

The EU-Japan Centre for Industrial Cooperation ZOOM webinar

Series: Industrial Sector Roadmap to Carbon Neutrality  
~Efforts of European and Japanese Chemical industries~

Monday, February 27, 2023 17:00-18:30 Tokyo (9:00-10:30 Brussels)  
(Summary by EUJC secretariate)

The seminar was begun by the moderator Tanabe, MD Japan side, EU-Japan Centre for Industrial Cooperation and Hubert, Managing Director European Side, the EU-Japan Centre for Industrial Cooperation gave the opening remarks.

- Roberto Rinaldi, Policy Officer; Bioeconomy, Chemicals & Cosmetics Unit; Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs; European Commission
- The EU has created a roadmap for the next 10 years, aiming to become a CN for the chemical industry in 2050. It consists of eight major frameworks and approximately 190 actions. Within a broader framework, maintaining sustainable competitiveness is the most important issue. The actions set will be carried out through the process of implementation, evaluation, dialogue with stakeholders, and annual reporting.
- Katsumoto Yoshimura, Director, Material Industry Division, Manufacturing Industries Bureau, Ministry of Economy, Trade and Industry (METI)
- The chemical industry emits the second largest amount of CO<sub>2</sub> after steel, but it also faces problems such as a decline in domestic demand and market duplication due to increased supply from China. The industry will aim to decarbonize by moving to products with higher added value and reviewing its raw material suppliers. This is supported by technological innovation. For example, the industry needs to shift to technologies that produce plastics from CO<sub>2</sub> or biomass, or produce green plastics without using naphtha. The government will contribute JP¥ 120 billion each year to this type of support. Japan is proud of its waste plastic recovery rate of over 90%. It is difficult to suddenly become a CN, so we must not forget these steady efforts.
- Elena Leonardi, Manager Energy and Climate, the European Chemical Industry Council (CEFIC)

- The EU chemical industry is the industry that took the earliest action towards the 2050 CN. In response to the actions of the EU Commission, we are promoting CN with a focus on increasing the circularity of resources, providing safe products, and promoting digitalization. The CN transition will require approximately € 220 billion over the next 30 years. The biggest problem is funding. Implementation requires goals and plans, which are connected to the EU Commission's 190 action plan, that was commented on earlier. In addition, we are also implementing industry-specific initiatives.
- Noriyuki Mita, Director, Strategy and Planning Division, Petrochemical/Carbon Business Group, Mitsubishi Chemical Corporation & Chair, Energy and Climate Change Leadership Group, International Coalition of Chemical Associations
- From ICCA's standpoint, we recognize that it is important to promote this through both CN and LCA. I think the core basic stance will be to eliminate naphtha. ICCA is working to reduce GHG and promote innovation in conjunction with COP26. LCA is also important, and it is important to evaluate everything from upstream to downstream. For Mitsubishi, the key points are 1) improving energy efficiency, 2) switching fuels, and 3) switching raw materials. The goal is to achieve 1) and 2) by 2030, and 3) by 2050. CN requires R&D and capital investment, but it is important to reflect it in actual business, evaluate value, and form a market.

After each presentation, the Q&A/ and discussion session were proceeded with the moderator Tanabe. The main topics were as follows (see recorded video for detail).

- How did the EU Commission put together an action plan for the CN? Please tell us about the process and the relationship with stakeholders.
- To what extent has CN response progressed in the EU over the past 10 years?
- What is the effectiveness of Emissions Trading (ETS) in the EU?
- How is LCA being promoted in the EU? etc.

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