

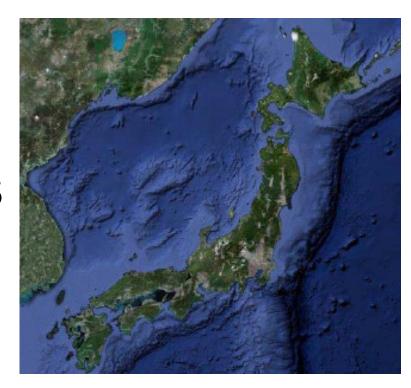
Economic Instruments in Japan not so many

<Japan: 11>

Inla	nd water ecosystems(4)	
1	Charge on abstraction of water from rivers	PB
2	Fee for use of water in reservoirs(dams)	PB
3	Wastewater user charges	PB
4	Fund for river development	SU
Mai	in and coast(2)	
1	Penalty on use of explosive/poison	LI
2	Penalty on reclamation etc. of protected water area	LI
Agr	iculture(1)	
1	Fund for river development	SU
For	est(0)	
Mot	intain(2)	
1	Government subsidies for development of Quasi-National Parks and Long-Distance Nature Trails (post-2004)	SU
2	Government subsidy for improvement in natural parks and promotion of co-existing with nature	SU
Dry	and sub-humid lands(0)	
Spe	cies management(1)	
1	Hunting tax	PB
Oth	ers; e.g. land/soil management, ecotourism, mining, etc (1)	
1	Japan Fund for Global Environment	SU

Historical forest management

- Forest area: 67% of total land
- Long history of conservation of water resource forest, like PES
 - e.g. Tokyo gov. managed forest from 1901.
 - e.g. Electric company bought and managed forest from 1920s.



PES like approach

- Prefecture level:
 - 29 prefectures introduced forest conservation tax on water use started from 2003
 - Mostly JY500/person
- City level:
 - e.g. Toyota city water resource conservation fund from 1994
 - Yokohama city
 - Etc.
- Central government level
 - Especially for agriculture and forest

Issue

- Definition of PES is unclear
 - Tax rate is inappropriate.
 - Use of revenue is not enough for conservation purposes
- Direct negotiation: mainly company and land owners, and downstream gov. and upstream gov.
- Governmental intervention: mainly in local governments.