

**The list of Japanese Government Support Tools (Toolkit) for Energy and  
Infrastructure Projects in the Indo-Pacific Region**

Under the "Japan-U.S. Strategic Energy Partnership (JUSEP)", which is an effort to strengthen energy cooperation between Japan and the U.S. in the third countries, Japanese Government published the Toolkit introducing 6 government organizations' support tools for energy and infrastructure projects in the Indo-Pacific region.

This Toolkit is designed to support Japanese companies working with U.S. companies in the energy and/or infrastructure sector in the Indo-Pacific region, and to summarize support tools which can be applicable in accordance with phase and purpose of projects.

Contact:

Trade and Economic Cooperation Bureau

Trade Promotion Division

Hiroki Kagohashi

Email:kagohashi-hiroki@meti.go.jp

Tell: +81-3-3501-6759



# **Japanese Government Infrastructure, Energy Tool Kit for the Indo-Pacific**

## METI

*Ministry of Economy, Trade and Industry*



METI is a ministry of the Government of Japan in charge of containing Japan's industrial/trade policies, energy security, control of arms exports, "Cool Japan", etc.

### METI's mission

- Developing Japan's economy and industry by promoting economic vitality in the private sector and advancing international trade relationships.
- Securing stable and efficient supplies of energy and mineral resources for Japan.
- Shaping policies for international trade and investment, Abenomics structural reforms, and energy.

### What METI Can Do for You

- Feasibility Study to Produce Infrastructure Projects

<https://www.meti.go.jp/english/index.html>

## JOGMEC

*Japan Oil, Gas and Metals National Corporation*



JOGMEC is a Japanese governmental organization in charge of securing stable supply of oil, natural gas, nonferrous metal and mineral resources to Japan.

### JOGMEC's mission (Oil and Gas Upstream Business Unit)

- Ensuring stable supply of oil and natural gas to Japan to support Japanese industrial activities.
  - Providing financial, technical and other assistances for Japanese companies to support/facilitate their activities.
  - Strengthening beneficial relationships with oil and natural gas producing countries by conducting technical research projects with national oil companies and providing advanced technical training for experts.
  - Encouraging Japanese companies to participate in Exploration & Production (E&P) projects in the countries through conducting geological and geophysical surveys in resource rich countries under cooperative relationships with JOGMEC.

### JOGMEC's program

- Financial and technical assistance for Japanese private companies
- Capacity building for oil and natural gas producing countries

<http://www.jogmec.go.jp/english/index.html>

## JBIC

*Japan Bank for International Cooperation*



JBIC is a policy-based financial institution wholly owned by the Japanese government

### JBIC's Mission

- JBIC's mission is to contribute to the sound development of Japan and the international economy and society by conducting its operations in the following four fields:
  - Promoting the overseas development and securement of resources which are important for Japan
  - Maintaining and improving the international competitiveness of Japanese industries
  - Promoting the overseas business having the purpose of preserving the global environment, such as preventing global warming
  - Preventing disruptions to international financial order or taking appropriate measures with respect to damages caused by such disruptions

### JBIC's Financial Instalments

- Export Loans
- Import Loans
- Overseas Investment Loans
- Untied Loans
- Equity Participations
- Guarantees

<https://www.jbic.go.jp/en/index.html>

## NEXI

*Nippon Export and Investment Insurance*



NEXI is the national Export Credit Agency of Japan and wholly owned by the Japanese Government.

### NEXI's Mission

- NEXI's mission is to provide insurance which covers risks pertaining to overseas transactions such as export, investment and financing, which cannot be covered by private insurance and promotes the development of Japanese overseas business by mitigating the risk associated with foreign trade and overseas investment.

### NEXI's Program

- Export Credit Insurance
- Overseas Investment Insurance
- Loan Insurance
  - Buyer's Credit Insurance
  - Overseas Untied Loan Insurance
  - Loan Insurance for Natural Resources and Energy

<https://www.nexi.go.jp/en/index.html>

## JICA

*Japan International Cooperation Agency*



JICA is a government organization which promotes international cooperation as well as the sound development of Japanese and global economy by supporting the socioeconomic development, recovery or economic stability of developing regions.

### JICA's mission

- JICA, in accordance with the Development Cooperation Charter, will work on human security and quality growth.

### JICA's Vision "Leading the world with trust"

- JICA, with its partners, will take the lead in forging bonds of trust across the world, aspiring for a free, peaceful and prosperous world where people can hope for a better future and explore their diverse potentials.

<https://www.jica.go.jp/english/index.html>

## JETRO

*Japan External Trade Organization*



JETRO is a government organization which promotes two-way trade and investment with foreign countries. We have 74 offices in 54 countries worldwide, 48 local offices nationwide in Japan as well as a research institute: the Institute of Developing Economies. (as of 2019 Apr.)

### JETRO's Mission

- Facilitating innovation through inward FDI in Japan and support for overseas expansion of startups
- Supporting exports of Japanese agricultural, forestry and fishery products and food
- Supporting the overseas businesses of Japanese companies
- Contributing to the activities and trade policies of Japanese companies through surveys and research

### JETRO's Program for the infrastructure sector

- Holding public-private seminars and symposium
- Inviting foreign business key persons, Dispatching experts
- Overseas basic survey with industry groups
- Dispatching business missions with industry groups
- Supporting the realization of overseas projects of individual companies

<https://www.jetro.go.jp/en/>

# TECHNICAL ASSISTANCE

Mechanism	Agency/Org.	Tool Description	Who is it for?	Eligibility Requirements	Where can the project be located?
<u>Technical Cooperation for Development Planning</u>	JICA	<p>In Technical Cooperation for Development Planning, JICA conducts the following studies to support counterparts in the partner country to formulate policies and master plans.</p> <ol style="list-style-type: none"> <li>1. Master plans and policy support studies (fiscal reforms, establishment of legal systems, etc.) to support policymaking and the planning of public projects</li> <li>2. Emergency support studies (rehabilitation and reconstruction of basic infrastructures that has been damaged by natural disasters, conflicts or other factors)</li> <li>3. Feasibility studies for projects which will be realized by the developing country government or other donor</li> <li>4. Other studies (topographic mapping, groundwater surveys, etc.)</li> </ol> <p>Following the completion of this cooperation, the partner country is expected to</p> <ol style="list-style-type: none"> <li>1) formulate plans for sector/regional development or rehabilitation/reconstruction by utilizing results,</li> <li>2) implement plans (projects) by raising funds from international organizations and others, and/or</li> <li>3) carry out the recommended organizational/institutional reforms.</li> </ol>	Client government , general public (whenever there is agreement with the government to disclose the report)	Government organization	Wherever JICA has agreement on technical cooperation with the client countries.

# TECHNICAL ASSISTANCE

Mechanism	Agency/Org.	Tool Description	Who is it for?	Eligibility Requirements	Where can the project be located?
<u>Technical assistance for Japanese private company</u>	JOGMEC	Provide technical support for Japanese companies to contribute to resolving operational problems of their oil and gas E&P projects.	Private sector (Japanese private company)	Japanese private company	Anywhere
<u>Overseas geological and geophysical surveys</u>	JOGMEC	Conduct geological and geophysical surveys in prospective area to evaluate its potential, and encourage participation of Japanese companies in the surveyed area through sharing the survey results.	Japanese private company	Request from foreign government/ national oil company or JOGMEC's survey proposal  Foreign country can give exclusive right of the survey to JOGMEC / Japanese company	Overseas (Except for Japan)

# TECHNICAL ASSISTANCE

Mechanism	Agency/Org.	Tool Description	Who is it for?	Eligibility Requirements	Where can the project be located?
<u>Overseas basic survey with industry groups</u>	JETRO	<p>Conduct basic surveys of overseas infrastructure markets in cooperation with Japanese industry associations and/or local governments.</p> <p>Identifying the needs of overseas infrastructure projects and forming concrete projects based on the survey.</p>	Industry / business groups and their members (Foreign corporations registered in Japan may participate as partners)	<p>Specific projects are selected by public offering</p> <p>The selected project will be outsourced to the proposer. (*Adopt 2 to 3 projects per year)</p>	Anywhere
<u>Feasibility Study to Produce Infrastructure Projects</u>	METI	<p>Develop basic infrastructure plans which include individual infrastructure projects in certain areas of developing countries (e.g. Masterplan) 【outsourcing】</p> <p>Support feasibility studies on individual infrastructure projects 【subsidy】</p>	Private Sector	<p>Have their office in Japan (Agents can outsource less than 1/2 of the work to offshore subcontractors)</p> <p>Have appropriate capacities and human resources to implement</p>	Anywhere

# CAPACITY BUILDING

Mechanism	Agency/Org.	Tool Description	Who is it for?	Eligibility Requirements	Where can the project be located?
<u>Capacity building for oil/gas producing countries</u>	JOGMEC	<p>LNG Value Chain Training Program</p> <ul style="list-style-type: none"> <li>– Training program is composed of lecture and site visits.</li> <li>– Lecture covers commercial and regulatory aspects of LNG value chain business and general information on the technical aspects of regasification, project finance, contracts, legal system of Japan, and project management, etc.</li> </ul>	Asian LNG consuming and potential consuming countries	Asian LNG consuming and potential consuming countries	Japan
<u>Capacity building for oil/gas producing countries</u>	JOGMEC	<p>Tailor-made LNG Value Chain Training Program (To be scheduled)</p> <ul style="list-style-type: none"> <li>– JOGMEC is planning a training program to provide solutions for Asian countries' specific needs by dispatching LNG experts to the countries.</li> <li>– Lecture will cover overview of Legal system relating to LNG receiving terminals and LNG trading, etc.</li> </ul>	Asian LNG consuming and potential consuming countries	Asian LNG consuming and potential consuming countries	Overseas (Specific country)

# FINANCIAL ASSISTANCE

Mechanism	Agency/Org.	Tool Description	Who is it for?	Eligibility Requirements	Where can the project be located?
<u>Export Loans</u>	JBIC	Support Japanese plant, ship and technology exports.	Public/Private Sector	JBIC criteria (Japanese companies' involvement, etc.)	Anywhere subject to JBIC's due diligence
<u>Import Loans</u>	JBIC	Support the import of strategically important goods by Japanese firms, including oil, natural gas (such as LNG) and iron ore.	Public/Private Sector	JBIC criteria (Japanese companies' involvement, etc.)	Anywhere subject to JBIC's due diligence
<u>Overseas Investment Loans</u>	JBIC	Provide overseas investment loans to meet long-term financing needs of Japanese firms for their international business development, including projects that will establish/expand production bases and develop natural resources overseas.	Public/Private Sector	JBIC criteria (Japanese companies' involvement, etc.)	Anywhere subject to JBIC's due diligence
<u>Untied Loans</u>	JBIC	Untied loans are loans not conditional on procurement of equipment and materials from Japan. These loans finance projects and programs primarily in developing countries; the imports they need; and their efforts to achieve balance-of-payments equilibrium or stabilize currencies.	Public/Private Sector	JBIC criteria (Japanese companies' involvement, etc.)	Anywhere subject to JBIC's due diligence
<u>Equity participations</u>	JBIC	Support overseas business operations of Japanese firms by participating in their equity investments.	Public/Private Sector	JBIC criteria (Japanese companies' involvement, etc.)	Anywhere subject to JBIC's due diligence

# FINANCIAL ASSISTANCE

Mechanism	Agency/Org.	Tool Description	Who is it for?	Eligibility Requirements	Where can the project be located?
<u>Guarantees</u>	JBIC	Guarantees: Issuing guarantees for loans extended by private financial institutions, public bonds issued by governments and other public entities in developing countries and corporate bond issued by overseas Japanese subsidiaries and affiliates.	Public/Private Sector	JBIC criteria (Japanese companies' involvement, etc.)	Anywhere subject to JBIC's due diligence
<u>Buyer's Credit Insurance</u>	NEXI	This insurance covers losses suffered by a Japanese commercial bank or other financial institution as a result of providing loans to a foreign importer who purchases goods and services from a Japanese exporter. Losses may be incurred when the Japanese commercial bank is unable to receive repayment of the loan due to (i) war, revolution, prohibition of foreign currency exchange, suspension of remittance or force majeure such as natural disaster or (ii) bankruptcy or default of an importer.	Public/Private Sector	NEXI criteria (Japanese companies' involvement, etc.)	Anywhere subject to NEXI's due diligence
<u>Overseas Untied Loan Insurance</u>	NEXI	This insurance covers losses suffered by a Japanese company or commercial bank that provided a foreign government or a company with long-term business funds untied to exports from Japan or that purchased bonds issued by a foreign government or a company for the purpose of long-term financing. The losses may be incurred when the Japanese company or commercial bank is unable to collect the loan or redeem the bonds due to war, revolution, prohibition of foreign currency exchange, suspension of remittance, force majeure, or bankruptcy/default of a borrower or a bond issuer.	Public/Private Sector	NEXI criteria (Japanese companies' involvement, etc.)	Anywhere subject to NEXI's due diligence

# FINANCIAL ASSISTANCE

Mechanism	Agency/Org.	Tool Description	Who is it for?	Eligibility Requirements	Where can the project be located?
<a href="#"><u>Loan Insurance for Natural Resources and Energy</u></a>	NEXI	<p>In addition to the condition of Overseas Untied Loan Insurance, the following conditions should be required, so that lower premium rates and higher percentage of cover are applied compared with the Overseas Untied Loan Insurance.</p> <ul style="list-style-type: none"> <li>- A senior loan should be made by a Japanese company for stake or right acquisition or off-take in projects of energy and resources.</li> <li>- the establishment of an escrow account at a first-class bank in a developed country.</li> </ul>	Public/Private Sector	NEXI criteria (Japanese companies' involvement, etc.)	Anywhere subject to NEXI's due diligence
<a href="#"><u>Private Sector Investment Finance</u></a>	JICA	<p>Loans (corporate finance, project finance, and financial institutions (bank loan))</p> <p>Equity (private equity investment, fund investment (limited partner))</p>	Private sector companies	<p>Purpose (impact):</p> <ol style="list-style-type: none"> <li>1. SDGs (Sustainable Development Goals).</li> <li>2. Climate change,</li> <li>3. Quality infrastructure</li> </ol>	ODA eligible countries
<a href="#"><u>Equity Capital and Liability Guarantees for Japanese private companies</u></a>	JOGMEC	<p>Equity capital / Liability guarantees</p> <p>Provide equity capital and liability guarantees for Japanese companies for oil and gas E&amp;P projects.</p>	Private sector (Japanese private company)	Japanese private company	Anywhere

# BUSINESS MATCHING

Mechanism	Agency/Org.	Tool Description	Who is it for?	Eligibility Requirements	Where can the project be located?
<u>Holding public-private seminars and symposium</u>	JETRO	Hold public-private seminars and symposium in line with the Japanese government's policy.	Government	JETRO criteria (Consent of the Japanese Government, Business Interest of Japanese Companies etc.)	Anywhere
<u>Inviting foreign business key persons /Dispatching experts</u>	JETRO	Invite foreign business key persons (including foreign government ministers and public officials) to introduce Japanese high quality infrastructure technology.  Dispatch engineers from Japanese companies to introduce Japanese high quality infrastructure technology.	Public/Private Sector, Government	JETRO criteria (Consent of the Japanese Government, Business Interest of Japanese Companies etc.)	Anywhere
<u>Dispatching business missions with industry groups</u>	JETRO	Plan overseas business missions of Japanese companies jointly with industry groups.	Industry / business groups and their members (Foreign corporations registered in Japan may participate as partners)	Specific projects are selected by public offering  The selected project will be outsourced to the proposer. (*Adopt 1 to 2 projects per year with 90,707.5 USD※) ※1USD = 110.24 JPY	Anywhere

# BUSINESS MATCHING

Mechanism	Agency/Org.	Tool Description	Who is it for?	Eligibility Requirements	Where can the project be located?
<u>Supporting the realization of overseas projects of individual companies</u>	JETRO	Conducting the following activities to realize specific projects of individual companies. <ul style="list-style-type: none"> <li>- Dispatching specialists to target countries</li> <li>- Inviting business counterparts</li> <li>- Conducting local market research</li> </ul>	Private companies (Foreign corporations registered in Japan may participate as partners)	Same as above (*Adopt 5 to 6 projects per year with 163,273.45 USD) ※ 1USD = 110.24 JPY	Anywhere