discussion if

necessary

- This program has been run by the Ministry of the Environment since FY2013.
- This program seeks to expand green financing by <u>promoting more widespread use of environmental risk assessment financing</u>, as well as promoting reductions in carbon dioxide emissions by <u>encouraging capital investment in measures against global warming</u>. Under this program, the government offers a subsidy for part of the interest arising from environmental risk assessment financing by financial institutions, specifically, the interest on loans to finance capital investment in measures against global warming.

# Prevention of global warming

## Promotion of renewable energy projects

Promoting reductions in carbon dioxide emissions by encouraging renewable energy projects, including solar, wind, hydro, & geothermal power generation.

Purpose

Means

# Expansion of green financing

### Promotion of environmenta

Encouraging financial institutions to incorporate environmental perspectives into finance via environmental risk assessment financing, which is financing provided for environmental consideration & surveys of the environmental impact of projects being undertaken by loan applicants.

Interest Subsidy Program to Promote Environmental Risk Assessment Financing

Promotion of voluntary assessment and mini

# Promoting the smooth implementation of projects

through thorough
environmental consideration
initiatives using environmental
assessment techniques, even
for small projects that are not
subject to national/local
government assessment
systems, such as renewable
energy projects.

Thorough consideration for environment via environmental assessment techniques

Use of economic instruments

Promoting more widespread environmental risk assessment financing via government subsidy for interest on environmental risk assessment loans.

Application of various environmental policy instruments

#### FY2015 Environmental Risk Assessment Financing Program Process for Examining Environmental Considerations Activities of the Japan Association of **Business Financial Environment Assessment** Interest subsidy operator institution program **Japan Association of Advisory body** implementing body **Environment Assessment** Consultation & Deliberations on draf Pre-applicat 138 member companies (as of loan application business plan for renewable energy Pre-application end March 2016) eceipt/review Environmental assessment Grant policy decision notice seminars & training courses Guidance Publication of JEAS News business plan & EIA Independent research Submission Publication of quantity surveying data Deliberations on project survey & **Accredited Environmental Assessor qualification** Provision of information to local residents & scheme other stakeholders in (450 accredited assessors. project area as of end March 2016) Grant Discussion of Submission application Documents environmental **Working Committee** considerations by Grant application sent composed of receipt/review advisory committee Preparation of **Environmental Assessors** Inquiries/ Grant environmental checks decision consideration plan Submission & follow-up notice ollow-up of advisory Scrutinizes environmental report Guidance Advisory report Preparation of based on consideration plan & follow-up Advisory receipt/sent advisory report on advisory report sent environmental schedule and prepares basic report considerations data for advisory report Submission of Report on follow-up results implementation & monitoring results Follow-up follow-up results monitoring of environmental report Approval notice Guidance &