

Press release

German-Japanese Energy Transition Council (GJETC) publishes reports of study program –

First phase of bilateral energy transition cooperation on the home stretch

Berlin/Tokyo, 20th December 2017. After one and a half years of intensive discussions, stakeholder dialogues and in-depth research work, the 4 main studies on key energy policy and economic issues in both countries have been finalized. They will be a basis for the GJETC's policy recommendations, providing the first comprehensive comparative analysis between Japan and Germany on these issues. The full text and short summaries can be accessed through the GJETC (German-Japanese Energy Transition Council) website.

The German-Japanese Energy Transition Council was initiated in May 2016 as a role model for binational energy cooperation and research based consultancy with the claim of being an independent, scientific council, not bound by any political directives. At the next meeting of the GJETC in Berlin in February 2018, the Council members will discuss their policy recommendations to governments, industry, and civil society based on the study results. The recommendations report of the GJETC is scheduled for March 2018.

The core foundation for the GJETC's recommendations has been a comprehensive study program dealing with 4 topics, which the Council's experts identified to be crucial for the energy transition in both countries. The focus was set on (1) long-term energy transition scenarios, (2) the overall economic and social preconditions of an energy transition, (3) electricity market design, and (4) the promotion of energy saving strategies.

The 4 studies had been awarded to selected consortia of renowned German and Japanese research institutes in December 2016. After an intensive reviewing process, a well-balanced analysis of each topic with more than 800 pages in total can now be downloaded from the GJETC website (gjetc.org).

Prof. Toyoda, CEO of the IEEJ, welcomed the results of study program: "The common analysis of renowned institutes reveals very interesting insights into the similarities and differences of the energy transition in Japan and Germany. For policy makers, industry and the civil society the studies present a unique sources of information. The fruitful dialogue and knowledge exchange of the GJETC might create a role model for intensified international cooperation on the energy transition".

Dr. Stefan Thomas, who coordinated the study program on behalf of the Wuppertal Institute, states: "The analysis revealed and clearly described differences in approach, framework conditions and short-run targets, but developed similar recommendations on a common core question: how to establish a long-term risk-minimizing energy strategy which protects the climate and natural resources and at the same time drives ecological modernization and international competitiveness of the economy".

The study contents in detail:

	Study Topic	Key findings
1	“Energy transition as a central building block of a future industrial policy – Comparison and analysis of long term energy transition scenarios”	<ul style="list-style-type: none"> • Both Japan and Germany have national energy transition targets and strategies. Additionally, the study compared long-term energy scenarios and the reasons behind differences such as in approaches to nuclear power and renewable energies. • A key difference are the expectations on future system costs of wind and photovoltaic (PV) energy. Germany expects high shares in energy supply due to low costs, Japan up to now expects higher costs and lower shares. • Japan’s island nature puts energy security as a top priority on the agenda and perceives challenges from very high shares of fluctuating wind and PV generation.
2	Strategic framework and socio-cultural aspects of the energy transition	<ul style="list-style-type: none"> • In both countries, energy policy is based on the principles of economic efficiency, energy security and environmental sustainability. • People in both countries have a favourable view of energy transition. • The study recommends a bilateral policy research dialogue between the two countries, complemented by a multi-stakeholder discussion with businesses as well as civil society and the research community.
3	New allocation of roles and business segments of established and new participants in the energy sector currently and within a future electricity market design	<ul style="list-style-type: none"> • While Germany has longer and deeper experience in the liberalisation of electricity markets, both countries face similar challenges for electricity market design of the near future. • These concern, i.a., the flexibility options and costs for system integration of fluctuating wind and PV generation, but also coupling the power, heat, and transport sectors. Views on the future role of conventional power generation, particularly coal and nuclear, diverge. • New business and consumer concepts, such as prosumers, municipal utilities, and energy cooperatives, provide opportunities.
4	Energy end-use efficiency potentials and policies and the development of energy service markets	<ul style="list-style-type: none"> • Both countries are already world-leading in energy productivity, also due to their existing policies. • Both countries have ambitious energy efficiency targets for the future based on still existing large potentials. Both have to strengthen their packages of energy efficiency policies to overcome barriers, including demand response. • While Germany could learn from Japan on energy efficiency in the transport sector, Japan could learn from Germany on energy-efficient buildings.

About the GJETC:

In its form, continuity and size, the GJETC is the first German-Japanese project of cooperation on the energy transition. It was founded in close collaboration of the Wuppertal Institute, ECOS Consult, hennicke.consult, and the Institute of Energy Economics Japan (IEEJ) in spring 2016 with strong support by the Deutsche Bundesstiftung Umwelt (German Federal Environmental Foundation, DBU), the Mercator Foundation, German Federal Foreign Office (FFO), Japanese Ministry of Economy, Trade and Industry (METI) and is also endorsed by the Federal Ministry for Economic Affairs and Energy (BMWFi), the Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB) and the Japanese-German Center Berlin (JDZB). On the German side, the Wuppertal Institute and ECOS Consult support the council's work as secretariats; on the Japanese side, the Institute of Energy Economics Japan (IEEJ) takes over this part. The council has convened semi-annually, and the next council meeting will be held in Berlin in February 2018.

For further information: www.gjetc.org

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