Feed-in-tariff (FIT) / Feed-in-premium (FIP)

Policy Overview

Policy Engagement Overview

Entities Engaged on Policy

Policy Engagement Overview

Many industry associations have made recommendations to the government from a variety of perspectives in response to the FIT system. Japan Climate Leaders Partnership (JCLP), Renewable Energy Council, and Japan Association of Corporate Executives (Keizai Doyukai) have proposed improvements to the FIT system and policy recommendations to make the renewable energy business independent in order to expand the use of renewable energy. On the other hand, the Japan Mining Industry Association, Japan Business Federation (Keidanren), and others are demanding a reduction or exemption of FIT surcharges, citing soaring energy prices and other factors.

Few companies have expressed their opinions on FIT or FIP, but ENEOS Holdings has expressed support for the FIP system. On the other hand, Nippon Steel Corporation is demanding a reduction or exemption of FIT surcharges in its own operations.

Policy Engagement Trends

Since the introduction of the FIT system, industry associations have made various recommendations to the government. JCLP stated that the FIT system is making solar power "a competitive power source" and that it is necessary to become independent from the FIT system. The Japan Electrical Manufacturers' Association (JEMA) states that "it is important to promote business models that do not rely on the FIT system," and offers alternatives such as PPA. Renewable Energy Council urges the government to facilitate the transition from the FIT system to the FIP system. Some economic organizations are critical of the fact that the FIT system is financed by the public. Keizai Doyukai has stated that further introduction of renewable energy through FIT will not be understood by the public and has proposed that deregulation and other measures be taken to promote the introduction of renewable energy without relying on subsidies. The Japan Chamber of Commerce and Industry (JCCI) stated that FIT surcharges would be a burden on the public and small and medium-sized businesses, and that "it is difficult to say that the FIT system has led to the development of solar power-related industries."

Japan Mining Industry Association and Keidanren have stressed the loss of international competitiveness caused by FIT surcharges, and have demanded that the government reduce or exempt the industry's FIT surcharges. The Federation of Electric Power Companies of Japan has also proposed a temporary suspension of the levy in order to curb the rising cost of electricity.

Few companies have expressed their opinions on FIT or FIP, but ENEOS Holdings has stated the need for a FIP system. On the other hand, Nippon Steel Corporation is advocating for a reduction or exemption of FIT surcharges for its own business.

Evidence Profile 4 49 26 25 22 Key OPPOSING NOT SUPPORTING MIXED/UNCLEAR

■ SUPPORTING ■ STRONGLY SUPPORTING