

New Zealand Hydrogen Hui 2026@Christchurch (8/12)

1. I am delighted to be here and honored to have the opportunity to explain recent developments on Japanese policies regarding hydrogen.
2. Hydrogen is a key energy source for achieving a carbon-neutral society and since Russia's aggression against Ukraine, the necessity of energy security and the awareness of hydrogen as a means of diversifying energy supply sources have become even more evident. With this in mind, the Japanese government has designated hydrogen as one of the targeted strategic areas for investment and is strengthening support. As you all know, New Zealand is a country rich in renewable energy, making it an extremely attractive place to produce green hydrogen. For this reason, several companies, including Obayashi Corporation and Toyota Motor Corporation, of which delegates are participating today, are actively investing in hydrogen-related projects in New Zealand. Today, I would like to explain the current situation and challenges surrounding hydrogen from Japan's perspective and consider the possibilities for strengthening collaboration between Japan and New Zealand.

3. Since 2018, our country has hosted the "Hydrogen Ministers' Meeting" seven times, inviting ministers from various countries to discuss the current global situation regarding hydrogen and the issues that countries should tackle cooperatively. Because hydrogen is a new field, it's necessary for countries to work together. The 7th meeting was held in Osaka last September. As for the current situation, according to the IEA's Global Hydrogen Review 2025, the production of low-emission hydrogen is expected to reach 37 million tons by 2030, but currently, only 4.2 million tons are in operation. While progress is steadily being made, further acceleration is still needed.

Additionally, due to the impact of recent global inflation which heavily influences the investments required for hydrogen production, storage, transportation, and utilization, hydrogen supply costs remain relatively high compared to fossil fuels. To overcome this situation, the importance of "creating demand" and building a global supply chain was emphasized by participating ministers. In other words, by strengthening initial support to make hydrogen cost-competitive, the scale of transactions will increase, which will reduce supply costs and further create demand. We are expecting such a positive demand-creating cycle, but no matter how good

individual technologies in the supply chain are, if hydrogen isn't actually used in society, it won't lead to real cost reductions.

4. Our country's domestic policies are also built on this idea, aiming to reduce costs and create demand, with the government supporting private sector efforts to generate demand. In June this year, over 500 private companies and local governments participating in the "Hydrogen Value Chain Promotion Council," proposed the "Hydrogen Main Artery Plan" to the government. This plan involves setting up large-scale hydrogen stations along a roughly 1,300 km main route from Fukushima in the north, through Tokyo, Aichi, and Hyogo, down to Fukuoka, running about 1,500 large hydrogen trucks. The idea is to promote social implementation by focusing investment in specific regions through public-private collaboration. In addition, the "1% Hydrogen Procurement Declaration Campaign" was also launched. This campaign involves companies voluntarily declaring that they will procure 1% hydrogen in specific areas. Although the movement has just started, currently, 65 companies, including Toyota and Obayashi Corporation, have made their declarations.

5. The Japanese government's policies are targeted into three areas. The first is supporting the social implementation to accelerate the realization of the 'Hydrogen Main Artery Plan.' This includes support for building hydrogen stations and initiatives focusing on price differences. The other two areas are ones that are difficult for private companies to handle alone: research and development, and international cooperation. In the field of R&D, it includes collaboration between industry, academia, and government that contributes to a switch to domestic production and cost reduction, such as (i) high-temperature gas reactors and (ii) natural hydrogen, which are also topics of discussion this afternoon, and catalysts. For international cooperation, we are working on (i) developing new suppliers like India to diversify supply, (ii) leading international standardization, and (iii) carrying out commercial-level bunkering demonstrations at key locations for international shipping.

6. In New Zealand, Japanese companies are also involved in various efforts to promote the social implementation of hydrogen. Obayashi Corporation and Mitsui & Co. have invested in New Zealand companies and have already started constructing hydrogen stations in the North Island. In the future, the South Island will naturally also come into view. Toyota is working with South Island company, Global Bus Ventures, to introduce 12 hydrogen fuel cell trucks.

There is also a plan to export hydrogen to Japan by ship . In November 2024, Obayashi Corporation successfully transported green hydrogen produced from geothermal energy in New Zealand to Fiji. Earlier, in March this year, four companies including Obayashi founded the “Japan-NZ Hydrogen Corridor” and began examining various challenges related to the export of hydrogen to Japan. Linda, today’s coordinator, also participated in that founding meeting and I’ve heard that they aim to start exports in the early 2030s.

I sincerely hope that these initiatives will continue to expand and contribute to solving global challenges, such as creating worldwide demand and establishing a global supply chain.

7. Next year the Green Expo will be held in Japan, where Suntory is planning a “Hydrogen Restaurant” that uses hydrogen for cooking. You can also enjoy hydrogen-roasted coffee, which won the Platinum Award at the EFF Global Hydrogen Awards. It gives clearer aftertaste because it allows temperature control at low heat. I assure you that it is worth going.
8. Finally, I would like to conclude my remarks by wishing for the success of the Hydrogen Conference and the further development of initiatives for the use of green hydrogen in Japan and New Zealand.