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# sustainable japan

Australian envoy Jan Adams oversaw FTAs, international climate partnership

## Persevering at the junction of trade and climate

**Name: Jan Adams**

**Title:** Ambassador of Australia  
**URL:** [www.japan.embassy.gov.au/](http://www.japan.embassy.gov.au/)  
**Hometown:** Wodonga, Australia  
**Years in Japan:** less than a year

### Leaders & Readers

**JANE KITAGAWA**  
STAFF WRITER

Australia's ambassador to Japan, Jan Adams, may not have always been aware of the Japanese concept of *gaman*, to persevere or "tough it out." Yet for someone who has overseen multiple trade negotiations between Australia, China, the United States and Japan, it is fair to say that tenacity is very much a part of her character. For this, Adams credits her parents.

"My parents were small-business people," Adams explained. "I think this has given me a real sense of self-reliance, independence and needing to persevere to achieve your objectives — because that's what people in small businesses do every day."

To *gaman* or persevere could very well



Jan Adams is the first Australian female ambassador to Japan. HIROMICHI MATONO

be her *modus operandi* for dealing with the coronavirus pandemic — "Stay calm and carry on for 2021." According to Adams, the biggest challenge posed by COVID-19 and its effects on trade, investment, cultural exchange and education between Australia and Japan is safe travel and the reopening of borders between the countries. With the nations having similar time frames for the rollout of vaccinations, as well as ongoing efforts made by the aviation industry, corporations and governments, Adams is positive that intercountry travel will have resumed by this time next year.

In spite of the pandemic, trade opportunities continue to abound. "Amazingly, Australia has created some high-quality face masks that have been registered for use in Japan — it's like selling tea to China, or coal to Newcastle," Adams said. Japan has also recently begun exporting fresh strawberries to Australia, following "years of painstaking work to ensure (that the fruit) was safely in line with Australia's biosecurity needs."

Of special note, she stresses, is the 2021 awarding of the Japan Prize (Resources, Energy, Environment, Social Infrastructure category), a global prize that honors significant contributions made by scientists and engineers, to an Australian physicist, professor Martin Green. Green, whose development of high-efficiency silicon photovoltaic devices has greatly impacted solar power's realization and accessibility, is a shining example of Australia's efforts toward renewable energy.

As Japan strives to become carbon-neutral by 2050, Australia will continue to be part of the conversation on energy, Adams adds. Coal will remain part of Japan's energy mix

in the years to come, with LNG positioned as a transitional fuel. "Carbon capture and storage is certainly one of the key technologies that will enable the use of abundant fossil fuels while obviating harmful emissions," she observed.

Adams cites the scale and significance of the Impex Ichthys LNG Project in Darwin — "one of Japan's biggest overseas investments" — and collaborative efforts to capture, store and recycle carbon dioxide emissions on the back of the Japan-Australia Carbon Recycling Cooperation Memorandum, signed in 2019.

The Hydrogen Energy Supply Chain (HESC) project, an initiative to make and transport clean hydrogen from the Latrobe Valley in Victoria to Kobe, is no less important, Adams continues.

Australia's federal and Victoria state governments, the Japanese government and industry partners such as Kawasaki Heavy Industries (KHI), J-POWER, Iwatani, Marubeni, AGI and Sumitomo among others, have formed a consortium to spur HESC movement during the project's current pilot phase, aiming toward a commercial rollout in the 2030s.

The liquefied hydrogen is expected to arrive in Japan within the next few months via a specialized marine carrier developed by KHI for the project, according to Adams. "It's a world first," she said.

"It's a big project, but a very exciting kind of pointer of things to come. Australia and Japan, having been energy partners for so long, having basically created the LNG seaborne trade, (are) well-placed for building (new sources for) more clean energy on a huge scale," she said.

This intersection between trade and the



HIROMICHI MATONO

### Envoy, negotiator, medal winner

Jan Adams graduated with honors in economics and law from Melbourne's Monash University. Between degrees, she worked at the Trade Directorate of the OECD Secretariat in Paris; she would later return there to work in the Environment Directorate to research trade and environmental issues.

Adams joined Australia's Department of Foreign Affairs and Trade (DFAT) in 1999 as assistant secretary, APEC Branch. She served as minister counselor (trade) in Washington and as ambassador for the environment and ambassador for climate change. Returning to DFAT in Australia, Adams worked as first assistant secretary, Free Trade Agreement Division, and later as deputy secretary, as a chief negotiator overseeing the conclusion of free trade agreements with China, South Korea and Japan.

Adams received the Australian Public Service Medal (PSM) in 2007, awarded for pursuing of Australia's international objectives on trade and the environment. She was made an Officer of the Order of Australia (AO) in 2016.

as Australia is a big agriculture exporter" she said.

Adams considers the signing and conclusion of Australia's three North Asian FTAs with Japan, China and South Korea as one of her greatest career achievements. She was appointed an Officer of the Order of Australia (AO) in 2016 for her efforts to advance Australia's diplomatic and free trade relationships.

"I was extremely privileged to be working on those big economic agreements for many years; to be able to see them through to conclusion was a real highlight," Adams recalled, crediting her teams and overseas counterparts for their efforts.

"There's a lot of tenacious, very clever and authentic people who worked really hard on those negotiations... Their counterparts (in all of our partner countries) were equally tenacious, and gifted and skilled," she said with a smile.

environment is one in which Adams has much expertise. She obtained degrees in both economics and law, with the honors thesis for her law degree addressing the topic "Applying the General Agreement on Tariffs and Trade to Environmental Law and Policy." She completed two separate stints at the OECD in Paris, working in both the trade and environmental directorates before joining Australia's Department of Foreign Affairs and Trade (DFAT) in 1999.

Adams later served as Australia's ambassador for the environment and as ambassador for climate change. She spearheaded policy development that led to the Asia-Pacific Partnership on Clean Development and Climate (AP6), a voluntary public-private partnership involving Australia, Japan, Canada,

India, China, South Korea and the United States.

Prior to her appointment in Japan, Adams served as Ambassador to China from 2016 to 2019. Adams reveals the importance of her rural upbringing on her work in these areas, having witnessed farmers engaging in careful land management practices to protect the natural environment.

Leading bilateral free trade agreement (FTA) negotiations for Australia during her employ at DFAT's Free Trade Agreement Division enabled Adams to represent the sector at the highest level. The work provided her with much enjoyment and career satisfaction.

"I was really pleased to have so much to do with agricultural trade in those negotiations,

## Biobalance holistic probiotics turn manure to resource

### Satoyama - Authentic Japan

**MAIKO MURAOKA**  
CONTRIBUTING WRITER

The world has been dealing with issues of various kinds of waste, from toxic waste to food loss and marine plastic waste. Some are recyclable and others simply need to be reduced to relieve the environmental burden. Livestock manure is one kind that can be useful. Making the use of livestock waste in agriculture more practical is a probiotic product called Biobalance.

People may think that livestock manure is already fully used as fertilizer and that it can be stored anywhere until spread on fields, but it is not that easy. According to Yoshio Naito, representative director and CEO of Biobalance Inc., the number of livestock farms has decreased drastically in Japan in the last three decades, while the number of animals on them has not changed much. "It means that farms are more dispersed, making each one more crowded. It makes it harder to keep livestock waste, because there is just too much of it. It is also more difficult to distribute manure to fields because the amount of manure is too much to consume in the neighboring farms," Naito said in an online talk session held by the Japan Times Satoyama Consortium on Dec. 14.

### Livestock waste problems

Naito pointed out that livestock waste amounts to four times more than food waste. "The excretion amount of a beef cow is 20 kilograms per day, and that of a milking cow is 45 kilograms per day. It will just cause environmental issues unless we create a



Cattle fed with the Biobalance product. YOSHIO NAITO

circulation between livestock farms and vegetable farms," he said. Yuto Yoshida, the secretary chief of the consortium and former mayor of Yokosuka, Kanagawa Prefecture, nodded and added that there is no sewage system for livestock waste.

Naito noted that a law enacted in 2004 created more problems than solutions. It prohibited farmers from burying fresh livestock waste or piling it on fields until it has fermented enough to be used as fertilizer. "The law stipulated that livestock waste has to be kept in a building with walls, a roof and a concrete floor, and granted subsidies for building such facility," he said.

However, Naito explained that livestock waste from animals given conventional feed does not turn into fertilizer just by being stuffed into a closed space. Not only that, it breeds pests and produces noxious odors that leak out from the facilities.

### Biobalance's good bacteria

The product Biobalance, which is distributed to more than 250 livestock farms across Japan, solves these problems by improving animals' intestinal environments. It is a feed containing a strain of a lactic acid bacterium that the company discovered and has patented as Anti-Muffa. This good bacterium has anti-bacterial and anti-fungal effects that prevent the growth of harmful bacteria and molds such as penicillium, Staphylococcus aureus and Escherichia coli while also improving the balance of microbiological flora in the animals' intestines.

"Microorganisms in the feces of animals fed with Biobalance become active and continue to be so. Therefore, you can leave them piled up for three months, and good manure compost will be ready. And it does not stink at all," said Naito, showing a handful of cattle manure compost he had brought to the talk session. Yoshida took a sniff at it and said, "It smells only faintly like leaf mulch. I wouldn't believe that this is made of cattle feces if I hadn't known," Naito replied.

Naito and his team spent days at cattle farms to experiment and ensure that Biobalance does its job regardless of the cowshed type, farm location or season, contributes to the health of cattle and helps produce high-quality livestock products. However, this was not an easy undertaking. Naito, who had spent years abroad, had to start by building connections with farms in Japan.



Representative director and CEO of Biobalance Inc., Yoshio Naito. YOSHIO NAITO

### Inspiration from glass of wine

"I went to China to study using the money I saved (from) working day and night for a while after I finished high school in Japan because I had no idea what I wanted to do in the future and I wanted to see the world before I decided anything," he said. However, while he was studying in China, the 1989 Tiananmen Square protests occurred, forcing him to leave the country. He was at a loss again as to what to do and where to go when an Italian friend of his who also had been studying in China offered him a glass of red wine to console him. "The wine tasted mesmerizing," he recalled. That was when he made up his mind about where to go to next.

"I asked the Italian friend, whose family was running a wine transport business, to help me settle in Italy and study about wine. At first I was studying to become a sommelier, but my interest shifted from wine itself to grapes and the soil that makes good grapes," Naito said.

He studied about various things, including microorganisms in soil that support the organic production of grapes, but he had not forgotten about his hometown in Japan. "Sometimes you feel closer to your hometown when you are away. In Aichi Prefecture, where I am from, there are many livestock farms, and I learned that the pollution from the livestock industry was becoming a serious problem, which made me want to do something before it was too late," he said, explaining how he came back to Japan and started researching lactic acid bacteria, one of the families of effective microorganisms.

Raising healthy livestock using the power of microorganisms produces not only high-quality livestock products but also good manure compost to grow good vegetables, creating a system that generates no waste. "Eating should be an enriching experience (,) rather than an act of harming the environment," Naito said.

### ESG/SDGs

**SUMIKO TAKEUCHI**  
VISITING PROFESSOR



Last October, Prime Minister Yoshihide Suga pledged to cut Japan's greenhouse gas emissions to net zero by 2050. Europe has clearly indicated that digitalization and the fight against global warming will

be the key drivers of its recovery from the COVID-19 pandemic. Suga's pledge took its cue from this and was made in anticipation that global warming measures will become a key driver for economic growth.

Pledging a net-zero target at this point is significant. It has become the default around the world for countries to pledge net-zero emissions, regardless of the feasibility of that goal. Had Japan stuck with its previous goal of an 80% cut by 2050, pledged under the administration of former Prime Minister Shinzo Abe, it likely would not have been well received. The financial sector, much of which now pursues a low-carbon or decarbonized society, would have shunned Japan, making it difficult for Japanese bonds and businesses to raise funds.

Another positive aspect of Suga's pledge is that it seeks to achieve both environmental conservation and economic growth. Countries are now working to boost the competitiveness of domestic industries through global warming measures, and Japan must stay competitive.

### Strategy for decarbonization

Since the Industrial Revolution, there has been a close correlation between economic growth and greenhouse gas emissions. In order to break this relationship, we need to have a technology that enables a stable supply of energy at a lower cost than fossil fuels.

A key strategy to achieve significant decarbonization is to electrify the demand side and decarbonize the sources of that electricity — both of which have to be done at the same time, and thoroughly. Improving the mileage of gasoline-powered cars is an effective way to reduce CO2 emissions, but there is a limit to how much it

can improve efficiency, and it cannot reduce emissions to zero. Electrification, therefore, is a key alternative. Gasoline vehicles can be replaced with electric cars, and power for them can be generated by using energy sources that do not emit CO2, such as renewable energy and nuclear power. This will be the key, yet it is not enough.

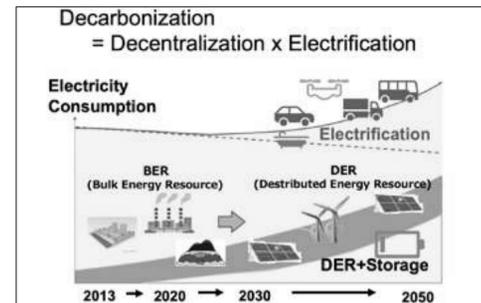
It is essential to foster innovation that can drastically change the ways of today's society, which has realized economic growth by increasing energy consumption. Japan is one of the few countries that have the ability to contribute to the global community by achieving innovation to reduce CO2.

However, innovation here does not mean just technological innovation. A new technology requires ways to reduce its cost and improve its convenience before it can be used widely. In that respect, Japanese companies are behind their Chinese rivals. Japanese manufacturers, for example, have largely withdrawn from the manufacture of solar panels, driven out of the market by Chinese rivals. Japanese companies are often said to have weaknesses in their lack of ability to thoroughly reduce costs or implement viable business models. They definitely need to work to overcome this.

### Bumpy road ahead

Now that Japan has shown its vision for decarbonization, what does it have to do next? It has to make its citizens understand what that vision may entail for them — including the need to accept pains associated with a changing society. It also needs to flesh out a path to the transition. Even if we may be able to achieve economic growth through measures against global warming, that does not mean no one will

"Sustainable Japan," features issues related to the environment and a sustainable society and highlights the ESG (environmental, social and governance) and Satoyama activities. For more information, see [www.sustainable.japantimes.com](http://www.sustainable.japantimes.com)



feel the pain associated with the change.

Suppose the gasoline tax were raised significantly to encourage people to shift to electric cars. Even if the increased revenue were used to subsidize the purchase of electric cars, their owners would have to foot major additional costs. Those who continued to own gasoline cars would incur an increased burden from the higher fuel cost. Either way, their standard of living would be affected. The government would not be able to convince the public unless it could clearly explain how a policy that negatively affected low-income households, even if it didn't urge them to buy new cars, could lead to an improved environment. It also would need to pay attention to wide-ranging areas that would be affected by the reduced gasoline tax revenue, including employment in the automotive and fossil-fuel industries and social infrastructure investment.

The strenuous work of promoting innovation and designing a long-term transition plan for the shift to a decarbonized society has just begun for Japan.

Sumiko Takeuchi is a senior fellow and member of the board of directors at the International Environment and Economy Institute, a visiting professor at University of Tsukuba and Tohoku University, and chief researcher at 21st Century Public Policy Institute.