JBIC Operations towards Low Carbon Economy in East Asia and Latin America

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Profile of JBIC
Profile of JBIC

Missions:
- Natural Resources Securement
- Financial Crisis Response
- Overseas Business Development
- Global Environment Preservation

Operations:
Export Loan, Import Loan, Overseas Investment Loan, Untied Loan, Equity Participation, Guarantee etc.

Outstanding of Loans, Equity Participations and Guarantees: ¥ 10,571 billion (USD 132.1 billion) As of March 31, 2012
USD1=¥ 80

Overseas Network:
- Asia and Oceania: Singapore*, Beijing, Bangkok, Hanoi, Jakarta, Manila, New Delhi, Sydney
- Europe, the Middle East and Africa: London*, Paris, Moscow, Dubai

* Core regional headquarters
Financial Operation 1

- Export Loan
- Overseas Investment Loan
JBIC Export Loan for Environmental Business

Host country

Government, Local Bank

Projects

Japanese Company

Deployment and diffusion of RE or EE technology

JBIC Private Banks
Preferential Condition in OECD Arrangement for Export Credit

Sector Understanding for Renewable Energy, Climate Change Mitigation and Water projects

A) Renewable Energy Projects
   - Wind energy
   - Geothermal energy
   - Solar photovoltaic power
   - Solar thermal energy
   - Bio-energy
   - Hydro power

B) Climate Change Mitigation Projects
   - CCS ready, CCS
   - Waste to energy
   - District heating

C) Water project Projects

Repayment Terms
Up to 18 years
JBIC Overseas Investment Loan for Environmental Business

Local Bank → Project Company

Project Company → Equity Participation

Equity Participation → Japanese Company

Deployment and diffusion of RE or EE technology

Japanese Company → Local Bank

Local Bank → JBIC Private Banks

JBIC Private Banks
Recent Topics: Infrastructural Development Packages in Japanese Government Policy

- Changes in business models in infrastructural development packages make new needs for JBIC Overseas Investment Loan.

Conventional: stand-alone machinery and equipment

Current: infrastructure packaged as an integrated system incorporating business management and maintenance service as well.

Examples:
- Inter-city high-speed railways
- High efficiency power plants
- Renewable Energy
- Smart-grid, Smart community
- Water supply and sewerage system
Financial Operation 2

- “GREEN” Untied Loan and Equity Participation
## Japanese Government Actions and JBIC Operations towards Low Carbon Economy

|                        | “Cool Earth Partnership” | “Hatoyama Initiative”  
|------------------------|--------------------------|-------------------------
|                        |                          | As Revision of “Cool Earth Partnership” |
| Commitment Period      | 2008-2012 (5years)       | -2012 (3years)          |
| Commitment Amount      | 10 Billion USD           | +5 Billion              |
|                        |                          | 15 Billion USD          |
| JBIC Operations        | 2.4 Billion USD          | 4.0 Billion USD         |
|                        | (JBIC + Private Flows)   |                          |
| “JBIC Facility for Asia Cooperation and Environment”  
|                        | (FACE)                   | FACE and  
|                        |                          | “Global Action for Reconciling Economic Growth and Environmental Preservation” (GREEN) |
| Equity/Guarantee       |                          | Loan/Equity/Guarantee  |
JBIC utilizes GREEN to provide financing to developing countries under the “Hatoyama Initiative” until the end of 2012 (4.0 Billion USD).

Note: GREEN has been established as permanent operation of JBIC.
“GREEN” Untied Loan for Environmental Business

Host country

Government, Local Bank — Projects

Procurement is not limited to Japanese origin.

JBIC Private Banks
## Track Records of GREEN Operation

<table>
<thead>
<tr>
<th>Country/Region</th>
<th>Borrower/Fund</th>
<th>Projects</th>
<th>Month. Year</th>
<th>Finance Amount (mil USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turkey</td>
<td>Denizbank A.S. (co-finance with EBRD)</td>
<td>- Renewable Energy</td>
<td>Nov. 2010</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Energy Efficiency</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Latin America</td>
<td>CAF</td>
<td>- Renewable Energy</td>
<td>Mar. 2011</td>
<td>300</td>
</tr>
<tr>
<td>Brazil</td>
<td>BNDES</td>
<td>- Renewable Energy</td>
<td>Mar. 2011</td>
<td>300</td>
</tr>
<tr>
<td>India</td>
<td>ICICI</td>
<td>- Renewable Energy</td>
<td>Mar. 2011</td>
<td>200</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Energy Efficiency</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mexico</td>
<td>BANCOMEXT</td>
<td>- Renewable Energy</td>
<td>Oct. 2011</td>
<td>100</td>
</tr>
<tr>
<td>Central America</td>
<td>BCIE(CABEI)</td>
<td>- Renewable Energy</td>
<td>Nov. 2011</td>
<td>100</td>
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<tr>
<td>South Asia</td>
<td>GEF South Asia Clean Energy Fund, L.P.</td>
<td>- Renewable Energy</td>
<td>Dec. 2011</td>
<td>20 *</td>
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<td></td>
<td></td>
<td>- Energy Efficiency</td>
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<tr>
<td>India</td>
<td>ICICI</td>
<td>- Renewable Energy</td>
<td>Feb. 2012</td>
<td>300</td>
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<tr>
<td></td>
<td></td>
<td>- Energy Efficiency</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brazil</td>
<td>Petróleo Brasileiro</td>
<td>- Cogeneration Plant</td>
<td>Oct. 2012</td>
<td>1,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Flare Reduction</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Equity participation amount from JBIC.
J-MRV Guidelines for GREEN Operation

**Methodologies**

1. Renewable Energy Projects
   
   Expanded to all renewable energy sources in Oct. 2012.

2. Project Which Introduce Energy Efficiency Equipments or Facilities

3. Waste Energy Recovery Projects

4. Low-Carbon Intensity Power Generation Projects Using Fossil Fuel

5. Transport Projects in Urban Area

6. Waste Management Projects

7. Water Projects

*Newly established in Oct. 2012.*
Calculation of Emission Reductions J-MRV

- Emission reductions

Baseline emissions – Project emissions

Baseline scenario is always arguable.

Baseline emissions

Project emissions

Emission reduction

CO2 Emission Amount

Baseline scenario is always arguable.
Thank you!

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