties and even government officials sometimes utilize the ideas and discussions of think tanks in policymaking.

This author was invited by the U.S. Department of State to participate in the International Visitor Leadership Program (IVLP) in 2019. The theme was U.S. energy policy, and I had the opportunity to learn about U.S. federal and state energy policymaking. I also learned that Think tanks, based in Washington, D.C., have a significant impact on policymaking. Think tanks in the U.S. perform a variety of tasks, but I was very interested in the following two roles: One is Think tanks are funded by companies and governments (federal or state) to conduct analyses based on the scenarios they come up with. For example, a vertically integrated power company in the southern U.S. has commissioned a think tank to work on a decarbonization scenario that includes nuclear power and shale gas. The other is when the think tanks conduct analysis based on their respective philosophies to influence politicians, government officials, and industry associations.

Here, I address the process of formulating the "Strategic Energy Plan," the most fundamental of Japan's energy policies. The Strategic Energy Plan is decided by the Cabinet after discussions in a committee called the "Base Policy Committee" of the Advisory Committee on Natural Resources and Energy within the Ministry of Economy, Trade and Industry (METI). The secretariat of the committee is the Agency for Natural Resources and Energy. The secretariat has addressed the global energy situation and the situation in Japan, and then several meetings are held in order to hear from energy industry groups such as electric power and gas companies, industry groups such as steel and

automobile companies, other economic organizations, and consumer groups. At the same time, the draft of the plan is explained to the ruling party before being finalized in the committee.

An important point in the series of discussions is how the policy goals will be achieved and the roadmap that will be followed. So far, the quantitative analysis required for the discussions was explained by the secretariat, referring to the analysis conducted by the Institute of Energy Economics, Japan (IEEJ), which had been established by the Agency for Natural Resources and Energy, and other organizations. In contrast, in the recent Sixth strategic Energy Plan decided last October, the "Declaration of Carbon Neutrality in 2050" was made while the committee was discussing the new plan. The Renewable Energy Institute has been studying the possibility of carbon neutrality from renewable energy sources in collaboration with Lappeenranta-Lahti University of Technology in Finland and Agora Energiewende in Germany since 2019.

So we REI presented our views on the roadmap to carbon neutrality and the means to achieve it. At the committee meeting, total 6 think tanks such as joint group of the Research Institute of Innovative Technology for the Earth (RITE) and IEEJ, the National Institute for Environmental Studies, the Central Research Institute of Electric Power Industry, Deloitte Tohmatsu Consulting, Institute for Global Environmental Strategies and we reported the simulation results toward carbon neutrality, and the think tanks discussed with each other. The committee members listened to the discussion as third parties and identified issues and points of contention in the process of becoming carbon neutral.

Until now, it has not been common for multiple think tanks to discuss energy policy in Japan, but with the challenge of carbon neutrality, the policy-making process seems to have entered a new phase. It feels in part like the situation in D.C., where many think tanks are arguing and debating with each other. Personally, I think that I2CNER also has an obligation to present a carbon-neutral society based on its own energy model in the discussion of national energy policy. In the future, I hope that the simulation results examined by I2CNER will also be explained in energy policy discussions and contribute to the discussion toward carbon neutrality.