

Greater Greenhouse Gas Cuts Eyed by Chemical, Steel, Other Industries

Japanese industries have raised their voluntarily fixed greenhouse gas reduction targets one after another in an effort to help fight global warming. The combined total of planned additional reductions presented to the Ministry of Economy, Trade and Industry by 13 industries, including chemical, steel, paper and transportation, is about 20 million tons. The industries have raised their targets following an appeal by a government with a strong sense of crisis, as mentioned by Prime Minister Fukuda Yasuo. "Under the current situation, it is extremely difficult (for Japan) to achieve the target in the Kyoto Protocol," Fukuda has said, referring to the U.N. treaty adopted in the ancient Japanese capital in 1997.

The Kyoto Protocol obliges Japan to curtail the annual volume of emissions of carbon dioxide (CO₂) and other gases by 6% in fiscal 2008-2012 from its fiscal 1990 level. But the volume rose 7.8% in fiscal 2005. According to a government

estimate, the industry sector's volume of emissions is expected to be cut by 8.5% in fiscal 2010, but the entire volume is predicted to grow 0.9%-2.1% because of large emission increases in the office and household sectors. Fukuda has instructed a review of the national reduction target within this fiscal year – ending March 31, 2008 – as Japan is scheduled to host a summit of eight economic powers at a Lake Toya hotel in Hokkaido in 2008, which is expected to focus on global warming and other environmental issues.

In a move putting the industry sector's new target into practice, Matsushita Electric Industrial Co. has announced a goal to slash CO₂ emissions from the group's plants throughout the world by about 300,000 tons in three years to fiscal 2009. Toshiba Corp. has also hammered out a program to help households reduce CO₂ emissions by devel-

oping energy-saving refrigerators, washing machines, lighting equipment and all other electric appliances. As Matsushita President Otsubo Fumio has put it, "businesses neglecting environmental problems will be unable to keep going." Corporate efforts for environmental measures are becoming the key for Japanese businesses to survive international competition.

Photo: Kyodo News



Prime Minister Fukuda Yasuo (second from left) addresses a ministerial meeting on measures to fight global warming. On the extreme left is Environment Minister Kamoshita Ichiro.

Helping Food Security in China Asahi Breweries Expanding Farm Business

Asahi Breweries Ltd has been expanding agribusiness in Shandong Province, eastern China, helping the country secure safe food. The major beer brewer plans to produce and sell milk there to become Japan's first big business to do so in the country. It is also contemplating setting up a training facility to foster the next generation of agribusiness leaders.

Asahi teamed up with two other major Japanese businesses – Itochu Corp. and Sumitomo Chemical Co. – to set up a joint venture and opened its farm in 2006 by leasing 100 hectares of farmland. The farm is located in a farming region about an hour's drive from Qingdao, the site of sailing races for the

Beijing Olympics in 2008. On the Asahi farm, strawberries, asparagus and other crops are being cultivated, employing Japan's state-of-the-art farming techniques that minimize the use of pesticides and chemical fertilizers. The produce from the farm is sold at several times the prices of other local produce, but company officials say the produce is popular among safety-conscious high-income earners in China.

In the milk project, Asahi plans to introduce high-end dairy techniques, attaching an electronic tag on every cow to monitor livestock health, and securing routes for refrigerated distribution. The company hopes to establish itself as a business reputed for production and

shipment of safe milk.

The leader of the project is Seto Yuzo, a former Asahi president now acting as a senior adviser to the company. "China is a major food importer. In case China buys up food, Japan will face difficulties procuring its own food. If China increases quality and production efficiency in agriculture, it will import less food," Seto says, explaining the objective of the project. "It will eventually benefit Japan's food strategy. We are going to demonstrate a business model to establish food safety in China."

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